



TURNING SOCIAL FEEDS *Into* **BUSINESS LEADS**

THE IMPACT OF SOCIAL MARKETING ON TODAY'S AUTOMOTIVE ECOSYSTEM

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There are few marketers in today's automotive ecosystem who would argue that social media is not an important new frontier for understanding, engaging and influencing car buyers and owners. The rapid adoption and mass use of social as a dynamic medium for



GLOBAL AUTOMOBILE SALES ARE EXPECTED TO REACH 85 MILLION IN 2014, UP FROM 82 MILLION IN 2013.

— IHS Automotive

entertainment, interaction, content exchange, exploration and recommendation make it a potentially powerful platform with major implications across the entire automotive marketing and sales cycle.

Yet, as in other sectors, auto industry marketing organizations are in the very early stages of realizing the potential of social media. Conversations with marketers from leading vehicle manufacturers, dealer networks and aftermarket brands make it clear that, while many are investing significantly and all are at least experimenting with social, no one believes this relatively new medium is close to being a mature platform within the digital marketing portfolio.

There is plenty of evidence that social is a fertile channel of opportunity for automotive marketers. Consider the following:

- Thirty-eight percent of consumers say they will consult social media in making their next car purchase.¹
- Twenty-three percent of car buyers say they use social media to communicate their purchase experience.¹
- Eighty-four percent of automotive shoppers are on Facebook, and 24 percent of them have used Facebook as a resource for making their vehicle purchase.¹
- Forty percent of new car purchases over the next 10 years will be made by millennials.²
- Ninety-four percent of millennial car buyers gather information online.³
- Clicks on auto ads on Facebook climbed from 16 percent to 39 percent between October 2012 and April 2013.¹

Nonetheless, senior industry marketers interviewed for this paper indicate there are major challenges ahead in acquiring and developing the necessary systems, processes, expertise and metrics needed to move forward with full confidence and a clear, metrics-driven understanding of social marketing's value. And while proving ROI may be elusive, few marketers should be content to watch from the sidelines. As Erich Marx, Director of Interactive and Social Media for Nissan USA, states, "While measuring ROI still may be elusive, I believe there is a significant COI, or cost of ignoring...If you're not at least swimming in the shallow end of the social pool, I would say you're well behind where you should be."

1. 2013 study by Dealer.com and GfK Automotive Research

2. 2011 Deloitte research

3. eBay Motors Research

Using social as a sales tool and lead generator is one key area of opportunity that is still in a very early phase of experimentation within the automotive industry. While most marketers believe that social can profoundly influence preference and purchase, the CMO Council believes marketers need to take the next step by integrating social more directly into the sales funnel, as well as using it as a platform for delivering qualified leads. If a key responsibility of marketing is to help prime, fill and accelerate the sales pipeline, marketers need to take advantage of some of the inherent qualities of social, not only to engage consumers and influence purchase preference, but also to identify and segment likely buyers and acquire new customers.

This paper highlights how social is currently influencing purchasing behaviors and what marketers should be doing to get more from these investments and efforts. It also underscores the growing use of social in combination with linguistics engines and big data analytics, in addition to its ability to deliver meaningful content and commentary in context. These capabilities—when utilized effectively—can create a substantial opportunity for marketers to identify and respond to purchase intent.

CARS AND SOCIAL: A MATCH MADE IN HEAVEN?

Automobiles, in fact, may be particularly attuned to the nature of social media. While most consumers buy cars infrequently, their interest in them often transcends the purchase event because of practical necessity and emotional affinity. The high price tag of cars, our dependency on them for mobility, as well as the tendency of many people to



THE FORD FOCUS IS THE WORLD'S TOP-SELLING CAR, WITH 2013 SALES OF APPROXIMATELY 1.1 MILLION, EDGING OUT THE TOYOTA COROLLA.

— *Forbes*

see their cars as a reflection of themselves all help fuel a certain passion in many consumers.

Car enthusiasts represent a considerable consumer segment, as evidenced by the popularity of NASCAR and other motorsports. In fact, many automotive brands—from Mazda and Cadillac to B2B brands like Snap-on—have found that their motorsports programs are big attractions on their social channels.

At the same time, the significant cost of buying and owning a car means that many people seek advice from others before making a purchase or deciding where to service their car. The Internet and social media are now the channels of choice for automotive advice and recommendation.

Joey Herschel, Senior Vice President of Marketing and Creative Services for the Costco Automotive Group, explains, “Social media is a perfect channel for the auto industry because buying a car is so frequently a socially directed decision.” People may think about buying a car for months, but “the purchase is still frequently an impulse decision that happens suddenly, and conversation on social can be the trigger.”

Interest and passion around cars and trucks also drive a significant amount of conversation and sharing. “We see a tremendous appetite by consumers for sharing compelling content [about cars] through their networks,” says Mike Martinez, CMO of DME Automotive, who believes the always-on and impulse nature of mobile is furthering the tendency of consumers to share auto-related content and commentary.



**U.S. AUTO SALES CLIMBED
7.6 PERCENT IN 2013 TO 15.6 MILLION
CARS AND LIGHT TRUCKS.**
— *Wall Street Journal*

Indeed, marketers for car brands all say the same thing: The cars themselves move the needle in their social channels. “Nissan does some wonderful things with Habitat for Humanity. We do some wonderful things with the Heisman Trust... but as wonderful as that is, in the social space, the engagement level we get and the interest level we get...all spike for one reason and one reason only. It’s when we talk about cars.”

Rob Milne, North American Director of Marketing Operations for Mazda, concurs. “It’s the cars themselves that drive the most social buzz and excitement. When we get into some of the more human aspects, there’s a little less interest. When we’re showcasing the product, the technology, photos of our engines—that’s when people get excited.”

Social is playing an increasingly significant role in the way automakers and brands launch new models as well. Car brands like Cadillac are investing most of their social campaign dollars today around new model launches, in part because that’s what generates the most interest and what automakers believe drives the greatest return.

Facebook is still the number-one social platform for reaching automotive consumers, particularly if the goal is ongoing engagement, according to virtually every marketer interviewed for this paper. However, the effectiveness of various social channels depends on the goal and situation. Twitter, for example, is highly effective because of its immediacy and ability to drive people to other content. George Hanes, Digital and Social Manager for Kia Motors, calls Twitter “the king of now” and prizes its ability to drive companion viewing and engage people during live events.

As statistics bulleted earlier in this report indicate, millennials are highly predisposed to using social as part of the buying process. Their tendency to utilize social channels beyond Facebook means that marketers must understand and leverage all of the key social networks and seek to measure their effectiveness.

THE POWER OF TRUSTED CONVERSATION AND CONTENT

Consumer-to-consumer conversations and endorsements in social channels, as well as on popular review sites, have a tremendous impact on brand reputation, preference and purchasing. Nearly a third of all car buyers consult online reviews sites before choosing a dealer, according to J.D. Power & Associates. Dealers, after-market service providers and auto brands see consumer-generated reviews and related discussions as among the most significant impacts of social on purchasing.



FORTY PERCENT OF NEW CAR BUYERS OVER THE NEXT DECADE WILL BE MILLENNIALS.

— Deloitte

“We’ve seen that consumer-generated content and reviews motivate people to drive beyond their normal radius in order to purchase a car from a dealership they’ve seen reviewed positively,” says Kathryn Kennedy, Vice President of Online and Direct Marketing for AutoNation. “But we’re also trying to leverage social to ensure that people continue to interact after the initial purchase, particularly on the service side of the business.”

Most dealers and manufacturers now have active reputation management programs that reach out to customers to address problems and issues while encouraging, enabling and amplifying commentary from happy customers. Jim Vurpillant, Director of Global Marketing for Cadillac, says reputation management is currently where social is having the biggest impact on purchasing. “Just like the old world, word of mouth has a huge impact on auto sales, and social is amplifying that.”

