# CHAOS

DIGITAL PERFORMANCE MARKETING

## 2021
## Amazon Training Guide

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CHAOS
DIGITAL PERFORMANCE MARKETING

# Specific Terms

- **Alibaba**
  - Huge sourcing website
  - Factories predominantly in China
  - Consists of a lot of people trying the same thing
- **Amazon Prime Private Label**
  - Amazon prime - 1-2 day free shipping for customers
- **Arbitrage**
  - By at a low price & sell at a higher price
- **ASIN**
  - Amazon Standard Identification Number
  - Universal product identification number for Amazon
- **Back-End**
  - Administration area - set up keywords + pricing
- **Brand-Gating**
  - Assigned by Amazon, allowing you to keep hijackers away from products
- **BSR**
  - Best Seller Rank - every product SOLD in Amazon has one
  - Measures how the product is ranking within its category
- **Buy Box**
  - The 1st position on Amazon
  - This is how you get the "Add to cart" button
- **Child**
  - Variation of a principle (parent) product on Amazon
- **Condition**
  - Condition of the product you're selling
  - For private label sellers, the condition must be new
- **Containers**
  - 20-40 foot metal boxes that your products are shipped in
- **Conversion Rate**
  - How well you are selling on Amazon
  - Measures percentage of "lookers" that end up buying - Average is 8.5%
- **CTR**
  - Click Through Rate
  - Percentage of people who see an ad that click on it
  - Gage how well your ad is doing

**Drop Shipping**
- Never have actual possession of the product
- Product shipped directly from the warehouse

**EXW**
- EXWorks
- Shipped from the factory door
- Your responsible for the shipping process

**FBA**
- **F**ulfilled **B**y **A**mazon
- You send your items to Amazon to be stored in their fulfilment centers

**FBM**
- **F**ulfilled **B**y **M**erchant
- You have your own storage facility where you are responsible for shipping
- Does provide a lower level of trust between you and the customer

**Feedback**
- There are two types of feedback. both should be 4 stars or above
  ~ Seller Feedback        ~ Product Feedback

**FNSKU**
- **F**ulfilment **N**etwork **S**tock **K**eeping **U**nit
- Special barcode that goes on every product sold on Amazon

**Freight Forwarders**
- Handle freight, the logistics and shipping, including paperwork and customs

**Hijackers**
- Piggyback on your success, why differentiating products helps
- Brand Registry and patents are helpful to prevent this

**Landing Costs**
- Total cost of everything to get the product to your warehouse

**Listings**
- Product page on Amazon

**LTL**
- **L**ess than **T**ruck **L**oad
- If you do not fill a full container, they will fill it with other peoples shipments

**MAP**
- **M**inimum **A**dvertising **P**rice
- A supplier sets a lower limit on the prices its resellers may advertise for

# Specific Terms

- **MOQ**
  - Minimum Order Quantity
  - Never a set number. The USA has a higher number & China has a lower number
- **MSRP**
  - Manufacturer's Suggested Retail Price
  - Ship your products to other marketplaces
- **Prep Centre**
  - Pack and bundle your products
- **Private Labels**
  - High margins / easy to sell / buy specific ASINS
- **Profit Margin**
  - Selling price on Amazon - The cost to sell it
- **Removal Order**
  - When you have returned items from Amazon
- **ROI**
  - Return On Investment
  - Evaluate the efficiency or profitability of an investment
- **SKU**
  - Stock Keeping Unit
  - The code you assign to your product. Designates a unique product
  - Used by retailers to identify and track its inventory/stock
- **PPC**
  - Pay Per Click
  - Drive traffic towards a product - you pay when an ad is clicked
- **Ungated**
  - Customers are allowed to sell in the category
- **UPC**
  - Universal Product Code
  - Printed on retail product packaging to identify a particular item
- **VAT**
  - Value Added Tax
  - Tax is already included
- **Wholesale**
  - Make arrangement with factory / supplier for product
  - You create listings

# Seller Central
## Control Panel on Amazon

# Module 6

- Manage Inventory
- View Reports
- Manage Ad Campaigns
- Listing Content
- Get Support
- Read & Reply To Customer Messages



You can customise the **Home Page Widgets** based on needs

You can respond to **Buyer Messages** + respond to enquiries
- Messages must be responded to within 24 hours (including during holidays)
- Spam messages do not require a response - mark as "response not required"

You have access to **Inventory Planning**
- Stock score should never fall below 350 or Amazon will limit how much inventory can be sent to a fulfilment centre
- your score will also drop if the inventory isn't moving which can mean hefty long-term storage fees

There is the **Inventory Dashboard** which shows the inventory age and the sell-through rate.

