

Dealix®

An **ADP** Company



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

# Stop wasting money on valuable opportunities:

How to optimize your 3<sup>rd</sup>  
party lead program and sell  
more cars

# Topics

- Current state of the consumer
- How to select a 3<sup>rd</sup> party lead provider
- How to optimize 3<sup>rd</sup> 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 Autoteqtrity 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

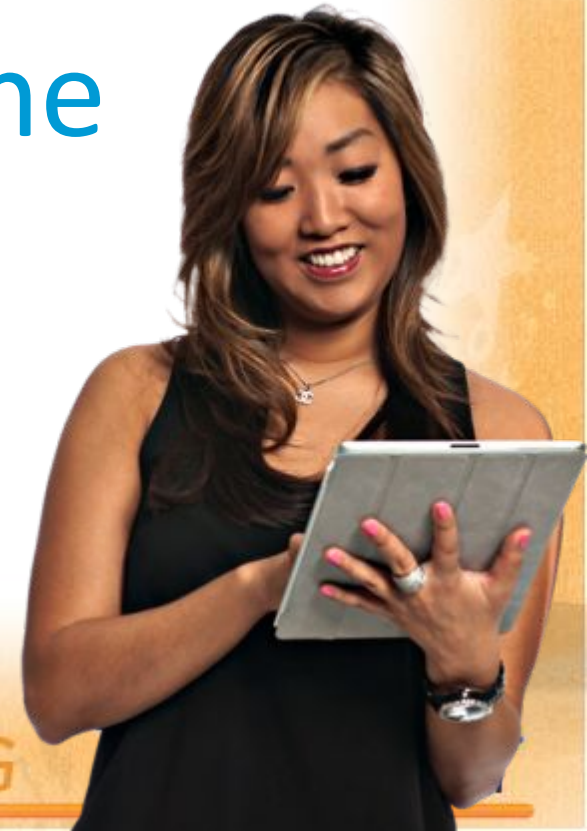


Dealix®

An ADP Company

# A look at current online car buyer behavior

## THEN AND NOW



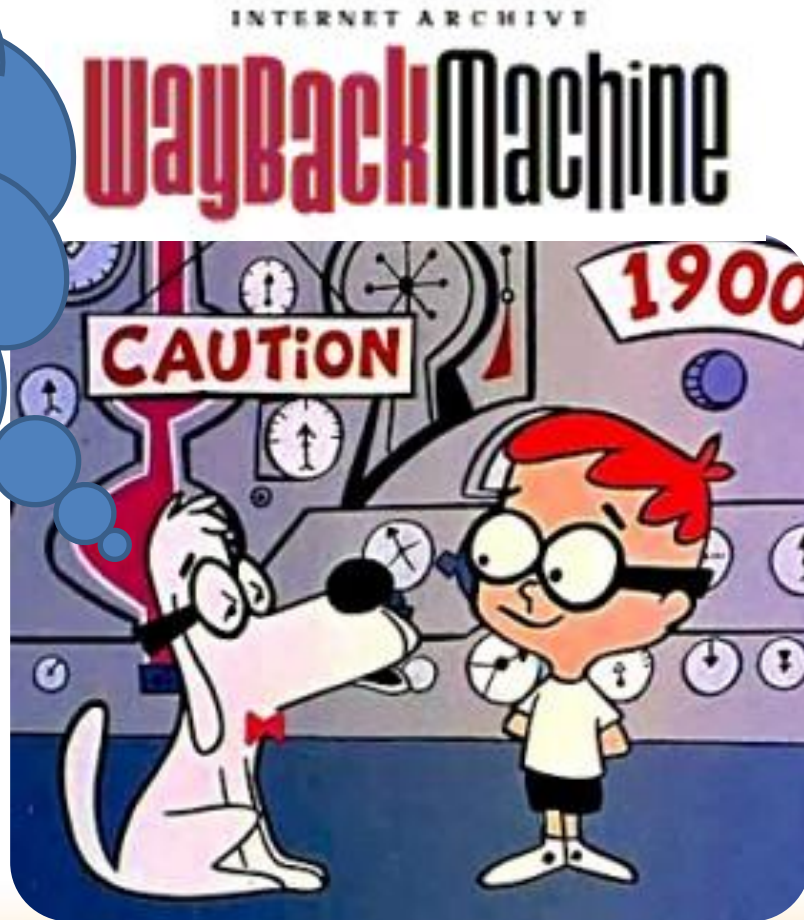
Internet Sales **20** Group



#IS20G

# Let's take a look back

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



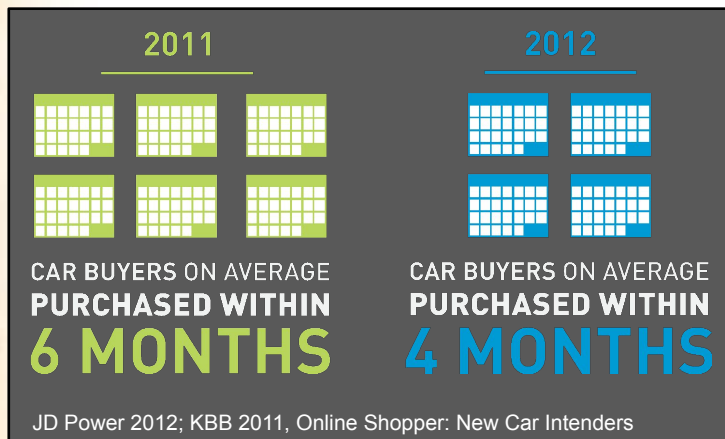
# Let's take a look back

The screenshot shows the Stevens Creek Toyota website. At the top, the Toyota logo and "Stevens Creek TOYOTA" are on the left. Contact information is on the right: Sales: (855) 233-7472 | Pre-Owned: (855) 233-7474, Service: (855) 265-6620 | Parts: (866) 313-7520, and 4202 Stevens Creek Boulevard, San Jose, CA 95129. Social media icons for DealerRater, Twitter, YouTube, and Google+ are also present. A red navigation bar contains links: HOME, NEW TOYOTA, USED CARS, SPECIALS, FINANCING, SERVICE & PARTS, DEALER INFO, CONTACT. A "Have a Question?" button is on the left. The main content area features a large image of a woman at a desk with a "#1 for everyone sales event" sign. Navigation buttons on the left include "Search New Vehicles", "Stevens Creek Specials", and "Search Used Vehicles". Buttons on the right include "Schedule Service", "Quick Quote", "Order Parts", and "Sell Us Your Car". A "Pre-Qualify Today" button is at the bottom left. A car carousel at the bottom shows models: Prius Plug-In, Highlander, Avalon, Camry, and Venza.

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.



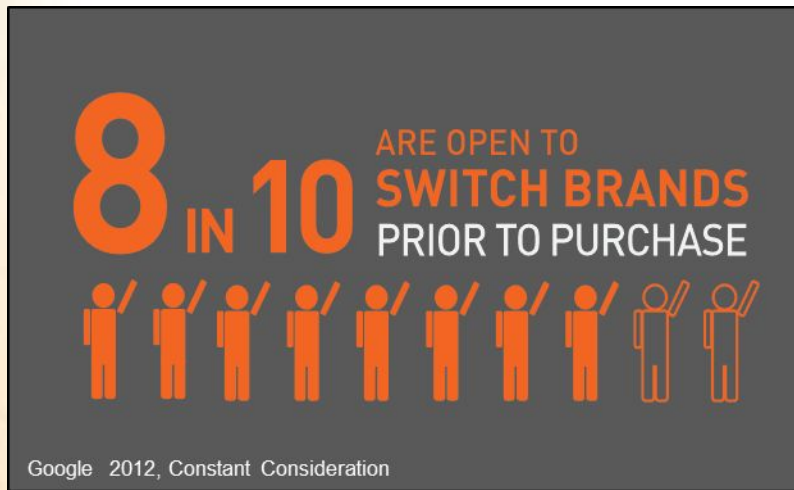
Information gathering is expensive because no single site covers everything.