AutoNation has developed a variety of processes and programs, including in-store processes, to solicit positive reviews from sales and service customers and ensure that they are posted on top sites.

Of course, addressing negative commentary is just as important as leveraging social channels to build positive word of mouth. Rapid response to complaints and dissatisfaction is essential to maintaining the health of automotive brands, and it is seen as the most basic requirement for any social media program.

MARKETING INTEGRATION AND ENGAGEMENT

Social media should not be viewed in isolation; rather, it needs to be part of an integrated marketing approach to fully leverage its power to drive brand results. Most auto brand marketers say they view social as part of a comprehensive approach to the market and are integrating it with both online and offline campaigns. Rob Milne of Mazda, for example, says his company’s social initiatives are most powerful as part of a 360-degree effort to communicate and engage with consumers. A recent “Paid Social Media Advertising Report” by Nielsen finds that 66 percent of advertisers use social media in combination with other online advertising, and 51 percent use it in combination with offline ads.

The ability to engage in an interactive and contextual way gives social a unique position among marketing channels. The capacity to keep people involved over time represents a compelling opportunity to bring people to a brand very early in the purchase journey and to build affinity and loyalty throughout the lifecycle.

A large portion of the social followings for Cadillac and Kia, for example, are not owners, but are simply people who are interested in the brands. Cadillac's non-owner following is part of luxury aspiration. "The longer we can keep our fans engaged with a high opinion of our brand, the better because it furthers the idea of aspiration," says Cadillac's Jim Vurpillat.

THE POWER OF SOCIAL ANALYTICS

One essential part of social's role in an integrated marketing approach is its capacity to deliver actionable and highly relevant intelligence based on the conversations taking place across social channels. Insights derived from social, leveraging big data analytics and language processing are helping automotive marketers and other functional areas gain a deeper understanding of brand perceptions, consumer segmentation, the effectiveness of online and offline campaigns, competitive challenges, purchase drivers, consumer issues, product requirements, search terms and much more.



**THE AVERAGE AGE OF CARS AND
LIGHT TRUCKS ON U.S. ROADWAYS
WAS 11.4 YEARS IN 2013.**
— IHS Automotive

The real-time nature of social and the plethora of data available are making marketing analysis more actionable and cost-effective than ever before. Automotive marketers are leveraging analytics platforms to continuously analyze conversations to improve their understanding of evolving brands. George Haynes of Kia uses social analytics to track and understand consumer attitudes and behaviors and has found that what attracts and motivates consumers can differ significantly from model to model.

Express Oil Change is analyzing conversations to optimize search terms and content to ensure it is talking to consumers in their language and that its communications are relevant to the customer. AutoNation is using conversational analytics to understand how people influence one another, what drives traffic to its website and what motivates purchase behavior.

However, the potential of social analytics to move beyond market analytics and toward personalization in order to identify predisposed buyers and move them into the sales funnel is something marketers are only beginning to realize.

SALES ALIGNMENT AND LEADS

Automotive marketers today do not count social media among the most effective digital channels and tools for customer acquisition. Search, email, digital loyalty programs, online advertising and lead aggregation partners are all channels that marketers talk about as proven tactics for filling and advancing the sales pipeline. But for many, the interest and intention to use social for this purpose are there.



THERE WERE 3.45 MILLION CARS AND TRUCKS IN U.S. DEALER LOTS AT THE END OF 2013, REPRESENTING AN ESTIMATED 63-DAY SUPPLY.

— AutoNation

Marketers are highly interested in doing more with social to prime the sales funnel. Some brands are more cautious, wanting to remain unobtrusive in their own channels and ensure their fans and followers are not turned off by overly promotional marketing. However, they recognize the potential to move from general engagement to interactions that prime the sales pipeline. Critical to that evolution will be analytics that help marketers identify likely buyers and where they are in the purchase cycle.

George Haynes says that Kia Motors is continuously exploring how technology can advance sales opportunities, and as the technology develops, so is Kia. For example, Kia is now using social to get relevant content and communications in front of people as they compare vehicles. “The challenge is understanding where people are in the sales cycle,” he says. “Nevertheless, being able to deliver the right content and communications to people who are considering a car purchase, no matter where they are in the decision process, is a worthwhile goal.”

Haynes believes the integration of mobile and location capabilities may help manufacturers identify when someone is exposed to an ad and is on their way to a dealer, and they may even be able to alert the dealership sales team.

Nissan is also experimenting with more personalized interactions with people that Eric Marx calls “hand raisers”—those who identify themselves as interested in knowing more about a car or truck. By putting out compelling, rich media content—and perhaps sneak-peak views of new vehicles—Nissan can invite people on social to raise their hands by clicking for information if they’re interested in learning more. “We haven’t quite cracked that nut [identified consumers interested in making a purchase and where they are in the sales cycle]—and I don’t know if anyone has legitimately cracked it yet—but we’re trying,” he says.

The technology, in fact, is rapidly advancing. For example, a new platform developed by a company called hoojook has been purpose-built for the automotive industry, including vehicle manufacturers, dealers and after-market providers. It uses natural language processing and machine learning to identify potential leads across all social channels, segment them based on where they are in the purchase cycle, determine what type of vehicles they are considering and identify certain psychographic identifiers, and then enables the delivery of the right content to move them further into the sales funnel. New analytical tools like this will help marketers take a major step forward in integrating social into the sales funnel and making lead acquisition a bigger part of social marketing.

CONCLUSION

Social marketing is still in the early stages of development within the automotive industry. Its value and effectiveness can be expected to grow as marketers gain a deeper understanding of social as a marketing channel and platform, learn how to measure impact and return, and gain access to new technologies and systems that unleash more of social's potential to deliver valuable insight and influence and drive purchase behavior.



THERE WERE 247 MILLION REGISTERED PASSENGER CARS AND TRUCKS IN THE UNITED STATES IN 2013.

— IHS Automotive

Marketers are looking for better ways to measure performance and impact. The lack of metrics standards and the need to better link social to key performance indicators are currently significant inhibitors to increased investment.

But despite these gaps, social appears to have a strong future in the automotive marketing landscape. Its ability to reach and influence consumers early and throughout the preference and buying cycle, deliver real-time and actionable market insights, amplify word of mouth, and continue to support customers after a purchase are powerful qualities. Its potential to rapidly spread negative sentiment and serve as an early indicator of brand reputation challenges underscore the fact that it cannot be ignored.

The opportunity to make social a bigger part of lead flow and customer acquisition is another point that automotive marketers cannot afford to ignore. Automotive consumers are highly predisposed to talking and sharing content about their cars and car experiences. Listening to those conversations across social networks to identify likely buyers and where they are in the sales cycle is an opportunity that is now becoming available to the automotive ecosystem.

LEADERSHIP COMMITTEE



Dustin McAdams
Vice President of Product Management
Aspen, a division of Epsilon



Kathryn Kennedy
Vice President of Online and Direct Marketing
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Jim Vurpillat
Director of Global Marketing
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Aspen, a Division of Epsilon

Aspen Marketing Services, a division of Epsilon, is a top global marketing agency, representing an extensive portfolio of Fortune 100 clients, including many of America's top automotive brands. Both Aspen and its parent company have a deep set focus on data, recognizing that customer insights are critical in understanding your market and ensuring a good user experience. Dustin McAdams, Vice President of Product Management for Aspen, describes how social sharing has increased to become an important element of this process and how their team is utilizing these insights for their automotive clients.

Online reputation management is increasingly important for the automotive industry, according to McAdams. A growing percentage of the industry's target audience now has at least some presence on social media channels, and this is especially true for millennials.

"Reaching the millennial consumer is important when we talk specifically about the automotive marketplace," McAdams says. "Somewhere in the realm of 80 percent of the industry's audience is active on major social channels such as YouTube and Facebook, so it's critical for us to be able to engage and share content here also."

