

# The Complete Guide to Inventory-Based Advertising for Dealers

How real-time market data turns your ad spend into inventory movement

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# What is VIN-Based Advertising?

When a shopper clicks on an ad, they aren't browsing a category. They're looking for a specific model, trim, color, and price point. VIN-based advertising is built around exactly that.

VIN-based advertising is a digital marketing approach that focuses on dynamic ads featuring specific vehicles from a dealer's inventory. Using live data feeds, real images and details are pulled directly from a dealer's inventory to create VIN-level ad campaigns across multiple platforms. Dealerships' ads show actual vehicles on the lot with their specific details to in-market shoppers.

## Why inventory-based advertising outperforms advertising by model or brand.

By speaking directly to how shoppers search, rather than serving a generic ad for a model category, it puts a specific vehicle on your lot in front of a shopper who is actively looking for it. In practice, that means:



### The Right Vehicle.

Each ad features a specific unit from your inventory, matched to shoppers who are actively searching for it or identified as in-market shoppers through real-time behavioral signals.



### Always Current.

Ads update automatically as your inventory changes. When a vehicle sells, it's immediately pulled from your campaigns so you're never spending money advertising cars you don't have.



### Real Details.

Current photos, live pricing, and up-to-date availability are pulled directly from your website inventory.



### Cross-Platform Reach.

The same vehicle is served to in-market shoppers across search, display, video, and shopping platforms simultaneously.

VIN-based advertising doesn't ask shoppers to find your inventory. It puts your inventory in front of the shoppers already looking for it.

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## VINScore:

# How does VIN-level scoring determine where your ad dollars go?

Deciding which vehicles deserve advertising support can't be a gut call. Every dealer has inventory that will sell itself, inventory that needs a push, and inventory that needs a different strategy altogether. The challenge is knowing which is which and the ability to make quick inventory and advertising decisions as your market changes.

Dealers using VINScore, a proprietary scoring system powered by MarketAI® technology, can evaluate every vehicle against what's happening in their local market. This predictive analytics tool gives dealers a daily-recalculated performance indicator for every vehicle in their inventory based on current market conditions.

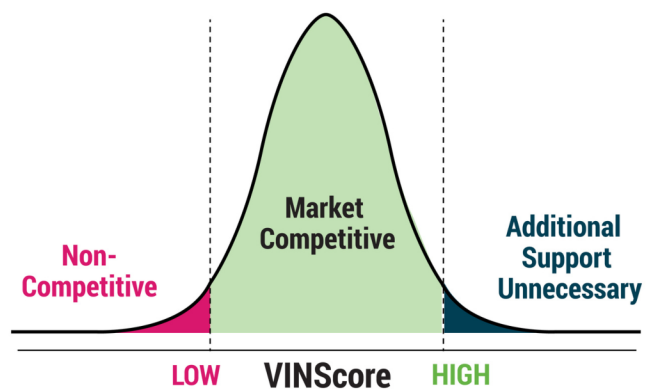
## VINScore: Powered by MarketAI

### Understanding VINScore

RANGE: 0 to 100

As vehicles become **less** competitive >>> **VINScore decreases** ↓

As vehicles become **more** competitive >>> **VINScore increases** ↑



## What signals go into a VINScore?

Each vehicle is evaluated against comparable units in a dealer's DMA — same condition, make, model, and trim. The score is built from signals that reflect what's happening on the ground, including:

- ✓ Retail movement of similar vehicles in the market
- ✓ Local supply and demand trends
- ✓ Market aging patterns for comparable inventory
- ✓ Price position relative to the competitive set

