

Business

‘Does MapQuest still exist?’ Yes, it does, and it’s a profitable business.

By **Chico Harlan** May 22, 2015

DENVER — In the far corner of a typical-looking tech office, past the ping-pong table and medicine balls, past the whiteboard covered with aspirational Post-it notes, there’s an old walk-in storage closet filled with reminders of a different era.

In there, the old red MapQuest logo is everywhere: on giveaway knickknacks, on little tech gadgets, tokens from a time when MapQuest had nearly 100 percent of the online mapping market. MapQuest is even included in a dusty coffee-table book titled “America’s Best Brands,” along with Coca-Cola and Crest. The book was published in 2005.

“The question we still get asked a lot,” said Brian McMahon, MapQuest’s top executive, is: “Does MapQuest still exist?”

It does — but in much smaller form. MapQuest is the rare American company that changed the world and then gradually became uncool, almost forgotten, in less than a generation. They are part of tech world lore — companies such as MySpace, which exists as a music network, and America Online, which became AOL, bought MapQuest for \$1.1 billion in 1999 and then was acquired itself by Verizon this month for only about four times that amount.

Most Americans long ago stopped using MapQuest’s services, those turn-by-turn directions often printed out from the home desktop and scattered around the passenger seat of a car. In recent years, eclipsed by Google Maps and other swifter and better-funded competitors, MapQuest has sought a second life.

“There are very few companies that can come back from that zombie-status,” said Jan Dawson, chief analyst at Jackdaw, a technology research firm.

The question is whether a tech company, leveraging a familiar name, can return from that brink. In MapQuest’s case, that means reminding people that it still exists, revamping its image and ultimately rebuilding its technology from the ground up. The journey is long. For every 20 smartphone users who have Google Maps, one has MapQuest’s mobile app.

A few companies have made it back from near-dead status. Apple is the classic example. AOL, after a disastrous merger with Time Warner and consumers’ shift to broadband, found a second act growing sideways into the less revolutionary territory of ad

technology.

In a series of interviews at MapQuest headquarters, MapQuest’s designers and product managers said the company hit a low two years ago. Its maps were bad — simplistic grids outclassed by vivid and detailed landscapes produced by Google Maps and other competitors.

More troubling, using MapQuest was a headache. On Google Maps, one could type in “W-H-O...” and a series of grocery stores would pop up in the search field. In MapQuest, one had to type in, “Whole Foods, Denver, CO.”

“There had been a lack of innovation,” said McMahon, who took over in late 2012 as MapQuest’s top executive after more than a decade with AOL. During that time, he rose through the ranks, managing business development for, among other things, the company’s mail and instant messaging services.

More recently, MapQuest briefly debated changing its name, starting over with a new identity. But it decided not to, with good reason: Even now, some 40 million people — almost all of them in North America — use MapQuest at least once a month. And unlike Google Maps or Apple Maps, whose apps come pre-installed on Android or iOS smartphones, MapQuest had users who were actively seeking it out, searching for it in an app store or typing in the URL. Some analysts say those people are less valuable Internet users — slow adapters who are set in their ways — but McMahon said it’s “tough to give up” on them.

Though MapQuest still has the second-highest share of the domestic market in online mapping, about 25 percent, it’s a minnow when it comes to resources. Google dispatches cars across the world to map it; MapQuest’s mapping detail is limited beyond North America. Nokia’s competing Here mapping system has 6,000 employees; MapQuest has 100.

Company makes money

MapQuest began in 1967 as the cartographic services division of R.R. Donnelley & Sons, a commercial printing company, and it produced road maps for gas stations. The division became more computer-oriented and was spun off in the early-1990s as an independent company, backed by some venture capitalists, under the name of the GeoSystems Global Corp. In 1996, it launched MapQuest.com.

Even in the darkest times, MapQuest made money. It kept a bare-bones staff, sold technology and welcomed in-your-face ads. On its site now, one need only click a sponsored button to find any nearby Holiday Inn, Best Western or Comfort Inn. MapQuest also found ways, partnering with businesses, to burrow into less-noticed parts of the Internet. Want to find the closest Papa John’s? Plug your Zip code into the pizza company’s Web site and a MapQuest map will pop up.

