The Ultimate Guide To Amazon PPC

Learn how to run Amazon Sponsored Advertisements the right way & increase your profits now!

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Greetings!

You are here because you have downloaded this one-stop guide to Amazon Pay-Per-Click (PPC), which means you are either thinking about starting some PPC campaigns, or you want to get some tips on how to improve and refine your campaigns.

Well, you are in luck, because in this resource we have something for everyone. We’re going to take a look at all of the gritty details, from setting up campaigns, right through to managing them and analyzing the report data.

I’m not here telling you to start spending lots of money running Amazon PPC campaigns. Quite the opposite. After reading this ebook you will be equipped with the knowledge to decide for yourself if PPC campaigns make sense for your Amazon business. And for those of you who already know the power of PPC campaigns, you should walk away with the skills to set up more cost-effective and optimized PPC campaigns.

If the words “paid advertising” fill you with dread, hear this out. There is a strategy to suit every budget and compelling evidence to support why you might want to give PPC a chance to boost your Amazon selling business.

If you are completely new to PPC, there is a useful Glossary of terms at the end of this resource which you will find really useful.

Marketing and advertising are a fact of life - but so is the fact that you are a business trying to make profits. So let’s figure out how we can use Amazon PPC for good, and boost our profits for the future!

**PS, inside this resource I am going to show some examples of reports that can be found in Fetcher, which can really help reduce the time you spend downloading and analyzing reports from the Advertising Manager in Seller Central.**

I hope you get lots out of this ebook. If you have any questions or feedback, just drop us a line at support@fetcher.com.

**Shane**
Director @ Fetcher
The Benefits and Pitfalls of Amazon PPC

Let’s start with the bad news shall we?

Amazon Pay-Per-Click advertising costs money. Shocker, right?!

This comes with an obvious risk: that you do not make a good return on investment (ROI), or even worse, you eat into your profit margins so much that you stop making money. I’ve seen Amazon businesses run aground as a result of poorly managed PPC campaigns.

The good news is, this won’t happen to you, because you are reading this guide. So long as you know how to calculate the maximum amount you are willing to spend, and dedicate some time to managing your campaigns effectively (following the tips in this guide), you can have a lot of success with Amazon PPC.

Another downfall of Amazon PPC is that it’s not as well developed as other PPC platforms, such as Google AdWords. You could see this as a blessing, though, because it makes it much easier to manage, especially if you are a beginner.

If you have used platforms like Google AdWords before, then some of the information in the next chapter may be familiar to you, but I promise there’s lots more good stuff coming up too.
Give me the good news!

Okay, when used correctly, Amazon PPC is a good opportunity to get your product in front of more consumers, make more sales, and generate more profits.

These are Amazon’s own words about why you should use it. But what about the data?

Here’s an example of some positive stats from some campaigns that are running for the Jungle Scout Collaborative Launch product, Jungle Stix:
You can see some favorable spend and sales figures, alongside ACoS – ‘Average Cost of Sale’, where the spend is as little as 15% of the total attributed sales for that campaign. (I just used a new term there, ACoS, explained below. FYI, don’t forget there is also a handy glossary on the final pages of this guide).

**ACoS = Total Ad Spend / Sales**

ACoS is the percentage figure that measures the performance of your Amazon Sponsored Products campaigns. You are aiming to keep your ACoS percentage low.

These campaigns alone have generated $36k in sales during their full lifetime since the campaigns were launched. In particular, the campaign “Google Keyword Planner Keywords” has a low ACoS of 15%, because it has generated over $12k in sales, and has cost a total of $1.8k. Boom!

This is just one example of course, but it highlights the positive effect that PPC can have on your bottom line. Here are my top 3 plus points that stand in favor of Amazon PPC:

**#1 Getting started isn’t too difficult**

I am going to walk you through this step by step but one huge plus point for Amazon PPC is that it’s an easy option to boost your sales. In fact, you’ve already done a lot of the hard work in setting up your listing. There’s no need to spend hours writing ad copy and picking images because your Amazon listing will feed your ad. You’ll be able to set-up a healthy PPC campaign by the end of this book.
#2 Tap into a huge audience who are ready to buy

Amazon is a place where people go to buy things. In fact, it’s the #1 place in the world where people go to buy things. That’s probably why you started selling your products on Amazon. In marketing, we talk about the “funnel”, which is essentially where your customers are in their buying decisions. At the top of the funnel are people who are either unaware of the product they need, or just starting to show an interest.
At the bottom of the funnel are people who are doing highly specific searches in Google and Amazon to find products they need. You may be already selling on Amazon, but how many more sales could you get if you were showing sponsored ads at the very top of the product listings and for other related searches? The answer - a lot more!

