



TM

**Confidence Comes Standard.™**

# 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



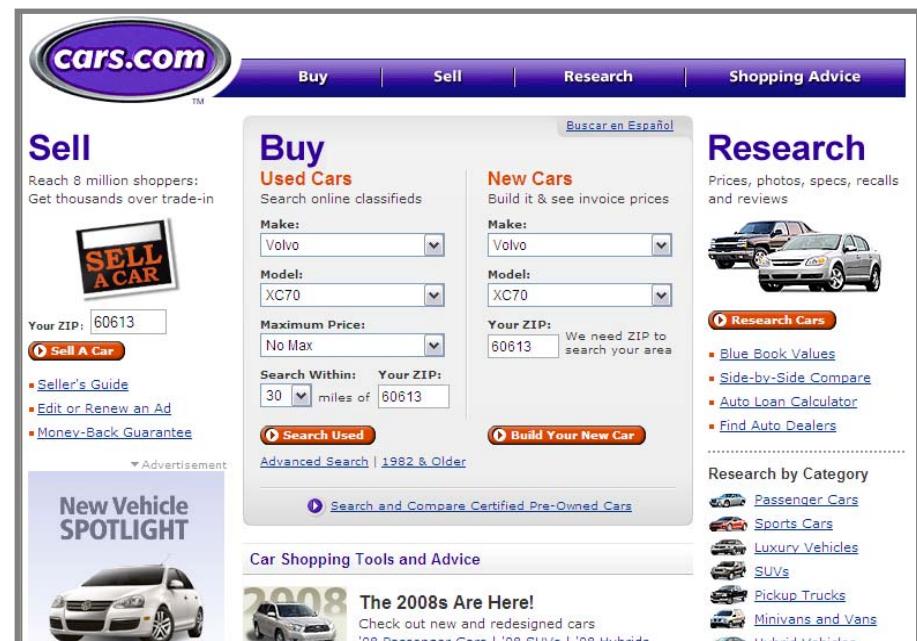
2



Confidence Comes Standard.™

# 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



3



# The Cars.com Mobile Experience



4





## Business and Brand Strategy

5

# 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



# The Cars.com Mobile Shopper

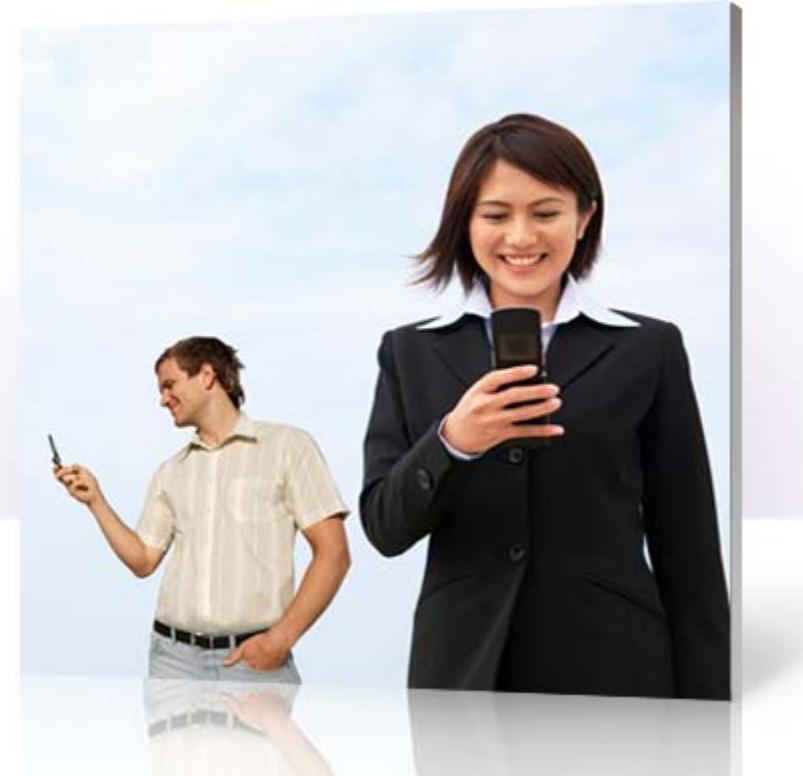
## Two broad categories of mobile site usage:

