

2023

PERFORMANCE BENCHMARKS

FOR AUTOMOTIVE DIGITAL MARKETING



INTRODUCTION	3
SEO	5
FACEBOOK ADS	8
GOOGLE ADS	11
EMAIL	14
YOUR BENCHMARKS	17
CONCLUSION	18

HOW WILL YOU IMPROVE?

From inflation to chip shortages to supply chain issues, automotive marketing has never been more challenging. You need to get real insights from your data — but how do you know if it's really performing?

That's why 9 Clouds publishes this annual report with the most up-to-date benchmarks for every element of your online marketing.

Know What "Good" Really Is.

Different marketing channels — from email marketing to Facebook and Instagram ads to search engine marketing — all come with a unique set of metrics that can make or break your digital marketing strategy.

This document lists the most important benchmarks (industry averages) to evaluate for each of these services. You can compare this data to the numbers at your own dealership to see how your marketing stacks up.

Whether you're above or below these benchmarks, we have some great next steps for you in the last section of this report.

Real Data. Real Dealerships.

After more than a decade of independent work in automotive digital marketing, 9 Clouds is in a unique position to provide valuable insight into the key metrics for these core digital services — and why each one matters.

Consistent, Reliable Data.

Our data comes from practical, real-world automotive campaigns — and it's standardized. Our specialists created detailed methodologies for each of these services.

We use these performance benchmarks not only to assess our own work, but also to provide a constructive guide for our fellow automotive digital marketers. We hope you find them as useful as we do.

PAGE 3 9clouds.com



OUR METHODOLOGY

With the infinite points of data available at our fingertips today, objectivity is rare in digital marketing. Anyone can make anything sound "good" with the right numbers. To provide some signal in this noise, our team carefully chose the most important data points for our core digital marketing services:

- Facebook and Instagram ads
- Search engine marketing (SEM a.k.a. Google and Microsoft ads)
- Email marketing
- Search engine optimization (SEO)

After determining the best data points to analyze for each service, we methodically compiled our internal data from clients, focusing on preserving the accuracy and validity of our findings.

Then, our specialists identified reputable third-party resources that regularly report the national benchmarks for each corresponding service. We measured our clients' results against these industry averages to give you a fair, complete picture of the data.

The benchmarks from third-party resources are identified with this icon: (1)



The benchmarks from 9 Clouds performance data are identified with this icon:



PAGE 4 9clouds.com

SEO BENCHMARKS FOR 2023

	((A)	
SESSIONS PER USER:	1.6	1.56	
AVERAGE SESSION DURATION:	2:45	3:36	
PAGES PER SESSION:	2+	3.98	
BOUNCE RATE:	53%	24.82%	

It can be tricky to measure the success of your website.

Anyone who works with websites and in web publishing understands that you can't always control when a site is seen, where it is seen and who sees it on search engines like Google, Bing or Duck Duck Go.

However, measuring your search engine optimization (SEO) success is important to any website for a couple of key reasons.

First, if your website is structured well and written for your user, search engines will show your site for more appropriate searches and could place you in a higher position on the search engine results page (SERP). This means you will be seen more often and have a better opportunity to get clicks to your site.

Second, the more in-tune you are with SEO, the more your visitors should engage with the content on your site. When Google observes higher engagement on your site, it rewards you with higher rankings.

WHAT WE MEASURED AND WHY

Because there are so many factors influencing how a website ranks for search engines, we selected the metrics we have found to most impactful for SEO.

Many metrics, like page views, can vary wildly based on the client's market, the type of page, and what other services we're providing for that website. On the other hand, metrics such as time on page and bounce rate are more indicative of the quality of the content on the page — something over which we have much more control.

PAGE 5 9clouds.com

9 CLOUDS SEO BENCHMARKS

Unlike areas of digital marketing such as Facebook and Google Ads, which have industryleading websites also tracking and reporting their benchmarks, SEO isn't as lucky.

To compile these SEO benchmarks, we logged hundreds of data points from more than a dozen of our automotive clients' websites, using metrics found in Google Analytics, Google Search Console and Google Business Profile. Our SEO team looked at averages for the automotive industry when they were available, but when there wasn't enough information available specific to the industry, we also looked at averages for websites overall.

