Maximize the automotive digital upfront

Here's how to get all you can from the automotive digital upfront

Today's landscape: The automotive digital upfront relies on some data to make decisions about the distribution of advertising across automotive shopping sites, walled gardens and open web. **But here's the big question: are we making the most of this opportunity to connect with people who will actually buy a car?**

The industry's come a long way. From no targeting to demographic targeting to the strategic, accurate targeting we use today. Marketers now launch loyalty (CRM) plays, pursue conquesting and spend big on awareness. Auto site retention pages also play a meaningful role in upfronts, reaching a concentrated set of buyers. But there are still plenty of opportunities to get more accurate and precise in our upfront, or always-on advertising.

Do you want scale or precision targeting? Actually, you can have both

First, let's understand and embrace the fact that we no longer have to choose between scale and precision targeting. We can thank the incredible advances in data science for that. The more relevant the audience, the stronger the campaign performance will be. Maximizing reach is important, but it has to be Relevant Reach. That's how to hit those key KPIs when it comes to always-on advertising. And connect with the highest-potential buyers—at scale—using data-driven targeting.

It really works. Data-driven targeting during the upfront establishes a foundation to build upon throughout the year, allowing your brand messaging to hit the mark for every execution; while simultaneously, increasing efficiencies and cutting wasted spend.

## MAXIMIZING REACH IS IMPORTANT, BUT IT HAS TO BE RELEVANT REACH

? **The question then becomes: how much better can an advertiser do using a more data-driven approach to targeting?**

When you compare approaches, there is no comparison

Let's begin with "spray and pray," which is essentially untargeted, as the baseline. Using this approach, an advertiser might reach some vehicle buyers by targeting 10 percent of the U.S. households, but it certainly won't optimize buyers. Using optimal demographic targeting, an advertiser could reach 90 percent more buyers while reaching the same number of households. Sounds good, but you don't have to stop there. When you expand your targeting past this approach you're now confronted with thousands of audience options. Oracle Data Cloud can help you make sense of those options and select those audiences with the highest density of buyers. Under this approach, an advertiser could instead reach 35 percent of buyer (85 percent improvement over demographic targeting) while still only paying for 10 percent of U.S. households. This means you can use an existing budget to reach more of your target buyer.

RELEVANT REACH RESULTS IN 83% MORE BUYERS THAN DEMOGRAPHIC TARGETING

Untargeted	Demographic targeting	Relevant Reach
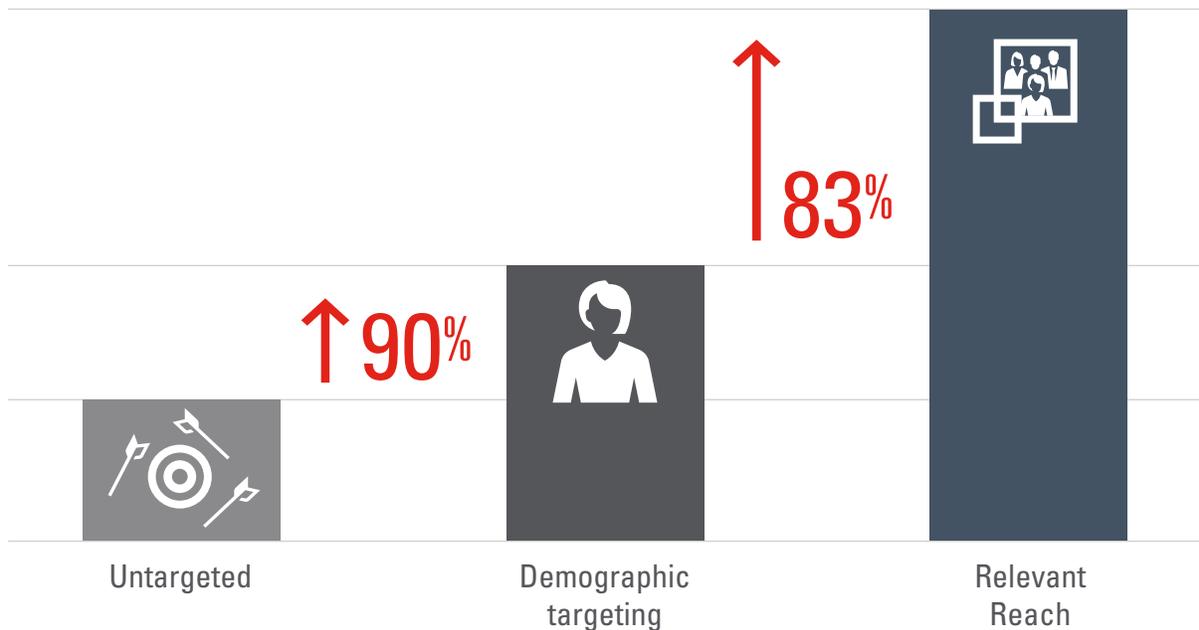
Why focus on buyers for the digital upfront instead of simply honing in on the demographics for the type of consumer you want to reach? With car ownership now spanning six years or more, consumers are committing both financially and emotionally. So, you just can't wait until they're about to buy to get your message across, and demographics alone won't identify the best prospects. Reaching audiences of buyers at every stage of their journey is critical to getting your vehicle on their consideration list and keeping it there through to the final commitment of purchase.

