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Email Conquest Marketing

We uncover the dark side of conquest email marketing strategies that put dealers at risk and expose the vulnerabilities of dealers advertising in a digital age.

A General Manager reluctantly answers his phone to take a call from a company offering guaranteed sales results. Let's listen in on the sales presentation:

Company: "My company will guarantee your dealership an additional 30 sales this month. We will email your current offers to local in-market shoppers. We will exclude all your existing customers so we will be providing incremental sales results; just give us your list."

General Manager: "How will you know which customers purchase a car from your email campaign?"

Company: "We will match up the names and addresses against our email marketing list."

General Manager: "Will you give me access to the list in advance? Will the list show email addresses?"

Company: "We cannot give you the names and email addresses because of privacy and contractual terms with our list partners. It's our secret sauce!"

General Manager: "How will I know that the email was sent?"

Company: "We are fully transparent. You will see the click traffic in your Google Analytics account. The email will also increase showroom visits and calls to the dealership. It's all guaranteed."

General Manager: "So if you don't sell me 30 additional vehicles, I don't pay you?

Company: "Yes, it's guaranteed."

General Manager: Sign me up.

While this offer may sound like a winning business proposition for both companies, in many cases, the dealer is the clear loser.

Automotive franchise dealers, who read this research report, will have the opportunity to make smarter marketing decisions. It is time for General Managers to be able to inspect their online marketing campaigns like they inspect all other areas of their business.

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Disclaimer: The following report is a diagnostic tool intended to help dealers review their previous email marketing investments and/or to help interview future email vendors. This report is not intended to provide any legal advice regarding marketing contracts and/or regulations pertaining to email marketing laws. Dealers reading this report should review their own website analytics with a trained professional before coming to any conclusions about the value of their past or future email marketing investments.

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Rev A2

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Forward

Automotive dealers have been encouraged, pushed, and prodded to invest a portion of their marketing dollars to connect with auto shoppers online. Dealer education, pertaining to online marketing strategies, has created a greater awareness of how consumers use the Internet to shop online. Numerous workshops, webinars, 20-Group meetings, and conferences offered each month include online marketing topics to build the skills dealers need to sell cars in a digital age.

Despite these efforts, dealers are easy targets for online marketing agencies; it is hard for managers to validate the claims made in marketing presentations. This report examines just one strategy used by dealers in an attempt to sell more cars through online marketing channels. The dealers we worked with to create this research report range in size and location, as well as their knowledge of digital marketing. Some of the dealers in this report would even consider themselves advanced students of digital marketing.

While many dealers in the United States are investing in digital marketing strategies, this research report will make one fact perfectly clear:

General Managers need additional education to lead their business in a digital age. Existing dealer education models have failed to develop the required competencies in managers to make strategic business decisions regarding online marketing.

To be clear, we do not expect General Managers to set up Google AdWords or run their social media advertising campaigns. We do however expect General Managers to know the Key Performance Indicators (KPIs) by which they can measure the success of their online marketing investments. We expect General Managers to be able to know the difference between marketing reports filled with gibberish and monthly reports highlighting actionable data to enable them to refine their online marketing strategies.

The gap in dealership education, in areas of online marketing, has a significant cost. We estimate that millions of dollars are spent by dealers each month on ineffective marketing investments that deliver little value and assistance in helping their dealership sell vehicles. Most General Managers do not use Google Analytics to inspect the website traffic that their marketing dollars generate. The dealer's ignorance, on what constitutes quality website traffic, becomes an opportunity for exploitation.

In this research report, we will document numerous cases where dealers have paid for marketing strategies that generate abnormal traffic to their websites. We will define abnormal traffic as website visitors that do not appear to be coming from local shoppers who are in-market to purchase a vehicle. When you compare the abnormal traffic, generated by opaque email conquest agencies in this report, to real consumer engagement data, you will understand our motivation behind this research. Dealers and General Managers need to educate themselves in order to inspect their online marketing investments. Greater education and the application of knowledge may limit the number of poor marketing decisions that are made each year.

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Executive Summary

Spending money on Internet Marketing is easy. Creating profits from the Internet is not easy. If this sounds familiar, you're not alone. PCG has surveyed over 200 dealers and the eye-opening evidence needs to be shared. We find that as digital marketing budgets have increased, so has the complexity of marketing concepts and strategies. Dealers and General Managers are not asking their marketing partners the hard questions to because they lack the skills to see "under the hood" of their marketing vehicles.

Just a few years ago, profits came by simply beating your competitors to the Internet, now, with everyone there, the new advantage is being smarter than your competitors. The majority of auto dealers in the United States need a wake-up call, and we hope that this report will the start of a change management process.

Here is a summary of our research:

- The majority of dealers using conquest email marketing services admitted that they did not have the skills to inspect the visitor traffic to their website from conquest email marketing campaigns.
- Email conquest campaigns were often sold to dealers by resellers. Many resellers did not have the skills to inspect the quality of the services they were reselling to automotive dealers.
- It was commonplace for dealers to provide email conquest companies with their customer records, extracted from their DMS/CRM without any documentation on data retention and/or usage policies.
- Dealers were not always provided with the list of email addresses in advance of their marketing campaign launches. Dealers were required to trust that the agency had a valid list of local emails.
- Many conquest email campaigns had odd website visitor metrics that defied reason, based on industry statistics and metrics from dealer generated/controlled email marketing campaigns.
- When looking at where the consumer click traffic originated, in many cases, high counts of traffic were attributed to cities that were thousands of miles away from the dealership and/or a large percentage of the city locations (IP Addresses) were blocked.
- When we analyzed the website engagement of traffic generated by opaque email marketing companies, we noticed high click rates to obscure pages that are only found on the website's page footer. In many cases, conquest email campaign had the highest clicks to sitemap and privacy pages.
- Our research found that transparent email marketing agencies represent the minority of offers presented to dealers. Transparent email marketing companies will have no problem signing a contract addendum clarifying list ownership and liabilities and/or a quality guarantee included in this report.
- Many dealers have not placed the correct language and disclosure requirements in their email marketing contracts that could protect their business from lawsuits pertaining to email regulations and laws.

Dealers reading this research report may be better equipped to determine which email marketing company they should partner with going forward. We encourage readers to distribute copies of this report to their peers and industry trade groups to create a greater awareness of the education that dealers need to operate their businesses in a digital age.

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What Is Email Conquest Marketing?

For years, dealers have been using email marketing to connect with local customers in their database; also known as their Dealer Management Software (DMS). Dealers often produce and send their email marketing campaigns directly through their DMS/CRM software.

Dealers who desire to expand their email marketing to local in-market shoppers not currently in their DMS have increasingly turned to agency partners and companies offering **Conquest Email Marketing,** also known as permission-based marketing. Campaigns are often sold through a reseller network but can be purchased directly through the actual mailer. Most dealers we interviewed never asked if the company was a reseller or a direct provider of email conquest marketing.

The Pitch

While each agency pitch may be different, the presentations have many similar points, including these representations:

- The agency is using a large opt-in list of local consumers which can be narrowed to their market
- The agency has permission to use the email list to present the dealer's offer
- The email list will contain "in-market" consumers who are shopping for cars and/or service
- Dealers will see the email campaign activity on their website, in their showroom, and service drive
- The agency does not guarantee leads or phone calls, just a net increase in sales
- The agency will de-dupe the conquest email list with the dealer's customer email records
- The agency may guarantee a specific number of sales (matches) from their email list to DMS data

In this report, we classify companies offering conquest email into two groups; **transparent** and **opaque**. When we compared the website traffic generated by some email agencies, to the millions of website visitors we have included in our analysis, the email campaign visitors triggered a number of questions that could not be adequately explained. When we spoke to some of the agencies included in this report, their answers to our questions didn't hold water. Thus the word "**opaque**" best describes our challenge to understand the data when we compare it to normal consumer engagement data from other email and marketing channels.

We were able to identify email conquest companies that produced normal website traffic, which we call **transparent**. This report is not intended to endorse any one company or to validate the ROI of transparent marketing investments. It is however, a guide to educate dealers so that they can make their own decision on selecting a marketing partner for their dealership. We had hoped to identify more transparent agencies before publishing this report. This report may be updated in the future as more companies come forward.

Based on the dozens of email marketing campaigns we inspected, there are significantly more opaque companies than transparent. It is for this reason that dealers are urged to share this report with their peers to encourage research on their own email marketing campaigns.

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Email Industry Statistics

In this research report we will analyze the website traffic and behavior of visitors to dealership websites that are associated with email conquest campaigns. To set some clear standards, we have included public research and statistics on email advertising in the United States.

Device Usage – According to Litmus.com[1], an email analytics company that tracks over one billion emails a month, 48% of emails were opened on a mobile device, 30% using webmail, and only 22% using a desktop device. This data was last updated in June, 2015. Sending marketing emails only to desktop users fails to accommodate typical consumers' email practices and preferences.

Click to Open Rates – According to Yesmail.com[2], consumer Click-to-Open (CTO) email rates for desktop devices still lead mobile, but the gap is closing. In Q2 of 2015, desktop CTO was 19.2% and mobile CTO was 14.2%. The data clearly indicates that dealers should be sending emails to consumers that are readable and actionable on desktop and mobile devices.

Email Metrics by Industry – Yesmail.com compiled a list of standard email metrics by industry based on data collected in Q2 of 2015. The table is shown below and is included in a free whitepaper produced by the company[2].

Standard Metrics by Industry – Q2 2015

Industry	Delivery rate	Bounce rate	Open rate	Unique click rate	total click rate	Click-to-open rate	Unsub rate
Automotive	95.7%	4.3%	9.8%	0.8%	1.2%	8.7%	0.1%
B2B	88.8%	11.2%	17.3%	0.8%	1.2%	4.7%	0.3%
Consumer Services	96.9%	3.1%	15.5%	5.0%	7.5%	32.4%	0.1%
CPG	90.3%	9.7%	12.4%	1.5%	2.3%	12.4%	0.1%
Entertainment	97.8%	2.2%	17.7%	1.7%	2.3%	9.4%	0.1%
Financial Services	97.4%	2.6%	30.1%	2.3%	3.2%	7.7%	0.0%
Healthcare	98.1%	1.9%	25.2%	3.3%	4.7%	13.3%	0.3%
Hospitality/Travel	98.5%	1.5%	15.0%	1.4%	2.1%	9.4%	0.0%
Insurance	96.8%	3.2%	24.4%	5.6%	8.4%	23.1%	0.3%
Marketing/Advertising	90.8%	9.2%	9.5%	0.6%	1.0%	5.8%	0.1%
Publishing	98.5%	1.5%	14.7%	2.3%	3.4%	15.8%	0.0%
Retail/Wholesale	98.7%	1.3%	14.9%	1.3%	2.0%	9.0%	0.0%
Technology	85.0%	15.0%	13.9%	0.8%	1.4%	6.1%	0.2%

For the automotive industry, you can see from this chart that emails have a 9.8% open rate and 1.2% click through rate.

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Email Client Market Share – According to Litmus.com[4], an email analytics company that tracks over 1 billion emails a month, the email client market share in November 2015 was led by the Apple iPhone with 32%. Based on this data, it would be impossible for dealers to expect that nearly 100% of their email clicks and website visits were from devices that use a Windows operating system.

Automotive Franchise Email Data – DMEautomotive (DMEa), a Solera Holdings Inc. company, is the industry leader in science-based automotive retention marketing, providing turnkey marketing to the largest and most innovative automotive organizations in the U.S.

DMEa provided us with the data shown below, which represents two service marketing campaigns. Campaign S1 is for customers who bought a new car and have yet to come in for service. Campaign S2 is for service customers the dealership is engaging to purchase another vehicle.

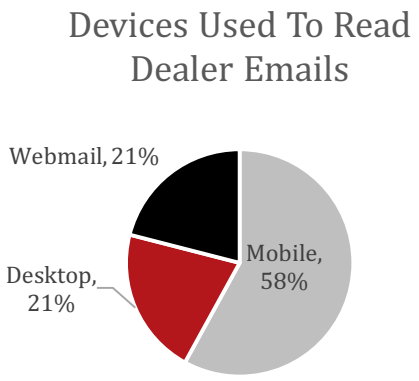
Campaign	Delivered	Opened	Open Rate	Clicks	Click Rate	Delivered Rate
S1	20,105,465	5,652,300	28.11%	347,627	6.15%	98.60%
S2	12,712,437	2,490,553	19.59%	182,006	7.71%	97.20%
Totals	**32,817,902**	**8,142,853**	**24.81%**	**529,633**	**6.50%**	**98.50%**

The data is provided to set realistic benchmarks for Open Rates and Click Rates for email campaigns sent from franchise auto dealers to **existing customers.**

Device Types

DMEautomotive was also able to confirm the device types used by local consumers to read emails from franchise auto dealers. Based on over 10 million emails, email open rates are as follows: 58% on mobile devices, 21% on desktop devices, and 21% on webmail clients.

In the desktop category, it was interesting to note that 30% of the consumers were using an Apple desktop computer. As you read this report, the data provided by DMEautomotive is very important to remember. Consumers that engage with franchise auto dealers do so from a variety of devices and operating systems.



DMEautomotive data confirms the data from outside the automotive industry that shows that greater than 50% of consumers who engage with automotive franchise emails will open them on a mobile device.

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Defining Normal

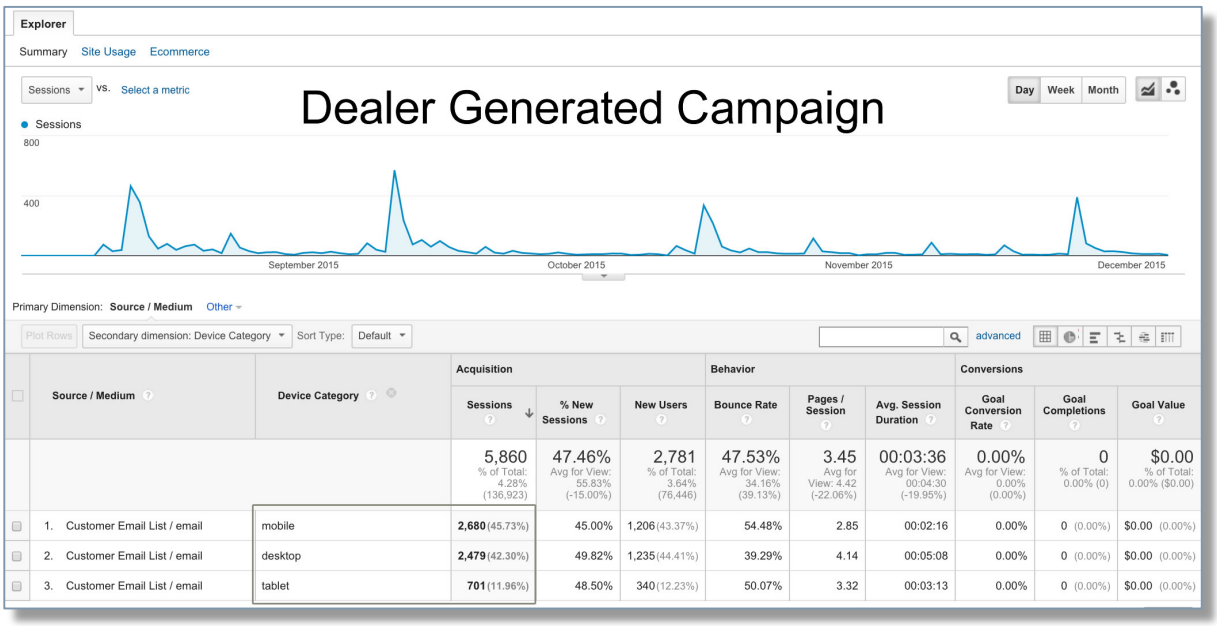
Our definition of "normal" email campaign visitor traffic, to a dealer's website, is based on inspecting numerous dealer controlled email campaigns. We also spoke with email marketing experts who manage the delivery of millions of conquest emails each year in the automotive industry.

When dealers send out an email campaign or newsletter based on their own customer list:

- The customer's email address was given to the dealership and permission to email, implied.
- The majority of customers on their list are in the dealership's local marketing radius.
- How and when consumers respond to the email campaign are not controlled by the dealer.

NORMAL DEVICE TYPES

Based on these ground rules, it would be unjustified for a dealer to predict that 99% of their customers will read their email offer on a desktop device. Correct? Consumers will open email messages from a variety of devices; desktop, tablet, and smartphones. In fact, that is exactly what we found when we analyzed email campaigns controlled by dealers.



	Source / Medium	Device Category	Acquisition: Sessions	Acquisition: % New Sessions	Acquisition: New Users	Behavior: Bounce Rate	Behavior: Pages / Session	Behavior: Avg. Session Duration	Conversions: Goal Conversion Rate	Conversions: Goal Completions	Conversions: Goal Value
			5,860 % of Total: 4.28% (136,923)	47.46% Avg for View: 55.83% (-15.00%)	2,781 % of Total: 3.64% (76,446)	47.53% Avg for View: 34.16% (39.13%)	3.45 Avg for View: 4.42 (-22.06%)	00:03:36 Avg for View: 00:04:30 (-19.95%)	0.00% Avg for View: 0.00% (0.00%)	0 % of Total: 0.00% (0)	$0.00 % of Total: 0.00% ($0.00)
1.	Customer Email List / email	mobile	2,680 (45.73%)	45.00%	1,206 (43.37%)	54.48%	2.85	00:02:16	0.00%	0 (0.00%)	$0.00 (0.00%)
2.	Customer Email List / email	desktop	2,479 (42.30%)	49.82%	1,235 (44.41%)	39.29%	4.14	00:05:08	0.00%	0 (0.00%)	$0.00 (0.00%)
3.	Customer Email List / email	tablet	701 (11.96%)	48.50%	340 (12.23%)	50.07%	3.32	00:03:13	0.00%	0 (0.00%)	$0.00 (0.00%)

In the example above, a dealer sent multiple email campaigns over this four-month period and saw 57.69% mobile visitors (45.73% smartphone and 11.96% tablet.) When dealers inspect email marketing campaigns that they control, the click traffic will be distributed across all device types.

