

Franchisor Benefit Report
on using
www.AutomotiveFranchises.com

Gas Stations
Car Washes
Auto Repair
Subs
Car Dealers



Gas Stations CAR WASHES
Car Dealers auto Repair
Quick Lube



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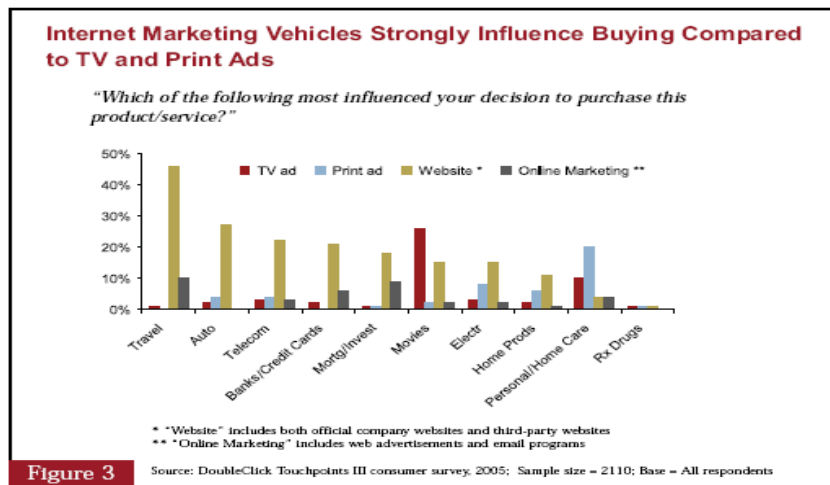
OVERVIEW

This report will clearly demonstrate why automotive related Franchisors should use AutomotiveFranchises.com to help market and generate greater exposure for their businesses.

Currently approximately 72% of all American adults use the Internet in some way, shape or form. That translates into approximately 145 million people actively “surfing the net”. What are they doing online? A study by the Pew Internet & American Life Project indicates that a large percentage of users surveyed are:

| Activity | Percentage of Users | Most Recent Survey Date |
|--|---------------------|-------------------------|
| Doing an internet search to answer a specific question | 80% | (Nov-Dec 2003) |
| Researching a product or service before buying it | 78% | (February-March 2005) |
| Buying a product | 67% | (May-June 2005) |

While for many users it is obvious that the Internet functions in the capacity of “Information Super Highway”, it also continues to exhibit significant influence over a user’s buying and purchasing decisions. In fact, relative to TV and print advertising, the Internet shows great strength in **influencing purchases**. Asked which touch points most influenced their purchase decision, respondents to a Doubleclick survey cited websites collectively as more important than TV advertisements in seven out of ten product/service categories. (Doubleclick.com, July 2005)



By its very nature, access to the Web is intimately related to performing some kind of search. It is therefore important for us to understand how people search on the Internet. Research studies provide evidence to support several common search patterns exhibited by users.

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 Quick
 Sub



By understanding how users search and what they search for, we are able to more effectively design a website which is both appealing and informative for the user. We believe that we are able to offer a much greater value and service to franchisors because we:

- ◆ Are directly targeting users who are already interested in auto-related franchises, unlike a general-interest franchise listing sites.
- ◆ Can dominate search engine queries based on the large number of domain names we own. These 70+ additional domain names effectively redirect traffic to our main website.
- ◆ Can better target “sponsored links” (pay-per-clicks) in comparison to general franchise listing sites. This is because we can specifically target users interested in the automotive industry and can devote funds directly to this targeted market.
- ◆ Are able to use specific, keyword-enriched web pages. This provides us with greater exposure to our target market.
- ◆ Are presenting relevant and specific user content.

Finally, the following research on user search patterns supports our belief that AutomotiveFranchises.com is not only well-positioned but will become an industry leader for advertising automotive franchises.

PART 1: IDENTIFYING USER SEARCH PATTERNS

Following is a brief discussion on Internet user search patterns and is based on the most recent data available. Additionally, we have provided our own website statistics to illustrate our alignment with the current research.

A. Search Phrases

Search phrases provide insight into the types of searches performed by users navigating the Internet. For example, Web queries tend to be shorter. Most users do not generally like to enter many queries per search. (Jansen, Spink and Saracervic, 2000) Based on the most recent data provided, all indications are that users continue to prefer short, simple general web queries. (Spink, Jansen, Wolfram and Saracevic, 2002).

