FROM GROUND ZERO TILL THE MARKET LEADERSHIP IN LESS THAN 30 MONTHS!

By Silvio Frison

@ ICMA Convention

05/07/2015

DIGITAL CLASSIFIELDS

What is our biggest issue?

Press any key to continue_

Silvio Frison
BuscaCarros CEO

Business Overview

Which markets do we do business with?

Vehicles

Real Estate
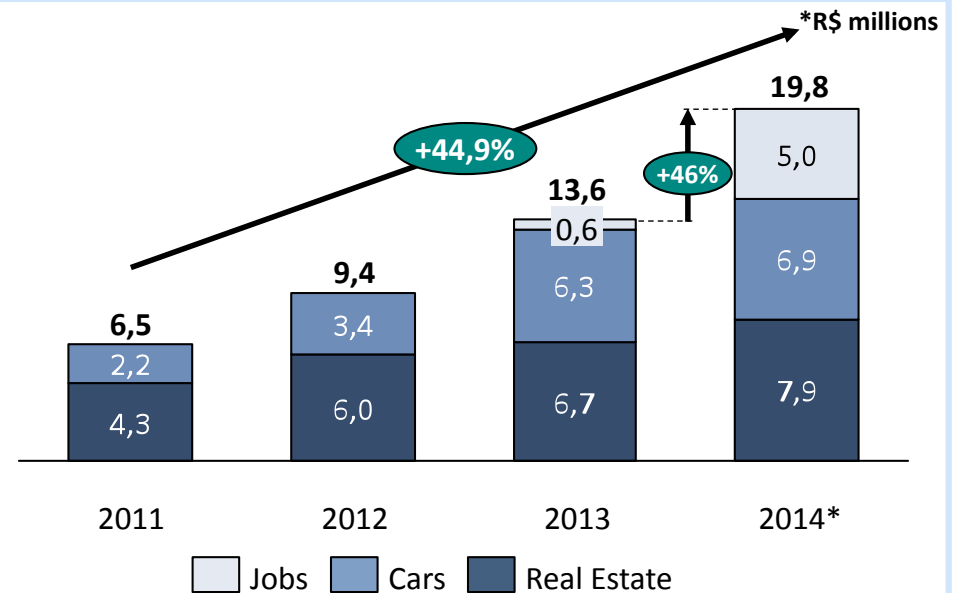

Jobs

Silvio Frison @ ICMA Convention

Regional Operation

Pense is the only segmented digital classified that has achieved significant market position in more than one market in Brazil – having established its leadership in cars and real estate in southern region.
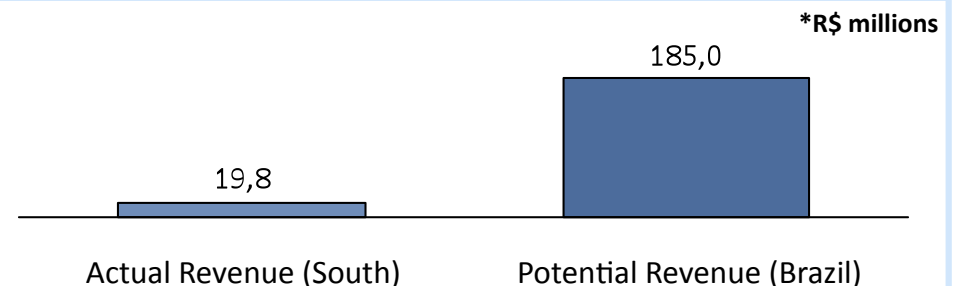
Pense's Operation

10.7% of Brazil's GDP

Revenue Evolution

*R$ millions

+44,9%

+46%

Year	2011	2012	2013	2014*
Total	**6,5**	**9,4**	**13,6**	**19,8**
Jobs			0,6	5,0
Cars	2,2	3,4	6,3	6,9
Real Estate	4,3	6,0	6,7	7,9

☐ Jobs ▨ Cars ▪ Real Estate

Pense's Growth Potential

*R$ millions

19,8 — Actual Revenue (South)

185,0 — Potential Revenue (Brazil)

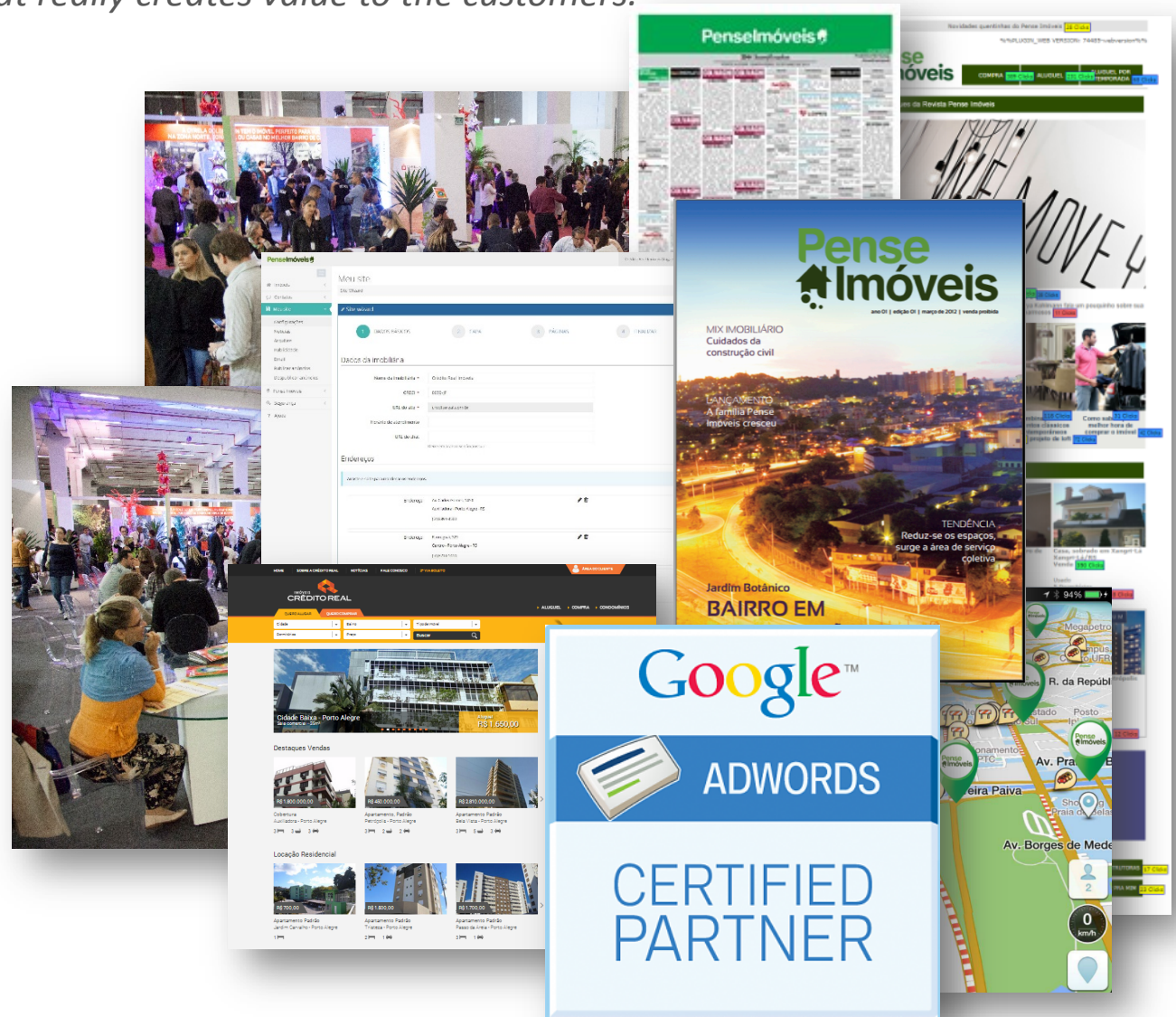Source: IBGE   Silvio Frison @ ICMA Convention

Business Initiatives

Pense has tried many business models in its short life – always searching for what really creates value to the customers.

Products

- Digital classifieds;
- Online adverting;
- Technology licensing;
- Management systems;
- DBM/CRM;
- On demand content;
- Offline events;
- Online events;
- Digital marketing consulting;
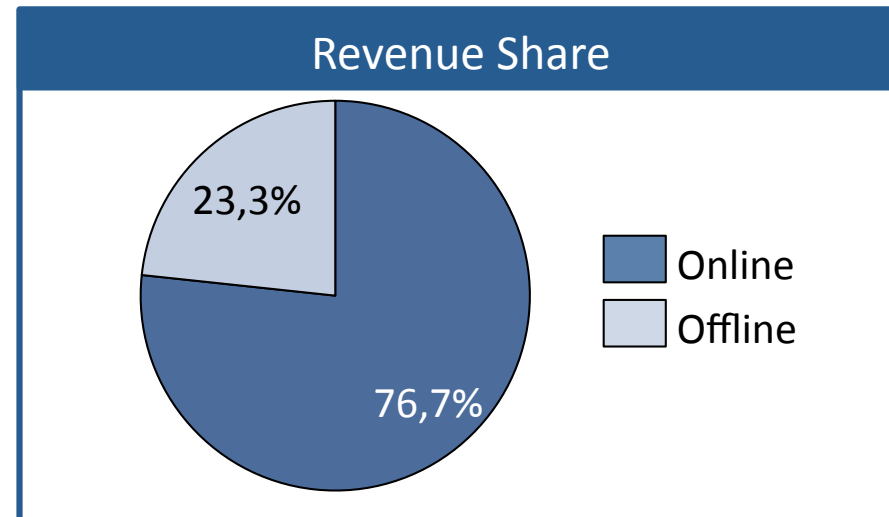- Offline to online integration;
- CMS;

