

Marketing solutions for

THE AUTOMOTIVE INDUSTRY



INSIDE

- Connect with new buyers
- Drive traffic to your dealership
- Market after-sales service





3 **A message from our CEO**
Our mission: to help you move forward and build your business.

4 **Challenges facing retailers today**
Attracting and retaining customers in the post-disruption era.

6 **The power of physical**
How direct mail can help move your automotive business forward.

8 **Success story**
How Ste-Thérèse Toyota is using direct mail.

9 **Getting started with direct mail**
Targeting services and Canada Post partners that help you connect with your best prospects.

13 **Your direct mail design checklist**
Tips that can help you make direct mail work for you.

A MESSAGE FROM OUR CEO



“ Our goal is to provide you with actionable insight you need to thrive in today’s competitive automotive sector – and we’re excited to help you move your business forward. ”

– Doug Ettinger, President and CEO, Canada Post

The automotive sector is vital to Canada’s economy, contributing over \$19 billion to our GDP, and employing over half a million people in manufacturing and aftermarket services and dealership networks.¹ Canada Post is committed to supporting our automotive sector. We know the recent health crisis caused a precipitous drop in auto sales, with dealerships shut down across the country. We know manufacturers and dealerships are working to reconnect with buyers and get them back into their showrooms. And we know you’re doing all that in a highly competitive market where lingering economic uncertainties are forcing some consumers to postpone big ticket purchases.

Marketing will be key. But with so many options in marketing today, it’s hard to know what approach will deliver the best results. How do you stay connected with current customers while attracting new buyers to your dealerships? How do you get your name and brand out there so that when people are ready to kick some tires or take a test drive, they think of you? How do you get traction for special offers and incentives?

We believe that direct mail – what we call Canada Post Smartmail Marketing™ – is one of the best choices for the automotive sector. That’s why we created this important resource about how direct mail can help you overcome the challenges and take advantage of the opportunities you’re facing right now.

We’ll show you how you can reach your best prospects with our powerful targeting tools, resources and partners. We’ll show you how direct mail can help you build awareness for your brand. And we’ll show you how you can use direct mail to get people to your dealership and website.

Our goal is to provide you with actionable insights you need to thrive in today’s competitive automotive sector. And we’re excited to help you drive your business forward.

A handwritten signature in black ink, appearing to read 'D. Ettinger'.

1. [Government of Canada](#)



5 key challenges facing the automotive sector today

The automotive sector was heavily impacted by the recent health crisis, which forced dealerships to close and caused dramatic drops in sales volumes. As the world works its way through recovery, marketing will be a key to reconnecting with buyers. You need to be savvy to succeed on the new landscape – and it all starts with better understanding it.

Take note of these 5 key challenges facing the automotive sector today

1 Disruption

The recent health crisis shut down auto manufacturing and shuttered dealerships across the country, leading to steep declines in sales. The economic impact of the crisis and uncertainty going forward are certain to weigh heavily on consumer minds when making big ticket purchases like a new car. But even before the crisis, the industry was facing other disruptions, including the increasing reliance of many on ride hailing apps and car sharing. Not to mention the continued trend toward online car buying and its impact on the long-term prospects of dealerships.

2 Competition

Automotive is one of the most fiercely competitive sectors of the economy – and the competition is only going to become more intense as the economy starts to recover.

3 Shifting values and needs

Consumers had to adapt to new habits and ways of doing things during the recent crisis. The trend toward working from home could reduce demand for automobiles, as could the financial shocks felt by many. At the same time, a reluctance by commuters to return to public transit could be a plus for the industry. And, concerns about the environment are likely to continue driving change and innovation in the sector.

4 Marketing channels

Connecting with buyers and owners has never been more important nor more complex. The automotive sector was an early adopter of digital and social channels. But with everyone vying for attention online, is that the best or only way to stand out during these challenging and changed times?

5 More to do, less time and money to do it with

During the recovery, manufacturers and dealerships will be operating in a time-crunched, volatile environment where every dollar spent affects the bottom line. The solutions for acquiring and retaining customers need to cut through the daily clutter and work.

