

UK consumers showing signs of optimism about property market despite continued financial pinch

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UK consumers are feeling financially worse off than they were a year ago, especially those aged 35-54, according to Dye & Durham's (<https://dyedurham.co.uk/>) newly launched UK Pulse Report for Q3 2023.

The survey of 2,151 UK adults conducted by YouGov explores trends in the economy, the property market and technology.

Almost half of respondents (47%) confirm their finances are in a worse place than they were 12 months ago, with only 16 per cent of people suggesting their finances have improved. Those aged between 35-54 are feeling the most financially vulnerable, with just over half (52%) confirming that their finances have been negatively impacted compared to 2022. The bulk of this group – 59 per cent of those 35-44 and 58 per cent of those 45-54 – also say owning their home has become less affordable.

While sentiment about personal finances has dipped, consumers' plans to purchase or sell properties over the next year have not experienced the same downward pressure. In fact, there are signs of optimism. A separate Dye & Durham survey conducted in the UK in March 2023 found 1 in 10 (10%) of UK respondents were planning to delay property purchases to wait for lower interest rates or asking prices. That's down to 1 in 20 (5%) today.

Similarly, the UK Pulse Report for Q3 2023 found that two per cent of respondents sold their primary residence and purchased a new one in the past 12 months, but three per cent plan to do the same in the next 12 months.

"It's clear that many people in the UK continue to be affected by the tough economic conditions, with rising bills and high interest rates making people feel financially worse off," says Martha Vallance, Chief Operating Officer, Dye & Durham. "This has had a knock-on effect for many industries as transaction activity has declined, including the legal industry that we operate in. However, as rates begin to hold – and eventually decline – we expect to see a significant upswing in areas like real estate transactions, business originations and others that should help legal firms bounce back from a slower-than-normal year."

Overall, 58 per cent said they would consider moving to find a lower cost of living – specifically almost a quarter (23%) said they would look at a more affordable town or city in their current county. This was more apparent in some areas of the country, such as the East of England and London, where 29 per cent and 27 per cent respectively, would look at moving to an alternative location in their current county.

UK consumers yet to fully embrace AI:

The UK Pulse Report also explored trends in technology and found that a significant majority of UK consumers have not yet tried AI for either personal use (71%) or professional use (81%).

They are also concerned about skilled professionals incorporating AI into the services they provide to

their customers. Only 16 per cent of UK consumers said they would feel comfortable with property / real estate agents using AI, reducing to just 14 per cent for financial advisors and insurance brokers, 13 per cent for mortgage brokers and 11 per cent for lawyers and conveyancers.

When asked what would help increase their comfort with generative AI being used by lawyers and conveyancers, 27 per cent said they would be more comfortable if it was used to improve their performance without replacing a real person, while 26 per cent said if it would guarantee a better outcome or better accuracy (30% of people agreed to this for mortgage brokers, IFAs and insurance brokers). A quarter (25%) would also feel more comfortable with lawyers and conveyancers using AI if it would significantly reduce the cost of the service provided.

“The UK’s legal industry is already exploring the enormous potential for AI to provide cost efficiency and accuracy benefits – from estate agency through to finance and conveyancing – but consumer education is essential. It’s important to demonstrate how AI is already being deployed and the benefits it offers legal professionals in terms of efficiency and accuracy, which ultimately pass through to the client,” says David Nash, Chief Product Officer, Dye & Durham.

For more information, visit <https://dyedurham.co.uk/>

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NOTES TO EDITORS

YouGov Plc – Survey Methodology:

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2151 adults. Fieldwork was undertaken between 12th - 13th September 2023. The survey was carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

About Dye & Durham Limited:

Dye & Durham Limited provides premier practice management solutions empowering legal professionals every day, delivers vital data insights to support critical corporate transactions and enables the essential payments infrastructure trusted by government and financial institutions. The company has operations in Canada, the United Kingdom, Ireland, Australia and South Africa. Additional information can be found at www.dyedurham.com.

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