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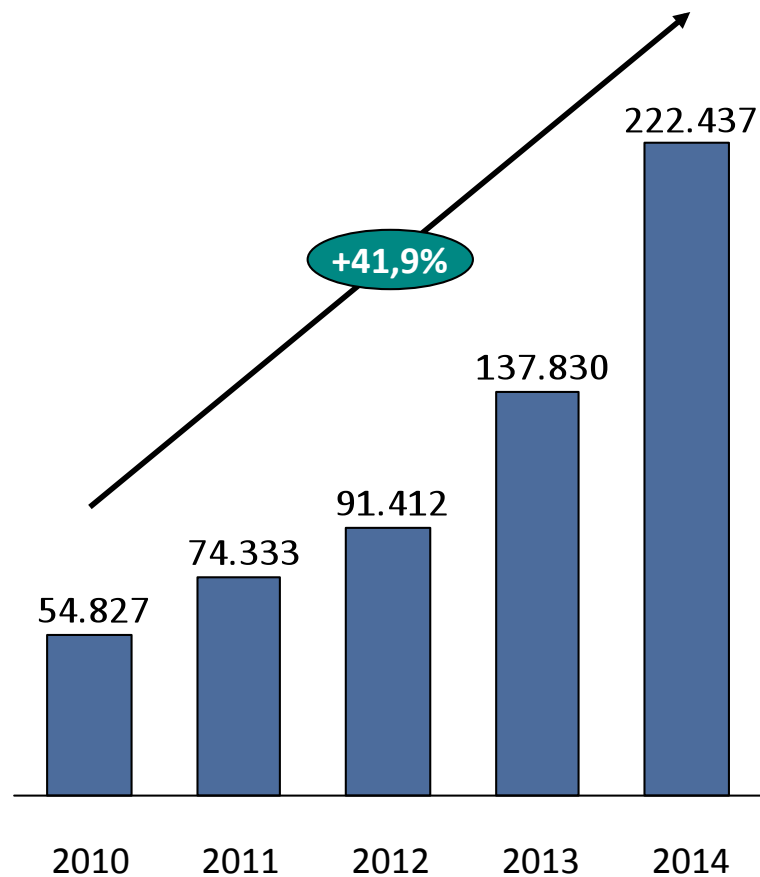
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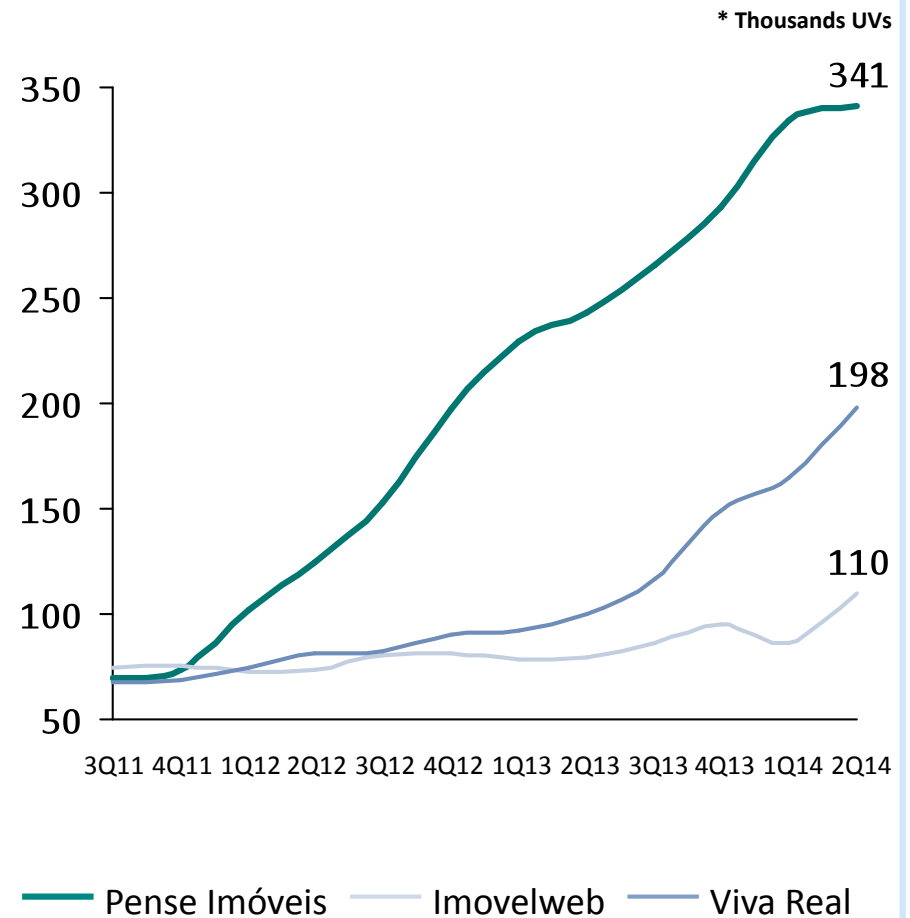
- Offline to online integration;

- CMS;

Revenue Share

23,3%

76,7%

- Online
- Offline

You need 100% of the market listings!

Pense Imóveis has a leading position on its operation area – having twice the audience of the second player despite the fierce competition of players like VivaReal and Imovelweb.

Listings

54.827 — 2010
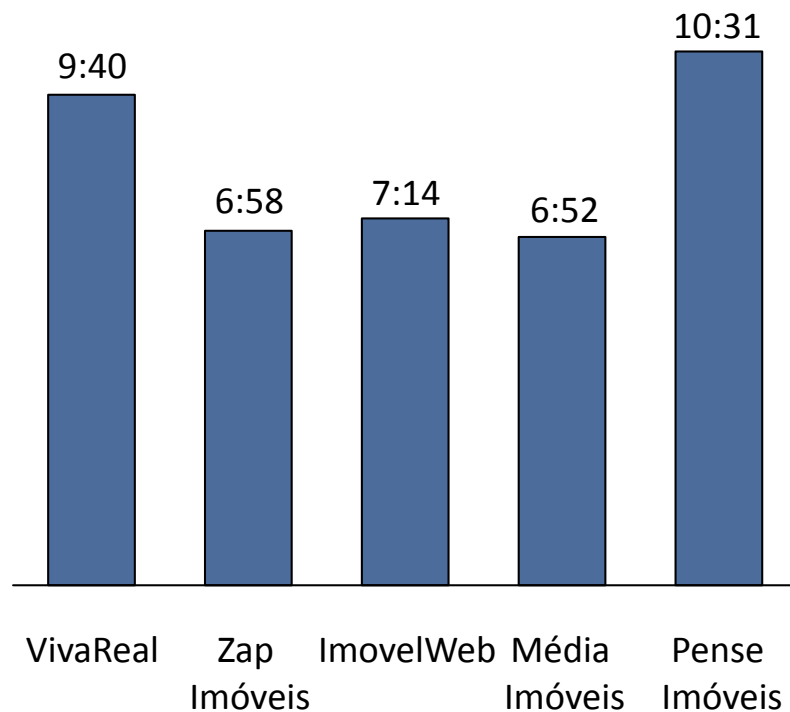74.333 — 2011
91.412 — 2012
137.830 — 2013
222.437 — 2014

+41,9%

Audience Share (Top 3 Players - RSC)

* Thousands UVs

341
198
110

3Q11 4Q11 1Q12 2Q12 3Q12 4Q12 1Q13 2Q13 3Q13 4Q13 1Q14 2Q14

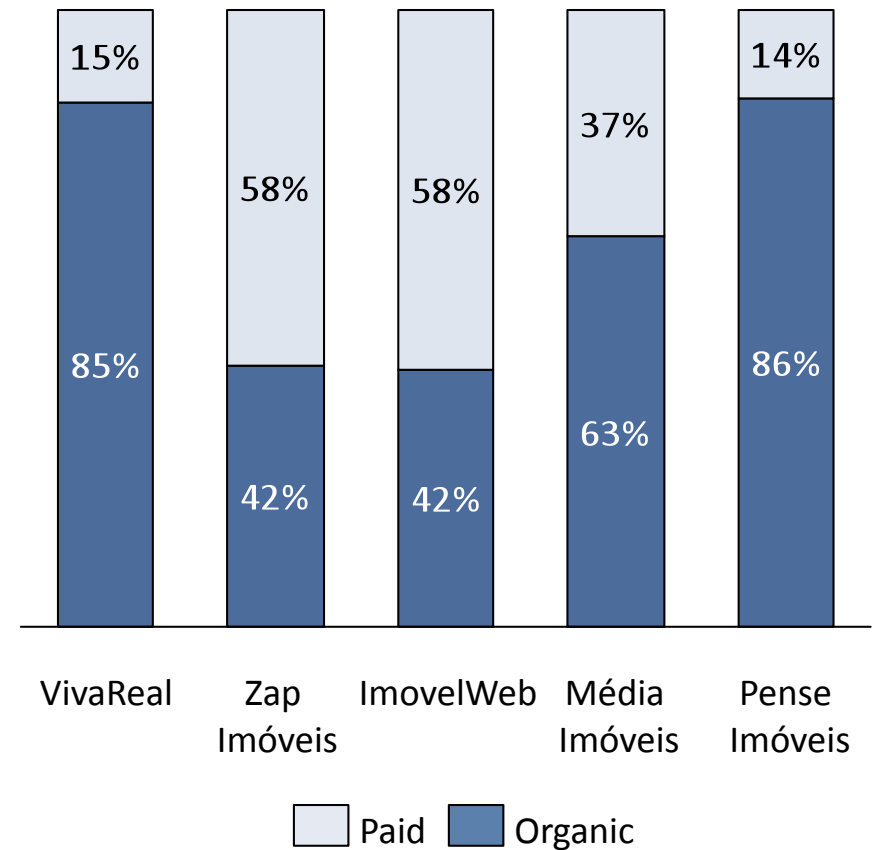— Pense Imóveis   — Imovelweb   — Viva Real

Pense Imóveis – KPI's

According to ComScore, our KPIs are superior than most of our direct and national competitors as regards to quality and engagement of our audience.

