

# Anatomy Of HOME 2021

How the pandemic changed our four walls forever and how brands can win



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### Introduction

The past year and a half yielded an unprecedented experiment in which our entire nation was forced to spend more time at **Home** than at any point in their lifetimes.

A change of pace, of place and of perspective. Changes that impacted every single person in America, across every generation and demographic.

The result: a more intimate understanding of the role home plays in our days, in our lives and in our overall health. This experience will shape the very anatomy of home for the future. Brands can either tap into this understanding or ignore it.

As we found through qualitative and quantitative research, some found a closer relationship with their home and assigned more meaning to their home, and some found home to be not a place of positivity but a negative constraint, or, at best, just a physical shelter in which they experienced a year like no other. People also told us they see and will continue to see home like never before.

So we set out to understand the experiences of different people and different homes, ultimately identifying five "Future Home Segments" and three key determinants of one's experience in the home.

Our methodology included online diary work, uncovering daily behaviors, attitudes and relationships inside the home, in-depth qualitative interviews to better understand emerging people types and finally, a robust segmentation study that not only validated that a new era of home is upon us, but identified the segments brands should invest in engaging.

We'll answer three questions in this study:

1

What are the dimensions of the modern home?

2

What do we expect from our homes going forward?

3

How can brands grow their relevance in the modern home?

#### If you remember one thing: Home means more than ever before.

As home became the everything place, we invested in it, relied on it and connected with it in entirely new ways. We changed its purpose and gave it new roles, redefining its meaning in our lives.

72%

Of consumers agree that their home has taken on a greater role in their lives 66%

Of consumers are spending more time thinking about the home's design contents

45%

Of consumers report they invested more financially in their home in the past year 85%

Of consumers report they feel safe and secure in their homes

Source: Barkley Anatomy of Home Quantitative Study

# The Three Dimensions of Home

Our research revealed three dimensions that define the modern home experience. As with many things COVID-related, this pandemic year was an amplication and acceleration of existing behaviors.

Our "Structure, Expression and Relation" framework establishes the experience but also signals opportunities for brands to increase their relevance and carve a specific role in consumers' lives, in the home.

#### Structure:

The physical form and function of the home: features, spaces, construction and utility.

#### Expression:

The details within the home that we use to express ourselves, from aesthetic and design to inspiration and what it says about us.

#### Relation:

How our home impacts our daily life, the interactions we have with home and the human connections that exist within the walls. This framework creates a STRATeGICLANDS(APE we can plot experiences, segment interactions and importantly, brand roles and jobs to be done. Our research showed some brands own and excel in one factor, or, have created greater relevance by addressing two or more factors.

Ultimately, brands that carve out a distinct space in each of the three dimensions will grow. And they'll help their consumers achieve a healthier home.



# Opportunity: The Future of Home

As we talked to people about their current home experience, one thing was clear: As the pandemic put the spotlight on our **Personal Health** (remember bleaching groceries and becoming obsessed with clean surfaces?), many thought more about their home's health, realizing a direct correlation between how one feels about their home and how one feels about themselves.

1

For each dimension
 of home — Structure,
 Expression and
 Relation — we have a
 key prediction and
 data to back it up.

#### STRUCTURE

# Structure: Home will be fluid — just like us.

Once viewed as just a crash pad between all the places you go in the day, home became THE place to inspire, be and express ourselves. And despite being static in nature, the pandemic forced homes to play different roles throughout the day: becoming our default restaurants and cafes, schools and offices, theaters, gyms, happy hour hangouts and places of worship. As the lines that separate work and play, home and away, public and private continue to blur, our homes will have to shape-shift to accommodate evolving expectations.

#### Trend

Multidimensional by Design.

#### Prediction

Multiuse is mandatory. We'll optimize every inch of our home, manipulating it so it can play double- and even triple-duty for our blurred-lines lives.

#### Brand Opportunity

Don't just think about market share and share of voice. Think about share of space in the home and new roles you can take on. Instead of new audiences, think of new rooms to enter and where you can be uniquely useful.

