



NATIONAL  
AUTOMOBILE  
DEALERS  
ASSOCIATION

# Advertising that Influences



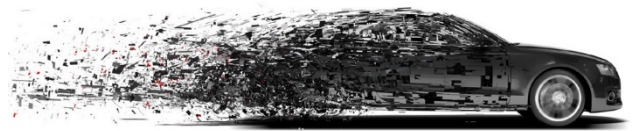
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## OBJECTIVES:

- Influence consumer preference for your dealership with more effective dealer ad creative.
- Identify advertising messages across Tiers 1, 2, and 3 that consumers respond to most.
- Leverage better co-op dollars



## HOW DO I BECOME A DIGITAL MARKETING INVESTOR

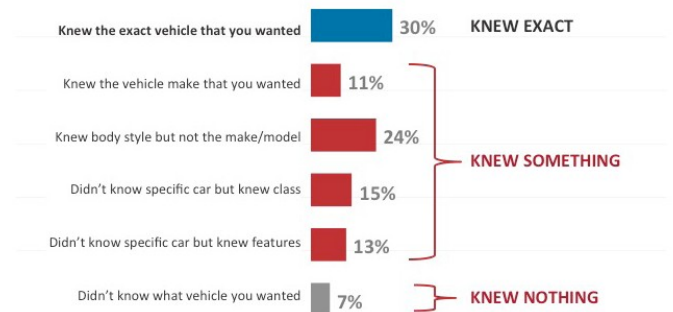
- Feedback I get from dealers is how to become a world-class marketer?
- Journey from spender to investor.
- Let's create an investment strategy.

## 1. AUTOMOTIVE SHOPPING: MOVING FROM MORE TO THE BEST SOLUTIONS

### 1.1 | THREE PHASES OF AUTOMOTIVE

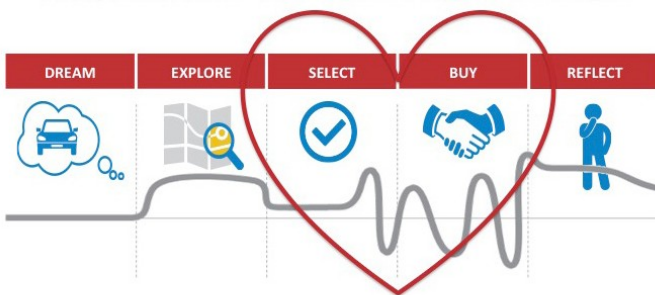


### 1.2 | INITIAL MAKE/MODEL PURCHASE INTENT



**71% PURCHASED THE VEHICLE THEY INTENDED TO BUY**

### 1.3 | INFLUENCING CONSUMERS THROUGHOUT THE SHOPPING PROCESS



- Autotrader, KBB and Haystack can point buyers through the process – or it can catch them right before the purchase.
- Buyers largely dream about, research and discover cars on their own – but they need an Amazon-like guide to facilitate the shopping process for them.
- Autotrader and the dealer can partner up in the buy stage, guiding consumers through digital purchase and physical fulfillment.
- The line in dream/explore is steady and “up,” where consumers are happy. When they move into the “select and buy” it’s squiggly – which means they are all over the place emotionally and NOT consistently happy.

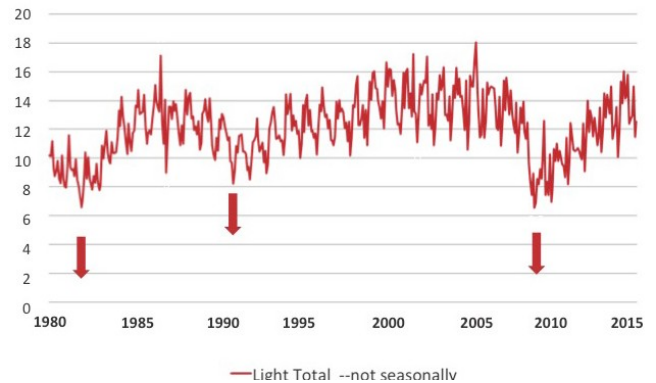
## 1. AUTOMOTIVE SHOPPING: MOVING FROM MORE TO THE BEST SOLUTIONS (CONT.):

### 1.4 | OPPORTUNITY TO INFLUENCE CONSUMERS BASED ON THEIR FRAME OF MIND

**Consumers feel** more positive about buying a house and remodeling their home than they do about buying a car



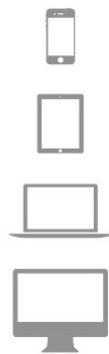
### 1.6 | TIMES ARE GOOD BUT IT WON'T LAST FOREVER



### 1.7 | SHOPPERS WILL CONTINUE TO RESEARCH ONLINE AND ACROSS MULTIPLE DEVICES

**88%**

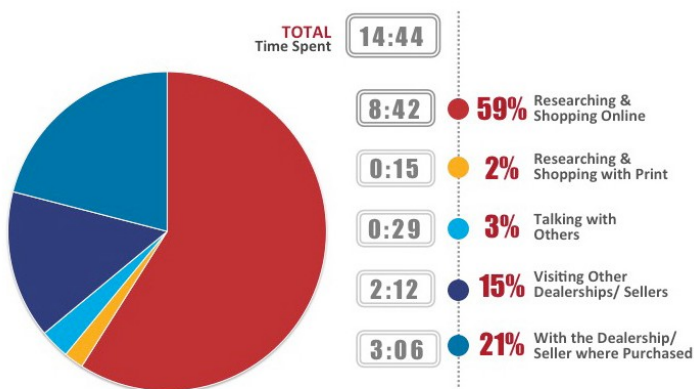
Use the Internet to Research & Shop



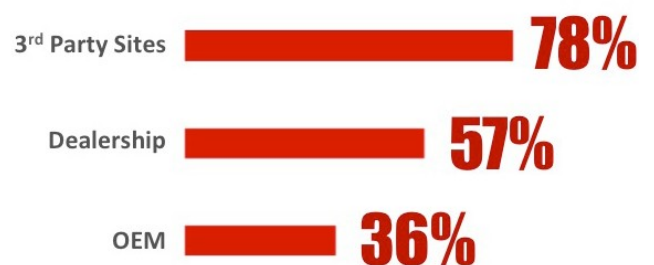
### 1.8 | INVEST IN MULTI-PLATFORM EXPERIENCES