What should dealers think when their purchased conquest email campaigns show consumer click traffic that is 98%+ desktop devices?

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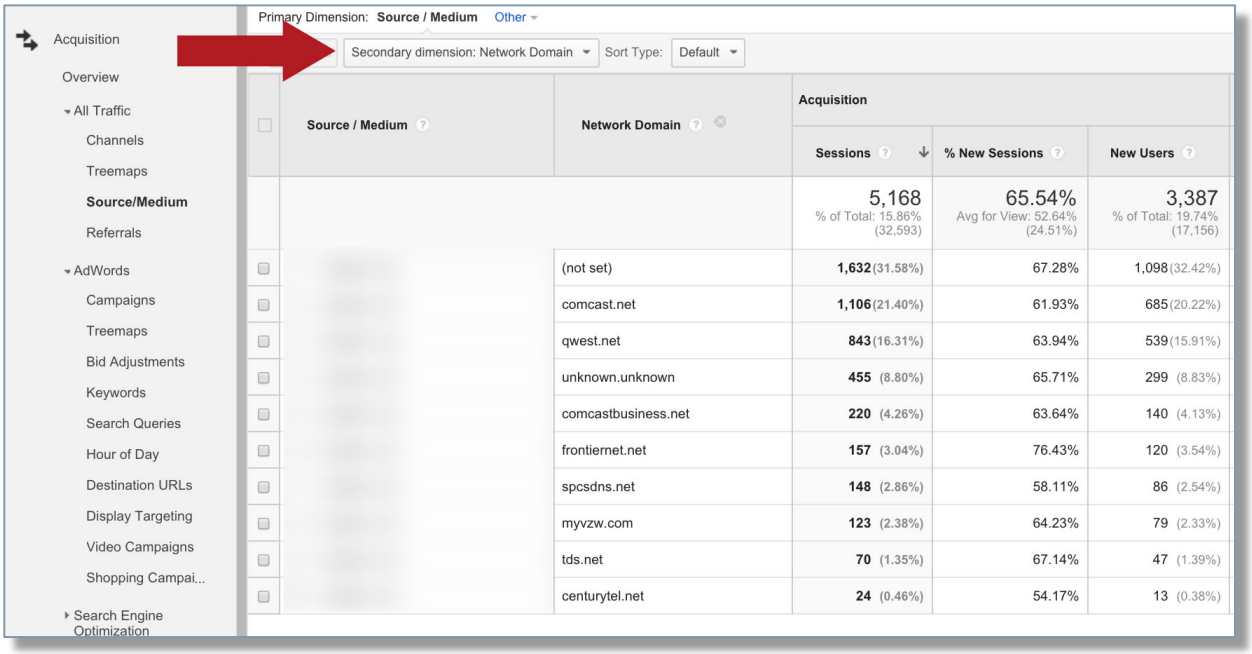
NORMAL HOST DOMAINS

When a consumer clicks on a link in an email that takes them to the dealer's website, Google Analytics will record the network domain that the consumer has for an Internet Service Provider (ISP).



The Network Domain secondary dimension in Google Analytics shows the distribution of the ISPs that this dealer's customer list uses. You would expect to see names like Comcast, Cox, Frontier, Verizon, and Qwest in the list since they are major providers in the dealer's local market. Your dealership's network domain list should reflect local Internet Service Providers.

Two common names in this list will be **"unknown.unknown"** and **"(not set)"** which means Google had difficulty determining the Internet Service Provider (ISP) of the visitor. The traffic could also be related to ghost spam[14]. Ghost spam is when traffic spammers actually set their network domain to "(not set)" to hide in the gray area of Google Analytics.

You may also see some odd Network Domain Names in the list as well. We encourage dealers to type in the domains to see if they are from actual companies or ISPs. For one dealer we tested, over 40% of the top 30 network domains by traffic were from domains that did not have a working website. Network domains and referral domains such as involvevisa.com, assurehits.com, facebookinsiders.com[15], veryslowdin.com, and zeusranderizer.info are associated with threads on Internet spam, malware, and blacklisted IP addresses.

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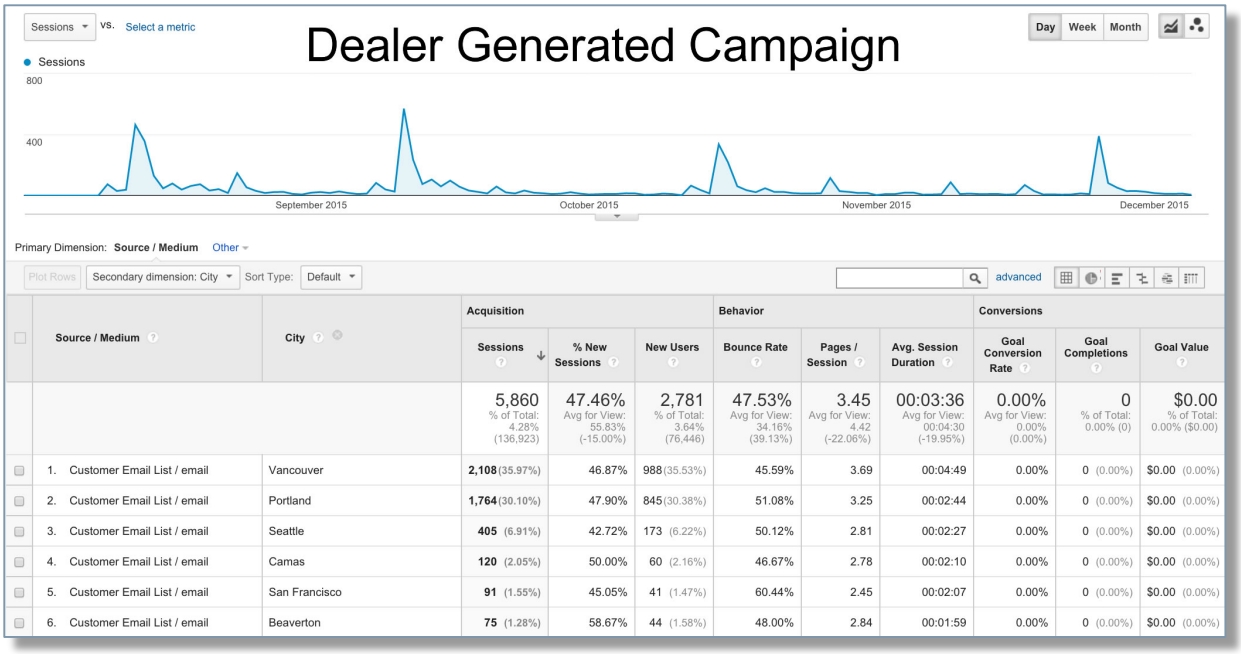
NORMAL LOCAL ENGAGEMENT

When a dealer deploys an email campaign consisting of their own local customers, the majority of click traffic to their website comes from local metro markets. In rural areas, the specific city data in Google Analytics may be less granular because there are fewer Points of Presence (POP) owned by local Internet Service Providers (ISP).

According to YP Mobile Labs,[13] the most accurate location targeting available at scale for mobile devices has a median range between 5 and 8.5 meters. Practically, mobile location technology gives advertisers accuracy ranges between 100 and 1,000 meters. While IP device location accuracy is not perfect, it still can be used to inspect the general metro markets and sources of click engagement.

It would be unwarranted for a dealer to claim that significant click traffic coming from devices located in cities that are 1,000-2,500 miles away are in-market buyers. Correct? Customers on the dealer's email list who are traveling around the globe are an exception, however, the majority of opens and clicks in the United States will be recorded in Google Analytics as coming from a nearby city or Metro market.



	Source / Medium	City	Acquisition			Behavior			Conversions		
			Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration	Goal Conversion Rate	Goal Completions	Goal Value
			5,860 % of Total: 4.28% (136,923)	47.46% Avg for View: 55.83% (-15.00%)	2,781 % of Total: 3.64% (76,446)	47.53% Avg for View: 34.16% (39.13%)	3.45 Avg for View: 4.42 (-22.06%)	00:03:36 Avg for View: 00:04:30 (-19.95%)	0.00% Avg for View: 0.00% (0.00%)	0 % of Total: 0.00% (0)	$0.00 % of Total: 0.00% ($0.00)
1.	Customer Email List / email	Vancouver	2,108 (35.97%)	46.87%	988 (35.53%)	45.59%	3.69	00:04:49	0.00%	0 (0.00%)	$0.00 (0.00%)
2.	Customer Email List / email	Portland	1,764 (30.10%)	47.90%	845 (30.38%)	51.08%	3.25	00:02:44	0.00%	0 (0.00%)	$0.00 (0.00%)
3.	Customer Email List / email	Seattle	405 (6.91%)	42.72%	173 (6.22%)	50.12%	2.81	00:02:27	0.00%	0 (0.00%)	$0.00 (0.00%)
4.	Customer Email List / email	Camas	120 (2.05%)	50.00%	60 (2.16%)	46.67%	2.78	00:02:10	0.00%	0 (0.00%)	$0.00 (0.00%)
5.	Customer Email List / email	San Francisco	91 (1.55%)	45.05%	41 (1.47%)	60.44%	2.45	00:02:07	0.00%	0 (0.00%)	$0.00 (0.00%)
6.	Customer Email List / email	Beaverton	75 (1.28%)	58.67%	44 (1.58%)	48.00%	2.84	00:01:59	0.00%	0 (0.00%)	$0.00 (0.00%)

This dealer is located in Vancouver, Washington. It should not surprise you that their highest engagement came from devices in Vancouver. The clicks from Portland, Seattle, Carnas, and Beaverton all represent feasible local engagement.

What should dealers think when their purchased conquest email campaigns show the majority of consumer click traffic from cities across the country?

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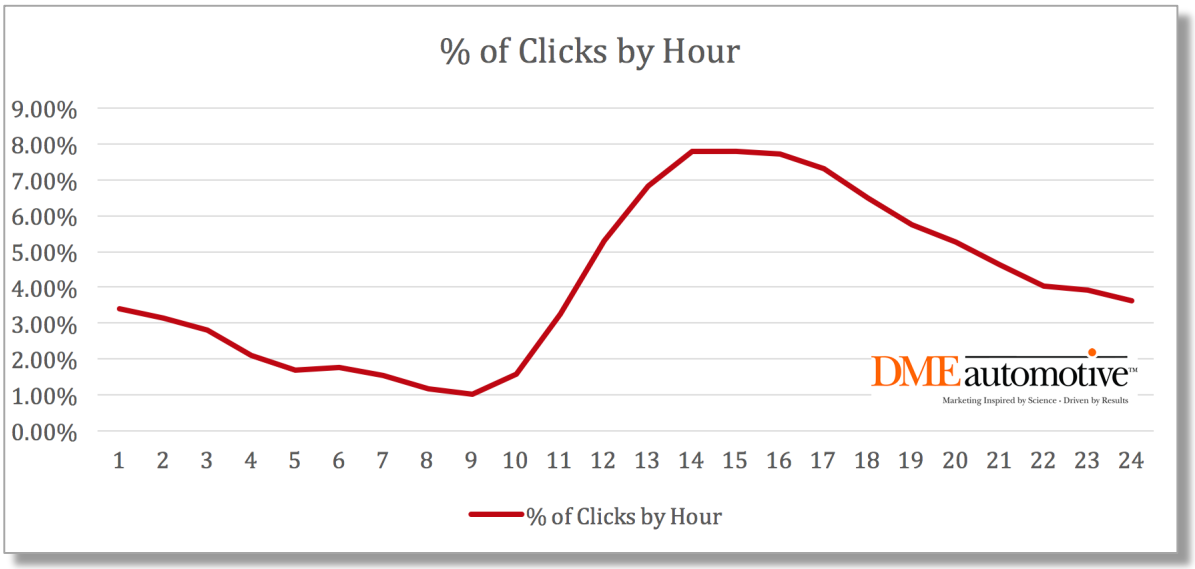
NORMAL EMAIL CLICK-THROUGH RATES DURING THE DAY

There is no fixed time of day when email campaigns are launched, but once the campaign starts, there are some normal trends in email open rates and click-through rates that can be observed. From data shared below from DMEautomotive, the peak activity for opening/engaging with emails is consistent with research shared from industry leaders like MailChimp, Experian, and Constant Contact.

Data from MailChimp.com showed the best times to send emails is between 10:00 am – 2:00 pm[8]. According to Constant Contact research, the highest open rates for automotive services emails is Tuesday at 11:00 am[9]. DMEautomotive shared their research with PCG, based on over six million opens of automotive dealership customer emails, and the highest open rates are between 12:00 – 2:00 pm.



Open rates aside, when do consumers click on email hyperlinks and visit the dealership's website? According to an Experian Marketing Service whitepaper[10], the highest engagement rates are between 8:00 pm and midnight. However, DMEautomotive's chart above shows that although consumers engage in email throughout the day and night, the peak of engagement (clicks) is between 1:00 – 3:00 PM. The lowest click-through rates occur between 3:00 – 10:00 am, which again feels correct.

In the report, we will document website visitors from an opaque email company that **shows peak engagement** starting at 2:00 am and going strong until 8:00 am in the morning on day three of the campaign.

Is anyone looking to see if email engagement patterns look normal?

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NORMAL CLICKS ON EXCLUSIVE FOOTER LINKS

Every franchise dealership website in the United States has a footer section on each website page that contains a copyright notice. In the footer sections it is commonplace to find links to compliance pages such as a Privacy Policy or Terms of Use page.

Have you ever wondered how many consumers actually click on the Privacy page link when visiting a dealership website?

I'm sure that the thought never crossed your mind. However, this question pertains to inspecting paid advertising traffic to a dealer's website.

In the example on the right, the footer section for Pohanka Acura has a link to its Sitemap and Privacy Policy pages.

In a one-year span, Google Analytics recorded 409,283 sessions to this website. In this time period only 17 sessions included a visit to the Privacy Page; 0.0000004% of the total website traffic.

For practical purposes, rarely do consumers ever click on exclusively footer links.

Dealers can use this test to inspect visitor traffic that includes automated bots that will click on random links on any website page.

Sophisticated software can simulate consumer click traffic to a dealership's website. These software programs will often trigger odd clicks, like increased hits to the Privacy Page, and cause spikes in Google Analytics.

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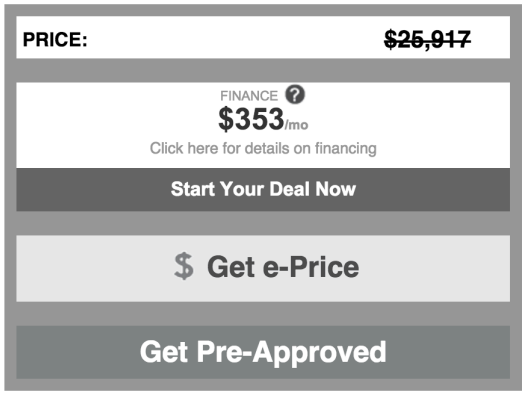
NORMAL FORM CLICKS AND SUBMISSIONS



Dealers can expect between 1-3% of unique visitors to their website to submit a lead form. Consumers are five times more likely to contact the dealership by phone. However, when dealers look at form engagement from opaque conquest email campaigns, some behaviors are very clear.

Our research shows that email campaigns generate between 0.25 – 1% lead form submissions. So, when dealers look at email campaign performance, leads should be present.

Auto dealer websites will often have a "Get e-Price" or similar button on Vehicle Detail Pages (VDP). Not all consumers who click on such buttons will complete the lead form.

Only 15-30% of all lead form button clicks generate a completed lead form on a VDP.

When a lead form is submitted, it will normally generate a lead to the dealerships CRM platform. Lead submissions from in-market shoppers help auto dealers generate showroom appointments which lead to more sales.

What if Leads Are Not Submitted?

Another warning sign that your email campaign has abnormal traffic is repeated clicks on lead form buttons (i.e. Get ePrice) where the forms are never completed. Later in the report, we will show a dealer's Google Analytics report that shows a lead form button was clicked 1,101 times but in every case, the forms were never submitted.

It is hard to understand this click behavior unless it was related to automated software or a website malfunction. It is our belief that since we have documented this click pattern on multiple website platforms, the click traffic is most likely automated. An opaque company can't afford to submit fake leads to a dealer's sales team. The leads would be unreachable or consumers would claim that they never requested to be contacted.

The lack of normal consumer engagement, through lead forms and phone calls, is one of the biggest questions regarding conquest email campaign traffic from opaque providers.

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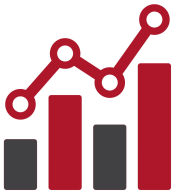
Google Analytics Can Assist Dealers



To help define and validate what "normal" email engagement looks like for automotive dealers, we have used Google Analytics as a benchmark for data discovery and reporting. In the previous pages, we demonstrated that dealers have the ability to inspect all their online marketing investments using Google Analytics reports.

Google Analytics is the "up-log" for the dealership's virtual showroom—their website!

Unfortunately, most dealers do not know how to inspect their online marketing investments like Google AdWords, display advertising, retargeting, social media advertising, and email marketing to ensure that the visitor traffic is:

- Local to the dealership
- Reaching their website from all device types
- Originating from a normal distribution of operating systems
- Engaging with their products pages; triggering SRP and VDP views along with service pages
- Triggering conversion goals: lead forms, chats, and phone calls
- Not triggering abnormally high clicks to footer page links

It is our hope that dealers reading this research report will make a commitment to educate their marketing teams and managers on the steps to inspect their online marketing investments. As dealers increase their investments in online marketing, it is imperative that General Managers confirm that their marketing strategies are generating healthy website engagement from local in-market consumers.

In the following section, we will document the unusual website activity generated by several conquest email marketing campaigns; campaigns into which dealers invested their money in to assist their sales team to sell more cars and reach their goals.

As you review our findings, we hope that you will make a commitment to encourage your automotive peers, your OEM representatives, and NADA leaders to take a more aggressive stance toward dealer education. When dealers learn how to inspect their marketing investments using Google Analytics, they become empowered to fully engage and optimize their marketing budget.

