

Ray Tomeh
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Lexus of Concord (San Francisco Metro)

HOW LEXUS OF CONCORD
STEPPED INTO THE FUTURE
OF AUTOMOTIVE RETAIL

"I think dealerships should understand. By using LotLinx, they can have an instant competitive advantage."



The Lexus corporate mantra is the “Relentless Pursuit of Perfection.” Lexus of Concord competes in the fifth largest car market in the U.S., the San Francisco Bay Area, with an annual planning volume of over 2,700 new and used vehicles. So what does Lexus of Concord’s Digital Sales and Marketing Director Ray Tomeh do to “relentlessly pursue perfection” in his competitive digital marketplace? He does his homework. And then he does it again.

RAY’S IS AN ADVANCED, VETERAN PERSPECTIVE.

A guru of sorts, he has been in automotive digital since the early days (circa 1998) and has worked with countless automotive lead, CRM, auto internet, and digital providers over the years. In his words, on a typical day in his dealership, “there used to be 10, 15 buyers walking into a showroom, and on the weekend, it was hundreds. But right now, we’re lucky if the dealership has one-fifth the traffic. People are not going shopping. Instead, consumers shop for cars online.” This means a high volume, competitive luxury dealer like Lexus of Concord needs to be smarter. And it’s not just a matter of funneling customers to the dealership’s website to eventually purchase a car – it’s about doing it affordably and to scale.

Like most dealerships, Ray has used and continues to use a variety of digital solutions to bring traffic and exposure to his store, including third-party lead

providers like Cars.com and AutoTrader.com. His concern about third-party sites? What used to be a competitive advantage is no longer an edge. As the *Wall Street Journal* profiled in its article June 12, 2015, “They send a lead to your dealership. Then, they send it to five or six other dealerships. So, yes, I have a lead to work with. But I am in fierce competition with other dealerships.” More and more, these lead providers provide parity, not a competitive advantage.

LEXUS OF CONCORD SEARCHES FOR A MORE POWERFUL TOOL

In 2014, Lexus of Concord was looking for a solution that could drive affordable, high-quality traffic directly to the Lexus of Concord website. They were looking for an online marketing tool to expand their reach beyond what other third-party, CRM, and lead providers could offer. Lexus of Concord had been doing the same thing with the same results for too long, and the marketing

WHAT LEXUS OF CONCORD LIKES ABOUT LOTLIX

“LotLinx came along and said, ‘Okay, you know what we’re going to do for you guys? We’re not going to get the names of customers and sell them to multiple dealers. You’re going to own that customer. The customer is going to come to your website and look at that particular car. So go ahead, sell them.’ That’s what I like about LotLinx.”



“You can have the most beautiful website in the world. But if nobody knows you or cares about what you have, then you cannot bring people to visit your site.”



team knew it was time to implement smarter tactics to bring quality buyers to their website and from there into the showroom. By doing so, they felt they could increase closing ratios at the same time that they drove up velocity.

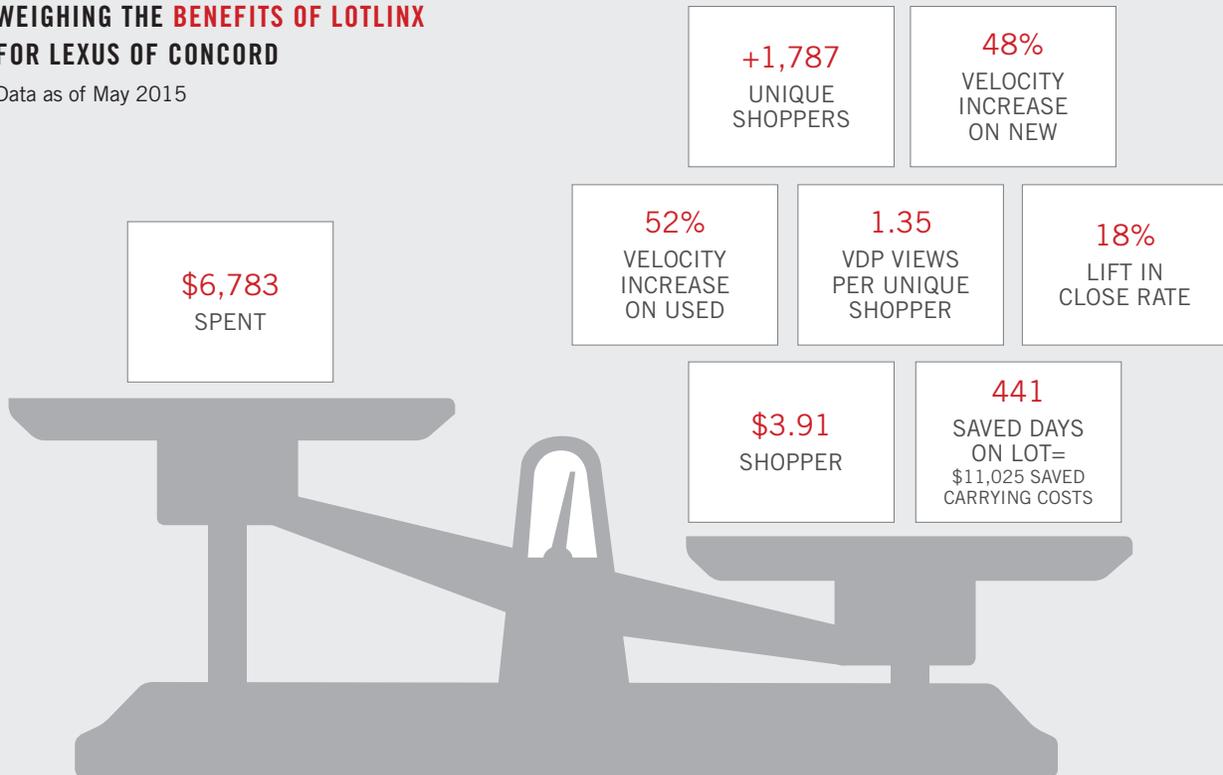
With Ray’s guidance, Lexus of Concord did extensive due diligence to find a company that offered better, more efficient technology to deliver in-market shoppers who were well along the buying continuum. Eventually, their search led them to LotLinX.

