



**WHAT'S FUELLED
CAR BUYERS
PURCHASING
DECISIONS**

**Paul Smith
Commercial Director**

RLA[®]

DIESEL

DATA

TRUMP IN CRISIS

* Edelman Trust Barometer 2018

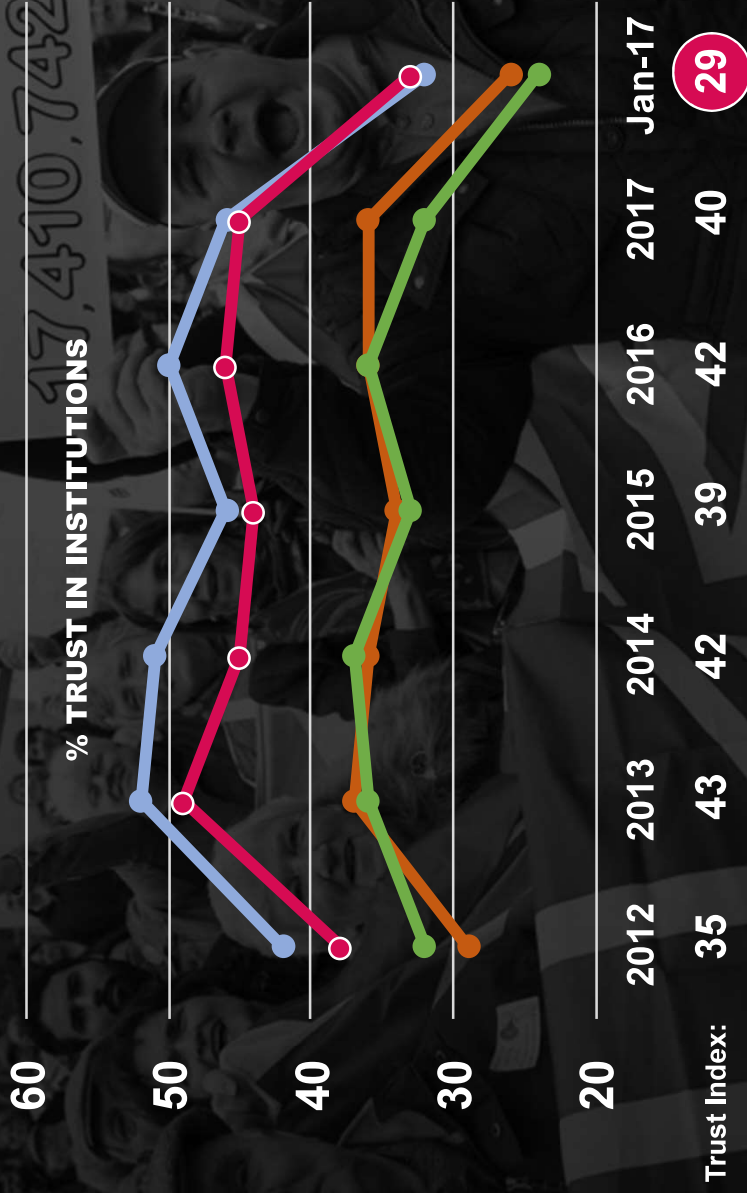
FAKE NEWS!

64% OF ADULTS DON'T
KNOW HOW TO TELL THE
DIFFERENCE BETWEEN
GOOD JOURNALISM,
FROM RUMOUR.



USA

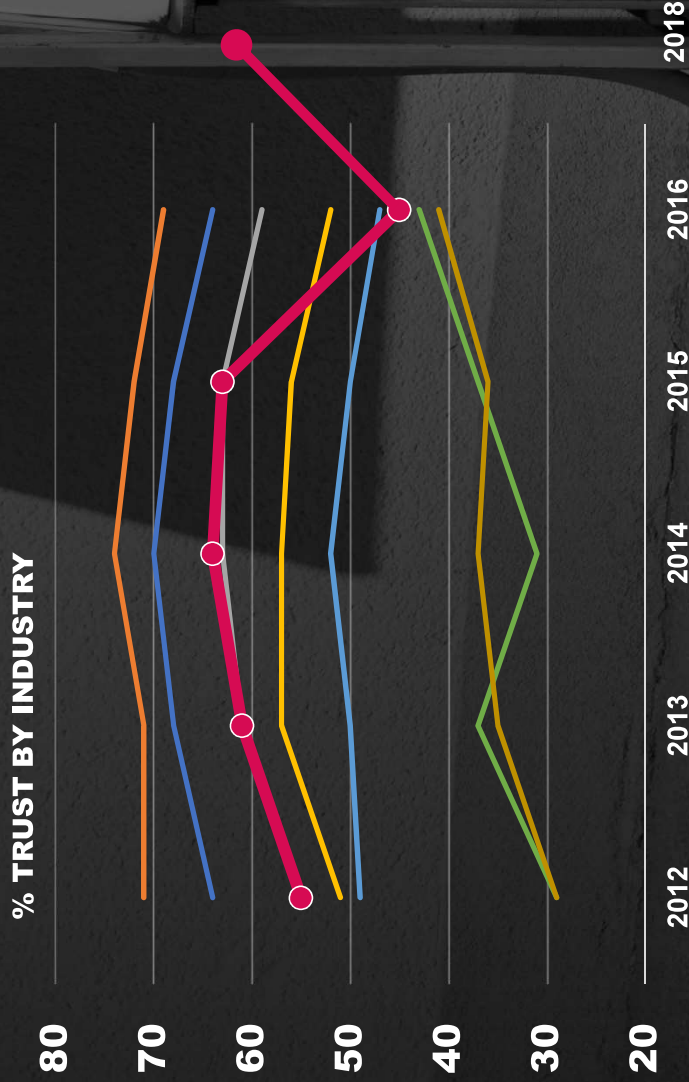
UK TRUST EVAPORATED LAST YEAR



* Edelman Trust Barometer 2017



TRUST IN **AUTOMOTIVE** FELL TO ITS LOWEST RECORDED LEVEL.



5yr
Trend

Technology

Food & Beverage

Consumer Goods

Telecommunications

Pharmaceutical

Automotive

Energy

Financial Services

-10

14

12

2018

2016

2015

2014

2013

2012

* Edelman Trust Barometer 2016

**WE'VE BEEN
TAUGHT FROM
A YOUNG AGE
THAT DIESEL'S
ARE EVIL!**



**IS DIESEL
ACTUALLY
AS BIG AN ISSUE
AS EVERYONE
MAKES OUT?**



IT'S ALL ABOUT

CONTEXT



WOULD YOU RATHER
BE SELLING A USED
GEN 1 EV OR DIESEL?



A woman with long, dark, curly hair is shown from the waist up, wearing a white lace dress. She has her eyes closed and a joyful expression, with her arms raised high in the air. The background is a bright, colorful gradient of yellow, green, and blue, with soft, out-of-focus light spots. The overall mood is positive and uplifting.