Information on Google Analytics online training courses, created by PCG, can be found using this link: http://bit.ly/1O7BkQ7. Hundreds of automotive professionals have taken Google Analytics training to inspect their online marketing investments. If the graphs and analysis contained in this report are new to your dealership, we strongly suggest that someone in the dealership completes their Google Analytics certification.

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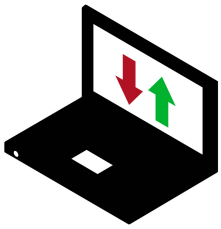
Are Botnets Involved?



Many of the opaque agencies reviewed in the report run email campaigns that produce website clicks that appear LOCAL to the dealership. While local traffic is exactly what dealers would be looking for in Analytics, the other metrics like abnormal clicks to footer links and zero lead form completions had us puzzled. If some agencies were not sending in-market consumers to dealership websites, how were they doing it?

We started to research **botnets**, a series of computers that are infected with malware or free software tools that can be controlled remotely to generate website traffic. There are hundreds of articles on just how many computers are unwillingly infected and being used to generate website traffic.

According to Wikipedia[7]:

> *Botnets sometimes compromise computers whose security defenses have been breached and control conceded to a third party. Each such compromised device, known as a "bot", is created when a computer is penetrated by software from a malware (malicious software) distribution. The controller of a botnet is able to direct the activities of these compromised computers through communication channels formed by standards-based network protocols such as IRC and HTTP.*
>
> *Botnets are increasingly rented out by cyber criminals as commodities for a variety of purposes.*

While we have not confirmed that any agency in this report is using a botnet, when you look at the detailed agency reports, especially Agency J, you can see why we are concerned.

Clicky Reports

We received additional data on conquest email campaigns from Joe Chura, CEO of DealerInspire, a website company serving the auto industry. All DealerInspire websites have Clicky® software installed. Clicky provides additional insights into website traffic, making it a great complement to Google Analytics.

Joe investigated conquest email traffic purchased by two of his customers. Email conquest traffic generated by one agency did not appear in Clicky® visitor traffic reports. When Joe called Clicky® technical support, the support representative suggested that the email conquest traffic was blocked because it most likely consisted of bots, which are often blocked by their software filters on customer facing reports.

Since Clicky® has different filters to block bot-traffic than the stock version of Google Analytics, you can see how third-party software can give dealers additional insights into abnormal traffic.

In these two cases, Clicky® decided that the conquest email traffic was not normal consumer visits. When the dealer tried to match up the reports provided by the email agency to Clicky®, it was clear that something was not right.

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Resellers Needed Stronger Due Diligence

One of the more uncomfortable moments of our research process involved informing digital marketing agencies that the email products that they were reselling to dealers had abnormal traffic. There were a number of reputable automotive marketing companies, which we will call resellers, that made the decision to add conquest email marketing services to their portfolio by working with an outsourcing partner.

The reasons resellers decided to add email conquest marketing to their portfolio varied, but there were two common themes. First, the email outsourcing companies provided ample dealership recommendations for their services. In some cases, the resellers said that their existing clients asked them to provide a conquest email solution. They conducted their own search for automotive conquest providers and chose a partner.

Second, it was an easy way to add additional revenue without investing in mastering the processes needed to build their own conquest email marketing product. The outsourced email companies provided turnkey services so that the resellers did little work in delivering the final product, other than forwarding campaign marketing reports to their clients.

It is likely that the recommendations by other dealers diminished any concerns by resellers to conduct proper due diligence on the quality of services offered by their email marketing outsource partners. In fact, a number of resellers have acknowledged that after seeing a portion of our research that they should have done more analytical fact checking.

Dealer endorsements on digital marketing products are suspect unless the manager has demonstrated his/her competency to inspect the KPIs of their investments.

One Digital Marketing Manager was reflecting on the analysis we conducted on their email conquest campaigns and said; "*I feel stupid. I should have inspected this traffic. Now that I know what to look at, it is clear that the traffic patterns are abnormal!*"

Statements, similar to the Digital Marketing Manager's comments, have been repeated dozens of times as our research has opened the eyes of General Managers, Marketing Managers, Dealer Principals, industry leaders, and resellers. As you read this research report, we hope that you will also have a similar awakening.

We hope that everyone who reads this report does not get angry about past decisions, but rather makes a commitment to better educate themselves and their dealership on marketing strategies and Key Performance Indicators (KPI). We also hope that readers will share this research report with their peers because dealers need to inspect all their online marketing investments, not just email.

Tip: Dealers should inspect all links in the body of their approved email messages to confirm that they have the Google recommended UTM tags for campaign name, source, medium, and content.[16]

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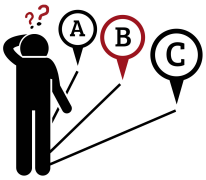
Defining Abnormal

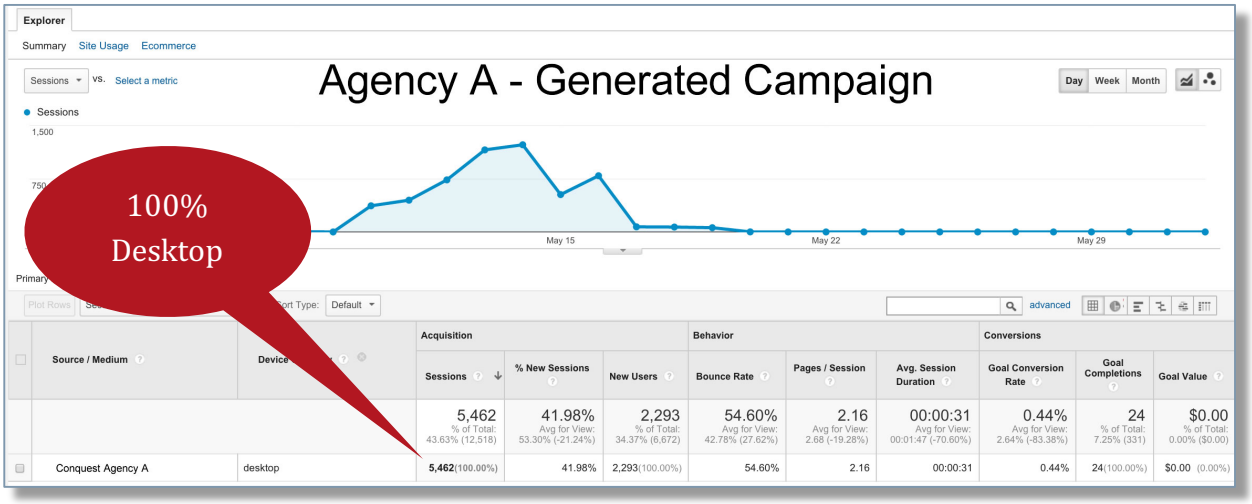


In this section, we will document email conquest campaigns that reflect website activity that is at the polar opposite of what dealers find when conducting their own email campaigns. While conquest email campaigns target a different population from dealer DMS records, the consumers in any local market will engage with emails in similar ways.

How can dealers know which agency to choose? We have anonymized the names of the opaque companies in this report. While we understand the need for dealers to identify the companies that generate suspicious website traffic, the inspection strategies in the research report will separate the wheat from the chaff.

Agency A - Device Types

As we investigated a number of email conquest companies, the ones we consider opaque had device engagement that was primarily from desktop devices.



In the example above, the 5,462 website visitors were generated by **Conquest Agency A** on May 10th 2015. Google Analytics recorded that 100% of the visitors originated from desktop devices.

With the popularity of smartphone and tablets, it is unlikely that all of the consumers who decided to click on a link in the conquest email campaigns were on a desktop device. In fact, the research that we shared at the beginning of this report regarding open and click-thru rates by device type would flag this traffic as abnormal.

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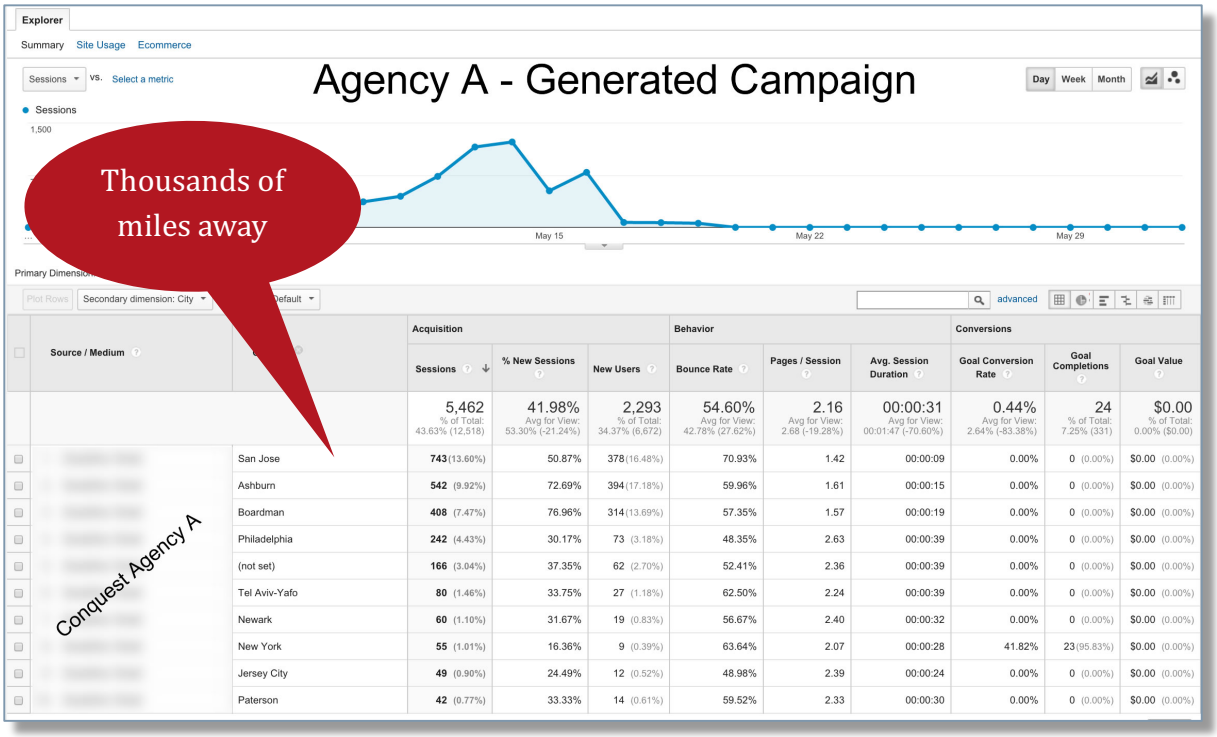
Agency A - Local Engagement

Dealers can inspect Google Analytics to see the originating city of consumers who visit their website. The dealer who purchased the email conquest campaign below is located in the Lehigh Valley area of Pennsylvania. The email campaign was sold through a reseller and generated the following results:



Source / Medium	City	Acquisition: Sessions	% New Sessions	New Users	Behavior: Bounce Rate	Pages / Session	Avg. Session Duration	Conversions: Goal Conversion Rate	Goal Completions	Goal Value
		5,462 % of Total: 43.63% (12,518)	41.98% Avg for View: 53.30% (-21.24%)	2,293 % of Total: 34.37% (6,672)	54.60% Avg for View: 42.78% (27.62%)	2.16 Avg for View: 2.68 (-19.28%)	00:00:31 Avg for View: 00:01:47 (-70.60%)	0.44% Avg for View: 2.64% (-83.38%)	24 % of Total: 7.25% (331)	$0.00 % of Total: 0.00% ($0.00)
	San Jose	743 (13.60%)	50.87%	378 (16.48%)	70.93%	1.42	00:00:09	0.00%	0 (0.00%)	$0.00 (0.00%)
	Ashburn	542 (9.92%)	72.69%	394 (17.18%)	59.96%	1.61	00:00:15	0.00%	0 (0.00%)	$0.00 (0.00%)
	Boardman	408 (7.47%)	76.96%	314 (13.69%)	57.35%	1.57	00:00:19	0.00%	0 (0.00%)	$0.00 (0.00%)
	Philadelphia	242 (4.43%)	30.17%	73 (3.18%)	48.35%	2.63	00:00:39	0.00%	0 (0.00%)	$0.00 (0.00%)
	(not set)	166 (3.04%)	37.35%	62 (2.70%)	52.41%	2.36	00:00:39	0.00%	0 (0.00%)	$0.00 (0.00%)
	Tel Aviv-Yafo	80 (1.46%)	33.75%	27 (1.18%)	62.50%	2.24	00:00:39	0.00%	0 (0.00%)	$0.00 (0.00%)
	Newark	60 (1.10%)	31.67%	19 (0.83%)	56.67%	2.40	00:00:32	0.00%	0 (0.00%)	$0.00 (0.00%)
	New York	55 (1.01%)	16.36%	9 (0.39%)	63.64%	2.07	00:00:28	41.82%	23 (95.83%)	$0.00 (0.00%)
	Jersey City	49 (0.90%)	24.49%	12 (0.52%)	48.98%	2.39	00:00:24	0.00%	0 (0.00%)	$0.00 (0.00%)
	Paterson	42 (0.77%)	33.33%	14 (0.61%)	59.52%	2.33	00:00:30	0.00%	0 (0.00%)	$0.00 (0.00%)

As you can see from this Google Analytics report by city, the traffic generated by the email conquest campaign was not local. The top 10 sources for click traffic to this dealership's website came from San Jose California, Ashburn Virginia, Boardman Oregon, Philadelphia Pennsylvania, Tel Aviv Israel, Newark New Jersey, New York City, Jersey City New Jersey, and Paterson New Jersey. **Less than 1% of this dealership's new car sales come from New York or New Jersey.**

When we looked at all traffic, clicks were coming from that were thousands of miles away from the dealership!

We have already demonstrated that an email campaign sent by a typical franchise dealer will have 80%+ of the clicks coming from local consumers. It should come as no surprise that the traffic from thousands of miles away never completed a lead form or called the dealership to inquire about a vehicle.

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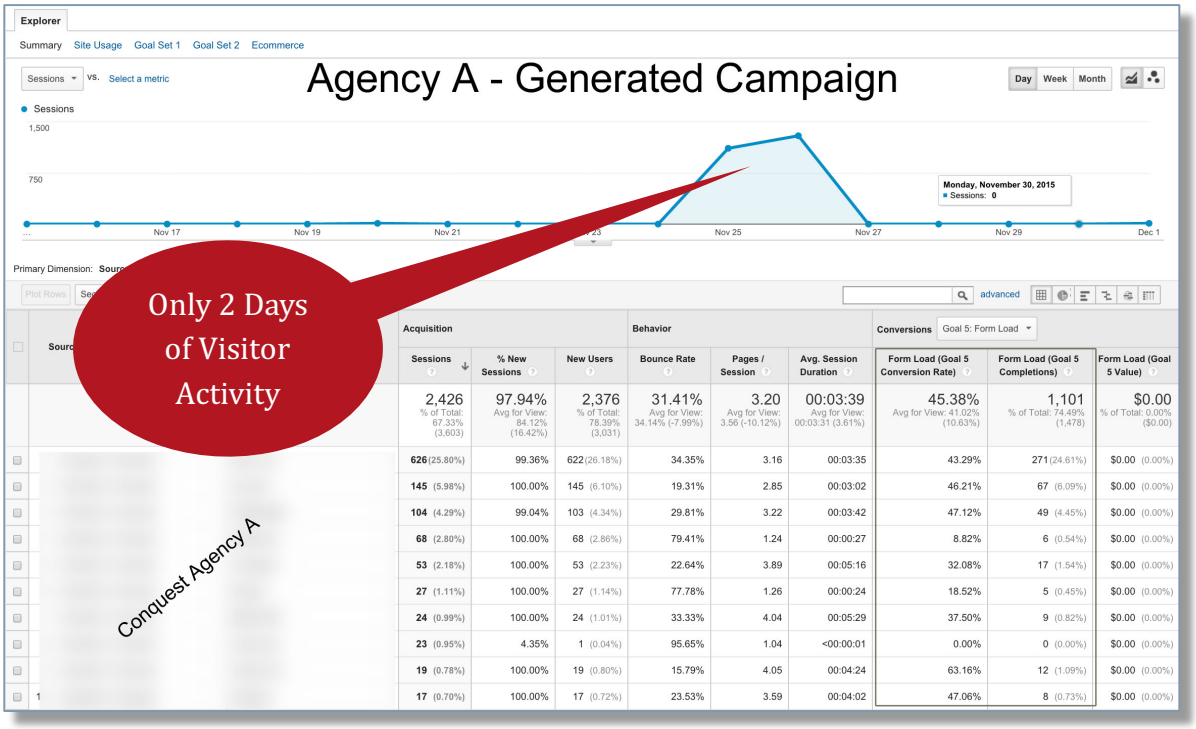
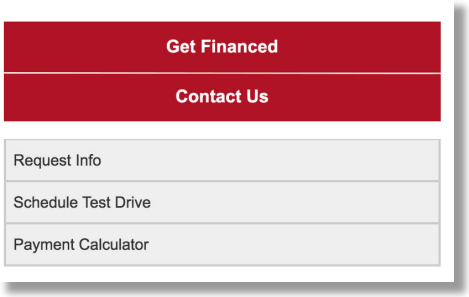
Agency A – Engagement Curve

When 100,000 emails are included in a campaign launch, consumers will read and engage with the advertisement over a period of time. The majority of the clicks will occur in the first three days and then the visits will trickle off over the next 1-2 weeks. Email open rates and engagement can be plotted on email decay curves, which do not abruptly end after two days[18].



For a dealer located in Pennsylvania, the campaign clicks to their website lasted only two days. All 2,413 visits occurred within 48 hours and never again did the consumers click on a link in the email. This is not a normal email engagement decay curve.

Agency A - Odd Form Engagement



The 2,426 visitors to the dealer's website never completed and submitted a lead form. However, 1,101 sessions (45.38%) included a lead form button click, on one of the buttons shown on the left, that loaded a specific type of form. The average lead form submission rate on email marketing campaigns is 0.25 – 1% of unique website visitors.

Why would so many local, in-market shoppers click on one of these buttons and never complete the information?

