



The Luzern Guide to Amazon Advertising

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Digital Commerce

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Introduction

Every ambitious Brand understands that they need “to do Amazon” and do it well in order to drive sales, profitably. However, that is easier said than done and requires experience, commitment and resources. Amazon continues to grow at a phenomenal pace, yet we have seen some brands struggle with the recent past and the new challenges faced. A major factor being the failure to adapt quickly and appropriately to the demands of the new digital reality. Even mainstream brands can lose ground to insurgent digital competitors that have a digital first approach. To be successful, you need to adopt the correct strategy and have the performance marketing expertise to constantly analyse and optimise results to ensure you are getting the appropriate return for your marketing spend. Luzern is here to help.

This guide outlines the advertising options Amazon makes available to Brands, with top tips on how to ensure your brand is performing at its optimum online to seize competitive advantage.

How To Drive Sales With Sponsored Advertising

Sponsored Advertising Options to Drive Sales Growth

Advertising options currently available to retailers



Sponsored Products

Target by keyword or product for increased visibility. Ads appear in shopping results and on product details pages to help drive interest and sales.



Sponsored Brands

Target by keyword or product to help shoppers discover and engage with your brand. Logo, headline and product collections appear in results.(+SBV format)



Stores

A free self-service product that lets brands create a dedicated destination on Amazon. Use Sponsored Brands ads to drive traffic to your store.



Sponsored Display

Target by category or product to help drive awareness, interest and conversion, with automatically generated display ads that showcase your product.

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Optimal Budget Splits For Campaigns



**Sponsored
Products**

60%



Sponsored Brands

25%



**Sponsored Brand
Videos**

10%

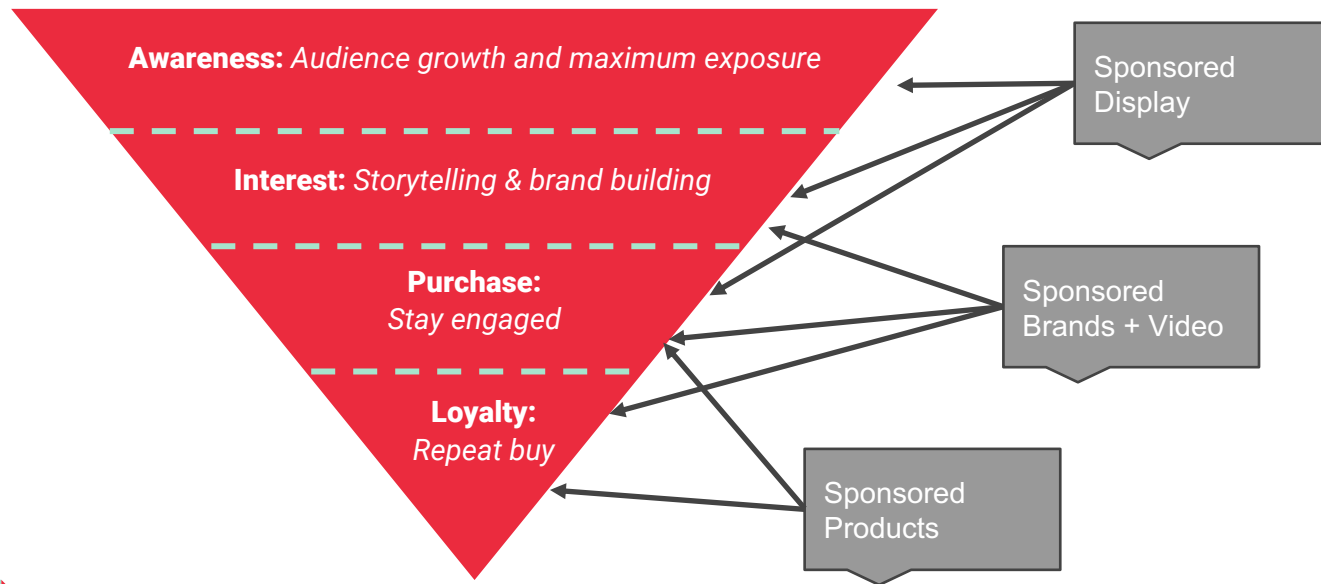


Sponsored Display

5%

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Each Step of the Customer Journey Matters



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Based on your strategic goals, create strategic product-targeted campaigns



Promote

If you are running deals or coupons, use all ad types to promote them but specifically Sponsored Brands