SESSIONS PER USER

Since almost all automotive purchases are not quick decisions, it's important to look at the number of times a user returns to a website. Our team looks at sessions per user to make sure potential customers are coming back to look at vehicles or do research on the site.

Most of the sources for other stats did not include sessions per user, but car shopping isn't as impulsive as buying a pair of shoes.

Littledata surveyed nearly 6,000 sites and reported 1.4 sessions per user was a good average. They noted anything above 1.6 ranked you in the top 20% of sites. Since we want our clients to have strong customer engagement, we decided to go with 1.6 sessions per user.

AVERAGE SESSION DURATION

We want to see people spending quality time on a

site. That's why we look at average session duration
— or how long someone spends on a site before
leaving — as an important SEO metric. (This is
different from time on page, which measures how
long someone spent on a specific page.)

Average session duration benchmarks across the web vary based on industry, but most sources (including Contentsquare and Databox) point to an average of two to three minutes on site. For almost all of our clients, average session duration was at least three minutes. Overall, the average was 3:36.

PAGES PER SESSION

Pages per session is the number of web pages on your site that someone viewed in one browsing session. As we build quality pages on a website, we like to see users flow through various pages moving along the car sales funnel. Both Hinge Marketing and Littledata noted three pages or more is good.

Littledata reported 2.6 pages per session was average, with 4 pages per session ranking your site in the top 20% of websites.

Contentsquare noted the average for automotive websites is more than 5 pages.

Of our automotive clients, 43% have more than four pages per session, and 100% of our clients were at or more than 2.6 pages per session in 2022.

PAGE 6 9clouds.com

9 CLOUDS SEO BENCHMARKS

BOUNCE RATE

Bounce rate is determined by the number of users who visited a site but did not click on anything before leaving. Essentially, it includes anyone who visits a website and then leaves without going to a second page, filling out a form, viewing a video, etc.

Sometimes, a high bounce rate isn't bad. Maybe the visitor had a specific question that you answered, and that was all they needed.

Often, though, a high bounce rate can indicate something is broken or not working the way it should. When optimizing a website, you generally hope to have a low bounce rate, as that means people are navigating through your site and staying engaged.

The average bounce rate goal to stay under is 60%, based on stats from Contentsquare, CXL and Hinge Marketing.

On average, our automotive SEO clients have a bounce rate of around 25%.

WHERE DID WE FIND OUR DATA?

Our team worked to find SEO benchmarks both based in our industry and as a whole. Unfortunately, there weren't strong reports specifically for the automotive industry, so we then looked for more general benchmarks. Contentsquare, Databox, Littledata, and Hinge Marketing offered the most data.

The 9 Clouds SEO team pulls data directly from Google Analytics, a third-party data processing system used worldwide. Our data comes from client websites, which are hosted and published by a wide variety of vendors.

PAGE 7 9clouds.com

FACEBOOK AD BENCHMARKS FOR 2023

	2020	2021	2022	2023
COST PER CLICK:	\$0.63	\$0.37	\$0.42	\$0.39
CLICK-THROUGH RATE:	2.4%	2.66%	3.09%	3.52%
COST PER LANDING PAGE VIEW:	\$1.11	\$0.60	\$0.74	\$0.55
		Note: All c	urrency metrics (are shown in USD.

Advertising on Meta (including both acebook and Instagram) proved resilient in 2022.

The long-term effects of the COVID-19 pandemic and economic fluctuations didn't seem to negatively impact marketers' ability to advertise on Facebook last year, as 1.49 billion Facebook users generated 22 billion ad clicks, according to WordStream.

Facebook has a treasure trove of data to find your ideal audience. Since the cost of a click is less than a cup of coffee, it's easy to bring the right kind of traffic to your dealership's website every day of the week.

The ads you show to this qualified audience can take many forms, creating a wellspring of data and insights.

As we began to look for external sources for automotive industry Facebook benchmarks, we discovered that there was no reliable source with up-to-date data. Since 9 Clouds is an industry leader when it comes to automotive Facebook ads, we're confident our internal benchmarks are a reliable measurement most dealership marketers should try to achieve.

In this report, we compare three main data points from the past three years that clearly show return on investment (ROI) for auto dealers.

