A MARKETER'S GUIDE TO AMAZON ADVERTISING

CONTENTS

INTRODUCTION

Launched in 1995 in the United States as an online bookshop, Amazon has grown into a global eCommerce giant. Taking a cue from Google and Facebook, Amazon began offering PPC advertising to professional sellers in 2012 and now offers a range of options.

Amazon is now the third largest digital advertiser in the US (behind only, you've guessed it, Google and Facebook) and is expected to continue to expand its digital ad business as more consumers begin their product searches there. The platform's influence show no signs of slowing down, with Amazon reporting a surge in revenues of 29% to hit $56.6 billion (£43.09 billion) in Q3 2018. Hires from Google, Twitter, Facebook and other major ad sellers in 2018 could be read as evidence that Amazon is increasingly investing in its ad offering.

There's no doubt that Amazon can deliver customers at unmatched scale, making it a competitive place for sellers. While offering good quality products and following eCommerce best practice are obviously critical to Amazon success, there's an increasingly compelling case for a hybrid optimisation approach of organic and paid campaigns as the best strategy for brands looking to maximise their visibility.

WHAT'S SO UNIQUE ABOUT AMAZON?

HIGH PURCHASE INTENT

People usually come to Amazon with a specific product in mind - making it a valuable opportunity to expose your product to customers with high purchase intent (meanwhile, shoppers tend to use Google to search for products when they're in the research phase of their purchase journey).

> *In fact, 55% of customers make their first product search on Amazon, and nine out of ten consumers use the platform to price-check products, even if they have found them on another site.*

RICH CUSTOMER DATA

No other business does eCommerce on such a massive scale, which gives the platform another unique competitive advantage: the detailed customer purchase data that sellers can use to leverage their campaigns. Amazon knows the specific products that customers are purchasing, and how frequently they're buying. This means its algorithms have a wealth of data to draw on when it comes to accurately matching your ads to relevant customer searches.

> *70% of Amazon shoppers only purchase from the first page of search results.*

EASE OF PURCHASE

If you already sell on the platform, advertising on Amazon is a versatile and powerful way for you to promote your listings, for example, to push your best-selling, seasonal or end-of-line stock up higher in search results, make them visible to a new audience and, perhaps most of all, making it easy for buyers to purchase them through a familiar checkout interface.

> *In 2016, sellers using Amazon PPC doubled globally, and PPC clicks grew over 150%.*

So it's easy to see why Amazon is so popular with advertisers: research by Third Door Media (publisher of Marketing Land, Search Engine Land and MarTech Today) found that *80% of advertisers* plan to increase their ad budgets on the platform in 2019, with many shifting budget there from traditional search and paid social media advertising.

ADVERTISING OPTIONS ON AMAZON

SPONSORED PRODUCTS

These are bottom-of-the-funnel direct response ads that drive traffic to Amazon product pages, giving brands the opportunity to brands and sellers that want exposure to shoppers with strong purchase intent (as customers generally come to Amazon with the intention of making a purchase).

As it accounts for a majority on the platform. This eBook focuses on Sponsored Products, Amazon's most popular advertising product, but here's a brief introduction to the other advertising options...

PRODUCT DISPLAY ADS

These ads can appear across Amazon desktop and mobile, with placements on detail pages, above search results and top of the offer listing page.

You target these ads by selecting specific products or shopper interests. There is speculation that Product Display ads will be absorbed into the Sponsored Products offering as Amazon is putting a lot more emphasis on the latter as the best choice for sellers.

SPONSORED BRANDS (FORMERLY HEADLINE SEARCH ADS)

Similarly to Sponsored Products, these are self-serve solutions available to registered sellers, vendors, book vendors, Kindle Direct Publishing (KDP) authors, app developers, and agencies.

Targeting sellers at the top of the purchasing funnel, they allow sellers to boost brand awareness with your logo and a customised headline in ads that appear in search results.

DISPLAY ADS, VIDEO ADS, CUSTOM ADS - RUN THROUGH THE AMAZON DSP

Amazon DSP (demand-side platform) is aimed at advertisers who want to buy ads at scale and also allows them to sell products from sites other than Amazon. It allows advertisers to reach shoppers on Amazon sites, across the web, and in mobile apps. These are managed via an Amazon Advertising consultant and require a budget of £10,000 or more in the UK.

HOW DO SPONSORED PRODUCTS WORK?

Like Google Ads, Sponsored Products are cost-per-click (CPC) and largely keyword-driven, matching the keywords that feature in your campaign to the search terms that shoppers use to search for products on Amazon. When a shopper searches for the keywords in your campaign, your ad has a chance of displaying if it meets the required eligibility criteria.

These image ads appear in several different places in Amazon (across all devices on desktop, tablet or mobile): your ads may be displayed on top of, alongside, or within search results - these look similar to organic Amazon search results or Google Shopping ads, as in the example below:
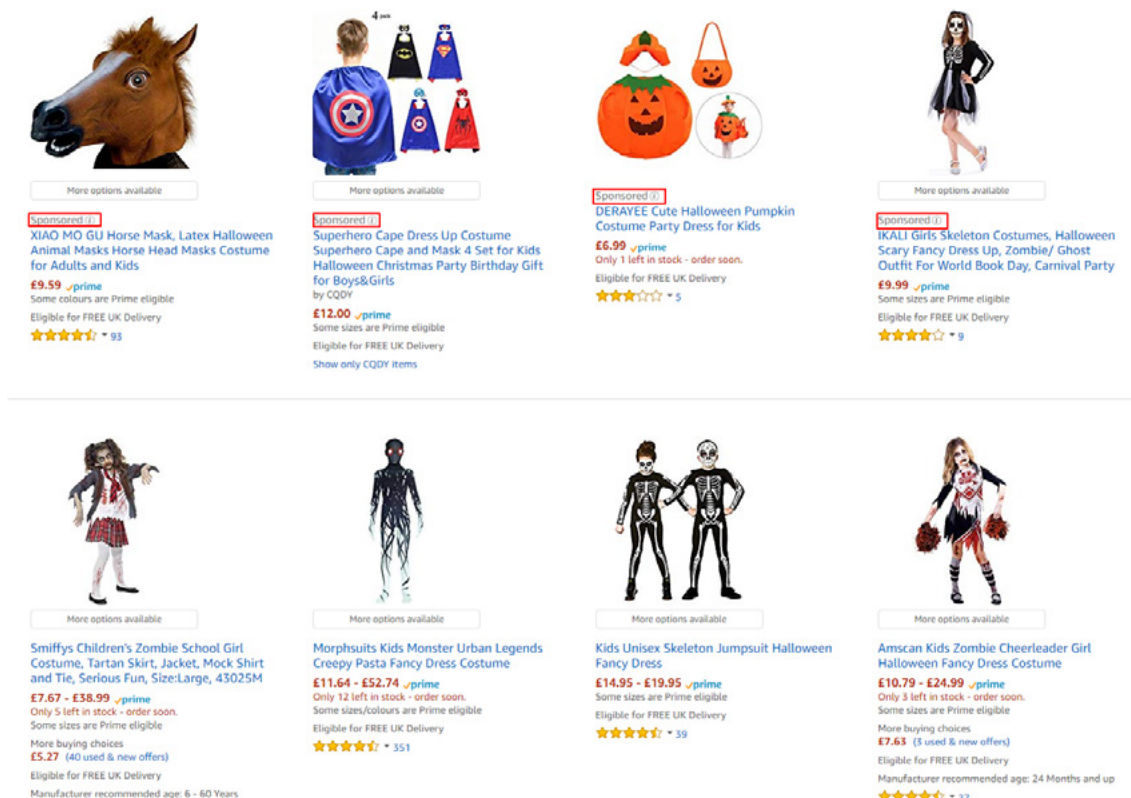
They may also appear on product pages (under the section 'Sponsored searches related to this item'):