You can view a **Sale Summary** which provides a breakdown of sales from a day to 30 days

**Payments** can be viewed where disbursements are shown
- You pay every 2 weeks with a new account having longer hold times

You can also view your **Case Logs.** This is where you can open cases with seller support regarding seller inquiries and disputes
- These have to be answered ASAP

# Categories

The category you put products in is very important as the products must be relevant to the category.

Amazon has a master list of keywords that correspond to specific categories & constantly evaluate the relevance of listings.

## Un-Gated Categories

- Automotive
- Baby Products
- Music / Books/ DVD / Video
- Computing
- Consoles & Video Games
- Consumer Electronics
- DIY Tools
- Garden & Outdoor
- Kitchen & Home

- Large Appliances
- Lighting
- Musical Instruments
- Office Products
- Pet Supplies
- Shoes & Accessories
- Software & PC Games
- Sporting Goods
- Toys & Games

Some categories may have specific requirements despite it's "Un-Gated" status

## Gated Categories

- Apparel
- Beer / Wine / Spirits
- Beauty
- Grocery
- Health & Personal Care
- Jewellery
- Personal Care Appliances
- Watches

The gated and Un-gated categories do change around so always best to keep an eye on them.

## Amazon Fulfilment Fees

- Amazon fees change significantly depending on the time of year.
- January to September charges are at a lower rate
- October to December charges rise to cover the 4th quater
- Amazon also charge a commission fee based on:
  - Category
  - Actual price the customer paid

## Storage Fees

- Amazon is not and does not want to be a warehouse
- Many Amazon sellers use **3PLs** who are less expensive in storage and repackage facilities. They are usually only temporary storage though
- Amazon will charge higher storage rates on purpose to discourage sellers from using them as a warehouse
- Fees take into account the size of the pact product so sellers must ensure they take the final packed size into account as well as 4 ounces for packing supplies
- There are penalties on products that stay in the warehouse for longer than 6 months which can be 4 x the normal rate
- The **Inventory Performance Score** can help to determine the way in which the Amazon warehouses can be used. If the score drops below **350** then penalties may show on seller charges. This could also cause Amazon to remove FBA privileges and disallow sellers to use their warehouses to ship their products.

### Third Party Logistics (3PLs)
- A company that handles warehousing and fulfilment
- They can asssemble orders / packaging for you

# PPC
## Pay - Per - Click

- Helps you to target other seller's products with your campaigns.
- Helps you get yourself on page 2, 3 or 4 incase they missed you on page 1
- PPC can also help with organic rankings
- Everyones first campaign should be a **Sponsored Ad**

## Sponsored Ads

- These Ads drive Amazon searchers directly to a specific product you're selling on Amazon.
- When clicked on, they will be directed to the product page
- Typically displayed above or below the search results page
- Keyword Targeted
- Control through a daily budget as well as bids set



## Headline Ads

- These Ads display in the search results page as headline banner ads
- these ads are CPC and lead searchers to any specified page on Amazon
- The landing page can be customisable
- Keyword Targeted
- There are only two keyword match types - Exact & Phrase
- It has a minimum budget and can be scheduled to run up to 4 months in advance
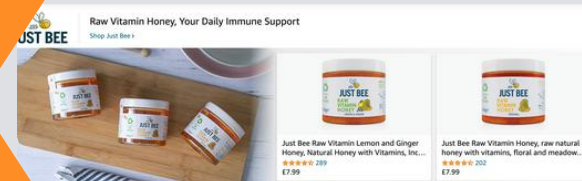


