Consumers have grown to expect personalization, and the breadth of data collected and available to Cox Automotive is a massive advantage to be able to leverage for dealers. With the ability to understand the buying signals of 75% of automotive consumers, Cox Automotive can connect those data points and build consumer profiles of more than 125 million households. This avenue provides a more holistic view of the buying cycle versus simply responding to prior search behaviors, which is what most vendors use.

Driving 2.5X more VDP views, Dealer.com leverages buying signals and extensive intelligence about consumers browsing Autotrader or Kelley Blue Book - where nearly 2 out of 3 buyers visit prior to purchase. Interactions with manufacturer and Tier II sites, and previous visits to the dealer's website are also analyzed. Browsing information is layered with additional business intelligence integrated from Homenet, vAuto, Xtime, and data partners like LiveRamp.

Experience Optimization allows dealers using Dealer.com websites to serve personalized inventory and specials recommendations in real time to shoppers, based on their vehicle preferences gleaned from research. This personalized process results in 12% of shoppers more likely to submit a lead. The algorithms behind Experience Optimization don't just look at the particular shopper, but shoppers in general who are making these same types of decisions, and it notates the vehicles they have gone on to purchase; cross-shopping data is heavily considered. Dealer.com can see those connections and those propensities to buy because of their access to massive data bases impacting the auto purchase.

The Problem:

As today's shopper interacts with eCommerce, sometimes daily, they are consistently experiencing personalization, whether it's pop-ups of recently viewed merchandise, reminders of gifts they bought at the same time last year, or news articles relevant to a recent online search. Personalization in the auto industry has lagged behind, in some cases because platforms may require the dealer to define the rules for various types of shoppers, and that's just too time-consuming.

Digital Marketing

Experience Optimization

Uses data and platform automation to connect inventory and incentives to likely car buyers, and now, service content to consumers in-market for service.

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"Experience Optimization's personalized/recommended vehicles widget is an excellent tool to keep the shopper engaged. Based on the excellent metrics and performance, we are rolling Experience Optimization out to our sites as fast as we can; we're at 40-50% of our AutoNation stores now."

Brian Free Senior Director Digital eCommerce AutoNation



www.Dealer.com

"Today's digital marketing leaders have the data to deliver the digital experiences that our customers expect and enjoy from other eCommerce platforms. Experience Optimization closes the gap for dealers to deliver a personalized website experience without a lot of time investment."

Bob George, AVP Product Management Dealer.com

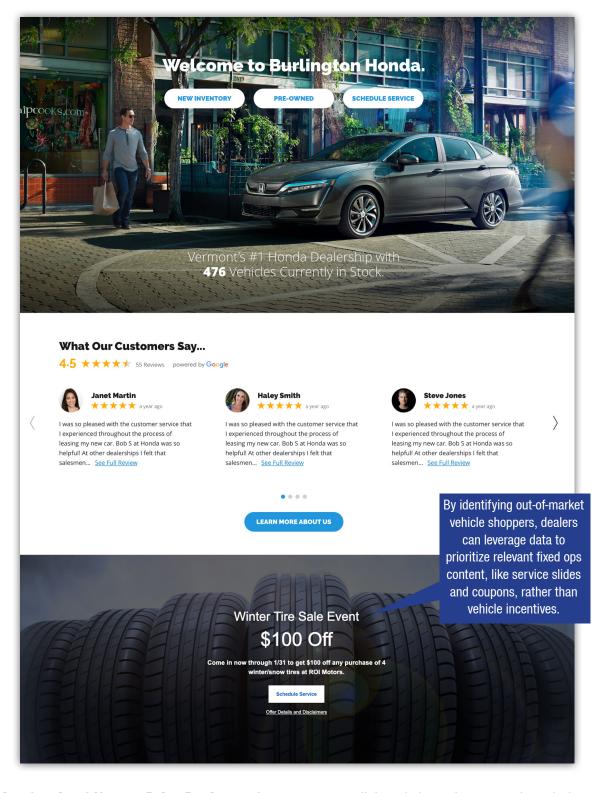
How It Works:

