MASTERING AMAZON MARKETING SERVICES IN 2018
Cutting-Edge AMS Strategies to Drive Product Discoverability & Sales
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Introduction

Every day, your competitors are employing new tools and hiring experts to get their products in front of more consumers.

If you aren’t, you’re already behind.

You need AMS to compete, but more importantly, you need an advanced AMS strategy that’ll set your brand and products apart from your competition.

In this guide, we’ll provide insights into each powerful AMS ad types—Sponsored Product Ads, Headline Search Ads, and Product Display Ads—and some of the advanced strategies and trade secrets that make us a top Amazon agency.

Let’s get started.

P.S. - You’ll notice notes at the beginning of each section regarding ACoS (Advertising Cost of Sale) per ad type. A low ACoS is obviously desirable, but depending on your goals, a higher ACoS may be worth it.
First Things First: Content Matters
First Things First: Content Matters

There's no point in getting the best ad placements if they don't convert.

And a huge part of the conversion process comes down to the content. This includes:

- Images
- Titles
- Descriptions
- A+ Content (Vendors)
- Enhanced Brand Content (3P Sellers)
- Customer Reviews

Every single one of those factors will impact your conversions.

Taking it a step further, however amazing your content is, it must match the original ad and give the user exactly what they’re looking for.

“You can drive all the traffic in the world but if it’s not a quality landing page and it’s not specific with the consumer’s search intent — it’s going to be inefficient spend.”

Pat Petriello
Head of Marketplace Strategy
CPC Strategy
EBC and A+ content in particular are powerful ways to convert customers. Both of these enable Brand Owner sellers to modify the product description field of their branded ASINs to describe their product features with a unique brand story, enhanced images, and text.

If you’re ready to get a handle on your product listing content, start with these guides:

- The Ultimate Guide to Amazon SEO
- Brand Seller’s Guide To Enhanced Brand Content (EBC)
- The Brand’s Guide To Amazon A+ Content
AMS Overview
AMS Overview

Amazon Marketing Services is an advertising section on Amazon built for Vendors. Here’s a quick guide to the different types of ads available:

- Headline Search
- Product Display
- Sponsored Products

All of the ad types are available to vendors and 3P sellers except for Product Display Ads, which are still only available to vendors.

(If you’re new to AMS, or want to take a closer look at the fundamentals, start with our basic Amazon Marketing Services Guide)
Sponsored Product Ads: Powerful and Complex
Sponsored Product Ads: Powerful and Complex

Available to Vendors & 3P Sellers
ACoS: $$$$  

Intro/Appearance

Sponsored Product ads are either Automatic (content-driven) or Manual (keyword-driven) targeted ads that show up on the search engine results page.

The most frequent Sponsored Products inefficiencies stem from bid levels, keyword matching and optimization, campaign differentiation, and structure.

This will be the longest section in this guide, simply because Sponsored Products Ads are a core driver of conversions.
1 Set Your Goals

If your Sponsored Products strategy isn't working, it's time to start from the bottom.

Actions are driven by your company's goals. Your goals will help set the benchmark for a successful campaign. Here are two examples of goals that will impact your strategy differently:

- **Volume**: Some brands just want to get their name out there and build their brand credibility. Even a 1:1 return on advertising spend is considered acceptable.
- **ROI**: For other sellers, margins might not be suitable for those type of risks so there's a more strict ROI focus.

2 Be Product Agnostic

Which ASINs will work best on Sponsored Product ads? Not always the ones you think.

According to Pat Petriello, Senior Marketplace Strategist at CPC Strategy, “product selection bias” is probably the number one most common inefficiency in most AMS strategies.

**Product Selection Bias**: Sellers have products in mind that they want to do well or that they believe will do well – so those are the products that they will advertise or bid higher on or put in multiple ad groups regardless of the performance.
Don’t pick products to advertise based on your hunches. Always go with the data.

“One of things I would recommend is to be product agnostic, I can almost guarantee that no seller has a product catalog where 100 percent of their products are going to be winners or 100 percent are going to be losers. You don’t have to make it a guessing game. Use the data that Amazon provides to make those strategic decisions.”

Later on, you can start to weed out which products are performing well and deserve a higher bid vs. those products that are not performing well.