McAdams recognizes that gathering quality data on these social channels is essential to this level of engagement and consumer targeting. However, he also acknowledges that the automotive industry has been a bit slow in its adoption of these channels.

"I think that generally when we look at the automotive market compared to a number of other industry verticals, they've been a little slower in picking up social media and a bit less mature in using it," he explains. "I think that social has proven fairly effective for dealers in building customer relationships and community promotions, but the scale of it is still pretty small. However, I would say that their presence is growing."

Part of the challenge for the automotive industry, McAdams feels, is that they don't have the time or capacity to manage the sheer volume of insights that can be gained from social. As a result, he recognizes the value of social as part of a larger marketing mix and as a means to understand and engage the consumer alongside other forms of digital and traditional marketing.

"I don't personally believe that automotive businesses will be able to effectively and efficiently reach target audiences via their Facebook page or other social media presence alone," McAdams explains. "Rather, the sophistication and scale needed to manage this much data should span the entire online and offline spectrum, reaching consumers at the top end of the funnel through strategies such as targeted display marketing and then moving them down the funnel. When you look at the total mix, I think social is a much better pull tool than it is a push tool."

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McAdams sees social playing an increasingly impactful role in maintaining customer relationships and loyalty. He recognizes that this is where the audience now resides and points to the need to keep up with both consumer data and online reputation.

“If you look at just the data of what buyers do before and after a purchase, about 30 to 40 percent of these prospective buyers are using social media in some form to research before they make their purchase. They’re normally comparing three or four top brands, so it’s not just about brand awareness and education, but also the reputation of the dealership.”

Facebook and YouTube seem to be the most dominant social channels, according to McAdams. Both have about 80 percent reach to the target market currently, but he also notes that social media use and popularity are constantly changing.

“I think the social space is an interesting and quick-moving one. It’s very dynamic, so what is dominant today may quickly change tomorrow,” he says. “That’s one thing we must consistently try to stay on top of in order to understand where we should be placing our bets in the future.”



Kathryn Kennedy

Vice President of Online & Direct Marketing

AutoNation

Kathryn Kennedy runs all aspects of online and direct marketing for AutoNation. Her responsibilities include search engine marketing, partnership marketing, affiliate marketing, social media marketing, mobile marketing, email marketing, direct mail and display advertising. With more than 266 dealerships across the country, AutoNation is the largest automotive retail company in the U.S.

Kennedy says that AutoNation currently operates in seven distinct digital marketing channels. The two that have demonstrated the greatest value in customer acquisition to date have been partnerships with top lead aggregators and search engine marketing.

However, Kennedy believes social media is becoming increasingly important to brand building, reputation management, customer engagement and customer acquisition within the automotive sector. The industry is still in the very early stages of understanding how to effectively use and measure social media marketing efforts.

Social is particularly important in certain segments of the car-buying consumer market. Millennials, for example, are highly attuned to using technology and social media in every aspect of their interactions and decision-making process.

"I expect that social will play a bigger and bigger role with virtually all automotive consumers, and I see it becoming more predominant in the marketing and promotional mix," she says. "The trick is figuring out how to measure it and how much of your budget to invest."

A major focus at AutoNation has been on influencing and growing positive customer voice through social reviews and commentary on sites like Google+, Yelp and Yahoo. Research has shown that these sites have a significant impact on new customer acquisition, brand reputation, SEO and driving organic traffic to the AutoNation website and its dealerships.

"We've seen that consumer-generated content and reviews motivate people to drive beyond their normal radius in order to purchase a car from a dealership they've seen reviewed positively," she says. "We're also trying to leverage this content to ensure that customers continue to interact with the brand after the initial purchase, particularly on the service side of the business. We're trying to influence the overall customer journey and figure out how we can drive greater lifetime value."

The company has developed a variety of processes and programs, including in-store processes, for soliciting reviews from sales and service customers and ensuring that they are posted on key sites. The goal is to increase both the quantity and ratings of those reviews, Kennedy says.

A second major initiative focuses on developing the company's strategy around dominant social networking sites like Facebook, Twitter and Foursquare to drive greater engagement and awareness for both the AutoNation brand and individual dealerships. The company is starting a pilot program to help understand the most effective social media practices so it can develop an expanded social media strategy for 2014.

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"We've developed key performance indicators and metrics for both programs, some of which tie back to financial performance," Kennedy says.

The company has made progress in understanding and leveraging the power of social content to influence customer awareness and acquisition. For example, word analysis of social content has been done to understand how people influence others and what drives traffic and purchase behavior.

However, AutoNation and the rest of industry have not yet been successful at leveraging social media to identify, profile and engage prospective buyers and customers by understanding where they are in the purchasing cycle.

"The industry as a whole is just scratching the surface of social media," she says. "As far as leveraging social and predictive analytics to identify prospects and purchase intent, we have a long way to go. There are probably other industry sectors that are much further along. The role of social in the automotive industry is just beginning to take shape, but Ford and GM are two manufacturers who have led the way thus far."



Jim Vurpillat
 Director of Global Marketing
 Cadillac

Cadillac's Director of Global Marketing, Jim Vurpillat, has been part of GM's marketing organization for more than two decades, working with a variety of prominent car brands. Today, he sees social media as an important and powerful platform for building the Cadillac brand by engaging with and understanding luxury car lovers and Cadillac owners.

Social media has become a significant part of Cadillac's marketing mix, according to Vurpillat, because it's effective on so many levels, from brand building and consumer engagement to understanding what motivates consumer purchasing behavior and brand involvement. Cadillac is engaging both current owners and luxury car enthusiasts on two important levels—product and lifestyle.

"WORD OF MOUTH HAS ALWAYS BEEN THE BEST FORM OF ADVERTISING, AND SOCIAL MAGNIFIES THIS."

"Listening to the voice of the customer and the aspiring customer within the social sphere and creating an ongoing dialogue have tremendous benefits for automotive manufacturers," he says. "A high percentage of our fans are not Cadillac owners, but they give us ideas and are a big part of luxury aspiration. The longer we can keep our fans engaged with a high opinion of our brand and talking about it on the social stage, the better it is for us because it furthers the idea of aspiration."

In the automotive market, Vurpillat says brand reputation is where social is currently having its biggest impact and influencing buyers the most.

"Just like in the old world, word of mouth has always been the best form of advertising, and social magnifies that," he says. "People are very proud of their cars, and they are very proud of their purchases. So when they go to social media sites and talk about their new car, it's very much driving the brand and brand reputation."

Facebook has been the most effective and engaging social channel for Cadillac. Twitter is also effective, but it is used more to drive people to other channels where Cadillac can have more extended interactions. His organization is also using Instagram and video sites effectively.

"We see auto makers using all of these channels, each a little differently," he says. "But in the end, it comes down to what your objectives are and which channel is the best fit to achieve those objectives."

New product introductions tend to drive the most engagement and are where Cadillac is investing the most in social campaigns. The brand has a developed strong understanding of the themes and conversations that drive interest and engagement. For example, a racing program will drive conversation with performance enthusiasts while others engage around themes related to design and lifestyle.

"What's really positive for us is that things like design, performance and technology are very important to both our brand and the luxury lifestyle," he says. "They are all things that drive our fan base."

Cadillac also closely monitors and stays in touch with the many online Cadillac forums that exist. Its social team jumps in to answer questions and address issues whenever necessary, but Cadillac is moving closer to the idea of building an online community of its own in the future.

Vurpillat believes the auto industry and Cadillac itself are becoming increasingly sophisticated about social media. In addition to Cadillac, he points to Audi and BMW as two luxury brands that are doing a good job in the area of social media.

To add additional luxury appeal, he adds that Cadillac looks outside of the auto space to brands such as Burberry, Chanel and Louis Vuitton for inspiration.

