



The State of **Digital Marketing** In the

AUTOMOTIVE **INDUSTRY**



Introduction

Reach Marketing Pro prides itself on constantly monitoring the industries we serve and developing innovative marketing strategies to stay ahead of the curve. One of our focus industries is the automotive sector, which is a primary driver of marketing trends.

We decided to survey 300 decision-makers in the automotive industry to get a feel for what is and isn't working in today's market. The insights gained from these decision-makers will help other businesses stay ahead of the competition.

There are many nuances in the automotive industry when it comes to impactful marketing. It is common for a customer to find and research vehicles, services, and dealerships online before visiting any location in person. This continues to solidify the need for a strong online and offline presence.

Not to mention, many of these businesses are localized and have found that traditional marketing still works. It can get overwhelming, so we've created this report.

In this comprehensive report, we provide you with the new data gathered, actionable insights, and key takeaways.

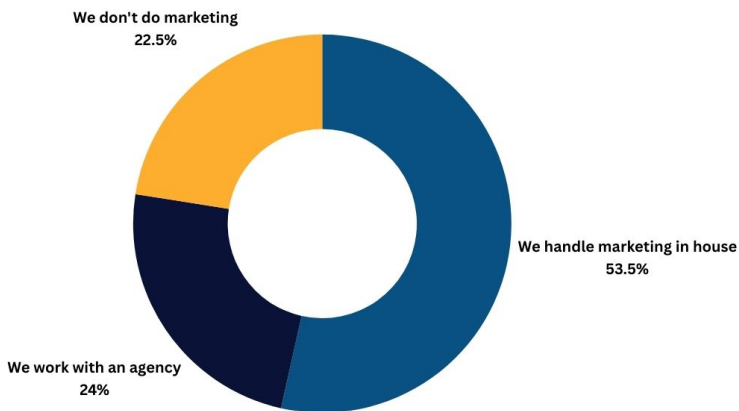
We hope it helps supercharge your own marketing efforts!



Marketing In-House Versus an Agency

When it comes to marketing, businesses must decide whether to establish marketing in-house or work with an agency. On the one hand, it's nice to have a dedicated specialist in-house who lives and breathes marketing. On the other hand, agencies have expertise in certain industries, relationships, and proven methods. Usually, it comes down to goals and budget.

With 54% of brands having in-house marketing, you might assume that 46% of brands work with an agency. In fact, 24% of automotive businesses work with an agency, and the other 22% report not doing any marketing at all.



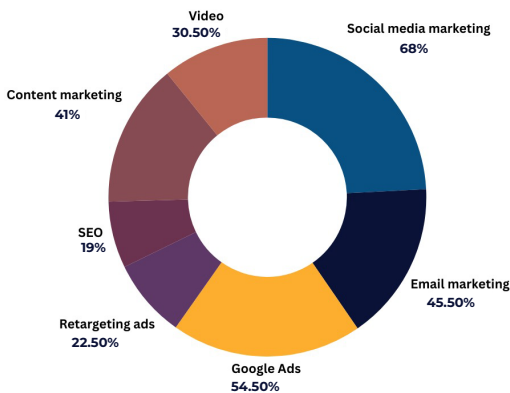
Additionally, the respondents who work with an agency were asked to rate the effectiveness and satisfaction of their agency's efforts. The majority of the respondents rated their satisfaction with working with an outside agency as 9 out of 10.



Digital Marketing Strategies Most Used By Automotive Businesses

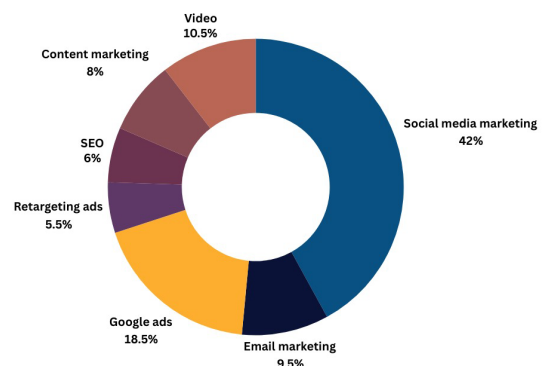
With so many strategies to choose from, a business can spread itself too thin by trying to do a little bit of everything instead of focusing on the most profitable marketing strategies.

To get to the point, we asked these automotive decision-makers which marketing channels they used and which ones were the most effective in bringing in new business.