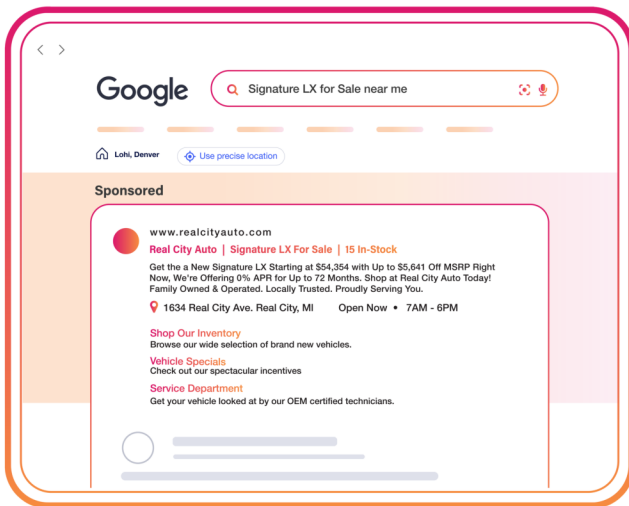
### Dealer Takeaway:

VINScore optimizes your campaigns around real-time local market conditions, so your ad spend is always aligned with the vehicles that give you the strongest competitive position in your DMA.



# Paid Search and Vehicle Listing Ads

Search and Vehicle Shopping Ads each reach shoppers at a different stage of consideration and perform best when they're informed by VIN-level intelligence that indicates which inventory needs the support.



## Paid Search Ads

When someone types "Kia dealer near me" or searches your store by name, they aren't browsing. They've already done their research and they're close to making a decision. Paid search is built to intercept that moment, placing your dealership directly in front of high-intent shoppers.

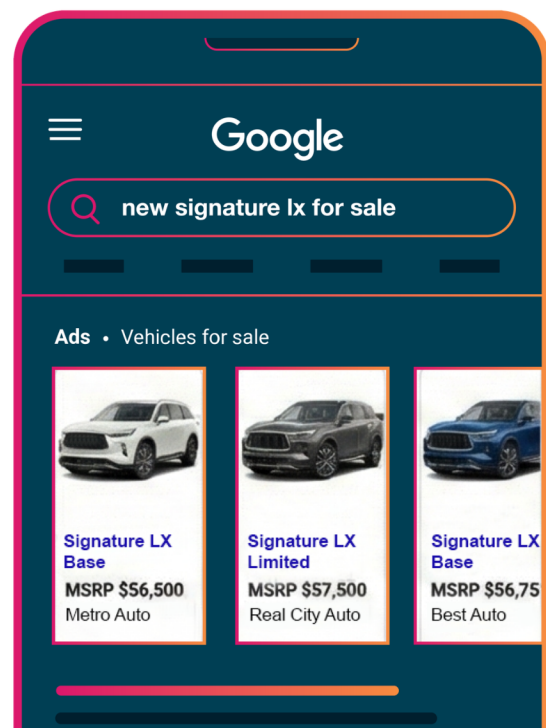


The most effective search campaigns combine branded campaigns, make-level campaigns, and model-level campaigns — each with their own budget allocation based on where the demand is strongest.

## Vehicle Shopping Ads

Vehicle Shopping Ads put individual units directly in front of shoppers who are comparing inventory side by side. Unlike text-based search ads, these formats surface a specific vehicle's photo, price, mileage, and availability right on the search results page, so high-intent shoppers can click through to the VDP.

Google uses its machine learning algorithm to dynamically match inventory from the feed to a user's intent, serving the most relevant vehicle based on real-time signals. Because VLAs are a Google product, they also tie directly to your Google Business Profile to determine eligibility and geographic relevance, making profile accuracy an important part of campaign performance.



# Display Ads and OTT/CTV Video Ads



Paid search and shopping ads are built to capture demand that already exists. Display and OTT/CTV serve a different purpose: They keep your inventory visible to shoppers who are still researching their options and bring back the ones who got close but didn't convert.