BE POSITIVE

**DON'T GET DRAGGED
INTO AN ARGUMENT
THAT IS DEFENSIVE**

BE FACTUAL

**DIESEL IS THE HIGHLY
LOGICAL, EASY TO ARGUE
CHOICE FOR MANY**



IN DEFENCE OF DIESEL Why diesel isn't dead and you should still buy new cars

When it's right to buy a diesel and when it's not - and how to avoid all the scaremongering about the 'toxic fuel'

COMMENT

By Rob Gill

25th January 2018, 9:32 am

Updated: 25th January 2018, 9:32 am



5

COMMENTS

YOU lovely people ask the same question almost daily: I want a new car. Shall I buy petrol or diesel? The answer is simple.

Ignore all the claptrap and scaremongering from idiotic politicians about "dirty diesel" and NOx and so on and do what is best for YOU.

**IN REALITY,
FEW CARE
ABOUT THE
ENVIRONMENT**



PUBLIC CONCERN DOES NOT TRANSLATE TO PRIVATE ACTION*



74%

Pollution caused
by cars in the UK's
cities is worrying

48%

I care more about
fuel pollution now,
compared to 12
months ago

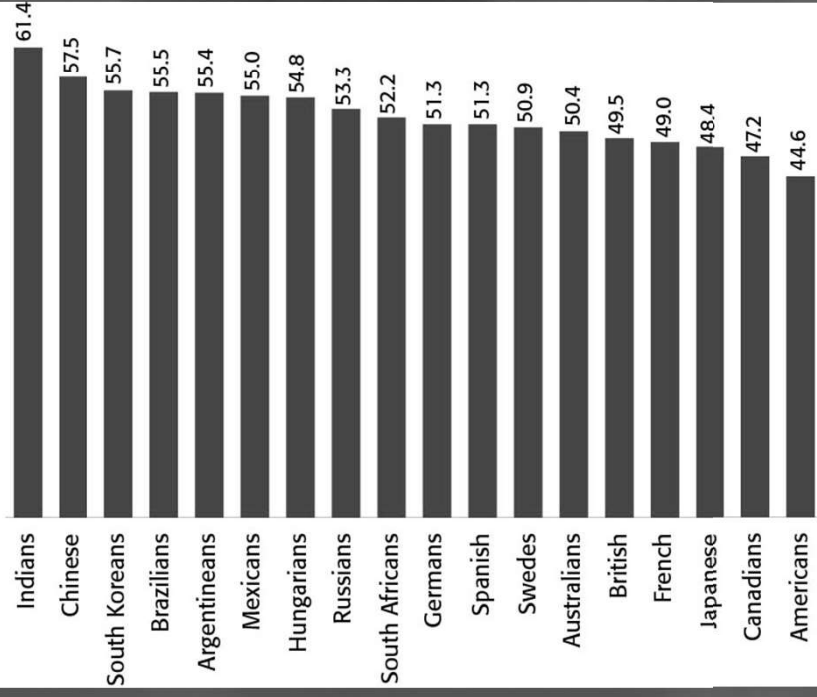
66%

Fuel pollution
is an important
consideration when
buying a car



*AutoTrader Market Report Sept 2017.

The 2014 Greendex



NGS14_Greendex_overall

UK IS 14TH OF 18 COUNTRIES ON THE GREEN BEHAVIOUR RATING INDEX*

*National Geographic/GlobeScan Consumer Greendex
A scientifically derived sustainable consumption index of actual
consumer behaviour and material lifestyles across 18 countries.



YOU'RE IN CHARGE !

**ITS UP TO YOU TO PUT
THE PIECES OF THE
JIGSAW TOGETHER FOR
POTENTIAL CUSTOMERS**

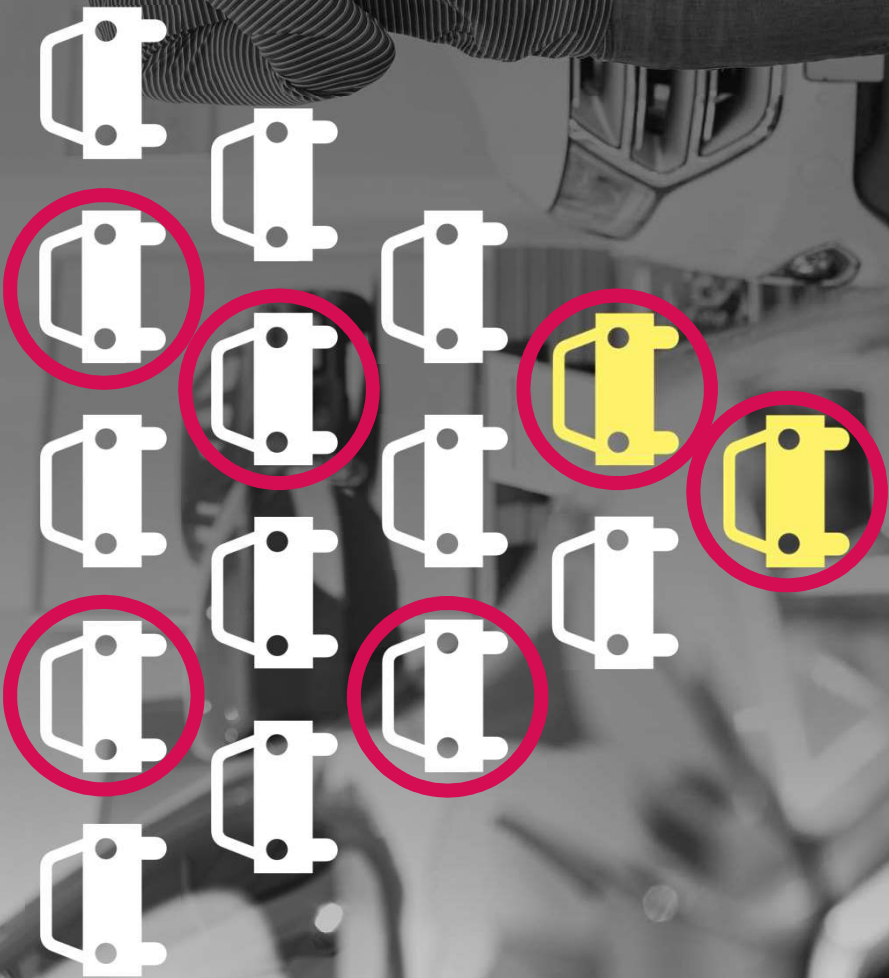
A grayscale photograph of a woman with dark hair, wearing a dark denim jacket, sitting at a desk. She is looking down and to the right with a thoughtful expression, her right hand resting on her forehead. The background is blurred, showing what appears to be a modern office or workspace with a desk lamp and some papers.

