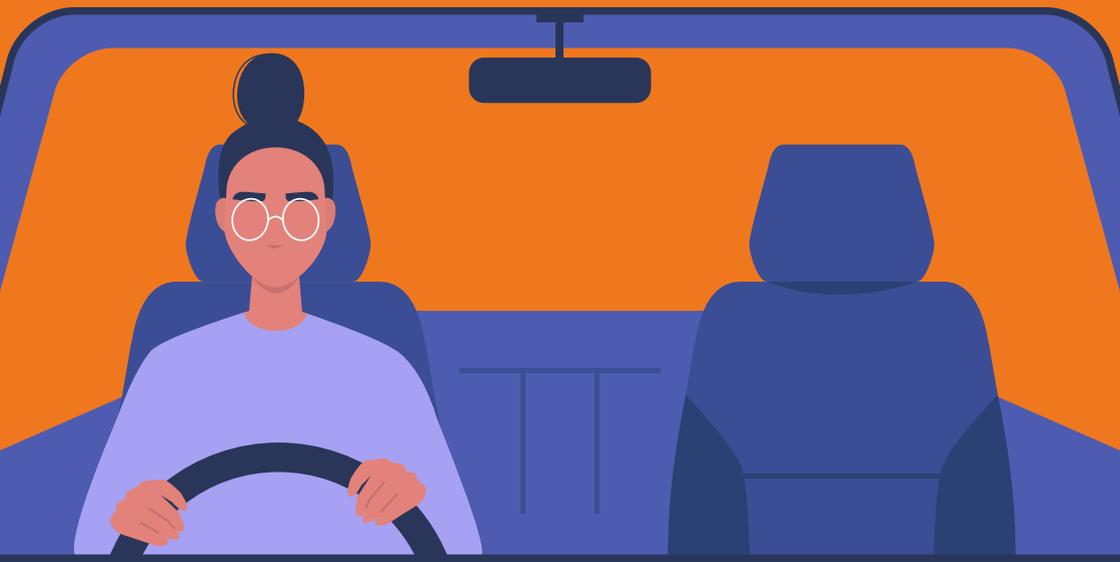


Dealership Marketing During a Recession

Ideas to survive and thrive in 2020 and beyond

Presented by Interactive Marketing



The UK is officially heading towards a recession. As a result of the economic pause in the first half of the year due to the on-going Coronavirus pandemic, the automotive industry is facing the very real threat of an uphill battle in the months ahead.

Economists are predicting that this recession – already one of the sharpest and deepest in history – will bring with it mass unemployment and a reduction in consumer spending.

For those of us in the automotive industry, this is going to present refreshed challenges when it comes to finding prospective customers and closing new deals.

But that's not to say that selling new vehicles is going to be impossible.

Opportunity hasn't disappeared, it has just shifted.

In this resource, presented by Interactive Marketing, you will learn about four recession-proof ways of generating new leads and sales for your car dealership in the coming months.

The methods shared in this resource are all 'direct response' techniques, meaning that every penny you invest in marketing during this period can be tracked and directly attributed to eventual sales and service appointments.

We cover four ways to drive revenue during a recession; call campaigns, emails, Facebook and Instagram ads, and Google Ads. For each method, we cover the principles which underpin their success and then share advice on how to make them work for your dealership.

Call Campaigns

Setup Cost: Zero

Potential Revenue: £££

The relationships you hold with your customers is the most valuable asset your dealership has. Over the years, these customer relationships have sold more cars and booked more servicing appointments than any other kind of marketing activity. Strong relationships are a powerful way to generate revenue.

That's why, during this recession, these relationships will become increasingly important.

Call campaigns to your existing customers are the most effective way to leverage these relationships and turn idle data into active revenue.

In any given month, there are customers in your database ready to bring you revenue, because they are in the market for a new vehicle or need a service for their current vehicle.

But without a process in place to effectively engage with these customers, your dealership has little hope of securing these low-hanging-fruit sales opportunities.

Over the following pages, we will outline the steps you should consider when planning a revenue-boosting outbound calling campaign for your dealership.

Clean and Segmented Data

Before you start making calls to your customers, it's important to ensure that you're using your data in a logical way. There are two things to consider here; data cleansing and data segmentation.

