

Right Car. Right Offer. Right Customer.

Keys to Personalized Marketing on Dealer Websites



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Section 1: Personalization in Automotive eCommerce Today

Personalization in Automotive eCommerce Today

In the retail world, "personalization" has long been core to any successful marketing strategy. By adjusting the retail experience to cater to a shopper's specific needs or desires, brands can create a sense of responsive connection with their consumers. Dealer website personalization has made it possible to extend this approach to the automotive digital marketing experience.

As anyone who has ever browsed the "recommended for you" section of Amazon knows, the benefits are clear: curated shopping experiences drive customer convenience and shoppers find relevant merchandise faster; both are keys to building great brand loyalty.

In the automotive space, the prevalence of online vehicle research, as well as the resulting increase in available consumer shopping data, has made it possible for dealers to bring new levels of customization and automation to their digital marketing strategies, with exciting results.

The following sections examine key facets of personalization within automotive eCommerce and its impact on consumer behavior and dealer website performance. Data was gathered from Dealer.com's leading network of dealership websites.



Section 2: Personalization in the Automotive Shopper Journey

Making the Path to Purchase Feel Personal, from Start to Finish

Because the car buying process is so personal to begin with — a vehicle is one of the most significant purchases any consumer will make — auto dealers have long sought to inject more relevance into their sales approach. Top salespeople are experts in guiding shoppers to vehicles that match their unique needs, and delivering a positive, personal client experience. But until recently, most of that interaction was confined to the dealership.

Dealership Website Personalization brings key elements of this experience online. Beyond simply a customized greeting or offer, the most effective personalization will present the most relevant inventory, specials, and incentives to each unique shopper, and carry that experience past the homepage and deeper into the site.

By making it possible for dealers to start the process of "needs analysis" and match the right vehicle to those needs—very often during a customer's first visit to your website—this approach can connect consumers to relevant inventory faster, increasing the chances they'll walk into your showroom with more confidence to buy.

(In fact, when combined with a digital retailing solution, personalization increases the chances that a consumer who walks into your store has already initiated their deal. The net result is less prospecting and more closing, leading to a more efficient, profitable sales process.)

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Section 2: Personalization in the Automotive Shopper Journey

Data, Integration, and Automation: Factors that Drive Automotive Personalization

Effective personalization starts with quality data. Dealers need data they can trust to understand the relevant actions and behaviors of potential customers that will inform the experiences they serve on the website. Leveraging data integrations from trusted sources transforms a consumer's "data trail" across the web into a curated and personalized shopping experience in your virtual showroom.

With nearly 60% of all US franchise dealer websites, Dealer.com partners with two industry leaders to leverage the largest cache of automotive specific customer data: Kelly Blue Book, the leading and most trusted automotive research brand with 21.2 Million unique visitors, as well as Autotrader, the most used third-part listing site by all online buyers with 17.7 Million unique visitors.

This reach gives Dealer.com clients unmatched visibility into the relevant automotive shopping habits and vehicle preferences of millions of car shoppers across two leading platforms, more than any other provider.³

But simply gathering a trove of data is only part of the story. It needs to be relevant and actionable. That's where the third factor, automation, comes in. Applying automation, vast amounts of data is analyzed in real-time to inform the personalized website experience — a process that most dealers would have neither the time nor the capability to achieve on their own.

It's the combination of trusted data, key integrations and automation that creates a handsfree personalization experience for shoppers on dealer websites.

¹ Kelley Blue Book Adobe Analytics, average monthly unique visitors for all platforms, 2017.

² Car Buyer Journey Study, provided by Cox Automotive, 2018.

³ Autotrader Site Activity, Netezza, average monthly unique visitors for all platforms, 2017.



