

# A Study on Impact of Digital Advertising Campaigns on Car Dealership Lead Generation Reference to Kun Hyundai Chennai

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## ABSTRACT

This study examines the impact of digital advertising campaigns on lead generation in car dealerships, with special reference to Kun Hyundai, Chennai. It analyzes how online platforms such as social media, search engines, and display ads influence customer engagement and inquiry generation. The research evaluates the effectiveness of different digital marketing strategies in attracting potential buyers. It also studies customer response patterns and conversion rates resulting from digital campaigns. The findings aim to help dealerships optimize their digital advertising efforts to improve lead generation and sales performance.

**Keywords:** Digital Advertising, Lead Generation, Car Dealership, Customer Engagement, Online Marketing

## INTRODUCTION

Digital advertising campaigns significantly boost car dealership lead generation by allowing dealerships to reach a wider, more targeted audience and providing higher ROI than traditional methods. Strategies like search engine marketing (SEM), social media advertising, and content marketing capture high-intent leads, while AI-powered personalization and analytics further improve engagement and conversion rates.

### Digital advertising campaign

A digital advertising campaign is a series of online advertisements designed to achieve a specific business goal, such as driving sales, generating leads, or increasing brand visibility.

- It uses online channels like search engines, websites, social media, and email to deliver targeted messages to a specific audience on devices like computers and smartphones.
- These campaigns are distinct from traditional advertising because they are often more dynamic, measurable, and interactive, allowing for greater targeting and optimization.

### Types of Advertising Campaigns

**1. Display Advertising:** Display advertising is a widely used digital campaign type, employing banners, text ads, and graphical elements across mobile apps, blogs, websites, and distinct online platforms. It operates on a pay-per-click (PPC) model, where advertisers pay publishers each time a user clicks on the displayed ad. Its simplicity and ease of execution contribute to its popularity.

**2. Search Advertising:** This targeted form of advertising allows businesses to display ads exclusively on user searches. These ads appear in sponsored results on search engines, such as Google. Displayed when users search for terms related to the product or service, these ads typically appear at the top of organic search results or alongside paid links.

**3. Social Media Advertising:** Social media advertising involves paid advertisements on platforms including Facebook, Twitter, and Instagram. It serves to promote products, generate awareness, and enhance brand visibility. Leveraging the vast user base of social media, advertisers can strategically reach their target audience.

**4. Video Advertising:** Video advertising utilizes compelling content to engage audiences across platforms. In a digital landscape dominated by short attention spans and the popularity of video-first platforms, this tactic involves sharing contextual video ads on social media to effectively convey promotional messages about products or services.

**5. Email Advertising:** Email advertising, or email marketing, is an effective way to reach target customers and prospects. It involves generating qualified leads, nurturing them, and converting them into buyers through automated email campaigns, newsletters, and lead nurturing initiatives.

**6. Influencer Marketing:** Influencer marketing taps into individuals with a significant social media following to promote products or services. Influencers post branded or sponsored content on their social media feeds, leveraging their credibility and reach to influence the purchasing decisions of their followers.

**7. Retargeting Advertising:** Retargeting advertising aims to re-engage visitors who have previously visited a website. Ads are displayed to these individuals on various platforms, reminding them of the brand and encouraging them to return. This personalized approach is effective in retaining the interest of potential customers.

## STATEMENT OF THE PROBLEM

The automotive industry is experiencing a significant shift as consumers increasingly use digital platforms for their pre-purchase research, with over 50% making their decision online. Traditional marketing methods are demonstrating a lower return on investment compared to digital channels. However, many car dealerships face challenges in effectively leveraging these digital advertising campaigns to generate and convert quality leads into actual sales.

## OBJECTIVES OF THE STUDY

- To measure the success of your digital advertising campaigns
- The quantifiable increase in sales and test drive appointments directly linked to digital campaigns
- The campaign aims to optimize the effectiveness of ongoing promotions
- Digital campaigns often show a higher return on investment compared to traditional advertising
- The online reviews or testimonials impact your decision to consider a specific brand or dealership?
- The Good lead generation helps get new customers and keeps current ones in the automotive industry
- The Lead generation are instrumental in gathering valuable information about potential customers
- To recommend a dealership based purely on your online experience with them

## SCOPE OF THE STUDY

- This study aims to analyze the impact of various digital advertising campaigns on car dealership lead generation within the automotive industry.
- The study will focus specifically on key digital marketing channels, including search engine marketing (SEM), social media advertising (Facebook, Instagram, YouTube), email marketing campaigns, and official dealership websites.
- The study will gather data from car dealerships and customers within a specific geographic area (e.g., a selected region or city) to provide a focused analysis of the regional market dynamics and consumer behavior.

