

Mobile "Showrooming" Now Mainstream in Automotive Retail

Study by Placed Inc. Reveals Influence of On-Lot Smartphone Research

CHICAGO, Jan. 24, 2014 /PRNewswire/ -- According to Placed Inc., 63% of car shoppers now use their smartphones to do research and make decisions while at automotive dealerships. In an independent study commissioned by Cars.com, Placed Inc. found that on-lot mobile "showrooming" significantly influences both dealership and vehicle selection, with pricing information, inventory availability and mobile advertisements persuading shoppers to visit competing dealerships – behavior that mirrors traditional retail shopping. To download the full report, please visit: <http://dealeradvantage.cars.com/on-lot-mobile-study>.

"In the same way online advertising revolutionized the automotive retail industry over the past decade, mobile shopping has exploded in just the past year, fundamentally changing the way dealers need to engage with customers," said Alex Vetter, senior vice president at Cars.com. "Retailers should take immediate action to make mobile a cornerstone of their marketing strategy or risk losing out to mobile-savvy competitors."

The study examined survey response and location data from more than 500 participants following visits to automotive dealerships, through the Placed smartphone app.

The study's findings include:

- **Universal adoption:** 81% of auto shoppers used smartphones to do research when purchasing a vehicle, including 63% who used their smartphone while physically at an automotive dealership. A quarter (25%) of auto shoppers conducted research using a smartphone only, prior to visiting a dealership.
- **Automotive "showrooming":** The study found that mobile auto shoppers were 72% more likely to visit an additional dealership than shoppers who did not use a smartphone. Top on-lot activities included calculating price and payment information, confirming vehicle availability and comparing local competitors. Of shoppers who visited more than one dealership, more than half (52%) did so because of information gathered on their mobile device.
- **Mobile ad Influence:** Advertising played a key role in influencing decisions as 33% of shoppers were lured to a competing dealership based on a mobile advertisement found while on a dealer lot.

"There's been similar research around showrooming across other retail categories, but this is the first time anyone has been able to look quantitatively at mobile consumer behavior within automotive with this level of detail," said David Shim, Founder and CEO at Placed. "A vehicle is one of the largest retail purchases a consumer makes, so it's understandable that shoppers use every resource available - including their smartphone - to make what is often a very complex, calculated decision."

The study also analyzed the role of third-party automotive marketplace sites in on-lot mobile auto research. The top 4 third-party in-market shopping websites (Cars.com, AutoTrader, KBB, Edmunds) were utilized by 56% of on-lot mobile users in the study, far surpassing use of manufacturer websites, dealership websites and search engines. This signals a consumer need for unbiased third-party information while on the lot in order to confirm car buying decisions.

To download the *Cars.com Mobile Device Use at the Dealership* whitepaper, please visit: <http://dealeradvantage.cars.com/on-lot-mobile-study>.

ABOUT CARS.COM

[Cars.com](http://cars.com) is an award-winning online destination for car shoppers that offers information from consumers and experts to help buyers formulate opinions on what to buy, where to buy and how much to pay for a car. [Cars.com](http://cars.com) offers thousands of new and used vehicle listings, consumer reviews, side-by-side comparison tools, photo galleries, videos, unbiased editorial content and many other tools. [Cars.com](http://cars.com) puts millions of car buyers in control of their shopping process with the information they need to make confident buying decisions. Launched in June 1998, [Cars.com](http://cars.com) is a division of [Classified Ventures LLC](http://classifiedventures.com), which is owned by leading media companies, including A.H. Belo (NYSE: AHC), Gannett Co., Inc. (NYSE: GCI), The McClatchy Company (NYSE: MNI), Tribune Company and The Washington Post Company (NYSE: WPO).

ABOUT PLACED INC.

Placed is the leader in location-driven insights and mobile ad intelligence. Measuring billions of locations across the world's largest opt-in mobile location panel, Placed provides the most complete understanding of consumers' offline behaviors.

Connecting the physical and digital worlds, Placed gives brands, agencies, publishers and ad networks the ability to target location at scale, measure the offline impact of mobile ads, and deliver actionable insights into

consumer behavior. Founded in January 2011, Placed is headquartered in Seattle and is backed by Madrona Venture Group.

SOURCE Cars.com

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