



Stackline Academy
on Display Advertising

Cast a wider net.

Here's the quick take on Amazon Display Ads.

What you need:

The right audience and creative

The success of display campaigns turns on your ability to identify the characteristics and motivations of future customers based on past behavior and deliver highly-visual creative that commands their attention.

What you do:

In-Market, Lifestyle, and Remarketing Campaigns

Target your ads to prospective customers who are researching similar products or categories (in-market), have particular demographic or behavioral characteristics (lifestyle), or who have already visited your product page (remarketing). Reach them on Amazon's owned-and-operated properties and on third-party sites.

What you get:

Brand awareness (now) and conversions (later)

Display campaigns are best-suited to the goal of driving shoppers into the top of your conversion funnel. Pitch relevant product and brand benefits to consumers who should have your brand and products top-of-mind next time they're staring at the Amazon search bar.

What you measure:

Branded Search Traffic and ROAS (among other KPIs)

Successful display campaigns will drive awareness of your brand and consideration of your products. Measure incremental branded search traffic to get a fair proxy metric for your top-of-mind brand awareness. Divide your ad-attributable sales by your total campaign spend to keep tabs on the immediate value of your campaign.

“Amazon.com Inc. handles nearly half of all online sales in the U.S., giving it a popular platform and a wealth of consumer data. Now it’s on track to become the next juggernaut of online advertising, and its rise threatens to upend Silicon Valley’s ad titans and change the way business is done on Madison Avenue.”

Amazon, with little fanfare, emerges as an advertising giant

The Wall Street Journal | Lara O’Reilly and Laura Stephens | November 27, 2018

Prepping your advertising palate for ToFu

Here’s the deal: it turns out Amazon’s going to be a titan of advertising now, too, and it’s our mission to help you make the most of the opportunities. But as with all things Amazon, the important thing is to know which investments to make *when*. Common among the biggest advertisers in the world and the smallest is the dictum that no dollar be spent indiscriminately.

At Stackline, we look at every stage of your conversion funnel as a self-contained system of investment, execution, and optimization; and then we look critically at the *relative* performance at each stage to understand what next steps stand to maximize incremental return on each dollar.

If that sounds like it might take a whole lot of modeling and some premium-grade Excel skills, you’re right on.

But here in the land of words and tried-and-tested generalizations, we can simplify!

When we think about the range of investments a brand can make, we often advise to start at the bottom of the conversion funnel and work towards the top. The driving theory is intuitive: you can get faster results by improving your conversion rate with customers who are already cruising around on your product page than by trying to convince prospects who aren’t familiar with your brand to give you a look.

In general, it’s only once you’re efficiently winning paid and organic search traffic and can count on your product detail page content to inspire purchases that it’s time to expend dollars and energy driving more shoppers into the top of the funnel – or “ToFu” as the cool kids now say (and eat).



Tell more of your brand story with the creative potential of display

Let's assume you're still reading because the bottom of your conversion funnel ("BoFu") is a bona fide slip-and-slide. Shoppers who search in your category are mesmerized by your products and shoot straight into a buy box that you of course always win. All you need at this point is more shoppers to know about your brand and products and to want them. Sounds to us like you're ready for display, and since Amazon is the land of choice, you've got options.

Display Ads. Power up your inner brand-builder and prepare to turn heads. Display ads are opportunities to visually showcase your brand on Amazon sites, Amazon apps and devices, and select third-party sites. Unlike your Sponsored Ads (paid search campaigns that Amazon groups by placement into Sponsored Product Ads, Sponsored Brand Ads, and Sponsored Display Ads), which show up (mostly) on the search results page based on shoppers' keyword searches, Display Ads are relevance-targeted based on past, present, or predicted shopper behavior.

DSP. Amazon's 'demand-side platform' lets you use Amazon's sophisticated audience targeting options to run display campaigns 'programmatically' across all Amazon owned, operated, and affiliated properties, *plus* third-party exchanges that send your ads across the internet into placements backed by Amazon standards of quality and brand safety. In other words, you can massively expand the reach of your display ads all from the comfort of Amazon.



On Amazon owned & operated sites



On Amazon.com

Amazon offers the all-wheel drive of advertising: cross-screen, cross-device, cross-property



We think it often makes sense to tune your investment and creative rotation with Display Ads before you scale up to the reach and campaign management demands of DSP. But we can help you either way.

Types of audience targeting

Let's get to the fun part. You're ready to invest in display, and you're armed with a test budget. (Our test budget recommendations will vary based on a range of inputs that include competitor spend and return, paid and organic traffic analysis, ROAS benchmarks and objectives, and seasonality.)

Once that's nailed, your success requires savvy audience selection.

Remarketing targets buyers who have already searched for your brand or visited your product page. This is the 'Remember me?' option and a great way to reengage people who are considering your product but haven't yet committed to purchase.

In-Market segments corral shoppers who are showing behavioral signals or demographic markers of typical category purchasers.

