

The Path Forward:

Tools and Technologies for Automotive Marketers to Capture Dynamic Demand

Consumer behaviors are continuously changing in these uncertain times. As the automotive industry starts to see signs of recovery, Google uniquely has visibility into signals and the shifting dynamic demand. Google's technology specifically through machine learning and automation can help dealerships advance by building accountable, adaptable and agile media strategies.

As we enter the next phase of the Path Forward, demand has started to return, but the market continues to contain high levels of uncertainty. Sales remain level across markets, but segment dynamics and state-by-state regulations vary. On the other side of the path of uncertainty is consumer sentiment. Consumer sentiment and confidence are still undetermined and we are constantly monitoring when they will return, especially for large purchases like automobiles.

The good news for marketers is that advertising technologies have greatly progressed and evolved. Meaning we have more advanced tools at our fingertips to solve for unpredictable shifts in the market.

For example, advertisers have more access to data than ever. They can use Google's unique signals to better understand dynamically changing automotive demand and consumer sentiment and behaviors. Three buckets of signals for consumer sentiment include: search, mobility and mindset, and surveys and signals.

- Google exclusive Automotive Search: Automotive searches on Google are highly correlated to vehicle sales. So, understanding searches by brand and nameplate by region is a signal for recovery. This data is currently showing us that over 8 weeks of consecutive search growth since the week of April 5 aligns with the over 8 weeks of new vehicle sales growth.
- Google exclusive Mobility and Mindset: Using our Mobility data (which is publicly available on our [Community Mobility Reports page](#)) we are able to understand how people are moving in their community to retail, transit and other locations.
- Google exclusive Surveys and Signals: In our latest survey we saw that 1-in-10 current auto shoppers have recently entered the market.

Changes in consumer behavior have always resulted in adjustments to marketing strategies. The global pandemic has shown how quickly consumers' interests, expectations, and purchasing behavior can shift—and with it, an ebb and flow in demand for products and services.

Adjusting your media buying and the way your business shows up in these dynamic conditions is difficult, especially when some businesses are having to manage twice the complexity with half the capacity. At Google, we believe automation can play in helping you be accountable, adaptable and agile, handle large amounts of variation and

complexity and help you react to the impact of the crisis in real time. Additionally, these tools will help lay the foundation for a flexible model going forward.

The first step of activating an automated strategy is to develop the right KPI. Successful marketers intimately know their business “North Star” objective and the corresponding KPIs that will help deliver these goals. As online advertising becomes more automated, the KPI you ask machine learning algorithms to optimize and the data you share with these algorithms will become one of the most important competitive advantages in your online ads strategy.

The following steps can help you deploy an automated marketing strategy:

Step 1: Hold your media accountable.

Align your KPIs to business outcomes and use automation to drive performance. As automakers work to sell down inventory, Machine Learning can be a powerful tool to help predict who is shopping for vehicles, set the right bid for each keyword for each customer.

Step 2: Reach New and Existing Customers + Capture Demand.

Using machine learning is the best way to unlock strategies otherwise thought impossible. For example, advertisers using search Smart Bidding can invest in broader keyword sets, including Segment and Conquest, knowing that the powerful machine learning algorithm will automatically set the right bid for each keyword, for each customer.

Step 3: Show up with the right message

As conditions change week to week and community to community, it’s critical to adjust how you’re communicating and interacting with your customers at scale. On the Google Ads side, [Responsive search ads](#) and [responsive display ads](#) enable you to make updates to your Search and Display ads at scale.

As advertisers, you can still plan, but knowing plans can and will change, deploy tools that are adaptable. In a fluid market, why deploy a static strategy? Automation is the tool that will help drive your success both now and, in the future, as you build your longer term marketing and advertising strategies.