We share more information on how to effectively cleanse your data in our Automotive Outreach Blueprint resource, which you can download at interactivemarketing.co.uk/blueprint

The more interesting step in this process is data segmentation. If you were to take one generic deal or offer to every customer in your database, your sales team would spend a majority of their time dealing with demoralising failed calls. You don't offer the same one-size-fits-all solution to every customer when they walk into your dealership, and so you shouldn't do the same when engaging with them by phone.

Using your DMS, you should group your customers depending on their previous interactions with you.

Each group should have some kind of commonality, such as the size or price range of the vehicle they last bought. This is a good indicator of what their next purchase might be.

A similar tagging method should be used to identify customers who are due a service soon.

With your data organised, you can plan outreach campaigns around the known needs of each group of customers, increasing the likelihood of your calls reaching a successful outcome and reducing the amount of wasted time your team spends on the phone.

Service Reminders

In a period when new vehicle sales are likely to decline, keeping your service lanes full is going to be critical in maintaining profitability during this recession.

And with consumers wary of how and where they spend their money right now, winning service appointments when up against other garages cannot be taken for granted.

That's why you need an effective reminder call and quick booking system in place, to reach your customers at the exact moment when they're most likely to book in their service.

When a customer of yours has a vehicle which is due a service, that represents a problem in their life. It is something they need to invest

time into resolving, whilst juggling everything else they have going on. Offering the path of least resistance to your customers is a powerful tool.

We recommend calling customers who have a service due in the near future and offering them a convenient way of making a booking there and then. If your data is segmented correctly and you have the appropriate call structure in place, this can be a hugely ROI-positive activity.

Sales Events

If your dealership is set to hold sales and promotional events during this recession, outbound calls to your customers is a guaranteed way to increase interest, test drives and eventual sales.

Using data from your existing customer list, you can place calls to those who are most likely to be interested to learn about your sales event. These customers may be interested as they are due an upgrade, or because vehicles in the sales event are similar to the one they currently own.

As outbound calls are all about making the most of the relationships you already hold with your customers, it's important to let each person you speak to know why you decided to phone them.

Giving a reason for your contact not only makes each customer you speak with feel important and valued, but it also leads to a higher

compliance rate, according to several studies.

As part of an outbound call for a sales event, it's important to give every customer you speak to a clear call to action before the end of the conversation. This may be inviting them to view a selection of vehicles in your showroom or to book a test drive on a vehicle of their choice.

Outbound calls are an incredibly powerful, cost-effective and high ROI way to generate revenue for your dealership during this recession. The always-on nature of your customer relationships means that you can turn data into revenue very quickly, with minimal setup.

Hidden Needs

One benefit which is unique to outbound call campaigns and cannot be matched by any other form of marketing is that of uncovering hidden needs.

When you send any kind of sales message digitally to your customers, it's very transactional; you say what you have to say and then your customers either react or ignore your message.

But with telephone calls, there's the chance of an open dialogue between you and your customers. This dialogue allows for hidden needs to be uncovered which may be entirely unrelated to the initial reason for your call.

When calling a customer with a service reminder, they may wish to learn more about a new vehicle you have. When calling about a sales event, a customer may wish to discuss buying their child their first car in the coming weeks.

Telephone conversations are the only way to uncover these needs and secure the often lucrative business that comes along with them.

Tip For Success:

Interactive Marketing offers outbound call services to dealerships across the UK.

Every year, we book thousands of sales and servicing appointments on behalf of dealerships.

We offer this service with no fixed commitment and no setup fee.

To learn more, email christine@interactivemarketing.co.uk



Email Marketing

Setup Cost: £

Potential Revenue: ££

Many dealerships do not make effective use of email marketing to generate revenue from their existing customer data. These dealerships are potentially leaving significant sums of money on the table. During this recession, the effective use of customer data will be more important than ever to increase the sales and profitability of your dealership.

It's likely that your dealership is already making use of email marketing in one form or another, but there are always ways to increase the performance of this activity.

