THE DEFINITIVE GUIDE TO

AMS

Amazon Marketing Services

content26
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What is Amazon Marketing Services (AMS)?
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Amazon Marketing Services is an advertising solution that enables Amazon vendors to increase their product visibility and sales. Ads from AMS primarily appear on search results pages, product detail pages, and other ad placements within Amazon’s ecosystem.

Using AMS’s three campaign ad types, Headline Search Ads, Sponsored Product Ads, and Product Display Ads, you can sell to your customers at all stages of the shopping journey. These customized advertisements drive shoppers to your product pages and increase your sales.

You can build ads using Amazon’s self-service dashboard and pay only when shoppers click on your ads. The dashboard’s comprehensive reporting tool allows you to measure a campaign’s success quickly and adjust when necessary.

**KEYWORD TARGETING**

For most AMS ads, vendors target (and bid on) keywords. When a shopper types a query into Amazon, all vendors with bids on the keywords in the query enter an auction. The winning ad is shown to the shopper. If the shopper clicks on the ad, the vendor is charged one cent more than the next highest bidder.
### Understanding AMS Ad Products

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<td>Multiple product banner ad with customizable headline above search results</td>
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<td>• Various ad placement opportunities: product page, search results, non-Amazon sites</td>
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Why Use AMS?
What is the largest product catalog on the Internet, with more than 55% of shoppers going directly to Amazon to start product searches. Yet vendors invest 10 to 20 times more in ad campaigns on Google.

The Cost Per Click for many popular keywords on Amazon remains relatively low. And because Amazon shoppers are typically ready to buy, **AMS ads have solid conversion rates when compared to Google Adwords and other eCommerce aid search technologies.** This combination makes Amazon Marketing Services an enormous early-stage opportunity.

By starting now, **you can keep advertising costs down over time.** Rather than paying steeper prices tomorrow to win increasingly competitive ad auctions, you can identify high-performing keywords today and use them to drive traffic to your product page.

When your product page features high-performing keywords, it becomes more relevant to shoppers, boosting your page's performance in Amazon's organic search results.

Combine this with the search bump that comes from the ads themselves, and you will see how an effectively run AMS campaign can help drive product discovery even after your ads stop running.

“AMS should be an easy sell for any marketer. If you do a good job of managing your campaigns, you’ll make more - and potentially a lot more - than you spend. What boss doesn’t like to hear you made four times more than what you spent? It’s a no-brainer.”

– Preston Keaton, Director of Search Engine Marketing, content26
Path to Product Page
Path to Product Page

While shoppers can arrive at Amazon at many different stages of their buying journeys, **all paths lead to a product page**. Forward-thinking vendors understand the connection between Amazon ad campaigns and product content. These vendors make sure their product pages clearly detail product features and benefits.

How do **Headline Search Ads**, which target customers in the early stages of their shopping journeys, connect to product pages?

Headline Search Ads link directly to a product page or send shoppers to one of three specialized landing pages: a brand page, an Amazon-created **best-selling products page**, or a **customized search results page** with at least three products.

Driving traffic to a brand page or customized search results page is a great way to introduce shoppers to a family of products.

How do **Sponsored Product Ads** and **Product Display Ads** connect customers to product pages?

Sponsored Products Ads and Product Display Ads feature one product and link directly to the product detail page. These ads serve the most motivated shoppers who are looking for specific products or are ready to buy from a competitor.

**REMEMBER:**
The Buy button on the product page is the finish line. Maximize your ad spend by building strong product pages with essential and enhanced content that engages shoppers, answers their questions, and closes the sale.
Campaign ROI: Manage AMS for Strong Sales
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There are two common approaches for managing AMS ad campaigns. You can create campaigns and use Automatic Targeting to “set it and forget it,” or you can manually create keyword lists and optimize your campaigns. Each approach can have dramatically different results.

We compared two products with nearly identical prices and daily ad budgets. We found that the managed manual campaigns returned roughly 3x the revenue of the automated campaigns during the same time period.

Not only did the managed campaigns return more revenue, but they also netted more impressions. The managed campaign ads were served to Amazon shoppers more than 10,000 times each day, compared to approximately 550 times each day for the automated campaign ads.