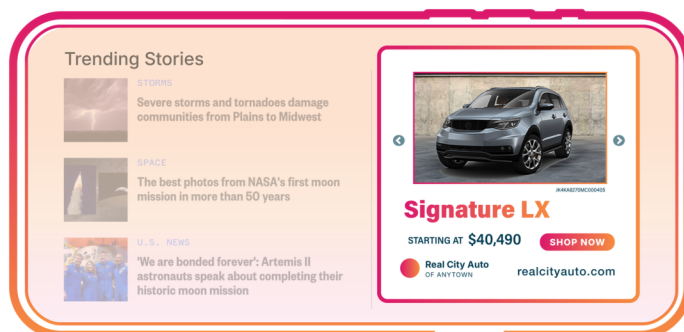
## Display Ads

Many shoppers who visit a dealership website don't convert on their first visit. They browse, compare, and move on. Display advertising brings them back by serving dynamic ads featuring the specific vehicles they already viewed, keeping priority inventory in front of warm audiences long after they've left your site.

### Effective display campaigns run in two formats:

- 1 Responsive display ads** are best for broad reach. They automatically adapt to any placement and screen size, so your inventory appears across the full range of sites and apps where shoppers spend time.
- 2 Dynamic display ads** are best for high-impact retargeting. Using HTML5 templates, they serve visually engaging, inventory-specific ads to shoppers who have already shown interest in your vehicles.

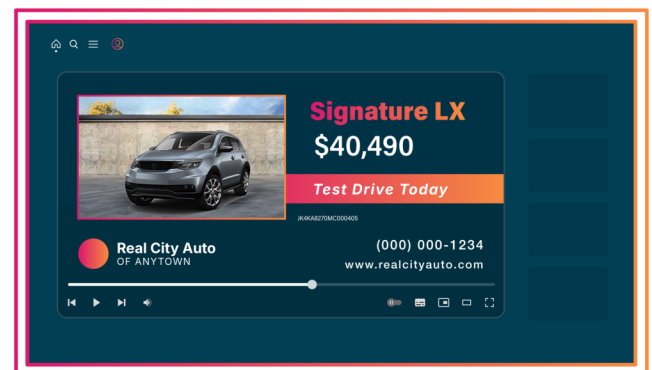
Both display campaign ad formats link directly to the corresponding VDP and target in-market shoppers as well as anyone who visited your site in the last 75 days.



## OTT/CTV Video Ads

Connected TV and streaming TV ads reach households at the top of the funnel with a level of targeting precision traditional TV can't match. Rather than broadcasting to a general audience, dealers reach in-market households by geography, viewing behavior, and purchase intent. Inventory-synced video ads run in premium content environments like Hulu, Disney+, and Netflix.

Catalyst IQ's inventory-synced video solution, AutoStream, pulls real vehicle photos and pricing data from a dealer's live feed to build ads instantly. As inventory changes, ads update with it. When a vehicle sells, spend on that unit stops immediately.



**OTT/CTV Video Ads deliver as low as 3-4 cents per completed view.**

Inventory-synced OTT/CTV campaigns can deliver cost-per-completed-view rates roughly half of what traditional providers charge with targeting precision that broad-audience TV advertising can't match.

# Social Media Ads



Social media ads promote dealership inventory to shoppers as they scroll and browse across social platforms like Facebook. These ads keep vehicles top-of-mind throughout the buying journey by connecting with buyers at multiple stages, from initial awareness to retargeting those who have already engaged with your dealership online.

