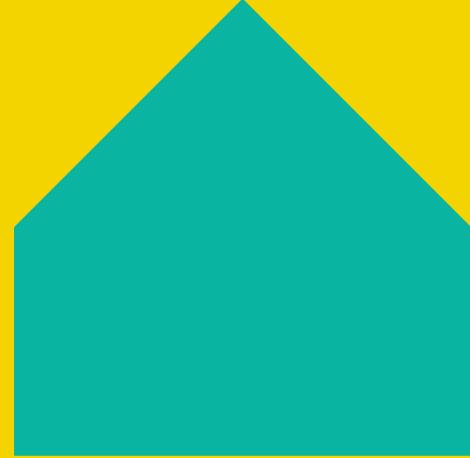


# Horizontals vs Verticals

## Who Wins?

Simon Baker  
Chairman

MitulaGroup<sup>o</sup>



# The Contestants

Cars

Jobs

Homes

Products

Services

Other...

- Multiple products and services
- Single brand (usually)
- Single site
- Consistent user experience
- Large global teams
- Very well funded

# General Classifieds Sites – Major Players

MitulaGroup®

Cars

Jobs

Homes

Products

Services

Other...



# General Classifieds Sites – Major Players

MitulaGroup®

Cars

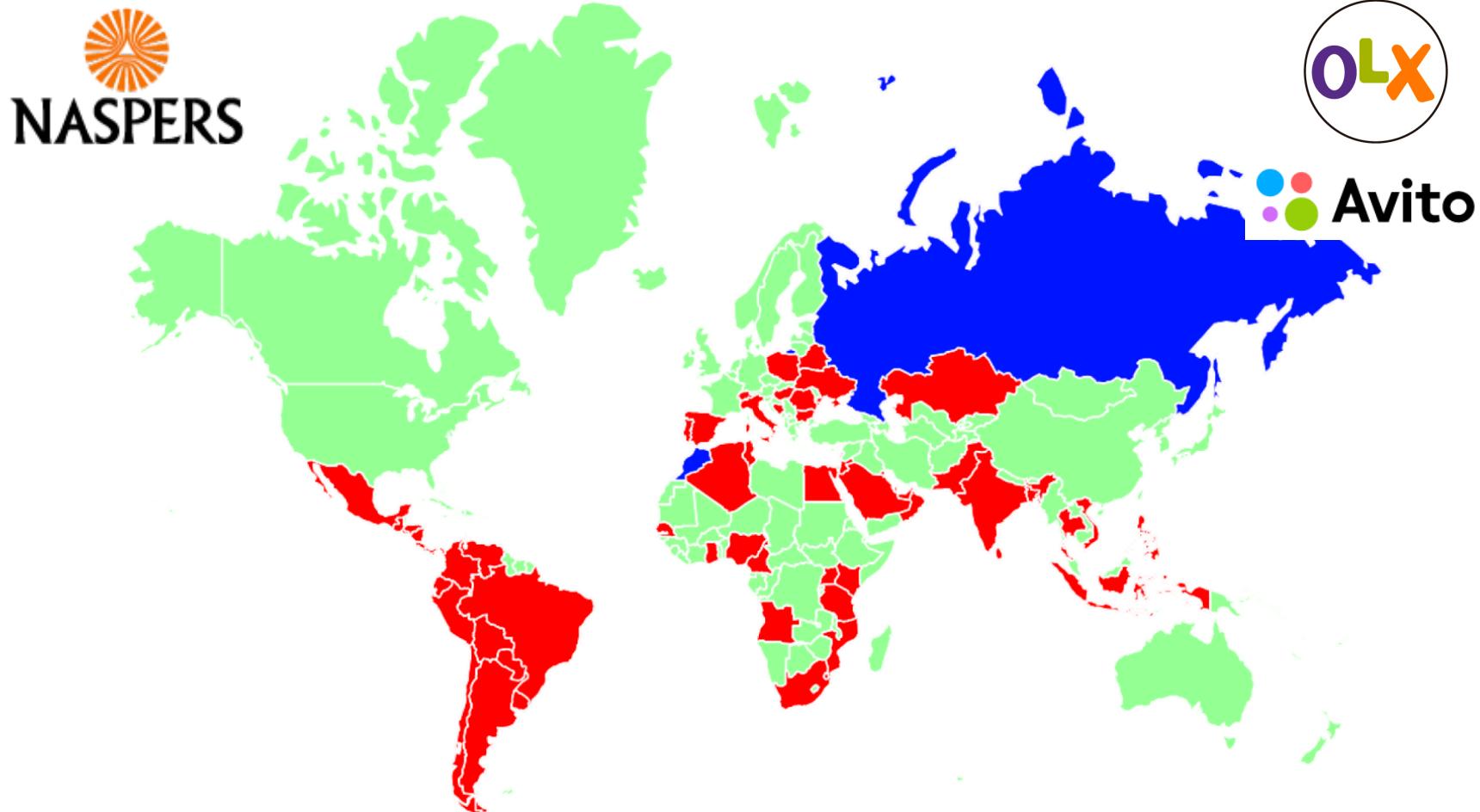
Jobs

Homes

Products

Services

Other...



