



TWENTYCI PROPERTY & HOMEMOVER REPORT – Q2 2019

Information embargoed until Wednesday 17th July 2019 at 00:01

INTRODUCTION

Welcome to the latest edition of the TwentyCi Property & Homemover Report, providing a comprehensive review of the UK property market, created from the most robust property change sources available.

Within this report, we provide a real-time review of the UK market, covering 99.6% of all sale and rental property moves. This state of the nation report provides unique insight into the people behind the numbers, creating a picture of the demographic, regional and socio-economic factors impacting the housing market, including:

- **Factual data (not modelled or sentiment-based)**
- **Full market coverage**
- **Demographic overlay**
- **Property sales data**
- **Property rental data**
- **Real-time data**

The TwentyCi National Property & Homemover Report is published quarterly.

EXECUTIVE SUMMARY

AN OPTIMISTIC LANDSCAPE

The second quarter of the year has shown signs of positive activity in the marketplace, with property exchange volumes up 6% year on year, indicating sustained consistency to the levels we reported for the first quarter of 2019. There is also a small uplift in new properties coming onto the market, in comparison to the same period last year; a further signal that confidence may be strengthening.

Whilst the ongoing saga that is Brexit further extends and the impact of any decision remains to be seen, it's likely that homeowners are simply getting on with the matter of moving house rather than considering this a legitimate reason to delay any longer.

Colin Bradshaw TwentyCi's Chief Customer Officer, adds: "It's worth keeping in mind that consistent to our previous reporting, the current political climate has brought about an overall slower moving market; one which requires careful monitoring over the next few months. The overall picture is encouraging however, with signs of growth maintained for the three months to the end of June. Consumer confidence may yet to have fully made a return but there are indications of recovery".

ONLINE AGENTS HOLDING STEADY

It's a consistent story for online estate agents also with their market share remaining steady at around the 7% mark. Specifically, online agents were accountable for 7.3% of all property exchanges across Q2 2019. Whether they can move beyond this figure to pose a challenge to traditional agents remains to be seen.

Colin Bradshaw notes, "Online agent popularity continues to typically resonate with the lower-value end of the housing market and from primarily northern regions of the UK where more properties of this nature are located".

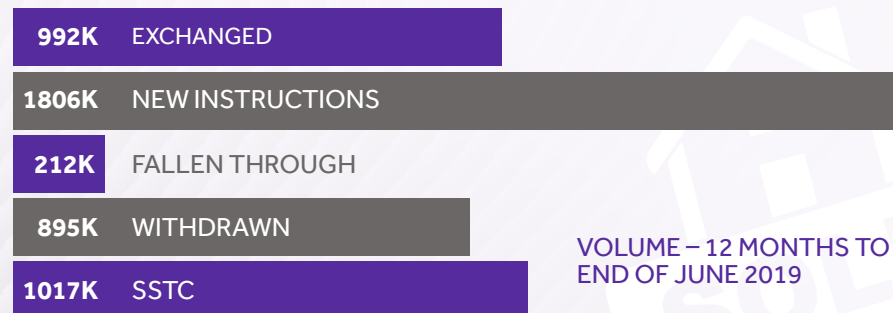
RETAIL INTELLIGENCE

Taking a retail industry specific view, we note that in the 12 months to the end of June 2019, consumers in the process of a home move spent just over £2 billion on home improvement related purchases in the month of moving house. This total spend shows homemovers as seven times more likely to buy in the month of a house move vs. a consumer not engaged in a home move.

In the second quarter of this year, 351,931 UK consumers entered the homemover journey in the 'want to move' category; these are individuals who have listed their home for sale. For the same timeframe, 235,692 homemovers are 'moving now', having recently exchanged or let their properties. These segments represent consumers who are in the market for relevant goods and services.

Danny Crowe, Sales & Marketing Director at JG Travel Group adds, "I worked with TwentyCi to implement targeted homemover marketing programmes during my time at Dixons, Homebase and B&Q. We saw great results to both the initial campaign and the homemover audience, with this consumer group remaining a true sweet-spot of data for at least the next 12 months following their home move".