AMAZON ADS VS GOOGLE ADS

	AMAZON ADS	**GOOGLE ADS**
Amazon Ads	Auction-based; CPC	Auction-based; CPC
Bidding	Manual and automated available	Manual and automated available
Format	Image	Text-only; image; video; Shopping; call-only
Remarketing	Not available	Available
Self-serve platform	Yes	Yes
Keyword -triggered	Yes	Yes (apart from Google Shopping Ads which are shown on the basis of product data feed)
Targeting	By keywords, product, or interests	By content (eg, keywords, topic or context)) or audience
Keyword match types	Broad match, phrase match; exact match and negative match	Broad match, phrase match, exact match, broad match modifier, and negative match
Campaigns organised by ad groups	Yes	Yes
Where ads are displayed	On top of, alongside, or within search results and on product pages	Above organic Google search results; search results of Google search partners;
Ad destination	Amazon product page	Your brand's site
Restricted products	Yes	Yes
Average conversion rate	10%	1 - 2%
Likely sales funnel stage	Purchase	Research
Eligibility criteria	Product feed submission, plus you must be: • an active professional seller • eligible for Buy Box	Standard approval process. Up to date product feed needed for Google Shopping
Fees	£25 a month (ex VAT) for a Pro account	None
Control over creatives?	Creative automatically generated; headline and logo customisable.	Fully customisable, but can be automated.
Reporting	Extensive, including access to Search Term Reports.	Extensive, through Google Ads manager account which can be linked with Google Analytics

HOW AMAZON RANKS ADS

There's a significant difference in how Amazon ranks ads (ie, decides when and where to show them) compared with Google Ads because Amazon primarily makes money when items are sold as it makes commission on every sale; Google primarily makes money when ads are clicked on.

In a nutshell, Amazon ranks profitable ads higher; it prioritises what the customer is most likely to buy from based on performance and relevance metrics.

AMAZON'S AD RANK FORMULA

Ad Rank = CPC Bid x Ad Grade

Ad Grade is based on:

Performance metrics

- CTR (click-through rate) history
- Conversion rate
- Overall sales

Relevance metrics

- Product title
- Description
- Search terms
- Seller name

The bottom line is that the quality of your product page is just as important as the quality of the ad (in the same way as your Google Ad Rank is partially determined by the quality and relevance of your landing page). It's therefore absolutely crucial that you optimise your product detail pages with great images, a clear description, and a competitive price, before you even start advertising.

SETTING UP A SPONSORED PRODUCTS CAMPAIGN ON AMAZON

The user interface is intuitive, and you set up a campaign in a similar way you would in _Google Ads_ (formerly Google AdWords). However, the creative for your campaign is automatically generated through the ad builder; you can customise the headline and logo before you submit the ad.

If you're an experienced Google Ads advertiser, setting up a campaign is something you've probably already mastered, and you can transfer those skills to structure your campaigns and ad groups with Amazon's ad platform.

There are two ways to build and manage campaigns with Amazon Sponsored Products which will affect your keyword strategy: Automatic and Manual Targeting.

Automatic Targeting

Amazon targets ads to all relevant customer searches based on product information. This ensures you cover a wide variety of search terms and save you time by not having to manually generate keywords, as Amazon will do the work for you.

Manual Targeting

You manually set keyword options for Sponsored Products ad campaigns, giving you greater control over your campaign and the ability to optimise based on performance.

Once they're familiar with Amazon Ads, many advertisers find it beneficial to use Manual Targeting to give them greater control over their campaigns, while running a low-budget Automatic campaign in parallel to test which search terms are working and using them to optimise their manual

If you're new to Sponsored Products, it's probably best to begin with Automatic Campaigns, where Amazon will target your ads to all relevant customer searches based on your product information.

STEP 1 - CHECK ELIGIBILITY REQUIREMENTS

First thing first. To advertise, you must have an active professional seller account, be able to ship to all addresses in the country you're targeting, and have products in one or more of the eligible categories.

Your products must also be eligible for the Buy Box. This is the box on a product detail page where customers begin the purchase process by adding items to their shopping carts. A key feature of the Amazon website is that multiple sellers can offer the same product, so you may compete with other merchants to appear in the Buy Box. Amazon uses performance-based criteria to determine your Buy Box eligibility and placement status.

How can I become eligible for the Buy Box?

If you're a Fulfilment by Amazon (FBA) seller, you're automatically eligible to win the Buy Box. If you're not, you must meet all of the conditions listed below – but even then, Amazon does not guarantee placement in the Buy Box.

Check which of your products are winning the Buy Box

Visit Business Reports, then under the section labelled 'By ASIN (Amazon Standard Identification Number - a ten-character alphanumeric unique identifier that's assigned by Amazon)', click on 'Detail Page Sales and Traffic by Child Item'. Here, you can sort by 'Buy Box Percentage' to find your best-performing products. If you have identified products that are winning the Buy Box at a rate of over 90%, Amazon recommends that you start advertising them.