PAGE 8 9clouds.com

COST PER CLICK (CPC)

We chose cost per click (CPC) because Facebook ads are fundamentally a pay-per-click system.

Cost per click is an average of all clicks on traffic-oriented ads (as opposed to ads with video-, event-, or reach-based objectives). We measured it in the "CPC (All)" column in Ads Manager.

CPC also provides insight into competition for the audience's attention, it gives a clear indication of which content Facebook thinks is the most engaging, and it evaluates the quality of audiences within the Facebook ad tool.

Within the Facebook "ad auction" system, where companies compete for attention, CPC indicates the market value of a click given the targeting methods and quality of content used in the ad.

If you've read our previous benchmarks reports, you may have noticed that the average automotive CPC for 9 Clouds' clients has decreased in the last year. Our strategic blend of high-value retargeting audiences, custom audiences, and special ad audiences regularly allows us to achieve very low CPC numbers for Facebook advertising clients. And since A/B testing is a standard process at 9 Clouds, we constantly

seek the best audience combination for our clients and their Facebook ad goals.

Additionally, our Cumulus software enables dealers to deploy highly relevant Facebook campaigns, which often yield low CPCs in the range of \$0.05 to \$0.15.

Facebook will always try to serve your ads to people who are most likely to click them, especially if you build your ads to be optimized for clicks (as opposed to other metrics). However, this method can at times result in low-quality traffic once these users are on your website. We recommend actively monitoring both Facebook and Google Analytics data to ensure your Facebook campaigns are sending the right message to the right audience.

CLICK-THROUGH RATE (CTR)

Next, we chose CPC's cousin, click-through rate (CTR), which is also based on traffic-oriented ad data. We measured it in the "CTR (All)" column in Ads Manager.

CTR is the percentage of impressions that resulted in clicks to the website or other assets within Facebook. We chose this metric because it indicates the quality of the relationship of your content to the people viewing it.

PAGE 9 9clouds.com

In 2022, we maintained a consistent CTR benchmark of 3.52% by using a mixture of high-value audiences, engaging and creative ad formats, and individualized retargeting with campaigns leveraging our Cumulus software. In our experience, CTR should rise as you make your way down the sales funnel. With specifically targeted ads like dynamic retargeting, you can see CTR rise to the 7%-15% range.

COST PER LANDING PAGE VIEW (CPLPV)

Not all clicks result in quality website visits. To understand how many people actually saw the web page linked in your ad, we use the metric of cost per landing page view (CPLPV), which is calculated with traffic-based ads for clients with Facebook pixels installed on their sites.

We chose this benchmark because Facebook ads should drive only the most qualified visitors to your site — visitors who actually wait for the page to load and then spend time on your site. CPLPV provides directional guidance by reporting the number of times a person clicked on your ad link and then successfully loaded your landing page.

At 9 Clouds, we focus on creating a satisfying user experience for our clients' customers. This involves carefully setting the targeting, the ad creative, and the

destination page. By constantly testing our methods, we're able to ensure the quality of our ad traffic after the click happens.

Our average cost per landing page view increased in 2022 to a respectable \$0.55. To keep CPLPV affordable, our team finds ways to engage those who are most qualified for your products and services. Through advanced audience targeting strategies and dynamic and engaging creative, we effectively communicate the message your dealership is trying to convey.

WHERE DID WE GET OUR DATA?

Because external data is no longer available online, we compared our own benchmarks based on client data for the past three years.

Additionally, our team of Facebook specialists regularly researches Facebook advertising developments and engages in continuing education through Facebook webinars and courses that give us insight into industry trends.

Of course, since our numbers are an average of the wide variety of dealers we work with (throughout North America, urban and rural, franchise and independent), it may be more helpful to contact 9 Clouds for numbers from a dealer in a comparable situation to your own. Our team would be happy to provide these for you.

PAGE 10 9clouds.com

SEARCH ENGINE AD BENCHMARKS FOR 2023

GOOGLE SEARCH ADS



3

COST PER CLICK:

\$2.46

\$1.88

CLICK-THROUGH RATE:

4%

9.58%

CONVERSION RATE:

6.03%

41.77%

lote: All currency metrics are shown in USD.

