Pinterest Business Model

Idea In Short

Pinterest built its business by turning a digital pinboard into an advertising and shopping engine. The platform lets people search, save and organize images around ideas, from home renovation to recipes and it sells access to that intent to advertisers. Founded in 2009 by Ben Silbermann and Paul Sciarra, Pinterest went public in 2019 and now counts more than 600 million monthly users worldwide. Revenue comes almost entirely from advertising, with promoted pins, brand campaigns and shopping features driving growth. Bill Ready took over as chief executive in 2022, succeeding Silbermann, who remains executive chairman. This article breaks down how Pinterest makes money, who its partners and customers are and where the company's advertising-first model faces pressure from Instagram, TikTok and Google.

From a shared prototype to a public company

Ben Silbermann and Paul Sciarra built the first version of Pinterest in December 2009 as a simple way to collect and organize images around personal interests. The product launched publicly in March 2010 as an invitation-only site and it grew slowly at first, reaching roughly 10,000 users by the end of that year. Pinterest opened to anyone without an invitation in August 2012 and introduced business accounts two months later, a shift that turned the site from a hobbyist tool into a platform brands could use directly.1

Pinterest priced its initial public offering at $19 a share in April 2019, valuing the company at roughly $10 billion and raising about $1.4 billion. The listing came a decade after the company's founding and gave outside investors their first opportunity to own a stake in a platform built around a single idea:

> helping people plan things before they happen2

A search engine built around intent

Pinterest works differently from feed-driven social networks because its core function is search rather than following. Users type a keyword, such as "kitchen remodel" or "flamingo" and the platform returns images called pins drawn from across the web and from other users' boards. Boards let people organize pins into categories, similar to a physical corkboard and businesses can create multiple boards to separate product lines or campaigns.

> Pinterest markets itself less as a social network and more as a place people visit with a specific project or purchase in mind

The platform layers three feeds on top of search: a home feed built from followed boards and behavioral signals, a following feed limited to accounts and topics a user has chosen and an explore feed that surfaces trending content without requiring any search input. That structure gives Pinterest multiple ways to surface advertising without disrupting a user's stated intent, which is part of why advertisers pay to appear there.

Leadership shifts as growth slows and restarts

Silbermann led Pinterest as chief executive from its founding through the IPO and into 2022, when the board named Bill Ready, a former Google and PayPal executive, as his successor. Silbermann moved into the newly created role of executive chairman, staying involved in product and long-term strategy while stepping back from daily operations. The change came as Pinterest's user growth had leveled off following a pandemic-era spike and the company needed someone with a background in commerce and payments to push further into shopping.3

Under Ready, Pinterest has posted ten consecutive quarters of user growth, reaching 631 million monthly active users in the first quarter of 2026, an 11% increase from the prior year. Growth has come disproportionately from outside the United States, with the international user base expanding faster than the core North American market even as North America still generates most of the advertising revenue.4

Advertising remains the core revenue engine

Nearly all of Pinterest's revenue comes from advertising, sold mainly through promoted pins that are formatted to resemble organic content. Advertisers bid for placement in search results, feeds and related-pins modules and pricing depends on how well a given promoted pin performs against engagement benchmarks. Brand promotion campaigns work similarly but focus on general awareness rather than a specific product push and Pinterest has built out measurement tools so advertisers can track how campaigns translate into visits or purchases on their own sites.

Revenue reached roughly $4.2 billion for full-year 2025, up 16% from the prior year and the company reported $1.008 billion in first-quarter 2026 revenue, an 18% year-over-year gain. The United States and Canada still generate the largest share of total revenue, which leaves Pinterest exposed if ad spending in that region softens even as international usage grows faster.5

Turning saved ideas into completed purchases

Pinterest has pushed steadily toward commerce features that let users buy items directly from pins rather than leaving the platform to search for them elsewhere. Shopping ads, product tagging and partnerships with retailers let brands attach purchase links to pins and the company has acquired smaller companies, including an AI-powered fashion shopping platform, to accelerate that shift. Influencer partnerships add another layer, with Pinterest taking a share of sales generated through creator collaborations rather than charging a flat advertising fee.

That commerce push matters because Pinterest's users often arrive already planning a purchase, whether a home renovation, a wedding or a gift. Converting that intent into a completed transaction, rather than just a click to another retailer's website, is central to how the company argues its advertising is worth a premium over feed-based competitors.

Competing against larger platforms for the same ad dollars

Pinterest competes for advertising budgets against Meta's Instagram, Google and increasingly TikTok, all of which offer larger user bases and more mature shopping tools. Instagram in particular overlaps heavily with Pinterest's visual format, though Pinterest's search-first structure gives it a different value proposition built around planning rather than browsing for entertainment. Smaller category-specific competitors, such as Houzz in home design, compete for narrower slices of the same advertiser interest.