Type of selling account

You must have a *professional account.*

Metrics

Your *order defect rate, cancellation rate*, and *late dispatch rate* are metrics that determine eligibility — the better you perform, the higher your chances are of becoming buy box eligible. You can see how you're doing on the *account health* page.
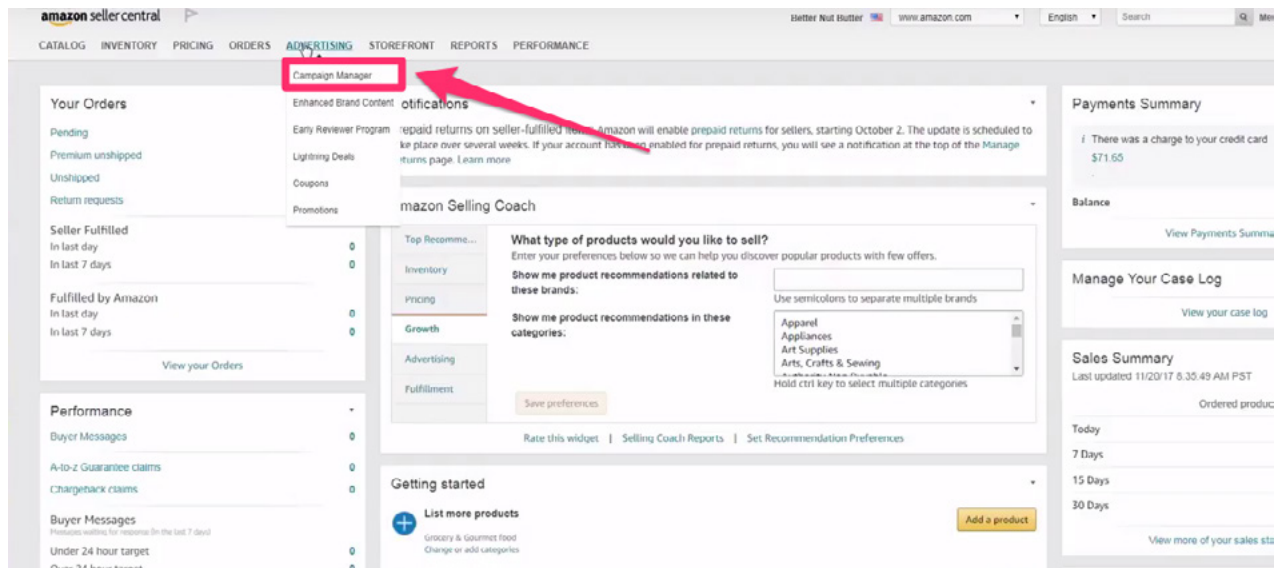
Order volume

Amazon requires that you have sufficient order volume to accurately assess your performance (this varies among categories).

Restricted products

Amazon advertising doesn't allow you to advertise adult products, used products, refurbished

STEP 2 – CREATE YOUR CAMPAIGN

Log into Seller Central and, in Campaign Manager name your campaign and set up your daily budget and set a time frame for when you want the campaign to begin and end.

> *The minimum duration for a campaign is one day, but we recommend taking an 'always-on' approach: continuously running campaigns keeps your products top of mind for shoppers. You can pause a campaign at any time.*

Decide whether you're going for Manual or Automatic keyword targeting.

Here is also where you set up your daily budget…

How much do you want to spend on your ads?

This is obviously a critical decision. To calculate your average daily budget:

1. Decide how much you are willing to spend on your campaign for a month. For example, let's say your monthly budget is £3,100.
2. Calculate your average daily budget multiplying £3,100 by 12, then dividing by 365
3. Your average daily budget would be £101.90 (a £5 minimum is recommended).

You can set your budget across all of your Sponsored Products campaigns, or separate budget per campaign and you can go back and change it at any time. It's important to bear in mind, though, that on any given day you could spend less or more than your average daily budget.

For example, if your budget is £100 and you receive £90 worth of clicks on the first day, you could receive up to £110 worth of clicks on the second day.

Daily budgets are also spent as quickly as possible rather than paced throughout the day. This means that a smaller budget may not last very long if your advertised products are popular – keep this in mind as you may find that you need to further increase your budget to keep your ads showing and maximise your sales.

> *If you're on a very strict budget, you can opt to set a daily budget cap to control what all of your campaigns can spend per day. This setting is under the Advertising Settings tab in Campaign Manager.*

Source: SellBrite

STEP 3 – NAME AD GROUP AND SELECT PRODUCTS
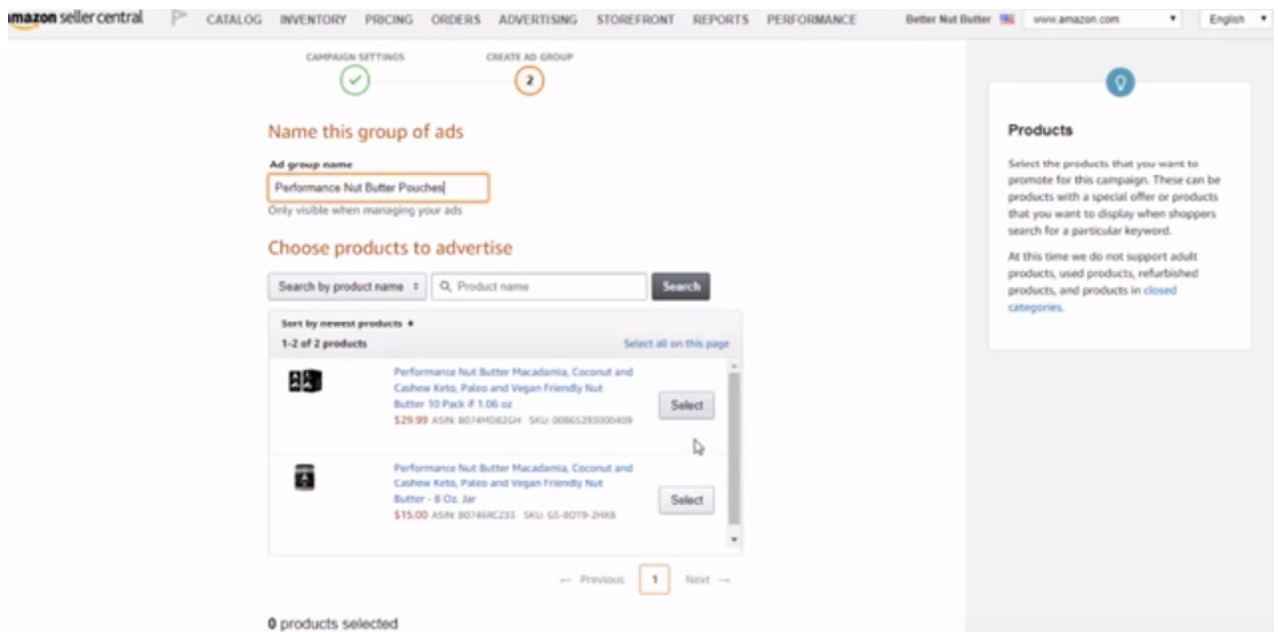
Source: SellBrite
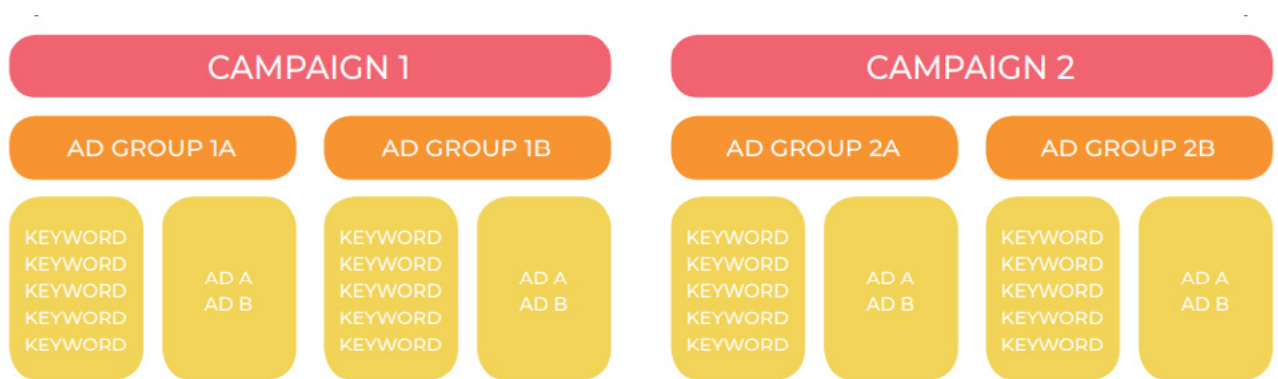
Structure your campaign