## LIMITATIONS OF THE STUDY

- To findings, being based on a specific sample size and geographic location, may not be universally applicable to all car dealerships globally, as market conditions and digital literacy vary by region.
- The data provided by dealerships and customer survey responses may introduce an element of response or researcher bias.
- The fast-paced nature of digital marketing means that specific platforms, algorithms, and consumer preferences can change rapidly
- The study difficult to measure fully and consistently across different dealerships.

- The study may face challenges in isolating the impact of digital advertising from other external factors influencing car purchases.

## REVIEW OF LITERATURE

(Glamanco & Gregoire, 2022) Consumer behaviour is changing today as customers have been using the Internet to investigate purchases under consideration. They are shifting from a push to a pull world of commercial messaging. The research has shown that today, customers typically complete most of the purchase survey before having any contact with sales representative. Buyers start the process of market mechanism without anybody's help and persuasion. Now, the consumer is far more informed than those who are actually in the business of selling the product. The consumer learns about the product to be purchased through online activities such as reading blogs, reviews, and holding online discussion about products and services. Thus, the management of these online processes requires involvement. In social media customers are scanning Youtube videos, participating in focus forums, and tweeting. They trust their peers for referrals and warnings. The social media's greatest potential is at the front end of the sale cycle i.e. during the prospecting stage opportunity qualification and pre-sales call research that lead up to a face to face meeting. Internet social platforms also offer means of maintaining customer relation with company and building brand loyalty throughout .

Stelzner, M. A. (2023) The digital advertising campaigns on car dealership lead generation, In his paper examined the viable social networking technique development for vehicle merchants. Methods like 'corresponding with clients successfully' rest on a mixed bag of diverse social networking stages and persuade them to purchase from their dealership. Most broadly utilised social stage is Facebook which gave an alternative of utilising social consideration; it was a spot where organisations gave administration to their customers and merchants associated with greatest of the swarm. Sites like dealer.com, cars.com, and dealerrater.com gave helped the clients in taking a right choice.

Havas Digital Insight (2025) discusses automobile sector with increasing sales and increased competitive entry which will bring a requirement for dedicated investment in digital advertising. The Indian online consumer is seeing year on year growth in the sector which also provides a justification for a more dedicated focus on digital channels. Direct response advertising through digital channels in this sector is largely becoming the key ROI driver, however this must be supported by a focused social activities and also brand led display activity to ensure awareness and consideration.

## RESEARCH METHODOLOGY

Methodology is a way to systematically solving the research problems by applying the various techniques along with the logic behind the problem. According to the John Best research is define as "A systematic analysis regarding at controlled observation that may lead to generalization and principles of theories resulting in product as control of many events that of consequence".

## RESEARCH DESIGN

The research design constitutes the blue print for the collection, measurement and analysis of data. The research had adopted for this study is descriptive research design for the study.

**SAMPLING METHOD:** The sampling technique used in this study is "convenience sampling" when the population element for inclusion in the sample is based on the ease of access.

**Sample Design:** A sample is a subset from the total population. It refers to the techniques or the procedure to the research would adopt in selecting items for the sample (i.e) the size of the sample.

## SAMPLE SIZE:

The sample size adopted for this study is 120.

**DATA COLLECTION:****PRIMARY DATA:**

The primary data are those which are collected a fresh and for the first time and thus happen to be original in character.

In order to collect the primary data, an interview schedule was designed with number of questions with open ended and close ended questions which will cover the overall information needed to the study.

**SECONDARY DATA**

The secondary data were collected from different sources.

- Published books
- Company records
- Journals
- Magazines
- Related web sites.

