

How to Use Promotions Better Chapter 8

A customer may be more likely to make the purchase decision when he is presented a special offer for the product he intends to buy, especially during selling seasons like Prime Day and Black Friday. For this reason, Amazon made promotional offers as a standard feature on its website. Sellers can use a wide range of sales tools according to their own operations and products, taking into consideration consumer's preference and festive seasons in the respective countries, to create unique discount activities. In this course, you will learn how to use Amazon's on-site promotional tools and peak season events to increase sales volume and improve storefront operation, brand building and conversion rate.

8. How to use promotion well

Basic knowledge of various promotional tools is not sufficient. In order to achieve good performance, you would also need to select the appropriate tools and growth strategy based on the appropriate ASINs so that they can be involved in promotions with high exposure. An example is Deal campaign - aim at increasing sales volume enhancing the brand's reputation. Here, we will introduce the features of promotional tools and ways on how you can develop your ASINs

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There are eight chapters in this course. For more related courses, please refer to the course search guide on the [Related Topics](#) page to find what you want.

8.1 Selecting promotional tools

In the previous chapter, you already have an understanding of the use of various promotional tools. Here, we have compiled a list of eligibility conditions and features to help you select the appropriate promotional tool and form a good promotional campaign according to the characteristics of your products and promotional needs.

Overview of promotional tools - 1

Sales tools	Qualifications			Duration	Exclusive display page
	Minimum discount required	Product star rating/reviews	Fulfillment method		
<u>Coupons</u>	5% discount	<ul style="list-style-type: none"> For products with 1 - 4 reviews, they must have at least a 2.5-star rating; For products with 5+ reviews, they must have at least a 3-star rating; Products with 0 review are also eligible. 	/	1-90 days	✓
<u>Prime Exclusive Discounts</u>	10% discount	Review with 3-star review and better or no review currently	Fulfillment by Amazon (FBA)	1- 4 weeks	×
<u>Lightning Deal</u>	15% discount	(5 or more) reviews with 3-star rating and better or no review currently (excluding the U.S. Store)	Fulfillment by Amazon (FBA); FBM/MFN Prime Program	Different Stores Different durations	✓
<u>7-day Deal</u>	15% discount	(5 or more) reviews with 3-star rating and better or no review currently (excluding the U.S. Store)	Fulfillment by Amazon (FBA); FBM/MFN Prime Program	7 days	✓
<u>Deal of the Day</u>	20% discount	4-Star rating and better with at least 5 reviews	Fulfillment by Amazon (FBA); FBM/MFN Prime Program	24 hours; inventory fully sold out	✓
<u>Amazon Points</u>	/	/	/	/	×

- Overview of promotional tools - 2

Sales tools	Qualifications			Duration	Exclusive display page
	Minimum discount requirement	Product star rating/reviews	Fulfillment method		
<u>Social Media Promo Code</u>	5% discount	Possesses not less than 20 reviews with at least 80% of which being positive feedback; approved under new Amazon Brand Registry edition	/	1 - 30 days	✓
<u>Outlet Deal</u>	30% discount (North America Stores) 20% discount (Japan, Europe Stores)	3-Star-star rating and better	Fulfillment by Amazon (FBA)	14 days; Inventory fully sold out	✓
<u>Outlet Deal</u>	The discount for Outlet Sale is typically lower than that for Outlet Deal	3-Star-star rating and better	Fulfillment by Amazon (FBA)	1 - 14 days	✓

Note: The conditions in the table are the standard eligibility criteria. You can click “name of promotional tool” to view more information. In the case of major promotions, they can defer. Please refer to Amazon announcements for the current year.

8.2 Tips for successful promotion - How to increase ASINs recommendation for Deals and perform product price management

If you want to make good use of the promotional tools provided by Amazon, you must understand the requirements and eligibility criteria to use these tools. You must also maintain your ASINs quality daily so that more products get recommended for Deals. You should also pay attention to how you price your products to avoid the case of having to give up Deals due to inability to accept the discount requirement of the campaigns.

8.2.1 Raise odds of getting ASINs recommended for high-profile Deal campaigns (such as Deal of the Day), even high-profile Deal campaigns during peak sales seasons



Given that Amazon typically offers high-quality, wide-ranging products to buyers during Deal campaigns, Sellers must optimize the cumulative sales volume of their ASINs, obtain reviews with higher star-rating and expand their brand reputation in order for their ASINs to be more regularly recommended for such Deal campaigns.

During non-sales period, Sellers should launch promotional campaigns for products by using a variety of marketing tools to increase sales, obtain more and better buyer reviews, and raise the odds of getting ASINs included in various Deals.



- **Seller experience:**

Accumulate sales volume and reviews, set standard-pricing strategy and build brand reputation. These three points can help increase the odds of being recommended and selected for DOTD and LD.

——— TINECO





The odds of being recommended for LD is related to sales volume/pricing/reviews which have to be accumulated in advance. Generally, it took about 3 months for our products to be available in LD from the time of their launch.

—— Suzhou Dibeia

More submission for DOTD/LD and good performance during lightning deals can raise the odds of being selected for Prime Day. Amazon Japan's Monthly Deal in particular enjoys significantly higher traffic than normal as it is a major monthly promotional campaign. It is a great opportunity for increasing sales volume.

—— Shenzhen Yanhai



8.2.2 Optimize price management

When you use tools LD and 7-Day Deal for your promotional campaigns, there are restrictions as to the discounted price. As such, you will need to control the price of products at normal times and when involved in such campaigns, and achieve balance for them.



Nail down the cost and profit of each product

You must understand your products' cost to be able to arrive at an acceptable profit margin.

Find out the discount rules of various promotional campaigns



Deal campaigns, in particular those during peak seasons, often have requirement for minimum discount. For example, LD requires the price posted to be 15% discount of the lowest price transacted during the past 30 days. If you have used other promotional means during the past 30 days (excluding LD and Coupons), the price after discount would be recorded. You would then be required to set a discounted price that was not higher than 85% of the aforesaid price, giving rise to a situation of discount over and above the discounted price.

Develop deal plans



In view of the above, you must, during normal times, control your product prices and avoid having to pass over the opportunity for high traffic and substantial sales as far as possible because you are unable to accept low discounted price. You should also, along with a combination of various promotional tools and promotions during peak seasons, plan the type of tools used and their duration.

- **Seller experience:**



We consider ourselves strong supporter of DOTD. From our experience, a successful SD (Spotlight Deal) can bring us 2 months of normal sales volume. It is also significantly helpful towards awareness of our brand, sales ranking and eligibility to join subsequent promotional campaigns on Amazon. As for the tricky issue of submitting appropriate price and discounts for SD, we have through trial and error, come up with a “deductive price control method”. First, we fixed the lowest limit for our profit and used the price for this profit level as that for campaigns like Prime Day and Black Friday which typically demanded deepest discount. From this we deduced the price for other less campaigns like LD. It also helped us to determine the frequency of our participation so as not to affect conditions like “average price during the past 30 days” and avoided driving down the lowest price for major campaigns such as Prime Day. Our experience last year shows that as long as we were clear about Amazon’s campaign rules, planned our prices several months in advance and strictly adhered to it, our participation in SD could still allow us to maintain profit even if we offered 30% - 35% discount.

——— Madam C, technology brand Seller