




2022

Auto Marketer's Manual

Insights and actionable dealership marketing strategies to reach your key audiences, drive them to your location, and measure direct marketing impact on your bottom line.



GroundTruth is the leading
location-based marketing
and advertising technology
company.

We close the gap between expectation
and reality with data-backed solutions.

We reach your core audiences with
relevant ads that drive them to visit
your location.

Reach People in Market for a Car



Work with GroundTruth for better targeting, better performance, and fewer wasted impressions.

Use location-based visitation audiences to target across all screens with precision



Situational Overview

While most industries have seen significant signs of recovery this past year, auto dealers and automakers are still facing some critical challenges. Industry forecasters estimate that vehicle sales from July through September were less than 3.4 million, down between 13% and 14% from the year earlier.¹ Subsequently, July 4th foot traffic was 8% lower than last year, and Labor Day Weekend was even lower, dropping 25%. The decrease was primarily driven by low new car inventories due to semiconductor chip shortages stemming from COVID-19-related plant shutdowns.

The Silver Lining



Although the auto industry is navigating through chip supply issues and the ramifications of COVID-19 this past year, there are still several reasons for optimism. Low inventory levels, for example, accelerated new and used car margins, driving a modest level of sales growth. Limited new care inventory availability also causes consumers to be more efficient in how they shop for their next car. This could actually help evolve and improve the in-store experience in several ways, leading to a more efficient sales process for dealerships. What's more, the combination of limited car inventories and the average age of cars rising to more than 10 years old² is generating historical growth for DIY auto brands, such as Napa Auto Parts and AutoZone. These trends, along with the fact that car inventories are expected to grow significantly in the early part of next year, creates a path for a strong recovery as we enter 2022.

In GroundTruth's latest Lean Auto Insights Brief, we analyze 2021 foot traffic trends across key car buying demographics and identify which auto brands are thriving versus those that are struggling. We also dig into visitation trends before and after consumers buy a new or used car.

About the Lean

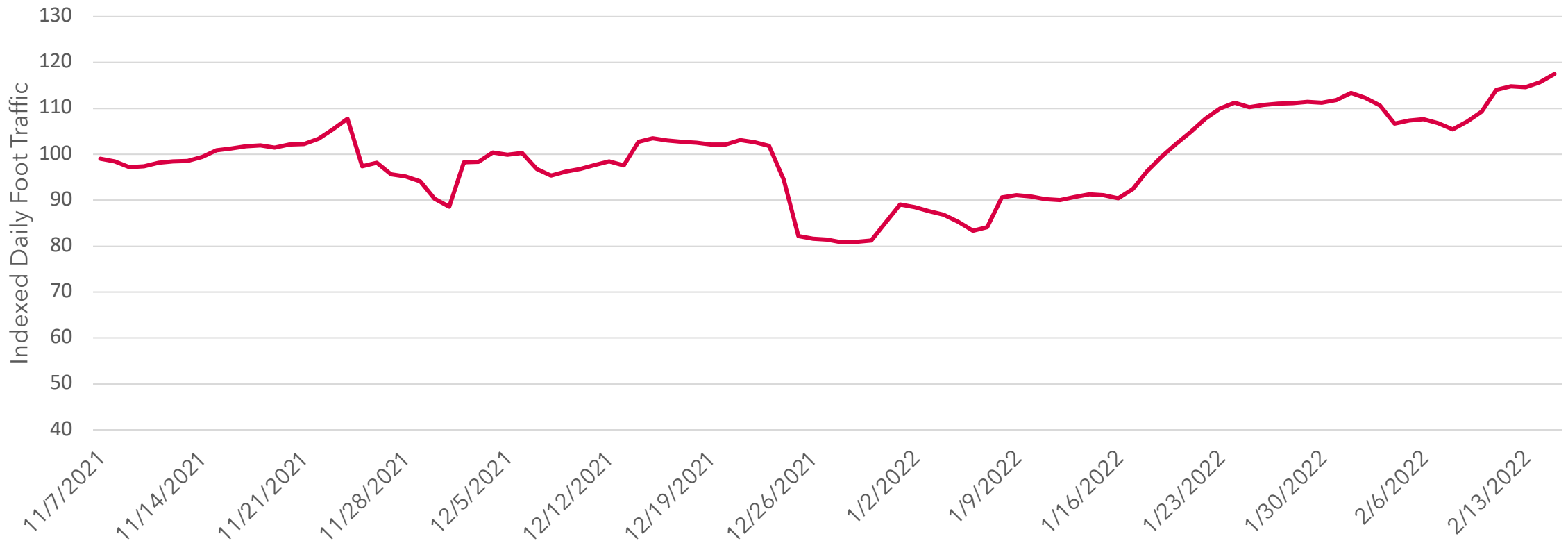
Between professional careers and personal lives, we understand that there is very little time left to read drawn out whitepapers. This is why we created The Lean – meaningful marketing insights that help brands make strategic decisions about their marketing campaigns. Specifically designed for easy consumption and quick reference, each issue of The Lean applies offline behavioral data filters and other industry sources to current consumer trends to help understand the impact they are having on business outcomes such as visits and sales. GroundTruth data is sourced from the 30 billion annual global visits observed on its platform. All data is anonymized and aggregated.