### 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



Confidence Comes Standard.™

# Cars.com Goes Mobile



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

**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](http://www.cars.com)
- Optimized channel for any device
- Streamlined content
  - Access to the most widely used information and tools



10



## 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

13



# 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

14



## 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

# 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

17



# 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

18



# Mobile Content Demo – Phase 1

## Example: Used Car Search



**Search Used Car Listings: Mini Cooper**

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

**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](#) [V](#) [Y](#)

**Search Used Car Listings: Mini**

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

[Cars.com Mobile Home](#)  
[About Cars.com](#)  
[Contact Us](#)

**Copyright © 2008 Cars.com**  
Powered by mLogic Media  
Crisp Wireless, Inc.

# Mobile Content Demo – Phase 1

## Example: Used Car Search (cont'd)

**cars.com™**

**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**

**cars.com™**

**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:** 1WMMWME335271 78724

**cars.com™**

**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)

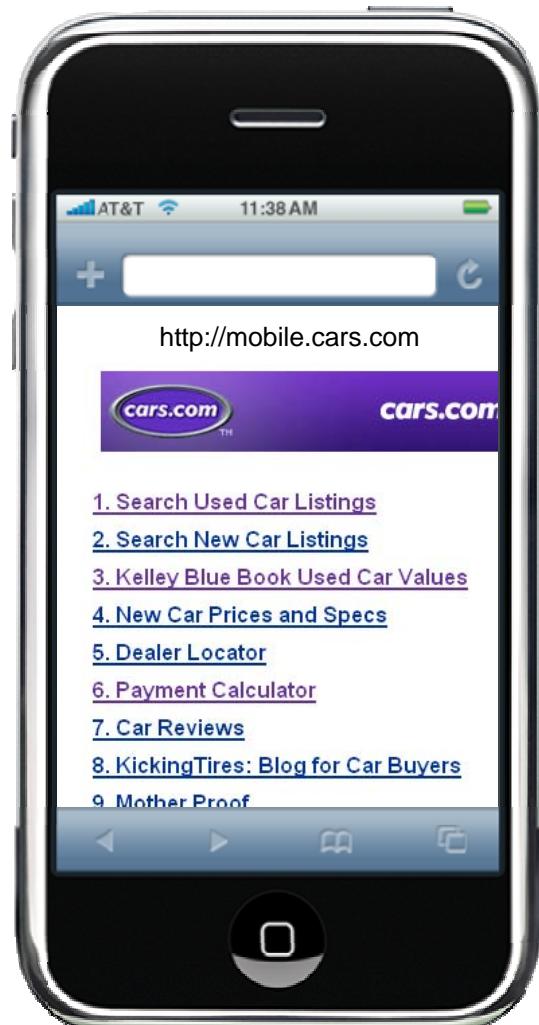
[Search Used Cars](#)  
[Search New Cars](#)



© 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](#)

[Cars.com Mobile Home](#)

[About Cars.com](#)

[Contact Us](#)

**Copyright © 2008 Cars.com**  
Powered by mLogic Media  
Crisp Wireless, Inc.

# Mobile Content Demo – Phase 1

## Example: Car Reviews



**cars.com™**      **cars.com™**

**Car Reviews - Jeep**

Select Model

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

[Change Vehicle](#)

**cars.com™**      **cars.com™**

**Car Reviews - Jeep Wrangler**

Select Year

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

[Change Vehicle](#)

**cars.com™**      **cars.com™**

**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

# 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

25



# Mobile PR Video

- Video to play here.