MapQuest does not disclose its earnings, but McMahon said the company is profitable, with “multiple lucrative revenue streams.” The challenge, for MapQuest, is taking that business model and using it to fund an operation that now fancies itself a quasi start-up.

The goal of the rebranding is relatively modest: providing good, usable maps. Google Maps may try to be a platform that pulls together your whole life — syncing with your calendar and pulling flight times and restaurant reservations from your e-mail. But

MapQuest offers online mapping for people who don't want to be tracked, who don't mind having to ask when they want a little extra information. Click on a restaurant, MapQuest will show you a Yelp review. Click on a hotel, you'll find content from Priceline.

It's unclear if this is enough to win people back. "Fifteen years ago, if you said I'm going to get directions, you'd say, 'Let me MapQuest the directions,'" said Bill Dollins, a geospatial consultant who has done advanced mapping for the federal government. "And nobody says that now. It's seen as something old."

Since then, some of the planet's largest tech companies — Apple, Amazon, Nokia, Microsoft — have also turned into mapmakers, in part looking for a way to gather better geolocation information from users. Uber recently placed a \$3 billion bid for Nokia's mapping division, seeking in-house technology for its ride-hailing service. According to tech experts, digital mapping has a future in everything from driverless cars to drone deliveries.

Unlike Nokia and Google, MapQuest doesn't own the little bits of core data that create a digital map; it buys that information from a Dutch company, TomTom. MapQuest is competing with Google and Nokia only on the next step: What is done with that data and how it's stitched together into something people can use.

Those at MapQuest are unsure about the impact of the Verizon purchase and say it isn't changing their business model, although, conceivably, Verizon could create a higher profile for MapQuest's app. In an earnings call last November, Tim Armstrong, AOL's chief executive, called MapQuest a "very strategic asset."

"I think it's one of those assets that people probably don't pay that close attention to overall," Armstrong said, "but we do internally." He added, "And you've seen us roll out probably more new products in the last year on MapQuest than the prior 10 years on MapQuest."

A major overhaul

Brad Maglinger, MapQuest's chief marketing officer, compared the reboot that began two years ago to razing a house rather than remodeling. Many tech workers were hired.

The company also began a low-budget tour of America — the MapQuest Listening Tour, product vice president Nate Abbott called it. A handful of MapQuest employees met with users in cities from the District to Los Angeles, watching how they used the app and the Web site. Other employees walked the streets of downtown Denver, ducking into coffee shops and offering a \$5 gift card to everyone who'd sit down and share their user experiences.

Those conversations — though unscientific — helped give the company a set of common-sense ways to improve the experience, MapQuest officials said. One woman, for instance, said she worried about driving the wrong way down a one-way street, and MapQuest realized there was a better way to mark such roads. When the mobile app was introduced in late-2013, one-way streets were more easily identifiable, marked like the vanes of a bird feather.

"It's a quick, small change," Abbott said.

Of course, it’s also noteworthy what MapQuest is not doing. Its maps have no 3D views of buildings, no put-you-there images of streets. In its digital cities, buildings are traced in outline but aren’t marked “Starbucks” or “White House.”

The mobile app is now vector-based (which keeps images crisp when re-sized) and has received good reviews from tech outlets. But its Web page, viewed on laptops or desktops, hasn’t been updated and looks much as it did six years ago. During a recent demo at the MapQuest office, SuAnne Hall, the company’s design director, groaned lightly as she used her MacBook to chart directions for driving from Denver to Los Angeles — 16 hours and 33 minutes. She noted one of the features she likes: One can easily locate the coffee shops or hotels along the way. But the widgets — or user interfaces — are clunky, she said, and the map is grainy.

MapQuest’s tech team has been working for more than a year on a new Web version. It will be ready in the next few months.

“This map,” Hall said, “still needs a lot of love.”

 **56 Comments**

Chico Harlan is an enterprise reporter and part of The Washington Post's financial team.  Follow @chicoharlan