Additionally, most users tend to search for one query only and do not generally follow through with successive queries. In fact, the average user session, ignoring identical queries, included only 1.6 queries. This is down from data provided in a previous study which found that the average user conducted two or three searches with a search engine when seeking information on a particular topic. (Spink, Bateman, and Jansen, 1999) People appear to be becoming less patient in their search for relevant information on the Internet. In terms of how many pages a user will view, research shows that more than 70 percent of the time, a user will only view the top ten results presented. On average, users view only 2.35 pages of results. Over half of these users do not even access results beyond the first page. (Jansen, Spink, and Saracevic, 2000) By 2001, only one-third of users



looked beyond the second page of Web sites retrieved. (Spink, Jansen, Wolfram & Saracevic, 2002)

What is also important to note is that even when available, users rarely use relevant feedback in their web searches. In a study conducted by Spink Jansen and Ozmultu (2000), only one in twenty queries used the feature “more like this”. In fact, as the length of the user’s session increased, the occurrence of relevance feedback as a percentage of all query types began to decrease.

B. Search Results

It is generally accepted that there are two different kinds of search results. “Sponsored Links” are from businesses that pay in the form of keyword auctions for “sponsored” results; and the “Natural” results that search engines rank by editorial relevance. Research indicates that having an integrated paid and natural search strategy increases click rates and conversion more effectively than focusing on either paid or natural alone.(Wiener, 2005).

When an individual enters a phrase into a Search Engine (e.g. "auto centers for sale") websites listed within the search result’s top two pages greatly increase the website’s chances that the individual will click through for more information. These search results can either be generated through “sponsored” or “natural” placement.

AutomotiveFranchises.com consistently ranks high in “Natural” search engine results. The table below shows 28 “search phrases” commonly used by people to find automotive related business information. The table also shows how many times a month that specific “search phase” was typed within Yahoo search. The last column lists some of the domain names our website controls and uses to re-direct traffic to AutomotiveFranchises.com.

| Key Word Search Phases | Yahoo! Monthly Count | Domain names pointing to AutomotiveFranchises.com |
|---------------------------|----------------------|---|
| Repair shops | 75811 | repairshops.com |
| Gas stations | 46347 | gasstations.com |
| Franchises for sale | 31276 | franchisesforsale.com |
| Gas stations for sale | 5119 | gasstationsforsale.com |
| Car washes for sale | 3213 | carwashesforsale.com |
| Car wash franchises | 1772 | carwashfranchises.com |
| Automotive franchises | 1767 | automotivefranchises.com |
| Self serve car washes | 1059 | selfservecarwashes.com |
| Automotive shops | 810 | automotiveshops.com |
| Automotive businesses | 496 | automotivebusinesses.com |
| Auto dealerships for sale | 343 | autodealershipsforsale.com |
| Body shop for sale | 326 | bodyshopforsale.com |
| Auto franchises | 324 | autofranchises.com |
| Auto body shops for sale | 320 | autobodyshopsforsale.com |
| Auto businesses | 296 | autobusinesses.com |
| Auto parts franchise | 271 | autopartsfranchise.com |
| Repair shops for sale | 271 | repairshopsforsale.com |
| Lube centers | 269 | lubecenters.com |
| Auto shops for sale | 202 | autoshopsforsale.com |
| Tire franchises | 183 | tirefranchises.com |
| Lube franchise | 167 | lubefranchise.com |
| Auto business for sale | 161 | autobusinessforsale.com |
| Body shop franchises | 155 | bodyshopfranchises.com |



| | | |
|--------------------------------|-----|---------------------------------|
| Lube shops | 150 | lubeshops.com |
| Automotive businesses for sale | 141 | automotivebusinessesforsale.com |
| Quick lube franchises | 129 | quicklubefranchises.com |
| Auto dealers for sale | 117 | autodealersforsale.com |
| Auto detailing franchise | 103 | autodetailingfranchise.com |

In addition to the natural search strategy explained above, AutomotiveFranchise.com also uses sponsored searches in many of the major search engines. People searching the web for franchise opportunities will become familiar with AutomotiveFranchises.com because of its consistent ranking in key search phrases for many Search Engines including Yahoo!, Google, and Microsoft Network.