GOOGLE DISPLAY ADS



COST PER CLICK:

\$0.58

\$0.77

CLICK-THROUGH RATE:

0.6%

0.39%

CONVERSION RATE:

1.19%

3.75%

Note: All currency metrics are shown in USD

BING SEARCH ADS





COST PER CLICK:

\$2.52

\$1.21

CLICK-THROUGH RATE:

2.34%

3.99%

CONVERSION RATE:

1.62%

23.01%

Note: All currency metrics are shown in USD

PAGE 11 9clouds.com

It pays to be at the top of the search engine results page.

Search engines are often the first place consumers go to research a business, product, or service.

According to Search Engine Land and Backlinko (using data from SEMrush), more than 50% of users will click on one of the first three search results, while 25% will click on the first result.

With search engine marketing (SEM), you can be one step above all these organic results, placing you above the competition and making you more visible to consumers.

Even if you have great search engine optimization (SEO), Google and Microsoft Ads (formerly known as Bing Ads) allow a few cost-associated ads to show above all the organic (free) search results. So if you have a hard time breaking through organic searches because of high competition, search engine marketing could be your answer.

Our SEM team structures our benchmarks around measurable data collected directly from Google and Microsoft. For this report, we looked at three benchmarks set by a third-party company, WordStream by LOCALiQ, which manages more than 300,000 accounts every year.

Note: Wordstream last updated its Google benchmarks in October 2022, though its Bing benchmarks were last updated in December 2021.

COST PER CLICK (AVG. CPC)

Like other digital advertising platforms, search engines work off a pay-per-click (PPC) program. These ads allow businesses to pay only when someone clicks on their ad — though since your ad will show up whenever the search engine deems it relevant to a search, your ad could be shown dozens, hundreds, or even thousands of times to people who don't click on your ad.

Through the search engine PPC algorithm, your cost per click (CPC) can easily fluctuate based on several factors, such as quality score, competition, and how much you are willing to bid.

To obtain strong external benchmarks for this report, we looked to a larger company with thousands of clients. Since WordStream breaks out its metrics by industry and search platform, we were able to ensure our data accurately reflects the industries with which we work.

Across our automotive clients, 9 Clouds was \$0.58 cheaper than the average Google search CPC and \$1.30 cheaper than the average Bing search CPC for WordStream's data.

CLICK-THROUGH RATE (CTR)

Click-through rate (CTR) is also an important metric to watch when measuring SEM success. To find your CTR, you take the number of clicks divided by the number of impressions the campaign received.

PAGE 12 9clouds.com

This is an industry-wide metric used by many SEM strategists and companies, and it factors into other metrics, including quality score. Google and Bing pull CTR, along with several other metrics, into their bidding systems, which compute CPC.

Our CTR is consistently above industry standards, averaging more than double Wordstream's benchmark. Several accounts averaged more than 10% CTR on Google search campaigns. Our Bing CTR is close to double the WordStream benchmark of 2.34%.

Our SEM team works to write highly relevant ad copy that speaks to the searcher, which translates into a better CTR. We don't rely on templated ad copy that doesn't differentiate one dealership from another in brand or style. Knowing that well-written ads initiate clicks, we listen to the client's voice to craft a cohesive message that will engage a potential customer.

CONVERSION RATE

Conversion rate is the percentage of goal conversions that were completed from the number of clicks the account received.

After consulting with the client to determine which specific goal conversions to measure, 9 Clouds sets them up in Google Analytics, Google Ads and Microsoft Ads. Goals may be something like a vehicle detail page (VDP) view, calling the dealership, or submitting a credit application or trade-in evaluation.

While our conversions are not 100% the same as WordStream's, we are very comfortable saying that each user who clicks through from our ads performs more than one conversion on average for our clients.

WHERE DID WE FIND OUR DATA?

Our SEM team worked to find reliable third-party reporting that includes data from industries with which 9 Clouds works. In the end, WordStream provided the most detailed data from its SEM database. WordStream's Google metrics were last updated in October 2022, while its Bing metrics were last updated in November 2021.

All of the 9 Clouds benchmarks were taken from our own clients' ad accounts, based on all of 2022 (or as soon as the client started working with us in 2022). The data comes from automotive clients using our Google and Bing advertising services.

