Contently

State of Automotive Content Marketing

The Drivers of Success for 2015



You can't build a reputation on what you are going to do.

— Henry Ford

Editor's Note

As someone who has spent approximately 43 percent of his life watching televised sports, I'm no stranger to auto ads. But while the image of manly men hauling dusty boulders in shiny trucks will live with me forever, marketing in the auto industry has evolved far beyond that.

In fact, it might now be more familiar to those who grew up on 90's sitcoms. Acura has scored an incredible win by sponsoring Jerry Seinfeld's "Comedians in Cars Getting Coffee," while Lexus has been featuring Lisa Kudrow's award-winning "Web Therapy" on its web-series channel, L Studio, for four years running. In an industry where the sales cycle has lengthened to six years, auto companies are embracing the power of content to build relationships over time.

In this ebook, we look at the major trends moving the industry forward, as well as the speed bumps that are getting in auto content marketers' way. We hope you enjoy, and if you have any questions or comments, you can find me @JoeLazauskas or via email at Lazer@Contently.com.

Joe LazauskasContently Editor in Chief

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Introduction

For most industries, branded content is still a relatively new phenomenon. Not so in the automotive world. General Motors was publishing *GMC Truck News* magazine in the 1960s and the lifestyle-focused *Points: The "How-To" Magazine for Action Families* in the 1970s. Historically, being ahead of the innovation curve has been as integral part of carmakers' success.

Carmakers now find themselves in an entirely new world of content marketing in 2014. For the next few decades, the car-buying public will be made up of 80 million consumers who are <u>largely uninterested</u> in cars, <u>caring more</u> about their smartphones than their vehicles. And <u>how they shop for cars</u> is entirely different from previous generations.

In this ebook, we examine the current state of content marketing in the automotive industry. From branded entertainment to savvy publishing partnerships, we'll explore what some of the industry's content leaders are doing to stay ahead of the pack, as well as how brands lagging behind can get back into the race.

Trends

Luxury brands and economy carmakers alike are <u>reinventing themselves</u> for today's marketplace. Here, we highlight a few trends that can be seen across the industry.

High beams on millennials

Cadillac and Chevrolet's Volt were at Coachella last year, and GM wanted the world to know it. Smart has a video series titled "smart Owners Be Like" promoting their tiny cars with quirky humor. And Lexus' L Studio's is producing "It Got Better," a show about how LGBT stars came to celebrate their sexual identity. Car companies are crushing hard on jillennials, embracing them and their values as quickly as possible.

It's been a tough grab thus far. As we reported in July on The Content Strategist, millennials aren't overly impressed with the branded content out there today—but they're willing to be optimistic as long as brands can truly appeal to them. While just about every carmaker is gunning for millennials, only a few are managing to hit the target.



"You can't sit with us."



Laverne Cox, "It Got Better"

Abandoning the hard sell...is a hard sell

Car companies may be embracing content marketing, but most are having a tough time with one of its most important tenets: crafting stories, not sales pitches. Audi, Land Rover, Lincoln, and Mercedes-Benz prominently showcased their vehicles with *The Washington Post's* WP BrandConnect Series. In a review of automotive apps, content agency Pace called out Toyota for its "extremely sales heavy" copy. As they noted: "Consumers are keen to notice the difference between when they're being advertised to and when they're actually being engaged."

Even the brands that have excelled at publishing high-quality content, such as Volkswagen with their award-winning <u>Das Auto. Magazine</u>, occasionally fall into the trap of promoting at the expense of informing. That can have consequences: A survey by Kentico Software found that 74 percent of the general public trusts educational content from businesses on a particular topic,

but "even signing off an otherwise objective blog post or newsletter with a product pitch will bring the content's credibility level down by 29 percent."

That is an understandable problem for an industry with a longstanding tradition of the hard sell.

But to reap the full rewards of content marketing, self-promotion is one trend the auto industry is going to need to buck.

Driven by entertainment and the web series





Carmakers shine brightest when they're entertaining. Acura established itself as a shrewd automotive brand after partnering with Jerry Seinfeld's popular web series "Comedians in Cars Getting Coffee." Even product placement gets in on the fun when, in one episode, Seinfeld and Jon Stewart are interrupted by an Acura. "What's this?" asks Stewart. "It's the product placement," Seinfeld replies. "It's a little pushy this week."

Lexus's L Studio, Land Rover's television special partnership with Fox Sports 1, and Volkswagen's partnership with E! are other notable examples of carmakers having successfully broken into the world of entertainment. As you'll see in the examples below, auto content marketers are doubling down on the branded web series with exciting results.