If you're an experienced Google Ads advertiser, this is something you've likely already mastered. Draw on your Google Ads organisational skills to structure your campaigns and ad groups.

A well-structured Sponsored Products search campaign allows you to control how you want your ads to be triggered and when you want them to appear. Like a house, your account needs a solid foundation before you can begin the process of building and cultivating it.

An organised account helps to:

• Ensure your ads appear for relevant searches and audiences to maximise conversion and save on wasted clicks.
• Keep your account organised and make it easier to see what's working and what isn't so that you can make tweaks to increase performance.

Like Google Ads, your Sponsored Products account consists of campaigns, ad groups, ads, and keywords. Within each campaign you have ad groups that have their own set of ads, and every ad group contains keywords.

CAMPAIGN 1		CAMPAIGN 2	
AD GROUP 1A	**AD GROUP 1B**	**AD GROUP 2A**	**AD GROUP 2B**
KEYWORD KEYWORD KEYWORD KEYWORD KEYWORD / AD A AD B	KEYWORD KEYWORD KEYWORD KEYWORD KEYWORD / AD A AD B	KEYWORD KEYWORD KEYWORD KEYWORD KEYWORD / AD A AD B	KEYWORD KEYWORD KEYWORD KEYWORD KEYWORD / AD A AD B

The best strategy is to have a separate campaign of each of your main product categories and then under each campaign create ad groups that are more specific. For example, let's say you sell make-up.

You might start with three of your top-selling products:

- Foundation
- Lipstick
- Eyeshadow

Under each campaign, you create ad groups around more specific categories - collections of products based on common characteristics such as product type or price. It's important that your ad groups are well split out and that keywords are tightly themed so that ads can be highly targeted and reach searchers at similar stages of the funnel.

Then create a list of relevant keywords for each ad group (see Step 5 for more detail on this).

Here's an example of how a cosmetics supplier may structure their ad groups within campaigns for lipstick, eye shadow and foundation:
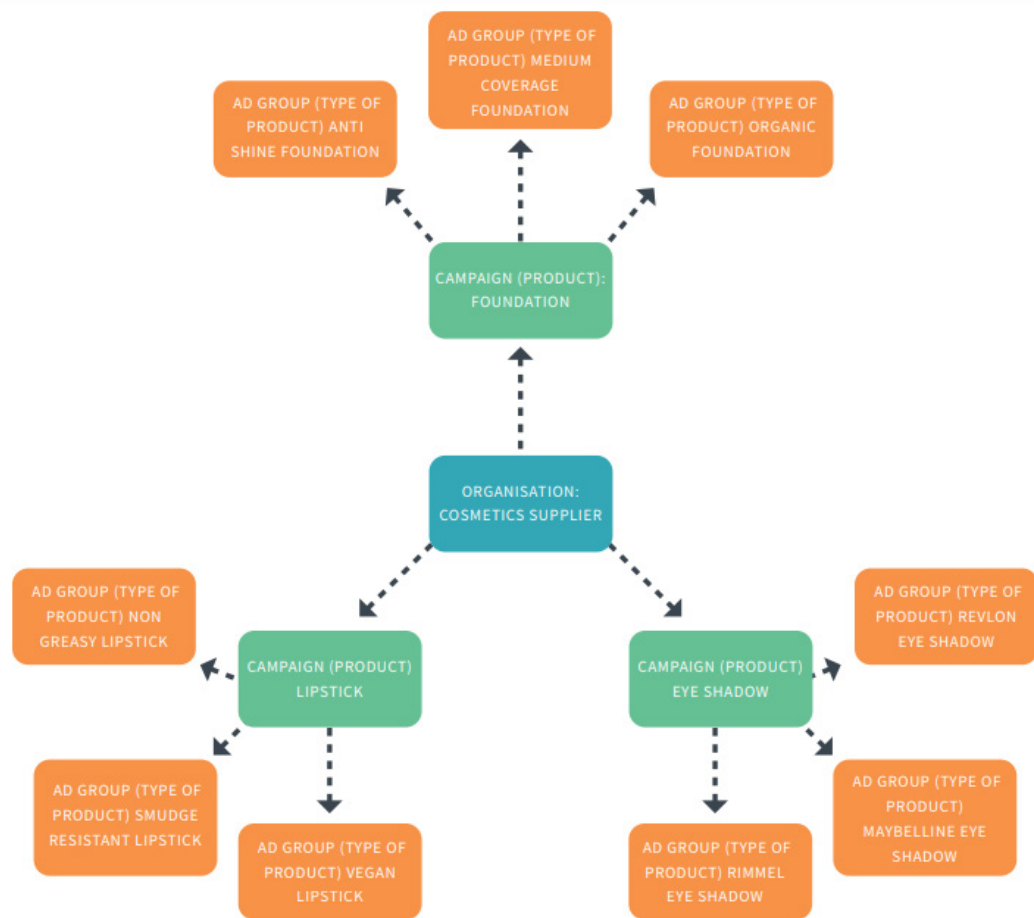
… then segmented to keyword level:
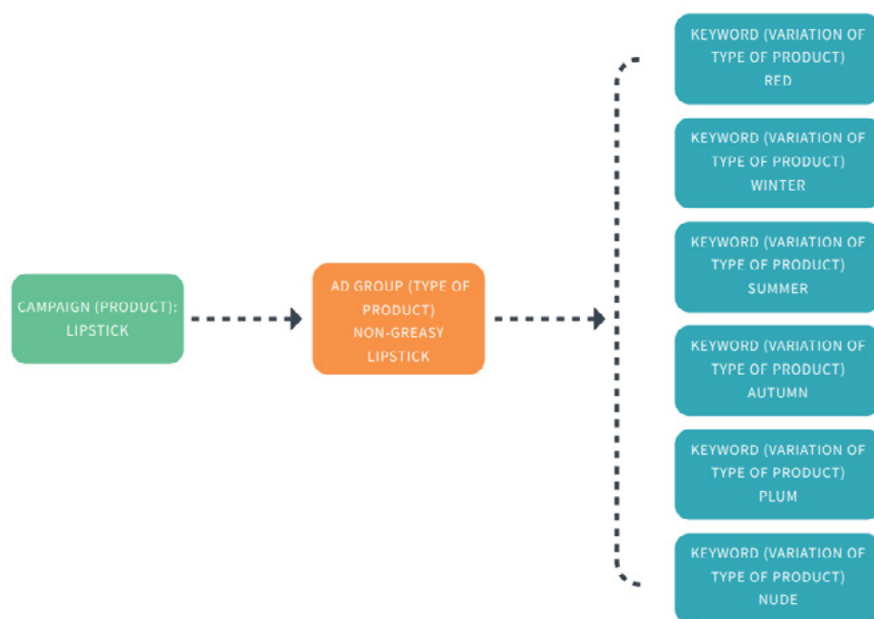
Which products do you want to sell?