C. Search Engines

Almost half of all Internet users are not loyal to a single search engine. (Bates, 2005). Therefore, it is important to be able to rank highly in multiple search engines in order to drive traffic to your site. One contributing factor to receiving high rankings within the search engines is to have a key-word rich domain name such as:

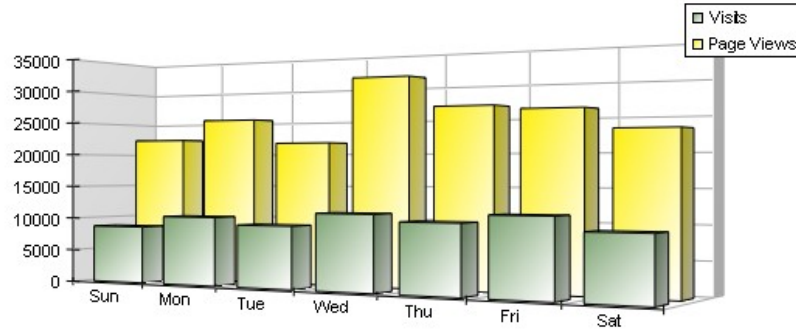
| | |
|-----------------------|------------------------|
| FranchisesForSale.com | CarWashesForSale.com |
| QuickLubes.com | AutoBodyFranchises.com |
| RepairShops.com | TireFranchises.com |
| GasStations.com | AutoFranchises.com |

Experts state that having keyword-rich domain names assist in boosting site rankings. In fact, keyword- rich domain names factor into most search engine algorithms. This is particularly true for Yahoo! The Yahoo! search engine draws heavily on only three elements to decide rankings – the title, description, and domain name. (Kukral, 2002). The table below supports these findings. We have effectively mastered all three of these elements and continue to rank highly in the Yahoo! Search engine rankings. There is little doubt that search engines are effectively directing traffic to our site. This is due, in part, from a successful marketing strategy of owning not only this keyword-rich domain name; “AutomotiveFranchises.com” but the over 70+ additional keyword rich domain names we own that direct traffic to our site.

Our ability to successfully drive traffic to our site through the use of key phrases and keyword-rich domain names is a definite positive for our advertisers.

| Example of Traffic to our web site. Month of March 2006 | | | |
|---|------------|--------|---------|
| Week Day | Page Views | Visits | Hits |
| Sunday | 22,324 | 8,695 | 48,060 |
| Monday | 25,423 | 10,387 | 62,168 |
| Tuesday | 21,718 | 9,326 | 56,586 |
| Wednesday | 31,448 | 11,272 | 71,458 |
| Thursday | 26,869 | 10,262 | 66,116 |
| Friday | 26,263 | 11,442 | 60,791 |
| Saturday | 23,331 | 9,448 | 45,912 |
| Total(s) | 177,376 | 70,832 | 411,091 |
| Average(s) Daily | 25,339 | 10,118 | 58,727 |

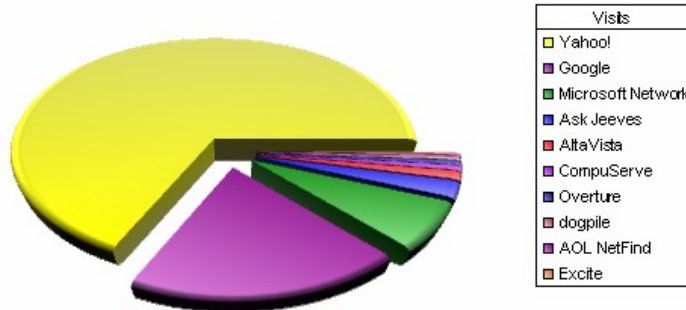




D. Referring Sites

While it's true a great deal of our traffic is generated by "type specific" referring domain names or URL's as listed above, an important element to the success of our web site is to also generate traffic from search engine queries. The chart below, illustrate the referral mix of different search engines to our site in March 2006 site.

March 2006 search engine referral mix to AutomotiveFranchises.com



E. Visitors to Site

This table shows the number of monthly visits and unique visitors to our website over a six month period. Note on table: unique visitors are measured according to their unique IP addresses, which are like online fingerprints, and unique visitors are counted only once no matter how many times they visit the site. Also note that this traffic has been completely generated without the aid of "sponsored" or pay-per-click leads. Later within this report we will demonstrate how we can significantly increase the traffic by focusing on industry specific "sponsored links". Traffic counts generated by other franchise listing sites such as, FranchiseGator or FranchiseSolutions; isn't completely applicable because of the generality of their web sites. Traffic generated through those site's are tied to "sponsored links" targeting Hair, Food, Gifts and other un-related franchise opportunities.