The company's gender skew, with women historically making up more than 70% of the user base, has shaped both its advertiser mix and its long-term growth strategy. Pinterest has worked to broaden its appeal, including expanding content categories aimed at male-skewing interests such as gaming and outdoor gear, though the platform's core identity around home, fashion and food content remains largely intact.6

Key Partners

Pinterest depends on advertisers and brands that buy promoted placements, ranging from small e-commerce sellers to national retailers. Content creators and influencers supply much of the visual material that keeps boards and search results populated with fresh ideas. Retail and e-commerce partners, including platforms that supply product catalogs for shopping ads, extend Pinterest's ability to convert pins into transactions. Technology infrastructure providers support the platform's hosting, image processing and machine learning systems that power search and recommendations.

Key Activities

Pinterest's central activity is selling and serving advertising across its search results, feeds and related-content modules. The company continuously develops its recommendation algorithms and visual search technology to keep results relevant as its content library grows. Building and maintaining shopping features, including product tagging and catalog integrations, has become a growing share of engineering effort as commerce becomes more central to the business.

Key Resources

Pinterest's most valuable resource is its dataset of pins, boards and user search behavior, which powers the recommendation systems that keep the platform relevant to individual interests. Its engineering and product teams maintain the search and discovery technology that differentiates Pinterest from feed-based competitors. Partnerships with online retailers and payment processors give Pinterest the infrastructure needed to support in-platform shopping.

Value Propositions

For advertisers, Pinterest offers access to users who arrive with active purchase or project intent, which tends to convert differently than attention captured on entertainment-focused feeds. For everyday users, the platform organizes ideas around specific interests, from recipes to renovation plans, in a format built for saving and revisiting rather than scrolling once and forgetting. For content creators and influencers, Pinterest offers distribution and monetization through collaborations with brands. For online retailers, shopping ads and product tagging create a direct path from inspiration to purchase without requiring a separate marketing channel.

Customer Relationships

Pinterest maintains most user relationships through self-service tools rather than direct account management, letting people create boards, follow topics and adjust settings without company intervention. Advertisers with larger budgets get access to dedicated account support and measurement dashboards that track campaign performance. Community guidelines and a content moderation system, including tools for copyright holders to request removals, shape how the company manages trust with its broader user base.

Channels

The Pinterest website and mobile apps for iOS and Android serve as the primary channels through which users discover and save content. Social media promotion and word-of-mouth sharing of pins extend the platform's reach beyond direct visits. Advertiser-facing channels include a self-service ads manager and dedicated sales teams for larger brand partnerships.

Customer Segments

Businesses and online retailers use Pinterest to build awareness and drive traffic to their own storefronts. Advertisers, ranging from small sellers to global brands, form the segment that generates nearly all company revenue. Everyday users searching for ideas, whether in home design, fashion or cooking, make up the bulk of the platform's active user base. Influencers and content creators use Pinterest to reach audiences and earn commissions through brand collaborations.

Cost Structure

Pinterest's largest costs are employee compensation across engineering, sales and content moderation teams, alongside the cloud infrastructure and data processing needed to run search and recommendation systems at scale. Marketing and user acquisition spending, along with legal and compliance costs tied to content moderation and copyright enforcement, make up the remainder of the company's operating expenses.

Revenue Streams

Advertising, primarily through promoted pins and brand campaigns, generates nearly all of Pinterest's revenue. Shopping-related fees, including commissions from influencer collaborations and product sales facilitated through the platform, contribute a smaller but growing share. Licensing and acquisition-driven technology, gained through purchases of smaller shopping and AI companies, support both revenue lines indirectly by improving ad targeting and commerce conversion.

- 1Pinterest's early funding rounds and founding timeline
- 2Pinterest's 2019 IPO pricing and valuation
- 3Pinterest names Bill Ready as chief executive
- 4Ben Silbermann's transition out of the CEO role
- 5Pinterest's full-year 2025 revenue and user results
- 6Background on Pinterest's founding and platform history

Summary

Pinterest occupies a narrower niche than most social platforms, built around intent rather than social connection. That focus lets it sell advertising against searches for specific products and projects, which advertisers value differently than a feed built for entertainment. The company's growth into 2026 has come from expanding internationally and layering shopping features onto its existing search and discovery tools rather than reinventing the product. Its advertising business remains concentrated in the United States and Canada and competition for ad budgets from larger platforms continues to shape its pricing power. Whether Pinterest can keep growing users while expanding commerce revenue will determine how much of the retail advertising market it can claim over the next several years.