Select the products you want to promote, (or include all of your products). The advantage with the latter option is that it will make it easier to identify which terms customers and potential customers are using to find your products.
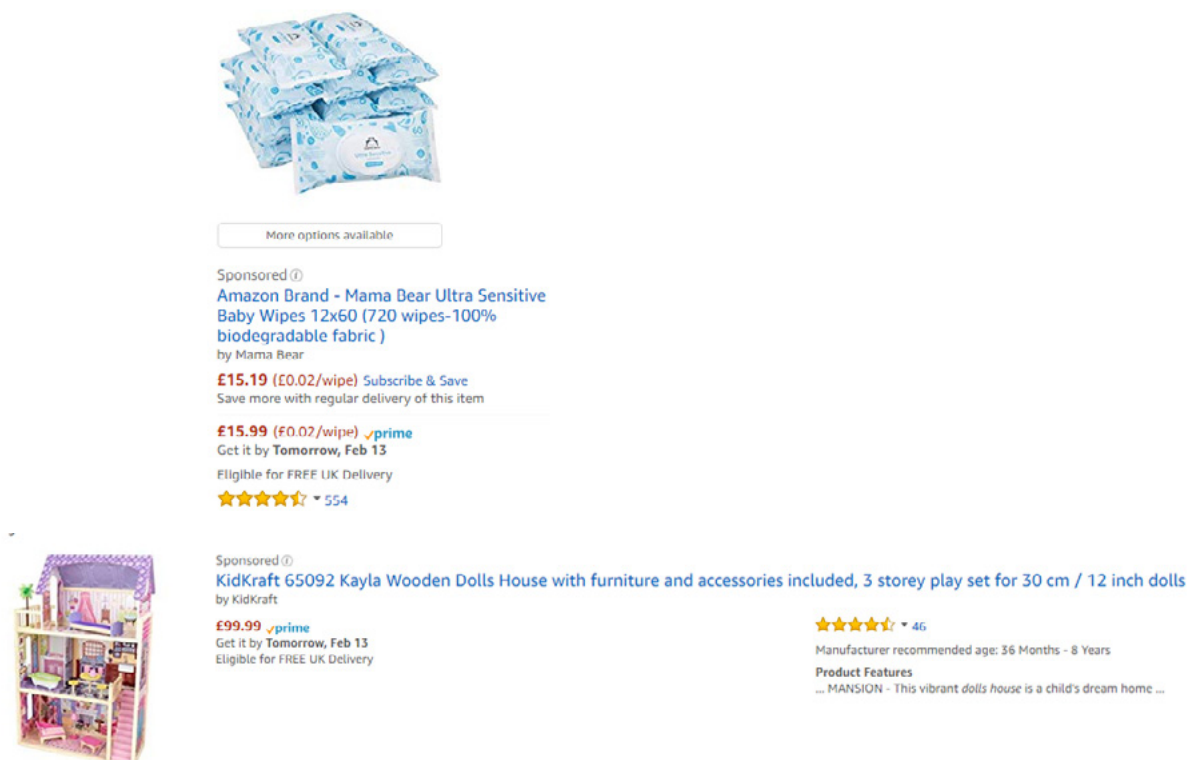
> *According to Amazon, on average, sellers who selected at least two ASINs to advertise have up to 40% more clicks, compared to those who advertised one ASIN during the first 60 days of advertising with Sponsored Products.*

Optimising your ad copy

Each product you select to advertise using Sponsored Products will be automatically formatted as an ad, pulling through imagery from your product page. You can then add a headline of up to 50 characters and logo.

The copy you use for your ads headline: make sure you use relevant keywords (in a natural way). You need to accurately describe what you're selling, but there's also room for creativity: use actionable and engaging messages to entice customers to click through.

Here are some examples of well-optimised ad copy: in each case, the headline describes exactly what you'll get and appears as the top result. Particularly with the first ad, you can see by the number of ratings that this product is a good seller.
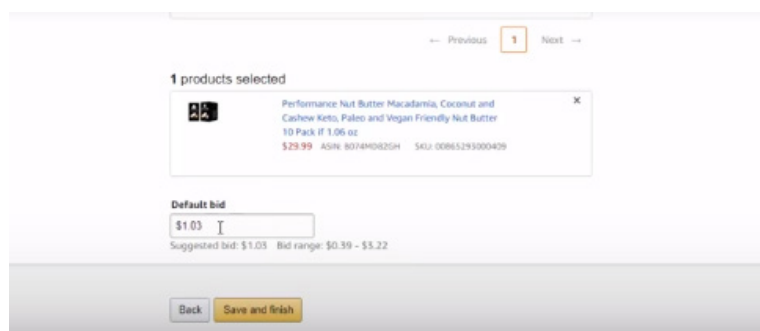
STEP 4 – SET YOUR DEFAULT BID

Source: SellBrite

This is the maximum cost-per-click that you are willing to pay when someone clicks an ad from this ad group. You can change the maximum bid at any time by selecting the campaign name, ad group name and then the Ad Group Settings tab.

