

MOBILE

BMW gets smart with mobile advertising

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BMW 6 Series

By FORREST CARDAMENIS

German automaker BMW is seeing a surge in mobile traffic at one Washington location thanks to a digital advertising platform.

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PureCars employed its SmartAdvertising solution, which utilized geo-targeting, location-based bid adjustments, mobile-specific advertisement scheduling and other forms of mobile boosting to turn customers toward the BMW dealership. Thanks to the campaign, the store was regularly at the top of search results and experienced an increase in clicks by almost 66 percent, a 60 percent jump in impressions and an improvement of almost 4 percent in the click-through rate of mobile ads.

"Consumers rely on mobile devices to research both everyday purchases and big-ticket items, and cars are no exception," said Jeremy Anspach, CEO/co-founder of [PureCars](#), Charleston, SC. "Millennial car shoppers are going online before heading to the dealership, and they're doing so via mobile.

"Today, mobile accounts for more than 50 percent of auto inquiries, and it's important for dealerships to incorporate this in their digital advertising strategies. By focusing on

mobile, dealers can take their marketing efforts to new heights and increase clicks and impressions.”

Improved mobility

Thanks to on-lot searches and price comparing, more than 50 percent of automobile inquiries come from mobile devices. Because of the ultra-competitive state of automobile dealerships in Washington resulting from the perpetually bad traffic, BMW decided to optimize its mobile advertising to gain an edge.



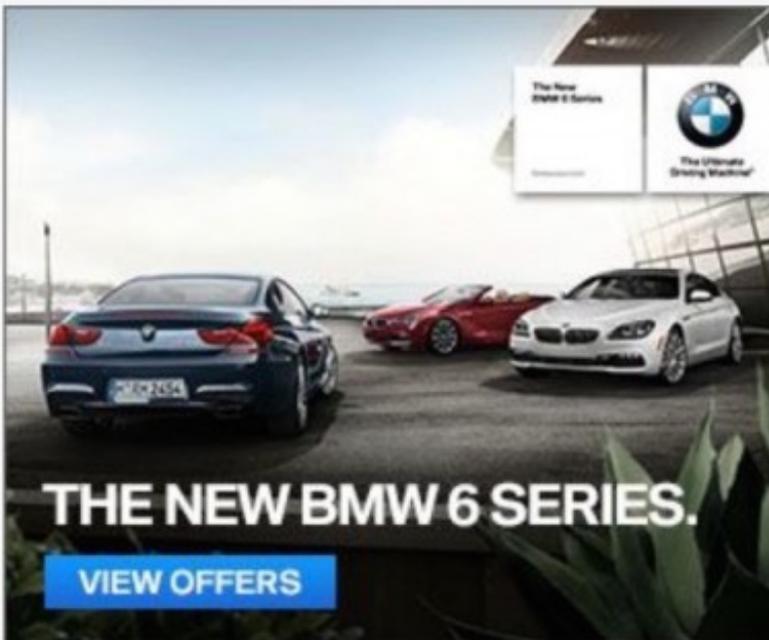
BMW 5

PureCars' SmartAdvertising solution aimed to bring BMW to the top spot in Google's search results and to specifically target consumers in the zip codes surrounding the dealership through geo-targeting and bid adjustments. Bid adjustments refer to offering a higher or lower price for ad space, meaning that PureCars and BMW sought to increase bids in locations where prospective consumers were most likely to search for automobiles on mobile devices, most notably those immediately around the store.

Real-time optimization and bidding was crucial in keeping the campaign efficient and in maintaining the top spot in Google search results during periods when mobile consumers were most active. Research has repeatedly shown that users tend only to click on the top few search results, with the top spot garnering the most clicks.



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BMW mobile ad

Improvements in the dealerships average rank in search and in clicks and impressions during the campaign, which lasted 60 days, are impressive. Results are relative to the previous 60-day period and no other changes were made during that time.

Although the BMW dealership's sales numbers were not made available, the increase in mobile traffic concentrated highly on consumers who were either nearby, looking for cars online or both likely led to increases in sales.

"We track all of our sales by source, and we have consistently seen and continue to see sales increase from the specific sources driven by PureCars," said a BMW spokesperson in a statement. "In the year-over-year campaign comparison, traffic driven from PureCars came in at 19 percent of the total digital traffic versus 6 percent the previous year, and sales from the PureCars driven sources came in at 29 percent of total digital sales versus 4 percent of digital sales the previous year. Total digital sales were up about 100 percent year over year, reflecting the change in consumer shopping behavior overall.

"We normalize our data based on seasonality. In other words, we measure historical results based on year-over-year comparisons by month. We know very specifically that the traffic results from our website and our mobile sites - driven very specifically by PureCars campaigns - increased exponentially.

"We also track our traffic via Google Analytics, and we hold PureCars very accountable for what we call "post-click engagement." Their results are the highest in the marketplace based on a multiple year history and on a side-by-side challenge for a six-month-plus time frame, with PureCars competing against one and two other industry leaders in the digital marketing vertical. We tested them very strictly and continue to do so, and we hold them highly accountable for specific, measurable, competitive performance metrics all the way through the campaign. "

Smart advertising

The case study suggests that BMW has seen the writing on the wall.

Multichannel retailing is the future of the automotive industry, with 50 to 60 percent of sales leads expected to come through digital means by 2016, compared to 15 percent in 2014, according to a new report by Frost & Sullivan.

New store formats, such as digital showrooms and pop-ups, offer original equipment manufacturers (OEMs) a cost-effective way to reach consumers and generate sales, but this change in retail strategy requires investment from brands. As automakers alter the way in which consumers interact with their brand during the purchase path and post-purchase, the challenge will be to retain a sense of consistency and loyalty ([see story](#)).

The decision to optimize more traditional advertising methods rather than turning to branded content or other newer strategies is in line with recent findings.

Consumers on mobile are 11.5 times more likely to click on an advertisement than a social sharing button, proving that brands cannot rely on users to spread branded posts on social media unless there is a direct call-to-action, according to a report from Moovweb.

The research suggests that while social media usage on mobile is significantly high, users tap sharing buttons approximately 33 percent less often than they do on desktop.

Therefore, brands seeking to raise awareness of their products or services via social share buttons must offer a strong call-to-action to convince consumers to disperse their posts, such as a sweepstakes entry or incentive ([see story](#)).

"While the spring and summer months are typically more busy for dealerships, we know that digital advertising platform brings dealers more qualified, engaged shoppers," Mr. Anspach said. "We target only those ready to buy using the most relevant content possible. When we serve an ad, we serve it with a purpose, and our dealerships have seen the difference in those who come to the lot."

Final Take

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