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<sup>®</sup> | An ADP Company  
#IS20G | **TRUE**Car



# 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

**TRUE**Car

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

Let's get real



Internet Sales **20** Group



#IS20G

**TRUE**Car

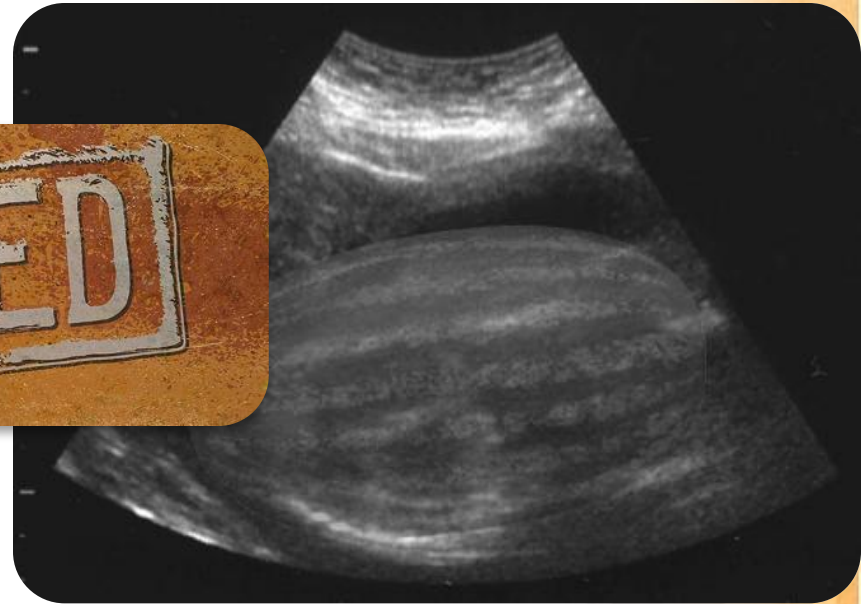
# Some myths are not myths at all



But, let's face it most are



**BUSTED**



# Top 5 myths about lead partners

1. 3<sup>rd</sup> 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. 3<sup>rd</sup> party lead providers resell leads to multiple dealers, and recycle consumers

# Top 5 myths busted

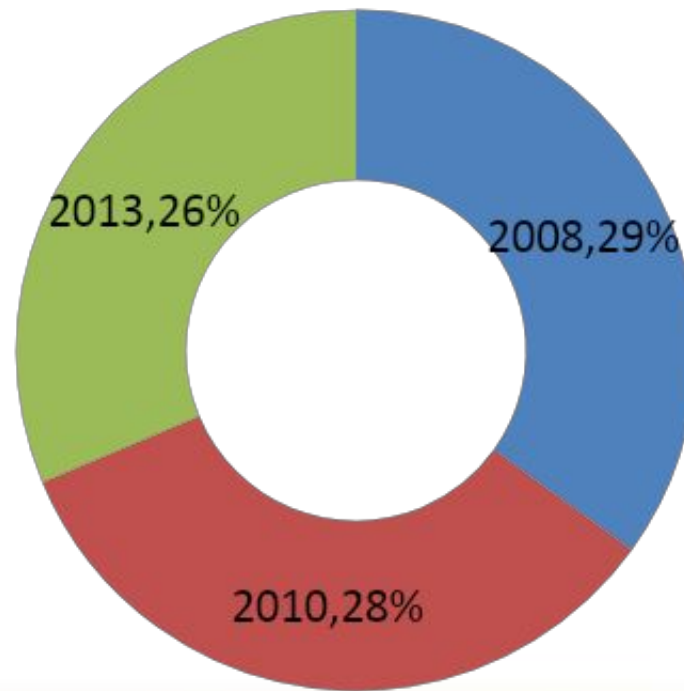
Myth #1: 3<sup>rd</sup> party lead companies are dying



# 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

/,äpər't(y)öönitē/ 

*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/occasion/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.



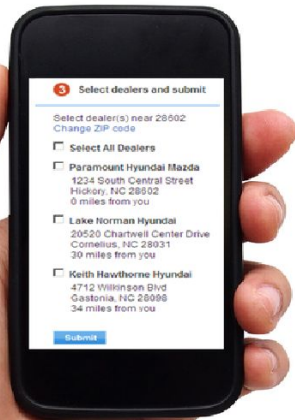
### Did you know?

