

# Marketing Attribution: The Auto Dealer's Digital Roadmap From Awareness to Sale

How to Measure & Improve Your  
Marketing Investment



# OVERVIEW

<b>PART 1</b>	Executive Summary	3
<b>PART 2</b>	Attribution Metrics: What to Measure	4
<b>PART 3</b>	What Can Metrics Tell You?	5
<b>PART 4</b>	Strategies and Tools for Improving Marketing Channel Performance	7
<b>PART 5</b>	Future of Marketing Attribution: Mobile Marketing	15
<b>PART 6</b>	Conclusion	16

Today's customer journey from awareness to sale happens across numerous touch points. A consumer may conduct research on one web site, then move from a search engine to a blog to a review site, then click on an ad, all over the course of weeks or months. Your dealership brand may appear to a customer multiple times along their shopping journey, so how do you know what specific marketing effort leads to the sale?

Marketing attribution is your roadmap to success. Attribution relies on metrics, but numbers alone will not guide you to your destination. Many dealerships focus on last-click attribution, putting the greatest emphasis on what a customer's final action was and not the numerous actions taken across many touch points that led the customer to the final contact.

The real value of attribution is that it gives insight into your customers' shopping behavior. An effective Internet marketing strategy requires the use of multiple channels to raise awareness and drive people to your dealership's website; including SEO/SEM, display ads, email marketing, third-party sites and more.

The AutoHook suite of products provides dealerships with one of the most powerful attribution models available. The beauty of a direct attribution model is that it gives dealers incredible insights to consumer behavior so they know which marketing channels, campaigns and efforts are influencing customers at critical junctures during their decision-making process.

This ebook reveals the latest best practices, strategies and tools being used by dealerships to track and improve performance of all their marketing channels. The ebook also shares how dealers are using innovative applications of AutoHook's incentive marketing tools and direct attribution models to increase leads, sales and marketing investment ROI.



On a monthly basis Internet managers and/or dealers should review the following list of metrics. All these metrics can be obtained from your CRM, Google Analytics, your website vendor and other vendors that supply conversion tools.

### Awareness

- Total number of impressions
- Number of impressions that each channel generates
- Factors like time of day, best days of week and gender

### Website Visitors

- Number of monthly website visitors and unique visitors
- Number of website visitors that each marketing channel produces
- Number of website visitors that each marketing campaign produces
- Factors like busiest traffic times, length of time on site, bounce rate, actions taken, pages viewed, etc.

### Lead Conversion Rate

- Percentage of website visitors that submitted leads
- Number of leads from each marketing channel
- Number of leads from each marketing campaign
- Number of leads submitted through various lead-capture tools on the website, i.e. chat, price quote forms, incentive tools and phone calls (attached to specific marketing campaigns).

### Show Rates/Walk-Ins (Difficult to measure with a CRM, ask lead vendors for data)

- Percentage of leads contacted that come into the showroom
- Number of shows from each marketing channel
- Number of shows from each marketing campaign
- Number of shows attributed to lead-capture tools on website

## PART 2

# Attribution Metrics: What to Measure

### Close Rates/ Sales

- Percentage of showroom ups that result in a sale
- Number of sales attributed to each marketing channel
- Number of sales attributed to each marketing campaign
- Number of sales attributed to lead-capture tools on website

### Return on Investment (ROI)

- Cost-per-lead
- Cost-per-sale
- For every dollar spent, how many dollars are returned from each source?

