



Tiff Arcella

**Director of Sales, National
Accounts & West Division**

Stop wasting money on valuable opportunities:

How to optimize your 3rd
party lead program and sell
more cars

Topics

- Current state of the consumer
- How to select a 3rd party lead provider
- How to optimize 3rd party lead programs
- Best practices for lead follow up

Who is Dealix?

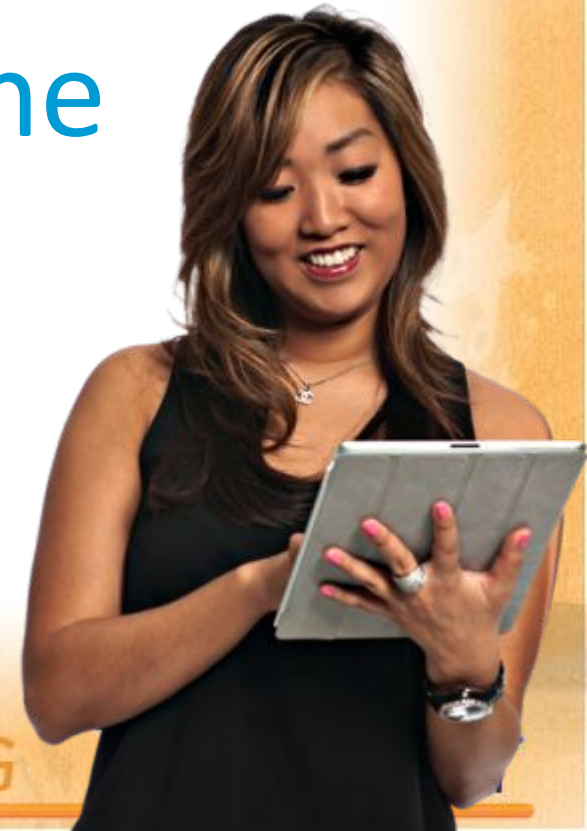
- Founded in 1997
- Headquartered in Redwood City, CA with offices in Cambridge, MA
- A business unit of ADP Dealer Services
- Own and operate UsedCars.com
- Largest Network of Partners across the Independent Internet
- Merged with Autotegrity 2014

- Silicon Valley pioneer in generating quality leads to Dealers
- Trusted Partner: **Awarded #1** in **dealer satisfaction** (by Dealers) on DrivingSales.com 5 years in a row
- **Largest reach** of any advertising partner: **33 million unique** (New Car) and **22 million unique** (Used Car)
- Proprietary predictive technology to guide consumer through the buying journey



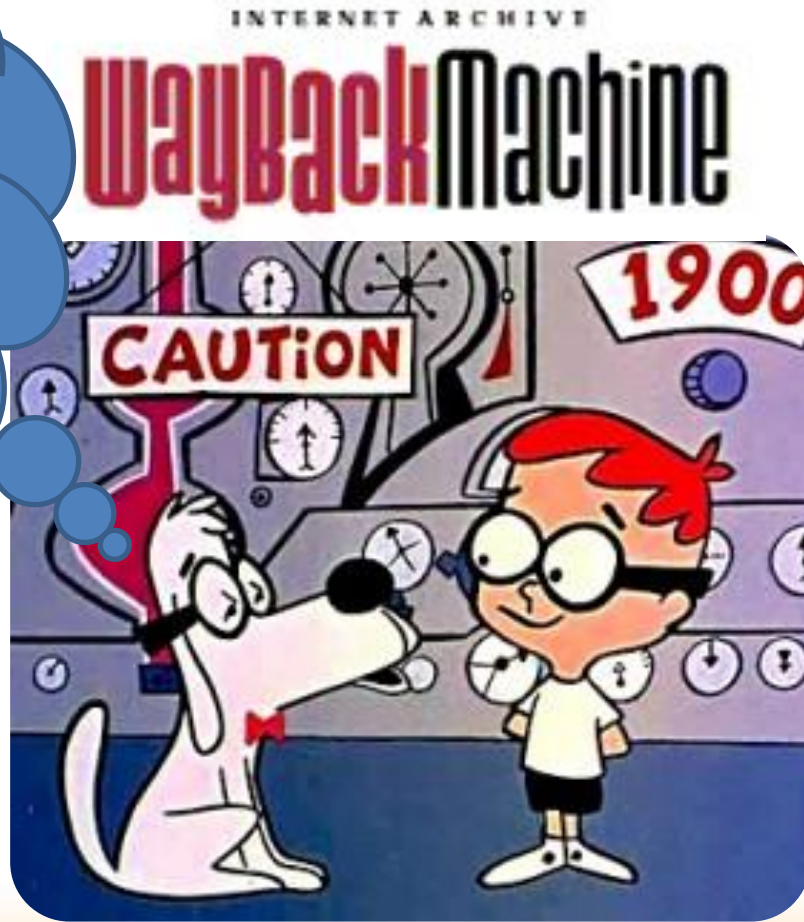
A look at current online car buyer behavior

THEN AND NOW



Let's take a look back

SHERMAN,
LET'S SET THE
DIAL FOR 2002
AND TRY TO
SHOP FOR A
CAR ONLINE



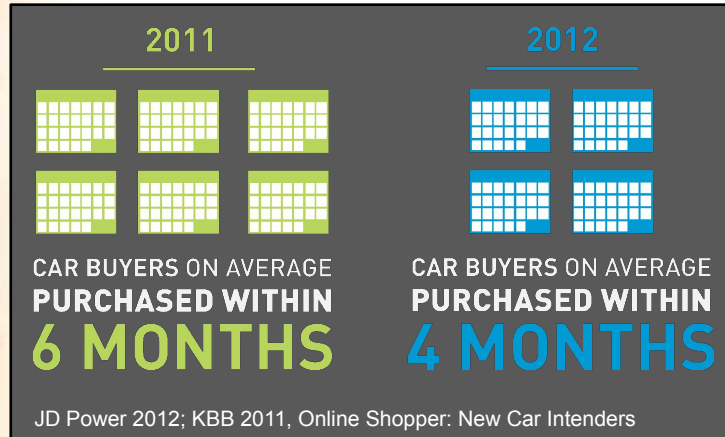
Let's take a look back



You've come a long way, baby!