Lifestyle segments are made up of shoppers who regularly spend time and money in your category. You don't need to sell them on the value of core functional attributes; you need to sell them on the differentiated value of your product and brand. Time to put up more than the table stakes and show off your most enticing value adds.

Prioritizing your audiences

Our BoFu vs. ToFu theory applies here, too. Remarketing allows you to follow your unconverted product page visitors around the web to recapture their interest and provide reminders about the wonders of your product. Expend your efforts and budget on bringing them back before you take on the work of persuading the uninitiated to give you a look.

Once your remarketing campaigns are humming along, parlay insight into the relative performance of your creative executions to extend your most compelling message to customers who may have shown interest in similar products or in your category, or are demonstrating the behaviors of a category shopper or future convert.

Creating a campaign

Amazon display campaigns run on the CPM model (cost-per-thousand impressions). In other words (and ignoring some nuance) you pay for every 1,000 individuals who see your ad.

When someone clicks on your ad, you can take them to your product detail page, your Amazon Store, or your own landing page or website. (The percentage of people who click on your ad when they see it is your CTR, or click-through rate, and the best indicator of the immediate motivational power of your creative.)

Of the various types of campaigns you can set up, a remarketing campaign is often most straightforward. Your audience is clearly defined; Amazon will build a segment of shoppers who have visited your product detail page.

And from a creative perspective, you know exactly which ASIN earned their attention, so you can serve them an ad that reminds them of that interest.

More sophisticated 'basket of goods' approaches can add to your creative arsenal – you can try cross-selling or upselling based on how existing customers tend to purchase your products. But it's usually reasonable to start with ads that feature the specific products your shoppers have visited.

For in-market and lifestyle campaigns, you'll have the profiles, personas, and behaviors of your existing customers as a starting point for both targeting and creative direction. And since your analytics provider should be able to show you exactly which of your ASINs your customers are buying most often and what keywords they're using to search in your category, you can make sure you're appealing to your in-market and lifestyle audiences with the most compelling products and attributes.

Judging campaign performance

While return on ad spend (ROAS) will define the value of your investment on the basis of the sales revenue it drives, you should evaluate that in the context of overall business objectives. Some clients are willing to sacrifice a little efficiency for reach (particularly if they're trying to get a foothold in a well-established category with intense competition from big-budget advertisers). But generally, we see advertisers hold their display campaigns accountable to a balanced mix of KPIs, with focus on upper funnel metrics.

Our software can help you attribute incremental branded search traffic to your campaigns (often fair proxies for brand awareness and consideration) and balance the value of that traffic against your ROAS.

You'll also carefully monitor KPIs like your click-through rate to understand which campaigns and creative executions are driving immediate interest. And Amazon will report on metrics like average detail page view rate (DPVR), which is functionally equivalent to ad-attributed traffic.

As your display campaigns start singing the siren song, and all your future new customers prepare to hop into your conversion funnel slip-and-slide, you'll keep tabs on the following:



Unique reach

Number of individual humans who see your ad



Click-through rate (CTR)

% of shoppers who click on your display ad when they encounter it on Amazon owned-and-operated sites, apps, or third-party sites



Branded search

% or volume of shoppers who use your brand name in the search bar



Branded search traffic

% or volume of shoppers who use your brand name in the search bar and click on your product in the search results



Ad-attributed sales

Dollar value of sales driven by your campaign (we'll save the conversation about how we define "driven by" for another time)



ROAS and ACoS

Return on Ad Spend (ROAS) is sales revenue driven by your campaign divided by how much you spent to run the campaign (higher is better) and Advertising Cost of Sales (ACoS), an Amazon-specific metric, is its inverse: campaign costs divided by sales revenue (lower is better)



Let's debrief.

Set smart objectives. Based on your performance and your business goals, determine if the highest and best use of your incremental investment is to build your top-of-mind brand awareness and generate more traffic from branded search. Once you've answered that in the affirmative, allocate that spend to remarketing campaigns – to drive consumers with demonstrated interest back to your products. Then apply learnings to lifestyle or in-market campaigns to appeal to relevant audiences that are not as well-acquainted with your brand.

Build attention-worthy campaigns.

High-performing campaigns match the science of smart targeting and efficiency-driven investment with the art of high-impact creative. Prominent brand identity, stellar headline, unique and relevant visuals, and impossible-to-say-no CTAs are all clutch components of high-performing display.

Measure and optimize. Monitor your through-funnel KPIs with special emphasis on the metrics display campaigns are best-suited to move: share of branded search and branded search traffic (as downstream proxies for top-of-mind awareness and consideration). Use click-through rates to evaluate the performance of individual creatives and campaigns. And remind the skeptics that building brand awareness and generating demand for your products is part of the long-game. The data dots don't always connect quite as quickly or obviously, but given time, showcasing your unique value to more of the humans who can and should appreciate it will keep that funnel full.





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