

# 2017



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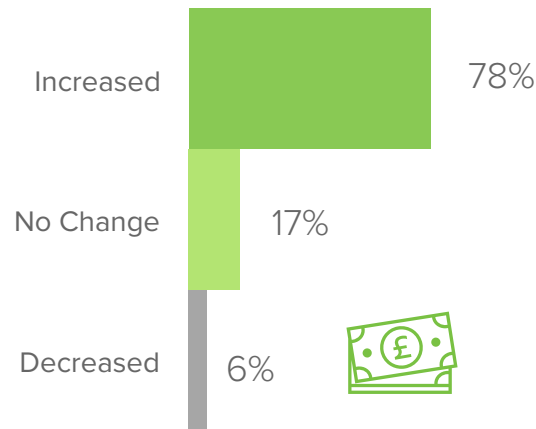
## STATE OF THE INDUSTRY HOUZZ UK

# Expected Revenues & Profits in 2017



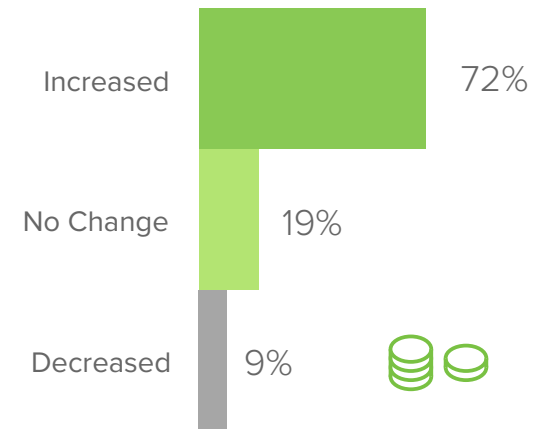
Charts below show the percentage of surveyed businesses on Houzz UK reporting expectations for 2017.

## GROSS REVENUES IN 2017



**10%+ Rev. Growth**  
 Expected by 58% of Businesses

## PROFITS (NET INCOME) IN 2017



### ARCHITECT Expected Increases in 2017

Gross revenue 73%  
 Profit (net income) 67%

### INTERIOR DESIGNER Expected Increases in 2017

Gross revenue 82%  
 Profit (net income) 80%

### DESIGN AND BUILD FIRM Expected Increases in 2017

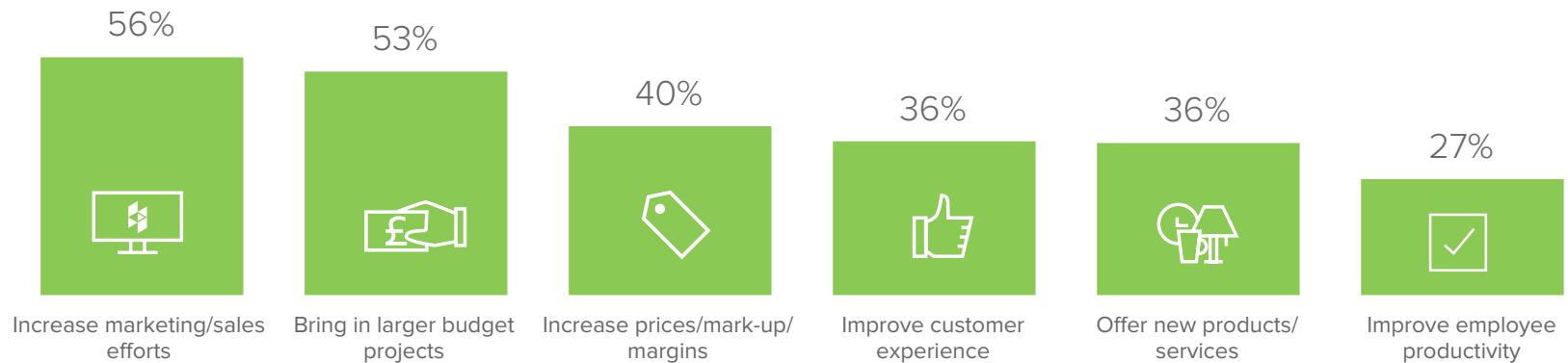
Gross revenue 81%  
 Profit (net income) 77%

# Top Growth Strategies in 2017



Charts below show the percentage of surveyed businesses on Houzz UK expecting revenue growth in 2017.