Personalization captures customer search data from the dealer's website (or the dealer's group of websites) as well as from KBB and Autotrader and a vast array of databases. Experience Optimization pulls user data from technology partners, paired with integrated incentive data and real-time content creation to deliver the eCommerce experiences shoppers expect. This is done without tangling dealerships in endless rule creation, asset creation, and other manual tasks. With this information, Experience Optimization can personalize 72% of first-time shopper visits to the dealer's website. Experience Optimization leverages data from the dealer's incentives feed to display the best available incentive for a shopper based on their vehicle preferences. Personalization is made easy – just a couple of action steps for the dealer OR none at all, if they choose. This tool is built to be efficient with the dealer's time – they can 'set it and forget it' so they don't have to worry about creating promotions every month.

As Experience Optimization determines what the shopper is looking for, the offers are automatically generated and delivered to them. Dealer.com's algorithm intelligently improves itself over time; making modifications to improve conversion rate. One of the many enhancements this year was the incorporation of more cross-shopping behavior.

Data-Rich Delivery. The connection with multiple technology partners provides Experience Optimization with access to the year, make, model, body style, MPG, mileage, and price of the vehicles that the consumer has searched. Content can also be prioritized based on a shopper's interests in features such as performance or safety. When the consumer lands on the dealer's website, even if it is their first time, the shopper can be recognized from their KBB or Autotrader interactions, and their experience is customized and made relevant to them. As the shopper continues to search on the website and view different vehicles, the collected data is updating in real time and the relevant content is matched and displayed.

The Value of Service Merchandising. NEW. Dealer.com is focused on harnessing data to determine where the customer is in their ownership life cycle. The dealership shouldn't be delivering sales or incentives messaging to a customer who just purchased a car, they should, instead, be familiarizing the new owner with the appropriate service options. Websites often ignore or neglect a gigantic part of a dealer's business: fixed operations. Fixed Operations nets only about 30% of the \$380 billion parts and service market, yielding 70% to third parties.



Using Service Offers to Drive Business. Consumers may click and view relevant service ads for the dealership while browsing the web. Alternatively, on the dealer's website, they may be delivered personalized, service-related content offers relevant to their vehicle lifecycle. Dealers can maximize this in-market traffic to bring vehicle owners into the dealership for service and, for new owners, to offer after-market accessories.

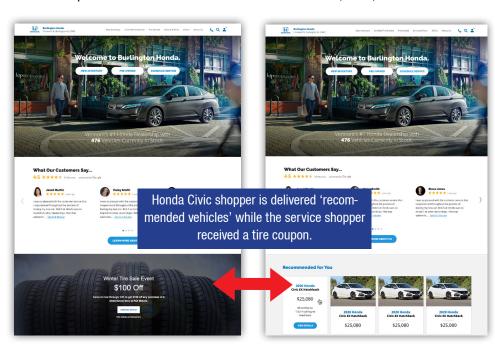


Creating Service Offers. When a dealer creates a service coupon for an oil change, they simply put a check mark beside the various assets they want created. Previously that would have only generated a coupon on a specials page under 'Service.' Now, the dealer can have slides and banners as well. Banners can be added to any page on the site while the Slider is normally found on the home page. The dealer sets the run dates and publishes with a click.

Dynamic Content Targeting. Experience Optimization allows specials and incentives assets from Specials Campaign Manager, including slides, banners, and coupons, to be automatically re-ordered based on the user's browsing data to ensure the most relevant and engaging content is displayed to shoppers.

The Personalized Experience. The homepage features a 'Recommended Vehicles' section (see red arrow) that is populated based on this personalized data from the dealer's website, KBB, and Autotrader.

If the consumer is identified as "out-of-market" for inventory, they will be served a Service-related ad. (See comparison example to the right).



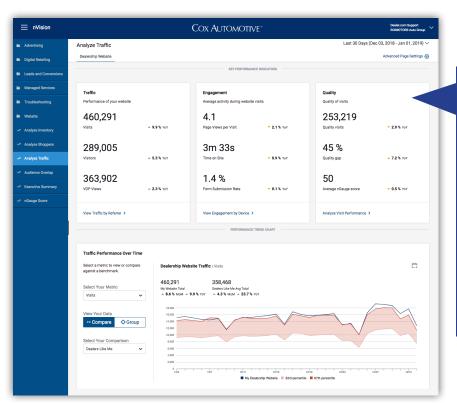
Across the dealer's website - including home page, vehicles listing page, promotions page, VDP, parts & services - the shopper will continue to be presented with consumer-specific incentives, specials, and images that are most related to the vehicles they are viewing. Featured incentives displayed in banners are designed to be mobile-friendly.