# General Classifieds Sites – Major Players

MitulaGroup®

Cars

Jobs

Homes

Products

Services

Other...



# General Classifieds Sites – Major Players

MitulaGroup<sup>o</sup>

Cars

Jobs

Homes

Products

Services

Other...



**kijiji**

**MARKTPLAATS.NL**

**LOQUO**  
**BARCELONA**



# What is a Vertical Site?

MitulaGroup®

Cars

Jobs

**Homes**

Products

Services

Other...

- Focused on one segment
- Usually a range of products offered
- Close relationship with the advertiser
- Often well funded
- Local teams
- Sometimes part of a global network

# Major Vertical Players – Real Estate

MitulaGroup®

Cars

Jobs

Homes

Products

Services

Other...



REA Group



IMMOBILIEN  
SCOUT24



Zoopla



realtor.com®

iProperty Group  
Asia's No.1 Online Property Group

# Major Vertical Players – Regional Plays

MitulaGroup®



# Major Vertical Players – Regional Plays

MitulaGroup®

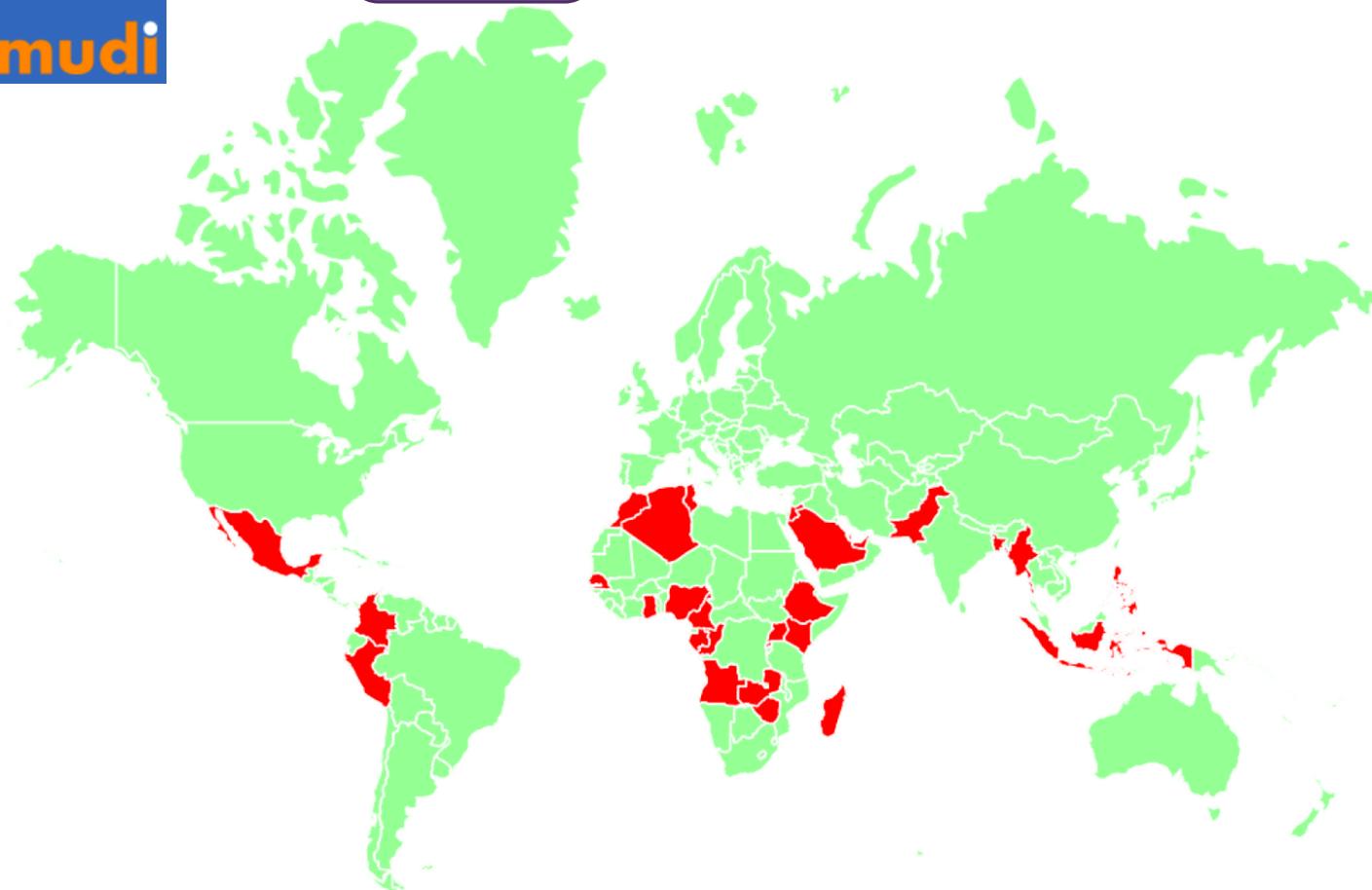
Cars      Jobs

**Homes**

Products

Services

Other...



# The Battle Ground

# Online Classifieds Growth Model

MitulaGroup®



# Online Classifieds Growth Model – Advertisers

MitulaGroup®

Need to get close to all advertisers (professional and private)

Build awareness of the proposition

Sign up advertisers to the products and services

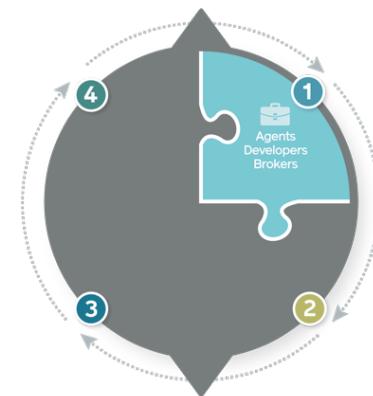
Build and maintain relationships with customers and targets

Simple go to market processes

Leverage technology to get closer



**100% of potential advertisers aware and using products and services**



# Online Classifieds Growth Model – Listings

MitulaGroup®

Listings life blood of all online classifieds businesses

Important to get all listings within a market – professional and private listings

Automated upload of quality listings

