

Digital Marketing Framework for Navigating Uncertain Times



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Your customers will always have to walk through your digital marketing doors before they come into your physical store

Agenda

Topic covered in this session

1

What factors are causing uncertainty in the market currently?

2

What strategies can I deploy to react to fast-changing **market demand**?

3

What metrics can I measure to determine **store demand** and optimize my digital marketing?

4

What **purchase demand** metrics can I measure and put in processes to sell more vehicles?

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COVID-19 has brought an unprecedented time for automotive dealerships but is showing signs of recovery

11.4M

SAAR for March 2020 down from 16.8M in January

53%

Decline in April Year-over-Year Sales

~40%

YoY sales decline last week of April (better than expected)

Two key factors are driving uncertainty from COVID-19

Public Policy

- Stay-at-home orders
- Reopening from Stay-at-home orders
- Factory Shut-down

Consumer Sentiment

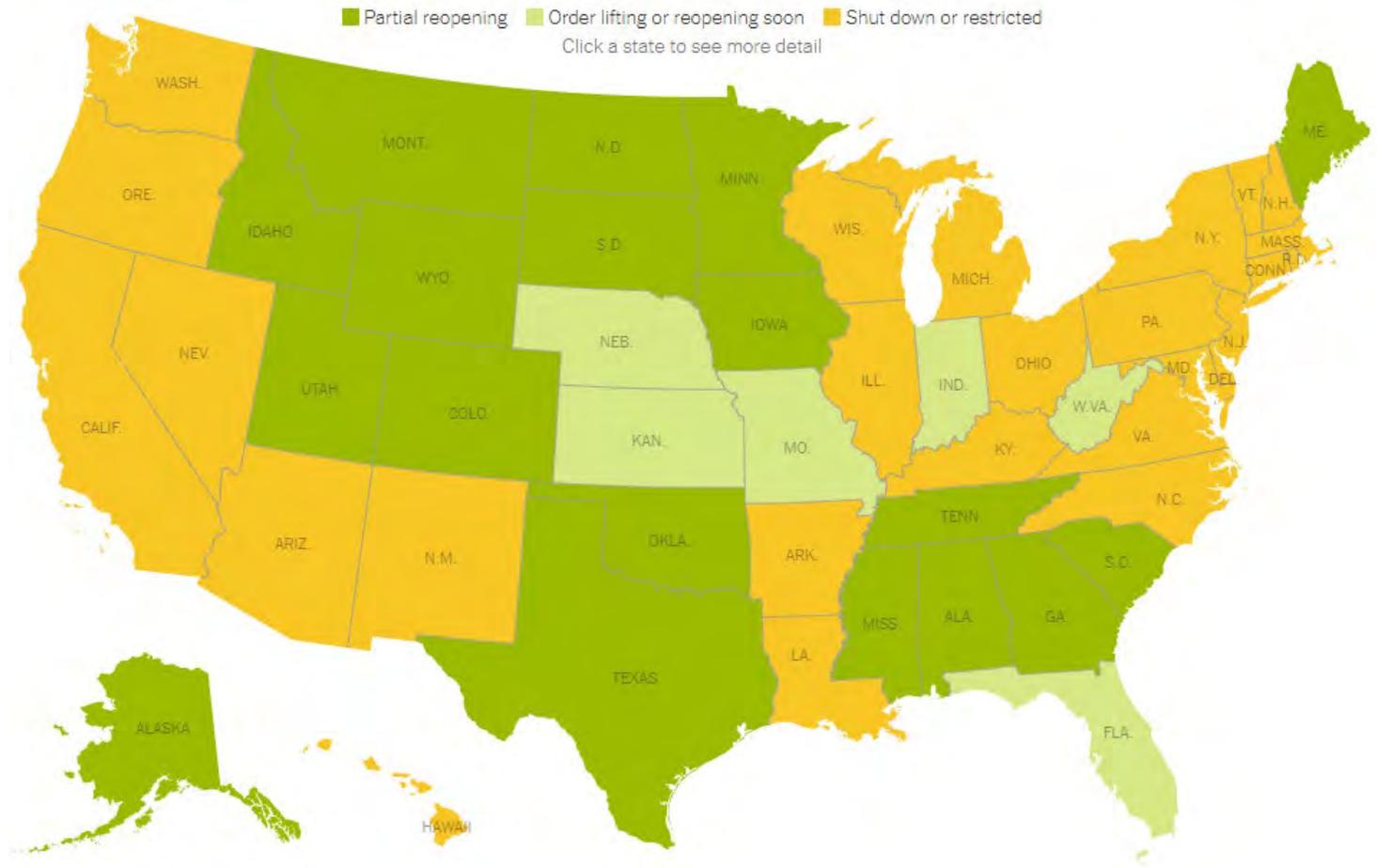
- COVID-19 cases
- Consumer mobility
- Economic impact from COVID-19 (longer term)

Pro tip: Dealerships must make changes to their digital marketing strategy on a daily and weekly basis

Reopening in May will vary by state loosely based on federal guidelines

Key Takeaways

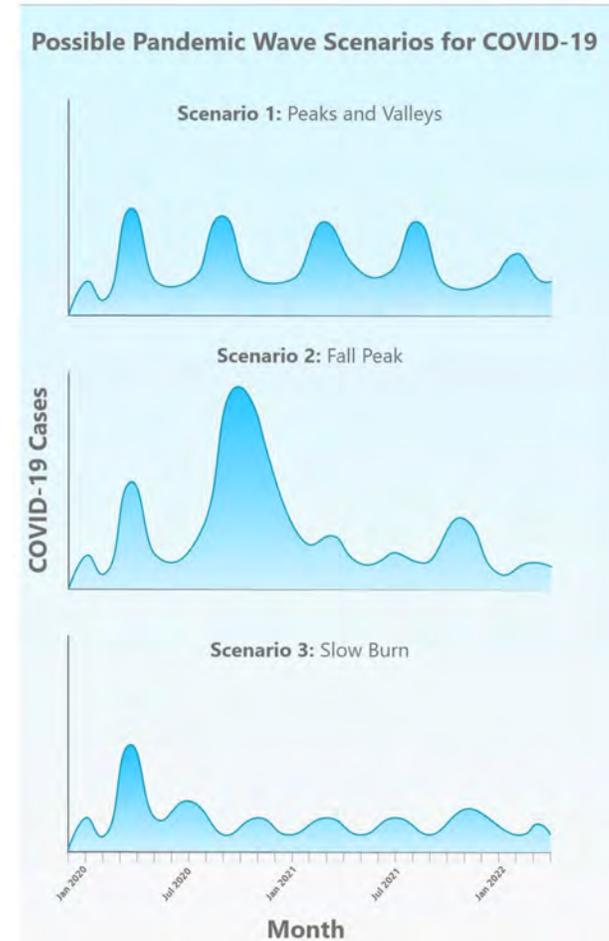
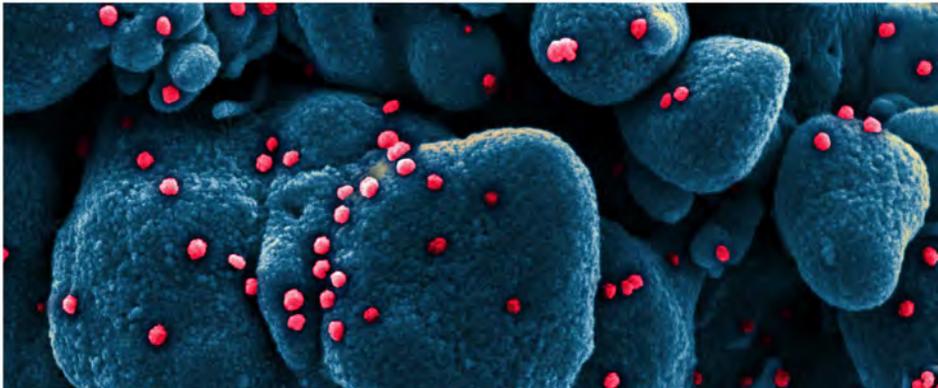
- Essential designation from federal government for car sales have already allowed most dealerships to open up
- There might be some confusion among consumers that dealerships are closed if stay-at-home orders are still in place



A resurgence in cases are a possibility with COVID-19 having a large effect for the next two years

