

Departmental Action Plan

Student Name: Anthony Benfatti

Class & Student Number: N326

Academy Week: 4

Current situation or challenge you want to address:

We currently have a marketing budget with Auto Trader that is grossly inflated for our ROI. I want to renegotiate with Cox Auto as our returns on dollars spent has only decreased month over month. We currently spend \$8325 per month for a 60 premium listing package with 3 alpha banner ads per month. We average 346078 SRPis per month resulting in 6184 average VDP's. This breaks out to average 59.4 mothy click through to our site resulting in .667 sales per month (\$28821 in gross profit annual). We also have a very poorly orchestrated dealer site that needs to be cleaned up and streamlined (searching, pricing, trade-ins, etc...).

Overall Objective and Specific Desired Results:

My objective is to maintain my same sales through Auto Trader (.667 per month) by cutting our \$8325 budget down to \$3000 approximately. I also hope to increase my SRP's/VDP's through analytics and ad words with part of this budget. I am allocating half the budget, \$1500, to my website for improvements. I will increase my VDP's on my website by improving my search criteria's, eliminating stock photos, and measuring our conversion ratios after we make web site changes. I am also upgrading to a digital retailing pricing matrix, adding a trade in valuation matrix, and hope to see a 2-5% jump in VDP to active lead conversion(up from 1.6-1.8%). The other half of this new budget will be used for a much more scaled down AT package with no alpha banners and fluff and ad words. After speaking with some of our sister stores (Porsche specifically) I have found AT is providing a nearly identical package for them that I pay \$8325 for monthly and they pay \$3600. I feel I can allocate \$3000 (split 50% to AT and analytics/ad words and 50% to our dealer site) and achieve more than .667 sales and 59.4 conversions to our site per month. I will measure our lead conversions

monthly from both ad words, AT, and our improved site and make the determination of where to increase my budget as necessary based on ROI in the future.

Action plan:

1. Review and streamline dealer site(search criteria's, new search bar, eliminate stock photos, better placing through website for specials etc..)
2. Cancel Auto Trader completely and start clean for negotiation.
3. Negotiate a clean product package with AT scaled back and eliminating the Alpha banners, Spotlights, excessive listings we do not use.
4. By eliminating "impression building Alphas" and spot lights that seemingly get no click through we will see VDPS' stay around 5-6k averages without unnecessary cost.
5. Institute ad word campaigns 1 day weekly.
6. We expect ad word campaigns to have 2300-4000 impressions with a 10-15% click through rate (per campaign). We expect a lead conversion to be 1-2%.
7. Implement finance pricing, trade valuation, i.e digital retail tools on our dealer website.
8. We expect to see a VPD to active lead conversion of 1.6-1.8% increase to 3.6-6.8%

Timeline:

12/05/2017 review and streamline website

12/10/2017 we start weekly ad word campaigns

1/2/2018 we go live with reduced AT package

1/15/2018 we institute new pricing matrix (Digital Retailing suite) and website is finished

1/30/2018 start monthly reviews off conversions and click through on various ad campaigns, AT, and new website tools. Allocate more or less budget where ROI is highest/Lowest.

3/1/2018 begins quarterly reviews of budget and ROI.

Meeting with Stakeholders (dealership personnel)

- a. Who:
 - Greg Gerig-AT Rep, Dealer.com Rep
 - Gemma Hentrich AT Rep, Dealer.com Rep
 - Charlie Cairncross-Marketing Manager
 - Tom Wallace-Internet Manager
 - Anthony Benfatti-Sales Manager
 - Jo Hannah Hoehn-General Manager

- b. What:
 - Greg and Gemma are changing auto trader package and building of our website.
 - Charlie is monitoring website, Auto Trader conversions, and managing Ad Words etc.
 - Tom manages leads and sales i.e measurable ROI
 - Anthony/Jo Hannah will review budget, conversions, and synopsis monthly of Internet Marketing.

- c. By When:

12/05/2017 review and streamline web site-All "Who" parties

12/10/2017 we start weekly ad word campaigns-Charlie

1/2/2018 we go live with reduced AT package-Charlie, Anthony, Tom, Jo

1/15/2018 we institute new pricing matrix (Digital Retailing suite) and website is finished

1/30/2018 start monthly reviews off conversions and click through on various ad campaigns , AT, and new website tools. Allocate more or less budget where ROI is highest/Lowest.-Charlie, Anthony, Jo

3/1/2018 begins quarterly reviews of budget and ROI.- Charlie, Anthony, Jo

How we measure our success will be by tracking weekly Ad word campaign's Impressions and click through. Measuring our SRPis-VDP-Conversion ratio's monthly. And tracking our gross profit made from units sold directly produced by our implemented marketing changes.