

# **DISCOVERING CONSUMERS ONLINE CAR SHOPPING HABITS HELPS DEALERS FINE TUNE INTERNET MARKETING STRATEGIES**

Publication: Auto Success Newsletter

Date: 9/19/06

Author: Cheril Hendry / CEO

Online car shopping behavior is changing so fast and furiously, it's making even the savviest web marketer's head spin. Less than a year ago consumers were relying heavily on third party lead providers for car shopping and buying. Now, they're ignoring most of them and heading straight to search engines, especially Google, for help.

So what's a smart, forward-thinking automotive dealer to do? Take the time to learn about search engines, according to Cheril Hendry, CEO of HLF Brandtailers in Irvine, CA, a full-service marketing firm that specializes in brand and retail development for the automotive industry. "It's important to understand the difference between search engine optimization and search engine marketing," Hendry said. "Don't leave this knowledge base to your internet department managers. Understanding it at the GM level could mean the difference between black and red on dealer's monthly statements."

"You don't have to know all the intricate details of this mind-boggling technology," Hendry said. "But you should understand how search engines work, and the difference between terms like organic and pay per click. If you can grasp how spiders and bots crawl the web, and why attracting them is so critical, you're in better shape than most. Most important of all, you need to understand your customer's online shopping behavior. That way, you can respond to their needs effectively, even proactively, and leave your competition in the dust."

Hendry says that learning about customers' current online car shopping behavior is relatively easy to accomplish by conducting customer surveys. The answers to questions about the way they search, shop and buy will easily indicate to dealers what changes, if any, need to be made with their internet marketing strategies.

Results from a recent compilation of 3,980 surveyed consumers who purchased new or used vehicles from HLF's dealer clients between January and June of 2006 revealed a number of interesting insights about their searching and shopping behavior.

1. The majority of car buyers (79%) today refer to the Internet at least once during their research and/or shopping process.
2. Of these internet car shoppers, 68% use a search engine to begin their research.
3. Of those who use search engines, 62% start at the manufacturer's web site.
4. Of those who land on a dealer's web site, more get there by clicking through from the manufacturer's web site.
5. 48% of all consumers log on to a dealer's web site for the first time using a search engine.
6. 92% of today's search engine users recognize and prefer organic listings over sponsored.
7. When looking for a particular dealership via a search engine, 93% bypass all other search results that appear.

Hendry recommends that dealers gather and analyze their own data so that it is highly specific and relevant to their markets. But those dealers who rely on Internet car shopping and buying statistics other than their own when making marketing decisions would be wise to consider the source, because there might be a hidden agenda. Many lead providers, web site hosting companies, and media firms have developed new business branches with uniquely different names in order to appear unbiased as they present online data and information. "There's a lot of money being made with search engine

marketing programs right now”, said Hendry. “Unfortunately the money is not being made by the dealer. But if you take the time to understand your customer’s particular online shopping and buying habits and then respond accordingly in your marketing efforts, you should see a recognizable improvement in your internet department’s performance and in your overall marketing efforts.”