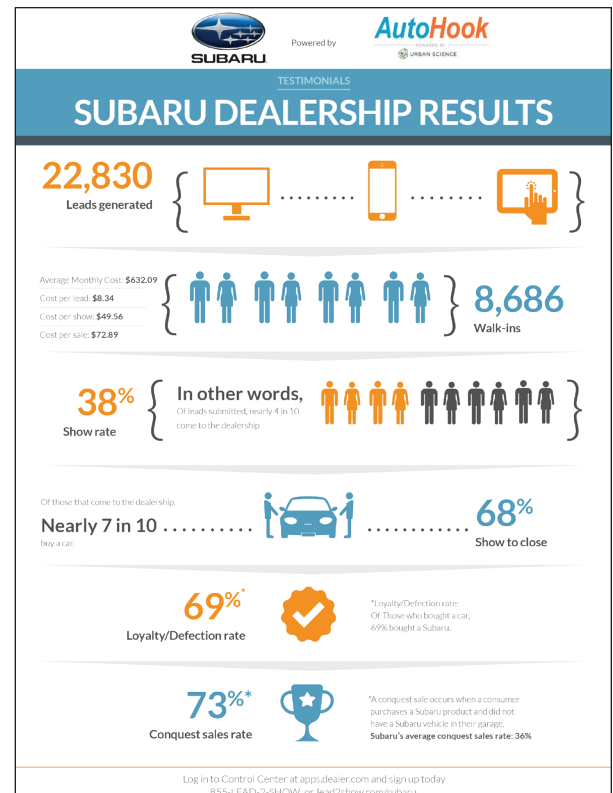
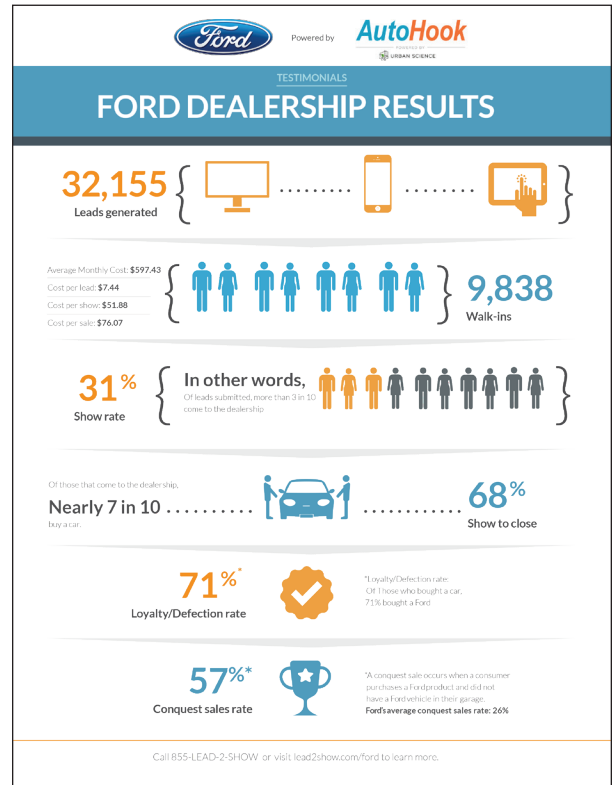
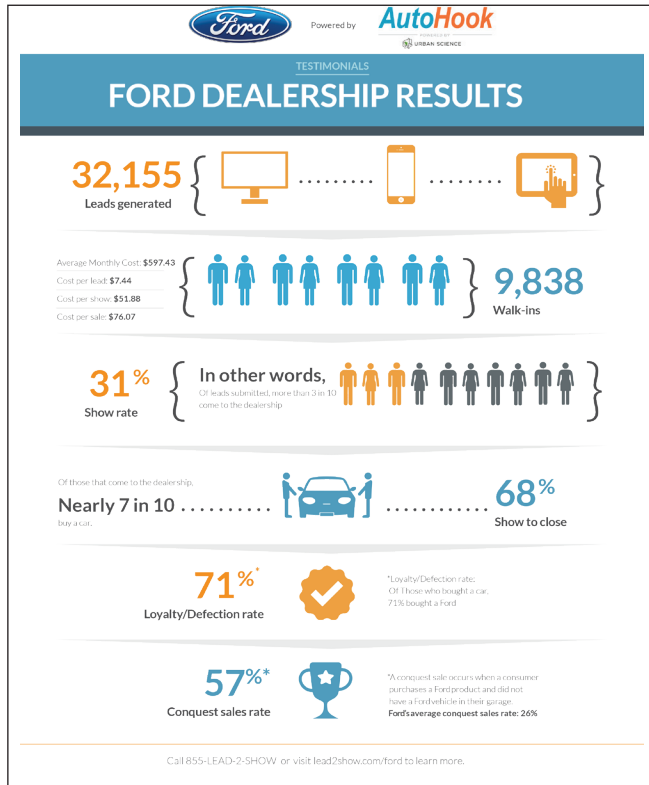
## PART 3

# What Can Metrics Tell You?

Scanning metrics with a focus on numbers, leads and sales may tell you where you are, but it won't help improve results. The goal of attribution is to understand which channels perform and why a marketing campaign is working or not.

Once per month an in-depth study of all attribution metrics is highly recommended. Over time, numbers connect into patterns and a greater understanding of your customer behavior emerges. This knowledge can be used to fine-tune marketing campaigns that will further increase sales.





