



SellerMetrics

# 7 Figures Amazon PPC Playbook

---

Rick Wong Founder SellerMetrics



## Introduction

If you want to be successful with Amazon PPC, you'll need a marketing approach that's targeted to your company's objectives. That is why the right Amazon Advertising Strategy is hugely important

One of the most important variables in how well your campaigns succeed is how you view and think about them.

There is no one-size-fits-all approach to Amazon advertising, and you should not concentrate on a single-digit ACOS. Because every business/product has a different timeline and a goal that works for one company may not work for another.

We understand that anything that can encapsulate all situations is attraction, but keep in mind that if anything seems too good to be true, it most likely is. Every campaign is unique, and Amazon PPC has so many variables that there is no single method that works for all campaigns.

For example, you may achieve an ultra-low ACOS if you focus solely on it, but the rest of your metrics may suffer as a result.

When considering the best Amazon advertising strategy for your business, it is important to keep in mind that you need a comprehensive look at where your business currently stands. Be sure to have a keen eye on what your competitors are doing and how they have managed to thrive with their products. Ask yourself where your product fits into the current trends within your industry, and be honest with yourself about how your product stacks up against others on Amazon.



## The Setting (Amazon Listing Optimization)

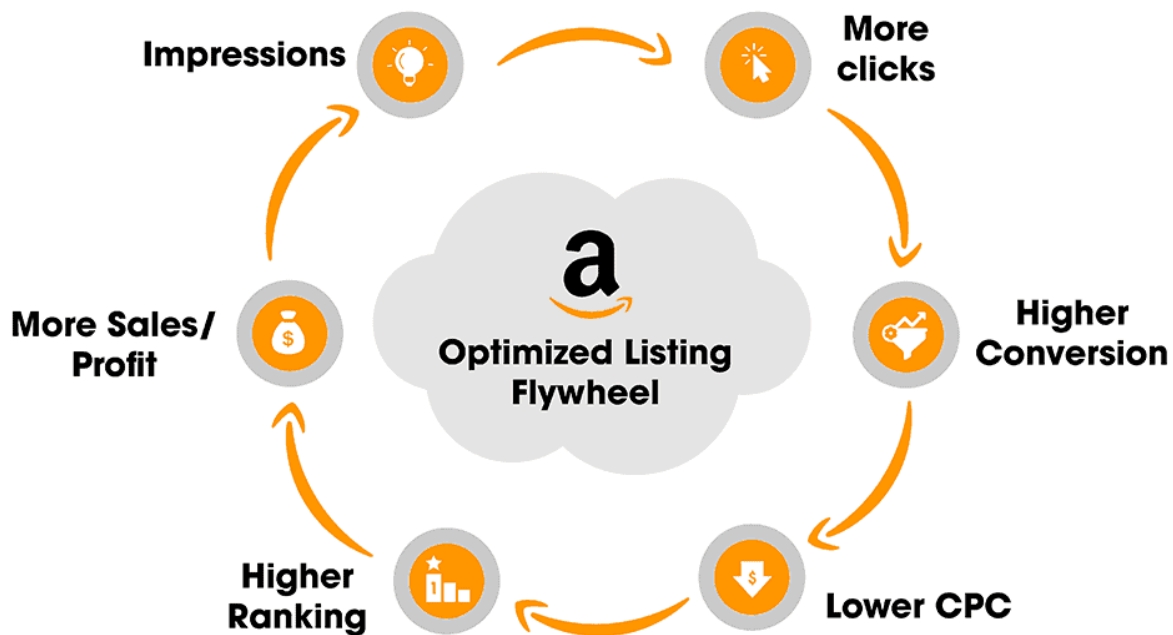
When it comes to creating Amazon sponsored ads, there are two distinct factors that help you stand out from other advertisers that are running comparable ads.

1. Your Amazon SEO ranking juice (affect the location of the search results)
2. How optimized your Amazon product listing page (affects conversion rate)

Before you start an Amazon PPC campaigns you want to make sure that the 2nd point is covered. As in your Amazon listing should be highly optimized, below are specific areas of the product listing page that you want to focus on:

- **Product titles** – must contain relevant keywords to the product you're selling.
- **Product descriptions** – must contain the details of your products, including basic functions, size or dimensions, and other relevant information.
- **EBC or A+ Content** – a feature that helps sellers present their product with enhanced content, images, and a more detailed description of their products or brand.
- **Additional Information** – you may also include price, quantity, and review in your listing.
- **Images** – must be of high quality to easily attract shoppers.

