

Google Analytics Best Practices for Vehicle Dealerships

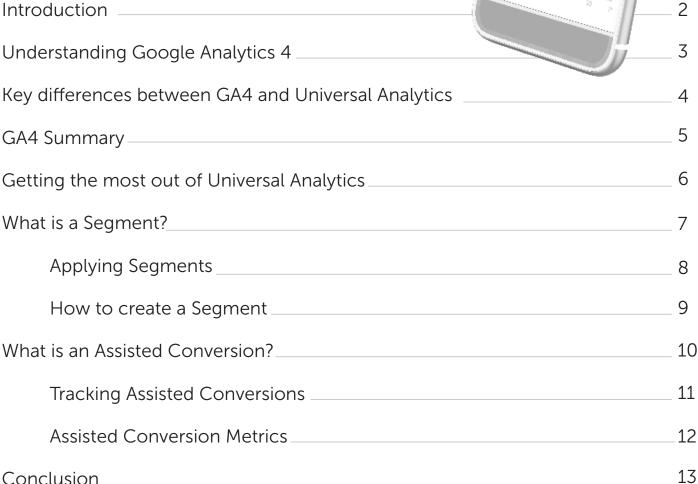
Optimizing Digital Marketing Performance

2nd Edition



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Optimizing Digital Marketing Performance

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Offering insights on the latest version of Google Analytics and best practices to help automotive and specialty dealers get the most out of their current Universal Analytics platform.



Introduction

Understanding attribution and performance data is one of the most critical opportunities facing dealerships, wholesalers and OEMs today. However, the complexity, length, number of interactions, and high relative cost of the shopper journey make accurate and timely performance measurement a significant challenge in the automotive industry, where many factors happen offline (including conversion).

Google Analytics (GA) is a best-in-class platform that can integrate with digital channels and is widely used by millions of businesses and websites to track user interaction across web domains, mobile apps, and offline APIs. Platforms like GA can enable automotive sellers to more accurately track channel and campaign performance,

optimizing marketing strategies and budgets. As Impel works with thousands of dealerships to implement advanced digital merchandising solutions and integrate with our customers' Google Analytics dashboards, we have developed best practices that will enable dealers to leverage GA to its maximum potential.

In this second edition of our "Optimizing Digital Marketing Performance" series, we'll provide perspective on the new and latest version of Google Analytics. Additionally, we continue to offer best practices that help automotive and specialty dealers get the most out of their current Universal Analytics platform.

Understanding Google Analytics 4

Google recently announced a new version of Analytics, describing it as the new default version of its ubiquitous data collection and web traffic analysis software.

With Google Analytics 4 (GA4), Google is offering a new version that's very different from the current Universal Analytics (or GA3). The purpose of the new version is to establish a next-generation approach to "privacy-first" tracking, channel measurement, and artificial intelligence (AI)-based predictive data all at once. With GA4, Google has applied advanced machine learning models which enable the transmission of data without the need for "hits" on every page. One of the most significant differences versus previous versions is the new data modeling feature that leverages AI to fill gaps in data where traditional analytics solutions may be blocked due to cookie-consent rules.

Google Analytics Key Features

Built-in machine learning that leverages modeling

This allows the platform to pull from existing data in order to make predictions about user behavior.

Focuses on the entire comprehensive journey

A stronger focus on the comprehensive customer journey across different devices and channels in analytics rather than looking at data on a page by-page basis.

"Future-proof" for privacy regulations

Functions without the use of cookies or user identity data. This potentially "future-proofs" GA4 given rapidly evolving privacy regulations.

Emphasizes "data streams"

Emphasizes "data streams" instead of views and segments. This eliminates the need for the "views" level in the GA account hierarchy. GA4 only uses the account and property levels.

Makes event tracking easier

Rather than requiring website code changes to implement event tracking, Google Analytics 4 allows events to be edited right in the user interface (UI).

Life Cycle Report for deep dive reviews

Helps to drill down on particular aspects of the consumer journey with the addition of the Life Cycle Report.

Key differences between GA4 and Universal Analytics

The biggest and most obvious change to Google Analytics is the new and refreshed user interface. Many of the reports and metrics that are customary in Universal Analytics have been removed or replaced.

While Universal Analytics uses a measurement model based on sessions and pageviews to track user behavior, Google Analytics 4's measurement model focuses on events and parameters. In GA4, a "pageview" is now considered an event. Almost every interaction recorded by GA4 will be considered an event and these events will provide more detailed information than prior versions.

• In addition, UA codes are being replaced with "Measurement IDs", which are needed to set up tracking in GA4 These are the rough equivalent of the "tracking IDs" or "UA codes" in Universal Analytics. Importantly, there is a change in the ID nomenclature: in Universal Analytics the tracking ID begins with UA. EX. UA-12214554-1. In GA4, the measurement IDs will begin with G-EX. G-SVOHW23BZX.

Finally, views are being replaced with "data streams". In Universal Analytics, users have the option of creating multiple views. However, in GA4 the option to create views no longer exists. Instead, users can create data streams for different websites and apps.