## The Best Social Platforms for Advertising

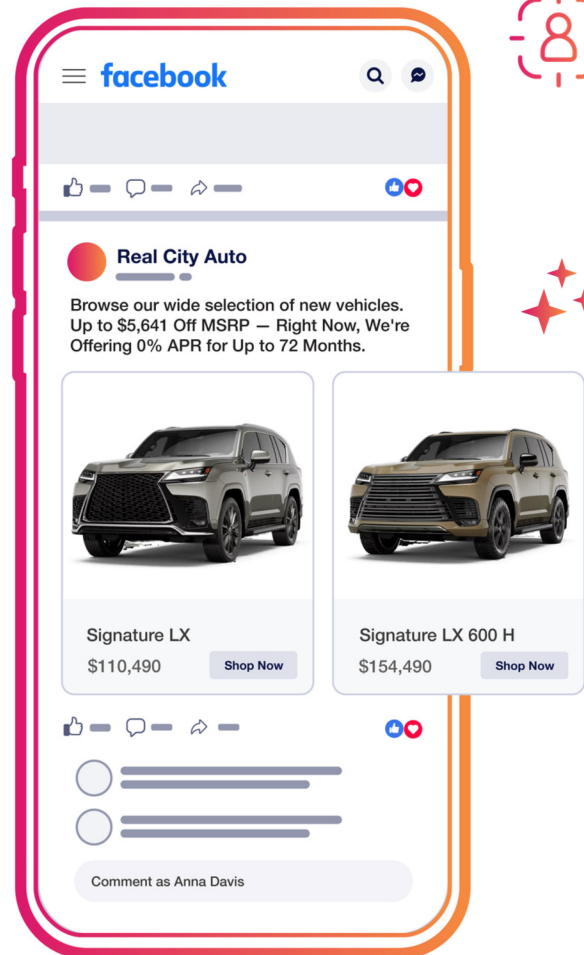
Catalyst IQ's social media campaigns are delivered across Facebook, Instagram, and Facebook Marketplace. Meta offers massive reach (comparable to Google), robust targeting, and a user base that has shifted to include shoppers actively looking to make a car purchase. Meta's targeting and optimization tools support both awareness and conversion.

## Automotive Inventory Ads (AIAs)

Automotive ads on Meta—called Automotive Inventory Ads (AIAs)—launch as dynamic campaigns showcasing your entire new and used vehicle inventory to in-market buyers. AIAs are catalog ads, meaning they pull live inventory data—photos, pricing, and details—directly from your website.



Ads update automatically as your inventory changes, ensuring shoppers see vehicles that are available.



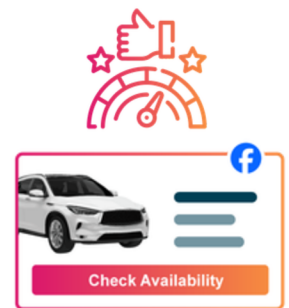
# Targeting & Prioritization in Social Media Ads



Dealers see strong results from social media advertising because Facebook offers robust targeting and built-in inventory prioritization. MarketAI's VINScore, built from real-time inventory and market data, strengthens Facebook's algorithm by providing clearer signals around which vehicles should be prioritized.

## Performance-Driven Placement (PDP) on Facebook

Meta's Performance-Driven Placement (PDP) uses automated rankings to decide which vehicles to promote based on their likelihood to convert. It relies on signals like historical performance, user behavior, inventory status, and pricing to surface vehicles that are most likely to engage shoppers, all without requiring manual adjustments by dealers or vendors.



## Catalyst IQ's VINScore + Facebook PDP

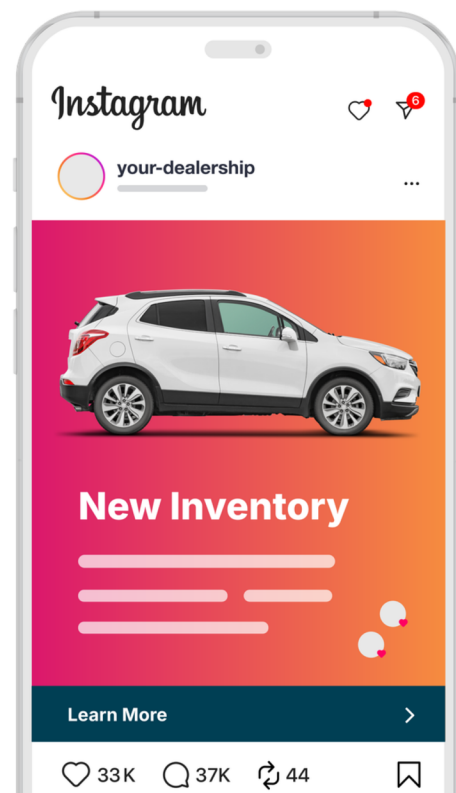
Catalyst IQ's VINScore evaluates every vehicle daily, ranking inventory based on market competitiveness, age, and demand signals. This ranking is used to structure your dealership's product catalog before it enters Facebook's PDP flow.