Over the following pages, we will share with you ideas on how to make the most out of your customer data through email marketing. These are outline ideas that you can take and adapt, depending on your current marketing activity and what kinds of data you hold on customers.

Deals and Discounts

Each time your dealership holds a sales event or has stock with some kind of discount or deal applied, it is a good idea to let your customers know by email. Amongst your customers, finance

agreements are nearing their end, parents have children who are set to pass their driving test, and customers have friends who are in the market.

For these and many other reasons, it can be beneficial to proactively inform your customers of any kind of discounts.

More so than ever during a recession, customers are looking for a perfect balance between price and quality. If somebody has done business with you in the past, it can be assumed that they are satisfied with the quality of vehicles you offer, therefore making price a 'deciding factor' in their next transaction with you. When you have stock below its MSRP, your dealership is in a prime position to tap into this group of customers.

We recommend sending an image-rich email showing some of the best deals you have right now, alongside outline specs of the vehicles, the discount applied, and example pricing.

Alongside this information should be a clear call to action, allowing any interested customer to make contact with you instantly.

It's important to get the frequency of these kinds of promotional emails just right.

Email too little, and your competitors have a chance to steal your share of attention and move customers away from you.

Email too often, and your unsubscribe rate will skyrocket and your once valuable customer data will quickly become worthless.

We recommend one promotional email of this kind per month.

Early Recommendations

Your sales team likely has a system in place to reach out to customers at set intervals before their finance agreement expires, offering new vehicles for their consideration. And while this outreach is known to be effective, few dealerships supercharge this activity with supporting emails.

By tagging your customer data in your DMS, it's easy to split your customers by the type of vehicle they last purchased from you.

Combining this data with information on when an upgrade is due, you can send what appears to be personalised recommendations to each customer in the lead up to outreach activity by your sales team.

It's unlikely that many customers will instigate the upgrade process immediately based on these emails, but they act as a powerful tool to prime your customers ahead of your sales team getting in touch.

If you have emailed information on three potential upgrade vehicles to a customer two weeks before they're due a call from their sales contact, there is a reasonable chance that this customer will develop a preference amongst the vehicles you have on offer.

When a customer knows what they want and is telling you about it (rather than the other way around), your chances of having a worthwhile sales conversation increase.

Plain-Text Check-Ins

In the weeks and months after a customer has taken delivery of their new vehicle, it might seem like they are no longer worth marketing to. This is an incorrect assumption.

New customers are prime to assist your dealership in its wider marketing activities by becoming advocates for your brand.

We recommend having an automated sequence of emails in place to send to customers at set intervals after handover. Each email should be plain-text and be signed-off by somebody responsible for customer satisfaction within your dealership.

With these emails, you can do the following:

- Troubleshoot any teething issues or problems your customer has with their vehicles early, removing buyers remorse and avoiding costly and brand-damaging complaints.
- Once you're sure the customer is happy (based on the previous email), ask them to leave a review online on whatever platform you use. Link the customer to this platform and provide instructions on how to leave a review.

Positive reviews are a major trust indicator, and therefore, you can use your existing customer data to increase the chances of new customers converting.

- Offer upsells and cross-sells which may not have been taken at the time of purchase. If you have non-tangible products with high-margins, such as service plans, an email dedicated to refreshing your customers on their benefits can make a measurable difference to your average revenue per customer.

Ask for referrals from friends and family members. When your customers are still riding high, thanks to their recent purchase from you, offer them an incentive to recommend their friends and family to your dealership. Leave clear instructions in the email on how they can do this.

Automated plain-text emails are a great no-nonsense way to encourage your customers to take desirable actions with little long-term input required on the part of your dealership.

Facebook and Instagram Ads

Setup Cost: ££

Potential Revenue: £££

Facebook and Instagram Ads have traditionally been thought of as tools for e-commerce brands and those who can take orders online. And while some manufacturers have recently added e-commerce tools to their arsenal in response to COVID-19, Facebook and Instagram Ads can be an effective way to generate sales leads for any dealership – regardless of their online presence.

Both Facebook and Instagram Ads can be managed centrally through the Facebook Business Manager. You can make use of either Facebook or Instagram Ads independently, or both together, depending on what platforms your dealership uses.