80%

**OF CONSUMERS FIND THE
PROCESS OF BUYING AND
SELLING CARS STRESSFUL**

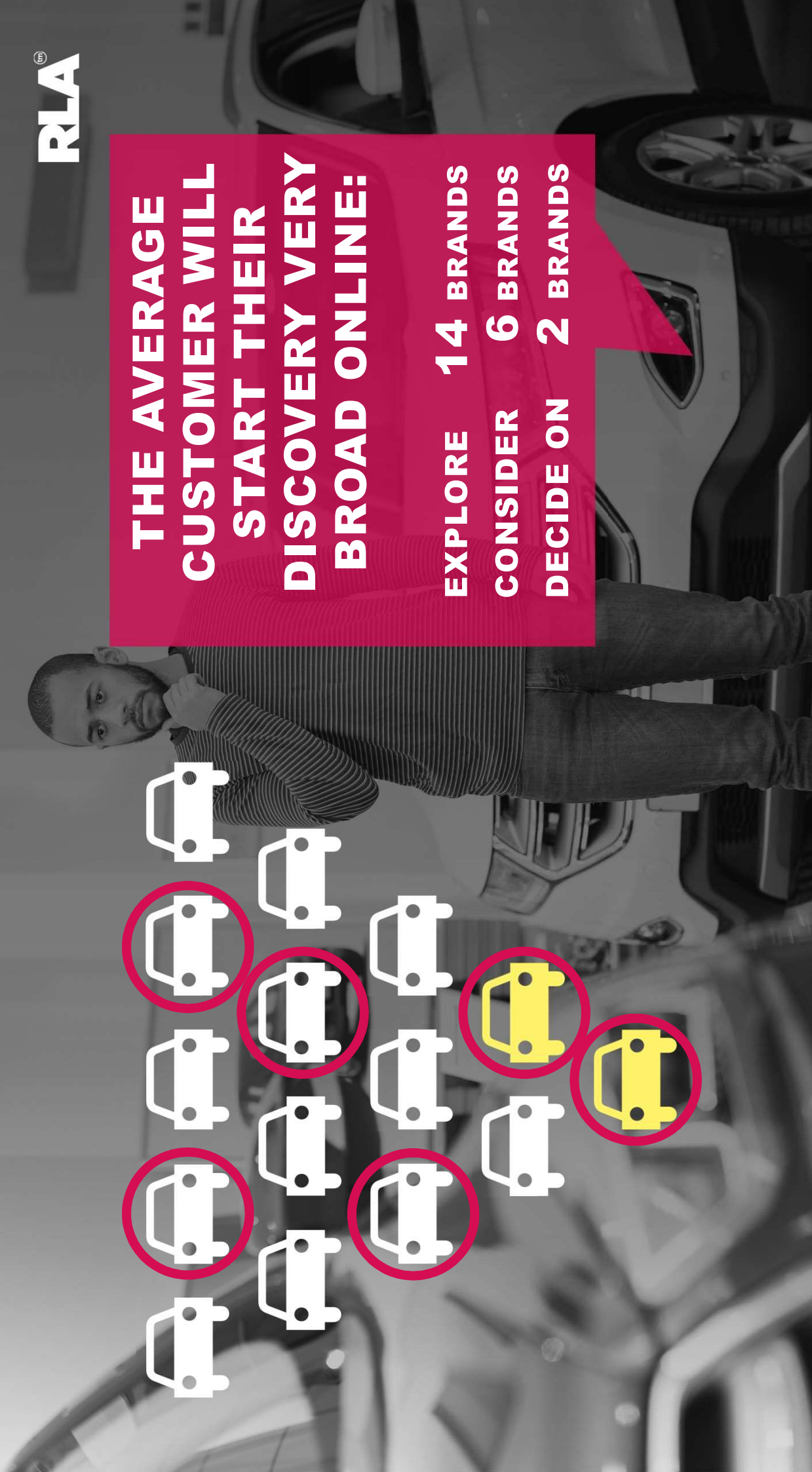
MOST CAR BUYERS ARE UNDECIDED AT THE START OF THE SHOPPING PROCESS





**THE AVERAGE
CUSTOMER WILL
START THEIR
DISCOVERY VERY
BROAD ONLINE:**

**EXPLORE 14 BRANDS
CONSIDER 6 BRANDS
DECIDE ON 2 BRANDS**



**AND THE WHOLE CUSTOMER BUYING
JOURNEY CAN MAKE UP TO A CRAZY**

900 DIGITAL TOUCHPOINTS*

 139 Google searches

 14 YouTube Videos

 89 Images

 69 Dealer interactions

...

*Google Micro Moments 2017 – 3 Month period

YOU HAVE THE **TOOLS TO PERSUADE**

36%

of **New** car buyers
considered both
New & Used
vehicles

55%

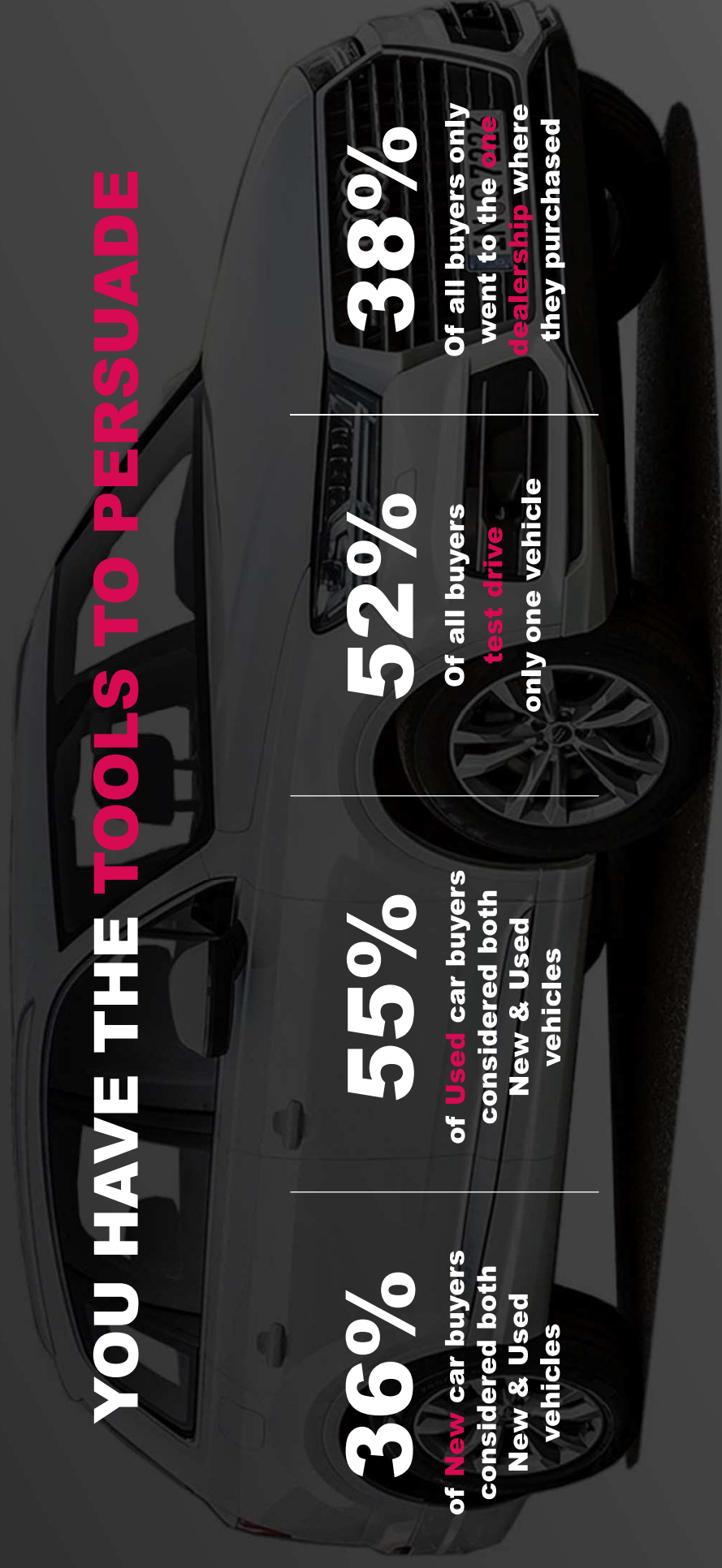
of **Used** car buyers
considered both
New & Used
vehicles