| | <u>Sept. 2005</u> | <u>Oct. 2005</u> | <u>Nov. 2005</u> | <u>Dec. 2005</u> | <u>Jan. 2006</u> | <u>Feb. 2006</u> |
|---------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Visits | 43973 | 46774 | 41590 | 39410 | 45451 | 50239 |
| Unique Visits | <u>10426</u> | <u>10939</u> | <u>9706</u> | <u>8471</u> | <u>9144</u> | <u>10838</u> |



Not only has traffic to our website remained consistently high, but the average length of time a visitor is spending on the site is another indicator that people are clicking through to review content. The table below shows the average length of time a visitor spends within our site. Note on Table: a visit length is measured from the time a session starts on the site to the time a session ends. Also recognize that this clearly shows the visitor's interest in the content and great opportunity for exposure of your franchise information.

| | <u>Sept. 2005</u> | <u>Oct. 2005</u> | <u>Nov. 2005</u> | <u>Dec. 2005</u> | <u>Jan. 2006</u> | <u>Feb. 2006</u> |
|------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Visit Length (in seconds) | 212 | 222 | 233 | 210 | 194 | 205 |

PART 2: TRENDS IN E-COMMERCE & MARKETING

Queries specific to e-commerce are increasing on the Web. In 2001, Spink, Jansen, Wolfram and Saracevic (2002) found that the largest category of Web searches were e-commerce related.

The most common business-related query submitted to AskJeeves was "Where can I buy..." or the request, "I want to buy..." In contrast to the general internet user, business user queries often include more search terms than other types of queries, are less modified, lead to fewer Web pages viewed, and include less advanced search features. (Spink and Gunner, 2001)

More people are searching on more keywords and are subsequently clicking on more of the ads targeted to those keywords as they become more intent on making purchases. This makes keywords all through the search results page more valuable. Advertisers are willing to pay extra to capture these customers.

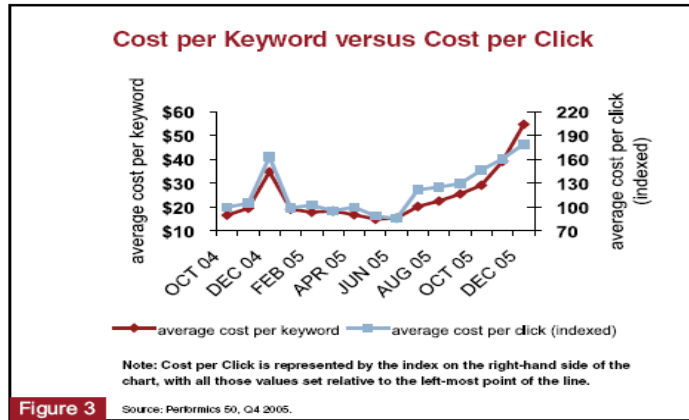
A. *Click-per-Click and Cost-per-Keyword*

"Pay per click" (or 'cost per click') tools bring targeted traffic to a web site quickly and efficiently. An effective pay per click program will connect consumers and producers of information, products, and services – thereby benefiting web surfers and advertisers alike. In today's competitive e-commerce environment, the use of carefully chosen pay per click search engines, search terms, and bid positions must be considered as part of a well-planned marketing strategy.

The average Click-per-keyword (CPK) is largely dependent on both keyword and click growth. With clicks growing faster than keywords, it would likely follow that average CPK also increases. In a Doubleclick survey of the fourth quarter of 2005, the evidence supported this finding in a somewhat dramatic fashion. CPK rose from just over \$25 at the end of Q3 to just under \$55 in December 2005. Marketers are clearly growing their campaigns in size.



The important thing to understand here is that AutomotiveFranchises.com and its collections of auto related domain names, targets only “KEY” words that are relevant to this industry. No other generalized web site can match this strategy.



B Un-Matched Pay-per-Click

Our specialization gives AutomoitveFranchises.com a HUGH advantage over other franchise listing sites when it comes to advertising by allowing us to focus solely on key words that are specific to this industry. This then provides our customers with more interested & qualified leads. Yahoo! has designed a custom “sponsored link” program that will place our web site within the TOP THREE positions (on page #1) for each of the search phases listed below. NO other generalized web site would offer this type of exposure.