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study

#### STRUCTURE

>50%

Report home as the primary place that they are exercising, socializing with family or working

64%

Report spending more time making changes in the home to make it work better for them



76%

Agree that their home is an extension of who they are

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study

"I do everything in this room, from working, to relaxing, watching movies, cuddling, brainstorming on anything I want to DIY, researching on my phone for new ideas, planning weekend getaways."

43 | Female | Freeport, NY

"This home has
transformed into an
expression of myself,
my hobbies, hopes and
dreams over the course of
this pandemic."

27 | Male | Chicago, IL

"My home means everything to me now since I'm here all the time."

26 | Female | New York City, NY

#### expression

## Expression: Home will be our creative center.

When you look at the same walls for a year straight, it's only natural that what fills those walls becomes more essential. From investing in home improvement to decorating to ensuring home is a reflection of self, a causal relationship took hold between home's aesthetics and personal well-being. The more it reflects me, the more engaged I am with the home.

#### Trend

Home as Museum of You.

#### Prediction

Home as canvas. We're more in tune with the mood and aesthetics of home, meaning our expectations for how we experience home are elevated. More attention will be paid to what the home expresses and home as an expression of its inhabitants.

#### Brand Opportunity

Be a medium for expression. Brands that are conduits and catalysts for expression, customization and pride will find priority.

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study

#### expression

63%

Report feeling more connected to their home in the past year

68%

Say their mood is influenced by the design and environment in the home 81%

Agree they want their home to reflect who they am

3

58%

Say their home impacts their mood most or all of the time, with an additional 29% saying it impacts their mood some of the time

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study



"I express moods through scents. I love to light a great-smelling candle and set the tone for the evening."

33 | Female | Brandywine, MD

"My bookshelf and my reading area give me peace of mind when I'm stressed by everything else that's going on in the world. It's an area to come and wind down or decompress."

27 | Male | Chicago, IL

#### RELATION

# Relation: Cleaner, less chaos and clutter... a complement to our mental health.

As we grappled with the mess of the outside world, home became the place to find security, safety and solace. When we couldn't control the pandemic, we could control fundamental things like organizing, cleaning, sanitizing and decluttering. These seemingly mundane chores took center stage as we worked to regain a sense of normalcy, ward off disease and give ourselves a boost of calm.

#### Trend

Control and Connection.

#### Prediction

Clean, content and in control. The cleaning and care of our home are no longer functional chores, but emotional essentials.

#### Brand Opportunity

Find ways to create emotional experiences and boost well-being, while providing tools to recharge our mood and mental health. Elevate utility (clean, organized, safe) into emotional relationships ... brands as caretakers of self-care.

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study

#### RELATION



Agree that how their home looks says something about them

#5

Cleanliness is the fifth most important aspect in a home (falling only under comfort, sleep and relaxation, privacy, functionality) 94%

Feel better about their home when it is cleaned and organized

50%

Say cleanliness has increased in importance over the past year

Source: Barkley Anatomy of Home Qualitative Study; Anatomy of Home Quantitative Study "If everything (in your home) is messy, your brain is messy. So to me, my future will always have to be more organized and better focused with my surroundings. That's what I want to see. My beginning was clutter; my end is going to be clear of clutter."

"I've become much more efficient about the use of space in my house, and I'm much more attentive to taking care of things, cleaning, doing what needs to get done. It impacts my general quality of life."

27 | Male | Chicago, IL

50 | Female | Boulder City, NV

"I make sure my room is clean all the time so I can have clarity and be productive in my life. I can't work or think straight when my room is messy. I really believe my room reflects my life."

26 | Female | New York City, NY

# Brands can find a role to play and job to deliver on in each of the three factors.

	Brand Job To Be Done:	Brand Role:
<sup>ONE</sup> Structure:	Improve the function of home	Make home work harder, smarter, more efficiently
тwo Expression:	Promote the personality of the home	Make home a medium — a canvas for creation and personality
THREE Relation:	Enhance the experiences housed within the home	Help people connect inside their home in meaningful ways

# Modern Consumer Segments



Our research revealed **FIVE SEGMENTS** of consumers, based on their relationships, attachments and satisfaction with their <u>homes</u>.

