

Amazon Advertising: Turning Shoppers Into Buyers

October 25, 2018

Link Walls, VP, Digital Marketing Strategy, ChannelAdvisor

Clay Roop, Client Strategy Manager, Digital Marketing, ChannelAdvisor

Housekeeping

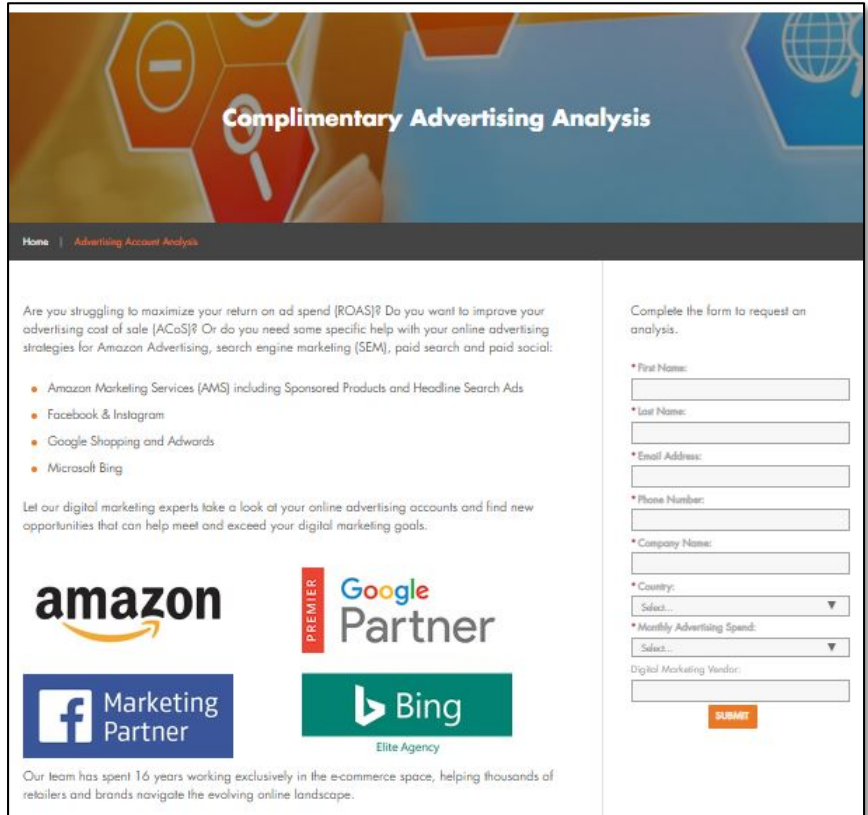
- Audio is delivered through your computer speakers.
- Customize your webinar experience by editing your widgets.
- Have a question? Type questions in the Q&A widget and hit submit.
- Today's presentation will last approximately 40 minutes – plus we've saved time at the end for questions.
- Yes! The webinar is being recorded and will be available on-demand.

Complimentary Advertising Analysis

Not sure if your ad strategies are delivering?

Let our digital marketing experts give your ad accounts a **quick audit** and help you identify **new opportunities** to meet and exceed your goals.

channeladvisor.com/advertising-analysis



Complimentary Advertising Analysis

Home | Advertising Account Analysis

Are you struggling to maximize your return on ad spend (ROAS)? Do you want to improve your advertising cost of sale (ACoS)? Or do you need some specific help with your online advertising strategies for Amazon Advertising, search engine marketing (SEM), paid search and paid social:

- Amazon Marketing Services (AMS) including Sponsored Products and Headline Search Ads
- Facebook & Instagram
- Google Shopping and Adwords
- Microsoft Bing

Let our digital marketing experts take a look at your online advertising accounts and find new opportunities that can help meet and exceed your digital marketing goals.

Complete the form to request an analysis.

* First Name:

* Last Name:

* Email Address:

* Phone Number:





* Company Name:

* Country:

* Monthly Advertising Spend:

Digital Marketing Vendor:

SUBMIT

Our team has spent 16 years working exclusively in the e-commerce space, helping thousands of retailers and brands navigate the evolving online landscape.

The ChannelAdvisor Blog

SUBSCRIBE TODAY
AND KEEP UP WITH
INDUSTRY NEWS

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Marketplaces Bradley Hearn

October 8, 2018

Are You Missing out on the Massive Revenue Potential of China's Singles Day?

SUBSCRIBE TO OUR BLOG

Insights. Opinions. Trends. Lots of them.

SUBSCRIBE TO THE BLOG

Industry Trends Link Walls

October 5, 2018

Should You Use Google Shopping Actions? (Hint: Yes. Immediately.)

Industry Trends Gregg Shupe

October 1, 2018

What Is E-Commerce Automation – And Why Do You Need It?

- BRANDS
- CHANNELADVISOR
- DIGITAL MARKETING
- INDUSTRY TRENDS
- MARKETPLACES

Today's Presenters



Link Walls

VP of Digital Marketing Strategy,
ChannelAdvisor



Clay Roop

Client Strategy Manager,
ChannelAdvisor

Agenda

- 2018 Holiday Outlook
- Amazon Advertising – Latest Updates
- Strategies for Success This Holiday
- Q&A

2018 Holiday Outlook

Essential Holiday Dates

THANKSGIVING: Nov 22

BLACK FRIDAY: Nov 23

CYBER MONDAY: Nov 26

CYBER FIVE: Nov 22 - Nov 26

FREE SHIPPING DAY: Friday, Dec 16

The holiday season is at its longest this year. There are **32 DAYS** from Thanksgiving to Christmas Eve.

- **Amazon's 2017 Cyber Monday beat 2017 Prime Day**
- Prime Day 2018 was the biggest in history – over 100M products sold
- Holiday promos and campaigns should be ready early (like, “now”), but don't forget about Amazon gift cards post-holiday. Monitor your inventory levels.

