

A large, stylized house icon composed of several overlapping, semi-transparent blue shapes, creating a 3D effect. The house is positioned on the left side of the slide, with its roofline extending towards the center.

# Zillow.com

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Spencer Rascoff, CFO & VP Marketing  
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# Why am I here?

- A) Because I was invited
- B) Because I miss the travel industry
- C) Because it is cold and wet in Seattle this week
  
- D) All of the above, and
- E) Because travel and real estate have some similarities (and lots of differences)

# The Opportunity

- Huge brand vacuum in an enormous category
  - Top 10 real estate websites have 20% share of category; every other major online category has 50-90% concentration among top 10 players
  - Category leader (Realtor.com) has only 6% unaided awareness
  - No leading brand with consumer-first mindset
- Huge addressable market
  - \$27B in total online advertising, at least ¼ of which is endemic or ancillary to Zillow's target
  - \$110B in total advertising among endemic and ancillary categories

# Company Facts

- Seattle-based
- 21 months old
- Advertising revenue model
- 160 people, mostly engineers
- Core team includes vets from Expedia, Amazon, Microsoft, Yahoo!
- Raised \$87M in 3 institutional rounds from founders, employees, Benchmark Capital, Technology Crossover Ventures, PAR Capital and Legg Mason

### Mission

Become the most trusted and vibrant online real estate community

### Strategy

Create a database of information on ALL homes (not just those that are for sale), plant the seeds of conversations with interesting information (e.g., data, valuations, photos) and open up the database for community interaction & UGC

### Business Model: Advertising

Free access to the “marketplace community” for all participants build large audience to whom we show relevant, contextually-relevant advertising

# The Results

- Launched in February 2006 with an ambitious budget of achieving 1M UU in six months. Beat that goal in a few days.
- A vibrant online real estate community which is gaining momentum.
  - Bringing real estate conversations and UGC online
    - 1M claimed homes
    - 95K Make Me Moves (10% have been pinged by buyers)
    - 25K contributions per day
  - 533,959,494 search queries since launch; >80% of homes in several cities have been Zillowed.

# Similarities with Travel

- Huge category in terms of \$ and interest
- Massive amounts of information
- Similar cast of characters
- Infrequent, high price, complex transaction typically with an intermediary
- Franchise model for hotels & Realtors

# Differences

- Role of the intermediary
- Brands much more fragmented in RE
- Online travel much more highly evolved now

# Lessons for Travel Companies

- Role of NAR & the REALTOR® brand
- Blogs and Social Media Marketing
- Why ecommerce instead of advertising?

# Q & A

- Role of Google
- What has surprised you the most?
- Role of metasearch
- What mistakes did EXPE make?
- Why is my Zestimate wrong?