Foot Traffic Snapshot

After a lull during the holidays, foot traffic to auto dealerships and parts/service locations is 10% above average starting the second half of January

Auto Category Foot Traffic

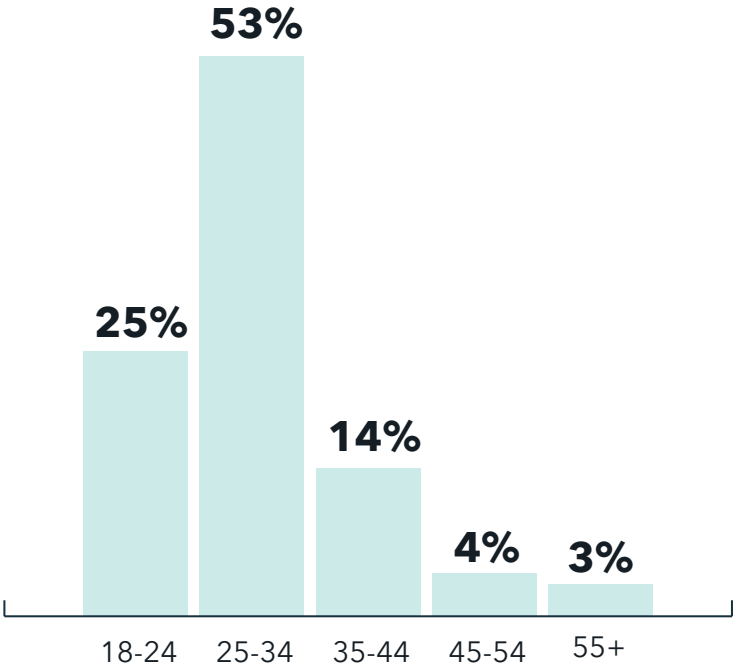
Rolling 7-day Average



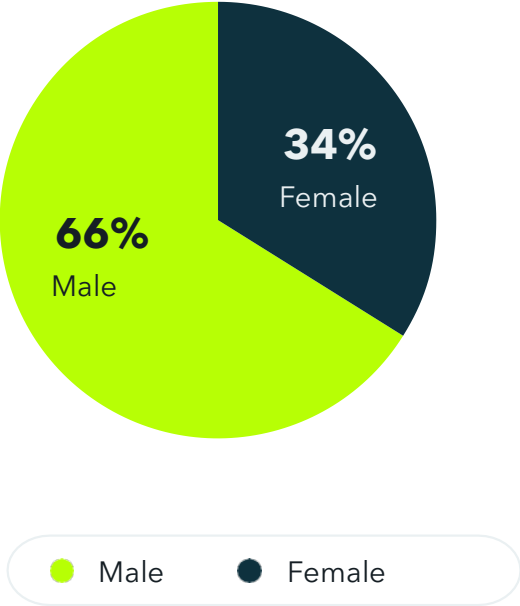
At A Glance: Audience Insights

The majority of 2021 car buyers were males, age 25-34, and making other big purchases such as homes & furniture.

