

PAXCOM

Amazon Marketing Services

All you need to know in 2024



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Description

Amazon has become the cornerstone of eCommerce, offering businesses an unparalleled platform to reach millions of customers worldwide. With over 310 million active users daily, it is the third-largest search engine globally, making it an essential tool for brands looking to scale their online presence. As we step into 2024, understanding [Amazon Marketing Services](#) (AMS) is more crucial than ever for any business aiming to thrive in the [digital marketplace](#).

Why Choose Amazon?

Amazon's vast and diverse customer base, combined with its sophisticated marketing tools, makes it a prime choice for businesses of all sizes. According to Statista, India's eCommerce market alone is expected to reach \$200 billion by 2026, with Amazon playing a significant role in this growth. With over 9.7 million sellers and more than 2 million active sellers in 2024, Amazon's marketplace offers brands a competitive edge, enabling them to reach customers they might not have access to through other channels.

Amazon Marketing Services (AMS)

Amazon Marketing Services (AMS) provides brands with a suite of advertising tools designed to enhance product visibility, drive traffic, and increase sales. Also known as the Amazon Advertising

Console, AMS operates on a pay-per-click ([PPC](#)) model, allowing sellers to create targeted campaigns based on keywords and customer behaviour. Below is a comprehensive overview of the key components of AMS.

Key Steps for Amazon Marketing Services:

- **Extensive Research:** Understand the customer's mindset and meet their demands.
- **Customise Products:** Prioritise the most sought-after products according to location-wise demand.
- **Examine Analytical Reports:** These reports help brands make informed decisions on what keywords to bid on.
- **Use Amazon's Additional Services on A+ Content:** This service helps brands create great graphical content.
- **Competitive Analysis:** Keep an eye on competitor performance and integrate those points into ad campaigns and content to strengthen your brand.

1. Sponsored Products

Source: Amazon USA

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Source: Amazon USA

Sponsored products are cost-per-click (CPC) ads that promote specific product listings on Amazon. These ads appear in search results and on product detail pages, making them highly visible to potential shoppers. They are particularly effective during major shopping events like Prime Day or Black Friday.

Key Features:

- **Visibility:** Sponsored Products ads are strategically placed at the top, side, and bottom of search results, as well as on product detail pages. This ensures that they capture attention from various angles, whether shoppers are just starting their search or comparing products.
- **Targeting Options:** Advertisers can choose between automatic targeting, where Amazon selects relevant keywords, and manual targeting, which allows for more control over which keywords or products to target.
- **Bidding and Cost:** Sponsored Products operate on a bidding system where advertisers set a maximum bid for each click. The actual cost is determined by the competition for the selected keywords, making this a cost-effective way to drive traffic.

2. Sponsored Brands

Brand ads

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Overview: Sponsored Brands are PPC ads that allow sellers to showcase their brand logo, a custom headline, and up to three products. These ads are prominently displayed in Amazon search results, making them ideal for increasing brand awareness and product discoverability.

Source: Amazon India

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Source: Amazon India

Image not found or type unknown

Source: Amazon India

Key Features:

- **Ad Format:** Sponsored brands can feature up to three products, direct traffic to a brand's Amazon Store, or even showcase products through video ads.
- **Targeting and Bidding:** Similar to sponsored products, advertisers can use automatic or manual bidding strategies to optimise their campaigns.
- **Placement:** Sponsored Brands ads are displayed in various locations, including above, beside, and below search results, ensuring maximum visibility across different platforms, including mobile devices.

3. Sponsored Brand Video Ads

Sponsored Brand Video ads take the concept of sponsored brands a step further by incorporating video content. These ads appear prominently in search results, occupying a significant portion of the page to grab shoppers' attention.

Source: Amazon India

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Source: Amazon India

Key Features:

- **Auto-play:** The video automatically plays when at least 50% of the pixels are visible on the screen, ensuring that it captures attention without requiring user interaction.
- **Product Details:** The ad includes essential product information, such as the primary image, title,

price, reviews, and shipping details.

- **Best Practices:** Keep videos short (preferably under 30 seconds), highlight key information early, and invest in high-quality production to create a polished, engaging ad.

4. Amazon Lockscreen Ads

Amazon lockscreen ads

Image not found or type unknown

Source: Amazon ads

Image not found or type unknown

Amazon Lockscreen Ads, Source: Amazon Ads

Lockscreen Ads are full-screen advertisements that display when users unlock their Kindle or Fire tablet. They are designed to capture the attention of readers and promote eBooks or other relevant content in a visually appealing manner.

Key Features:

- **Customisation:** Advertisers can create custom text and designs for their ads, tailoring the message to resonate with their target audience.
- **Targeting Capabilities:** These ads are interest-targeted, ensuring that they reach users most likely to be interested in the content being promoted.
- **Cost Structure:** Lockscreen Ads operate on a CPC model, making them a budget-friendly option for promoting eBooks and other digital content.

5. Amazon DSP (Demand-Side Platform)

Source: Amazon ads

Image not found or type unknown

Source: Amazon Ads

Overview: Amazon DSP is a demand-side platform that allows advertisers to programmatically buy video, audio, and display ads across Amazon's owned-and-operated sites and apps, as well as third-party websites and apps.