Protect

Defend your promotions. Make sure you have campaigns appearing against all promoted ASIN's



Reach

Increase awareness of your products among a wider audience by targeting high traffic category keywords



Launch

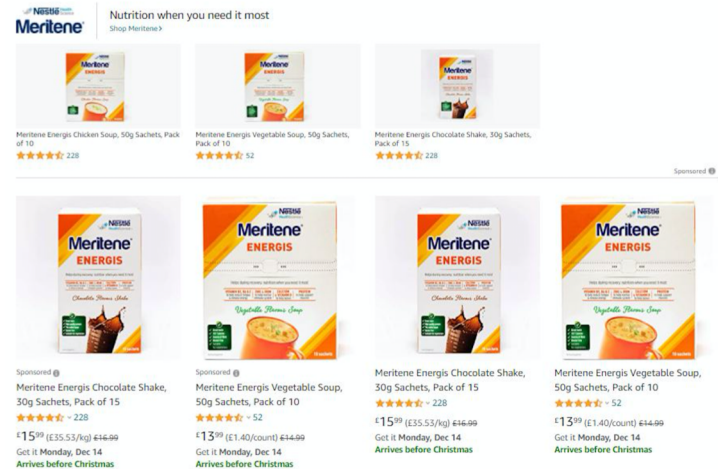
Promote any new ASIN's you plan to launch for Prime Day, BF/CM etc. with Sponsored Brand Video



Sponsored Brand Strategies

Sponsored Brands events - Key Points

1. The most premium placement on Amazon is reserved for Sponsored Brands (SB). To maintain visibility in Q4 you may need to increase spend by 200% or more!
2. Your best sellers and giftable products should be the focus of your campaign
3. Reuse winning Phrase and Exact Match types from your previous best performing SB campaigns
4. SB Deal campaigns must be submitted at least one week prior for Amazon approval. Deal Badges can be highlighted and promotional messaging used.
5. Don't switch off full campaigns when your specific Deal Event finishes - just the event that is finishing!



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Key takeaways for your campaigns

High Performing Campaigns

1. Custom bid adjustments can be used to provide more control over placement opportunities
2. Increase your bid to maintain and improve your good performance
3. Test and edit your creatives to see what works best

Low Performing Campaigns

1. Reduce bids to lower ACOS
2. Use negative targeting
3. Pause or end campaigns and reallocate resources to more successful campaigns

Creative editing for sponsored brands ads

VERSION A



VERSION B



You must include AB testing or Split testing as an essential part of all your Amazon ad campaigns. It's how you maximise the return on your advertising budget

Whilst running your campaign, without interruption, you can test **product, headline, copy, layout, photos and video**

Once you find your winning combination, you can direct your budget towards those creatives. This should be a continual process.



Sponsored Brand Video Strategies

Why video?

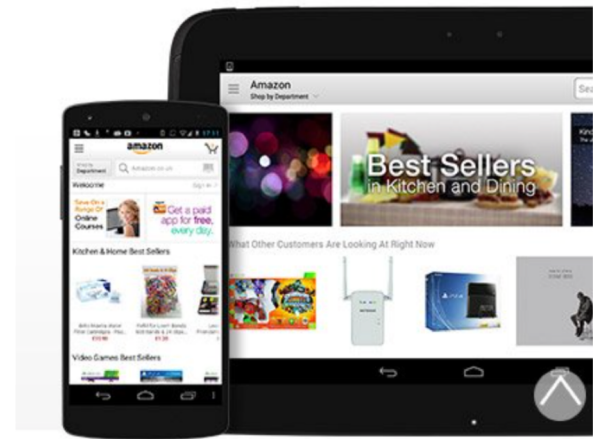
1 to 3

On average, Amazon shoppers only consider one to three brands before purchasing. Video can really help you stand out.