UK NATIONAL TRENDS

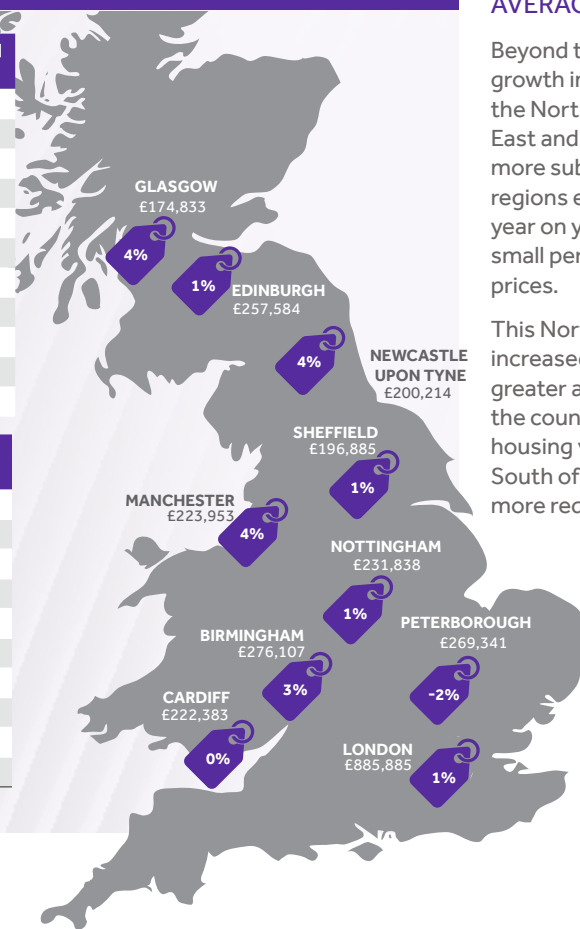


VOLUME – 12 MONTHS TO END OF JUNE 2019

UK REGIONAL TRENDS

UK REGION	AVERAGE ASKING PRICE – Q2 2019	DIFFERENCE IN LAST YEAR
Scotland	£196,253	2% ↑
North East	£176,663	4% ↑
North West	£224,357	0% ↔
Yorkshire and The Humber	£220,332	0% ↔
East Midlands	£256,526	1% ↑
West Midlands	£271,014	2% ↑
Wales	£226,027	0% ↔
East of England	£361,475	-3% ↓
London	£714,487	-2% ↓
South East	£429,992	-1% ↓
South West	£352,742	1% ↑

UK CITIES	AVERAGE ASKING PRICE – Q2 2019	DIFFERENCE IN LAST YEAR
Birmingham	£276,107	3% ↑
Glasgow	£174,833	4% ↑
Sheffield	£196,885	1% ↑
Newcastle upon Tyne	£200,214	4% ↑
Manchester	£223,953	4% ↑
Nottingham	£231,838	1% ↑
Cardiff	£222,383	0% ↔
Edinburgh	£257,584	1% ↑
Peterborough	£269,341	-2% ↓
London	£885,885	1% ↑



With a rise of 6%, exchanged property volumes show sustained growth for Q2 2019, in comparison to the same quarter last year. This figure also reflects a continuation of similar property exchange volumes as seen at the start of this year, signifying continued levels of activity in a quieter market.

New instructions show a slight rise in the 12 months to the end of June 2019, recording a 2% increase year on year. This shows a gradual increase in confidence for Homeowners to bring their properties to market. With a lack of supply hampering the whole market this is a positive movement.

AVERAGE ASKING PRICE BY REGION

Beyond the East and West Midlands, the growth in average asking prices is limited to the North of the UK; specifically, the North East and Scotland. Generally, the market is more subdued in the South, with all other regions either static, reporting no movement year on year, or in slight decline, showing a small percentage reduction in average asking prices.