## TOP STRATEGIES TO GROW REVENUES IN 2017



### ARCHITECT

#### Top Growth Strategies for 2017

- Bring in larger budget projects 63%
- Increase marketing/sales efforts 41%

### INTERIOR DESIGNER

#### Top Growth Strategies for 2017

- Bring in larger budget projects 65%
- Increase marketing/sales efforts 57%

### DESIGN AND BUILD FIRM

#### Top Growth Strategies for 2017

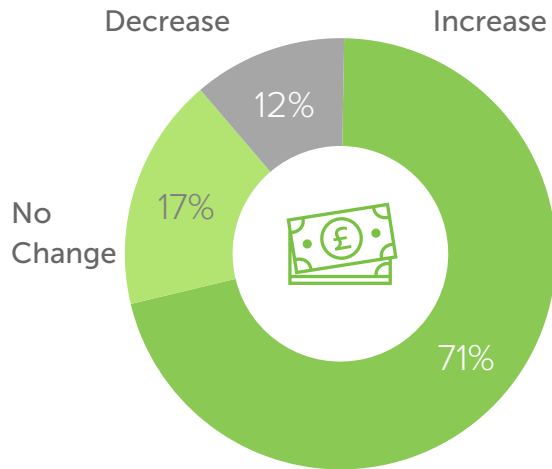
- Increase marketing/sales efforts 61%
- Bring in larger budget projects 49%

# Revenues & Profits in 2016 (vs. 2015)



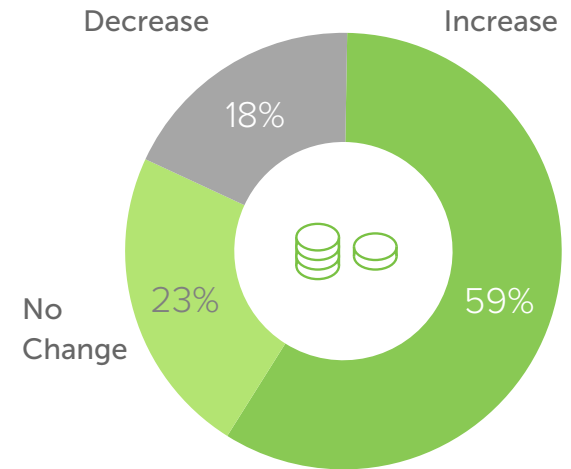
Charts below show the percentage of surveyed businesses on Houzz UK reporting performance in 2016.

## GROSS REVENUES IN 2016



**10%+ Rev. Growth**  
Reported by 55% of Businesses

## GROSS PROFITS IN 2016



**ARCHITECT**  
Reported Increases in 2016

Gross revenues 70%

Profit (net income) 55%

**INTERIOR DESIGNER**  
Reported Increases in 2016

Gross revenues 73%

Profit (net income) 59%

**DESIGN AND BUILD FIRM**  
Reported Increases in 2016

Gross revenues 77%

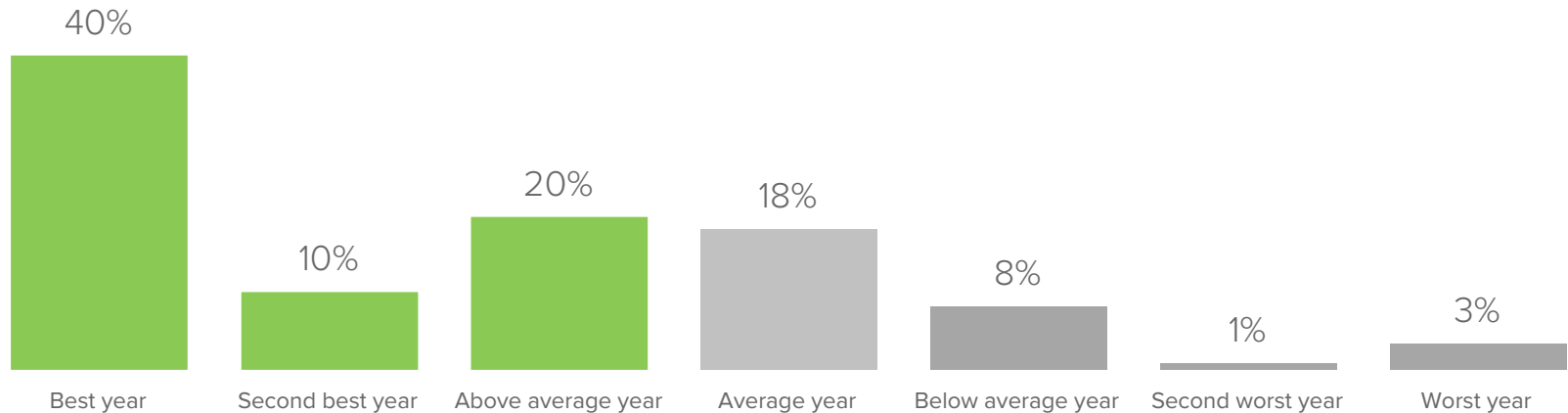
Profit (net income) 62%

# 2016 Versus Last 10 Years



Charts below show the percentage of surveyed businesses on Houzz UK reporting how 2016 business performance compared to the last 10 years (since 2007).

