

HAVE YOU MET THE  
**NEW**  
NEW-CAR SHOPPER?

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INSIGHTS PROVIDED BY

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***YOU'RE RIGHT, THEY DON'T  
LOOK SO DIFFERENT...***

But, in the pocket or purse of some **83%** of the new new-car shoppers resides a smart mobile device that connects them to everyone they trust and thousands of sources of information on new cars, dealerships, prices and experience reviews.<sup>1</sup>

BUT FIRST, A LOOK AT THE MARKET 

# ***IN TERMS OF NEW-CAR SALES, 2012 WENT OUT WITH A BANG.***

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**What's new in 2013?** By digging into the activities of 24 million monthly visitors, we've become well aware of **a twist on new-car sales: the new new-car shopper**. In an effort to give your dealership a new-car sales edge in 2013, this handy guide will brief you on the following topics:

## **Your Opportunity**

2013 New-Car Market Outlook

The New New-Car Shopper

Dealership Brand Management in the Age of Reviews

## **When They're Buying New, They're Buying You**

Driving Positive Word of Mouth Online

Building a Reputation-Based Culture

Turning Negatives into Positives

Stand Out with New-Car Merchandising

## **Connecting with New-Car Shoppers**

Win Over Social Shoppers

Engaging the Mobile Shopper

Customers Respond to Text Messaging

"The U.S. Auto Industry had a strong close in 2012, with December sales up 9% over 2011. Sales were up 13% year over year for a total of 14.4 million units in 2012. NADA expects equally strong numerical gains in 2013. With the tax side of the nation's fiscal negotiations mostly settled, we see consumer confidence rising and project growth in sales of one million light vehicle units. We expect weaker-credit buyers will be able to find financing, which will help volume in 2013, as will competitive leasing incentives and pricing. **Midsized cars and crossover utility vehicles, particularly midsized crossover utility vehicles, should see a strong year.** Sales of pickup trucks and vans should also pick up as business demand continues to increase in light of economic growth."



Paul C. Taylor  
NADA Chief Economist



2012 total sales

**14.4 million units**

December 2012 vs. 2011

**+9%**

2013 expectations

**+1 million units**

due to increased consumer  
access to financing and attractive  
lease/purchase pricing

*"With consumer uncertainty of the fiscal cliff behind us, new-car sales are poised for a fourth year of consecutive growth. **By the end of 2013, we should see annual sales hit a six-year high.** Subprime credit continues to open up, leasing is healthy again and new data suggest young drivers — a group hit hard by the recession — may be coming back."*



Kelsey Mays  
Industry Analyst, Cars.com  
@Kelsey\_Mays



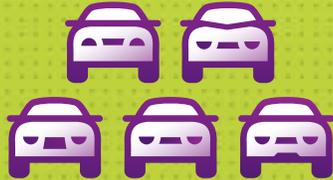
Jared Hamilton  
DrivingSales.com  
@JaredHamiltonDS

*"Car shopping is a journey — especially when it comes to buying a new car.*

*It's not about the lead or the last click. It's about this behavior that's happening all over the web, and **the dealers who are going to succeed are the ones who set themselves up to win at key influence points along the way.**"*

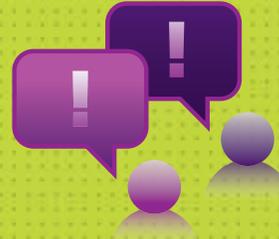
## Shoppers are typically in market for 5.3 months<sup>1</sup>

They research new vehicles, view more pages and spend more time on-site than used-car shoppers by 10%.<sup>3</sup>



They cross-shop 5 different makes<sup>2</sup>

Nearly 80% of Cars.com shoppers considering purchasing a new vehicle seek out information about dealerships — not just inventory — during their shopping process.



More than 1 in 4 who use Facebook have used or will use the site as a resource while shopping for their next vehicle.<sup>3</sup>



4 in 10 new-car mobile shoppers have both a smartphone and a tablet<sup>4</sup>...