**80%**  
will use multiple devices by **2020**

### 1.9 | TIME SPENT IN THE SHOPPING/BUYING PROCESS



### 1.10 | ONLINE SOURCES USED TO SHOP

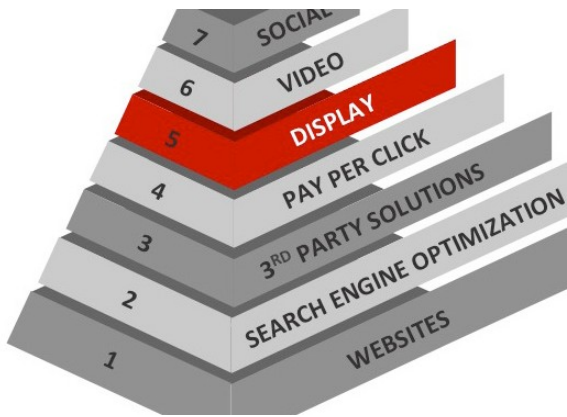


Source: 2016 Car Buyer Journey Study

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## 2. DISPLAY ADVERTISING & CO-OP

### 2.1 | BALANCED DIGITAL DIET



### 2.3 | THREE COMMON MISSTEPS

- 1 Inconsistent Creative (a.k.a., design)
- 2 Ineffective Ad Messaging
- 3 Not Taking Advantage of Co-op Dollars

### 2.2 | DEALER ADS DRIVE AWARENESS & ENGAGEMENT AND ENCOURAGE WORD-OF-MOUTH

- Dealer display advertising is valuable
- Tier 3 ads generate significant awareness gains for the featured dealer
- 86% lift in awareness after exposure
- Would recommend to others 33%
- Newest models available 24%
- Is a good value 20%
- Broad selection available at the dealership 19%

Engagement activities include:

- Search for local offers
- Call a local dealer to ask about inventory or pricing
- Visit a local dealer for a test drive
- Visit a local dealer's website



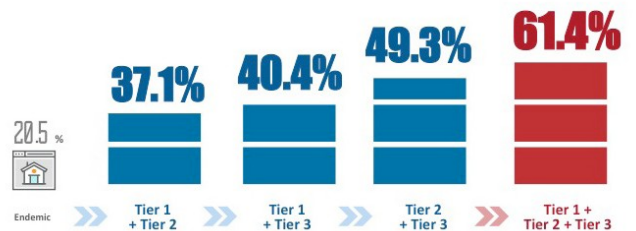
### 2.4 CONSISTENT MULTI-TIER ADVERTISING

**TIER 1**

**TIER 2**

**TIER 3**

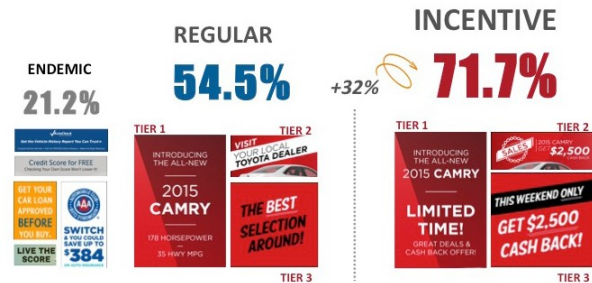
**MOST** influence on driving visits to dealer & more interactions



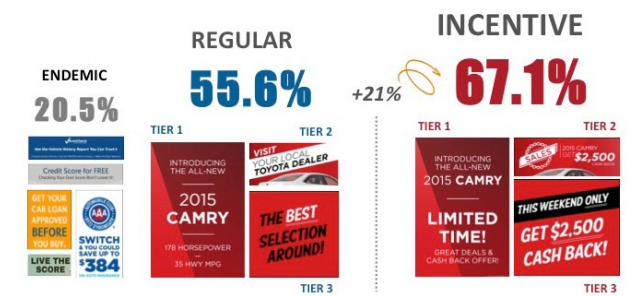
## 2. DISPLAY ADVERTISING & CO-OP (CONT.):

### 2.5 FOCUS ON SALES EVENTS & CASH BACK OFFERS

➤ An “incentive” message influences vehicle purchase consideration most...



➤ ...and is more likely to influence a dealership visit



### 2.6 | VALUE OF CO-OP



### 2.7 | WHY CO-OP FUNDS AREN'T USED

- Restrictions
- Co-Op funds expire before I can use it
- Doesn't qualify
- Pre-approval process is a hassle
- Not aware of co-op funds

### 2.7 BECOMING A BEST PRACTICE DEALER IN DISPLAY

- Conduct a fitness check on your advertising partners
- Create a multi-tier ad strategy and plan
- Use incentive messaging, which works 20-30% better than regular messaging to drive vehicle purchase consideration & intent to visit dealer
- Feature sales events & specific cash back offers – the most motivating incentive messages
- Tap into co-op funds more readily by using a multi-tier advertising strategy