

The CARoi platform features advanced, dynamic ad creation technology that creates and manages advertising accounts at scale and also guarantees compliance with OEM advertising guidelines. Dynamic ad creation uses data (i.e., incentives, rebates, disclaimers) received from a number of DEP partners and from the manufacturers. This ensures that the ads presented online are always the most accurate and most relevant ad for any consumer - via search, display, video, and social channels. As a DMS-connected marketing tool, CARoi can show the dealer EXACTLY how much money has been earned from their digital marketing efforts. DEP's Automotive Marketing Strategist then uses that information to better structure the dealer's marketing strategy month-over-month to provide the highest possible return on ad spend (ROAS). The platform connects marketing investments (influence) with actual vehicle sales (profits) which dealers have been asking to have for many years!

The Problem:

Dealers are always guessing about how much is the RIGHT AMOUNT to spend on Google, Bing, Facebook, etc. What keywords are actually helping to sell cars? (and just as importantly, which ones are a waste of money). How much money should be spent on online advertising? If the dealer doesn't have a system that analyzes what they should be bidding on, then they could be throwing money down the drain. An equally critical question that is top-of-mind for dealers: *who is in-market for my brand and where are they?*

How It Works:

CARoi pulls in website and digital marketing data and matches it to all DMS sales activity, providing a report that shows dealers what IS, and IS NOT helping to sell their cars. Tying together both online and offline data, third-party vendors, manufacturers and more, CARoi provides the exact formula to produce the best results. The system has limitless automation built in that allows it to churn through data specific to campaigns to identify areas of opportunity and eliminate areas of waste.

Digital Marketing

CARoi

Nearly a decade in development, this proprietary, automotive specific marketing platform was built to be the most advanced, most transparent, and most data-driven platform in the industry.

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"Dealer eProcess grows the quality and quantity of opportunities that our group receives across all KPIs. CARoi and Insites1 are an essential piece of our monthly review and attribution analysis that allows us to increase our ROI year-over-year."

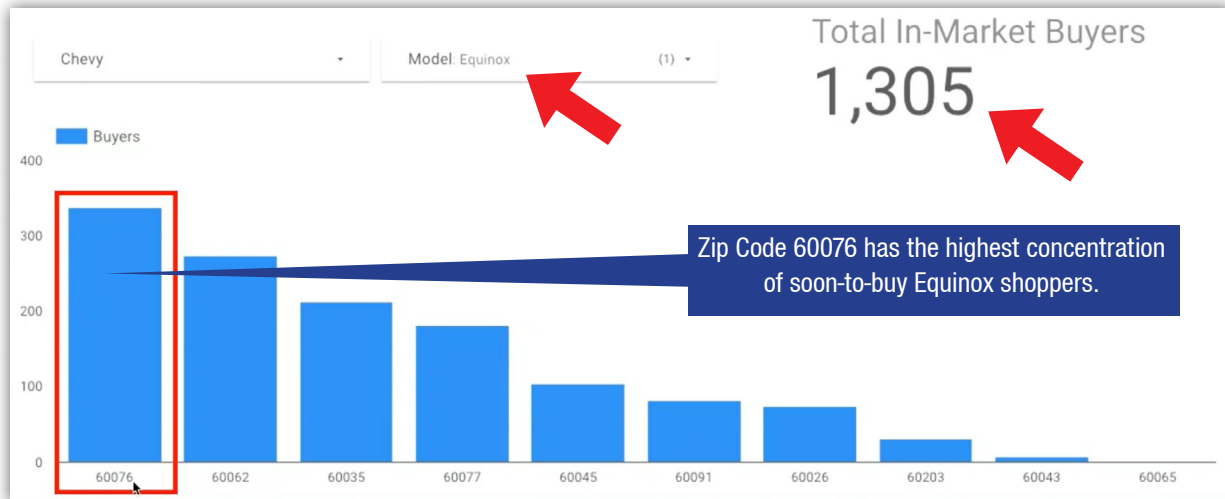
Dani Hart
Internet Sales &
Marketing Director
Pohanka Automotive Group



"CARoi's extensive data integrations and intelligence give dealers an edge over the competition but most impressive are the game-changing strategies and the incredible support our marketing strategists provide our dealers."