For example, you may want to run:

- High bids on well performing products: $.50 to $1.25
- Medium bids on average performing products: $.15 to $.50
- Low bids on poor performing products: $.02 to $.15

3 Own the Buy Box

Sponsored Product Ads will only surface when you are the current Buy Box winner. If you don’t own the Buy Box, you’re going to have a problem with conversions.

For example, when Verilux joined CPC Strategy, they were already advertising on Amazon Sponsored Products. However, they weren’t seeing the results they expected.
Our experts identified that their catalog was suffering from a lack of Buy Box ownership. Read the full case study here.

Together, CPC Strategy and Verilux were able to troubleshoot a number of issues and move Verilux from an average Buy Box ownership of 37% to 95% (YOO).

Learn more about how to win the Buy Box here.

4 Be Smart About the Campaigns You Run

**Automatic Targeting:** Amazon targets ads to all relevant customer searches based on product information.

**Manual Targeting:** Sellers manually set keyword options for Sponsored Products ad campaigns to surface for relevant customer searches.

While we typically recommend sellers start with Auto Campaigns to first find out what users are searching for (which they can then turn into more granular Manual Campaigns), the truth is you probably already know what your core manual keywords are, and can build out both campaigns at once.

**PRO TIP:** If you’re already advertising on Google, you can export that keyword data for your products and use them in your manual campaigns on Amazon.
But don’t get carried away when starting Manual Campaigns—we’ve found that starting with 25-40 keywords works best, otherwise poorly performing keywords can sneak in and you can start to lose control of spend.

A lot [of people] think it’s a waste of money [to invest in both Manual and Automatic Campaigns], but it’s not. It’s an investment in valuable data.”

5 Don’t Underestimate Auto Campaigns

While we all love the granular keyword control that comes with Manual Campaigns, there are two big reasons to keep Auto Campaigns running over time.

Reason #1: Customers Will Reveal New Keywords
There are always new keywords that will pop up on your Automatic Campaigns—whether it’s other ways to name a product or another language.

These seemingly insignificant keywords can prove valuable. Take one of our clients, Dream Water.

By analyzing Dream Water’s keyword data on a granular level, we were able to discover terms that they never even thought about bidding on before. Instead of the “set it and forget” approach, now we were able to push Dream Water’s products forward with a detailed keyword strategy in mind. This contributed to a +77.59% increase in sales.

Read the full case study here.
Reason #2: Auto Campaigns Get Special Placements
Another reason not to ditch Auto Campaigns—we've noticed that Auto Campaigns can get placement in carousel ads entitled “Sponsored products related to this item”.

PRO TIP: Use those successful ASINs from your Auto Campaigns in your Product Display Ad Campaigns.
Own Your Detail Page Content

If you’re a brand enrolled in the Amazon Brand Registry and you control your detail page content, you have a lot more ability here to impact your content—particularly for Automatic Campaigns.

Tailor your content as much as possible so when it’s leveraged by Automatic Campaigns – it’s leveraging good content to pitch it to relevant customer searches.

This is where A+ and Enhanced Brand Content (EBC) come in handy.

Note: If you are a reseller on a highly competitive ASIN, you might not have as much flexibility to dictate this content. In this case, you might not want to dedicate as much time energy or resources to developing content you don’t typically have control over, and instead, focus on Manual Campaigns.
Headline Search Ads: Eye-Catching and Brand Building
Headline Search Ads: Eye-Catching and Brand Building

Available to Vendors & 3P Sellers
ACoS: $$$

Intro/Appearance

Headline Search ads appear above Amazon.com search results on the Amazon mobile site and app.

Headline Search Ads can send traffic to:

- A Brand Store (formerly “brand pages”)
- A custom URL (composed of three parent products)

If you’re new to Headline Search Ads, get the basics here.
1 Put Together a Strong Offensive + Defensive Strategy

There are two basic types of Headline Search Campaigns:

- **Foundational offensive campaigns** are created to target generic keywords, and brand competitors in your space. These apply to Headline Search Ads on the search engine results page.
- **Foundational defensive campaigns** are intended to occupy the real estate on the search engine results page and your product detail pages as a way to protect against competitors advertising against your products or targeting your brand.

We recommend a combination of both, particularly for top-performing ASINs. If you're a vendor, you can put together a combination of Product Display Ads on product detail pages beneath the Buy Box for even stronger offensive and defensive campaigns.

2 Target the Right Keywords

Advanced Headline Search Ad campaigns drive to product groups and have target keywords which are specific to those product groups.

