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The Internet is Shrinking for Dealers



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Jumpstart Automotive Media's VP of strategic media development describes two significant opportunities for how dealers can use the internet to find in-market auto consumers on a local scale.

There have been countless technologies developed since the inception of the internet, but advances in local targeting tops the list for auto dealers.

Remember the days when going online meant dialing up, and once you were on you were "surfing"? Manufacturers that first navigated the information super-highway as part of their media strategy were putting up less-than-glamorous websites, using hand-drawn vehicle images in order to accommodate the slow speeds with which the majority of web surfers connected at. For whatever it was worth, they were reaching the small percentage of car shoppers who were using the web as part of their shopping process.

Since then, the internet has revolutionized the car buying process -- more than 8 out of 10 car sales are researched on the web prior to purchase, according to JD Power. However, until recently only auto retailers that were able to target their messaging nationally could truly capitalize on the internet as an advertising medium. Based on limited capabilities to target locally, it was just not the out-of-the-box solution that dealers were seeking.

As a consequence, third-party leads were the biggest innovation to emerge for dealers in the early days of the web. As droves of car shoppers flocked to automotive research sites, it was only natural that publishers began to capture buyer interest and sell this interest to local dealers in the form of leads as they were looking for more efficient sales tools.

The viability of local targeting

Luckily dealers now have a much wider range of tactics to help them tap into the mass of car shoppers using the internet, including improved local targeting on search engines and display advertising.

Research has shown that roughly half of all searches are looking for local results. In response to this phenomenon, Google and Yahoo! introduced their own versions of local search in 2006. These types of advancements dramatically increase the volume of relevant searches for local dealers, since they can now get traffic from searches that don't need to have location qualifiers in the term, but instead qualify based on the location of where the search was actually conducted.

Display advertising

The other significant opportunity is display advertising. It has been around for awhile, in a number of different flavors, but new advances in technology provide dealers with the ability to deliver their message to the right person at the right place at the right time better than ever before. Contextually, this means serving your ads directly on an automotive research sites. Behaviorally, it means re-targeting your

message on a non-automotive site to someone who has already been to an automotive research site. Yet another version is called site re-targeting, where you can actually capture behavior from someone who has been to your own dealer site and then re-target them elsewhere on the web.

Regardless of the tactic, the goal of every dealer should be to efficiently capture every car shopper in their marketplace. With continued advancements in local targeting, dealers now have the ability to reach nearly 80 percent of car shoppers via the web which represents an opportunity like never before to significantly reach more car shoppers with greater efficiency within their respective marketplace.

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