A DEALER’S GUIDE TO WINNING SMARTPHONE SHOPPERS

NAVIGATING

MOBILE MARKETING

INSIGHTS
Smart mobile devices have changed the game by putting an infinite amount of information in the palm of our hands and giving us the power to directly act on that information. As 74% of all U.S. mobile phone users now own or use a smartphone¹, we live in a world where easy access to information anywhere and at any time is the new normal.

So what about car shoppers?

Read on to learn more about mobile’s impact, and what you can do to make sure you’re reaching mobile car shoppers at the most critical moments.

1. TAKING YOUR MARKETING MOBILE
2. INFLUENCING MOBILE SHOPPERS
3. WINNING SMARTPHONE SHOPPERS ON THE LOT
4. THE MOBILE PRO’S CHECKLIST

SHoppers HAVE ENTERED THE MOBILE FAST LANE
With just a few swipes, our smartphones now allow us to check the latest stock prices and sports scores, deposit a check and even start a car.

There’s no question consumers are in the mobile fast lane, and increasingly rely on their mobile devices to make key decisions as to what and where to buy. In fact, Nielsen reports more than three-quarters, 79%, of smartphone and tablet users have shopped on their mobile device. ²

**MOBILE IS GAINING SPEED**

<table>
<thead>
<tr>
<th>2014</th>
<th>THE YEAR WHEN MOBILE USAGE WILL SURPASS DESKTOP USAGE³</th>
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</thead>
<tbody>
<tr>
<td>141</td>
<td>THE NUMBER OF NON-VOICE MINUTES ADULTS SPEND EACH DAY USING MOBILE DEVICES³</td>
</tr>
<tr>
<td>79</td>
<td>THE PERCENTAGE OF MOBILE DEVICE USERS WHO HAVE SHopped ON THEIR SMARTPHONES OR TABLETS²</td>
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</table>
TAKING YOUR MARKETING MOBILE

WITHOUT A MOBILE FIRST MARKETING PLAN, YOU RISK LOSING OUT ON TODAY’S SAVVY MOBILE SHOPPERS TO COMPETITORS WHO HAVE ADAPTED TO TRENDS AND ARE BUILDING THEIR MARKETING PLAN AND PROCESSES TO REACH, INFLUENCE AND CONVERT MOBILE SHOPPERS.
Smartphones are now an integral part of consumers’ lives, and also a vital touch point in their car-buying journey. If you’re not putting mobile first in your marketing, you are out of synch with today’s shoppers.

**MOBILE TRENDS IN AUTOMOTIVE SHOPPING**

A recent study from Placed, Inc. confirms this trend:

- **59%** used their smartphone to research dealerships and/or vehicles prior to making a dealership visit.
- **25%** of shoppers used only their smartphone to conduct research prior to visiting the dealership.
- **63%** of auto shoppers used their mobile device to research and shop while at a dealership.

**J.D. POWER REPORTS THAT U.S. VEHICLE SHOPPERS USING AN AUTOMOTIVE WEBSITE OR APP ON A SMARTPHONE GREW BY A STAGGERING 73% BETWEEN 2012 AND 2013.**

**BEHAVIOR ON CARS.COM SUPPORTS THESE TRENDS AND FURTHER DEMONSTRATES THE NEED TO GO MOBILE:**

- **NEARLY HALF OF THE TRAFFIC TO CARS.COM NOW COMES FROM MOBILE DEVICES.**
- **MOBILE VIEWS OF VEHICLE PAGES ON CARS.COM HAVE INCREASED 74% YEAR-OVER-YEAR.**
PUTTING MOBILE IN YOUR MARKETING MIX

Entering the mobile marketplace can no longer be put off or written off as unnecessary. As smartphone and tablet adoption skyrockets, it is clear that mobile marketing is quickly becoming an essential tool for creating dealership awareness and increasing sales.

The key is understanding how to reach this new generation of car shoppers.

When planning media, be sure to first put your marketing dollars in mobile media, where consumers are spending time, actively seeking information and most open to influence. Just as you followed suit with ad dollars when consumers went online, it’s now time to do the same with mobile.

