

Spanish homeowners improve energy efficiency as bills rise

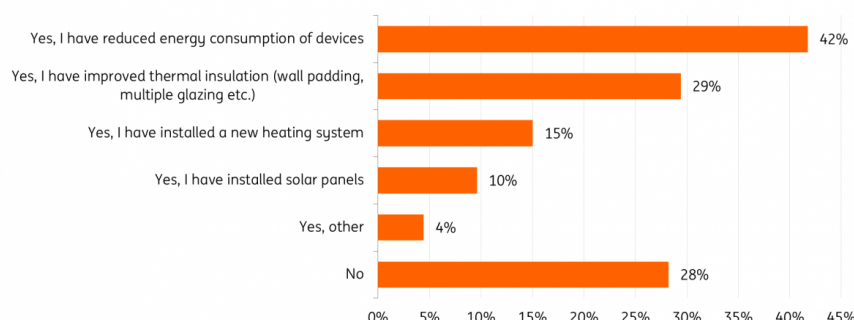
Our latest consumer survey reveals that 72% of Spanish homeowners have improved the energy efficiency of their homes over the past three years. Among rental properties, however, this number drops to 37%. The survey also reveals that barely 26% of Spaniards know that their property must have the energy label A by 2050



High energy prices prompt Spaniards to improve energy efficiency

Our latest consumer survey reveals that 72% of Spaniards have improved the energy efficiency of their homes over the past three years. The ING consumer survey was commissioned by ING and conducted in early November by Ipsos among a representative panel of 1,000 Spaniards. The same survey was also conducted in Romania, Turkey, Belgium, the Netherlands, Poland and Germany. The most popular measures to achieve this included reducing the energy consumption of appliances (42%) and improving thermal insulation (29%), followed by installing new heating systems (15%) and installing solar panels (10%). The survey also highlights that 44% of Spanish homeowners who have invested in efficiency measures say they would be willing to invest more if the energy savings were large enough to recoup the investment costs.

Homeowners: Have you taken measures to improve your home's energy efficiency during the past three years?



Source: ING Consumer survey

High and volatile energy prices proved to be a particularly strong incentive to take action. Of those who took steps in the past three years, 72% said saving on their energy bills was the main motivation. However, the high price of building materials did slow down the number of energy renovations. Among owners who have not implemented measures in the last three years, more than half (55%) said that they had not done so because they considered the cost of renovation to be too high, and 30% admit that they would do so if there were public subsidies that covered the entire investment.

The rental market, a different reality

In the rental market, the dynamics are completely different. While, as described above, 72% of homeowners have taken measures in the past three years to improve the energy efficiency of the property, only 37% of renters report that the owner has taken action. Landlords generally have less incentive to take measures because they cannot always fully pass on these extra costs in the rent, thus weighing on their rental yield. Nevertheless, many tenants (18%) would be willing to pay a higher rent if their rental property were made more energy efficient, especially if the savings on their energy bills outweighed the rent increase (56%).

Only 26% aware that total building stock needs energy score A by 2050

In addition, the survey found that only 26% are aware of the European Union's target for all buildings to have an A energy score by 2050. However, although this figure is in line with other European countries, there is a big potential risk here. In the future, the trajectory of house prices will increasingly be determined by the energy efficiency of the home. It is therefore important that buyers are aware of this ambitious objective of the European Union. In the coming years, all European countries will have to impose measures to improve the energy efficiency of the building stock, which will lead to growing price differences between energy-efficient and energy-guzzling houses. In our survey, 46% of Spaniards said they thought the government should make it mandatory to renovate homes to improve energy efficiency, although there is also a lot of scepticism as to whether this target is feasible. Among those who are aware of this target, almost 30% do not believe it is feasible, mainly because of the high costs owners would have to incur to carry out the necessary renovations.

Spaniards believe in a further rise in house prices

Spanish house prices have continued to rise, unlike in many other eurozone countries. In our previous update on the Spanish property market, we elaborated on the various elements supporting house prices, such as resilient property demand thanks to strong household growth and strong foreign demand, especially in tourist areas. In addition, house supply growth is insufficient to meet growing demand, creating scarcity, and putting upward pressure on house prices. Spaniards are also optimistic about the property market in 2024. In our survey, seven out of 10 respondents in Spain expect prices to rise in the next 12 months.

Yet 60% believe that housing in Spain is not affordable for most citizens. Moreover, 80% of the Spanish population fears that buying a house in Spain will become much more difficult for young people in the next three years. With increased interest rates and continued growth in house prices, it is currently not feasible for many families to buy a house, forcing them to rent for longer. Of those who rent, 46% admit they do so because they cannot afford a house. Other reasons are less decisive. 17% rent to be able to move and not be tied to one place (17%), followed by 12% who want to avoid long-term financial obligations and 11% who are uncertain about their future plans.

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Mateusz Sutowicz

Senior Economist, Poland

mateusz.sutowicz@ing.pl

Alissa Lefebvre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing

sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland

michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania

tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate

jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition

teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare

diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist
jurjen.witteveen@ing.com

Dmitry Dolgin
Chief Economist, CIS
dmitry.dolgin@ing.de

Nicholas Mapa
Senior Economist, Philippines
nicholas.antonio.mapa@asia.ing.com

Egor Fedorov
Senior Credit Analyst
egor.fedorov@ing.com

Sebastian Franke
Consumer Economist
sebastian.franke@ing.de

Gerben Hieminga
Senior Sector Economist, Energy
gerben.hieminga@ing.com

Nadège Tillier
Head of Corporates Sector Strategy
nadege.tillier@ing.com

Charlotte de Montpellier
Senior Economist, France and Switzerland
charlotte.de.montpellier@ing.com

Laura Straeter
Behavioural Scientist
+31(0)611172684
laura.Straeter@ing.com

Valentin Tataru
Chief Economist, Romania
valentin.tataru@ing.com

James Smith
Developed Markets Economist, UK
james.smith@ing.com

Suvi Platerink Kosonen
Senior Sector Strategist, Financials
suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri

thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors

maurice.van.sante@ing.com

Marcel Klok

Senior Economist, Netherlands

marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland

piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece

paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research

marieke.blom@ing.com

Raoul Leering

Senior Macro Economist

raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios

maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy

Maureen.Schuller@ing.com

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg

philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade

inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands

Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist

+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist

+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland
Karol.Pogorzelski@ing.pl

Carsten Brzeski
Global Head of Macro
carsten.brzeski@ing.de

Viraj Patel
Foreign Exchange Strategist
+44 20 7767 6405
viraj.patel@ing.com

Owen Thomas
Global Head of Editorial Content
+44 (0) 207 767 5331
owen.thomas@ing.com

Bert Colijn
Chief Economist, Netherlands
bert.colijn@ing.com

Peter Vanden Houte
Chief Economist, Belgium, Luxembourg, Eurozone
peter.vandenhoute@ing.com

Benjamin Schroeder
Senior Rates Strategist
benjamin.schroeder@ing.com

Chris Turner
Global Head of Markets and Regional Head of Research for UK & CEE
chris.turner@ing.com

Gustavo Rangel
Chief Economist, LATAM
+1 646 424 6464
gustavo.rangel@ing.com

Carlo Cocuzzo
Economist, Digital Finance
+44 20 7767 5306
carlo.cocuzzo@ing.com