

AUTOMOTIVE NEWS

FROM THE CLASSIFIED DEPARTMENT OF THE NEWS & OBSERVER

Inside

Online Spotlight 2

Cars.com Update 3

Special Offer 3

1234 by the numbers

*Publication Readership from
The News & Observer and
community papers.*

The News & Observer

Sunday: 515,800
Saturday &
Weekdays: 417,100

The Cary News

Wednesday: 47,000

The Chapel Hill News

Sunday/Wednesday:
32,300

The Durham News

Saturday: 53,000
(Durham Co. Readership)

Eastern Wake News

Wednesday: 19,700

The Herald

Tuesday/Friday: 38,000

Source: Scarborough Research,
Raleigh-Durham DMA plus
Robeson County
Oct. 2005-Sep. 2006

SP20038

Traditional media translates into more buyers than online advertising



In his latest analysis of the market, Art Spinella, of CNW Research, found that used-car dealers are spending more money on the Internet than ever before. However, overall, most of the marketing funds are still going into traditional media, such as newspapers, spot TV and local radio.

And it appears the dealers have it right, according to Spinella. Advertising in traditional media is paying off as that is where the most buyers are coming from.

“During a two-month analysis of dealer spending patterns and resulting sales, the typical dealer put slightly more than 61 percent of his advertising budget into traditional media and generated an average of 204 shoppers,” Spinella indicated.

“The second largest expenditure (13.4 percent) went toward community promotions such as local sports team sponsorships, golf contents, issue-awareness events, etc,” he continued, saying the data was broken down to sales per 100 buyers.

While traditional media tends to cost more than online advertising, the share of buyers-to-shoppers

ratio favors the old-fashioned methods, CNW highlighted.

In fact, more than 44 percent of people who entered a dealership and purchased a car or truck indicated traditional advertising methods were what drove them to a store.

“The conversion rate for Internet advertising was a dismal 4.5 percent even though it generated far more phone calls and e-mails about advertised vehicles,” Spinella said. “But 95 percent either went elsewhere or were merely window shopping with little or no intent to buy.”

Although ratios can vary via market, CNW said its survey reviewed medium and large dealerships in a cross section of large, medium and small markets, with results weighted to sales and DMA populations.

“The second most effective buyers-to-shoppers ratio came from involvement in local community events and services. This includes such activities as sports team sponsorships (high school baseball or soccer for example), golf tournaments, ads in little theater programs and the like,” Spinella reported.

“While generating few shoppers, better than a quarter actually purchased a vehicle,” he pointed out.

(Source: Jennifer Reed, SubPrime Auto Finance Editor — www.autoremarketing.com, October 17, 2007)



YAHOO! BY THE NUMBERS

- Yahoo! is the largest internet portal, delivering more than 130 million unique visitors monthly, or 74% of all online users
- Yahoo! consistently ranks among the top auto research sites for online customers, with more than 6 million monthly unique visitors
- Extra exposure - 87% of the Yahoo! Autos audience is unduplicated from Cars.com
- Yahoo! Autos visitors have a higher intent-to-purchase rate (74%) than any other potential partner

More views, more value, more volume.

Looking to make the most of your online advertising efforts? Cars.com is the answer for both used- and new-car listings. Adding Yahoo! Autos (autos.yahoo.com) to our powerful partnership network in December is the latest example of Cars.com's commitment to maximizing exposure for your dealership and inventory. Yahoo! Autos delivers an entirely new, in-market audience of used- and new-car shoppers with just one ad buy on Cars.com.

online FEATURE PRODUCT

Dynamic Web Ads

Dynamic web ads are being successfully implemented by newspaper websites across the country in markets both big and small. This product provides "Google-like" technology that matches used car inventory for display in a web ad unit to a consumer's search criteria on participating automotive portals.

Dynamic Web Ads automatically place cars.com used car listings and photos into any standard web advertising unit. Listings are automatically placed based on sophisticated criteria set by the advertiser. For example, Accords appear in a web ad when a consumer searches for Accords. By enhancing the relevancy of the web ad content, placing actual vehicles and pricing information, we are able to increase standard click through results 10 fold!

