

# A Meditation on Advertising with the Ad Gurus

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In 1704 the first newspaper advertisement in America, an announcement announcing the sale of an Oyster Bay, Long Island plantation, appeared in the Boston News-Letter. Not long after that, in 1729, Benjamin Franklin began publishing the Pennsylvania Gazette in Philadelphia, which incorporated pages of “new advertisements”. From there, print advertising has had an amazing run, growing to dominate the advertising industry for almost 300 years. After three centuries, however, advertising and marketing have changed. New mediums, such as television, radio, and the internet, have emerged and altered the marketing landscape. Along with new mediums also came new providers, so that now the average consumer has hundreds of channels on their TV, dozens of radio stations, and a virtually unlimited number of websites.

**With all the different channels available, today’s advertisers have advantages that they didn’t have even 50 years ago. All these options, however, can lead you down the wrong path if you don’t have anyone to help guide you to your customers. It is no longer good enough to buy an ad in the local newspaper, because everyone reads it and will see your dealership, or on the local news, because everyone watches it. The fact is, today’s consumers are diffused over many channels, websites, magazine, newspapers, and radio stations. If you want to reach the ones that are interested in buying a car, you need to know where to look for them, and that requires expertise. Expertise, which unfortunately is not often part of the training auto dealers and other business people receive.**

Fortuitously, this is nothing new. Volney Palmer opened the first American advertising agency, American Newspaper Agency, in 1843, because he recognized that businesses wanted to advertise and, with his expertise, he could help them do it more effectively and for less cost. With his knowledge of 19th century publishing and creative talent, he was able to help many businesses grow by using “system advertising” instead of just buying space in the newspaper. This marked the first time that someone sat down and thought about how they could how to get more from advertising instead of just purchasing ads with simple messages in the local newspaper and hoping for the best.

Modern advertising experts work in the same way as Volney Palmer. The main difference is that today’s advertising and marketing experts have a lot more marketing channels to think about. It can be a bit overwhelming. Just think, if businesses needed advertising agencies to help create the best marketing plan in 1843, when the only medium available was the newspaper, how much more help would they need today? Fortunately, there are still experts out there that can help you grow your dealership and increase sales. We’ve assembled a team of these “Ad Gurus” to help you with your marketing and they’ve graciously offered to answer some of our questions. Our panel includes Bryan Anderson, founder and general manager of Autobase, Inc., Nick Chris, co-owner of Carlot Promotions, Thomas Hensey, managing partner for Rhino Marketing, and Tom Letizia, president of Letizia Mass Media. Take a look at what they have to say and visit [www.dealermarketing.com](http://www.dealermarketing.com) for more valuable information about how to better market your dealership.

## **Where should dealers with limited budgets focus their marketing dollars?**

Bryan Anderson—Without a doubt dealers need to utilize what they already have, which is a wealth of customers sitting in their CRM database. Buyers are inundated with advertising on TV, radio, billboards, print, and the internet with messages that may not even be relevant to them specifically, so dealers are spending a fortune on messages that do not even get through to their perspective audience. The advantages of CRM based marketing, are, that dealers already have an established relationship with the customer, and can quickly narrow in on the target audience, so they spend even less. With the use of CRM, targeting the customer at the right time, with the right message, while using the right medium ensures the biggest return at a lower cost.

Nick Chris—Dealers with limited ad budgets should consider dressing up their lot as much as possible. While traditional advertising can draw customers into your store, according to most surveys, customers buy from dealerships “just driving by”. That means you need to make your inventory look very important. Let’s face it, everyone wants to buy from a dealership that looks busy and really looks like something (i.e. a sale) is going on. If you promote your store everyday with new and fresh ideas, customers will always want to check you out.

Thomas Hensey—It is not about how much money you spend, it is about selling cars. Budgets are relative to their sales objectives. With limited dollars, they need to secure their own backyard and/or target a specific demographic group. Do not try to be everything to everyone—be everything to a few people and you will get the results you desire.

Tom Letizia—Limited budgets are the reality of this new economy. Most dealers are getting away from print, as the print circulation numbers continue to erode. Many are getting more aggressive with internet advertising and many more are upping their ante in television. The beauty of television is dealers can zone their advertising on cable and just hit their PMA. If they are in bigger markets, they can utilize the networks and reach nearly 99 percent of the people in any given market with the right media mix. There is no other medium that can capture the market like television. Television combined with internet and done properly makes for a great mix.

## **How can dealers better integrate their traditional and online marketing?**

Bryan Anderson—The key to integrating traditional and online marketing is to have a unified message surrounding the entire brand. There has to be consistency with all communication, no matter what the chosen marketing avenue. Luckily, automotive CRM combines traditional and online marketing tools, which provide just that—a consistent message. Intertwining the two creates total coverage, that can’t be gained from the use of just one. Directing customers to a single destination, the dealer website, for example, through all outgoing marketing items provides content control and offers the opportunity for customer information gathering. By using all available CRM resources, dealers can easily integrate the two and create consistent brand messaging.