If you have spent several months finding and sourcing the perfect product, and built a killer product listing, wouldn’t you want to give it a bit of a boost? In fact, if you have recently launched a product on Amazon, PPC can be a great way to boost sales velocity and rank (Amazon BSR) and then increase sales.

You may be thinking about marketing your products outside of the Amazon platform or driving external traffic. But in reality, there is already a MASSIVE audience to target within Amazon who are ready to buy your product but haven’t seen it yet. I recommend you focus on building awareness and exposure inside Amazon first. Many Amazon sellers will tell you that Amazon marketing is all you need to be successful selling on Amazon.

I wouldn’t oppose external marketing, but if you are weighing up which tactics to use, then Amazon PPC offers the most low-hanging fruit. Successful external marketing is much more difficult to achieve. Another awesome growth hack within the Amazon platform is optimizing your listing. Check out Splitly for a whole host of resources and the best software in the business!

#3 Drive more organic traffic to your listing too!
ROI is the most important factor when running Amazon PPC campaigns, but it doesn’t stop with the sales you make directly from the ads. Guess what, you’re likely going to see sales go up in general too!
How? Well, let’s say you have spent $500 on your PPC campaign and generated 50 sales directly from those ads. But you have also made 150 sales that month organically, which is 100% more than your average monthly sales of that product.

If you look at it this way, your campaigns have generated 125 more sales in one month. Even though many of these sales were not directly because of your PPC campaigns, it’s safe to assume that PPC is assisting your improved revenue. A spike in PPC sales will improve your overall BSR which in turn improves organic sales.

I was recently selling a private label product in the lighting category and set a goal to sell 7 units per day. I was consistently selling 5 units a day organically before I turned on PPC. I started making 2 PPC sales per day on average to achieve my goal of 7 sales. But after a week my organic sales per day shot up to 10 units for a total of 12 sales per day.

I quickly found myself on the phone with my supplier negotiating a new shipment of inventory to prevent running out! Some of my extra sales came directly from PPC ads, but the biggest increase came from organic searches in Amazon once my PPC ads started having a positive impact on my BSR.

So to conclude this chapter, the main reasons why you should consider adding PPC to your Amazon sellers’ marketing strategy are:
✦ Get access to the largest online audience in the world who are ready to purchase
✦ Acquire more sales & profits
✦ Improve your organic rankings and keywords by lowering BSR
✦ Getting started is easy & Amazon PPC isn’t difficult to manage
How Amazon PPC Works

Before we delve into the nitty gritty details of setting up, managing and improving PPC campaigns, I just want to give you an easy to understand breakdown of how it works.

PPC is one of those things that seems complicated and convoluted from the outside, but if you look at it this way, it seems a lot simpler.

**Campaign Structure Explained**

Think of PPC as a hierarchy of things, that build a full account. Here’s a visual aid to describe it best:
Chapter 2

1. Campaigns
At the top level you have campaigns, which is where you group things by the product and by the type of campaign: manual or automatic.

**NOTE: IF YOU HAVE SEVERAL PRODUCTS THAT FALL INTO SIMILAR CATEGORIES, FOR EXAMPLE, SHOES, YOU MIGHT HAVE A MANUAL CAMPAIGN WITH THE TOPIC OF “SHOES”, WITHIN WHICH YOU CAN ADVERTISE SEVERAL PAIRS OF SHOES USING THE SAME KEYWORDS.**

2. Ad Groups
Below campaigns you have your ad groups, which is where you can start to break down your campaign into manageable chunks. It’s usually easiest to be as granular as possible, so that you can easily navigate your way around, adjust your keywords and see how your campaigns are performing at the top level.

In the diagram I highlighted a couple of ways that you could do this for a manual campaign for the Garlic Press Manual Campaign.

3. Keywords
Inside those ad groups are where your keywords sit. These are the terms that you are effectively bidding on, in order to get your ads to show up in the search results.

How competitive a keyword is will typically determine how much you have to pay to get your product displayed in Amazon for that keyword. You can add many keywords into each adgroup, but it’s best to keep them manageable. Between 25-50 keywords per adgroup makes it easier to manage. Plus you
don’t want to target thousands of keywords at once, because this will result in wasted spend.

Once you understand this structure, the hardest part is manipulating your campaigns to drive the most revenue, with the best targeted keywords, while spending as little as possible. But we’re going to cover all of that shortly!

