



Online Advertising Tips

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Consumer Online Behavior Revealed

The internet has become a leading source of advertising for dealerships. It's also become a useful tool for consumers to become more knowledgeable car buyers. AutoTrader.com, the online automotive marketplace, recently looked at the online tools used by consumers when they begin their shopping process. They looked at the online behaviour of over three million car shoppers. The report analyzed what websites they visited, and how they got there.

It's often assumed that most consumers find dealership information through search engines such as Google and Yahoo. However, the report found that search engines act more like directories or paths to dealership websites. Dealers should know that not all vehicle shopping begins on a search engine.

Third-party websites such as AutoTrader.com drive a large number of consumers to dealership sites. The report found that 34% of visitors go through a third-party website first. And, those who visit third-party sites prior to a dealership website are more qualified shoppers, having done most of their homework.

Compliance Tips for Online Advertising

The VSA Advertising Guidelines offer all dealers and salespeople a detailed description of the advertising requirements. The *Motor Dealer Act Regulation* states that if the price of the vehicle is shown in an advertisement, then it must be the total price. The *Business Practices and Consumer Protection Act* says total price includes all doc fees, inspection fees, or any other fees and transportation charges.

To ensure compliance in online advertising, follow this guide:

- All online advertising should be consistent, whether on Craigslist, AutoTrader.ca, the dealership website, or in a classified ad
- Selling at a price higher than the lowest advertised price is a violation of the federal *Competition Act*
- The price shown in the ad needs to be the total price that the consumer has to pay to purchase the vehicle. Taxes and insurance costs do not have to be included
- Documentation and any other dealer fees are to be disclosed correctly on the dealership website. Generic disclaimers such as "plus fees" do not meet this requirement
- Pricing in salesperson ads should match dealer pricing, as the dealership will be held to any advertised price
- Salesperson ads must correctly describe the vehicle and include the dealer licence number

RCMP Recommends Charges for Southwest RV Dealer Principal

The RCMP recently recommended criminal charges against Kersti Clark of Southwest RV to the Crown Counsel and a warrant has been issued for her arrest. In 2009, the Registrar cancelled the dealer registrations for Southwest RV and True North RV, as well as the salesperson licences of Kersti Clark and Kelly Grainger. This action followed the determination that the dealers and the salespeople acted wrongfully in conducting consignment sales of consumer vehicles.

Through the combined efforts of the VSA, the Canadian Revenue Agency and a court appointed receiver-manager, many consumers had their property returned. Others had no recourse other than to turn to the Motor Dealer Customer Compensation Fund for the limited protection it provided for each consumer with a proven claim.

Want More Info?

The summary of the Registrar's decision on the Southwest RV case can be found [here](#).

Autotrader.com's complete report on online consumer behavior can be viewed [here](#).

View the complete VSA advertising guidelines here: [Advertising Guidelines](#)