Car buyer trends

Online car buyers are making purchase decisions faster...



...because so much information is now easily available online.



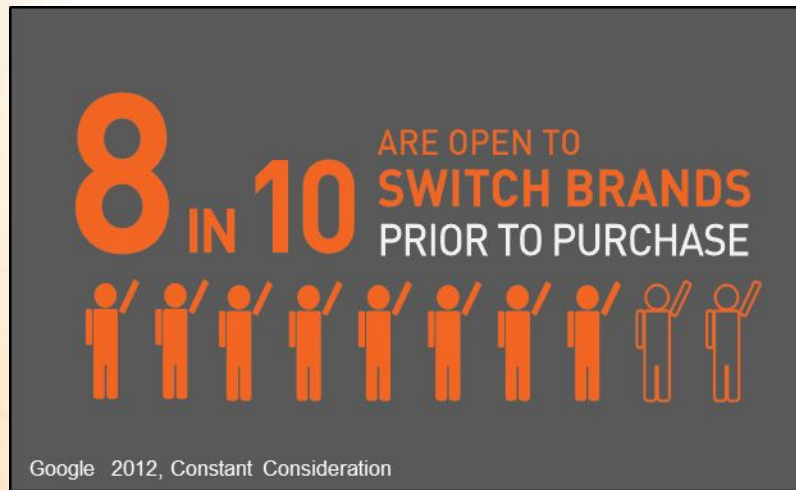
Information gathering is expensive because no single site covers everything.



But independent auto sites are valued the most for their objectivity.



Brand and Model choice can be influenced during the buying process



Google 2012, Constant Consideration

Internet Sales **20** Group



Dealix®
#IS20G

An ADP Company

TRUECar

Buyers are choosing less dealers to visit and don't visit until right before they purchase

4 IN 10 VISIT A DEALERSHIP
IN THE FINAL WEEK
BEFORE PURCHASE



AND

2005
4.5
VISITS



>

2012
1.4
VISITS



JD Power 2012, Sales Satisfaction Index (SSI) Study
Cap Gemini 2012, My Car, My Way

Internet Sales **20** Group



#IS20G

TRUECar

So, how does this information fit
into your overall digital marketing
strategy?

Let's get real



Internet Sales **20** Group



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TRUECar

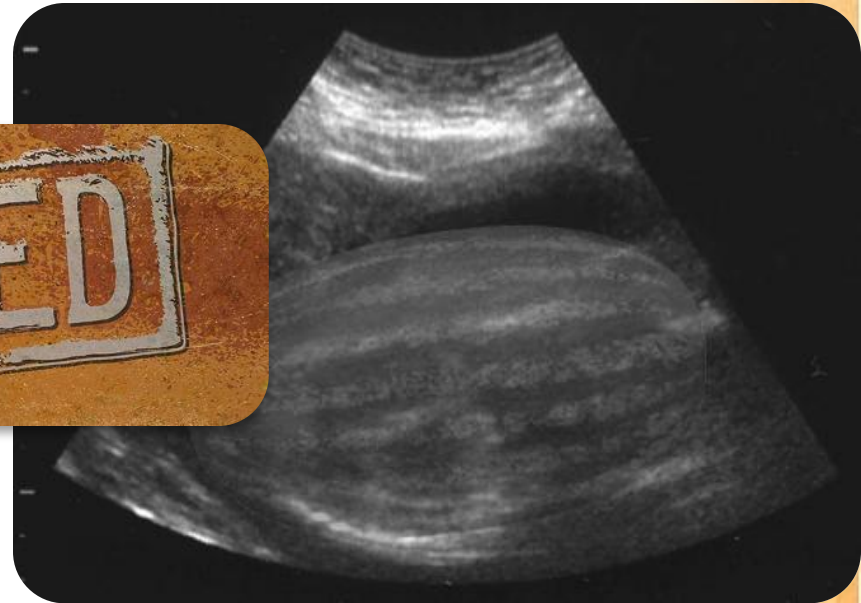
Some myths are not myths at all



But, let's face it most are



BUSTED



Top 5 myths about lead partners

1. 3rd party lead companies are dying
2. Nobody fills in lead forms anymore
3. If they do, all they want is a price
4. The lead information is bogus
5. 3rd party lead providers resell leads to multiple dealers, and recycle consumers

Top 5 myths busted

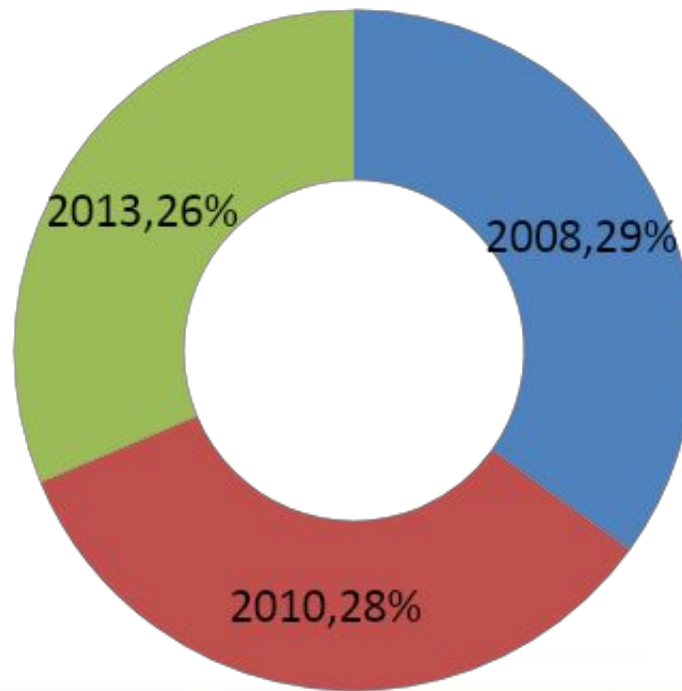
Myth #1: 3rd party lead companies are dying



Top 5 myths busted

Myth #2 Nobody fills in lead forms anymore

TRUTH: Lead form activity has remained consistent, decreasing only 2 points since 2008 to **over 26%**



Source: JD Power, New Auto Shopper Study, 2013

Top 5 myths busted

Myth #3: If they do, all they want is a price

TRUTH: A consumer that fills in a lead form is an opportunity, answer their questions, **YES**, including **PRICE**, and they will reward you with their business.

op·por·tu·ni·ty

/ˌäpərˈt(y)oonitē/ 🔊

noun

1. a set of circumstances that makes it possible to do something.

