

Houzz Canvas





As the community grows and more commercial apps. become visible, more partners are added

Lowes

Early-stage partnership with Lowes helped the brand to build credibility and

Mastercard+

Houzz Credit Card enables Houzz Rewards program and special options to financing

Many possible options in the future depending on the strategy

Brand, Community, Platform

- Brand synonymous with home improvement
- Large user-base + # of reviews = valuable community
- Platform creates value for members



Differentiate, Optimize for Profitability

- Must differentiate from a slew of other competitors
- Double-down on key markets (US), optimize business model and strategy for profitability

Value Proposition

Pinterest meets Angie's List in the home-improvement space. Curated network of content and professionals geared towards homeowners:

- Home Design inspiration and ideas a lá Pinterest. Buy products straight from the site
- Service professional and partners can source leads





Customer Relationships

Customer Support

- Handle most customer service inquiries online
- Trust Pilot reviews indicate poor customer service and low trust



Channels

Online and Offline

- Handle orders off site through online reps
- Host events and other members-only functions for service professionals and contractors

[ইই] Customer Segments

Homeowners and Service Professionals

- 90% of Houzz's users are homeowners. 81% of Home Renovators are GenX/Boomers with a median spend of \$15K. 15% are Millennials with a \$10K spend and GenZ represents <1%
- Service **Professionals** (architects, designers, etc) skew towards the higher end of the market



Cost Structure

Platform- Ongoing development of features, designs, etc

Operations- Localizing ads and services across global markets requires operational teams in major markets

Marketing - as markets become more competitive, Customer Acquisition Costs (CAC) go up



Revenue Streams

Premium Memberships: depends on category, but expected to be several hundred dollars per month

Ads: display Ads are sprinkled throughout the site

Commissions: make 15% on products sold