Average Session Duration (2014)

- VivaReal: 9:40
- Zap Imóveis: 6:58
- ImovelWeb: 7:14
- Média Imóveis: 6:52
- Pense Imóveis: 10:31

Paid x Organic Audience

	VivaReal	Zap Imóveis	ImovelWeb	Média Imóveis	Pense Imóveis
Paid	15%	58%	58%	37%	14%
Organic	85%	42%	42%	63%	86%

Paid   Organic

Source: Property Portal Watch, Google Analytics and ComScore

Silvio Frison @ ICMA Convention
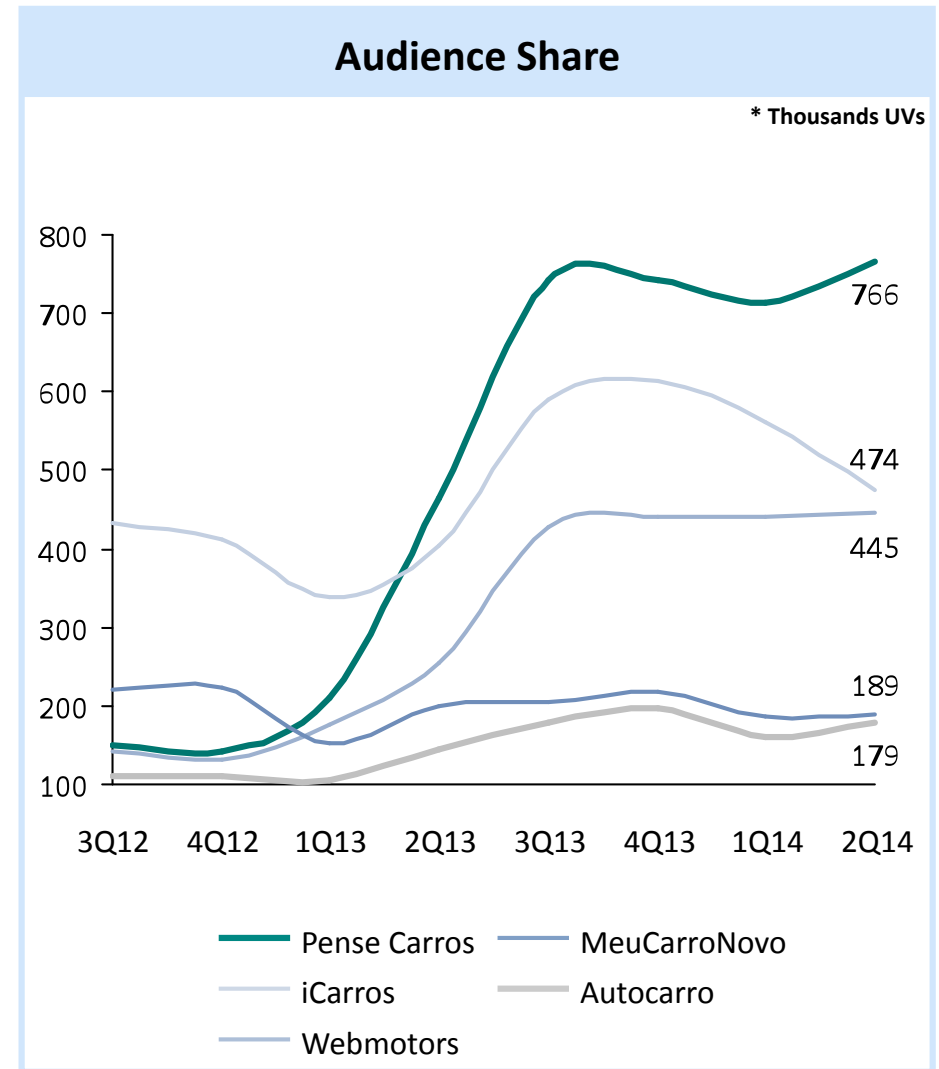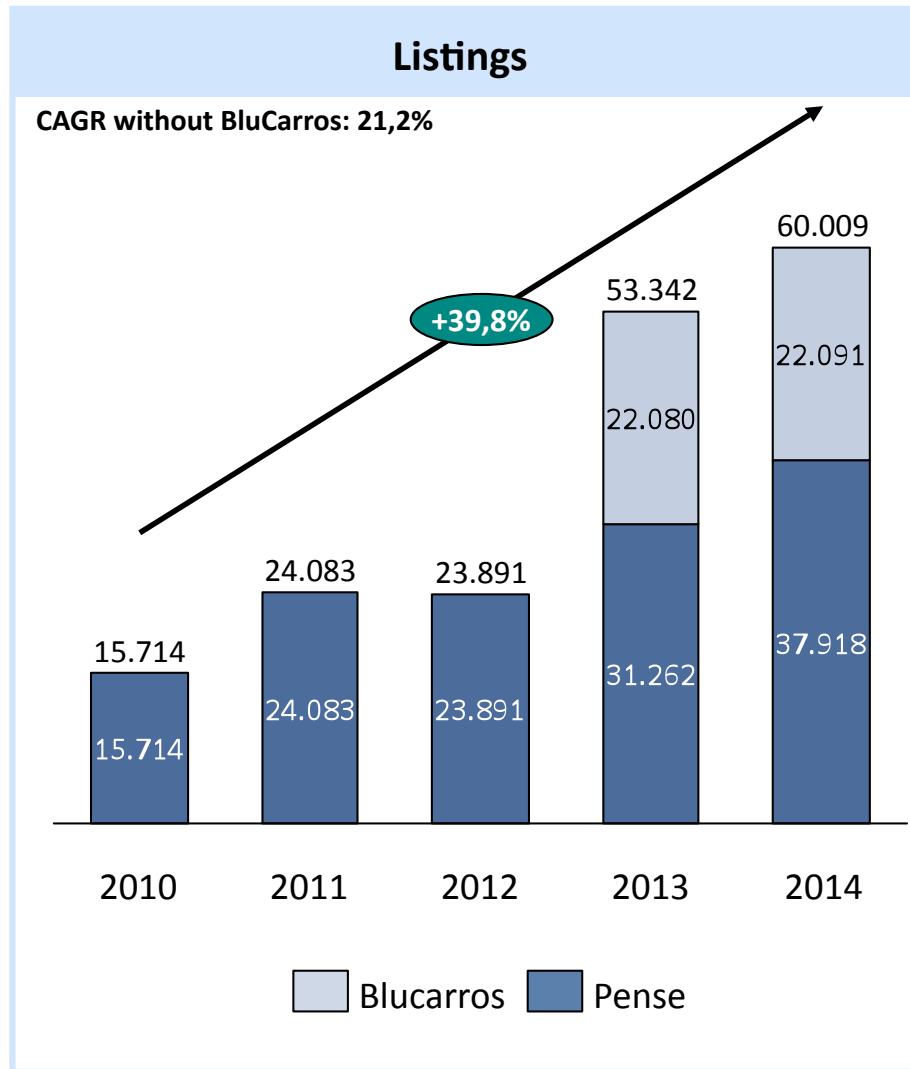
Busca Carros – Market Position

In 2013 Pense Carros also achieved the market leadership - leveraged by the acquisition of Blucarros.

Listings

CAGR without BluCarros: 21,2%

+39,8%

Year	Pense	Blucarros	Total
2010	15.714		15.714
2011	24.083		24.083
2012	23.891		23.891
2013	31.262	22.080	53.342
2014	37.918	22.091	60.009

■ Blucarros ■ Pense

Audience Share

* Thousands UVs

Pense Carros: 766
iCarros: 474
Webmotors: 445
MeuCarroNovo: 189
Autocarro: 179

(3Q12, 4Q12, 1Q13, 2Q13, 3Q13, 4Q13, 1Q14, 2Q14)

—— Pense Carros   —— MeuCarroNovo
—— iCarros   —— Autocarro
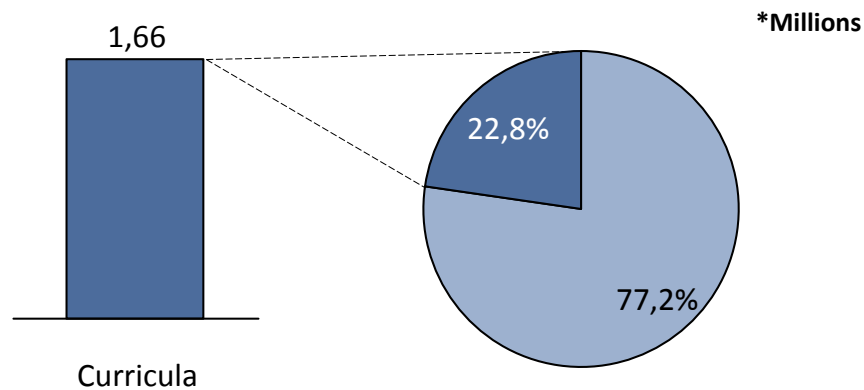—— Webmotors

Silvio Frison @ ICMA Convention

Pense Empregos – Market Position

In less than 6 months of operation Pense Empregos has reached 1 million visits per month and more than 1,5 million curricula registered.
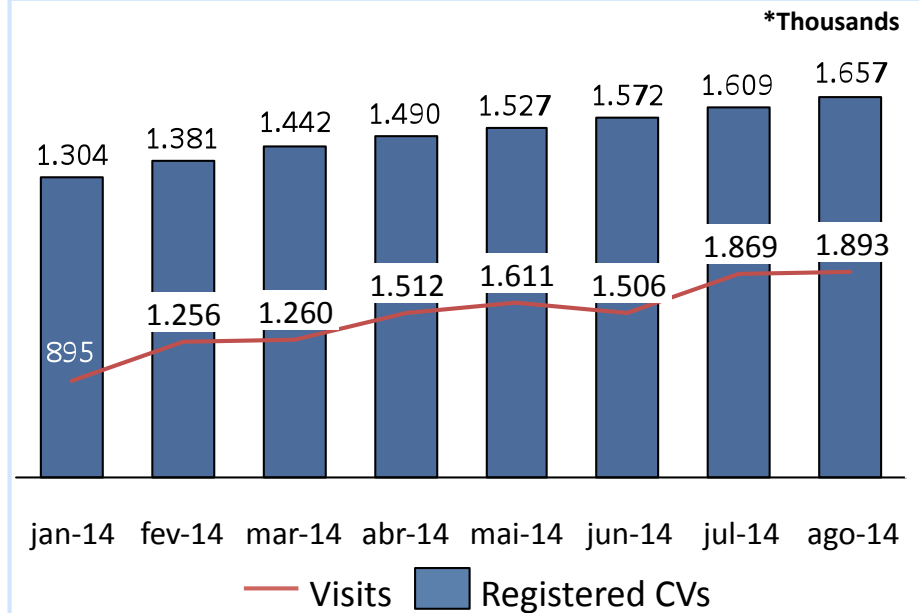
Description

- Job Ads Aggregator(Indeed): featured Ads and CVs;

- Solution focused on education institutions oriented to stimulate students employability;

- Management Tool: Management recruitment and selection;

- Integration with offline job ads classified.