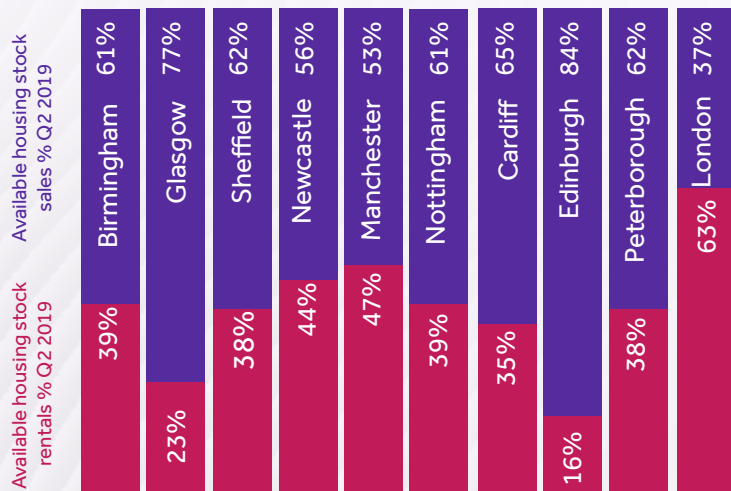
This North/South divide likely reflects the increased availability of property, and broadly greater affordability, in Northern areas of the country where there is less demand for housing vs. reduced housing supply in the South of the UK where there is conversely more requirement for housing currently.

AVERAGE ASKING PRICE IN THE TOP 10 CITIES UK-WIDE

Looking at some of the major cities across the UK, it is a positive picture with all but one city in our top 10 seeing an increase in average asking price for Q2 2019, year on year. The exception is Peterborough, where prices are down 2%.

A combination of more new instructions and greater volumes of these properties exchanging is generating more market confidence; **thus** sellers are typically achieving higher asking prices for their homes.

SALES VS. RENT – TOP 10 CITIES UK-WIDE



Whilst for sale tenure across our top 10 UK cities continues to hold the majority share vs. housing stock available for rent, overall rental availability is significant. The exception being the London market where the rental market dominates due to the high price of property in the UK capital.

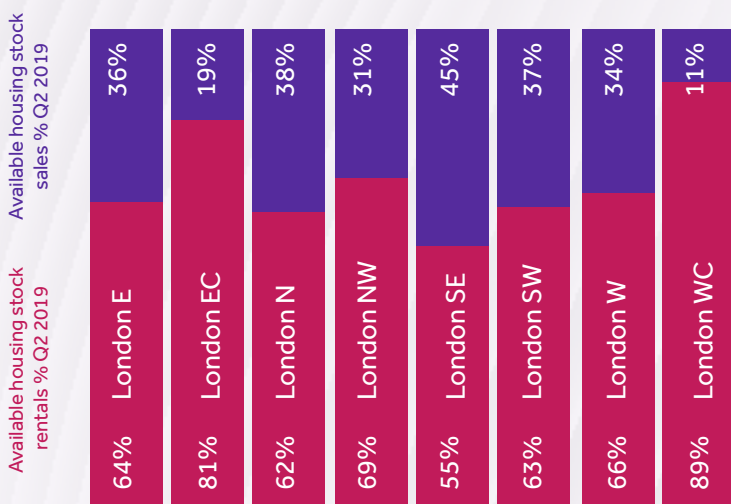
Looking back over previous quarters, we note that for Q2 2019, it is the Scottish cities of Edinburgh and Glasgow where we have seen the greatest shifts from less for sale housing availability, in favour of more homes available for rent.

AVERAGE ASKING PRICE

Looking specifically at London, it's a split picture cross the capital, with North and East London regions reporting a growth in average asking prices this quarter, and South and West London areas seeing a decline in average asking prices; the exception to this rule being the London WC postcode area.

Generally, this continues the trend from earlier this year, which we expect is a result of more affordable new housing stock driving down average asking prices in certain regions and the rise in demand vs. availability in more up-and-coming areas of London.