"There's always more that you can do, and I think that's the great thing about this space," he says. "It's ever-evolving and changing, and now we have so much more data and analytics behind the social channel. It helps you get a better understanding of the customer and what drives engagement with the brand. If you listen well enough, you'll understand what really excites people about your brand. It's like instant feedback from a focus group."



Joey Herschel

Senior Vice President of Marketing and Creative Services
Affinity Development Group (Costco Automotive)

Joey Herschel runs marketing for the Costco Auto Program, a service that offers Costco Wholesale's more than 40 million U.S. members prearranged prices on new and select pre-owned vehicles, as well as parts and accessories, through more than 3,000 auto dealerships across the country. While Herschel hopes to have their own social media presence for the auto program soon, they are currently running through Costco Wholesale's social media channels.

The goal of the wholesale group is to limit overt marketing on these channels, opting instead for ongoing engagement, and Costco Auto typically uses these channels only to highlight special limited-time promotions. They are then able to track when people click from a social media link to Costco Auto's website and track them throughout the referral process. Costco Auto also leverages Costco.com's digital channels and has had its best successes by utilizing that group's extensive email list.

Herschel believes social media is a perfect channel for the auto industry because buying a car is so frequently a socially directed decision.

"Social media is a highly effective marketing tool for the auto industry," she says. "People in the market for a new car often turn to their social networks for advice regarding their decision to purchase a vehicle. They poll their friends using social channels, saying 'I'm thinking about getting a new car. Any advice on what I should buy or where I should go to buy it?' Their friends can then chime in with their opinions."

Although consumers typically think about buying a car for months, the purchase is still often made on an impulse based on a special offer, ad or some other trigger. Social media allow marketers to find the consumers who may be considering a purchase and then engage them at the right time to trigger a purchase decision.

"Social media can make the purchase easier for members, and you can use keywords and content to push messages to members," Herschel says. "If you're putting in words about cars, you can really target those Facebook users and get your product in front of them when they're ready to buy. We use special campaign tracking so that we can see how many people click from the social media link to our website, and then we're able to monitor conversion. If a member actually clicks on that link, we can track them all the way through the funnel to our results page."

Social media is currently a hot topic at auto industry conferences, and the manufacturers are becoming highly effective at integrating social into multi-channel campaigns that reach consumers across websites, Facebook, YouTube and other digital avenues. According to one recent presentation that Herschel attended, some 90 percent of all new car buyers are on Facebook, and up to 30 percent of them used Facebook during their automotive purchase process.

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"I think Subaru has done an excellent job, and they have a pretty robust campaign," Herschel says. "FIAT has done a wonderful job of reinventing their brand, and Mini Cooper is another brand that I think has done some really amazing work in social. It's almost like a club, so the members who are engaging with that brand are very active and vocal."

Herschel also says that dealers are getting smart about leveraging social. When she bought a new car last year, the dealer took her picture in the car and posted it so all of her friends were able to see that she bought a car. The dealership gets the word out so that others who are in the market for a new car may be inspired to act and go to the same dealer.

"I think that Twitter is very effective at the brand level, but I believe that Facebook—when you're actually researching models and looking for a car—has a lot more tools available to marketers," she says. "You can actually target members based on their history and demographics."

She continues, "I would love to be able to use Facebook to communicate with our members. We have something that's unique in the auto buying industry in that we have an entire department called the member advocacy group, which is devoted to assisting members. If they have questions before they buy, or even if they're at the dealership and they have a question, they can call us. If they have questions after they buy a car, we'll follow up with the dealer on their behalf. If someone was able to ask those questions in a social media forum, then other people would be able to benefit from that experience. We'd have a broader audience for those types of conversations, and I think it would help educate members about the service we offer."



Kurt Olnhausen

Director of Marketing & Dealer Management Systems

Dealertrack

Dealertrack is a leading supplier of business-critical, web-based solutions and services to the automotive retail ecosystem, including dealers, lenders, OEMs and aftermarket providers. More than 17,800 dealers and nearly 1,300 auto finance lenders throughout North America subscribe to its offerings. Years after an early foray into social media was shelved, Olnhausen is overseeing the company's re-entry into social channels.

Dealertrack shut down its first social media program more than three years ago after realizing the company wasn't ready to handle all of the ramifications of open interaction with customers and followers via social channels. Olnhausen, who joined the company after that initial foray, was asked to lead the company's renewed social program only a few months ago. This time, he says the company is far more prepared for engagement.

"When we decided to re-enter social, I made it clear that we had to invest in the resources needed to respond to our customers and audiences," Olnhausen says. "Initially, that means having someone online full-time to monitor and respond within social channels. The next phase will include training the company's subject matter experts to respond to inquiries and commentary so that the entire organization can respond."

Engaging with customers to quickly resolve issues is the number-one focus of the program, and customers appreciate the responsiveness. In fact, Dealertrack has been able to turn problems into positive social commentary, with customers who first post negative experiences reposting to talk about the way Dealertrack proactively solved their problem.

"It's been a very short period of time, but in my opinion, it's been very effective," he says. "I think it's been instrumental in helping us in the marketplace."

While social is still in the early stages at Dealertrack, Olnhausen says they are already experiencing the power of social to spread positive word of mouth. The company has been running a variety of contests to build up its followers and fan base. At a recent trade show, Dealertrack used a single positive tweet regarding its position on protecting dealer data to gain greater attention.

"We jumped on it and passed it on to other people, and the next thing we knew, we had a bunch of people huddled around computers at the conference," he says. "They were all on Dealertrack pages."

For B2B providers serving the auto industry, Olnhausen believes the most significant role of social will be to serve as a new medium for customer support. He views it as an important channel that must be closely tracked and leveraged for reputation management.

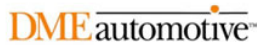
At the same time, he says social media is also impacting the sales process because the sales cycle is changing dramatically in B2B markets. Previously, when customers needed something, they immediately called the sales rep. Today, sales reps don't see the buyer until much further into the sales cycle, and social media is one of the reasons why.

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"There's also a whole host of other reasons—including marketing automation, the availability of the Internet to do research, etc.," Olnhausen says. "Social media plays a role in B2B, but it's just going to be one of many different avenues of research that B2B customers will use. I think they'll use social media more as a way to judge the long-term validity of the company and how well they treat their customers."

On the consumer side, Olnhausen believes social media will have a growing impact on dealers, including where car owners decide to take their cars for service. He also notes that Dealertrack's interactive group is working with dealers to optimize their online presence and that social will become a greater part of those initiatives.

"People see the types of responses and the way consumers talk about these different dealerships in their service experiences," he says. "I think it will have a bearing on their decisions about where to get their vehicles serviced."



Mike Martinez
Chief Marketing Officer
DMEautomotive

DMEautomotive is a leading provider of marketing solutions and services to the automotive industry's retail sector, including OEMs, dealers and aftermarket service providers. Its data-driven solutions cover a wide range of services, including multi-channel customer acquisition, customer retention, data management and analytics, customer interaction, and direct marketing. As the company's Chief Marketing Officer, Mike Martinez has insights into the impact of social media on both his company's B2B marketing efforts and consumer-facing OEM and retail brands.

DMEautomotive is not a reputation management or social marketing company per se, but social is playing a role in DME's solutions for clients. Its dealer-branded mobile app allows dealers to create a close and helpful connection with customers, including sharing content from manufacturers and the dealers themselves. The company is also experimenting with Facebook app install ads to drive increased app usage for clients.

"The ability to share content with social networks and to see content shared by their dealers is included throughout our mobile app," Martinez says. "As a result, we see a tremendous appetite by consumers for sharing compelling content through their networks, and we see the re-sharing of that content by friends and family. There's a great convergence of social media and the need to share with the always-on, always-with-you, always-connected impulse nature of mobile devices and applications."