2018 Holiday Forecasts

- Forecasts range from 15% to 22% growth
- Key factors:
 - Strong consumer confidence
 - Low unemployment
 - Increasing wages

eMarketer Projects US Holiday Ecommerce Growth of 15.3%

Pace is seen cooling from 2017 gains

Author: eMarketer Editors

Press releases

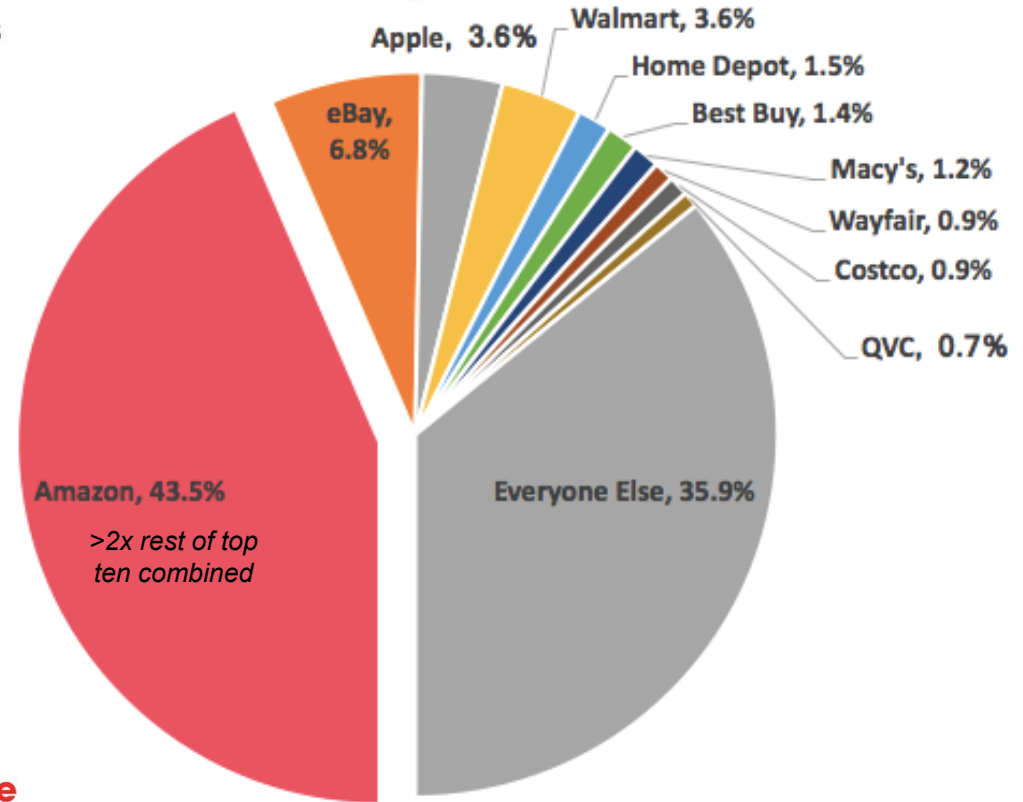
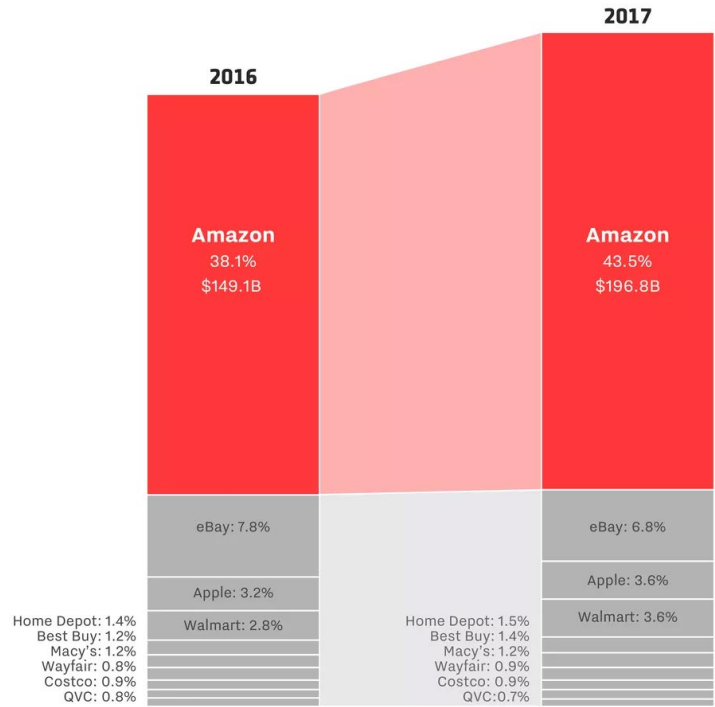
Deloitte Forecast: Retail Holiday Sales to Climb 5 to 5.6 Percent

E-commerce sales expected to rise 17 to 22 percent during the 2018 holiday season.



Amazon Approaching ~50% of U.S. E-Commerce

Top 10 public companies ranked by U.S. e-commerce sales



Source: eMarketer | Data for gross merchandise volume. 2017 data is estimated. **recode**

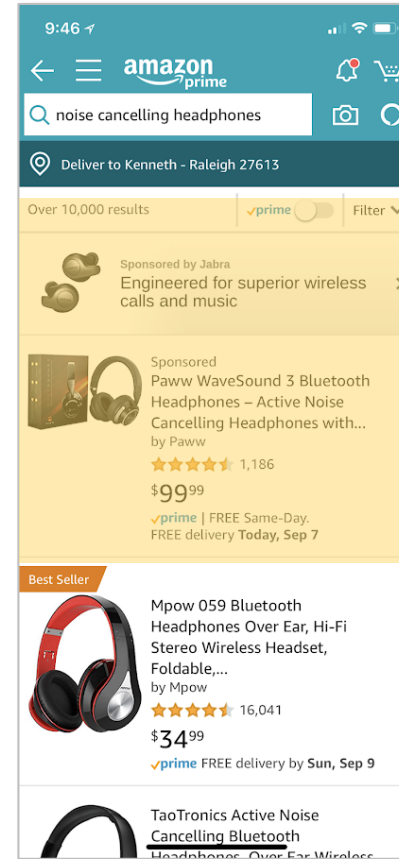
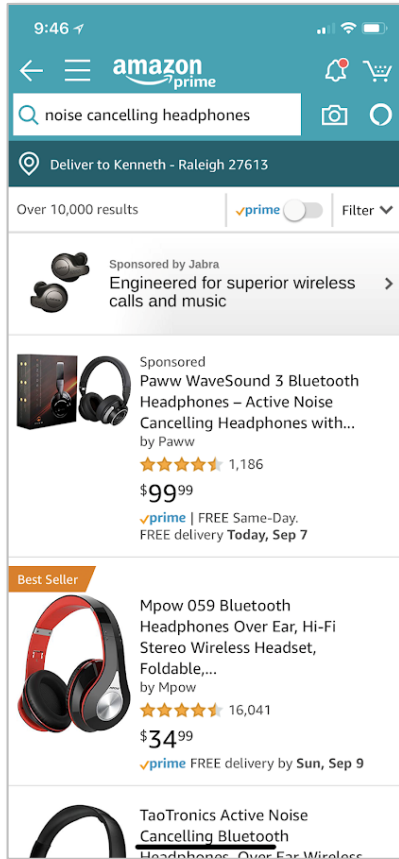
Selling on Amazon Has Changed

Content, price and **fulfillment** used to be enough...

but not anymore.