Thomas Hensey—The best way to integrate traditional and online marketing is with a ‘through-the-line’ approach. This means you need to maintain a consistent look, feel, and message across

all forms of communications. This consistent approach will maximize consumer recall and complete the various marketing bridges to your dealership.

Tom Letizia—Integrating a mix with traditional and online marketing should be a gradual process. I always tell dealers if you are 100 percent traditional, go 90 percent traditional and 10 percent online the first six months. Then continue to add another 10 percent each six month period until you reach a 60 percent tradition and 40 percent online mix. You will always need to brand and by going with television as your traditional media, you will continue to brand your name and at the same time promote sales or specific vehicles.

### **When is the best time to have a sales event and how often should dealers have them?**

Bryan Anderson—Traditionally, events are held around holidays; however, having a defined reason for an event will yield a much higher return, than having a sale for the sake of a holiday. Using the data most dealers already have in their CRM gives them a distinct advantage; they know what the customer wants and when. Creating a sense of urgency to those customer wants ensures success. Unique timing and theme draw the customer in and by knowing what customers are interested in, and when/how they purchase, the opportunities for events are limitless.

Nick Chris—The best time to do a sales event may not always be on the weekend. If you always change and promote your store with point of sale items (posters, windshield stickers, flags, balloons, inflatable billboards, etc.) you would be surprised that not only do customers feel the atmosphere, but your employees buy into your event too. If your sales staff is excited then your customers will be as well and customers who are excited buy more cars!

Thomas Hensey—The key to an effective sales events is timing, planning, and the right budget to support it. I have found the best time of month is usually mid month around the pay day period. I would recommend at least four times a year as this would allow you to plan properly for maximum impact and results.

Tom Letizia—There is nothing wrong with having a sale every month. Customers need to know that you are a promoter and have good prices all the time. Customers wait for sales. Institutional advertising does not work. If you do not give the customer a reason to come in now, they will wait. Always be promoting.

### **What is the best way for dealers to promote a sales event?**

Bryan Anderson—Small or large, a sales event has to be strategically and clearly communicated to the correct audience. By using a CRM to help identify the target audience, media for message delivery, and the promotion schedule, guess work is removed. Dealers no longer run the risk of either under or over stimulating the customer by doing too much, too soon or too little, too slowly. Automotive CRM capabilities provide a balance so dealers can incorporate any combination of email, eNewsletter, web ad, text-messaging, video, and print media. Putting the plan of attack together, earlier, ensures great results in the end.

Nick Chris—As you know, your product has great appeal, but your store’s look must support it. If your store looks unexciting or even closed, not many consumers will bother to stop by. Always make your store look “hopping”! Your customers want a deal and dressing your lot is essential to making them think they will get one. If your dealership is boring and your sales staff is uninspired, you won’t get the sales numbers you want. It is as basic as a sales class 101—Great inventory and your attitude is the difference between getting the sale and losing it.

Thomas Hensey—Radio is very effective because you can narrow-cast your message to a specific demographic and achieve the frequency required to drive traffic. Supplemental newspaper can also support a large sales event depending on the market.

Tom Letizia—The best way to promote a sales event when the budget allows is through radio, TV, and newspaper. Yes, I did say newspaper. Most markets still have a 20 percent circulation, when you hit the top radio stations and have sufficient reach and frequency on TV, combined with a few print ads, you have the ideal multi-media campaign.

### **What is the biggest mistake dealers make with their advertising and marketing?**

Bryan Anderson—Blanket campaigning. Customers won’t put up with unnecessary or unwanted solicitation, and eventually the message loses effectiveness if sent to every customer, every time. Customers are in control now and dealers can’t forget that. Opt outs from annoyed and over stimulated customers can quickly dwindle a database. Sending the right message, to the right person, at the right time is smarter, more cost effective, and easier to track. Managing customer preferences and interests in CRM, allow dealers to move away from blanket campaigning, to effective targeting marketing, providing reporting, and results tracking that dealers can’t live without.

Thomas Hensey—Lack of consistency, Dealers get bored with hearing, seeing or reading their message so they want to change the media and creative direction every month—this kills their frequency and consumer recall.

Tom Letizia—The biggest mistake dealers make with their advertising is they try and do it themselves. They micro manage their campaigns by negotiating with the media, they tell their ad agency or media representative what they want and miss the creative opportunities creative people offer. Dealers also need to give a campaign a chance to work. Because of the so called “knee jerk” reaction, dealers don’t give a campaign a chance to work. Most often when they have a bad weekend, they pull the plug and start making changes. Dealers need to be consistent. They need to avoid being all over the map and stick with something.

We specialize in local companies that don’t want a cookie cutter ad campaign. We provide a high ROI utilizing Database and Social Media options. Our tools and techniques are not traditional. Our approach is non-conventional, but we like to say; **“Low Risk, High Reward”**

For more information:

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