Just as with Sponsored Product Ads, you can choose to use the suggested keywords or use your own.
However, there are a few limitations for supported keywords on Headline Search Ads vs. Sponsored Product Ads. According to Amazon:

Headline Search Ads supports Exact and Phrase match, but without variations such as stemmings, plurals and/or misspellings. At this time synonyms of the terms are not supported.

Now, there's one additional thing we should point out about Headline Search Ads. Although they are keyword-driven like Sponsored Products, they also use ad copy to surface an ad—yep, ad copy matters.

3 A/B Test Your Copy & Content

The headline and text in your ad copy should match the keywords that are the MOST important for your product.

Because Headline Search Ads require more creativity than other types of Amazon ads, it's worth it to A/B test them.

Here are a few features you can A/B test:

- Headline
- Image
- Number of featured ASINs
- Order of ASINs
- ASIN selection
- Custom landing page selection
When you test and optimize the above features, you should see increased relevancy and a more productive click through.

**Think about the journey:** Ad copy should relate directly to the keywords being targeted and products being advertised.

This leads to more efficient Headline Search Ads by matching customer intent as communicated by their search term with the most relevant group of products.

### 4 Send Traffic to the Best Location

As we mentioned before, Headline Search Ads can send traffic to:

- A Brand Store (formerly “Brand Page”)
- A custom URL (composed of three parent products)

There really is no right answer for which one works best—it all depends on your strategy and keywords. But here are some tips to point you in the right direction.

**Brand Store**

Amazon used to offer a brand page which allowed customizable features such as a Hero image, Hero Product, Selection of Best Sellers, and Text Box.

It was the most popular landing page, and for good reason—you can showcase your entire catalog. Here's an example of what this looked like:
Brand Pages have historically been our top-performing destination.

Because Brand Store are relatively new, we are still testing to see whether they have the same impact as Brand Pages.

So far, we’ve found that these new Brand Stores are much more mobile-responsive than Brand Pages.

Unfortunately, long tail terms don’t perform as well when they lead to a general Brand Store, as the shopper must click around multiple times to find the product they need.

We recommend you sort your terms into two main buckets, and send shoppers to the correct URL from there:

✔️ Short tail terms > Send to main Brand Store (ex. “Solid Gold dog treats”)
✔️ Long tail terms > Send to URL of a category in Brand Store (ex. “Solid Gold Superfoods Turkey Treats”)

Of course, it’s important to make sure your Brand Store is clean and on-brand. Check out the Brand Store we created for Seventh Generation.

The custom Brand Store we created for Seventh Generation mimics their website layout and includes additional selling points (not easily communicated through the product detail page). This contributed to a +441.4% increase in weekly sales.

Check out the full case study here.
Custom URL

If you’re targeting queries that are further down the funnel, custom urls make it easy for shoppers to find exactly what they’re looking for.

For instance, a branded term such as “prAna yoga pants”, could lead to a custom url with three types of top-selling yoga pants.

Custom URLs should be made from three of your parent products–so make them good ones!

Create a custom landing page by entering 3+ ASINs in the Amazon search bar, separated by a “|” symbol. You can simply take the URL from the search results and copy and paste it in the appropriate location when creating your ad.

Here’s where you would do this:
Product Display Ads: Competitive and Targeted
Product Display Ads: Competitive and Targeted

Available to Vendors
ACoS: $$$$  

Intro/Appearance

Amazon's Product Display Ads are either product-targeted or interest-based and can live on your (or a competitor's) product detail pages.

Product Display Ads are the only AMS ad type left that's still not open to 3P Sellers.

These ads appear on desktop, mobile web, and app in the following sections:

- Product detail page
- Bottom of search results
- Customer reviews page
- Read all reviews page
- Top of the offer listing page
- Amazon-generated marketing emails
1 Run an Advanced Offensive Campaign Strategy

Similar to Headline Search Ads, you can approach Product Display Ads from an offensive or defensive viewpoint.

At CPC, we frequently run offensive campaigns to target competitors to drive sales and product awareness for your brand.

For example, we will take a product from your catalog and extend targeting to all similar and complementary products at low bid levels with the goal of maximizing impressions at a low cost. The goal here is to get your products exposed to buyers who may not have been actively searching for them.

Here's an example of how this worked for one of our clients, Air & Water.

Taking seasonality into consideration, we built out specific AMS Product Display ads for Air & Water’s best-selling space heaters to target the detail pages of their competitors and similarly priced products in their category.