**TOOLS FOR ANALYSIS:**

The following statistical tools have been used to analyze the data. The collected data have been analysed with the help of statistical tools like

- Simple percentage method
- Chi-square method
- Correlation
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**DATA ANALYSIS AND INTERPRETATION****DIGITAL ADVERTISING PLATFORMS SHOWROOM INVEST IN MOST**

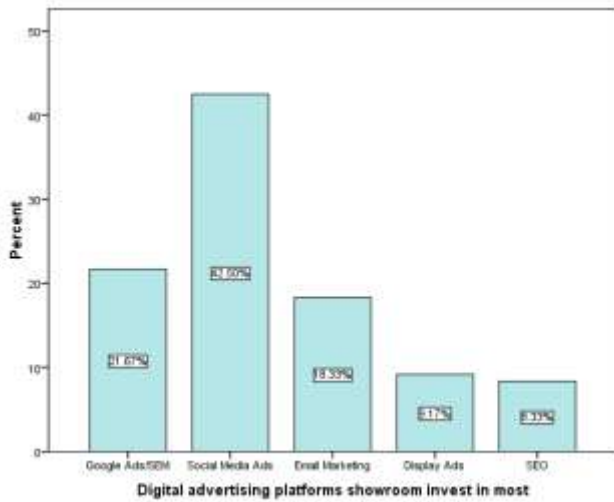
<b>DIGITAL ADVERTISING PLATFORMS SHOWROOM INVEST IN MOST</b>	<b>RESPONDENTS</b>	<b>PERCENTAGE (%)</b>
Google Ads/SEM	26	21.7%
Social Media Ads	51	42.5%
Email Marketing	22	18.3%
Display Ads	11	9.2%
SEO	10	8.3%
<b>Total</b>	<b>120</b>	<b>100.0%</b>

**Sources: Primary Data****INTERPRETATION**

The table shows that 21.7% of the respondents are said Google Ads/SEM for digital advertising platforms showroom invest in most, 42.5% of the respondents are said Social Media Ads for digital advertising platforms showroom invest in most, 18.3% of the respondents are Email Marketing for digital advertising platforms showroom invest in most, 9.2% of the respondents are said Display Ads for digital advertising platforms showroom invest in most and 8.3% of the respondents are said SEO for digital advertising platforms showroom invest in most.

Majority 42.5% of the respondents are said Social Media Ads for digital advertising platforms showroom invest in most.

**DIGITAL ADVERTISING PLATFORMS SHOWROOM INVEST IN MOST**



**DEALERSHIP EVALUATE THE EFFECTIVENESS OF DIGITAL ADVERTISING CAMPAIGNS**

DEALERSHIP EVALUATE THE EFFECTIVENESS OF DIGITAL ADVERTISING CAMPAIGNS	RESPONDENTS	PERCENTAGE (%)
Website traffic	33	27.5%
Lead volume	25	20.8%
Conversion rates	23	19.2%
Cost Per Lead (CPL)	23	19.2%
Showroom visits	16	13.3%
<b>Total</b>	<b>120</b>	<b>100.0%</b>

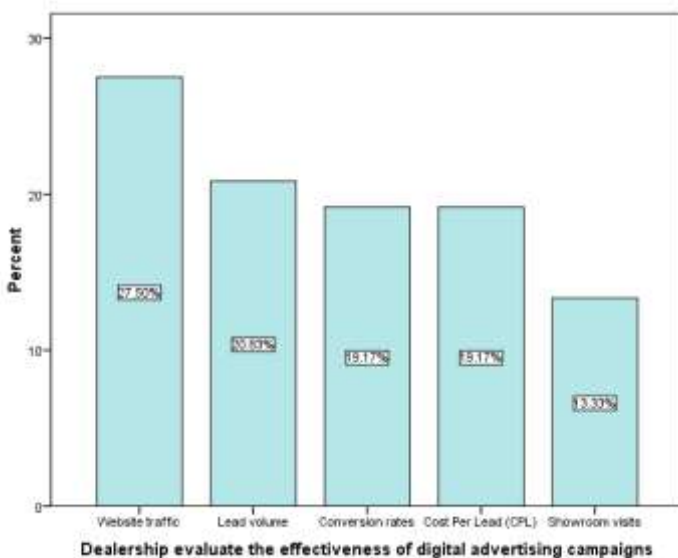
Sources: Primary Data

**INTERPRETATION**

The table shows that 27.5% of the respondents are feel Website traffic, 20.8% of the respondents are feel Lead volume, 19.2% of the respondents are feel Conversion rates s, 19.2% of the respondents are feel Cost Per Lead (CPL)s and remaining 13.3% of the respondents are feel Showroom visits.

