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Cars.com Goes Mobile – Taking a Leading Web Brand to the Third Screen

Presented by Sharon Knitter
Senior Director of Consumer Products, Cars.com
ICMA General Meeting – Miami – November 5 – 8, 2008

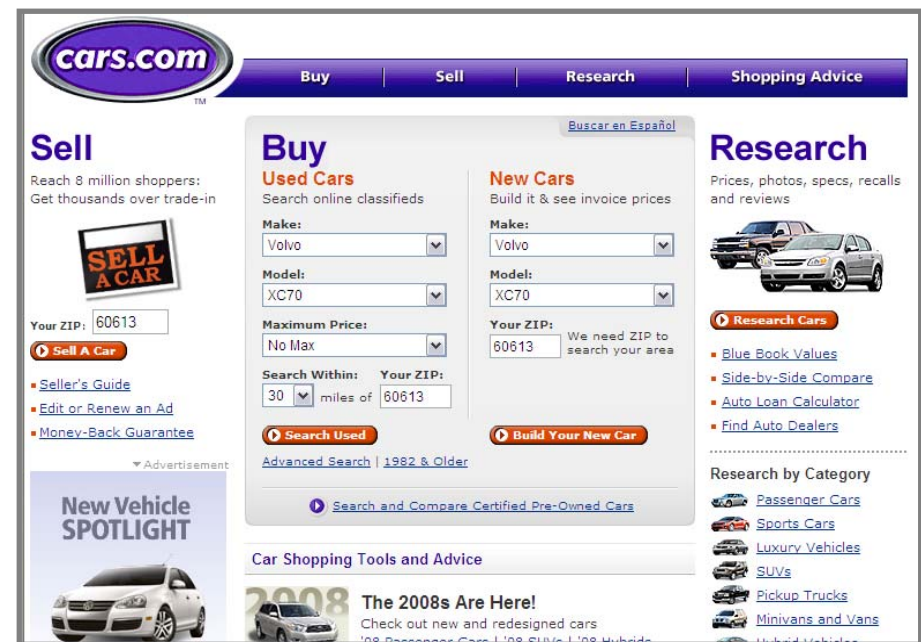
Agenda

- The U.S. mobile market
- Cars.com mobile site strategy
- Planning and implementation
- Content, distribution and media strategy
- Results
- Lessons learned



About Cars.com

- **Leading online automotive destination**
 - Launched in 1998
 - Owned by Belo Corp., Gannett Co. Inc., The McClatchy Co., Tribune Co. and The Washington Post Co.
 - 10 million unique monthly visitors
- **Cars.com connects in-market shoppers with automotive advertisers:**
 - Manufacturers
 - Local Dealers
 - Private Party Sellers





The Cars.com Mobile Experience





Business and Brand Strategy



The Mobile Opportunity

- Extend the Cars.com brand
- Deliver best of Cars.com content and functionality optimized for the mobile environment
- Develop advertising channel for future growth



Audience Expansion Strategy

The Mobile Channel is not a strategy unto itself. It is part of our Audience Expansion Strategy.

Allows Cars.com to effectively serve the unique needs of niche audiences without diluting focus of the Cars.com site.

- **Mobile**
 - Provides any time access to our current user base, while also expanding audience outside our traditional users.
 - No top competitors offer a mobile site to search for car listings
- **Mother Proof**
 - Unique and largely underserved audience of women and families
 - Strong emphasis on relevant new car content
- **Private Party Site – Freebo.com**
 - Competitive pressures put Cars.com private party business at risk which affects the long-term health of our used car business
 - Separate site with free ads provides opportunity to capture increased share of private party market
- **Pickuptrucks.com**
 - Increase demand for significant existing inventory
 - Expand potential for additional dealers with large truck inventories

7



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The Cars.com Mobile Shopper

Two broad categories of mobile site usage:

1. On the Lot: Late stage shoppers
 - Car listings (with photos)
 - Dealer locator
 - Payment calculator
 - Used car values
2. On the Train: Early stage shoppers
 - Reviews
 - Blog
 - Listings (can email listings)
 - Photos
 - Top 10s



8



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Cars.com Goes Mobile



- Launched in April 2007
- Began promoting from Cars.com homepage and in contextual areas early May 2007

Slide 9

IT1

Video should be inserted to play on a click of the phone in this slide.