Gino Cipperoni
Chief Sales Officer
Dealer eProcess

Effectively Targeting Customers. The updates on CARoi this year focused on making the platform even more intelligent in the way it targets consumers. In many cases, dealers having been putting a 'pin' on the map and drawing a radius, using that area as their target market. However, there are very different audience nuances within Zip Codes, and CARoi now addresses those.



To effectively target buyers of certain models, CARoi has embraced more granular targeting to improve reach. This is where predictive buyer data comes into play. CARoi has become much more Zip Code driven. Partnering with data companies such as IHS/Polk have helped define where car buyers are located; who is in-market and ready to buy the particular vehicles the dealer has in inventory. CARoi can dial into each Zip Code and generate ad campaigns around the model that the dealer wants to focus on, delivering it to areas that have the highest concentration of soon-to-buy, high propensity buyers.

Location	Bid adj.
68122, Nebraska, United States	+70%
68132, Nebraska, United States	+70%
68133, Nebraska, United States	+90%
68152, Nebraska, United States	+60%
68154, Nebraska, United States	+90%
68305, Nebraska, United States	+30%
68371, Nebraska, United States	0%
68507, Nebraska, United States	+70%

If the dealership is advertising a Toyota Highlander, this Zip Code 68154 is revealing that there are a lot of 'soon to be' Highlander buyers. CARoi will actually increase the dealer's bid by almost 100% in order to get in front of those buyers. Conversely, Zip Code 68371 is not showing any activity for Highlanders so that is an inefficient location to spend budget dollars.

Lifecycle Advertising by Zip Code. In Zip Code 60010, specifically looking at the Acura RLX, there are 1,723 shoppers who rank in a 1-5 in terms of purchase intent – these are low-funnel, ready to buy shoppers. Rank 6-10 is 180 days out but has 2,724 interested shoppers. The dealer can now look at the best campaign to deliver in a Zip Code based on the research or purchase stage of the majority of customers.

ZipCode	Ind	Ind	Ind	Ind	Ind	Rank-1_5	Rank-6_10	Rank-11_15	Rank-16_20	Rank-21_25	Rank-26_30
0010	PPACUBRAND	ACU	BRAND	Acura	Not Mapped	909	1742	2523	2415	2026	169
0010	PPACUILX	ACU	ILX	Acura	ILX	309	447	485	607	560	65
0010	PPACUMDX	ACU	MDX	Acura	MDX	10510	1921	1137	909	856	66
0010	PPACURDX	ACU	RDX	Acura	RDX	4045	3525	2625	1891	1430	111
0010	PPACURLX	ACU	RLX	Acura	RLX	1723	2724	2349	1838	1406	130
0010	PPACUTLX	ACU	TLX	Acura	TLX	2027	2189	1700	1397	1195	104
0010	PPALFA4C	ALFA	4C	Alfa	4C	4080	4574	2928	2060	1333	95
0010	PPALFAGIULIA	ALFA	GIULIA	Alfa	Giulia	686	1792	2536	2302	2116	180
0010	PPALFASTELVIO	ALFA	STELVIO	Alfa	Stelvio	1301	1952	1918	1795	1834	175

This data impacts the bidding strategy, providing a distinct advantage within the marketplace. For existing dealers using CARoi, costs have gone down and leads have gone up. Budgets are reallocated to Zips where opportunity exists.

Conquest. CARoi uses data to isolate where buyers of the competitors' products live. The data can be sorted by buying stage: low-funnel, consideration, and discovery stage. Trying to conquest a super low-funnel customer who has already made up their mind on a competitive product could be a waste of money. Tier II campaigns run by Dealer eProcess are currently using this approach to fill their dealers' pipelines with more in-market shoppers in the region. It has provided a big boost in performance for the OEM using this strategy and is a good example of how CARoi can attack a market for a dealer.