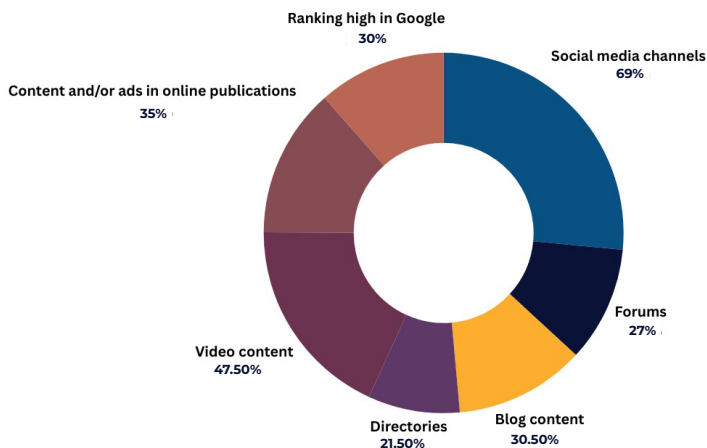
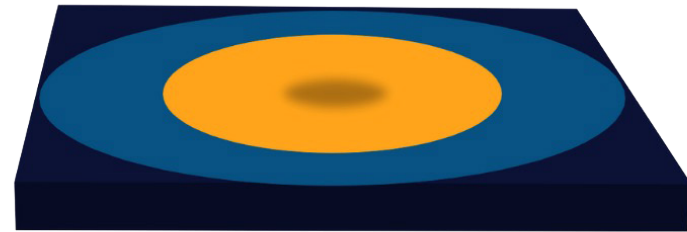
Social media marketing was not only the most used marketing strategy by respondents but also the one that automotive companies reported to be the most effective.

Currently, social media marketing is dominating the automotive industry, but it's important to note that Google ads are in second place and deserve a shout-out.





Enhancing Online Presence for Automotive Businesses

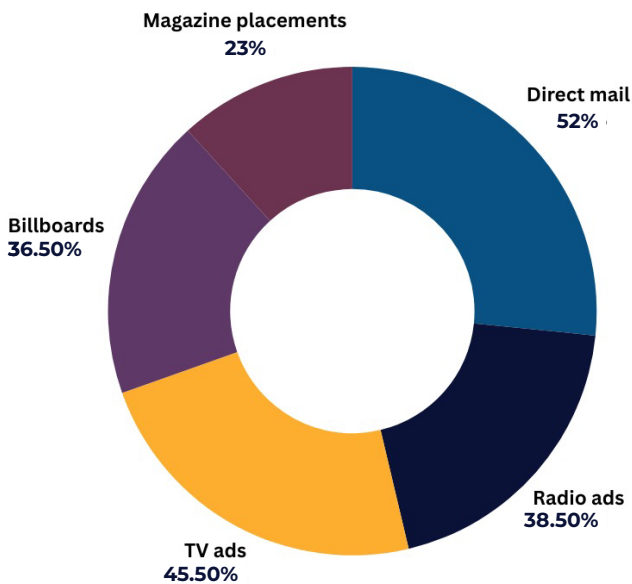


Marketers should constantly consider enhancing a business's online presence. Many options are available to increase visibility, and we wanted to find what automotive businesses feel helps them gain the most traction online.

It's no surprise that social media posts are the most popular way to enhance an online presence in the automotive industry. Other popular tactics include video content, blog content, and content in online publications.



Do Traditional Marketing Strategies Still Carry Weight?

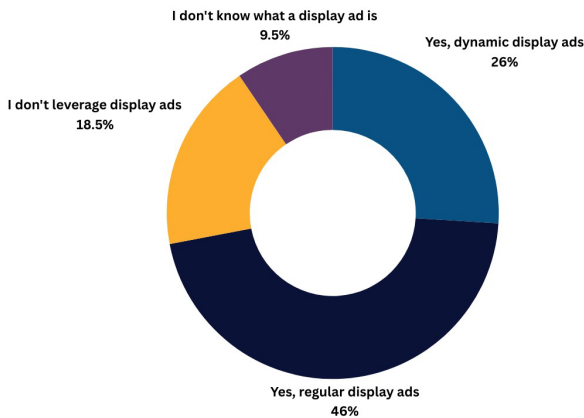


Sometimes, it seems that businesses fixate on what is shiny and new, then cast the old marketing strategies aside, assuming that old means no longer effective.

When we analyzed our data, it was very clear that traditional marketing strategies DO still carry weight. Particularly, over half of automotive businesses still rely on direct mail to land new customers. In second place, 45% of automotive businesses utilize TV ads.