1 in 5

One in five Amazon shoppers have purchased as a direct result of watching a video

**Reach shoppers
across desktop
and mobile**



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Four key factors to consider

1.	Keywords	Use your best performing keywords from previous campaigns. Consider using the keywords that have a high CTR but low sales
2.	Budgets	Start with budgets similar to SB campaigns
3.	Bids	Think BIG! Start with bids higher than SB or SP to learn what is working fast
4.	Campaigns	Test new audiences and different videos creatives

Sponsored Ads versus Programmatic Ads

Sponsored is Reactive

- Personal shopper in-store
- Lower funnel sales driver
- Competitive
- Finite

Programmatic is Proactive

- Finds customers outside of the store
- Drives Awareness, Interest & Sales
- Scalable
- Infinite

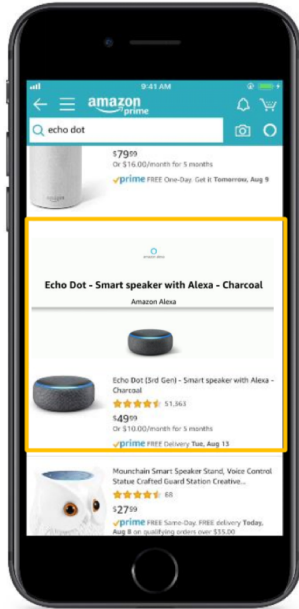


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Video Options: Video by advertiser

1.	Know your audience	Create content which is demonstrative and educational
2.	Show your product	Feature your product in the first three seconds
3.	Be brief & focused	Amazon recommend an optimal length of between 15-30 sec
4.	Optimise for format	Video should work without sound and have text that is readable on mobile
5.	Consider the loop	Add an end card to create some breathing space or make your loop seamless

Video Options: Video generated by Amazon



The benefits include:

1. No cost to the advertiser
2. Low barrier to entry
3. No assets required
4. Customisable templates including ASIN details, bullets and logo

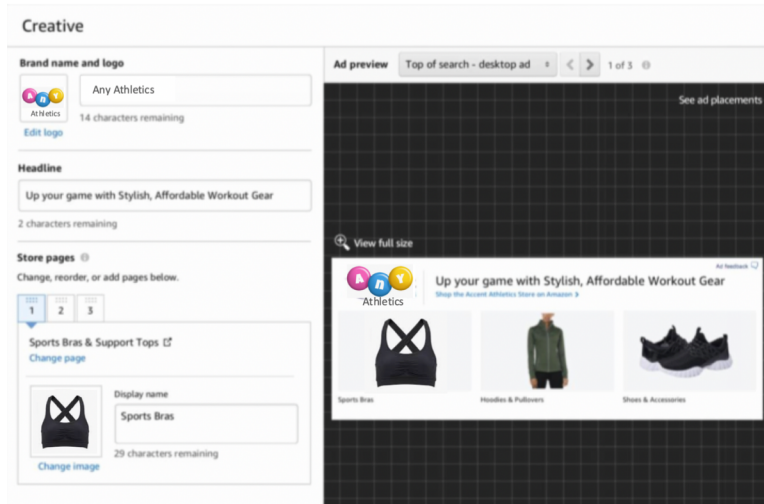
Store Strategies

Link shoppers to your store

Shoppers will engage more deeply with your brand if you send them to curated pages featuring your deals and best selling products

New sponsored brands placement options and other features will help you promote your store.

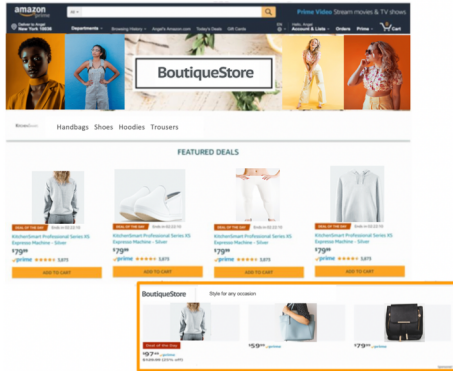
1. [Product detail page placements](#) showcase brands related to the categories shoppers are viewing and direct them to the store
2. Stores are an effective way of driving shoppers to a [brand safe environment](#)
3. Drive sponsored brand campaigns to a [deals tab](#) to drive sales over the event duration



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Building a deals tab for events for your store

This is how to create a new version of an existing store and schedule it



- Click **Version** menu at the top of the page
- **Create a New Version** and enter a Name
- Select an existing version to use as a starting point
Note: The existing version will not be affected
- Click **Create Version** and wait
- Click **Edit Now** to make changes to the new version
- When you are finished, click **Submit For Publishing** (top right)
Note: Amazon will now review this (can take up to 24 hrs)
- Select the start and end date for your new version
- Click **Submit**

Store promotional messaging

Promotional messaging is only allowed when used on a store page that uses the **Featured Deals** widget. Messaging must only use general promotional language.