## Product Display Ads

- These Ads are not Keyword Targeted but are interest / product targeted
- They drive shoppers to the products detail page and are also priced through CPC
- Advertisers can select from a list of products or interests to target these ads to relevant shoppers
- each campaign is limited to one target type
- These can appear at the side or bottom of the search results, on customer review pages, at the top of listings page and in Amazon marketing emails
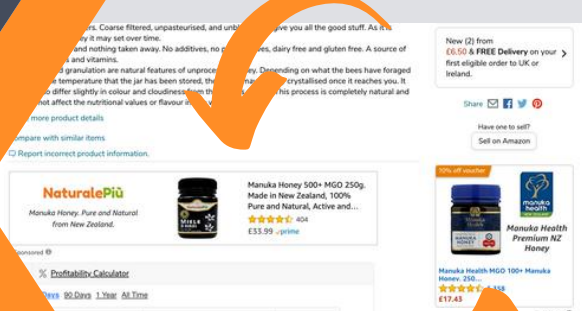
## Bids

- Advertising on Amazon is an auction system. The final ranking is the result of your bid and how well the product converts
- Amazon will provide a range (low to high). It is always wise to take the middle and add around 10-20%
- It is important that Daily budgets are no lower than £10 to ensure we receive relevant data on what is working and what isn't.
- Amazon has 3 Bid options -

**Down Only -**
- New campaigns should start this way
- amazon will lower your bid if a lower number is all that is needed to win

**Down & Up -**
- This is giving Amazon permission to raise your bids along with lowering them
- They will raise it to 100% in order to get a conversion

**Fixed -**
- Your default bid remains the same, regardless of conversion
- Amazon will still provide a suggested bid

Active Status

Campaign Name

Daily Budget

| | | WATER_SOFTENER_C... | Dynamic bids - up and down | 7 Sep 2020 | No end date | £ 25.00 Daily |
|---|---|---|---|---|---|---|

Bid Option

Start Date

Default Bid

Ad Group Name

| | Active | Ad group ⓘ | | Status | Default bid ⓘ |
|---|---|---|---|---|---|
| | | Total: 1 | | | |
| | | CHAOS EDIT - NKW | | Delivering Details ▾ | £ 1.00 |

## Automatic Campaigns

- Amazon decides when to display the product based on the keywords identified from the title, description and other sections from your product listings.
- Very good campaigns for beginners and also for products that do not have any data behind them
- They do not require keyword research as they can help identify the long tail search terms for future manual campaigns
- Automatic campaigns have 4 targeting groups:

**Close Match -**
Amazon will show your ads to shoppers who use search terms thats closely related to your product

**Loose Match -**
Amazon will show your ads to shoppers who use search terms loosly related to your product

**Substitutes-**
Amazon will show your ads to shoppers who view the detail pages of products similar to yours

**Complements -**
Amazon will show your ads to shoppers who view the detail pages of products that compliment yours

## Manual Campaigns

- The seller manually defines the keywords and the bid rates
- Depending on the keyword match type the product ad is displayed for the search term
- They have a more precise target audience as the keywords are manually identified
- They help to maintain the target ACOS and maximise sales
- High converting keywords can be bid high and optimised for high targeting
- low converting keywords can be bid at a lower rate.
- There are a number of tools that can be used through Helium 10 to help when researching keywords for campaigns
- This is where the different keyword types come in.

## Keywords

- It is ideal to have a minimum of 10 keywords within an ad group
- As a new seller, it is best to run an automatic campaign as Amazon might have keywords that are missed or that will help add value to the listing
- After establishing the budget you can decide which keywords to show.

