

Automotive News

Online ads are a must, dealers are told

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Dealers and automakers must increase online ad spending if they hope to attract an increasingly computer savvy consumer.

That's the advice of Martin Sorrell, chief executive of WPP Group, the world's largest marketing and communications agency as measured by revenue.

Sorrell said dealers must revolutionize their approach to advertising to attract shoppers who use the Internet for online decision making.

He said WPP's research shows 93 percent of prospective buyers compare vehicles online before taking a car for a test drive, using third-party and automaker Web sites. But dealers only spend 2 percent of their ad budgets on Internet display ads.

"You are in a business that works 24 hours a day, seven days a week," Sorrell said at the J.D. Power International Automotive Roundtable on Friday. "It never stops. You have to think of how that changes things."

The future of digital will involve mobile applications, social media to enhance the bond with consumers through blogs and social forums and integrated media.

He said only one in five shoppers starts online research at the dealer site. He encouraged dealers to increase their search engine marketing efforts, including the use of virtual showrooms online and messages delivered on cell phones.

"Don't just do digital because you can," he said. "You must do it because it is integrated. As a dealer you have to use digital to augment the sale process."

Sorrell said he is seeing signs that automotive brands are increasing their online marketing budgets this year.

"The direction is clearly online," he said. "And you're starting to see that shift become more apparent."

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