### Strategies and Tools for Improving Marketing Channel Performance

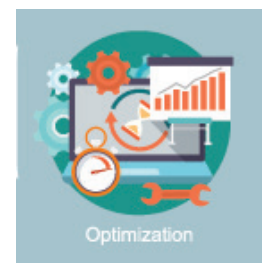
If a dealer is unhappy with performance results from one or more marketing channels, the solution may not require more money but a smarter allocation of money. Proper attribution tells dealers where they should be investing and what delivers the most ROI. This information can then be used to improve results.

In this section, we'll share the latest strategies and tools that dealerships are using to improve performance from the following marketing channels:

- SEO/SEM
- Digital Advertising
- Re-targeting
- Geo-Targeting
- Website Lead Conversion
- Email Marketing
- Third-Party Websites



# Strategies and Tools for Improving Marketing Channel Performance



## Search Engine Optimization (SEO)/ Search Engine Marketing (SEM/PPC)

For many dealerships, SEO and paid search are the number one drivers to their website. Volkswagen Kennesaw is one of thirteen stores in the Jim Ellis Auto Group in Atlanta, GA. The Volkswagen store gets an average of 12,000 website visits per month from 9,000 unique visitors. “Our primary Internet strategy is using paid search and display advertising on the Google network,” said Wayne Ussery, Director of Digital Marketing for Jim Ellis. “These efforts drive the most traffic to our website.”

Improving performance of this channel requires extensive knowledge of keyword usage and other Google trends. Partnering with a knowledgeable website provider or third-party vendor is key to creating campaigns that deliver website visitors. Additional strategies that improve search rankings include the elimination of keyword stuffing, link building, citation building (being listed in directories), map listing and optimizing websites with the creation of custom content and videos.

Another strategy is to create multiple websites. This strategy works only if each website is built for a specific department, product line or brand. LaFontaine Motors in Highland, MI has a digital marketing team that develops, monitors and optimizes more than 300 websites for the group’s 13 rooftops and 18 unique franchises.

“There are so many pieces to our business,” said Robert Milner, LaFontaine’s General Manager. “We have separate websites for service, sales, body shop, inventory pages and financial information, for all of our separate franchises.” The auto group’s SEO/SEM strategies drive approximately 18,500 visitors per month to the group’s two Buick/GMC/Cadillac sales websites.

SEO/SEM is a critical part of a dealership’s Internet marketing strategy. When it comes to budgeting, keep an eye out for the law of diminishing returns. If you’re spending \$3,000 per month and getting 6,000 visitors, will doubling your spend to \$6,000 get you 12,000 visitors? At some point, it’s better to focus on increasing conversion rates for the visitors your website does draw.



## Digital Advertising

Many dealers use display ads as a primary strategy to draw people to their website. Digital ads increase brand awareness and in recent years the ability to target in-market shoppers has greatly increased.

Strategies to improve digital ad performance include:

- Create visually appealing ads with color (stay away from yellow and neon as they are the least clicked-on colors), simple fonts and limited text
- Avoid ads that pop additional windows (consumers find them annoying and they remove potential customers from your website)
- Incorporate a clear call to action such as “click here”
- Provide a motive or incentive for the customer to click on the ad

Re-targeting and geo-targeting are two powerful ad strategies proven to increase click-through rates.

## Re-Targeting

Retargeting is a specific strategy that serves up ads to consumers who have already visited your website. LaFontaine Motors has an aggressive re-targeting strategy as part of their overall marketing efforts. “I like to include incentives in these ads as a way to get people to click on the ads,” said Milner. For more than a year LaFontaine Motors has been using AutoHook incentive marketing tools in several of the group’s stores. “These tend to work well because the customer has already been on our website, looking at the inventory.”

When a customer views one of LaFontaine’s inventory pages then leaves without submitting a lead, Google will later display an ad to that person as they are surfing the Internet or browsing another website. “Imagine that person is on the ESPN site and sees our ad with a picture of the inventory they were looking at earlier, along with a \$50 gift card if they come in for a test drive,” said Milner.

LaFontaine’s Buick/GMC/Cadillac store sells approximately 400 new and 150 used units per month. Milner attributes an average of 13 new car sales per month to the AutoHook Web2Show leads, which are generated both from his own website and the store’s retargeting efforts.



## Geo-Targeting

Geo-targeting is a technique used by many dealerships to target customers in specific locations and based on certain shopping behavior, making it a powerful digital ad strategy.

