

NORTHWOOD UNIVERSITY & AUTOTRADER.COM PRESENT:

DEALER WALK-IN STUDY RESULTS





On behalf of Northwood University and AutoTrader.com, we are extremely proud to bring you the results of the **Dealer Walk-In Study**. This study is an important one for all of us in the automotive industry. Now more than ever it is essential to get the most out of your marketing investment, and this study gives us valuable new insights about the impact of all advertising on walk-in traffic at dealerships across the nation.

One of the biggest revelations from this study was how walk-in customers initially establish contact with dealerships. While there's no question consumers are engaged in the shopping process online before visiting a dealership, dealers have commonly used phone and e-mail as the primary method for measuring the effectiveness of their online advertising. However, we now know that **four out of five consumers do not contact the dealership prior to their initial visit to shop or buy**. These findings are significant and may help enable dealers to modify their marketing plans based on actual data rather than assumptions.

We hope you find the results of this study powerful and illuminating. We believe that dealers can use this new information to help effectively navigate the day-to-day challenges of the automotive business as well as have a much clearer picture of how your advertising spend impacts your bottom line.

Sincerely,

A handwritten signature in black ink that reads 'Keith A. Pretty'.

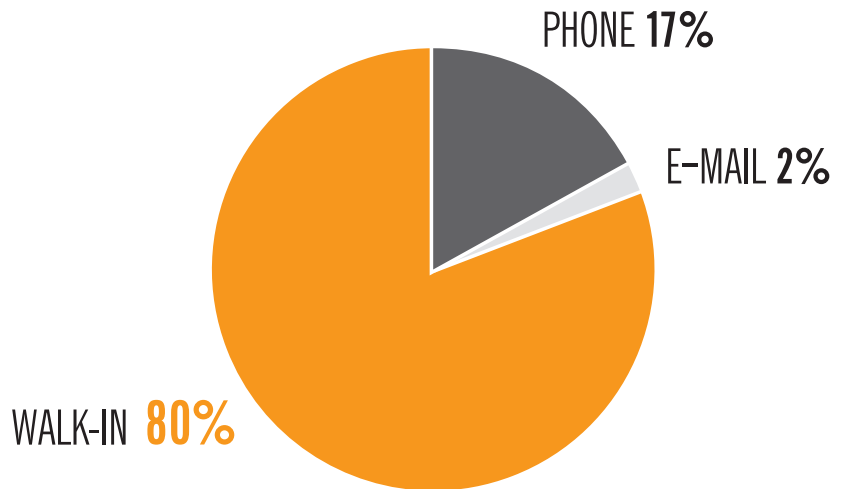
Keith Pretty, JD
President
Northwood University

A handwritten signature in black ink that reads 'Chip Perry'.

Chip Perry
President & CEO
AutoTrader.com

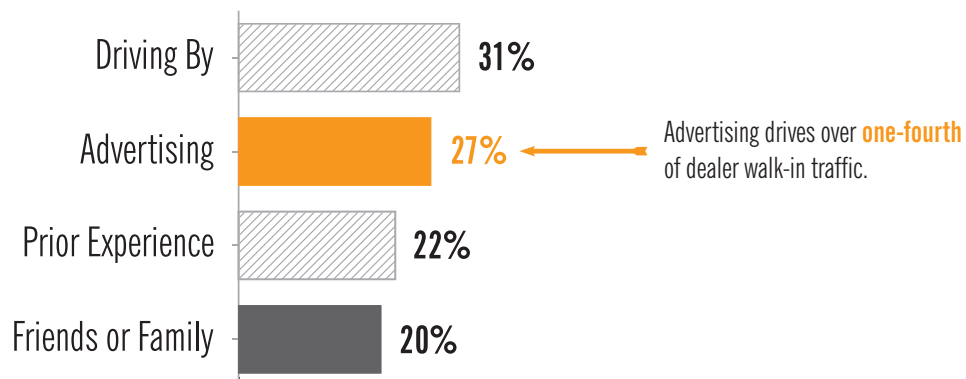
HOW DO WALK-IN CUSTOMERS INITIALLY ESTABLISH CONTACT WITH THE DEALER?

80% of car shoppers who walk through a dealership's doors do not establish contact with the dealer prior to their initial visit. That means the direct impact of advertising has been hard to measure since the majority of your customers aren't calling or e-mailing you beforehand — they're just showing up at your dealership instead!