52%

Of all buyers
test drive
only one vehicle

38%

Of all buyers only
went to the **one**
dealership where
they purchased



BUT PRICE, VALUE AND PROMOTIONS HAVE THE STRONGEST INFLUENCER ON CUSTOMER DECISION



IT WAS BETTER VALUE



THERE WAS A SPECIAL OFFER



IT WAS A BETTER PRODUCT



IT WAS MORE CONVENIENT



RECOMMENDED BY A FRIEND

CUSTOMER-CENTRIC SERVICE IS ALSO IMPORTANT

66%

Got a good deal/price

43%

THE TEST DRIVE

38%

EFFICIENT
PROCESS

35%

FRIENDLINESS

34%

QUESTIONS
ANSWERED

30%

CONVENIENT
LOCATION

14%

NO
HAGGLING

11%

LEARNED EXTRA
FEATURES

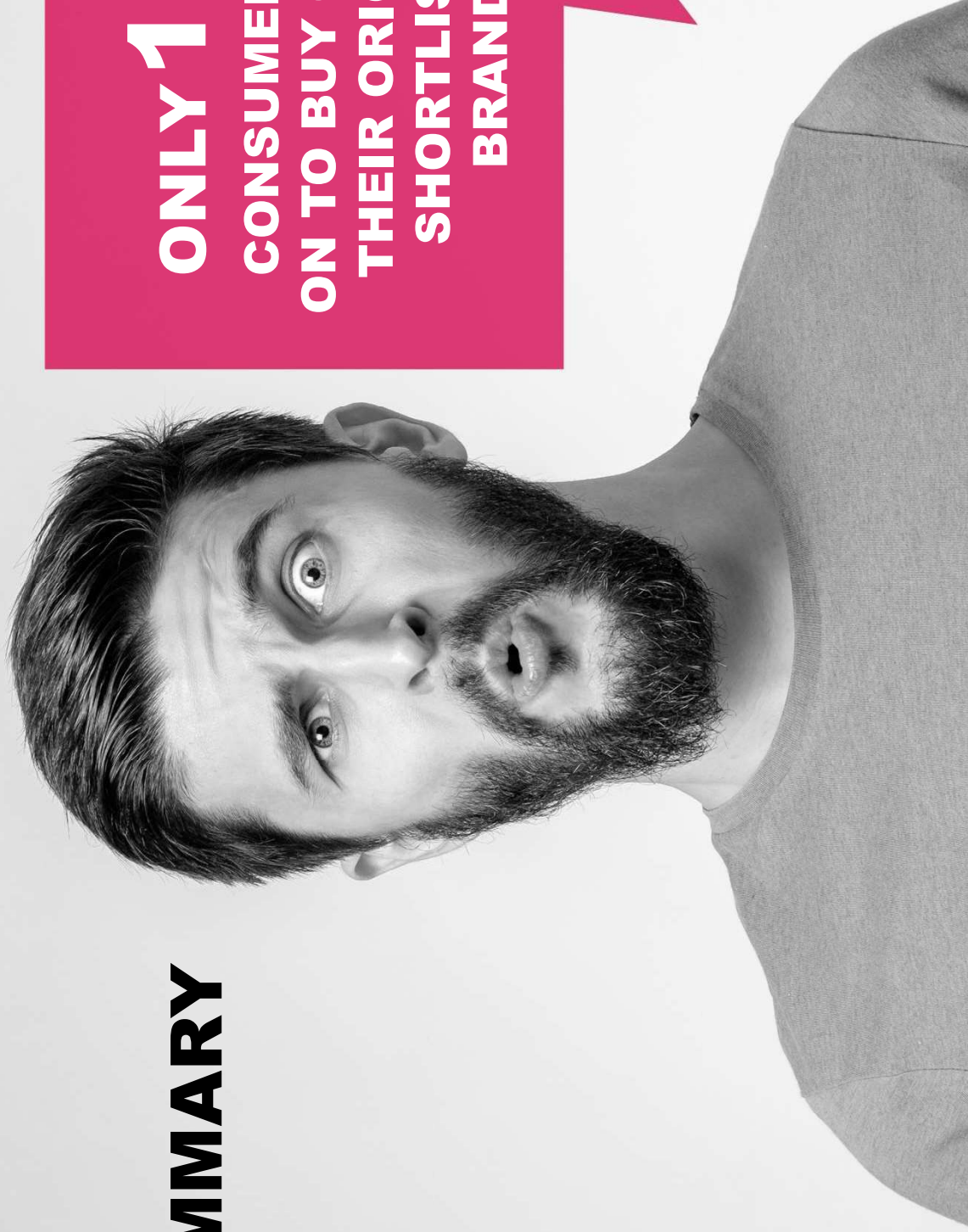
7%

DEALERSHIP
AMENITIES

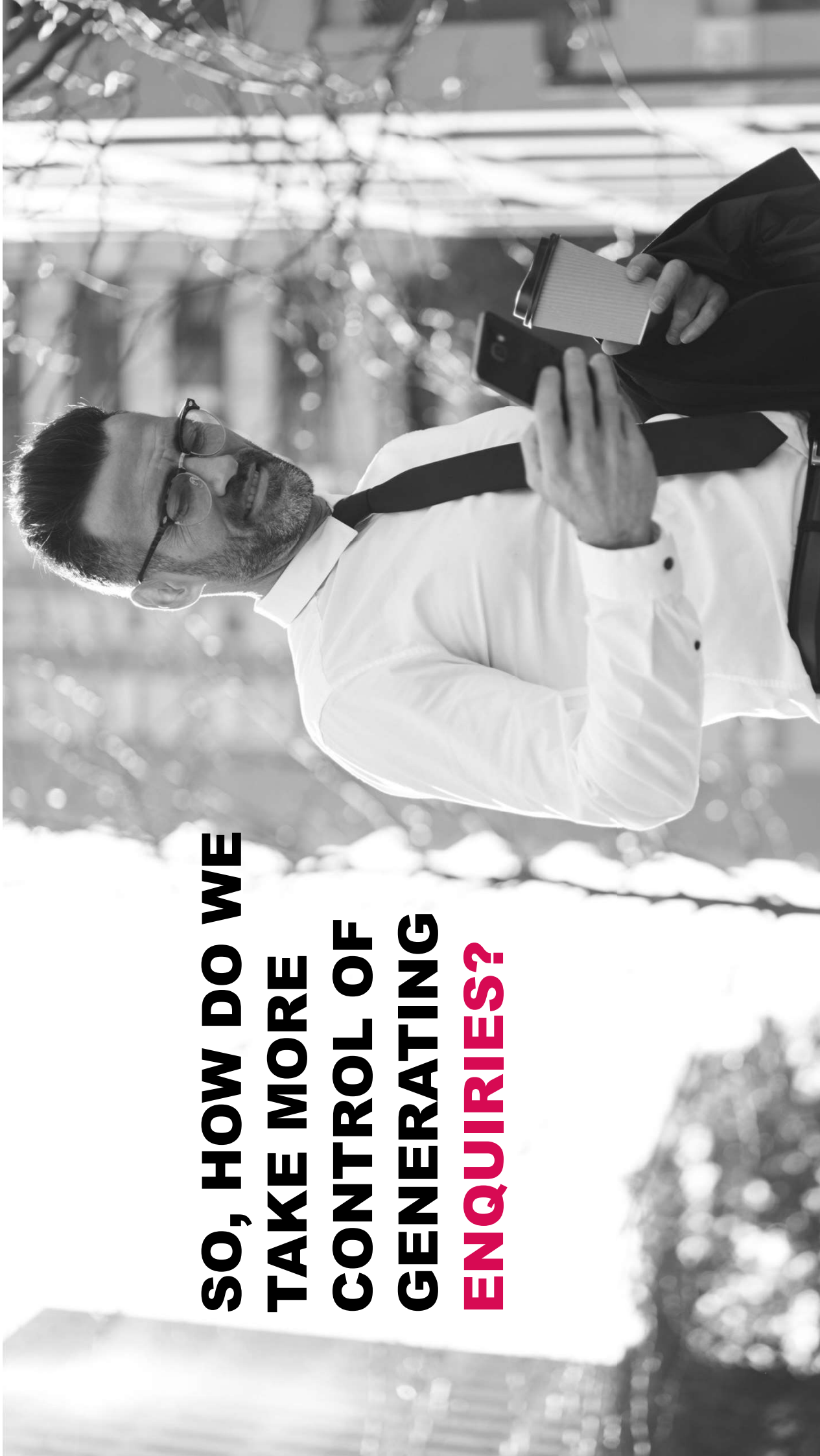
“WHAT ARE THE THREE ASPECTS OF THE DEALER EXPERIENCE YOU ENJOYED MOST WHEN YOU ACQUIRED YOUR CURRENT VEHICLE?”

IN SUMMARY

**ONLY 1 IN 4
CONSUMERS GO
ON TO BUY ONE OF
THEIR ORIGINAL
SHORTLISTED
BRANDS**



**SO, HOW DO WE
TAKE MORE
CONTROL OF
GENERATING
ENQUIRIES?**





TRUST THESE GUYS

“They ‘trust me.’
Dumb fucks.”

Mark Zuckerberg
co-founder of Facebook, born May 14, 1984



FOCUS ON **TARGETING** ONLINE



FOUR TYPES OF CUSTOMER BUYING JOURNEY

High

LEISURE