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 3<sup>rd</sup> 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» Like 0 Send Tweet

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

**\$29,991** 53,796 MILES **Best Deal** **Interested in this car? Contact Premium Seller Today!** Toyota of Sunnyvale (877) 902-8754

Photos Features Seller's Notes Carfax® Calculator

**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

**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 94000

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

Price:	\$29,991
Mileage:	53,796
VIN:	5TFY5F17AX080843
Stock Number:	EC6671
Exterior Color:	Brown
Interior Color:	Sand Beige
Body Style:	Crew Cab Pickup Truck
Doors:	4
Engine:	5.7L
Transmission:	Automatic

Pre-Calculated Kelley Blue Book Savings

Toll-Free Phone Number

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

Premium Seller Dealer Badge

Up to 32 vehicle pics

Dealer's Name and Contact Info

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](#)

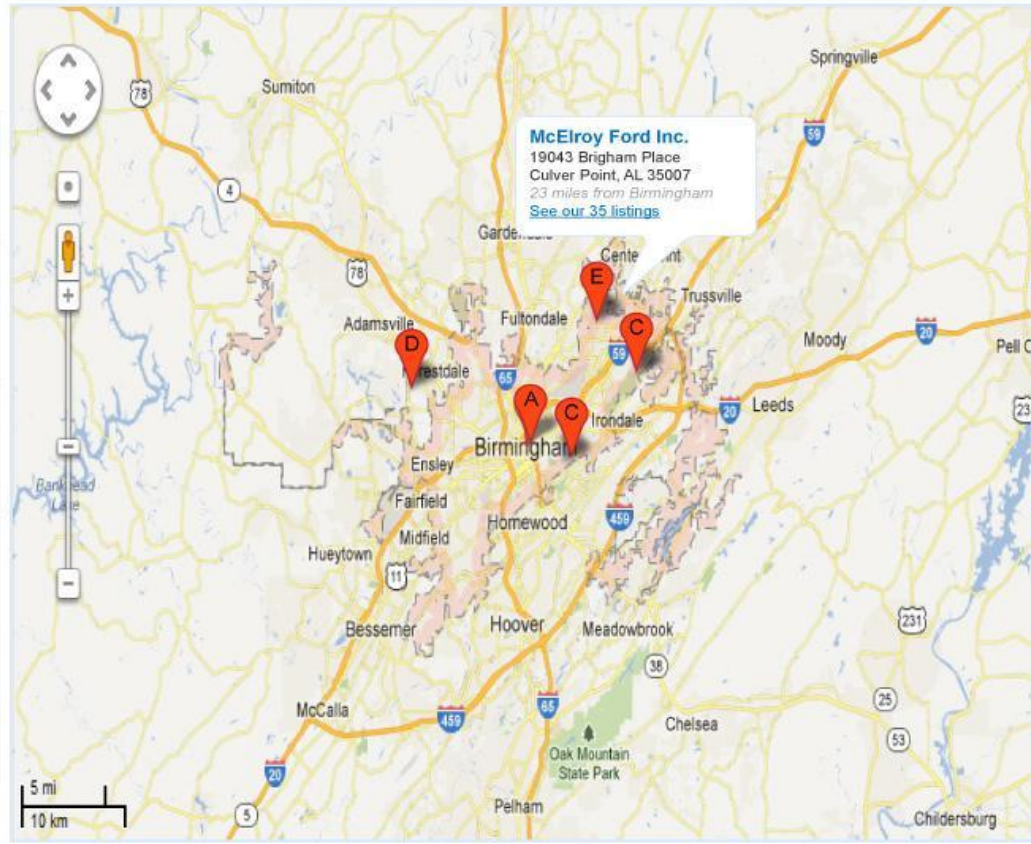
**B** **Joe Junior Ford Inc**  
2134 Algires Rd.  
Birmingham, AL 35007  
0 Miles from Birmingham  
[See our 23 listings](#)

**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](#)

**(877) 591-4405**  
 Ask for Mike Missasi

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

Recommend 0 Send +1 0 Tweet

[Dealers](#), [Edit your listing](#)

