

Understanding how Advertising works today

The average auto dealer is using twice as many media to advertise than they did ten years ago, despite the fact that many owners feel that up to half of their ad spending is not working.

Sounds like a recipe for advertising disaster. It's time for an advertising intervention.

First off much of your advertising, is *not* working. Not because you made a mistake, but because the actual ad experience is not relevant to a Tier 3 "This Week" Car Buyer.

Today your advertising has to be like a "real time" experience for a buyer. What's a real-time advertising experience? This means that the ad you place has to impact a buying decision either at the point of shopping on line or in person, or it has to affect a yes or no buying decision from a competitor.

Have you ever been hungry and looked up and saw a delicious pizza ad on TV? It seemed like perfect timing right? You reacted. That's how your ads have to be designed and run.

We call this modern day phenomenon AdverTiming™ because the ads people react to today are in real time. The term "Advertising" does not even seem to capture the essence of what is happening out there in car buying land.

Example. People are beginning their search on AutoTrader.com, Cars.com, TrueCar.com because they were invited to do so from national TV ads, then they buyer begins moving toward several local dealer websites, then they buyer begins making calls or emailing your BDC, then finally arriving with their trade, and finally buying or walking.

Imagine if your marketing plan was designed in perfect sequence with this buyer, on the correct days and the correct "screens" that he or she are using to hunt down that perfect unit. They would see your ads at every turn, on every screen, at exactly the right time. Talk about impact. That's AdverTiming™.

What happens if you don't adjust your marketing plan to this style today? You will be advertising for the competition. Buyers will use your pricing and offers to cross-shop you against other dealers. Your ads hit on the wrong days and times, in the wrong places. You will attract low yield shoppers, not quite ready to buy. And other dealers will use your ad impact to drive their own web and floor traffic.

How do you get started?

Review your total PVR per unit. In smaller markets we see \$200-\$300 per car as realistic, in larger markets \$400-\$600 is expected. If your PVR is well off of these numbers you could have a miss in your ad plan. As an advertising plan efficiency rate declines, the PVR per unit climbs, and it climbs quickly. Some media eat ad budget fast, others are very efficient. And when I say efficient, it does not mean low-balling your local TV station on rates, I mean that the buying power of some media are exponentially better than others. Do you know the real "per person" pricing of media today? Many do not.

Next think about where consumers spend their time. Nielsen Research says that Americans spend about:
319 minutes a day watching TV
157 minutes on their laptop or Ipad
and 19 minutes on their smart phone.

Put this all together and it's almost 9 hours a day spent on these three screens. That's why a Triangulated™ 3-Screen media plan has the ability to track a buyer *in real time* through the car buying process. No other media combination had this unique ability to follow a buyer and be relevant at all times.

Think about how buyers buy today and how your ad plan rolls out each week.

2013 will require an advertising intervention. Are you ready to intervene?

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