

# GeoMarketing:

Helping Canadian Dealers find the Special Finance Customer

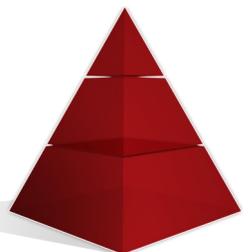
*By Lucie Gauvreau*

**M**ost marketers spend 90 percent of their time creating the perfect offering and 10 percent of their time finding a perfect audience. The secret is to reverse the ratio: spend 90 percent of your time finding the right audience. I call this finding hungry fish." ~ *Robert G. Allen*

Did you ever feel like advertising the special finance services of your dealership was like throwing darts in the dark? Privacy laws being what they are, Canadian dealers don't have access to the same lead generation tools their American counterparts have when it comes to finding special finance prospects, hence, they don't know where to spend their advertising dollars.

Dealers have no real access to credit scores, mortgage information, and financial data and are unable to directly solicit people who are currently bankrupt from available lists. As a result, many dealers feel the only way to advertise their special finance department is by adding a little tagline about their second chance programs at the bottom of the advertising pieces promoting their "traditional" sale and financing services. This is a major error!

Trying to be all things to all people often results in being nothing to nobody!" Many of your special finance prospects had to go through the embarrassment of a refusal at another franchise dealer and will often falsely perceive your traditional dealership as ill equipped to help them in their special financing situation.



**You also have to remember that advertising involves subconscious associations. Just like we talk about something being at the top or the bottom of our priorities, placing your special finance message at the bottom of your traditional advertising will create an instant and potentially negative opinion of your organization in your prospect's mind.**

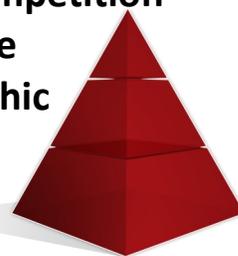
**What is the answer? Follow what special finance experts like Paul Snider have been teaching for years and treat the special finance department like a brand new profit center...and that includes the marketing! Give your special finance department an identity and a message of its own, and then bring that message to a specific audience that will respond and generate for you the best results.**

**How do you find this audience? Discover GeoMarketing!**

**GeoMarketing gives you the knowledge of a market as if you had been part of it your whole life - without ever being part of it. GeoMarketing has the power to animate and give new life to all types of data, which at its best, could only previously be compiled on tables and charts and it will help you sort and view all this information geographically.**

**We started using this new technology for some of our dealer/clients to help them better target special finance customers with their direct marketing approach. The results were very impressive and trust me, it will provide your dealership with a new and unprecedented outlook on the special finance landscape in your territory.**

**With this new approach, we were able to target our clients' markets and help them better define their business strategies and market niche. Literally, we helped our customers blow out their competition by letting the map speak about elements like customer base provenance, segmentation, sectioning and socio-demographic profiling.**



## **Customer base provenance -**

**Tell me where you come from and I'll tell you who you are...**

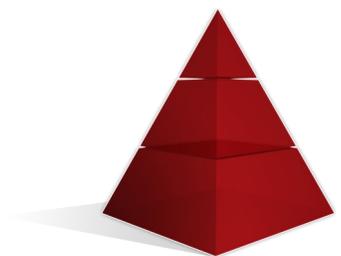
**Are your special finance customers really who you think they are? Don't laugh! We discovered over the years that most of our clients do not have a clear picture and understanding of the prospects they are advertising to. It's already hard to market to people you know... imagine trying to do so with prospects you don't?**

**GeoMarketing can really help here. Not only were we able to define the major zones of concentration of our customers' special finance customer base, but because we were also able to help them determine their profiles.**

**Using the same technique you could save time and money by being able to:**

- ♦ **Redirect your marketing plan in terms of communication by targeting your actual customer base;**
- ♦ **Avoid customer cannibalization or territorial overlaps within your present and future points of sale;**
- ♦ **Foresee the impact a competitor might have on your customer base.**

**Never forget that if your products and services are constantly evolving... so is your customer base!**



## **Segmentation - an image of a population's economic behaviour**

Segmentation allows you to classify small territories by using easily identifiable labels. It simplifies a market analysis by giving an overall view of the area instead of trying to study demographic variables by themselves.

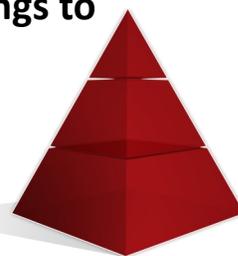
When building marketing segmentation, the variables used are those that best explain the population's economic behaviour. They include such variables as age of population, income, average rental costs, educational levels, language, profession, etc.

We can even adapt this new segmentation to the specific needs of your dealership, the areas in which you do business and the portions of those areas. Furthermore, the segmentation acts as leverage when defining business potential. In fact, a good segmentation will even allow you to calculate special finance business opportunities in a realistic context.

