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Marketing of a Car Dealership

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ABSTRACTS

This paper investigates the peculiarities of marketing activities of a car dealership. The theoretical aspects of modern marketing in the theoretical aspects of modern marketing in the automotive market. Methodological approaches to evaluating the effectiveness of marketing activities. The organizational and economic structure of the enterprise, its marketing support and the effectiveness of its marketing activities was evaluated. The main scientific results are the development of a system for improving digital marketing tools at a modern car dealership.

Keywords: car dealership, digital marketing, SEO, digital tools, social media, automotive market.

Introduction

In today's rapidly changing global and economic environment small businesses are a key player in the country's economic process. Small businesses drive the country's economic growth, provide a powerful weapon for entrepreneurs and stimulates the development of innovations. Given the level of competition and business entities in the segment, marketing is a strategic tool aimed at achieving competitive advantages and sustainability. The number of small businesses and their market power has increased significantly. The quarantine restrictions and the war in Ukraine have expanded the market boundaries for small business entrepreneurs. However, in a competitive environment, businesses face a number of constraints and challenges that require special adjustments to their marketing strategy. Evaluating the effectiveness of marketing in the small business sector is critically important, as it helps determine how effectively limited resources are used and whether limited resources and whether the goals are being achieved. First of all, it is necessary to define clear, measurable, achievable, realistic, and time-bound goals, marketing goals, such as increasing sales or raising brand awareness. Next, it is critical to analyze the return on investment (ROI) from marketing campaigns to understand how effectively the money is being spent. Using metrics and analytics such as conversion rates, website traffic, social media engagement, is key to tracking the effectiveness of various marketing initiatives. Engaging customers through omnichannel strategies and a personalized approach can significantly increase marketing effectiveness. Finally, to increase the effectiveness of marketing, it is important to focus on continuous improvement and adapting strategies to reflect changes in the market and consumer behavior.

The purpose of this paper is to study the current strategies and practices marketing strategies and practices used by small businesses to determine their effectiveness and impact on business results.

To achieve the objectives, the following tasks were set:

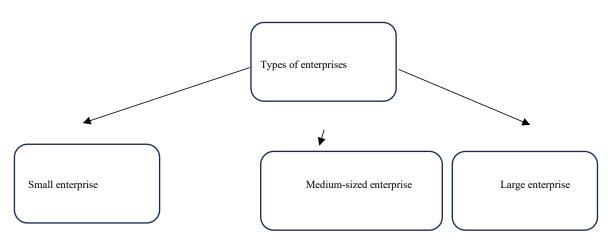
- to present the peculiarities of marketing activities of enterprises in the field of small business;
- to identify trends in the development of modern marketing in the automotive market;
- to study methodological approaches to assessing the effectiveness of marketing activities;
- to evaluate the effectiveness of marketing activities of the enterprise;
- to form promising areas of application of digital marketing application;
- to evaluate the effectiveness of the proposed measures;

The object of research is the process of improving the marketing activities of the enterprise.

Features of marketing activities of enterprises in the field of small business According to Article 1 of the Law of Ukraine "On State Support of Small Entrepreneurship" of 19.10.2000, № 2063-III, small enterprises are defined as are legal entities - business entities of any organizational and legal form

of management and forms of organizational and legal form of business and ownership, in which the average number of employees for the reporting period (calendar year) does not exceed 50 people and the annual income does not exceed EUR 500,000 [1].

Fig. 1.1. Types of enterprises



Small businesses are the most dynamic entity in the development of economic society. In general, there are three types of enterprises (Figure 1.1). All of them are interconnected and play an important role in shaping the economic hierarchy. Small enterprises are among the leading sectors of the economy, which are formed on the basis of small-scale production and determine the pace of economic development and the structure of Ukrainian GDP. In addition, small business determines the needs and preferences of consumers: it ensures market saturation in diversified market areas and promotes healthy competition.