### Broad
- This is matched to a user's search term if all keywords are within it.
- The least restrictive option as it matches with a wider range of search terms
- e.g. -     "**Running Shoes**"    ⟶

"**shoes** for **running**"
"buy **running shoes**"
"**running** shoe"

### Phrase
- Matched to a user's search term id the keywords are present in the same order
- e.g. -

"**Running Shoes**"    ⟶

"**Running shoes** in red"
"Adidas **running shoes**"
"Discount on **running shoes**"

### Exact
- Matched to user's search terms if it is an exact match of the keyword
- most restrictive form of the match type as it only matches the selected terms
- e.g. -  "**Running Shoes**"    ⟶     "**Running Shoes**"

# Other Aspects To Consider -

- Targeting a brand name usually means higher conversions but also a higher **ACOS**.
- When you target highly relevant keywords you gain an average conversion rate
- When you target low relevance keywords then you get a lower conversion rate
- Once you see certain keywords converting well in your campaigns then you should switch to up and down bids and optimise the keyword list further
- The more money that is spent on a campaign, the more data you will recieve

## ACOS
- **A**dvertising **C**ost **O**f **S**ales
- Total sales divided by the money you spend on advertising
- Figure should stay between 30 - 40%

## TACOS
- **T**otal **A**dvertising **C**ost **O**f **S**ales
- This figure shoul dbe below 100% - only seen on Helium 10

# Types Of Placements -

Placements are where your ads appear on Amazon. It is an extra percentage placed on your bids telling Amazon how much of the bid they can be increased by should a placement be needed.

**Top Of Search -**
This is for a position on the top of the first page of the search results

**Product Pages -**
Placements on the product detail page and ad-to-cart pages

**Rest Of Search -**
The middle / bottom of search results and can be seen on page 2

| Placement ⓘ | Campaign bidding strategy ⓘ | Bid adjustment ⓘ |
|---|---|---|
| Total: 3 | | |
| Top of search (first page) | Fixed bids | 10 % |
| Product pages | Fixed bids | 0 % |
| Rest of search | Fixed bids | - |

## Types Of Listings -

### Stand Alone
These are standard listings for single products

### Parent / Child
Variations of products, such as multiple sizes, colours and quantities.

## Title -
- The Number 1 thing to focus on
- This can affect:
  - Indexing on Amazon   - Discoverability     - Keyword Ranking
- The title allows for 200 Characters
- Important to add s many keywords as possible
- Changes to the title can be made 30 days the product has launched

## Bullet Points -
- This Is Important for both Amazon's A9 Algorithm & skimming buyers
- Each Bullet Point allows for 500 characters
- This is where a seller explains why an Amazon shopper should purchase their product
- Ensure the first few words of each point is Capitalised to attract the eye
- This is where complaints and concerns can be addressed

## Description -
- The description allows for a maximum of 2000 characters.
- The first 200 characters are important because this is what shoppers, using the mobile app will see first, before the bullet points.
- For Brand Registered Sellers, they have the option to create A+ content to replace the description text.

# Product Listings

## Images -

- Must make sure the main image is on a white background.
- Lifestyle images should be included as this provides customers with perspective
- There should be an image that explains the products features
- There should also be an image that should give customers an idea on what the size is.



## Keywords -

- Keyword research is very similar to what we do for PPC campaigns.
- Within your title you should have at least 3 to 5 keywords in the exact phrase order to help with your organic ranking.
- Within Helium 10, you can add the keywords from your research into a field which will tick them off as you go along.
- Long-tail keywords you can't fit into the bullet points can be placed in most important keywords.
- Keywords is a key factor as to whether an account receives the Amazon Choice badge

### Amazon Choice
- A feature that algorithmically identifies the "best fit" product for a customer's search phrase.

## General Knowledge of Listings -

- 70% - 80% of people start their product search on mobile devices and will switch to a laptop in order to make a purchase.
- You want to surprise & entertain people with listings
- The first Bullet Point needs to state the benefit of the product
- The first 3 Bullet Points show up on mobile devices
- To gain the "Amazon Best Seller" badge requires a 10/10 listing

### Amazon Best Seller
- A number that nearly every product within the Amazon catalog is awarded once the item has made a sale.
- A good indicator of how well a product is currently selling on Amazon

## Listing Spreadsheets -

- Go to "Inventory"
- Go to "Add Products Via Uploads"
- Go to "Download An Inventory File"
- Go through and select the category your product comes under
- You want the template to be set on Advanced and then select the market place you are wanting to sell in.
- Click "Generate Template"

