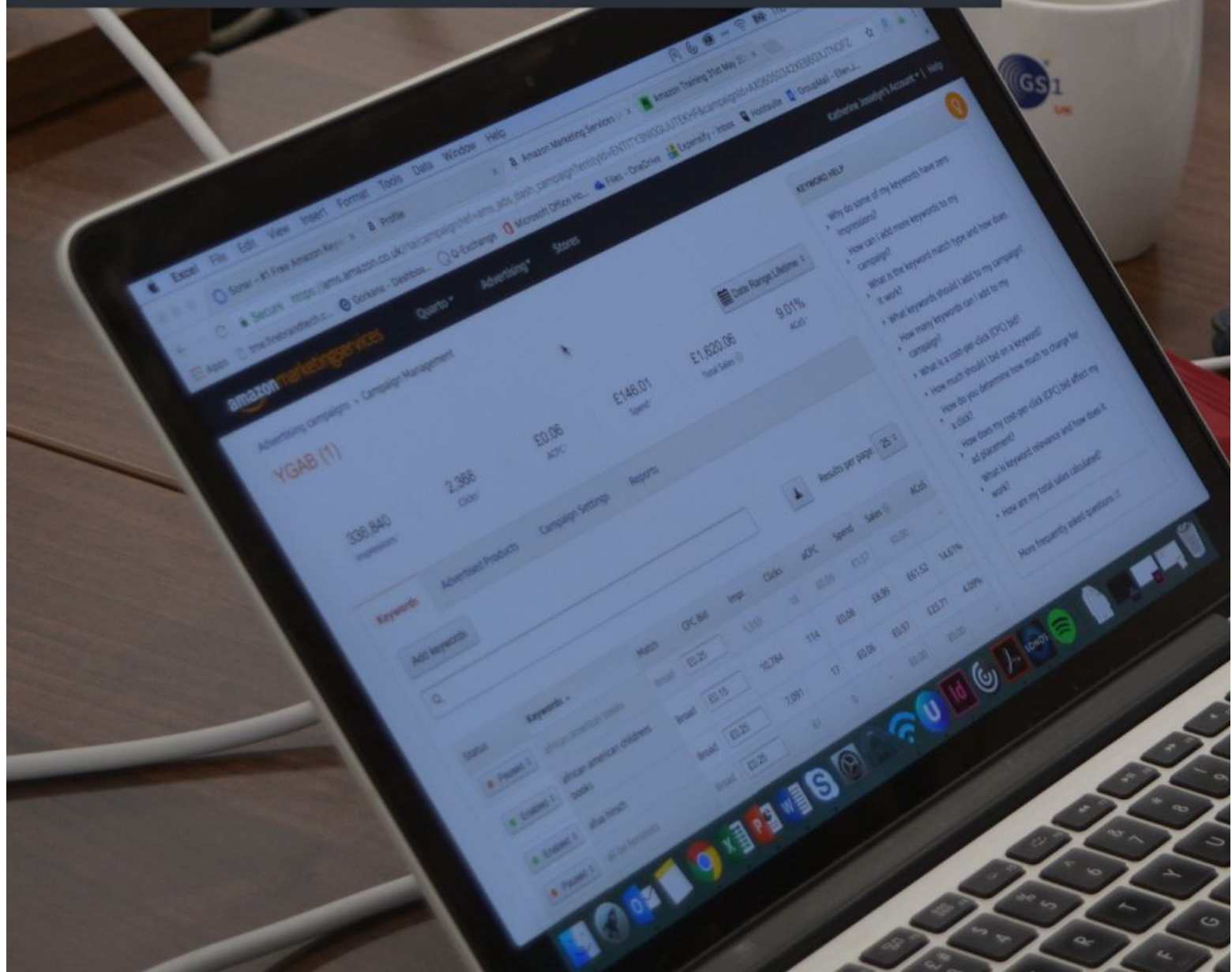


A-Z GUIDE TO AMAZON ADVERTISING

Practical In-depth Guide

PRABHAT SHAH



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Introduction to Amazon Advertising

What is it?

As the Amazon retail and marketplace platform has developed, it has become one of the foremost search engines for products. With more than half of all product searches starting on Amazon.

Amazon Advertising is a paid solution that allows sellers to jump their product to the top of a shoppers search results. With more and more sellers seeming to join the platform each month, the competition for a product display on the first page is becoming fierce, making it impossible to scale up quickly without a little investment. In other words with Amazon Advertising you're buying your time with Advertising.

Amazon Advertising attracts a lot of sellers, as it's particularly good at driving conversion in comparison to other ad networks like Google. Helping sellers to run profitable campaigns.

In some cases, brands are moving 50 to 60 percent of their Google Search ad budgets to Amazon, two media agencies noted. [source](#)

Why is it important?

The essence of Amazon Advertising is to improve the visibility of your products. Helping your products to sell more, which in turn improves product ranking – conversion has a direct link with improved organic ranking. Ultimately this will increase your sales velocity giving you a quicker cash flow.

1. **Increase the visibility of the products**

Your products appear in a more prominent at the top of search results or in another position where buyers are more likely to view your product pages. This can be at the bottom or side of the page too!

2. **Boost sales for all products**

Increase sales of your best selling items and newly launched products with increased exposure.

3. **Control seasonal campaigns**

Capitalise on seasonal demand for your products with advertising. Tip! If you have products affected by a turn in the weather, you can capitalise on a sudden change, reacting quickly with some new campaigns.

4. **Product launch**

Every new product takes time to rank organically – it'll need impressions, clicks, conversions and reviews. So, to get exposure faster and increase its chance of selling, it's best to use Amazon Advertising.

5. **Promote sales**

Advertising helps to boost the sales of your discounted products – helping you to reach additional consumers.

6. **Improve organic rankings in search results**

Although organic ranking and advertising are not correlated, advertising drives traffic to your product page, increasing opportunities for conversion, which is directly related with organic ranking. So, there is an indirect relation. The screenshot below shows a seller doing the best they can to get some initial sales.

	\$4,572.24	267	\$5,303.21	86.22%	
	\$1,501.72	65	\$1,920.60	78.19%	-
	\$221.30	43	\$625.56	35.38%	-
	\$176.03	30	\$393.69	44.71%	-
	\$215.79	14	\$299.88	71.96%	-
	\$208.07	16	\$272.83	76.26%	-
	\$258.60	12	\$248.88	103.91%	-

SPEND

SALES ACoS

Amazon Is Now The #3 Digital Ad Platform In The U.S. Behind Google And Facebook, Says eMarketer

Is it for you?