Marketing within a small business is a management, regulatory and research activities of the enterprise, which differs by industry and geographical distribution and takes into account the needs of the consumer, based on his material and spiritual experience, as well as the demand for goods [4]. The main areas of marketing in small business are to take into account all stages of the life cycle: from the creation to the final sale of the brand. The main goal of small businesses is to make money and profit. Due to the small number of employees and the volume of work, the income and payback usually comes in a shorter period of time. With the development of the enterprise and its expansion, the staff and the total allowable profit of the of the enterprise.

Usually, in the early stages, the business owner performs most of the functions on their own, i.e., they are an accountant, a marketer, and a director. Modern conditions of development, business owners realize that it is no longer enough to be just a good specialist and sell a good product, nowadays there is an urgent need to regularly search for new sales channels, attracting consumers and creating a unique advertising offer. Figure 1.2 shows the current scheme of small business functioning in the current market conditions. A bank and a small business are business entities that use advertising to should satisfy consumers, whose number is unlimited. The table below shows that advertising is an integral part of the development cycle of every small enterprise in the development cycle.

This understanding allows you to build the right connections and use advertising as a resource for sales and profit increase, because the main business goals are:

- Increase in sales;
- Cost reduction;
- Providing tools to monitor the effectiveness of investments.

Scheme of small business functioning

The bank

Advertising

Consumer

Small business

Fig. 1.2 - Functioning of a small business [3].

The advantage of a small business is that, unlike a large enterprise, he doesn't need to care about market share, social responsibility and position, social package for employees. The main task of small business has the right set-up of targeted advertising that will bring sales.

Table 1.1 - Factors influencing the use of advertising

Factor	Indicator
Motivational factors	Searching for new clients
entrepreneurs	Effective distribution of the advertising budget
	Facts about the target customer
	Expansion of sales channels
	Creating an optimal product line
Targeted advertising allows	Deliver information to the target audience
	Optimize advertising costs
	Increase revenue and number of customers
	Improve visibility
Demotivational factors	High and unstable advertising price
	Placement speed is not always prompt
	Lack of a complete portrait of the consumer on the first stages
	The need for constant control of advertising
Segmentation factors	According to the article
	By age
	By social status
	By geography

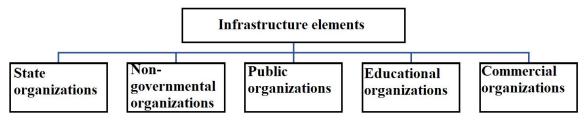
So Table 1.1 shows the factors that contribute to the correct setting up targeted advertising and contribute to increasing indicators and sales. Targeted advertising is a method of advertising based on methods and settings of target audience search in accordance with the given metrics and parameters of

people. In today's world, targeted advertising is most common used online, but in simple words, targeted advertising is advertising that is customized and tailored to a specific situation target segment.

This type of advertising is the most common among small business, because this type of business is usually specific and formed under specific target market, so targeted advertising helps you find clearly the target consumer and using various methods of influence to interest and motivate to purchase or use the service. In general, marketing in the field of small business is a complex activity that includes research, regulatory and management systems.

Also, the key to the success of small business enterprises is thorough analysis and taking into account all factors of the enterprise's marketing environment. The marketing environment is a combination of forces and factors that affect the results of the firm's corporate activity [2]. Therefore, in order to achieve success, a small business must analyze its own macro and micro environment, as well as develop all elements of infrastructure. Figure 1.3 shows the necessary infrastructure elements for development enterprises.

Fig. 1.3 - Infrastructure elements for enterprise development [5]



It is the infrastructure support that allows the enterprise to get the ability to use factors of production. Marketing concept communications is present at each of the stages of market production. The use of which affects the results of commercial activity enterprises [5].

Modern marketing in the automotive market is diverse and covers a wide range of tools. Strategies and approaches to formation marketing tools aimed at attracting the attention of consumers, creation and positioning of the company's general brand, increasing consumer loyalty and increasing sales. In the second the main areas of work of the marketing department are analyzed in the subdivision automotive sector.