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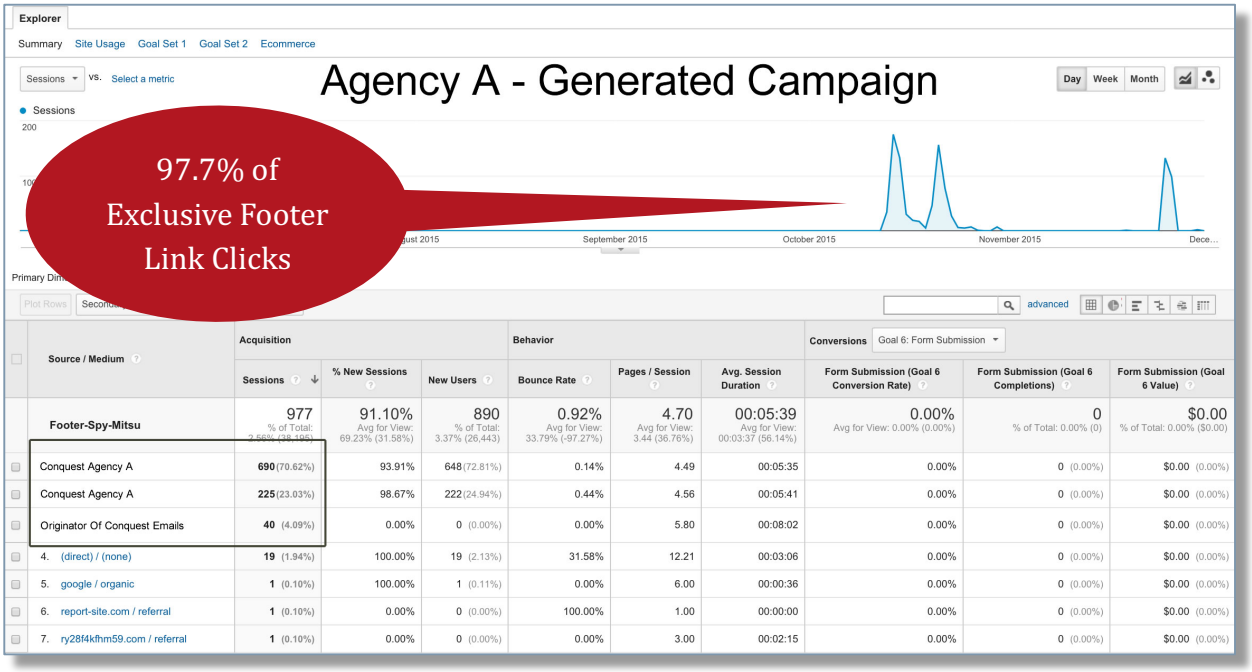
Agency A - High Clicks on Exclusive Footer Links

As we documented earlier in this report, rarely do consumers click on the Privacy Policy or Terms of Use links that reside in the footer of every website page. One way to detect abnormal visitor traffic is to look at the behavior of the visitors and the pages that they visit.

Google Analytics can isolate website traffic using "segments." In the example below, we created a segment to see which sources of traffic, over a six-month period, clicked on either the dealer's Privacy Page or Terms of Use page.



Source / Medium	Acquisition: Sessions	Acquisition: % New Sessions	Acquisition: New Users	Behavior: Bounce Rate	Behavior: Pages / Session	Behavior: Avg. Session Duration	Conversions (Goal 6: Form Submission): Form Submission (Goal 6 Conversion Rate)	Form Submission (Goal 6 Completions)	Form Submission (Goal 6 Value)
Footer-Spy-Mitsu	977 (2.56% (38,195))	91.10% (Avg for View: 69.23% (31.58%))	890 (% of Total: 3.37% (26,443))	0.92% (Avg for View: 33.79% (-97.27%))	4.70 (Avg for View: 3.44 (36.76%))	00:05:39 (Avg for View: 00:03:37 (56.14%))	0.00% (Avg for View: 0.00% (0.00%))	0 (% of Total: 0.00% (0))	$0.00 (% of Total: 0.00% ($0.00))
Conquest Agency A	690 (70.62%)	93.91%	648 (72.81%)	0.14%	4.49	00:05:35	0.00%	0 (0.00%)	$0.00 (0.00%)
Conquest Agency A	225 (23.03%)	98.67%	222 (24.94%)	0.44%	4.56	00:05:41	0.00%	0 (0.00%)	$0.00 (0.00%)
Originator Of Conquest Emails	40 (4.09%)	0.00%	0 (0.00%)	0.00%	5.80	00:08:02	0.00%	0 (0.00%)	$0.00 (0.00%)
4. (direct) / (none)	19 (1.94%)	100.00%	19 (2.13%)	31.58%	12.21	00:03:06	0.00%	0 (0.00%)	$0.00 (0.00%)
5. google / organic	1 (0.10%)	100.00%	1 (0.11%)	0.00%	6.00	00:00:36	0.00%	0 (0.00%)	$0.00 (0.00%)
6. report-site.com / referral	1 (0.10%)	0.00%	0 (0.00%)	100.00%	1.00	00:00:00	0.00%	0 (0.00%)	$0.00 (0.00%)
7. ry28f4kfhm59.com / referral	1 (0.10%)	0.00%	0 (0.00%)	0.00%	3.00	00:02:15	0.00%	0 (0.00%)	$0.00 (0.00%)

Notice, that in a six-month period, 955 of the visits to these obscure footer links, representing 97.7% of all visits to this pages, came from the email conquest campaigns or the provider's testing website. This dealership received over 38,000 visitors in this six-month period and no other source of traffic, paid or organic, triggered so many visits to these obscure pages.

The spikes in visits to these pages correspond to the dates when the conquest email campaigns were launched. Notice that outside these spikes, the traffic is practically zero.

What should dealers think when their purchased conquest email campaigns show the majority of consumer click traffic is to obscure footer links that consumers never click or visit?

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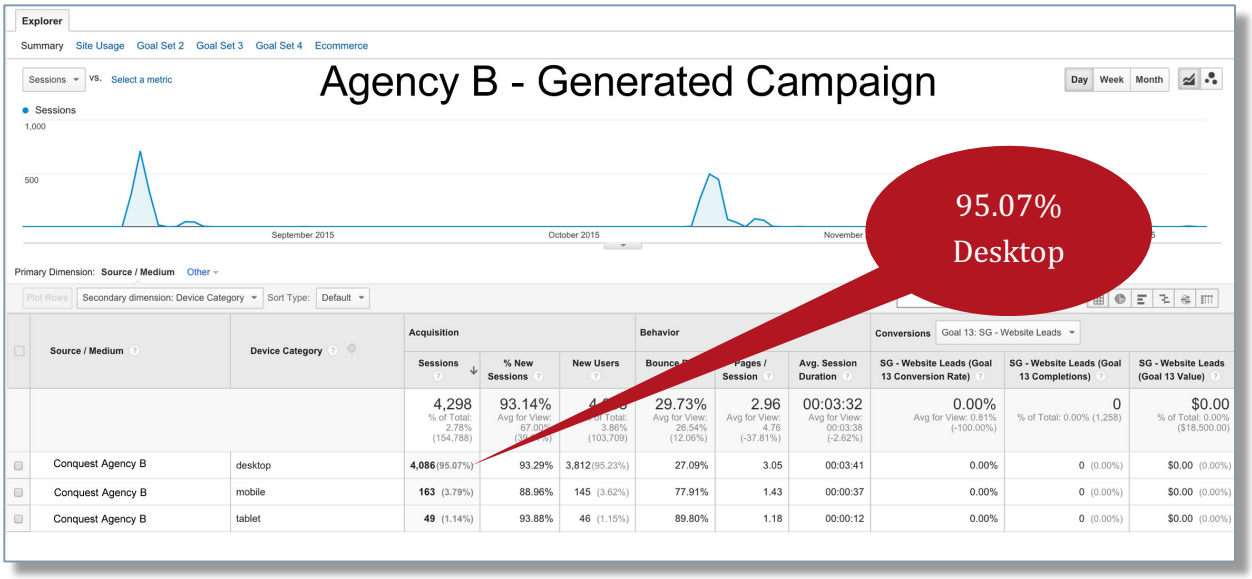
Agency B - Device Distribution

As we discussed, we analyzed a number of companies offering email conquest campaigns. The opaque agencies have traffic that triggered further inquiry. Some agencies were able to generate click traffic that registered in Google Analytics from local devices.



Source / Medium	Device Category	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration	SG - Website Leads (Goal 13 Conversion Rate)	SG - Website Leads (Goal 13 Completions)	SG - Website Leads (Goal 13 Value)
		4,298	93.14%	[illegible]	29.73%	2.96	00:03:32	0.00%	0	$0.00
Conquest Agency B	desktop	4,086 (95.07%)	93.29%	3,812 (95.23%)	27.09%	3.05	00:03:41	0.00%	0 (0.00%)	$0.00 (0.00%)
Conquest Agency B	mobile	163 (3.79%)	88.96%	145 (3.62%)	77.91%	1.43	00:00:37	0.00%	0 (0.00%)	$0.00 (0.00%)
Conquest Agency B	tablet	49 (1.14%)	93.88%	46 (1.15%)	89.80%	1.18	00:00:12	0.00%	0 (0.00%)	$0.00 (0.00%)

The visitor data associated with Conquest Agency B, shown above, attributes 95.07% of the click traffic from a desktop computer. This percentage is abnormally high, since Apple iPhone leads the industry as the #1 preferred email client[4].

Industry data, previously shared in this report[1], shows that a significantly higher percentage of consumers would be reading their email on a mobile device, putting the 3.79% data under further scrutiny.

Lead Generation

By creating a Google Analytics segment to see how many lead form "confirmation" pages were viewed, we were able to determine if any of the 4,298 visitors to the dealership's website completed a lead form[11]. The results of our testing confirmed that **no leads were submitted** by these supposedly "in-market" shoppers.

Footer Links

The email campaign generated by Agency B had the highest number of clicks on the dealership's sitemap link in the footer. As we discussed earlier, the number of consumers who click on the privacy page or sitemap link, at the bottom of a website page, is very small. So when this email campaign generated the highest number of clicks, from all traffic sources, over a six-month period you have to question the nature of the traffic.

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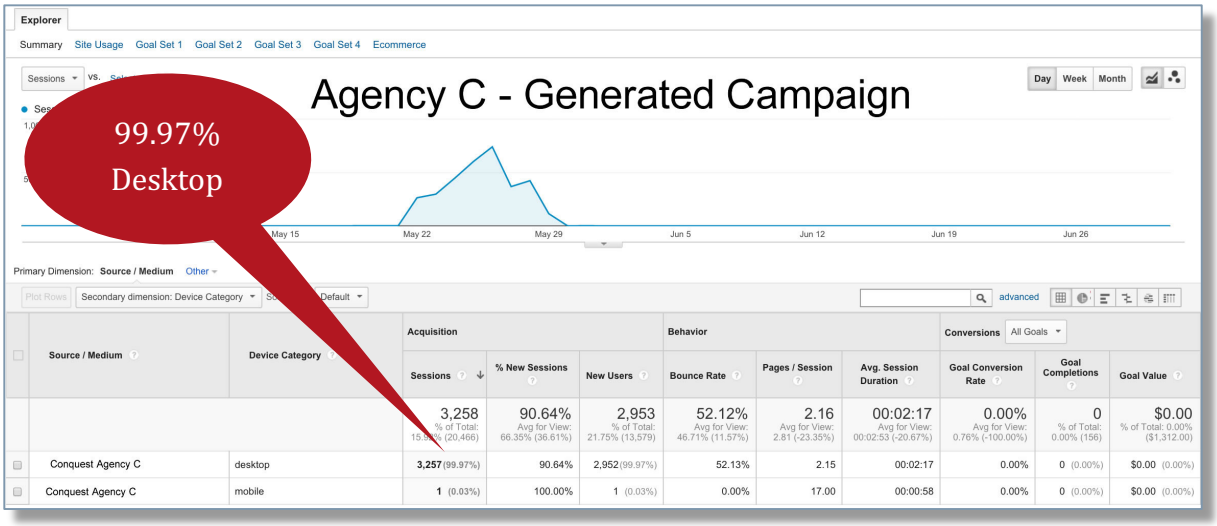
Agency C Device Distribution

Agency C had nearly 100% of their website engagement come from desktop devices; 99.97% was the actual number. The 3,258 visitors to the dealership's website did not complete a single website lead form. Normal consumer traffic to a dealership website will result in 1-2% of those visitors completing a lead form.



Based on the traffic generated by Agency C, this dealer should have collected 32-64 leads from website forms, yet not a single form was submitted. Dealers reading this research report should demand that their marketing team and/or website provider set up Google Analytics goals to track the most value actions on the dealership's website. For example, goals make it easier for dealers to see if lead forms are being submitted by their paid advertising investments.

Other Concerns with Agency C

Note that **99.45%** of the website traffic generated by Agency C was from devices using a Windows operating system. Readers with a knowledge of the operating system market share would instantly recognize that these numbers do not represent a normal cross section of a local consumer population.

Windows	**3,240** (99.45%)
Macintosh	**13** (0.40%)
(not set)	**5** (0.15%)

We also noticed a high percentage of clicks to the Privacy Page which was located in the footer of each website page. This abnormal activity is often associated with bot traffic.

What should dealers think when their conquest email campaigns show 99% of consumer click traffic coming from only Windows desktop devices?

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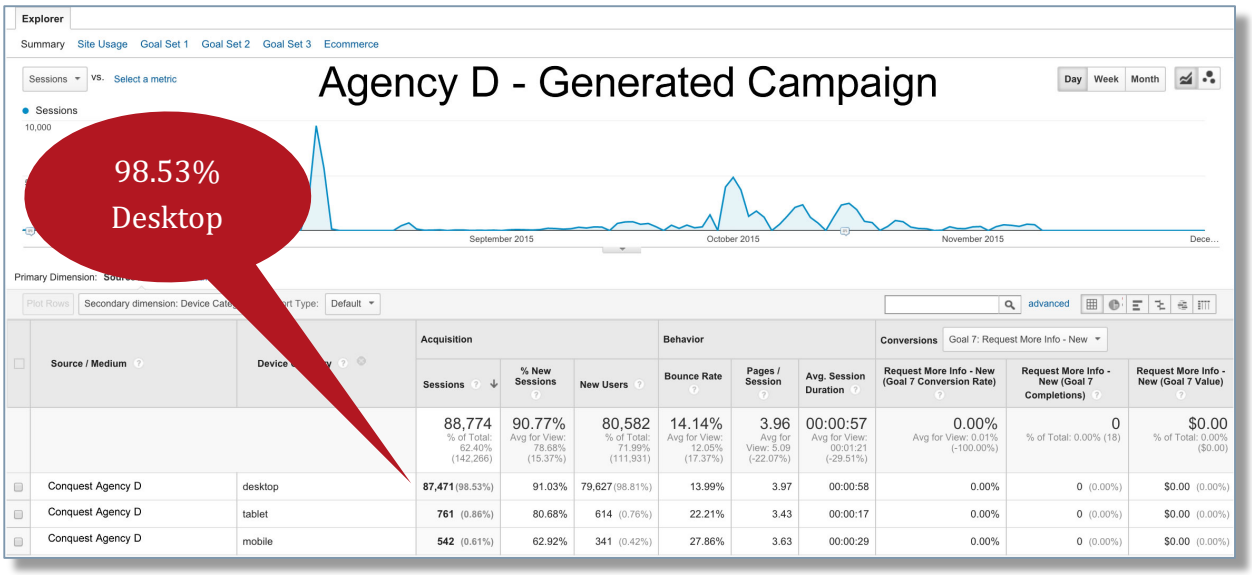
Agency D - Device Distribution

This dealer invested heavily in Agency D for email conquest campaigns. In a five month period, the email campaigns generated 90,682 sessions with 90.84% of the session coming from new users.



Source / Medium	Device	Acquisition: Sessions	% New Sessions	New Users	Behavior: Bounce Rate	Pages / Session	Avg. Session Duration	Conversions (Goal 7: Request More Info - New): Request More Info - New (Goal 7 Conversion Rate)	Request More Info - New (Goal 7 Completions)	Request More Info - New (Goal 7 Value)
		88,774 (% of Total: 62.40% (142,266))	90.77% (Avg for View: 78.68% (15.37%))	80,582 (% of Total: 71.99% (111,931))	14.14% (Avg for View: 12.05% (17.37%))	3.96 (Avg for View: 5.09 (-22.07%))	00:00:57 (Avg for View: 00:01:21 (-29.51%))	0.00% (Avg for View: 0.01% (-100.00%))	0 (% of Total: 0.00% (18))	$0.00 (% of Total: 0.00% ($0.00))
Conquest Agency D	desktop	87,471 (98.53%)	91.03%	79,627 (98.81%)	13.99%	3.97	00:00:58	0.00%	0 (0.00%)	$0.00 (0.00%)
Conquest Agency D	tablet	761 (0.86%)	80.68%	614 (0.76%)	22.21%	3.43	00:00:17	0.00%	0 (0.00%)	$0.00 (0.00%)
Conquest Agency D	mobile	542 (0.61%)	62.92%	341 (0.42%)	27.86%	3.63	00:00:29	0.00%	0 (0.00%)	$0.00 (0.00%)

However, like the other providers previously analyzed, 98.53% of the sessions came from desktop devices.

Agency D – Website Engagement

Another dealer used Agency D for multiple conquest email campaigns.

The campaigns generated over 200,000 visits to the dealership's website yet <u>not a single visitor</u> completed a lead form related to a new or used vehicle. Not a single visitor completed the basic "Contact Us" form.

