

The Wochit logo is displayed in a blue, lowercase, sans-serif font.

# eCommerce platform increases revenue by \$51.6M

## Business issues

- Increase the size of the marketplace
- Increase professional paying subscribers
- Automate and lower the cost of video production so it scales as a service for paid Pro subscribers
- Increase retention of professional paying subscribers

- **Headquarters** | California
- **Employees** | 1000+
- **Revenue** | \$500m

Expected annual benefits

**+ \$51.6m**

Revenue

**-\$6.1m**

Churn

**+100%**

Audience Growth

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*Wochit video service has increased conversions, helping convert many of the 3 million pros to paid subscribers.*

**VP, Product**

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## Increased paid subscriptions \$51.6m

This online community of 40 million monthly users is the leading platform for home renovation and design, providing people with everything they need to improve their homes from start to finish. People find design inspiration, research, hire home professionals, and shop for products to complete their projects.

## Challenge

Finding products and finding professionals to complete projects are the two ways this enterprise monetizes the platform. It has a freemium revenue model for service providers who can create a free profile and can pay to "get for additional services to grow their business". In addition, consumers purchase products and materials they find on the site through the marketplace. In return it takes a 15% commission on those transactions. The professionals, who offer their design and home services, who sign up for a paid subscription to access special tools, are the second form of monetization for the marketplace platform. Offering services that convert professionals from freemium to a paid subscription, and retaining them is the challenge.

## Solution

Wochit's automated video creation platform is a key component of this enterprise's all-in-one software solution it sells via a subscription to "paid subscription" professional. "With the click of a button", the VP of

Product states, "customers can automate and publish a video from the content that already exists in their on-line profile. It's highly automated – impressive."

For home professionals, the Pro platform, which has 3 million subscribers today, launched in 2020 to provide an all-in-one software solution that empowers industry pros to stand out, win clients and manage their projects efficiently and profitably. Video is a consistent tool used in both the project management and marketing solutions offered – from video to showcase their business and talents, to a customer video used in website development, to video snippets used in lead generation and a custom video pulling in descriptions, reviews and imagery from their profile. Video, is one of the top five, products and services offered in the "Ultimate" version of the community platform, enticing the conversion of Pros to paid subscribers. And because 70% of the Pros have adopted the video service it has helped improve retention of subscribers by almost 50%. Pros pay a subscription price ranging from \$239 on the low end to \$999 per month, increasing recurring revenue by \$51.6m per year.



## Annualized results

- » Wochit's contribution to increasing paid subscribers is likely \$51.6m
- » Wochit's contribution to reduction of churn is likely minimally worth \$6.1m
- » 100% increase in the Professional community

*With the click of a button, customers automate and publish a video from the content that already exists in their on-line profile. It's highly automated – impressive. Wochit allows them to quickly leverage their content (images, description and reviews) and be known for what they are great at, using the unique video medium.*

**VP, Product**