

Amazon Sponsored Products vs. Amazon Product Ads



Amazon Sponsored Products vs. Amazon Product Ads

What's the difference?

And how can you best use them to build your brand and boost your revenue?

Amazon is big, and Amazon is popular. Anyone who has ever bought or sold products online knows that. But as the Western world's most prominent marketplace continues to grow each year, there are more retailers and more products competing for consumers' eyes — making it even harder for your products to stand out. The good news is that there are two tools you can add to your belt to help you separate yourself from the competition and increase your sales: Amazon Sponsored Products and Amazon Product Ads.

If you're confused (or thought they were one and the same), you're not alone. Though Sponsored Products and Product Ads sound alike, they're two very different strategies for getting your products seen on Amazon.



What's the Difference?

Amazon Sponsored Products allow Amazon sellers to advertise specific products on the Amazon search results page, and the advertisements lead shoppers to those Amazon product listings.

Amazon Product Ads, on the other hand, are ads on Amazon that enable retailers to drive shoppers directly back to the retailers' own e-commerce site — similar to the way that Product Listing Ads (PLAs) work on the Google search results page.

There are advantages to each option, and strategically implementing both can help your brand stand out from the growing competition on Amazon and boost your bottom line.

Amazon Sponsored Products	Amazon Product Ads
Keyword driven; retailer sets up keywords	Retailers don't set up keyword targets; Amazon does that automatically
Shoppers stay on Amazon to complete the sale	Shoppers are taken to a retailer's webstore to complete the sale
Best for products with: <ol style="list-style-type: none"> 1. A high Buy Box percentage 2. Low visibility and sales to maximize the potential of the program 	Good for retailers that want their products on Amazon but don't want Amazon to have access to their sales data Also allows retailers to "own" the customer
Cost: CPC; auction-based	Cost: CPC; auction-based

Amazon Sponsored Products

Why Use Amazon Sponsored Products?

If you're selling on Amazon and want to increase the exposure of the products you already have listed, Sponsored Products is a natural place to start. Though the ads are triggered only for items where you own the Buy Box, you'll be able to create Sponsored Products campaigns based on your goals. Have new products to highlight? Want to promote a seasonal line? Looking to drive more traffic to specific items or have clearance items you're looking to get rid of? Sponsored Products can be a great tactic to get new eyes in front of certain listings.

Additionally, the sales generated from Amazon Sponsored Products improve your Amazon sales rank, which is the numeric value that Amazon assigns to a product in its search algorithm. A higher sales rank ultimately improves the item's rankings in the Amazon organic search results.

Sponsored Products Related To This Item (What's this?)

Product Name	Price	Prime
iPhone 5c Waterproof Cell Phone Protective Case, Awesome Protective Cove...	\$54.95	✓
ROKE Unique Hard Soft High Impact Hybrid Armor Defender Case Combo for A...	\$8.99	✓
iPhone 5 Wallet Case Cover- iWallie - Unique Forward-Facing PU Leather I...	\$35.42	✓
Caseblare iPhone 5s 5 Yellow Big Viewing Window Leather Case	\$21.99	
iPhone 5S Case, JETech® Gold Super Fit iPhone 5/5S Case for Apple iPhone...	\$8.99	✓
Caseblare Blue Tri-Fold I Leather Flip Case with Back Hard Plastic Case.	\$18.99	

You can set up campaigns for all your products or a subset of them, and you incur costs only when shoppers click on an ad.

Setup

Getting started is simple. All you do is select the products you want to advertise, choose the keywords and set the bids. Shoppers who click your ad will be taken to your existing Amazon product listing page, where they will (hopefully) complete the sale. The ads are highly targeted, and a careful selection of keywords only increases the likelihood of a sale.

Finding the right audience with this accurate targeting gives you higher-quality clicks and potentially yields a higher ROI than many pay-per-click programs.

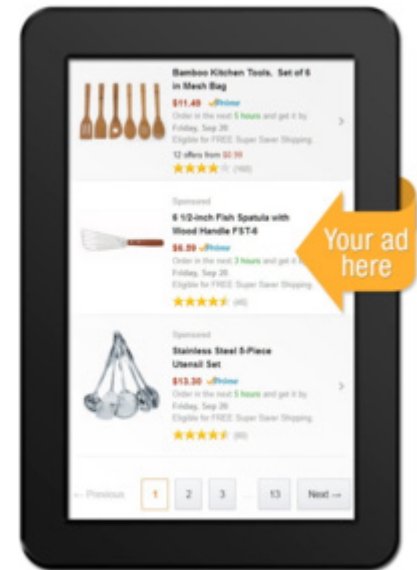
For retailers who wish to save time on keyword entry and tap into Amazon's vast knowledge of customer search and shopping behavior, there's the option of using automatic targeting, in which Amazon uses your product information to automatically target your ads to relevant customer search results.

Other Advantages

Amazon Sponsored Products is beneficial for products that have the Amazon Buy Box but low pageviews.

