

# Sponsored ads planning guide

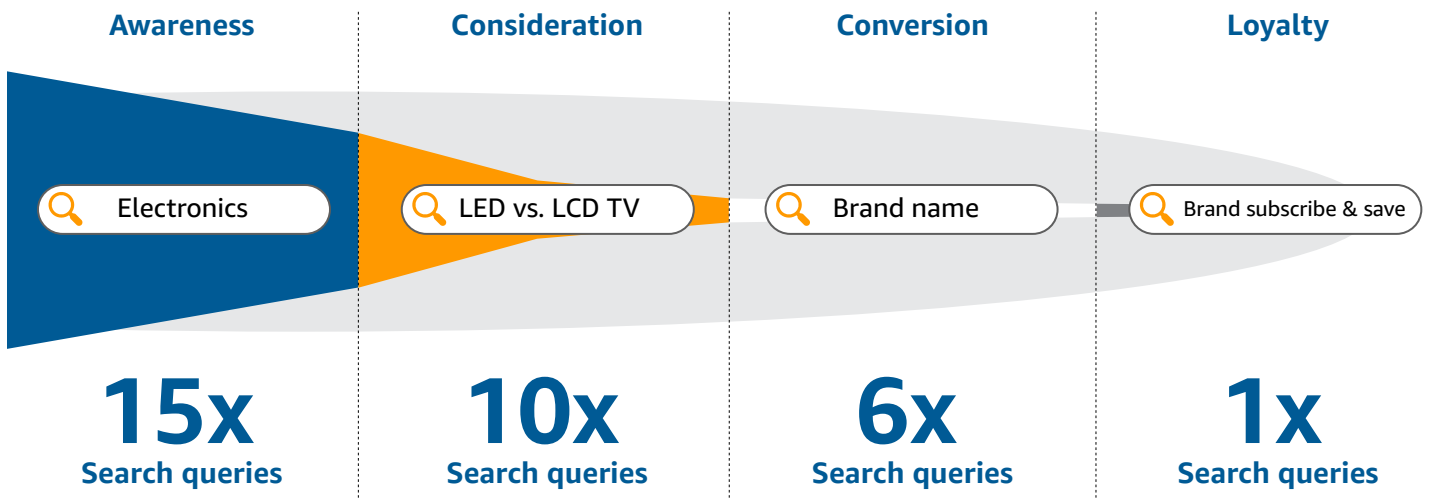
A guide to helping your clients reach customers  
at every stage of the shopping journey



amazonadvertising

Think about when shoppers reach the discovery bar on Amazon. They could be at any stage in their shopping journey. They might be browsing broadly, looking for new gadgets, or maybe they have one specific product in mind.

## Yesterday's search volume\*



*Note: the above graphic is an illustrative example of performance.*

So, to help drive both short- and long-term sales on Amazon, it's important to engage shoppers at all stages of their Amazon shopping experience. Amazon Advertising sponsored ads can reach shoppers throughout the shopping journey, from awareness and consideration to purchase and loyalty.



For example, to engage shoppers that haven't started researching brands, you might consider ads that help drive brand awareness using an approach that maximizes brand recall and drives brand favorability. Similarly, for shoppers who are researching the category, you might use ads that help drive consideration by providing details on key product differentiators and reasons to purchase.

Creating a holistic sponsored ads plan that engages your clients' customers at different stages of their shopping journeys begins with taking a three-level approach to setting up their campaigns. To do that, start by understanding what those three levels are and why they're important.