IT Dept, 5/30/2007

Driving Positive Consumer Experience

- Unified brand on all channels
 - Consistently used url
 - www.cars.com
- Optimized channel for any device
- Streamlined content
 - Access to the most widely used information and tools





Overall Implementation Strategy



Development Strategy

Implementation strategy for all of our expansion products share three key characteristics:

Speed to Market

Modest Initial Investment

Use Product Insights to Guide Future Development



Technology Strategy: Mobile Development Alternatives

Multiple options for implementation:

Create downloadable mobile applications for Cars.com's mobile site

Create WAP site which is optimized for the mobile browser

Use code conversion to translate our web site
into lowest common denominator xhtml



Technology Strategy: Development Recommendation

- **Use WAP to drive our initial mobile sites**
 - Downloadable applications are most appropriate for graphic intense, highly integrated products – games, fantasy sports, etc.
 - Consumers are not likely to spend time or effort downloading an application they will use for a short time (i.e. during the car buying process).
 - Simplistic code-conversion methods are unlikely to provide the industry standard experience we believe is necessary
- **Use outside vendor to develop the WAP site**
 - Cars.com does not have the internal expertise to develop the WAP site



Development Partner

CrispWireless was selected
as our development partner



Using APIs, they host and serve the
mobile Cars.com website



15



Mobile Content Strategy

16



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Mobile Site Strategy – Phase 1

- **Mobile Content – Phase 1**
 - Search Used Car Listings
 - Search New Car Listings
 - “Click to call” a dealer
 - Dealer Locator
 - Payment Calculator
 - Car Reviews
 - Mapping



Mobile Content Strategy

Usability is Key:

- Developed alternative structures for selection criteria
 - Used “Most Searched Makes” as a starting point for search
- Limit some data access initially with a “click to see more” function
- Photos are extremely popular



Mobile Content Demo – Phase 1

Example: Used Car Search

cars.com™

Search Used Car Listings: Mini Cooper

Search within
30 Miles of
Your Zip Code
60611
Max Price
\$35,000
Search

cars.com™

Search Used Car Listings: Mini

Select Model
[Cooper](#) | [Cooper Clubman](#) | [Cooper S](#) | [Cooper S Clubman](#)

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cars.com™

Search Used Car Listings:
Find Used cars in your area.

Most-Searched Makes (or see all)
[Acura](#) | [Audi](#) | [BMW](#) | [Buick](#) | [Cadillac](#) | [Chevrolet](#) | [Chrysler](#) | [Dodge](#) | [Ford](#) | [GMC](#) | [Honda](#) | [Hummer](#) | [Hyundai](#) | [Infiniti](#) | [Isuzu](#) | [Jaguar](#) | [Jeep](#) | [Land Rover](#) | [Lexus](#) | [Mazda](#) | [Mercedes-Benz](#) | [Mini](#) | [Mitsubishi](#) | [Nissan](#) | [Oldsmobile](#) | [Plymouth](#) | [Pontiac](#) | [Porsche](#) | [Saturn](#) | [Scion](#) | [Subaru](#) | [Suzuki](#) | [Toyota](#) | [Volkswagen](#) | [Volvo](#)



All Makes by Alphabet
A B C D E F G H I J K L M
N O P Q R S T U V Y

cars.com™



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Mobile Content Demo – Phase 1


Example: Used Car Search (cont'd)




Search Used Car Listings: Mini Cooper
45 Results Found ([Narrow These Results](#))





1. 2007 Mini Cooper
\$23,300; 8,641 miles;
Color: Silver
Knauz Auto Park
Lake Bluff, IL
[888-811-0547](tel:888-811-0547)




2. 2007 Mini Cooper
\$21,995; 7,425 miles;
Color: Silver
Bill Jacobs BMW/Mini
Naperville, IL
[888-619-7703](tel:888-619-7703)



3. 2007 Mini Cooper





2007 Mini Cooper - \$21,980
\$21,980 | 14,170 miles




[More Photos >>>](#)
Body Style: Hatchback
Engine: 1.6L I4
Exterior Color: Sparkling Silver Metallic
Interior Color: Carbon Black Checkered Cloth
Transmission: AUTO
Drivetrain: FWD
Doors: 3
Wheelbase: 97