For Manual Targeting, as an alternative to using the ad group maximum default bid, you can give yourself more control over spend and performance by creating custom bids for specific keywords. To set a cost per click for a specific keyword, select the ad group that contains the keyword and select the Keyword tab. In the column labelled Max. Default Bid enter the maximum cost-per-click you are willing to pay for that keyword.

STEP 5 - IDENTIFY KEYWORDS (MANUAL TARGETING ONLY)

Keyword targeting allows you to choose keywords (including phrases) for which your ads will be shown in customer searches and detail pages.

Make sure that your keywords reference those used on the corresponding product detail pages for the best chances of your ad being shown (and of users converting after clicking on your ad). For example, Amazon will not show an ad for the keyword 'coffee table' if the campaign only contains dining table products.

> *According to Amazon, sellers who update their keywords at least three times during the first 60 days of advertising have up to 100% more ad attributed sales.*

You can provide your own the keywords, or let Amazon find the keywords for you with a Manual Targeting campaign, or automatically with Automatic Targeting.

How do you identify which keywords you should be targeting?

If you're just starting out, try using *Google Keyword Planner* to research and identify keywords for product listings and their descriptions.

Use the Search Term Report for Sponsored Products (reports > search term) and filter through all search terms that your keyword is matching to by time period:

Source: SellBrite

This allows you to identify high-performing search terms to add to the appropriate ad group and consider adjusting your bids to increase impressions.

You can also use these terms as part of your organic Amazon strategy to optimise your titles, descriptions, and marketing bullets so that your Amazon listings are optimised for what people are actually searching for.

Get even more granular by building your campaign structure with only one SKU (stock keeping unit) per ad group. This allows you to attribute performance of the term directly to the SKU purchased or clicked on and accordingly adjust your bidding strategy.

Own-brand terms

Bid heavily on your brand and product keywords – particularly those related to your high-priority products. Yes, your own products should have organic visibility anyway, but paid visibility gives searchers even more opportunities to click through to your product.

Competitor terms

Set up an ad group named targeting competitors' brands, including brand names as keywords and/or any other terms you think relevant, or choosing from of the keywords suggested by Amazon. Bear in mind that this tactic has its drawbacks: Amazon will view your ad as poor quality since it isn't relevant to your product page, which will push up your costs and reduce impressions. However, you may find that clicks you do gain have a high conversion rate.

MATCH TYPES

Within Manual Targeting campaigns, advanced match types work in a very similar way to *Google Ads:*

Broad match

This match type offers your ad broad traffic exposure. A customer search term will match if it contains all the keyword terms or close variants (plural forms, acronyms, abbreviations, and accents). The customer search term can contain keywords in any order.

Phrase match

The customer search term must contain the exact phrase or sequence of words or their variations. It is more restrictive than broad match, targets more specific audiences, and will generally result in more relevant placements for an ad.

Exact match

The customer's search term must match exactly the keyword in order for the ad to show, or close variations of the exact term. Exact match is the most restrictive match type, but can be more relevant to a customer's search.

Source: SellBrite

STEP 6 - ADD KEYWORDS (MANUAL TARGETING ONLY)

Amazon recommends adding at least five keywords to your campaign to begin with. Add negative keywords to Sponsored Products ads to cut out irrelevant and ambiguous phrases and prevent your ads from appearing on search results or detail pages that don't meet your performance goals and waste your budget.

STEP 7 – SET YOUR BIDS AND MODIFIERS (MANUAL TARGETING ONLY)

If you're using Automatic Targeting, Amazon will bid on your behalf.

If you're using a Manual campaign, decide how much you're willing to spend per day over a calendar month - your average daily budget. For example, if you set your average daily budget to £100, you may receive up to £3,100 worth of clicks in that calendar month (assuming a full 31-day month). Ad spend on any given day may exceed your average daily budget but, at the end of the month, the average daily spend won't exceed your average daily budget.

As well as a Fixed Bid option, you can also choose from two Dynamic bid options: down-only bidding and up-and-down bidding:

Source: Amazon

The Fixed Bids option means Amazon uses your exact bid and any manual adjustments you set. This is the best choice if you have very specific CPCs in mind for your products. 'Down-Only' is the default option, and means that Amazon lowers your bids in real time if your ad is less likely to convert a sale, making it best for newbies or those on a limited budget.

With 'Up and Down Bidding', Amazon raises your bids by a maximum of 100% if you are likely to convert a sale and lowers your bids when you are less likely to make a sale.
You can set bids at the ad group or keyword level.

Placement modifiers

These help your ads show when you want them to. There are two placement modifier options: 'Top of Search' and 'Product Pages'. You can set the option to increase your bids by up to 900% to ensure placement for both options.

In addition to your bidding strategy, you can increase bids by up to 900%. Learn more

Top of search (first page) [0] [%] Example: A $0.75 bid will remain $0.75 for this placement.

Product pages [0] [%] Example: A $0.75 bid will remain $0.75 for this placement.

Source: Amazon

The 'Top of Search' modifier lets you increase your bid to help your ad stay top of page. The higher the percentage, the more likely your ad stays top of page. However, this also means you'll probably pay more for your each click. A £1 bid set with a 900% modifier could cost you up to £9 if someone clicked your top of page ad.

The 'Product Pages' modifier lets you set how much you are willing to increase your bid to be shown on product pages, where customers view individual products (the ad shows below the Buy Box).

STEP 8 – SET UP PRODUCT TARGETING (MANUAL TARGETING ONLY) OR ENHANCED AUTO TARGETING (AUTOMATIC TARGETING ONLY)

FOR MANUAL TARGETING CAMPAIGNS

Product targeting

An alternative to keyword targeting, this allows you to target customers by individual product ASIN or product category with the aim of your product showing on competitor product detail pages.

It allows you to select and target individual products that are similar to the product that you have chosen to promote. Amazon will provide a list of suggested products to target based on the product you have chosen to promote, but it will also provide the option to search or manually enter a list of ASINs to target.