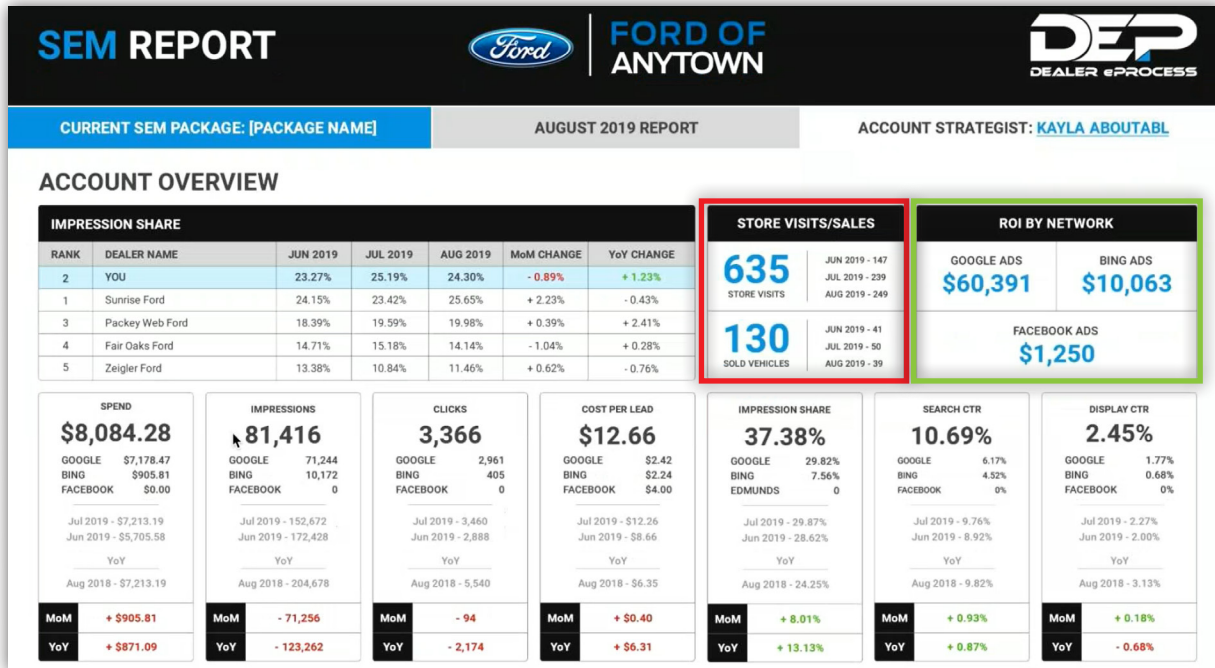
Market Research and Data. In addition to predictive data, CARoi also incorporates historical data to include where the dealer has been successfully getting sales, who they are competing with in the marketplace, if they are up or down within their brand or compared to the other dealers in the area. This data is used to create a custom digital marketing strategy for each dealership: *Where are the car buyers for their brands? And how is their specific marketplace best approached?*

Using Manufacturers' Data. NEW. In the past, AIS and Chrome Data were used for incentives or rebates, but now data is delivered directly from the OEM so the information is more accurate, timely, and intermediaries are eliminated.