KPIs: Audience x Registered CVs

*Thousands

Registered CVs (bars): jan-14: 1.304, fev-14: 1.381, mar-14: 1.442, abr-14: 1.490, mai-14: 1.527, jun-14: 1.572, jul-14: 1.609, ago-14: 1.657

Visits (line): jan-14: 895, fev-14: 1.256, mar-14: 1.260, abr-14: 1.512, mai-14: 1.611, jun-14: 1.506, jul-14: 1.869, ago-14: 1.893

— Visits ▮ Registered CVs

Registered Curricula x Total of College Students

*Millions

Curricula: 1,66

Pie chart: 22,8% / 77,2%

Selected Clients

Anhanguera   Kroton Educacional   Ibmec   Estácio

Projected Revenue (2014): **R$ 3.007k**

Source: IBGE, Google Analytics and ComScore   Silvio Frison @ ICMA Convention
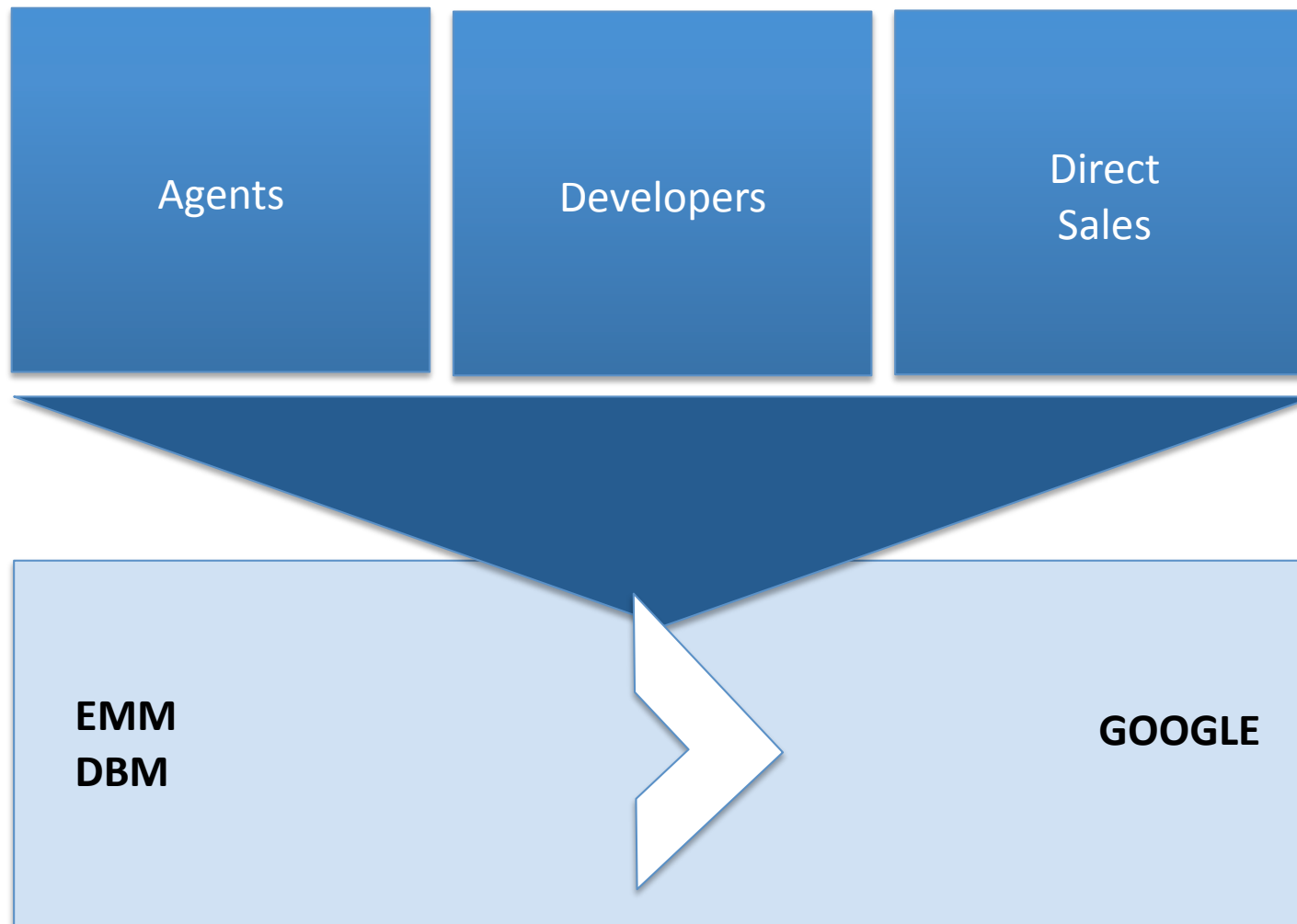
How was that possible???

Reaching Users: Email Marketing

Most digital classifieds spend a huge amount of money on Google instead of having a close look to all Email Marketing initiatives!

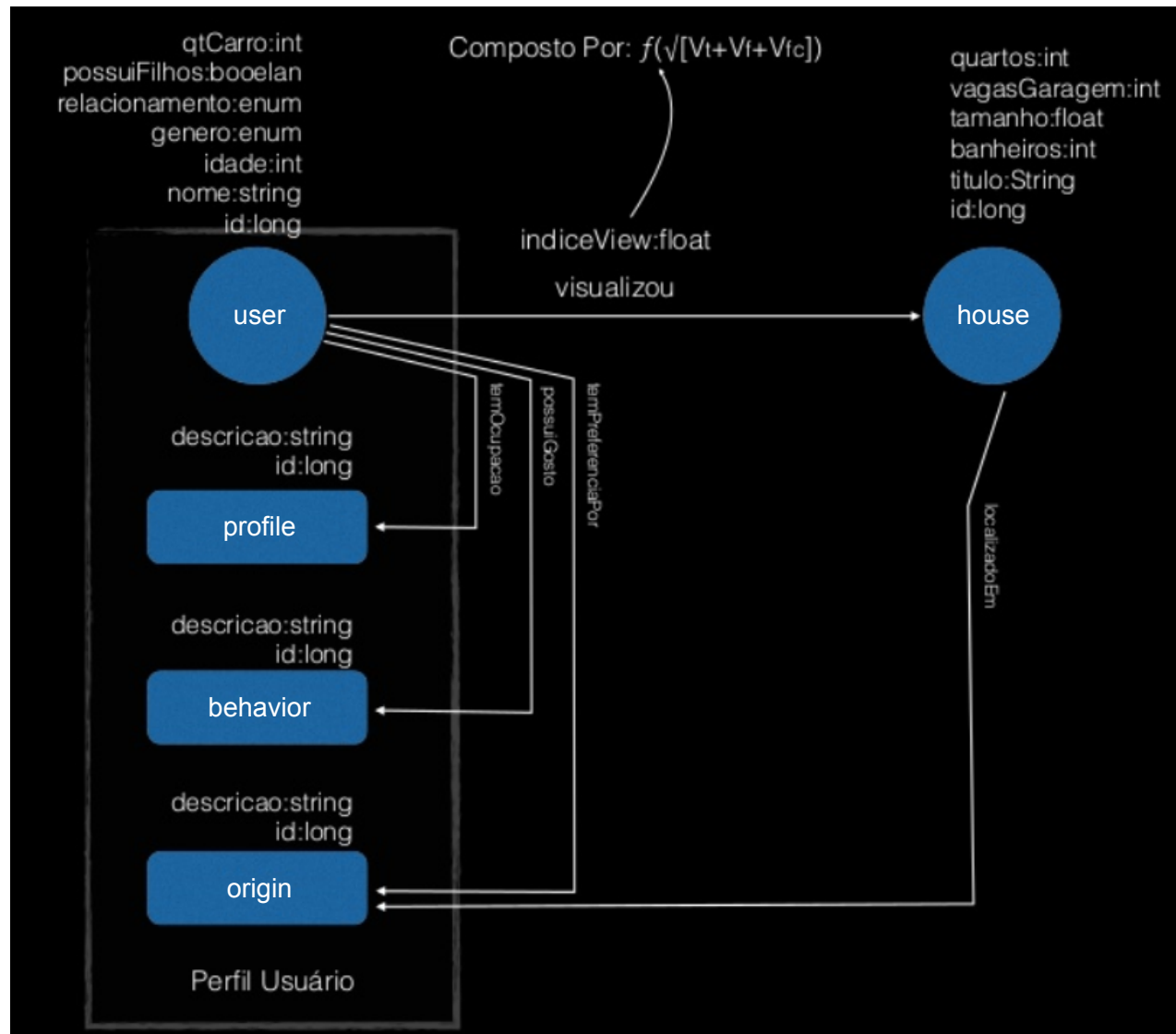| Agents	Developers	Direct Sales

EMM
DBM

GOOGLE

Leads – Quality/Performance

Understand your client: talk directly with him - that is the only way you can most value from him without looking like a mercenary. The market is not that big!

Leads Rating

- Profile: Name, age, married, has children, facebook likes;

- Behavior: how Many leads sent, how long stayed in the website, specific words in the message;

- Origin: traffic source (ex. Direct, google, facebook, mitula, etc.);

- Quality ranges from 0 to 1;

In addition to the message premium clients can receive information about the user and what kind of property he is looking for.

Similar Offers

Connecting both parts!

Entrar em contato por e-mail | 📞 Ver telefone

Nome: [_____]

* E-mail: [_____]

Telefone: [____] [_____]

* Mensagem: *Vi o anúncio 4400532 no Pense Carros e gostaria de ...*

☐ Aceito ser contatado por anunciantes com ofertas similares ❓

☐ Aceito receber informações do Pense Carros e de seus parceiros.
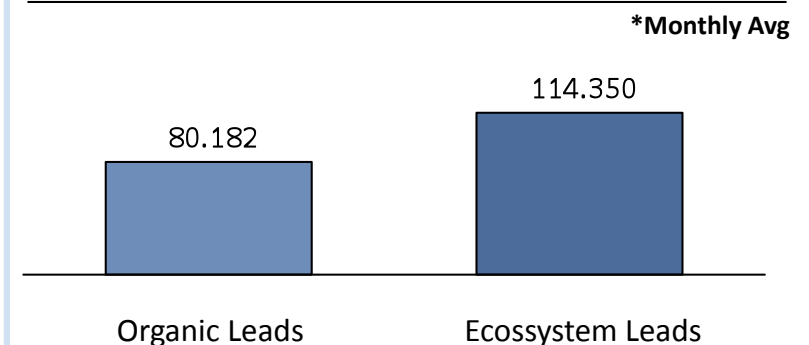
Enviar * Campos obrigatórios

Ecosystem Algorithm

- Referring algorithm that actively seeks for similar and better quality listings;

- The program compares the listing that generated the organic lead and suggests other ones on the same neighborhood with at least the same size, number of bedrooms, with the same price or less;

- Optional feature: user must checkbox to enable it and may cancel it at any time;

Search Parameters (always equal or better)

- Region;
- Price Range;
- Number of rooms;

- Size;
- Garage spaces;
- Used or new;

Monthly Leads Generated: Organic x Ecosystem

*Monthly Avg

80.182	114.350
Organic Leads	Ecossystem Leads

Reviews x Top Positions for the agents who get an answer asap!