Study conducted by the University of Minnesota

COVID-19: The CIDRAP Viewpoint



Inventory will become a bigger issue

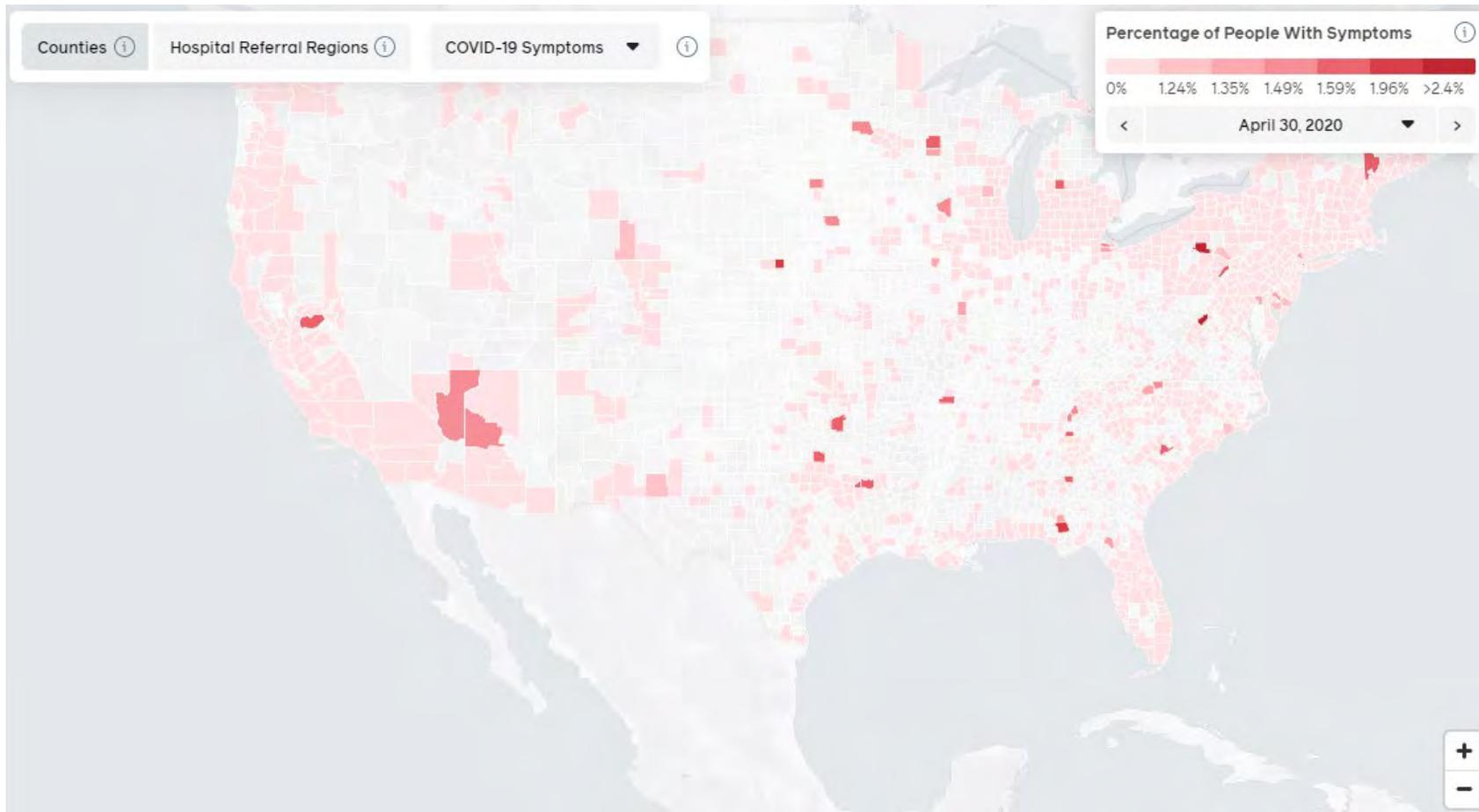
New car inventory issues

- Factory shutdowns
- Certain models will be affected more than others
- Increased demand for consumers with lower credit rating due to decline in ride-share demand

Used car inventory issues

- Pent-up supply from auctions and previous rental units
- Decline in inventory value for current in-stock used vehicles
- Decline in trade-in value resulting in less equity on consumer trade-ins
- Correctly pricing inventory to market will be a daily challenge for used vehicles

Consumer sentiment can be measured by % of active cases in your specific county

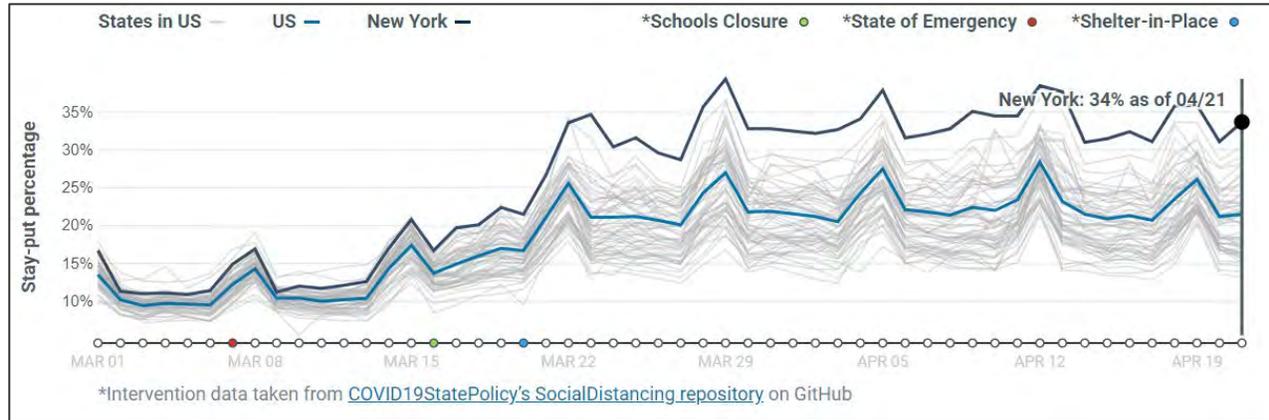


Key Takeaways

- Essential designation from federal government for car sales have already allowed most dealerships to open up
- There might be some confusion among consumers that dealerships are closed if stay-at-home orders are still in place

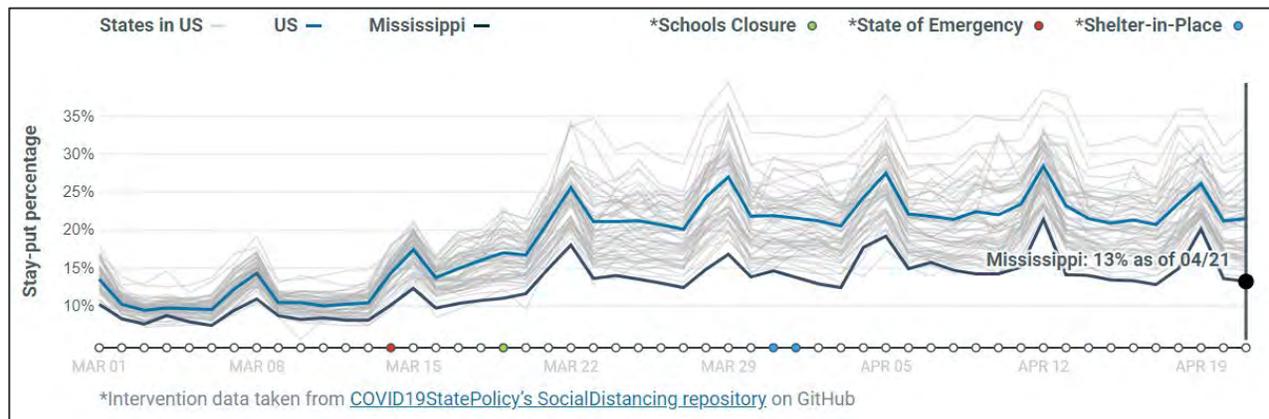
...and shopper's willingness to leave their homes

New York



Stay-put percentage has stayed elevated since end of March and holding steady

Mississippi



Stay-put percentage has started decreasing during the latter part of April

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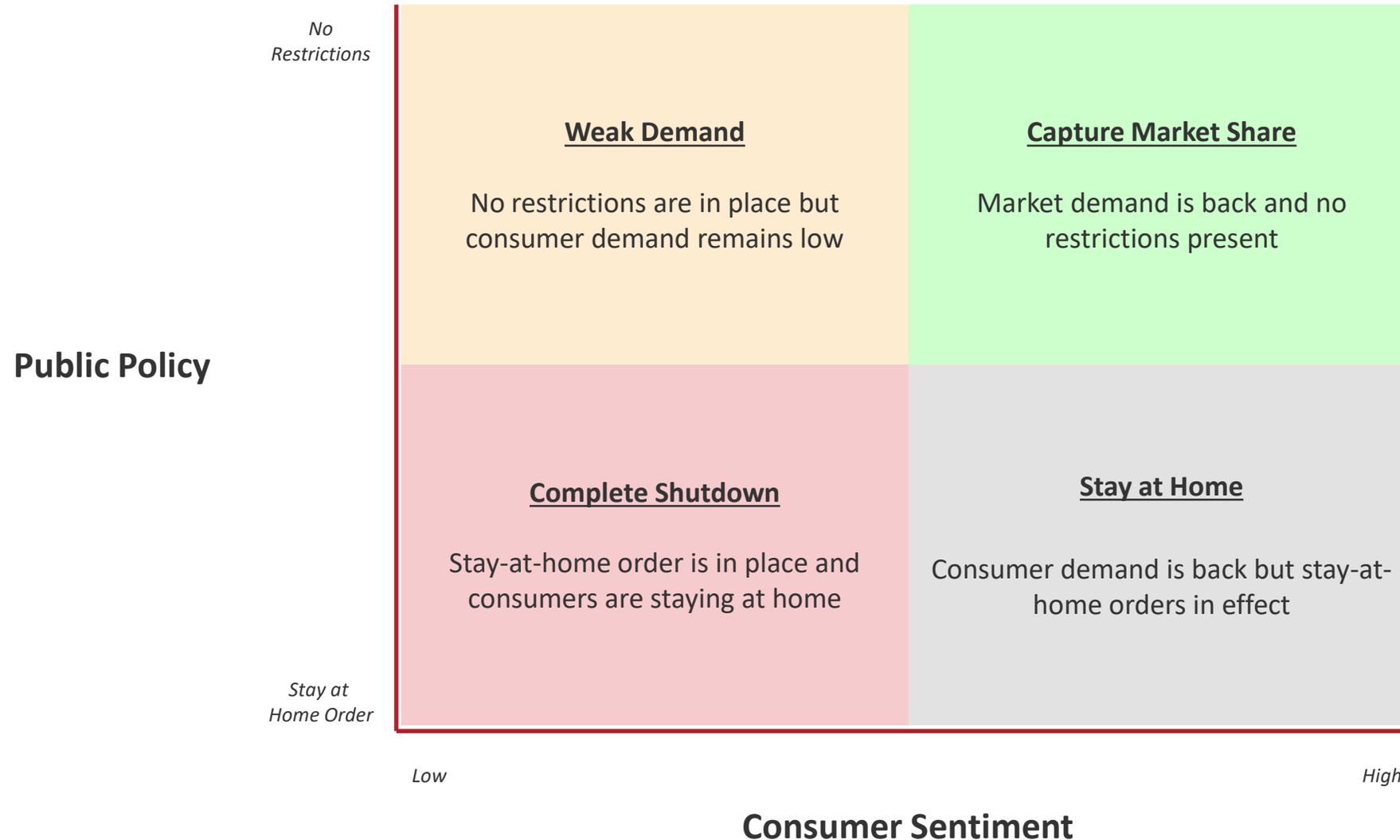
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What metrics can I measure to determine **store demand** and optimize my digital marketing?