**In Stock at Putnam Buick GMC**

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

**Find a Car**

Select a Make:

Select a Model:

Max Price:

Zip Code:

Search for:  Used Cars  Certified Pre-Owned Cars

**FIND MY CAR »**

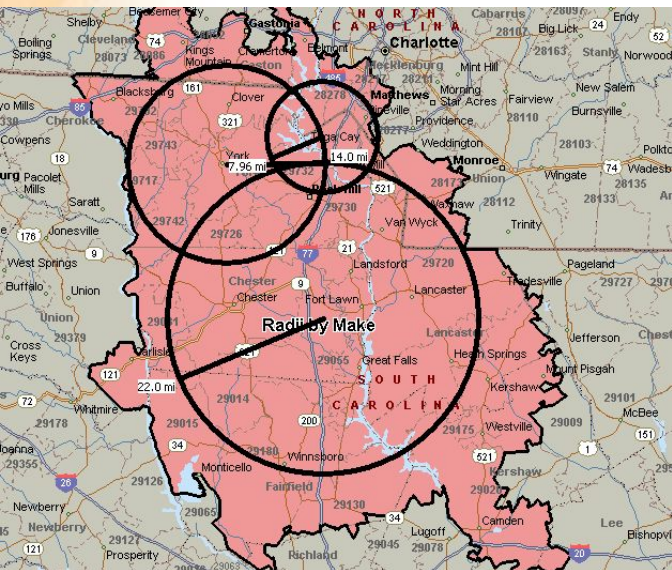
# How CUSTOMIZABLE is the program?



- 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?

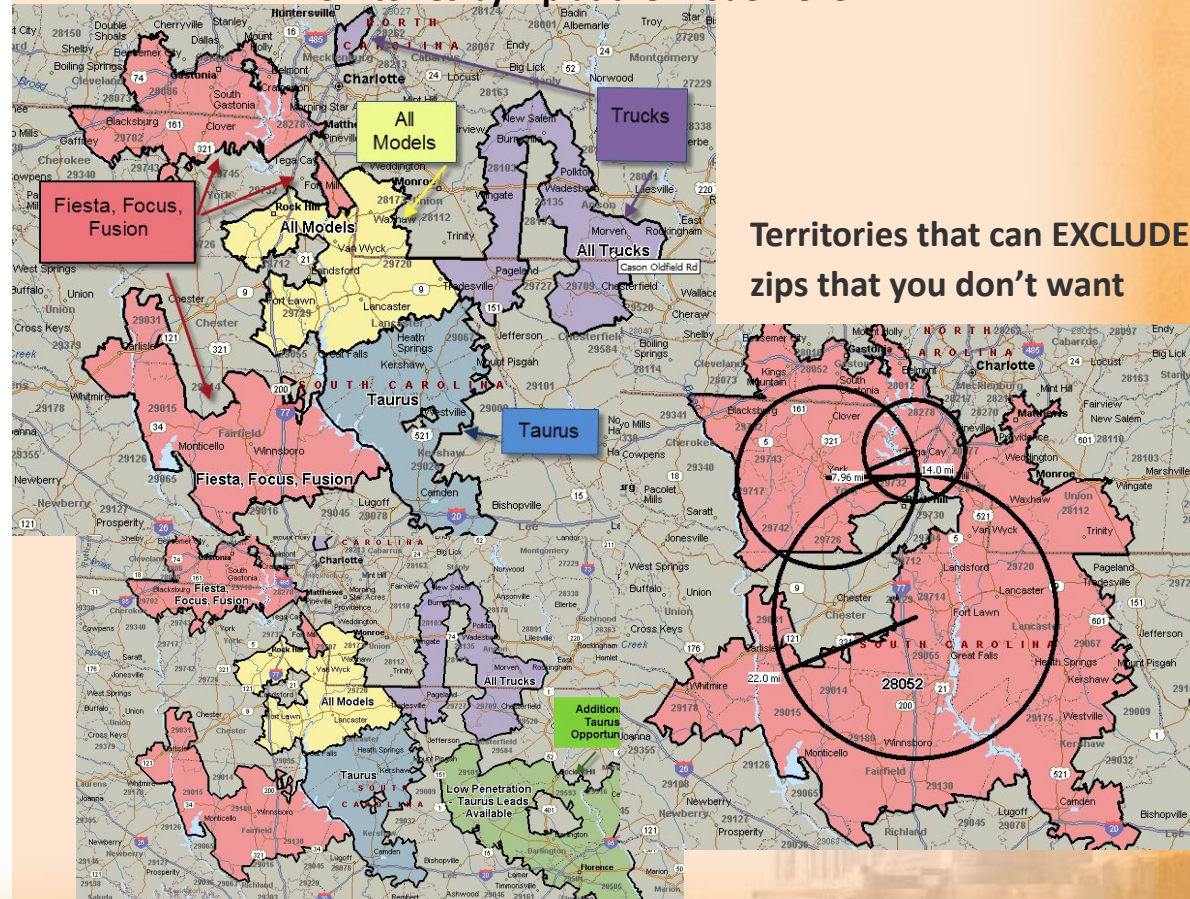
# What are the territory configuration options