The Sponsored Products program seems to always be improving. Originally for PC browsers only, Amazon Sponsored Products are now delivered on tablets and mobile devices as well. And because mobile devices offer such limited screen real estate, sponsored ads on mobile devices are bigger and cover a larger percentage of the screen — potentially leading to more conversions.

Amazon has also updated its user interface for Campaign Manager in Seller Central, simplifying navigation, providing more sorting options and giving retailers a view of Advertising Cost of Sales (ACoS).



Manage Advertising

Campaigns Advertising Settings **Simplified navigation**

Actions Create campaign Enabled & paused Search campaigns

Month to date

Click-to-sort columns	Campaigns	Status	Targeting	Start date	End date	Daily budget	Spend	Sales	ACoS
		Running	Manual	7/29/13	No end date	\$5.00	\$0.00	\$0.00	0%
		Incomplete	Manual	6/9/14	No end date	\$1.00	\$0.00	\$0.00	0%
		Running	Manual	6/4/14	No end date	\$100.00	\$0.00	\$0.00	0%
	Whitney test 6	Scheduled	Automatic	6/9/14	6/29/14	\$100.00	\$0.00	\$0.00	0%
	Whitney test 3	Incomplete	Manual	6/3/14	No end date	\$5.00	\$0.00	\$0.00	0%
	whitney test 3	Running	Manual	6/3/14	No end date	\$110.00	\$0.00	\$0.00	0%
	whitney Test 2	Incomplete	Manual	5/16/14	No end date	\$5.00	\$0.00	\$0.00	0%

Advertising Cost of Sales column added

Amazon Product Ads

Why Use Amazon Product Ads?

Amazon Product Ads direct shoppers back to your website. And because you control the branding and overall buying experience on your site, Amazon Product Ads give you the opportunity to offer shoppers a more tailored experience. Additionally, shoppers who purchase directly from your webstore become a part of your customer base, giving you valuable customer data and the opportunity to advertise related products or upsell merchandise following the purchase.

Setup

You'll set up your Amazon Product Ads account in the same way you would an account on Amazon — through a detailed product feed. But in addition to all the product attributes you'll need to submit, such as title, price and images, you'll also need to provide customers with a detailed product description that includes key features.

This detailed product description is an advantage and distinguishing feature of Amazon Product Ads, because it allows you to provide shoppers with product information at no charge. As a result, potential customers are better informed about your products, which brings more quality traffic to your website, contributes to better ROI and increases Amazon's ability to target your ads in the future.

You can also add up to five keywords for each product you advertise. When choosing keywords, put yourself in your customers' shoes and use the terms that are popular on your own webstore or in your paid search campaigns.



Pink Sapphire - Flowers

by ProFlowers

★★★★★ 1 customer review

Price: \$34.99 + \$17.98 Est. shipping

Available to buy on ProFlowers.com (www.proflowers.com)

This item is only available on another website.

- Free clear glass vase with each purchase of a flower bouquet (may be different from picture)
- Guaranteed fresh for 7 days or your money back
- Flowers arrive in our specially designed gift box with your personal message

1 new from \$34.99

Other Advantages

Unlike many other cost-per-click advertising programs, Amazon Product Ads allow you to set a daily budget and cap your spending. This helps you avoid traffic spikes that can drain your monthly budget quicker than you'd like. Amazon moderates the daily spend so that in any calendar month, your average spend is equal to your daily budget. As a result, you'll be able to test the waters — especially when starting out — to gauge how much budget you should allocate to this advertising channel.

Lorel Executive High-Back Chair
 by XYZ Brand
 Price: **£99.99**
 Product Ads from external websites
 Ships from and sold by Seller ABC

Product Ads from External Websites

Product Name	Price	Delivery	Seller
Office Star ECH67106-EC1 / ECH67106-EC3 Work Smart High-Back Executive Chair	£190.99	+ Free Delivery	Seller ABC1
Boss Office Products Italian Leather Executive Chair	£245.99	+ Free Delivery	Seller ABC1
Air Grid Big & Tall Series with Mesh Seat	£399.99	+ Free Delivery	Seller ABC2
Eurotech Vapor Mid-Back Executive Fabric Chair	£539.00	+ Free Delivery	Seller XYZ1
Harold Knee Office Chair by EuroStyle	£149.99	+ Free Delivery	Seller XYZ1
Mid-Back Black Mesh Chair with Chrome Base [H-8369F-BLK-GG]	£106.99	+ Free Delivery	Seller XYZ2

One giant marketplace. Many ways to sell your products.

If you're considering new avenues for advertising exposure this season, this year or beyond, then highly targeted Amazon Sponsored Products or Amazon Product Ads could help you reach Amazon shoppers, improve your ROI, acquire new customers and increase sales.

If you have questions about Amazon Sponsored Products, Amazon Product Ads or want more tips on how ChannelAdvisor can help you stand out on the competitive Amazon marketplace, contact us at info@channeladvisor.com or call 866-264-8594.



Trust us. **Be Seen.**

To learn more:

Call US 866.264.8594 • UK 0203 014 2700 • AU 1300 887 239

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