To further improve our usability and create engagement, we base our relevance in user generated data – like reviews and SLA to respond - to guarantee the best possible experience, even after they leave the site.
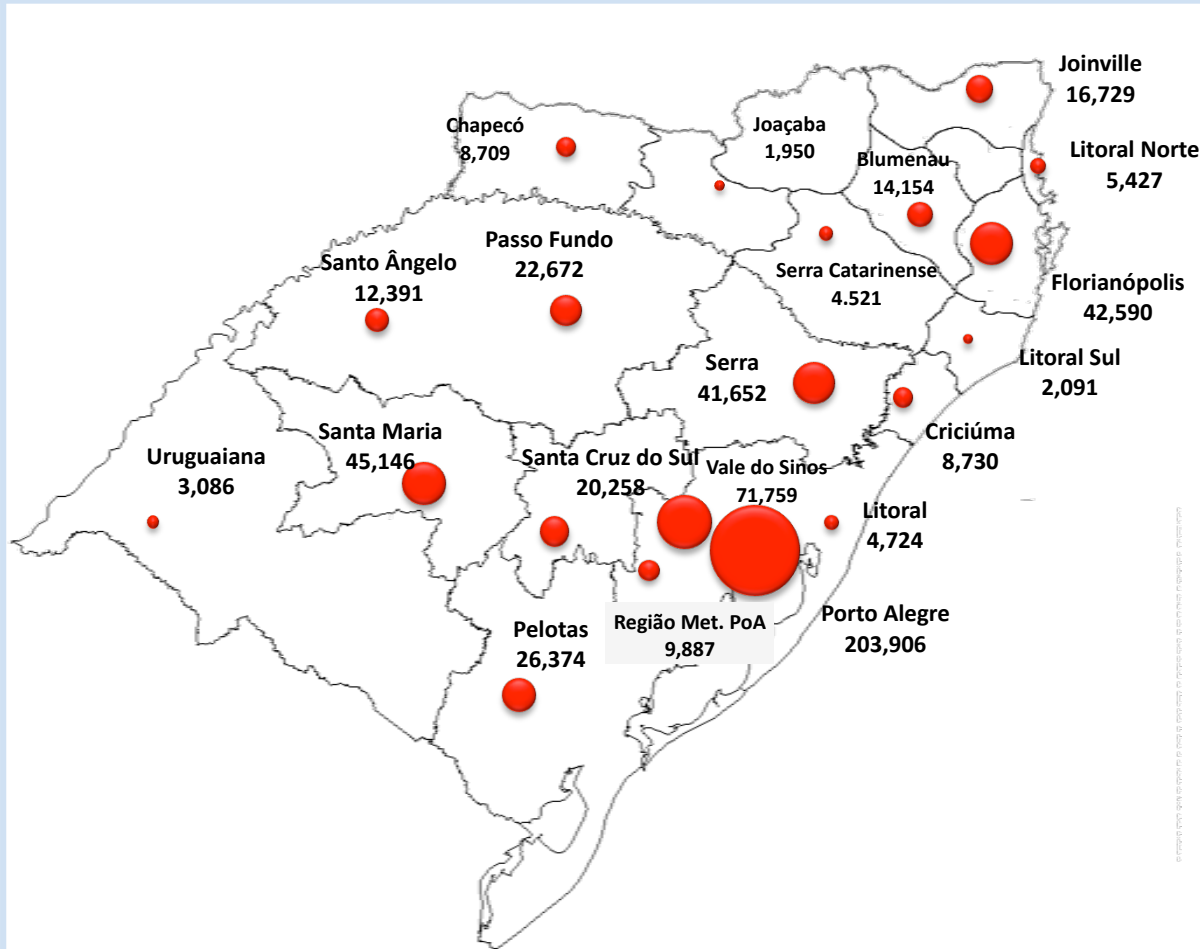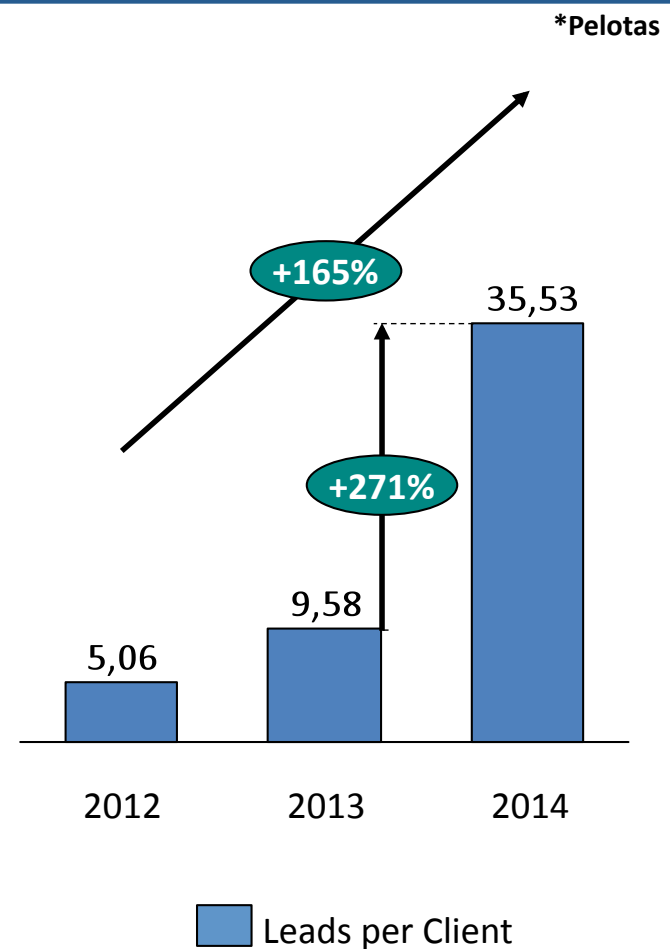
Digital Marketing – measuring CPC cross the board?

Each region that we operate has a unique behavior, for both users and clients: to improve the results, we must learn what works by trial and error - even through offline media or events when needed.
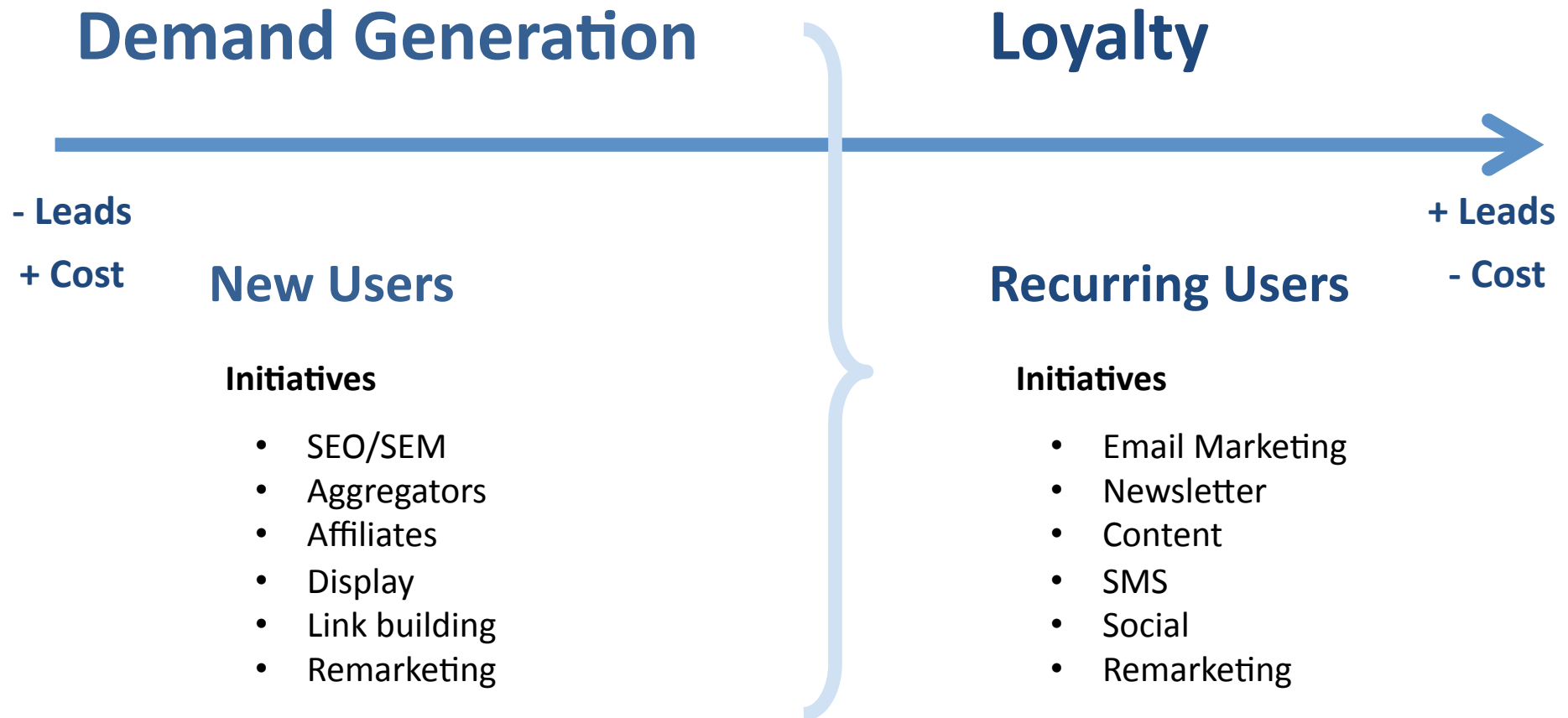
Audience per Region