Stock #: M5034A
VIN: WMWME33527T 78724



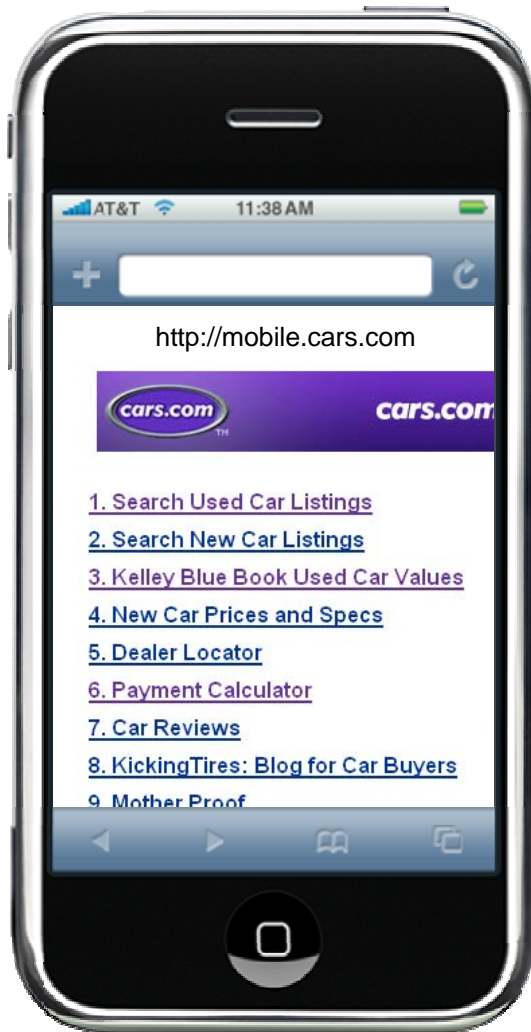
Dealer Locator - Mini
Patrick BMW Mini
700 East Golf Road Schaumburg, IL
New: [866-455-0210](tel:866-455-0210)
Used: [866-455-0793](tel:866-455-0793)
[Search Used Cars](#)
[Search New Cars](#)





© 2008 MapQuest, Inc. ©2008 NAVTEQ
[+ Zoom In - Zoom Out](#)
[Directions to this dealer](#)
[Back to Car Listing](#)
[Cars.com Mobile Home](#)

Mobile Content Demo – Phase 1

Example: Payment Calculator





Payment Calculator

Enter loan terms to get an approximate monthly payment.

Vehicle Price
\$


Down Payment
\$

Trade-In Value
\$

Sales Tax
 %

Interest Rate
 %

Term (Months)



Payment Calculator

Vehicle Price	\$29,000
Down Payment	\$3,123
Trade-In Value	\$3,750
Sales Tax	8.5%
Interest Rate	5.875%
Term	36 Months
Monthly Payment	\$746.74
Total Cost	\$33,756

[Revise Your Calculation](#)
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Mobile Content Demo – Phase 1

Example: Car Reviews





Car Reviews - Jeep

Select Model

[Cherokee](#) | [Commander](#) | [Compass](#) | [Grand Cherokee](#) | [Liberty](#) | [Patriot](#) | [Wrangler](#)

[Change Vehicle](#)





Car Reviews - Jeep Wrangler

Select Year

[2008](#) | [2007](#) | [2006](#) | [2005](#) | [2004](#) | [2003](#) | [2002](#) | [2001](#) | [2000](#)

[Change Vehicle](#)



Car Review - 2005 Jeep Wrangler

[Read Full Review](#)

By Jim Flammang
February 23, 2005

Vehicle Overview

Nothing is more traditional in the world of sport utility vehicles than the smallest, entry-level Jeep model. Today's Wrangler is a direct descendant of the World War II-era military Jeep. In fact, many consider the Wrangler to have pioneered the SUV category, even though the term "SUV" didn't emerge until after Jeeps had been around for decades.

In the 2003 model year, a super-duty Rubicon model debuted with locking front and rear differentials and all-disc brakes. In 2004, an extended-length Wrangler Unlimited emerged that used a wheelbase



Mobile Marketing and Distribution Strategy

23



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Mobile Distribution Strategy

- Direct to the consumer using redirect capabilities
- No carrier distribution
- From the website – use SMS to allow consumers to bookmark the mobile site
- Promote the mobile site from the website
- Links from affiliate mobile sites



Mobile Media Strategy

- **Media Launch**
 - Developed custom press kit and distributed to more than 2000 target reporters
 - Produced and distributed video news release to highlight mobile offering
 - Leveraged mobile offering as a way to reinvigorate the Cars.com story in the news



Mobile PR Video

- Video to play here.