Visibility on Amazon Requires Advertising



Visibility on Amazon Requires Advertising

amazon prime
See delivery speeds to Raleigh 27613
Departments Browsing History Kenneth's Amazon.com Today's Deals Gift Cards Registry Sell Help
EN Hello, Kenneth Account & Lists Orders Prime Cart
Prime Video Stream movies & TV shows

1-16 of 278 results for "ashley loveseat"

Sort by Relevance

Show results for

- Home & Kitchen
Sofas & Couches
See more
See All 7 Departments

Refine by

- Subscribe & Save
Subscribe & Save Eligible

- Delivery Day
Get It by Tomorrow

- Amazon Prime
prime

- Sofa Type
Love Seats
Recliners
Sectional Sofas
Sleeper Sofas

- Sofa Seating Capacity
2
3
4
6
8

Brand

Showing results for ashley loveseat. Search instead for ashley love seat.



SPONSORED BY HOMEGOODS MANIA
Classic & Mid Century
Modern Lovesats

Shop now >



Classic 73-inch Love Seat Living Room
Linen Fabric Sofa (Brown)

★★★★☆ 26



Modern Two Tone Fabric and Bonded
Leather Living Room Sofa and Loves...

★★★★☆ 4



Mid-Century modern tufted linen
fabric loveseat in various colors - pol...

★★★★☆ 38

Ad feedback

Showing most relevant results. See all results for ashley loveseat.

Sponsored

Signature Design by Ashley 9200296 Garek Collection Power Reclining Loveseat with Console, Sand

by Signature Design by Ashley

\$875⁸³ prime

★★★★☆ 9



Sponsored

Ashley Furniture Signature Design - Damacio Recliner Loveseat with Console - Manual Pull Tab Glider - Dark Brown

by Signature Design by Ashley

\$1,359⁹⁹ prime

★★★★☆ 2



Visibility on Amazon Requires Advertising

The screenshot shows the Amazon.com search results for "ashley love seat". The top navigation bar includes the Amazon Prime logo, a search bar with "ashley love seat" entered, and links for Prime Video, account, orders, and cart. The search results are sorted by Relevance. The first section, "Showing results for ashley loveseat. Search instead for ashley love seat.", displays four sponsored products. The second section, "Showing most relevant results. See all results for ashley loveseat.", displays two sponsored products. A left sidebar contains filters for Home & Kitchen, Refine by, Subscribe & Save, Delivery Day, Amazon Prime, Sofa Type, Sofa Seating Capacity, and Brand.

amazon prime

All ashley love seat

Prime Video Stream movies & TV shows

See delivery speeds to Raleigh 27613

Departments Browsing History Kenneth's Amazon.com Today's Deals Gift Cards Registry Sell Help

EN Hello, Kenneth Account & Lists Orders Prime Cart

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Home & Kitchen Sofas & Couches See more See All 7 Departments

Refine by

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Amazon Prime Prime

Sofa Type Love Seats Recliners Sectional Sofas Sleeper Sofas

Sofa Seating Capacity 2 3 4 6 8

Brand

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Classic & Mid Century Modern Loveseats

Shop now >

Classic 73-inch Love Seat Living Room Linen Fabric Sofa (Brown) ★★★★★ 26

Modern Two Tone Fabric and Bonded Leather Living Room Sofa and Loves... ★★★★★ 4

Mid-Century modern tufted linen fabric loveseat in various colors - poL... ★★★★★ 38

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Sponsored ⓘ

Signature Design by Ashley 9200296 Garek Collection Power Reclining Loveseat with Console, Sand by Signature Design by Ashley

\$875⁸³ Prime ★★★★★ 9

Sponsored ⓘ

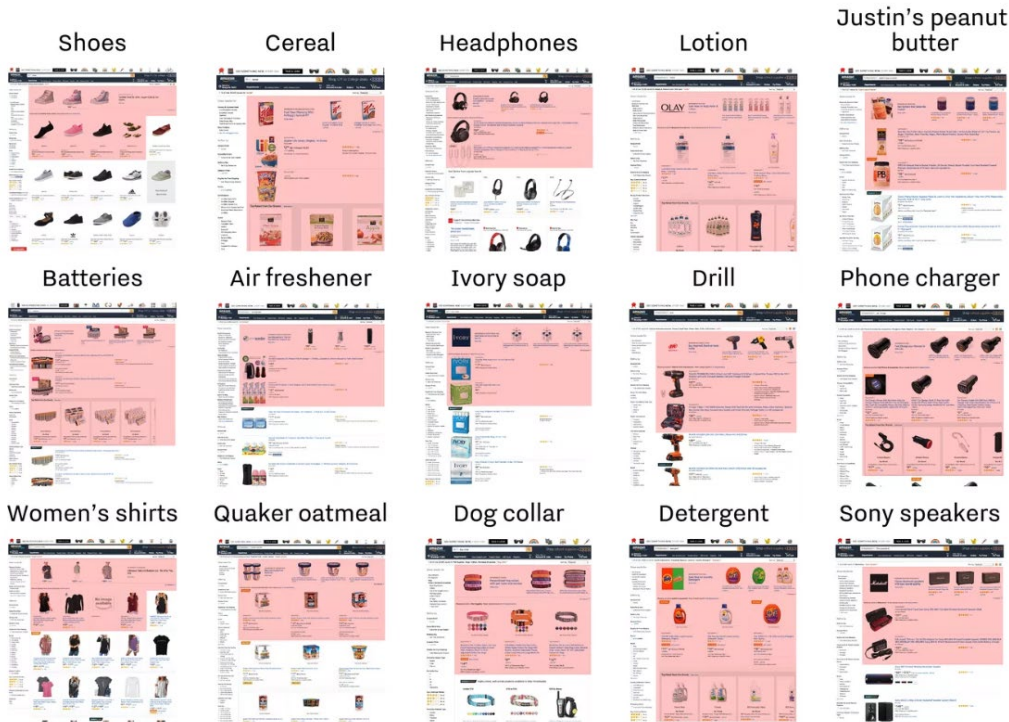
Ashley Furniture Signature Design - Damacio Recliner Loveseat with Console - Manual Pull Tab Glider - Dark Brown by Signature Design by Ashley