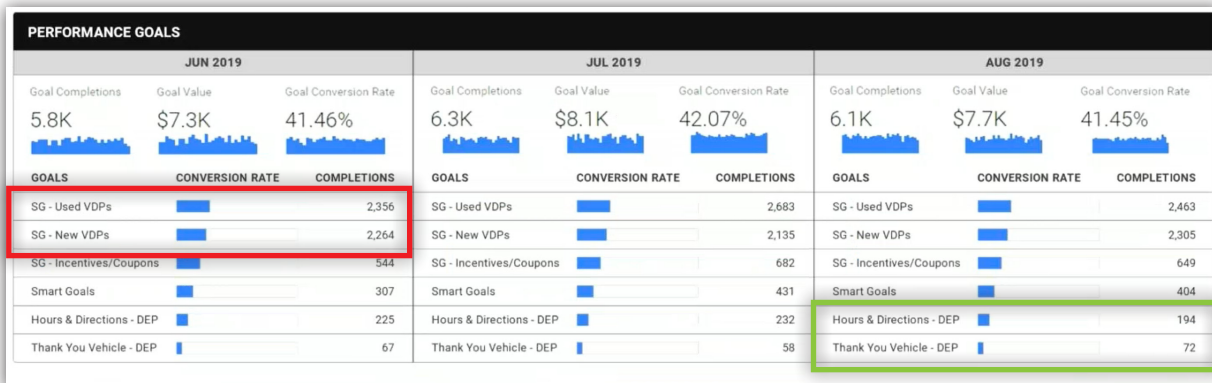
Automated Campaigns. DEP has enhanced the CARoi platform so that once the parameters are set, the system goes to work. When launching a new model campaign, the system knows it needs inventory and data feeds for rebates; it knows the campaigns that are involved and which advertising channels to market on. In the background, there are tens of thousands of tiny tweaks that are taking place every month to make the campaigns more robust and efficient; creating a lower cost per click and a higher click-through rate.

Advertising. Ads are built by CARoi and synced, by content, to the website. When the dealer advertises a specific model or offer, the user is delivered to the right page. If the ad offers 0% for 36 months, that ad text is duplicated on the website landing page and contains the inventory which that ad/offer applies to. This ensures that the user is not clicking on an ad that shows a particular vehicle offer and then delivered to a nonrelevant, generic homepage.

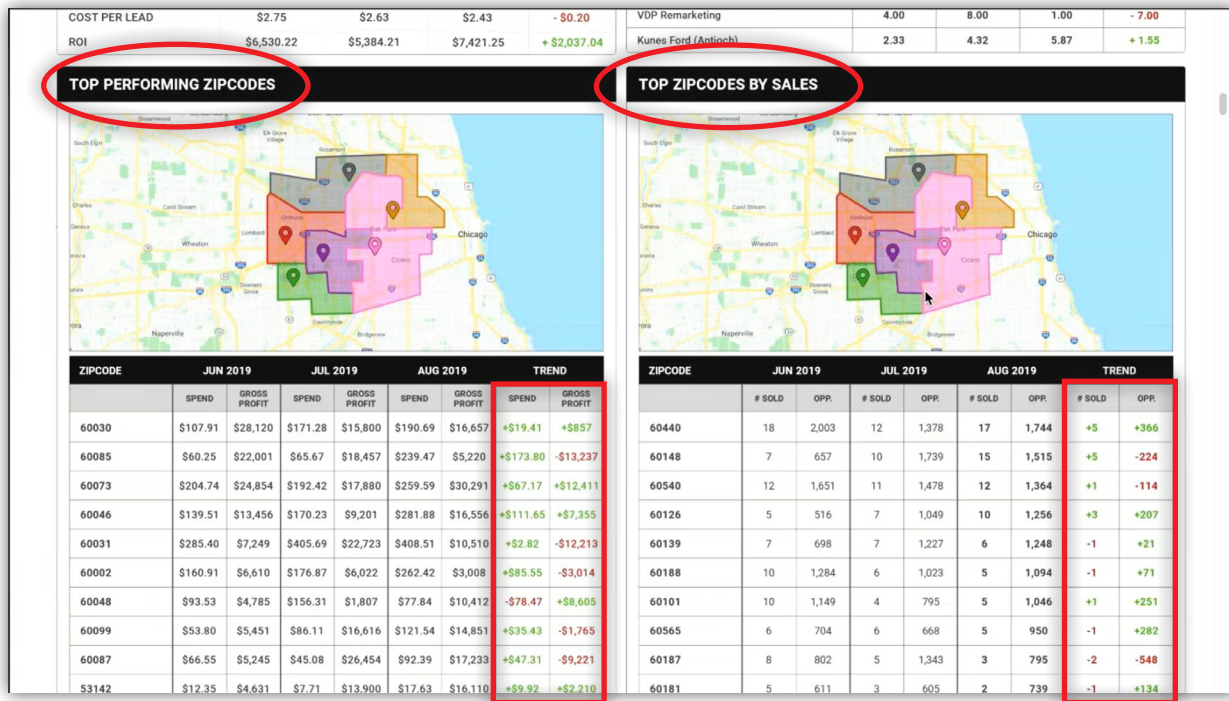
Automated Dealer Report. Provided to dealers at their preferred frequency, this Automated Dealer Report is a snapshot of every question the dealer has about their paid search: *Where is the money going? How is it being spent? How many impressions? What is the click-through rate, cost per lead? etc.* Bottom line, this report shows how much the dealership spent and how much it made; the ROI figures are front and center (see **green box**). Store visit data is provided by Google and the report shows trends, providing a 3-month comparison of store visits and sales performance (see **red box**).