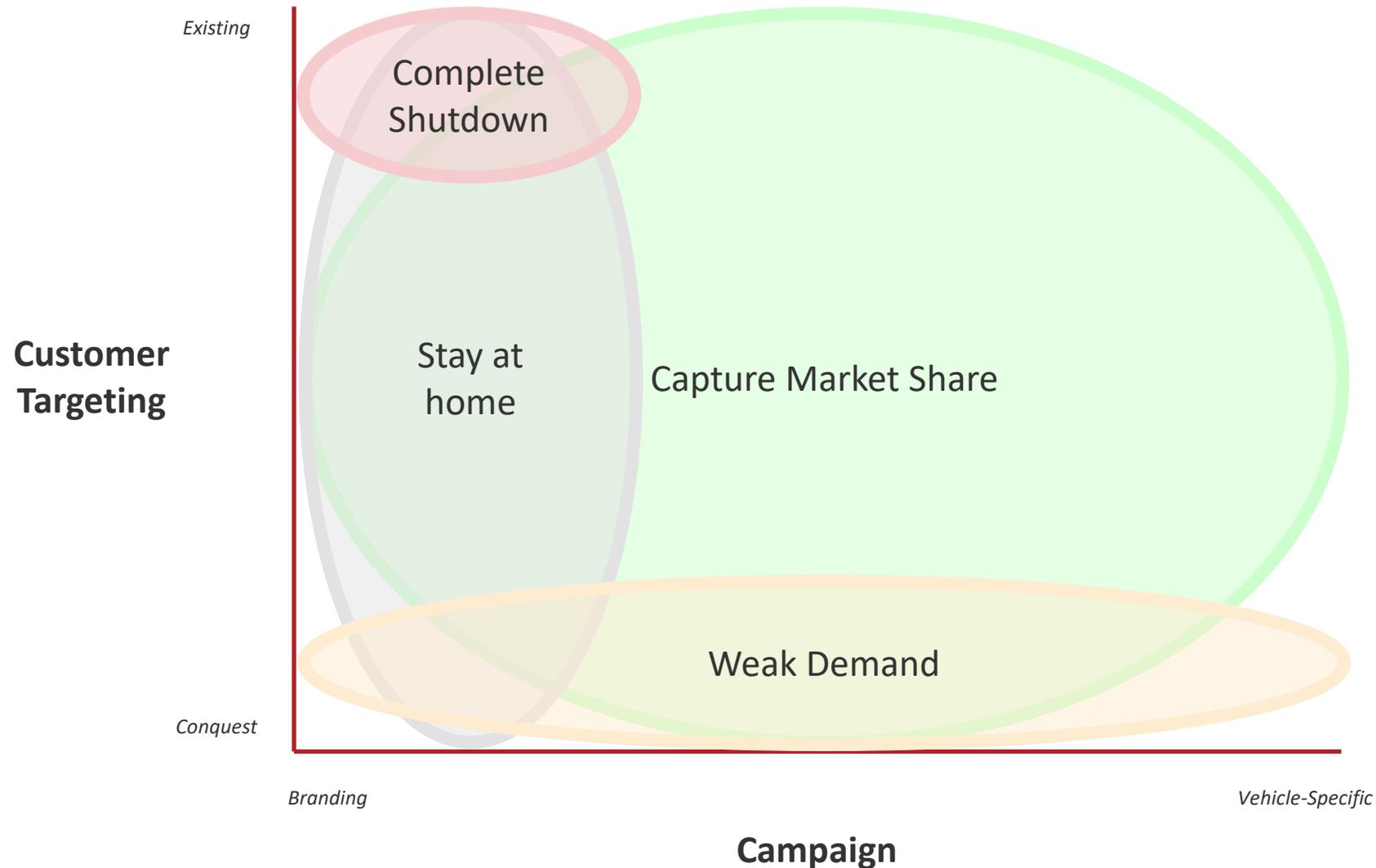
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What **purchase demand** metrics can I measure and put in processes to sell more vehicles?

4 scenarios can be created based on public policy and market demand by the Market Demand Digital Marketing Decision Matrix



And apply it to how we can formulate our digital marketing strategy



CUSTOMER TARGETING DEFINITION

- **Conquest:** Going after customers who have not visited the dealership website or have not submitted a lead in more than 90 days
- **Existing:** Customers who have recently visited the dealership website or submitted a lead

CAMPAIGN DEFINITION

- **Branding:** Advertising campaigns that are closer to branding and make campaigns. Dealer branding display ads or dealer name paid search ads are good examples
- **Vehicle Specific:** Make-model specific offers or vehicle specific advertising that takes shoppers directly to a dealership website

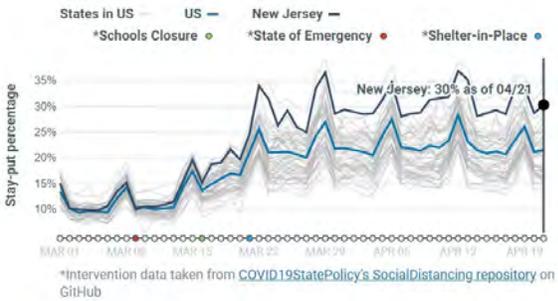
Recommended advertising channels

Status	% of max spend	Paid Search	Social	Display / Retargeting	Email	Third Party Leads
Complete Shutdown	0%				✓	
Weak Demand	25%-75%	✓	✓		✓	
Stay-at-Home	50%-100%	✓	✓		✓	
Capture Market Share	100%-125%	✓	✓	✓	✓	✓