Joinville
16,729

Chapecó
8,709

Joaçaba
1,950

Blumenau
14,154

Litoral Norte
5,427

Passo Fundo
22,672

Santo Ângelo
12,391

Serra Catarinense
4.521

Florianópolis
42,590

Serra
41,652

Litoral Sul
2,091

Uruguaiana
3,086

Santa Maria
45,146

Santa Cruz do Sul
20,258

Vale do Sinos
71,759

Criciúma
8,730

Litoral
4,724

Pelotas
26,374

Região Met. PoA
9,887

Porto Alegre
203,906

Client Return Evolution: Selected Region

*Pelotas

+165%

+271%

35,53

9,58

5,06

2012   2013   2014

Leads per Client

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Digital Marketing

Pense's marketing goal is to create a powerful brand and engage its community that transforming each user in a heavy user and call people into action.
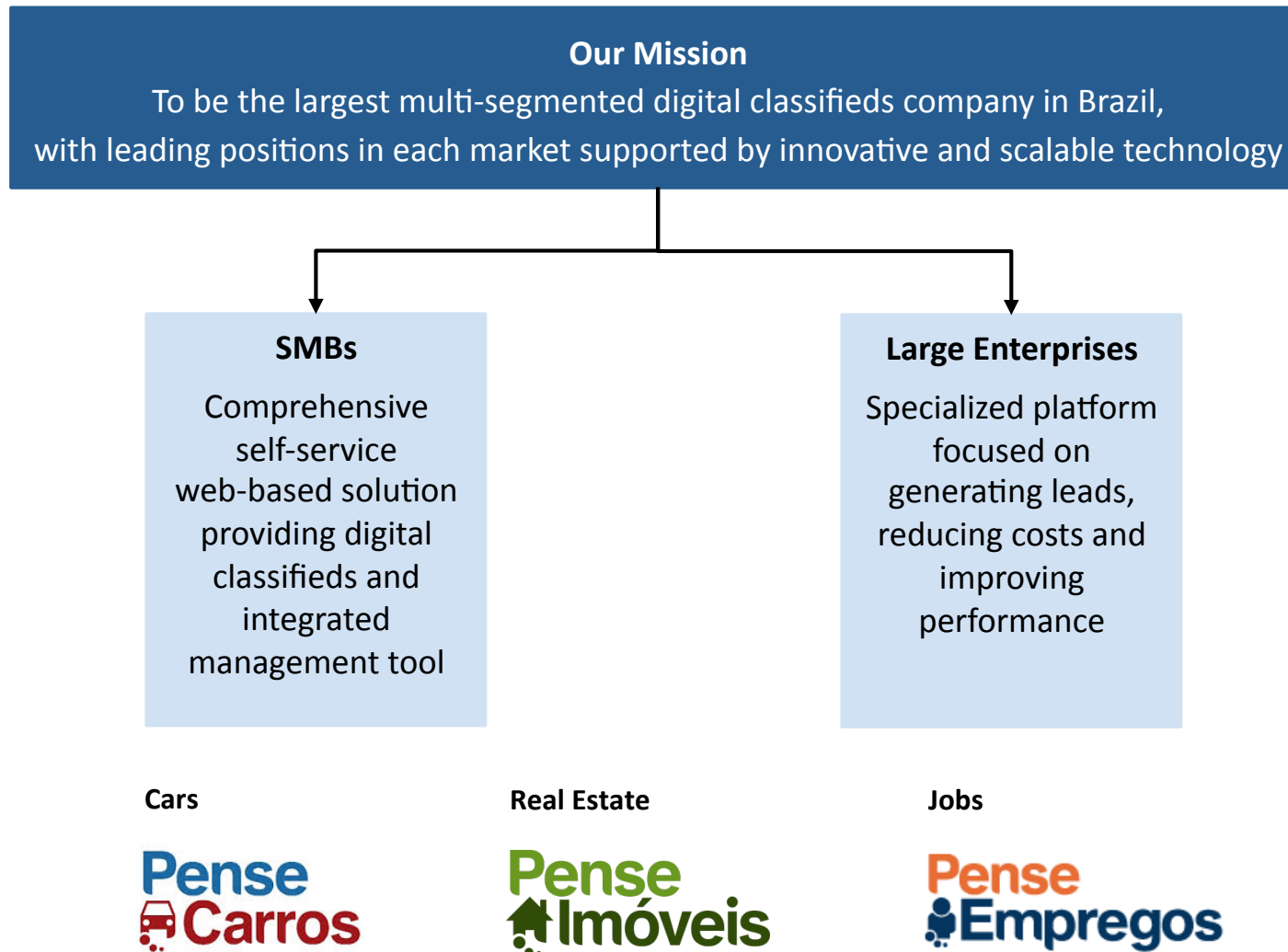
Demand Generation

Loyalty

- Leads

+ Leads

+ Cost

- Cost

New Users

Recurring Users

Initiatives

- SEO/SEM
- Aggregators
- Affiliates
- Display
- Link building
- Remarketing

Initiatives

- Email Marketing
- Newsletter
- Content
- SMS
- Social
- Remarketing

Digital Marketing

Pense's marketing goal is to create a powerful brand and engage its community that transforming each user in a heavy user and call people into action.

Demand

Loyalty means at least 35% of direct search (url)! This is when you get to be a digital classified instead of vertical search engine!
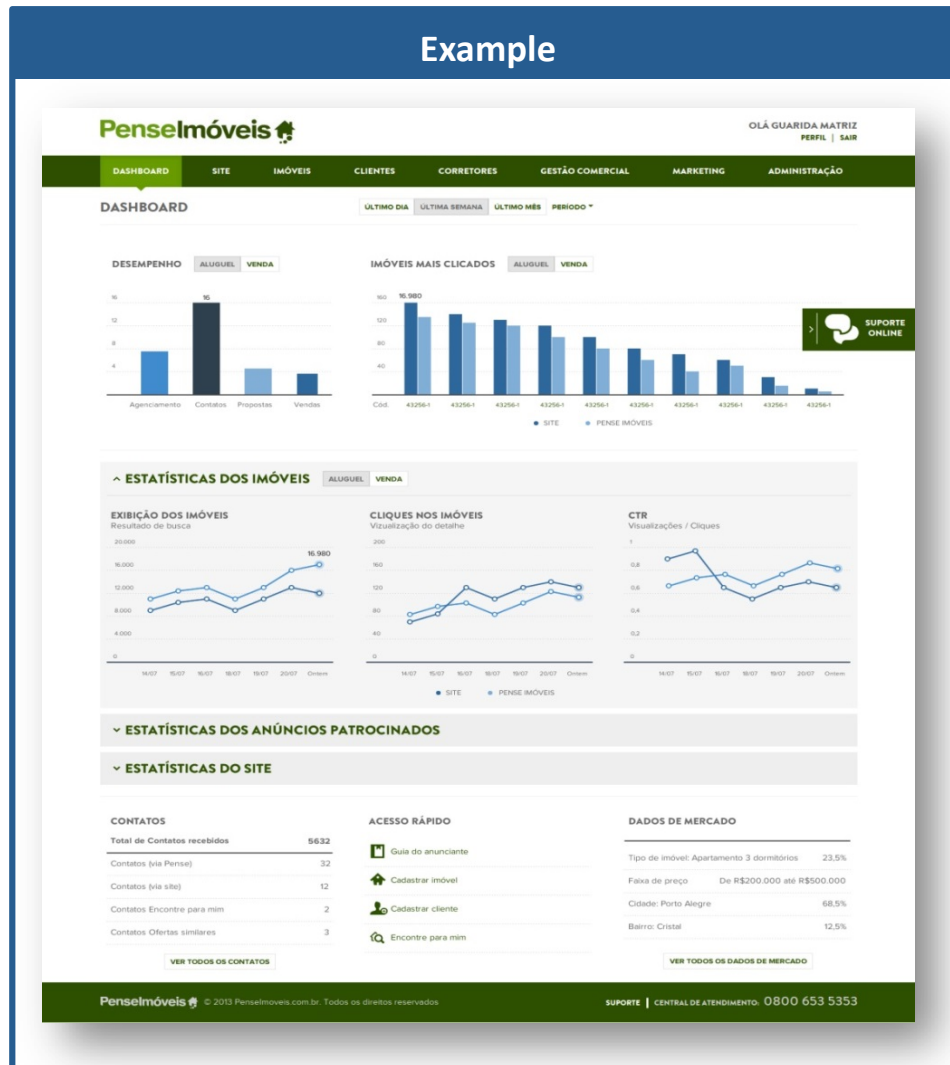
• Rem...

Focus based on your clientele!

The trial and error enabled Pense to development of specific strategies for each operation segment.

Our Mission
To be the largest multi-segmented digital classifieds company in Brazil,
with leading positions in each market supported by innovative and scalable technology

SMBs

Comprehensive self-service web-based solution providing digital classifieds and integrated management tool

Large Enterprises

Specialized platform focused on generating leads, reducing costs and improving performance

Cars

Pense Carros

Real Estate

Pense Imóveis

Jobs

Pense Empregos

SMB Agents: Management Tool – CRM Solution

SMB clients need a solution that helps managing the business and leverage sales while keeping the things simple. To solve this issue Pense has developed its own web based management solution.

Example

Features

- Investment management;
- Websites e mobile sites generator;
- CRM and sales management;
- Online chat and email marketing tools;
- Digital marketing: integration with search engines, social media, classified aggregators, remarketing systems and AdNetworks;
- Market data and trends: search patterns, price comparisons and performance dashboards;
- Product records;

Client Acquisition Strategy

- Differential pricing by region, client, sales frequency, etc.;
- Freemium model for management tool: fee basic services (ex. website);
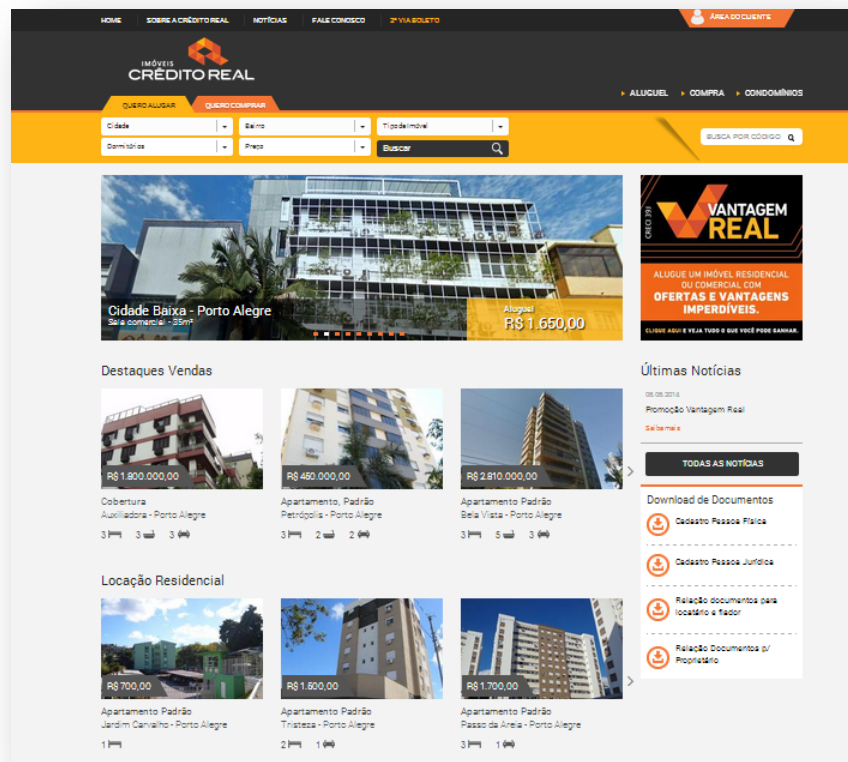- High performance marketing investments: online and offline;

SMB Agents: Workshops!