It’s no longer sufficient to just be online. To most efficiently and effectively reach today’s shoppers, look to invest in digital media that reach shoppers across screens and provide unique opportunities to influence at critical moments when shoppers turn to their mobile device to do additional research.

A recent study by Placed, Inc. found that in crucial moments on the lot, shoppers are most likely to turn to third-party websites. The top four third-party, in-market sites were used by 56% of on-the-lot mobile shoppers, far surpassing use of manufacturer or dealer sites.5
MOBILE SHOPPERS ARE A CRUCIAL AUDIENCE

Mobile technology empowers consumers like never before. While you might assume that you do not need to market specifically to this growing segment, there is good reason to ensure that your advertising reaches shoppers across digital platforms, including their mobile devices.

Unique Audience:
25% used only their smartphone to conduct research prior to visiting a dealership.

Multi-Channel Marketing:
Mobile gives you a means to reinforce messaging across channels to digital shoppers. 51% of shoppers who used a smartphone also used a desktop or laptop.

Open to Influence:
Mobile shoppers are open to influence. More than half of shoppers who used their smartphone for research on a dealer lot visited additional dealerships as a result of information found on their device. And advertising played a big role. 33% were lured by digital ads.
QUESTIONS TO ASK
WHEN SELECTING MOBILE MEDIA PARTNERS

- How large is the mobile audience?
- Does it provide you with a strong cross-platform presence?
- Does it provide a good mobile shopping experience and is it easy to use from a mobile device?
- Is the marketing platform optimized for the behaviors of mobile shoppers?
- What opportunities does the marketing platform give you to stand out with mobile shoppers?
- Can it help you build consideration or drive conversion with on-the-lot shoppers?
- Does it offer you unique products to reach mobile shoppers?
IT’S NOT ENOUGH JUST TO TARGET MOBILE SHOPPERS – YOU HAVE TO MEET THEIR UNIQUE NEEDS.

TO CLOSE MORE SALES, YOUR DIGITAL MERCHANDISING, WEBSITE EXPERIENCE AND CUSTOMER RESPONSE NEED TO GO MOBILE TOO.
WORD OF MOUTH MATTERS
JUST AS MUCH WHEN IT IS MOBILE

Mobile users are not just car shopping. They are looking for a dealership they can trust, and a positive reputation is critical to build confidence in your dealership.

Use quality reviews from previous buyers to engage shoppers, set your store apart from competitors and increase the likelihood that shoppers who seek advice from their smartphone will buy from you.

MOBILE SHOPPERS THAT VIEW DEALER REVIEWS ON CARS.COM ARE:

88% MORE LIKELY TO VIEW A MAP THAN DESKTOP USERS, A STRONG SIGNAL A VISIT IS SOON TO FOLLOW

93% MORE LIKELY TO TRANSFER TO A DEALER WEBSITE THAN DESKTOP USERS

CARS.COM MOBILE SHOPPERS ARE 184% MORE LIKELY TO READ DEALER REVIEWS THAN DESKTOP USERS, SO IF YOU ARE LOOKING TO WIN MOBILE SHOPPERS, MANAGING YOUR ONLINE REPUTATION IS CRITICAL.
Fifty-seven percent of mobile shoppers on the lot will visit another dealership because they find a better price. Use Special Offers to build consideration, making it easy for shoppers to see current incentives and offers while searching on their mobile device.

Prior to visiting the dealership, mobile shoppers frequently seek details about your store. On Cars.com, your Dealer Profile gives shoppers instant access to your inventory, directions to your dealership and an easy click-to-call option to connect to your store. Use this feature to merchandise your store with current business hours and plenty of quality reviews that can be used to set yourself apart from the competition.