Removal of duplicates and elimination of fake listings

Smart search to ensure accurate results for searchers

Presentation of listings is important to ensure relevance to the consumer



**100% of listings within a market segment at the highest possible quality**



Traffic is important – only if you have enough listings

Various approaches to driving traffic with some are more important (and effective) than others

Without traffic you can not create leads

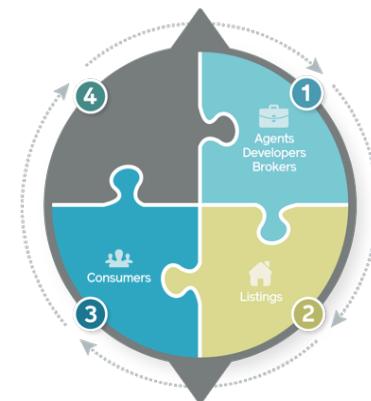
Limited budgets need to be focused

Site needs to be optimised to attract return visitors

Brand building also important for the long term



**Most traffic in the market and the strongest brand for the segment**



# Online Classifieds Growth Model – Leads

MitulaGroup®

Important to create engagement with the listings content

Engagement will generate leads

Lead generation reduces churn of advertisers (critical for long term growth)

Lead generation allows classified sites to increase prices for entry level advertising services

Provides platform for premium services as advertisers value position and presence on the site (as it generates leads)

Communication of value is critical



**Generating the highest number of high quality (actionable) leads in the market**



Basic monetisation is from advertising of listings  
with some models work better than others

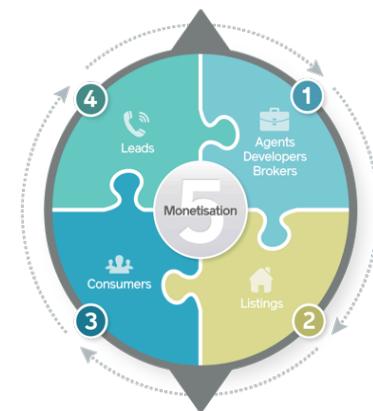
Additional monetisation from premium advertising  
services

Some sites, depending on market, move to other  
products and services including print, data,  
exhibitions, and software

Performance leads to pricing increase



**Profitability and  
revenue leadership**



# The Battle



## Verticals

Have dedicated teams on the ground to target the advertisers – often team focused on sub-segments

