



CityTwist Helps Auto Dealers Rev Up Conquest Sales and Reduce Costs with Targeted Marketing, Verified Results

In today's automotive industry, the first point of contact between a customer and a dealer is often online. That's why targeted email advertising, designed to drive consumers to the showroom, is a critical part of the marketing mix for automotive dealers. However, many dealers struggle with identifying in-market prospects that currently own or are shopping for the competitor's brand – also known as “conquests.”

CityTwist, a Florida-based email advertising company, is a trusted partner for dealerships and dealer groups across the United States and its flagship product, Conquest Automotive™, offers a powerful answer to the challenge of “conquesting.” At the core of Conquest Automotive is a proprietary database of 125 million consumers who have opted in to receive offers from local businesses. Historically, CityTwist made this database available to dealers to enable geographic-based email communications. However, CityTwist's leadership team recognized that their company could better help dealers drive showroom traffic and sales by going beyond geographic targeting.

Challenge

Drive growth of email advertising business by:

- ▶ Increasing auto dealers email effectiveness by targeting the right customers at the right time
- ▶ Reducing dealerships' marketing costs for each vehicle sold to gain competitive advantage
- ▶ Helping dealer customers to achieve increased vehicle sales and profits

Solution

IHS Automotive, driven by Polk, with TMP Purchase Predictor™

Results

- ▶ Gained competitive advantage by enabling hundreds of dealers to:
 - Increase website traffic, page views, time spent looking at online inventory, etc.
 - Lower marketing cost per vehicle to \$250 versus industry average of \$641
 - Dealers are selling an average of 4 incremental vehicles for every 10,000 emails sent, all to conquest customers
 - Earn higher profits, e.g. average per-vehicle profit of \$1,800 (value vehicles) compared to the industry average of \$1,200.
- ▶ Acquired new dealers to achieve 100% year over year growth for the past 3 years
- ▶ Maintained strong loyalty with 81% renewal of CityTwist among its dealer customers

In 2010, CityTwist turned to IHS and, within two years, CityTwist was providing hundreds of dealers with a dramatically enhanced solution that combined Conquest Automotive with Purchase Predictor™, part of the Total Market Predictor (TMP) suite from IHS Automotive.

Targeting In-Market Customers

Savvy auto dealers understand the importance of marketing to the right customers at the right time in order to ensure the relevance of their message. By integrating its Conquest Automotive system with Purchase Predictor from IHS, CityTwist now provides dealers with industry intelligence that pinpoints consumers who are likely to be in-market for a certain vehicle within three to six months... and other details.

“By marrying CityTwist's dynamic opt-in email database and consumer activity models with the IHS Purchase Predictor, we offer our loyal customers one of the most targeted conquest solutions in the industry,” said Lou Nobilé, Founder of CityTwist.

Purchase Process Starts Online

Most campaigns begin with consumers receiving an email from their local auto dealer with an offer that encourages them to visit the dealer's website, the first point of contact in the purchase process.

“These days the car buying process begins online, and our ability to drive “in-market” local buyers to the dealership website is unparalleled,” Nobilé continues. “Because these customers are likely buyers in the near-term, the quantity and quality of the web traffic is outstanding... typically outperforming 95 percent of all website traffic sources.”

CityTwist's Conquest Automotive solution uses powerful web analytics to measure the impact of the

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CityTwist Provides Effective Targeting, Verified Results

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email marketing campaigns. Dealers consistently see increases in website traffic, page views, time spent looking at online inventory, and other key metrics as a result of improved email targeting from CityTwist.

“With [CityTwist]... our bounce rate (the percentage of visitors to a website who leave after viewing only one page) ...is less than 10 percent, which is nothing short of phenomenal,” said Tom Callaway, Director of Digital Marketing for Friendly Auto Group in Warren, MI.

“The content of the email is consistently updated based on the interaction of the consumer from previous deployments. This responsive and tactical advertising, as well as perfect timing, enables our dealers to be top of mind when the consumer is ready to make their decision,” said Marc Lefevre, EVP of Sales at CityTwist Conquest Automotive.

Reduced Costs through Sharper Targeting

With Purchase Predictor from IHS, CityTwist also enables dealers to see brand affinity data across three vehicle segments: value, luxury and prestige. This added detail improves the relevance of every email communication, tapping into the consumer’s vehicle of interest and delivering the right message to the right prospect. CityTwist’s multi-level targeting – by geography, in-market timing, and vehicle segment – enables dealers to reach their best prospects more efficiently. Dealers who once sent 100,000 emails at a time now see better results by sending only 20,000 - cutting costs and improving conversion rates.

“CityTwist’s customers have consistently seen an average marketing cost per car sold of \$250, which is outstanding when compared to the national average of \$641 according to NADA (North American Dealer Association),” Lefevre continues. “Our clients are especially thrilled because all of the sales recorded are conquest customers for the dealership.”

Verifying Strong Sales, Profits and ROI

Reduced costs are a huge benefit, but auto dealers are ultimately more concerned about the effectiveness of promotions in generating vehicle sales. On average, CityTwist’s Conquest Automotive dealer customers sell an additional 4 incremental vehicles for every 10,000 emails sent – compared to industry average sales – and many are seeing even greater results. For example, Jack Ingram Motors in Alabama recently reported selling more than 10 incremental vehicles per 10,000 emails.

With lower costs and higher sales, CityTwist dealer customers are also earning higher profits. On value

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EVP of Sales, CityTwist

vehicles, CityTwist customers report an average per-vehicle profit (combined front- and back-end) of \$1,800. This puts them well ahead of the industry average retail gross profit of \$1,200.¹

Finally, CityTwist gives dealers the opportunity to measure and analyze the performance of their email campaigns using campaign evaluation reports from IHS Automotive. IHS measures the number of vehicle sales attributable to each email campaign, based on actual DMV registrations of new vehicles.

“Having IHS Automotive run a third-party sales confirmation really ties everything together for the dealers. The full-circle transparent tracking on the front and back end confirms our impact on the dealerships sales. Our dealers know their true ROI,” said Lefevre.

Callaway of Friendly Auto Group adds, “I’m able to verify all the way through from the time the customer receives the email to the time after the transaction took place...with most other companies or sources, you can’t get to the granular level of measurement from start to finish. [With Conquest Automotive] you’re able to get some very finite ROIs.”

Customer Success Drives Growth

By providing the Conquest Automotive solution – with Purchase Predictor and campaign performance analysis from IHS – CityTwist is helping its customers achieve their goals while rapidly expanding its own business. The email advertiser’s 2014 sales are projected to exceed prior year sales by more than 50 percent.²

“Our Conquest Automotive program has been extremely well received by dealers. Since integrating with IHS Automotive we have seen over 100 percent year over year growth for the past 3 years,” said Lefevre. “We have also seen an 81 percent retention rate with our customers, which proves the power of our program and our partnership with IHS.”

¹ Automotive News, March 3, 2014 (2013 NADA data)
² CityTwist press release, June 19, 2014