You can apply refinements by price, brands or star rating:
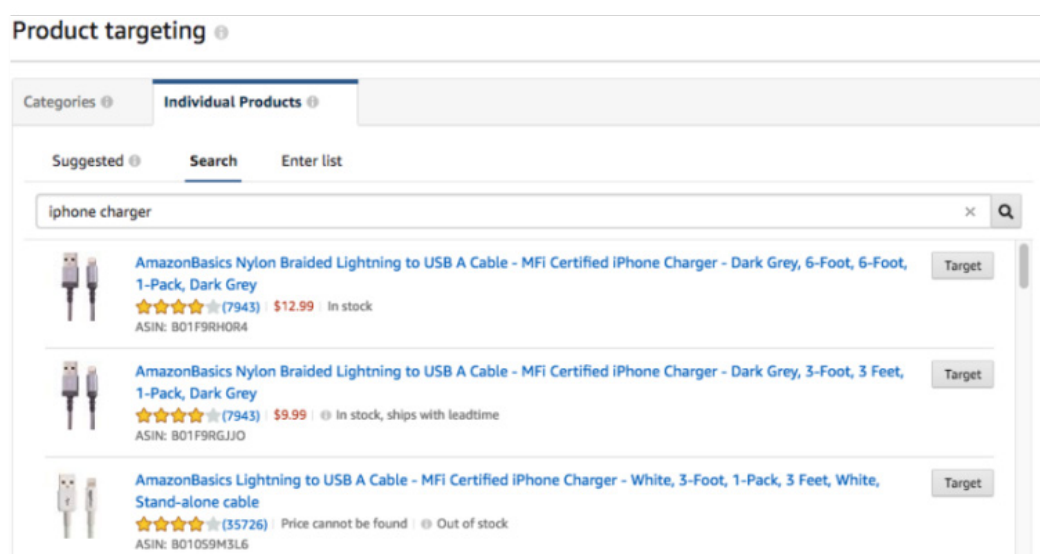
Source: Amazon

Unsure whether to use keyword targeting or product targeting? A keyword targeting strategy is the best option when you know the search terms that shoppers use to search products like yours. For example, if your ad product is 'blue ladies dress', you may choose the keyword "blue ladies dress." When a shopper searches for a product with the search term "blue ladies dress" your ad is eligible to show in search results and detail pages.

Use product targeting to outsmart competitors. You can find competitor products that have poor reviews and ratings, target those specific ASINs, and then advertise your best products against their poor performers. Combine this method of targeting with a high product pages placement modifier and you stand a high chance of showing on competitor product pages.

FOR AUTOMATIC TARGETING CAMPAIGNS

Enhanced auto targeting

- Loose match/Close match

This allows your ad to be shown in the search results if your ad product closely or loosely matches searches results from shoppers.

- Substitutes/Complements

This shows your ad on the detail pages of products that are substitutes or complements of your ad products.

Try using both Automatic and Manual Targeting to complement one another, ie, create a Manual Targeting campaign, optimising the bids accordingly based on performance. Then create an Automatic Targeting campaign as a 'catch all'. Set the bids lower and use the campaign as keyword research. Then when a search term begins to perform well, introduce that as a keyword in the Manual Targeting campaigns.

STEP 9 – AUDIT PRODUCT PAGES

In the same way that landing pages are a major factor in the success of Google Ad campaigns, you need to ensure that your product detail pages are as good as they possibly can be, because:

- When someone clicks on your Sponsored Product Ad, they go through to your product detail page – and the quality of the content they find there is a make or break factor in whether they convert.
- The details on your product pages feeds into ads (another key differentiator from Google advertising) – poor quality product pages equal poor quality ads.
- Amazon takes the quality of your product pages into account when calculating Ad Rank.

Pay attention to the following:
- Accurate, complete product titles.
- Information-rich and clear product descriptions.
- High-quality product images (see below).

Also bear in mind that your product offering and the quality of your service will impact how your product pages are viewed, including:

Positive customer feedback - *90% of Amazon consumers* say reviews influence their purchasing decision.
- Shipping speed.
- Response rates
- Prime eligibility

Product photography

Amazon requires the following from your main product images:

- Main image for your product should only be the product that you are selling, on a white background. This allows for the search results on Amazon to appear clear, uncluttered and uniform.
- Main images should not include accessories that are not included in the purchase.
- Depending on your product type and category, Amazon allows five to nine images for your listing. Make sure these are varying and informative.

Other product images could be:

- Your product from different angles.
- Product labelling for quality assurance.
- Action shots or usage tutorial.
- Product features and comparisons.
- Product information like size charts.
- Products on models.
- Scalable shots that help people understand sizing.

The sizing on Amazon product listings should be at 2,000 pixels x 2,000 pixels to take advantage of its zoom feature, which allows buyers to scroll over an image to enlarge it. Animated ads are not allowed.

STEP 10 - REPORTING

Amazon provides detailed metrics through a range of tools and reports to help you to analyse campaign performance, measure success and refine your ads. Once you have launched your campaign, you can view all reports on the reporting page.

To see you the number of times your product appears on a page or is bought as a result of your ads, visit the Advertising Report after your ad campaigns go live.

Select Advertising Reports from the Reports drop-down on the Seller Central homepage:
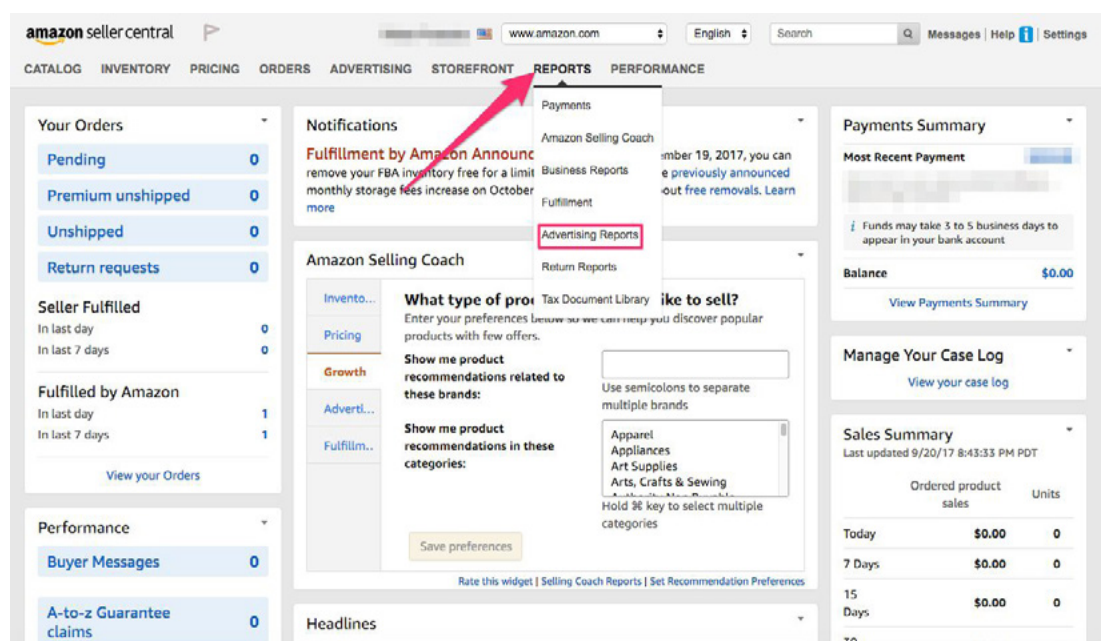
Source: www.salesbacker.com

Here, you can access a range of reports to check your performance, including:

Performance Over Time Report: To help you to monitor whether your cost-per-click or total spend has increased (in which case, you may want to modify your bids and keywords to bring it down again).