LONDON TRENDS



LONDON AREA	AVERAGE ASKING PRICE – Q2 2019	DIFFERENCE IN LAST YEAR
London E	£551,287.74	4% ↑
London EC	£1,255,144.70	1% ↑
London N	£770,891.87	4% ↑
London NW	£1,093,504.99	6% ↑
London SE	£592,217.13	-1% ↓
London SW	£1,128,872.28	-3% ↓
London W	£1,304,407.57	-3% ↓

SALES VS. RENT

The London property market continues to be dominated by rental properties in Q2 2019, as we have previously reported for other quarters. Once again the rental market is likely being driven by those priced out of the buying process in a trend that has continued from previous quarters.

ONLINE AGENTS

	Q2 2019	Q2 2018	DIFFERENCE IN LAST YEAR
East Midlands	10.11%	10.20%	-0.86%
East of England	4.48%	5.01%	-10.56%
Outer London	5.59%	6.81%	-17.82%
Inner London	4.83%	6.33%	-23.67%
North East	6.03%	5.37%	12.17%
North West	8.93%	8.58%	4.15%
Scotland	7.89%	7.64%	3.30%
South East	5.28%	5.67%	-6.88%
South West	4.98%	5.01%	-0.60%
Wales	9.86%	9.58%	2.94%
West Midlands	10.85%	11.00%	-1.38%
Yorkshire and The Humber	11.24%	10.72%	4.84%

	Q2 2019	Q2 2018	DIFFERENCE IN LAST YEAR
Less than £200,000	9.01%	8.86%	1.67%
£200,000 - £350,000	7.30%	7.52%	-2.92%
£350,000 - £1,000,000	4.78%	5.48%	-12.89%
£1,000,000+	0.96%	1.06%	-10.05%

MARKET SHARE BY REGION

Year on year, the largest growth for online estate agents has been in the North East, with some growth also in Yorkshire and The Humber, the North West, Scotland and Wales. This continuing trend highlights the attractiveness of online estate agents to homeowners selling lower-priced properties, more of which typically can be found in these parts of the country.

The lower market share figures for the East of England, London and the south of the UK, reveal online agents are still struggling to compete against the traditional high street agents in these regions.

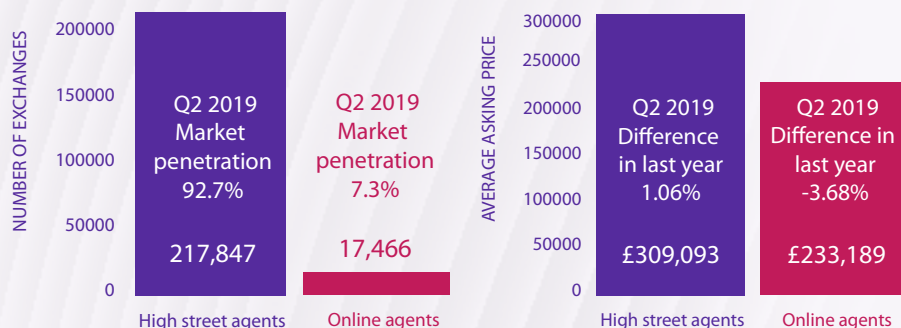
MARKET SHARE BY PRICE BAND

Reinforcing the story emerging from the regional market share figures, it's a consistent message when looking at property prices: growth for online estate agents in Q2 2019 is again highest for properties valued below £200k. Similarly, the figures show a much lower market share of higher priced properties, of which there are generally more in the south of the country.

HIGH STREET AGENTS VS. ONLINE

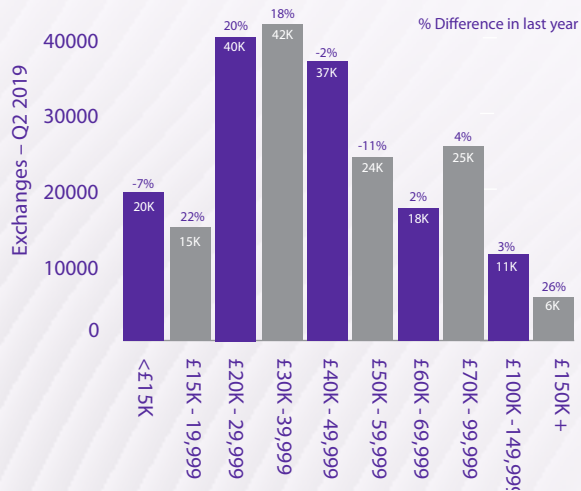
The market share of online agents remains consistent to the 7% mark. In Q2 2019 their market share of property exchanges was 7.3%, a small dip from the 7.5% we reported for the first quarter of 2019.