Automated Incentives. An additional benefit of Experience Optimization is the automated building of incentives slideshows, banners, and coupons for deployment across the site. Ads, banners, and slides are developed automatically using the incentives from the dealer's existing incentives feed.

For example: A customer is researching a specific model on KBB.com, but when they arrive on the dealership's website, a special for that particular model has not been created – so the shopper has to search for it. With Automated Incentives, a creative asset is generated AND deployed in real-time alongside the applicable vehicles they were researching, providing the best available incentive for that model.

This automation saves the dealership a significant amount of time, especially at the beginning of the month, and delivers a more relevant shopping experience for the consumer. With Automated Incentives, dealers don't need to create specials campaigns for every make/model combination. Instead, they can focus on the vehicles and/or services that really match their business strategy. During a personalized visit, the newly-created asset featuring the closest 'specials match' is put in the first available slideshow position. This creates a much more efficient personalization process for the dealership and the consumer.

Reporting: Measuring the impact of Personalization. Available in ControlCenter, interactive reporting allows dealers to toggle between regular visits and experience-optimized visits to view the differences in engagement. Dealers can see for themselves how the personalized experiences assist shoppers and impact key website performance metrics, including quality visits, VDP views, and conversion.



Analyze Traffic Report.

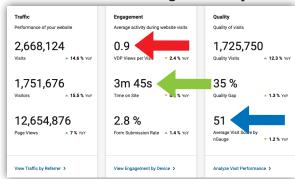
To see Experience
Optimized visits, dealers
need only click on
'Advanced Page Settings'
and adjust the toggle to
'Experience-Optimized
Visits Only,' which restricts
the data in the report to
personalized visits. The
dealer can see changes in
website engagement and
traffic quality by toggling
between these two
data sets.

Analyze Traffic Reporting Example: AutoNation, December 2019 The left box indicates the summary of all traffic, engagement, and traffic quality, while the right box singles out those same metrics for the visitors that see the personalized/recommended vehicles widget. (Note: AutoNation does not have automated incentives turned on for all of their stores currently.)

Here are the comparison statistics:

- VDP Views per Visit went from .9 to 2.5 when personalized vehicle recommendations were shown. (see red arrows)
- Form submission rate went from 2.8% to 4.1% when recommended vehicles were shown.
- The nGauge Visit Score, which measures traffic quality, went from 51 to 77 when recommendations were shown (see blue arrows)
- The Quality Gap, which measures quality traffic versus total traffic, was only 3% when recommendations were shown.
- Time on Site went from 3 minutes, 45 seconds to more than 10 minutes when vehicle recommendations were shown. (see green arrows)

All website traffic during the time period:



Experience Optimized Visits: More VDP views, longer time on site, higher form submission rate, higher nGauge score.



What do dealers say about Experience Optimization?

"We are a big believer in giving customers a personalized website experience. Users expect it now based on their other online shopping activity. Almost 98% of today's auto shoppers visit a Cox Automotive website property at some point in their journey. In our partnership with Dealer.com, they are able to identify customers on the internet and know their shopping intention. Based on that intelligence, AutoNation dealers can serve up unique content that is meaningful and relevant to match what shoppers have already been viewing in multiple locations. Generic website banners no longer resonate with customers. It makes more sense if they were looking at Ford F-150s, to show them the specific offers on that vehicle, along with inventory pre filtered to just F-150s. Experience Optimization's personalized/recommended vehicles widget is also a great tool to keep the shopper engaged with inventory. Experience optimization helps us drive good quality, low-funnel ready to buy customers to convert more often. Our metrics show that customers are now spending more time on VDPs; and we're getting better click through rates, as compared to a non-personalized experience."

Brian Free Senior Director Digital eCommerce AutoNation