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FEATURED

Aiming To Create Demand, Auto Marketers Go 'Tradigital.'

Aug 26, 2019 Updated 4 hrs ago



There's a new buzz word in automotive marketing circles: "tradigital." As the term implies, it refers to using traditional media, like TV and radio, to propel auto intenders, those in the market to buy a new car, to a dealer's website. "By buying aggressive traditional advertising, you are stimulating the market to drive them into the dealer's digital footprint," says Pat Norris, Senior VP at sales training provider Jim Doyle & Associates and a 35-year veteran of the auto industry.

Digital has siphoned millions of auto ad dollars away from traditional media, as dealers flocked to third party sources like Auto Trader and Cars.com to generate sales leads. But there can be significant duplication in leads generated by these services. After all, the average consumer will have 27 touchpoints before they finally reach out to a dealer, according to the National Automobile Dealers Association. "Of course they're going to go on all the third party lead sources. But if you have the kind of vehicle they want, they will find you without having to spend money on multiple lead sources," Norris contends.

Norris owned and operated car and motorcycle dealerships in Cleveland before transitioning into a new career as a sales training coach, specializing in automotive. He urges his media sales clients to "convince the dealer to take a couple of these sites off the buy and shift those dollars into more traditional media, like a large radio or TV schedule, because that's what stimulates the market."

And therein lies the fundamental difference between digital and traditional media – and the secret sauce of how the platforms can successfully work together: "By buying aggressive traditional advertising, you are stimulating the market to drive them into the dealer's digital footprint, not those third party lead sources," Norris suggests. Cars.com and the like are merely search engines—and search engines can't create demand.

Digital has been immensely helpful to dealers by giving them a relatively personal way to talk one on one with a consumer. But if a dealer focuses exclusively on digital advertising they fail to stimulate the market. With a combination of digital and traditional – or tradigital – "you're telling the consumer what to buy, when to buy and why to buy – to drive them into your digital footprint," Norris offers. "The whole goal of traditional media is to stimulate the market to drive them to seek out that dealer individually. And that's the win."

With new car sales down seven months in a row and automotive traditionally radio's largest ad category, having effective strategies to win back auto dollars has never been more important. While dealers have collectively cut back on advertising this year, Norris preaches the gospel that the best time to advertise is when sales are soft. After all, there are always people in the market for a new car, even if there are perhaps fewer than the year before. "The pie is bigger sometimes than others but when your competitors are going dark or pulling back, why wouldn't you kick it up a gear and have a greater share of voice?"

Digital Pullback

Much like the consumer packaged goods industry, the car business is rethinking its media mix. "You're seeing more of the digital pullback and more of the traditional media spend these days to stimulate the market," Norris says. But at the manufacturer or Tier One level, that shift from digital back to traditional is typically benefitting TV more than radio. And at the same time, dollars from Tier Two, or dealership associations, are evaporating. "More and more of that money is getting pulled back into Tier One, with the promise that we'll do more traditional advertising – TV and radio – in the markets to stimulate the demand," Norris says.

In a trend reverberating across the entire advertising industry, automotive advertisers are now intently focused on data and analytics. "The buzz now is all about attribution. Who sold it?" Norris explains. But dealers know there are numerous touchpoints – 27 on average – before a consumer starts an online chat with a dealer, fills out a form or walks into a showroom. In a shift away from the "last click" mentality in attribution, auto advertisers are applying forensic-like research that takes them back up the purchase funnel to determine what other factors stimulated the consumer to Google a particular dealership. That's why it's important for media sellers to establish weekly or monthly baselines for the different communication channels the dealer has for consumers. These include average chats, texts, phone calls, web site visits and form fills for credit or car appraisals.

Media buyers and sellers should avoid getting hung up on whether the campaign sold more cars, Norris insists. "As media sellers, our job is to create the activity and if we're getting more chats, texts, form fills and phone calls, then we are accomplishing our goals. If you create more activities, you'll create more car sales." – Paul Heine