Home Appliance Economics

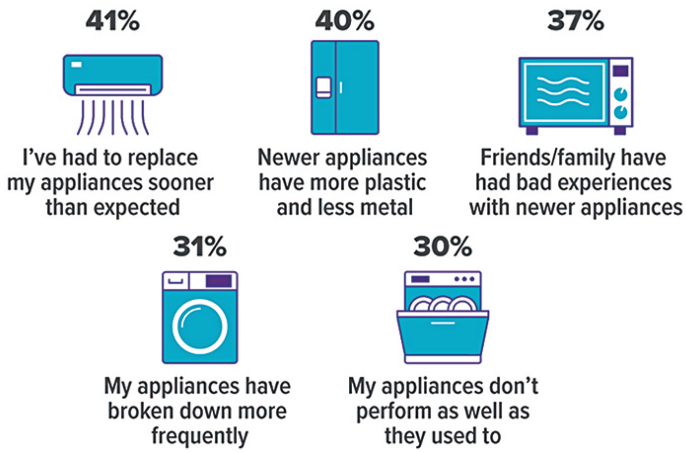
The prices of major home appliances fell 19.5% over the three years between April 2022 and March 2025. They now cost less than they did ten years ago, despite having lots of convenient new features.[1] The flip side is that repair costs for today's complicated appliances have gone through the roof. Plus, many homeowners are convinced appliances are less reliable and don't last as long.[2]

Here are three things to consider when an appliance you rely on breaks down.

Should I repair or replace it? If your appliance malfunctions while it is still under the manufacturer's warranty, the repair may be covered, but you should use a factory-authorized repair shop if you don't want to risk voiding the warranty. Service calls can cost $100 or more just to bring a tech to the door. If a broken appliance is approaching seven years old, or the cost to repair it will be more than half the price of a new one, replacement is often recommended.[3]

If I buy a new one, should I pay to extend the warranty? Extended warranties (or service contracts) generally cover service and repairs after the manufacturer's warranty expires. Ask yourself whether you are more comfortable paying a fixed monthly cost than unexpectedly facing a high repair bill that eats into your emergency fund or ends up on your credit card. Each warranty is different, so read the contract carefully to find out what's covered and what's not.

In a 2024 poll, 3 out of 4 consumers said they believe the quality of household appliances has declined over time, and nearly 2 out of 3 said they have shorter lifespans. Here's why:



Source: *USA Today,* October 30, 2024

Can I fix it myself? Before you give up on your old appliance, you might search for online repair guides provided by retailers that sell replacement parts and/or do some research on social media. An active community of DIYers may help you diagnose problems, and you will likely find plenty of free videos with step-by-step directions for common repairs.

1) U.S. Bureau of Labor Statistics, 2025; 2)*The Wall Street Journal,* February 20, 2024; 3) Realtor.com, 2024