Amazon Advertising is available for any products listed on Amazon. Whether they're listed through a seller or vendor central account. A seller central account is typically for resellers or small brands and a vendor central account is typically for the big brands or manufacturers and we have recently seen the news that Amazon will only keep vendor relation if the volume of sales is at a certain level.

“Generally speaking, vendors selling less than \$10 million in products each year on the site will no longer get wholesale orders from Amazon, although that will vary by category, said the people, who requested anonymity to speak about an internal matter.” [Bloomberg](#)

What forms of Advertising are there through Amazon?

Amazon Advertising offers solutions across the full marketing funnel. Enabling you to build your brand on their platforms reaching a broad range of consumers.

For most sellers on Amazon, search marketing offers a great first step into the world of Amazon Advertising, so this is where we're going to keep the focus of this guide.

Search advertising

Search is a vital step in the digital shopping journey, it's how we make sense of the billions of webpages that are online – or millions of products that are on a platform like Amazon. As we've already mentioned Amazon is now the first port of call for UK consumers when they're looking for a product online. Search ads enable you to ensure your products are visible to consumers that are looking for products like yours.

Sponsored Product Ads (SPAs)

This type of ad is usually the first starting point for an Amazon seller. They're the sponsored ad you see displayed at the top of bottom of a search results page – and you may not realise but they can also be displayed on a product page.

The screenshot displays a search results page for 'Post-it Notes' on Amazon. At the top, there are three sponsored product ads (SPAs) for Post-it Notes. Below these, a horizontal line separates the top section from the main search results. The main results include an 'Amazon's Choice' badge above a product listing for 'Stick N 21332 Sticky Note 76x76mm Neon - Assorted Colour (Pack of 12)'. To the left of this, there are two more sponsored product ads for 'ZCZN 6 Bright Colour Sticky Notes' and 'ZCZN 8 Assorted Colour Sticky Notes'. Each ad includes a product image, a 'Sponsored' label, a brief description, a star rating, and pricing information (excl. VAT and incl. VAT). The 'ZCZN 6' ad shows a price of £8.99 excl. VAT and £10.79 incl. VAT. The 'ZCZN 8' ad shows a price of £10.66 excl. VAT and £12.79 incl. VAT. The 'Stick N 21332' ad shows a price of £4.70 excl. VAT and £5.64 incl. VAT. The 'Stick N 21328' ad shows a price of £4.32 excl. VAT and £5.19 incl. VAT. The 'Nice Style Sticky Note Cube' ad shows a price of £3.53 excl. VAT and £4.24 incl. VAT.

Product	Price (excl. VAT)	Price (incl. VAT)	Rating
ZCZN 6 Bright Colour Sticky Notes	£8.99	£10.79	4.5 stars
ZCZN 8 Assorted Colour Sticky Notes	£10.66	£12.79	4.5 stars
Nice Style Sticky Note Cube	£3.53	£4.24	4.5 stars
Stick N 21332 Sticky Note 76x76mm Neon - Assorted Colour (Pack of 12)	£4.70	£5.64	4.5 stars
Stick N 21328 76x76mm Sticky Note - Assorted of 12)	£4.32	£5.19	4.5 stars

SPAs in the search results



Ad feedback

SPAs on a product page

Sponsored Brands Ads (SBAs)

Formerly known as headline search ads – these ads are displayed above the search results and allow an advertiser to display three products as well as their brand logo. This makes this ad type great for generating brand awareness and display a range of products or generating clicks to a brand store.



SBA above the search results

Product Display Ads (PDAs)

This ad type targets and is displayed on a set of products determined by the advertiser. This enables you to create cross sell or upsell opportunities on your own product pages, steal sales from a competitor or position your products with complimentary items.



PDA underneath the buy box

Getting to Know Sponsored Product Ad Campaigns

Sponsored Products ad campaigns are targeted by keywords, products and categories. Your ads will run only when you win the buy box. If you're running ads and lose the buy box, your advertising stops automatically. There are two ways to run a sponsored products campaign either automatically or manually.

Automated campaigns

These campaigns don't require any input from you, functioning like Google Shopping ads. As the name suggests they run automatically, targeting keywords based on the content of your product detail page. Amazon matches a customer's search query with the content in your product title, key features, description, search terms or any other part of your content and displays your product based on relevancy and likelihood of conversion.

Keywords below generated sales because "pigeon baby" was in the product title.

F	G	H	I	J	K	L	M	N	O
Ad Group Name	Targeting	Match Type	Customer Search Term	Impressions	Clicks	Click-Thru Rate (CTR)	Cost Per Click (CPC)	Spend	7 Day Total Sales (£)
London automatic	*	-	pigeon toy for baby	1	1	100.0000%	£ 0.29	£ 0.29	£ 10.99

Automated campaigns are a good choice when you're just starting out – helping you to understand search behaviour on Amazon and which keywords your products perform well on. However, it's advisable to cap the campaign budget with say, a fiver a day to avoid overspending initially.

Manual Campaigns

These ad campaigns require more input from you but offer more control to generate greater return on advertising spend.

Keywords targeting


The keywords you target need to be what buyers are searching for. To help with this, three match types you can use:

1. Broad match: The keyword can appear in similar variants in the search query
2. Phrase match: The keyword only needs to be in the search phrase.
3. Exact match: The keyword must match the search term exactly.

In all three types, misspellings, singular plural and use of conjunctions are included.

The screenshot below gives some examples of how this works in practice.

Keyword Types Explained

KEYWORD: MENS BOOTS 	BROAD MATCH	TARGETED KEYWORDS ARE IN NO ORDER • MEN TIMBERLAND BOOTS • DRESS BOOTS MENS • MENS GARDEN BOOTS • CATERPILLAR BOOTS FOR MEN • MENS LEATHER HUNTING BOOT
	PHRASE MATCH	TARGETED KEYWORDS ARE IN THEIR EXACT ORDER INCLUDES ADDITIONAL KEYWORDS BEFORE AND AFTER, PLURALS AND COMMON MISSPELLINGS • EUROPEAN LEATHER MENS BOOTS • MEN BOOTS REAL LEATHER
	EXACT MATCH: BLACK CHELSEA BOOTS MEN	SEARCH TERMS MUST MATCH THE KEYWORD EXACTLY • BLACK CHELSEA BOOTS MEN • BLACK CHELSEA BOOTS FOR MEN
	NEGATIVE PHRASE / EXACT MATCH	EXCLUDES SPECIFIC SEARCH TERMS

There's also another type of keyword - Negative keywords. They help you to eliminate wastage. You may want to avoid very generic terms that are likely to be more competitive and therefore more expensive. Although, when they're starting out lots of advertisers like to keep generic terms in so they can start to better understand customer search behaviour.