- 1. Digital marketing. It involves the use of online platforms for promoting cars. For example, SEO (search optimization), which helps the consumer find the desired product and display it manufacturer link to the first level. Content marketing that involves creating attractive content for product promotion and promotion person to visit the salon (if we are talking about cars). Marketing in social networks, which includes both content marketing and community marketing, influencer marketing, etc.
- 2. Personalized advertising campaigns: i.e. creation personalized advertising messages based on behavioral data and preferences of potential buyers.
- 3. Eco-marketing for the automotive sector is necessary, because currently consumption is increasingly popular, so the company should focus on environmentally friendly cars, including hybrid and electric models, taking into account the growing demand for steel and environmental vehicles.
- 4. Interactive experiences. Using Virtual Reality (VR) and augmented reality (AR) to provide a unique experience to shoppers visualization of cars and their features. During the period of quarantine and war offline presentations have become a difficult and almost impossible process, therefore companies find an alternative for product presentation.
- 5. Cooperation with other brands and partners. Installation partnership relations is an incredibly important stage in the development of the company for achieving expansion and new contacts.
- 6. Innovative sales and services: implementation of digital sales, online configurators, personalized service plans, etc.
- 7. Data analytics and intellectual analysis. Using big data and analytics to understand market needs and optimize marketing strategies is very important when testing certain actions.
- 8. Participation in social projects and initiatives, demonstration social responsibility of the brand through participation in charity projects or environmental initiatives.

These approaches help car companies to be competitive, respond to changes in consumer preferences and use modern technologies to attract and retain customers [8].

The biggest danger for car showrooms is micro-enterprises that engage in resale and customs clearance of foreign cars. Considering that the price of the second type is competitive, because it is on much lower than the salon version, the consumer will be more loyal to no new, but more budget-friendly product. That's why car dealerships care about engagement attention of the consumer by using various tools (table 1.2).

Attracting the attention of a potential consumer to the brand - the first stage sales funnels for the automotive business. But attracting attention consumer occurs only if the brand has formed its own stance and clear positioning strategy, because the automotive business is quite specific and potential consumers is difficult to surprise with something. Targeted the audience of the automotive market will be people with above average income, considering that buying a car is a complex and deliberate decision for each, only good design of the brand - not enough. Creating and positioning an automobile enterprise is a complex process involving many steps (Figure 1.4).

Market research is the first step. Detailed study of automotive market, analysis of competition and demand - an important stage for creating a successful enterprise. During this stage, determine the type of cars that popular among consumers of different segments and choose the segment that will be profitable for business.

Table 1.2 - Tools for attracting consumer attention to automotive market [2-15]

Tool	Example
Social networks	Platforms such as Facebook, Instagram, Twitter, Linkedin allow companies to form an idea of the brand, communicate with consumers and build communication on different levels.
Video content	Video clips are perceived better than photo content. By using video car companies can convey all advantages and uniqueness of the product, evoke emotions and encourage to purchase.
Content Marketing	Creation of informative content: articles, blogs, infographics, helps to attract attention and inspire confidence at the consumer. Such content convinces in expertise company.
Virtual and augmented reality	A new trend of the 21st century, allowing to expand the possibilities consumer. This is especially important for automotive companies, because this tool allows you to try consumer himself as the driver of the desired car, etc.
Influencer Marketing	Now opinion leaders are an example for many consumers, therefore automotive business uses this instinct in its work to attract attention and create loyalty to companies in the future. The most important thing is the right choice influencer and appropriate platform for a niche in the market.
E-mailing	Personalized emails and appeals - pain for our society. In 2023, everyone wants to be individuality, so the personalization of the consumer in Automotive - extremely important.
Creative designs and packaging	100% unique product design attracts attention consumer
Presentations and promotions	Offline events are an important tool, because after end of quarantine the world is gradually returning to offline mode, so this is a great opportunity to present a new car, provide the ability to test and capture in Consumer memory.
Online advertising	Use of tergeted, banner and contextual advertising attracts the attention of the consumer, because the largest number consumers are concentrated precisely in the digital space.
Mobile devices	Development of applications and sites adapted for mobile devices - a great opportunity to attract attention, because their used daily.
Management Communications	Development of "Tone of voice," social actions and reactions to actual pain of the client - what makes a good company majestic.