Allowed

- ✓ Discover/Explore/Discounts
- ✓ Great Savings/Discounts
- ✓ See our Savings/Discounts
- ✓ Savings/Discounts on (brand/product)
- ✓ Save/Buy Now
- ✓ Subscribe and Save

Not Allowed

- ✗ Words or phrases intended to create urgency or promote a time restriction, e.g. “today only”
- ✗ References to specific pricing or discounts, e.g. “20% off” or “save €10 now”
- ✗ Exclamation points, unless part of the brand name
- ✗ References to Amazon Deals

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Sponsored Display Strategies

What is sponsored display

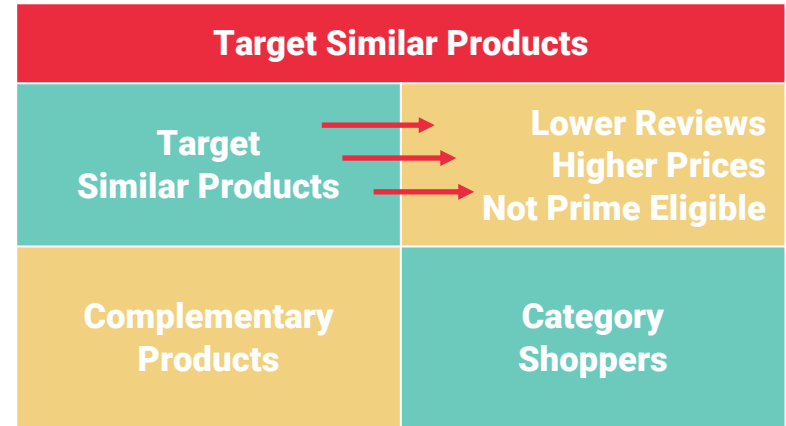
Sponsored Display (SD) enables retailers to reach relevant Amazon shoppers using:

1. Category and Product based targeting
2. Auto-generated Creatives served across desktop, mobile web and mobile app
3. Laser Sales Focus - single ASIN creative that runs on a cost per click (CPC) model, linking directly to the detail page to help drive conversion



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How can you leverage Sponsored Display targeting?



Breaking down the tactics for Sponsored Display

Audience Type		Audience Tactics		Primary Objective
Product	Target specific pages on Amazon that are relevant to your promoted product	Product	Target specific pages on Amazon that are similar or complementary to your promoted ASIN	Product awareness, consideration and conversion
		Categories	Target product categories on Amazon that are similar or complementary to your promoted ASIN	

Tip: Using the “Refine Category” option, revamp your targeting using price, brand, range, star rating and Prime status.

Drive Sales With Amazon DSP



What is Programmatic Advertising?

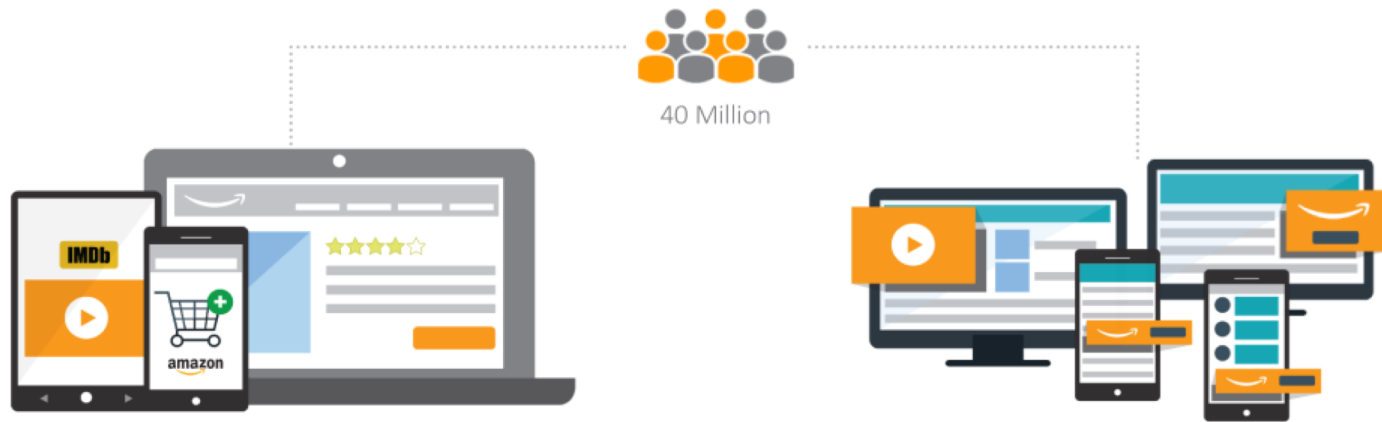
Essentially, it is the automation of the buying and selling of online advertising in a bid environment, leveraging data and tech to ensure measurable and scalable results.