Best-in-Class Examples: Volkswagen: Interactive and everywhere

What isn't Volkswagen doing? In Britain, visitors to VW's website can shop for a model based on the results of an accompanying BuzzFeed quiz about the type of dog breed that best fits them. In the U.S., the interactive car-shopping experience takes a different course; one ad plays on the success of popular dating apps by offering compatibility matching between the driver and a potential car.







Golf GTI / GTD / R From £25,765



Passat From £20,375



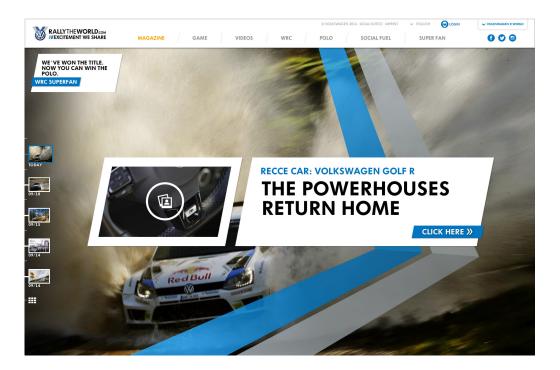
New Jetta From £18,815

While Volkswagen <u>has dabbled</u> in sponsored content on BuzzFeed, the center of its brand publishing universe is <u>Das Auto. Magazine</u>, the two-year-old print and digital outlet that took home the <u>Content Marketing Awards</u>' Customer/Prospect Focused Project of the Year in 2013. The articles are delivered in a highly responsive, dynamic grid layout that is ideal for mobile. With 13 international regions and biannual distribution of the print mag to Volkswagen customers, VW continues to get a lot of reach from <u>Das Auto</u>.

In late 2012, VW partnered with Abbey Road Studios to produce *Abbey Road Studios: in Session with Volkswagen Beetle*, an eight-week series in Britain that featured live performances with such musicians as Paul Weller, Django Django, and The Maccabees. To ramp up engagement before the series began, the brand also launched a playlist competition on Spotify.

Additionally, VW has put itself in the content marketing driver's seat with real-world sponsorships, such as their participation in the FIA World Rally Championship. The brand supported the race with Rally the World channels on Facebook, Twitter, and Instagram, as well as a very cool multimedia site full of stories, videos, and photos from the event.

To reach out to a broader audience than just racing fans, VW has made a strong effort to appeal to a variety of consumers. For example, those who watched this year's pre-Emmys red carpet may have enjoyed the VW-sponsored 360-degree Glam Cam. And online, users also had access to Red Carpet Driven, a Volkswagen/E! partnership that brought behind-the-scenes stories and video from E! field producers and fashion stylists.



Lincoln: Luring millennials to luxury

Lincoln isn't your grandmother's town car anymore. Or, at least, that's what Lincoln, the luxury division of Ford Motor Company, wants you to think. And their content is helping make that a reality.

With Lincoln Now, the brand offers up a sophisticated array of stories, profiling such intriguing figures as a magician, an actress, and a deaf TED fellow and artist. The figures are all relatively young and ambitious; they lead lives focused on their passions and, most importantly, represent Lincoln's new target consumers.

In that spirit, Lincoln recently unveiled "<u>Dream Ride</u>," an interactive virtual ride in the 2015 Lincoln MKC with actor Sam Page as he pursues a wallet thief through traffic. To promote the campaign, Lincoln relied heavily on social influencers such as Bravo TV's Andy Cohen, musical duo Johnnyswim, and automotive journalist and blogger Kimatni Rawlins.

"Lincoln Motor Co. is an example of a brand that gets it," wrote Alexander Jutkowitz, managing partner for Hill+Knowlton Strategies' content subsidiary Group SJR. As Jutkowitz pointed out, even though the average Lincoln buyer is older than the average Cadillac buyer, allowing content to lead an audience retargeting is a savvy move. "But rather than focusing only on its own rebranding," he continued, "Lincoln has been exploring the very concept of reimagining tradition through content that is interesting enough to grab eyeballs on its own merit."

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Volvo Trucks: One hit, but it's a wonder

In November 2013, Volvo Trucks <u>released a video</u> of Jean-Claude Van Damme stretching into a split with his feet balanced on the side mirrors of two Volvo trucks in motion. Set to Enya. It is an amazing exercise in pop culture and has led to nearly 75 million YouTube views. In one minute and sixteen seconds, the carmaker masterfully showed audiences how insane the stability of its vehicles truly is.