Territories using a "Radius" around the dealership



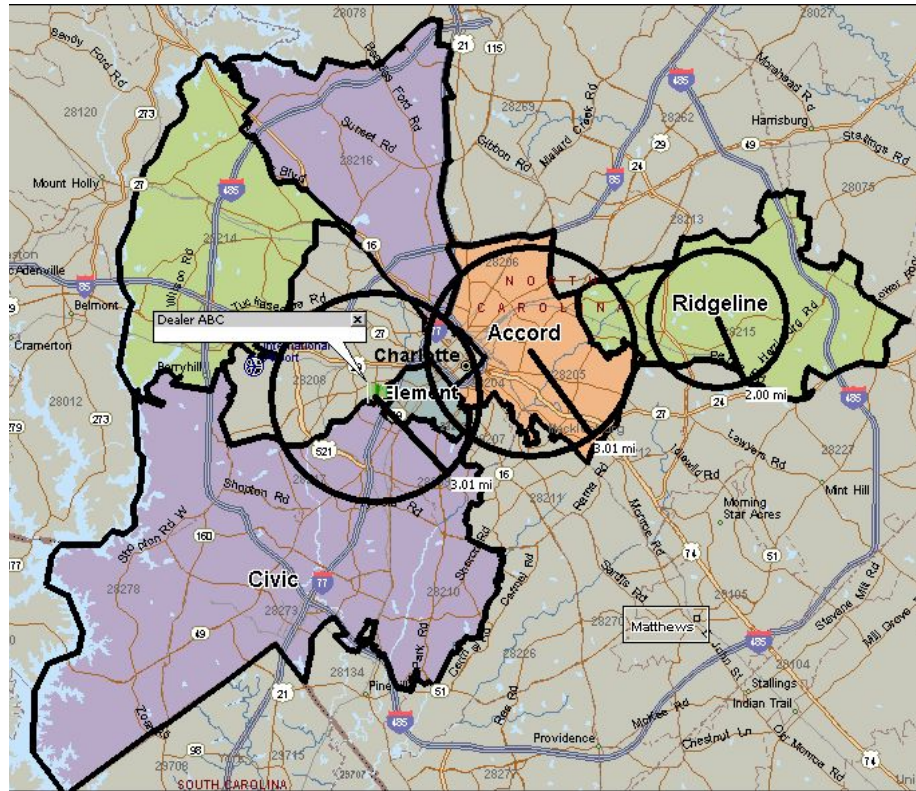
Territories to get into new market areas with unsold opportunities (based on consumer demand) to help you with your conquest marketing strategy.

Territories by Zip at the Model Level...