## 2016 BUSINESS PERFORMANCE COMPARED TO THE LAST 10 YEARS



### ARCHITECT 2016 Comparison

Best or second best year 54%

Above average year 15%

### INTERIOR DESIGNER 2016 Comparison

Best or second best year 51%

Above average year 18%

### DESIGN AND BUILD FIRM 2016 Comparison

Best or second best year 46%

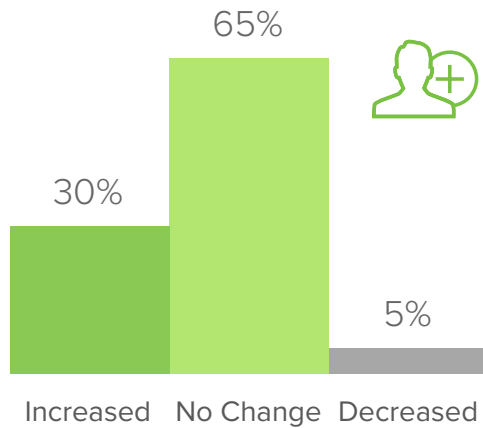
Above average year 22%

# Staffing & Business Costs in 2016 (vs. 2015)



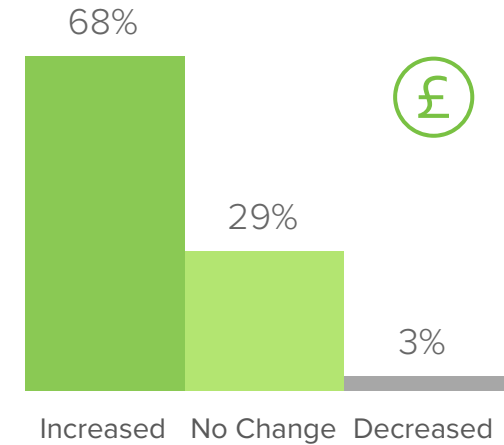
Charts below show the percentage of surveyed businesses on Houzz UK reporting performance in 2016.

## NUMBER OF EMPLOYEES IN 2016



**1-2 Employees**  
Hired by 20% of Businesses

## COST OF DOING BUSINESS IN 2016



### ARCHITECT Reported Increases in 2016

Number of employees 29%

Costs of doing business 64%

### INTERIOR DESIGNER Reported Increases in 2016

Number of employees 21%

Costs of doing business 60%

### DESIGN AND BUILD FIRM Reported Increases in 2016

Number of employees 41%

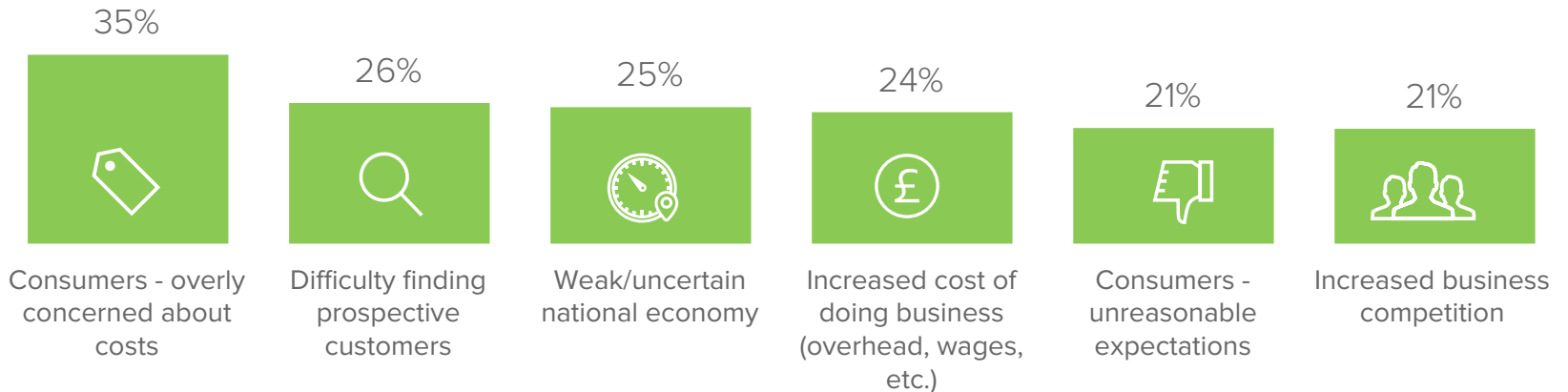
Costs of doing business 74%

# Top Business Challenges in 2016



Charts below show the percentage of surveyed businesses on Houzz UK reporting challenges in 2016.