**MOBILE SHOPPERS THAT SEE SPECIAL OFFERS ARE:**

- **28%** More likely to view a map than desktop users
- **80%** More likely to transfer to a dealer website than desktop users

**MOBILE SHOPPERS THAT VIEW A DEALER PROFILE PAGE:**

- **94%** More likely to view a map than desktop users
- **96%** More likely to transfer to a dealer website than desktop users
TURN MOBILE TRAFFIC INTO SALES

When it comes to influencing mobile shoppers, reaching them with a strong mobile marketing presence on third-party sites is just the start. You also need to be ready to convert the traffic your marketing efforts will generate. A winning mobile website and a solid response process will keep you in consideration and working toward a sale.

YOUR MOBILE SITE

Mobile shoppers have high expectations, and more than 40% of smartphone and tablet users say they will never return to a site if it is not mobile-friendly. Even if your website developer says your site has been fully optimized, take time to test and test again, or you could be wasting valuable marketing dollars bouncing shoppers who are not able to quickly and easily find the information they need.

- **Focus on your mobile site first.** Apps play an important role in the mobile mix, but your mobile website has greater reach and must be primed to convert mobile traffic from third-party marketing partners and search engines.
- **Prioritize content that is most important to mobile shoppers.**
- **Be consistent.** Special offers, inventory and other information found on third-party sites should be readily available and consistently communicated on your mobile website.
- **Check links in your mobile advertising to make sure they are not broken.**
- **Tag your mobile site to track and measure mobile activity.**
- **Make it easy to find your store.** Prominently place phone numbers, location, hours and directions.

RESPONDING TO MOBILE SHOPPERS

Just as with the traditional internet shoppers, your response to mobile shoppers can make or break the deal.

- **Speed wins:** While mobile shoppers are en route or at a dealership actively comparing pricing and inventory, response time is even more critical.
- **Sharpen your phone skills:** Easy click-to-call options from mobile devices mean shoppers will more frequently call than email. Brush up on phone skill basics to convert phone-calls and be sure numbers are directed to the right person.
- **Take email mobile:** Whether a shopper sends you an email from a PC or their smartphone, it is safe to assume your response will be read on a mobile device. Design emails to be easily read across devices and frequently test to see what your shoppers experience.
WINNING SMARTPHONE SHOPPERS ON THE LOT

IT IS ONE THING TO DRIVE MOBILE SHOPPERS TO YOUR DEALERSHIP. IT IS AN ENTIRELY DIFFERENT THING TO KEEP THEM THERE.
THE MOBILE SHOPPER STAYS CONNECTED, EVEN IN YOUR SHOWROOM

SHOWROOMING [shoh-room-ing] verb

Showrooming is the practice of examining merchandise in a retail store without purchasing it, then shopping online to find a better deal for the same item.

Once a shopper has walked on your lot, do not assume your sales staff is the only influence. And while automotive shoppers must visit another store to make a final transaction, with 63% of shoppers consulting mobile on the lot, the concept of showrooming is very real.5

Today’s shoppers come connected with a wealth of information at their fingertips, and are frequently shopping your competitors’ inventory, even while standing in your showroom.

In fact, a recent study from Placed, Inc. found that among those who used mobile to access automotive content while at a dealership, 52% visited an additional dealership as a direct result of information they found on their smartphones.6 They were 72% more likely to visit another dealer than those who did not use mobile on the lot.5
Understanding mobile usage on the lot can turn a lead into a sale

Knowing what information shoppers are seeking on-the-lot gives you insight into how you can keep them there and moving toward purchase, or even conquest shoppers from your competitors. When shoppers use their smartphones for research at the dealership, they are frequently searching for content that can help them build confidence to move forward with a purchase. They want to know they are getting the right car, for a good price, from a reputable dealer they can trust. While you don’t need to offer the lowest price, recognize that the shopper you are negotiating with likely has a smartphone in their lap and is actively searching your competitors’ inventory, prices and offers. In these cases, transparency is key. Some strategies include:

- Presenting additional inventory options
- Offering price-matching
- Proactively communicating reasons for price variables, such as added features
- Providing a great buying experience at your dealership

Selling your unique value and working transparently with shoppers who engage with their smartphones is critical to closing floor traffic.