**Keyword Match Types**

I’ve already touched on match types in the campaign structure section above, so let’s clarify what this means and what they are.

You have the choice to set your keywords as *broad*, *exact* or *phrase match*. Here's an overview of how these match types work:

<table>
<thead>
<tr>
<th>Match Type</th>
<th>Keyword</th>
<th>Will Fire On</th>
<th>Won't Fire On</th>
<th>Can Include</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad</td>
<td>bamboo skewers</td>
<td>bamboo skewer, eco-friendly bamboo skewers, bamboo marshmallow roasting skewers, bamboo sticks</td>
<td>stainless steel sticks</td>
<td>synonyms, abbreviations, acronyms, mispellings and variations including plurals and stemmings (e.g. house vs housing)</td>
</tr>
<tr>
<td>Phrase</td>
<td>bamboo skewers</td>
<td>eco-friendly bamboo skewers, BBQ bamboo skewers, marshmallow bamboo skewers</td>
<td>bamboo marshmallow roasting skewers, bamboo sticks, bamboo BBQ skewers</td>
<td>mispellings, single or plurals, stemmings, abbreviations, and acronyms</td>
</tr>
<tr>
<td>Exact</td>
<td>bamboo skewers</td>
<td>bamboo skewers, bamboo skewer, bamboo skewer</td>
<td>eco-friendly bamboo skewers, BBQ bamboo skewers, marshmallow bamboo skewers</td>
<td>mispellings, single or plurals</td>
</tr>
</tbody>
</table>

It works in a similar way to other advertising platforms like Google AdWords and Bing ads. You are also able to add **exact and phrase match negative keywords**, to prevent your ads from showing when specific search terms are used. This is more advanced and not necessarily if you’re just starting out.
Managing Match Types

One useful method of campaign management for Amazon sellers is to carve your campaign up with match type ad groups like the example below.

This allows you to easily stay on top of your manual campaigns, and also adjust your budgets accordingly.

Each match type helps you to narrow down your target audience.

Using a **broad match** type opens up your ads to a wider audience which is great when mining for new keywords. This is a good place to start when launching new products.

Using a **phrase match** type allows you to start to narrow down the amount of variants that can trigger your ad, thus saving cost and becoming more targeted. But there are still some variants which can continue to provide some useful insights.

Finally, using **exact match** is most targeted and allows for the least variance in the search term that the consumer enters. This makes your ads more targeted, and usually cheaper with an improved ROI. It also means your ad will show to
less people (less impressions). It will take some experimentation before you can transition keywords from broad match to exact match.

When you start a new campaign, it's always best to start broader, so that you can reach a wider audience and spot keywords you had not already thought of or researched. Then, once you can see which keywords perform well for your product, you can hone in on those customers with phrase and exact match.

You can continuously review your data and iterate the keywords you are targeting and what your bids are for those keywords.

**TIP: Amazon allows you to download search terms reports so you can see the actual keywords consumers used to find your ad. More on this in Chapter 6.**
How Much To Spend on Advertising

Before you get started, make sure you’ve done the math. You need to know how much you can spend before you impact your revenue.

You also need to ask yourself how much of your revenue you are willing to “give up” in order to get a positive result and hopefully generate more sales that makes up for this cost, and then some. I would always trade a $1 bill for two $1 bills. Keep that mindset in the early days of your PPC campaigns.

Example

If you’re selling a product for $40 and the cost of goods is $10, with FBA and other fees at $15, you have $15 profit to play with.

From here, take a look at your average sales before starting up your campaigns. If you are selling 8 products per day on average, that’s $320 revenue and $120 profit.

Over a month you are looking at an average of $3720 in profit. Now you can really start to see how much of that you are willing to put into your campaigns.

If you have recently launched, you may want to bolster your sales with a higher budget for a few weeks, and take the hit on your profits, until your BSR and sales start to improve.
The good news is, the most risky decision has already been made. You have already launched a product. Presumably you believe and have research that shows it’s going to succeed. So now all you need to do is give it a boost to take a slice of the pie and some of your competitors sales ;).

**If your product has been around for some time, but sales are slowly declining**, you may want to start with a more modest budget, and then adjust this based on performance over the first few weeks. The same would apply if you have been out of stock for a while and your listing has dropped in the organic search results and your rank has suffered.

The key thing to remember when deciding on your budget is that it’s totally flexible. You can amend, pause and cancel your campaigns at any time.