PAGE 13 9clouds.com

EMAIL MARKETING BENCHMARKS FOR 2023

		(A)	
OPEN RATE	12.6%	16.48%	
CLICK-THROUGH RATE	9.8%	13.44%	
UNSUBSCRIBE RATE	0.2%	0.62%	
BOUNCE RATE	0.8%	0.22%	

Don't discount email marketing as a way to sell vehicles and engage with customers.

For every dollar you spend on email marketing, you can expect an ROI as high as \$36. Can other marketing avenues say the same?

We're going to assume you're using email marketing as part of your strategy. (If you're not, let's talk!)

Email marketing is the oldest and simplest of our platforms to measure — but it has changed over the years. The days of "email blasting" are no more, as your customers become wiser and spam filters become smarter.

Think of your email marketing campaigns as opportunities to build a personalized and trusted relationship with your contacts.

When your audience checks their email, they are inviting you into their personal space—and they can kick you out with the tap of a finger.

That's why you must keep a close eye on your email metrics to be sure you're reaching the right people with the right message at the right time.

In this report, we've identified four email metrics that will give you insight into just how well you're communicating with each valuable member of your audience.

PAGE 14 9clouds.com

9 CLOUDS

OPEN RATE

Open rate is the first metric to examine because it's the first opportunity for your recipients to engage with your email. If your audience isn't opening your emails in the first place, you've already lost your chance to connect.

Open rate is the percentage of people who opened your email out of those who received it. Improving your open rate is the first step in improving your email success.

You can do this by testing the subject line, sender name, send time or recipient list. For example, an email sent to a very small recipient list may have an unusually low or high open rate compared to one sent to a larger list.

Our email segmentation strategy and careful data management help us send relevant emails to the right group of people on behalf of our automotive clients, resulting in an average email open rate that is 48% higher than the auto industry average.

One relatively new consideration with open rates is they may be subject to change based on new Apple privacy measures with their iOS 15 update (and any future updates).

CLICK-THROUGH RATE

Click-through rate (CTR) is the percentage of people who click on a link within your email out of those who open it. This is not to be confused with click rate, which is the percentage of those who click your email out of those who receive it.

CTR is an important metric because it tells you whether or not your email entices your audience to actually take an action in response to your message. It helps you identify whether your email is achieving its goal.

9 Clouds' CTR benchmark is 12% above the industry benchmark. Complemented by our high email open rates, this metric is successful due to engaging design, clear messaging and calls to action, and regular A/B testing to achieve optimal results.

UNSUBSCRIBE RATE

Unsubscribes are not always a bad thing. After all, it's a waste of your time to send an email to people who aren't currently interested in your content or product.

Unsubscribe rate measures the number of email recipients who elected to no longer receive future emails from you. It's normal to have a consistent,

PAGE 15 9clouds.com

9 CLOUDS

low number of unsubscribes. After all, that reflects the ebb and flow of the buyer's journey.

However, watch out for a sudden spike in your unsubscribe rate. This may reflect mismatched expectations between what you promised your recipients and what they received. If this happens, it may be time to restrategize.

Before we send marketing emails for our clients at 9 Clouds, we take careful steps to exclude contacts for whom we know the message is not relevant. This results in a low unsubscribe rate and facilitates a positive relationship between our clients and their customers.

BOUNCE RATE

Bounce rate measures the number of emails sent compared to the number of emails delivered. There are two main types of bounces: hard and soft.

A hard bounce often indicates a permanent error, such as a nonexistent email address. Many email clients will exclude these contacts from future email sends. If yours doesn't, you should manually remove them in order to protect your sender reputation. (You don't want to end up in the spam folder, after all!)

A soft bounce indicates a temporary technical problem, such as one with the recipient's email server.

There's not much you can do to prevent hard and soft bounces, but it's a good practice to clear out the contacts who aren't receiving your emails because of bounces. At 9 Clouds, we routinely remove bounced email addresses to keep our clients' contact lists clean and relevant — which also helps us achieve a lower bounce rate than the industry average.