Instead of relying on PDP alone, it allows us to select vehicle sets based on VINScore tiers—prioritizing high-opportunity or at-risk inventory. Once that structured catalog is entered into PDP, it ensures ad delivery aligns with a dealership's strategic goals and adapts as market conditions change.

### Dealer Takeaway:

Pairing Facebook's Performance-Driven Placement with VINScore gives dealers flexibility and control. You can choose to push low-scoring VINs that need extra visibility, or high-scoring VINs that are positioned to sell quickly so your ad dollars are working toward the outcomes you're looking for.




# Why real-time market and inventory data is critical to high-performing ads

With any advertising channel or campaign type, performance is only as good as the intelligence behind them.

## How can better campaign performance affect your bottom line?

When real-time market and inventory data drives every layer of a campaign, the results reflect it. Dealers see more efficient spend, faster inventory movement, and better return on their investment.


## Two Catalyst IQ clients illustrate what this looks like on the ground:

 **Blasius Kia**, the top Kia dealer in Connecticut, began using MarketAI-powered VIN-level ad optimization. In 30 days and without increasing their budget, they saw 83% increase in clicks, a 47% lower cost per click, and total site users nearly doubled from 6,000 to 10,600.

**+83%** Clicks

**-47%** Cost Per Click

**2x** Total Users

 **Genesis of Charlotte** set out to modernize their marketing and accelerate inventory movement using MarketAI insights. Over nine months, their inventory turn rate climbed 135%, vehicle movement increased by 152.5%, average days on lot dropped from 154 to 39, and the store reached number one in their district for overall Genesis sales.

**+52.5%** Vehicles Moved

**+135%** Inventory Turn Rate

**-74.7%** Days on Lot

**#1** in District

"The dealerships that move inventory fastest aren't necessarily spending the most. They're spending on the right vehicles, at the right moment, informed by data that reflects their market as it stands today."

— Calvin Mesman, Product SVP, Catalyst IQ

# Meet Catalyst IQ

**Catalyst IQ is redefining automotive marketing intelligence.**

Running digital advertising campaigns across multiple channels creates a familiar problem. The more channels you run, the harder it becomes to know what's driving results and the easier it is to waste budget.

Catalyst IQ brings all your advertising together in one connected ecosystem powered by our real-time market and inventory intelligence, MarketAI. That shared data layer is what allows every channel to work in sync, so your advertising decisions are always informed by what's happening in your market.

## Partner with an automotive marketing expert:



**MarketAI Technology:** The real-time market and inventory intelligence engine powering every Catalyst IQ solution. VIN-level scoring, competitive insights, and dynamic ad activation — all updated daily so your strategy always reflects current opportunity.



**Digital Advertising:** VIN-specific, cross-channel campaigns across Search, Shopping, Social, Display, Video, and CTV, optimized in real time to match market conditions, inventory movement, and shopper behavior.



**Website and SEO/AEO:** Mobile-first dealership websites built to convert, combined with an AI-driven organic search strategy that adapts to real-time market signals and helps you show up where shoppers are getting answers today.





**Engage (Lead Capture & Nurture):** Turn anonymous website traffic into actionable leads with incentive-based engagement tools, market-based email frameworks, and CRM integration that helps your team prioritize the buyers most likely to convert.

## Ready to see what's possible for your store?

In 20 minutes, we'll show you exactly how your inventory is positioned in your market, how your competitors are performing, and where your biggest opportunities are right now.

[SCHEDULE DEMO](#)

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