I recently purchased a camping car, which is my 3rd car. I wanted one with a bed, freezer, and cruise control.

ESSENTIAL

I had to buy a car because my family is growing and we are expecting a 3rd child

AVAILABLE TIME

Low

ROUTINE

Our car was getting old and we had more mechanical problems than we wanted to deal with

URGENT

Our old car was damaged in an accident

Low

STAKES

High

FOUR TYPES OF CUSTOMER BUYING JOURNEY



UPWARDLY **MOBILE**

**ALL AGES, GENDERS
& SOCIAL GROUPS
ARE NOW MOBILE**



UPWARDLY MOBILE

Most important device for internet access



*Ofcom Technology Tracker, H1 2017

ADVERTISING

*Ofcom Technology Tracker, H1 2017

UK internet and online content market	2010	2011	2012	2013	2014	2015	2016	2017
¹ Internet take-up (%)	75	77	79	80	82	85	86	88
¹ Smartphone take-up (%)	n/a	27	39	51	61	66	71	76
¹ Tablet take-up (%)	n/a	2	11	21	34	54	59	58
¹ Laptop take-up (%)	51	55	61	65	65	65	64	64
¹ Consideration that the smartphone is the most important device for internet access (%)							36	42
² Total digital audience (million)	n/a	n/a	n/a	n/a	48.2	47.5	50.3	50.4
³ Digital advertising expenditure (£bn)	4.8	5.4	6.0	6.6	7.6	9.2	10.8	n/a
³ Mobile advertising expenditure (£m)	94	219	554	1,044	1,642	2,678	3,866	n/a