Like Google, Amazon allows you to see the customer search term via a "search term" report. This allows you to see how each in your campaign is performing against a set of campaign metrics. We'll discuss this more later on page #19

Product Targeting

This is new to most advertisers and is geared towards targeting any products on Amazon. Your product is displayed at the bottom of a targeted product detail page under "Sponsored products related to this item" product as seen in picture below.

This enables you to follow three strategies:

- Attack competitor products with your best sellers or entry level products
- Complement similar products often sold with yours or bought by the same audience
- Block with your own products by cross selling or upselling products



Total price: £52.70

Add both to Basket

- ☒ This item: Floorseal Patio Black Spot Remover Plus, 5 Litre £41.99
☒ Kingfisher PS4003 Pump Action Pressure Garden Sprayer, 5 Litre £10.71

Sponsored products related to this item



Category Targeting

These are created with product targeted ads and target shoppers in a certain category. Displaying your product at the bottom of product detail page under “Sponsored products related to this item” as seen in picture below.

Allowing you to target

- Specific sub-product category
- Root product category

Gesponserte Produkte zu diesem Artikel



Category Ads result in Amazon.de

Automated targeting	Manual targeting
Keywords targets are based on your title, key features, description and search terms.	You have a full control of which keywords are targeted.
Ability to add negative search terms.	You can also add negative keywords
	Choose from three keywords match type

Understanding bidding

Amazon advertising runs ads based on an auction system. Whereby advertisers bidding on a particular keyword, product or category set a maximum bid, the winner then pays one pence or cent over their rivals. For example, if you're bidding £1.00 per click for a campaign you agree to pay up to £1.00 but, if your competitor bids £0.75 for their campaign you'll pay £0.76.

Currently Amazon allocates 50p as a default bid but, it's always worth starting with a lower bid if possible. The worst-case scenario is you gain no impressions, in which case you can always increase your bid.

Amazon uses similar concepts as Google to decide relevance. Relevance is a really important concept as it drives which ASINs rank the highest organically for a particular query and allows advertisers to win keyword bids for less money.

Amazon's ranking algorithm considers:

- Sales History
- Impressions
- Click-Through-Rate
- Product Description
- Image Quality
- Reviews
- Keyword Bidding

Hopefully you'll see from the above list just why your content is so important! Which is why your content optimisation should be the foremost priority. We have written a detailed guide on this topic. Get a copy following the link below:

Case Study: 130% Increased sales with Amazon Marketing Services – [Download](#)

Dynamic bidding

Recently Amazon has added Amazon placement strategy with sponsored product campaigns. This can be seen on the top of the campaign on placement tab. Here you have three bidding options:

- **Fixed bids**, use the amount you've input all the time
- **Dynamic bids -down only**, reduces your bid when the Amazon system thinks your product is less likely to convert
- **Dynamic bids – up and down**, will also increase up to double your bid if the system thinks you're more likely to convert

Active / Paused	<input checked="" type="checkbox"/> Active Archive this campaign
Status	Delivering
Schedule	10/10/2018 No end date
Daily budget	\$ 10.00
Campaign targeting	Automatic
Campaign bidding strategy BETA	<p><input checked="" type="radio"/> Dynamic bids - down only We'll lower your bids in real time when your ad may be less likely to convert to a sale. Any campaigns created before January 2019 used this setting. Learn more</p> <p><input type="radio"/> Dynamic bids - up and down We'll raise your bids (by a maximum of 100%) in real time when your ad may be more likely to convert to a sale, and lower your bids when less likely to convert to a sale. Learn more</p> <p><input type="radio"/> Fixed bids We'll use your exact bid and any manual adjustments you set, and won't change your bids based on likelihood of a sale. Learn more</p>
Adjust bids by placement (replaces Bid+)	<p>In addition to your bidding strategy, you can increase bids by up to 900%. Learn more</p> <p>Top of search (first page) <input type="text" value="0"/> % Example: A \$1.00 bid will remain \$1.00 for this placement.</p> <p>Product pages <input type="text" value="0"/> % Example: A \$1.00 bid will remain \$1.00 for this placement.</p>

Campaign bidding strategy

Strategy	When to use ?
Dynamic bids - down only	Not sure about the level of conversion, for the new campaigns
Dynamic bids - up and down	Result are looking good, ACOS is profitable
Fixed bids	You are focused on limited budget spend

Adjusting bids by placement

You can also use the same tab to increase/decrease up to 9x your bid value to target a particular ad placement – this helps you to ensure your product visibility by being displayed at the premium top of search spots on the first page. There area number of placements a search ad can be displayed on Amazon.

a) Top of the page



SPONSORED BY CHEEKY CHOMPERS

Grey Stripes Sale
Now On

[Shop now](#)



Cheeky Chompers Neckertowel - Bandana Dribble Bib with Teething Chew - Grey Stripes
★★★★★ 1
✓prime



Cheeky Chompers Comfortertowel, Grey Stripes - Attachable Teething Comforter
✓prime



Cheeky Chompers Neckerbib Twin Pack, Panda Pals and Grey Stripes - Bandana Bib
✓prime



Sponsored (1)

Long Sleeve Bib Waterproof Bibs for Babies and Toddlers with Pocket (6-24 Months) - Pack of 2 by Little Dimsum (Little Rabbit/Little...
★★★★★ ~ 21

£16⁷⁹

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery



Sponsored (1)

Baby Bandana Dribble Bibs 8 Pack Drool Bibs for Drooling and Teething Super Soft and Absorbent for Boys Girls by YOOFOS
★★★★★ ~ 391

£9⁹⁹

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery

Amazon's Choice



YOOFOS Baby Bandana Dribble Bibs and Drool Bibs for Boys & Girls (Pack of 8)
★★★★★ ~ 391

£9⁹⁹

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery



Baby Boys Girls Double Layer of Cotton Bandana Drool Soft Absorbent Drooling Bibs (7 Pieces) (White)
★★★★★ ~ 13

£9⁹⁹

5% off purchase of 5 items
Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery

Best Seller



Lictin Baby Bib Set c Unisex Baby Bib EVA Drool Baby Bib Apro Bibs for Infant Todd
★★★★★ ~ 127

£6⁹⁹

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery

b) bottom of the page



Sponsored (1)

aden + anais Bambi Disney Baby Snap Bibs, Pack of 3
★★★★★ ~ 4

£19⁹⁵

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery
Only 2 left in stock (more on the way).



