

THE WHOLESALE FORMULA

Module 4 Bonus Video – Amazon PPC Training

Hey there, welcome back. In this video, we are going to discuss Amazon Pay Per Click advertising or PPC as a value proposition. Amazon PPC is a great tool to use as a value proposition because it can help increase traffic to your products in the short-term and can also contribute to increased exposure, traffic, and conversions over the long-term. Other benefits of PPC ads include: increased brand awareness, an increase in new customers, and they generate additional sales. These are all things that are obviously very valuable to any brand owner. So, let's begin.

In terms of having a successful product on Amazon, there are two key factors: traffic and conversion. Traffic is the visitors to a product listing while conversions is those who purchase the product. PPC campaigns address traffic in the short-term by increasing the amount of people who see your product. This can be a recipe for success if your product has a high conversion. It should be noted that listings should be optimized first before initiating a PPC campaign. This is very important because you want to have the best possible listing before driving traffic to it. Ok, moving on.

If you're familiar with Amazon, I'm sure you've seen a Sponsored Ad. These ads appear because they are the result of an Amazon PPC advertising campaign. Amazon Sponsored Ads do not help with your conversion in the short-term, however, they can drive traffic to your products for specific keywords.

To start a PPC campaign, you will need to login to your seller central account. In the banner, you will see "Advertising." After you click on "advertising" a drop down will reveal Campaign Manager. Campaign manager is your command center for monitoring your advertising campaigns on Amazon.

When starting a new campaign, the first thing we want to do is give our new campaign a name. Let's call this one "Bath Towels."

Next, you will set a daily budget. We will go over some budget strategies shortly, but for now I'll just set it at \$1.00.

After that, you will need to set a start and end date. Outside of holiday promotions, we prefer to run our campaigns indefinitely. So, we will leave the setting to "no end date".

Then, we are prompted to select a targeting type. The vast majority of times we will want to select Automatic targeting; more on this later.

Ok, so we have our "Bath Towel" campaign set up with a daily budget of \$1.00 that starts today and runs indefinitely.

After we set up the campaign, we will want to continue to next step. In this step, we will set up our ad group, select the product and set our default bid.

Setting up a campaign is incredibly easy, and can be done very quickly.

There are a few key things we want you to understand before proceeding. Most of this is relatively simple and straightforward, but understanding it can save or even help you make a lot of money.

There are two primary types of targeting with PPC Amazon Sponsored Ads: manual targeting and automatic targeting.

With manual targeting you select the keywords that you want to target and effectively bid on, whereas with automatic targeting Amazon selects those keywords for you.

Both types can be incredibly useful, and certainly have their purpose. Automatic targeting is great at discovering new keywords and uncovering paths to your product that you may have otherwise missed. Oftentimes, it will find some very high producing keywords at affordable prices.

Manual targeting is utilized more with specialized campaigns. It is certainly more complex to use it, but you can do some really great stuff with it. We recommend sticking with automatic targeting until you have a better understanding of PPC advertising.

As we move on there are a few key terms to keep in mind as they will be critical in understanding the strategies for both using and talking about PPC advertising.

The first two terms you need to understand are "clicks" and "impressions". These two statistics are markers for traffic, but measure two different interactions.

With impressions, you are seeing the sheer number of people who saw your advertisement, whereas with clicks you are looking at the amount of people who clicked your advertisement.

When you have a high impression count, but a low number of clicks, this means that Amazon put the product in front of a lot of people, however, the product wasn't truly relevant to their intended search.

- **Organic Search** - This is where the product naturally comes up in search when a given term or phrase is entered into the search bar. The better a products organic search ranking is - the better that product is selling for those specific terms. The most desirable position for organic search is the first page in the top slot. However, being on page one is often considered to be a success.
- **Sponsored Search** - This is search related to sponsored advertisement. With sponsored search, products are placed into higher search positions through paid placement. This allows products which may not have great search rankings for select keywords or phrases to be placed in a higher placement. If those products convert well for customers searching for those keywords or phrases, the product will gain momentum in the organic search.

There are certainly lots of awesome strategies that work, and work very well. One of the best things is

adapting your strategy and finding what works with certain types of products and listing archetypes. Our goal here is to give you a highly effective fundamental strategy that you can build on.

One of the more effective campaigns we have found is a discovery campaign. In this we are simply looking for keyword data, as well as looking for sets of cheap converting keywords.

To do this, set up an automatic targeting campaign with a no end date. Then, set your max daily budget high (say around \$50). Then, set the default bid amount to \$0.10. Amazon goes and tries to "spend" your budget. This is wonderful, because their search engines will find lots of new interesting keywords for the product. We recommend that you check this campaign every 4 days. If your daily spend did not reach \$5 per day, increase your bid by \$0.10 and check it again in 4 more days. Keep raising your bid in \$0.10 increments until your spend is \$5 per day. After one week at \$5 per day, download the campaign report. Then, turn off the automatic targeting campaign. We can now use our keyword data to create a manual campaign with our best performing keywords, and we'll use the same bid and budget.

One amazing thing that can come from this onslaught of information is that you can learn an entirely new market segment that the product appeals to. Then, you can optimize the listing to convert better with the new market segment.

The bottom line is, this strategy will uncover some really awesome information that you can use both in optimization, and also in working with the brand owners.

Manual targeting campaigns are a strategy that you should explore after you have a bit of experience with automatic targeting. You set them up pretty much the same exact way, except you manually enter keywords that you would like your ad to be associated with. This works very well in conjunction with the automatic targeting campaign that will help you to build a better keyword list. Plus, you can use the same budget and bid from the automatic targeting campaign.