Performance by SKU Report. Provides a performance summary for each of your advertised SKUs.

Search Term Report. Contains actual search terms used by shoppers over the past 60 days that led to at least one click on your ad, helping you to identify high-performing terms to add as keywords to you ad groups and/or poor-performing terms to add as negative keywords. Other ASIN Report. Provides details on the other ASINs purchased after a customer clicked on your ad: you may want to consider creating new ads for these other ASINs and associated keywords.

Campaign Performance. These include metrics such as impressions, click-through rates, sales, and ad spend per campaign.

Report. Allows you to review keyword results by looking at the impressions, click rate and attributed sales; this could lead to you adjusting your bid on the better performing keywords to increase impressions.

Purchased Product Report. Helps you identify new advertising opportunities by giving insight into what shoppers ultimately purchased, including which keyword and ad combination resulted in what sale.

Targeting Report. Shows all the keywords, including their associated campaigns and ad groups, which traffic in the time period selected.

Advertised Product Report. Lets you observe how ad performance is trending for specific products, so you can identify areas for optimisation. For instance, you can monitor ad performance after you've made changes to a campaign or identify shifts in shopper interest in specific products.

Placement Report. Provides visibility into the performance of a campaign on top of search compared to all other Amazon placements.

At the bottom of each report type you can request a single report or you can schedule the report to run at regular intervals.

Amazon Attribution, currently in Beta, will allow advertisers to track metrics across the entire customer journey, break performance out by Amazon audience segments, offer unique conversion metrics and more.

STEP 11 – MONITOR PERFORMANCE

Amazon recommends monitoring your 'Advertising Cost of Sale' (ACoS) and optimising your campaigns to lower your ACoS and maximise your profitability.

This is a key metric that helps you measure the effectiveness of your campaigns relative to your advertising spend.

This is calculated by dividing the total cost of advertising by sales generated: ACoS = total ad spend/ total ad sales x 100. For example, if you spent £2 on advertising and those ads resulted in sales of £20, your ACoS would be 10%. This information is available for every product in your inventory in the Search Term Report within Seller Central:

Source: SellBrite

Setting a target ACoS allows you to keep your ad spend at a profitable level: your ACoS has to be lower than your profit margin.

Amazon recommends the following actions when you see fluctuations in your ACoS:

Targeting Type	Low-Performing Campaigns	Top-Performing Campaigns
Manual targeting	• Consider lowering bids or pausing specific keywords that have a high ACoS. • Consider adding more keywords to see if they can improve campaign performance.	• Consider increasing your campaign budget. • Review your list of keywords and identify the top performers. Increasing your bid on top performing keywords may generate additional impressions, clicks, and sales.
Automatic targeting	• Consider adding negative keywords for search terms that have a high ACoS. You can see search terms by ACoS in the Search Term Report. • Consider lowering your default bid for the entire campaign.	• Consider increasing your campaign budget. • Consider increasing your default bids to generate additional impressions, clicks, and sales.

Source: Amazon

STEP 12 – TESTING

As with any form of online advertising, testing is key to ensure the continued success of your ad campaigns.

Use your reports, and what you find from any experiments you've carried out using low-budget Automatic Targeting campaigns, to identify high performing campaigns then use this information to test those that are less successful by changing one variable at a time - such as keywords or ad copy - and waiting a couple of days and analysing the results.

An A/B testing approach will allow you to confirm which combinations yield the best results and allow you to tweak your campaigns accordingly and inform future strategy.

CONCLUSION

Anyone who has ever bought or sold products online knows that Amazon is the place to be and, if you sell on the platform, advertising on Amazon is an easy way for you to promote your listings. Ads appear right where customers will see them, such as the first page of search results or product detail pages and where they're in the purchase stage of the funnel (as opposed to research for Google Ads. These targeted ads can bring your products to a new audience and, with a phenomenal conversion rate of 10%, help you to maximise your sales.

However, like any other ad campaign, continuous review and strategic optimisation is crucial to success.

GET IN TOUCH WITH US TODAY

ABOUT US

Click Consult is a multi award-winning digital and search marketing agency with a focus on organic (SEO) and paid search (PPC). Part of global consumer brand business Ceuta Group, we have a team of 70-plus specialists and a portfolio of more than 60 clients worldwide.

Our complementary services include content marketing, outreach, social media, conversion rate optimisation (CRO): and international/multilingual search marketing. We can also offer training and consultation to support your teams or existing strategy.

Click was named Search Agency of the Year 2018, adding to our long list of other awards and accolades, and also ranks within Econsultancy's 'Top 100 Digital Agencies', and Prolific North's 'Top 50 Digital Agencies'. We're also a Google Premier Partner, a Bing Select Partner and feature in The Drum Recommends.

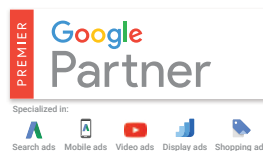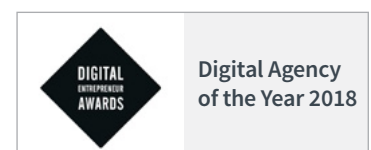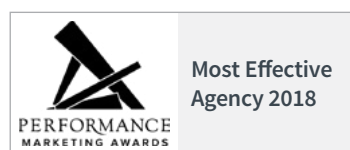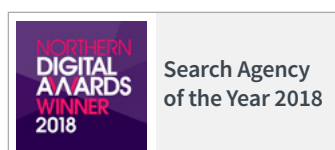## YOUR PAID SEARCH (PPC) ACCOUNT ANALYSIS AND REVIEW

REQUEST NOW

Follow us on **Google+**, **Facebook**, **Twitter** or **LinkedIn**, or to find out what Click Consult can do for you, call:

0845 205 0292

OUR ACCREDITATIONS

The Drum Recommended   Bing Select Partner   Google Partner — PREMIER — Specialized in: Search ads, Mobile ads, Video ads, Display ads, Shopping ads   VWO Certified Partner

OUR AWARDS

Northern Digital Awards Winner 2018 — Search Agency of the Year 2018

Performance Marketing Awards — Most Effective Agency 2018

Digital Entrepreneur Awards — Digital Agency of the Year 2018

OUR TECHNOLOGIES

monitor **TRAX** rank **TRAX** feed **TRAX** link **TRAX** pro **TRAX** page **TRAX**