Mobile Content Strategy – Phase 2

27



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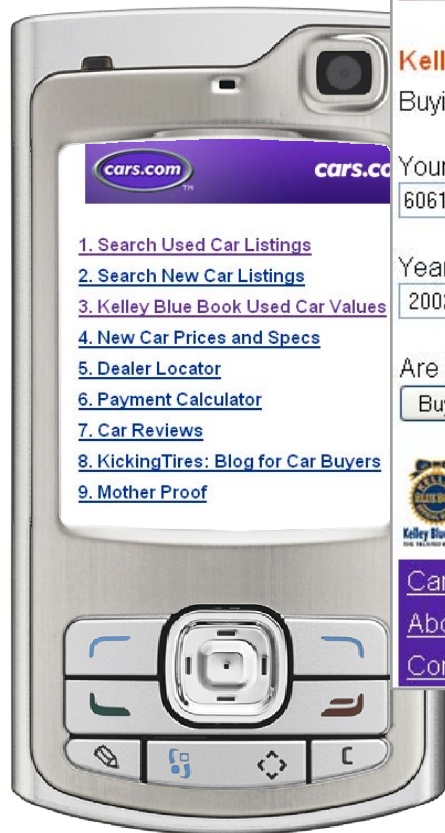
Mobile Site Strategy – Phase 2

- Phase 2 was developed based on consumer feedback and advertiser interest.
 - Listings may be sent from the website to the phone
 - Banner advertising
 - Kelley Blue Book Used Car Values
 - New Car Pricing and Specifications
 - Blogs – Kicking Tires and MotherProof
- Moved to more robust ad-serving platform



Mobile Content Demo – Phase 2

Example: KBB Used Car Values



Kelley Blue Book Used Car Values

Buying or selling? Find out what it's worth.

Your Zip Code

60611

Year of the Vehicle

2002

Are you buying or selling it?

Buying

Selling



Values provided by
Kelley Blue Book

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Kelley Blue Book - 2002 Mini Cooper Hatchback 2D

Engine

4-Cyl. 1.6 Liter

Transmission

5 Speed Manual

Drive Type

FWD

Approximate Mileage

74000

Submit

[Change Vehicle](#)

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Kelley Blue Book - 2002 Mini Cooper Hatchback 2D

Retail Value

- \$13,485 in Excellent Condition

Private Party Values

- \$11,060 in Excellent Condition

- \$10,290 in Good Condition

- \$9,340 in Fair Condition

Engine: 4-Cyl. 1.6 Liter

Transmission: 5 Speed Manual

Drive Type: FWD

Approximate Mileage: 74,000

[Show Assumed Equipment.](#)

Values in ZIP Code 60611 on 04/24/2008

*Optional equipment may affect values.

See [Trade-In Values](#)

[Vehicle Condition Description](#)

[Type of Values Description](#)



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Mobile Content Strategy

Phase 2

New Car Pricing and Specifications





New Car Prices and Specs



Invoice and Target Prices, Equipment, Specs and More

Most-Searched Makes (or see [all makes](#))

[Acura](#) | [Audi](#) | [BMW](#) | [Cadillac](#) | [Chevrolet](#) | [Chrysler](#) | [Dodge](#) | [Ford](#) | [GMC](#) | [Honda](#) | [Hummer](#) | [Hyundai](#) | [Infiniti](#) | [Jaguar](#) | [Jeep](#) | [Lexus](#) | [Lincoln](#) | [Mazda](#) | [Mercedes-Benz](#) | [Mercury](#) | [Mini](#) | [Mitsubishi](#) | [Nissan](#) | [Pontiac](#) | [Saturn](#) | [Scion](#) | [Subaru](#) | [Suzuki](#) | [Toyota](#) | [Volkswagen](#) | [Volvo](#)


All Makes by Alphabet

[A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#)
[P](#) [R](#) [S](#) [T](#) [V](#)



2008 Chevrolet Aveo 5 LS

4dr Hatchback



(2008 Chevrolet Aveo 5 4dr Hatchback shown)

MSRP: \$12,020
Destination Charge: \$660
Total List Price: \$12,680
Invoice Price: \$11,359
Smart Target Price: \$12,319*

*Does not include customer cash-back incentives or options
[What is Smart Target Price?](#)

Available Engines:
103-hp, 1.6-liter I-4

Content Demo

Reviews – Kicking Tires & Motherproof Blogs






KickingTires - The Blog for Car Buyers

Feel Cheated at the Pump?