We analyzed current attitudes and behavior to understand how their relationships with home will evolve.

#### Mood Renovators



The Mood Renovators are hyper-engaged with the home, acutely aware of its impact on mood. More interested in design, style and home improvement than before the pandemic, they're committed to making the home work harder for them so they can better enjoy their favorite activities including socializing with family, entertaining and relaxing.

67% saw a significant increase in spend on the home in the past year

#### Tidy-Uppers



The Tidy-Uppers view their homes as an extension and reflection of who they are. Their mood and comfort depends on cleanliness of their home and they believe a clean home sets the stage for a happy life. Less likely to invest in major renovations, they are committed to maintaining their homes' comfort, organization and appearance.

98% say cleanliness is the most important attribute of home

#### Sanctuary Seekers



The Sanctuary Seekers consider their home to be their safe space, a refuge from the world. Having spent a majority of time at home over the course of the pandemic, they've increased their satisfaction and connection with the home. They've invested in their homes to make it their personal oasis for relaxation and entertainment. Their ultimate goal is to ensure their home is a place where they feel content spending their time.

96% consider home to be a refuge in their world

#### Harried Hopefuls



Pandemic life at home was particularly difficult for the Harried Hopefuls as they became more aware of the home's performance and impact on their mood. More likely to consider income a barrier to making the home improvements they wish to, they report feeling anxious, lazy and bored within the home. Yet, they remain excited for the potential of their homes and looking forward to improving the indoor and outdoor entertainment areas.

94% say household income prevents them from making home improvements they'd like

#### Detached Dwellers



The Detached Dwellers are on autopilot with their homes. They tend to view the home as a structure around them and report few changes to their routine as a result of the pandemic. Looking to shake things up and craving life outside the home, they tend to favor large-scale changes like renovations or moving to a new city or state over smaller improvements.

Only 47% feel connected to their home, with 52% seeing home as "just a structure"

Less engaged with the home



# Segment 1: Mood Renovators

#### Demographics:

- 20% of respondents
- Mix of men and women
- Millennials, mix of kids in the home
- More likely to own and live in a single family home or condo in an urban or suburban area
- Majority \$100K+ HHI
- Employed full- or part-time

#### Home Behaviors:

- 87% are satisfied or very satisfied with their homes
- 67% significant increase in financial spend on home
- 86% feel much more connected to their home
- 95% spend more time thinking about the home's design
- 89% say their mood is influenced by the design and environment of their home

"I don't want my home to feel like it's right out of a magazine. I don't want it to feel like something everyone else would have at their house. I want a little more of my personality in it — whether it's something I found on a thrift store or antique place or something that I change slightly to make it my own, I want it to be eclectic and feel like me."

31 | Female | Ablurtis, PA



"I spend a lot of time decorating these rooms and have been switching things up even in the last few month. I am very proud of how my home is decorated, especially the things I have built."

28 | Female | Kansas City, MO



# Segment 1: Mood Renovators

#### Summary

The Mood Renovators are hyper-engaged with the home, acutely aware of its impact on mood. More interested in design, style and home improvement than before the pandemic, they're committed to making the home work harder for them so they can better enjoy their favorite activities including socializing with family, entertaining and relaxing.

#### **Pandemic Shift**

The pandemic brought the typical business of life within the home for the Mood Renovators — making it the primary place for work, children's school, exercising and socializing. True to their name, the Mood Renovators are quick to analyze how they can make their home feel more comfortable, functional and organized. They're motivated to changes to both the indoor and outdoor areas of their homes — from painting walls, purchasing new furniture and curating home decor — because they view it as essential to their mood and mental health. With their increased interest and investment in home projects than pre-pandemic, it's no surprise they feel positively about their homes, seeing it as a canvas for expression, creativity, optimism and joy.