Not only did the video itself attract a ridiculous number of eyeballs, but the teaser trailers received another four million views, and a story about the video on The Auto Channel generated more than two million views as well.

By December, Volvo had declared it the most-watched automotive commercial on YouTube ever. Even more important were the business results it delivered. As we reported in our "State of B2B Content Marketing" evbook.

almost half of truck buyers who watched "The Epic Split" said they were more likely to choose Volvo the next time they bought a truck, and one-third contacted a dealer or visited Volvo's site to find out more.



Lexus: Pure entertainment

While many car companies are just beginning to roll out their content campaigns targeting younger buyers, the luxury carmaker launched their web channel, L Studio, back in 2008.

What's more, L Studio is refreshingly light on promotion.

"We actually didn't have a Lexus [on the show] until the third season," Lisa Kudrow, actress and creator of the Webby award-winning L Studios series "Web Therapy," told Fast Company in 2010. "When we first started working with them, they actually said, 'You don't have to say Lexus. In fact, don't.' L Studio seems like it's more about affiliation than integration." It seems that way because that is exactly the mindset Lexus had even before they launched web channel

"Lexus and agency of record Team One originally conceptualized L Studio as a way to appeal to consumers, particularly a younger audience, through engaging content rather than traditional ads," Lexus Vice President of Marketing Brian Smith told NewsCred in 2014.



From its most recent series, "It Got Better," featuring LGBT stars such as Tim Gunn and Tegan & Sara, to "Red Band Trailer," a celebrity interview series hosted by *Juno* writer Diablo Cody, the focus on young adults is as pervasive as the channel's star power. In one episode of "Red Band Trailer," Cody discusses "rugged, sperm-shooting" men with guest Mindy Kaling. Now that's creative freedom. And definitely not aimed at baby boomers.



Land Rover: A primetime partnership

Tapping into the current enthusiasm for reality television turned out to be a savvy move for Land Rover, who partnered last year with Fox Sports 1 to create "Driven: A Race Without Boundaries." The hour-long special featured two professional racers competing in four famous racing venues in Land Rover's redesigned Range Rover Sport.

Land Rover North America's communications manager, Ken Bracht, told PSFK the idea came from wanting to tell the story of their redesign creatively. "We also wanted to partner with a platform that could showcase key features with content that would be engaging to automotive enthusiasts and have genuine pass-along value," he said. "When we approached them, they quickly grasped what we were trying to accomplish and elevated the content to a quality level that was, first and foremost, entertaining."

The partnership also delivered Fox Sports 1's racing-world star power. In exchange, the network had significant creative control, said Fox Sports VP of Motorsports Bobby Akin. "Land Rover literally threw us the keys and got out of the way," he said in a press release.

Land Rover also took to the web to leverage the event with additional content, including a live chat on Twitter, a post-event Facebook Q&A with the winner, and video content on their websites and YouTube. The most popular video of the four-part series on YouTube received nearly 300,000 views.

General Motors: Thinking local with content

General Motors knows nothing drives customer loyalty like a local connection to a product. Sit on a street corner in Detroit and compare the number of domestic cars passing by to foreign brands, and that much is clear. However, not every region has such a deeply rooted relationship with GM, so the carmaker is bringing the bond to them with <u>Drive the District</u>, a custom publication with a focus on 12 metro regions throughout the United States.

"It's a terrific way for us to humanize the company and get people engaged in conversations and used to our products and company in a way that is really relevant," Dave Barthmuss, group manager for policy and product at GM, told PR Week.



They're reaching toward that end with stories like "The Griffith Named LA's Official Cocktail" and "Nonprofit REACH Breaking Ground on Eco-Forward, Affordable Housing." The content focuses on local culture, tech, travel, and the environment, specific to each region. There are also some stories with a broader reach published across all regions. The stories ring true as local reporting, and product promotion is restricted to the #JustDrive column.

Despite the smart approach, there is still plenty of room for audience growth. The Drive the District Twitter channel still has only 1,600 followers, and would certainly benefit from some account and tweet promotion.

A year after the site was reportedly in beta, it's still difficult to tell whether or not that is still the case. But the fact remains that GM is producing high-quality content, and the hyper-local focus seems well positioned to draw young, thoughtful consumers across the country closer to GM moving forward.