The “perfect storm” is:

- Ads shown to the right user
- At the right time
- In the right context
- At the right price
- At scale

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Programmatic: precise reach wherever your audience



Full-screen interstitials | In-app ads | Video ads | E-commerce ads | Mobile web banners | Standard banners

On Amazon Desktop + Mobile

Across Third-Party Desktop + Mobile

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Amazon DSP

Through Amazon DSP, you can programmatically reach your audience across all Amazon sites and apps as well as through their Amazon Publisher Services and third-party exchanges



Exclusive Amazon Audiences



*Reach across devices
& formats*



*Unique & comprehensive
supply*



*Traffic quality & brand
safeguards*



*Insights & performance
reporting*

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Performance based targeting strategies



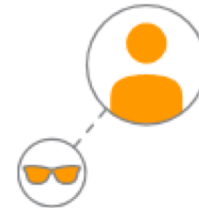
Contextual

Targets shoppers in real-time within the category they are browsing, with no relation to their previous shopping behaviours



Remarketing

Targets shoppers based on viewing or buying specific ASIN's



In Market (IM)

Targets shoppers who have been browsing within a certain category during the past 30 days but have yet to purchase

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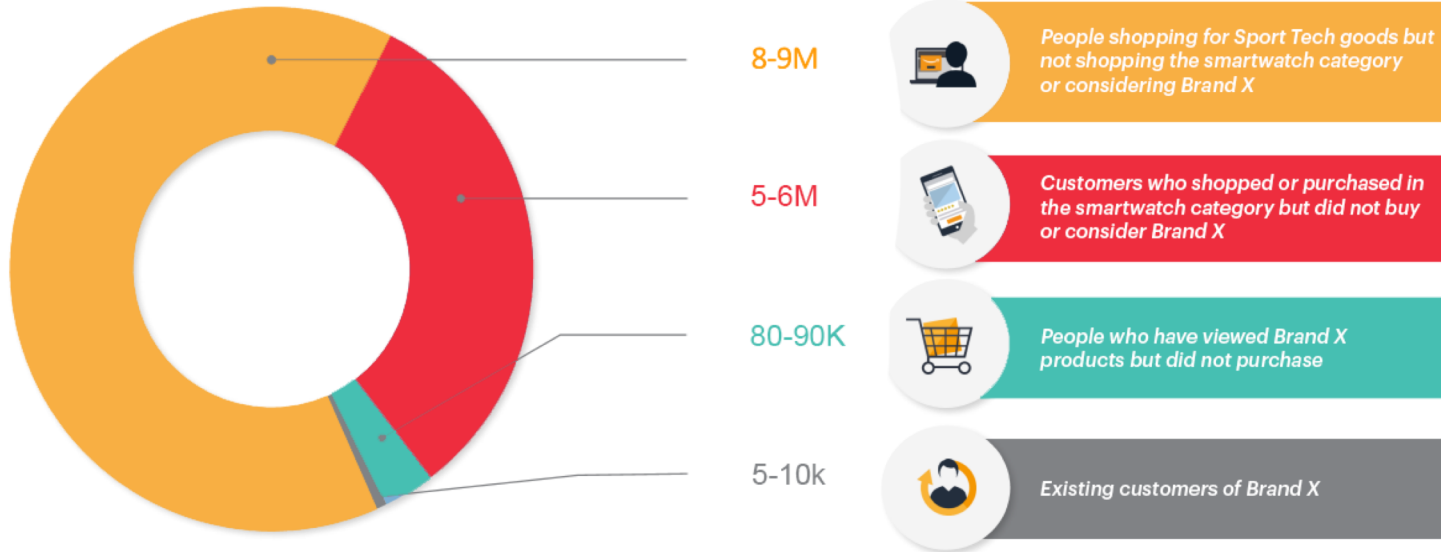
Why is programmatic important?