Sponsored (1)

PEKITAS Pack of 7 Baby Bibs, Waterproof, Velcro Closure, Soft Cotton, Size 28 cm x 21cm
★★★★★ ~ 1

£8⁵⁰

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery

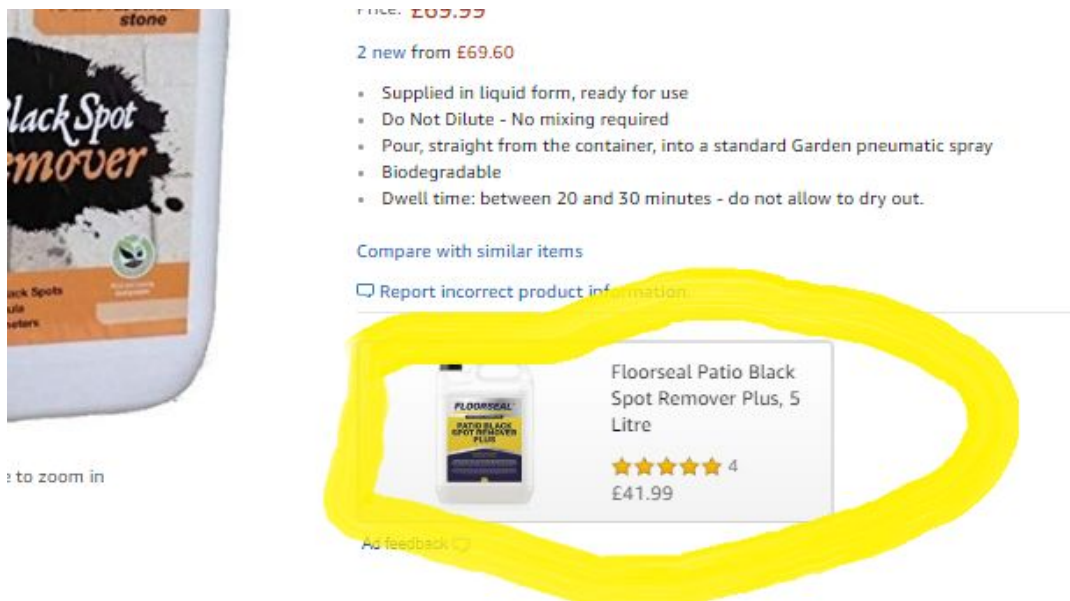


Lekebaby Baby Bandana D Bibs Drool Bibs for Boys U (Pack of 8) - Super Absorb and Modern
★★★★★ ~ 21

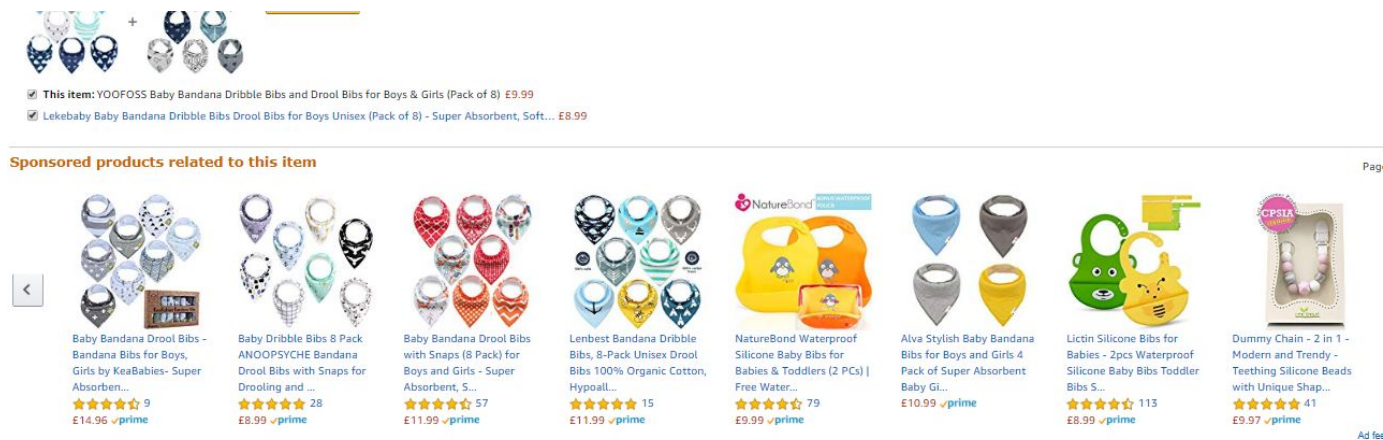
£8⁹⁹

Get it by **Tomorrow, Apr 27**
Eligible for FREE UK Delivery

c) below key features



e) In the carousel under the description of the product only if ASIN or category targeted



✓ [Enroll Amazon Marketing and SEO Course in London or Manchester](#)

🤔 Which bidding strategy would you implement in two situation below?