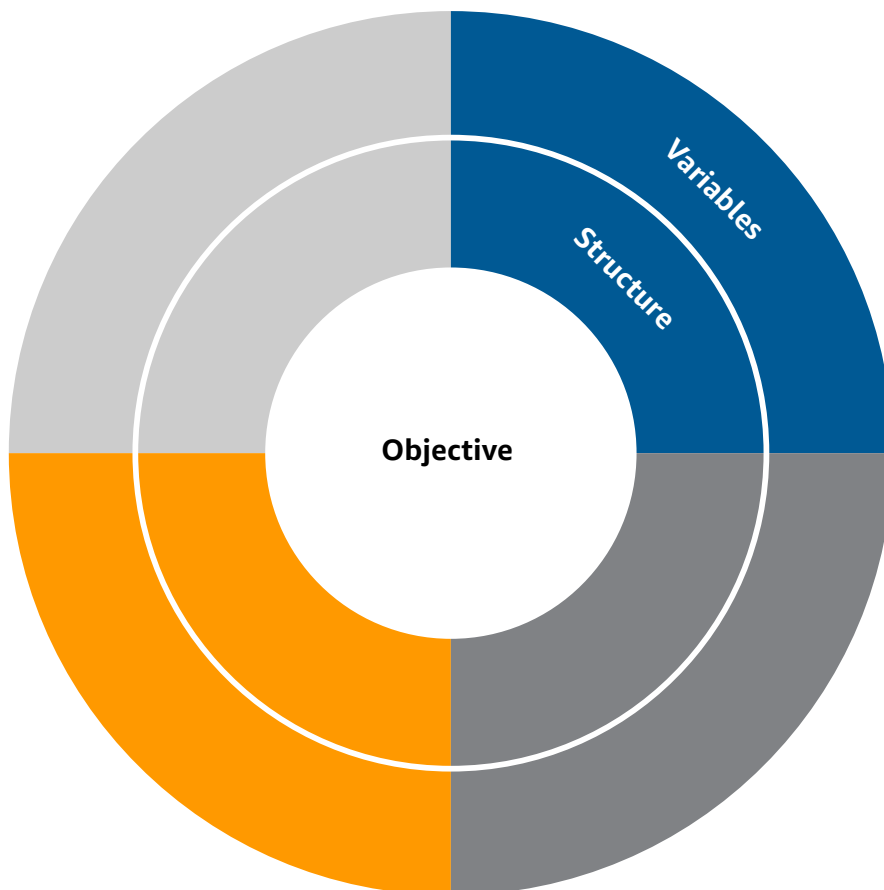
**1. Sponsored ads objectives:** Planning for sponsored ads success starts with identifying and setting key objectives. Sponsored ads objectives could range from driving your clients' brand growth within a specific category, or supporting your clients' retail promotions with sponsored ads.

**2. Sponsored ads structure:** Sponsored ads structure includes how you set up your campaigns and the ad type mix. Select the setup that aligns to your clients' sponsored ads objectives and continue to adapt as your clients scale and their goals evolve.



**3. Sponsored ads variables:** Within each sponsored ads campaign, variables exist that can be set, adjusted, and optimized to support your clients' overarching objectives.

By aligning campaign structure and variables with overall campaign objectives, you'll ensure your clients' campaigns provide consistent messaging across the customer journey. In doing so, you'll help your clients meet their goals for awareness, consideration, purchase, and loyalty.



## Goals

-  Awareness
-  Consideration
-  Conversion
-  Loyalty

# 1. Sponsored ads objectives

Consider the overall goals your clients aim to achieve with the help of sponsored ads campaigns.





Once you've identified your advertiser's goals, you can establish unique, actionable objectives to help increase awareness, drive new-to-brand customer growth, maximize sales opportunities, or increase customer loyalty.

Take the below as an example for how to think about objectives:

Goal	Sample objective	Sample metrics
Awareness	<b>Expand:</b> Grow impressions on category keyword campaign by 15% in the next three months	Impressions/traffic
Consideration & intent	<b>Conquest:</b> Increase click-through-rate on campaigns for new product XYZ over next 4 weeks.	Cost-per-click (CPC) Click-through-rate (CTR)
Conversion & loyalty	<b>Protect:</b> Win top-of-page placement at least 60% of the time for all brand keyword campaigns on Prime Day.	Return on as spend (ROAS) Average selling price (ASP) Placement

## 2. Sponsored ads structure

When you consider structure, you should think about both individual campaign setup and your advertisers' overall ad type mix. By creating a comprehensive structure for your clients' sponsored ads campaigns, you'll ensure your campaigns are set up to help you meet your objectives.