Spend £119,331.37 TOTAL	Impressions 43,989,798 TOTAL	Clicks 243,698 TOTAL	Cost-per-click (CPC) £0.49 AVERAGE	Clickthrough rate (CTR) 0.55% AVERAGE
Sales £722,560.46 TOTAL	Orders 35,446 TOTAL	Advertising cost of sales (ACOS) 16.52% AVERAGE	Return on ad spend (ROAS) ^{NEW} 6.06 AVERAGE	New-to-brand (NTB) orders ^{NEW} 561 TOTAL
New-to-brand (NTB) sales ^{NEW} £7,698.44 TOTAL	% of orders new-to-brand (NTB) ^{NEW} 91.22% AVERAGE	% of sales new-to-brand (NTB) ^{NEW} 87.78% AVERAGE		

With a little help you could get a lot more bang for your buck from your Sponsored Ad account

- It is likely that when you review your sponsored ads account, clicks to conversions is relatively low - typically 5-10%
- You are missing out on valuable shoppers who have shown an interest in your brand
- What strategies are you running to re-engage them?
- There will also be potential customers who have yet to view your brand in your category

Audience size on Amazon for “Brand X”



We will work with you to see how much brand awareness you have in your category via the APT tool. We can then target high value customers using DSP

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Sponsored Ads and Display Ads complement each other

Sponsored Ads



Help shoppers
discover your brand

Display Ads



Re-engage shoppers who
researched your brand



Reach more potential
customers likely to
buy your products



Flexibility to control the
audience you reach and
how

Amazon Advertising increases sales



Advertisers included in the study* saw an increase in traffic to their details page versus the four week pre-campaign period

Median increase in traffic:
18.5%



Advertisers included in the study saw an increase in revenue versus the four week pre-campaign period

Median increase in sales:
18.7%

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Added Value Packages

DSP: Dynamic eCommerce Ads

Amazon shoppers trust the Amazon brand. DEA ads drive a higher ROAS compared to standard e-commerce ads

+23%

lift in purchase rate
for dynamic display ads
vs. standard product ads



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DSP: Video Ads

One in five Amazon shoppers purchase as a result of seeing video content

Typical Campaign:

- Budget 10k over 2 months
- In stream or out stream video 15-45 secs
- Shoppers driven to product details page or brand store



DSP Video: 50% Added Value

Fire Devices: Fire Tablet and Fire TV

Fire devices have an affluent audience, made up mainly of Prime customers who have a strong propensity to purchase on Amazon. Ownership is rising and retailers can reach users at home with multiple users per device.

Fire Tablet is also 100% viewable

Typical Campaign:

- Budget 10k a month
- Creatives fully customisable depending on format
- Shoppers driven to product details page or brand store

Fire TV: 50% Added Value
Fire Tablet: 100% Added Value



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Top Tips For Seasonal Campaigns

Tip 1.

Plan ahead for Seasonal Campaigns such as Black Friday, Cyber Monday, Thanksgiving, Christmas or even Product Launches



Select your products to promote in advance and plan deals before key selling seasons or events



Focus on your best sellers



Focus on your overstocked or high-inventory products

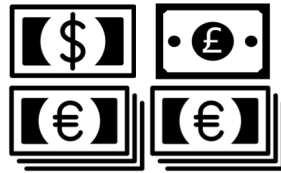


Use the lead-up time to test your overall strategy including keywords, creatives and bids

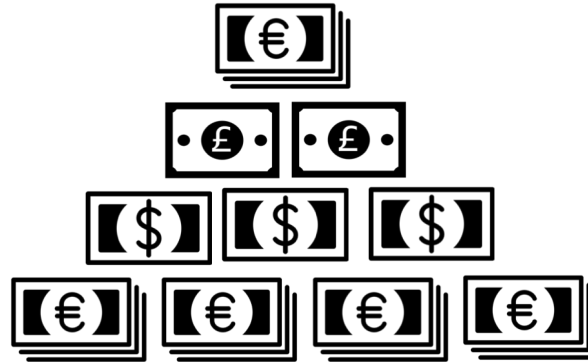
Tip 2.

Budget is key to keeping your ads during key selling seasons

For example, your budget spend in the Q4 period should be about 2 to 4 times your typical spend



Typical daily ad budget



Q4 period daily budget

Thank you for taking the time to look over our guide to Amazon Advertising.

Marketing with Amazon is a huge and ever growing opportunity for every Brand. Let us help you make the most of it.

Email: hello@luzern.co