Situation 1

Ad groupsPlacementsNegative keywordsCampaign settingsAdvertising reports

Date range: LifetimeColumnsExport

Placement ⓘ	Bidding strategy ⓘ	Bid adjustment ⓘ	Impressions ⓘ	Clicks ⓘ	CTR ⓘ	Spend ⓘ	CPC ⓘ	Orders	Sales ⓘ	ACOS ⓘ
Total: 3			1,674,344	6,482	0.39%	€1,403.69	€0.22	145	€4,694.76	29.90%
Top of search (first pa...	Dynamic bidding (down only)	<div>0%</div>	1,072	141	13.15%	€10.87	€0.08	16	€543.96	2.00%
Product detail pages	Dynamic bidding (down only)	<div>0%</div>	1,355,193	2,427	0.18%	€502.55	€0.21	61	€1,961.96	25.61%
Rest of site	Dynamic bidding (down only)	-	318,079	3,914	1.23%	€890.27	€0.23	68	€2,188.84	40.67%

Situation 2

Universal RemarketingSPONSORED PRODUCTS

Ad groupsPlacementsNegative keywordsCampaign settingsAdvertising reports

Date range: LifetimeColumnsExport

Placement ⓘ	Bidding strategy ⓘ	Bid adjustment ⓘ	Impressions ⓘ	Clicks ⓘ	CTR ⓘ	Spend ⓘ	CPC ⓘ	Orders	Sales ⓘ	ACOS ⓘ
Total: 3			351,710	1,765	0.50%	€351.02	€0.20	23	€1,994.76	17.60%
Top of search (first pa...	Dynamic bidding (down only)	<div>0%</div>	4,780	107	2.24%	€20.66	€0.19	1	€42.99	48.06%
Product detail pages	Dynamic bidding (down only)	<div>0%</div>	320,091	1,444	0.45%	€269.55	€0.19	21	€1,841.78	14.64%
Rest of site	Dynamic bidding (down only)	-	26,839	214	0.80%	€60.81	€0.28	1	€109.99	55.29%

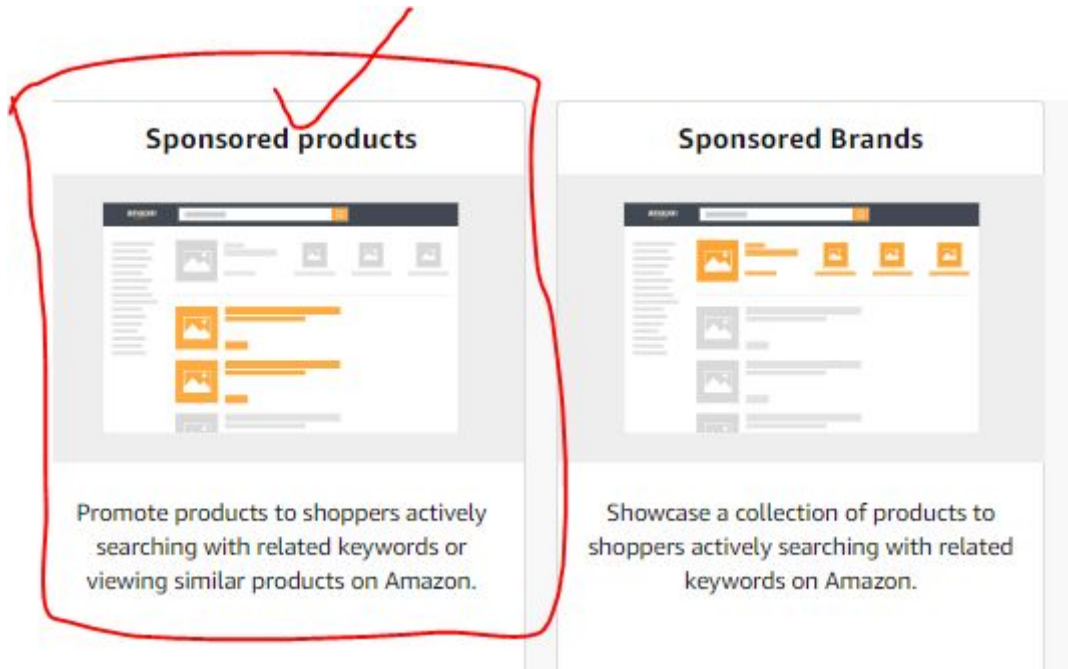
Categories: 11 of 3 resultsResults per page: 10

How to start with Amazon Advertising?

Advertising on Amazon starts from the very beginning with content optimisation. When buyers land on your product page you want them to see detailed information about the product, excellent photos. Winning the buy box is a prerequisite of Amazon advertising. It's a complex mechanism but the main criteria for winning the buy box is price, fulfillment method and feedback %.

Note: If you have problems with 1 product and start receiving too many negative feedbacks, you'll lose buy box.

Create Amazon Sponsored Products campaign via seller central account



[Amazon Advertising screen shot]

As a seller central user, you can access campaigns via Campaign Manager, the "Advertising" tab, including "Manage Campaigns"> "Create Campaign".

Then simply follow the below steps.

Step 1

It helps to set a descriptive campaign names so you can analyse them quicker. Some prefers to use brand name and others product category or product type.

Campaign name ⓘ

Coffee Beans - Morroco

Start ⓘ **End** ⓘ

3 May 2019 No end date

Daily budget ⓘ

£ 5.00

Targeting

☒ Automatic targeting
Amazon will target keywords and products that are similar to the product in your ad. [Learn more](#)

☐ Manual targeting
Choose keywords or products to target shopper searches and set custom bids. [Learn more](#)

Step 2

Fix your daily budget. For all new campaigns set a fiver a day to limit the spend. Depending on the success of the campaigns you can increase your budget.

Daily budget ⓘ

£ 5.00

Step 3

Start and End Dates are there to help you decide seasonal campaigns. It's also best to have an end date for all new campaigns just in case you don't remember to revisit. Please note that this can be detrimental if the campaign ends and it's been running well you can lose the history of the campaign. Campaigns can take a little time to hit maturity for what you're targeting.

Settings

Campaign name ⓘ

Coffee Beans - Morroco

Start ⓘ **End** ⓘ

May 2019

Mo	Tu	We	Th	Fr	Sa	Su
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

£ 5.00

Targeting

☒ Automatic targeting
Amazon will target keywords and products that are similar to the product in your ad. [Learn more](#)

☐ Manual targeting
Choose keywords or products to target shopper searches and set custom bids. [Learn more](#)

Step 4

Choose between automatic and manual

Automated Campaigns: You can use these campaigns when you're using ads for the first time. It allows you to get converting keywords via the search term report. Although you have a less control, your budget cap limits how much will be spent.

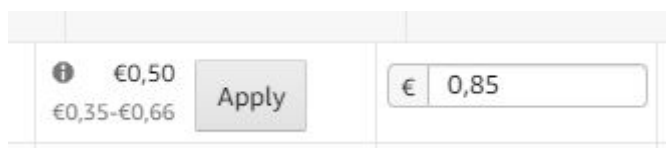
Manual Campaigns: This works well if you have a list of keywords.