...yet 9 in 10 don't submit leads.<sup>5</sup>

Sources: <sup>1</sup>Online Shopper: New Car Intenders, KBB 2011; <sup>2</sup>Internal Site Statistics, Cars.com, Q4 2012; <sup>3</sup>The Rise of Loyalty, Advocacy & Influence, Dealer.com/DriverSide/GfK, Q1 2012; <sup>4</sup>Mobile Web & App Usage for Automotive Shoppers, Nielsen/Cars.com, Q2 2012; <sup>5</sup>Internal Site Statistics, Cars.com, Q4 2012, based on phone and email leads

WHEN THEY'RE BUYING NEW,  
THEY'RE BUYING YOU

## YOUR BRAND MATTERS MORE WITH NEW-CAR SHOPPERS

When it comes to new-car sales, differentiating your brand online is key.

### IN FACT:

**CARS.COM SHOPPERS**  
CONSIDERING PURCHASING  
A NEW VEHICLE ARE NEARLY  
1.5X MORE LIKELY TO SEARCH  
INVENTORY BY DEALER  
AND 60% MORE LIKELY  
TO VISIT THE DEALERSHIP  
PROFILE PAGE THAN  
USED-CAR SHOPPERS.

# CONSIDER THESE REAL-LIFE BRAND-IN-ACTION EXAMPLES

#### **TOM WOOD TOYOTA, INDIANAPOLIS, IN**

General Manager: Brian Hefner  
eCommerce Director: Diana Weaver

#### **MAGUIRE AUTOMOTIVE, ITHACA, NY**

Director of Business Development: George Dunn  
Operations Manager: Frank Vanderpool

#### **GREENWAY DODGE, ORLANDO, FL**

General Manager: Conrad Letson  
Internet Director: Ricky Lopez

The following pages will take you through some of the strategies these dealerships use to ensure that their brand messages are carried through every part of the sales process, both in person and online.

**THE FOUR KEYS TO TOM WOOD  
TOYOTA DELIVERING AN EXPERIENCE  
THAT'S ALIGNED WITH THE BRAND:**



**Recruiting:** Due to potential for overlap, every manager at Tom Wood Toyota weighs in on new hires to ensure they'll represent the brand well.



**Training:** New hires are provided formal training on dealership values and processes. Ongoing coaching incorporates observation and customer feedback.



**Accountability:** Signs are placed throughout the dealership outlining the experience customers can expect at Tom Wood Toyota and inviting customers to contact Hefner immediately if those expectations aren't met.



**Protecting the brand:** The store monitors review sites and online forums daily for both negative and positive feedback, to which Hefner responds personally.

*"You can buy a new  
Camry anywhere, so  
it's important to let  
potential customers  
know that they'll have  
a positive experience  
by working with us."*



Brian Hefner  
General Manager  
Tom Wood Toyota

THE BRAND MESSAGE PAYOFF 

**NEW-CAR SHOPPERS WHO READ DEALER REVIEWS ARE SEVEN TIMES MORE LIKELY TO CONTACT A DEALER**

Promoting what others say about you can be even more powerful than what you say about yourself.

**Advertising:** Maguire Automotive promotes reviews via traditional advertising, showcasing what customers have said instead of pushing a sales message.

**On your website:** Greenway Dodge promotes its reviews in email communications by including links to [ilovegreenwaydodge.com](http://ilovegreenwaydodge.com), a dedicated site showcasing the store's great reputation, and its dealership website.

**In your store:** Tom Wood Toyota hands out postcards directing prospective customers to Cars.com, Google+ Local, DealerRater and other sites where the store has reviews. The same handouts are also used after purchase to encourage customers to share their experience.

*"I attribute 10 to 15 percent of our total sales each month specifically to customers who came in after reading reviews, and another 30 to 40 percent are likely influenced."*



Brian Hefner  
General Manager  
Tom Wood Toyota

## SET YOUR TEAM UP FOR SUCCESS WITH ONLINE CUSTOMER REVIEWS

**Recruit and train with your reputation in mind:** Maguire Automotive often hires from outside the automotive industry, favoring customer service experience and a positive attitude over product knowledge.

**Make reviews a part of your process:** Tom Wood Toyota monitors reviews across all platforms on a daily basis, which managers then review with sales associates one-on-one. Most of the reviews are positive; the rest make great coaching opportunities.

**Tie reviews to compensation:** Salespeople at Greenway Dodge must obtain three reviews per month to receive the bonus outlined in their monthly comp plan, and service bonuses are released when the department makes its review quota.