AGE DISTRIBUTION



GENDER SPLIT



Top 5 Car Buying Audiences

- Recently Moved
- Financial Advisor Visitors
- Payday Loan Visitors
- In-Market for Furniture
- Frequent Bank Customers



Car Buying Process

Car buyers can be found at a variety of locations before and after making a purchase

TOP PLACES CAR BUYERS VISIT IN 2021

Before Buying

Credit Unions
Auto Repair Shops
Casinos
Insurance Companies
Universities/Colleges



Credit unions are locations car buyers are likely to be found both before and after making a car purchase



After Buying

Credit Unions
Airports
Tourist Attractions
Resorts
Car Washes

Car Buying Process

Car buyers visit multiple dealerships, mostly on Fridays, and spend less time at each subsequent lot they visit

% OF DEALERSHIP FOOT TRAFFIC BY DAY OF THE WEEK

Sunday	3%
Monday	16%
Tuesday	16%
Wednesday	16%
Thursday	16%
Friday	18%
Saturday	14%

Car buyers visit about 3.4 dealerships on average before making a purchase

Showrooming

Less time at the dealership means shoppers are spending more time on media devices before and after a visit

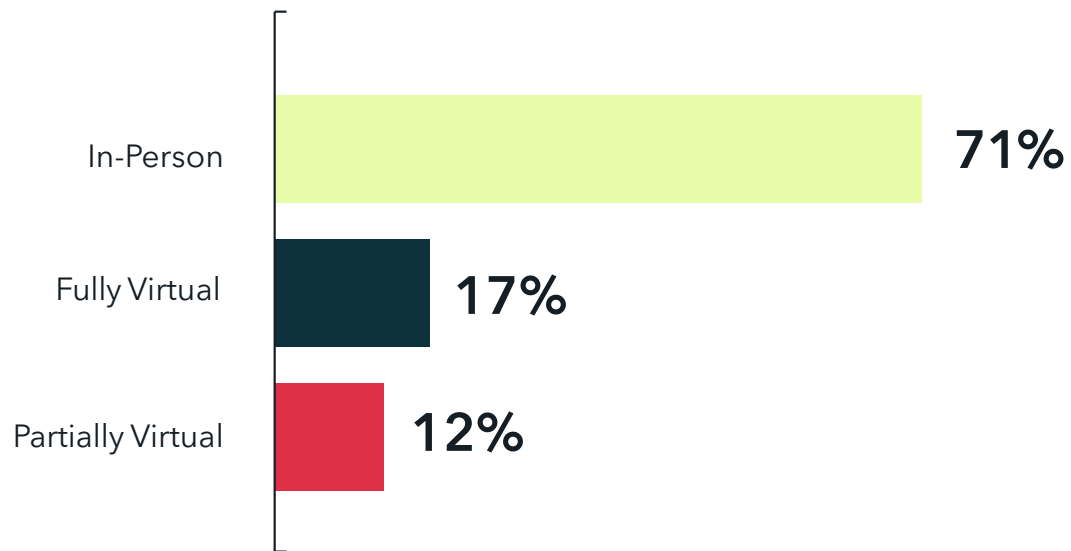
Car buyers spend an average of 24 min. at dealerships



Pandemic-Driven Trend:

Dealerships are still necessary, but consumers want to spend less time at them

MOST PREFERRED WAY TO ACQUIRE NEXT VEHICLE¹



71% said they prefer to acquire their next vehicle in-person

86% said they shopped online to save time at the dealership during the pandemic.²

¹Deloitte

²Cox Automotive

Looking Forward

Several industry-related trends point toward a more substantial rebound for the auto industry in 2022. If you are an auto brand looking to regain your market share and create a new buying experience for customers, here are several ways you can get started:

- 1 Don't forget about consumers who are showrooming.** If they are visiting your showroom, they are likely also visiting your competitor's showroom or scouring the internet for the best deal. With visitation data, you can retarget these audiences with relevant offers to increase your position over other nearby dealerships and offers.
- 2 Your best measure of success is foot traffic.** Visitation is the best measure of success for any brand with a physical location because a visit represents true buying intent. Use visitation data to not only understand the effectiveness of your advertising strategy but also optimize campaigns towards your results. Brands can also lower acquisition costs by improving targeting across traditional mediums, such as linear TV, by understanding which channels are driving the most relevant results.
- 3 Adjust campaign strategies to the weather.** If you are a DIY brand, make sure to remain relevant throughout the seasons. With weather triggering ad technology, you can automatically activate campaigns for everything from windshield wipers to snow chains. Conversely, if you are an auto dealer, you can automatically turn on/off your mobile campaign when there is a shift in weather that will impact visitation to your locations.
- 4 An integrated marketing strategy will go a long way.** As people transition from outdoor activities to indoor, it's important for marketing campaigns to maintain their reach no matter where your potential customers are spending their time. Adding CTV and social media to your marketing mix can help ensure you are reaching consumers no matter where they are.
- 5 Reach for the longtail.** With a growing market of consumers with older cars on the road, service departments and DIY auto brands are in a unique position to engage with this growing segment. Layer your CRM data with location-based audience data to help understand and reach your customers at important maintenance timeframes.



Solutions Built to Drive Success

End "Spray & Pray" Tactics

Reach Auto Intenders

Drive Results that Matter

GroundTruth's targeting solutions are based on where consumers go in the real world, so you can be confident that your campaigns aren't built from misleading aspirational online behaviors.

Omnichannel Approach

Power integrated cross-device marketing campaigns through a single platform.



CTV/OTT

*SMART TVS, GAMING CONSOLES,
STREAMING DEVICES*

Leverage GroundTruth's audiences and targeting capabilities to reach specific shoppers on Connected TV and drive brand awareness, which leads to purchase intent.

DESKTOPS, LAPTOPS, & TABLETS

Extend your reach on desktops and other devices to influence consumers during key list-building moments while at home or work.

MOBILE

Reach consumers on the go as they move in and out of their daily routines while adding products to their list for their next shopping trip.

SOCIAL

Use social to engage with consumers at a time when they are looking for new products to add to their list as well as sharing with their friends and family.

Take Audience Targeting to the Next Level by Reaching In Market Automotive Buyers at the Right Moment



PROXIMITY TARGETING

Target potential customers based on how often they visit their usual retailers, as well as places they have visited in the past



CUSTOM AUDIENCES & COMPETITIVE CONQUESTING

Build tailored audience segments using visitation data, behavioral attributes, demographic details, purchase information, CRM, and direct mail lists that we convert into mobile IDs.



NEIGHBORHOODS

Use GroundTruth location targeting to identify residential areas frequented by your target audiences. Discover places you hadn't considered before.



ON PREMISE TARGETING

Remind car buyers about the car or other complementary items while they're in a store, on-lot or retail block. Dynamically turn media on or off based solely on product availability at nearby locations.



BEHAVIORAL AUDIENCES

Target audiences based on a combination of visitation patterns and demographic data to boost awareness.

Tier 2 Strategies for Success

Outsmart the competition with a sophisticated omni-channel strategy that stops ad wastage and sets a laser focus on getting the right car buyers to your showroom floor.



TIER 2 "AAA CHALLENGES"

Awareness - Need to complement your linear investment with digital advertising that targets in-market car shoppers, brand loyalists, and competitors in a region you'd like to target.

Attribution - Drive measurable ROI for and optimize for best performance and other KPIs such as brand awareness for select makes and models, website conversions, and dealership "rooftop" visits.

Audience - Identify car shoppers regionally, locally and efficiently target them with applicable creative, including any co op and special offers for the region.



GROUNDTRUTH SOLUTIONS

Create an omni-channel strategy that builds a relationship with the buyer throughout their path to purchase.

- CTV - For awareness and branding to build emotional appeal and feeling
- Desktop - To reinforce branding, begin online conversions, and to drive foot traffic.
- Mobile - To drive foot traffic!

Stay top of mind with intelligent retargeting tactics. Large ticket items need reinforcement!

Audiences - Use GroundTruth First Party Audiences and Polk Audience Segments

- As an example, utilize of Hispanic audiences for certain makes and models of cars.

Tier 3 Strategies for Success

Outsmart the competition with a sophisticated omni-channel strategy that stops ad wastage and sets a laser focus on getting the right car buyers to your showroom floor.