Step 5

Create ad groups with similar products. This allows you to focus on same keywords for the group.

Step 6

Set the bids for your ad groups. With automated campaigns you set the bid for the whole group and for manual you set for a bid for either the group or by individual keywords. Amazon does not recommend bids for the auto campaigns but does the manual campaigns as seen below.



The screenshot shows a bidding interface with a bid range of €0,35-€0,66 and a manual bid input of € 0,85. An 'Apply' button is visible between the two.

€0,50	Apply	€ 0,85
€0,35-€0,66		

You're done! Sit back relax and wait for your results.

Understanding campaign performance

Key Metrics Explained

- *Impressions* are the total number of times your ad was seen.
- *Clicks* are the number of times your ad was clicked.
- *Click-through rate (CTR)* is the total clicks divided by the total impressions.
- *Spend* is the total value spend on clicks.
- *Advertising cost of sales (ACoS)* is your total spend divided by your total sales as a percentage.
- *Return on ad spend (ROAS)* is your total sales divided by your total spend as a percentage.
- *% of orders new-to-brand* is the percentage of total orders that are new-to-brand orders.
- *% of sales new-to-brand* is the percentage of total sales (in the local currency) that are new-to-brand sales.
- *New-to-brand orders* is the number of first-time orders for products within the brand over a one-year lookback window.
- *New-to-brand sales* is the total sales (in the local currency) of new-to-brand orders.

Sales Attribution

One of the key things you'll want to know as an advertiser is how and when a sale is attributed to your campaign.

Sales are attributed only to the last campaign the user clicked (last touch model) but also includes sales of other products than those in the campaign the consumer clicked on. Sales are also attributed when sales from other products within the inventory within 14 days for Vendor and 7 days for seller central account.

You can see this from your “purchased product” report from seller central account. Unfortunately, this report is not available via vendor account at this stage.

The screenshot shows the Amazon Seller Central interface for selecting a report. The 'Campaign type' is set to 'Sponsored Products'. The 'Report type' dropdown is open, showing options: 'Search term', 'Targeting', 'Advertised product', 'Placement', 'Purchased product' (highlighted in yellow), and 'Performance Over Time'. The 'Report name' field is empty, and the 'term report' field is also empty.

Sponsored Products Reports

The report below shows one ASIN being advertised and another ASIN being sold from the inventory of the same account.

	H	I	J	K	
	Advertised ASIN	Targeting	Match Type	Purchased ASIN	7 Day Ot
	B07JHS91NC	*	-	B07KITS1HS	
	B07JHS91NC	*	-	B07PDZZ3MQ	

Managing your Advertising Cost of Sale (ACoS)

ACoS is the main indicator to find out how efficiently your campaigns are running. If your ACoS goal is determined prior to the campaigns, it helps to optimise your campaigns in the best possible way and remain profitable.

ACoS can be broken down to campaign, adgroup or keyword level – if you want to be bit more granular.

$$\text{ACoS} = \text{ADVERTISING EXPENSES TOTAL} \div \text{TOTAL AD SALES} \times 100$$

Example: keyword “green baby bib”

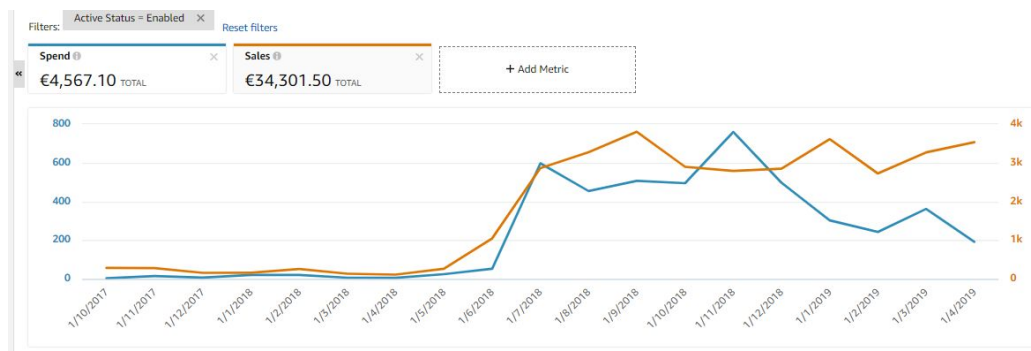
For example, a seller makes £10 using the keyword "green baby bib"

Sales at the advertising cost of 0.50p, then the ACoS is $0.50 \div 10 \times 100 = 5\%$. Here, per sale it's costing 50p. So, we have invested 5% of the sales value for advertising.

$$\text{ACoS} = 0.50 \text{ ADVERTISING COSTS} \div \text{£10.00 SALES} \times 100 = 5\%$$

ACoS is positively correlated with the ad spend and negative correlated with profit i.e. if the ACoS increases, your ad spend increases too and profit decreases.

How do I optimise my campaigns?



Spend vs Sales advertising report

The next step is to improve your campaign's returns which means increase sales and reduce ACoS.

1. Optimise your product content

Review your product information based on performance. If there's less conversion with high traffic, something's not right with the keywords or perhaps the price is not working for consumers. Review your search terms, are you including very broad or non-related keywords? Make sure you're still winning the buy box. If you have a large number of products and finding it difficult to keep track of prices, consider an automated [repricer](#).

If you're a new seller with your brand, you will need at least 3 months and one feedback and 1 review to win the buy box. Alternatively, use FBA from the start.

2. Product categories

Organise your product inventory - by top sellers, brand or category. This helps you keep an eye on your products and quickly find the right products to identify for your Amazon PPC campaigns.

3. Campaign structure:

CAMPAIGN A	Product Type A	CAMPAIGN B	Product Type A
ADGROUP 1	Product Sub group	ADGROUP 1	Product Sub group
ADGROUP 2	Product Sub group		
ADGROUP 3	Product Sub group		
Notes			
Keep similar products in 1 group			
Keep product variations in 1 group			
This ensures reporting is to the product level			

Campaign Structure

Think about your [campaign structure](#). Some find success with a granular structure, each product has its own group or campaign.

4. Keyword optimisation:

Keyword targeted campaigns require ongoing optimisation. When you start advertising with auto campaigns, you'll get a list of customer keywords that are generating traffic and sales.

Amazon takes solely your content as a source of keywords which is why having relevant content is the key here.

