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Pronto goes social: Part I -- Q&A with John Foley, president

<http://www.csestrategies.com/cse/2007/08/pronto-goes-soc.html>

By: Scot Wingo

Note: this is the first in a two-part series on Pronto. This first installment contains an interview with Pronto's president and a preview of the site's latest redesign. Part II will feature a full review of the site.

The fastest-growing comparison shopping site is about to unveil a completely new redesign next week, which will leverage a new social shopping model to increase stickiness and improve consumer loyalty.

President John Foley compared this new direction to an online version of friends going to the mall together and shopping.

At its core, Pronto is a formidable product index and search engine. It's also the fastest-growing, with an **850 percent growth over the past eight months** (June 2007 comScore). Wowzie! They're seeing a run rate of **4 million uniques per month** from a variety of channels -- natural search, PPC, partnerships with Ask, Excite, iWon, Lycos, and more that are added literally daily.

Both Alexa and Compete show Pronto rising above fast-growing competitor TheFind and social shopping player Jellyfish. (see graphs to the left).

The company made headlines early in 2006 with its [Pronto Shopping Messenger](#), a browser toolbar / plugin / add-on that alerted you when it found a cheaper product than the one at which you were currently looking.

Digging into the new Pronto was exciting. Think Facebook news feed + simpler Amazon product reviews + e-commerce. The social elements add an entire new dimension to the site. Somehow, it made everything seem more real -- and illuminates just how active online shoppers really are.

Each product is ranked by the number of "Likes," an even simpler method of ranking than the thumbs-up / down system. The products with the most likes float to the top. And it's a slick method, too: clicking on the "I like it" button pops up a small AJAX box, where you have the option of tagging the product, writing a short review and indicating if you own it, want it, and like the brand, too.

I'll go into more details about the redesign specifics in Part II.

In the meantime, I caught up with John Foley, president and former CEO of Evite to ask him how, if any, this shifts Pronto's focus, how he thinks competitors will react and what the drive was behind this new direction.

Pronto has long been positioned as the best product search engine. Does the introduction of front-and-center social elements mark a departure away from that focus, or does part of being the best engine nowadays require the “human element” (to paraphrase Dow Chemical)?

Our goal at Pronto is to become the online destination where consumers can go to make the best, most fully informed buying decisions. Current comparison shopping players are providing solid advice to consumers in helping them compare prices and decide where to buy products, but do little to help consumers decide what products to buy. We feel that with our comprehensive index (where you can find the lowest prices and unique things you can't find elsewhere) and proprietary search algorithms, we already handle the where better than anyone, and now with our best-of-breed social shopping community tools, we will quickly address the what in the winning fashion as well. We believe that the combination of the best product search engine and our new front-and-center social shopping features will create a destination for shopping that helps users decide what to buy and where to buy it, all in one fun and easy to use site.

What metrics did you look at that pointed to a need for a more socially-centric site?

Current comparison shopping players all lack loyalty from their consumers (including us). As a company full of consumer advocates and consumer brand purists, we wanted to create a site that consumers remember, love, and come back to again and again because of the utility and help we provide in the shopping process. Layering a social shopping community on top of our core product search allows users to share information with each other and make better buying decisions based on the opinions of their like-minded peers. We've seen this dynamic played out in many other categories and after talking with our own users, we believe the shopping category will be no exception.

Do you want Pronto to become more than a product search engine – are you looking to become a social network focused on products?

We absolutely see the new Pronto as more than a product search engine, but specific to the social media piece, we want to make sure that there is a strong utility focus on our community. Primarily, we want the social network on Pronto to allow users to help each other make better buying decisions. Secondly, Pronto community members can express themselves through products they like, want, or own. In this way, we are trying to combine the best of social software and product search into an online shopping community that doesn't exist today.

How has feedback been so far on the beta? Did you start out in this direction, or did your users want something like this?

Feedback so far has been extremely positive and constructive, as users love this new direction and have given great feedback on the ease of use and product experience. Pronto 2.0 is an extremely natural and intuitive experience for users – who would like additional features, such as People Search and Merchant

Search, which we'll introduce in the coming weeks. To your question on how we started, we did not specifically start in the social shopping direction but we have always been committed to creating a better online shopping experience. After building Pronto 1.0, which included a comprehensive index and proprietary product search algorithms, seeing social media's success in other verticals and hearing user's frustrations with online shopping, it was an obvious next step for us to evolve our product experience.

What kind of metrics do you expect to see once this is released to the wild? Do you expect other CSEs to follow suit?

While we would like overnight success on this product, we're conservative in our adoption estimates. We think, just like our competitors, we will have to work hard for traffic and continue to push on all of our marketing and distribution channels.

Currently we're at a run rate of over 4 million UUs per month from our various channels. Once we turn those users toward our new community experience, we believe that even if we get a tiny portion of those users to contribute content into the Pronto community, our site will start to emerge as a better place to start your online shopping.

We expect comparison shopping / product search to continue to be a very competitive space with lots of room for innovation and adequate growth for multiple players to thrive. As far as other CSEs following suit, we would assume that one or two will follow but most are less committed to enhancing their user experience and more committed to arbitraging traffic from search in order to harvest short term economics. Regardless, we're operating as if everyone is going to enter the space tomorrow. Speed is important needless to say.

Any plans for widget and/or Facebook plays?

We're crafting a strategy here for Facebook and are potentially six weeks away from launching something. We want to do something unique and novel; we certainly don't want another "me-too" product. As for widgets, that's an obvious play and it's definitely something we'll get done in the next six months.

How will you continue to differentiate Pronto as these social elements become more commonplace?

We believe the company who will be successful in this space is the company who is most committed to the consumers AND the merchants. A great user-centric product like Pronto 2.0 provides extremely attractive ways for merchants to engage consumers in ways that actually build on the user experience. We believe the winner will not make sacrifices in user experience to benefit merchants nor will they limit innovation to their merchant partners. For instance, at the same time we've rolled out this beta community, we've also rolled out SKU level bidding for our paying merchants, something our merchant partners have said they want but don't get from most other marketplaces. We will also shortly be rolling out ways for merchants to get involved in the Pronto community through custom "store pages" and highlighted products. We are 100%

committed to listening to our valued consumers and merchants. We believe this will be evident very quickly and will differentiate us from our competitors over time.

Vis a vis other social shopping-focused startups, because they don't have a core CSE index like we do, they can't buy 4MM users a month like we're doing. And we'll be introducing this to millions of people next week -- so another startup in the space might sit there and launch a social shopping application and rely on PR, but we're building on what we've done in the past.