26





## Mobile Content Strategy – Phase 2

27

# Mobile Site Strategy – Phase 2

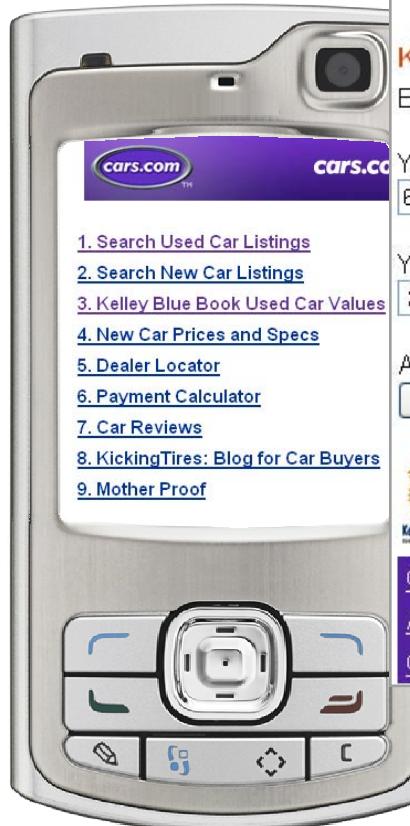
- Phase 2 was developed based on consumer feedback and advertiser interest.
  - Listings may be sent from the website to the phone
  - Banner advertising
  - Kelley Blue Book Used Car Values
  - New Car Pricing and Specifications
  - Blogs – Kicking Tires and MotherProof
- Moved to more robust adserving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

28



# Mobile Content Demo – Phase 2

## Example: KBB Used Car Values



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

Your Zip Code  
60611

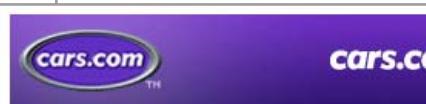
Year of the Vehicle  
2002

Are you buying or selling it?  
Buying Selling



Values provided by  
Kelley Blue Book

Cars.com Mobile Home  
About Cars.com  
Contact Us



Engine  
4-Cyl. 1.6 Liter

Transmission  
5 Speed Manual

Drive Type  
FWD

Approximate Mileage  
74000

Change Vehicle  
Cars.com Mobile Home  
About Cars.com  
Contact Us



**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](#)

Confidence Comes Standard.

# Mobile Content Strategy

## Phase 2

### New Car Pricing and Specifications



**cars.com™**      **cars.com™**

#### 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](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#)  
[P](#) [R](#) [S](#) [T](#) [V](#)

**cars.com™**      **cars.com™**

**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

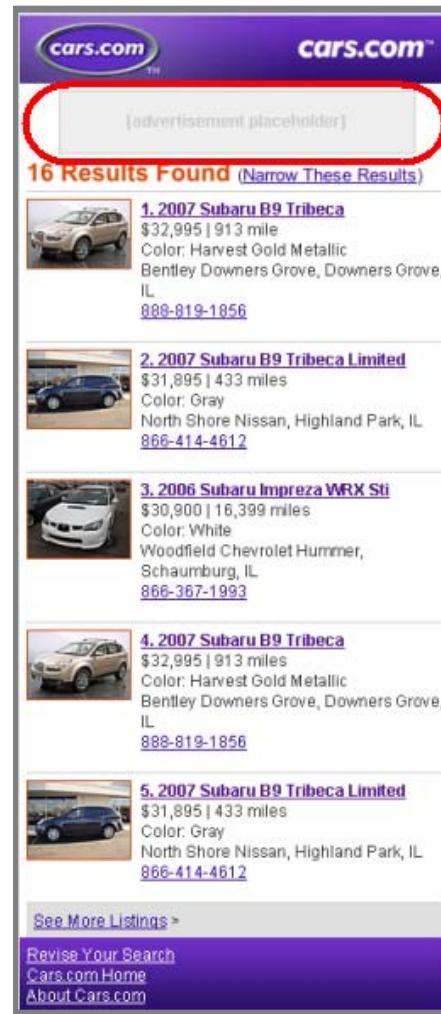


Anyone who has a child knows how frustrating the whole car seat issue can be. At what age and weight should a child be in what kind of seat facing which way? Once they need boosters, do the boosters need to have a back? Wait, how big do they need to be again? And is zebra-print fabric safer

