

Why Dealership Databases Are the True Holy Grail: A Guide to Evaluate and Strategize for Vendor Accountability



OVERVIEW

Executive Summary	3
The Great Ignored	3
Vendor Assessment Checklist	4
Vendor Accountability	6
Summary	7



Executive Summary

Dealers today are faced with an impossible challenge.

Their growing base of customers become savvier with every VDP researched, review read, and video viewed. Therefore, dealers are expected to meet and exceed increased expectations that industry giants like Amazon, Netflix, and Facebook have already set.

Understanding that today's consumer wants to be known, heard, and see content relevant only to them, balancing a comprehensive marketing strategy has become an overwhelming, unmanageable task where the dealer is expected to deliver on ever-evolving expectations.

The average car shopper today visits 1.6 dealerships¹ in the search for the perfect vehicle. That's because today's car shopper turns to mobile to research models, find deals, and get real-time advice.¹ "Kicking the tires" has changed from a Sunday buyer activity to a 24-7 catered digital experience.

So how do you deliver an unforgettable customer experience to the consumers who have been neglected in your dealership's database?

In this whitepaper, we will explore "*The Great Ignored*" and why it is at your dealership's demise to attempt the enormous task of content personalization without the help of a vendor. We will focus on how to assess vendors, provide strategies for vendor accountability, and recommendations for evaluating the success of vendor products using unbiased third parties.

The Great Ignored

The Great Ignored are consumers that live within a dealership's database that have been lost and forgotten, either by being cast aside to make room for the newest, hottest leads that dealership employees are expected to immediately make feel known, understood, and catered to, or customers who previously purchased but are getting generic communications without the personalization they've come to expect.

These are consumers who receive a service coupon 5 days-post service or invitations to purchase a vehicle when they have shown no intent to buy, while ignored leads have turned 60, 90, 120+ days old. Between them and neglected customers, this is where your low scoring reviews come from, where email blast campaigns perish, and the idea to defect is decided.

There is a "Holy Grail" of missed opportunity that lives within the dealership's database and the key to unlocking those opportunities is creating a 1 to 1 relationship using personalized content. If 6 out of every 10 car shoppers

¹ <https://www.cnbc.com/2014/02/26/americans-rethinking-how-they-buy-cars.html>



enter the market unsure of which car to buy, and we know that digital influences nearly 60% of vehicle purchases² then it is imperative to create a unique experience for each individual in order to drive interest to the dealership.

The good news is that focusing on consumer intention gets results. According to YouTube data, campaigns that use intent-based targeting on mobile devices have 20% higher ad recall, and 50% lift in brand awareness compared to campaigns that only use demographic targeting.³

In other words, people will give you their attention if you can show them you know them.

So, how does a dealership go about finding a vendor that will help them make an unforgettable consumer experience? Is there a way to cut through the noise and find a partner that can liberate the dealer from the pressure of personalization?

Vendor Assessment Checklist

Choosing a marketing vendor can be difficult. The decision to partner with a vendor can have lasting impacts on your budget, dealership image, and overall success in your primary market area. Fortunately, there are a few guidelines you can use as you start to assess your digital marketing needs and find vendors to help you achieve your marketing goals.

Start by defining your dealership with key decision-makers, discuss what are the largest areas for improvement and identify your biggest competitors. Next, take account of your current marketing strategy and assess the effectiveness of each system. This will help prioritize the immediate needs of the dealership.

Now that you have evaluated your current marketing strategy, it is time to research vendor options, watch demos, ask questions about the products, and request referrals. As you evaluate vendors, be ready to discuss strategies the dealership has tried in the past and why they failed.

When shopping for a new marketing vendor it is best to come prepared with questions to see if that vendor is the right partner for your dealership. So, go ahead and play 20 questions!

Here is a sample of questions to ask during a vendor assessment:

1. How long has your company been in the market?
2. How long has the product of interest been in the market?
3. What, if any, certifications do they hold? (Example: Are they Reynolds and Reynolds certified? Is this vendor Co-op approved?)
4. What is the main functionality of the product/s? And how does it perform this task?