Source / Medium	Acquisition: Sessions	% New Sessions	New Users	Behavior: Bounce Rate	Pages / Session	Avg. Session Duration
	455,611 (% of Total: 100.00% (455,611))	58.79% (Avg for View: 58.75% (0.06%))	267,843 (% of Total: 100.06% (267,684))	37.51% (Avg for View: 37.51% (0.00%))	5.00 (Avg for View: 5.00 (0.00%))	00:02:02 (Avg for View: 00:02:02 (0.00%))
Conquest Agency D	142,338 (31.24%)	64.47%	91,760 (34.26%)	61.48%	2.02	00:00:29
Conquest Agency D	58,028 (12.74%)	77.17%	44,781 (16.72%)	45.40%	2.24	00:00:16
3. google / organic	55,459 (12.17%)	48.29%	26,782 (10.00%)	9.97%	10.42	00:04:37
4. (direct) / (none)	48,247 (10.59%)	56.97%	27,485 (10.26%)	14.23%	8.32	00:04:46
5. trackvisitsnow.com / referral	34,512 (7.57%)	53.59%	18,494 (6.90%)	48.80%	1.97	00:00:15
6. google / cpc	22,028 (4.83%)	46.00%	10,132 (3.78%)	9.80%	8.71	00:03:43
7. Google / SERP	18,267 (4.01%)	33.10%	6,046 (2.26%)	22.28%	8.27	00:03:03
8. DealerSocket / Email	12,403 (2.72%)	38.63%	4,791 (1.79%)	18.19%	6.70	00:03:47
9. audiusa.com / referral	10,429 (2.29%)	55.22%	5,759 (2.15%)	6.39%	10.04	00:04:11
10. trackvisitsnow1.com / referral	9,460 (2.08%)	60.60%	5,733 (2.14%)	67.66%	1.42	00:00:08

Yet in the same time period, traffic from their other advertising investments generated industry standard lead form engagement and completion rates.

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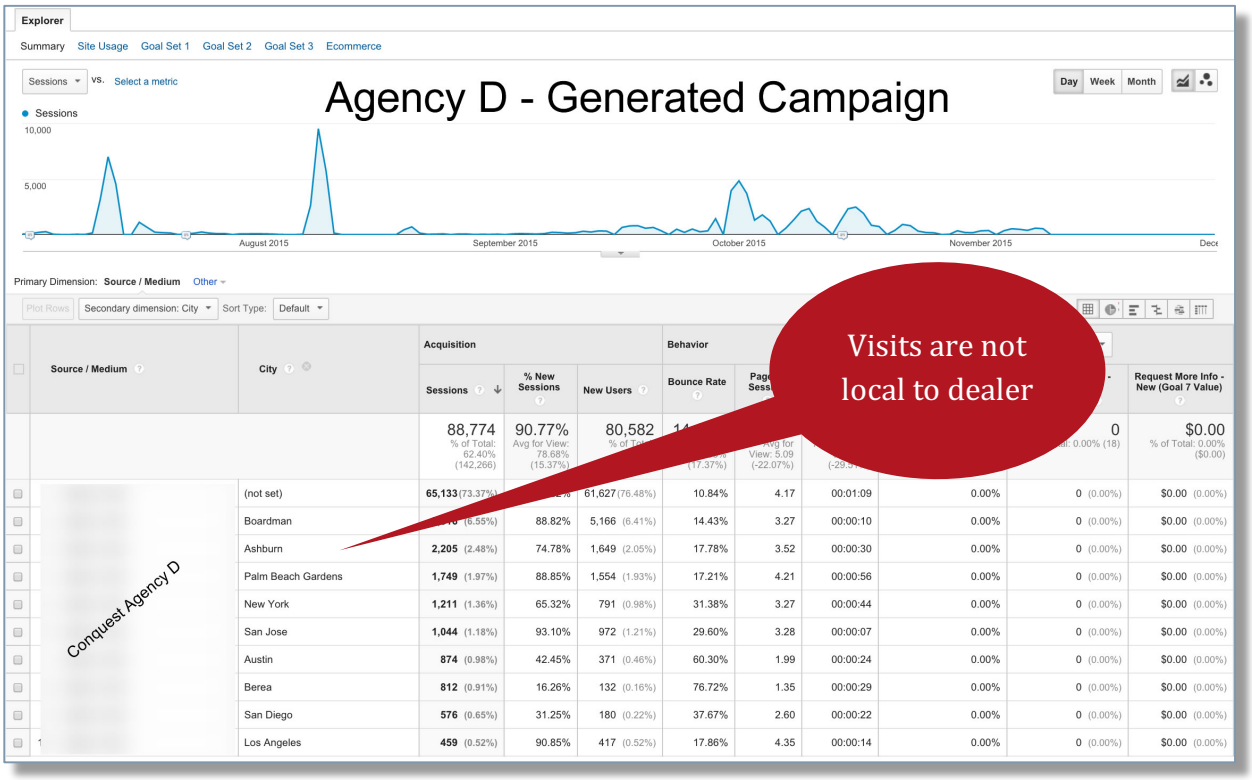
Agency D – Local Engagement

The Google Analytics data shown below is from a dealer in Southern California. As you can see, over a five month period, the email campaigns generated 88,774 sessions. Oddly, 65,133 have their city location masked. This was the first time that we saw such a high percentage of the website traffic recorded in Google Analytics without a city.

Of the cities that were listed, you can see that the top cities are not located near this dealership in Southern California. Once again we are seeing common names likes Boardman Oregon, Ashburn Virginia, New York City, and San Jose California.



Source / Medium	City	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration	Request More Info - New (Goal 7 Value)
		88,774 (% of Total: 62.40% (142,266))	90.77% (Avg for View: 78.68% (15.37%))	80,582	[illegible]	[illegible]	[illegible]	0 ([illegible] 0.00% (18)) / $0.00 (% of Total: 0.00% ($0.00))
[illegible]	(not set)	65,133 (73.37%)	[illegible]	61,627 (76.48%)	10.84%	4.17	00:01:09	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Boardman	[illegible] (6.55%)	88.82%	5,166 (6.41%)	14.43%	3.27	00:00:10	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Ashburn	2,205 (2.48%)	74.78%	1,649 (2.05%)	17.78%	3.52	00:00:30	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Palm Beach Gardens	1,749 (1.97%)	88.85%	1,554 (1.93%)	17.21%	4.21	00:00:56	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	New York	1,211 (1.36%)	65.32%	791 (0.98%)	31.38%	3.27	00:00:44	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	San Jose	1,044 (1.18%)	93.10%	972 (1.21%)	29.60%	3.28	00:00:07	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Austin	874 (0.98%)	42.45%	371 (0.46%)	60.30%	1.99	00:00:24	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Berea	812 (0.91%)	16.26%	132 (0.16%)	76.72%	1.35	00:00:29	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	San Diego	576 (0.65%)	31.25%	180 (0.22%)	37.67%	2.60	00:00:22	0.00% / 0 (0.00%) / $0.00 (0.00%)
[illegible]	Los Angeles	459 (0.52%)	90.85%	417 (0.52%)	17.86%	4.35	00:00:14	0.00% / 0 (0.00%) / $0.00 (0.00%)

Were these visitor sessions engaging with the dealership's website? There were zero lead form submissions associated with the 88,774 sessions. According to our research, email campaigns generate 0.25 – 1% lead form submissions based on unique visitors, which at the low end of this range would have generated over 220 leads.

This example, using the secondary dimension of "city," shows how important it is for dealers to inspect where the visitors are originating from email campaigns. If the data looks abnormal, the dealership should be asking for a clear explanation.

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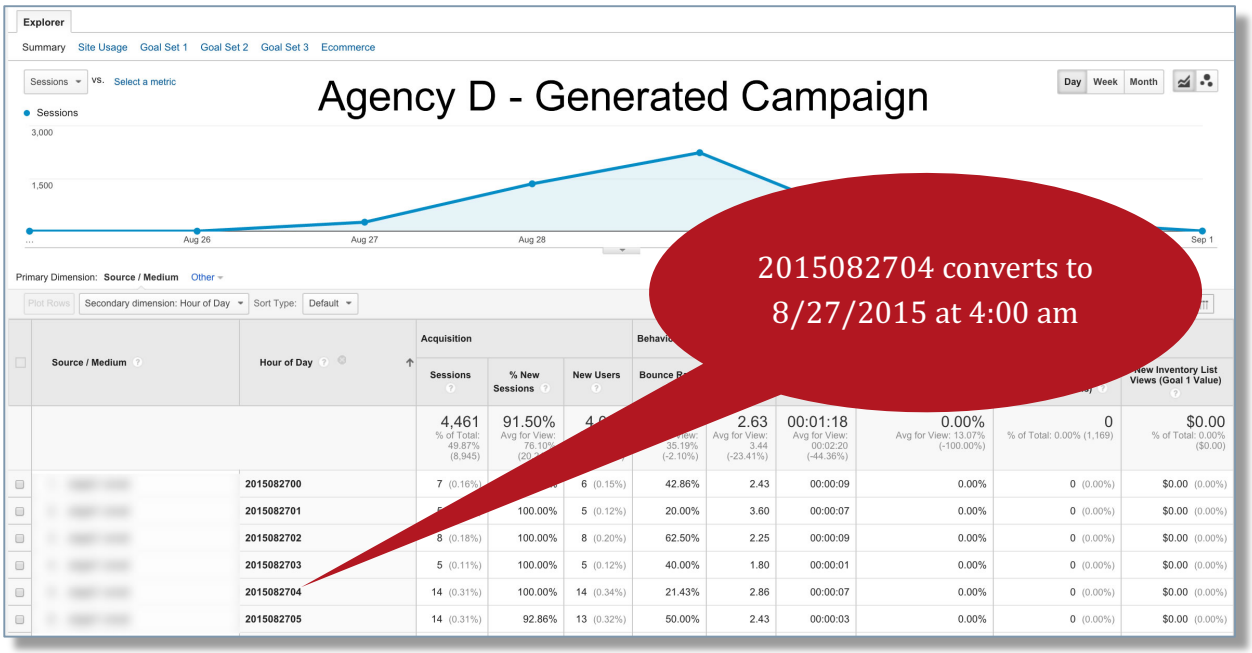
Agency D – Hour of Day

The Google Analytics data shown below is from a dealer that conducted a campaign with Agency D. Using the "Hours of Day" secondary dimension, we inspected when the visitors came to the website.



In the table on the right, you will see that on the third day of the campaign, click traffic started to increase at 2:00 am in the morning and continued strong until 8:00 am.

In fact, this was the highest intensity of consumer visits during the entire campaign. Based on inspecting hundreds of email campaigns, this traffic pattern is abnormal.

While consumers enjoy their automobiles, they are not staying up all night researching cars based on an unsolicited offer to purchase a vehicle.

Days of Campaign	Hour of Day	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session
Day Two	2:00 PM	110	94%	103	33%	2.63
Day Two	4:00 PM	117	98%	115	23%	2.97
Day Two	5:00 PM	129	98%	126	32%	2.57
Day Two	6:00 PM	115	96%	110	30%	2.69
Day Two	7:00 PM	135	98%	132	28%	2.76
Day Two	8:00 PM	165	96%	159	38%	2.30
Day Two	9:00 PM	54	94%	51	61%	1.70
Day Two	10:00 PM	19	89%	17	63%	1.68
Day Three	**Midnight**	**51**	**96%**	**49**	**59%**	**1.61**
Day Three	1:00 AM	85	98%	83	75%	1.34
Day Three	2:00 AM	198	92%	182	32%	2.69
Day Three	3:00 AM	199	92%	184	22%	3.13
Day Three	4:00 AM	175	94%	164	27%	2.76
Day Three	5:00 AM	192	93%	178	24%	2.89
Day Three	6:00 AM	178	93%	165	24%	2.72
Day Three	7:00 AM	189	93%	175	22%	3.03
Day Three	8:00 AM	155	89%	138	20%	3.45
Day Three	9:00 AM	77	86%	66	27%	2.74
Day Three	10:00 AM	61	87%	53	26%	2.84
Day Three	11:00 AM	66	86%	57	33%	2.82
Day Three	Noon	52	88%	46	23%	3.27

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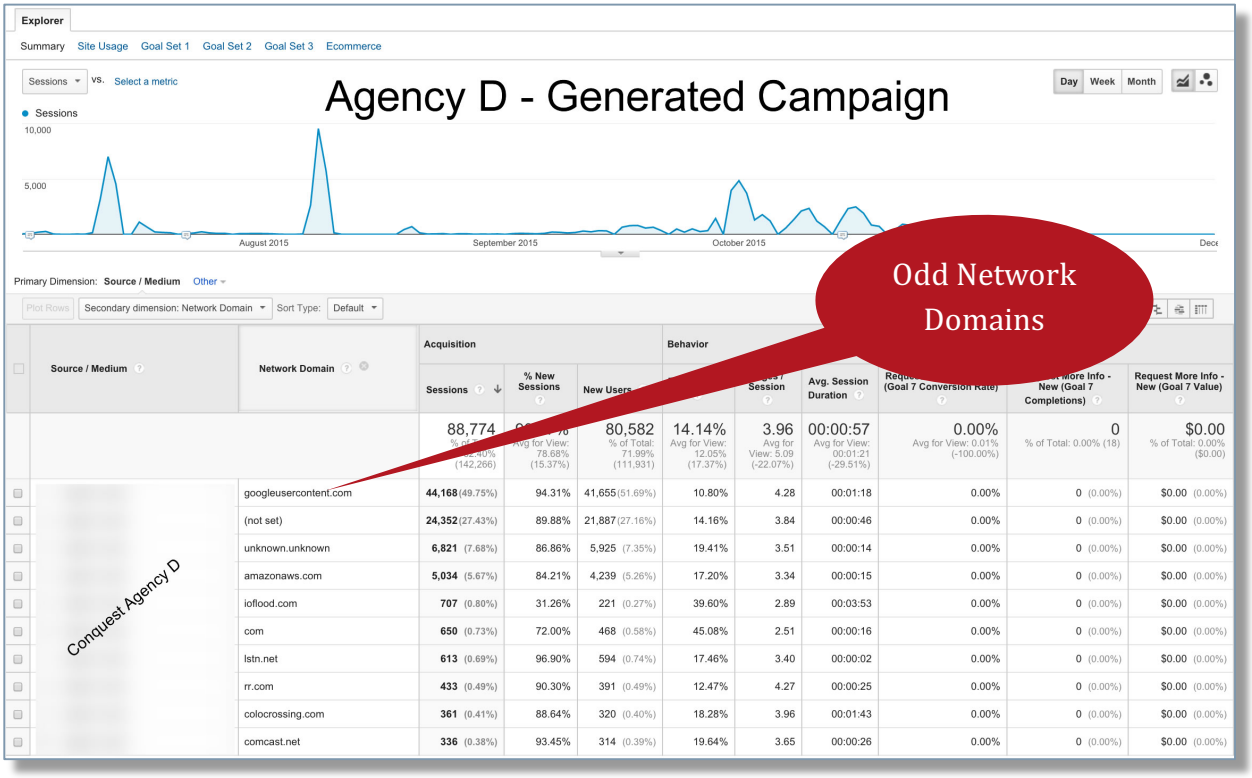
Agency D – Network Domains

Google Analytics allows you to see which hostnames are sending the traffic to your website. The majority of normal website traffic comes from recognized domains like Comcast, Qwest, CenturyTel, RR, and Cox.

For this dealer, however, the traffic generated by Agency D has some very strange network domains. The highest number of visits came from **googleusercontent.com**; representing 50% of the email visits. Over 25% of the traffic came from a network domain that was reported as (not set). The fourth highest number of visits came from **amazonaws.com**.



Dealers should be working closely with their website hosting company and/or web security company to set up filters and blocks to the thousands of web spam visits that attack dealership websites. Most dealers think that their website hosting company will keep up with web spam, but it is often not the case. Over 50% of the websites that PCG inspects each month show ghost spam and referral spam that are not being blocked by their website company, resulting in skewed numbers in Google Analytics.

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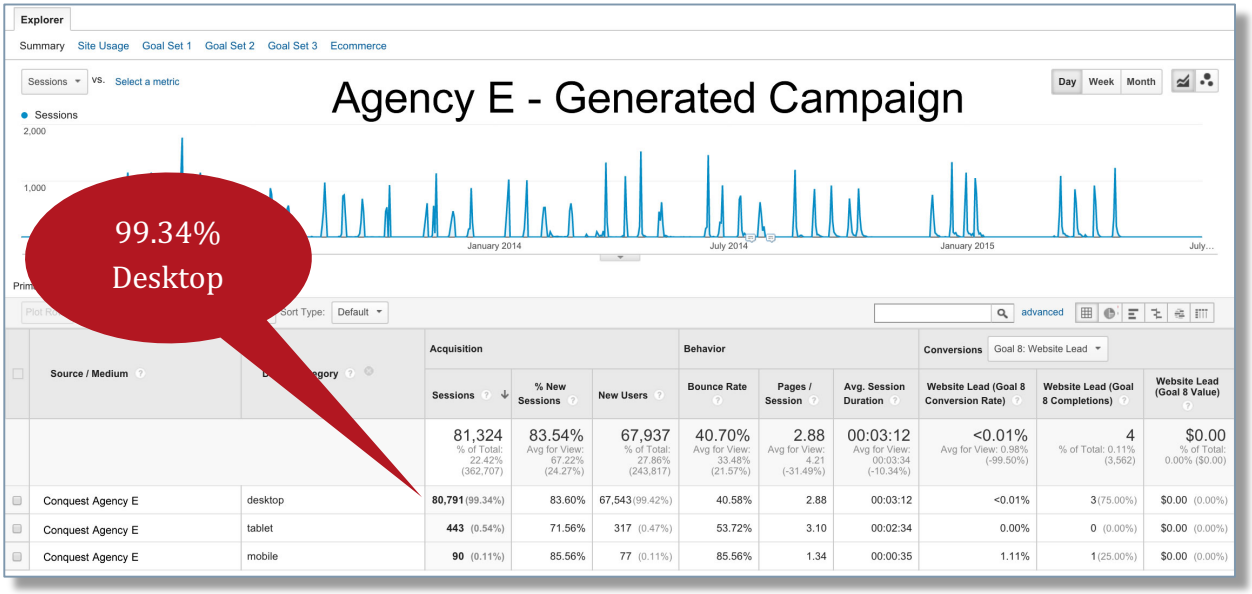
Agency E – Device Types

You may be asking yourself, why do we continue to show examples of email traffic that is primarily coming from desktop devices. We wanted to make a point that there are many companies selling campaigns to dealers that exhibit abnormal behaviors; there is not just one bad apple. Also, this type of campaign activity has been going on for a number of years without scrutiny.