\$1,359⁹⁹ Prime ★★★★★ 2

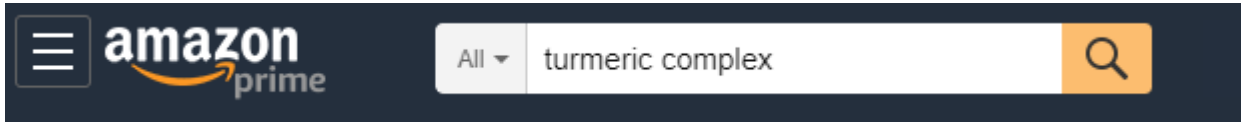
Ad feedback

Visibility on Amazon Requires Advertising

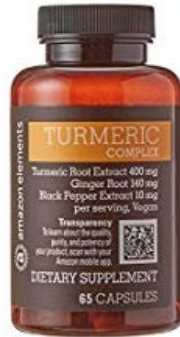
- With millions of sellers and hundreds of millions of products advertising becomes a “must do” to cut through the noise



Visibility = Ad Dollars + Great Content



Amazon's Choice



Amazon Brand - Amazon Elements Turmeric Complex with Black Pepper and Ginger, Curcumin Supplement, 65 Capsules, 2 month...

by Amazon Elements

\$16¹⁴ (\$0.25/Count)

Subscribe & Save

FREE Delivery by Tomorrow, Oct 23

More options available:

\$16.99 | FREE One-Day

Get it tomorrow for FREE on qualifying orders over \$35

★★★★☆ 223

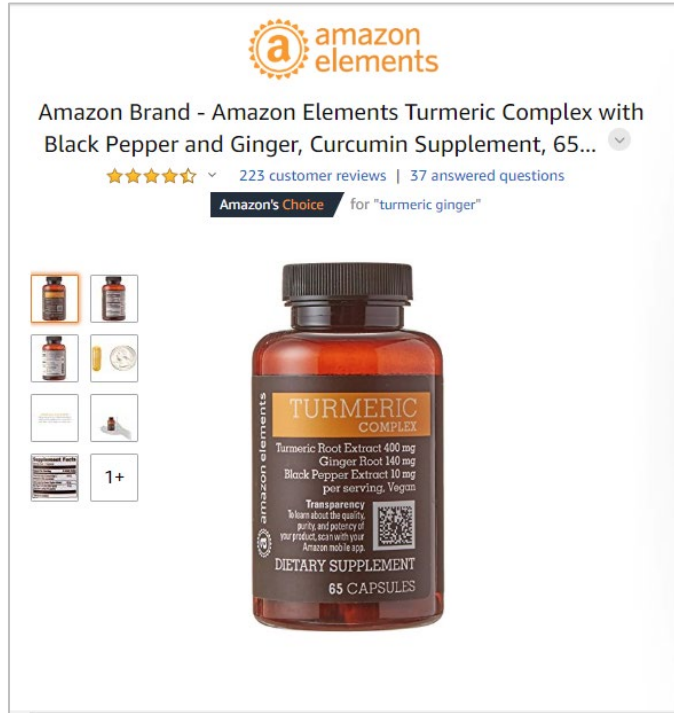
Save 20% with coupon

Product Features

Turmeric Complex with black pepper extract and ginger root powder

- Winning the search game on Amazon requires a combination of effective advertising and content management.

Visibility = Ad Dollars + Great Content



Inbound Traffic

- Mix of broad and specific keywords
- Use of negative keywords
- Leverage all ad types
- Automated bidding
- Measurement



Visibility = Ad Dollars + Great Content

amazon elements

Amazon Brand - Amazon Elements Turmeric Complex with Black Pepper and Ginger, Curcumin Supplement, 65...

★★★★☆ 223 customer reviews | 37 answered questions

Amazon's Choice for "turmeric ginger"

TURMERIC COMPLEX

Turmeric Root Extract 400 mg
Ginger Root 140 mg
Black Pepper Extract 10 mg per serving, Vegan

Transparency
To learn about the quality, purity and potency of your product, scan with your Amazon mobile app

DIETARY SUPPLEMENT
65 CAPSULES

Keyword-rich product title

- 65 capsules - see product images for size compared to a quarter
- 2 month supply (taken daily at listed serving size)
- Made in a Good Manufacturing Practices facility
- An Amazon brand

Comprehensive bullet list

Use of multiple images and video



Use of coupons and promotions

Price: **\$16.14** (\$0.25 / Count) ~~\$16.99~~ \$0.85 (5%)

Extra 20% Off Coupon on first order. [Details](#)

In Stock. Ships from and sold by Amazon.com.



Effective use of Product Reviews

#8 in Health & Household > Vitamins & Dietary Supplements > Herbal Supplements > Turmeric

Accurate categorization

Amazon Advertising Revenue Growing Rapidly

'Other Revenue' at Amazon grew 132% in Q2 2018, primarily advertising revenue.



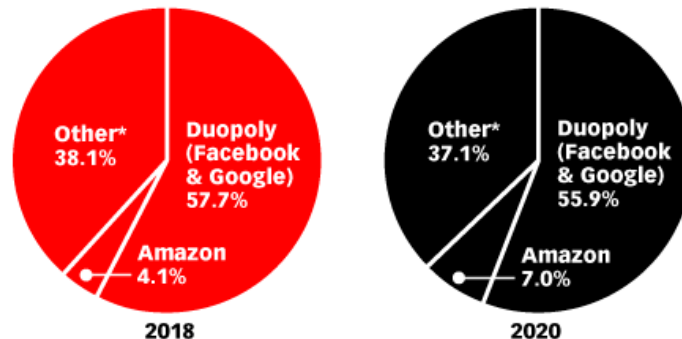
Amazon Advertising – Next Area of Growth

Article by Nicole Perrin | Sep 19, 2018 | 4 min read

Amazon Is Now the No. 3 Digital Ad Platform in the US

Duopoly vs. Amazon Share of Total US Digital Ad Spending, 2018 & 2020

% of total digital ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after paying traffic acquisition costs (TAC) to partner sites; numbers may not add up to 100% due to rounding; *includes US digital ad spending outside Amazon, Facebook and Google
Source: eMarketer, Sep 2018