It makes sense to add negative keywords that are not converting for a period of time.

Avoid adding negative keywords after running a campaign for a short time, if there's relevant keywords that are not converting allow a certain spend on each keyword. Some businesses don't negate relevant keywords until they spend £20.00 with no sales.

-Add Negative Phrase if you don't want to rank for the keyword with additional term before or after that keyword

-Add Negative Exact if you don't want to rank for that particular keyword

*usually negative exact is used

* Negative in auto ads are only allowed in seller central account

Amazon Case Study: Over 1400% return on Ad Spend – [Download](#)

Campaign setup checklist

- Create an auto campaign to kick things off
- Create manual campaigns with 3 ad groups per keyword match type
- Analyse the search terms report to determine which keywords convert and which do not
- Add converting keywords from auto campaigns in to a manual campaign. Use the best performing ones as exact match.
- Add non-converting/irrelevant keywords as negative with auto campaigns.
- Add all manual ad keywords as negative for your auto campaigns so you are leveraging auto campaigns to generate new keywords.

Amazon advertising is progressive and in time you'll be using the best performing keywords on your campaigns. Then consider profitability from each keyword and start adjusting bids or pausing keywords that are not profitable anymore.

Taking your campaigns to the next level

How do I optimise my keywords?

As we've already seen keywords play a vital role in the effectiveness of your Amazon Advertising campaigns – making sure you're targeting the right keywords with the right bid is one of the secrets to success on the Amazon platform.

1. Create a list from advertising report:

The search term report contains actual keyword data, with performance metrics such as CTR, conversion rate and sales. This is the primary source of your keyword data.

- Use this search term report to identify irrelevant keywords and add them as negatives.
- Increase bids for the most converting keywords so you get continuous sales.
- Increase bids for keywords with low numbers of impressions – it would suggest the win rate is quite low and therefore the advertiser is only winning a placement quite low down/hardly ever seen.
- The report also gives you Advertising Cost of Sale (ACOS) and Return on Ad Spend (ROAS) which help you to determine the profitability of your campaigns.
- Sales are attributed to any purchase within 7 days from a click in seller central and 14 days from click in vendor central

External keyword tools such as sonar can provide valuable ideas for more keywords, they however, do not rely on search queries alone for your products. As a secondary source, they're extremely helpful in expanding the scope of your keyword list.

2. Analyse the performance of each keyword assess their strength

Weak keywords: Keywords with high spend and low conversion are best kept as negative to improve advertising efficiency.

Cost effective keywords: Get a list of low-cost keywords.

3. Allocate optimum bid

Allocate higher budget for successful keywords in manual campaigns. A higher budget improves your bid's win rate giving keywords a better chance to generate impressions and therefore clicks.

Allocate all match type for each keywords into three groups. Exact match is not always a good target and the broad one is not a bad one either. So, your campaign will look like below

<input type="checkbox"/>	Active	Ad group ⓘ	Status	Default bid ⓘ	Total targets ⓘ	Products	Spend ⓘ	Order
		Total: 3					£242.11	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	BROAD	Delivering Details ▾	£ 0.85	16	4	£140.55	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	EXACT	Delivering Details ▾	£ 0.85	16	4	£61.98	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	PHRASE	Delivering Details ▾	£ 0.85	11	4	£39.58	

Campaigns with keyword match ad groups

Use Negative keywords to limit the wastage. Use exact match type just so you don't stop additional traffic.

How do I optimise my ACOS?

The ACOS should always be less than the margin of your product after costs. If you have 43% margin after Amazon fees, manufacturing cost and shipping cost, then your ACOS must be less than this to stay profitable.

Total Sales	Amazon Fees	Shipping Cost	Manufacturing cost	Total Cost	Total Profit	Profit %
100	15	2	40	57	43	43

Amazon profit calculation

To lower your ACOS your keywords must convert a higher amount of sales or you should reduce your spend.

1. Define target ACoS

Get your profit target for your sales on Amazon platforms. Once you have profit % you can target your ACOS lower than this.

An example:

- You get 43% profit before advertising and after all costs as seen above
- You need at least 20% on hand after advertising
- Your target ACOS should be 23% maximum

If the ACoS is higher than 23% you are making loss on every sale you generate via advertising. Although this is acceptable to get initial sales in the long run you should work towards lowering the ACOS.

2. Lower bids on high ACoS keywords

If you're keywords are generating high ACOS then reduce CPC bid.

3. Increase bids for high-performing keywords

For high performing keywords it's best to increase bids just so your product appears most of the time when buyers use that keyword in their search. It's best to avoid any opportunity of lost sales.

4. Add negative keywords

Any keywords that cost you more than they generate in sales, as seen on screenshot below, add them as a negative keyword.

Keep in mind some keywords may take time to convert – so have a plan to spend say £10.00 on keywords that are relevant but not converting before you stop.

Customer Search Term	Spend	7 Day Total Sale	Total Advertising Cost of
	€ 38.11	€ 44.99	84.7077%
hi	€ 3.13	€ 20.00	15.6500%
ai	€ 2.81	€ 20.00	14.0500%

Keyword with a very High ACoS and non profitable

5. Automated bid management support for Amazon PPC

There's quite a few external tools which help automatically adjust your bids. Automation takes care of your ACoS goals by adjusting bids automatically based on historical performance data of each keyword and their respective conversion rates.

How do I structure my campaigns for success?

The structure you give you campaigns will affect how many ads you can display at one time as well as how easy it is for you to manage your keywords and gain insights into consumer behaviour.

Auto campaigns: You can structure this based on product types, category, top sellers or seasonal campaigns.

Here are some [examples of campaign structure](#).

Manual campaigns: These are generally second phase of advertising. By that time you know what keywords are performing well and what are not. Spend a bit of time thinking about your structure. Check out some examples above. A very granular campaign would have one or a group of similar products, divided into three groups with BROAD, PHRASE and EXACT match. In this case you have a full control over each keyword.

<input type="checkbox"/>	Active	Ad group	Status	Default bid	Total targets	Products	Spend	Order
		Total: 3					£242.11	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	BROAD	Delivering Details	£ 0.85	16	4	£140.55	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	EXACT	Delivering Details	£ 0.85	16	4	£61.98	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	PHRASE	Delivering Details	£ 0.85	11	4	£39.58	

Granular Manual campaign with three ad group with keywords match types

It's best to keep both auto and manual campaigns working hand in hand. Auto campaigns may initially create some additional cost but when negative keywords are added the wastage can be lowered and you have the opportunity to increase the exposure of your products.