Display Ads: Yes or No?



Display ads have been deemed an effective way to promote inventory, and now there are several types to use, including regular display ads and dynamic display ads. Dynamic display ads are synced directly to your online vehicle inventory to showcase relevant, animated carousels of your actual vehicles to retarget and prospect users who visit your website or related websites.

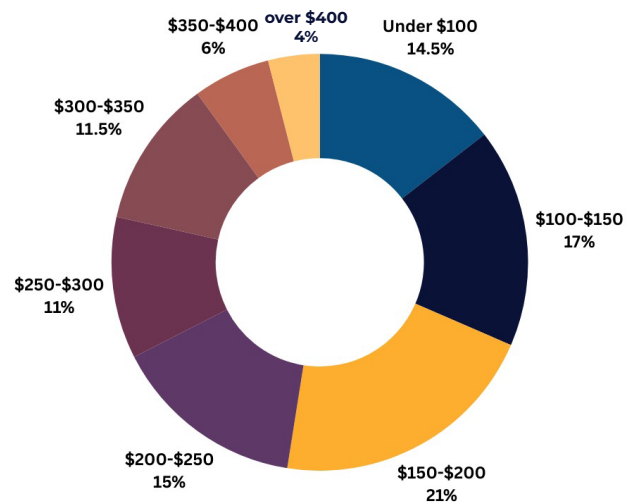
With 46% of automotive businesses leveraging regular display ads and 26% leveraging dynamic display ads, this marketing tactic is widely used. Only 29% of automotive companies don't use any type of display advertising.

The Average Cost Per Lead For Automotive Businesses

Cost per lead is one of the most essential metrics that automotive companies need to track.

Don't know how to calculate the cost per lead for your business? All you have to do is define how much you spent on a certain campaign strategy and divide it by the number of leads that particular strategy generated.

To ensure your automotive business isn't paying too much per lead, it's important to note that the average cost per lead at automotive businesses is between \$100 and \$250.



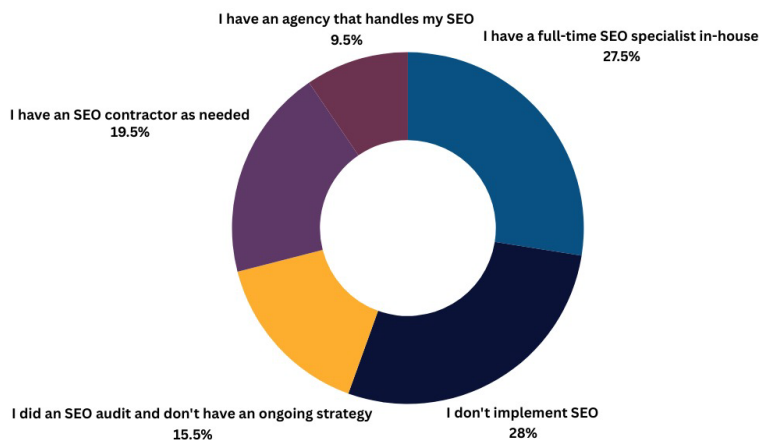


SEO and The Effectiveness For Automotive Businesses

An SEO-optimized website allows businesses to rank higher in search engines, bringing in a ton of organic traffic that converts and improves the quality score of all paid search efforts.

SEO is what some may call a slow build, and the concepts of strong SEO may seem daunting and hard to track. This may be the case for in-house marketing, but agencies that specialize in SEO provide proven data-driven results with custom tracking. It is good to note that a custom approach to SEO will far outweigh the cost.

SEO is especially important for localized businesses, and automotive businesses are no exception. Unfortunately, the majority of decision-makers reported that they don't implement SEO at all. In a close second, many automotive businesses note the importance of SEO and employ an in-house SEO specialist.

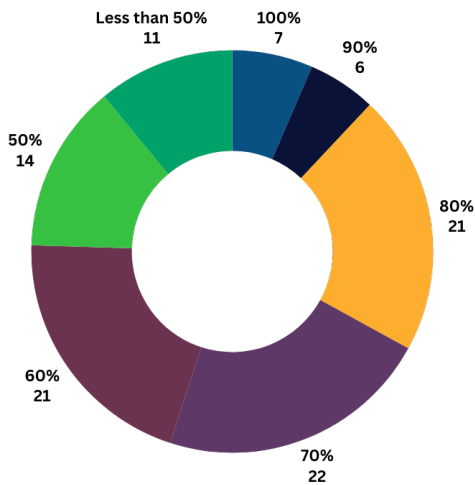


The respondents who implemented SEO were asked to rate its profitability effectiveness on a scale of 1-10. The majority of automotive businesses report SEO performance as 8 or 9 out of 10, which shows us how effective this tactic is.



