

All Leads Are Not Created Equal By Steve Finlay Oct. 3, 2006

DETROIT – Audi of America Inc. dealers are using a software system that scores Internet leads, identifying which ones are hot and which belong on the back burner.

It has helped these car retailers close leads more effectively. Now other auto makers, as well as lead referral companies, are looking at it for their dealers, says Jack Bowen, chief marketing officer for Urban Science, a firm that developed the system.

“We’re in discussions now with manufacturers and lead aggregators,” he says.

Without such scoring, dealership sales people may pursue hot and cold leads with the same energy and sense of urgency. “They need a sorting mechanism,” says Bowen.

Urban Science turned to Acxiom, the largest purveyor of data and data bases in the U.S., to help develop a system that prioritizes Internet leads.

The system indicates which people submitting Internet leads are likely to purchase a vehicle within 90 days vs. those who aren’t as ready.

“It tells dealers: ‘Here is what we know about a particular lead,’” says Bowen. “After that, it is good old-fashioned marketing, based on what the dealer believes is the likelihood of purchase.”

Information on leads comes from various sources. A primary one is data from auto makers indicating what prior leads became sales.

“We look at leads from the past and build a model for the future,” says Bowen. “Past behavior predicts future performance.”

Other buying-predictor data include lists of previous owners, people with vehicles coming off lease and auto show attendees.

Another indicator of customer seriousness: Whether a person writes something in the “comments” field of a Web page for lead submissions.

“The longer the comments, the more likely a person is to buy,” says Bowen.

He cautions against dealers running with high-ranking leads and ignoring the rest.

“Every lead should be followed up, just not in the same way,” he says. “A low-scoring lead can mean that a person’s purchase horizon is 18 months out. Don’t ignore that lead, just don’t treat it as, ‘I’m in the market now.’”

“Instead of putting that low-scoring lead on a hot list and calling every day, nurture it. Periodically e-mail information and articles about vehicles the person expressed an interest in.”

Financial information about lead submitters also helps mathematically rank them as prospects.

“Data such as net worth and home value are useful for separating aspirations from actuals,” says Bowen. “It is the difference between a 17-year-old kid who really wants a Corvette vs. a 45-year-old guy who really wants a Corvette – and has a great job.”



Jack Bowen