Team tend to focus on each sub-segment

Use software to get closer to the advertiser and closer to the listing source

Usually a pay to list model as freemium harder to monetise over the longer

Build long term relationships with the advertisers through dedicated teams

**Much closer to the advertisers and in a better position to monetise**



## General Classifieds

Often don't have dedicated teams on the ground

Usually rely on advertisers to self service

Have a broader range of advertisers – professional and general public

Usually a freemium model with selected segments paying for upgrades or placements

Often control countries from central "HQ"

**Less close to the advertisers**

# Building Quality Listings



MitulaGroup®

## Verticals

Direct data feeds from software providers in the target markets

Often own the software providers to get direct access to quality listings

In early stage markets, verticals sometimes source listings directly including taking of photos and certify quality of each listings



Usually higher quality of listings



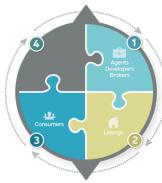
## General Classifieds

Combination of direct entry and XML feeds

Harder to “certify” quality of listings from direct entry (especially since free and from general public)

Often hard to quality control listings due to generic approach to managing listings across multiple verticals

More variability in listing quality due to multiple input sources



## Verticals

Clear set of marketing approaches used to create awareness and drive traffic

Lower cost include SEO, SEM, email alerts, distribution agreements & PR

Higher cost approaches include brand building and traditional media

## General Classifieds

Reliant on traffic from other sections of the site – internal traffic generation

Internal marketing redirects traffic

Some leveraging of global network and learnings

Use of SEO and some SEM

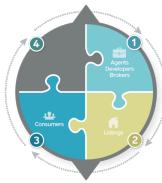
Limited brand building and if so, generic not segment specific

# General Classifieds Sites Partnering

MitulaGroup<sup>o</sup>



Brazil, Bangladesh, Thailand, and Indonesia



## Verticals

Clear set of marketing approaches used to create awareness and drive traffic

Lower cost include SEO, SEM, email alerts, distribution agreements & PR

Higher cost approaches include brand building and traditional media

**Significant investment required to build traffic**

## General Classifieds

Reliant on traffic from other sections of the site – internal traffic generation

Internal marketing redirects traffic

Some leveraging of global network and learnings

Use of SEO and some SEM

Limited brand building and if so, generic not segment specific

**Access to more traffic at lower costs – core part of model**



## Verticals

Search more tailored to requirements of the vertical

- Map based,
- More fields,
- Free form searches

Additional information and data make it a more robust decision making experience

Listings presented in a more informative / engaging manner

## General Classifieds

Generic search used with minor refinements available

Poor search experience

Minimal or no additional information to assist in decision making process

Listings are presented in a very generic manner

Pages not tailored to maximise lead generation

# Search Page – Spain Example

MitulaGroup®

The screenshot shows the Idealista search interface. On the left, there are buttons for 'Buy', 'Rent', and 'Share'. A sidebar on the right lists categories: 'New construction', 'Homes', 'Holiday', 'Rooms', 'Offices', 'Commercial property', 'Garages', and 'Land'. Below these are city names: León, Lérida/Lleida, Logroño, Lugo, Madrid, Málaga, Mallorca, and Melilla. A yellow banner at the bottom displays 'Your last search: Homes in Chamberí, Madrid' and a 'Search' button. The main content area shows a count of '1,289,218 listings, 8,376 new yesterday' and a message 'Your first two listings are free'. A purple 'Add a listing' button is visible. At the bottom, there's an 'Open search criteria' section with radio buttons for 'Buy' (selected) and 'Rent', a dropdown for 'Homes', a search input field, and a 'Search' button. A note below the input field says 'i.e.: Madrid, Barcelona, Valencia, 0290379449, 12345'.

## Verticals – e.g. Idealista

Horizontal vs Verticals – Who Wins?

The screenshot shows the Segundamano search interface. At the top, there are buttons for 'BUSCAR', 'AYUDA', 'FAVORITOS', and 'PON TU ANUNCIO'. The search bar contains 'Estoy buscando... samsung', 'inmobiliaria', and 'Madrid', with a 'BUSCAR' button. Below the search bar is a grid of icons representing different categories: armchair, t-shirt, shopping cart, laptop, bicycle, paw, car, house, graduation cap, handshake, box, and grid. To the right is a map of Spain with the text 'toda España' (all Spain) below it.

## General Classifieds – e.g. Segundamano

mitulagroup.com

# Search Results – Spain Example

MitulaGroup®

Premium



Penthouse in Almagro, Madrid

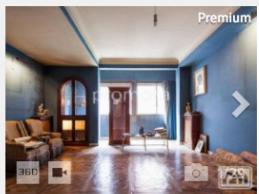
**1.650.000 €** ↓ 150.000 € (8%)

3 bed 194 m<sup>2</sup> 7 floor exterior with lift

ALFEREZ REAL ESTATE offers its customers a luxury penthouse of 194 sqm in one of the quietest streets of Almagro. Completely renovated, e...