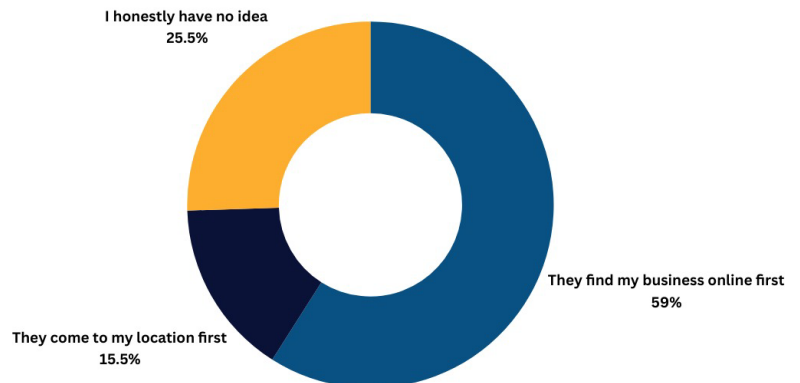
The Buyer's Journey in the Automotive Industry

The majority of customers select an automotive business online and then visit the location in person. Therefore, an online presence must be solid and not make false promises when potential customers visit a physical or digital storefront.



Over half of automotive businesses cite that at least 70% of their customers start their journey online before visiting a physical location. These businesses clearly need a strong online presence to beat the competition and a strategic CTA to entice audiences to visit their location.

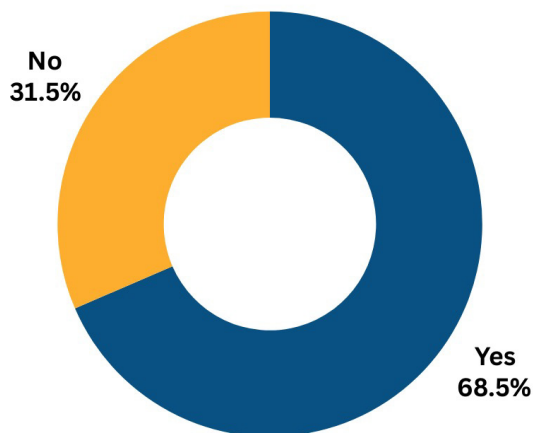
Surprisingly, over 25% of automotive businesses don't know if their customers start their buyer's journey online or in person. This shows a need for many automotive businesses to step up their game when it comes to tracking their marketing efforts.



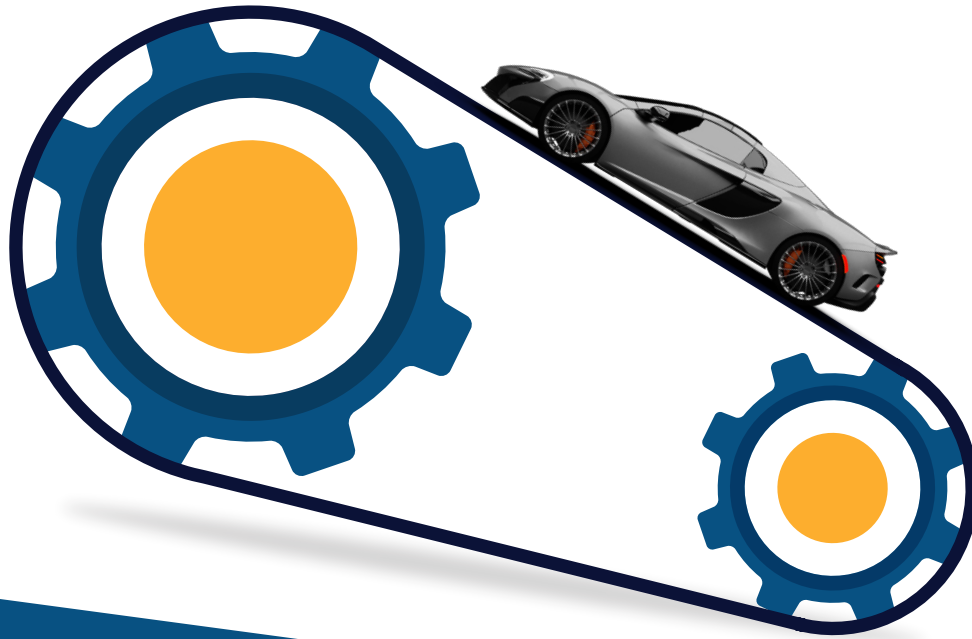


The Importance of Customer Reviews

“Social proof” is a marketing buzzword that refers to harnessing and leveraging reviews, social media shoutouts, case studies, and testimonials to showcase a third-party endorsement for a business. These endorsements carry a lot of weight because customers like to see that someone like them had a positive experience with a specific business.