"we may see increased **opportunities** for export"

synonyms: chance, lucky chance, favorable time/opportunity/moment, time, right set of circumstances, occasion, moment, opening, option, window (of opportunity), turn, go, possibility; More

Top 5 myths busted

Myth #4: The lead information is bogus

- **TRUTH: Quality leads are our top priority.**
- Every lead is instantaneously “scored” against the nation’s telephone databases, plus our own proprietary knowledgebase.
- Shoppers past history is matched to exclude any consumer that has put in a lead form in the last 30 days.
- Dealix backs their leads with a “Quality Pledge” to ensure any errant leads that don’t meet stringent requirements are returnable for a new opportunity.



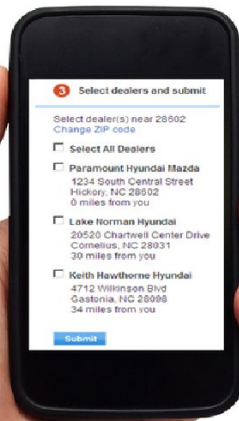
Did you know?

The “Scrubbing process eliminates Approximately 25% of all lead forms

Source: Dealix Platform Study

Top 5 myths busted

Myth #5: 3rd party lead providers resell leads to multiple dealers



TRUTH: Lead forms are consumer select

- Consumers select the amount of dealers to be contacted by. On the Dealix network, that number is

only **1.5 dealers**

Now that you know...How to create a winning strategy

Selecting the right advertising vendor
for your dealership

How to assess independent internet lead providers

- **Key questions:**

1. What volume of traffic/exposure will the partner bring to my dealership?
2. How is the “shopping” experience for both the shopper and my dealership?
3. How customizable is the program? Can they accurately estimate sales opportunities? Can they scale as my needs change?
4. How much real time insight do I get with my advertising / lead program?
5. What are their business terms?
6. What is the reputation of the partner?

How much exposure do they offer

- How many “Unique Visitors” consistently visit the Partner’s web site(s)?
- Can they prove it? What metrics are they using?
- Will they put that information into terms that I can understand? About my market?
- How easy is it to find me on top 3rd party sites?



How easy is it for the shopper to find me on sites that get A LOT of traffic?

AOL

3 Select dealers and submit

Select dealer(s) near 28602
Change ZIP code

- ☐ Select All Dealers
- ☐ Paramount Hyundai Mazda
1234 South Central Street
Hickory, NC 28602
0 miles from you
- ☐ Lake Norman Hyundai
20520 Chartwell Center Drive
Cornelius, NC 28031
30 miles from you
- ☐ Keith Hawthorne Hyundai
4712 Wilkinson Blvd
Gastonia, NC 28098
34 miles from you
- ☐ Bob King Mazda Hyundai
1601 Silas Creek Parkway
Winston-Salem, NC 27127
66 miles from you

Submit



NADA Guides

Step 3 - Select up to Four Dealers

Select All

- ☒ Paramount Hyundai Mazda
1234 South Central Street
Hickory, NC 28602
Distance: 0 miles
- ☒ Lake Norman Hyundai
20520 Chartwell Center Drive
Cornelius, NC 28031
Distance: 30 miles
- ☐ Keith Hawthorne Hyundai
4712 Wilkinson Blvd
Gastonia, NC 28098
Distance: 34 miles

Click Here to Get Price Quotes >>



STEP 3 Select dealer(s)

Select All

- ☒ Paramount Hyundai Mazda
1234 South Central Street
Hickory, NC 28602
Distance: 0 miles
- ☒ Lake Norman Hyundai
20520 Chartwell Center Drive
Cornelius, NC 28031
Distance: 30 miles
- ☐ Keith Hawthorne Hyundai
4712 Wilkinson Blvd
Gastonia, NC 28098
Distance: 34 miles
- ☐ Bob King Mazda Hyundai
1601 Silas Creek Parkway
Winston-Salem, NC 27127
Distance: 66 miles

Click here to get price quotes >>>

What's the shopping experience like for the consumer?

- Learn how the consumer is guided through the dealer and/or vehicle selection process.
- Does the consumer have control in selecting the car(s) that they want to see (New or Used)? Can they choose the dealer(s) that they want to hear from too?
- Is it easy for the shopper to find the car(s), and the dealer(s) that they are looking for?
- How thorough a job is done to “merchandise” the vehicle?