Automatic Targeting is a hands-off approach that can sacrifice results. Strengthen the impact of your campaigns by managing them manually or hiring an agency to manage them fulltime.
Case Study: Strategic Approach Slashes Amazon Advertising Costs
Summary

Background
Leading beverage brand turned to content26 to improve AMS results.

Solution
Content26 reorganized and restructured the brand’s AMS campaigns, injecting 17,000 keywords and expanding campaigns for top-selling products.

Results
In the year since content26 took over control of the campaigns from Amazon, the ROAS has risen from 1.8x to 4.3x and the total profit has risen significantly.

A Refreshing Change

In 2016, a leading beverage brand began partnering with content26 to create Amazon content and manage Amazon Marketing Services (AMS) campaigns for over 50 beverage products.

Brand managers asked content26 to restructure its AMS campaigns with the goal of increasing effectiveness. The result has been a dramatic increase in Return On Ad Spend (ROAS).

STATS:
• PRODUCT LINES: Beverages
• PRICE RANGE: $15-$25
• Average Monthly Budget: $35K
Targeted Campaigns Lead to Improved Conversions

When content26 took over control of the brand’s Amazon Marketing Service campaigns in September of 2016, the first step was to turn off and phase out old, ineffectual campaigns.

One-hundred-twenty-five new campaigns were created for the top-selling drinks, with 17,000 targeted keywords injected, observed, and adapted for usefulness.

Prior to content26 managing AMS, the brand had received a 1.8x ROAS. In the first quarter of 2017, with content26 running the AMS campaigns, the brand’s ROAS increased to slightly over 4.3x ROAS.

A look at the average monthly Google searches shows that there were roughly the same amount of queries for brand-related keywords in the first quarters of 2016 and 2017.

This means that even with a relatively unchanged web presence between these time periods, content26 was able to more than double the brand’s Return on Ad Spend by effectively monitoring and managing their AMS campaigns.

“We weren’t sure how well these campaigns would perform, given how competitive this category is on Amazon. This project just goes to show what can happen when you closely manage AMS campaigns.”

– Andy Fang
account manager

AT A GLANCE:

• By restructuring 125 AMS campaigns, content26 doubled ROAS
• Creating new campaigns for top-selling products and injecting targeted keywords led to greatly increased returns
• One year after taking over the campaigns, content26 delivered nearly $300,000 in additional AMS profits
What an Optimized AMS Campaign Looks Like
4 tips for optimizing your AMS campaigns

Amazon Marketing Services is an essential tool for driving targeted traffic to your product pages. To maximize your success over time, make sure your AMS campaigns are:

1. STUDIED AND FINE-TUNED. Once your campaign is up and running, study the reporting metrics Amazon provides. To increase efficiency, it's important to adjust keyword bids, pause low-performing keywords, and introduce more effective ones.

The Customer Search Term Report offers valuable insight by allowing you to see exactly what shoppers are querying to trigger your keywords.

2. PERSONALIZED. Amazon suggests keywords for Headline Search and Sponsored Products ad campaigns, targeting ads to customer searches based on product information. But this method relies on Amazon's algorithm, so the Cost Per Click typically runs higher than when you create your own keywords.

Try Automatic Targeting for about a month to learn which keywords shoppers are using to find your products and then migrate those keywords into campaigns that you manage manually.
3. BOTH OFFENSIVE AND DEFENSIVE. You can use Product Display Ads to advertise on specific product pages. Placing your ad directly beneath your competitor’s Buy button is a smart offensive tactic.

But don't forget to defend your pages--placing Product Display Ads on your own pages keeps competitors out and allows you to upsell and cross sell your products.

4. YEAR-ROUND. Nonstop campaigns allow you to target shoppers with contextual ads and gain insight into seasonal and keyword trends.

Driving sales year-round can improve a product’s sales performance and thereby boost organic search results.
Create a Dynamic Shopping Experience
Create a Dynamic Shopping Experience

Well-run AMS campaigns are profitable in the short-term, but getting long-term value rests on an understanding of dynamic content.