Example strategy for dealership located in New Jersey

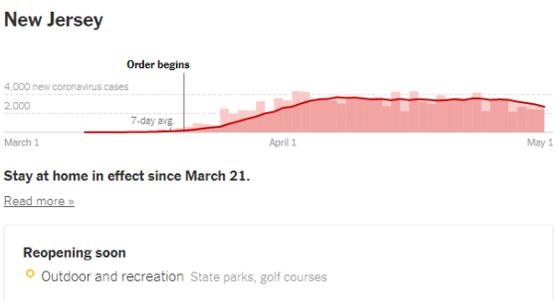
Consumer Sentiment

Stay-put percentage is still 30% but have flattened and expected to decrease

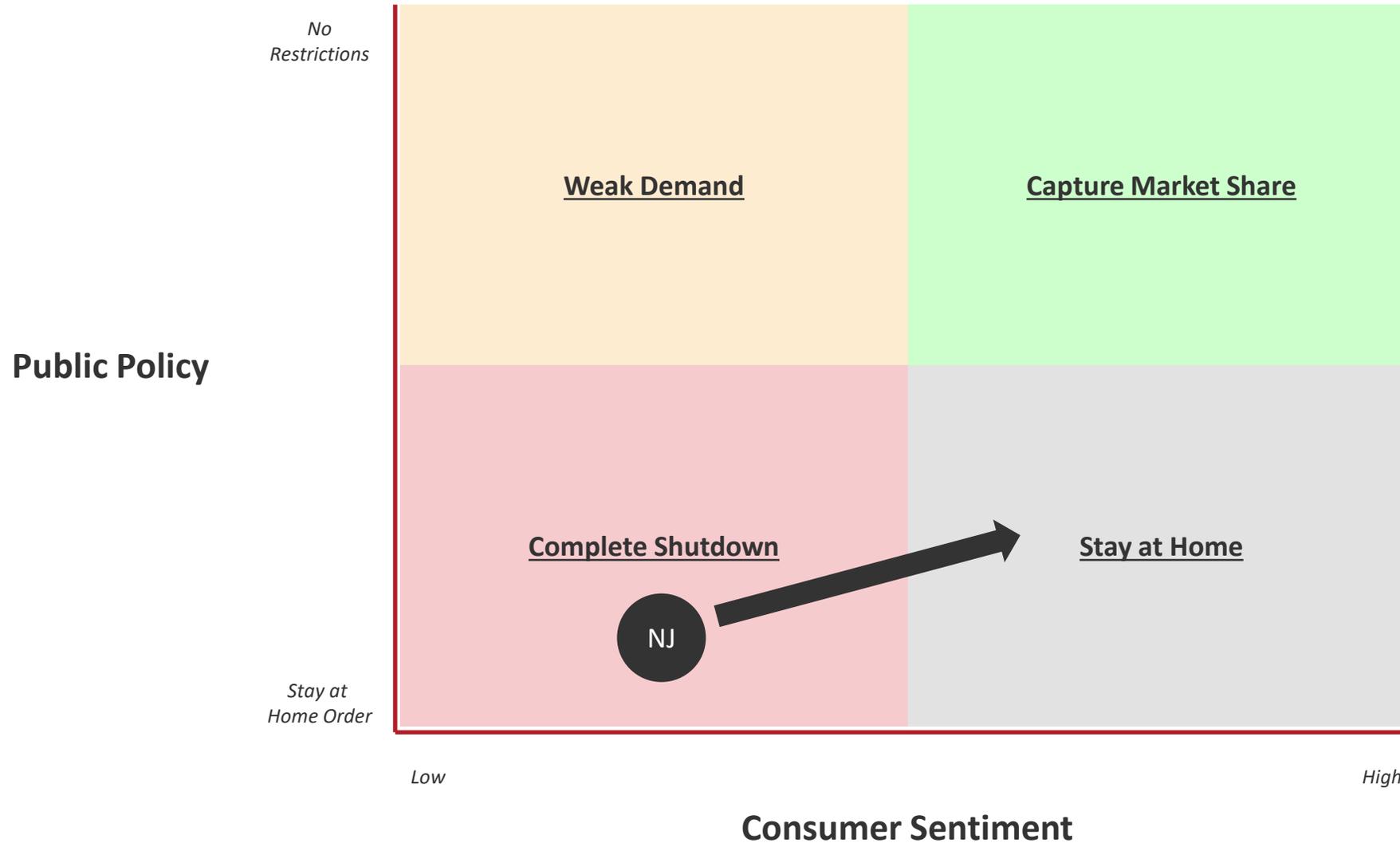


Stay-at-home Order

Still in effect, potential reopening by Memorial day



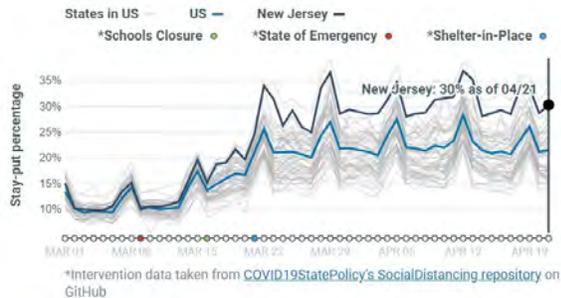
Market Demand Digital Marketing Decision Matrix



Example strategy for dealership in New Jersey

Consumer Sentiment

Stay-put percentage is still 30% but have flattened and expected to decrease



Stay at home Order

Still in effect, potential reopening by Memorial day



Advertising Strategy

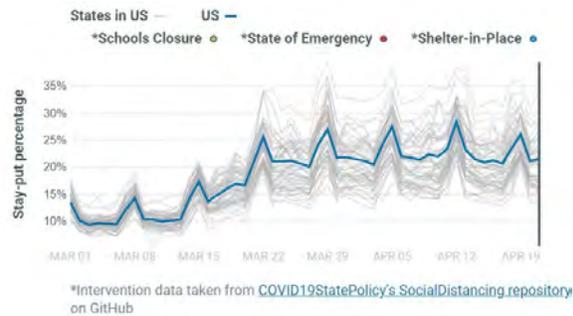
Recommended Budget: 25-50% of normal

Channel	Campaigns
 Google Ads	Branding campaigns to show dealership is currently open
	General COVID-19 messaging on keeping dealership open
Email	Email recent leads and CRM record with message that they are open and practicing social distancing

Example strategy for dealership located in North Carolina

Consumer Sentiment

Stay-put percentage is now at 18% and is showing a downward trend



Stay at home Order

Reopened for retail, food and drink, entertainment and outdoor and recreation

Georgia

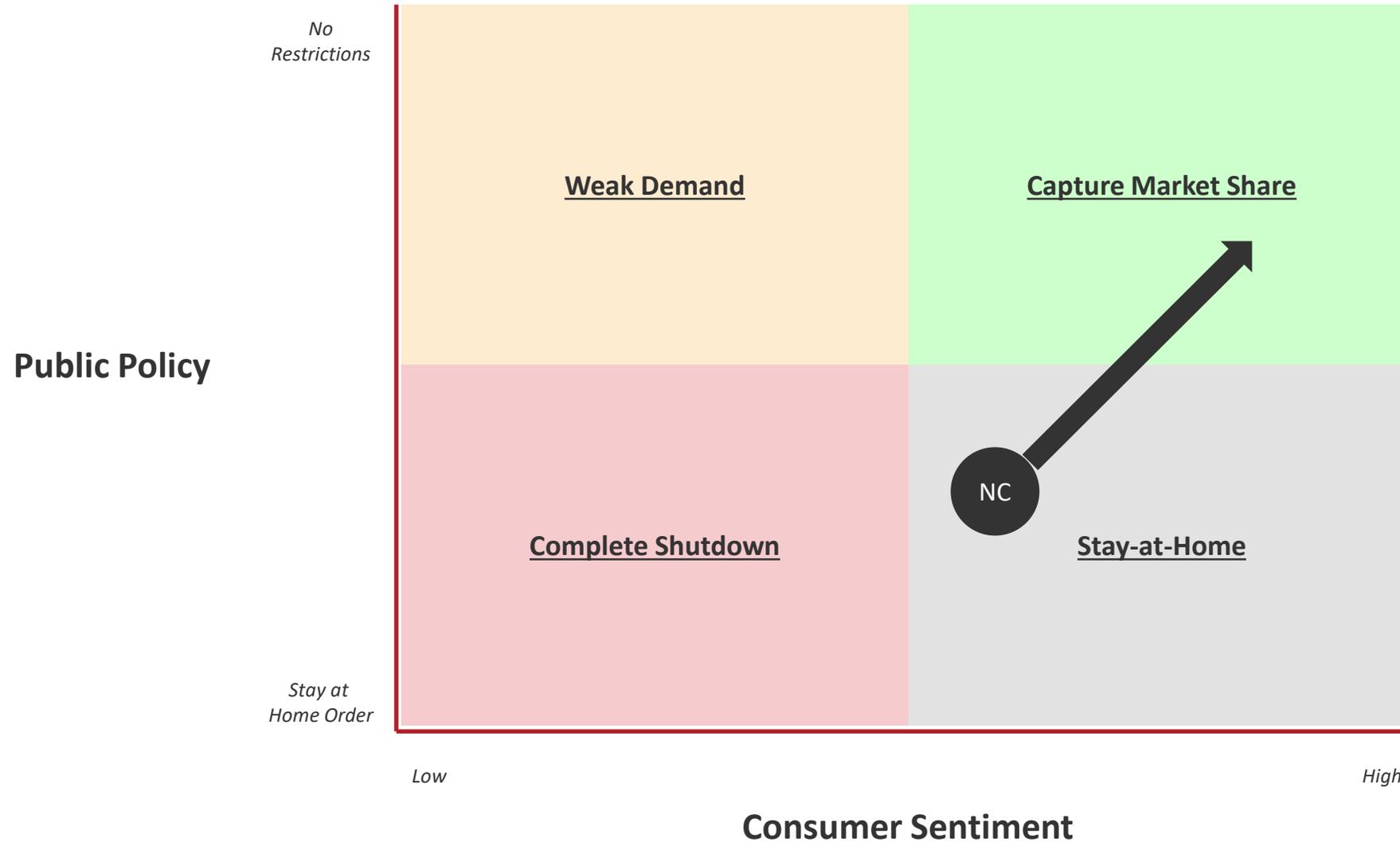


Shelter in place began on April 3 and expired on April 30.

Gov. Brian Kemp, a Republican, went toe-to-toe with the White House and local mayors over his decision to reopen large parts of Georgia's economy ahead of other states, starting April 24. Like other governors, Mr. Kemp laid out certain requirements — including screening workers for fever — and said it would not be "business as usual."

[Read more >](#)

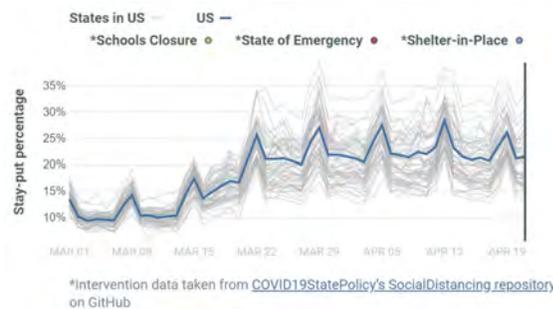
Market Demand Digital Marketing Decision Matrix