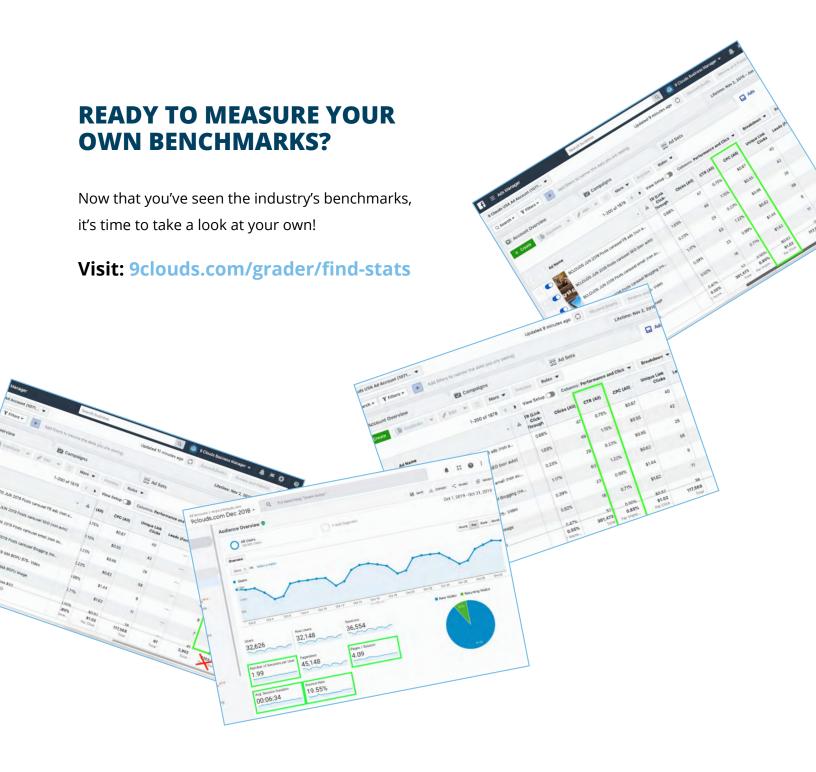
WHERE DID WE GET OUR DATA?

To find our internal 9 Clouds benchmarks, we averaged the metrics for all marketing emails sent on behalf of 9 Clouds automotive clients from August 2021 to November 2022.

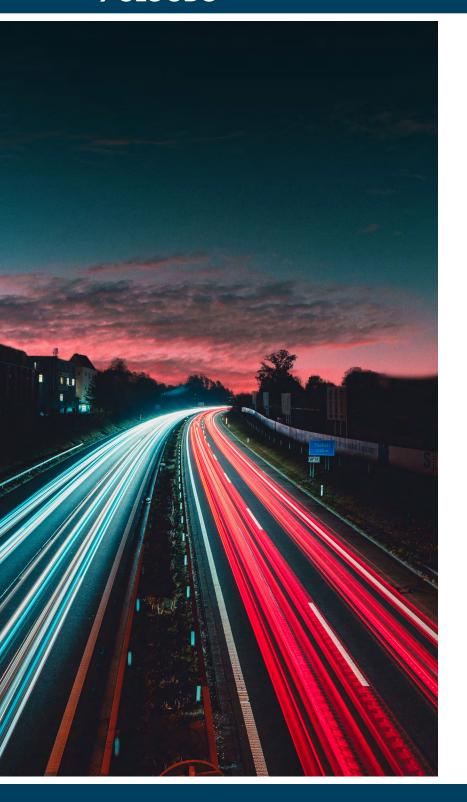
Our source for third-party email data for the automotive industry comes from Campaign Monitor, which analyzed more than 30 billion emails for its most recent 2022 Global Email Benchmarks report.

PAGE 16 9clouds.com

9 CLOUDS



PAGE 17 9clouds.com



HOW DO YOU STACK UP?

Now that we've shared our digital marketing data with you, we want to hear about yours! Is your dealership above or below our benchmarks?

Every business has a unique way of measuring ROI. We want to know about your benchmarks and what they mean.

Even if you're already above these benchmarks, we can help! Get a clear picture of your data with a free digital marketing assessment from 9 Clouds!



THANKS FOR READING!

Want more tips and updates? Subscribe to our blog to get our monthly newsletter on digital marketing.