At least 4 workshops annually in every single region you do business with!

Large Business: Retail WebSite

Large enterprise clients have a problem generating value on its online platforms. Through a White labeled solution Pense can add know how to the actual lead generation systems.

Example

Features

- Mobile e Retail sites integrated with perform analysis and product improvement tools (ex. heatmap);
- Integration with aggregators and competing digital classifieds;
- Digital marketing management;
- CRM and data mining tools: Chat, messenger, email marketing and other activation services;
- Factsheets, *reviews*, users/owners impressions and Q&A: community and engagement;
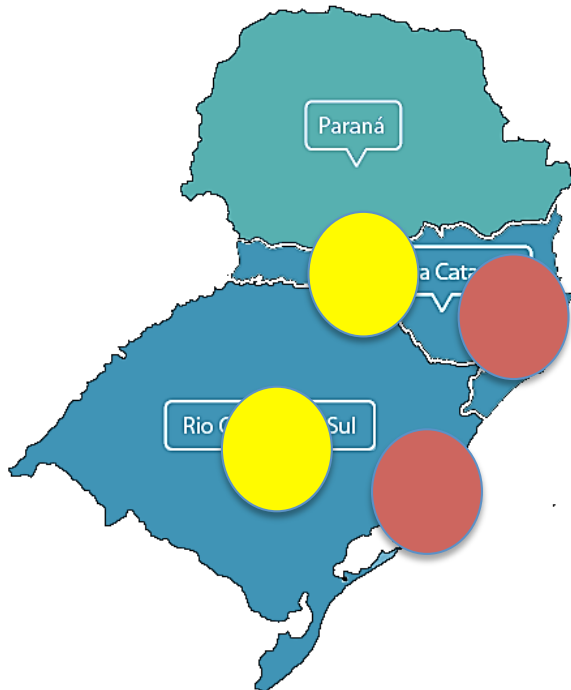- Insurance quoting and other financial services;

Client Acquisition Strategy

- Technical consultants and dedicated sales executives;
- Contract and relationship management: strategic consulting;
- Performance based pricing;
- Case studies and benchmarking;

There is not a business model that fits the entire market!

Different business models were created in order to adequate for each market, client and product condition.

Pricing Models

Traditional

- Monthly payments with prices based on the number of listings, ranging from R$ 150 up to R$ 5.000;
- Pricing model used in mature cities and with physical presence. Ex.: POA e Serra;

Unlimited Listings

- Fixed price for any number of listings – though price may change by region;
- Pricing model used in SC e other regions of RS;
- Appropriated for regions where the audience doesn't justify a higher ticket than the competition;

Freemium

- Post listings entirely free – payment only for featured listings/top positions;
- Used in cars vertical;
- Mainly for individuals and for regions with no physical presence and low audience;

Performance Based Payments

- Payments based on the number of leads received by the client through the month;
- Business model for expansion to Paraná and rest of Brazil;

Call Center Operations

Our call center is a key part on Pense's Business. Beside inbound and outbound sales, they are responsible for all customer care initiatives and establish a close relationship with our clients.
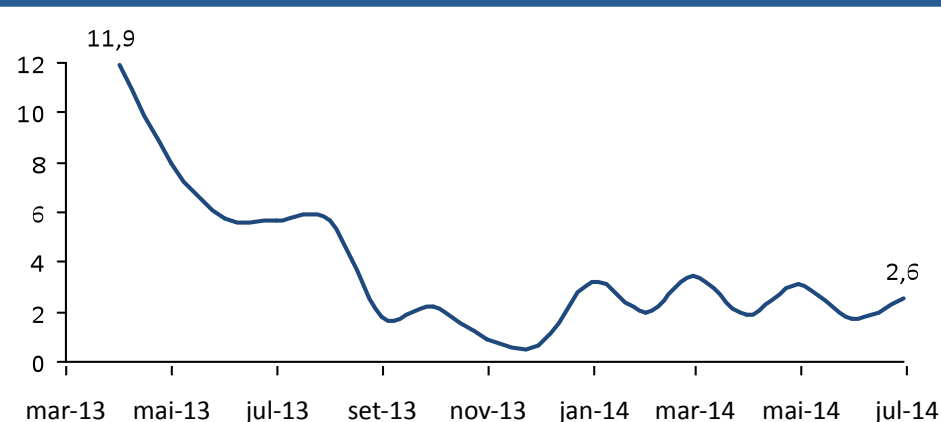
KPIs

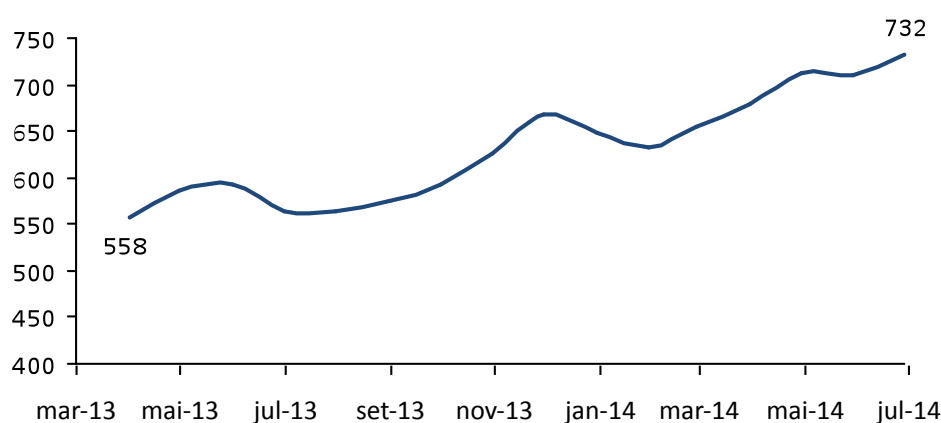|	
Average Productivity	R$ 6,4 mil
Close Rate	12,2 %
New Clients/Rep/Day	2,65
Calls/Rep/Day	21,8
Average Ticket	R$ 130,27

Drivers

- Sales operations: Inbound and Outbound calls;

- Mailings from print classifieds, competitors (horizontal and vertical), left in the cart clients;

- After sales: relationship with base clients (at least 2 call per month) and operations (integration and charging);
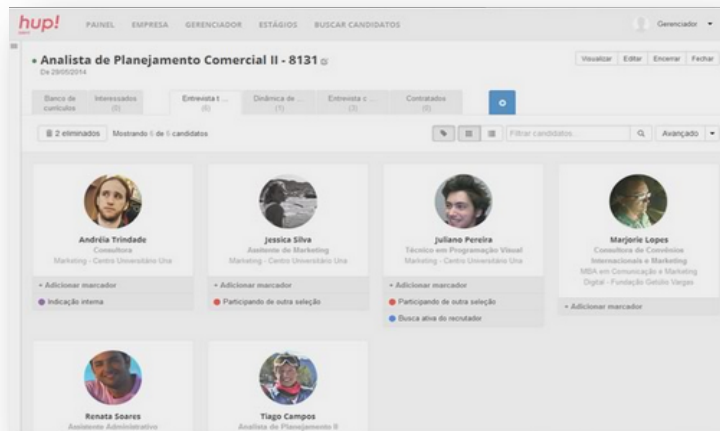
Clients *Churn* rate (%):

Number of Clients

*Excluding Individuals

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Pense Empregos – Different segments, different strategies!