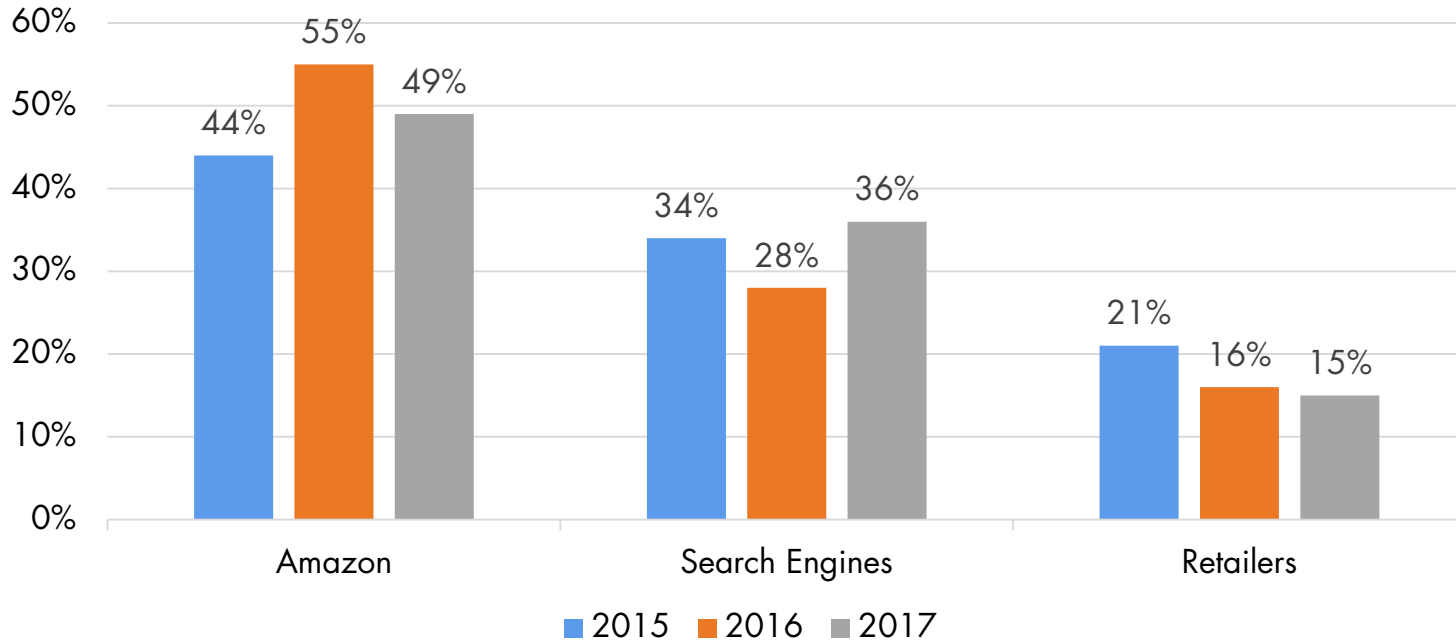
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www.eMarketer.com

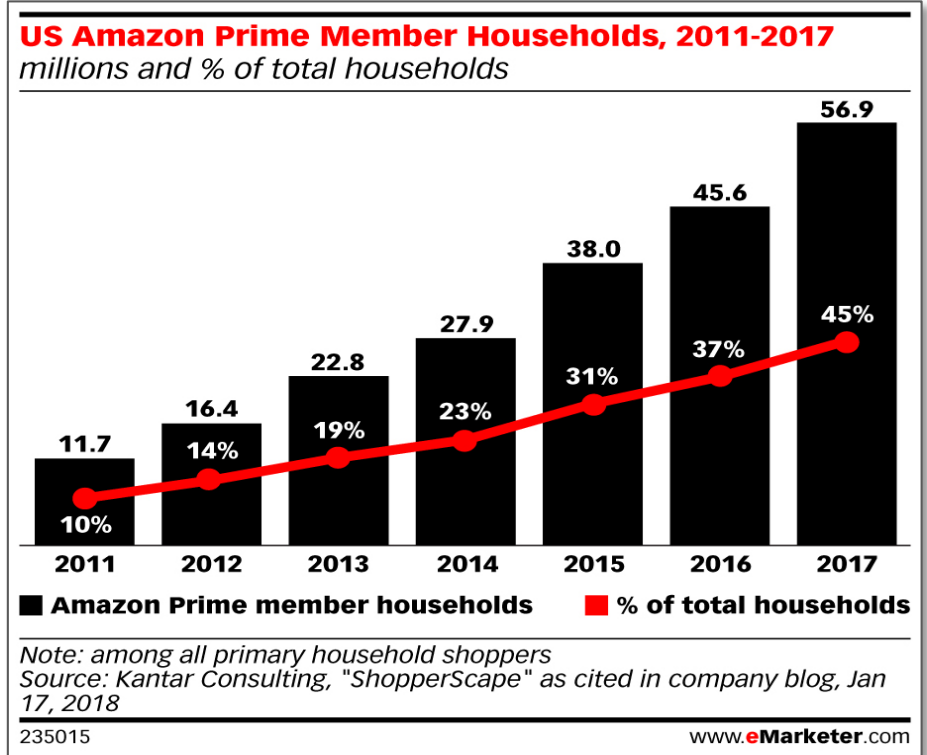
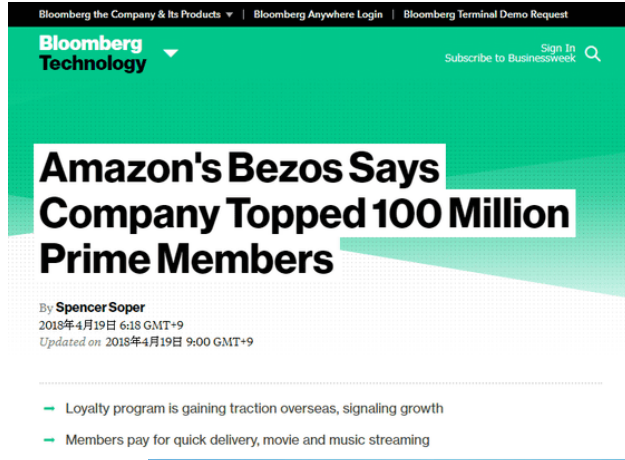
Sources: emarketer

49% of Product Searches Begin on Amazon

Where Consumers Search for Products Online



Amazon Prime Extends Domination



What's New for 2018 Holidays?