Dynamic content is strategic product page **content that’s regularly refined based on AMS analytics, marketing initiatives, and retail trends.** It features AMS campaigns that are up to date with shopper search behaviors, while featuring content that is nimble and in synch.

Here's an example. A research study arguing that whole grains help you live longer is making headlines. Because of this, a vendor selling cereal should adjust its AMS strategy to bid on the keyword “whole grain.” The vendor should also update their product detail page to tout the cereal’s whole grain ingredients—all within days of the news breaking.

Another example is the Zika virus health care scare. When news of the outbreak broke, people immediately began searching for ways to avoid the virus. In such situations, a vendor selling an insect repellent that fights the Aedes mosquito should act quickly and add “Zika” to AMS keyword bids and feature this benefit on their product pages.

This type of product marketing is the **cutting edge of ecommerce.** As online shopping becomes easier, more mobile, and more popular, people will make purchasing decisions faster and expect to receive information relevant to their immediate needs.

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**DYNAMIC CONTENT IS:**
- Nimble
- Strategic
- Responsive
Amazon vs. Google
Amazon vs. Google

For product searches, Amazon is the new Google. But keep in mind the differences between the two advertising platforms.

- Amazon shoppers tend to be ready to buy, whereas Google shoppers are in the early stages of product research.
- Google AdWords campaigns typically have a lower Return On Advertising Spending (ROAS) and a higher keyword Average Cost Per Click than AMS campaigns.
- AMS ads are more likely to produce higher conversion rates.
- Advertisers have more nuanced control over Google AdWords campaigns, though this is likely to change as AMS technology develops.

We conducted a four-month test of the cost differences in a set of keywords in the home consumables category on both Amazon and Google. As we expected, the results showed CPCs are lower on AMS than on AdWords. We monitored the keywords from October 2016 to January 2017 and found that the average CPCs on Amazon Marketing Services was about 38% lower than Google Adwords. AMS averaged $1.21 per click while Adwords averaged $1.79 per click.

**TIP:**
Choose keywords based on the shopper’s stage in the buying journey. For example, a camera company might target the keywords “best SLR camera for sale” on AdWords and simply “SLR camera” on AMS.
Amazon Marketing Services is a unique tool that allows us to promote our brands and products to Amazon customers. With AMS we can accelerate the sales rank of new product launches, defend against key competitors, and more effectively capitalize on marketing and promotional activities that are occurring with our brands.

– Andrew Stauffer
Senior Manager, Amazon Marketing Activation
Frequently Asked Questions
What role should AMS play in my future ecommerce strategy?
The more products Amazon offers, the harder it is for them to get discovered organically. AMS is essential if you want your products to be easy to find on Amazon.

How much should I budget for AMS?
An AMS budget depends on the level of competition that exists for the targeted keywords. Our clients usually spend more than $200,000 a year on AMS campaigns.

How is AMS related to product page content?
To optimize your AMS campaigns and get the most out of your ad spends, it’s important to place high-performing keywords in your product page content. Doing so makes your product page more relevant to shoppers and drives traffic to your page, boosting organic search results.

How can I identify AMS keywords to use in my content strategy?
Using the AMS dashboard, you can choose keywords that are gathering a strong Impression Share, a healthy Return On Ad Spend, or a combination of both. We’ve seen high performance data from short-tail keywords, which correspond to less specific searches, as well as from brand-specific keywords.

How can I optimize AMS campaigns?
It’s important not to “set and forget” AMS campaigns. Boosting bids on high-performing keywords and lowering bids on others will decrease the average Cost Per Click and increase Return On Ad Spend. Testing ad copy and examining small variations in keywords also ensures maximum profit.

What is the best kind of agency to help with AMS?
An agency that also handles content is paramount. These types of agencies can identify keywords and then use them to improve product page content, taking your AMS campaign to the next level.
Content26 has been a global leader in search-optimized content development for more than a decade, providing unparalleled expertise in product-page content for Amazon and other leading online marketplaces. We act as a trusted partner to our clients, developing and managing the ecommerce advertising and content strategies of many of the world’s most recognizable brands.

Contact David Zimmerman, Enterprise Sales Lead, to get a quote for your AMS project at david.zimmerman@content26.com.