# Segment 2: Tidy-Uppers

#### Demographics:

- 18% of respondents
- Mix of men and women
- Millennials and Gen X, mix of kids in the home
- More likely to live in a single-family home or apartment in a suburban area
- Majority \$60-99K
- · Work full-time or retired

#### Home Behaviors:

- 99% want their home to reflect who they are
- 94% say home is an extension of who they are
- 76% are satisfied or very satisfied with their homes
- 81% say their mood is influenced by the design and environment of their home
- 98% say cleanliness is the most important attribute of their home

"I think our new home feels very fresh, clean and new. Every detail is something that I've probably spent way too much time researching and thinking and obsessing about. My home says that I am a perfectionist and have paid attention to details."

47 | Female | Austin, TX



"During the day, I tidy and clean my condo. Being neat and tidy is the best way for my mind to stay organized." 56 | Female | Carlsbad, CA



# Segment 2: Tidy-Uppers

#### Summary

The Tidy-Uppers view their homes as an extension and reflection of who they are. Their mood and comfort depends on the cleanliness of their home and they believe a clean home sets the stage for a happy life. Less likely to invest in major renovations, they are committed to maintaining their homes' comfort, organization and appearance.

#### **Pandemic Shift**

While life at home for Tidy-Uppers looks largely the same now as it did pre-pandemic, they have had to bring many of their out-of-home activities (and the mess associated with them) inside, including personal fitness, work, socializing and children's schooling. This increased time spent at home has amplified the need for a variety of entertainment sources, and Tidy-Upper has invested in hobbies like cooking, baking and streaming. Overall, they are satisfied with their home, feeling it accurately represents who they are. When it comes to how they want their home to feel, their main objective is safe, secure and happy.



#### Segment 3: Sanctuary Seekers

#### Demographics:

- 18% of respondents
- Mix of men and women
- Gen X and Boomers, mix of children in the home
- Majority owns a single-family home in a suburban or rural area
- Majority \$60-99K
- Retired or working full-/part-time and approaching retirement

#### Home Behaviors:

- 96% are satisfied or very satisfied with their homes
- 96% consider their home to be a refuge in the world
- 78% feel much more connected to their home
- 80% say their home has taken on a greater role in their life
- 98% say comfort is the most important attribute of their home

"Our home is a place of comfort and safety. We have worked hard to make it ours."

46 | Male | Oalmetto Bay, FL



"Home is central to our existence. We want to feel as comfortable in our space as we can, especially since it is the safest place to be, nowadays. We need the comfort and peace that comes from being in an environment that is sanctuary from the craziness of the outside world."

56 | Male | Arnold, CA



#### Segment 3: Sanctuary Seekers

#### Summary

The Sanctuary Seekers consider their home to be their safe space, a refuge from the world. Having spent a majority of time at home over the course of the pandemic, they've increased their satisfaction and connection with the home. They've invested in their homes to make it their personal oasis for relaxation and entertainment. Their ultimate goal is to ensure their home is a place where they feel content spending their time.

#### **Pandemic Shift**

Amid the concerns and uncertainty of the pandemic, the Sanctuary Seeker has invested in making their homes a place they want to be. More interested in smaller-scale changes vs. full-scale renovations, the Sanctuary Seeker has invested heavily in the areas of privacy, self-care, sensorial elements of the home and the home's function. From adding plants to the home, creating exercise areas and home offices and purchasing new appliances, their ultimate goal for their home is to feel relaxed, balancing entertainment with privacy.



# Segment 4: Harried Hopefuls

#### Demographics:

- 21% of respondents
- Mix of men and women
- Millennials and Gen X, majority with kids in the household
- More likely to rent, and live in a single-family home or condo in a suburban area
- Majority \$60-99K, many \$70K>
- Work part- or full-time, or unemployed as result of pandemic

#### Home Behaviors:

- 94% say their household income prevents them from making the changes they'd like to make in the home
- 24% say the attributes of their home make it harder to get through the day
- 76% spend more time thinking about their home's design
- 44% plan to refresh their homes in the next twelve months

"Right now, my home is a work in progress. If my home were where I want it to be, I would never want to leave — COVID-19 or not. I would be a lot happier day to day ... this is what I work toward every day."