² [Automotive Shopper Path to Purchase, Millward Brown Digital and Polk, September 2015](#)

³ [Google Brand Lift Targeting Analysis October 2016 - March 2017, Global, Smartphone, numbers shown represent relative difference between additive lifts of intent-targeted and demo-targeted campaigns.](#)



5. What will the experience look like for the dealership's consumers?
6. What is the standard set-up process for the product?
7. Will there be requirements the dealership team will need to perform during set-up?
If yes, what are they?
8. What level of access, if any, is required to a dealership's systems? Are NDA's provided?
9. What is the ramp-up period for the product and when can the dealership expect results?
10. Are their periodic system updates? Are they done automatically and are they tested?
Will the dealership be notified?
11. Is the system secured by unique user-ids and passwords?
12. Will the vendor's system integrate with current systems the dealership uses? If yes, what does that set-up process include?
13. Does the vendor have its own development staff? If so, how many?
14. Will the dealership work with a single point of contact or multiple contacts? How often will contacts change? Are they trained in Google Analytics reporting?
15. Is the vendor willing to provide in-person training for dealership staff?
16. How labor intensive is product training?
17. How much supervision does the vendor's product require by dealership staff?
18. What is the average ROI for a dealership that has used the product for 6 months? 1 year? 3 years?
19. What kind of reporting does the vendor provide?
20. Is the vendor willing to review results compared to a third-party? (i.e., Google Analytics.)

Once all questions have been answered and there is agreement among decision makers, it is time to agree to terms and launch the product.

Next, evaluate the initial success of the product by reviewing provided vendor reports and cross reference results with original goals set at the time of launch.

But why stop there?



Vendor Accountability



As a budget owner and marketer, you want to see what your consumers have done with the vendor's product, how they interacted with it, and if the product has met or exceeded expectations. Google Analytics has become the private investigator dealers didn't know they needed and in most cases already have. GA can tell you a story about your vendors and gives dealers the power of an unbiased third-party to evaluate individual vendor performance.

In fact, 86% of companies use Google Analytics to report on website traffic, conversion KPI's, and evaluate their user experience.⁴

There are countless opportunities to educate oneself on the inner workings of GA, and it is as simple as a quick Google search, pun intended. There are a few categories dealers can use to their advantage right away when becoming familiar with GA. Specifically, *time on site*, *pages per session*, and *bounce rate*.

⁴ <https://www.brafton.com/news/56-percent-of-companies-use-google-analytics-do-you/>

Before these three metrics become the singular focal point used for assessing vendors, make sure to ask yourself, “What did I hire this vendor to do?” Each vendor you hire will have a different area of expertise, and while the mentioned metrics are great ways to start understanding their overall effectiveness, make sure to take the functionality of the product into consideration while going through your assessment process.

For example, *bounce rate*. A bounce is generally considered a negative when it comes to Google Analytics, but this is not always the case. If a dealership vendor sends a dynamic communication to a consumer, that consumer clicks on the communication, is directed to CONTACT US, then is immediately directed to the Google Maps app, this path would populate as a bounce. However, the vendor has met the expectation the dealer requested, to drive more traffic to the store. See the difference?

Let’s take it one step further with UTM tagging and tracking. A UTM code is a simple code that you can attach to a customer URL to track a source, medium, and campaign name. This enables GA to tell you where searchers came from as well as what campaign directed the shopper to your dealership website.

UTM tagging and tracking has become widely accepted across many vendors and agencies in the automotive marketplace. This helps standardize reporting details so dealers can more easily understand vendor performance data in GA and across their various traffic sources and campaigns.

The key to growth with reaching *The Great Ignored* at your dealership is understanding them, and that starts with data, some of which might already be at your fingertips with Google Analytics. By understanding the data, you learn where the most traffic is coming from to determine which of your marketing endeavors are being the most effective, better informing you to increase engagement with consumers the way they want to be communicated with.

Summary

Dealers today face an incredibly intimidating challenge. *The Great Ignored* that live within your databases expect customized, tailored communications relevant to their exact stage in their purchase lifecycle with no exceptions. Now more than ever dealers have incredible digital programs available to them that create an unforgettable experience to help prove they hold consumer interest in the highest regard – you just need to find the right ones for you and hold them accountable.

Make sure to define your goals with key decision-makers as you start to assess vendors and prioritize immediate needs by building rapport and transparency with them. Clarity is key in the early stages of assessment, specifically around what your dealership has tried and canceled, and understanding the methodology around each vendor’s influence-to-sale.

Finally, use a third party like Google Analytics to your advantage to optimize your marketing spend and hold vendors accountable over time. Challenge your marketing team to seek out simple GA education to discern how categories like *bounce rate*, *time on site*, and *pages per session* can shed light on vendor effectiveness.



Arming yourself with a little education will ultimately help your dealership find the best vendor partners for your needs and keep you confident in holding them accountable to the agreed upon goals. This ensures that no consumer, whether net new or a legacy customer, will become *The Great Ignored*.

ABOUT OUTSELL

Outsell drives more revenue for auto dealers by keeping them in front of customers and prospects throughout their individual lifecycles. Using automated marketing communications across channels, Outsell's proprietary technology helps dealers optimize and merchandize their VDPs and tip them off when consumers are most ready to engage, buy, or service – helping them retain more customers and attract new ones. The Outsell marketing platform manages millions of interactions every month for dealers representing all major automotive brands.