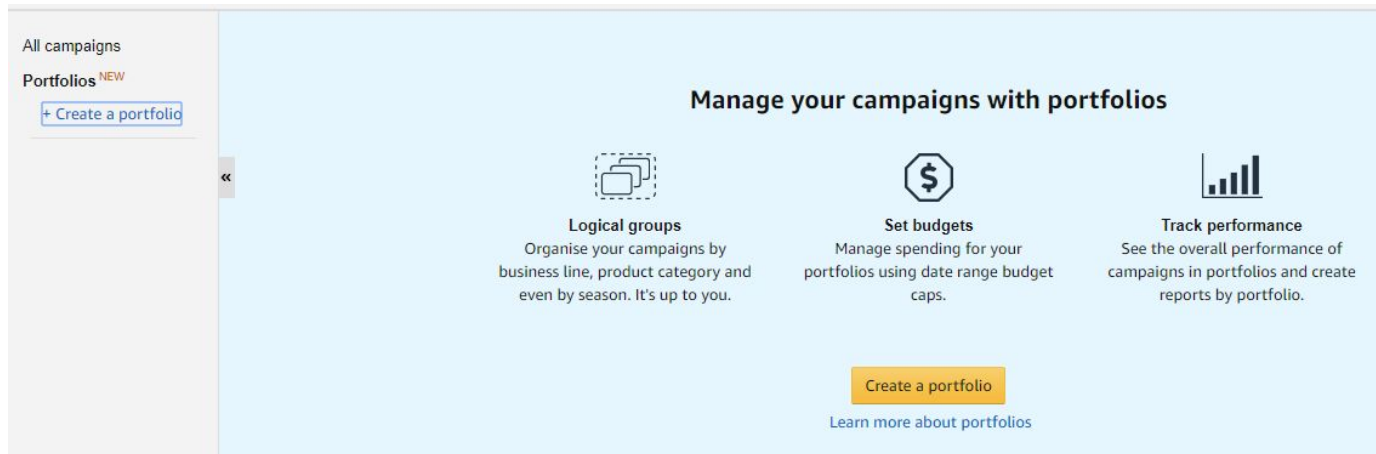
<input type="checkbox"/>	Active	Campaigns	Status	Type	Start date	Budget	Orders	Sales	ACoS	A
		Total: 7					66	£4,906.39	26.65%	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Campaign Name Auto	Delivering Details	Sponsored Products Automatic targeting	6/12/2018	£ 10.00 Daily	48	£3,637.53	23.75%	-
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Campaign Name Manual	Delivering Details	Sponsored Products Manual Targeting	13/12/2018	£ 10.00 Daily	13	£668.88	36.20%	-

Automated and Manual Ads working together

With advertising, you spend a lot of time researching keywords and auto campaigns eliminate a lot of this work allowing you to focus on other marketing activities. You'll know the best performing keywords from your search term report.

Organising your campaigns into portfolios

Advertising Portfolios make it easier to organise campaigns by product category or season; and manage total spending with budget caps. If you're launching a range of products, it makes sense to assign a budget cap to those product campaigns – just so you don't over or under spend.



Amazon Advertising Portfolio

Portfolios are available with all sponsored ads and applicable at a campaign level. Some other examples of portfolio can be:

- Deals portfolio in which we up all the bids and use to increase awareness while a product is in deal
- Brand awareness portfolio that focuses on generic keywords and predominantly SBAs
- Competitor portfolio with the top 5 competitors per category and campaigns that use PDAs and SPAs to target each of them – you can get some really interesting insight through which generates clicks, and which converts!
- Block and defend - using PDAs and SPAs on your own products, these ads are there to mostly keep your product pages *clean* from competitors but also function as cross sell and upsell opportunities

Sponsored Brand Ads (SBAs) and Product Display Ads (PDAs)

As your business grows, you'll want to consider more of the options in the Amazon Advertising toolkit. As we've touched on above SBAs and PDAs both have a role to play in your marketing strategy. Although generally do not have as efficient ACoS as SPAs – which is why we suggest you start your advertising campaigns here!

Useful Tools

Keyword Tools

Keywords tools helps you to find best possible keywords for your ads but the success of this only depends on the sales you get from your campaigns.

The search terms report!

There is no other tool like your own search term report. It gives actual search query by Amazon customers alongside metrics like clicks, impressions, CTRs. It is the primary source of keywords and acts as a valuable part of Amazon advertising optimisation .

Below are some additional tools that can help you with your further research:

Keywords Tools	Features	Cost
Keyword dominator https://www.keywordtool.io/	Gives you a list of Autocomplete keywords.	Free 3 searches per day \$69.99 lifetime
Sonar Tool http://sonar-tool.com/us/	Free tool provided by sellics. You can search by ASIN and keywords which displays relevant keywords directly on the Amazon page.	Free
Keywordtool.io https://keywordtool.io/amazon	It is a free to use platform with a limited display of keywords. It has a good export function. This also gives search volumes and CPC information from Google ads and estimates CPC based on Google data.	\$69
Google Keyword Planner	The Google Keyword Planner is also one of the best tools to find out keywords for your Amazon ads. Along with keywords it allows you to enter URL of a competitor and get a list of keywords relevant to their product.	Free

#AmafestUK is a one-day **Amazon Sellers Conference** to meet, network and grow. It's a conference for users of Amazon Seller Central and Amazon Vendor Central.



meet.share. learn

Meet Amazon Sellers and Experts in Manchester

<https://amafestuk.com/>

A promotional banner for the AmafestUK Amazon Sellers Conference. On the left, there is a small inset photo of the audience. The main text reads 'AMAFESTUK' in large blue letters, with 'AMAZON SELLERS CONFERENCE' in smaller white letters on a blue background below it. The date '17th October, 2019' is written in large red letters, and 'UK FAST, MANCHESTER' is in smaller red letters below. To the right, the text 'Automate' is in small blue letters, followed by 'get your ticket' in large red letters, and the website 'https://amafestuk.com' in white letters on a blue background.

AMAFESTUK
AMAZON SELLERS CONFERENCE
17th October, 2019
UK FAST, MANCHESTER

Automate
get your ticket
<https://amafestuk.com>

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