43 | Male | Hackensack, NJ



"I would describe my home as simple, small and basic. It is good for a person on the go. It is bad for a person that is home all day." 62 | Female | Chicago, IL



# Segment 4: Harried Hopefuls

#### Summary

Pandemic life at home was particularly difficult for the Harried Hopefuls as they became more aware of the home's performance and impact on their mood. More likely to consider income a barrier to making the home improvements they wish to, they report feeling anxious, lazy and bored within the home. Yet, they remain excited for the potential of their homes and looking forward to improving the indoor and outdoor entertainment areas.

#### **Pandemic Shift**

When home became the primary place for work, children's schooling and socializing, the Harried Hopefuls began to notice the impact a full house can have on the home. Almost immediately, they were introduced to the strengths and shortcomings of their home and report lower home satisfaction levels than before the pandemic. They consider their current financial situation a barrier to achieving their dream home but seek out accessible improvements and remain ambitious for the future. Ultimately, their goal is to improve their existing feelings toward their home — bored, anxious, lazy — including improving their TV watching experience, investing in outdoor space and refreshing the existing decor.



#### Segment 5: The Detached Dwellers

"I think we are getting bored in this pandemic. We've been home more than we would have liked ... I'm kind of sick of it to be honest." 49 | Female | Peoria, IL

#### Demographics:

- 22% of respondents
- Mix of men and women
- Gen X and Millennial, mix of kids in the house
- More likely to own, and live in a single-family home or an apartment, condo, shared living space in an urban or suburban area
- Majority \$60-99K
- · Work full-time or retired

#### Home Behaviors:

- 47% feel connected to their home
- 72% say their home routine has not changed since COVID
- 52% view home as a structure around them
- 38% say the attributes of their home make it harder to get through the day
- 18% plan on moving to a new state or region and 17% plan to move to a new city in the next twelve months



"The biggest home change that I am dreaming of these days is more space. I would love 1-2 more bedrooms and at least 1 more bath. I definitely will want some outside space, a front porch, possibly a back patio or deck."

28 | Female | Kansas City, MO



#### Segment 5: The Detached Dwellers

#### Summary

The Detached Dwellers are on autopilot with their homes. They tend to view the home as a structure around them and report few changes to their routine as a result of the pandemic. Looking to shake things up and craving life outside the home, they tend to favor large-scale changes like renovations or moving to a new city or state over smaller improvements.

#### **Pandemic Shift**

The Detached Dweller has a very similar relationship to their home as they did prepandemic. Despite living in their homes for multiple years, they have little connection to their homes. The Detached Dwellers are also less interested in smaller refreshes, tending to gravitate toward big, lifestyle changes like updating the layout or moving to a new home. Though they feel safe, secure and content within the home, they also are quick to feel lazy and bored. They want their home to be a source of comfort: clean, organized and consistent.

#### How to win:

#### **Brand Roles:**

#### Mood Renovators



Inspire, empower and enable Mood Renovators to transform their homes and share with pride. Make home work harder, smarter, more efficiently.

Make home a medium — a canvas for creation and personality.

#### Tidy-Uppers



Connect the wellbeing of the home to personal wellbeing, showing how functional tasks result in emotional benefits.

Make home work harder, smarter, more efficiently.

Help people connect inside their home in meaningful ways.

#### Sanctuary Seekers



From sensory solutions to safety and security, help home be a reflection of their ideal worlds.

Make home a medium — a canvas for creation and personality.

#### Harried Hopefuls



Spark excitement with affordable ways to entertain, plus-up and feel more positive about their future.

Make home work harder, smarter, more efficiently.

Help people connect inside their home in meaningful ways.

#### Detached Dwellers



Make optimizations easy and find simple solutions to increase satisfaction.