One month into the campaign, the portable heaters experienced a significant volume increase. Especially in the months leading up to November / December, they saw a dramatic lift in portable heater sales—up to +34.33%

Read the full case study here.
Select the Right Products

Just as choosing too many products for your Product Display Ads can be detrimental, choosing only one or two products to target limits your opportunity for your ad to display to shoppers.

Here are some product types that we've seen perform well.

**Best Selling Products**
It’s no big surprise that Product Display Ads are most effectively leveraged for your best selling products.

Come up with the list of products that are best suited for Product Display Ads, but don’t run them for every product in your catalog. Otherwise, your products may compete against each other.

**New Products**
If you are launching a new product, then in addition to targeting competitive products you should consider having your ads displayed on your own popular products that are already getting a lot of traffic to build awareness for your returning and new customers.

**Other Products**
Other great product types to advertise include sale items, inventory clearance, seasonal products.

The more relevant products you target, the increased opportunity you have for impressions and getting your ad in front of customers.
3 Use a Custom Headline & Logo

These ads require less creativity than a Headline Search Ad, as the majority of your ad will be populated by your listing content.

However, you must also provide a custom headline and logo.

Once your ad is approved and live, you are always welcome to return to your campaign and make any necessary changes or optimize your running ad.

However, you will not be able to go back in and edit your logo, ad headline, and product. To edit these, you must pause or terminate your current campaign and create a new ad.

4 Opt for Product-Level Targeting

There are three targeting options for these ads:

- Category targeting (new)
- Interest-based targeting
- Product targeting

Category Targeting

In an effort to improve the AMS platform, Amazon recently launched Category-level targeting as a new option available for Product Display Ads, which may offer easier campaign set up. However, we still focus most on Product Targeting and Interest-Based Targeting.
Interest-Based Targeting

It's worth noting Interest-Based Targeting leans toward a higher volume and lower conversion rate. That's because these ads aren't quite as targeted to users who are interested in similar products or have actually purchased those products in the past.

Product Targeting

Product Targeting is our go-to option. It allows you to get granular with the products your ads land on, thus you may see a higher conversion rate.

As always, test this with your products—if you offer something that's never been sold on Amazon before, you may find Interest-Based Targeting is a better option.

Generally, you'll bid less for Interest-based targeting and more aggressively for Product targeting. We would suggest you start by targeting both to see what works best for your products.
Keys to Remember
Keys to Remember

**Content matters more than ever.**

If you don’t optimize your product content, your auto campaigns won’t be productive and you’ll see far fewer conversions. Take time to invest in your Amazon SEO strategy and think about incorporating EBC or A+ content to drive more conversions and create a better brand experience.

**Don’t let your campaigns run on autopilot.**

While it’s easy enough to let your automatic campaigns continuously harvest keywords, it requires a human touch to estimate whether a keyword is actually valuable for your product. In addition, only a human will be able to figure out the logical order of a search. Don’t neglect this side of your strategy, even if it means hiring more in-house team members or outsourcing to a trusted agency.

**Leverage data for decisions.**

Don’t let your bias for a product get in the way. Only make decisions based on what your data tells you—even if it means a favorite product doesn’t get a key ad spot. If it’s not performing, it’s not performing.

**Don’t give up before you see results.**

Amazon tracks clicks and spend immediately, but sales can take up to 2 to 4 days to process. In the early phase of running Sponsored Product ads,
for instance, you may see a lot of clicks and no conversions, which are going to result in high spend and high advertising cost of sale.

You may want to pause the campaigns because you feel like you’re just wasting spend—but don’t jump the gun before these products have had a chance to fully absorb the data.

**Invest in a comprehensive Amazon strategy.**

“AMS and the ad units within it are only part of a comprehensive strategy... In order to have a successful advertising campaign (using the AMS ad units) it’s a combination of well-crafted campaigns, and properly selected products or keywords (depending on the ad type you’re choosing) - that are driving to detail pages with robust content and images to ensure the highest conversion rate you can get.”

*Pat Petriello*
Head of Marketplace Strategy
CPC Strategy
What Now?

Schedule Your Amazon Strategy Evaluation

CPC Strategy's Amazon Audit is a complimentary 60-minute analysis and assessment of brand's existing Vendor Central account, advertising programs, product order (PO) volume, and profitability metrics.

SCHEDULE MY EVALUATION