Just as the market share for online agents is holding steady, their transactions continue to correspond to more economical properties. This is reflected by a lower average listing value, down 3.68% year on year, than their high street counterparts.

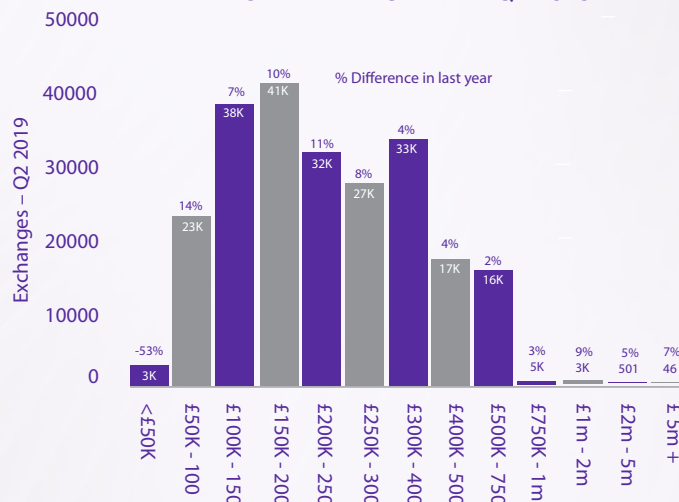


Q2 2019 EXCHANGES

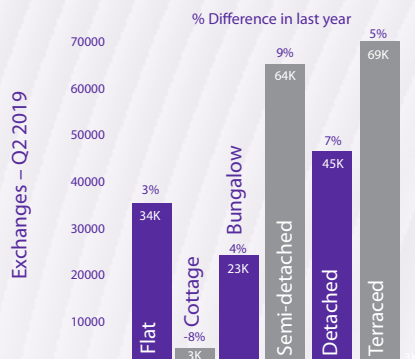
BY HOUSEHOLD INCOME BAND Q2 2019



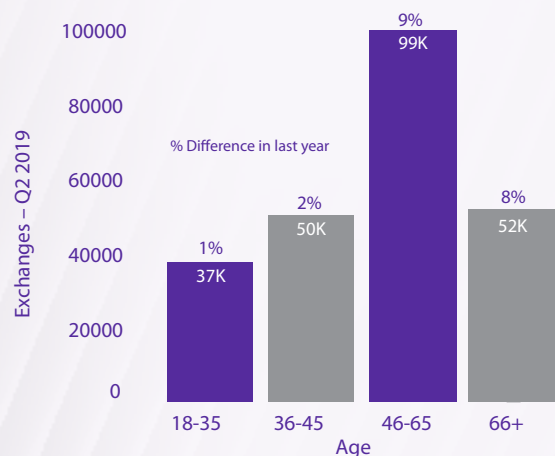
BY PROPERTY PRICE BAND Q2 2019



BY PROPERTY TYPE Q2 2019



BY LIFESTAGE Q2 2019



HOUSEHOLD INCOME BAND

Households comprising those from lower income bands spanning the £15,000 - £40,000 brackets are proportionally buying more properties. This is likely helped by government schemes such as Help to Buy, powering the housing market for people with less disposable income. At the other end of the spectrum, affluent homeowners are struggling to sell their properties, where less affordability and thus less demand exists for more expensive homes.

PROPERTY PRICE BAND

In the same way that more properties are exchanging from lower income household bands, homes valued at £300k and below are those which sold best in Q2 2019, except for those worth less than £50k.