NEW TO GA4

New & refreshed user interface.

New measurement model: "Pageview" is now an "event."

UA codes are replaced with measurement IDs.

Views are being replaced with "data streams."

Should dealers make the switch?

While Google Analytics 4 has plenty of advantages and offers an array of new capabilities, vehicle sellers shouldn't necessarily dive headfirst into the new platform right away. If the majority of the dealership's analytics and reporting rely on Universal Analytics, attempting to switch everything over too quickly may cause significant business and measurement disruption.

The recommended best practice for the adoption of new GA releases is to run both the new and current versions in parallel. The new release can begin gathering data while the current version is still operational. This helps minimize disruption while auto retailers study the new version to determine how to best integrate and migrate analytics processes over time to the new platform.

Until GA4 becomes the new norm, dealers can continue using Universal Analytics with confidence.

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Getting the most out of Universal Analytics



While Google Analytics 4 will eventually become the de-facto analytics tool, it's important for automotive dealerships to continue optimizing the current Google Analytics platform. Universal Analytics is still an extremely powerful solution that helps drive informed business decisions.

Below are two advanced best practices for analyzing website traffic and conversions that can help filter out low-quality traffic and highlight the sources that are propelling your business forward.

Segments

Segments help dealers to isolate and focus on specific consumer types, enabling them to respond to component business trends, specific shopper cohorts, or better understand the results of specific campaigns.

Assisted Conversions

Assisted conversions are Google's measure of any interaction, other than the final click, that led to a shopper conversion on the website.

Let's take a closer look at both methods.

What is a **Segment?**

A segment is a subset of Analytics data aggregated by similar characteristics. For example, out of the entire universe of users, one segment might be shoppers (or customers) from a particular region, state or city. Another segment could be shoppers who visit a specific part of the site, inventory type or interact with a particular event. Popular attributes include intent, engagement level, inventory type, website behavior patterns and more.

Segments help dealers to isolate and focus on specific consumer types, enabling them to respond and react to aggregate or granular business trends, specific shopper behavior patterns, shopper cohorts, and campaign performance results. For example, if shoppers who visit a specific type of page bounce at a higher rate than the average webpage, vehicle sellers can leverage that data to help troubleshoot potential issues with page setup, user experience, targeting or overall strategy.





Types of segments

A segment is made up of one or more non-destructive filters (filters that do not alter the underlying data). Those filters isolate subsets of users, sessions, and hits.

Users: People that interact with a property (e.g., website, campaign or app).

Example: Users who have previously submitted a lead in the last 3 months

Sessions: Interactions by a single user are grouped into sessions.

Example: All sessions originating from a particular advertising source (banner ads, paid social media, etc.)

Hits: Specific events or behaviors during a session are referred to as hits. Hits include interactions like pageviews, events, and transactions.

Example: All hits in which a particular event was completed (e.g. a click-through on a button, submitting personal information, taking a quiz, etc.)

Dealers can include filters for users, sessions, and hits within the same segment. Importantly, a single user can have multiple sessions and each session can have multiple hits.

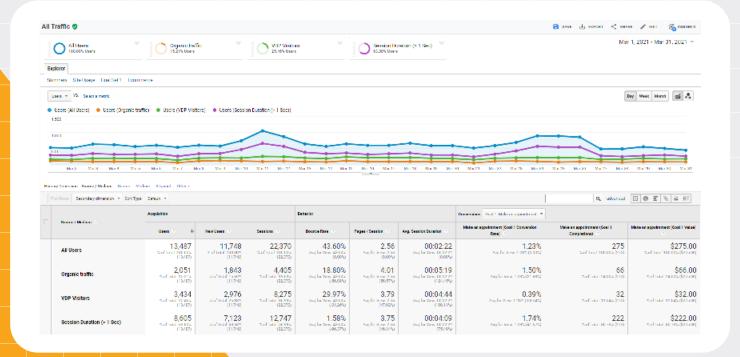
Applying segments

Dealerships can use any segment as a filter for reports. Once a segment is applied, it remains active as users navigate throughout the reports until it's removed. Up to four segments at a time can be applied and they can be compared side by side in reporting.

The "All Sessions" segment is the default setting for all reports. This segment includes all data for every session in a date range and lets GA users see the performance of the entire user population.

How to apply specific segments to a report:

- 1. Sign in to the dealership Google Analytics account.
- 2. Open the View that includes the reports to be used.
- 3. Open "Reports", then open the desired report. The example below uses the Audience Overview report.
- 4. At the top of the report, select + "Add Segment", leaving it highlighted. This opens the list of segments. The list includes all of the built-in system segments, along with any segments the dealership has created or imported (see next page for how to create new segments).
- 5. In the list of segments, select the check box for each segment the dealership would like to apply (for example, Direct Traffic and Referral Traffic).
- 6. Click on "Apply". The report is updated to include the selected segments (in this example, Organic Traffic, VDP Visitors and Users with a Session Duration > :01).