Posted by David Thomas on 4/29/08



We've heard complaints before about gas stations ripping people off by reporting more fuel flowed through the pump than their car could actually hold. That's one kind of scam we're against. But there may be another reason your car is taking more gas than it should. The problem could be a "check valve" that's worn out -- and the gas station may not even know.



Mother Proof

Anti-Scootch Booster Seat a Hit

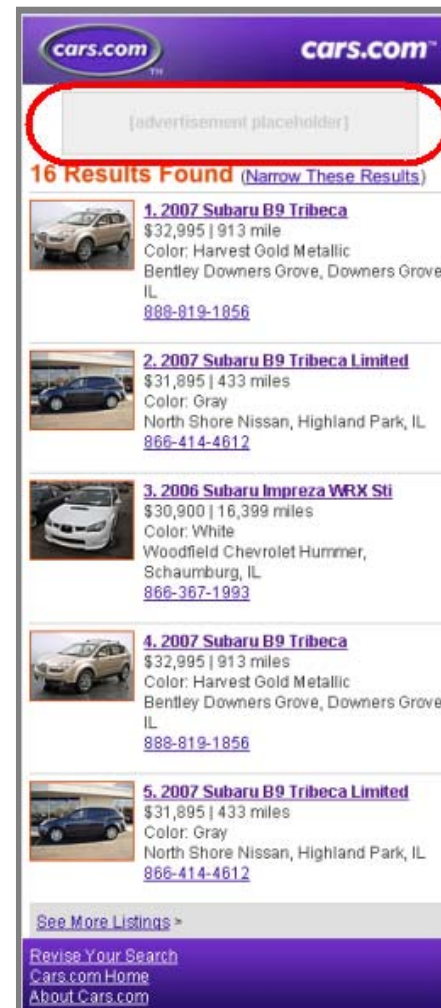
Posted by Sara Lacey on 4/7/08



Anyone who has a child knows how frustrating the whole car seat issue can be. At what age and weight should a child be in what kind of seat facing which way? Once they need boosters, do the boosters need to have a back? Wait, how big do they need to be again? And is zebra-print fabric safer

Cars.com Mobile Advertising Model

- Manufacturers are hungry for opportunities to reach in-market shoppers in mobile environment
- Offered first as exclusive sponsorship of mobile channel
- Sponsorship opportunities to expand with traffic growth
 - Geo-targeted opportunities
 - Contextual ad placements



Mobile: Future Development

Continual Product and Site Enhancements planned:

2008	2009
Support creation of slim, mobile microsites for dealers	Extend saved search/ inventory alerts to mobile
Integrate consumer reviews/ratings on mobile	Allow private sellers to place and edit ads using handsets
Extend reach of Cars.com mobile site through partnerships	Mobile GPS targeting: display listings and dealers based on location
Omniiture tracking on mobile site	Offer video content on mobile

33



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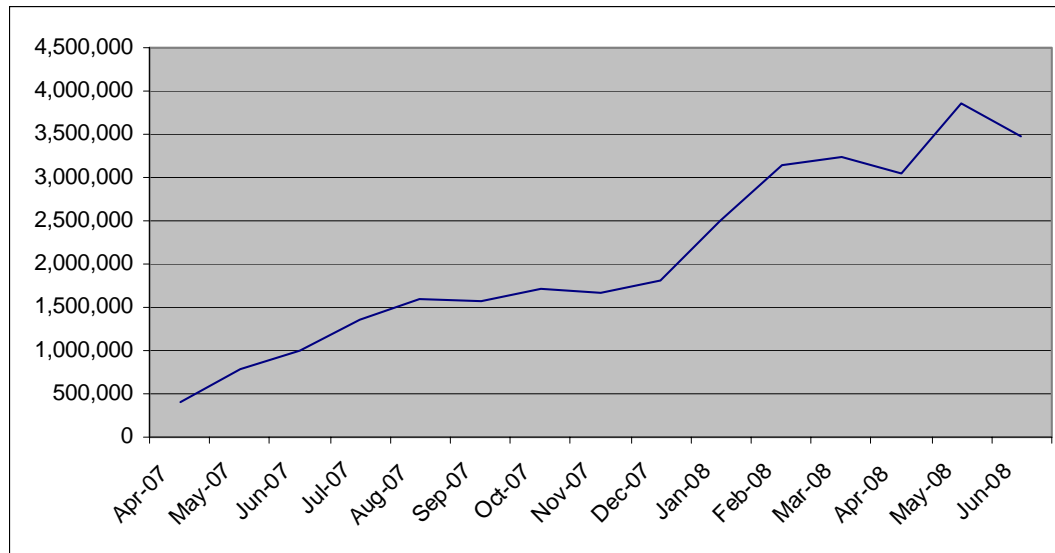