## TOP CHALLENGES AFFECTING BUSINESS IN 2016



### ARCHITECT Top Challenges in 2016

Consumers - overly concerned about costs 35%

Weak/uncertain national economy 29%

### INTERIOR DESIGNER Top Challenges in 2016

Consumers - overly concerned about costs 44%

Difficulty finding prospective customers 41%

### DESIGN AND BUILD FIRM Top Challenges in 2016

Consumers - overly concerned about costs 31%

Weak/uncertain national economy 26%

# Description of Businesses

Charts below show the percentage of surveyed businesses on Houzz UK with the specific characteristics in 2016.

## MORE THAN £100,000 IN GROSS REVENUES\*



44% of Businesses

\*Up to £2,000,000 or more in revenues

## ONE OR MORE EMPLOYEES\*



67% of Businesses

\*Up to 500 or more employees

## TEN OR MORE YEARS IN BUSINESS\*



44% of Businesses

\*Up to 30 or more years in existence

## SOLE OWNER RESPONDING TO SURVEY



60% of Businesses



# Methodology

The survey was sent to businesses with profiles on Houzz UK and fielded in February 6-February 20, 2017. N=821.

## Description of Business Groups by Core Services\*

### Pro Categories in Survey (Sample N)

Architect/Designer (N=346)  
Builder/Installer (N=78)  
Design and Build (N=139)  
Speciality - Building & Renovation (N=84)  
Speciality - Decorating (N=94)  
Speciality - Landscaping & Outdoor (N=70)

### Top Pro Types in Survey (Sample N)

Architect (N=147)  
Interior designer (N=136)  
Design and build firm (N=97)

\*Business groups were defined based on services that contributed to the largest share of business gross revenues in 2016, as identified by respondents in the survey.

# Links to Pros on Houzz

Houzz is the easiest way for people to find inspiration, get advice, buy products and hire the professionals they need to help turn their ideas into reality.

Design, Renovation & Building	Products for the Home	Renovation Services & Supplies	Outside the Home
Architects & Building Designers	Appliances	Basement Designers	Landscape Contractors & Gardening Services
Design & Build	Bedding, Towels & Bathroom Accessories	Building Supplies	Garden & Landscape Supplies
Home Builders	Carpet & Flooring	Cabinet Makers	Conservatory & Garden Room Specialists
Interior Designers	Curtains, Blinds & Shutters	Carpenters & Joiners	Decking, Patios, Sheds & Summerhouses
Kitchen Designers & Fitters	Fireplaces	Home Storage Designers & Professional Organisers	Driveways
Bathroom Designers & Fitters	Furniture & Home Accessories	Kitchen & Bathroom Fixtures	Fencing & Gates
Landscape Architects & Garden Designers	Lighting	Loft Conversion Specialists	Lawn & Sprinklers
Stone, Paving & Concrete	Upholstery & Furniture Restoration	Paint & Wall Coverings	Tree Services
Tiles & Worktops		Period Property & Restoration Specialists	Swimming Pools & Hot Tubs
		Skip Hire & Rubbish Removal	Sports Courts & Outdoor Play
		Specialist Contractors	
Windows, Doors, Roofing & Cladding	Other Contractors & Services	Home Service & Tradesmen	
Cladding & Exterior Contractors	Artists & Craftsmen	Electricians	
Doors	Estate Agents & Lettings Agents	Environmental Services	
Garage Doors	Events, Media & Bloggers	Heating & Air Conditioning	
Roofing & Gutters	Kids & Nursery	Plumbers	
Windows & Glazing	Home Cinema & Technology Design	Removal Companies	
	Home Stagers	Septic Tanks & Waste Management	
	Interior Stylists	Solar Panel Installation	
	Photographers		
	Schools, Organisations & Associations		
	Staircases & Balustrades		
	Wine Cellars		
	Wrought Iron Workers		