**Tips For The Spreadsheet –**
- Brand Name MUST match the trademark exactly
- The manufacturer is the company and not the factory where the product are made
- You should fill in as many fields as you can and focus on the information that is more likely to be found by the customers

## Uploading The Spreadsheet -

- Go to "Inventory"
- Go to "Add Product Via Uploads"
- Go To "Upload You Inventory File"
- Select "inventory Files For Specific Categories"
- Choose the saved listing file
- Set your email, so you get notifications once the file has been uploaded.
- Click "upload"

## Monitoring Uploads -

- With each upload a batch number is provided.
- If the upload comes back with a "complete Draft" attached it means there was some issues
- You can go back in and make the required changes.
- A successful upload should not come back with the "Complete Draft"
- If some products are not uploaded, then you should upload them manually.

# Brand Registry

- This protects your brand from hijackers and counterfeiters
- Along with a regular set up, additional information is needed in order to acquire brand registry
- There has to be a business specific email address and website as well as photographic evidence of the brand name on a product.

## Benefits Of Brand Registry

- Access to :

- Headline Ads
- Brand Analytics
- Video Uploads
- Enhanced Brand Content

- Protect Yourself :

- Test Buy & Check Validity of Products
- Copyright Packages
- Send Cease % Desist letters

- Listing Security:

- Brand Gating - locks listings
- A+ Content

# Brand Analytics

- This feature contains valuable insights to empower Brand Owners to make informed decisions about their product portfolio and marketing activities

- Amazon will show the most **popular search terms** across the whole of Amazon
  - Amazon will show what ASINs the search terms lead to
  - you can set date ranges to view historical sales for research as well as being able to predict similar item performance in upcoming seasons

- Brand Analytics allows access to I**tem comparisons** where you can see what customers viewed most frequently in the same day as the rights owners so you can see who you are competing with

- You also are allowed access to see **repeat purchase behaviour.** this helps brand owners better strategies and assess their marketing campaigns to drive repeat purchases and acquire new customers

# Reviews

## Analysing Reviews -

- Always make sure a review has a "verified purchase" sticker next to it to ensure it is a genuine review
- You can extract reviews to see what key terms are being used by customers. It's a great way to do some keyword research
- You should also include customer favourite features in product listings and images
- It is important to study customer reviews to know what features to work on from a seller point of view.

# Getting Discovered & Making Sales

## Getting Discovered -

- Make sure you are listing your products in the right category.
- There is nothing more important than the title of a product
- Longer the keyword - the higher the conversion rate
- It is important to have a healthy balance between good copy and searchable keywords in the title
- PPC helps to boost discovery

**Good Title + Fair Price + Good Images =   Success on Amazon**

## Making Sales -

3 things to focus on in making sales on Amazon -

1. Keywords          2. Conversion Rates          3. Sales Velocity

### Statistics -

- 75% of sales on Amazon happen between 8am and 7pm
- Top 3 listings get 50% of the clicks
- 30% of searchers go beyond page 1
- price is important but doesn't have to be the cheapest
- focus on profit and not sales

### 7 Aspects of Driving Sales -

1. Main Image
2. Pricing
3. Images 2 - 7
4. Reviews
5. Snippets from reviews
6. star ratings
7. whether your running coupons

# Sales Stopped Checklist

**12 positive reviews make up for 1 bad review**

## Check For -
- Any suspensions from Amazon
- Bad reviews
- Bad Images
- Make sure you have inventory in stock
- Check the promotion codes haven't expired

- Ensure your products have the Buy Box
- All your ads are active
- Make sure you are not selling the products
- Seasonality effects
- The natural product lifecycle

**Amazon Search Shuffle**
In March & July, Amazon run experiments which can affect the rankings

## In-Stock Head Start -
- Customers can still buy out-of-stock items
- Customers can find & buy temporarily out-of-stock products when shipment is on its way to fulfilment centre provided you used Amazon partnered shippers. This way Amazon can see tracking & estimated arrival dates

# Prohibited Activity

- Black Hat Tactics - hacking
- Grey Hat Tactics - playing between the lines
- Cannot divert people from Amazon - e.g. no links / URLs