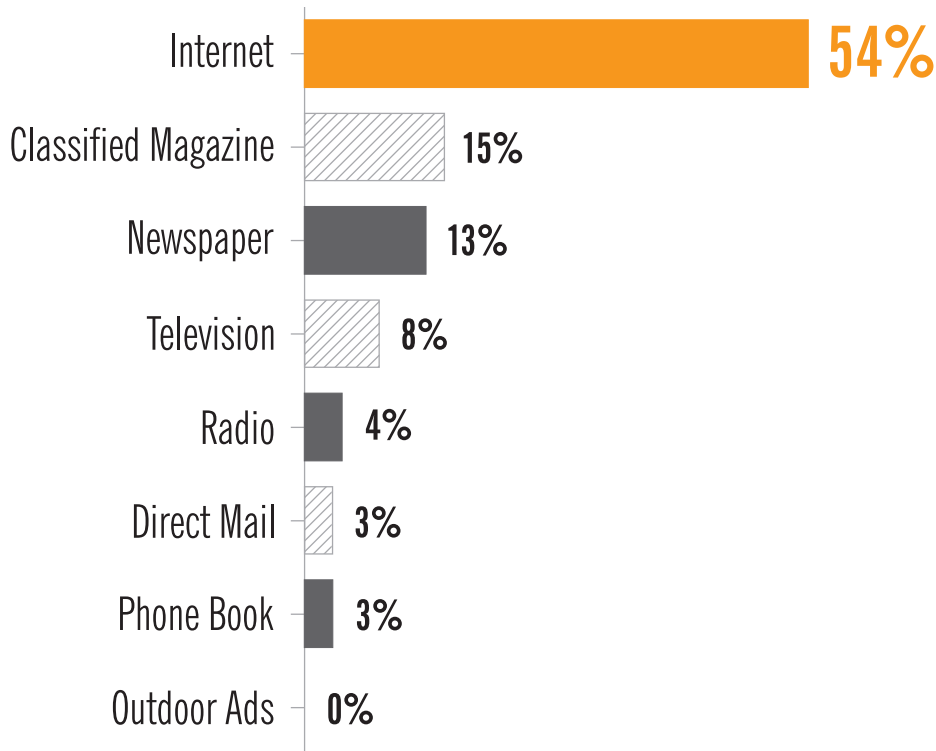
WHAT ARE THE PRIMARY SOURCES THAT DRIVE DEALER WALK-IN TRAFFIC?

Primary Source Leading to Dealership

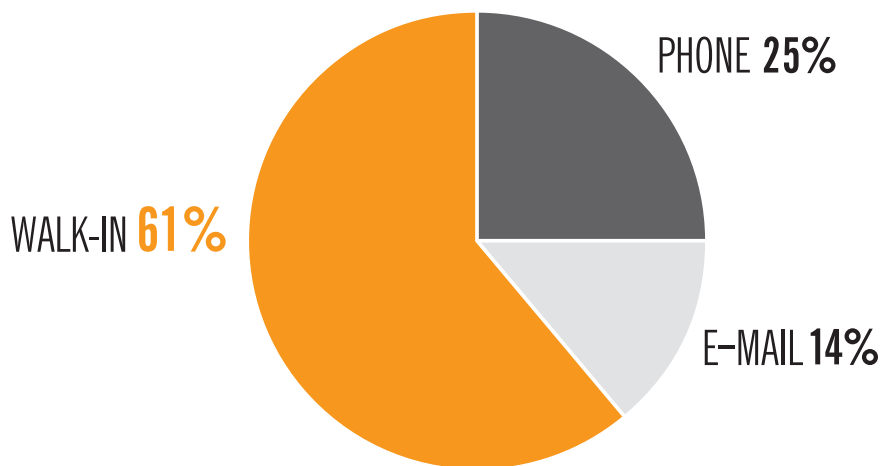


WHAT ADVERTISING DRIVES DEALER WALK-IN TRAFFIC?

Primary Media Source Leading to Dealership



The **Internet** is the number one media source driving dealer walk-in traffic. In fact, more than half of all walk-in traffic generated by advertising can be attributed to the Internet.



Of the **54%** brought to the dealership by the Internet, **61%** do not contact the dealership prior to their initial visit. Now we know that, just because car shoppers don't necessarily call or e-mail the dealership first, they are being motivated to offline action by online advertising.

ABOUT THE STUDY

In July 2008, Northwood University and AutoTrader.com teamed up for a groundbreaking study to measure the impact that advertising has on dealer walk-in traffic and to determine how walk-in customers initially establish contact with dealerships (i.e., phone, e-mail or walk-in). With the help of Northwood University students and Morpace Inc., a global market research company, car shoppers were interviewed as they exited dealerships all across the U.S.

To guarantee the most objective portrayal of the current market, car shoppers were interviewed at a variety of dealerships, which included a mix of manufacturers, independent and franchise dealership types, luxury and non-luxury brands, and new and used.

MARKETS OF PARTICIPATING DEALERSHIPS