To maximize geo-targeting efforts, it's important to know the areas where historically most of your sales have come from. Ads also perform better when they include language relevant to the areas where they are displayed in, and are linked to specific landing pages. Incentives also work well with geo-targeting, as they provide customers with motivation to drive out of their immediate surroundings.

Volkswagen Kennesaw uses AutoHook incentive marketing tools in its geo-targeted advertisement. "If there's a website visitor that lives five miles from a competing Volkswagen store and 30 miles from our store, we may offer that person a \$50 gift card as an incentive to drive across town and visit our store," said Ussery.

Matt Buchanan, Operating Partner of Sarasota Ford in Sarasota, FL is another believer in using incentives in geo-targeting. Buchanan implemented AutoHook's Lead2Show in 2010. Lead2Show automatically identifies in-market shoppers who have submitted leads on third-party websites, then offers them gift cards ranging from \$25 to \$100 to motivate those shoppers to come in and take a test drive.

Several customers have driven as far as 150 to 200 miles to Sarasota Ford after being offered a \$100 gift card. "A \$100 incentive may sound like a lot, but the price ends up being incredibly low because that person coming across town is very likely to buy," said Buchanan. "We close 60 to 75 percent of AutoHook leads, and for every dollar we spend on gift cards and the AutoHook program combined, we get a ROI of \$45."

## Website Lead Conversion

The consensus among dealers is clear. Leads from their own websites close at a rate that's typically double the close rate of leads from other sources. So it's no surprise the focus of many dealerships is on converting website visitors into leads.

Lead conversion rates for auto dealers are all over the map. Some dealers convert two percent of their visitors and some convert ten percent. Some of this is based on factors outside a dealer's control, such as brand and location. It's safe to say there is always room for improvement.

Strategies for improving lead conversion rates include:

- Website optimization (custom content, linking, videos, design)
- Display specials and promotions with calls to action
- Lead Conversion tools such as chat, incentive marketing tools, price quote, payment and trade-in tools

“We analyze our conversion data like crazy,” said Wayne Ussery with Jim Ellis Auto Group. The Volkswagen Kennesaw store collects an average 700 sales leads per month from its 9,000 website visitors for a lead conversion rate of 7.5 percent. “If I’m getting a lot of leads from a source but not a lot of sales, I look closely to see why it’s happening.” To convert visitors, Ussery relies on chat, form leads and AutoHook incentive gift cards.



# Strategies and Tools for Improving Marketing Channel Performance

AutoHook's Web2Show incentives appear on a dealership's website inventory listings and sometimes as a lead form. Website visitors are offered a \$25 gift card if they take a test drive at the dealership. Gift cards are a highly attributable form of marketing as typically 30 percent or more of the coupons that are clicked on turn into showroom leads.

Greg Wood is the Director of eCommerce for Sunnyside Auto Group in northeast Ohio. He oversees Internet marketing for the group's stores, which include Chevrolet, Honda, Mitsubishi, Toyota/Scion, Hyundai and Audi. "The challenge is that visitors come to your website and expect something for free, but they're not willing to give their information for free," he said.

To encourage more website visitors to submit leads, he displays incentives from AutoHook Web2Show on his inventory pages and as a lead submission form. "We're replacing the standard eprice quote form on several of our websites with the gift card lead form as our primary contact tool," he said. "It's cleaner than the stock website form and doesn't require as much information. It's that extra push that people need to give you their information, and the fact you're giving them something means they may trust you more. It makes it easier to start that conversation."

Ardmore Toyota in Ardmore, PA draws an average 12,000 to 16,000 visitors per month to their website and relies primarily on website leads, chat, AutoHook Web2Show and other form leads to convert visitors into leads. The store's highest performing lead conversion tools are website leads, chat (100+ leads per month), and AutoHook incentive gift cards, which deliver an average of 147 total leads or 39 unique leads per month.

Ryan Pesin, VP of Marketing at Ardmore Toyota implemented AutoHook's Web2Show in 2012. "We wanted to offer something tangible that would create an urgency to come in. The thing I've noticed about AutoHook is it does literally hook onto and strengthen the leads you get from your website. Those leads are 50 percent more likely to show up for their appointment than other leads, so it's a great conversion tool."

Performance summary of five dealerships using AutoHook Web2Show incentive marketing gift cards as a lead conversion tool on websites (in an average month.)

