

# Paying attention to the wants and needs of generational buyers

The property market is viewed differently across generations - from millennials to empty nesters. They require agents to adopt a bespoke approach to meet their requirements as each generation has specific needs and trends. "With market needs being so diverse, it is important for agents to offer good options to clients," says Mike Greeff, CEO of Greeff Christie's International Real Estate.



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## Millennials

Millennials are by far the trendiest of the lot and usually have a very clear idea of what they are looking for in a home. High on the list of priorities are homes that are environmentally friendly, close to entertainment hubs and versatile enough to have multi-purpose spaces rather than customised rooms.

According to *Statistics South Africa's Mid-Year Population Report* there are approximately 14.5 million millennials in South Africa or 26.5 % of the population.

Millennials are notorious for researching everything online prior to making any kind of decision and this is in keeping with the age that we live in. Millennials are fully tech-savvy and in tune with all aspects of the digital arena. Whether it is what to

cook, what to wear or where to buy, online research is a must.

It stands to reason then that when marketing to millennials, your online marketing and web content needs to be top-notch. This goes double for the style and quality of the online images that you use to advertise a property.

Millennials tend to make a tentative decision after copious online research. 62% Of millennials admit that if brands engage with them on social media, they are more likely to become loyal customers. Their next step would be to enlist the help of a real-estate agent and lastly, they sometimes tend to enlist the opinion of parents or their seniors.

Another point to note with millennial buyers is that their aversion to homes that require renovations and or repairs as they allocate money towards their bond payment and utilities and usually have very little left over for repairs. This is why most millennial buyers tend to gravitate towards new homes such as sectional titles as it is what they can afford. In fact, those 55 and older spend about three times the amount of those 25 to 34.

## **Baby boomers**

Baby boomers are a different kettle of fish altogether. The average baby boomers have possibly spent the past two or three decades paying off a debt in its various forms - a bond, car repayments and even their children's college fees. It makes sense then that if they were looking to buy they would want to pay in cash and possibly have a bit extra left at the end of the transaction. Baby boomers reported a R70,000+ monthly income and according to Effective Measure which released their [Generational Lifestyle report](#) on South Africans in 2017, 77% of baby boomers are homeowners while only 40% of millennials own their own home.

Baby boomers also seek a bit of convenience. They are also interested in homes that are eco-friendly and low maintenance. Having spent a large portion of their lives driving around, baby boomers are looking to simplify life and part of that would be by having access to amenities that are a short walk away. Being close to family and loved ones is also important and that drives baby boomers to buy within close proximity of their children or grandchildren. The astute agent would keep all these factors in mind when dealing with baby boomers.

## **Empty nesters**

With empty nesters, the most immediately noticeable trend is their need to downsize from the family home that they have spent the past two decades in, to something a bit cosier that requires a lot less maintenance. When empty nesters are looking to buy property, it is all about the next chapter of their lives and is viewed by many as the long overdue fresh start with no bond, no car payments and no more early mornings in traffic.

Empty nesters want the convenience of a small home with all the requisite creature comforts of something new and well-designed. They also want the added convenience of being able to lock-up and go. Most empty nesters tend to avoid high-rise living as the noise can sometimes be an issue. Empty nesters want a place that is quiet, convenient and within walking distance of all the amenities.

Baby boomers and empty nesters both look for a high level of finish in their new homes as they don't want to compromise the level of comfort that they are accustomed to.

The above three segments of the market form a sizeable percentage of the market and it is worth paying attention to their wants and needs. While these are some general trends to look out for, the astute real estate agent should always offer a bespoke solution based on a comprehensive customer needs analysis.

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