Martinez believes that the auto industry—on both the manufacturer level and dealer level—is doing a tremendous job of using social to reach and engage the consumer. Manufacturers are using social very effectively to engage around new vehicle launches and drive the sharing of content.

"Ford, for example, is doing a great job of getting customers to create videos of their cars and submit them to Ford," he says. "When you can get customers to create video testimonials about your product on their own dime, that's pretty powerful."

Most dealers now have social media strategies that focus on reputation management—reaching customers who express dissatisfaction to solve their issues and leveraging happy customers to spread the word.

Consumers trust social and digital media more than a communication that comes directly from a dealer, and positive reviews can be a profound driver of sales. Social can also help drive awareness, Martinez says, but its unique power is brand engagement. Other forms of media can drive awareness of your brand, your store or your new vehicle, but social media transforms that awareness into engagement.

"One of our biggest insights is that consumers are interested in having a relationship with the dealership as long as that relationship has specific outcomes for the consumer," he says. "They're interested in following their dealer on social and joining their loyalty program if they receive rewards. Over the last two years, we've seen a substantial increase through our surveys in the likelihood of consumers joining loyalty programs and participating in social."

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The social channels that are most effective in reaching and engaging consumers are partly dependent on age, Martinez observes. Facebook is most effective for people over the age of 35 while Twitter is the platform of choice for Millennials. He suggests that dealers and brands cover their bases with those two channels and then experiment with channels like Instagram, Google+, YouTube and others to find other places where customers want to engage.

A key part of Martinez's responsibilities is B2B marketing to DME's customer markets, and social is a valuable part of the marketing mix.

"We pay a lot of attention to social in terms of our pages on LinkedIn, Facebook, Twitter, Google+, Instagram, etc., and we use them as outreach tools to our customers and industry-based social media and sharing sites," he says. "We initially started evaluating social on the B2B side by looking at engagement. We still look at that, but thus far it's really been more about awareness than an area where people take action. We actually get better traction on some of the industry social sites and forums, which then drive traffic to our website that can be converted into leads."



Josh Henderson

Senior Vice President of Marketing

Express Oil Change & Tire Engineers

With more than 200 locations in 13 states, Express Oil Change & Tire Engineers is one of the nation's leading auto repair providers. Express Oil Change's model is unique in the industry, offering a 10-minute oil change and full-service mechanical facility at every location. The company views social media as part of its overall digital marketing mix and uses it as a channel for furthering the engagement and trust that begin in the store.

In the digital marketing realm, Express Oil Change has seen the most success in driving revenues with its email and digital loyalty programs. Banner ads on heavily trafficked sites have also delivered results. Henderson believes that SEO is also a critical part of the digital mix, although he says it is harder to measure from a revenue standpoint.

"FOR US, SOCIAL IS ANOTHER OUTLET TO STAY TOP-OF-MIND IN CONVERSATIONS WITH OUR CUSTOMERS."

"For us, social is another outlet to stay top-of-mind in conversations with our customers," he says. "It really is just about being part of the conversation with customers and engaging with them in areas where they're interested. It's been something that we've put a lot of time and resources behind, but not a lot of dollars."

Express Oil Change has not started leveraging social as a platform for identifying and profiling customer prospects. However, the company is using digital tools to optimize search and content to ensure their relevance to customer markets.

"We're looking at things like the terms that are being searched and how those change seasonally, as well as the exact wording of repairs that people are looking for, and then we try to adapt to those things," he says. "It's about making sure that we are talking about repairs and services in the way that customers are and then positioning ourselves to be in that search result organically through multiple mediums to ensure that our content is valuable and relevant to them."

Express Oil Change uses social as a complement to other digital and offline programs. Rather than generating promotional or self-serving content, the company posts content around events and invites people to attend, or they may post automotive facts and ideas that customers find worthwhile and valuable. The company currently evaluates its social efforts around fairly simple metrics, such as the level of conversation and number of fans.

Overall, Henderson sees social as a secondary channel for building trust and extending a customer relationship over time to new areas of automotive service.

"Building trust really can't happen online; it has to happen within the store, but we can use social media to enhance that in-store experience," he says. "No matter how good you are at social media and communications, if you're not executing on the shop floor, it's not nearly as impactful. But if it's executed well on the shop floor, you can really enhance that, keep yourself top-of-mind and potentially move people through the purchase path—going from one service to multiple services or never going anywhere else using a complimentary set of digital tools."

Express Oil Change views social more broadly than just using the standard social sites.

Channels like Google Places and Yelp that combine location and consumer reviews and rankings are critical to driving business to store locations.

"When a customer can go to our Places page and see comments from other customers that talk positively about us, that's very valuable," Henderson says. "The consumer is going to get a really authentic mix of opinions and experiences there and can decide for themselves."

For Henderson and Express Oil Change, building a community is less about creating a destination where customers can engage with each other and more about reaching customers with relevant content that helps them better deal with the care and maintenance of their vehicles.

"Our email and loyalty program is not a community in the sense that they talk to each other, but we are helping them manage what is typically their second most expensive or highest-value asset," he says. "We're trying to create the ability for them to effectively manage all of their vehicles in the household and those related services. While not traditional, that is our focus. We're helping people learn the right thing to do with their cars, be able to track their services and then build loyalty results from that."

Henderson believes that many carmakers are doing an excellent job of leveraging social media to drive engagement and following, and he sees social as a highly effective channel for building interest, content sharing and buzz around new vehicle launches. Beyond the manufacturers, however, he says the use of social is fairly uneven across the industry.

"I think it's all over the board; if you look at the industry, some do it very well, and then I think a lot of people go in with good intentions, but there are a lot of abandoned sites that haven't been kept up and aren't consistently engaging people," he says. "If you look at someone like Disney that is outside of the automotive space, they are really focused on customer service and the customer experience, and they are really good at tying all of their properties together and mining that data. That's an example of a company that's doing a very good job."



George Haynes

Digital and Social Media Manager

Kia Motors America

Kia Motors is a relatively new automotive brand in North America, having sold Kia-branded cars in the United States since 1994, when it first opened several dealerships in Portland, Oregon. Since that time, it has opened a major US manufacturing plant and dramatically grown its retail network and range of models for the US market. Haynes sees social media as an important part of the company's digital marketing mix, and it is rapidly evolving marketing for Kia and the automobile industry in general.

While certain facets of digital marketing are closely tied to lead generation and the sales funnel for Kia, social media is still a work in progress. However, the company is continuously exploring and innovating new ways to leverage social to influence key performance drivers.

"The sales side of social media is a bit more in its infancy, and part of this is due to platform limitations. Now that those capabilities are quickly developing, so are we," he says. "We're experimenting with various tools that may help us with consistent-quality lead generation as well. For example, we might see people comparing two vehicles within social and take the opportunity to reach out with our case for their business. We also have Tier 2 support programs to aid dealers with their efforts to manage the social landscape on a local level."

One of the challenges that Haynes notes is understanding where people are in the purchase cycle and their needs at each point in time. Being able to deliver the right content and communications for people who are considering a car purchase, no matter where they are in the decision process, is a worthwhile goal.

"We don't necessarily want to come across with a hard sales message because we'd rather be helpful throughout their buying journey," he says. "For example, if someone says they're trying to decide between an Accord and an Optima, we'll say, 'You know our choice, but let us know if we can help you in your decision. Here is a comparison of how we stack up.' We'll encourage them to look at it and ask any follow-up questions they may have. The idea is that if we're this helpful when you're not a customer, imagine what we're like when you are. We are really working to improve the overall shopping experience."

Like most brands, a key goal for Kia is driving engagement and affinity for the company and its car brands. What attracts people within social can vary by model and other factors, and Kia is doing a lot to track and understand those attitudes and behaviors. The company is using a variety of tracking and monitoring mechanisms to understand what content is most often consumed and shared and ultimately drives people to the company's website.