Search Term

meineke

Custom Title and

Meineke Franchises For Sale

Get information here on all the different automotive franchise opportunities. Visit www.AutomotiveFranchises.com



Gas Stations
 Car Dealers
 Auto
 Quick
 Reliability
 Subscriptions
 VW
 Audi
 Trucks
 SUVs

Estimates provided by Yahoo! and is based on the following targeted key phases (partial list attached);

| | Estimated Search Volume | Estimated Bidded Clicks |
|-----------------|-------------------------|-------------------------|
| Standard | 195,582 | 6,732 |
| Advance | 157,816 | 248 |
| Total | 353,398 | 6,980 |

aamco for sale
 aamco franchise
 aamco transmission
 aamco transmission for sale
 aamco transmission franchise
 all tune and lube franchise
 auto body franchise
 auto body shop for sale
 auto business
 auto business for sale
 auto dealer for sale
 auto dealer franchise
 auto dealership for sale
 auto detail franchise
 auto detailing franchise
 auto franchise
 auto glass franchise
 auto part franchise
 auto repair business
 auto repair business for sale
 auto repair franchise

auto shop for sale
 automobile franchise for sale
 automotive business for sale
 automotive business opportunity
 automotive franchise
 automotive franchise for sale
 automotive franchise opportunity
 automotive repair business
 automotive repair franchise
 automotive repair shop for sale
 big o tire franchise
 body shop for sale
 body shop franchise
 brake depot
 car dealer for sale
 car dealer franchise
 car dealership franchise
 car detailing franchise
 car rental franchise

car wash business opportunity
 car wash franchise
 car wash franchise opportunity
 cottman transmission
 dent doctor
 dent pro
 discount tire franchise
 express oil change franchise
 franchise business for sale
 franchise for sale
 gas station franchise
 goodyear tire franchise
 jiffy lube franchise
 lube franchise
 maaco for sale
 maaco franchise
 meineke
 meineke brakes
 meineke car care
 meineke franchise
 meineke mufflers

midas franchise
 midas muffler
 midas muffler shop
 midas mufflers
 mobile oil change franchise
 muffler franchise
 oil change business
 oil change franchise
 precision tune
 precision tune auto care
 quick lube franchise
 quick oil change franchise
 tire business
 tire franchise
 tire plus
 tire plus franchise
 tire store franchise
 transmission franchise

C. Trends in Online Purchasing

DoubleClick commissioned ComScore Networks to use its panel of 1.5 million U.S. Internet consumers to provide insights into online purchasing. ComScore identified people who made purchases on one of 30 sites in four categories: Apparel, Computer Hardware, Sports/Fitness and Travel. ComScore then captured all relevant search activity of those buyers within the four specific categories during the 12 weeks prior to purchase, separating their search terms related to their ultimate purchase topic from other types of searches they may have conducted.

The survey found that a significant majority of searches performed by buyers were “generic”; that is, they did not include the brands of the retailers. The pattern of clicks closely resembled that of searches, i.e. the vast majority of all clicks buyers made on in-market search terms were for words and phrases that did not include variations of the selected merchant brands. In short, generic search terms were dominant. (DoubleClick.com, Feb. 2005)

One of the key take-aways from the study was that advertisers could improve their visibility on generic keywords to attract and engage in-market searchers throughout the shopping cycle. Buyers clearly favor generic terms early in the shopping cycle. And most searchers don’t use branded searches at all, even immediately prior



to purchase. The study went on to suggest that marketers should attempt to utilize broader keyword lists in Paid Search listings and deeper Natural Search page optimization in order to reach more targeted buyers.

(DoubleClick, Feb. 2005). **We strongly believe that these techniques are effectively utilized by our site, allowing us to reach more users interested in the automotive industry.**

D. Return on Investment

The principle of investing in our web site is the same as investing in anything else. The bottom line is Return on Investment (ROI). Successful web sites require two essential components to maximize return on investment:

- ◆ High-quality content and information, and
- ◆ Usability by a broad range of user expertise levels.

These are the essential ingredients for providing a competitive advantage. Our site meets these criteria's.

E. Industry Reports Advantage

Franchising laws prevent Franchisor's from making any financial projections or earning claims.

AutomotiveFranchises.com, being an uninterested third party, can provide relevant industry information without the risk of legal recourse. We can allow potential franchisees to review and research information Franchisors can not provide, such as annual sale, invoice averages, car or product counts, store statistics, ProForma projections etc..) We can also provide UFOC documentation electronically, eliminating the cost of producing and mailing UFOC documentation to people not fully committed (ready) to purchasing a franchise. Once these prospective franchisees have done their industry research and due-diligence, it's much more likely for YOU, a Franchisor, to sign an agreement.

F. Summation

AutomotiveFranchises.com can provide YOU, the Franchisor; Greater company exposure, better qualified leads and tools no other web site can provide. This report clearly showed our advantages over generalized franchise listing sites. Please visit our site www.AutomotiveFranchises.com and review our advertising plans within the link "advertise with us".



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