The good news

These challenges are also opportunities that informed automotive businesses can seize. Keep reading. In this resource we'll show you how direct mail can be used, targeted and integrated with digital to help you better connect with and attract the buyers you need to succeed.



THE POWER OF PHYSICAL

How direct mail can drive your business

STAY TOP-OF-MIND

The numbers: 79% of Canadians save print advertising brought into the home, 68% of us are likely to share that direct mail, and 34% of us always or sometimes display advertising mail of interest to us at home.

The insight: Direct mail physically puts your message directly into the hands of potential buyers in their homes. Because it lingers, your direct mail can continue to work for you after it's delivered.

The tip: Whether it's to visit your website or take advantage of a limited-time offer, make sure your direct mail includes a clear call to action.

MAXIMIZE TRAFFIC DURING PROMOTIONS

The numbers: When you add direct mail to your digital campaigns, you drive 39% more attention, 10% higher brand recall and 5% greater emotional response.

The insight: You've got to maximize every opportunity to stand out, win people over and convince them to visit your website or dealership. Auto manufacturers and dealerships use direct mail to drive attention for promotions.

The tip: The Canada Post Neighbourhood Mail™ solution can be used to ensure your dealership's name gets into every home and apartment that meets your demographic criteria, anywhere across Canada.

TELL A BIGGER STORY

The numbers: People spend 186% more time with campaigns that integrate digital and direct mail than they do with digital-only campaigns.

The insight: Buying a new vehicle is a big purchase decision. Consumers want and need lots of information before they buy. Direct mail gives you more space to tell your sales and service story.

The tip: Direct mail can take many forms and can include results tracking mechanisms like promo codes, QR codes and marketing URLs.



DRIVE AUDIENCES ONLINE

The numbers: 64% of people visited a website after receiving direct mail¹ and 54% engaged with social media after receiving direct mail.²

The insight: Online is the go-to place for people considering a new vehicle – and allows you to capture valuable data on your customers.

The tip: Use direct mail to encourage website visits to learn more or take advantage of special offers.

EXTEND YOUR REACH

The numbers: More than 1.9 million Canadians live in apartments or condos – and only Canada Post delivers mail to those addresses.

The insight: In large urban centres, you'll find singles, millennial couples and retired boomers in residential towers – all potential buyers.

The tip: Get results by using direct mail in a target-rich environment like this.



Integrate your mix

Did you know that compared with single-media digital campaigns, integrated direct mail and digital campaigns elicit significantly more attention?

It's true. People spend 186% more time with integrated direct mail and display campaigns than display-only campaigns – that's 40 seconds vs. 14 seconds. The trick to successfully integrating your mix is to ensure items online have the same look, feel and tone as the items you send in the mail.

1. Swiss Post. *Comprehensive Mail Study*, 2014.

2. Royal Mail MarketReach. *The Private Life of Mail*, 2015.

Success story

Direct mail has long been an integral part of the marketing mix in the automotive sector. The following Success Stories provide examples of smart use of direct mail that delivered significant returns.



Ste-Thérèse Toyota



**STE-THÉRÈSE
TOYOTA**

First, they were enticed by an unbeatable offer, delivered to their mailbox. At the dealership, the personal touch closed the deal.

Going the extra mile to serve customers

Ste-Thérèse Toyota is among the leading car dealerships on Montréal's North Shore. With superior quality, its service ranks first in a large customer satisfaction survey.

Since it opened some 40 years ago, the company has been known for the high value it places on building customer loyalty. And it pays off: up to 55% of customers renew their leases with the dealership.

Listen, offer, succeed

The car sales and lease market is ferocious, and some consumers prefer one brand over another for reasons that are more emotional than rational. So, dealerships set themselves apart with a strong reputation for catering their clients' expectations – a strategy that Ste-Thérèse Toyota masters very well.

For instance, during the spring 2015 Toyota Red Tag sale, the dealership expressed its gratitude for its customers' loyalty with exceptional offers: \$500 cheques, mystery discounts, interest-free rentals, financing at 0.99%, and free TVs.