Territories that can EXCLUDE zips 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	
	<b>Dealix Network*</b>		<b>Dealix Network*</b>
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		
Printouts of Your Vehicles	1		
<b>UsedCars.com Features Summary for 10/1/2012 - 10/31/2012</b>		<b>Leads for October 2012</b>	
	<b>Usedcars.com</b>	<b>Lead Type</b>	<b>Lead Count</b>
<b>Vehicle Videos</b>		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
<b>Spotlight Ads</b>	<b>Usedcars.com</b>	Email Billed	22
Number of Spotlight Impressions for Your Dealership	1,799	Chat Total	15
<b>UsedCars.com Live Dealer Chat</b>	<b>Usedcars.com</b>	Chat Billed	3
Percentage of Time Dealer Online and Available to Chat	43%		
Number of Detail Page Views with Chat Icon Presented**	452	<b>Billable vs. Total Leads</b>	<b>Total Billed Leads: 30</b>
Number of Buyer Chat Requests for Your Vehicles	15	<b>Total Leads:</b> The total number of leads delivered to your dealership.	
Answered Chat Requests	15 (100%)	<b>Billable Leads:</b> 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.	
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

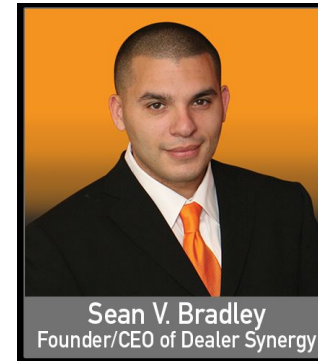
**TRUE**Car

# Resources for vendor reputation

When in doubt, ask another dealer...

**DrivingSales.com**

Or a trusted expert!



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



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:

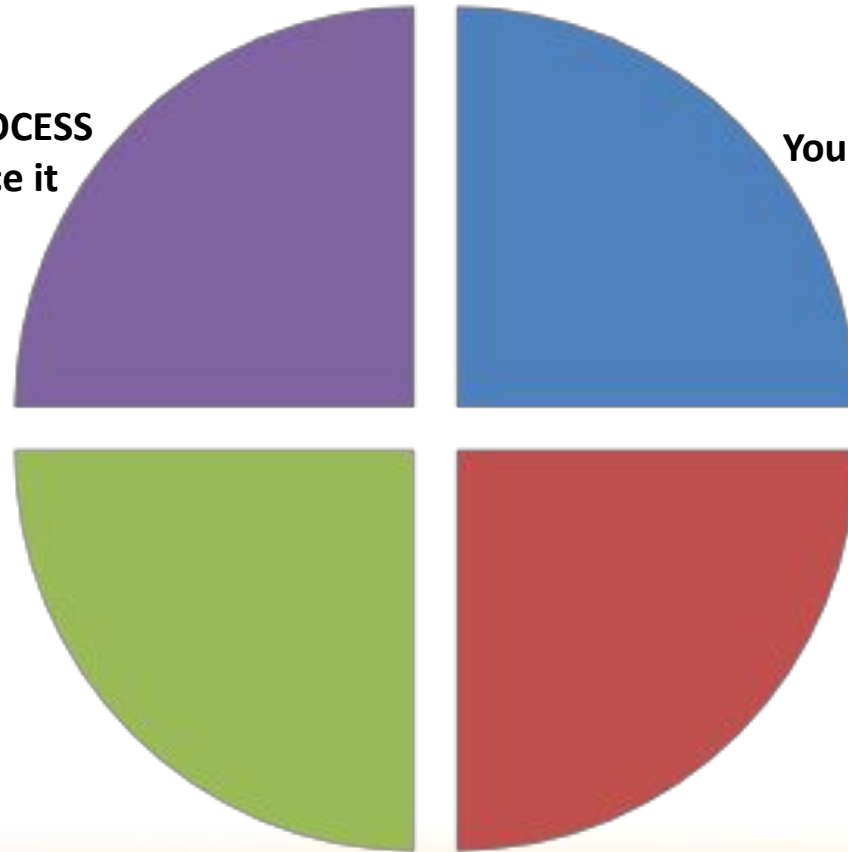
None provided

# 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?



Your commitment to a **PROCESS**  
effective **TOOLS** to reinforce it

Your **CAPACITY** to handle the leads

**The LEADS!!**

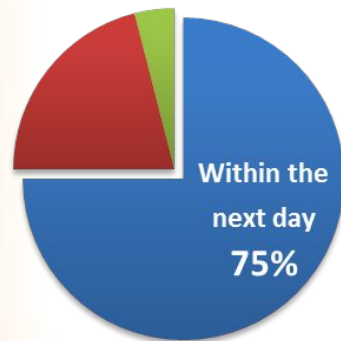
Your team's "**INTERNET IQ**"



