

# Modernization of an older housing is again up-to-date

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Existing manufacturers of plastic-, aluminium- or euro-windows, ceiling soffits, built-in wardrobes, floating floors, wall and floor tiles, wire installers and water installers, glazers of balconies and loggias - all these felt tremendous chance for their comeback and they momentarily gain on who will roust in front of a customer deeply frustrated by vague behaviour of the global phenomenon, with the lowest price. And so we daily learn of hitherto unheard 50-percentage discounts of unnamed firms in the door of wardrobes and cabinets, windows with the best technical parameters for more and more commodities with installation and removal of waste „all inclusive“.

## Nearly half want to renew and make comfortable

They are not only individuals who woke up and understood. Behind in this respect are not smaller or even medium-sized players, with the routine reconstructions of residential cores, residential units or family houses. Not too much sense is needed in order also investment companies, which had much higher ambitions, but failed with promoting upon changed conditions, would discover their new parquet - reconstructions, renewals and re-buildings of older properties - within the frame of currently eminently actual internal restructuring. Survival in the time, when the sole sovereign is demand, does not preclude such a strategy but even directly instructs.

That such claims are not built on the water is confirmed by the results of the May omnibus survey of consulting firm GfK Slovakia, which, inter alia, addressed housing. According to them, almost half of people planned for the next 12 months to invest means not to purchase new, but in the reconstruction and renovation of their existing housing. The answers of respondents show that it mostly relates to painting the interior or exterior of a flat or house (14%), various construction works (10%), upgrading (10%), making households comfortable (9%), the replacement of housing textiles (8%) and the purchase of new furniture (less than 8%). Almost every fifth respondent at the same time said that he recently has already made similar activities in his home.

## Large investments to real estates some other time

GfK offers for this current trend its own explanation: people want to feel at home as pleasant as possible, and by these activities they not once replace their dreams of a new or better housing, because most of them allegedly did not plan to buy a property in Slovakia (land, house, apartment, weekend living, garden or garage) in the nearest time. Only less than four percent of respondents expressed the opposite. Since many people in the current situation can not afford to move to „better“ or to fulfil their aspirations for other housing, they trying to modernize, re-build, beautify, make comfortable and adapt the existing housings to their own ideas at least.

Formerly popularly widespread fashion trend is experiencing the time of its renaissance. This cause is, according to GfK, the fact that number of the so-called homebodies is increasing, who because of the financial the crisis prefer leisure at home. „Stagnation in the real estate market meant that people postpone large investments in real estate later on, but trying to create a home as pleasant as possible for yourself and your beloved ones, so do not hesitate to invest money in modernizing and improving the existing housing,“ says the report from the survey conducted by the GfK Slovakia in May this year by the method of face-to-face in a representative sample of one thousand people aged 15 to 79 years.

It is only to add that a strong motivation to ignite such activities is also the president of the Slovak Republic signed amendment to the Act on the State Housing Development Fund and other laws, upon which candidates for the state support for insulation of houses and flats will be able to apply for the interest-free loan for refinancing up to 100 percent of eligible construction costs from July 2009. As it is known, the government has earmarked for this purpose totally 71 million Euro.

### **Who is GfK Slovakia**

Additional interesting information of the GfK survey is, from where Slovaks draws inspiration and ideas in connection with changes in the household. As the chart shows, most often it is from various journals and magazines on housing (56%), then from other people households (42%), but its role also plays television (30%). Other options, where, according to the respondents, can be gained new impulses and ideas are also furniture shops (28%), catalogues (25%), Internet (17%), various exhibitions (7%) and roughly the same number of people allowed to consult professionals (7%).

The company GfK Slovakia, which considers itself, be the market leader in the marketing research and consultancy was established in 1991 in Bratislava and is a part of a global network of GfK, resides in Nuremberg. GfK Group is the fourth largest company in the world dealing with market research. It manages 115 companies covering over 100 countries and more than 80 percent of totally around 10 thousand people (as per September 30, 2008) are working outside Germany. GfK activities include three business sectors: Custom Research, Retail and Media & Technology. In the financial year 2007 it achieved the revenue from sales in the total amount of 1 162.1 million Euro.

Illustration photo - author Chart - GfK Slovakia

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