In this example, a dealer located in Ohio hired Agency E to conduct an email conquest strategy starting in 2013. There were multiple email launches during the past two years, as you can see from the spikes in the website traffic below. The visitor traffic, over this two-year period, was 99.34% from desktop devices and 90% from Windows operating systems. Despite public data that shows that iOS is the most frequently used operating system for email readers, this campaign generated only 0.32% of the total email traffic to the dealer's website from an iPhone.



From the 80,791 visits to the dealership's website only four sessions resulted in a lead form submission. The sharp decay curves and lack of website form engagement give many reasons to question the quality of traffic that was generated over this two-year period.

But here is one more:

In the past 2.5 years, the vast majority of the clicks to the dealership's privacy page footer link were generated from the email campaigns sold by Conquest Agency E.

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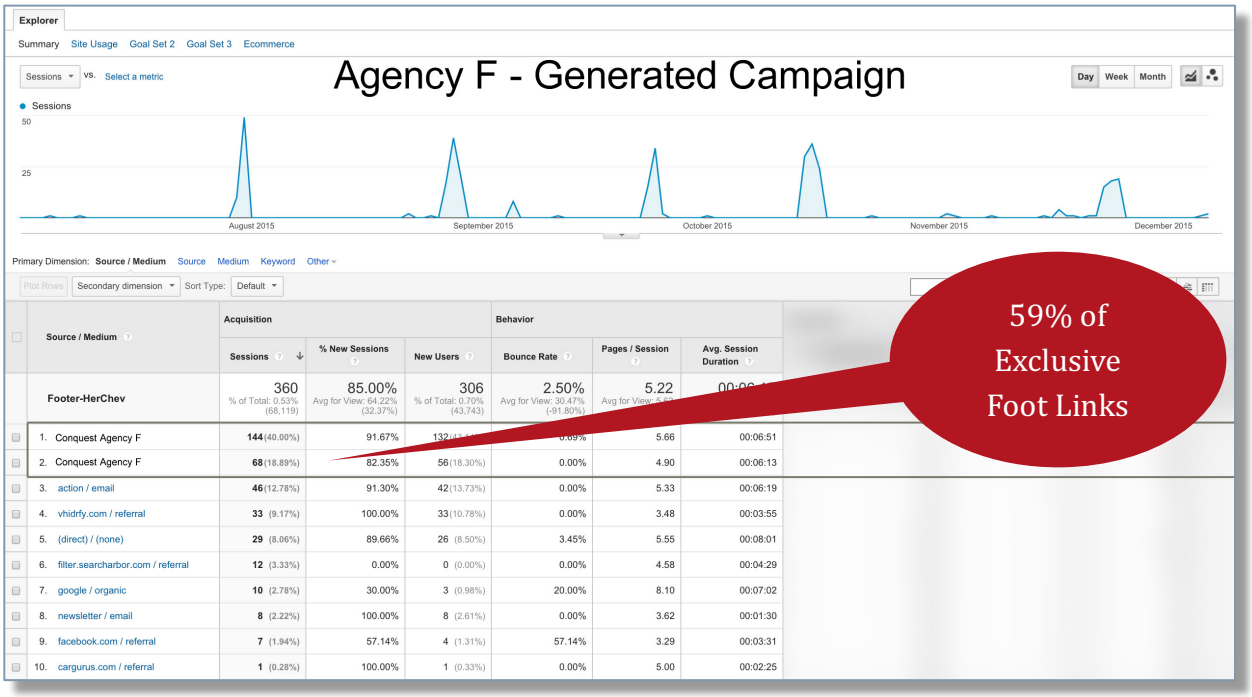
Agency F

This agency has very similar issues with **99% desktop devices** and very steep decay curves, which we categorize as abnormal. The first campaign in August 2015 generated two days of website activity and then completely stopped. Another campaign in October, generated two days of website activity and stopped. We were puzzled why the traffic had such extreme decay curves[12].

The footer link click behavior is a bigger red flag for this agency. Of the 360 visits to the Privacy Page and Terms of Service page for this dealer, 59% of the visits were from email conquest campaigns run by Agency F. There was another email campaign that generated footer link clicks as well, which makes us think that automated bot traffic is in play.



Source / Medium	Acquisition			Behavior		
	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration
Footer-HerChev	360 (% of Total: 0.53% (68,119))	85.00% (Avg for View: 64.22% (32.37%))	306 (% of Total: 0.70% (43,743))	2.50% (Avg for View: 30.47% (-91.80%))	5.22 (Avg for View: 5.[illegible])	00:0[illegible]
1. Conquest Agency F	144 (40.00%)	91.67%	132 [illegible]	[illegible]	5.66	00:06:51
2. Conquest Agency F	68 (18.89%)	82.35%	56 (18.30%)	0.00%	4.90	00:06:13
3. action / email	46 (12.78%)	91.30%	42 (13.73%)	0.00%	5.33	00:06:19
4. vhidrfy.com / referral	33 (9.17%)	100.00%	33 (10.78%)	0.00%	3.48	00:03:55
5. (direct) / (none)	29 (8.06%)	89.66%	26 (8.50%)	3.45%	5.55	00:08:01
6. filter.searcharbor.com / referral	12 (3.33%)	0.00%	0 (0.00%)	0.00%	4.58	00:04:29
7. google / organic	10 (2.78%)	30.00%	3 (0.98%)	20.00%	8.10	00:07:02
8. newsletter / email	8 (2.22%)	100.00%	8 (2.61%)	0.00%	3.62	00:01:30
9. facebook.com / referral	7 (1.94%)	57.14%	4 (1.31%)	57.14%	3.29	00:03:31
10. cargurus.com / referral	1 (0.28%)	100.00%	1 (0.33%)	0.00%	5.00	00:02:25

We contacted this agency to ask about the abnormal nature of their traffic and we learned that they were a reseller of conquest email services. The advertising agency was acting as a middleman. These undisclosed relationships could be placing dealers into harm's way and subject to fines.

Automotive advertising agencies must be proactive in disclosing marketing that they control and strategies that are being outsourced without their direct control.

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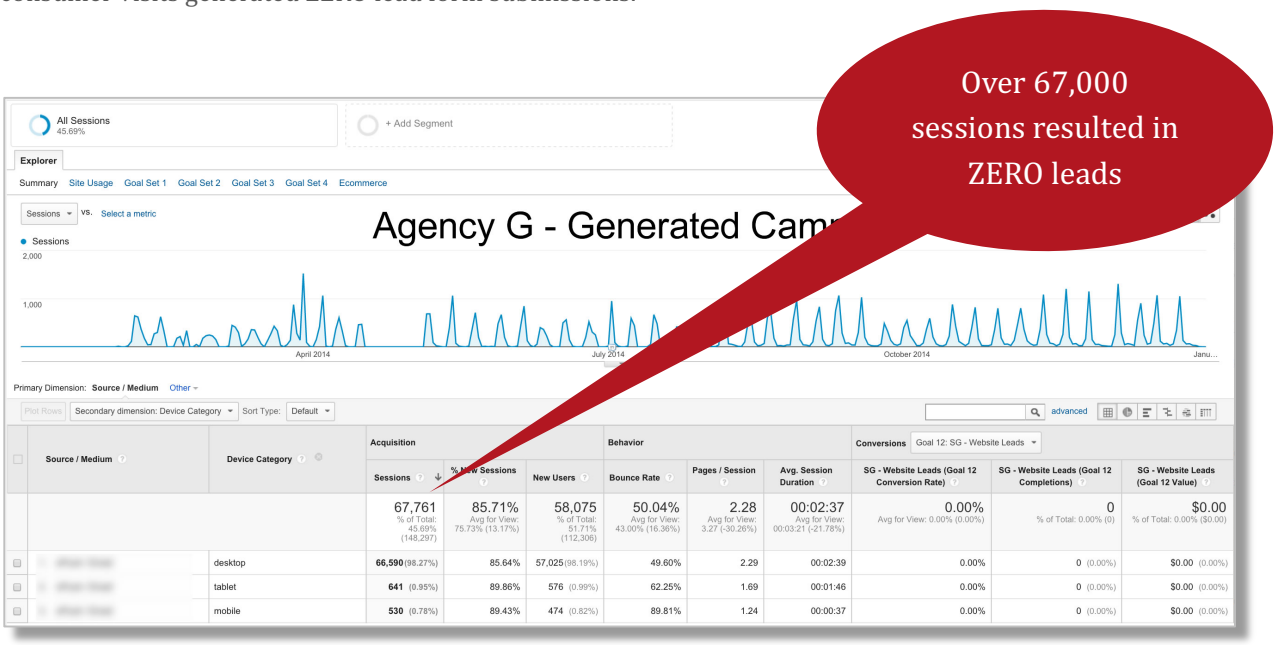
Agency G

This dealer has been using this conquest email provider for over a year and the data follows the same patterns that we previously discussed. Over 98% of the visits are from desktop devices but were also have a larger population of visitors in this data set.

With over 67,000 sessions created by this email marketing campaign, we find it abnormal that these consumer visits generated ZERO lead form submissions.



We also noticed abnormal first click behavior when the consumer visited the dealership's website. The 7th most popular first click was to the dealership's sitemap page. The 9th most popular first click was to the dealership's privacy page. The "user path" is Google Analytics is an ideal tool to inspect how consumers are engaging with the dealership's website when they click on an email offer.

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Agency H

This agency, has been working with this dealer for about two years and sadly, the patterns of abnormal traffic abound. Over 29,148 visitors were recorded in Google Analytics from Agency H in this time period, at 97.28% were from desktop devices. This traffic also had an abnormally high percentage of clicks to the footer privacy and sitemap pages.

To show why we consider the traffic abnormal, you need to look at the Google Analytics data shown on the right.

The dealership's website had 252,730 visitors via organic traffic channels and only 150 people (0.06%) clicked on the privacy or sitemap pages.

Similarly, 245,100 visitors came from Direct channels and only 275 visitors clicked (0.11%) %) clicked on the privacy or sitemap pages.

4% Viewed The Privacy/Sitemap Pages in Footer

Source / Medium	Acquisition					
	Sessions	% New Sessions				
All Sessions	794,392 % of Total: 99.99% (794,472)	56.45% Avg for View: 56.45% (-0.01%)				
Footer-Links-Inspection-DDC	2,154 % of Total: 0.27% (794,472)	82.50% Avg for View: 56.45% (46.14%)				
1. google / organic						
All Sessions	252,730 (31.81%)	43.75%	110,563			00:05:29
Footer-Links-Inspection-DDC	150 (6.96%)	56.67%		4.67%	7.57	00:08:11
2. (direct) / (none)						
All Sessions	245,100 (30.85%)	61.23%	33.47%)	58.97%	3.46	00:02:29
Footer-Links-Inspection-DDC	276 (12.81%)	91	252 (14.18%)	26.09%	3.87	00:03:13
3. google / cpc						
All Sessions	62,695 (7.89%)	66.60%	41,757 (9.31%)	34.98%	5.40	00:03:35
Footer-Links-Inspection-DDC	20 (0.93%)	100.00%	20 (1.13%)	0.00%	6.50	00:02:19
4. Agency H						
All Sessions	29,148 (3.67%)	93.58%	27,277 (6.08%)	49.76%	2.27	00:02:14
Footer-Links-Inspection-DDC	1,186 (55.06%)	88.20%	1,046 (58.86%)	1.43%	4.55	00:05:12
5. Gannett / Display						
All Sessions	26,745 (3.37%)	89.11%	23,832 (5.31%)	86.56%	1.57	00:00:34
Footer-Links-Inspection-DDC	0 (0.00%)	0.00%	0 (0.00%)	0.00%	0.00	00:00:00
6. bing / organic						
All Sessions	23,981 (3.02%)	44.81%	10,745 (2.40%)	15.92%	7.49	00:05:26
Footer-Links-Inspection-DDC	24 (1.11%)	70.83%	17 (0.96%)	12.50%	5.12	00:04:29
7. yahoo / organic						
All Sessions	15,918 (2.00%)	40.06%	6,376 (1.42%)	17.85%	7.30	00:05:11
Footer-Links-Inspection-DDC	31 (1.44%)	77.42%	24 (1.35%)	0.00%	4.29	00:04:25
8. dealerscience.com / referral						
All Sessions	10,568 (1.33%)	11.13%	1,176 (0.26%)	35.18%	5.95	00:05:20
Footer-Links-Inspection-DDC	51 (2.37%)	0.00%	0 (0.00%)	0.00%	3.75	00:04:33
9. bmwusa.com / referral						
All Sessions	7,913 (1.00%)	36.31%	2,873 (0.64%)	10.25%	8.18	00:06:29
Footer-Links-Inspection-DDC	0 (0.00%)	0.00%	0 (0.00%)	0.00%	0.00	00:00:00
10. bing / cpc						
All Sessions	6,342 (0.80%)	76.95%	4,880 (1.09%)	35.19%	5.27	00:03:33
Footer-Links-Inspection-DDC	3 (0.14%)	100.00%	3 (0.17%)	0.00%	16.00	00:06:35

You will also see that ZERO referral visitors from bmwusa.com visited the exclusive pages in the footer. Their investment in Gannet Display Advertising also yielded ZERO visits to the dealership's privacy and sitemap pages. This is what we would expect from normal consumer traffic; extremely low engagement with exclusive pages in the footer.

So, when you look at Agency H, the visitors traffic from their email conquest campaigns stands out:

Over 4% of all visitors to the dealership website clicked on the privacy page or sitemap.

When you compare different investments that this dealer has made to drive traffic to their website, like Google AdWords (google/cpc) and Bing Advertising (bing/cpc), you can see why the quality of traffic is in question. Google and Bing paid advertising generated 69,037 sessions and only 23 visits to the exclusive footer links. The data presented, in this comparison table, supports our concerns about abnormal traffic.

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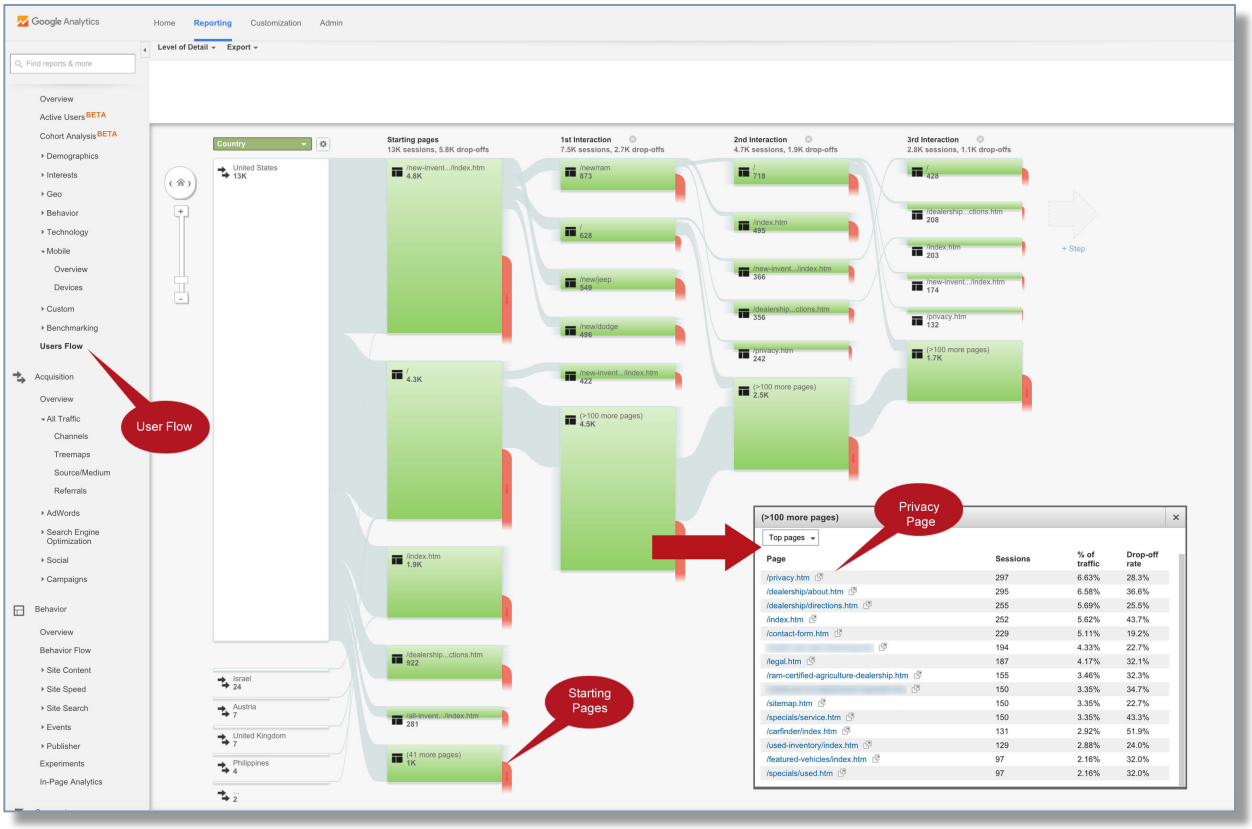
Agency J

This agency, and a few others like it, produced website clicks that appear to be local and had 25% of the traffic coming from mobile devices, but the other aspects of their website traffic was abnormal. A Dodge dealer who used this agency invested in email conquest campaigns that spanned the entire 2015 calendar year. When we looked at the click paths of consumers visiting their website from the email conquest campaign, a few things jumped out at us. You can see this chart yourself in Google Analytics under User Flow.



First Oddity – The "starting pages" for the traffic coming from the email campaign DID NOT match the links in the approved email copy. Landing pages include the privacy and legal pages that are only found in the footer of the website.

Second Oddity – The "1st Interaction", as recorded by Google Analytics, is the first click they make when they land on the dealership's website. Notice that 297 visitors clicked on the Privacy Page, 187 visitors clicked on the Legal Page, and some of the top clicks were on pages found on the page footer.

Organic, SEM, Display, Direct, or Social Media traffic to this website does not behave like this.

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Summary of Concerns

The documented examples of website traffic generated by opaque email marketing companies raise many questions. We have spoken to some of the opaque agencies reviewed in this report. For the ones that we did speak with, their answers to fundamental questions about traffic quality were not well supported.