So if you are conservative at first, that’s fine. If you see some amazing results you will be more confident in increasing your budget. You just need to ensure that your budget is enough so that you are competitive. Remember, this is a bidding auction. More on this coming up in the next chapter.

**Frequently Asked Question: When should I start running PPC campaigns?**

Some people prefer to wait until a product has a couple of reviews, whilst some say get started as soon as possible. Having some reviews will likely help your conversion rates and ROI, but there is a lot of value in getting an active listing. Remember that PPC will benefit you organically too. If your product is already out there in the wild, then it’s never too late to start advertising it.
Right, we’re getting to the good stuff now. We understand how campaigns and match types work and we’ve thought about our budgets. Let’s spend no more time with our heads in the strategy sand and get creating some campaigns.

It really is simple to create an advertising campaign on Amazon, which is good because you can launch before your morning coffee gets cold. However, you want to make sure you follow certain steps so that you don’t “leak money”, so to speak.

I always start by creating two campaigns. An “Automatic Targeting” Campaign, where Amazon determines which keywords to target for your product, and then a “Manual Targeting” campaign, where I choose my own keywords and ad group structure.

Here’s how you create a campaign. In Seller Central go to Advertising >> Campaign Manager >> Create Campaign

Really simple. Just make sure you choose a good name, so that it’s easy to identify later when you have several campaigns. I advise including the product name, campaign type and topic.
Starting an Automatic Campaign

For an automatic campaign, that is literally all you have to do to get started. Amazon will use your product listing to generate ads, and select keywords to target based on your listing and commonly used search terms.

So why would you set this up? Well, because it’s a quick and easy way to get some data about what key terms people are searching for to find products like yours. You will generate sales off the back of an automatic campaign too. Just be careful not to blow all of your budget on this campaign and be aware that you will want to start honing it in eventually.

I actually prefer to keep my auto campaigns running as an easy way to spot any new keyword opportunities. After the first few weeks, I reduce the budget and add any successful keywords that I pull out into Manual Targeted campaigns as “negative keywords”. This means that I won’t be bidding on the same keywords from both an automatic and a manual campaign at the same time. (More about negative keywords on page 32).
Here's a flowchart to show how you can maintain your Auto campaigns for a long period of time, or indefinitely, whilst also building targeted manual campaigns.

TIP: ADD ANY KEYWORDS YOU USE IN MANUAL CAMPAIGNS AS NEGATIVE KEYWORDS IN YOUR AUTO CAMPAIGN FOR THE SAME PRODUCT.
Starting a Manual Campaign

This is where it gets fun. Let’s do some keyword research!

Before we start, bear in mind that any existing keyword research you have (like from when you created your product listing) is useful here too. And vice versa! You can use this keyword research to pump back into your listing if you spot something you haven’t already optimized for.

Because a manual campaign allows you to upload keywords you find on your own, you’re going to need some tools. Here are the best ones that I use regularly:
Google Keyword Planner – Google’s free tool requires you to set up an AdWords account which you can do for free (you have to set up a campaign and pause it). Unfortunately, this has been stripped back in recent months, so unless you have access to an account that is running a substantial amount of campaigns, the data is more limited. But it’s still a useful tool, giving monthly search estimates based on the world's largest search engine.
✓ **Keywordtool.io** – This isn’t free, but a wise investment as it gives you search estimates for Google, Amazon, YouTube and Bing. The biggest search engines there are, including the one you are most interested in. You can also use this for free with limited data.

✓ **AHREFs Keyword Explorer** – This keyword explorer is pretty dynamic, and the AHREFs suite of tools is useful more generally for marketing. A must-have if you are doing any marketing outside of Amazon or if you have your own product website, ecommerce or affiliates website.
✓ **MOZ Keyword Explorer** – Similar to AHREFs, from the SEO gurus at Moz. You can actually do 5 searches per day for free too.

✓ **LSI graph** – A useful (and free) latent semantics tool, put in a keyword you are researching and it will give you lots of related keywords right away.
✓ **Ubersuggest** – Another free latent semantics tool for expanding your list of keyword ideas

Phew – so how do you log your keyword research?

Well, the best way is to document it all in a spreadsheet. This means you can return to it and add to it again and again. Just be aware that monthly search volumes can fluctuate so you might want to update it from time to time.