*"Once the rest of the team started hearing people specifically ask for Jamie because of what they'd read online, they were quick to jump on board. Now, when a new hire starts, it's common to see the ones who embrace reviews jump from selling six to nine cars a month to selling 10+."*



George Dunn  
Director of Business  
Development  
Maguire Automotive

## HOW RESPONDING TO A NEGATIVE REVIEW SAVED THE SALE – AND RESULTED IN ANOTHER

The F&I process can take extra time for first-time buyers, so when one Greenway Dodge customer missed out on a used van he was interested in, he took to a review site to communicate his disappointment.

“He was angry that the vehicle was sold, and he warned other customers in his review not to shop with us because he felt that we lied and sold the car out from underneath him,” said Lopez. “It wasn’t true, but we still reached out to him immediately and offered to put him in a better vehicle to make up for any misunderstanding the situation may have caused.”

The customer’s sister came with him on his return visit, and while Lopez wasn’t aware of it at the time, she and her family were in the market for a new vehicle. Greenway’s response to her brother’s complaint and the store’s obvious commitment to customer service gave her confidence to make a purchase of her own.

*“We don’t mind if we get a bad review. **Nobody’s 100%** — if you are, people worry you’re writing them yourself. Negative reviews give you the chance to show future customers that you’re committed to making things right in the end.”*



Ricky Lopez  
Internet Director  
Greenway Dodge

## NEW-CAR MERCHANDISING THAT HELPS YOUR STORE STAND OUT ONLINE



### TOP INFORMATION SEARCHED FOR ON VEHICLE WEBSITES

**63%**  
Photos of vehicles I'm considering

**52%**  
Reliability/dependability ratings of vehicles

**51%**  
Features/colors available for specific vehicles

**49%**  
Safety information

**48%**  
Information on rebates and special offers

**48%**  
Calculate MSRP of vehicle with options I want

**47%**  
Consumer vehicle reviews

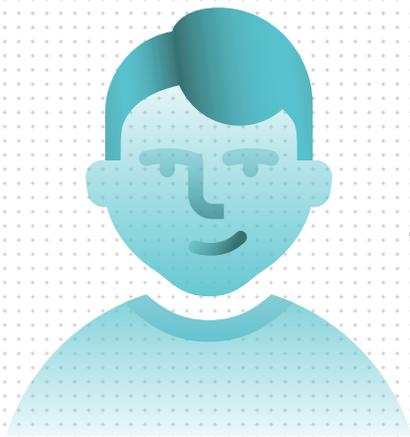
*Photo and video galleries are like a virtual test drive – show off unique features, and don't forget the interior!*

*Play up expert reviews and dependability ratings in advertising, in seller's notes and on your dealership website.*

*Share information about incentives and rebates to show savings available through OEM or dealer offers.*

## DELIVER A GREAT EXPERIENCE TO WIN OVER SOCIAL SHOPPERS

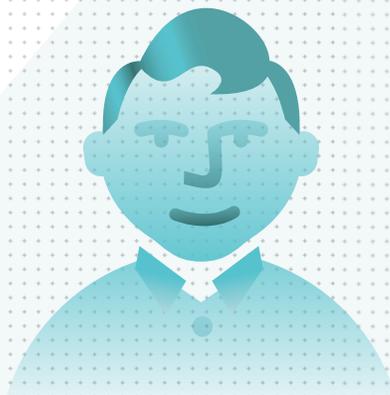
Social media is the new word of mouth. When it comes to choosing a dealer or sharing details of their shopping experience, new-car shoppers are getting social.



**41% of new-car shoppers said they saw a post that caused them to add a brand or model to their consideration.<sup>1</sup>**



**46% reported that they have shared their recommendation for a dealership.<sup>1</sup>**



**Positive online conversation most often notes quick, flexible and accommodating customer service at the dealership.<sup>2</sup>**

WHICH BRINGS  
US TO:

# FACEBOOK

## 5 MUST-DOS FOR YOUR PAGE



**Tell your story:** Your page is a reflection upon your store. An eye-catching cover photo and profile photo that fits with your brand (like your logo) helps fans identify you at a quick glance, while the “About” section is a chance to tell potential customers why they should buy from you.

*“I don’t always have an opportunity to post about customers, so when I do, I make sure it’s something they’ll remember,” said Joseph Gutierrez, Sales and Finance Manager at Lyle Pearson Premier Motor Cars. “It’s a way to help our customers share their experience with family and friends.”*



**Build your audience:** Start small by getting friends, family and dealership employees to like your page, then get customer “likes” by adding an icon to your website and email signature, integrating social content with your advertising and posting signage at your store.