### Mobile Content Actions While on the Dealer Lot

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Price, Payments, and Offers</strong></td>
<td>51%</td>
<td>25% Compare prices at competing dealers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19% Trade-in vehicle pricing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>18% Calculate payments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17% Research prices for vehicles</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10% Research incentives &amp; special offers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7% Research financing</td>
</tr>
<tr>
<td><strong>Inventory</strong></td>
<td>29%</td>
<td>22% Find vehicles</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11% Check inventory of the visited dealership</td>
</tr>
<tr>
<td><strong>Reviews</strong></td>
<td>17%</td>
<td>15% Read vehicle reviews</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9% Read dealer reviews</td>
</tr>
<tr>
<td><strong>Advice</strong></td>
<td>16%</td>
<td>10% Vehicle shopping advice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9% Verify information from dealers</td>
</tr>
</tbody>
</table>
CREATE A SEAMLESS EXPERIENCE ONLINE, ON MOBILE AND IN THE SHOWROOM

While it can be daunting to know your shoppers are actively comparing you to your toughest competitor directly from the comfort of your showroom, by embracing mobile behavior and establishing a mobile-friendly showroom experience, you can minimize the risk mobile shoppers will abandon your store for a more compelling offer.

A mobile optimized showroom allows you to provide better service and separate yourself from the competition.

These simple tips will help you overcome the impact of showrooming and increase floor-traffic conversion.

**Embrace Transparency**
- Provide accurate and open information on the lot, that matches listings online and on your mobile website.
- Offer shoppers Wi-Fi in your dealership to empower them with access to pricing and reviews in your store.

**Outfit Your Sales Staff To Go Mobile**
- Enable your sales force with tablets to demonstrate product features, help shoppers compare options and calculate payments.
- Encourage staff to go online with shoppers to compare pricing and validate information that prepares them for purchase.

**Ensure Consistent Inventory**
- Confirm your online presence matches what shoppers are hearing from your sales staff on the floor. If shoppers see inventory in the palm of their hand is not on the lot, or prices do not match, they may lose trust and cause you to lose the sale.
THE MOBILE PRO’S CHECKLIST

The automotive sales environment is increasingly complex, and the influx of mobile shoppers isn’t making it any easier. To navigate this rapid shift in consumer behavior and reach shoppers at the most critical points, it’s time to for you to go mobile too. Get a jump on your competition with these simple steps that put you on the path to becoming a mobile pro.

TAKE YOUR MARKETING MOBILE: Don’t wait to invest in mobile marketing or you’ll lose your first-mover advantage. The time is now to reach mobile shoppers.

✓ Make sure paid inventory listings are optimized for mobile.
✓ Look for opportunities to reach shoppers across screens – desktop, tablet and smartphone.
✓ Take your website mobile and be sure all paid ads click-through to a mobile ready landing page, or you’re wasting dollars.
✓ Have a presence on sites that reach shoppers during critical points of consideration on the lot.

STAND OUT WITH MOBILE SHOPPERS: Know what content catches the eye of mobile shoppers to increase consideration and conversion.

✓ Use Special Offers to communicate incentives and deals that can lure price savvy mobile shoppers to your lot.
✓ Get your reputation up to speed. Mobile shoppers actively seek reviews, and a quality rating can set you apart.
✓ Prominently promote important information, such as address, phone numbers and hours of service. Sometimes mobile shoppers are simply searching for your store.

GIVE YOUR SHOWROOM A MOBILE TUNE-UP: Go mobile with your shoppers on the lot and you’ll reap the rewards.

✓ Give shoppers a consistent experience by aligning your in-store pitch and offers with digital information they are finding on their phones.
✓ Teach your sales staff about mobile shopping behavior.
✓ Provide free Wi-Fi in the showroom and on your lot.
✓ Use tablets to engage shoppers in the sales process and help them compare options.
With Cars.com, you can put your dealership in front of shoppers wherever they are and whenever they shop – regardless of what device they are using.

Talk to your local rep to learn how you can take your marketing mobile with Cars.com.
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7. Cars.com Internal Site Data, November 2013