670 690 269

Premium



Flat in Almagro, Madrid

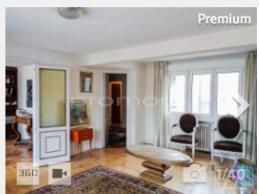
**1.400.000 €** Garage included

6 bed 468 m<sup>2</sup> 3 floor with lift

For sale. Flat - Chamberí. Property with a gross floor area of approximately 468m<sup>2</sup>. 5 bedrooms and 4 bathrooms. A 1 minute walk from Pas...

914 310 431

Premium



Penthouse in Almagro, Madrid

**1.450.000 €**

5 bed 305 m<sup>2</sup> 8 floor with lift

For sale. Loft. Chamberí-Almagro area. 305sqm. Two large terraces facing north and south. 5 bedrooms, 3 bathrooms and 3 lounges. Loft th...

914 310 431

Premium



Penthouse in Trafalgar, Madrid

**1.850.000 €**

3 bed 311 m<sup>2</sup> 6 floor no lift

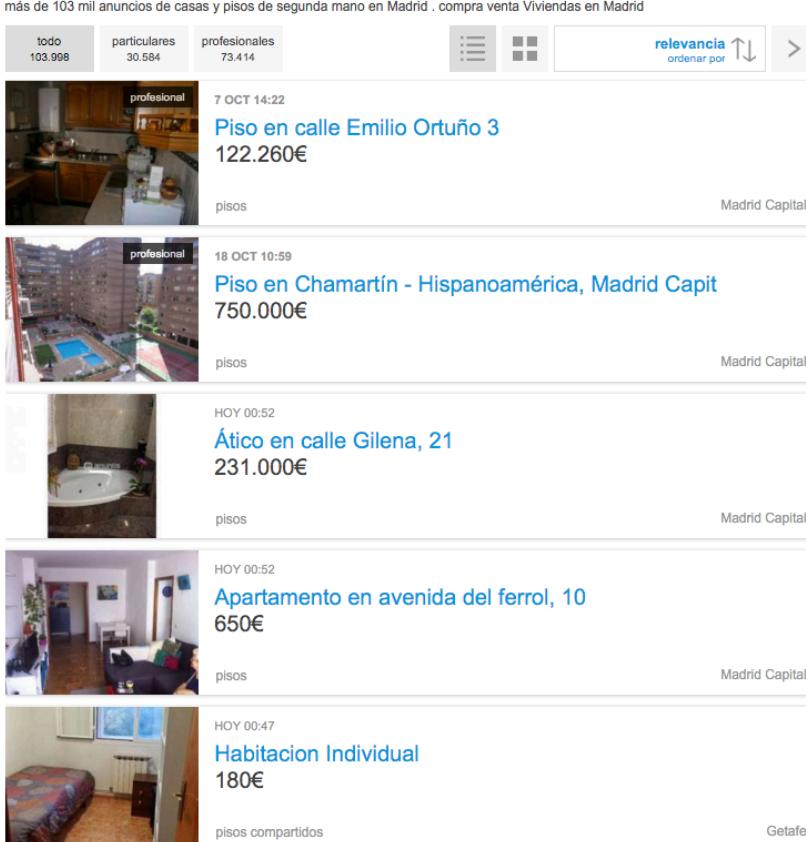
For sale. Exclusive loft. 31sqm. Excellent orientation. Promora is happy to present this luxury loft with a large terrace in the mos...

914 310 431

más de 103 mil anuncios de casas y pisos de segunda mano en Madrid . compra venta Viviendas en Madrid

todo 103.998   particulares 30.584   profesionales 73.414

relevancia ordenar por ↑ ↓ >



7 OCT 14:22   Piso en calle Emilio Ortúño 3   122.260€   pisos   Madrid Capital

18 OCT 10:59   Piso en Chamartín - Hispanoamérica, Madrid Capit   750.000€   pisos   Madrid Capital

HOY 00:52   Ático en calle Gilena, 21   231.000€   pisos   Madrid Capital

HOY 00:52   Apartamento en avenida del ferrol, 10   650€   pisos   Madrid Capital