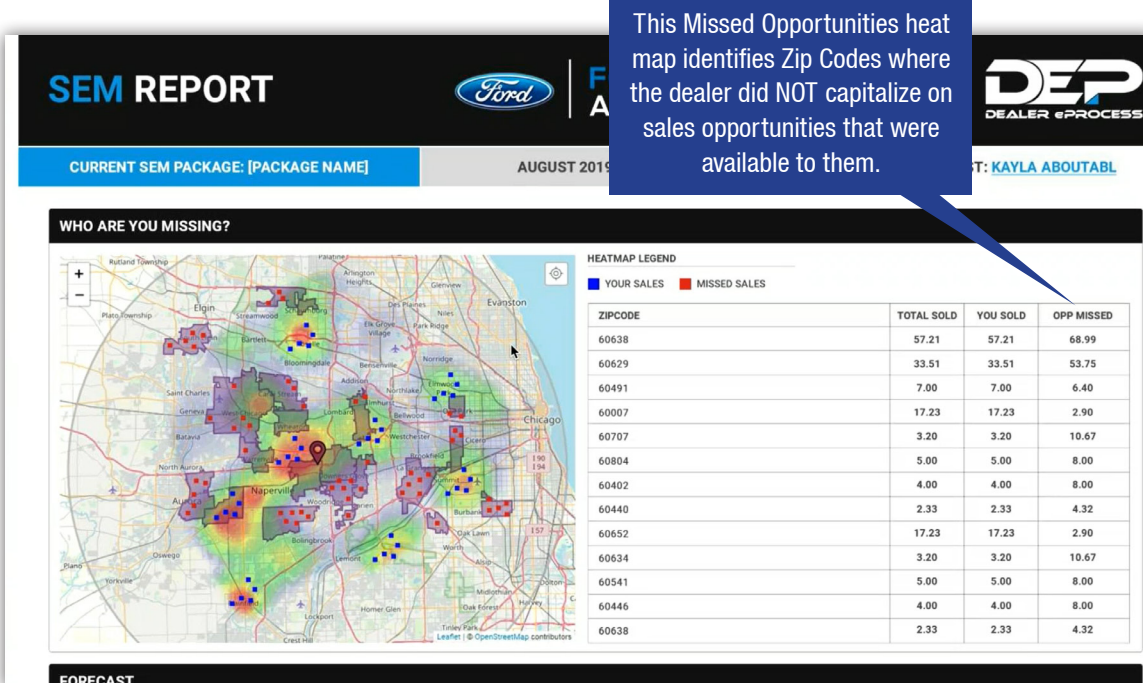
Performance Goals. CARoi monitors performance in terms of goals but also keeps a finger on the pulse for site engagement. DEP statistics still show about 70% of shoppers go to a website but don't fill out a lead or call a dealership. In order to understand how aggressively these shoppers are using the site, CARoi looks at VDP views, downloaded coupons, photo views, hours and directions, etc. to get a good snapshot of the soft conversions. Measuring consumer engagement helps CARoi optimize advertising campaigns and give their clients a competitive edge over agencies that measure campaign performance based only on leads.