Majority 27.5% of the respondents are feel Website traffic for Dealership evaluate the effectiveness of digital advertising campaigns.

**DEALERSHIP EVALUATE THE EFFECTIVENESS OF DIGITAL ADVERTISING CAMPAIGNS**



## CHI-SQUARE ANALYSIS

### NULL HYPOTHESIS

**HO:** There is no significance between Designation and Digital campaigns contributed to measurable increases in sales

### ALTERNATIVE HYPOTHESIS

**H1:** There is significance between Designation and Digital campaigns contributed to measurable increases in sales

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.278E2 <sup>a</sup>	16	.000
Likelihood Ratio	212.640	16	.000
Linear-by-Linear Association	100.535	1	.000
N of Valid Cases	120		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .50.

## RESULT

The  $\chi^2$  value for the Pearson Chi-Square test is  $\mathbf{2.278 \times 10^2}$  (or 227.80) with 16 degrees of freedom (df) and a p-value (Asymp. Sig.) of  $\mathbf{.000}$ . Since the p-value of .000 is less than the typical significance level of .05, we reject the null hypothesis, concluding that there is a statistically significant association between the two categorical variables. However, the note indicates that 64.0% of cells have an expected count less than 5, which violates the assumption for the traditional Pearson Chi-Square test, suggesting its result may not be reliable.

## CORRELATION

The table shows that the relationship between Educational Qualifications and Use the online tools or features offered by dealership

### Correlations

	Educational Qualification	Use the online tools or features offered by dealership
Educational Qualification	1	.939**
Pearson Correlation		.000
Sig. (2-tailed)		
N	120	120
Use the online tools or features offered by dealership	.939**	1
Pearson Correlation		.000
Sig. (2-tailed)		
N	120	120

\*\* . Correlation is significant at the 0.01 level (2-tailed).

## RESULT

Based on the provided Correlations table, here is the interpretation: The Pearson Correlation coefficient between Educational Qualification and the Use of online tools or features offered by the dealership is  $\mathbf{0.939}$ . This value is very close to +1, indicating a very strong, positive linear relationship between the two variables. The Sig. (2-tailed) value is  $\mathbf{0.000}$ , which is less than the typical significance level of  $\alpha = .01$ . Therefore, we reject the null hypothesis of no correlation and conclude that the relationship is statistically significant at the 0.01 level, meaning as educational qualification increases, the use of online dealership tools also tends to increase.

## SUGGESTIONS

- 1. Enhance Ad Targeting:** Use data analytics to better target potential buyers based on location, interests, and search behavior for higher lead quality.
- 2. Leverage Video Campaigns:** Create engaging video ads showcasing car features, customer testimonials, and dealership offers to improve reach and trust.
- 3. Optimize Landing Pages:** Ensure that digital ad clicks lead to mobile-friendly, fast-loading pages with clear CTAs to boost conversions.
- 4. Invest in Retargeting Ads:** Retarget users who visited the site but didn't convert by showing personalized follow-up ads to increase recall.
- 5. Track Campaign Metrics Regularly:** Use tools like Google Ads and Facebook Insights to monitor performance and adjust campaigns for better ROI.

## CONCLUSION

Digital advertising campaigns profoundly transform lead generation for car dealerships like Kun Hyundai Chennai by delivering targeted, measurable results that surpass traditional methods. Platforms such as Google Ads and Meta enable precise audience segmentation, boosting engagement rates by up to 70% and converting online interactions into qualified sales leads through real-time data analytics.

In the context of Kun Hyundai Chennai, these campaigns exemplify automotive digital innovation, driving higher conversion efficiencies and customer acquisition in a competitive market. Future growth lies in integrating AI-driven personalization and omnichannel strategies to sustain lead quality amid evolving consumer behaviors.

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**WEBSITE:** <https://www.kunhyundai.com/>