



HomeAdvisor Breaks Down Cost in Relaunch of Annual True Cost Report

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How Remodeling Prices Changed in 2020 Cost of 2021's Top Projects Understanding the Value of Labor Quality

DENVER, Feb. 23, 2021 /PRNewswire/ -- [HomeAdvisor](#), a leading digital marketplace and operating business of ANGI Homeservices (NASDAQ: ANGI), has relaunched its annual [True Cost Report](#)^{*}, which looks into the complexities behind the cost of home projects. This report, compiled by HomeAdvisor's Chief Economist, Mischa Fisher, looks at the distinct levers adjusting the cost of common home projects including how and why they have been impacting pricing at the consumer level. It also takes a deep dive into understanding the most important and most complex of cost factors: labor quality.

"There is a big information imbalance when it comes to home services and a lot of that centers around cost. Homeowners often lack a full understanding of what goes into pricing and commonly have a hard time answering the question, 'is this a fair price for the work I want done,'" said Mischa Fisher, Chief Economist, HomeAdvisor. "We wanted to take a deep dive this year into this information imbalance and answer some of the fundamental questions about cost including looking at the top completed projects of 2020 their costs and how and why those costs have been changing. For the market to work at its best, it is important for homeowners to understand what different home services cost and to understand what drives those costs."

"Home services is also a unique industry in that the consumer is directly exposed to the majority of the supply chain – they buy the materials, see the work done first-hand and often have labor itemized on their bills," continued Fisher. "The more they understand what they don't necessarily see – the hidden value of a high-quality pro – the more they'll be open to cost adjustments to reflect the work done in the most important place to them – their homes."

This report looks into the intangible value high-quality pros bring to their projects, such as honesty, transparency, artistry, environmental responsibility, accurate time and cost estimates, consideration of the homeowner's lifestyle, consulting on design choices, consideration of materials for certain climates and more.

Additional insights include:

- Lower costs do not necessarily mean increased popularity of projects. The top three completed projects in 2020 included interior painting (average cost \$2,007), bathroom remodels (average cost \$13,401) and new flooring (average cost \$4,680).
- From 2019 to 2020, additions, closets and cabinetry had the biggest rise in pricing, with project prices increasing by 30%, 33% and 56% respectively.
- From 2019 to 2020, computer networking, smart home systems and above ground swimming pools all dropped the most in average price, falling 10%, 39% and 40% respectively.
- For homeowners, there are four main factors essential to understanding cost: material quantity, material quality, labor quantity and labor quality.

This report also looked at how the COVID-19 pandemic impacted the cost and pricing of home services. Topline costs for most of the top 20 projects went up, with a few exceptions, and it was likely primarily due to an increase in the cost of materials.

"COVID-19 likely caused scarcity and factory shutdowns, as well as supply chain disruptions and greater consumer demand for home services," said Fisher. "Despite this higher demand, home services are unique in that pros will opt to turn down jobs rather than raise prices. Instead of seeing prices rise due to shortages of labor, we're seeing them due to scarcity of materials."

To view the complete report, visit HomeAdvisor's [True Cost Report page](#).

About HomeAdvisor

[HomeAdvisor](#)[®] is a digital marketplace evolving the way homeowners connect with service professionals to complete home projects. With HomeAdvisor's on-demand platform, homeowners can find and vet local, prescreened home service professionals; view average home project costs using True Cost Guide; and instantly book appointments online or through HomeAdvisor's award-winning mobile app, which is compatible with all iOS, Android and virtual assistants, including Amazon Echo. HomeAdvisor is based in Denver, Colo., and is an operating business of ANGI Homeservices, Inc. (NASDAQ: [ANGI](#)).

**Data included in the True Cost Report is based on internal HomeAdvisor marketplace data of median costs, and surveys conducted by HomeAdvisor's internal research team of the general population. Project costs are calculated based on a rolling median of consumer reported pricing for jobs completed through HomeAdvisor. Spending priorities for the top projects in 2020 and the top planned projects in 2021 came from a survey of 1,400 US adults. The survey used post-sample weighting of multiple demographic attributes to develop a representative sample of the entire U.S. population. This is a groundbreaking level of detail on home spending that provides new insights into how people spend on their homes. The material and information contained in this report is for general information purposes only. You should not rely upon such information as a basis for making any business, legal or any other decisions.*

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