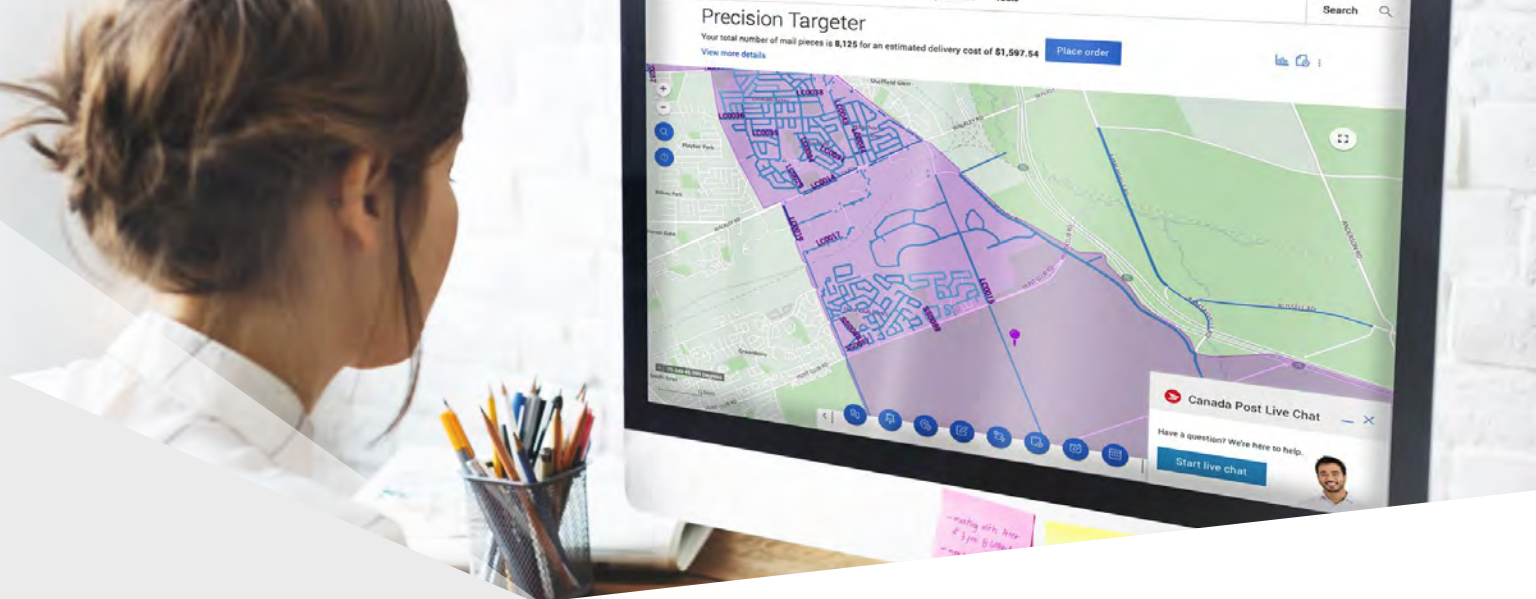
On the fast track to success

Instead of the usual roadside billboards, ads in the local newspapers and reminders on its website, the dealership decided to add Unaddressed Admail™ (now Canada Post Neighbourhood Mail™) to its media plan. Some 88,000 addresses were chosen using Canada Post's Precision Targeter™ and lists provided by Toyota. The number of \$500 cheques cashed at the dealership clearly shows the campaign's success. "We won over clients who had been driving competing brands until now," says Sysavath Douangmala, Sales Director at Ste-Thérèse Toyota. "These new customers enjoy our great customer service and they are spreading the news. The effect of that promotional mailing is still being felt today."



Getting started with direct mail

Determining who to target is critical to the success of your campaign and Canada Post offers options on how to approach this important step: you can do it yourself with Canada Post's online tools, or for more complex targeting, you can work with a Canada Post Data Advisor. If you need support with more than targeting, one of our expert partners can help you from start to finish.