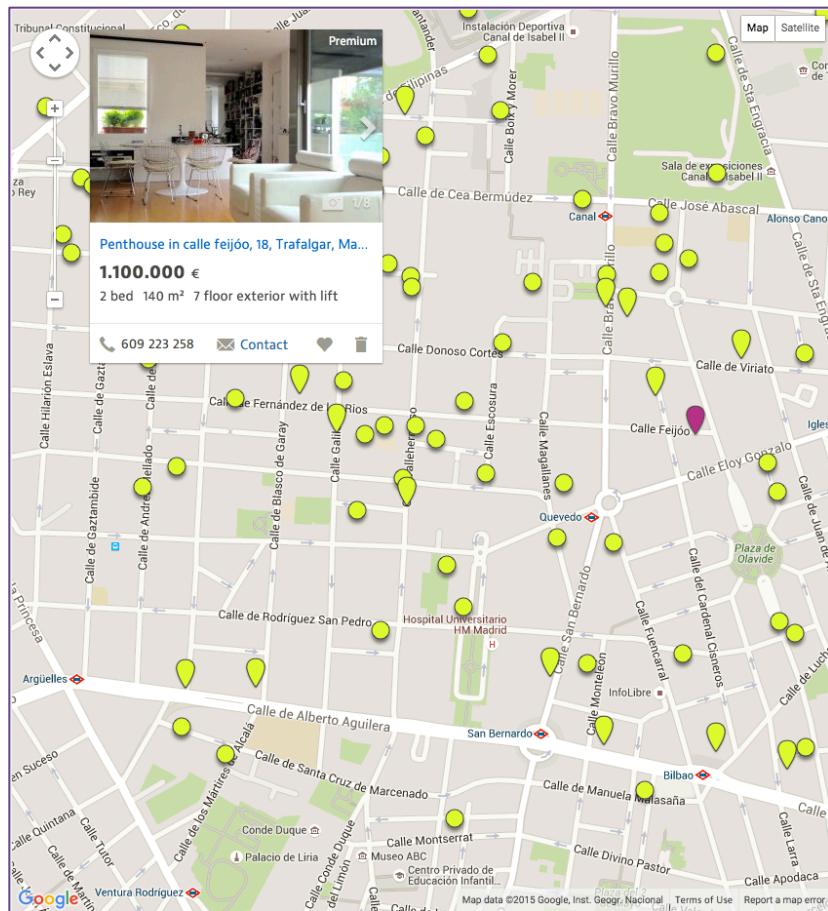
HOY 00:47   Habitacion Individual   180€   pisos compartidos   Getafe

Verticals – e.g. Idealista

General Classifieds – e.g. Segundamano

# Search Results Maps – Spain Example

MitulaGroup®



más de 103 mil anuncios de casas y pisos de segunda mano en Madrid . compra venta Viviendas en Madrid

Mapa | Satelite

todo 103.998   particulares 30.584   profesionales 73.414

relevancia ordenar por ↑ >

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122.260€  
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pisos Madrid Capital

HOY 00:52  
**Apartamento en avenida del ferrol, 10**  
650€  
pisos Madrid Capital

HOY 00:47  
**Habitacion Individual**  
180€  
pisos compartidos Getafe

**Not Available**

Verticals – e.g. Idealista

General Classifieds – e.g. Segundamano

# Search Refinement – Spain Example

MitulaGroup®

The image shows a search interface for real estate in Spain, illustrating different ways to refine search results. The interface is divided into two main sections: a vertical filter on the left and a horizontal filter on the right.

**Vertical Filter (Left):**

- Price:** Min [dropdown], Max [dropdown]
- Searching for:** Homes [dropdown]
- Category Filters:**
  - Flats
  - Houses or chalets
  - Country homes
  - Duplex
  - Penthouses
- Bedrooms:**
  - 0 bedrooms (studio)
  - 1
  - 2
  - 3
  - 4 or more bedrooms
- Bathrooms:**
  - 1
  - 2
  - 3 or +

**Horizontal Filter (Right):**

- Size:** Min [dropdown], Max [dropdown]
- Condition:** Indifferent [dropdown]
- More filters:**
  - Lift
  - Garage
  - Swimming pool
  - With terrace
  - Exterior
  - With photos or video
- Published in idealista:**
  - Indifferent
  - The last 48 h
  - The last week
  - The last month
- Results Summary:**
  - todas las categorías**
  - inmobiliaria**
    - alquiler para vacaciones [17]
    - casas rurales [6]
    - casas y chalés [1.767]
    - garajes y trasteros [460]
    - locales, oficinas y naves [956]
    - pisos [4.906]
    - pisos compartidos [224]
    - terrenos y fincas rústicas [309]
- precio:**  desde,  hasta,
- venta / alquiler:**