Example strategy for dealership in North Carolina

Consumer Sentiment

Stay-put percentage is on a clear decline and now at 17%



Stay at home Order

Opening May 8th

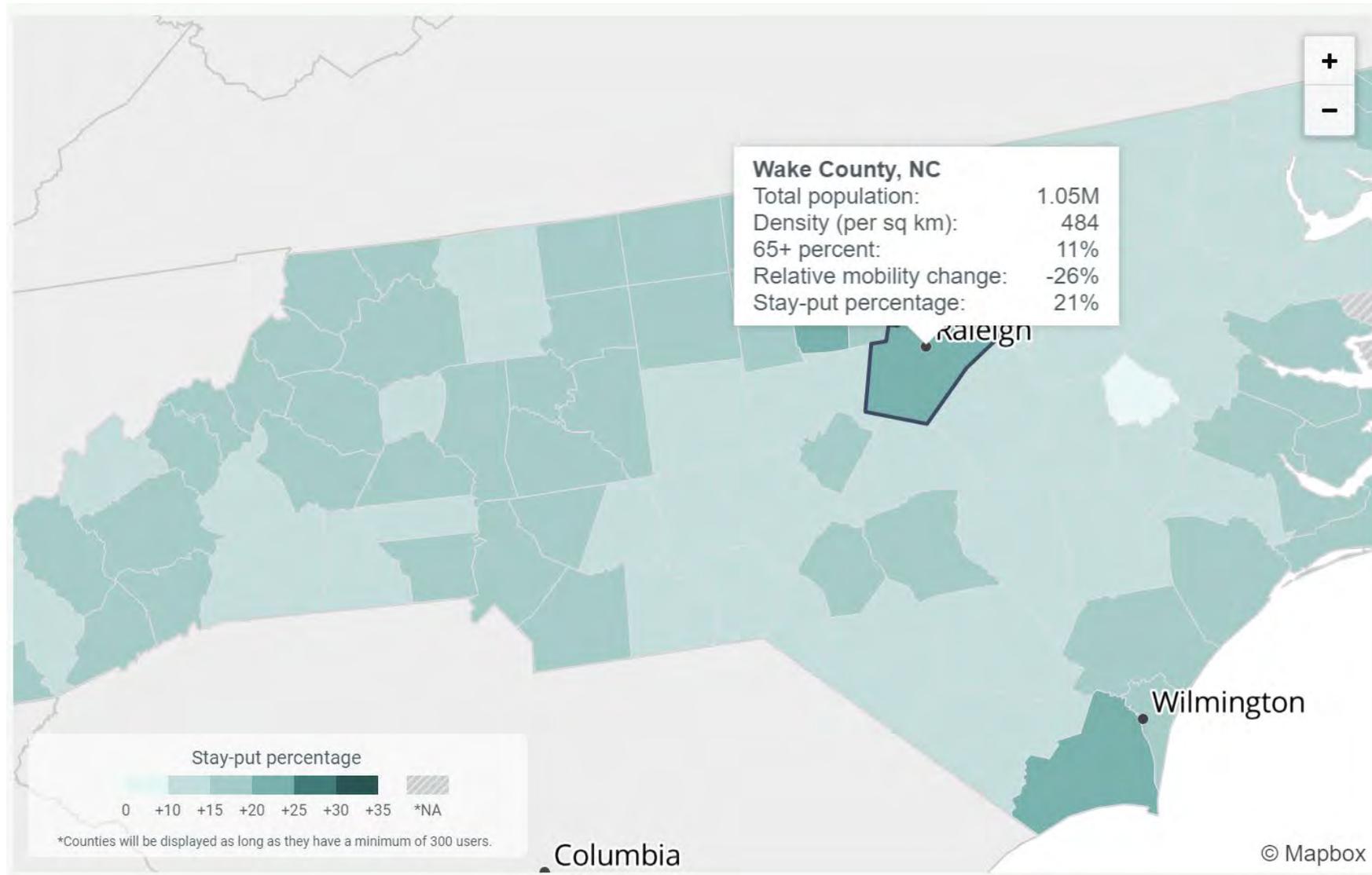


Advertising Strategy

Recommended Budget: 75-100% of normal

Channel	Campaigns
 Google Ads	Run all campaigns pre-COVID-19 with emphasis on make/model that are currently popular
 facebook Advertising	Run all campaigns pre-COVID-19 with emphasis on make/model that are currently popular
Email	Email recent leads and CRM record with vehicles offers and incentives

Wake County has a higher Stay-put percentage at 21% compared to other counties



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Car shopper journey can be divided into three sections

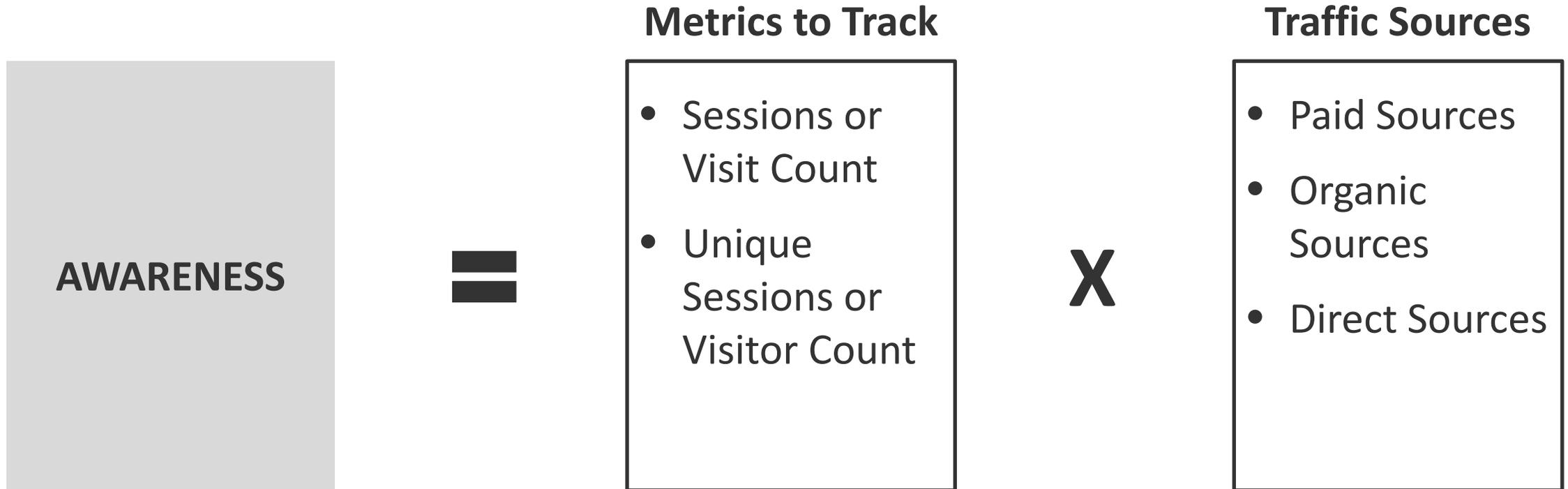
Applicable for store demand



Recommended advertising channels

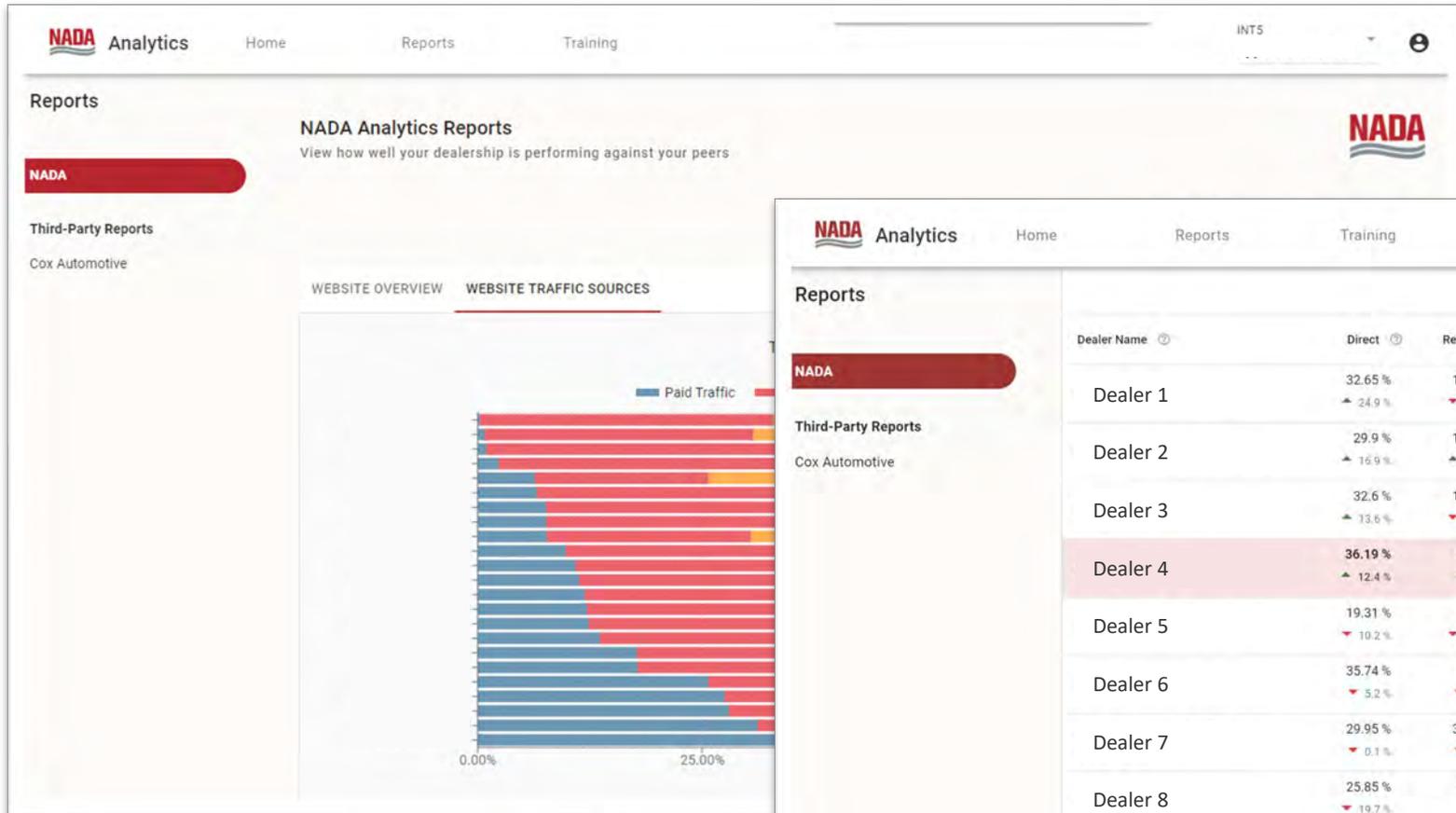
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Capture Market Share	100%-125%	✓	✓	✓	✓	✓

Shoppers need to visit your dealership website to raise awareness



Pro tip: Organic traffic can also be a great indicator for market demand

Measuring your Y-o-Y or W-o-W data with your peers can be powerful in determining your dealership's trend

