

MAXIMIZING LEAD GENERATION:

Combining VLA with SEM to Lower Cost per Conversion

> EXECUTIVE SUMMARY

In November 2024, the integration of Vehicle Listing Ads (VLA) with the Dealer Terms SEM campaign led to a significant improvement in cost per lead (CPL). This strategic approach reduced CPL by 43% in just one month, demonstrating the power of combining inventory-based ads with search engine marketing to achieve cost-effective lead generation.

> BACKGROUND

The dealer sought to enhance their lead generation strategy by improving overall cost per conversion without compromising the quality of leads. With SEM campaigns already delivering strong results, the goal was to explore additional opportunities for optimization and cost reduction.

> CHALLENGE



While the Dealer Terms SEM campaign was driving effective results, CPL had plateaued, leaving room for improvement. The dealer needed a strategy to lower CPL while maintaining the quality and volume of leads.

> SOLUTION



To address this challenge, we introduced a VLA campaign in November 2024 to complement the existing Dealer Terms SEM campaign. By displaying inventory directly within search results, VLA increased ad relevance and engaged users with high purchase intent. This dual-campaign approach ensured alignment with the dealer's goals of maintaining high-quality lead generation while optimizing costs.

RESULTS

PERFORMANCE DATA OVERVIEW:



KEY OBSERVATIONS

Pre-VLA Performance (September-October 2024):

CPL remained steady but high, at \$429.61 in September and \$437.99 in October.

VLA Launch (November 2024):

While the overall CPL increased temporarily to \$499.96 during the launch phase, inventory visibility and ad relevance improved significantly.

Post-VLA Performance (December 2024-January 2025):

The CPL dropped to \$284.78 in December, representing a 43% reduction compared to November. January 2025 maintained this positive trend with a CPL of \$300.73.

CONCLUSION

The integration of VLA with the Dealer Terms SEM campaign proved highly effective in optimizing lead generation. By leveraging inventory-driven ads alongside SEM, the dealer achieved a 43% reduction in CPL within one month while sustaining high-quality conversions. This case underscores the value of a dual-campaign strategy in driving cost-effective and impactful marketing outcomes.