



How Online Stars Sell Cars

The Impact of Online Reputation on Sales

Executive Summary

What's the ROI for managing your online customer reviews? Until now, the results were based on more of a hunch than a science.

Recently, Reputation.com analyzed how one of the nation's top three automakers was perceived on the internet and discovered a significant

relationship between online reputation and auto sales.

Reputation.com found that **dealerships that improved online reputation scores achieved a 40 percent lift in sales over those with diminished scores.**

Read on to learn how we helped improve their reputation and drive revenue.

Consumers Changed The Game

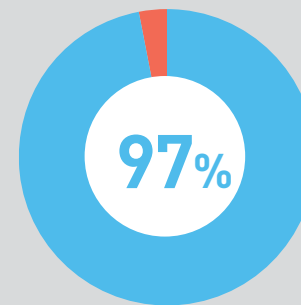
For decades, car shoppers made multiple visits to different dealers before making purchase decisions. Just 10 years ago they would visit an average of five dealerships. Today, that number is down to 1.6.

Why? Because buyers are doing their homework online.

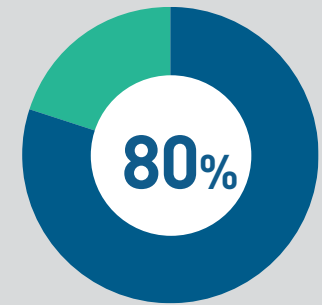


How Car Shoppers Find the Right Dealership

With purchase decisions heavily influenced by what consumers see online, customer reviews and star ratings play an increasingly vital role in the financial success of your enterprise. The first step to managing this online reputation is to know where your business' reputation stands.



...of all consumers use the Internet to research cars. (Capgemini)



...visited a third-party site in 2015 to read ratings, reviews and vehicle comparisons (J.D. Powers)

A Reputation Score shows you how you're being rated online.



A New Kind of Scoring System

Reputation.com developed a scoring system that looks at online reputation holistically. It provides businesses with a way to rank themselves against their competitors — or rank their locations against each other — and measure fluctuations in their reputations.

The score compares data from sites across the internet. Reputation scores are based on a range of factors that affect online reputation, including presence on authoritative sites, star ratings, the number and length of online reviews, review responses and optimization of social media sites.



Online Review Monitoring Yields Surprising Results for Major Automaker

It's no surprise that positive online reviews bring prospective buyers into dealerships. However, **Reputation.com wanted to take a deeper look into whether online reputation had a predictable impact — positive or negative — on sales.**

Reputation.com's data scientists turned to one of the nation's top three automakers for help. **We identified 385 dealership locations, their Reputation Scores and their total monthly sales volume between August 2014 and April 2015.**

We examined only those locations that reported at least 30 sales in the same two-month period and had actual reviews and/or star ratings to score. We then evaluated month-to-month changes in average reputation scores and how those correlated with changes in reported sales volume.



The Power of Positive Perception

The results of our study on the effect of online reputation scores on seasonally adjusted sales across dealership locations were significant:

- When average scores went up, 49 percent saw a rise in sales.
- When average scores went down, only 44 percent saw a rise in sales.
- When scores dropped by more than 50 points, sales rose only 34.9 percent of the time.
- When scores rose by 50 points, sales rose 49 percent of the time.

Dealerships that had improved online reputation scores **achieved a 40 percent lift in sales** over those with diminished scores.

Reputation Management: Real ROI

The status of your online reputation can mean the difference between a thriving enterprise and one that struggles. Auto marketers who ignore the impact of customer reviews and star ratings leave their online reputation — and its impact on revenue — to chance.

Don't miss the opportunity to increase customer sentiment and boost sales.

About Reputation.com

Based in California's Silicon Valley with offices in Arizona, the UK, and India, Reputation.com delivers the category-leading Online Reputation Management platform for companies with hundreds or thousands of locations.

We transform customers into local advocates — building online reputation, improving their experience, and driving financial results. To learn more, please contact us at bizdev@reputation.com or 800-737-8828.