Dealer	# of leads	walk-ins	show rate	# of sales	close rate
VW Kennesaw (Jim Ellis)	60	17	30%	4	23%
Sunnyside Auto Group (4 stores)	316	79	25%	14	18%
LaFontaine Buick/ GMC/Cadillac	90	27	30%	13	50%
Sarasota Ford (Buchanan)	89	22	25%	15	68%
Ardmore Toyota	147	45	30%	16	35%

## Email Marketing

For many dealerships, email marketing remains one of the best performing channels. Email open rates average 30 percent<sup>1</sup> (within a range of 15 to 40 percent) and deliver an average click-through (response) rate of about eight percent.<sup>2</sup>

Strategies to ensure high click-through rates on your email campaigns include:

- Design emails to be responsive, meaning they can be easily read on mobile devices. Fifty-three percent of all emails are opened on mobile devices.<sup>3</sup>
- Segment databases according to behavior, not demographics, i.e. target customers who had their last oil change three months ago versus every service customer in your local zip code
- Send messages and offers that are relevant to each segment
- Include an incentive or motivation to open and read the email
- A/B test different subject lines
- Use triggered emails. Triggered email open rates are 77 percent higher than “business as usual” open rates and click-through rates are 152 percent better.<sup>4</sup> Triggered emails are sent automatically based on customer behavior.

Robert Milner with LaFontaine Motors sends out email test-drive campaigns approximately once every other month. In December 2014 he sent a Cadillac test-drive campaign to his Cadillac customers offering a \$100 gift card incentive to test-drive a Cadillac. A total of 101 coupons were clicked on and 43 people showed up to take the test drive for a show rate of 43%. “The show rates from these types of email campaigns are really high compared with the average show rate from our Internet leads, which is about 30 percent,” said Milner. The Buick/GMC/Cadillac store sold 22 cars for a 50 percent show-to-close rate from the campaign.

Sarasota Ford teams up with its email marketing company to send incentives in their campaigns. “It’s important to partner with a really good email company that can put your emails in front of people who are in-market,” said Matt Buchanan, Operating Partner of Sarasota Ford. “We have found that adding an incentive converts more people and generates more showroom traffic than emails without incentives.”

---

1 Benchmark Internet Group. “Automotive Dealership Marketing: Email Campaigns Driving Sales”

2 Benchmark Internet Group. “Automotive Dealership Marketing: Email Campaigns Driving Sales”

3 Litmus marketing analytics blog: “53% of Emails Opened on Mobile; Outlook Opens Decrease 33%” January 2015

4 Epsilon marketing firm: “Q3 2014 Email Trends and Benchmark Report” January 2015

## Third-Party Websites

Nearly 80 percent of auto shoppers visit a third-party website to obtain automotive information<sup>5</sup> While there, they most often research vehicle pricing, ratings and reviews. When a customer is browsing inventory on a third-party site, there's plenty of inventory and dealers to choose from, so what can make your dealership stand out from the rest?

Strategies to improve performance from third-party sites include:

- Boost listing engagement with inventory videos
- List dealer and OEM specials with a “click here” button to encourage engagement
- Offer an incentive with a clear call to action to encourage engagement

When an auto shopper views a listing on a third-party site and submits their information, AutoHook's Lead2Show incentive marketing tool determines the likelihood that the person is an in-market shopper. If the shopper is a good prospect, the tool will send an incentive to that person, giving them a call to action to come in and take a test drive.

Approximately 25 percent of Volkswagen Kennesaw's website traffic is referred from third-party sites. In the last year, Wayne Ussery has increased the number of leads from these sites using AutoHook's Lead2Show. “In a typical month, we'll see 53 leads resulting in 15 walk-ins for a show rate of about 30 percent. In January (2015) we sold three cars for a close rate of 20 percent,” said Ussery. “This is much better performance than we get from third-party leads without an incentive.”

“Lead2Show performs great for us because people are already interested in the car and they are thinking about submitting a lead,” said Greg Wood, Director of eCommerce with Sunnyside Auto. Wood has been using Lead2Show in five of his group's stores for three years. “What's amazing is they (AutoHook) can determine whether or not this lead is likely to purchase through their propensity filter. If a prospect lives 25 miles away and the probability is high that they will purchase, they will incent with a higher-value gift card like \$50.”