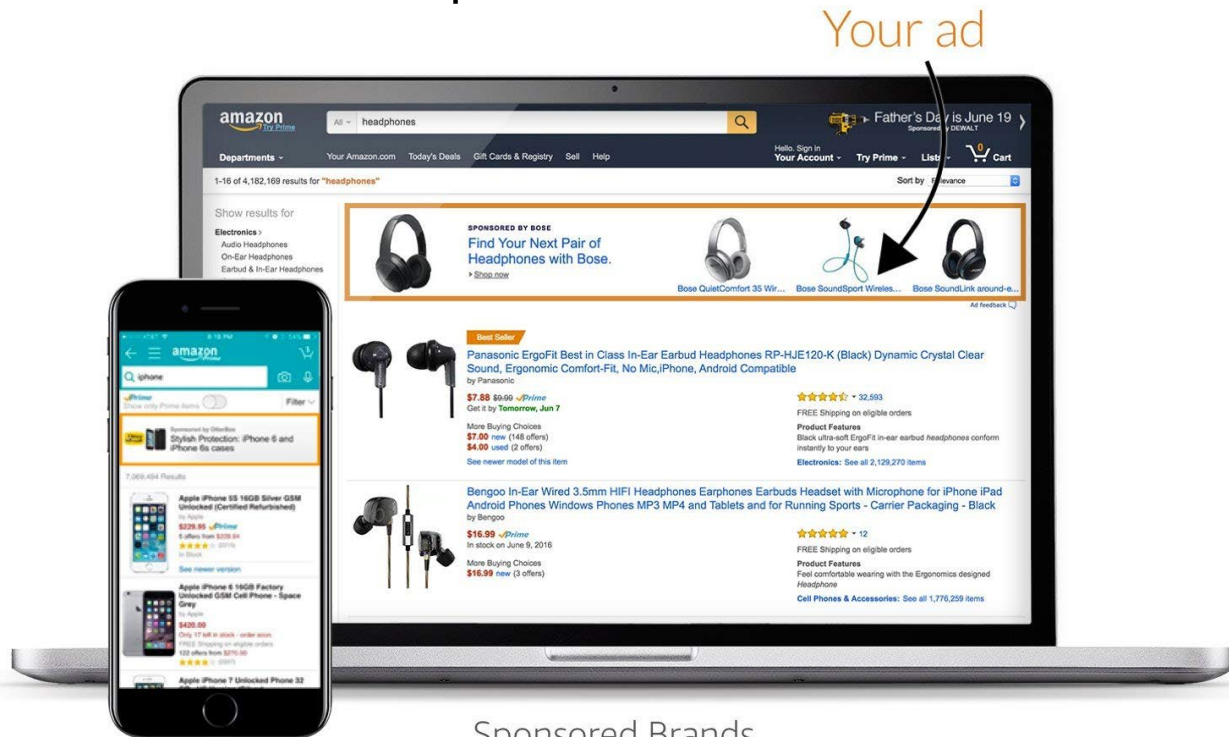
Introducing...

amazonadvertising

- AMS (Search), AAP (Programmatic), AMG (Display) now rebranded under the Amazon Advertising umbrella

What's New for 2018 Holidays?

- Headline Search Ads are now “Sponsored Brands”



What's New for 2018 Holidays?

- More placement opportunities for Sponsored Brand ads

Bottom of Search Results page:

Brands related to your search



Sponsored by
AmazonBasics
Quality curtain
accessories for t...
[Shop now](#)



Sponsored by
Sheffield Home
Premium
Designer Luxury ...
[Shop now](#)



Sponsored by
Sheffield Home
Curtain Rod Value
Packs
[Shop now](#)

Left hand rail:

cowin



Clear music - noise
cancelling
bluetooth
headphone



\$59.96 prime




\$89.99 prime



\$149.99 prime

[SHOP NOW](#)

A close-up, angled shot of a brown cardboard shipping box. The Amazon logo is printed in black on the top flap of the box. The background is a soft, out-of-focus yellowish-gold color. A semi-transparent dark grey rectangular box is overlaid on the top right of the image, containing white and orange text.

Sellers who advertised on
Amazon grew 63% faster
than those who didn't

Source: ChannelAdvisor data

Amazon Advertising During Holiday 2018



Account Structures Are a Lot Like Christmas Trees

... Ok, not really, but I really wanted to use this metaphor.

Elements of a well run Amazon Advertising Account:

1. Clear Goals
2. Enables granular optimization
3. Facilitates Useful Reporting
4. Utilizes All Ad Types
5. Uses The Levers Provided





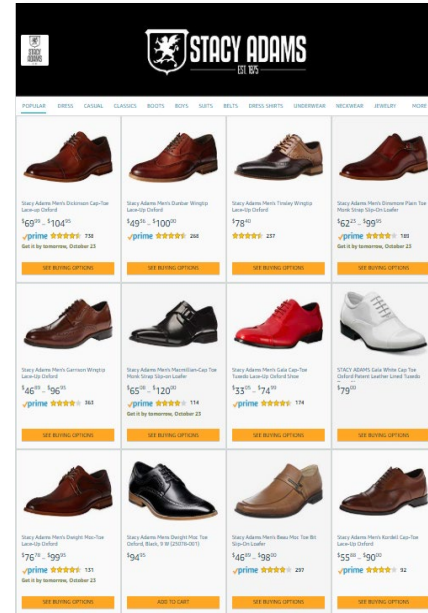
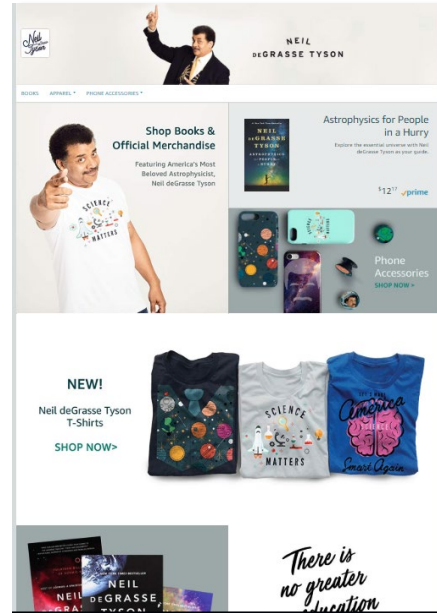
amazon

Top 5 advertising Strategies To Boost Holiday Sales

Strategy #1: Leverage The Power of the Store

Keep the customer in your sphere

- Drive SB traffic to a Store & gain control
- Deeper insights
- Easy-to-use Store Builder
- Start now



Strategy within a Strategy



When choosing products and writing copy for SBs, keep mobile in mind. Only the first product will be visible.

Strategy #2: Overcoming Amazon's Real-Time Data Limitations (Part 1)

Part 1: Budget In Advance

- Expand daily campaign budgets for holiday season, and again for Cyber 5
- Amazon's **peak day of customer fulfillment** in 2017 was **December 19th**
- What percent of daily budget is being used on a non-holiday?
- Check your payment settings!