**Verticals – e.g.  
Idealista**

**General Classifieds –  
e.g. Segundamano**



## Verticals

Search more tailored to requirements of the vertical

- Map based,
- More fields,
- Free form searches

Additional information and data make it a more robust decision making experience

Listings presented in a more informative / engaging manner

Low number of  
higher quality leads  
generated

## General Classifieds

Generic search used with minor refinements available

Poor search experience

Minimal or no additional information to assist in decision making process

Listings are presented in a very generic manner

Pages not tailored to maximise lead generation

Higher number of  
lower quality leads  
generated



## Verticals

Usually generate higher quality leads

Wide range of products / services to sell to advertisers

- Premium advertising
- Software
- Display advertising
- Data

## General Classifieds

Usually generate high volume of lower quality leads

Limited advertising options

Market leaders can charge for some categories

Hard to monetise private listings so focus on industry/prodessional listings

# Advertising Options – Australian Example

MitulaGroup<sup>®</sup>

**Premiere Ad**

Give your property the premium treatment.

Reserved for properties of distinction, Premiere takes your property to the top of our search results. Premiere ads get more attention with up to 15 times more views, and 8 times more enquiry than standard ads.†

- Appear at the top: Prioritised to appear before Highlight, Feature and Standard ads
- Largest ad size available
- Largest photo

**\$7,350\* for a 30 day campaign**  
Contact your agent to access better prices

[Upgrade now](#)

**37a Lansell Road, Toorak, Vic 3142**

**KAY&BURTON**

**Contact Agent**

House 4 4 3

**Landmark Luxury, Iconic Living**

Designed on the cutting edge of excellence, this distinctive architect designed residence has the WOW factor. A design...

Agent: Darren Lewenberg

[Floorplan](#)

[Save](#) [Details](#)

**Highlight Ad**

Shine above the rest.

Highlight combines priority positioning with prominent design. Highlight ads give an affordable option to jump ahead in search results with up to 8 times more views and 5 times more enquiry than standard ads.†

- Prioritised to appear before Feature and Standard ads
- Large photo carousel
- More prominent design

**\$1,638\* for a 30 day campaign**  
Contact your agent to access better prices

[Upgrade now](#)

**37a Lansell Road, Toorak, Vic 3142**

**KAY&BURTON**

**Contact Agent**

House 4 4 3

**Landmark Luxury, Iconic Living**

Designed on the cutting edge of excellence, this distinctive architect designed residence has the WOW factor. A design...

Agent: Darren Lewenberg

[Floorplan](#)

[Save](#) [Details](#)

**Feature Ad**

Stand out from the crowd.

Feature property ad is the simplest and most affordable option to generate more interest for your property. Feature ads attract 3 times more views and 2 times more enquiry than standard ads.†

- Appear ahead of all Standard ads
- Interactive photo carousel

**37a Lansell Road, Toorak, Vic 3142**

**KAY&BURTON**

**Contact Agent**

House 4 4 3

**Landmark Luxury, Iconic Living**

Designed on the cutting edge of excellence, this distinctive architect designed residence has the WOW factor. A design...

[Floorplan](#)

[Save](#) [Details](#)

**Standard Ad**

Get started.

Standard ads are the basic advertising option to get your property online. We'd recommend that you consider upgrading your ad to stand out and to get the best sale result.

**Your current property ad**  
on realestate.com.au

**37a Lansell Road, Toorak, Vic 3142**

**KAY&BURTON**

**Contact Agent**

House 4 4 3

**Landmark Luxury, Iconic Living**

Designed on the cutting edge of excellence, this distinctive architect designed residence has the WOW factor. A design...

[Floorplan](#)

[Save](#) [Details](#)



## Verticals

Usually generate higher quality leads

Wide range of products / services to sell to advertisers

- Premium advertising
- Software
- Display advertising
- Data

## General Classifieds

Usually generate high volume of lower quality leads

Limited advertising options

Market leaders can charge for some categories

Hard to monetise private listings so focus on industry/professional listings

Ability to extract high revenue per advertiser

Harder to extract high revenue per advertiser

# The Decision – Who Wins?

# The Long Term Winner is ...



MitulaGroup®

	Verticals	General Classifieds
Advertisers	✓	
Listings	✓	
Traffic		✓
Leads	✓	
Monetisation	✓	

Close to the advertiser &  
to the consumer giving a  
customised experience  
that generates more leads  
and better monetisation

## Verticals

## General Classifieds

Established Markets  
“Winners”