	
Campaign setup	Ad type mix
Campaign segmentation strategy (by objective, by product size, by keyword type, by country, etc.)	Sponsored Products
Number of campaigns to launch	Sponsored Brands
	Sponsored Display

### Portfolios

Use *portfolios* to set and control investment levels on an objective basis. With portfolios, you can group and organize Sponsored Products and Sponsored Brands campaigns into collections that mirror the structure of your clients' businesses based on their overarching goals.

Within each portfolio, campaigns will share a start and end date and a budget.

Here's an idea of how to better understand the impact structure can have on performance. As an example, take a sock brand selling a single product in multiple pack sizes. After one month, you notice the smallest pack size is receiving almost 100% of the impressions in the campaign. So, you create a new objective: to promote larger pack sizes by helping increase visibility on these products.

With portfolios, you have a new way to categorize sponsored ads campaigns into custom groups that mirror the way you're running your business. This is helpful for when you start running different campaigns with different objectives and you find yourself sifting through campaign manager trying to find campaigns that focus on that specific goal. Portfolios can help you monitor all the ad spends and separate out performance against each objective, helping you to save time and decrease budget errors.

For example, with new product launches, you can bundle campaigns together and set a single budget cap for that new product. Sponsored Products and Sponsored Brands will spend independently until the total between the campaigns reach the cap, at which point all campaigns in that portfolio will end.

By having custom defined portfolios, you can also see a consolidated performance view of all those selected campaigns.



## The impact structure has on performance

Structure can help potential sales

### Scenario

You are running a Sponsored Products campaign for a products sold in multiple pack sizes. After a month, you notice the smallest pack size is receiving almost 100% of the impressions in the campaign.

### Objective

ACOS on the campaign is great but you'd like to boost visibility or larger pack sizes.

### Structure options

- Segment into multiple Sponsored Product campaigns; focus keyword alignment to the different pack sizes
- Launch Sponsored Products campaigns to highlight the different product pack sizes



## Sample sponsored ads structure

A structure can be set for an entire brand, segmented to a smaller group of similar products or as granular as a single product depending on your objectives

Ad type

Campaigns

	Sponsored Products	Sponsored Brands	Sponsored Display
	Protect: Focuses on branded keywords and targeting	Protect: Focuses on all branded keywords	Protect: Advertise evergreen product targeting new and declining products
	Conquest: Targeting similar products' branded keywords and products	Conquest: Targeting similar products' branded keywords	Boost: Advertise larger pack size of bulk products, target smaller product
	Expand: Focuses on high traffic category terms and products	Expand: Focuses on category traffic	Conquest: Target most close price point similar products (in category)
	Boost: Utilizing keywords that help gear towards larger sizes such as bulk, multi-pack	Boost: Include smaller price point items and larger in same campaign	Expand: Focuses on high traffic complementary products and categories
	Cross-sell: target keywords in adjacent product categories	Cross-sell: Campaign with products from two different product lines	Cross-sell: Target products that complement or supplement advertised product
	Promote: Create a specific campaign to help drive velocity on ASIN coupon	Learn: Duplicate campaign of Expand to test alternate copy	Promote: Create campaign to drive traffic to products with deals and saving badges

### 3. Sponsored ads variables

Variables refer to the controllable inputs within each campaign that you can adjust based on the campaign objectives. These include budget, product selection, targeting, and bids.