A key segmentation for the brand is between Kia owners and those who are not yet owners. For owners, the company has created KiaKey.com, an online and mobile destination where owners can earn "miles" and redeem them for real-life rewards and experience opportunities just for sharing their Kia life on major social networks, including Facebook, Twitter, Instagram and Foursquare.

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"We're having very good initial results," Haynes says. "Our endgame is that these owners have continuous great brand experiences so they come back and buy another Kia and recommend Kia to someone else."

Haynes says the way different carmakers are leveraging social depends, to some degree, on their current position in the marketplace. Companies and brands that are currently marketshare leaders may take a more defensive position while challenger brands may go more on the offensive with campaigns that are more acquisition-oriented. While Kia is highly concerned with protecting and managing its brand reputation within social, he believes they are more offensive-minded than some other car brands, but their defensive strategies will increase as their marketshare increases.

"We try to develop content that is more stimulating and unique, and we aim to be participants more than spectators," he says. "This simple nuance moves us from being passive to a more active state. One example is a campaign supporting the Kia Forte brand. Leveraging a variety of social elements, the campaign was developed with music producer and DJ Nicky Romero. Kia fans submitted sounds from various cities where they reside, and Romero selected some of those mixed sounds along with sounds from the Kia Forte to create an original music track, which was made available on Spotify. The track has actually become one of Romero's most popular. That initiative—along with the corresponding interest we saw in the vehicle—told me we'd done something that resonated with our audience."

Kia is also leveraging aspects of social gaming to create deeper and longer engagements. That approach has been successful in a number of digital channels. For example, Kia leveraged gaming elements in a banner ad that resulted in a click-through rate of 28 percent and substantial time spent within the creative unit.

Facebook is still the "100-pound gorilla" in the social space for carmakers, according to Haynes. However, other channels can also be highly effective, and he believes that Twitter has shown time and time again the ability to maximize companion viewing and have people engaging on the platform throughout an event and long after the event has passed.

Brand reputation is a major focus when it comes to Kia's social media efforts. Demonstrating the ability to be helpful to owners and fans in a social context is essential to establishing and growing relationships. At the same time, Kia is constantly exploring how technology can advance sales opportunities.

"Combining mobile and location elements could help us understand when a person has been exposed to an ad, is on their way to a dealership and even alert the sales team at that time," he says. "I believe this is something that feels within reach."



Rob Milne
Director of Marketing Operations
 Mazda-North America

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Mazda manufactures and markets a range of car and truck brands, including performance vehicles, for the North American market. Social media is a growing part of the marketing mix for the carmaker, and Rob Milne—Director of Marketing Operations—sees it as an important channel for building brand appeal, supporting new product launches and building a deeper connection with owners and fans.

Using a marketing analytics model developed by Mazda and its agency, Milne feels he has a good understanding of which marketing and communications channels play the most direct role in driving customer acquisition. He feels that digital channels are highly effective, particularly search engine marketing, online advertising and email campaigns conducted through Mazda’s CRM group. Social, thus far, plays a bigger role in building brand recognition and engagement than in moving customers down to the bottom end of the sales funnel.

“We don’t necessarily look at social media as a direct sales tool because people are not looking to be sold to on Facebook, Instagram or Twitter,” he says. “Social media is more about building a connection with our owners and fans. People are on social looking for content that relates to them, helps them become more involved with the brand and gives them a deeper connection.”

However, Milne also believes that some carmakers are exploring new approaches that are tied more closely to priming the sales funnel.

“I think there are a lot of potential and untapped benefits for our industry, but at the same time, I’m cautious about how quickly we jump into that because we don’t want to become too intrusive,” Milne says. “Right now, I really believe social media for Mazda is about driving brand recognition, keeping our fans informed and connected with the brand, and fostering pride of ownership.”

Milne cites social’s role in Mazda’s Motorsports program as one example of how social can drive deeper engagement.

“The Motorsports program is very big for Mazda, but it isn’t necessarily going to sell our next vehicle,” he says. “But for Mazda fans, it’s a big deal, whether it’s the highest racing series we’re in or weekend racers, especially the MX-5 Miata fans, who are out there racing on Saturdays and Sundays.”

Social has also played an exciting role in building anticipation and interest in new model launches. An example of that was this past July as the company was launching its all-new 2014 Mazda3. Mazda began teasing the fact that a new vehicle was going to launch, and social conversations erupted as fans began to guess what car it might be. Some fans and followers were invited to an online event—conducted in partnership with Xbox Live—during which Mazda revealed the new car, followed by a live concert by the band Metric. The event itself created a lot of social activity as attendees began to talk about the experience with

their social connections.

However, the cars themselves drive the most social buzz and excitement.

“When we get into some of the human aspects, there’s a little less interest, but when we’re showcasing the product, the technology, photos of our engines, etc., that’s when people get excited,” he says. “That’s why our fans are following us. That’s what they really appreciate about our brand.”

Milne says many of Mazda’s efforts in social are product and campaign focused. He emphasizes that social is part of the larger marketing mix and is most powerful as part of a 360-degree effort to communicate with consumers and provide them with the right content at the right time to keep them engaged with the brand. Loyalty is the heart of any brand, he says, and social is a powerful channel for building that relationship with owners and those who are beginning to establish an affinity for the brand. It is also a powerful mechanism for understanding the customers and spotting new, relevant trends in the market.

Like other car manufacturers, Milne says Facebook is currently the most effective social channel for Mazda because of the level of engagement and interaction the company can have with owners and fans. He adds, however, that Mazda is leveraging a wide range of social channels, from Twitter to Pinterest and Instagram.

Milne believes Mazda is doing an excellent job of making itself relevant in social channels. He notes that in the second quarter of 2013, Mazda had the largest increase year-over-year in owner loyalty of any non-luxury car brand. He also points to Jeep and Mini as examples of brands that are innovative in this new media frontier.



Erich Marx

Director of Interactive and Social Media

Nissan USA

In 2011, Nissan USA's Director of Interactive and Social Media, Erich Marx, was asked to put Nissan on the "social map" and has since helped develop a successful multifaceted social program that includes brand engagement and social CRM via a wide range of social channels. Nissan is also exploring strategies to drive lead generation by recognizing and engaging what he calls "hand raisers."

To Marx, the most powerful social media campaigns are 360-degree programs that combine online and offline components and integrate the Nissan dealer network. In 2011, he was asked to put the carmaker on the "social map," although no one was quite sure what that meant at the time.

"Social media was seen in the same way that websites were viewed back in the 1990s—as non-traditional," he says. "Social really had to go through some growing pains to win a seat at the main table. That's something I still have to fight for today."

Automakers are doing a good job of integrating social into their marketing strategies, but Marx says they are dealing with a very different set of dynamics than many other consumer-facing brands. There's long purchase cycle with cars, with most people buying a new vehicle only once every three to five years, unlike brands such as Dunkin' Donuts that are often purchased on a daily basis.

With that being said, Nissan is experimenting with social efforts to identify and engage what Marx calls "hand raisers"—people who will identify themselves as interested in knowing more about a certain car or truck. The company is working with Moontoast's social activation engine and analytics suite to develop an effective hand raiser program. By putting out rich media content, such as sneak-peak views of new vehicles, Nissan can invite people on social media to raise their hands by clicking for information if they're interested in learning more.

"We haven't quite cracked that nut—and I don't know if anyone has legitimately cracked it yet—but we're trying," he says. "The theory for the last several years has been that social is about building relationships and is not necessarily transaction-based. But recently, we're starting to think there is an opportunity to drive some real business value through hand raisers."

Nissan is on all of the major social channels, including Facebook, Twitter, Google+, Pinterest, Instagram, YouTube and others. All play roles in the social marketing mix, but Facebook is still the number-one social platform for automotive.

