What the auto industry needs to know to close the sale after the sale

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People aren't buying vehicles as frequently as they used to. In the past decade, the length of time a person owns their new car has jumped from 4.3 to 6.5 years.¹ At the same time, the average age of vehicles is rising. Both of these factors represent a big opportunity for dealers to focus on auto parts and service after-sales.

As we head into fall maintenance season, it's important to understand what drives shoppers to auto parts and services providers, and what keeps them coming back. We know that digital influences nearly 60% of vehicle purchases at the dealership. And digital influence is even stronger for post-purchase service.² In short, the sale after the sale is becoming a bigger part of your customer relationships.



Digital influences nearly **60%** of vehicle purchases at the dealership, and that digital influence is even stronger when it comes to **post-purchase service**.

Source: Deloitte Digital Influence Survey, 2016.

People don't plan for maintenance

As people hold onto their vehicles longer, auto parts and service needs increase. And too often, people just don't plan ahead. In fact, more than 40% of service shoppers need reactive versus routine maintenance.³



In these moments, people look for help from a variety of places—from local mechanics to friends and family. But research shows that when people need information quickly, the first place they turn is search.⁴ Today, nearly 25% of all automotive searches are parts, services, and maintenance related.⁵ And that makes sense. Search not only gives people the information they need, but also allows them to take action. Of the auto parts and service shoppers who use mobile search, more than half call the service provider directly from a search result.⁶

In partnership with DOM360, Gettel Hyundai of Sarasota used AdWords Call Extensions for its search ads focused on car maintenance. This drove a 16% increase in phone calls to its service center and a 4% increase in clicks to its website.⁷



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Source: Google Internal Data, Fixed Operations queries. U.S., Jan.-Aug. 2017 vs Jan.-Aug. 2016

Searches for service are surging on mobile

Picture this: you're driving along and something starts to click or sputter or bang. We've all been there. And in that moment, we reach for our phones. More than half of searches related to parts, services, and maintenance come from mobile.⁸ Our phones are always with us, so when that rattle becomes something we can no longer ignore, help is just a tap away.

Gino Cipperoni, director of sales at Dealer eProcess, a digital consultancy for the auto industry, said his team is focused on making sure people discover his clients when searching for auto parts and service related to the vehicle brands they sell. "We always aim to have our clients'

mobile search ads appear at least nine out of 10 times on top auto parts and service searches in the dealer's locale. By doing this, we've been able to help drive a 103% increase, on average, of scheduled service appointments," said Cipperoni.

Video is driving discovery and awareness

Although search may be the first place people turn to when they have auto parts and service needs, it isn't the only place. Of people who took their vehicle in for service, 65% first heard about the service center they visited through video.



Of people who took their vehicle in for service, **65**% first heard about the service center they visited through **video**.

Source: 2017 Google/Critical Mix Fixed Ops Study, U.S., (n of 1,500 U.S. consumers 18+ who purchased parts and/or service in the past six months)

Germain Toyota of Columbus has been leveraging video pre-roll to influence vehicle shoppers for several years. Recently, it tested YouTube's Trueview <u>in-stream ads</u> to drive awareness of its maintenance capabilities and a tire promotion. In partnership with UnityWorks, Germain Toyota created 30-second videos targeting people on YouTube who were interested in auto parts and service content, and also owned specific vehicle brands.

With a limited budget, Germain Toyota of Columbus drove more than 42,000 video impressions (people who watched part or all of its 30-second videos) and only paid for completed video views (people who watched all 30 seconds). "Running Trueview videos on YouTube allowed us to drive awareness of our services to a targeted audience, more than 10,000 of whom chose to watch our video in its entirety," said

Rich Newsome, General Manager of the Ohio-based dealership. "We only paid for those completed views and we reached customers who were in-market for auto parts and services. That isn't something we can do on television today."

As people look to get the most out of their vehicle, their relationships with dealers, service providers, and parts retailers are changing. It's more important than ever to make sure you're fostering those relationships and that you're part of the consideration set for the sale after the sale. By understanding how people shop for auto parts and services, you'll be able to help them find you and keep them coming back.

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Sources

- 1 IHS Automotive U.S., 2015
- 2 Deloitte Digital Influence Survey, 2016.
- **3,4,6,9** 2017 Google/Critical Mix Fixed Ops Study, U.S., (n of 1,500 U.S. consumers 18+ who purchased parts and/or service in the past six months)
- $5\ \mathsf{Google\ Internal\ Data,\ Fixed\ Operations\ queries.\ U.S.,\ \mathsf{Jan.\text{-}Aug.\ 2017\ vs\ Jan.\text{-}Aug.\ 2016}$