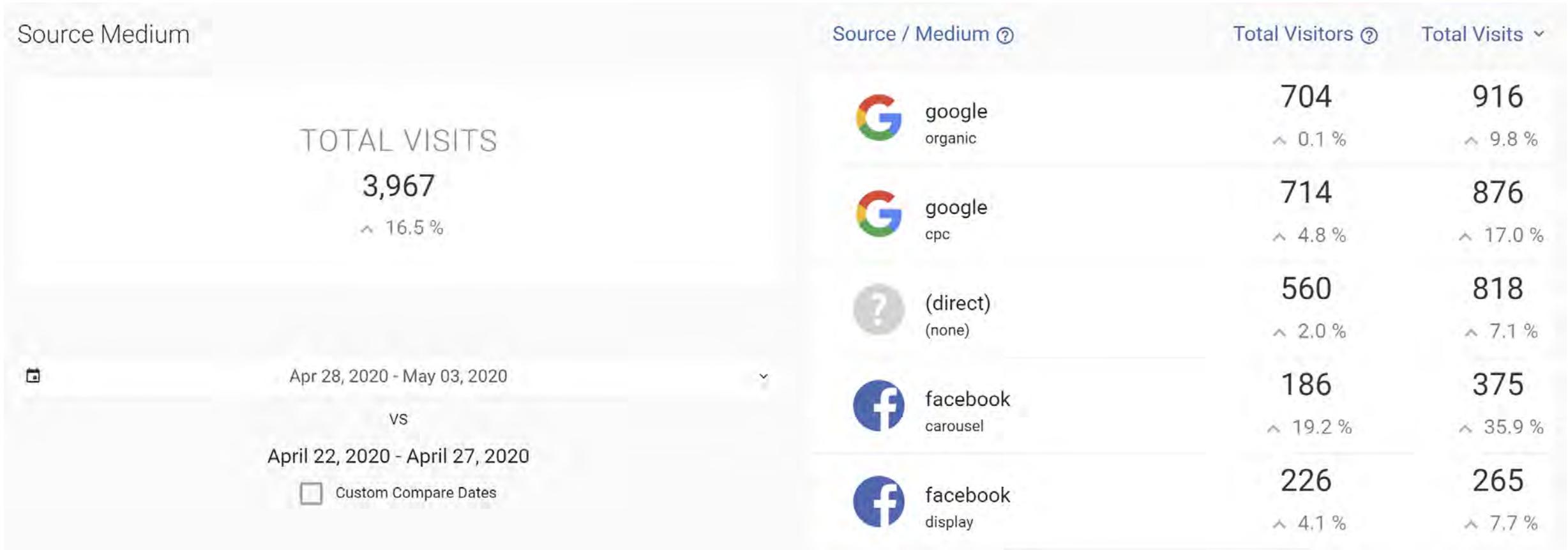


NADA Analytics Reports
View how well your dealership is performing against your peers

Reports

Dealer Name	Direct	Referral	Organic Search	Paid Search	Mobile	English	Spanish	New Visits
Dealer 1	32.65% ▲ 24.9%	18.49% ▼ 53.3%	43.49% ▲ 71%	0.25% ▲ 12.6%	63.77% ▼ 11.3%	99.44% -	0.32% ▼ 23.2%	60.59% ▼ 12.2%
Dealer 2	29.9% ▲ 16.9%	10.81% ▲ 14.7%	34.27% ▲ 29.9%	0.79% ▼ 94.6%	65.22% ▼ 3.6%	98.05% ▲ 2.8%	1.05% ▼ 35.8%	46.97% ▼ 14.1%
Dealer 3	32.6% ▲ 13.6%	12.36% ▼ 32.5%	34.94% ▲ 38.5%	0.96% ▼ 99.7%	69.2% ▼ 1%	99.43% ▲ 0.2%	0.35% ▼ 42.4%	55.36% ▼ 1.4%
Dealer 4	36.19% ▲ 12.4%	5.86% ▲ 11%	45.18% ▲ 110.1%	2.34% ▼ 92.6%	56.69% ▼ 0.9%	99.46% ▲ 0.6%	0.33% ▼ 51.3%	56.77% ▲ 0.4%
Dealer 5	19.31% ▼ 10.2%	9.21% ▼ 19.1%	14.8% ▼ 19%	6.36% ▼ 29.8%	68.74% ▲ 9.4%	96.67% ▼ 0.5%	1.99% ▼ 7.2%	48.86% ▲ 1.8%
Dealer 6	35.74% ▼ 5.2%	6.39% ▼ 4.7%	42.94% ▲ 6.4%	6.59% ▲ 30.5%	57.11% ▲ 3%	99.42% ▲ -	0.29% ▼ 3.9%	59.66% ▲ 2.9%
Dealer 7	29.95% ▼ 0.1%	31.03% ▼ 9.6%	13.16% ▼ 6.3%	7.61% ▼ 10.5%	63.41% ▼ 4.6%	96.09% ▲ 0.1%	3.79% ▼ 2.7%	52.18% ▲ 11.2%
Dealer 8	25.85% ▼ 19.7%	5.81% ▲ 7%	22.67% ▲ 35.9%	7.63% ▼ 13.7%	67.18% ▲ 11.8%	98.98% -	0.76% ▲ 8.7%	47.9% ▼ 8.1%
Dealer 9	22.69% ▼ 5.3%	14.91% ▲ 174.2%	19.19% ▼ 9.2%	7.7% ▼ 13.4%	78.28% ▲ 0.5%	97.08% ▼ 0.4%	2.8% ▲ 18.3%	55.56% ▼ 4.6%
Dealer 10	43.65% ▼ 12.8%	5.11% ▼ 19.5%	17.55% ▲ 39.5%	9.8% ▲ 9.2%	54.69% ▲ 6%	99.61% ▲ 2.8%	0.2% ▲ 22.2%	56.92% ▼ 3.7%

Measuring week-over-week data gives insight into demand



Measuring monthly Y-o-Y data provides insights on awareness needed to sell a similar volume as last year