CANADA POST'S PRECISION TARGETER™

Finding the people that you most want to target is a critical success factor for you. We can help you achieve this goal, thanks to our free and easy-to-use turnkey solution, Precision Targeter. It helps you home in on prospects with the most potential. With its interactive maps and rich demographic data such as age, income, education and marital status, Precision Targeter can filter searches based on 14 demographic categories so that campaigns are more likely to resonate with the kind of prospects that make the most sense for you.



MILLENNIALS

Millennials are entering the life stage where they have more income for big ticket purchases like a new car – and may be starting to look for family size vehicles. To reach this cohort using Precision Targeter you could select these filters:

Age range: 23-37

Household income: \$80,000+

Marital status: Married, common law



GENX

These individuals are nearing the peak of their careers and more able to treat themselves with higher-end vehicles. To target this cohort with Precision Targeter, you could select these filters:

Age range: 40-55

Household income: \$200,000+

Marital status: Married



BOOMERS

Often affluent, boomers may be looking to downsize from a larger vehicle. To target them with Precision Targeter, you could select these filters:

Age range: 56+

Household income: \$150,000+

Marital status: Married

Learn more about Precision Targeter at canadapost.ca/precisiontargeter.



CANADA POST DATA ADVISORS

Running campaigns can be complex and time consuming. Canada Post can handle that work for you and make sure you maximize results. A Canada Post Data Advisor can do the following to optimize your campaign while respecting your budget:

- Provide best practices based on other automotive experience.
- Work with your marketing partner or team to develop and integrate customized tools for conquering programs.
- Recommend targeting options for your customized geographic boundaries.

- Leverage additional household-level demographic and psychographic data from third-party sources to enhance targeting.
- Review how to optimize campaigns with demographics, behavioural or business attributes.

Take targeting to the next level with our Data Advisors.

CANADA POST'S SMARTMAIL MARKETING PARTNER™ PROGRAM

Canada Post is connected with more than 250 partners across the country who are direct mail marketing experts. Automotive businesses use partners for a variety of reasons:

- to develop creative that drives consumer attention, emotional engagement and brand recall;
- to better integrate their marketing mix across channels;
- to ensure their mailings meet all print and processing requirements.

In addition, you can access targeting and campaign integration through a designated Smartmail Marketing Expert Partner™. To connect with our expert partners and local partners, visit canadapost.ca/directory or see the list on the following page.



Smartmail Marketing
Partner



If you are looking for a Smartmail Marketing partner with expertise in servicing the automotive industry specifically you may want to reach out to:

AbsoluteMail SOLUTIONS

absolutemailsolutions.ca
519-455-8600
David Hocking,
General Manager
dave@absolutemailsolutions.ca

One to One

onetooneemailing.ca
1-888-561-1764
Craig Freer
Sales@onetooneemailing.ca

OTC Automotive

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1-888-235-2735 Ext. 101
Len Larose,
President & CEO

Suly

514-990-7265
1-877-445-2922
Samuel Th  berge Duchesneau,
Vice President Operations
& Finance





Your direct mail design checklist

To optimize your direct mail for results, make sure it has these features:

- ✓ **A strong call to action:** Whether it's to visit your website, to take advantage of a limited-time offer, or to take a test drive, make sure your call to action is specific, easy to understand and easy to find.
- ✓ **Clear and concise text:** Don't overload the page with too much copy, it's a turn-off.
- ✓ **Simple design:** Avoid cluttering the page – that makes it harder to digest your message.
- ✓ **Action-oriented words:** Use clear and concise language to motivate your audience.
- ✓ **Eye-catching visuals:** Use high-contrast imagery and bright colours – it can make your piece stand out.
- ✓ **High quality:** Use high-res images, good paper stock and a reputable printer. Proofread your copy. This will strengthen your trust factor.

Learn more about how to create direct mail that works
in our new *Essential Guide to Direct Mail: Everything You've Ever Wanted to Ask*.
canadapost.ca/guidetodirectmail



Drive your automotive business forward with Canada Post

To learn more about integrating direct mail into your marketing mix, visit canadapost.ca/betterresults, connect with your Sales Representative or call our Commercial Service Network at **1-866-757-5480**.



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