Key Features:

- **Ad Formats and Placements:** Amazon DSP supports various ad formats, including display ads, video ads, audio ads, and connected TV ads.

- **Costs and Eligibility:** Amazon DSP requires a minimum monthly spend, making it suitable for larger advertisers with significant budgets.

6. Amazon On-Box Advertising

On-box Advertising, Source: Amazon Ads

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On-box Advertising, Source: Amazon Ads

[Amazon On-Box Advertising](#) offers a unique way to engage customers by customising delivery boxes with branded content and advertisements. This strategy creates a memorable unboxing experience, capturing the customer's attention right when they receive their package.

Key Features:

- **Custom Designs:** Brands can collaborate with Amazon to create visually appealing box designs that may include games, doodles, and promotional messages.
- **Interactive Elements:** Some campaigns incorporate augmented reality (AR) experiences, enhancing the physical-digital interaction and further engaging customers.
- **Direct Engagement:** The delivery box becomes a direct touchpoint with consumers, enhancing brand recall and loyalty.

Bidding Strategies on Amazon

Bidding strategies help maximise Amazon ad campaigns, enabling brands to achieve higher conversion rates on Prime Day and throughout the year.

- **Automatic Targeting:** Amazon matches your ads to relevant customer search terms and products. Leverages Amazon's algorithm, taps a larger audience, and is easy to set up. Automatic targeting is best suited for beginners or those who are looking to discover new products to target.
- **Dynamic Bidding:** Amazon adjusts your bid according to the probability of a conversion. It maximises conversion opportunities by optimising bids in real-time. Advertisers are interested in finding a balance between risk and reward, and they are willing to allocate more resources in order to achieve higher potential conversions.
- **Manual Bidding:** Both keywords and products are selected to target manually. Manual targeting grants you greater control over targeting, allowing you to make precise bid adjustments based on performance. This technique is best suited for experienced advertisers who have a clear understanding of their target audience and landscape.

Optimising Your Amazon Presence

[Optimise](#) your product listing by using relevant keywords. Well-written content will always draw attention to your product. In addition to product descriptions and titles, images also play a massive role

in improving visibility.

The Format of an [Optimised Product Detail Page](#):

Source: Amazon India

Image not found or type unknown

Source: Amazon India

- Titles: Creating short titles with relevant keywords boosts the click-through rate.

“Brand + Product Name + Grammage + Product Category + Keywords/USP + Variant/Flavours”

Amazon allows the use of 200 characters to improve the discoverability of the product.

- Descriptions and Bullet Points: Write 4-5 crisp pointers highlighting the features of the products.
- High-resolution Images: comply with Amazon’s guidelines and policies for all the images and video formats for high conversion rates. Professional pictures are necessary with a pure white background to elevate the quality of the image and product. Use a minimum of 500 pixels of quality for the additional images.
- A+ Content: This new type of enhanced content provides more than just information. It lets brands tell their story with a combination of visuals and text.

Look at how Paxcom helped a leading food category brand achieve 7x growth on Amazon by optimising its content and primary images. [The brand recorded 7x revenue growth, 180x growth in visibility, and a 700% increase in orders.](#)

5. Amazon Brand Stores

L’Occitane Brand Store

Image not found or type unknown

L’Occitane Brand Store, Source: Amazon

Using a brand store as the landing page for your advertisements can increase conversion rates. Customers can learn about a brand’s offerings on the brand store page and choose among various categories or variants. Additionally, the brand store is an ideal feature for cross-selling.

A brand store helps you improve your organic rankings and increase conversions. The storefront can make you stand out from the competition. **Do you know that stores that have more than 3 pages spend 83% more shopper time and 32% more attributed sales per visitor (Amazon ads)?**

Here are a few other ways to help you increase the conversion rate and make the strategies worthwhile for the brand.

User reviews and social proof:

- Encourage customers to leave reviews and ratings for your products.
- Build a sense of trust, security, and credibility by highlighting positive reviews and testimonials on your website and social media platforms.

Optimised landing pages:

- Create dedicated landing pages like brand stores, PDPs, and pages for your Prime Day promotions with clear and compelling messaging.
- People are increasingly making purchases on the go with their smartphones and tablets, so it is important that your landing pages be mobile-friendly. Over 70% of Amazon's traffic comes from mobile devices.
- Simplify the checkout process and make it easy for customers to complete their purchases.

Ad campaigns and paid advertising:

- Consider running targeted ads on platforms like Google Ads, Amazon Advertising, or social media platforms to increase visibility and drive traffic.
- Make sure to plan out your ad campaigns ahead of time and use relevant keywords, compelling copy, and accurate targeting.

Final Thoughts

Navigating Amazon's vast advertising ecosystem can be challenging, but with the right strategies and tools, your brand can achieve significant growth. Whether you're leveraging sponsored products to drive traffic, using Amazon DSP for targeted advertising, or creating memorable experiences with on-box advertising, Amazon offers a plethora of options to suit your business needs.

At [Paxcom](#), our AMS-certified marketing team is equipped to help you navigate these complexities and maximise your brand's presence on Amazon. From content creation and product listing optimisation to ad campaign management, we provide comprehensive support to ensure your success on the platform.

For more information on how Paxcom can help your brand thrive on Amazon, reach out to us at info@paxcom.net.