What Experts Are Saying

"People used to visit seven dealers. Now it's 1.2. They do all the shopping research ahead of time. There is no linear funnel any more. And touchpoint by touchpoint, we have to sell cars." —Lee Nadler, Marketing Communications Manager, Mini USA

"The innovations in digital retailing are not coming from automotive. They're coming from what Apple is doing and what Starbucks is doing." —David Nordstrom, Vice President of Digital Marketing, Toyota

"People researching cars consume a lot of content.

Customers want to see bigger images; they are reading a lot of data." — Eric Jillard, Department Manager of Digital Marketing, Mercedes-Benz USA

"Loyalty isn't built, it's earned, and to earn it you have to be out there and engaging in an honest and proactive manner. Social is about building that two-way relationship with influentials in communities and helping them with what it is they need—be it advice, support, help, or just [talking]." —David Parkinson, General Manager EMEA for Social and Digital Engagement, Nissan

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Predictions for 2015

Room for growth in native

Here's the good news for automakers: According to a recent study by creative and technology agency MRY, 87 percent of millennials still agree owning a car is essential. Now, automotive brands just have to address the fact that fewer than half the respondents of any age feel that carmakers understand them. When examined together, those two points suggest there are significant opportunities for automotive brands to take advantage of moving forward.

It's not that automotive brands aren't partnering with publishers to create sponsored content; they're just not doing much native work that's very interesting. Mini, Buick, and Toyota have all placed sponsored content campaigns on BuzzFeed, but none of their stories elicited much response from readers. While many BuzzFeed posts generate hundreds of comments within hours, some of these campaigns only elicited between 10 and 20 comments; only one post among all three brands topped 70 comments. Share counts were below average as well, even for promoted content.

The reason for the lack of engagement seems clear: Their headlines simply couldn't compare to the content on the rest of the site. Worse, Mercedes-Benz spent all three of their *Washington Post* WP BrandConnect posts on copy straight from a sales brochure.

Companies in other industries have been scoring with innovative native ads, including the much-lauded story on women in prison in *The New York Times*, sponsored by Netflix and Capital One Spark's heavily shared Mashable series seeking America's most social small business. If carmakers can manage to produce similar content capable of rivaling pure editorial, they could find themselves with a new avenue to connect to younger audiences through publishers like BuzzFeed and Gawker.

More consistent content

One factor contributing to the lackluster automotive sponsored content is that campaigns tend to last only short periods of time and only include a handful of posts. Even the best carmaker campaign on WP BrandConnect, a 2013 Land Rover series, includes a meager three posts. Buick's BuzzFeed run lasted two months and included six posts. Even a well-viewed Toyota series for *Forbes* BrandVoice with more than 20 posts ended after three months.

This trend doesn't jive with consumer behavior. As The Content Strategist recently reported, the adage that content marketing is a marathon, not a sprint, holds real value.

"While every program varies, monthly pageviews on average increase 102 percent between the first month and the third month of a program," *Forbes'* senior director of brand media production, Claire Robinson, told TCS.

"And the average pageviews a month for ongoing programs are 212 percent higher than the average pageviews a month for the first three months of a program."

In order to reap the most benefit from their content, automakers need to find a way to break out of their own cycles and stay committed to building long-term relationships with audiences.

A lasting love affair with the A renewed focus on UGC web series

With the success we saw above, it's certain that automakers' love affair with the branded web series isn't going to end anytime soon. Expect the likes of Lexus' L Studio, Land Rover, VW, GM, and others to continue to invest serious resources in highly shareable branded entertainment in 2015.

For the new generation of consumers, loyalty comes from engagement. Like many carmakers, Burberry needed to reconnect with a younger audience. And it has, through user-generated content (UGC). With Art of the Trench, Burberry collected photos of people wearing their Burberry coats and created an interactive piece of art. Similarly, their "Kisses" project allowed users to capture an imprint of their own lips, color it with a shade of Burberry lipstick, and send it to a friend.

Car brands have dabbled in UGC. Volkswagen invites social followers to share content with hashtags, but there doesn't seem to be any plan for the user-generated photos people are posting. Toyota recently released a fun Yaris commercial in which people off the street are invited to sing along to a Yaris test drive as the playlist changes every time the driver turns down a new street in Prague. It's intriguing, but with only a small number of consumers participating, the impact has been minimal.

People want to share their experiences. And since vehicles are part of everyday life, carmakers should look to UGC as one way to reach out to potential customers and keep current customers interested.

Conclusion

The last few decades have been tough for the auto industry. Today, however, there are still 80 million customers out there who need cars. The cars we drive have an impact on who we are as people. With the right content, car brands have the chance to make a positive impact on how we view their products.

Time to shift into high gear, automakers. The race is yours to win.

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