What are your merchandising options?

usedcars.com

Find a Car Research Best Deals Certified Pre-Owned Find a Dealer Finance & Insurance Advice About Us

Back to Search Results «Previous Car Next Car»

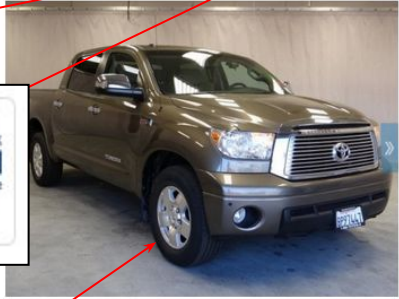
2010 Toyota Tundra CrewMax 5.7L V8 6-Spd AT LTD

\$29,991 53,796 MILES **Best Deal**

↓ REDUCED PRICE

Interested in this car? Contact Premium Seller Today!
Toyota of Sunnyvale
(877) 902-8754

Photos Features Seller's Notes Carfax® Calculator



View Photo Gallery (32) 1/32

Best Deal
This vehicle is priced **\$6,523** below
Kelley Blue Book® suggested retail
price \$34,521

Kelley Blue Book KBB.COM
The Trusted Resource

2010 Toyota Tundra Highlights

Price:	\$29,991
Mileage:	53,796
VIN:	5TFFY5F17AX080843
Stock Number:	EC6671
Exterior Color:	Brown
Interior Color:	Sand Beige
Body Style:	Crew Cab Pickup Truck
Doors:	4
Engine:	5.7L
Transmission:	Automatic

E-mail Premium Seller
Contact Toyota of Sunnyvale
for Pricing and Availability (All fields required)

First Name Last Name
First Name Last Name

E-mail Address
E-mail Address

Phone Number Zip Code
Phone Number Zip

Add Personal Message (optional)

☐ Please let me know about financing

SEND E-MAIL

We care about your privacy. By submitting your request, you agree that you are subject to our Privacy Policy and Terms, and that the dealer(s) selected (or their representatives) may call you using an automated telephone dialing system or automated voice message. Your agreement is not a condition to the purchase of any goods or services.

Premium Seller's Info

Toyota of Sunnyvale
(877) 902-8754

LIVE CHAT
We're Online Now
Click for Chat

1124 W El Camino Real
Sunnyvale CA 94087
13 miles from 94080

Chat Presence
Dennis Velasquez
of Toyota Sunnyvale is available to
answer your questions now!

Click to Chat

Toll-Free
Phone Number

Pre-Calculated
Kelley Blue Book
Savings

Premium Seller
Dealer Badge

Dealer's Name
and Contact Info

Up to 32
vehicle pics

Chat Presence

How easy is it to find my location, and how many cars I have?

Sort listings by:

Results: 5-10 of 25 Dealers

[<< Show Previous 5 Dealers \(1-5\)](#)

A Ernest McCarty Ford Inc
1034 Birmingham Blvd.
Birmingham, AL 35007
0 Miles from Birmingham
[See our 77 listings](#)

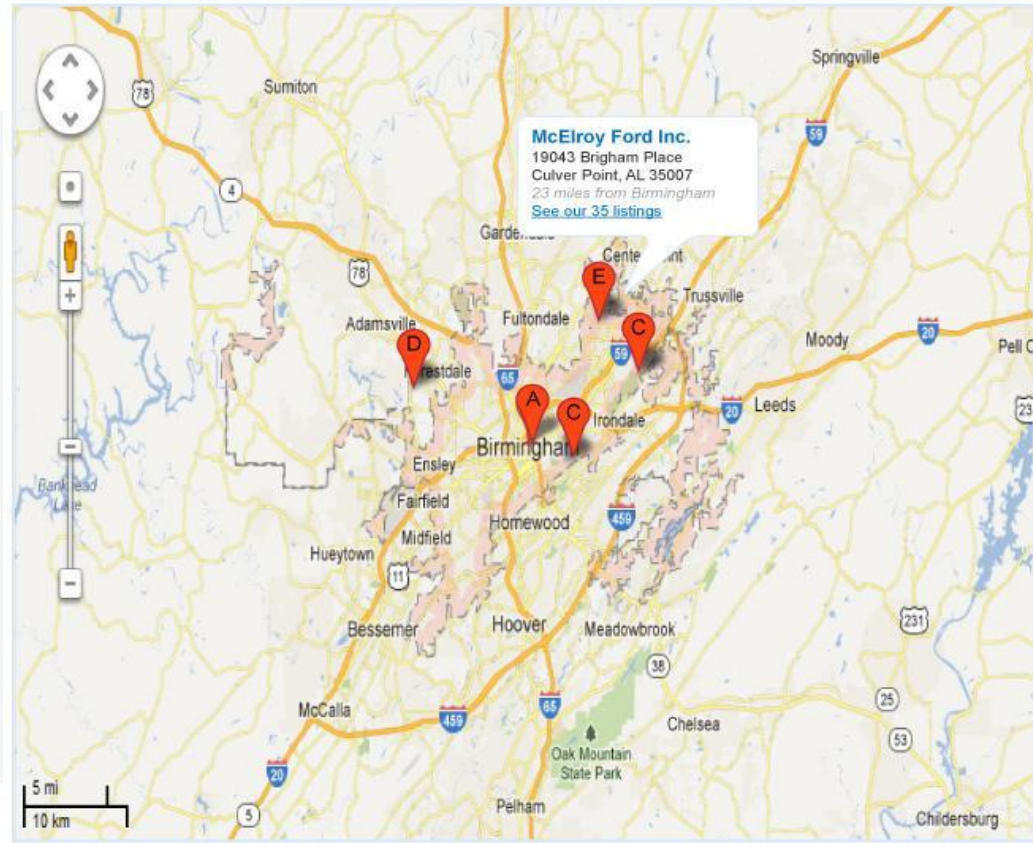
B Joe Junior Ford Inc
2134 Algires Rd.
Birmingham, AL 35007
0 Miles from Birmingham
[See our 23 listings](#)

C McCarty Ford Inc
495 Park Lane
Birmingham, AL 35007
0 Miles from Birmingham
[See our 17 listings](#)

D Troy Ernest Ford Inc
435 Crossett Ave.
Birmingham, AL 35007
0 Miles from Birmingham
[See our 12 listings](#)

E McElroy Ford Inc
19043 Brigham Place
Culver Point, AL 35007
23 Miles from Birmingham
[See our 7 listings](#)

[Show Next 5 Dealers \(11-15\) >>](#)








How good a job is done showing what I have in stock?