I think it's important to emphasize how important Amazon listing optimization is. The good impacts of a well-optimized listing will filter downstream, while the negative effects of a poorly constructed Amazon listing will filter upstream. A well-written Amazon listing, for example, will receive more impressions, more clicks, a greater conversion rate, a lower CPC, a higher ranking, and ultimately, more sales/profit. We have an all-encompassing Amazon listing optimization guide [here](#).



## Product Life Cycle

Your Amazon PPC campaign objectives will also be different based on your product life cycle. For example, if your product is new and just launched, you expect and should target a much higher ACoS. This is because Amazon will need to test your product for keywords/product fit, the testing will require you to outbid existing placements to gain impressions. I will separate the cycle into 3 stages: Product Launch, Midpoint, and Mature.

### Product Launch

This is the stage when your product list is active and/or your product has landed into [Amazon FBA](#). The objective will be to test and get an impression on all the relevant keywords that you have research.

- Length ➡ not more than 3 months
- Target ACoS ➡ allow target ACoS to be > [break even ACoS](#)
- Campaign Used ➡ Sponsored Product (Auto and Manual Keywords Targeting)



## Midpoint

At this point, you should know if this product is going to stick, if not then you should go back to the drawing board on product research. At this point, you should know which keywords/product targets are converting for your product on the most granular level. This is also where you will scale your Amazon advertising out, more on that later.

- Length ➡ 4 to 12 months
- Target ACoS ➡ target ACoS = break even ACoS, and target ACoS > break even ACoS
- Campaign Used ➡ Sponsored Product (Auto and Manual Keywords Targeting), Sponsored Brand Videos (Keywords and Product), Sponsored Display (Product and Audience), Sponsored Brand

## Mature

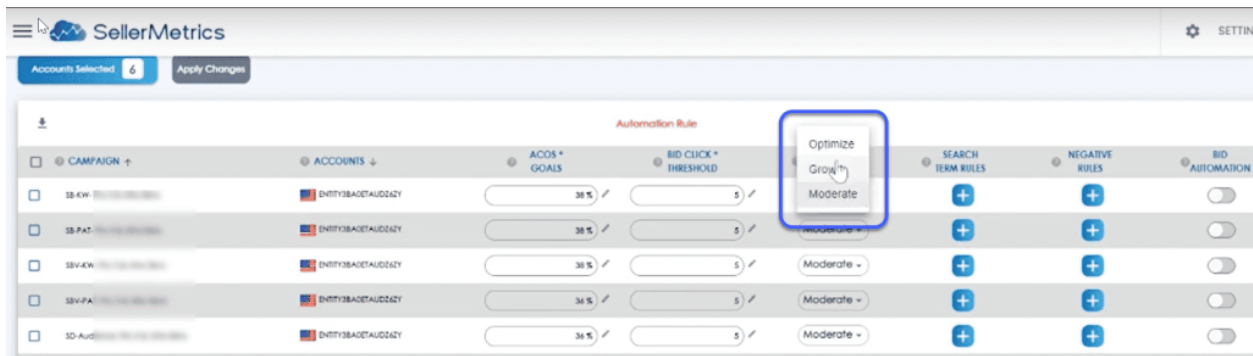
Your product has been selling well, ranks for the top few placements organically and for sponsored placement. Now is the time to lower your ACoS and maintain the winning campaigns and shut down poor ones. Basically, keep putting your budget into well-trying and tested keywords and product targets, while cutting back on so-so and poorly performing ones.

- Length ➡ In perpetuity or until performance get weaker
- Target ACoS ➡ target ACoS = break-even ACoS, and target ACoS < break-even ACoS
- Campaign Used ➡ Sponsored Product (Auto and Manual Keywords Targeting), Sponsored Brand Videos (Keywords and Product), Sponsored Display (Product and Audience)

## How SellerMetrics can help

SellerMetrics is an [Amazon PPC Software](#) built for sellers, our bid algorithms are designed for the above product life cycle. Our bid automation algorithm allows for the below 3 strategies:

1. Growth ➡ for product launch stage
2. Moderate ➡ for midpoint stage
3. Optimization ➡ for the mature stage



## Amazon Advertising Strategy and Sponsored Ad Types

### Sponsored Product Automatic

Sponsored Product auto campaigns are great for testing and ok for conversions. So really should be used when you want to test a thesis, such as is my listing optimized according to my target keywords.

When to run them:

- Product Launch
- Midpoint

### Sponsored Product Manual

Sponsored product manual campaign covers keywords and product targets. With a large amount of inventory, the CPC rate for these ads is relatively lower, and hence it is a cost-effective way to scale sales. I believe this is the one Amazon advertising type that I would run for all occasions.

When to run them:

- Product Launch
- Midpoint
- Mature

### Sponsored Brands

Sponsored brand's ads look like display banners on the search result. The banner display 3 or more different product on your catalog, the customer can be driven to your Amazon storefront.