More importantly, when we have spoken with the largest companies that plan, execute, and deliver conquest email marketing, they shared our concerns with the traffic quality associated with opaque email companies. We have summarized our findings on the opaque agencies contained in the table below:

Agency	Percentage Desktop Devices	Percentage of Window OS	Percentage of Out Of Market Visitors	Percentage of Footer Link Clicks	Lead Forms Submissions	User Flow
A	Abnormal	Abnormal	Abnormal	Abnormal	Abnormal	Abnormal
B	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Abnormal
C	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Normal
D	Abnormal	Abnormal	Abnormal	Normal	Abnormal	Abnormal
E	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Abnormal
F	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Normal
G	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Abnormal
H	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Normal
J	Normal	Normal	Normal	Abnormal	Abnormal	Abnormal
K	Abnormal	Abnormal	Normal	Abnormal	Abnormal	Abnormal

Percentage Desktop Devices – If the percentage of visits to the dealership's website from desktop devices is higher than 90%, we characterized the traffic as abnormal.

Percentage of Windows Operating Systems – If the percentage of visits to the dealership's website exceeded 90% Windows operating system devices, we characterized the traffic as abnormal.

Percentage of Out of Market Visitors – If the majority of visits to the dealership's website were outside of the dealership's primary market area (PMA), we characterized the traffic as abnormal.

Percentage of Footer Link Clicks – If the visitors to the dealership's website triggered an abnormal number of visits to the dealership's privacy or sitemap pages, we characterized the traffic as abnormal.

Lead Form Submissions – If the of visits to the dealership's website did not trigger at least one complete lead form with useable consumer data, we characterized the traffic as abnormal.

User Flow – If the initial landing page did not include pages linked in the conquest email and/or if the first action that the consumer took was to visit the privacy/sitemap page, we characterized the traffic as abnormal.

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How Are Opaque Agencies Explaining Their Traffic?

Dealers reading this report, who have challenged their current or previous conquest email provider, may be familiar with some of the questions and answers shown below. Dealers may agree with us that the answers given by their opaque email agencies did not hold water.

Question: Why is the click traffic to my website coming from 95-100% desktop devices?

> **Opaque Answer**: We target people who have a propensity to open a message on desktop because that is where the real buyers are. We are able to identify these consumers by looking at two things - how they opted-in to our database and also how often they open emails on desktop vs. mobile. Typically, people who are looking to make a big ticket purchase do that on a desktop machine, not a mobile device.
>
> **PCG Counter:** We are all consumers. While we understand that major purchases might include a website visit from a desktop device, it does not mean that the first visit can't come from a smartphone or tablet. Over 50% of consumers open an email on a mobile device. You would expect a number of those opens to result in a first click from a mobile device to see the offer details. In fact, over 50% of all website traffic to a dealership's website is from mobile devices. To state that only desktop buyers are "real buyers" would require dealers to ignore current engagement trends on dealership websites from mobile devices.

Question: Why are there so many clicks on my privacy/sitemap page from your email campaigns?

> **Opaque Answer:** We are bringing a much different visitor to your website than your other sources. People that come to your site from Google organic/paid advertising are shoppers that came to your site on their terms; they found you by searching. Consumers who are clicking on our email message have opted in to receive e-mails, but not necessarily from your dealership. When they click through to your site, they could be looking for ways to opt-out, or look to see how you got their information. It is to be expected that with the high volume of new visitors our campaign is bringing to your website, we will have some good quality shoppers, and some that are not interested that want to be removed from our list.
>
> **PCG Counter:** While a few lawyers on a seeded email list could be checking a dealership's privacy page, this argument does not hold water. Our research team never clicked on an email link to unsubscribe from a list; they started the unsubscribe process from the original email link. Even if a few people were interested in the dealership's privacy page, it does not explain why some opaque conquest campaigns have a 1,000% higher click-thru rate on the dealership's sitemap page, when compared to all other marketing channels. When dealers inspect that traffic to their sitemap and privacy pages, we believe the dealers will come to the same conclusion; the traffic is abnormal. There should be no meaningful click activity to sitemap or privacy pages.

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Question: Why are high counts of visitors to my website, generated from the conquest campaigns, coming from hundreds, and in some cases, thousands of miles away?

Opaque Answer: Google Analytics determines a user's location based on where the user's Internet Service Provider (ISP) is located. Often ISPs run through a regional data center, so an Internet Protocol (IP) address may be from one state, while the user may actually reside in another state. If you see traffic from regional data centers which are not close to the dealership, that is expected and normal.

PCG Counter: While this statement has some truth, it is misleading. The majority of traffic to a dealer's website contains IP addresses from cities that are near to the dealership and often in their primary market area (PMA). According to YP Mobile Labs,[13] the most accurate location targeting available at scale for mobile devices has a median range between 5 and 8.5 meters. Mobile targeting accuracy used in mobile ad networks in the United States more commonly ranges from 100 – 1,000 meters. While mobile IP device location accuracy is not perfect, it can still be used to inspect the regional/metro locations and where the majority of click engagement originates.

Desktop devices normally run through a regional data center, owned by a local Internet Service Provider (ISP), that is also known as a Point of Presence (POP). In the cases we documented that local traffic was a concern, the word "regional" would be a stretch. One dealer in Pennsylvania saw their highest counts of visitors from the West Coast! (see Agency A) Consumers will read emails on their smartphones when they travel. As a result, there will always be a long list of cities in Google Analytics with one or two visits. However, our concerns do not stem from consumers traveling the globe or consumers who are 100 miles away from the dealer. Our concerns pertain to high visitor counts that do not appear local or have their IP address blocked.

Question: Why are the thousands of visitors, from the email campaigns, not submitting website lead forms or making phone calls to the dealership?

Opaque Answer: We do not guarantee phone calls or lead forms as part of the conquest email program. We guarantee that you will sell more cars. Consumers are submitting less lead forms today because they don't want to get hassled by the dealership sales team. The email campaigns are designed to get more consumers into your showroom and service drive; don't focus on leads.

PCG Counter: Again, this statement has some truth in it, but it is misleading. The majority of traffic to a dealer's website will not complete a lead form, but 1-3% of the total traffic to a dealership's website will submit a lead form and 5-10% will make a phone call. Normal email campaigns have lower form submission rates, ranging from 0.25-1% of unique website visitors. We noted for Agency A that 1,101 times a button was clicked to open a lead form, yet zero forms were submitted. This is high abnormal behavior. When a dealer pays for 100,000 email to be delivered to local consumers, we would expect some online engagement. However, in many cases there were zero leads and phone calls, which is odd because these consumers are supposed to be in-market shoppers.

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Real Conquest Marketing Is Effective

By now, some readers might be very angry if they have purchased email conquest marketing campaigns from companies with abnormal website traffic. Others, who have never purchased email conquest campaigns, may be wondering if there are any reputable companies available on the market.

While we cannot vouch for the future work of any company, past campaigns that we have examined show that there are companies that choose a different path toward email conquest marketing. The website traffic generated from transparent agencies is along the lines of what we would expect from marketing to a purchased email list.

How can dealers identify a transparent email marketing agency? They can start by asking a potential email marketing agency to sign a **Quality of Service Pledge** document. A template, provided by CityTwist.com, has been provided in this report. Customize this document with the advice of your dealership's legal counsel. The intent of the document is to start a discussion between the dealer and their agency on the details surrounding the ownership and strategy behind any email marketing campaign.

In our research, it was clear that most email marketing contracts were nothing more than a handshake agreement or a broad set of statements that did not protect the dealer from any email compliance issues. We strongly urge dealers to consult with their lawyers to create a contract addendum that protects their dealership when email conquest campaigns are used.

So, what do transparent agencies look like? Let us outline three strategies that deliver normal traffic, believable engagement, and satisfied customers. Some of the agencies have requested to be anonymous because they have strict onboarding requirements based on size of dealership and metro markets. The key criteria for transparent agencies to be included this report was that their website traffic was normal. We are not in a position to evaluate the Return on Investment (ROI) that these companies generate for dealers.

What Can You Expect?

Dealers must have clear expectations regarding the performance metrics associated with email marketing campaigns. Conquest email marketing is another channel to help drive sales; it supports the dealership's other marketing investments.

For dealers in the United States, the combination of website traffic, paid and organic, will generate between 1-3% in lead form submissions and 5-10% in phone calls. For email marketing campaigns our research indicates that dealers can expect 0.25-1% of unique website visitors to generate a lead form. Since many dealers have not invested in dynamic number insertion (DNI) on their websites, it is difficult to establish range for phone call engagement on email campaigns.

With those expectations set, the majority of opaque email campaigns generated no lead form submissions.

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Don't Throw the Baby Out with The Bath Water

Before we discuss conquest email strategies that generate normal website traffic, it is important to pause and state that email marketing is an effective part of a multi-channel marketing strategy. This report is not intended to send a message to dealers to stop email marketing. On the contrary, the rise of mobile devices has actually given email marketing new life!

One of agencies we spoke with during our research made a statement that we would like to expand upon. They said:

> *"50% of all advertising works and 50% doesn't, the same goes for every campaign or medium, some work better than others. If someone is selling a product that flat does not work, then the buyers will figure that out quickly and their reputation will follow them."*

While this statement might be true for traditional media channels, the reason why we conducted our research is because we believe that dealers do not have the tools to know if conquest email marketing is working or not.

This report would have little value if its only purpose was to say that some email marketing companies offer dealers services with a questionable ROI.

With that said, we want readers to know that our research should not be misconstrued to state that dealers should avoid email marketing. Over the last four or five years, primarily because of mobile devices, email marketing campaigns are delivering very positive engagement results.

Industry statistics show more and more consumers opening their email on a mobile device. Forward thinking agencies are designing email campaigns to be delivered for all device types. Agencies are also seeing higher success rates using email marketing solutions along with database development strategies to implement a cross-platform marketing approach. Online promotions, mobile ad delivery, targeted Inbox emails, and database marketing intelligence will give dealers new tools to connect with in-market shoppers.

> *"When using the right strategic partner, Mobile Inbox Marketing (email marketing) can deliver better results than most other advertising solutions. Emails delivered through a mobile device allow dealerships to reach consumers 24/7 where they live and work. We have found eMarketing to be one of the most cost efficient solutions to help our clients deliver the right message to the right audience at the right time!" - **Damon E. Balch**, President & Founder of Black & White Media, Inc.*

So while this reports may seem critical of email marketing, we remind readers that the intent of this report is to show dealers how to inspect all their marketing investments. The same strategies that we have used in this report can be applied to Google AdWords, Display, and social media advertising investments.

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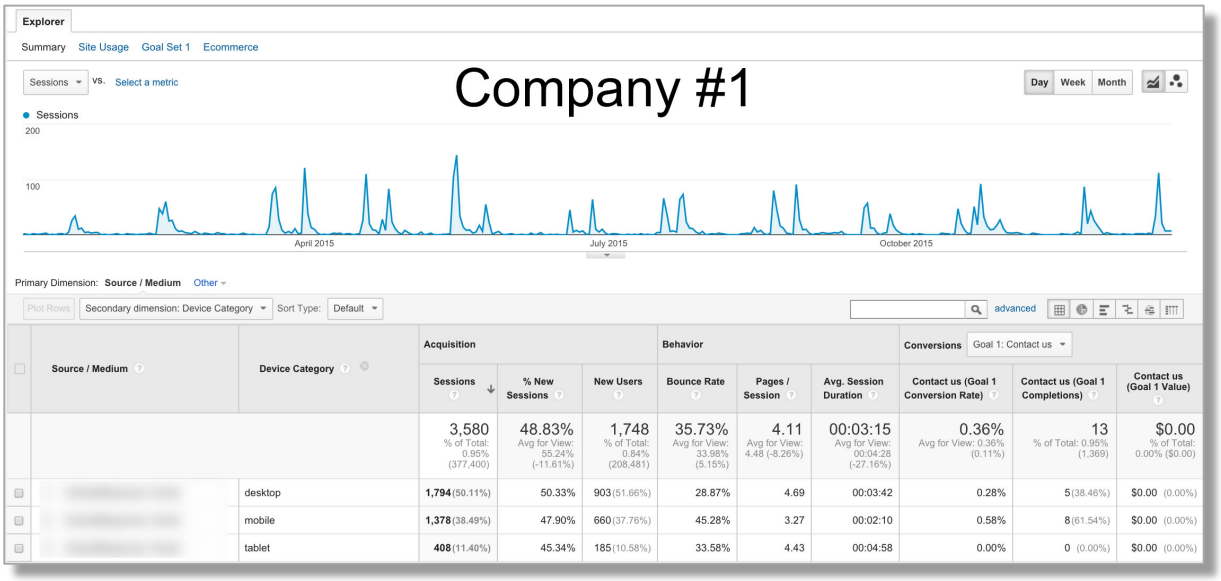
Company #1 - Build Your Own List with Black & White Media, Inc.

Damon Balch, President of Black & White Media, shared their conquest email strategy with our researchers. According to Damon, purchased email lists showed weak performance, so their agency decided to partner with dealers to create their own opt-in lists. When a dealership hires Black & White Media, they create effective SEM campaigns, display campaigns, and radio/TV promotions to engage local consumers and build an email marketing list. As part of the engagement, the consumer answers a short survey which is designed to determine automotive shopping interest or intent.

We inspected a dealer who has been using Black & White Media for a number of months and was pleased to see that the website traffic, associated with the email strategy, had normal engagement patterns:



The visitor traffic was found to have:

- A normal mix of devices; 50% desktop, 39% mobile, and 11% tablet.
- Over 79% of the visitors were within the dealership's primary market area (PMA).
- Lead forms were generated by the campaign and within the expected range of 0.25 – 1%.
- The engagement had a normal decay curve; it did not have abrupt ends to each blast.

It is important to note that 11% of the clicks were outside of the dealer's primary market area. You would expect that behavior as consumers change homes and read email as they travel.

This strategy is not an instant fix for a dealer and only works in the top 200 metro markets in the United States, according to the company. Building a local opt-in marketing list is part of a long-term investment to connect with local consumers who are open to engaging with local business offers. A dealer we spoke to who uses this company was extremely pleased with the results. Their email marketing list has grown significantly as a result of this partnership with the company to connect with more in-market shoppers.

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Company #2 – CityTwist Partners with IHS Automotive

CityTwist shared their conquest email strategy which includes a partnership with IHS Automotive data to create lists of in-market shoppers. CityTwist has an opt-in database of over 125 million consumer emails which they match with IHS Automotive to see which consumers are active in the market to purchase a vehicle. IHS Automotive has automotive modeling capabilities that can predict the likeliness of when a consumer might be in a position to trade-in their vehicle.

That matched data is then run through the CityTwist's proprietary response and behavior models to create their targeted email lists. The company then deploys campaigns to active "in-market" buyers in the dealership's primary market area who are likely to purchase vehicles within the next few months.

CityTwist has been partnered with IHS Automotive since 2010 and has established themselves as a leader of email marketing transparency:

> *"I have worked closely with CityTwist over the last five years and have watched their business steadily grow. They have well-defined deployment processes and are very focused on providing dealers with performance metrics that prove the effectiveness of their prospect targeting."*
>
> *John McBride – Vice President, Sales & Client service* IHS Automotive.

The company enhances email open rates and engagement using other media channels as well. Their **Digital Reaction Package** engages active "in-market" buyers utilizing social media and banner/display ads. For example, the company can use the email marketing list to create a "custom audience" on Facebook to display visual ads that match the email advertising offer.

The traffic generated by CityTwist email campaigns, that we inspected in Google Analytics, was normal and did not trigger any of the abnormal signals. We have provided an example of how their traffic appeared in Google Analytics on the following page.

In general, the volume of website visitors generated by CityTwist email campaigns is lower than opaque email campaigns. This is to be expected since the company does not send out as many emails as other companies; quality has a price tag associated with it. The CityTwist campaigns that we inspected generated lead form submission and phone calls. Form submissions, as expected, were below 1% of the unique website visitors generated by the campaign.

Sales confirmation reports are provided by IHS Automotive by matching registration data with the buyer list at regular intervals during the campaign.

Footnote: IHS purchased R. L. Polk & Co. in 2013 and incorporated Polk into IHS Automotive at that time.