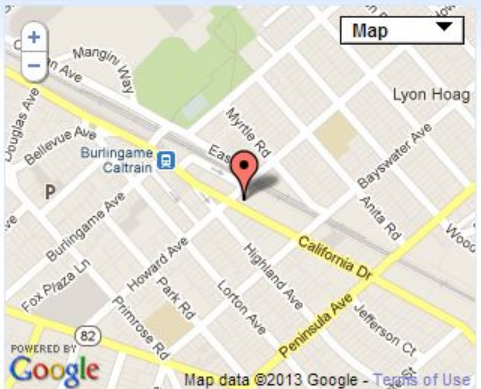
Putnam Buick GMC
100 California Drive
Burlingame, CA 94010
10 miles from 94063
[View Map & Directions](#)

78
Cars in stock
[View All Cars](#)

In Stock at Putnam Buick GMC

	2012 Cadillac Escalade EXT MPG 13/18 Vehicle Details	18,410 Miles	\$57,599
	2011 Chevrolet Tahoe MPG 15/21 Vehicle Details	26,406 Miles	\$43,599
	2011 Cadillac DTS MPG 15/23 Vehicle Details	28,121 Miles	\$31,599
	2012 GMC Acadia MPG 16/23 Vehicle Details	32,797 Miles	\$30,599
	2012 Buick LaCrosse MPG 17/27 Vehicle Details	16,448 Miles	\$28,999

[Recommend](#) 0 [Send](#) [+1](#) 0 [Tweet](#)



Dealers. [Edit your listing](#)

Find a Car
Select a Make:
Select a Model:
Max Price:
Zip Code:
Search for: ☒ Used Cars ☐ Certified Pre-Owned Cars
[FIND MY CAR »](#)

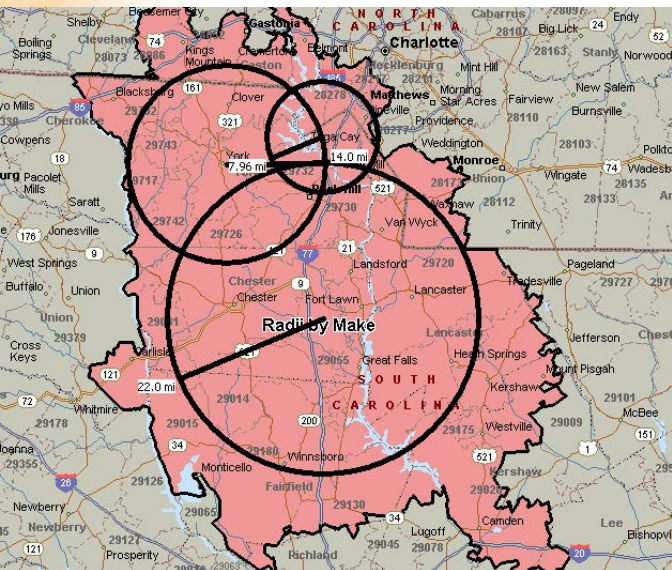
How CUSTOMIZABLE is the program?



- What are the territory configuration options:
 - ✓ Can I build a program for just one model?
 - ✓ Can I design a model-specific program that allows me to select ANY area (*e.g. zip code(s)*, where I'd like to be seen by its online shoppers)?
 - ✓ Can I create a territory that DEFENDS my PMA, AND allows me to selectively CONQUEST in different markets? Can I do this by Model? By Zip Code?
- How frequently can I CHANGE the programs parameters:
 - ✓ the model(s) chosen?
 - ✓ the territories (e.g. zip codes)?
 - ✓ the amount of \$'s that I'm spending?
- Can the partner provide an accurate LEAD ESTIMATE for the program, in territories that I want, over time, FAST?

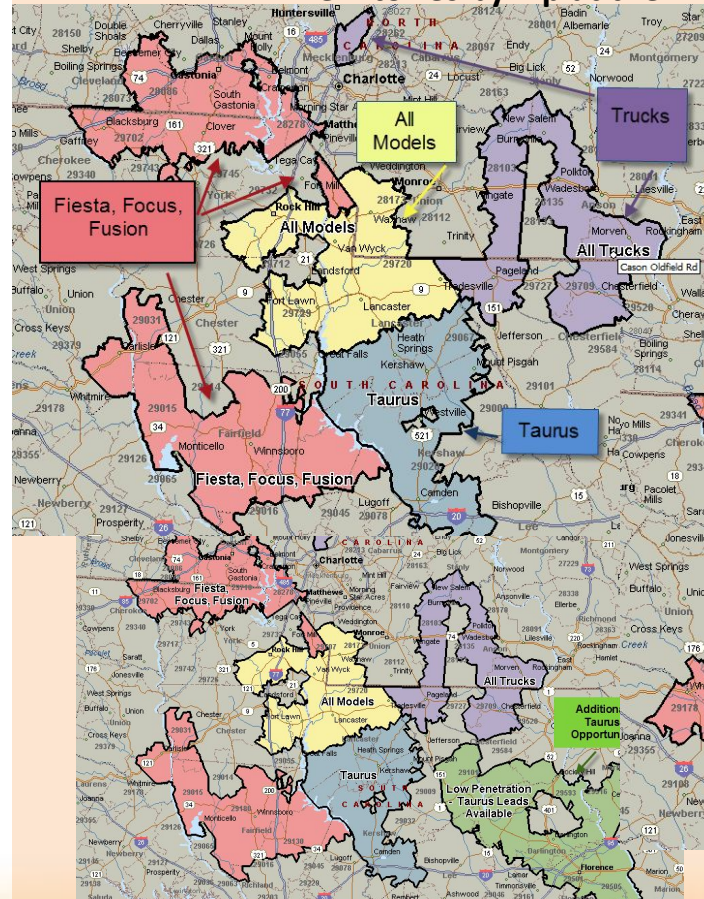
What are the territory configuration options

Territories using a “Radius” around the dealership

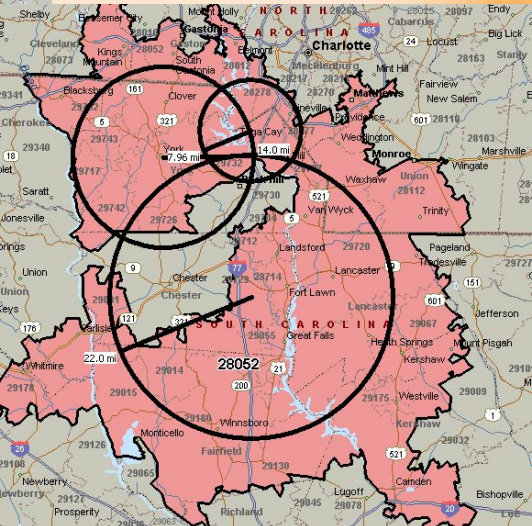


Territories to get into new market areas with unsold opportunities (based on consumer demand) to help you with your conquest marketing strategy.