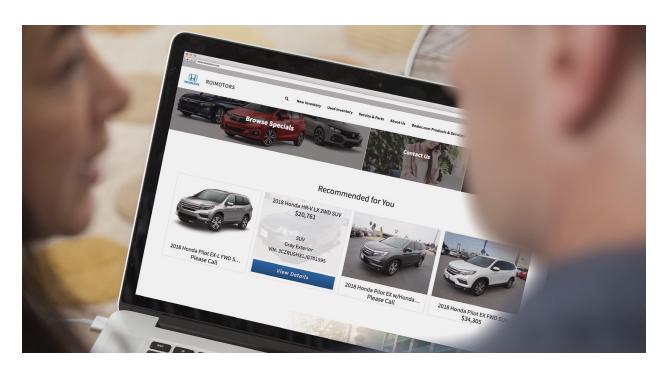
Section 3: Keys to Successful Automotive Personalization

Getting Down to Business: Personalization on the Website

When a potential customer spends time on any of our dealer network or partner sites researching or pricing vehicles, their vehicle and feature preferences are captured—including make, model, pricing, and other vehicle attributes. Dealer.com's personalization technology uses that data in several key places in the shopper journey:

- To serve targeted content (ads, banners and slides) around relevant inventory and specials.
- To deploy assets that support manufacturer offers and incentive programs.
- To present real-time inventory recommendations to shoppers.

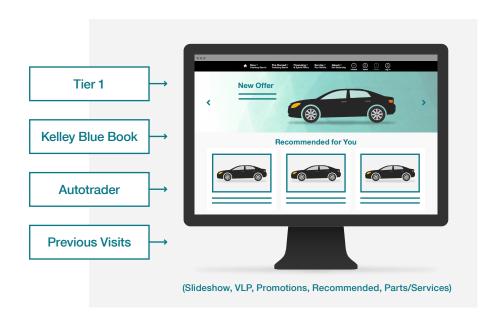
By partnering with a company that handles data collection, partner integration and automation, all of this can be accomplished without any lag time, maximizing its impact.



Dealer.com's Experience Optimization technology serves vehicle recommendations based on shopper preferences and dealer inventory. In addition, relevant specials and offers follow a shopper throughout their website experience.



Section 4: Personalization and Profitability



2-2.5x

More likely to interact with personalized content than generic content

12%

Lead conversion increase when personalized content was served

Personalization and Profitability

The power to track and apply consumer data toward a personalized inventory and specials experience isn't just a technology breakthrough that improves the user experience—it also generates promising results for dealers.

According to the new Dealer.com analysis of 88 rooftops, automotive shoppers who were served personalized experiences on dealer websites got the information they needed faster and completed their vehicle searches more efficiently.

The data shows significant increases in clickthrough rates to vehicle details pages, which indicate a deeper level of engagement in the path to purchase. Shoppers who were served content personalized to their vehicle preferences were 2 to 2.5 times more likely to click on that content versus those who were served generic content.

Dealers also saw a bump in form and phone leads, with lead conversion jumping 12% when personalized content based on past online activity was served.



Section 5: What's Next for Dealers?

The Future of Personalization

Personalization is a powerful tool whose potential is just emerging in the automotive space. Soon, dealers can expect to use customer search and browsing data to form an even deeper understanding of every customer who visits their site, and to integrate this data into their digital marketing strategy, including their digital advertising portfolios.

Dealers will soon be able to leverage algorithms that allow them to capture data from a broader range of sources. This can help dealers better serve their customers by analyzing a wider set of consumer behaviors and using that data to present customers with more nuanced vehicle or feature recommendations.

For instance, if a potential buyer, in addition to looking at specific makes and models, is also looking at articles comparing automotive performance, we will be able to ensure that when a dealer recommends a vehicle, that recommendation is accompanied by engine tech specs as opposed to safety features.

Taken one step further, personalization will also be used to optimize service offerings while building deeper integration with dealer CRM and DMS systems. Since we know, for instance, that a customer has purchased a certain make and model at a certain time, dealers can promote specific service packages throughout the ownership lifecycle.



Section 5: What's Next for Dealers?

Next Steps

Personalization is no longer for booksellers and other online retailers. As our ability to gather and process customer browsing data continues to evolve and expand, personalization has the potential to revolutionize the consumer experience on dealer websites and create profound changes in automotive retailing—possibly as profound as the original migration away from traditional forms of marketing.

To learn more about website personalization, talk with your Dealer.com representative by calling 888.717.9390.

Our Experience Optimization technology leverages data from Kelley Blue Book, Autotrader, some Tier I experiences and previous site visits to serve personalized vehicle recommendations and incentives content to shoppers on dealer websites.