AdPerfect web ads average click rates are in the .5% - 1% plus range! Additionally, we provide detailed reporting on all ad activity down to specific vehicles previewed and each ad has 4 points of contact, similar to your cars.com reporting metrics. These reports demonstrate web ad effectiveness and overall ROI for the dealer.

An added bonus of the product is that all ad unit listings can direct users to a cars.com listing page, further strengthening results and activity of your core listings products. The product is extremely cost effective and is simple to deploy and maintain. We already have all cars.com listings and we can activate ad units immediately with no setup fees or monthly minimums - risk free.

cars.com UPDATE

Dealer Specials

Combine the power of cars.com with dynamic display advertising to target new and used car buyers.

Both Used and New car Dealer Specials feature select vehicles from your dealership's cars.com inventory. The vehicles on Dealer Specials ads are selected based on the consumer's search criteria and dealer-defined rules such as age of inventory. Each displayed vehicle links back to the More Details page. These dynamic ads are customized to match dealerships' look and feel.

Dealer Specials greatly enhances the dealer's ad package by showcasing 9 vehicles from inventory. The dealer wins with greatly increased dealership branding, greater visibility and higher quality leads that drive incremental traffic to the dealer's website.

email *contacts*

Al Autry
Sr. V.P./Advertising
al.autry@newsobserver.com

Gary Smith
V.P. Classified Advertising and
Interactive Media
gary.smith@newsobserver.com

Tim Parrish
Automotive Manager
tim.parrish@newsobserver.com

Shirley Woodard
Creative Services Director
swoodard@newsobserver.com

Melanie Sill
Sr. V.P./Executive Editor
msill@newsobserver.com

Chris Bushnell
Automotive Newsletter Editor
chris.bushnell@newsobserver.com

Mary Cornatzer
Business Editor
corn@newsobserver.com

Lane Singletary
Automotive Editor
lane.singletary@newsobserver.com
autosectioncomments@newsobserver.com



special offer
LIMITED AVAILABILITY!

20% OFF

Sign up for 3 Months of Dealer Specials, and get 20% Off Your First Month! **See Product Info Below!**

Dealership Authorization: _____



To take advantage of this offer today, contact **Tim Parrish, Automotive Manager** at 919-829-4592.

*Offer cannot be combined with any other discount program. Authorization from Dealer principal/Owner or General Sales Manager is required.



Get Direct Results

Put a finer focus on your efforts with N&O Direct Marketing

With the N&O's Direct Marketing program, you have a precision in reaching potential customers that was previously unattainable. We develop custom programs to generate mailing lists that include your best customers and others who match their profile — then we deliver your message with creative concepts from our award-winning advertising staff. N&O Direct Marketing is a turnkey service including development, marketing, mailing, maintenance, and analysis of the response to further increase effectiveness. ♦



To get direct results, contact your Sales Representative today!

Marketing Opportunities DECEMBER 2007

	sunday	monday	tuesday	wednesday	thursday	friday	saturday	
						Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News	
Sunday Classified Section	2	3	4	5	6	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News	
Sunday Classified Section	9	10	11	12	13	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News	
Sunday Classified Section	16	17	18	19	20	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News	
Sunday Classified Section	23/30	24/31	Christmas Day	25	26	27	28	29

Marketing Opportunities JANUARY 2008

	sunday	monday	tuesday	wednesday	thursday	friday	saturday
			Happy New Year!			Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News
Sunday Classified Section	6	7	8	9	10	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News
Sunday Classified Section	13	14	15	16	17	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News
Sunday Classified Section	20	21	22	23	24	Auto East Auto Northeast Auto Southwest North Raleigh News	N&O Sat. Auto Durham News
Sunday Classified Section	27	28	29	30	32	Auto East Auto Northeast Auto Southwest North Raleigh News	2



215 S. McDowell Street
Raleigh, NC 27601