



1. BRAND AND CATEGORY

Home Depot is an American home improvement retail company headquartered in Georgia, United States. The company operates 2,273 stores in total, including 1,977 in the U.S. and its territories, and the remainder in Canada and Mexico.

Home Depot is also associated with online commerce. Home Depot offers more than 35,000 products in stores and more than one million products are available online. Their products fall into the categories of **home appliances, hardware, building materials, flooring, garden requirements and many more.**

Home Depot has managed to carve its way to being the industry leader with an ~27% share.

2. TARGER MARKET SEGMENTS

Home Depot services encompassing Do-It-Yourself, Do-It-For-Me, Professional (Pro) Customers and Government Buyers

In the last several years, the Home Depot business strategy has sought to make online and offline retail experiences more integrated. For **Do-It-Yourself and Do-It-For-Me customers**, a number of “buy online” programs have been implemented. Products can be bought online and returned to the store. Online purchases may be shipped to a store, picked up in a store, or scheduled for home delivery. Home Depot products through **e-commerce now represent 6.1% of Home Depot’s annual revenues.**

In an effort to reach professional contractors, the Home Depot business strategy is purposely different than competitors. Though professional contractors **only represent 3 percent of all customers, their purchases comprise 40 percent of all sales.** However, meeting the needs of professional contractors differs from traditional DIY customers. As a result, Home Depot has developed a Professional Referral program to better connect contractors with consumers.

Home Depot also provides **tools to help professionals** better manage and grow their businesses.

By constantly assessing its target market, the Home Depot business strategy is always adapting to whatever changes occur.



The brand also aims to buyers from federal, state and local governments, the military and educational institutions. Home Depot has a dedicated “Government Solutions” team is available for procurement contracts, and national retail network allows us to tap into an unparalleled supply chain to offer a total solution to their needs.

3. CLOSEST COMPETITORS

Product Category Competitors

Lowe’s and Home Depot together account for almost half of all major-appliance sales to Consumer Reports members. Add Ikea, Sears and Best Buy to the mix, and you’ve got 80 percent of the market covered.



Lowe’s has been in business about 30 years longer than Home Depot. Home Depot has 2,284 stores in North America, while Lowe’s has about 2,370. Lowe’s stores also typically have a few more square feet of space than Home Depot stores. ... The target market is a notable difference between the two stores.

- As the world’s first and second largest home improvement retailers, Home Depot and Lowe’s share many similarities.
- They compete for a shared customer base across the U.S., Canada, and Mexico.
- Both companies are committed to allowing customers to move seamlessly between online and offline channels.

Home Depot and Ikea are more focused versions of the same concept. Home Depot carries everything for the DIYer and Ikea does furniture and home decor on a scale that is unprecedented. These retailers offer great value and selection for a low price, which is all most consumers are looking for.

Big Box Retailers

Big box retailers are meant to be a one-stop shop for customers. Walmart, Target, Home Depot, Costco, Best Buy have broadest product mixes. Customers can find every consumer good from groceries to clothing to technology.



- A big box retailer is a store that occupies a large physical footprint while offering a wide variety of products to its customers, often in bulk.
- Meant to be a one-stop-shop for customers, big box stores can offer great convenience and value. .

Small Local Stores

Some criticize big box stores, however, for displacing smaller mom & pop shops and aggressive pricing practices when dealing with vendors and suppliers.



For instance Abt, which has one sprawling store in Glenview, Ill., but ships nationwide, is the top major-appliance retailer for the ninth year in a row. It earns top marks for every factor we measure—price, selection, service, in-store atmosphere, website usability, and shipping/delivery.

The World's Top Online Marketplaces

Both stores have a huge selection of home-improvement products, including many of the exact products that are available at Home Depot. And like in most departments, Amazon’s home-improvement prices are competitive.