How to create a new segment

- 1. Sign in to the dealership Google Analytics account.
- 2. Open the desired View.
- 3. Open "Reports" and select the report desired.
- 4. Click on "Add Segment".
- 5. Click on "New Segment".
- 6. Enter a name for the Segment.
- 7. Use the options in the different categories to configure the desired filters for the segment. As filters are added, the Summary pane updates to provide an estimate of how many users and sessions will be included in the segment. This estimate is based on sample data and is not intended to exactly match the number of users or sessions that will be included when the Segment is applied to the report.
- 8. When the filters have been configured, preview and test the segment.
- 9. Select "Test" to see the percentage of users and sessions that match the selected segment filters. Use "Preview" to see how the segment affects the current report. If the desired information doesn't appear in the report, continue to edit the segment, and then preview again (clicking Preview automatically invokes the Test function). Once the Segment includes the desired data, click on "Save" to close the segment builder and apply the segment to dealership reports.

Example questions segmentation can help answer

Segmentation and the resulting comparisons and cross-references can provide an abundance of relevant insights the dealership can use to make decisions.

For example:

What factors are related to a lead submission?

Create a custom segment called "Did not submit lead" and compare that to the "Submitted a lead" user segment.

What traffic sources and channels drive the most highly-engaged traffic to the dealership website? Compare the bounce rate and session duration of the "Paid Traffic," "Organic Traffic," and "Referral Traffic" segments.

How do new users and returning shoppers compare in terms of on-site engagement? Compare the bounce rate of the "New Users" segment with that of the "Returning Users" segment.

What is an assisted coversion?

First-click conversions include the very first channel interaction on the road to conversion, while last-click conversions attribute the conversion to the channel or touchpoint the shopper last interacted with prior to a conversion. By default, the number you see in the conversions column is the total number of last-click conversions within your chosen timeframe.

Assisted conversions are Google's measure of any interaction, other than the final click, that led to a website shopper conversion on the website.

Understanding assisted conversions is critical since both first-click and last-click attributions tell a small part of a larger story. That's because they only represent a small percentage of the viable prospects visiting a dealership site. Relying on either one or both exclusively can be misleading. By attributing the sale entirely to the shopper's last online interaction (usually the lead form), last-click attribution neglects the influence and impact of many touchpoints and behaviors along the buying process that assisted in the sales conversion. First-click attribution suffers from the same limitation. The shopper journey from awareness to final sale is too nuanced and complex for any single metric on its own to adequately reflect without a larger perspective. By including assisted conversions in analyses, an automotive retailer can better understand all of the touchpoints that drive shopper behavior - and their relative influence and importance to the conversion process.

Assisted conversions can be broken out into variables such as channel, campaign, and other dimensions to help vehicle sellers more specifically understand which factors are contributing to conversion.

How to view assisted conversions in GA

- 1. Sign in to the Google Analytics account.
- 2. Open the desired View to analyze.
- 3. In the left-hand navigation Conversions panel, select "Conversions" Goals from the drop-down menu. ▼ Ecommerce a. Select "Multi-Channel Multi-Channel Funnels." -Funnels Overview b. Navigate to "Assisted Assisted Conversions Conversions." Top Conversion Paths Time Lag
- 4. Set the date to the desired range.
- 5. Select the metrics the dealership would like to track for conversions by selecting the dropdown under "Conversions".

 By default this will be set to "All."
- 6. Set the lookback window to the desired range (the default is 30 days).
 - a. The lookback window is a period of up to 90 days prior to the conversion.
- 7. Select the primary dimension with which to view assisted conversions. By default this will be set to "Default Channel Grouping" (Direct, Organic, Paid, Referral etc.) Other primary dimensions include Source/Medium, Source, Medium, Other (custom) and more.

Understanding assisted conversion metrics

Once the assisted conversion report set-up is complete, Google Analytics organizes the conversion metrics according to the primary dimension selected during set-up.

The provided assisted conversion metrics are:

Assisted Conversions

The number of conversions for which this channel appeared on the conversion path, but was not the final conversion interaction.

Last Click or Direct Conversion Value

The value of the conversions for which this channel was the final conversion interaction.

Assisted Conversion Value

The value of the conversions assisted by this channel.

Last Click or Direct Conversions

The number of conversions for which this channel was the final interaction prior to conversion.

Assisted / Last Click or Direct Conversions

A value close to 0 indicates that this channel functioned primarily as the final conversion interaction. A value close to 1 indicates that this channel functioned equally in an assist role and as the final conversion interaction. The more this value exceeds 1, the more this channel functioned in an assist role.

The vehicle shopping journey is now digital-first

The vehicle shopping journey is now primarily digital since well over 80% of the buying process is spent online (Google). A dealer's digital showroom is the biggest driver of sales and represents the dealership front door, attracting up to 20x the amount of monthly traffic as the physical lot. Superior digital merchandising and engagement are crucial to increasing lead conversions and purchase rates. Gaining a thorough understanding of channel and campaign performance with Google Analytics will enable dealerships to optimize digital strategy, ROI and execution while enhancing the shopper (and customer) experience.