Pense Empregos unites three different products in one database: a recruiting management solution for companies, a university employability system and a digital classified.
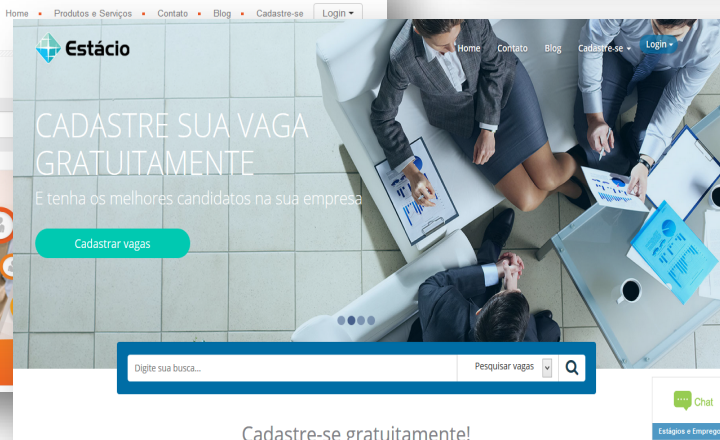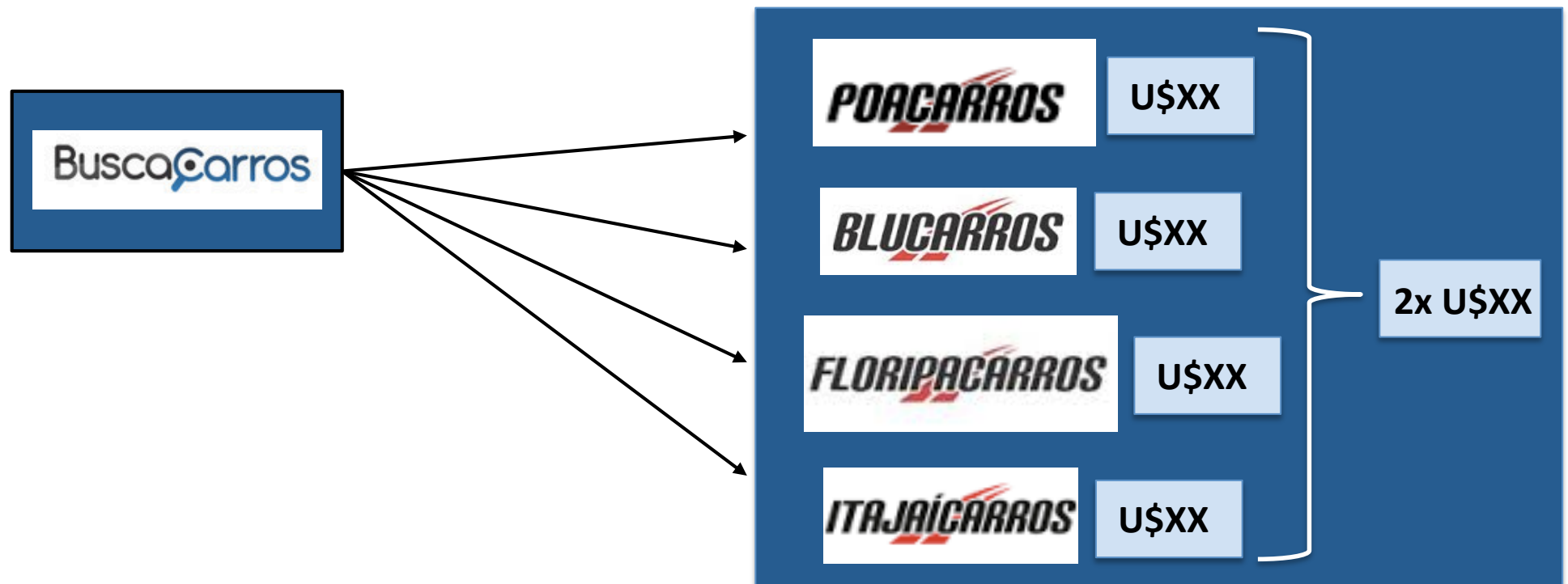

Management Solution

Digital Classified

Universities Employability Website

Increasing the average price naturally!

Charging higher prices for more visibility!

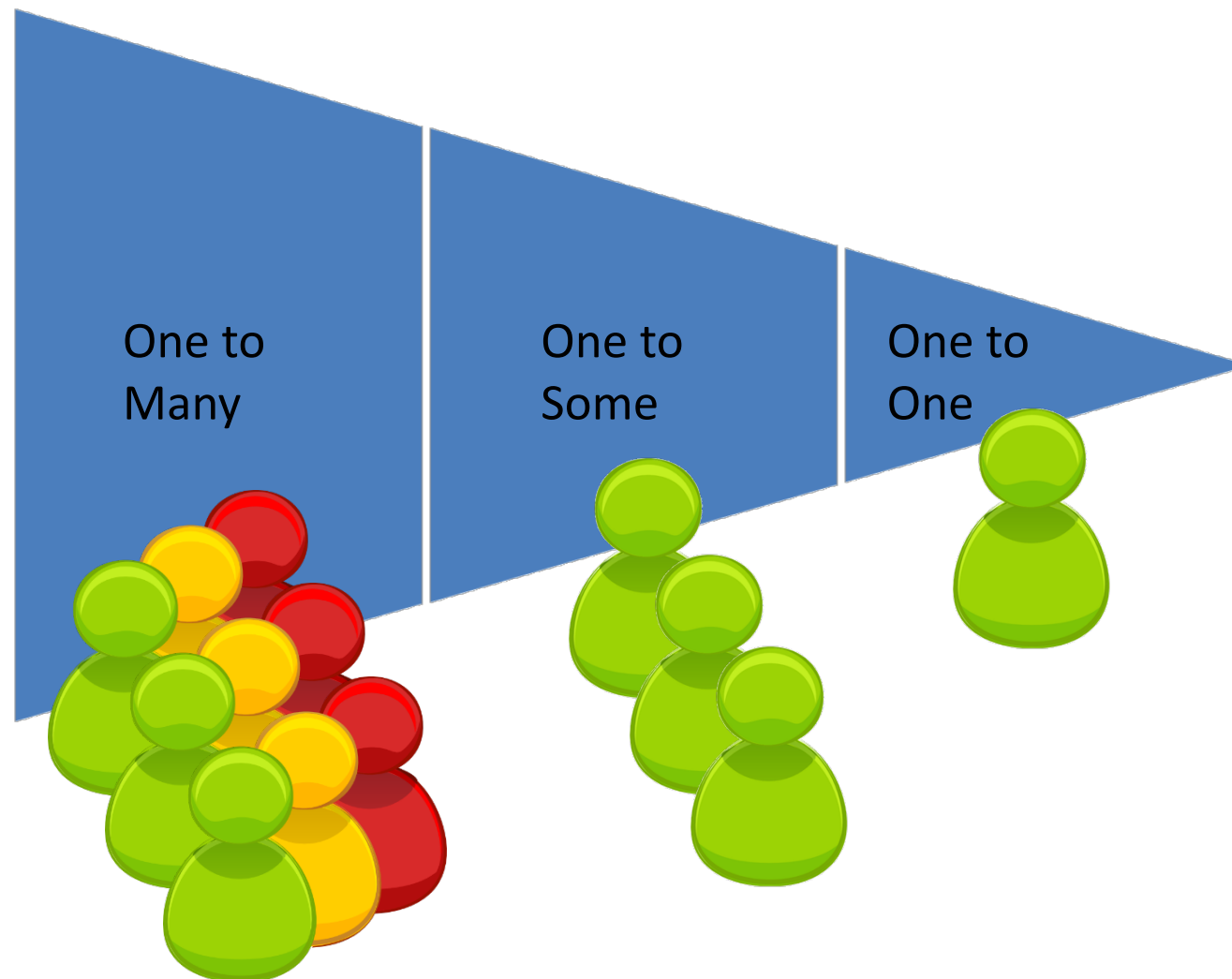# The math behind the scenes!

Copyright Property Portal Watch

The org structure behind the scenes!

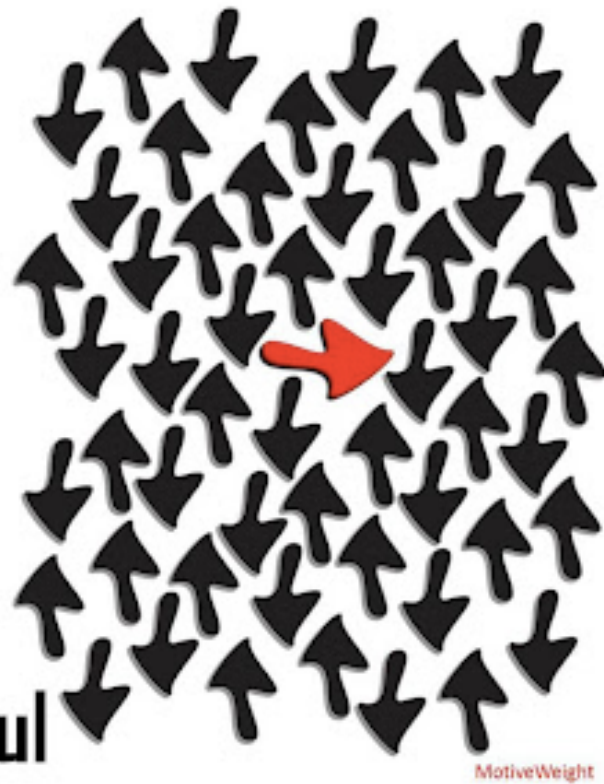| CEO						
Agent Sales & Marketing	**Developer Sales**	**Direct Sales**	**Consumer Marketing**	**Product Management**	**Technology**	**Support**
Responsible for all sales, marketing to, and support of agents / brokers	Responsible for all sales, marketing to, and support of developers	Responsible for all sales, marketing to, and support of private sellers	Responsible for all consumer marketing	Responsible for bringing together the product requirements of each segment (including internal require-ments)	Responsible for build and management of the technology	Finance, legal, HR
First level customer care	First level customer care	First level customer care			Second level customer care	
Revenue	Revenue	Revenue	Traffic / Total Time on Site	On Time to Spec	On Time to Spec	

Learnings

Understand your client: talk directly with him - that is the only way you can most value from him without looking like a mercenary. The market is not that big!

One to Many

One to Some

One to One

Avoid Middle Areas! One person = One focus!

Do not underestimate your competitors!

Taking forever to make a decision is a decision, just not the best one!

Get a coach!

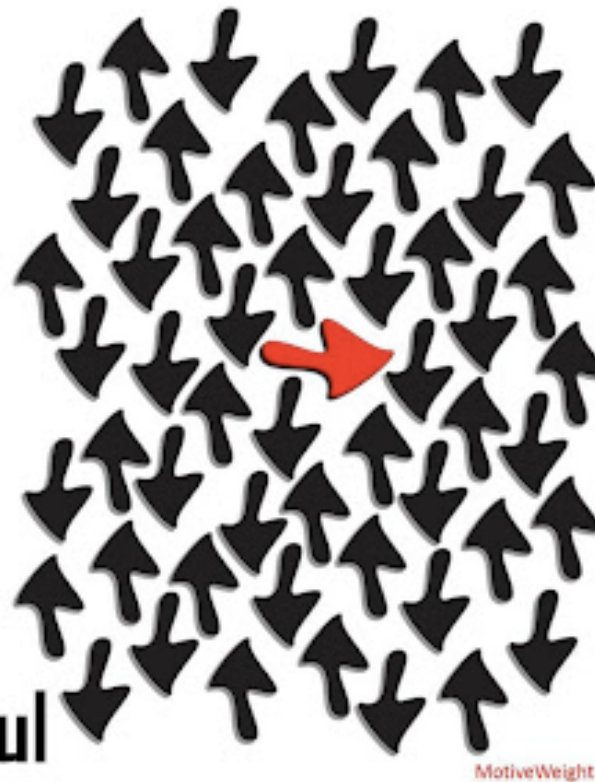**Thank you soooo much!!!!**

Contact Info.

Email: silvio.frison@gruporbs.com.br

Phone: 55 51 9977 0590

Silvio Frison
Pense CEO

Raising Money!

Vehicles