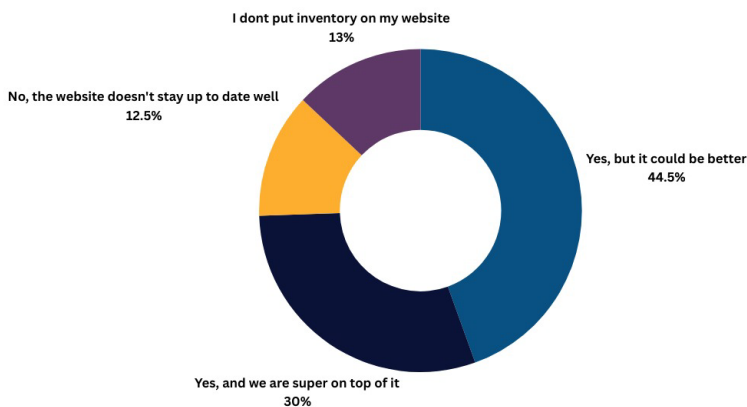


In the automotive industry, customer reviews are extremely important when making a purchase decision. This is supported by the fact that 68% of automotive businesses earn and leverage customer reviews.



Automating the Tracking of Inventory So Customers Can See What's In Stock

Keeping up to date with inventory is crucial for a positive customer experience. Customers want to see real-time inventory, as vehicles are sold and added daily.

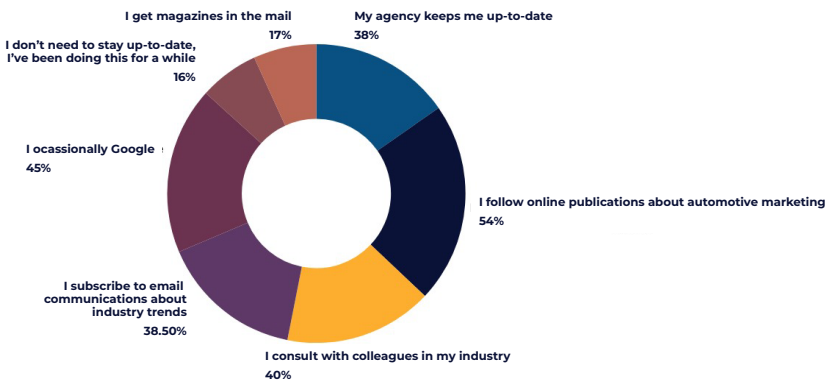


Almost half of survey respondents report that they DO automate the tracking of inventory, but the process could be better. Surprisingly, 13% of these businesses don't put inventory online at all.



Staying Up to Date With Trends In Automotive Marketing

All businesses need to be aware of marketing trends that work and don't work to stay in the loop with current trends and inspire their marketing efforts. We asked the 300 surveyed decision-makers how they stay current with marketing trends.



Over half of them cite online automotive publications as their primary source for keeping up with marketing trends in their industry. Other notable resources include Google searches and staying in touch with colleagues in the same industry.



REACH MARKETING PRO

About Reach Marketing Pro

At Reach Marketing Pro, we set out to fill a niche. We know there's a need for expert digital marketing and traditional media services that don't cost an arm and a leg. Every business has unique marketing goals, and we know how to reach them.

We are an agency that maintains a low overhead in order to offer custom marketing services at an affordable cost. You get a big agency's negotiating power and know-how with the personal attention and lower cost of a boutique agency. Our aim is to always provide you with better service for less money.

We would love nothing more than to prove it to you. Our team consists of experts in SEO, SEM (PPC), Social Media, Paid Social, eCommerce, Website Development and Management, Creative Design and Execution, and Media Buying. We strive to be at the forefront of the ever-changing digital industry, ensuring our clients stay two steps ahead of their competition. You can count on us to develop a quick rapport and a trusting relationship with clients and media outlets alike.

Contact us today to learn more about how we can transform your automotive marketing.