More proof on why this approach works

We ran through this data-driven approach on 12 vehicle segments split evenly between luxury and non-luxury segments. For each vehicle segment, we compared three groups measured to vehicle sales (buy-through rate):

1. Demographic targeting vs. untargeted
2. Relevant Reach vs. untargeted
3. Relevant Reach vs. demographic targeting

A key insight we uncovered is that the more specialized the vehicle segment, the more benefit is seen from leveraging data science to identify the optimal audiences.

Performance by targeting approach			
Vehicle segment	Demo vs. Untargeted	Relevant Reach vs. Untargeted	Relevant Reach vs. Demo
Luxury compact CUV	2.21x	3.89x	1.76x
Luxury full-size SUV	2.30x	5.65x	2.46x
Luxury midsize CUV	2.23x	4.43x	1.99x
Luxury sport	2.23x	5.03x	2.26x
Luxury trad. compact	2.11x	4.00x	1.90x
Luxury trad. midsize	2.21x	4.59x	2.08x
NL compact CUV	1.60x	2.64x	1.65x
NL full-size 1/2 ton	1.45x	3.24x	2.24x
NL midsize CUV	1.69x	2.82x	1.67x
NL midsize SUV	1.71x	2.75x	1.61x
NL trad. compact	1.54x	2.33x	1.51x
NL trad. midsize	1.50x	2.11x	1.41x
Median	*1.91x*	*3.57x*	*1.83x*

Index to baseline at a typical campaign size

**The verdict is in: Relevant Reach is better
Up to 257% better**

257%

**more segment buyers vs.
the untargeted approach**
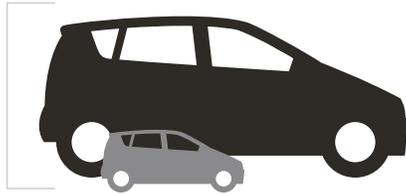
Across all segments measured, Relevant Reach for measuring vehicle sales results in an improvement that is 3.6x better than the baseline. In fact, 257 percent more segment buyers are reached vs. the untargeted approach, drastically cutting wasteful spend against non-buyers.

This makes for a powerful upfront approach that drives sales in what's become one of the most highly competitive automotive markets ever.

RELEVANT REACH: A POWERFUL UPFRONT APPROACH THAT DRIVES SALES

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Data is at the core of everything we do and we have the technology with Oracle Data Cloud to be as targeted as we can. We're eliminating waste and being more efficient with our media.

John Stremel, Media Director In-Market Retail Team, Innocean Worldwide

"

The Data Hotline ▶▶▶

Reach out today to oracle.com/thedatahotline and let's get started

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