

**The**  
**BEHAVIOUR**  
*Business***Fax:**

To: Anthony Apponyi From: Caroline Sharp

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Fax: Pages: 1

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Phone: Date: 24/3/00

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Re: Home Purchase Direct Research CC:

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Anthony

Apologies again. At the bottom of Page 2 of the findings it should say 89% said they would be interested in the service if it cost £1,750 and it was the only way of buying the property they'd set their heart on (30% very interested). The printed figures of 92% and 35% are incorrect.

I will correct this and send you 2 new copies tonight. These will also include copies of the questionnaire and the description of the service.

Based on our experience, your 'top box' scores are above average but is hard to compare different products and services across different categories.

However, I believe you should be encouraged by the fact that 1 in 5 potential movers would be very interested in your product if it cost £1750 (rising to nearly 2 in 5 if it was the only way of buying the property they'd set their heart on, and almost certainly more if the fee could be offset by reductions in legal fees etc). Assuming you can achieve 100% awareness of your service among potential movers, then if this level of interest translated into sales I'm assuming you would have a very successful business.

If you were to do any further research, then I would suggest a series of in-depth interviews with potential movers (planning to sell and buy in the next 6 months or less). These would be conducted face to face by someone like myself, with an interview guide but no questionnaire to allow a free flowing discussion. Such interviews would almost certainly provide you with some real insights into your target market, what they'd want from a service like yours, and whether or not the advertising material prepared is sufficiently

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informative and motivating – but no numbers.

Such interviews don't come cheap – each one would cost £440 exc VAT, and you would need at least 16 covering different areas and house prices. But New Labour use qualitative research like this all the time, and it hasn't done them any harm!

Best wishes

Caroline Sharp

## Main Findings

160 respondents were interviewed by telephone.

Respondents were randomly selected from telephone numbers using the Sheffield, Solihull, and Southend telephone codes.

All owned houses with gardens valued between £50,000 and £300,000

91 had moved in the last 2 years or less (and had sold a property in order to buy their current property) and 69 were planning to move in the next 12 months.

16 of the 91 who had moved were also planning to sell in the next 12 months.

Of the 91 who have moved:

- 34% found it not very/hot at all easy to sell and buy when they moved
- 38% got stuck in a chain
- 38% said they would be interested in the service in general, prior to any mention of price (7% very interested)
- 32% said they would be interested in the service if it cost £2,000 (7% very interested)
- 45% said they would be interested in the service if it cost £1,750 (8% very interested)
- 86% said they would be interested in the service if it cost £1,750 and it was the only way of buying the property they'd set their heart on (27% very interested)
- 57% of the 37 who claimed they would not be interested in the service even if it was the only way of buying the property they'd set their heart on said they would be interested if the fee was offset by reductions in legal fees etc.

Of the 69 who have lived in their property for more than 2 years but who plan to move in the next 12 months:

- 21% think it will be not very/not at all easy to sell and buy when they move

- 61% think they might get stuck in a chain (suggesting the fear is greater than the reality)
- 34% said they would be interested in the service, prior to any mention of price (4% very interested)
- 34% said they would be interested if it cost £2,000 (17% very interested)
- 44% said they would be interested if it cost £1,750 (22% very interested)
- 92% said they would be interested in the service if it cost £1,750 and it was the only way of buying the property they'd set their heart on (35% very interested)
- 40% of the 30 who claimed they would not be interested in the service even if it was the only way of buying the property they'd set their heart on said they would be interested if the fee was offset by reductions in legal fees etc.

Of the 85 who plan to move in the next 12 months (adding together the results for those who have lived in their property for 2 years and less and those who have lived in their property for more than 2 years):

- 21% were very interested if it cost £1750
- 37% were very interested if it was the only way they could buy the home they'd set their heart on

Of the total sample:

- 44.6% said they would be interested in your service if it cost £1,750 (14% very interested) <sup>30%</sup>
- 92% said they would be interested in the service if it cost £1,750 and it was the only way of buying the property they'd set their heart on (36% very interested)

Value of property made no difference to general interest in the service. But at £1750 interest was significantly higher among those with properties valued at more than £100,000 (very interested 24% compared with 7% for lower value properties). This suggests that lower fees will increase the appeal among those with lower value properties.

Overall, ease of selling the property, whether or not they had been/expected to be stuck in a chain, and region made no significant difference to the results.

## Conclusions

- Interest is highest for the lowest fee quoted (£1750)
- At £1750 interest was significantly higher among those with properties valued at £100,000 or more. Lower fees would undoubtedly increase the appeal among those with lower value properties.
- Interest is significantly greater if it's the only way of buying the property they've set their heart on
- interest was significantly higher among those planning to sell than those who had already sold and weren't planning to sell again (fear of the unknown is obviously a greater motivator than experience)
- Region seems to make no significant difference. Neither does ease of selling the property or whether or not they had been/expected to be stuck in a chain