Being able to manually target works very well when you have specific customers and markets that you want to target. It does require some amount of research though. The first thing you do is:

1) Develop a good set of keywords

Again, you can do this by running the automatic campaign, and downloading the report that discovery campaign generated. You can see which were the best performing keywords from the report, and build a new manual ad-set around it. In terms of best performing keywords, we are looking at two things, best ROI, as well as the keywords which generated a high volume of sales profitably (or could be profitable).

This gets a bit more advanced, but if a keyword produced great sales, but the profits weren't right, you could look at including negative searches with that keyword to flesh out unrelated searches or lower converting searches.

For example, if you were listing a metal bangle, you could eliminate the searches for "plastic bangle" on a partial match.

Again, this is complicated stuff, and requires a bit more playing around and toying with it. Just realize that you can continue to test and streamline as you move forward.

2) Look at the following resources for more keywords, and volume:

- Merchant Words
- Adwords.Google.com/keywordplanner
- Scope by Seller Labs

Scope and Merchant Words are excellent tools for this, but are both paid services. However, if you are looking for a free solution to get started with this, definitely check out Google Adwords. You can set up a free account, and get search related information from Google, which will translate very well to Amazon.

By combining the information learned from an automatic campaign report and the information from Google Adwords, you should have a firm grasp on a product's top keywords. Use that information to build a manual campaign around those better performing keywords. That is the general method we utilize with keywords.

There are multiple ways that PPC can benefit you. We've already discussed how it can be used to help you start generating more traffic that will ideally turn into a positive shift in organic traffic.

One of the bigger benefits PPC campaigns can provide is helping to get approved for wholesale accounts. There are two primary ways that you can go about this:

1) You can mention your experience and expertise with Amazon Ads in a value proposition.

For instance:

"Our company is dedicated to finding new customers and audiences for our partnered brands. We have a unique approach to ecommerce marketing that allows us to get your products in front of new customers that would not normally see them. "

This is a value proposition you can use on your website, in an email, or even over the phone that states that you are able to do pay-per-click advertising to drive traffic.

2) You could offer a more tailored approach with a specific vendor and make it a central form of your communication. You could use Scope & Merchant Words to research related keywords beforehand, and simply tell them how they are ranking for a variety of searches on Amazon. Then you can draw back to listing optimization for improvement of conversion then driving PPC advertising to the product to gain organic traffic for the important target searches.

You have to keep in mind that everywhere a product does not rank well is an area for improvement. You can make that a central point in your initial contact with a company. You are letting them know of a problem that they likely did not know existed. This is likely the reason that they are poorly ranked for popular and highly related keywords. The solution that you can provide is for them to sell the product to you - so that you can help gain momentum for the product to promote organic ranking.

Allowing you to run advertising will gain them impressions, clicks and sales for the keyword, and as these searches convert, the product will gain organic steam. Over time, their rank will rise, which will cause a cascading effect of growing sales. Remember, sales perpetuate sales in the Amazon marketplace.

This is a HUGE benefit for them. You have effectively grown the size of the sale pie, and created additional value for their brand. Bear in mind, this is a relatively simple procedure - that can yield massive results.

Once you can effectively sell this value proposition, it gains power. Bear in mind, it is VERY beneficial for the brand that you are working with to do this. What we have found that most brand owners are willing to share the costs of advertising with you.

Remember, having a good product ranking on Amazon is not only good for Amazon, it is good for everyone. You must express that ranking well on Amazon is important and it represents more than just higher sales for you. It represents higher sales for everyone. It represents increased brand exposure. It represents growth for their brand.

This is because Amazon acts as the single largest search engine in the entire world for physical products. Store owners are looking there for ideas to expand their selections. Customers are looking at Amazon before making purchases in store. So, more B2B and B2C business.

Amazon is a HUGE emerging market. They are at the forefront of ALL eCommerce. Position is POWER on their platform. When you truly sell the benefits of being ranked well on Amazon, you really uncover a lot of potential.

We have found when we break down the values of ranking well on Amazon, and compare the value of Amazon Sponsored Ads to SEO on Google, companies are more than willing to share the expense of helping their products rank well.

You can say something as simple as:

"I would love to do this, and believe that the results would be invaluable for your brand. However, the margins don't allow me that opportunity. If you would want to work with me on this, we can develop a budget, and analyze the results after a month to see if it is worth continuing."

Again, we have found that many brand owners are open to this arrangement when you frame how important search ranking is on Amazon.

These are the three core components you should focus on in framing the importance of search ranking:

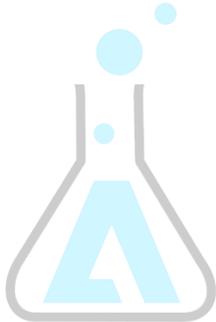
- 1) Amazon is the world's largest product based search engine. More than 50% of product searches on the internet now start on Amazon.com. Having great placement on Amazon will put their products in front of the eyes of more consumers than ANY single store in America. This is a place where people go to learn about products, and you don't want to be perceived to be less important than your competition.

2) Having placement on Amazon helps with other market sales. This is where smaller B&M goes to find new products that they will carry in their stores.

3) Amazon continues to grow year over year, exponentially. They are larger than the next FIVE eCommerce competitors combined (including Walmart and Target). As the economy continues to shift towards convenience-based purchasing, it is IMPERATIVE that their brand be well represented and well positioned on the platform.

Amazon pay-per-click advertising can provide HUGE advantages. The primary advantage on Amazon is the way that their search engines are built. Sales perpetuate sales. So oftentimes, feeding some money to Sponsored Ads can result in huge dividends in organic search in the long run.

The important aspect is to use the basic methods, and continue to grow as you feel comfortable. Use the strategies outlined here in this video, and use our “Sponsored Ads Mastery Guide” for increased effectiveness. That wraps it up for this one. Thanks for joining me and good luck.

THE
WHOLES  LE
FORMULA