<b>Budget</b>	The daily budget set for each campaign based on the objective and the average amount you're comfortable spending each day.
<b>Product selection</b>	Products selected based on how the campaign fits into the objectives and structure. For Sponsored Brands, product selection also comes into play for creative and landing page set up.
<b>Targeting</b>	The keywords, products, and categories the campaign will target. Sponsored Display also offers product, views, and interest targeting options. For more information, visit page 7 of the Sponsored ads onboarding guide.
<b>Bids</b>	The amount your client is willing to pay to win a placement for a given keyword or selected product, category, or audience. Set a bidding strategy for the campaign and (optionally) a multiplier for placements in which you want to bid up or bid down.



#### Budget

Average daily budget is the amount your clients are willing to spend per day over a calendar month. So, if you set their average daily budget to \$100, they may receive up to \$3,100 worth of clicks in that calendar month (assuming a full 31-day month).

To help determine average daily budget, we recommend using the following formula:

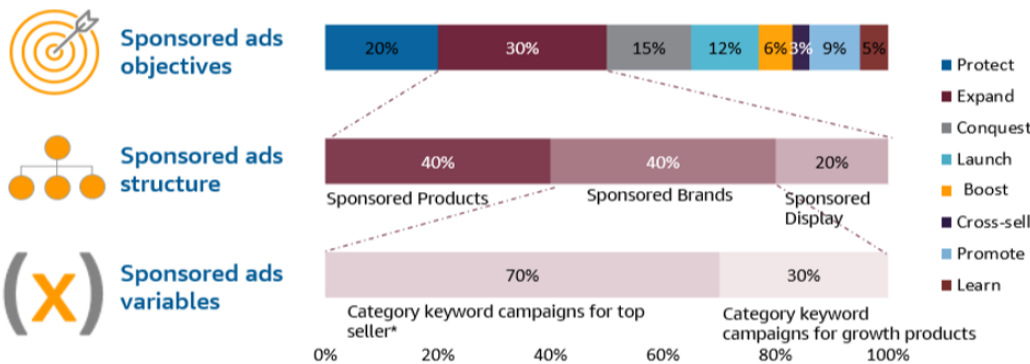
$$\text{Traffic required} * \text{average CPC} = \text{total budget}$$

You can use the formula twice to estimate the high and low ranges of your budget:

$$\text{Highest traffic required} * \text{highest average CPC} = \text{total budget}$$

$$\text{Lowest traffic required} * \text{lowest average CPC} = \text{total budget}$$

Once you've determined your clients' average daily budget, put your plan in motion by allocating the budget to align with their objectives at every level.



Note: the graphic on the left is an illustrative examples of performance. There are multiple options within variables for budget allocation.

To determine how best to allocate your budget across your objectives, you can take either a top-down or bottom-up approach.

## Top-down approach to budget allocation by objective

**Step 1: Opportunity forecast for time period**

**Step 2: Review planned structure and map objectives based on keyword groups**

**Step 3: Set allocation for each objective and campaign**

**Step 4: Review performance and adjust**

### Sample to protect

**2019 opportunity forecast**

\$5,700,000

#### Allocation

Protect: 20% Expand: 40% Conquest: 15%

Launch: 10% Upsell: 3% Cross-sell: 2%

Promote: 5% Learn: 5%

#### Protect Objective Budget

$\$1,140,000 \div 12 \text{ campaigns} \div 365 \text{ days} =$

\$260 daily budget per campaign

## Bottom-up approach to setting budget by objective

**Step 1: Review objectives**

**Step 2: Calculate total investment required to meet objective**

**Step 3: Set daily budget based on timeframe and number of campaigns in structure**

**Step 4: Review performance and adjust**

### Sample

#### Objective expand

Grow impressions on category keyword campaigns in Q4 by 15% over Q3.

#### Calculate

1,750,000 projected impressions

X \$0.25 average CPM over last 3 months

\$437,500 investment required

#### Daily budget per campaign for objective:

$\$437,500 \div 3 \text{ months} \div 30 \text{ days per month} \div 9 \text{ campaigns} = \mathbf{\$540}$

*Note: the graphic above is an illustrative example of performance.*

Be sure to stay on top of campaign-level budgets. As shopping signals customer behavior shifts, so should the budgets. You can review budget recommendations in the campaign manager to understand which campaigns may have the potential to earn more clicks and impressions.