Here's an example of how your sheet could look when researching for "yoga mats":

<table>
<thead>
<tr>
<th>Keyword</th>
<th>Average Monthly Search Volume</th>
<th>Difficulty</th>
<th>Clicks</th>
</tr>
</thead>
<tbody>
<tr>
<td>yoga mat</td>
<td>32,000</td>
<td>high</td>
<td>26,000</td>
</tr>
<tr>
<td>best yoga mat</td>
<td>7,700</td>
<td>high</td>
<td>10,000</td>
</tr>
<tr>
<td>amazon yoga mat</td>
<td>1,300</td>
<td>high</td>
<td>1,300</td>
</tr>
<tr>
<td>exercise mat</td>
<td>9,900</td>
<td>high</td>
<td>2,700</td>
</tr>
<tr>
<td>yoga equipment</td>
<td>1,600</td>
<td>high</td>
<td>1,000</td>
</tr>
<tr>
<td>yoga supplies</td>
<td>1,900</td>
<td>high</td>
<td>320</td>
</tr>
<tr>
<td>yoga mat towel</td>
<td>2,400</td>
<td>high</td>
<td>450</td>
</tr>
<tr>
<td>travel yoga mat</td>
<td>1,600</td>
<td>high</td>
<td>160</td>
</tr>
<tr>
<td>cool yoga mats</td>
<td>880</td>
<td>medium</td>
<td>160</td>
</tr>
<tr>
<td>printed yoga mat</td>
<td>720</td>
<td>high</td>
<td>80</td>
</tr>
</tbody>
</table>

In fact, [here’s the spreadsheet](#) for you in Google docs, so you can save a copy for yourself and start working right away!

It’s absolutely fine to cross reference across these tools to get a wider picture.
But I would advise not spending too long getting hung up on the keyword research at this stage or you will never get started.

The main aim is to generate a large list of keywords which you can import into your Manual campaign and then refine and optimize them later.

**TIP: READ MORE ABOUT CONDUCTING KEYWORD RESEARCH FOR YOUR AMAZON PRODUCT IN THIS ARTICLE!**

**Importing Your Keywords**

Once your research is done the rest of the set-up is simple.

First, create your adgroup and give it a name. Remember the campaign structures we discussed earlier? I am going to show an example of setting up a broad match type campaign.

Below this you need to select which of your product listings you are advertising and this will generate your ad for you.

**Set a bid and provide keywords:**
Next, you can select your default bid, which is the maximum amount you are willing to pay when someone clicks your ad. This does not mean you will always pay this amount, this depends on the competition and their bids:

There is also the option to increase the bid only when your ad is eligible to appear as the top result, if you have some room in the budget for this. Note that your default bid will be applied to all keywords in this adgroup as a default, but you can go in and alter your bids on a keyword level afterwards.

Usually, a default bid between $0.50 and $1.50 is a good starting point, but it depends on your niche and your keywords.

Once your default bid is set, now you can add your keywords:

Ensure you are using the correct match type for each ad group. You can add your keywords in bulk by pasting them in and separating by line.

Once you add them, you will start to see suggested bids populating. This is an
indicator about how much people usually pay per click for the winning auction and a good guide to get you started.

The tool will automatically enter your default bid on the right, but you can alter this for each keyword before you set the campaign live!

Don’t worry, you will still get this data once the campaigns are running too:

That’s it! You have set up a manual campaign and it’s time to let it fly. The best thing you can do when you first launch a campaign is DON’T TOUCH IT! Even if you take a look and are worried that no sales are populating, don’t fret. Amazon can sometimes take 48-72 hours to report sales for a given keyword ad, so you need to wait it out.

I would let your campaigns run for at least two weeks before making any major decisions on how you will tweak them moving forward. The last time I launched a new set of light bulbs I followed this approach and semi-freaked out after the first few days when I noticed over $400 of total PPC spend and zero sales. I drank some cold water and reminded myself that it takes some time for the sales data to catch up. Sure enough, after 8 days I started seeing nearly $2000 in PPC sales. Good start! But now it’s time to review the data and optimize the campaigns.
Ongoing Campaign Management

So the wheels are in motion and you’ve been patient and haven’t touched the campaigns for a few weeks. Hopefully, you have been curious enough to check your top level results every day. You will have started to see some sales coming in, and your ACoS results getting populated.

If you haven’t done this, the easiest way to head to your campaign manager underneath ‘advertising’ in Seller Central, and taking a look in there at the spend, sales and ACoS at the campaign level.

Optimize Your Campaigns

Once the data is coming in, it’s time to look a little closer and see what’s working, what’s not, and sharpen up that money-making machine.