Sponsored Brands campaigns are effective if you have a catalog of products in the same niche and if you want to drive brand awareness.

When to run them:

- Midpoint
- Mature

### **Sponsored Brands Videos**

These ad types are 45s video clips. Now they are available not only on the search results but also on the product listing page as well. As of writing in Aug 2021, these ads give the highest ROI, as long as you can create a decent video for your product. My suggestion is to run these ads after the product launch phase.

A hack for Sponsored Brands Video is to use any video reviews on your product. We have done this for one of our clients and the ROI on this campaign was Amazing!

When to run them:

- Midpoint
- Mature

### **Sponsored Display Product Targeting**

These are banner ads that show up on a product listing page, these are great if are trying to steal sales from competition. The inventory for these ads is pretty high, ROI from these specific ad types is still good. I would definitely run them when 1) I am in the midpoint phase and 2) ASINs I found that have converted in the Sponsored Product auto campaigns.

When to run them:

- Midpoint
- Mature

### **Sponsored Display Audience**

The Amazon Sponsored Display audience has the characteristics of a loose targeting type match with a large potential audience reach. I liken the Amazon audience for Sponsored Display to fishing in the ocean vs a fish farm for Sponsored Products. As a result, these campaigns will have a high ACoS while also having a low conversion rate.

When to run them:

- Mature

## Bidding Strategies

### 80/20 Strategy

We believe that this method is best suited for products with a well-known brand name, strong listings, and positive ratings. This method is highly likely to work for you if your product is in the Top 10 in a specific subcategory.

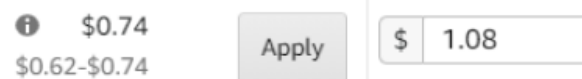
The majority of keyword bids are below average. Only keywords with a high CTR and conversion rate receive high bids, as long as the ACoS remains below a reasonable threshold. Loose match targeting such as auto and broad match types will not be used

### Scale to the Moon Strategy

This strategy works best for experienced Amazon sellers who are confident in their offerings and have the cash flow to temporarily drive their margins into the negative, as with all risk-high-reward tactics.

The reward is also substantial: either beating out near-top opponents or taking the Best Seller badge from the current leader. Because of the way the Amazon algorithm reacts to an increase in sales, via the flywheel effect, the scale to the moon strategy should be running for at least a month.

To do this strategy, increase your bids on all of your best-performing keywords. Maintain your bids above the top of Amazon's recommended bid upper limit.