5 Epsilon marketing firm: “Q3 2014 Email Trends and Benchmark Report” January 2015

The age of mobile has officially arrived. Dealerships are scrambling to launch responsive websites and marketing campaigns to service this growing market. Thirty percent of shoppers use a tablet device and 28 percent use a smartphone to conduct research, an increase of approximately 25 percent since 2013.<sup>1</sup>

Ardmore Toyota launched its responsive website in March 2015 to better serve their mobile customers. “In February of 2015, 77 out of our 314 website leads were mobile leads, so that’s almost 25 percent mobile leads we’re getting,” said Ryan Pesin, VP of Marketing with Ardmore Toyota. “I think the percentage is actually higher than that because mobile customers are more likely to contact you in other ways.”

Greg Wood, Director of eCommerce with Sunnyside Auto Group, closely tracks his mobile traffic. “Depending on which location it ranges from 30 to 50 percent, but moving more towards 50 percent,” he said. “That number keeps climbing every year.” Sunnyside is also planning a responsive website and keeps its mobile customers in mind when designing ad campaigns and landing pages.



*AutoHook's device-friendly responsive overlay.*

The rise of “showrooming” is a concern. Thirty-four percent of shoppers have used a smartphone or mobile tablet at dealerships, up from 29 percent in 2013.<sup>1</sup> Vehicle pricing is the information most frequently accessed on a mobile device at dealerships (61%), followed by model information (42%), searching inventory (40%), and special offers/incentives (36%).

Combining geo-targeted marketing capabilities with incentives to mobile customers makes for a powerful strategy to attract showroom customers. AutoHook’s Mobile2Show marketing solution can precisely target in-market shoppers and offer incentives based on their location and activity.

Within the AutoHook user interface, there are over 19,000 franchised dealerships mapped out down to their latitude and longitude coordinates. This allows a dealer or OEM client to target specific competitors. When a customer searches the dealer’s mobile site while at a targeted competitor, a dynamic offer pushes a customer out of the competitor’s dealership for a test drive in your dealership. Customer redemption is completed in a quick 30-second process that precisely attributes the showroom visit and sale back to the mobile offer.

<sup>1</sup> J.D. Power & Associates: “J.D. Power 2014 New Autosopper Study” September 2014

More than 90 percent of customers begin their shopping process on the Internet. The ability to track IP address activity, interpret behavioral data and draw meaningful conclusions from that data is transforming the marketing landscape.

Attribution is the digital roadmap that will help you successfully navigate this new environment. Marketing campaigns will soon be mobile, customer-specific and highly relevant. This is good news for dealerships as it also means Internet marketing will become more cost effective while delivering a higher ROI!

Attribution can be obtained from Google Analytics (if you have a PhD to understand it), your CRM, website vendor and other vendors that provide your dealership's lead conversion tools. Going forward, dealerships should expect:

- A clearly defined attribution model from every vendor that provides a marketing technology or tool. Can their claims be backed up with metrics and results from other dealerships?
- All vendors should have a thorough understanding of your customers' behavior as it relates to the performance of their product. What was the precise motivation that caused a customer to move from awareness to consideration to trial to purchase?
- Attribution reports should be simple to understand and transparent.
- Every sale should be attributable back to a source. While customers move across many touch points in their journey to a sale, at some point they were motivated or incited to move to the next step. Knowing what those triggers are and where, when and why they worked is valuable.

Armed with accurate attribution data, dealerships can confidently try new strategies and tools to improve marketing performance. Incentive marketing tools like AutoHook's Web2Show, Lead2Show and Mobile2Show are proven to incent customers into your showroom. The investment is trackable through AutoHook's partnership with Polk (now IHS Automotive), and reports are transparent. Dealers are provided with direct attribution from initial investment to outcome.

### About AutoHook

AutoHook, the global leader in commerce search advertising, partners with the world's leading retailers, online travel agencies, and automotive companies to provide marketers unprecedented access to active category shoppers and a clear view into resulting sales attribution. The company's high-performance vertical marketing programs accelerate sales for product brands, marketplace sellers, hoteliers, and automotive marketers. Network partners and advertisers including Walmart, Target, Intel, LEGO, Expedia, Priceline, Chrysler, and Kia use AutoHook to increase sales and monetize site traffic. Backed by Bain Capital Ventures and Intel Capital, AutoHook is headquartered in New York City, with offices in Ann Arbor, Atlanta, and London, UK.

For more information, please visit [www.lead2show.com](http://www.lead2show.com) or call (855) lead-2-show