Here’s how you can easily dive into the data right within Seller Central using the filters function:

You can use filters at campaign, ad group and keyword level to really dig into which of each are working for you. But you probably don’t need to filter for campaigns and ad groups until you start to build up a sizeable list of them.

In the early days, I would advise that you dive into these filters at the keyword level at least once a week, to ensure you have full visibility of your campaigns and what you are spending your advertising dollars on. If you’re a busy seller,
you could also outsource this to a savvy PPC virtual assistant. Upwork.com is an easy place to find these freelance experts.

So let’s take a look at how we can utilize some of these filters at keyword level to tidy up your campaigns...

**Filter the keywords by ACoS**

After a week or so, you should be able to identify which keywords convert to sales, and at what ACoS. You will want to scan through the keywords and pause or decrease the bid on keywords that have an ACoS that is higher than your threshold. Your ACoS threshold is entirely dependent on your strategy. Some sellers are comfortable losing money in the early days to generate sales. Some are much more conservative.

I tend to be fairly liberal with my spend in the early days because I want to be set up for success in the long-run. For the lighting product that I recently launched, my ACoS threshold was 40%. Based on the calculations specific to my product (COGS, Amazon Fees and Product Price), any ACoS higher than 40% would effectively cause me to break even or lose money on the sale. I was comfortable hitting this threshold during my product launch, but I’d pause or adjust the bid on keywords higher than 40%.

By the same token, you will want to identify any keywords that are at the low end of your ACoS threshold. These are my favorites. These cases mean there is an opportunity to make more money! For these you should think about increasing the bid so that your ad will appear more frequently for converting keywords. This will lead to an increase in spend, but hopefully a proportionate increase in sales too! For my lighting product my minimum threshold was 10%
during product launch. I increased the spend on all keywords under 10% ACoS.

**Filter by Order Numbers**
This metric is perhaps most important at a high level, so you know which keywords are driving the most conversions. Of course, you will want to cross-reference this number with how much it costs you to acquire the sale, but this is often the first metric I look at.

**Filter the Keywords by Spend**
You will want to filter by Spend just to make sure that you know which keywords are costing the most. Make sure that these are converting keywords for you, and that it is a profitable investment for your ad to appear for the given search query. Remember, an optimized paid search campaign is all about ensuring that you have bring qualified traffic to your listing at an efficient and profitable cost.

**Bids**
If a keyword is converting but at an ACoS that is above your targeted threshold, you don’t necessarily need to pause the keyword. Instead, you can just adjust your bid accordingly. Try reducing bids in small increments so that you can find the sweet spot between getting conversions and keeping your ACoS down.

**Assessing Keyword Performance**
Overall, the key things you are looking out for are Sales (conversions) and ACoS (return on investment). Keywords could perform in a variety of ways. Some of them need attention to ensure you aren’t wasting money on clicks. Some of
them, may need boosting because they’re bringing in sales. Here’s a useful chart to help you navigate keyword performance:

<table>
<thead>
<tr>
<th>Data</th>
<th>Outcomes</th>
<th>Suggested Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Keyword has high impressions but low clicks and conversions</strong></td>
<td>This keyword is not costing you much, because shoppers are not clicking on your ad very often. This could indicate that your product is not what people are looking for when they use this term. Or it could mean that your ads aren’t showing up in a prime position, and not gaining much interest.</td>
<td>Consider if the keyword is relevant enough to your product. If it is, consider whether your bid for this keyword is high enough. Your competitors might be outbidding you.</td>
</tr>
<tr>
<td><strong>Keyword has high conversions but high ACoS</strong></td>
<td>This keyword is costing you a lot but also generating a lot of conversions so you don’t want to pause it completely. This is likely due to higher competition, but it does mean that you have a strong product listing.</td>
<td>Try reducing your maximum bid in small increments until the ACoS is below your tolerance level and see if this impacts conversions. Additionally, if it’s a broad match type, consider pulling out some commonly used variants as exact match keywords with a lower bid.</td>
</tr>
<tr>
<td><strong>Keyword has low impressions and clicks</strong></td>
<td>This keyword is likely not costing you much because it’s not getting seen or clicked very often. This may be due to low search volumes, or because you are not bidding aggressively enough.</td>
<td>Check the suggested bid and see if you are bidding too low, if so, increase your bid in small increments to find a healthy balance between cost and clicks. If this is an exact match keyword, consider changing it to phrase or broad match to find more commonly used variants of this search term.</td>
</tr>
<tr>
<td><strong>Keyword has high clicks and low conversions</strong></td>
<td>This keyword is getting a lot of clicks but not resulting in many sales, thus likely giving it a higher ACoS. This is probably the least favorable situation for a keyword to be in.</td>
<td>Is the keyword relevant enough to your product? Is your product listing selling consumers the thing they are looking for? Consider making some optimizations to your listing, or reduce the keyword bid gradually. Consider pausing the keyword all together.</td>
</tr>
<tr>
<td><strong>Keyword has high conversions and low ACoS</strong></td>
<td>Excellent news, this keyword is performing well, it’s not costing you too much and it’s bringing in sales and revenue.</td>
<td>If your ACoS is low enough, and you aren’t already hitting the suggested bid, try increasing your bid to boost performance even more. Keep an eye on this keyword in future, things can change!</td>
</tr>
</tbody>
</table>