TOTAL VISITS

19,971

^ 141.3 %



Apr 01, 2020 - Apr 30, 2020



vs



Apr 01, 2019 - Apr 30, 2019



Custom Compare Dates

Source / Medium

Total Visitors

Total Visits



google
cpc

3,996

▼ 16.2 %

4,324

▼ 18.1 %



google
organic

3,495

^ 45.7 %

4,056

^ 49.2 %



facebook
carousel

1,328

^ 325.6 %

2,161

^ 362.7 %



facebook
display

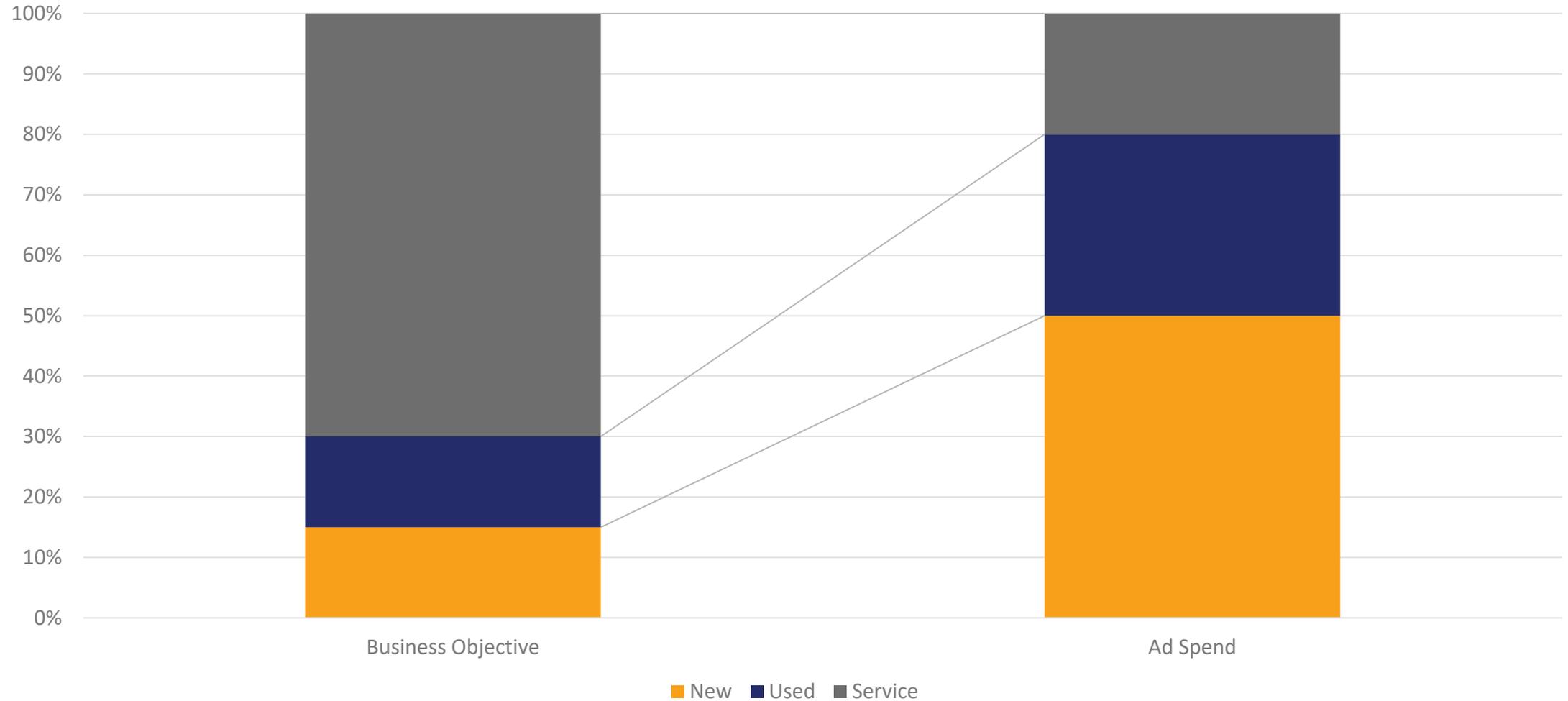
1,610

^ 1264.4 %

1,777

^ 1310.3 %

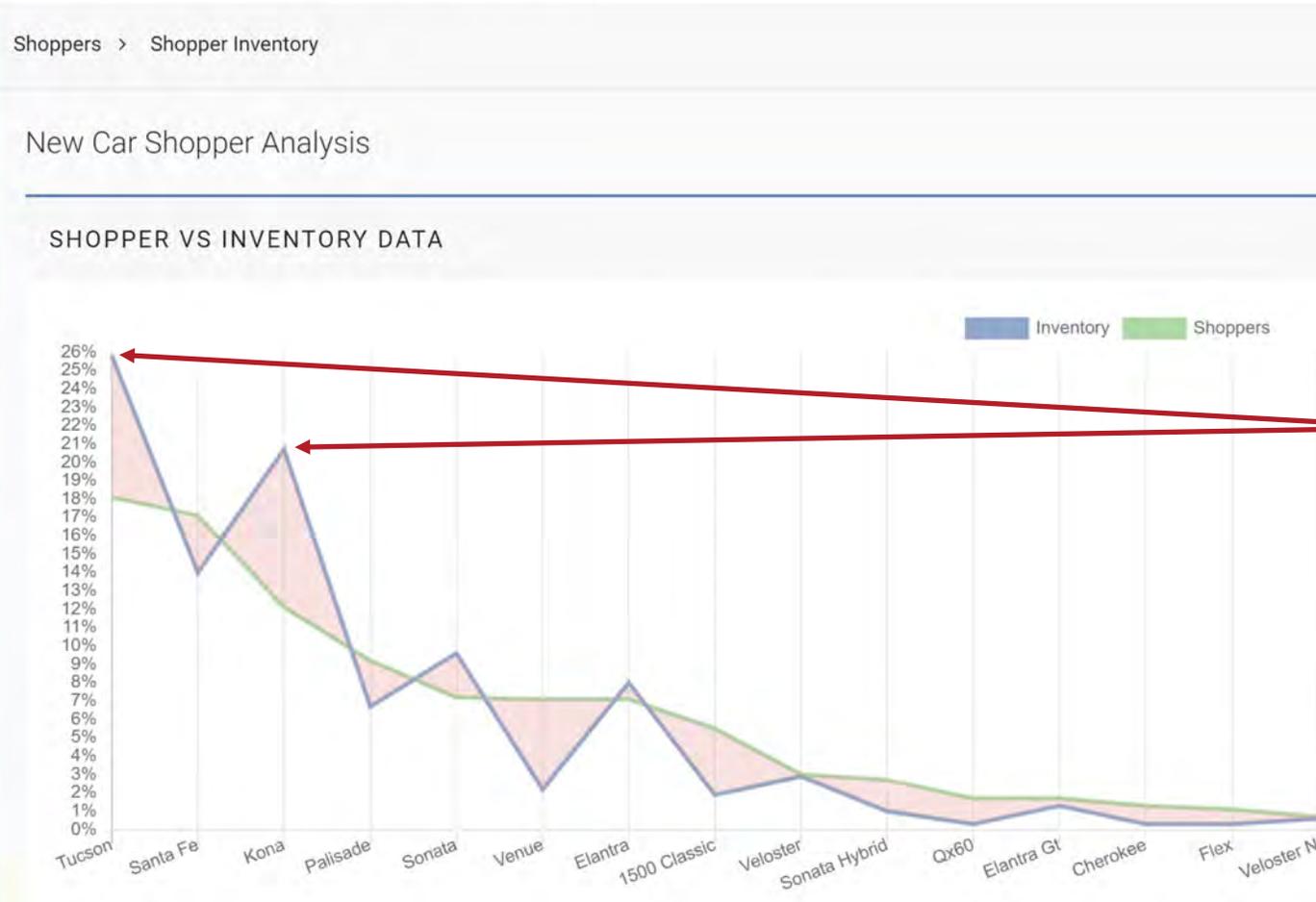
Shopper awareness must match your business objectives



Ensure that there is a good match between your business objectives and the website traffic that you generate (1 of 2)

ORBEE

- Dashboard
- Group Comparison
- Analyze
- Conversions
- Shoppers
 - Shoppers Overview
 - New Car Shoppers Analysis BETA
 - Locations
 - Website Leads
- Inventory
 - All Vehicles
 - Reports
 - Inventory Dashboard
 - Inventory Feeds
 - Vehicle Sets
- Call Tracking
- Email Tracking



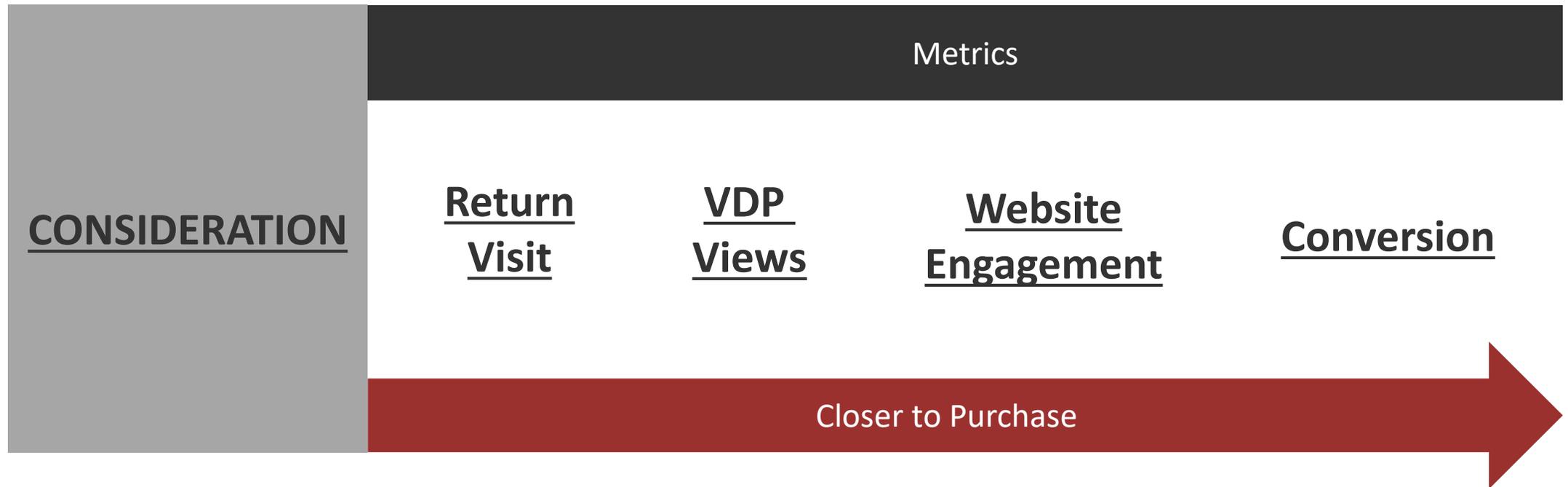
Not enough shoppers coming to the site for the Tucson and Kona

Ensure that there is a good match between your business objectives and the website traffic that you generate (1 of 2)



More service shoppers might be needed

Consideration occurs after meaningful engagement or conversion happens on the dealership website



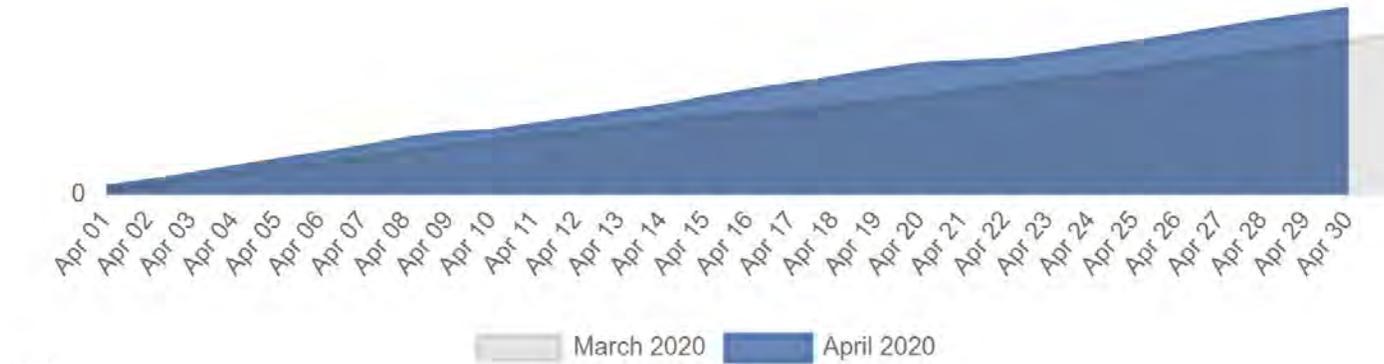
These metrics should be tracked on a daily basis and ensure it meets your dealership's sales goals

INTENT VISITS

5,042

↗ 15.6 %

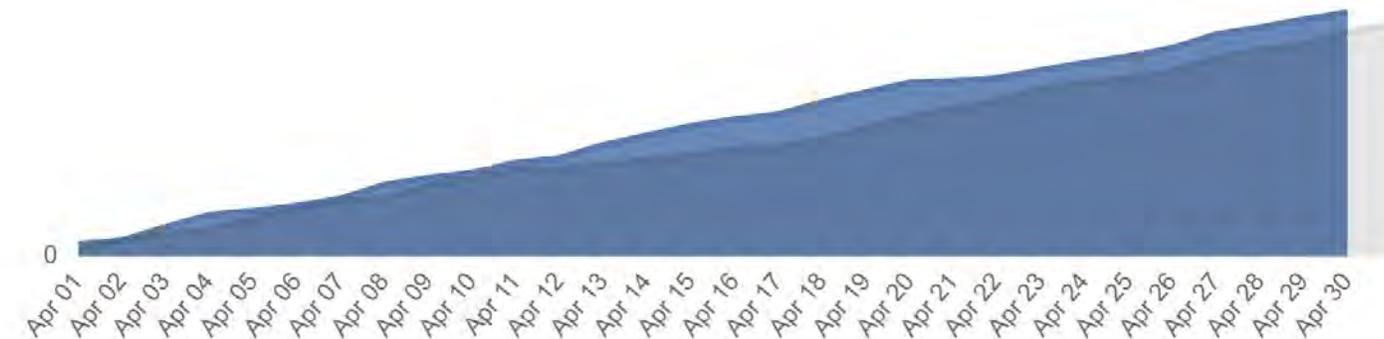
6.6 %



TOTAL CONVERSIONS

333

↗ 5.0 %



Behavior-based advertising can increase return shopper rate

Vehicle-based emails

Florida Fine Cars

Still Shopping For Your Next Car?
FYI, here are your freshly favored vehicles. Save this email for reference and click their photo to visit them. Which you should do soon. They miss your