"YouTube is huge, but in terms of offering the greatest opportunity for engagement, debate and discussion with fans, Facebook is still king," Marx says.

**"CUSTOMERS
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Social media is not just about brand engagement for Nissan. Increasingly, it's about managing customer relationships. "The bigger impact of social seems to be evolving toward issue resolution and social CRM," he says. "Customers are expecting more and more that their voice will be heard and responded to quickly. A lot of people are using the social space to ask questions not just of the manufacturer, but of the community as well."

Marx considers Nissan a leader in social media within the automotive industry. While they don't spend as much on social as some competitors, he says that results from various third-party measurement houses show that Nissan's engagement is very high. They have leading response times and also lead in the percentage of customers to whom they respond on social platforms.

Nissan's view of building a social community revolves around authenticity and legitimate engagement.

"We would rather grow our social presence slowly and have a highly engaged audience as opposed to running a series of sweepstakes where we give away cars and huge prizes that attract millions of people who will never come back," he says.

In terms of measuring the success of their efforts, return on investment is a challenge that Marx continuously faces.

"Frankly, ROI is still a bit unclear, but I believe there's a significant COI, or cost of ignoring," he says. "At Nissan we have well over 1 million people who have engaged with us across major social channels and said this is how they want to engage with brands now. If you're not at least swimming in the shallow end of the social pool, I would say you're well behind where you should be. We're always looking for ways to measure what we do and determine the impact on our business. While it's a bit elusive, that doesn't mean there's no impact. We're absolutely setting KPIs for ourselves and trying to measure our progress."

One of the biggest lessons Marx says he's learned since taking over Nissan's social strategy is that it's all about the cars.

"Nissan does some wonderful things with Habitat for Humanity and the Heisman Trust to give back to young athletes and kids in the various charities behind the trust," he says. "As wonderful as that is, the engagement and interest levels we get in the social space spike for one reason only: It's when we talk about cars."



Yvette Morrison

Vice President of Marketing

Snap-on

Snap-on is a leading global provider of tools, equipment, diagnostics, repair information and system solutions for professional users. Their products include hand and power tools, tool storage, diagnostic software, information and management systems, shop equipment and other solutions for vehicle dealerships and repair centers, as well as for customers in a variety of other industries. Products and services are sold directly through the company, as well as through the company's franchisee, distributor and Internet channels. For Snap-on, social is a channel for customers to engage with other professionals and often to provide unsolicited testimonials for the brand.

To date, social media has been a fairly minor part of Snap-on's overall marketing mix, but it plays a valuable role, according to Morrison.

"We felt our customers had a strong need for a community, and we wanted to be sure they had a place where they could speak and learn about our brand and express both their admiration and perhaps their frustrations in a more controlled environment," she says.

To that end, Snap-on has created both a Facebook and Twitter page. While the company is not monitoring and responding to every post, it does consider these channels a worthwhile avenue for building a one-on-one dialogue with customers. She notes that Snap-on customers tend to have a strong affinity for the brand because it is integral to their work and livelihood, and she believes social media can help reinforce that relationship.

Customer posts tend to be positive toward the brand, and fans and followers often talk about how they use Snap-on products, creating highly valuable testimonials in the process. The company is tracking conversations and ready to respond to issues if they arise, but few have.

"Our customers live and breathe the brand," she says. "They want to showcase their association because it validates their profession, and social helps them do that. It adds to their professional credibility."

Currently, Morrison does not view social as a selling platform. In automotive, Snap-on already has a close, personal relationship with a large majority of the addressable market thanks to mobile stores. That relationship is made even closer by the fact that the company frequently provides credit to its customers, some of whom might not be considered credit-worthy by traditional financial companies. The company believes its relationship continues to be best served through face-to-face, on-location interactions and engagements.

She notes that some of Snap-on's highly successful marketing initiatives revolve around its participation in motor sports and the performance of its sponsored drivers. It also conducts event marketing with tours around the country that allow technicians to have close, personal engagements with the brand and its products.

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"Facebook and Twitter can help us increase awareness for in-person, live events," she says. "Anything we do in the digital space is meant to complement face-to-face interactions, which are where selling opportunities take place."

She also notes that the company is taking a multicultural approach to social because there is an increasing share of Hispanic technicians within the automotive vocation.

"We've launched a technician testimonial campaign targeted toward Hispanic technicians," Morrison says. "We've done that in an online digital campaign, as well as with search and through banner ads."



Shauli Chaudhuri
CEO
hoojook, Inc.

CEO PERSPECTIVE: A NEW PARADIGM IN AUTOMOTIVE MARKETING

Automotive Marketing: Capitalize on the Power of Big Data From Social Media

The automotive industry is changing dramatically as customers shop for vehicles, services, collision centers, parts and accessories in new ways. With the growing popularity of online review and pricing sites, consumers are using the Internet more than ever before to research products, compare prices, search for promotions, make purchasing decisions and provide feedback. Social media has become one of the key channels in this new connected marketplace of content, communications and commerce. Consumers are using social media to find and share product recommendations and dealer reviews, voice complaints, display preference, consider peer opinions, capitalize on coupon offers and engage in ongoing dialogues with their favorite brands.

At hoojook, we believe social media will become one of the most important touch points on the digital landscape for automotive companies to understand, reach, influence and engage customers and prospects based on their personal preferences, behaviors and needs. It will change the ways companies understand and segment their markets, grow and protect their brands, generate business leads, and assist and motivate people through the customer acquisition journey.

The multiplication of customer engagement channels and the increasing use of social media are empowering customers of automotive products and services to take control of the purchase process. With the wealth of information readily available online, consumers are now better able to compare products, services and prices—even as they step into dealerships and service centers. When consumers interact with companies publicly through social media, they have greater power to influence other customers to either support or damage a brand.

The shifting landscape is creating important and immediate opportunities for sales and marketing professionals. They must handle not only the growing volume of information but also an increasing variety—including both structured and unstructured data.

In order for automotive marketers to capitalize on these changes, they need new ways to collect, manage and analyze the volume, variety, velocity and veracity of data. Automotive marketers must learn to utilize this data to generate valuable insights so they can better personalize marketing, improve the effectiveness of their marketing campaigns, and deliver a smarter shopping and servicing experience.

IMAGINE THE POSSIBILITIES

How can big data from social media help automotive sales and marketing? They can improve the effectiveness of traditional automotive marketing tactics by generating new insights while creating new capabilities that drive better business outcomes. For example:

- **Personalized shopping experiences:** To help serve a customer who is shopping for a new vehicle or sway a customer's opinion about a service center, a marketer could analyze all of the conversations and activity taking place on the customer's social networks. By analyzing the personality and preferences of the customer, the marketer can push a highly targeted, real-time promotion to the customer's social or email inbox. The marketer can even push a targeted message to the customer's smartphone as he or she shops in the vicinity of a dealership or service center. If the customer has been in an automotive accident, a collision center representative can reach out and offer a personalized and comfortable service experience. Marketers can also examine broader customer search patterns, preferences and purchases to generate meaningful and interesting offers and suggest complementary services to provide greater value to the customer while boosting revenues.
- **Optimized service offers:** A marketer could better determine which customers might need a weather-related service and where. For example, a marketer could analyze social media buzz about an upcoming event or activity, such as skiing, to gauge demand for weather-related servicing needs of vehicles across specific geographic locations. The marketer can also push a mobile message to customers driving into a snowed-out area to inform them about a nearby facility providing snow chains for cars or a quick coolant/antifreeze service. Other possibilities include real-time competitive price comparisons that can help a dealer set launch promotions to attract consumers away from rivals.
- **Understand each customer at an individual level:**
 - Increase the precision of customer segmentation by analyzing the customer's personality (buying behavior), influence and preferences across all social media networks.
 - Gauge the customer's propensity to buy.
 - Send a 1:1 communication tailored to the customer's readiness to consume with a message on social media channels or via traditional communication channels, such as email.
 - Enrich the customer's understanding by integrating multichannel data via partners—from offline transaction information to social media and third-party data—to develop a 360-degree view of the individual and identify emerging trends.