**Frequently Asked Question: Should I pause or delete keywords that don’t convert?**

Some people prefer to do this, while others try a tactic of reducing or increasing the keyword bid in small increments, to see if it will improve performance. It all depends on how tight your budget is and how picky you want to be over your campaign.
Don’t Forget The Negative Keywords

Negative keywords are your friends. They help you save time and money.

You can add negative keywords at campaign level or at adgroup level. When you do this, it will prevent your ads from showing when consumers search for those terms. There are two main reasons why this is useful:

1. It means you can stop your ads appearing for things that are irrelevant. For example, if you sell a garlic crusher, you might want to exclude “garlic slicer”. Or, you might not, because maybe you want garlic slicer people to know that crushing it is better :) You get the idea though…

2. It means you can run more sophisticated campaigns without wasting money and targeting the same keyword twice

For the most part, I stick to adding them to whole campaigns, so I know it’s a safe catch all situation:

[Image of a Google Keyword Planner interface]

Campaign: Google Keyword Planner Keywords

Enter one keyword per line

Match type
- Negative Phrase
- Negative Exact

Add these keywords

Create negative keywords

Find a negative keyword

Keyword | Match type
--- | ---

Total: 0
NOTE: ADD MORE NEGATIVES IN ONE GO BY SEPARATING THE KEYWORDS PER LINE. BUT YOU CAN ONLY SUBMIT SEVERAL KEYWORDS USING THE SAME MATCH TYPE AT ONCE!

There may be some nuanced situations where you only want to exclude a keyword from an adgroup too. For example, perhaps you are running a broad match adgroup, to get more impressions and keyword information. But you are also running an exact match campaign with some related, high performing keywords.

You can exclude those exact keywords from the broad match adgroup. This will prevent any crossover, whilst allowing you to hone in on those successful keywords, and continue to target a wider range of search terms with the broad match adgroup.

As you can see, you can also select a match type of “Phrase” or “Exact” with negative keywords. These work the same as Phrase and Exact keywords, but in reverse.

So if you want to exclude your ads from showing for an exact keyword term only (plus any plurals and misspellings), then you would insert a Negative Exact.

If you wanted to exclude a keyword and any instances of that keyword with extra words before or after it, and also any plurals, misspellings, etc. then you would insert a Negative Phrase.
Generally, Negative Exact is the way to go, as you will reduce the risk of accidentally excluding some terms that could be relevant or useful Phrase match variants.

However, if there is a term that you do not want to be associated with your ads at all, then go ahead and use Negative Phrase.

You can (and should) add negative keywords to auto campaigns!

Not only do you need to be wary of your manual campaigns that you craft yourself, but also your auto campaigns. Though Amazon does not let you choose or target keywords within an auto campaign, it does let you add negatives.

Especially once you have got the PPC ball rolling and have ran your campaigns for a couple of weeks, it’s best to add all of your manually targeted keywords as negatives in your auto campaign. (Remember the chart on page 20).
Frequently Asked Question: How long should I collect data before tweaking my campaigns?
Always run your campaign for a solid 7-14 days before you start digging in. Amazon’s conversion data is up to 72 hours behind so you will need to give it some time to populate. Even then, be wary of making huge changes this early in the game. Your data won’t have hit statistical significance. Plus, Amazon will collect conversions for up to 30 days after someone clicks your ad. So if someone returns to purchase several days later, then the conversion will still be attributed.

Frequently Asked Question: How many keywords should I target?
There’s no right answer here. Obviously the more you target the more likely you are to get more impressions. It’s best to start with as many as you can find in your research and then tweak your bids and hone in your adgroups as the data comes in. Don’t worry too much, as you can always trim down or add to your campaigns.
Diving for keywords & analyzing report data

So we’ve taken a look at how to manage Amazon PPC campaigns on a regular weekly basis by looking at the data in campaign manager.