At the more costly end of the scale, properties priced at £1m+ have seen some growth, if less significant than the year on year increases seen from more affordable properties.

PROPERTY TYPE

Consistent to the first quarter of this year, in Q2 2019 semi-detached and detached houses are the property types with the highest levels of growth. This is the core of the UK housing stock outside of central London.

LIFESTAGE

It's a stable picture with market growth across the board, albeit at a slower rate for the younger demographics with the highest proportions of growth continuing to come from those aged 45+ in Q2 2019.

UNUSUAL PROPERTY FEATURES... DID YOU KNOW?



675

HOMES WITH
A TENNIS COURT



46

HOMES WITH
AN OUTDOOR
PIZZA OVEN



1135

HOMES WITH
A PRIVATE MOORING

Our comprehensive property data covers all 30.6 million residential addresses in the UK, giving us a fascinating insight into some unusual property features.

If you enjoy spending time in the garden, particularly during the summer months, you may be interested in some of these properties currently on the market.

GAME, SET, MATCH!

Wimbledon fever? Channel your inner tennis player and become pitch perfect. 675 properties in the UK boast a tennis court in the garden.

ENTERTAIN AT HOME

Serve up freshly baked pizzas to your friends and family from the comfort of your own garden. Outdoor pizza ovens feature in the gardens of 46 homes.

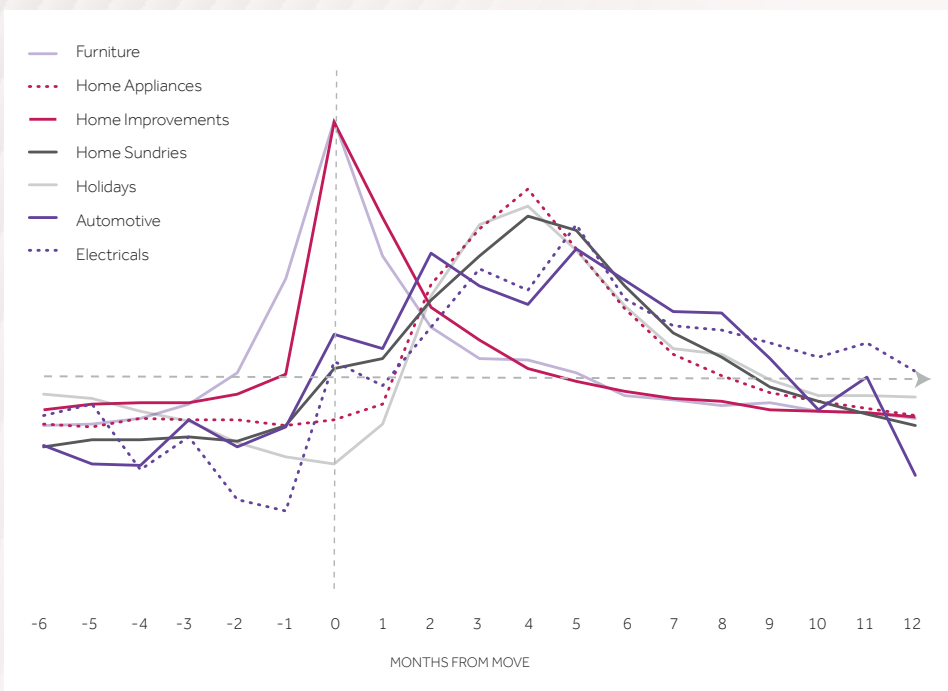
TAKE UP A NEW PASTIME

Or perhaps you're most at home exploring the waterways. The dream can be yours with a private mooring, available in 1,135 homes.

RETAIL INTELLIGENCE

RETAIL INTELLIGENCE

SECTOR	HOW MANY MORE TIMES LIKELY TO BUY IN MONTH OF MOVE	VALUE OF HOMEMOVERS (PER ANNUM)
Home furnishings	30	£ 1,344,000,000
Home appliances	5	£ 2,340,000,000
Home improvements	7	£ 2,106,200,000
Home sundries	4	£ 504,000,000
Automotive	2	£ 8,820,000,000
Electricals	9	£ 367,200,000



HOMEMOVERS: A CAPTIVE, HIGH-VALUE AUDIENCE FOR RETAILERS

The largest prime consumer group for retailers selling big-ticket items, from beds and sofas to white goods, tech and electricals, are homemovers.