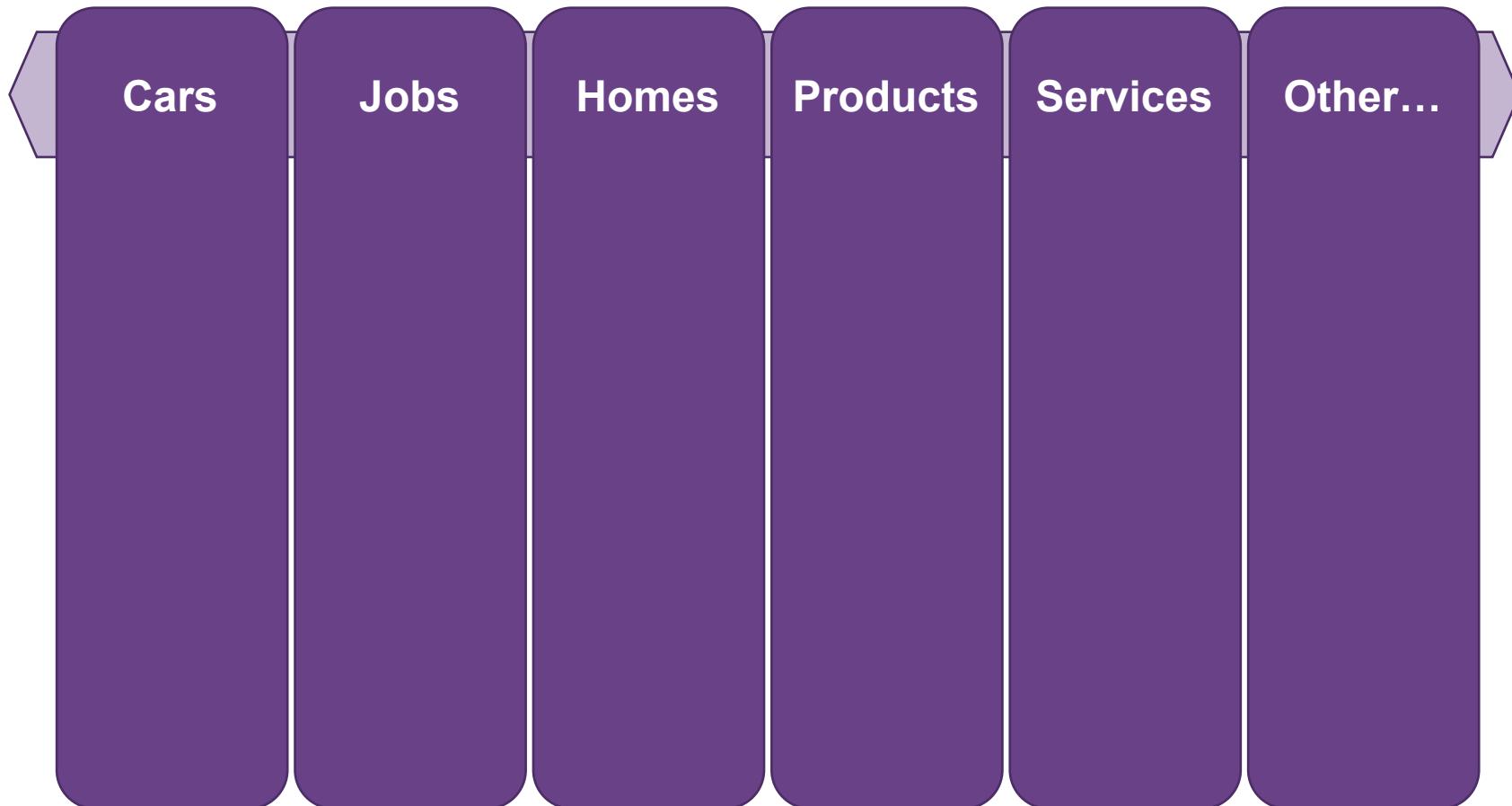


Emerging / Early  
Stage Markets  
“Leaders”

To early to tell!  
Verticals leading monetisation,  
advertisers, listings quality  
General classifieds have the traffic

But ...

MitulaGroup®



**General classified sites are evolving and will become  
a “house” of interlinked verticals**

# General Classifieds Evolving Approach

MitulaGroup<sup>o</sup>

Building out dedicated vertical teams by country (e.g. real estate)



Spinning off real estate vertical into dedicated sites



Acquiring and operating verticals independently



## Top 2 – 3 verticals in each market

- Acquisition targets and there are more buyers.
- Even if not bought, they can operate profitably.

## Leading general classifieds in emerging markets

- Have the audience and can acquire vertical skills (they have the \$)
- Have capacity to monetise by building out vertical skills

## Consumers

- Experience can only get better – more listings, higher quality, better search tools

## Advertisers

- More advertising options, larger audiences, competitive rates

# Horizontals vs Verticals

## Who Wins?

Simon Baker  
Chairman

MitulaGroup<sup>o</sup>

Título de la presentación