TIER 2 "AAA CHALLENGES"

Awareness - Complement your linear investment with digital advertising that targets in-market car shoppers, brand loyalists, and competitors in a specified area around a dealership (i.e., zip code, radius, city, DMA).

Attribution - Drive measurable ROI and optimize for best performance and other KPIs such as dealership brand awareness and for select makes and models, website conversions and dealership "rooftop" visits.

Audience - Identify car shoppers for a specific dealership and target a certain trade area. Use creative and offers relevant to that dealership.



GROUNDTRUTH SOLUTIONS

Create an omni-channel strategy that builds a relationship with the buyer throughout their path to purchase.

- CTV - For awareness and branding to build emotional appeal and feeling
- OTT - To drive awareness with additional eyeballs, and engagement with more interactivity
- Desktop - To reinforce branding, begin online conversions, and to drive foot traffic.
- Mobile - To drive foot traffic!

Neighborhoods™ - Stop ad wastage by targeting areas that show a high probability of visitation to your location.

Audiences - Use GroundTruth First Party Audiences and Polk Audience Segments

- As an example, utilize of Hispanic audiences for certain makes and models of cars

Weather Targeting - Plant ideas and reminders in the minds of buyers based on the seasons.

- Convertibles for warm weather
- 4x4 sales in snow climates
- Auto Collision for general bad weather

GroundTruth + Polk Data for Dealerships

Tie purchase history with visitation behavior to focus your marketing efforts on the right audiences.

Examples of Purchase History by Polk:

- Number of Vehicles
 - Never owned, one vehicle, etc.
- Vehicles by Segment
 - Luxury Compact CUV, Non-Luxury Sporty Car, etc.
- By Manufacturer/Division or Make
 - Dodge, Fiat, Tesla, Ford, Toyota, Volvo, etc.
- By Manufacturer/Division or Make
 - Dodge, Fiat, Tesla, Ford, Toyota, Volvo, etc.

Location behavior from GroundTruth uncovers purchase intent through visitation patterns to relevant points of interest:

- Local dealerships
- Auto repair shops
- Car shows
- Car rental locations



Toyota drives customers to dealerships with CPV

OBJECTIVE

Drive high-intent customers to specific dealerships in the Delaware, Pennsylvania and New Jersey area

STRATEGY

Cost Per Visit - Optimized to drive in-store visits and only pay when a verified visit occurs.

- Leveraged Neighborhood and Location Audience data to tap into visitation patterns over the last 90 days
- Create look-a-like audiences to reach the most relevant in-market intenders for Toyota.



Results

“[The] results showed interesting correlations between store performance and audience visitation...We feel that this effort helped to drive specific, targeted shoppers to our dealer locations.”

Ryan Richmond
Sr. Media Planner, Saatchi & Saatchi

Top Performing Behavioral Audiences:

- In-Market for Auto
- Park Lovers
- Car Renters


1,200

Visits driven to
specified
dealerships

192K

Impressions





How a Three-Month CTV and Mobile Automotive Campaign Sent over 4,000 Customers to the Showroom Floor

OBJECTIVE

An automotive dealership with 18 locations based in the Southeast needed a way to drive traffic from their highly engaging digital marketing campaigns to the showroom floor, where 84% of sales traditionally took place.

STRATEGY

The answer was GroundTruth's Ads Manager platform which enabled them to move away from linear TV and build the right mix of location-based mobile and CTV/ OTT ads.

Results

With **960 visits within the first 12 days** of the campaign, it was clear that the team was onto something. Results from the second month solidified that hunch when **1,960 visits with a 20% close rate delivered over \$1.5M in profit.**

The dealership also saw a **52% increase in visits** when running Mobile + CTV ads vs. just Mobile ads.

After **3 months the dealership logged 4,400 visits** attributed to their GroundTruth campaign. The team knew that it hit gold and the GroundTruth solutions became a permanent part of its promotional efforts.

4400

Visits driven by
GroundTruth media over
3 months

52%

Increase in visits when
running Mobile + CTV
ads

\$1.5M

Profit Earned During a
Single Month of the
Campaign





Let's Drive Results Together

hello@groundtruth.com
www.groundtruth.com



@groundtruthco