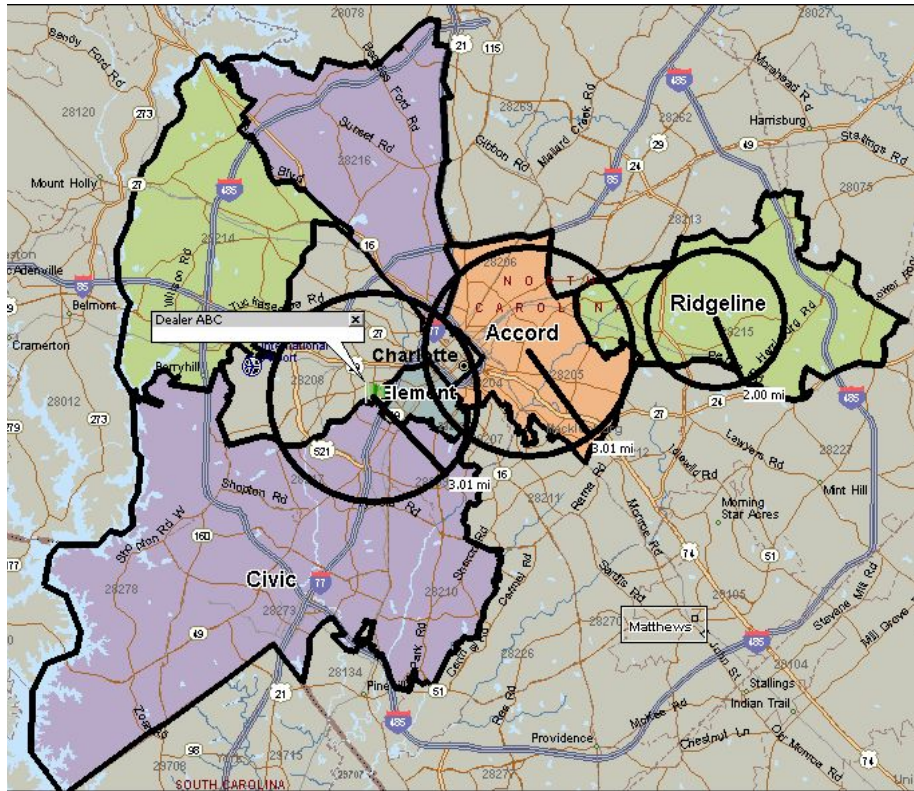
Territories by Zip at the Model Level...



Territories that can EXCLUDE zip codes that you don't want



Can I create unique/different territories for each model?



Can I create a flexible “campaign” that’ll give me maximum control of my investment?

Can I create a **campaign** where I can:

1. Select a specific MODEL(s) to focus on?
2. Market to a precisely defined AREA (e.g. zip code range)?
3. Set a specific amount of TIME for the campaign to run?
4. Set a specific (not to exceed) BUDGET?
5. Set up the campaign to run in addition to my “base” program (e.g. for other models?)



How much key insight do you get and how easy is it to understand?

- Can I get real time insight into how my program is performing for me?
- How relevant, and understandable, is the information to me?
- Will it give me a sense of how I'm doing compared to others in my market

Do I get access to insight and important metrics when I want it?

Reach and Audience Summary for 10/1/2012 - 10/31/2012		Conversion and Advertising Effectiveness for October 2012	
Dealix Network*		Conversion and Advertising Effectiveness Dealix Network*	
Unique Visitors in Your Market	12,250	Search Results to Vehicle Detail Page Conversion	5.17%
Number of Searches in Your Market	18,588	Average Search Results to VDP Conversion in Your Market	5.00%
Number of Search Results in Your Market	188,642	Cost per Vehicle Listed in Search Results	\$.03
Times Your Vehicles Listed in Search Results	20,342	Vehicle Detail Page Views to Leads Conversion	2.85%
Vehicle Detail Page Views of Your Inventory	1,052	Average VDP Views to Leads Conversion in Your Market	2.78%
Full Inventory Views for Your Dealership	16	Cost per Vehicle Detail Page View	\$.57
Emails to a Friend with Your Vehicles	3	Leads for October 2012	
Printouts of Your Vehicles	1		
UsedCars.com Features Summary for 10/1/2012 - 10/31/2012		Lead Type Lead Count	
Vehicle Videos Usedcars.com		Phone Total	5
Percentage of Your Inventory with Video	72%	Phone Billed	5
Number of Times Videos Played for Your Vehicles	10	Email Total	25
Spotlight Ads Usedcars.com		Email Billed	22
Number of Spotlight Impressions for Your Dealership	1,799	Chat Total	15
UsedCars.com Live Dealer Chat Usedcars.com		Chat Billed	3
Percentage of Time Dealer Online and Available to Chat	43%	Billable vs. Total Leads Total Billed Leads: 30	
Number of Detail Page Views with Chat Icon Presented**	452	Total Leads: The total number of leads delivered to your dealership.	
Number of Buyer Chat Requests for Your Vehicles	15	Billable Leads: Leads credited through the Hassle Free Lead Return program are subtracted from the Total Leads, resulting in the quantity of Billable Leads. Chat leads that do not contain an email address or phone number are not Billable.	
Answered Chat Requests	15 (100%)		
Unanswered Chat Requests	0 (0%)		
*Estimated Values			

What are their business terms?