### **A personalized segmentation at your fingertips**

Because of the geographical nature of the GeoMarketing segmentation, you can use it with any type of information you have on hand that has a geographical reference. It's even possible to map out the information and allow for a clear and visual representation of the relationship between different niches of the market and the existing penetration of your special finance offering.

Contrary to most existing models on the market today, the GeoMarketing segmentation developed by our strategic partners concentrates on the specifics of each different province, which brings to light subtleties that are too often lost in a more general Canadian perspective contained in other models.



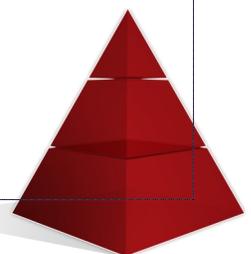
## **Sectioning - the key to a great start**

**Sectioning, or mapping delimitation, is a crucial step that has to start the GeoMarketing process. It enables us to obtain an incisive profile of what makes up a territory. It reveals each market area's strengths and weaknesses, and thus enables us to begin various works such as territorial hierarchy, optimization, potential, etc.**

**It is important to grasp that any sectioning stems essentially from market realities specific to the industry in which you firm operates and can take into account the administrative and/or political links within the territories to be sectioned.**

**The criteria and variables we study for our clients as part of a given region's sectioning are as follows, without any order of priority:**

- Demographic barriers: residents' socio-demographic profiles (income, age, unemployment rate, etc.) and their consumption habits;**
- Geographical and/or psychological barriers: highways, bridges, rivers, parks, golf courses, railroad tracks**
- Major trunk roads (highways and boulevards) as well as local users' traveling or commuting preferences (how and where they go into and come out of the market);**
- Commercial area evolution: mix and distribution, scope, appeal, exhaustion, maturity and moves;**
- Major residential areas: dwelling types, growth, development**



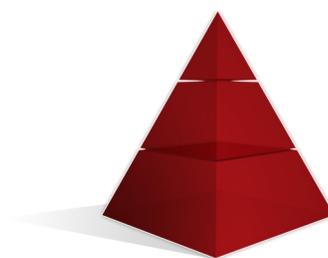
## **Socio-demographic profiling - knowing who you are after**

**This analysis allows you to profile the population in the territory in which you are doing business or would like to do business.**

**These days, when operating in an open competitive market, being aware of consumer trends and attributes is an undeniable advantage. A socio-demographic analysis allows first-hand knowledge of your customer base so you can target activities, niche your products and take full advantage of the market's potential.**

**Presented in a map format, this analysis will illustrate for your dealership the market's composition as well as its diverging and synergistic aspects. Furthermore, the descriptive analysis can include such information such as:**

- Household income;**
- Residential real-estate values;**
- Owner occupied percentage;**
- Average age;**
- Educational levels;**
- The spread of expenses;**
- Unemployment rate;**
- A multitude of other variables, which may help you to better know your market.**



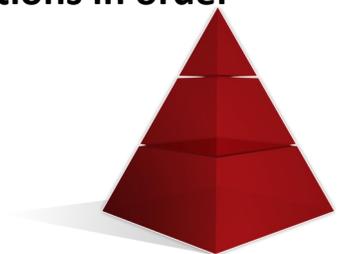
## **Better understanding the special finance customer-leveraging existing sales figures**

**GeoMarketing also consists in knowing more intimately the company's existing consumer clients in order to better serve them and try to influence those with similar profiles. This approach not only allows you to acquire a more in-depth knowledge of tools necessary for understanding clients and prospects, but also opens doors to many other initiatives. The various databases' comparative analyses could enable you to achieve the following:**

- **Focus energies on the right priorities;**
- **Communicate better so as to influence your prospects more easily and faster;**
- **Establish a parallel between the network (banner type) and the client base;**
- **Understand markets and set development priorities;**
- **Understand the dynamics specific to each client environment (web vs. point of sale)**
- **Target client behaviours and habits to better react;**
- **Identify target clients' locations and develop a more thorough knowledge of each point of sale's environment.**

**To get to know your clients more in depth, I suggest a down drilling into three pillars of client knowledge: the market, transaction data concerning clients, and client behaviours and habits.**

**Effective segmentation of one or another of these backbones will enable you to discover a gold mine of information. Each dealership can evolve at its own pace in delving further into client knowledge; it only has to efficiently engineer the sequence of operations in order to maximize its chances of success.**



**Remember that any plan bears value solely when carried out through action. A GeoMarketing strategy is no end in itself; its success is revealed strictly in its execution. Your GeoMarketing plan and its methodical follow-up will provide together the best guarantee that your dealership will provide together the best guarantee that your dealership is on its way to implementing your mission and bringing to life the vision you have nurtured for it.**

*Lucie Gauvreau is the CEO for Turbo Marketing Solutions, one of this country's most result oriented special finance marketing companies.*

