

# Omni Channel Marketing

SMARTCAST  
GLOBAL™

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## What can the Dealers do when Car Buyers refuse to meet with Sales Representatives?

The US automotive retail industry has seen many changes in marketing efforts with the introduction of digital marketing, social media, and changes in the retail sales environment. As a result, marketing and sales activities from dealership sales representatives have been greatly challenged.

Automotive sales representatives are typically rated against a number of factors for salary and promotion consideration. It may range from the number of cars sold, the number of sales leads they engage with, to the quality of care and service they provide. In other words, the sales reps must meet a diversifying set of key performance indicators to get paid and advance. With the reduction in engagement time, this directly impact how the sales reps operate.

Car buyers are typically reluctant to speak with dealership sales representatives due to the lack of trust in the process. With Internet access readily available, consumers are now conducting their own research and relying more on opinions online before heading out to make their final purchasing decision. Potential vehicle buyers are preferring to complete their research on the Internet before visiting dealerships to complete their car buying transactions. In a Polk Insight 2014 Automotive Buyer Influence Study, 75% of new auto purchasers' research time is spent online. According to other studies from Polk and Google, 90% of today's auto shoppers start their research online. More than 50% of car buyers said the Internet lead them to the dealership from which they purchased their vehicle. Another Google study further revealed that the vehicle buyers are only visiting 1.6 dealerships now as compared to two new and three used dealers to search for a deal in 2005. This change in consumer habit further reduces the already low engagement time between the car buyers and the dealer's sales reps.

## Changing Consumers Needs

Of late, we have observed a shift in consumers' needs from vehicle-centric to ownership-centric. The latter model focuses on the vehicle ownership experience instead of merely focusing on the car alone. More specifically, vehicle buyers are looking beyond the vehicle's features and capabilities to ensure that they have the best deal throughout the car ownership experience. This includes ensuring the right financing and insurance package, the right after-sale service package and a good resale value.

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As such, the present day consumers' vehicle buying needs cannot be fulfilled by a sales force alone. Dealership owners and managers must consider all facets from the sales rep to a multi department approach including marketing, F&I and after-sales services. With this in mind, how can a dealer design a comprehensive marketing, sales and after-sales packages covering all aspects of the car ownership to enable the sales reps to engage the vehicle buyers more effectively?

Triggered by the above changes, many of the dealers must re-evaluate their consumer engagement approach. The automotive dealers must ask themselves:

- What are you doing to meet the evolving needs of the consumers?
- How do you adapt to decreasing interaction time between the consumers and the sales reps?
- How do you change your customer engagement approach to meet these changes?

## Consumer Engagement

As face-to-face interactions between consumers and sales reps decline, it becomes necessary for the dealers to consider mixed channels for communication and marketing. Investing in digital solutions – the use of web, mobile, social networks, wireless devices, and dealership portals – can play a role in liaising with technology-savvy consumers. However, with the huge number of websites and portals on the internet today, how can a dealer differentiate to enable it to stand out in the digital world?

Traditional Media including TV, Radio and Print used to be the main advertising and promotion platform for the dealers. However, they have gradually been replaced by Digital Media with the dealers. Thus redirecting most of their advertising dollars to digital advertising to adapt to the changes in consumer habits. Traditional Media's spending are starting to decline and frequently considered additive rather than genuine alternatives given the lack of ability to measure their effectiveness.

Digital Media despite its increasing dollars as an advertising medium comes with its own challenges as well. To engage the consumers, the dealer must ensure that the consumer is aware of the Dealer's existence amongst the huge number of websites in the digital world – this is a challenging task. Digital Media strategies today are based primarily on the execution of Search Engine Optimization (SEO) organic growth, Search Engine Marketing (SEM) buying of key word searches in an adversarial auction style market place which is dictated

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by the highest bidder. Models are based off relevancy and frequency, whatever word(s) are put into the search browser, the listings that come up organically are those which most closely match those words and the most frequently visited sites. Along with the organic listing are the paid listings; those companies who bid the highest dollar value for rights to those specified words in specific geographical location. Internet Search Companies such as Google and Yahoo change their logarithm formulas on a consistent basis ensuring a revenue stream based off of the auction styled pay to play model. As such, to engage the potential car buyers, the dealer will need to spend more marketing dollars on SEO and SEM but not necessarily achieving the desired results. Are there more effective ways?

## Omni-Channel Marketing

As opposed to Multi-Channel Marketing where advertisers use the various marketing channels available independently, Omni-Channel Marketing is a seamless approach where all available channels including mobile Internet devices, computers, TV, radio, direct mail and so on are used in a seamless and interconnected way. However, due to the lack of ability to attribute advertisement dollars spent on Traditional Media, advertisers are preferring Digital Media with the ability to quantify their investment.

## Reach Tells / Frequency Sells

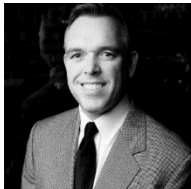
A solution for consideration is the **SmartCasting** approach that utilizes Traditional Media to reach potential vehicle buyers and direct them to online promotion website with incentives encouraging the consumers to visit the physical dealer. **SmartCasting** Media Strategy redefines the role of Traditional Mass Media - no longer do we attempt to deliver a call to action or brand message with expensive :30 sec TV, :60 seconds Radio or full page, color newspaper display advertising; instead **SmartCasting** uses Traditional Media to deliver a compelling reason with more effective :5, :10, :15 seconds spots on why a demographic specific, in market buyer, needs to go to the identified promotion website. Once the consumer arrives at the promotional URL, they are automatically engaged by a deliberate, emotional video message that defines and differentiates the campaign's unique selling proposition culminating with a call to action. All done on the web 24 hrs a day, 7 days a week, 365 days a year. By integrating the use of both Traditional and Digital Media, the advertisers is able to engage the consumers more effectively in a true

Omni-marketing strategy. More importantly, **SmartCasting** Media Strategy provides the ability to attribute sales leads and sales by media type including Traditional Media enabling the advertisers to compute Return of Investments (ROI) for each marketing dollar spent and to allocate their marketing budget more effectively. This will be the next wave in consumers' engagement!

## The future

With the changing consumer habits in the new generation who are highly tech-savvy, will alternative channels particularly of the digital kind actually replace face-to-face selling at the dealer's location? Will a tipping point be reached? That is a question that can only be answered tomorrow.

In today's market place, the battle being waged is for quantitative consumer data based off behavioural trends of the consumer and their media consumption habits. The companies that are able to effectively identify media consumption habits, craft and deliver a call to action message with emotion and speed will be the leaders of tomorrow.



**Rob Mudd, CEO at SmartCast Global – Integrated Media Executive & Speaker**

For more than 20 years, Rob (Robert) Mudd has been integral in implementing revolutionary advertising solutions for thousands of Mudd Advertising clients nationwide. Rob worked his way through every position in the family business and became the lead speaker in the automotive advertising space for the business and remains a loyal ambassador as a Board Member to Mudd Advertising

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