**MOBILE
FASTEST
GROWING**

**DIGITAL AD SPEND IS NOW
50% OF ALL UK AD SPEND**

TWO HIGHLY EFFECTIVE, DIGITAL TACTICS

**PROGRAMMATIC
DIGITAL
DISPLAY**

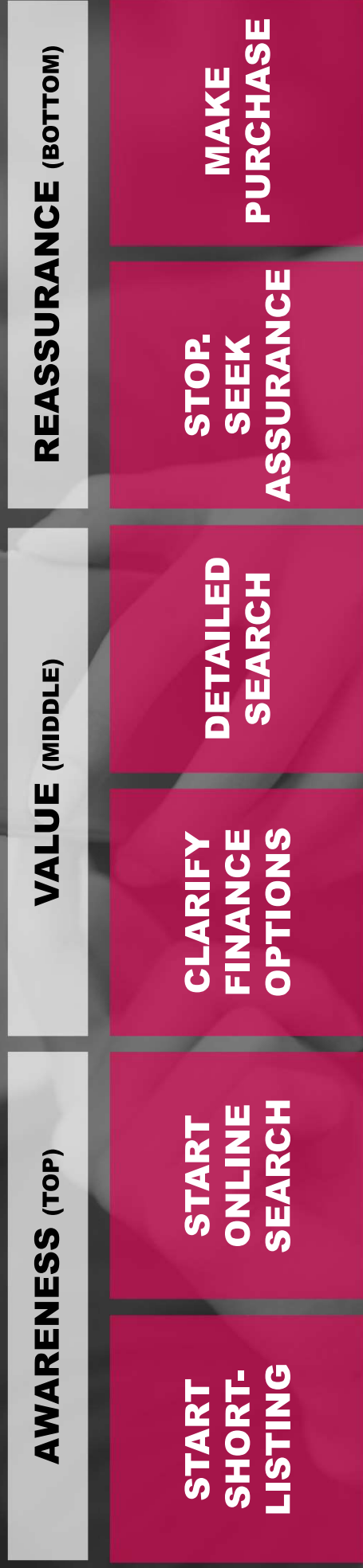
**FACEBOOK
DYNAMIC
INVENTORY**

PROGRAMMATIC

Programmatic digital display targeted advertising

- Identifies people in market for a used car
- Harnesses their online behaviour
- Serves different messages at different times specific to what stage of the purchase funnel the customer is in
- The 'engine' continually self-optimises
- Selects the best websites to serve the ads in, best time etc.
- Focus is to drive quality traffic to your website = 'Engaged users'

USED CAR SALES FUNNEL



FUNNEL COMMS

AWARENESS

Build greater levels of Awareness + Consideration of the Volvo Selekt proposition earlier in the buying process, reaching new customers and influencing opinion

ACQUIRE

Target specific audience segments with model specific and whole-range dynamic ads – driving traffic to the Volvo Selekt UK website (not Retailer sites)

CONVERT

Retarget customers who have visited the UK website on their journey across multiple devices with dynamic ads displaying specific model and/or stock in Google and Facebook

RETAIN

Additional Retargeting & CRM:

1. Upsell (accessories, service plans, warranty)
2. Recommendation - WoM (word of mouth + referral)
3. Loyalty - brand engagement and repurchase (CRM)

FUNNEL CHANNELS



YOUTUBE

Google AdWords (PPC) is where we pay to display brief advertising copy and product listings within the Google search network to web users searching for information relevant to your business

SEARCH

Using Google Display Network (GDN), we pay for your Ads to appear on millions of websites and Apps, so your ad can show up wherever your audience is.

DISPLAY

Facebook Ads can promote relevant products from your stock list with unique creative, showcasing one or more products, across any device. We are proposing only Facebook retargeting at this stage

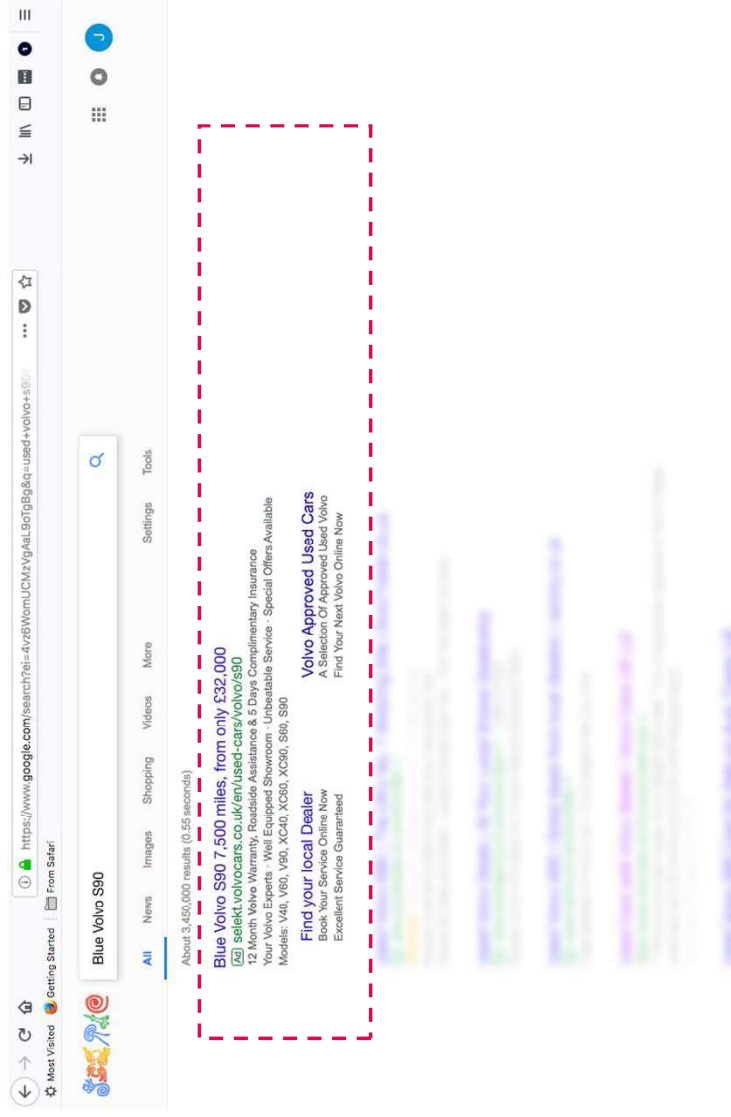
FACEBOOK

PROGRAMMATIC

Google Adwords

- Capture users that are actively in the market for used vehicles
- Dynamic Search Ads can quickly direct potential customers to what they want on your site
- When someone searches on Google with terms closely related to the titles and frequently used phrases on your stock list, Google will use these titles and phrases to select a landing page and generate a clear, relevant headline for your ad.