Results



Mobile Results – Traffic and Strategic

Monthly Page Views



Our mobile site gives us a clear competitive advantage

- No top competitors offer a mobile site to search for car listings
- Few barriers to entry in the space by competitors, although listings are necessary to compete with us directly

As the mobile market grows and Cars.com builds its position as the main player in automotive, our mobile site is exceeding expectations:

- Sharp growth in traffic
- Projected '08 ad revenue \$400k+

35



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Mobile Results - Traffic

- While the Cars.com website has traffic declines on the weekends, Mobile Cars.com increases on the weekend
- Searching for listings is the leading pageview driver – 75% of the pageviews are associated with searching vehicle listings



Mobile Results – Unexpected Findings

Our site research indicates that 30% of the mobile users FIRST visit to Cars.com was through the mobile site

Dealers are embracing the mobile site

- Consumers demonstrate the site to dealers
- Dealers are increasingly asking for their own branded mobile site



Mobile Results – Site Users

The mobile Cars.com shopper is ready to buy

- 19% are planning to buy a car within the next 2 weeks, 18% within 30 days and 21% within 90 days
- 39% accessed the mobile site when they were on the dealer lot
- 41% contacted a seller using the phone number on the mobile site



Mobile Results – Site Ratings

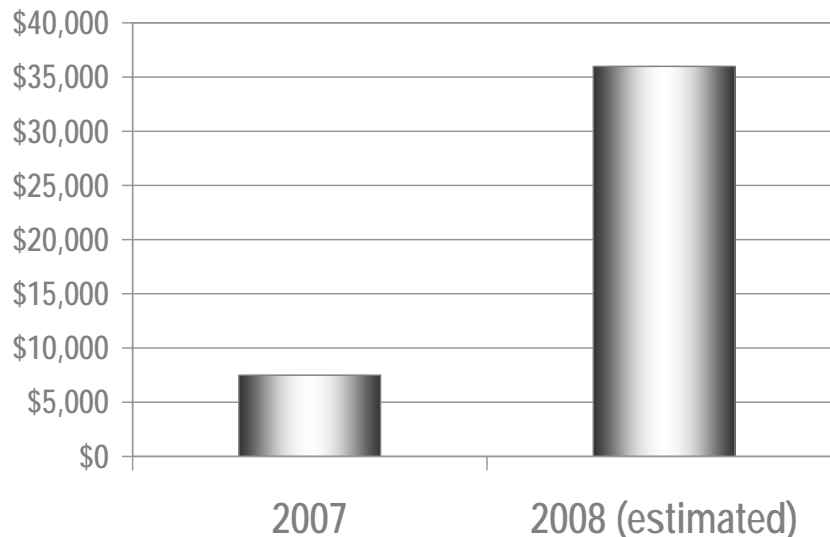
Users like mobile Cars.com!

- In comparison to other mobile sites, Cars.com received high ratings from users
- 89% of the users rated the site a 4 or 5
- Rating Scale
 - 5 = better than other mobile sites
 - 3 = same as other mobile sites
 - 1 = worse than other mobile sites



Mobile Results - Advertising

Monthly Mobile Advertising Revenue



Advertiser Lineup:



- Auto Manufacturers are looking to reach the “in-market” shopper
- Biggest challenges:
 - Advertisers may not have a mobile site for consumers to click to
 - Mobile measurement is rudimentary and doesn’t fulfill the advertisers’ needs

Our Mobile Lessons Learned

- Keep consumer needs and user experience at the forefront
- Be prepared to adapt to a rapidly changing environment
- Be handset manufacturer, carrier and mobile browser agnostic
- Keep overhead and costs low
- Some of your best promoters are internal – Make sure your management team knows how to access your site on their Blackberry!



Thank You



Slide 42

AM2

Insert Super Bowl ad

Amanda Myers, 4/30/2008



Questions & Answers