Confidence Comes Standard.™

# 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



32

# 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
Omniture tracking on mobile site	Offer video content on mobile

33



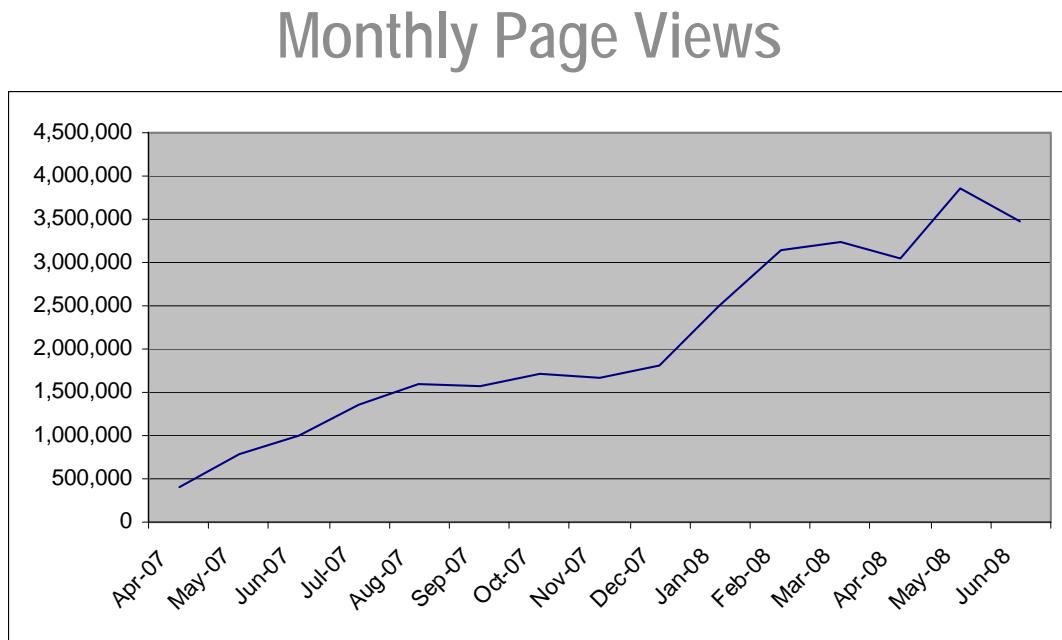


# Results

34



# Mobile Results – Traffic and Strategic



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



# 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

38



# Mobile Results – Site Ratings

## Users like mobile Cars.com!

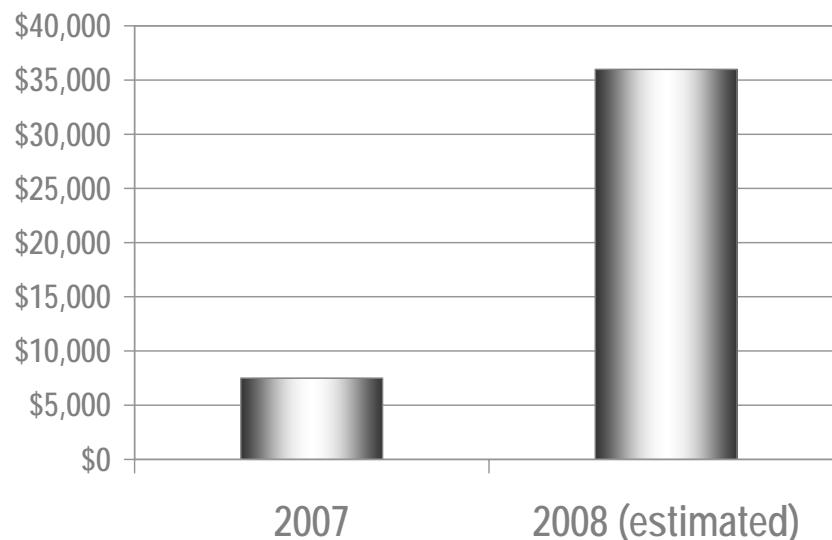
- In comparison to other mobile sites, Cars.com received high ratings from users
- 89% of the users rated the site a 4 or 5
- Rating Scale
  - 5 = better than other mobile sites
  - 3 = same as other mobile sites
  - 1 = worse than other mobile sites

39



# 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

40

# 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

AM2

Insert Super Bowl ad

Amanda Myers, 4/30/2008



## Questions & Answers

43