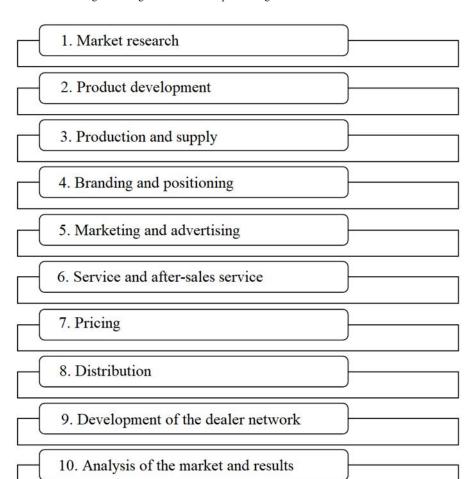


Fig. 1.4 - Stages of creation and positioning of the automobile business

Product development - a stage that includes the choice of car models after market analysis and choice: production or sale of cars. Also, this stage includes in itself solutions regarding the characteristics of the car: design and functionality. [22].

Production or delivery. If production has been selected, it is necessary to choose the place and suppliers of raw materials and the mechanism of production. If you have selected a sale, you must choose a logistics route supply and supply companies. An answer is also given to question, what impression and association the brand will cause consumers. To example, expensive salon with new cars, symbolizing prestige. On the contrary, the brand is about convenience, comfort and accessibility. Marketing and advertising is the stage of creating a marketing plan, advertising campaigns, PR-actions, participation in exhibitions, events and online promotion in the field of brand. The main goal at this stage is familiarity and involvement consumer, creating a brand image in the imagination of the consumer [23]. Service and after-sales service is a very important stage in the creation of brand in the auto market. Maintenance strategy to be developed customers, warranty system and service support. If the customer stays satisfied, he will necessarily recommend the brand and become permanent client.

The price stage is the result of painstaking research of the market and prices of competitors. It is necessary to establish a competitive price, which will include all costs and margins. Distribution is a stage that develops a sales strategy and distribution of cars, creation of a dealer system, online

involvement and other distribution channels. Development of dealer network, if the company does not produce cars, and is a dealer, is an important part of development. After all, setting the correct

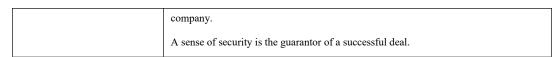
connections in work is an important stage of development. Analysis of results and improvement. In work with any the enterprise does not have a "magic" development strategy. All theories and techniques tested and then selected those that are most suitable for the selected segment market. Analysis of the results allows you to track and improve the direction development for best results.

The next important stage in the development of the automobile enterprise is the creation of tools to improve LTV. LTV (product life cycle cost) is an important tool that allows you to get more profit from the consumer and increase loyalty consumer. In the automotive sector, different approaches are used, to Example [16]:

- Improve after-sales service. Cars are an expensive purchase that requires more time to make a decision. No company can guarantee 100% operation of the car without marriage and malfunctions, so the availability of after-sales service is a guarantee for consumer and the key to increasing confidence in your brand. After all, creation special conditions a sign of customer orientation.
- Sale of additional services. Auto companies and showrooms often have car service, where there is an opportunity to purchase a service for repair or restoration your car or buy additional spare parts. Given from the service "binds" the consumer to the company, because he does not need to spend time on finding places where you can buy, for example, tuning services, because it can be done in a dealer store or parent company.
- Loyalty and rewards programs. Free services, discounts on the next purchase and small gifts stimulate the consumer to repeated purchase.
- Content and tips. Customers appreciate the customer's concern about his car and satisfaction with the company, so it is important to provide free useful information on how to take care of the car, about safety and warnings car use Sellers-consultants both in the store and at online sphere should be experienced and knowledgeable in the car market.
- Communication and interaction with the client. Active communication and customer personalization has a positive effect on consumer loyalty. Quick answers in the network and on the website, polite and smiling communication the key to sales success.
- Analysis of competitors. The market is oversaturated with ideas and techniques sales, correct analysis and adaptation of sales tools to business a tool for creating new techniques. Analysis of competitors in the car market can be even with unrelated cars for your business, the main one the goal is to analyze the tools used by the company- competitor.
- Emotional connection. Your sales, social media and brand in general, should evoke an emotion in the consumer, which will become an attachment to your business People go to people and quality goods. LTV indicators are a very important indicator for retargeting customers, but the most important indicator is sales, so companies have a large the number of tools that increase sales figures (Table 1.3).

Table 1.3 - Tools for increasing sales in the automotive sector market [17-28]

Tool	Characteristic
Online presence	A modern website and mobile application make it possible familiarize yourself with the company's services, contact consultant and arrange an appointment in the salon.
Digital marketing	Contextual advertising, advertising in social networks attracts the attention of the consumer and promotes the purchase.
Social networks	Social networks do not sell directly, but form the general idea and image of the brand in the imagination consumer
Influence marketing	The search for ambassadors is a new trend in modern times marketing Consumers increasingly rely on advice from thought leaders.
Online platforms	It is possible to place a car online platforms for sale, for example, Autotrader, Cars.com or AutoScout24
E-mail	Use of electronic mailing gradually is losing popularity, but this method helps maintain contact with their customers and notify them about new products, promotions, etc.
Test drive	The opportunity to test the car, evaluate the quality and on for a second to feel like the owner of your dream model induces a purchase.
Financial and credit	Offers of financial deals, loans or leasing agreements with special agreements forcustomers increase the likelihood of a purchase.
Agency network	Expansion of the dealer network makes the product more available to the consumer.
Client's service	Fast service and communication saves the customer's desire to purchase the product.
Presentations and events	The presentation of the car allows you to familiarize yourself with the product and highlight all the advantages of the functionality. Often events and presentations are the driving force for purchase.
Aftermarket service	Customers want assurances that just in case malfunctions, their car is protected by the



Evaluating web traffic on a car dealership company's website and may include quantity analysis visitors, sources of their arrival (organic search, social media, advertising campaigns) as well as behavioral factors such as time spent on the site and the percentage of failures. For example, if the advertising campaign on Facebook led to a significant increase in traffic to the site, but the failure rate is high, this may indicate a mismatch between user expectations and site content. A key indicator for a car dealer is the conversion of site visitors to real sales. It's important to keep track of how many visitors are filling up test drive application form, register for additional information, or make a purchase. This makes it possible to understand how effectively digital marketing strategies are transformed into real revenues.

Conclusion

Small business is a driving force in the country's economy. Due to coronavirus and Ukraine's war economy suffered, the market is free for its own production, so the national small business is increasingly filling the market and increases the share of GDP of Ukraine. Marketing research confirms that strategic planning and using advertising tools enhances development small business and increases profits and sales level. Marketing in the automotive market is complex and involves many stages in the sales funnel: from attracting attention to the company itself and car models, to the awakening of the need and making a purchase. In general, the implementation of a comprehensive marketing program requires significant costs of time. The larger the scale of activity enterprises, the greater the volume of necessary work and investment. Important implement such a set of marketing measures that would contribute to improving the position and efficiency of the enterprise from the very first the day of its implementation.

In general, successful methods for manipulating marketing policy promote successful communication policy and implementation the most favorable actions that will keep the company in a leading position on market.

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