

Who Moves – Where and Why

by David Bancroft Avrck, President and CEO, Avrck Direct, Inc.

Recent government reports provide a great deal of insight into the mobility of Americans. People move for many reasons, including a new job, a change in marital status or family size, or a change in economic status.

For years major mailers have utilized ‘new move’ names for their direct mail programs ... because new move lists work. This new detailed analysis will help marketers understand the nature of the new move family, and possibly identify segments of this huge universe of names that they can profitably mail to.

This white paper is divided into two categories. The first contains the facts, such as how many people move and why, what their ages are, regional differences, etc. The second part addresses why new mover names work, and why just about every mailer should explore marketing to new residents.

The New Move Facts

35 million people ages 1 and up, or 12.5% of the population, moved last year according to the latest government statistics. That hasn’t changed in a few years, but it’s lower than the average has been over the past decade. 50 years ago the percentage was 20%.

New move lists that are currently on the market usually offer between 1 million and 1.5 million new move names a month. Many of the more sophisticated companies are getting and mailing the names weekly.

Moving is seasonal. People don’t like to move during the Christmas season and weekly new move counts are the lowest at that time of year, averaging 225,000 a week. Parents will want to have their children complete the school year in their ‘old’ school before moving. A typical week in August will see 350,000 new moves.

69.3% of these movers stayed within the same county. 16.7% changed counties, but stayed within the same state. 11.5% changed states, and 2.5% moved into the United States from another country.

Mover rates differ by characteristics, such as age, race, origin, marital status, income and whether the housing unit is owned or rented.

Regionally, people in the Northeast were the least likely to move with a mover rate of 8.3%. This is followed by the Midwest with 11.8% moves. The south had 13.6% and the west 14.7%.

Major cities within metropolitan areas experienced a net loss of 2.3 million new movers. The suburban areas experienced a net gain of 2.5 million movers.

Economics dramatically impact on new mover rate. Almost 20% of those unemployed lived in a different residence one year ago, compared to 12.4% for those employed, and 9.5% of those not in the labor force.

Generally, people with income below the poverty line are more likely to move than those just above the line. 23.6% of people with incomes below the poverty line had moved within the past year as compared to 16.5% of those above the line.

The black population has the highest annual move rate (16.7%), followed by Hispanics (15.6%), Asians (13.9%), and non Hispanic whites at 10.8%.

The younger you are, the more mobile you are. People between the ages of 20 and 29 moved at twice the annual rate, while people aged 65 to 84 made up only 4% of the moves.

Singles and divorced people moved more frequently than married people. But widowed people are the least likely to move. Annually, 22.9% of never-married people moved, 12.0% of married people, 20.5% of divorced or separated people and 6.9% of widowed people.

Moves amongst renters are very high, with renters moving more than 3 times more often than home owners. 33% of renters move each year, versus 1-in-11 of homeowners.

The majority of people move to improve their situations. About 10% moved out of a rented home and into a home they own. About 5% moved into cheaper housing. About 30% make the move for family related reasons, the main ones being setting up a new household or changing marital status. 16% of people moved because of work related reasons ... some for a new job, others to simply make their commutes easier.

The more education the person has, the more likely that the move will be work related. Work related moves represent only 6% of the intra-county moves, 31% of the county-to-county moves, and more than 65% of the long distance moves.

Typically, the distance a person moves is directly related to the reason for moving. Longer distance moves are more likely to be job related, while shorter distance moves are more likely to be associated with housing related issues. People with lower incomes and

lower education levels are more likely to move for family reasons, while people with higher incomes and education levels are more likely to move for work related issues.

Why Marketers Should Pay Attention To New Move Names

A new resident will spend more money in the first 6 months than he will over the course of the next 3 years. Any company that sells a product that a new resident needs will benefit by marketing to new movers. Some of these needs are obvious or intuitive, but many are not.

When setting up a new household, whether it's a young adult setting out for the first time, or a newly-divorced person setting up a new home, or a relocation, new furniture and furnishings are almost always a part of a new move. People buy new carpeting, tile and rugs, draperies and blinds. A new move will trigger a sense of wanting "a fresh start" so it's common to see people buying new sheets, towels, shower curtains, anything and everything to make the new house their new home.

The home improvement stores find new residents important customers. They're buying new toilet seats and door locks, door knobs and faucets. And they need nails and screws and tools.

Every type of contractor generates business from new residents. That includes painters, plumbers, electricians, locksmiths, alarm companies and dozens more.

New lawn service and pool service and pest control are frequently required.

Depending on the distance of the move, every type of retail and local service relationship must be reestablished. That includes where you buy pizza, get your hair done, get your clothes cleaned, get you car serviced. All new professional relationships also need to be secured. Doctors, dentists, ophthalmologists, pharmacists ... all get new business from new residents.

Often even a short distance move will make people rethink their current relationships with others. The very act of moving can trigger looking for everything from a new beautician to dentist, to new Chinese restaurant.

If your business falls into any of the categories listed above, speed is critical. If another Mexican restaurant sends out a welcome to the neighborhood, free meal certificate mailing before you do, you may have lost your opportunity to become their new supplier in that category. That's why the savviest of smart marketers mail to new movers on a weekly basis.

I've already written about **Why New Move Lists Work**, and you can download this from the www.avrickdirect.com website. This whitepaper encapsulates the psychological factors behind why new mover names work for magazine subscriptions, mail-order catalogs, fund raising and a host of other mailers where there appears to be no logical 'link' between the act of moving and the urgent need to make these subscribing, purchasing or donating decisions. We hired several psychiatrists and psychologists to explore the motivations behind the purchases. The bottom line is that direct response patterns will frequently be established in response to the reasons that precipitated making the move.

New residents fall into two broad categories, home owners or renters. New renter names just cannot work for some mailers, and the reasons why are pretty obvious. On the other hand we have found that renters are equally or even more responsive than homeowners to many direct mail offers.

I believe there is no category of names that is mailed by more direct marketers than new residents. With a constant supply of between 225,000 and 350,000 weekly names to mail, every marketer needs to explore mailing to this audience. The upside is too great to ignore.