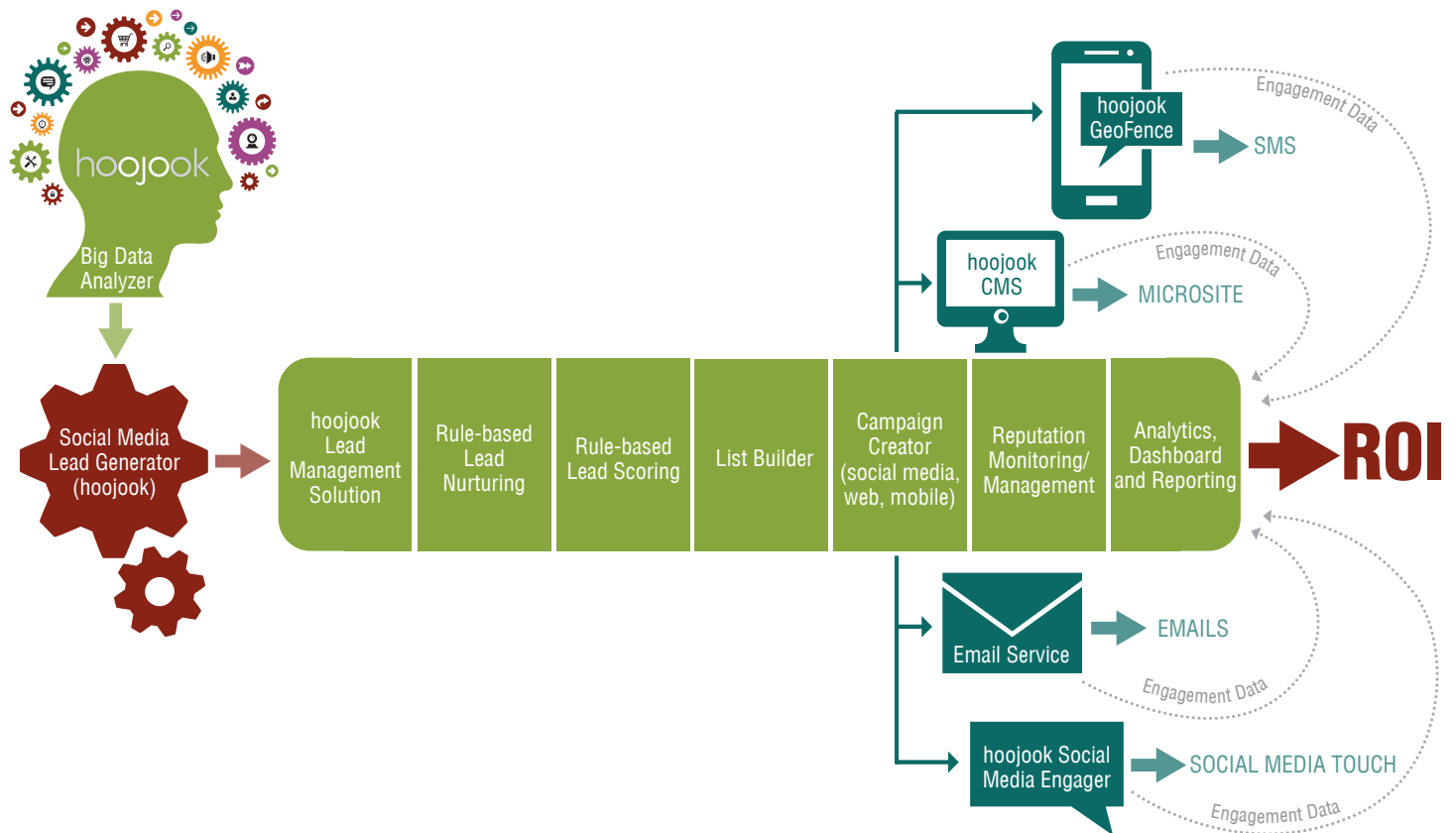
- Optimize customer interactions by knowing where a customer is and delivering relevant, real-time offers based on that location.
- Offer relevant, enticing promotions and coupon offers to influence customers to visit your location or bite on a service offer.
- Automate the process of tracking and managing a brand's online reputation by aggregating all reviews on the web, amplifying the positive reviews and managing the negative ones.
- Entice a competitor's customers away.
- Win back your dissatisfied customers.

Marketing teams can use solutions for big data to collect and analyze customer information from a much wider and richer range of sources than before—including POS systems, online transactions, social media, loyalty programs, call center records and more. That information deepens their understanding of customer preferences, helps them more accurately identify purchasing patterns and enables them to generate more precise customer segmentation. Marketers can then use new insights to deliver highly targeted, location-based promotions in real time.

The result? Customers gain a richer, more personalized shopping experience with promotions and offers that are more likely to appeal to them. They develop brand loyalty. Automotive marketers, meanwhile, are able to retain a competitive edge and boost revenues by maximizing opportunities, as well as consistently engaging customers across channels and reinforcing their brands and customer-service experiences at every turn. They are also able to measure a specific ROI on their campaigns.

hoojook is committed to helping the automotive industry leverage social media to more effectively understand and engage customers, grow revenue, improve brand loyalty and reduce the costs of brand marketing and customer acquisition. hoojook provides an essential new end-to-end platform purpose-built for the automotive industry to help manufacturers, dealers, service providers, aftermarket vendors and others in the automotive ecosystem generate, cultivate and manage leads and their brands. The hoojook platform provides multiple modules to help the automotive industry navigate its marketing and sales efforts in the emerging domain of social media engagement. The hoojook (patent-pending) big data analytics engine transforms the chaos of social chatter into actionable information for the automotive industry. hoojook also has a solution that automates brand and online reputation management for any business or site in the automotive industry. hoojook is headquartered in Silicon Valley, Calif. For more information, please visit us at **www.hoojook.com**.

TURNING SOCIAL FEEDS INTO BUSINESS LEADS: THE HOOJOOK PLATFORM AND PROCESS



ABOUT THE CMO COUNCIL



The Chief Marketing Officer (CMO) Council is dedicated to high-level knowledge exchange, thought leadership, and personal relationship building among senior corporate marketing leaders and brand decision-makers across a wide range of global industries. The CMO Council's 7,000-plus members control more than \$350 billion in aggregated annual marketing expenditures and run complex, distributed marketing and sales operations worldwide. In total, the CMO Council and its strategic interest communities include more than 35,000 global executives in more than 110 countries covering multiple industries, segments and markets. Regional chapters and advisory boards are active in the Americas, Europe, Asia Pacific, Middle East, India and Africa. The council's strategic interest groups include the Coalition to Leverage and Optimize Sales Effectiveness (CLOSE), Mobile Relationship Marketing (MRM) Strategies, LoyaltyLeaders.org, CMOCIOAlign.org, Marketing Supply Chain Institute, Customer Experience Board, Digital Marketing Performance Institute, GeoBranding Center and the Forum to Advance the Mobile Experience (FAME). Learn more at www.cmocouncil.org.

ABOUT HOOJOOK, INC.



hoojook's social analytics and engagement solutions empower automotive organizations to increase revenue, improve brand loyalty and reduce costs. hoojook's cloud-based social media intelligence and CRM platform helps the automotive industry generate new leads and manage brands. The hoojook (patent-pending) big data analytics engine transforms the chaos of social chatter into actionable information for the automotive industry. hoojook also has a solution that automates brand and online reputation management for any business or site in the automotive industry. hoojook is headquartered in Silicon Valley, Calif.

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