Your campaign(s) are reaching or have reached budgets

Inbox x Amazon Alerts x

'Amazon Advertising' via Amazon Advertising Tue, Oct 9, 1:29 PM (13 days ago) ☆ ↶
to AA-Managed-US@channeladvisor.com



Hi Advertiser,

The following are some of your advertising campaigns that are out of budget or are close to running out of budget. Click on your brand name in the table below (sign-in required) to see all of the campaigns. We suggest increasing your daily budget to the "recommended budget" that is based on your campaign's daily spend rate.

| BRAND NAME | CAMPAIGN NAME* | BUDGET UTILIZATION | RECOMMENDED BUDGET |
|------------|--------------------------|--------------------|--------------------|
| [REDACTED] | [REDACTED] | 80.22% | \$1140 |
| [REDACTED] | [REDACTED] | >100% | \$21 |
| USS | SP - All Products - Auto | >100% | \$450 |

How does this impact your ads?

When daily budgets are reached, campaigns are paused and no longer serve ads to Amazon shoppers until midnight PST when your budget refreshes. If you haven't already, we recommend you [increase your budget](#) (sign-in required) to continue helping your brand drive sales at Amazon.



Payment failure

All failed payments will be retried

We were unable to successfully charge you for an outstanding balance in your account. At this time your ads are no longer being shown.

- Switch to a different payment method
- Choose an alternate credit card from your account
- Enter a new card
- Contact your bank about your card

When a payment method is changed, failed payments will automatically be retried. The retrial may take up to 72 hours. This message will be removed once the payment is successful. [Edit method and retry](#)

Strategy #2: Overcoming Amazon's Real-Time Data Limitations (Part 2)

Part 2: Intra-day Budget Handling

- Amazon's Intra-day Reporting is **lacking**
- Expect **double** the amount of clicks and up to a **50% increase** in CPCs during peak days
- Watch for warning signs
- Go, no-go contact?
 - Blind trust?



| Status | Type | Targeting | Budget | Spend |
|---------------|------|-----------|---------------------------|------------|
| | | | | \$1,156.72 |
| Out of budget | SP | Manual | \$ 425.00 Daily | \$195.46 |
| Delivering | SP | Manual | \$ 425.00 Daily | \$106.37 |
| Delivering | SP | Manual | \$ 477.00 Daily | \$70.10 |
| Delivering | SB | Manual | \$ 200,000.00 Lifetime | \$51.18 |
| Out of budget | SP | Automatic | \$ 163.00 Daily | \$47.37 |
| Delivering | SP | Manual | \$ 425.00 Daily | \$45.24 |

This doesn't add up



Strategy within a Strategy



Book mark your campaign notification URL!

<https://advertising.amazon.com/recommend?entityId=YOURENTITYID>

Strategy #3: Bid Smart! Bid Plus?

- What did Prime Day do?
 - ChannelAdvisor software tracks metrics past Amazon's 90 day window.
- Consider bid+
 - Don't be dumb
 - Placement Reports (SP vs. SB)
- Automated Bidding
 - Who on your team is making bid adjustments after thanksgiving dinner?



| Automated Bid Rules | | | | | | |
|---------------------|-------------------------------------|--------------------|-----------|------------|---------------|--|
| Actions | Name | Provider | Rule Type | Bid Status | Schedule | |
| | ACoS 15: NB_CptID_BBU_Auto | Amazon Advertising | ACoS | Active | Every week on | |
| | ACoS 15: NB_Rothco_SP_Auto | Amazon Advertising | ACoS | Active | Every week on | |
| | ACoS 15: Amazon Funded New Campaign | Amazon Advertising | ACoS | Active | Every week on | |
| | ACoS 15: NB_RothcoTopTen_SP_Auto | Amazon Advertising | ACoS | Active | Every week on | |
| | ACoS 15: NB_HighSpeedGear_SP_Auto | Amazon Advertising | ACoS | Active | Every week on | |



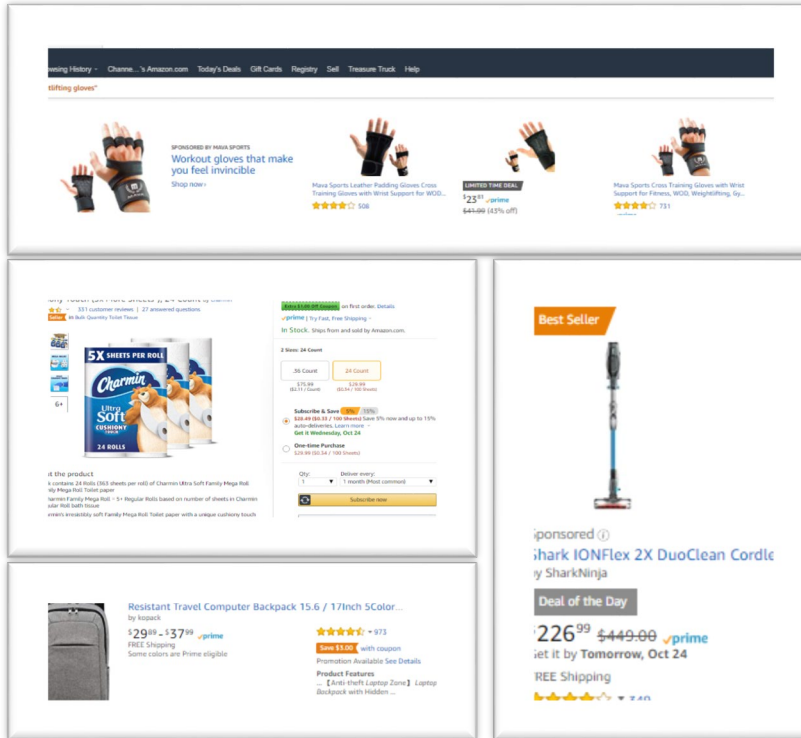
Strategy within a Strategy





Don't waste money on non-converting keywords. Use the search query report to find & negate high-cost, low sales search terms.

Strategy #4: Promote your Promotions

... Another Christmas Tree metaphor!