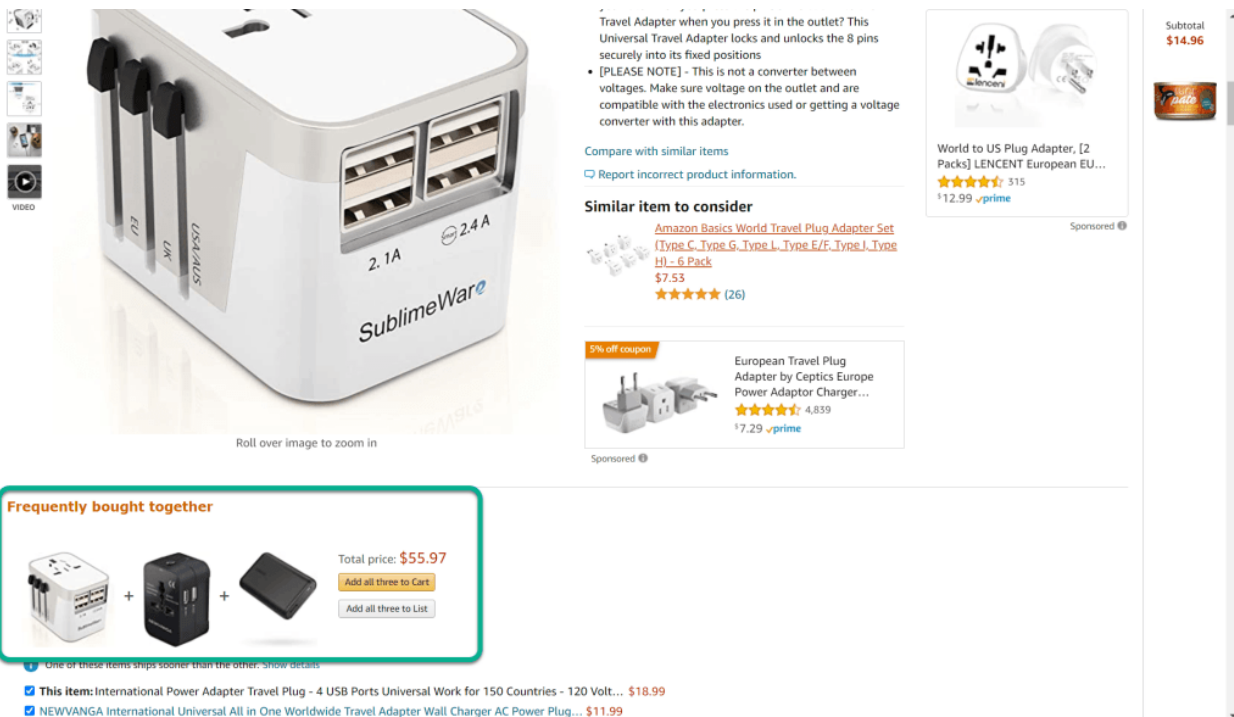
### Bidding On KDP Books

Targeting the books category on Amazon is a unique way to employ product targeting ad type. You can use Sponsored Display and Sponsored Product to target the book ASIN or ISBN number if the book's audience is in line with the product you want to sell.



## Bidding On Complimentary Products

You can also target products that are complementary to yours, such as yoga trousers and yoga mats if you are selling yoga pants. This type of promotion necessitates a thorough understanding of your product and the intended demographic. Examining the commonly purchased together section of your list is a fun approach to locate complementary products.



Travel Adapter when you press it in the outlet? This Universal Travel Adapter locks and unlocks the 8 pins securely into its fixed positions

- [PLEASE NOTE] - This is not a converter between voltages. Make sure voltage on the outlet and are compatible with the electronics used or getting a voltage converter with this adapter.

Compare with similar items  
Report incorrect product information.

Similar item to consider

[Amazon Basics World Travel Plug Adapter Set \(Type C\\_Type G\\_Type L\\_Type E/F\\_Type J\\_Type H\) - 6 Pack](#)  
\$7.53  
★★★★★ (26)

5% off coupon  
European Travel Plug Adapter by Ceptics Europe Power Adaptor Charger...  
★★★★★ 4,839  
\$7.29 [prime](#)

World to US Plug Adapter, [2 Packs] LENCENT European EU...  
★★★★★ 315  
\$12.99 [prime](#)

Subtotal \$14.96

**Frequently bought together**

Total price: **\$55.97**  
[Add all three to Cart](#)  
[Add all three to List](#)

One of these items ships sooner than the other. [Show details](#)


- ✓ **This item:** International Power Adapter Travel Plug - 4 USB Ports Universal Work for 150 Countries - 120 Volt... \$18.99
- ✓ NEWWANGA International Universal All in One Worldwide Travel Adapter Wall Charger AC Power Plug... \$11.99

## How to Scaling your Amazon Advertising

In the Midpoint phase in the product life cycle is where you focus your efforts on scaling. Your monthly budget should be between \$10,000 and \$30,000 per month.

You've finally arrived at the point where you can begin to challenge your category's established competitors. If this describes your current stage of development, now is the time to begin experimenting with various ad formats and campaign types mentioned above.

Start working on your Sponsored Brands advertisements, and at the very least, start dabbling in Sponsored Display. You should also start working with broad and phrase term match and auto campaigns. Campaign budget on a campaign level should be increased substantially, campaign should never run out of budget.



What's particularly exciting about this stage is that your increased ad expenditure provides you with a lot more data and a lot more flexibility. You may also attempt split testing and experiment with different targeting kinds, the possibility is endless.

Diversification is the name of the game here. If you spread your ad budget among a variety of campaigns and advertising, your competitors are less likely to discover a flaw in your marketing approach. It also makes it a lot easier to respond to changes in the Amazon PPC scene that are unforeseeable.

You can build your way up to become a powerful, large-scale brand if you invest enough time scaling higher and establishing yourself as a major player in your field.

To Summarize;

Scale Vertically by:

- Increase campaign budget
- Use different match types such as broad and phrase

Scale Horizontally by:


- Running all sponsored ad types
- Running all targeting types
- A/B testing new ad creatives and campaigns

## Conclusion

What strategy you choose for Amazon Advertising is highly dependent on the stage of your company's development.

If you're a new Amazon seller getting started with Amazon PPC, start small and focus on a few winning keywords. Profitability is important since it ensures that you can continue to operate. For your main keywords, aim for the first page or two of organic results and only focus on a few.

Differentiation and experimentation are your major objectives once you've passed through the launch phase and are focused on growth. You now have an extra ad budget at your disposal, and now is the time to put it to good use.



Your strategy and tactics need to be malleable. Always be willing to change your approach or tactics if they aren't working for you. Never forget to keep trying and learning no matter where you are in your business's path. The more you learn, the more you will advance!