SELLING CARS INSTEAD OF BUYING LEADS

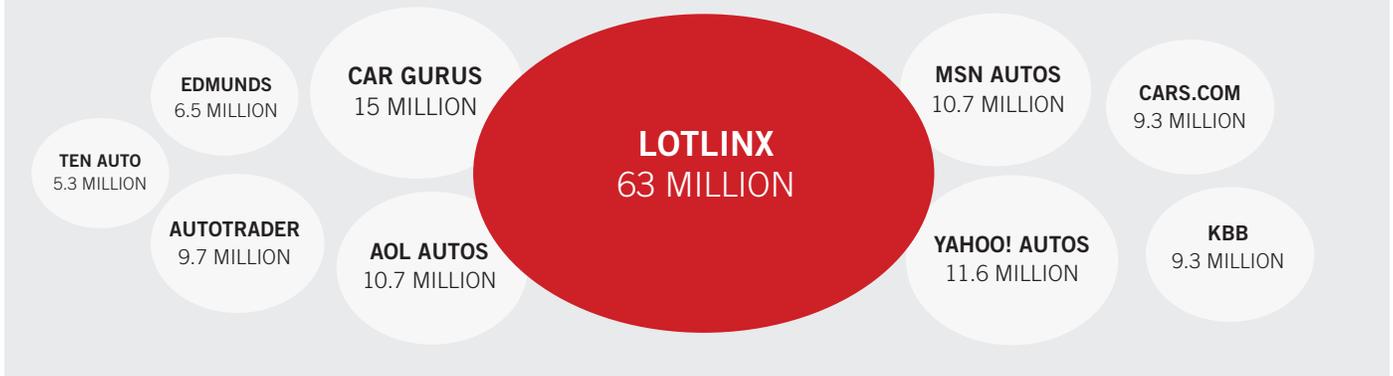
LotLinX has developed an automotive technology called “Deeplinking®” that connects buyers to dealer websites via a platform that reaches over 63 million automotive shoppers monthly. Because LotLinX connects buyers with what they need with dealers with what they sell, it uniquely meets the needs of customers. Customers are not burdened with filling out lead forms or giving up their privacy. At the same time, dealers receive a continuous flow of incremental traffic and can utilize

WEIGHING THE BENEFITS OF LOTLINX FOR LEXUS OF CONCORD

Data as of May 2015



COMPARATIVE MONTHLY REACH



their best CRM and contact processes to close the sale more quickly and easier than otherwise.

HOW LOTLINX WORKS

Like third-party search sites, LotLinX markets a dealership's inventory. But instead of gathering leads and selling them to multiple dealers, it tracks shoppers' activity. When a car buyer expresses an interest in a specific make and model of car, he or she is directed straight to the dealership's vehicle detail page (VDP) for that car. The buyer arrives on the dealership's page via a link without ever having to fill in any forms. From that point on, the dealer owns the lead – and the deal.

Because LotLinX targets the leads that dealers need, Lexus of Concord has seen an increase in sales from online marketing. "More" is the operative term – more traffic is visiting the website, more customers are calling and emailing, and more people are arriving as prospects and leaving as satisfied Lexus owners.

These are among the key results Lexus of Concord saw with LotLinX in the first two quarters of 2015:

MARCH 2015

- Sales velocity **increased by 48%** on new cars

- Sales velocity **increased by 54%** on used models
- A total of 441 days on lot were eliminated. Given that NADA Data (2014) estimates that one day of carrying cost is \$25, this cost-to-days benefit equates to \$11,025, for one month alone.

MAY 2015

- An incremental **1,787 unique shoppers** visited VDPs via LotLinX compared with just 505 via other search engine marketing (SEM)
- **100%** of visitors via LotLinX were **qualified shoppers** versus just 33% of those who arrived via SEM
- Cost per VDP view for visitors via LotLinX was **8.1% lower** than the cost per VDP view via SEM

IMPROVED SALES PERFORMANCE AND MORE

In addition to creating improved sales performance and velocity, Lexus of Concord is seeing secondary benefits from its partnership with LotLinX. Because there is more traffic to the dealerships VDPs, more consumers are landing on other Lexus of Concord web pages, including those for browsing other vehicles, financing offers, and service offerings.

LOTLINX: TRANSFORMING DIGITAL AUTOMOTIVE RETAIL

To set up a meeting with a LotLinX consultant, go to www.LotLinX.com/schedule
For general information, call 1 800 625 LINX or visit www.lotlinx.com



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