Make home work harder, smarter, more efficiently.

Less engaged with the home



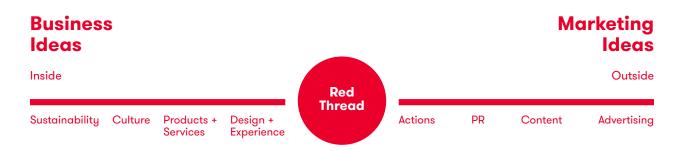
How brands can create new ideas and growth to impact the modern home, **T**ODAY.

#### A brief for brands

The Anatomy of Home established a framework to expand brands' share of home — the structure, expression and relation dimensions to win inside the four walls.

Our report also established five emerging modern consumer segments, highlighting the beliefs and behaviors to tap into, and a brief for how to win with each.

Finally, brands must think about where to win. That's where Barkley's Whole Brand philosophy comes into play. Simply put, a whole brand is an organization that treats everything it does inside and out as "brand" — driving ideas, efficiency, consistency and growth across the spectrum you see below.



#### Sustainability:

Can you make a more sustainable product, packaging or experience for inside the home? Could your product or service increase the health or efficiency of the home at large (benefits we know our Mood Renovators and Sanctuary Seekers segments are after)?

#### Culture:

Can your workforce spend more time in the homes of your consumers? Can they spend a week a year in homes asking how they can create a harder-working, more expressive, warmer home? How can you be THE category expert in the modern home?

#### Products and Services:

Pick one dimension of home (structure, relation, expression) and one segment. What is a product or service that delivers for that combo? (e.g., Expression + Tidy-Uppers = new product)

#### Design and Experience:

If you could redesign how one room in the home functions according to the values of your brand, what room would it be and what pain points would you solve?

#### Actions:

Take the Detached Dwellers — those who are least engaged with their homes. Can you take a stand for them in a monetary or practical way that will earn you credit with new and current followers?

#### PR:

What unexpected day of the year or timeframe matters most to the homes you serve? Find that day and create a ritual for your brand (Could Tidy-Uppers use a weekly holiday to dive deep into cleaning and organizing? Could that day become a cultural phenomenon?).

#### Content:

What are the brand equities you're known for that could be pillars of content for your consumers? How could you become a valued voice in the modern home conversation?

#### Advertising:

In upper-funnel activity, pretend there are no consumers. Act as if you're creating communications for the homes themselves. In mid-to-lower-funnel activity, create reasons to believe and calls to action that expand the role and rooms in which your brand plays.

#### Research Methodology

#### Consumer ethnography (qualitative):

N= 25 participants across three days of exercises, exploration and interviews

USA with equal representation in the Western, Midwestern, Southern, and Northeastern regions

Representative mix of ethnicity

50/50 split of Male and Female

HHI: \$40,000 +

Mix of age bands within: 25-65

Respondents represented a range of home types:

- Apartments 6-7 participants
- Condos/Duplex/Townhomes -6-7 participants
- Single-Family Home 6-7 participants
- Shared Living Spaces 3-5 participants

Respondents reflected an equal mix of owner and renter

#### **Consumer follow-ups:**

N=12 2 groups of 6 small group virtual follow-up discussions

#### Home experience influencer interviews:

Interviews with nine home experts across a range of home product and service businesses

#### Consumer segmentation (quantitative):

- N=1600
- · Screening Criteria
- · Live in U.S.
- Age 25-65
- Annual HH Income of \$60K or more

#### **Data Collection:**

Online survey

In field 3/11/21 to 3/23/21

Average time to complete survey=19.3 minutes (12.7 median)

Total responses after data cleaning=1,669.

#### Sample weighted to represent U.S. census percentages for:

- Gender
- Age
- Race/Ethnicity
- · Census Region

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#### About Barkley®

Barkley is an independent, creative idea company committed to knowing the modern consumer better than anyone because that's the only way to build a whole brand. We do this through three idea centers: strategy, design and activation.

barkleyus.com