## Product selection

One of the easiest ways to organize product selection for your clients' campaigns and landing pages is to think like your customers. Here are a few questions to consider:

- Would I buy this product if I was looking for one?
- What else might I buy if I saw a complementary product next to the one I searched for?
- If I search "bulk snacks", would I be interested in a single pack or a bundle?

Answering these types of questions often leads to the ideal product selection for each campaign or landing page.

## Product selection for landing pages

Since Sponsored Brands allows you to use different types of landing pages, it's important to set up each of your landing pages for success.

Landing page options:

<b>Stores (including subpages)</b>	Increase brand awareness and product discoverability by connecting shoppers to your client's Store featuring a collection of products.
<b>Product list page</b>	Create a page featuring three or more of your products to be featured on a product list page.
<b>Custom URL</b>	Advertise any Amazon page that showcases at least three of your brand's products.

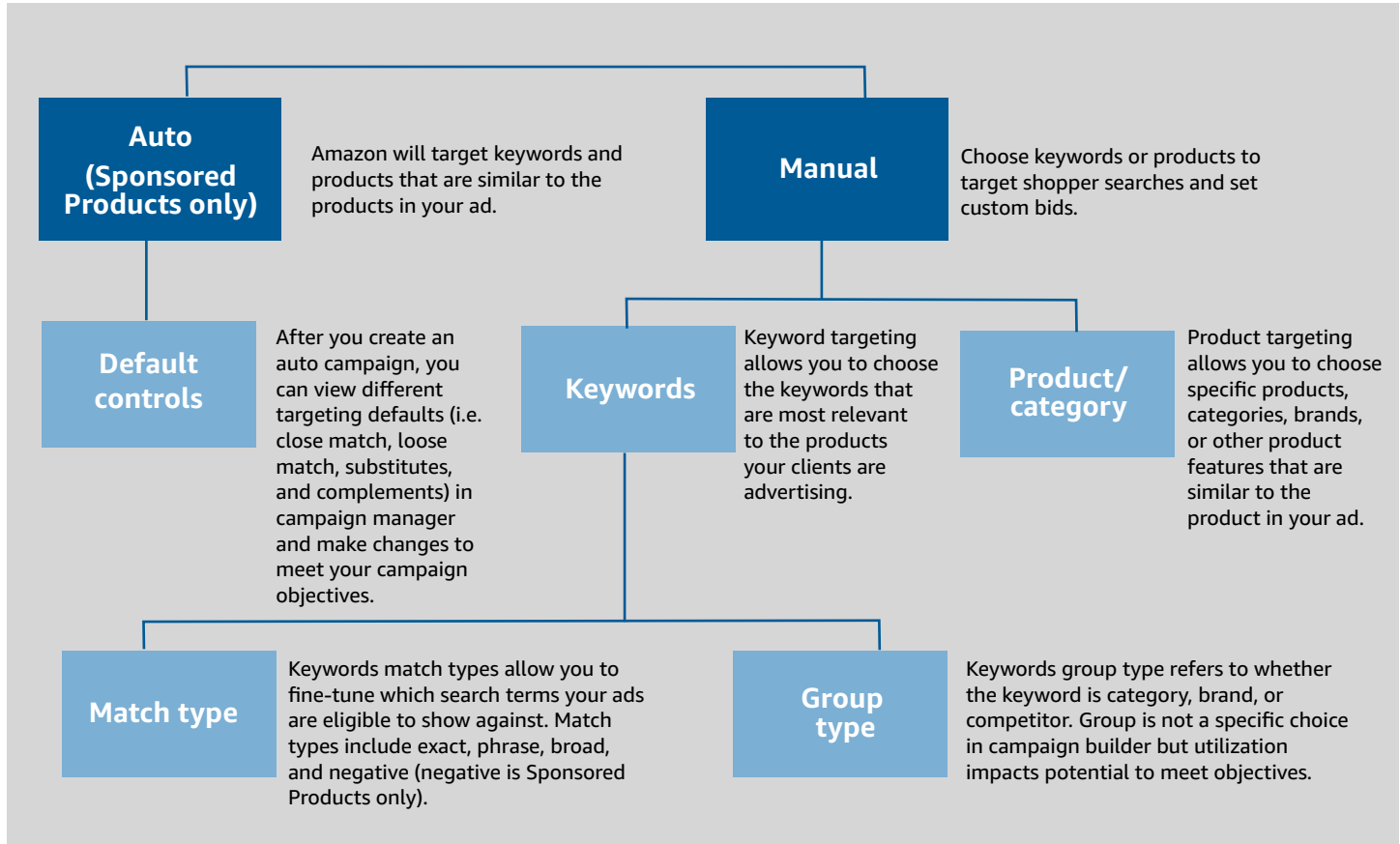
As always, it's important to align your landing page strategy with your clients' overarching goals for the campaign.

