RenoPilot Pty Limited

Organisation Website:
www.renopilot.com

Project Name:
Inspiration & DIY Portal & Database

Project Lead:
Name: Graeme Foley

Title/role: Founder

Email address: Graeme.Foley@kerogenresources.com.au

Web link to profile (if relevant): N/A

Introduction
RenoPilot is developing cloud-based interactive products for the property improvement and home renovation market.

Potential revenue targets are:
- Homeowners considering a property improvement or home renovation project; and
- Providers of the goods and services used in such projects.

When fully developed, the RenoPilot platform will enable Homeowners to design/cost approximately 30 different project types with approximately 75 sub-types.

e
Project Objectives
The objective of the project is to provide feedback to providers of renovation services which enables them to estimate how much business they might be able to generate, for themselves, by making use of the RenoPilot web site.

This feedback will be estimated from the ABS census data, by knowing the range of incomes in each postal district. The families with incomes above a certain level are likely to be undertaking renovations, but the ones below that level are not likely to be doing so.

For example, it could be assumed that 1/4 of all families with an income of at least $8000 per month will do a renovation in the next 12 months. The families with an income below that will not do a renovation. To calculate the number of renovations being done in a certain postcode, we therefore first find the number, RF say, of families with an income greater than $8000 per month. We multiply

that by 1/4. This is the number of renovations which will be done in that postcode in the next 12 months.

Expected Outcome/s:
The primary objective is to develop:

- To develop and test an xslt script which can be used to generate a report, in the form of an html page, which shows the number of renovations which will occur, in a given postcode, or list of postcodes, in the next year.

- Prepare a web page which enables providers of renovation services to specify the postcode or list of postcodes that they want to investigate.

- Deploying the script in a server. It can be assumed that the server uses node.js. Hence this task requires to learn how to run an xslt script on a node.js server.

- The html page generated by this script should include the necessary input fields, and buttons, to enable users to re-run it after changing their postcode selections.

- It should be possible to configure the script to use a different algorithm than the simple setting of ¼ x number of households with an income more than $8000 pw as the estimated number of renovations in the next year. However, this could be used as the "default" setting for the script.

Essential Knowledge:
RenoPilot considers:

- In this project it is necessary to understand and use html, javascript, xslt, and xml.

Discussion:
The objective of the "market investigation" service is to allow Providers of goods and services to assess the attractiveness of a postcode (or postcodes) relative to another. The Providers we will target will already be servicing a general area and we want to help them understand whether they have the right focus for the products or services they offer. For example, there is little point a high-end bathroom renovation company offering its services in postcodes where the average household is barely surviving. So, absolute income (it would be better to have a measure of discretionary cash flow but that is going to elude us at this time) is important but so are relativities. (In my Excel model I ranked all the postcodes in a state according to an estimate of discretionary cash flow and number of renovations – which was calculated by applying a general renovation rate.)

Using discretionary cash flow means renovations are either affordable or not. With absolute income data such as you extracted from the ABS we will have to come up with a different methodology. I agree with the direction of this comment "it could be assumed that 1/4 of all families with an income of at least $8000 per month will do a renovation in the next 12 months". People with lots of spare cash are almost continually replacing/upgrading something, and by the time hey work through their "to do" list, it is time to start again.

Information from the HIA or similar sources will tell you that 2.5% of all dwellings undergo a bathroom renovation each year. Put another way, each dwelling gets a new bathroom every 40

years. If you think about it, you quickly realise this is not right: some dwellings only get a new bathroom when they are knocked down and rebuilt whereas others have a new bathroom every 10 or 15 years. (We lived in our last house in Sydney for 30 years. During that time the house across the road enjoyed 3 new kitchens and probably the same number of bathrooms – it had 3 or 4. The barrister was responsible for one new kitchen and the heart surgeon for the other two.)

The number of dwellings (total and separate) extracted from the ABS can be multiplied by a "renovation rate", eg 2.5% for bathrooms. 2% for kitchens, 5% for internal painting, 1% for concrete driveways, etc, to generate a state-wide number of renovations of a specific type. To that number must be applied a factor which boosts the number in areas with high discretionary cash flow and lowers it for others (many postcodes will rarely see a renovation). That would give us a raw number of renovations and a finessed number.

Of course, a bathroom renovator only wants to see numbers for bathroom renovations so we have to be able to separate those from those a concretor, for example, would want to see.

Project Resources and Data Sources:
RenoPilot will provide:

a. A full explanation as to what the Inspiration & DIY database must deliver;
b. Examples of similar pages used by other companies;
c. The RenoPilot.com website (currently offline), the software for which is stored in a GitHub repository.

Other Information:
RenoPilot will be available 24/7 to answer questions, provide any information needed and make decisions that may be required as to logic, content, look/feel, etc.