6 THINGS TO KNOW ABOUT SEARCH ENGINE MARKETING

Many dealers spend significant dollars on Search Engine Marketing (SEM) programs to reach and influence in-market shoppers. To ensure you are getting most out of your investment, here are six things you need to about SEM and how car buyers use search engines during the car shopping process.

1

While search usage is high, shoppers do not necessarily use search engines to *shop.*

According to the Polk Automotive Buyer Influence Study, 84% of car buyers use a search engine during the car shopping process. However, about half **of them only use search engines to look up a dealer's address or phone number.** Shoppers use search engines more often as a Yellow Pages-type directory service, not a shopping resource.[1]

2

Car shoppers use search engines to access car shopping/research websites.

According to data from Google, some of the top-ranked searches in the vehicle shopping category are terms like "AutoTrader" and "Kelley Blue Book." That means **many shoppers use search engines to get to sites where they can shop for cars,** rather than using the search engine to shop.

Search terms

Top searches

1.	cars	100
2.	auto	75
3.	blue book	65
4.	autotrader	55
5.	used cars	45
6.	kelley blue book	35
7.	kelley blue	35
8.	toyota	30
9.	sales	30
10.	ford	25

Google · Embed this table

[1] Source — 2011 Polk Automotive Buyer Study: Sources that Influence Purchase

3 Car shoppers are more likely to type in dealership names rather than shopping-type terms.

When consumers use search engines during the car shopping process, they typically do not type in general shopping terms like "Audi Atlanta" or "Ford Charlotte." Instead, they type in dealership names. Analysis of 45 dealerships showed that **65% of the shoppers who arrived at their websites typed the dealership's name into the search engine**. Only 35% typed in shopping terms such as "Ford Atlanta."

Keyword Analysis

■ Shopping Related
■ Dealer Related

35%

65%
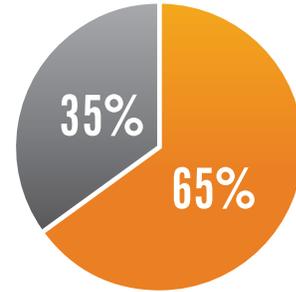
Source: Dealer Keyword Analysis, 2011

The chart below shows the difference in searches for a specific dealership name versus a more general make/market search:

"Wade Ford" Searches	"Ford Atlanta" Searches
2400	590

Source: Google Adwords, May 2012

In this example, there are **FOUR TIMES** as many searches for the dealership name as there are for the make/market search term. This demonstrates that shoppers are more likely to use a search engine as a directory rather than a shopping site.

4 Shoppers who arrive at your website via search engines often learn about your dealership from other sources.

A dealership online analytics dashboard report may show that search engines drives as much as 50% of the traffic to a dealership website. However, since the majority of shoppers type a dealer's name directly into the search engine, it is more likely they learned about the dealership through some other form of advertising (e.g., television, radio, online third-party sites, etc.). Search engines often serve as **the "middle man" between automotive advertising and the dealership website.** As a result, dealers should implement processes to continually source shoppers (both online and in-store) to better understand what is really driving shoppers to the dealership, both online and in-store.

5 Third-party sites have more shopping activity than search engines.

When you compare search activity on Google to search activity on AutoTrader.com, you see that AutoTrader.com has a much greater volume of actual shopping activity (see below). For example, in **any given month, ~49,500 shoppers type the term "Ford F-150" into Google while ~949,338 monthly searches are conducted for "Ford F-150" on AutoTrader.com.** As you get more specific in the search criteria, there are even fewer people typing shopping terms into the search engine.

Monthly Searches	Google	AutoTrader.com
Ford F-150 (National)	49,500	949,338
Ford F-150 Atlanta	12	38,075
2008 Ford F-150 (National)	1300	6804
2008 Ford F-150 Atlanta	0	282

Sources: Google Adwords, May 2012, AutoTrader.com site data, May 2012

6 Quantity of shoppers does not necessarily equate to quality of shoppers.

Dealers investing in SEM should scrutinize their results to ensure they aren't sacrificing quantity for quality. While the number of site visitors is important, key metrics such as **"time on site" and "page views" may be even more important in determining how engaged and qualified shoppers are.** Dealers also should monitor "bounce rate" closely. Bounce rate is the percentage of shoppers that arrive at your website but leave immediately. As a general rule, dealers should try to keep their bounce rates below 30%. A high bounce rate means that shoppers are not staying on your site to shop. However, if these visitors are referred from a "sponsored" link (SEM), that means you've paid for them to click through to your site even if they don't stay on your site for long.