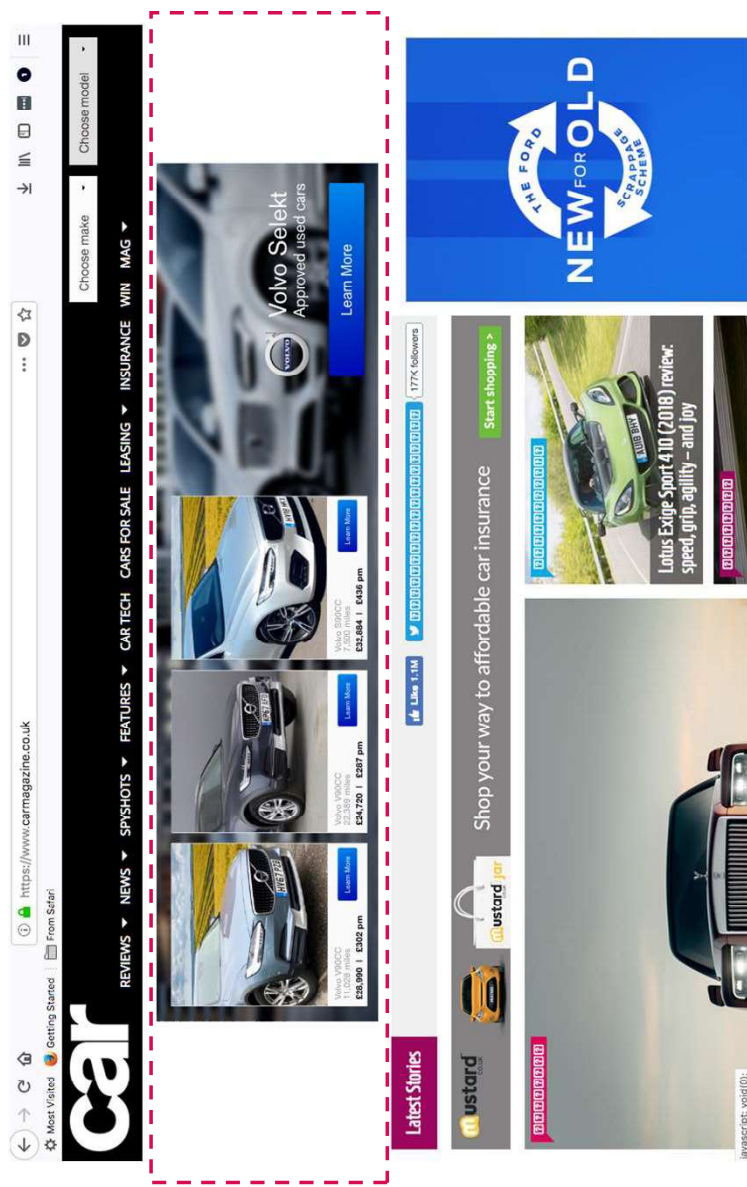
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Google Display Network (GDN)

- GDN covers over 1 million websites and Apps, 70%+ of available online inventory
- Delivers local marketing on a national scale, allowing for tailored messaging
- Can retarget customers based on their Google search and browsing behaviour
- Individuals who have been to your site will be served dynamic ads featuring stock relevant to their web behaviour including model, price, features and colour
- Ads click through to specific page on your website for the exact model they are interested in

RLA[®]

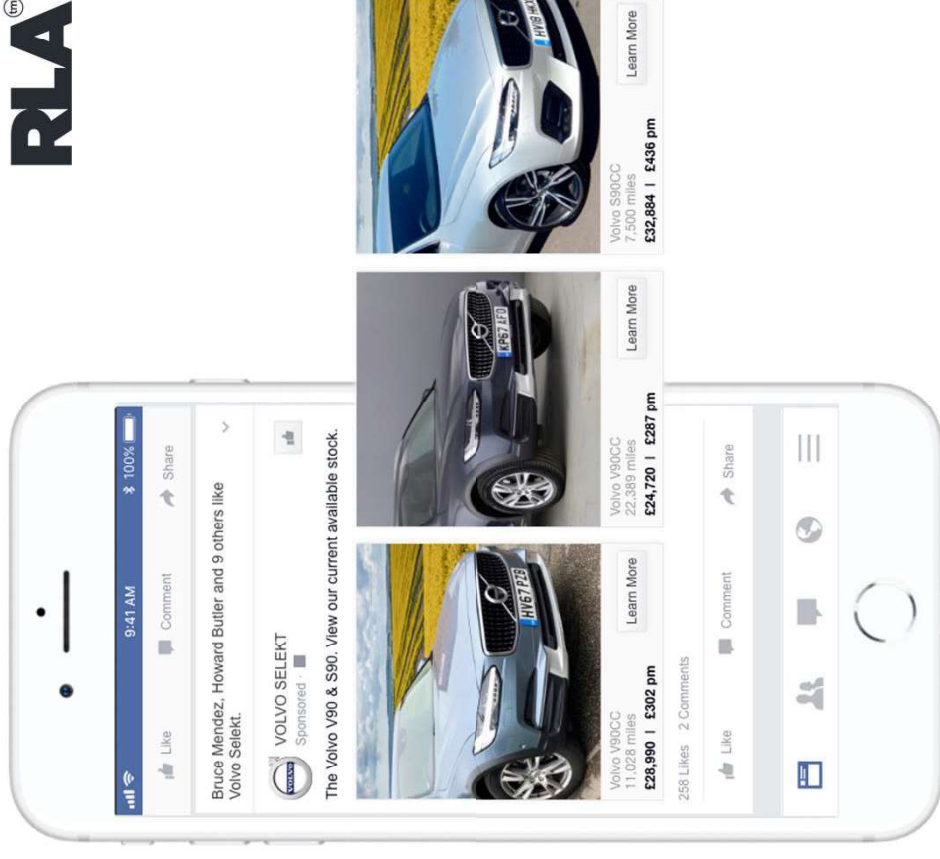


The image shows a screenshot of the car magazine website. The browser address bar displays 'https://www.carmagazine.co.uk'. The website header includes navigation links: REVIEWS, NEWS, SPISHOTS, FEATURES, CAR TECH, CARS FOR SALE, LEASING, INSURANCE, WIN, and MAG. Below the header, there are three car listings for Volvo V90CC, with prices ranging from £28,990 to £34,894. A red dashed box highlights a large advertisement for Volvo Selekt Approved used cars. To the right of the car listings, there is a 'Latest Stories' section with a 'ustard' logo and a 'Shop your way to affordable car insurance' banner. Below the banner, there is a 'Start shopping >' button and a 'Lotus Exige Sport 410 (2018) review: speed, grip, agility – and joy' article. At the bottom right, there is a 'NEW FOR OLD' advertisement for the Ford Scrapbook Scheme.

Facebook

- Two phases to Facebook process – Prospecting (target custom and look-a-like audiences) and Retargeting.
- Retargeting will use the consumers visit to your website to automatically retarget in their NewsFeed using ads based on the products they have browsed on and/or expressed interest in buying a vehicle using a form.
- Multiple creative delivery options dependent upon stage of the buying journey
- Dynamic content, including using live stock lists (photo, description and price) can be used throughout. These ads can have up to x3 higher engagement/CTR.
- Assuming set-up correctly, sold cars remove car from ads.

RLA[®]



Programmatic (not in pilot)

Programmatic advertising looks the same as Google Display Network because it involves placing your ads online – but it's the method by which this happens that is the difference.

- Programmatic uses software to buy display space on your behalf automatically.
- Software identifies people in market for a used car (using multiple sources)
- Serves different messages at different times specific to each stage of the funnel
- The 'engine' continually self-optimises
- Selects the best websites to serve the ads in, best time and so on.