Terms & Conditions

General and special rules and requirements
- abide by in order to use a service
- to specifications

- Do I pay any set-up, or fixed fees for placement on the partners site(s)?
- Can I set a monthly budget, and change it over time?
- What's the partner's pledge to me? Do I pay for just the sales opportunities from the serious, "in market buyers?"
- Am I offered real-time access on a 24/7 basis to get what I've been promised by the partner?

What “pledge” will they make?

- Will you **ONLY** pay for opportunities from the **serious, “in market” buyers?**
- How easy is the process to exchange opportunities that are not from serious, in market buyers?



1. Represent an **in market and motivated buyer**, looking to **buy in the next 90-120 days**
2. Have a **working phone number** – *for the person who submitted the lead.*
3. Originate from an adult– *a person 18 years of age or older.*
4. **Be unique** from another lead delivered by Dealix, or received from another source, in the past 30 days. This **includes** leads from your own website.

What's their reputation with other Dealers?

- How long have they been in business?
- What's their reputation? What do other dealers say about them?
- Is there a place where I can find this out on a real time basis?

Who you work with matters...



Dealix®

Awards Received For: Dealix New Car Leads and UsedCars.com



Internet Sales **20** Group



#IS20G

TRUECar

Resources for vendor reputation

When in doubt, ask another dealer...

DrivingSales.com

Drivingsales™ BETA Community **★ Vendor Ratings (16,639)**

Ratings Home Categories (35) ▾ Rate a Vendor ▾ About Vendor Ratings ▾






Vendor Ratings ▸ Used Car Advertising

★ Used Car Advertising ▾
49 Vendors Rated 415 times by Verified Dealers

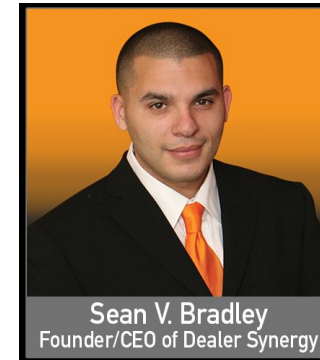
These consumer-facing websites allow you to display your inventory to in-market consumers. They make huge media buys to attract customers to your inventory, and to increase your walk-in, phone and web leads.

FILTER BY ▾

Results from April 1, 2013 – April 1, 2014.

 Dealix usedcars.com	UsedCars.com by Dealix Corp. (650) 599-5500	 23 Ratings by 22 Dealerships 96% Recommended Rate This Product
	Cars.com Online Advertising by Cars.com 800-298-1460	 9 Ratings by 9 Dealerships 78% Recommended Rate This Product
Used Car Advertising by AutoTrader.com Phone # Not Available		 5 Ratings by 5 Dealerships 40% Recommended Rate This Product

Or a trusted expert!



by Business Development Representative ✓

Recommended:

Yes, I would recommend this product.

Pros:

An EXCELLENT source of vehicle leads. Very important in the highly competitive vehicle industry. Their representatives are both friendly and knowledgeable and the service they provide is invaluable. Always available to answer any questions or concerns. A definite "cannot do without!"

Cons:

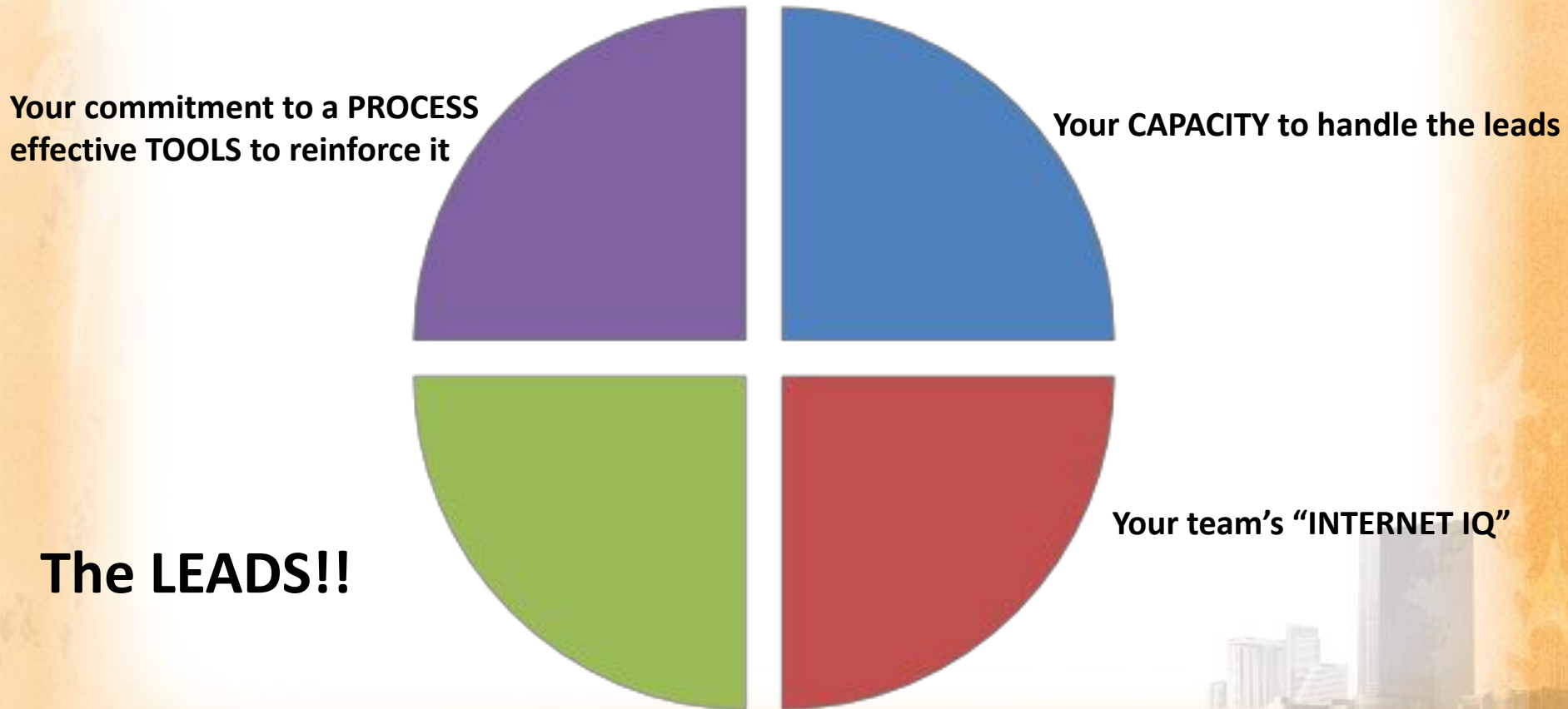
None provided

BEST PRACTICES

Getting the most from your third party leads program

Process is the key to lead handling success

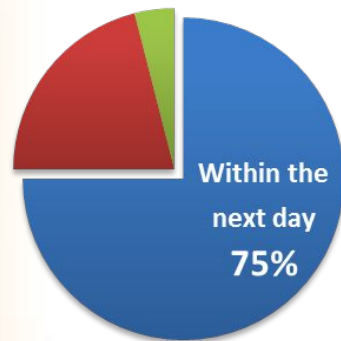
How much do LEADS vs. how YOU handle them impact your success with the partner?



Follow-up Determines Buyer Engagement

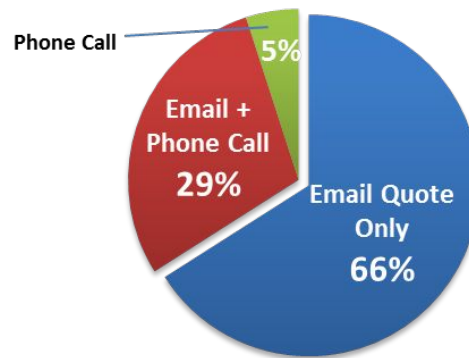
- Follow-up by next day is OK – but buyer question(s) must be answered.
 - Preference for email-only follow-up with price
 - Dealers who respond within reasonable time frame greatly increase likelihood of getting vehicle buyer into dealership
 - One-quarter of leads did **not** received a follow-up

Price Quote Follow Up
Timing Expectation



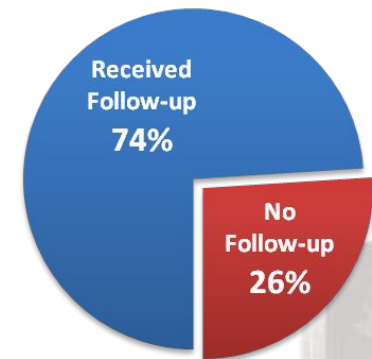
Q: How soon after you submit an online price quote request do you expect to receive a response from dealer?

Preferred Response Method From Dealer



Q: After submitting a price quote request, what type of response do you prefer from the dealer

Price Quote Request Experience



Q: Did you receive a price quote for the vehicle or which you submitted a request?

Leads still at test drive stage

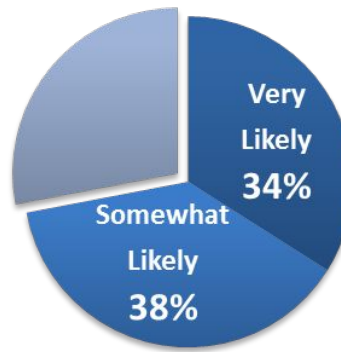
- Three-quarters of leads have not yet completed a test drive.
 - More than half have not even scheduled a test drive
- Dealer follow-up influences decision to take test drive.
 - 72% likely to take test drive after receiving price quote from dealer
- Vehicle buyers don't want to waste time at the test drive stage.
 - Dealers can pull in leads by ensuring vehicle availability and being flexible
 - Transparency will improve dealer reputation and increase buyers' trust

Test Drive Activity
Among Vehicle Buyers



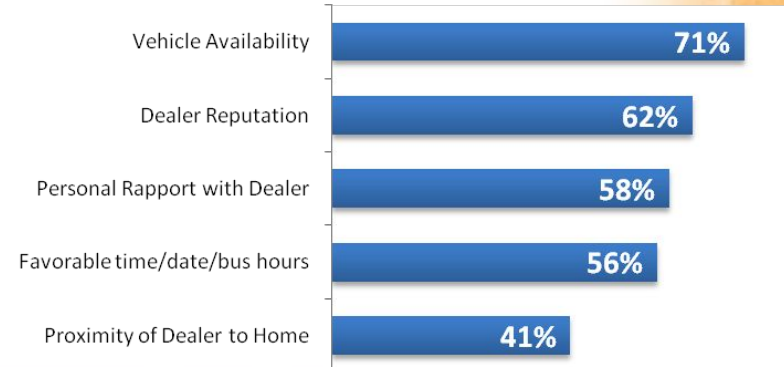
Q: Which best describes your activities regarding the scheduling and/or completing of a test drive?

Likelihood To Schedule Test Drive
W/Dealer Who Responds to Price Quote Request



Q: How likely are you to schedule an appointment with dealer who responds to your request for a quote?

What Influences Buyers to Schedule Test Drive?
Top 2 Box (5-point Influence Rating Scale)



Q: How influential are the following factors regarding your decision to schedule a test drive?

Key takeaways

- **Independent internet sites** and partners are an **essential part** of any dealer's **marketing mix**
- Choose a partner with the volume of traffic and exposure necessary to grow sales
- The shopper experience is important to my brand recognition and reputation
- Without easy to use customization, you may be wasting money and opportunity.
- Who you choose to work with matters: From their business terms to their people.
- Your process matters! Be relentless in creating a thorough lead handling process, based on personas.



Dealix®

An **ADP** Company

THANK YOU!

FOR MORE INFORMATION:

www.dealix.com

Tiff Arcella

Email: tiff.arcella@adp.com