Over the following pages, we will share with you ideas on how to use Facebook and Instagram paid advertising to engage both new and existing customers.

New Customer Awareness Ads

You know a lot about your existing customers, from the area where they live to their average age. This data can be turned into general personas of the kinds of people who do business with your dealership.

Using Facebook and Instagram Ads, you can take these characteristics of your typical customer and use the vast numbers of people on the platforms to find very similar individuals.

This approach is effective whatever the economic situation, but it can be even more powerful during this recession if used correctly.

That's because many of your local competitors will be reducing their marketing spend, and in doing so reducing their 'noise share'. With this share of attention lost, other dealerships leave their customers wide open to discover new brands and dealerships, such as yours.

By putting a small daily budget behind ads with the call to action of booking a test drive on one of your most popular models, you can get a sense of the kinds of results you might be able to achieve.

Should these results look promising, it's easy to scale budget and reach in a couple of clicks with Facebook and Instagram Ads.

Retarget Website Visitors

If you have other marketing directing potential customers to your website, or if your website enjoys organic traffic from Google, retargeting visitors through Facebook Ads is a great way to continue engagement once they have exited your site.

By installing something known as a 'Pixel' onto your website, Facebook will know when somebody has visited your site and add them to an audience.

You can then create ads to be shown to this audience, with a method known as 'retargeting'.

For example: If a visitor has recently viewed pages on your website relating to an SUV you have on offer, you can retarget them on Facebook and Instagram with ads relating to that and other SUVs.

Retargeting is a powerful tool during a recession as it helps you to retain the attention of potential customers when they are in a state of heightened interest, allowing you to move them towards a sales conversation through multiple touchpoints before they engage with your competitors.

Google Ads

Setup Cost: ££

Potential Revenue: £££

Google Ads are an effective way to be in front of potential customers at the very moment when they are looking for a vehicle or service you offer.

When somebody types in a query into a search engine such as Google, they are looking for an answer to their problem. This problem could be one of ignorance (ie. they don't know what they are looking for) or of abundance (ie. they have too many options in their mind and need to narrow their search). In either case, giving potential customers timely and relevant information at this stage in their search is a great way to win attention and start sales conversations.

An effective way to utilise Google Ads is to create website landing pages for each of the vehicle models you offer and then to direct searching customers to these pages.

You will want to target your ads to those within a certain location, to ensure that your Google Ads are only shown to those who can feasibly do business with your dealership. Google gives you the ability to specify exactly who sees your ads (with targeting options such as age and household income) and where they are based (set by town, city, or even postcode).

This allows your dealership to show searching customers in your locality ads for the exact make or model they are looking for. When your vehicles are presented in this way, it's easy to see why Google Ads can be an ROI-positive form of marketing during a recession.

About Interactive Marketing

Interactive Marketing was founded to provide the motor industry with much-needed solutions to some of the most pressing customer contact challenges. Since then, we've worked with many of the best-known dealerships in the UK, conducting hundreds of thousands of phone calls and booking countless appointments on behalf of our clients.

Our four core services, outbound calls, inbound calls, one-off campaigns and live chat management, not only increase appointment bookings, but also help to deliver your customers with timely service reminders and solutions to their problems.

Our incredible team of passionate call-makers, alongside a continuous investment in training and hands-on experience, make us the go-to customer contact supplier for many of the best-known dealerships in the UK.

We provide our services to dealerships offering vehicles from manufacturers including JLR, Volvo, SEAT, Kia, Škoda, BMW, MINI, Bentley, Citroen, Suzuki, Mercedes-Benz, Ferrari and Maserati.

We're also proud to be recognised as recommended suppliers to SKODA UK, SEAT UK, Volkswagen UK and JLR.

It's our people, processes and persistence that make Interactive Marketing so effective.

We're a market leader, with the best people, the highest standards of training, unmatched insight and impressive customer contact rates.

During this recession, we will be supporting dealerships to turn their customer data into revenue, through effective outbound call campaigns. Our services have no setup cost and no long-term commitment, making them the perfect way to generate revenue on-demand.

To learn more about recession-proofing your dealership with Interactive Marketing, email christine@interactivemarketing.co.uk.