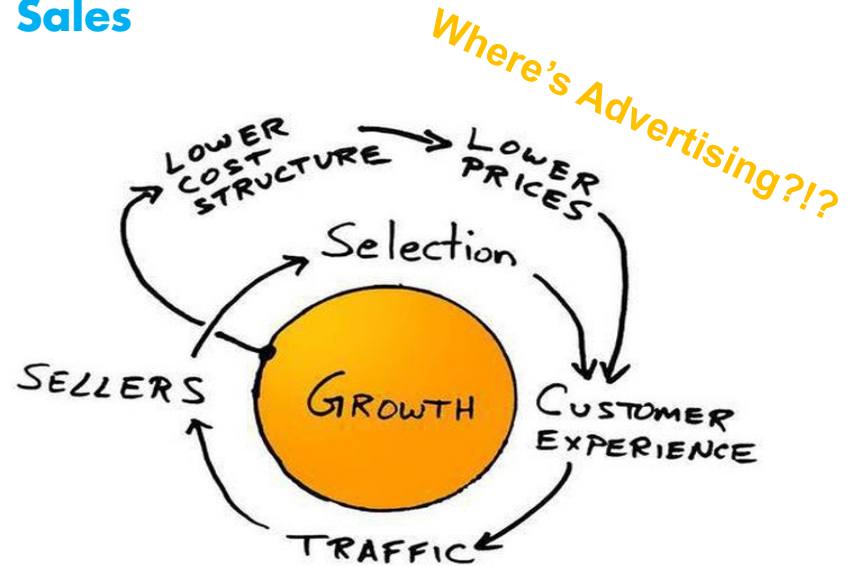
 **Strategy within a Strategy** 
Start running advertising campaigns promoting your promos now! It takes time to build Ad Relevancy

Strategy #5: Getting New Products On the New Flywheel

Organic success is tied to sales velocity. Sales velocity is tied to Amazon Advertising

5 Strategies Within Strategy #5:

1. Use Brand Terms to force new products in front of 'loyal' customers
2. Put your new products at the top of your Brand Store
3. Create a Store Page within your Brand Store and use a Sponsored Brand ad
4. Use a PDA of a new product to target a Product Detail Page of a old product
5. Run a Lightning Deal and promote it

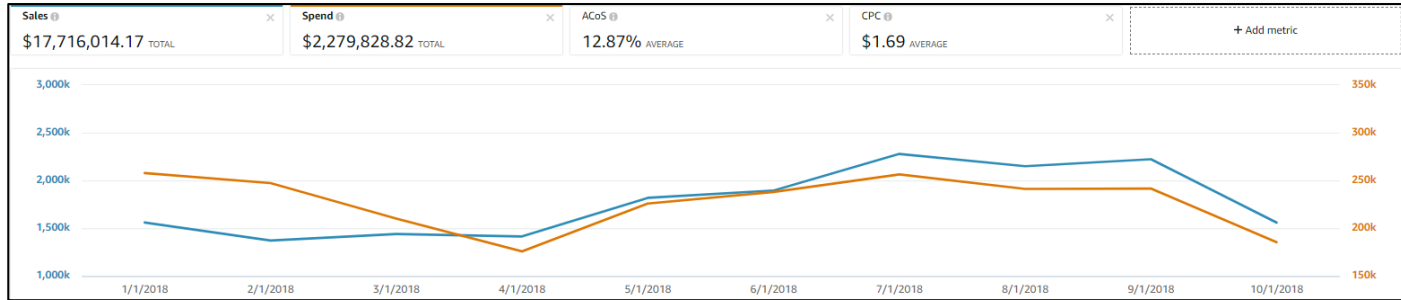


Strategy within a Strategy



Reviews drive sales! Do you have a customer review acquisition strategy? Advertising can drive sales and speed up the process.

Bonus Strategy: Use The Reports Amazon Gives You!



- The new UI change provides **slightly better** performance lookbacks.
- Are you using the **other 10 reports** Amazon offers?
- Unsung heroes:
 - Search Query Reports, Placement Reports, Advertised Product & Purchased Product
- Smart naming conventions

Wrap Up

1. Utilize a Brand Store as part of your Amazon Ad strategy.
2. Budget in advance and have a plan for intra-day monitoring for peak days.
3. Prepare for CPC increases and leverage automated bidding to drive performance at scale.
4. Give promotions a boost by advertising before, during and after.
5. Understand Amazon's flywheel to introduce new products.
6. Leverage the analytics to make informed decisions throughout the holidays.

Q&A

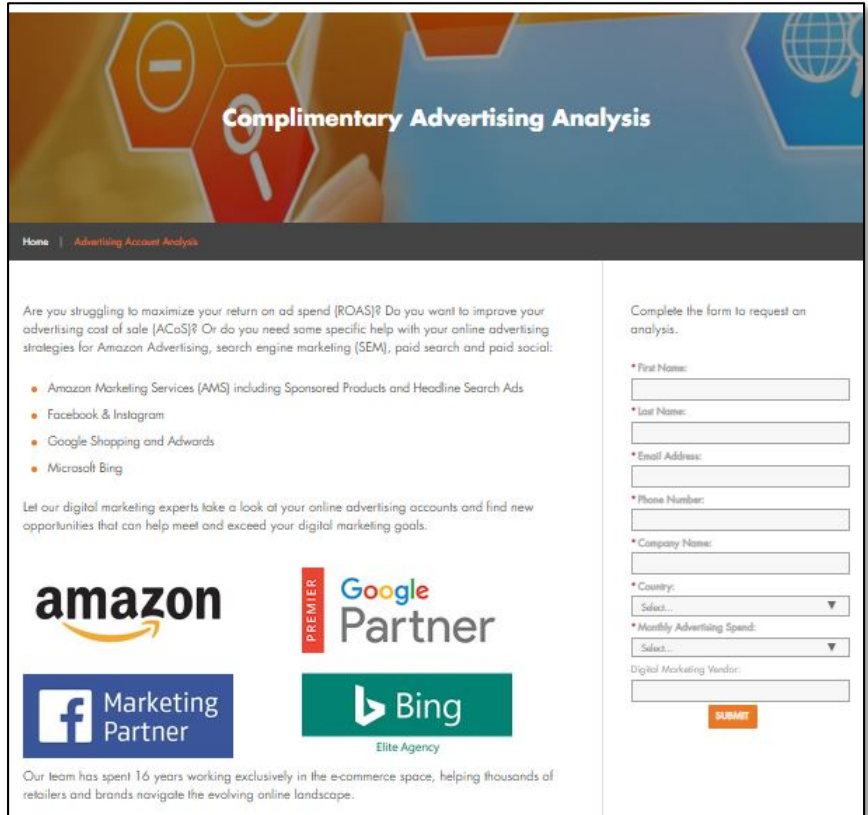
HAVE A QUESTION? If you have a question, please type it into the Q&A widget and hit SEND.

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Let our digital marketing experts take a look at your online advertising accounts and find new opportunities that can help meet and exceed your digital marketing goals.

Our team has spent 16 years working exclusively in the e-commerce space, helping thousands of retailers and brands navigate the evolving online landscape.

Complete the form to request an analysis.

* First Name:

* Last Name:

* Email Address:

* Phone Number:

* Company Name:

* Country:

* Monthly Advertising Spend:

Digital Marketing Vendor:

Thanks for Attending!

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