Stores are generally the recommended option to highlight your clients' brand stories and products.



## Targeting

Targeting strategy can help your clients reach their desired audiences. Here's an overview of the targeting options for sponsored ads.



	Sponsored Products	Sponsored Brands	Sponsored Display
<b>Value proposition</b>	Help Amazon customers discover and purchase products that you sell on Amazon with ads that appear in shopping results and on product detail pages.	Feature your brand logo, a custom headline, and up to three of your products in ads that appear on shopping results and help generate recognition for your brand and product portfolio.	Reach relevant audiences who are researching, discovering, or purchasing products on or off Amazon <sup>1</sup> with this self-service solution that makes display advertising more accessible.
<b>Target method</b>	<ul style="list-style-type: none"> <li>- Keyword targeting</li> <li>- Product and category targeting</li> <li>- Automatic targeting</li> </ul>	<ul style="list-style-type: none"> <li>- Keyword targeting</li> <li>- Product and category targeting</li> </ul>	<ul style="list-style-type: none"> <li>- Audience targeting (views<sup>2</sup>, interest, searches, purchases)</li> <li>- Product and category targeting</li> </ul> <p><i>1 &amp; 2 views and placements off Amazon only available to US-based vendors and seller brand owners</i></p>

Below are recommendations for how to use the shopping journey to inform your client's targeting strategy:

	Awareness	Consideration	Conversion
<b>Automated targeting</b>	Use all four types of auto targeting defaults	Turn off the loose match default	Use close match and substitutes defaults only
<b>Manual keyword selection</b>	Focus on breadth of keywords, specifically the category keyword groups	Focus on both breadth and depth of keywords (e.g. "in-ear, noise canceling Bluetooth earbuds" versus simply "headphones")	Focus on depth of keywords and ensure visibility on branded keywords
<b>Product targeting</b>	Target a broad range of categories and ASINs	Narrow category and ASIN targeting to similar categories and ASINs	Limit use of category targeting and focus more on ASIN targeting for items with high star ratings

## Bidding

When it comes to determining your clients' bidding strategies, it's important to keep their overarching goals in mind.

Use the shopping journey to inform your clients' bidding strategies:

	Awareness	Consideration	Conversion
<b>Ad placements</b>	Bid higher for top of shopping results and product detail page placements	Bid higher for top of shopping results and product detail page placements	Bid higher for top of shopping results and product detail page placements
<b>Campaign bidding strategies</b>	Use dynamic bids (up and down or fixed bids)	Use dynamic bids (up and down or fixed bids)	Use dynamic bids (down only)

## Conclusion

By creating comprehensive sponsored ads strategies, you can help drive short- and long-term sales for your clients on Amazon. Understanding the shopping journey can help you ensure your clients are engaging shoppers throughout different stages.