Each year in the UK we know that an average of four million people move house, and excluding the property purchase and transaction costs, these consumers spend an enormous £12 billion with the period expenditure stretching from 6 months prior to a move to more than 12 months post move and beyond.

The sheer scale of the value that these consumers represent can be seen by looking at some of the key sectors where this buying takes place.

Taking the home furnishings sector as an example, homemovers are up to 30 times more likely to purchase products and services associated with this category than a non-homemover. What's more, furniture retail represents a total value of £1.344 billion from UK homemovers every year. The impact can be realised by almost every major industry sector.






THE TWENTYCI HOMEMOVER WAVE

We can not only understand the value of a homemover, but also can accurately predict when a homemover is in market for key goods & services, by tracking these consumers as they make their way through the property buying or renting process. We know this based on our extensive experience of running marketing programmes on behalf of retailers.

The graphic left provides an overview of key spending patterns in relation to a home move and how through engaging at the most opportune time when consumers are 'in market' for these goods & services, retailers are able to optimise the consumers' propensity to spend.

RETAIL INTELLIGENCE

The Homemover Wave can last several months and is broken down into the specific stages below.

	Want to move 351,931 households		DIY Flooring Windows and doors
	Moving soon 244,000 households		Furniture Electricals Tech Home furnishings Garden
	Moving now 235,692 households		Furniture Electricals Tech Home furnishings Garden
	Just moved 189,200 households	Furniture Electricals Tech Home furnishings Garden	Baby and nursery Toys Sport and leisure
	Settling in 161,771 households	Furniture Electricals Tech Home furnishings Garden	Baby and nursery Toys Sport and leisure Electricals Tech Home furnishings Garden

IN THE MARKET FOR

HAVE YOU CHECKED YOUR CONSUMER BLIND SPOT?

To harness this homemover data for marketing programmes represents a great opportunity for retailers to yield huge gains and a strong return on investment, particularly in the current tough trading economic climate.

Despite this compelling insight, many large retailers have yet to fully recognise the scale of the opportunity resulting in lost revenue potential to your brand.

MEDIA EFFICIENCY

As our Chief Customer Officer, Colin Bradshaw explains, "Refocusing budget from Above The Line advertising to Below The Line marketing, to target high propensity audiences is key. And we're not only talking about homemovers; we're also able to identify the high value non-homemover potential consumers who we know to be most likely to engage with a brand. Consider this Buyhavioural Economics".

Simply put, it is possible to spend less money on media and achieve the same return, by saving on your initial investment. Marketing campaigns become more media efficient through the smart application of customer intelligence.

Danny Crowe, Sales & Marketing Director at JG Travel Group adds, "I worked with TwentyCi to implement targeted homemover marketing programmes during my time at Dixons, Homebase and B&Q. We saw great results to both the initial campaign and the homemover audience, with this consumer group remaining a true sweet-spot of data for at least the next 12 months following their home move. I firmly believe that TwentyCi's Buyhavioural approach allows brands to understand the audience and communicate in a relevant way to drive superior results. The power of a trigger event cannot be underestimated."

ABOUT TWENTYCI

TwentyCi is a property data and consumer intelligence platform that provides insight into the events in consumer lives that act as purchase triggers, such as moving home. TwentyCi has been managing data for major advertisers like HJ Heinz, ATS Euromaster and many leading estate agents for over 15 years. TwentyCi holds the UK's largest and richest resource of factual homemover data compiled from more than 29 billion qualified data points. It works with advertisers and their agencies to create contextually targeted marketing programmes that cut through by reaching consumers at the exact moment that they need a company's product or service, through the best media channel for that individual. For more information, visit twentyci.co.uk.