



## **There's a Lot Going On - Are All Your Marketing Dollars in the Same Basket?**

In today's tough economic times your marketing dollars must work harder than ever before. But to make the most of your budget, you must clearly understand which efforts are returning value, and to what extent. The amount of advertising that you place in each advertising medium – direct mail, newspapers, radio, television, online, etc. – should ultimately be determined by what's generating the best results.

The convergence of media and technology makes a strong case for the largest portion of your advertising budget to be spent online. It reminds me of the story about the infamous bank robber Willie Sutton. When asked why he robbed banks he replied, "because that's where the money is." That's the same reason to advertise online – because that's where the customer's are. The *\$64,000 Question* is, just how *do* you allocate your online budget?

Today there are many ways to leverage the Internet to generate quality traffic and convert that traffic into sales. You can choose from a wide variety of marketing options to create your own recipe for success. But in many instances, dealers only look to a few outlets that will reach only a small percentage of Internet customers. Although these outlets may be popular, they also can take the biggest bite out of your marketing budget.

According to ComScore's latest research, there are approximately 67 million unique visitors in the automotive category every month. They estimate that an average of 5.4 M of these visitors go to Autotrader.com and another 3.3M go to Cars.com, two of the most popular sites for dealers to list their vehicles. If we do the math that leaves roughly 58 million people going somewhere else. Although we can't put an exact figure on how many of these "other" 58 million are looking specifically for vehicles we can agree that even if it's a few percent it translates into millions of people.

*Let's briefly examine some of the other ways good operators are leveraging the power of the Internet to outperform their competition.*

Millions of these "other" people are visiting sites that can't afford a Super Bowl commercial but still have lots of visitors and can still help you increase traffic, generate leads and build exposure to your dealership. The key is to be the "big fish in the small pond" – to own your brand in your market on a specific site. You *might* get less leads on these sites, but the average

cost per lead is dramatically less and conversion is usually pretty good. Dealerships are easily picking up additional sales each month by not spending more, but by diversifying their current budget and making it work smarter.

Another “basket” you should *consider* is Search Engine Optimization (SEO) or what I refer to as “search.” Do you know that there are 165,000 people every month that search for “used cars for sale?” The exact term “cars for sale” is searched 246,000 times a month. Give it a try and look what sites come to the first page of Google. When I search those terms not a single dealership is organically on the first page. That’s not surprising because it’s virtually impossible for most dealerships to compete with the large 3<sup>rd</sup> party sites on the most popular search terms. The Internet was supposed to be the “great equalizer” but when it comes to SEO it takes more than chasing algorithms to win. Today SEO is not just about optimization of pages, keywords and link building, but about building your brand and creating an online strategy to win – and many times it’s an expensive strategy. The bottom line with SEO is all about results and return on investment. If you have an in-house employee that is acting as the dealership SEO consultant, keep in mind that you are up against serious competitors who have the resources and the knowledge and usually a much larger optimization/internet marketing budget and any time you miss a beat, your ability to win keywords diminishes exponentially.

I believe that all successful dealerships should utilize SEO to win online traffic, but I caution you that it is very difficult for the little guy to win unless they know what they are doing and are completely committed to their strategy, both monetarily and through continuous SEO education. SEO and not a sprint, it’s a marathon and is a moving target.

I suggest you take a look at balancing organic with paid search. When you searched “cars for sale” did you notice who was buying the sponsored links on the top and right-hand side of the page? Sponsored links are called search engine marketing (SEM) and/or pay per click (PPC). Again, it’s usually other large 3<sup>rd</sup> party sites and a handful of dealerships that “get it”.

Why would 3<sup>rd</sup> party sites pay to come up on the top of the search results page? Obviously they want the lead to sell to progressive dealers that want to outperform their competition and gain market share. Keep in mind, there is a big difference between SEO and PPC. If you can’t win in SEO you can compete in PPC but be careful because PPC has its own advantages and disadvantages. PPC ads are text-only and are completely controlled by the advertiser. You decide which keywords should bring up your ads, you write the copy, and you decide how much you want to pay. And, as the name indicates, you only pay for an ad when someone clicks it and is brought to your site. You should just be prepared to spend a great deal of time (and money) monitoring and adjusting your campaign.

Some dealers have the resources and experience to compete in the world of search engine marketing. Usually those are the same dealers that understand that shoppers are spending hours and hours online researching and visiting independent auto sites before they make their purchasing decision. Fortunately, you don’t have to understand search engine marketing to leverage the power of the Internet. There are many sites that will do the work for you and serve

up interested customers' right to your dealership. These sites generate many leads that result in hundreds of thousands of sales each month. The progressive dealer understands the value of purchasing leads. Purchasing leads is an efficient and cost-effective way to connect to interested buyers. This is another way to increase your new and used car volume and add gross profit to your bottom-line every month.

Getting your dealership and brand in front consumers using social media platforms like Facebook and Twitter are other venues for dealers to leverage to drive traffic and promote their dealership. Dealers used to think that social networks only appealed to college-age students, but now social media has a much broader reach. The social media train is leaving the station but it's not too late to jump on. Having a social media presence is another strategy to market your dealership and interact with your customer base.

There are many ways to leverage the Internet to make extra car deals. Do you understand the basics of online marketing? Is your dealership a "big fish in a small pond?" Are you winning in SEO? Are you playing the PPC game? How many leads have you purchased lately? Are you actively engaged in social media? Are you tracking what works for you and what doesn't? What other strategies are other dealerships executing that are working?

Confused yet? I covered a lot and it may sound confusing but a guy that I used to work for used to always quote Wayne Gretzky, "you have to skate to where the puck is going," he'd say. The crazy thing is that if you think this is where the industry is going you're way too late. It's already there. There's so many ways to allocate your marketing budget in today's online world. I suggest that before you allocate the majority of your advertising budget to any one venue that you continue to learn about these online tools and programs and try them all to see what produces the best results for your dealership.

*Tony French is the president of Automotive Internet Media Inc., an integrated network of highly specialized consumer websites that leverages search engine optimization to drive online traffic. To learn more visit [www.automotiveinternetmedia.com](http://www.automotiveinternetmedia.com)*