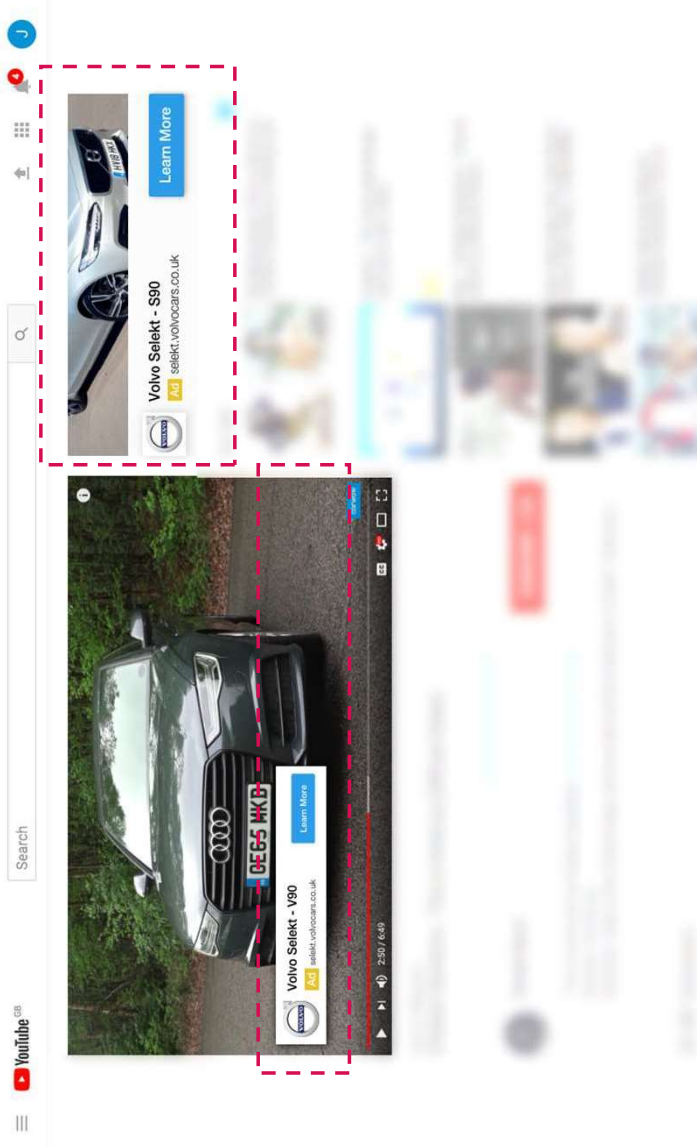
Programmatic benefits:

- More effective than GDN (at scale)
- Better targeting.
- Better CTR
- Better value overall.



YouTube

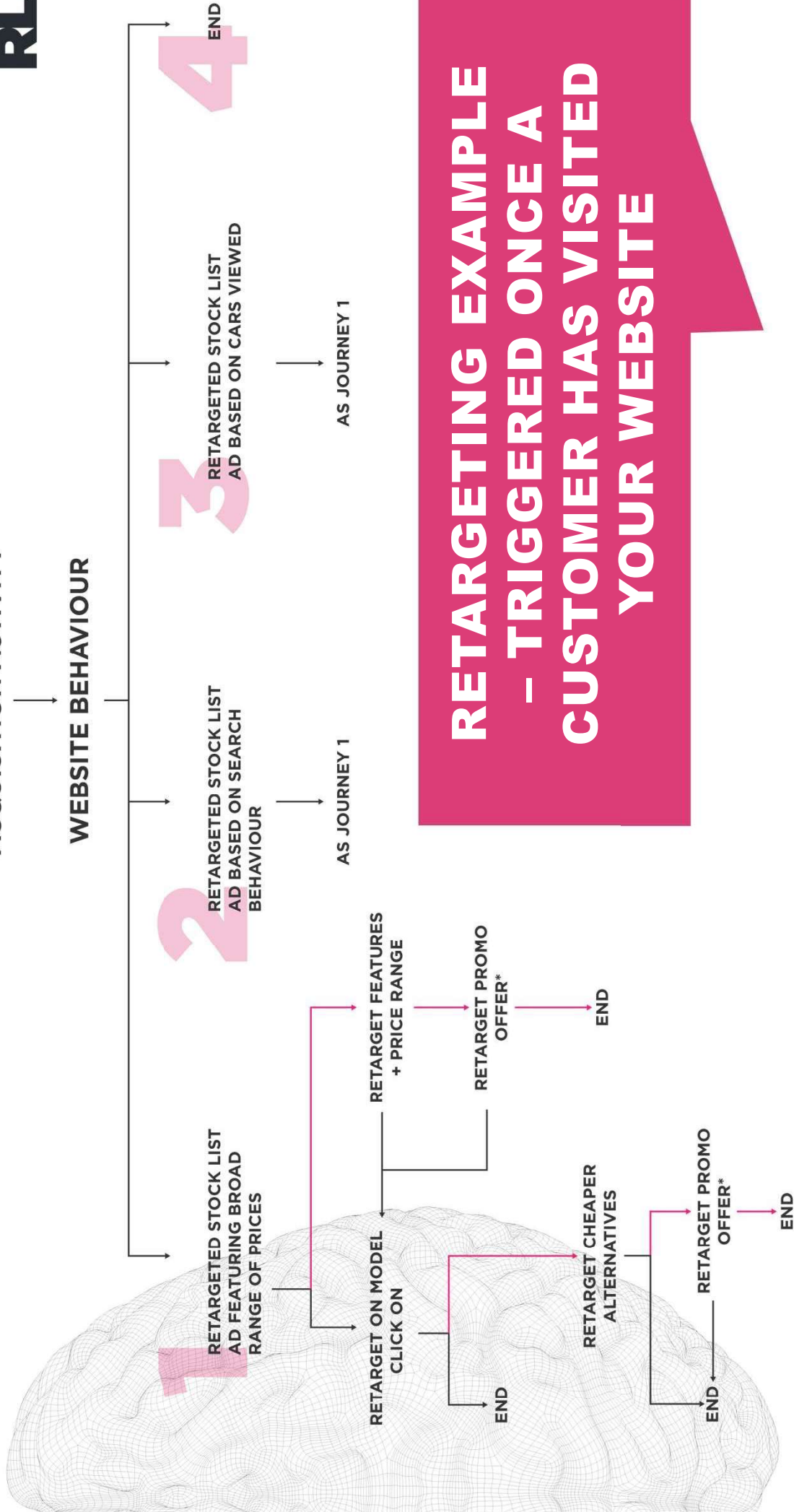
- YouTube provides a number of options when it comes to targeting and retargeting.
- Excellent format for building Awareness, using longer format pre-roll film options
- Also allows retargeting of customers that visited your website with short 6 second video ads
- Or retargeting using more traditional display ads that appear alongside relevant videos top-right or as 'overlays' over the video the user is watching.
- Ads click through to model specific pages like other display ads.



ACQUISITION ACTIVITY



WEBSITE BEHAVIOUR



**RETARGETING EXAMPLE
- TRIGGERED ONCE A
CUSTOMER HAS VISITED
YOUR WEBSITE**

*ALL PROMO OFFERS CAN BE TIME BASED TO DRIVE ACTION

PROGRAMMATIC

- Monitor and optimise
- Cost will decrease over time

**REDUCTION
IN COST PER
ENGAGED
USER FROM
£30 TO £1**