2017 Hyundai Elantra

Florida Fine Cars

Mileage: 16,902
Stock #: 105797
Price: \$11,497.00

[See 38 more photos](#)

Other Recently Favored Vehicles

- 2017 Hyundai Elantra
Mileage:
Stock #:
Price:
[See 37 more](#)
- 2016 Honda Civic
Mileage:
Stock #:
Price:
[See 36 more](#)
- 2016 Ford Mustang
Mileage:
Stock #:
Price:
[See 38 more](#)
- 2016 VOLKSWAGEN GOL
Mileage:
[See 38 more](#)

Site behavior-based advertising

Florida Fine Cars

Get your trade-in value
in **SECONDS!**

[CLICK
HERE](#)

SCRATCH HERE

Find out how much
your car is worth

Florida Fine Cars

Behavior-based advertising can increase VDP views

Vehicle Based Advertising

Stockton Hyundai
Sponsored

Come join us for our Epic Summer Clearance 🌞



NEW 2019 HYUNDAI SONATA SE **\$209/month***
\$5 at this Lease Price

NEW 2018 HYUNDAI ELANTRA GT HATCHBACK **\$349/mo**
\$1 at this Lease Price

Lease a Sonata! Shop Now

Lease 2019 Elantra Models! Shop now for details.

Lithia Hyundai of Reno
Sponsored

Ready to Drive Your Next Hyundai Home? 🚗
Stop by Lithia Hyundai of Reno! We can help you find the car of your dreams.



LITHIA HYUNDAI OF RENO **READY TO CHECK OUT?**

2020 Hyundai Accent | \$17,545
Absolute Black ABSOLUTE BLACK... Shop Now

2020 Hyundai Accent | \$17,545
Olympus Silver OPTION GROU...

Personalized offers can increase your conversion rate

18211 BEACH BOULEVARD HUNTINGTON BEACH CA 92648

VEHICLE SALES, FINANCE & LEASING : (657) 204-1461 | SERVICE & PARTS DEPARTMENT : (657) 204-1462

HOME PAGE SEARCH NEW SEARCH WORK TRUCKS SEARCH USED SERVICE & PARTS FINANCE SPECIALS ABOUT US PRODUCT GUIDES SELL OR TRADE SIGN IN

 **DeLillo**
CHEVROLET

HOURS & MAP CONTACT US BOOK APPT

— LIMITED TIME ONLY! —
GET UP TO \$500
OVER TRUE CAR TRADE VALUE

Please see dealer for details on obligations, exclusions, and/or restrictions. This offer cannot be combined with other offers. Offer cannot be claimed on prior purchases. Credit pre-approval may be required. Financing offers are with approved credit. If unreachable, or initial attempt(s) to contact are not responded to within 72 hours, this offer may be rescinded.

PLEASE CALL US AT HOME

WANT TO CLAIM THIS OFFER?
Fill out this form and we'll give you a call!

First Name Last Name

Email

Phone

GET THIS OFFER

Powered by ORBEE

Get a TrueCashOffer™ for your car in seconds.

GET YOUR NEXT VEHICLE ONLINE.

Find vehicles by year, make, model, or feature

FILTER Clear All Home > New

186 VEHICLES FOUND

CATEGORY

Sort By

Live Chat

Strategy for increasing performance on each metric

Metric	Strategy
<u>Return Shopper</u>	<ul style="list-style-type: none">• Retarget shoppers through retargeting ads if they have visited your website• Email customers if they have submitted a lead
<u>VDP Views</u>	<ul style="list-style-type: none">• Target customers using vehicle specific advertising
<u>Website Engagement</u>	<ul style="list-style-type: none">• Land customers on the right landing page• Provide them with personalized messaging
<u>Conversion</u>	<ul style="list-style-type: none">• Show relevant offers and call to action to shoppers on dealership website

Framework for understanding shopper demand

Awareness

Key Metrics: Visit and Visitor count of paid and organic traffic, Return visitor count to measure quality of awareness

Strategy

- Ensure adequate quality visits and visitors are coming to the dealership website based on current market demand
- Break down visitors by type; used car shopper, new car shopper, service shopper and make adjustments to your digital marketing strategy accordingly
- Ensure enough shoppers are returning to your website through the use of retargeting

Consideration

Key Metrics: VDP views, Website Engagement (visit duration, pageviews), Website Conversions

Strategy:

- Compare and identify metrics that lower than pre-coronavirus time period to understand areas needing help
- For VDP views, focus on VIN-specific campaigns
- For website engagement, focus on offers and incentives
- For Conversions, focus on call to action and conversion tools that can help generate more conversions

Purchase

Discussed in the Purchase Demand Section

Car Shopper Journey

Check key metrics on a weekly basis and make adjustments to ensure success

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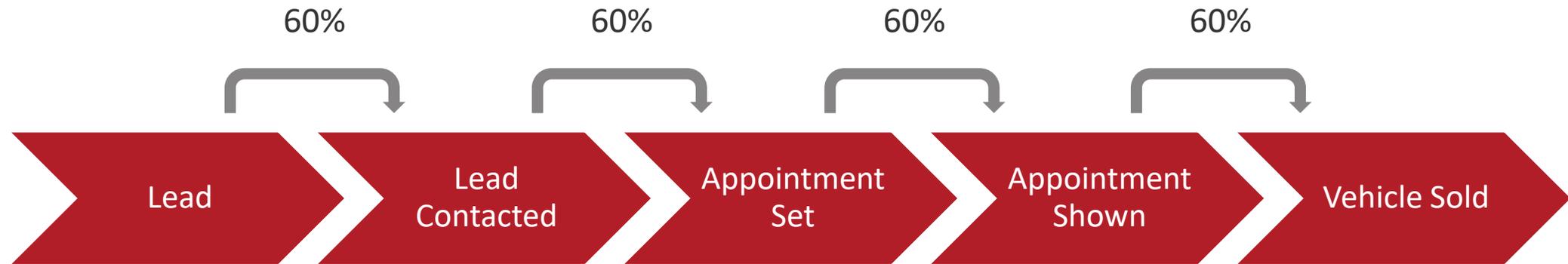
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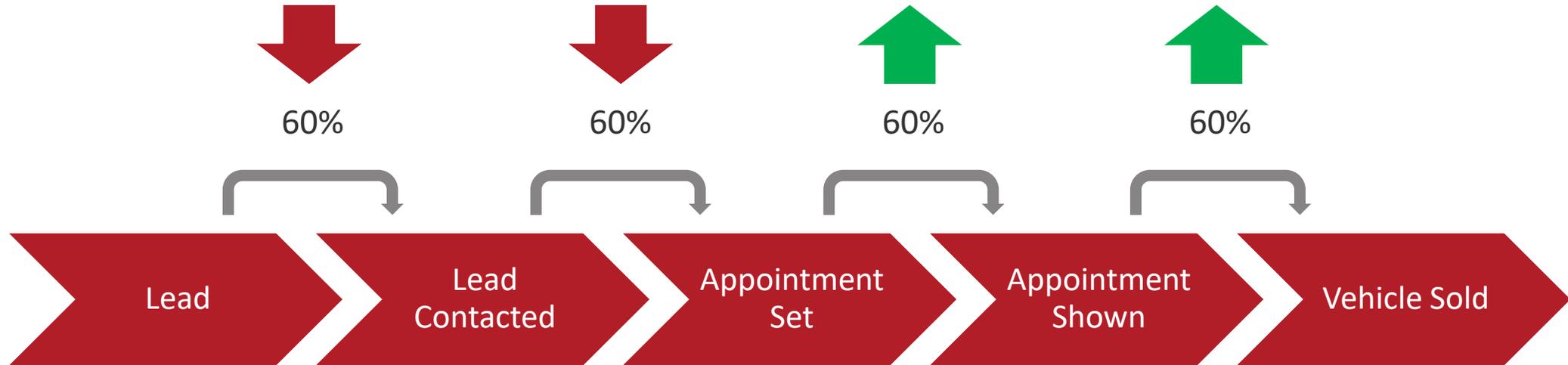
What **purchase demand** metrics can I measure and put in processes to sell more vehicles?

The traditional 4 x 60% lead to vehicle sold ratio has changed during the COVID-19 situation



~13% Lead to Vehicle Sold Ratio

Lead to Lead Contacted has been decreasing



Daily proper measurement by BDR is key to understanding your sales process

Strategy for changing closing ratio in COVID-19 environment

Lead to Contact

- Consistently go through CRM and make sure all phone calls and internet leads are recorded and handled properly

Contact to Appointment Set

- Have a standardized script so that everyone is working in a consistent manner and asking the right questions to make quality appointments

Appointment Set to Shown

- Management intervention prior to the appointment to verify appointment with the customer and understand what their needs and wants are

Appointment Shown to Sold

- Prior to customer arriving be ready and have car available with hangtag identified for them with all their pertinent information available so that feel like a VIP



Questions?

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