## Sellers Cannot Incentivise Reviews -
- No rebates
- cannot use family and friends to order products
- cannot attack competition
- Careful when emailing customers

## Do Not Game The System -
- You cannot sell the same product on multiple accounts
- Make sure the image is on a plain white background
- Do not use trademarked / brand names in listings
- Do not use unsubstantiated claims in your listings
- Ensure you never blame Amazon or a customer - should your account be suspended

# A9 Search Engine
## Amazon's Internal Tool

# Module 48

- You can use the A9 to catalog & categorise the entire Amazon experience
- You can use both predictive & real conversion rates to create product rankings
- This search engine uses **LSI**
- The A9 Search Engine is logic based
- It can help look at the **bounce rate**
- Amazon's main concern is RPC

## LSI
- **L**atent **S**emantic **I**ndexing
- Sophisticated search technology allowing Amazon to identify patterns within relationship of search terms

## Bounce Rate
- Measurement of time a prospective buyer spends on your page

## A9 takes into account 4 major criteria -
1. Interest
2. Conversion
3. Relevance
4. Customer Satisfaction

- A great way to increase customer satisfaction is with email follow ups. It's a great way to wow a buyer and offer tips on use of the product
- Follow up emails are a great way to clime the ladder of loyalty - they provide value and connection
- 30% of Amazon buyers opt out of recieving emails
- Amazon A9 favours the FBA model as it believes that FBA can provide a better cusotmer experience.

## A9 Algorithm -

- When selling on Amazon the conversion rate is one of the first things sellers should understand
- **Organic** - nobody is paying in order to make a sale happen - should make up 80% of the sales
- **Sponsored** - a seller is paying for the ads to drive sales - should make up 20% of the sales
- However it is not always the number of sales you make that determines the rankings of your products - It is about how much you contribute to Amazon's ecosystem

## BSR Ranking -

- An Amazon Best Sellers Ranking is a number that nearly every product within the Amazon catalog is awarded with once the item has at least one sale.
- The BSR is a good indicator of how well a product is currently selling on Amazon
- The lower the BSR - the better the sales

> The honeymoon period offers sellers of new products a little extra boost for the first 30 to 40 days do it is important that the listings are ready from day 1

## Amazon Hierarchy -

1. How many "Add To carts" your product has
2. The number of page views
3. The number of recent sales
4. The quality of the listing
5. The listings historical data

## Reviews Matter -

- It takes over 20 reviews before buyers start to believe listings
- Amazon does get suspicious of short reviews
- Having less than 3 reviews is known as the danger zone
- You must be consious about contacting any reviews

## Other Things To Consider -

- Amazon likes to see 30 days worth of available stock on hand
- The longer you sell on Amazon, the better the affect it will have your account
- The main & secondary images are important to rankings
- Do not raise th eprice in order to slow down sales when youre running out of stock! This can have a massive impact on rankings

# Using Blackbox

After figuring out an initial investment then Blackbox is a great tool to begin product research:

- Filter by monthly revenue parameters
- Filter by target selling price
- Filter by product review count (greater than 20 but less than 200)

Find in-demand products with ROI potential and have room for sellers to compete

## Investigate -

- Product search results show sales informaiton and history
- Inspect weak listings as this can show opportunity & how you can do better
- Play with searcparameters / filters until you find suitable items

## BlackBox Research -

- Sellers should identify worthwile opportunities through running  numbers on appealing listings
- All sellers should narrow down the list of potential items then look at the crieteria

# The Chinese Way Of Thinking

## Black Hat Amazon Seller-

- Make up 40% of Amazon sellers
- They can be very aggressive:
  - In it to make a quick buck
  - Not building a brand
  - Not building a company
- Most products under S20
- If something goes wrong they are disciplined by Amazon
- Uusally operate with a Vendor Central Account:
  - Affords it "god-like" privileges
  - Allows them to easily modify listings

## Zombie Listings -

Black hats take over "dead" ASIN listings & change them to new products - borrowing reviews.

- Very good at creating fake companies to create reviews
- freely sharing information at huge communal meet-ups to offer advantages
- Spies deep inside Amazon - funnelling "private" information in return for bribes