*Tip: Mobile customers can text “Like” and your dealership’s unique Facebook name (typically the text after [www.facebook.com](http://www.facebook.com), such as “DealerADvantage” in [www.facebook.com/dealeradvantage](http://www.facebook.com/dealeradvantage)) to 32665.*



**Give your customers a shout-out:**

Use your smartphone to take photos of customers with their car just before they drive off your lot and ask for permission to post it to your Facebook page. If they agree, encourage them to like your page and share the post — you’ve just made it easy for them to tell friends and family the good news.



**Be valuable:** Provide your fans content of value, whether it’s maintenance tips from your service department, expert reviews of your new vehicles or special deals. Offering “\$5 off of a service bill of \$400 or more” or a constant stream of inventory listings doesn’t provide an incentive to stay connected.



**Highlight your commitment to your community:** If your dealership supports local charities and community groups, take the opportunity to bring your online community into the fold. Use Facebook to share your contribution and raise awareness by posting photos and tagging sponsored organizations.

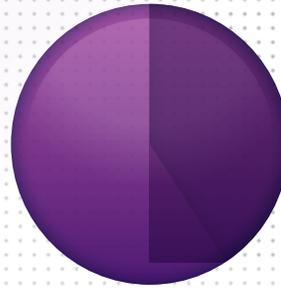
*“Social media has been a great way to watch events grow this year,” said Elizabeth Erwin, Social Media and Events Manager at MileOne. Erwin shared that posting photos and videos of community activities on social media is a powerful way to raise visibility for the charity and event, but also the dealership.*



# HOW SHOPPERS USE MOBILE

**Over 1/3**

of car shoppers felt that info attained from mobile devices was an **essential factor** in their vehicle purchase



**43%**

OF SMARTPHONE USERS USE THEIR DEVICE ON THE DEALERSHIP LOT

## MOBILE USAGE IS EVERYWHERE

While computers and tablets are used for in-depth car-shopping research, users turn to smartphones for tasks closer to purchase



Top desktop uses

- 1 Research and compare
- 2 View photos and videos
- 3 Read reviews



Top tablet uses

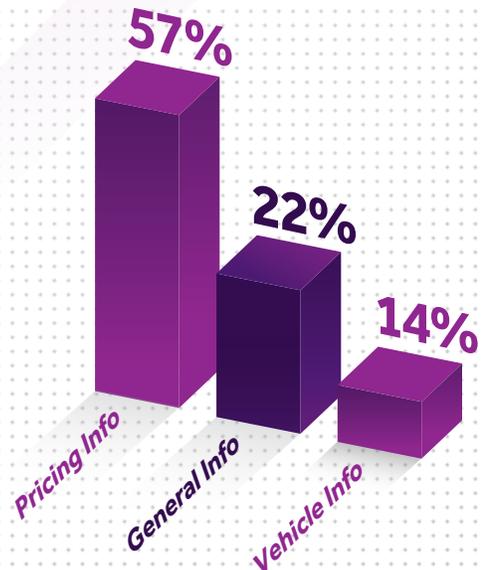
- 1 View photos and videos
- 2 Read reviews
- 3 Research and compare



Top smartphone uses

- 1 Contact a dealer
- 2 Check in at a dealership
- 3 Scan the VIN

## TOP MOBILE DEVICE ACTIVITIES ON THE DEALERSHIP LOT



*"As mobile users ourselves, we may not always answer a phone call, **but when a text comes through, we check it** — and typically respond."*



Jack Simmons  
Dealer Trainer, Cars.com  
@DealerADvantage

## TIPS FOR GETTING CUSTOMERS TO RESPOND WITH TEXT MESSAGING

### **Test Drive Confirmation**

Test drive scheduled for this afternoon? Reduce blown-off appointments by texting the customer a reminder accompanied by a picture of the vehicle, taken right after it's washed and detailed.

### **Video Follow Up**

Ask your phone-ups for their mobile number and follow up after the call by texting a quick video walk-around. Video is easy to take with your own smartphone, and it provides a personal introduction to their car of interest.

### **Quick: Just The Facts**

Text is also a great way to communicate with service customers. Sometimes, they don't need a conversation; they just want to know if their car is ready!

# FOR MORE

## INSIGHTS AND DEALERSHIP BEST PRACTICES

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