The Automated Dealer Report also provides a visual reinforcement of the dollars spent by Zip Code and what the expectation of sales was in each Zip compared to what was actually sold; offering a quick glimpse at over or underperformance.

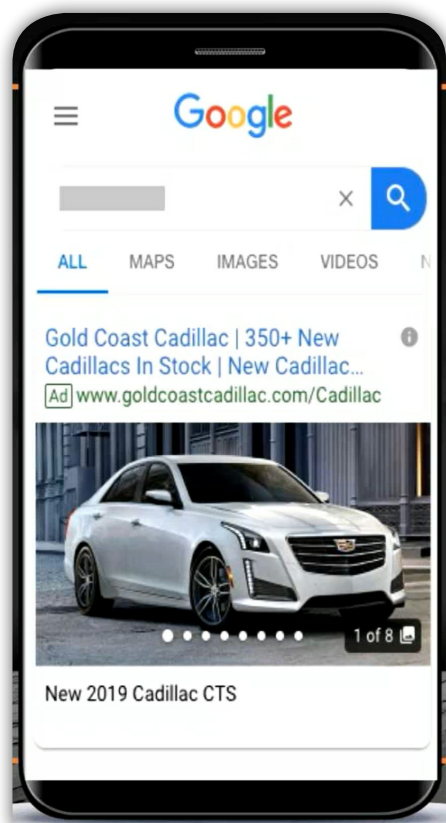


Market Potential or Missed Opportunities. NEW. A culmination of key data provides the ability to capitalize on the dealer's market potential; pulling in information from other data partners including registration data showing where customers bought, how many dollars competitors pumped into the market, and where the stolen opportunities occurred. CARoi compares overall manufacturer growth to the dealership's growth as an additional way to identify lapses in performance.



This Missed Opportunities heat map identifies Zip Codes where the dealer did NOT capitalize on sales opportunities that were available to them.

Dealer eProcess is building out a forecasting component in this tool. From a data science standpoint, the historical data in the model indicates the amount of dollars that should be spent in a certain Zip Code in order to achieve a specific goal. The forecast expands on that by offering a prediction of the improved results if the spend in a campaign is increased by 10% or by 20%, etc. It also offers an indicator on why an opportunity was missed and how to fix it.



Dynamic Paid Search. NEW. Google Gallery Ads is a new ad format which allows for scrollable images on Google SERP. It takes up much more screen space on mobile and has shown a huge boost in CTR. As an example: Gold Coast Cadillac experienced a 12.39% CTR and \$2.61 CPC with 177 clicks and 1,428 impressions. Dealer eProcess has been beta testing these with Google, and dealers have been pleased with the results.

Pricing for CARoi. The flat-rate management fee includes: Foundation Search Marketing Campaigns, Dynamic Make & Model Inventory-Based Search Campaigns, DMS Integration, Advanced Lead Tracking from Third-party Referral Sources, Dynamic Turnkey Lease/Offer Landing Pages, General Dealership Remarketing, Dynamic VDP Remarketing, Google Analytics Integration, Certified Dedicated Account Strategist, and Call Tracking.

What do dealers say about CARoi?

"Dealer eProcess has played an essential role in the growth of our business. CARoi helps us to better understand our sales trends and to identify future growth opportunities. The insights help us to track our ad spend and view the impact and effectiveness of our monthly campaigns."

Adriana Atwill
Dealer Principal
Mt. Kisco Cadillac