# Follow-up Determines Buyer Engagement

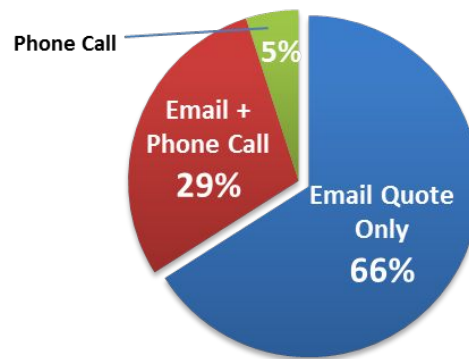
- Follow-up by next day is OK – but buyer question(s) must be answered.
  - Preference for email-only follow-up with price
  - Dealers who respond within reasonable time frame greatly increase likelihood of getting vehicle buyer into dealership
  - One-quarter of leads did **not** received a follow-up

**Price Quote Follow Up**  
*Timing Expectation*



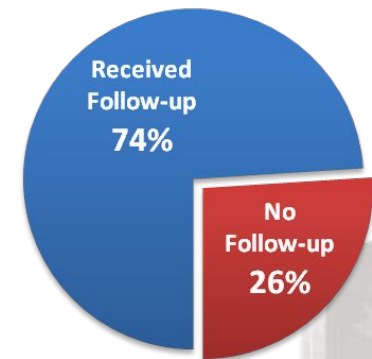
Q: How soon after you submit an online price quote request do you expect to receive a response from dealer?

**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**

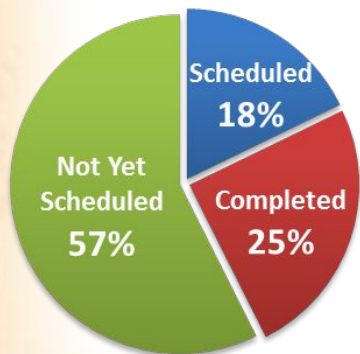


Q: Did you receive a price quote for the vehicle or which you submitted a request?

# Leads still at test drive stage

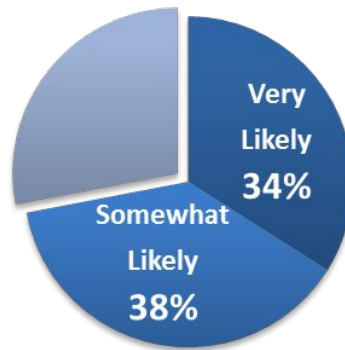
- Three-quarters of leads have not yet completed a test drive.
  - More than half have not even scheduled a test drive
- Dealer follow-up influences decision to take test drive.
  - 72% likely to take test drive after receiving price quote from dealer
- Vehicle buyers don't want to waste time at the 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



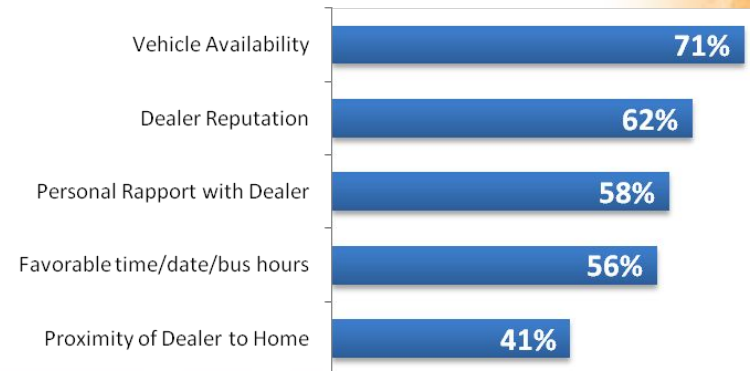
Q: Which best describes your activities regarding the scheduling and/or completing of a test drive?

**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](http://www.dealix.com)

Tiff Arcella

Email: [tiff.arcella@adp.com](mailto:tiff.arcella@adp.com)

