

ReachLocal's targeted campaigns help Scion dealers shift into digital and increase car sales 17% YOY.



About Scion San Francisco Region

- www.scion.com
- A marque of Toyota Motor Sales USA, Inc.
- 52 Scion stores in the San Francisco Bay Area



About ReachLocal

- www.reachlocal.com
- Google AdWords Premier SMB Partner specializing in online marketing for local small businesses
- ReachLocal Automotive, a division of ReachLocal, Inc. (NASDAQ: RLOC), is a leader in local online marketing solutions, providing digital marketing services for automotive dealers, OEMs and related businesses

Goals

- Educate dealers and encourage the transition to digital
- Strengthen Scion's digital presence
- Drive more traffic, leads and car sales

Approach

- Began working with ReachLocal, a Google AdWords Premier SMB Partner
- Tested pilot program with 7 local dealerships
- Ran highly targeted campaigns for paid search, display and mobile
- Used Google Display to create awareness of dealerships and lease specials
- Grew digital investment from 10% to 80% of marketing budget

For drivers seeking individuality on the road, Toyota's Scion offers a creative alternative to mainstream car brands. Since its launch in 2002, Scion targets a younger market with its fresh approach and unique body styles. "Scion is a forward-thinking brand seeking customers committed to following their passions," says brand manager Mary Pham. Mary, who oversees marketing across 52 Scion dealerships in Northern California, highlights the need to reach these modern drivers where they're looking – online.

To efficiently connect with customers online, Scion enlisted the help of ReachLocal Automotive, a division of ReachLocal, Inc. that provides digital marketing services specifically for automotive dealers, OEMs and related businesses. ReachLocal is a Google Premier SMB Partner, meaning it has proven an in-depth understanding of Google AdWords and account management by passing Google certification and demonstrating digital expertise. As a Premier SMB Partner, ReachLocal collaborates directly with Google teams and receives Google support of all kinds – executive, technical, sales, marketing, account and partner management. By working with ReachLocal, Scion also benefits from this strategic relationship with Google, getting access to the latest insights on Google tools, as well as beta opportunities.

"After the pilot with ReachLocal, our website traffic was up 200%. There were tangible results with lead counts. This clearly played a big part in our increased sales this summer. This experience has reaffirmed that we need to focus all our attention on our digital footprint."

—Mike Shum, general manager, Sunnyvale Scion

Growing sales with ReachLocal and Google AdWords

ReachLocal saw the high potential for Scion dealers to join the digital market. To capture this opportunity, ReachLocal ran a digital marketing pilot with seven San Francisco Region Scion dealers. The pilot was backed by Scion at the corporate level and aimed to drive more traffic to dealer websites and increase leads using Google AdWords. ReachLocal Automotive's certified in-market sales team helped Scion dealers build and optimize highly targeted AdWords campaigns, leading to positive results: Total Scion sales increased 17% year-over-year for the seven participating dealerships, with one dealership even experiencing an incredible 134% lift in sales year-over-year.

The pilot results convinced Mary and her region's dealers of digital's value and measurability. Today, digital has earned a prominent role in their marketing mix – San Francisco Region Scion invests 80% of its marketing budget in digital channels, up from 10% prior to the pilot.

Results

- Participating dealers' car sales grew 17% YOY
 - One dealership attained 134% YOY growth
 - Pilot generated 28,000+ clickthroughs
 - Also drove 1,100+ calls, 715 form leads
 - Scion's banner ad received 4M+ impressions
 - ReachLocal brought in 56% of total new website visits
 - Scion San Francisco Region was CA's only region with double-digit YOY growth
 - Results convinced corporate Scion to co-fund nationwide rollout of similar program
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AdWords campaigns drive more leads and traffic, both online and off

The four-month pilot with ReachLocal generated more than 28,000 clickthroughs to the seven dealers' websites, over 1,100 phone calls, and 715 form leads. More than 4 million people saw Scion's banner ad across Google's Display Network, creating widespread awareness of local dealerships and regional lease specials. "The results from the pilot have been very strong – we're hitting our sales numbers every month, and we're the only region out of 10 in the state to have double-digit increases, compared to the same time last year," adds Mary.

Mike Shum, General Manager of Sunnyvale Scion, participated in the pilot and saw Scion sales grow 134% year-over-year. The search campaign brought nearly 4,500 clickthroughs at a cost-per-click of \$4.09, which Mike finds "extremely competitive." Almost 90% of these clicks through to the site were from new visitors. The Sunnyvale dealership also received 123 phone calls through the search campaign, and form submissions grew 315%. "Nearly a quarter of a million people saw the Scion Sunnyvale banner ad on Google Display," notes Mike, adding that 70% of clicks on the display ad were from new visitors.

"After the pilot with ReachLocal, our website traffic was up 200%. There were tangible results with lead counts. This clearly played a big part in our increased sales this summer," he says, adding, "This experience has reaffirmed that we need to focus all our attention on our digital footprint."

San Francisco Region Assistant General Manager Briana Nelson says dealers can reach their target customers and drive more foot traffic with digital. "Typically, Scion doesn't have the vast opportunities that Toyota has to expose our great offers, like low monthly payment leases.

Having this online presence helps Scion be competitive with pay-per-click, create awareness, and ultimately drive traffic to dealers' showrooms," she says.

"Partnering with a great SEM provider – like ReachLocal – will be win-win."

—Briana Nelson, San Francisco Region assistant general manager, Scion,

Targeted campaigns reach the right audiences

Attracting quality traffic was key to the pilot's success. To achieve this, ReachLocal built tightly knit campaigns for Scion and used location targeting to make sure only the right customers would see the dealers' ads. By targeting the right audiences, ReachLocal reached only the most engaged and interested users: Visitors arriving from AdWords ads spent the most time on Scion dealers' websites (compared to organic, direct and referral traffic). ReachLocal also generated 56% of participating Scion dealers' new visitor traffic, in part by making Scion's ads stand out and occupy more real estate on the search results page, leading to additional traffic and clicks.

Accelerating into the digital zone with a trustworthy partner

San Francisco Region Scion is leading the way for Scion dealers nationwide to make the crucial transition to digital marketing. "Based on the success of this pilot, corporate Scion decided to support a new initiative to get dealers dabbling more in digital marketing," says Mary, explaining that a similar program on a national scale will help more Scion dealerships cross over into the digital space.

Mike emphasizes the importance of this shift for dealers. "If you could drive more digital traffic, which turns into foot traffic and actual customers, why wouldn't you?" he asks. "Many dealers don't understand digital well enough, so they're hesitant to spend marketing dollars there. But everything is measurable; you can easily see the ROI," he continues. "Partner with someone who has digital expertise and give it a try." Briana adds, "Partnering with a great SEM provider – like ReachLocal – will be win-win."