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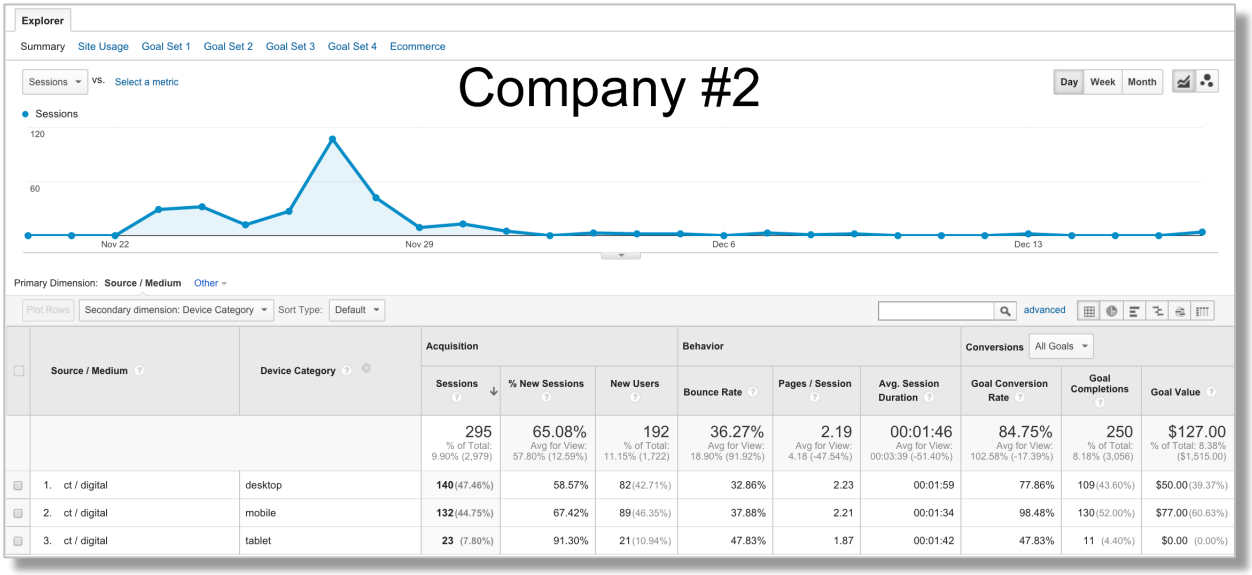
Company #2 - CityTwist Traffic in Google Analytics

What does email traffic look like in Google Analytics from CityTwist? We have included a snapshot below, from a dealership that is using their email services, which shows:

- A normal mix of desktop, mobile, and tablet traffic
- A normal engagement decay curve; no sharp spikes



	Source / Medium	Device Category	Acquisition: Sessions	Acquisition: % New Sessions	Acquisition: New Users	Behavior: Bounce Rate	Behavior: Pages / Session	Behavior: Avg. Session Duration	Conversions (All Goals): Goal Conversion Rate	Conversions (All Goals): Goal Completions	Conversions (All Goals): Goal Value
			295 % of Total: 9.90% (2,979)	65.08% Avg for View: 57.80% (12.59%)	192 % of Total: 11.15% (1,722)	36.27% Avg for View: 18.90% (91.92%)	2.19 Avg for View: 4.18 (-47.54%)	00:01:46 Avg for View: 00:03:39 (-51.40%)	84.75% Avg for View: 102.58% (-17.39%)	250 % of Total: 8.18% (3,056)	$127.00 % of Total: 8.38% ($1,515.00)
1.	ct / digital	desktop	140 (47.46%)	58.57%	82 (42.71%)	32.86%	2.23	00:01:59	77.86%	109 (43.60%)	$50.00 (39.37%)
2.	ct / digital	mobile	132 (44.75%)	67.42%	89 (46.35%)	37.88%	2.21	00:01:34	98.48%	130 (52.00%)	$77.00 (60.63%)
3.	ct / digital	tablet	23 (7.80%)	91.30%	21 (10.94%)	47.83%	1.87	00:01:42	47.83%	11 (4.40%)	$0.00 (0.00%)

When we looked at other dimensions in Google Analytics we found that:

- There were ZERO clicks on privacy pages and sitemap pages, which is a good thing.
- There was a normal distribution of Operating Systems
  - Windows 129 43.7%
  - Android 76 25.8%
  - iOS 73 24.7%
  - Macintosh 5 1.7%
  - Chrome OS 4 1.4%
  - Linux 4 1.4%
  - Windows Phone 3 1.0%
  - (not set) 1 0.3%

While we are not in a position to validate the ROI of the CityTwist campaign investment, we are pleased to see that the traffic follows normal, expected click behaviors.

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Company #3 – Acxiom Leverages Big Data

We also spoke with Acxiom and two of the key data partners who execute their large scale conquest email campaigns. Acxiom and their data partners deliver email campaigns for OEMs, dealer groups, and dealers with high quality delivery which generates normal website traffic.

The first of two Acxiom data partners we spoke with has been in the industry for over 20 years and has an active database of over 100 million consumer and B-to-B email addresses. These email addresses have been compiled using thousands of Internet sources that have opt-in email marketing programs. As email addresses are collected and offered to this company, they perform a series of checks to validate and authenticate the email address.

Since their database has been built over many years and is comprised of numerous data sources, less than 10% of email addresses offered to the company are accepted. Many are duplicates that already reside in their database or the data quality does not meet their standards.

The second Acxiom data partner mentioned that they take a targeted list of consumers provided by Acxiom and match it against their email database of over 110 million records. This data partner, like this first, is responsible to delivering the email on behalf of clients using Acxiom email marketing services.

Both data partners, who deliver millions of conquest emails a year, **agreed with our concerns** about opaque email campaigns that generated 97%+ visitor traffic from desktop devices. They agreed that 50-60% of their email conquest campaigns are first opened on a mobile device and the consumer who clicks on an email link, might do so first on their mobile device and later on their desktop. Both data providers were in agreement that conquest email campaigns have a normal decay curve; a two-day engagement spike is not normal.

Google Analytics Reporting Variations

Acxiom data providers were also helpful in educating us on some of the reasons why Google Analytics can have some slight variations in email campaign reporting. Some of the reasons include:

- A dealership could use a separate mobile and desktop website that do not have the same Google Analytics code installed and/or all pages are not tagged with a Google Analytics code.
- Website is very slow to load and the consumer can click-away before all the website landing page code is executed, which might not generate a session in Google Analytics.
- Google Analytics does not have the data to show email delivery rates and open rates, so as a reporting tool, it only shows website engagement.

We acknowledge that Google Analytics is not designed to be a complete campaign reporting tool for email marketing. However, for this research report, the visitor metrics that we are inspecting and variations in data accuracy are not a limitation.

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Company #3 - Acxiom Email Strategies

Acxiom indicated that their current email campaigns can include a multi-touch marketing approach. To increase engagement, the company launches a targeted display marketing campaign before and after the email blast resulting in a 25% lift in open rates. The company believes their work is a very important part of complete consumer marketing strategy which gives in-market shoppers that extra "nudge" to contact the dealership. We discussed the Acxiom strategy with **Jeff D. Standridge**, Vice President of Audience Solutions and here are some notes that we took:

> *In order to ensure the proper return on investment for any conquest email campaign, the Dealer must feel confident that the email data partner is providing email address that are both High Quality and Precisely Targeted.*
>
> *Two specific criteria are used to define High Quality. First of all, the email addresses must be valid and deliverable. Secondly, the owner of the email address must have "opted in" to receiving communications via the email channel. Much information has already been shared about the details behind the high quality criterion.*
>
> *Secondly, these conquest email addresses must be precisely targeted. This means that the persons receiving the Dealer's offer are likely and appropriate candidates to respond to that offer. It would be a waste of time and money for a dealer of luxury automobiles to deploy a campaign to a high quality list that was poorly targeted to individuals who have neither the income nor the financial means to purchase a luxury vehicle. Additionally, a campaign deployed to a high quality list of recipients who had purchased an auto within the previous 12 months would also prove ineffective.*
>
> *The use of Acxiom's robust consumer data enables the precise targeting of individuals who are most likely to respond to the various dealer campaigns by using specific demographics, psychographics, previous purchasing patterns and precision models.*
>
> *At the end of the day, dealers must have confidence in their email data partners that not only will they provide high quality email addresses, but ones that have been properly targeted for the given campaign goals.*

We were also pleased to hear that Acxiom contracts place the liability on their company; the sender of the emails. One of the Acxiom data partners stated, "We would never want to send an email to someone who would complain." I'm sure dealers reading this report would feel the same way. Since Acxiom works with the largest companies in the world, they are under strict auditing guidelines. This extra level of security forces strict compliance to adhere to email marketing laws.

Conquest email campaigns are effective when purchased through a reliable source!

The good news for dealers reading this report is that we found three companies, with three different transparent business models. As a result of our research, learned that high quality email lists are not cheap. Dealers who receive offers that seem incredibly inexpensive to email 100,000+ highly targeted local auto shoppers, are forewarned. The old adage "**you get what you pay for**" is a good reminder to dealers who are considering purchasing email marketing lists. We encourage dealers to conduct their own research on email marketing prices and to test list quality from a variety of vendors.

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Industry Education Needed

Did you learn new ways to inspect website traffic? Some of the techniques used to identify abnormal website traffic may have been new to you, and that is a good result. We hope that the techniques and discussions will prompt you and other automotive professionals to take a more serious look at Google Analytics.

As dealers learn how to inspect their website traffic generated by their online marketing investments, they will be less likely to continue paying for services that have little perceived or proven value. We hope that the numerous examples provided in this report will demonstrate the urgency needed by automotive managers to master this area of the automotive industry.

Online Education

PCG is a leader in automotive dealer education. PCG recently released an expanded library of automotive specific online training workshops. One of our most popular workshops is Google Analytics, which for the most part has been ignored in automotive management training curriculum.

The workshops consist of video modules that range in length from 5 – 15 minutes. By creating smaller learning modules, dealership personnel can learn at their own pace and as time permits. While this report has utilized Google Analytics as a diagnostic tool, other elements of dealer education are needed. A strong online and offline marketing strategy should utilize email marketing, but it must be part of a comprehensive marketing message.

Speaking with dealers, we found that creating an integrated and effective online strategy was a significant challenge. General Managers were not comfortable with the vocabulary and metrics of online marketing investments. Our workshops on Digital Marketing Fundamentals or Automotive Vocabulary and KPIs are just two examples of how PCG is giving dealers the confidence to lead in a digital age.

Conquest email marketing is a very small part of a dealership's marketing budget, yet all investments should be inspected. Dealers are spending tens of thousands of dollars a year on Google AdWords, social media advertising, and third-party inventory syndication platforms. Each of these marketing investments need to be inspected and weighed based on their contribution to the dealer's overall sales strategy.

Dealers will be pleased to know that affordable online education is now available for all areas of online marketing and Internet sales process.

Dealers who would like to view all the current workshops in the PCG Learning Center can visit www.pcgtraining.com.

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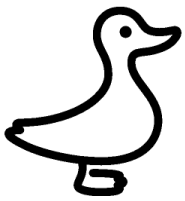
Summary Thoughts

This report presents numerous examples of website traffic generated by opaque email conquest companies who claim that their email campaign traffic is normal and is part of a strategy which helps dealer to sell more cars. For some readers, Google Analytics may be perceived as an advanced tool for inspecting the quality of website traffic generated by email campaigns. However, the ability to inspect online advertising campaigns is a required skill for General Managers operating automotive dealerships today.

If conquest email marketing lists, from opaque agencies, contain opt-in, local, in-market shoppers, then their online engagement should behave like in-market shoppers that dealers can see from their other digital marketing efforts. While email campaign performance will vary from other digital channels, the traffic which have documented is abnormal because in the majority of cases:

- Website traffic was comprised of 95-100% desktop visitors
- No form leads were submitted, yet in many cases, lead form buttons were clicked opened
- When tracking was in place, there were no calls from visitors who clicked on an email link
- Email engagement decay curves were very abrupt, often showing only 2-3 days of engagement
- The visits produced the highest number of clicks, of any traffic source, to website footer links
- Visitors were not local to the dealership and/or their network domains were suspicious

Since many of the readers of this research report are not experts at using Google Analytics, we can use another testing tool called the **Duck Test**[6]. According to Wikipedia, the Duck Test is a humorous term for a form of abductive reasoning, which may have been first coined by an Indiana poet.



"When I see a bird that walks like a duck and swims like a duck and quacks like a duck, I call that bird a duck." - Indiana poet James Whitcomb Riley (1849–1916)

All humor aside, the investments made by auto dealers on conquest email campaigns runs in the **millions of dollars each year.** Until a time comes when email marketing companies can be more transparent with their marketing lists, strategies, and tracking, dealers must use caution. Dealers may wish to seek out companies that are willing to sign a document similar to the Quality of Service Pledge and share their marketing lists.

It is critical that auto dealers conduct their own due diligence on their email agency partners. Dealers should seek the advice of their legal counsel to place the proper disclosures in contracts that involve email marketing lists that they do not own. Finally, while this research report focused on conquest email marketing, similar behaviors have been discovered in third-party display advertising campaigns. We bring this up to make one last attempt to make one point very clear:

General Managers must be able to inspect the quality of all their online marketing investments to maximize their sales opportunities and to avoid blunders!

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Digital Marketing Strategies Conference

The 5th Annual Digital Marketing Strategies Conference (DMSC), exclusively for automotive Dealer Principals, General Managers, and Marketing Managers will be held again in the Napa Valley. The conference connects the top performing dealerships in the world with digital marketing thought leaders for a unique three-day event in the beautiful wine country.

DMSC 2016 will include a new feature for Dealers and General Managers: live certification exams.

Dealership leaders who complete PCG online training workshops can participate in hands-on live mentoring sessions and a **live exam** to certify their knowledge. The automotive industry must move forward to creating certification standards for managers running dealerships in a digital age. In additional to our high quality workshops, exclusive courses will be made available to dealership **General Managers** who have completed our online courses. The live supplemental training and testing will raise the commitment and recognition to dealers who believe in mastering online marketing.

Limited to 100 Owners and Managers

DMSC is not for everyone; it is not a 101 basics conference. The conference is limited to 100 attendees which allows an in-depth approach to education, insights, and strategy. The speakers in past years have represented the Who's Who in automotive marketing as well as top leaders from Google, Facebook, and Twitter. Conference workshops have been led by executives from the largest automotive infrastructure companies including Cox Automotive, CDK Global, Dominion Dealer Solutions, and Dealer eProcess.

Dealership managers that are interested in attending DMSC 2016 should mark their calendars for May 22-24th; come out early to enjoy some local wineries with your peers. Registrations are personally handled by **Carrie Hemphill** who can be reached at 908-601-6475 or by email: carrie@pcgmailer.com

Investing in Education

After reading this research report it should be clear that Dealers and General Managers must have skills to inspect their online marketing investments. The combination of superior online training courses and live certifications is exactly what the automotive industry needs to grow. Are you ready to invest in your education to strengthen your skills in online marketing and Internet sales process? Give Carrie Hemphill a call to register for DMSC and a hand-picked list of workshops to support your job responsibilities.

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About PCG Research

Brian Pasch, founder of PCG Companies, formed PCG Research to provide comprehensive product research for the automotive community. Brian has been actively involved with automotive franchise dealers since 2005.

Brian has authored three bestselling books for the automotive industry: "Mastering Automotive Digital Marketing," "Selling Cars in a Digital Age," and "Unfair Advantage." His books are available in the Apple iBook store as well as Amazon.com. His books are also being used at **Northwood University to** educate the next generation of automotive professionals.

Brian is now pioneering a new style of online education for the automotive industry. Details on his strategy can be found by visiting www.pcgtraining.com.

Brian is an active conference speaker, 20 Group presenter, and coach to both dealers and members of the vendor community. He has presented workshops at NADA, Digital Dealer, DrivingSales Executive Summit, Kain Automotive Workshops, Automotive Boot Camp, AutoCon, VinWorx, and the Digital Marketing Strategies Conference. Brian is Google Analytics certified and PCG is a Google Partner company.

Brian has led PCG's expansion into international markets where his training curriculum is being utilized by dealer groups and manufacturers as part of a change management process.

PCG is also the driving force behind the automotive industry's most respected annual awards for marketing technology, the AWA Awards. Each year Brian and the PCG team conduct in-depth product reviews to assist dealers to choose the best technology for their business operations.

Upcoming Speaking Events

Brian Pasch and Glenn Pasch will be conducting workshops at the upcoming automotive conferences:

- ☐ 20th Digital Dealer Conference – Jan 19-21st in Orlando
- ☐ CBT Automotive Conference & Expo – Feb 9 – 11th in Atlanta
- ☐ NADA Convention & Expo – March 31st – April 3rd – Las Vegas
- ☐ Digital Marketing Strategies Conference – May 22-24th – Napa Valley

PCG executives are available for dealer group meetings, 20-Group training events, or automotive conferences. For information regarding this report or to book a speaking engagement, contact Brian Pasch at 732-450-8200.

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[3] Subscriber Engagement Over Time - http://bit.ly/1NqV51f

[4] Email Client Market Share - http://emailclientmarketshare.com/

[5] Email Click-to-Open Rates, by Device, Q2 2013-Q3 2015 - http://bit.ly/1HWfXk6

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[8] Insights from Mail Chimp's Send Time Optimization System- http://bit.ly/1J5e3sm

[9] Day of the week and time of day that average opens are the highest by industry - http://bit.ly/1QmZ4ln

[10] Experian Marketing Services Quarterly Email Benchmark Report - http://bit.ly/1Oq2X2M

[11] Techniques to create Google Analytics segments are cover in this course - http://bit.ly/1J0Pbao

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[14] Stop Ghost Spam in Google Analytics with One Filter - http://bit.ly/1OABotQ

[15] Fake News, Search Sites Feed Malnet - http://bit.ly/1OBxj8E

[16] Best Practices for Creating Custom Campaigns - http://bit.ly/1kCBYsX

Additional Reading

The Fake Traffic Schemes That Are Rotting the Internet - By Ben Elgin, Michael Riley, David Kocieniewski, and Joshua Brustein on Bloomberg Business - http://bloom.bg/1UlSKt5

Online Marketing "Magic": Don't Trust Promises, Trust Transparency –by Scott Silverman, CEO Silverman Advisors - http://bit.ly/1QFtNIQ

Online Marketing "Magic" Part II: The Cover-Up is Worse than the Crime - by Scott Silverman, CEO Silverman Advisors - http://bit.ly/1P22hUh

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Bonus: Quality of Service Pledge

Dealers who would like to document specific details of their email marketing partnership may consider requiring email vendors to complete and sign a simple quality of service guarantee. A sample template is shown below, and was provided by CityTwist.com and modified by PCG.

GUARANTEE OF QUALITY SERVICE

By signing this guarantee of quality service, _____ (hereinafter "Vendor"), hereby warrants, represents and guarantees that:

(a) Check One:

____ Vendor is sending out the emails and is not outsourcing the email deployment(s)

____ Vendor is using an outsourcing partner named here: _____

(b) Vendor and/or their outsourcing partner(s) will not engage in any of the following behaviors during the servicing of your email advertisement campaign:

(a) Use "Bots" to manufacture opens or clicks,

(b) Count an action type (open or click) performed by a unique email sent more than once in Vendor reports,

(c) Directly or indirectly offer email recipients incentives to open or click emails,

(d) Intentionally mail outside of the target audience/area to increase clicks via unqualified recipients;

(e) Intentionally block/modify IP addresses of click traffic to prevent identification of visitor location and/or ISP.

(c) Vendor is aware that the behaviors, listed above, may take place amongst competitors in the industry, and of the criminal and civil penalties associated therewith;

(d) Acknowledges customer may utilize 3rd party tools and services to verify compliance with section b.

(e) All links to the dealership's website that are contained in the Vendor's email, will use standardized Google UTM tags for Campaign, Source, Medium, and Content.

Signature: _____

Date: _____

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