Let’s take that one step further and dig into the reports and how to download the actual search terms that shoppers are using to find your product ads.

If you head to reports in the main menu within Seller Central, there is a whole section dedicated to Advertising Reports. This is where all of your PPC reports will live.

There are a few types of reports you can download, here’s a quick explanation of them all and what they are useful for:

**Performance over Time**
Get a summary of your clicks and spend over a period of time that you specify. Really useful for when you need to compare time periods after making some tweaks to your campaigns.
Performance by SKU
Get SKU-level performance reports with click and impression data for all campaigns related to that SKU. Useful for when you need to know how a particular product is performing in your campaigns. You can also schedule these reports to run daily, weekly or monthly.

Performance by Placement
These reports are specifically if you are using Bid+, a feature which you can check to allow Amazon to increase your bid when your ad is eligible to show in the top position. If you use this, you can check this report to figure out whether Bid+ is working out to be profitable for you.

Search Term Report
This is full of gold! Download this report to see the search terms that people used to trigger your ads. You are able to get the past 60 days of data, so at the very least, it’s worth downloading it every 60 days to get this data which you would otherwise never see. You can schedule this report to run regularly too. The report will contain search terms which generated 1 click on your ad or more, as well as the number of impressions, clicks and conversion data for each search term.

Other ASIN Report
This report shows you where customers have clicked on a product ad that you are sponsoring, but then purchased another ASIN that you sell. This is more likely to happen if you have similar products in the same niche as the one the customer clicked an ad for. You can schedule this report to run weekly or monthly!
Chapter 6

Campaign Performance Report

This report allows you to see an overarching view of campaign performance within a 60 day time period. This is essentially a download of all of the data you can see in campaign manager, with campaign, adgroup and keyword performance. Scheduling currently only for weekly reports!

Understanding Report Data

It is worth mentioning that all of these reports will download as raw text file, so it will be pretty much unusable in this format.

You will need to download each report that you require and spend some time tidying it up in Excel, before being able to analyze the data. You’ll have to do this frequently to stay on top of your campaigns.

If you prefer this method, that’s cool. In fact I am going to run through how to do it with a Search Terms Report example in just a moment. But if this sounds like too much time and effort to you, perhaps you would be interested in trying Fetcher.

Fetcher is the #1 ranked amazon accounting software tool. It links up to your seller account and PPC data in minutes and cuts out a lot of the time you would need to spend number crunching and organizing countless excels. Not only that, it has a beautiful dashboard specifically designed so that you can understand your PPC performance at a glance.
One of the great benefits to Fetcher, that you don’t get in the Seller Central dashboard, is that you can also see your PPC sales conversions over a 1 day, 7 day and 30 day period, to get a true reflection of your ROI from conversions that come in after the ad has been clicked:

Let me explain. If a shopper clicks your ad and puts your product in their shopping cart and then checks out within 24 hours that’s considered a “1 Day PPC Sale.” You can see this data in the Seller Central advertising dashboard.

But what if a shopper clicks your ad and puts your product in their shopping cart, but doesn’t check out for several day? Say, 27 days. This happens more than I realized. If the shopper buys your product 27 days after putting it in their cart, the advertisement they clicked on should still get credit for this sale!
Chapter 6

In Fetcher, keywords are given credit for 7 days and 30 days, not just 1 day sales. This is important because if you look at the 1 day ACoS for those keywords you might think to pause them or reduce the spend, when in reality those keywords might be doing great in the 7 day and 30 day categories. 7 day and 30 day sales are great, too! Don’t forget about them :)

Beyond this, what will really save some headaches is that it will also feed your PPC information right into the Fetcher Profit and Loss Statement:

![Image of a table showing expenses for different categories over several months]

This means you always have a clear view of your most important business metrics, with all of your incoming revenue and outgoing expenses accounted for. I can’t stress enough the importance of considering your PPC performance in aggregate with your entire business. PPC campaigns shouldn’t be isolated portions of your business. They should tie in nicely with your overall business objectives and performance.

If you are running an Amazon business, I’d recommend giving the free trial a whirl, so you can see for yourself how much time it can save!
Digging Into The Search Terms Report

Right, let’s take a look at how to manage those unwieldy reports. You could use these techniques to tidy up any of the reports from Seller Central. But we’re going to take a look at the Search Terms report, because this is the only place you can get this data, and it’s very useful to feed back into your PPC campaigns and your organic listings.

Here’s an example of what the data will look like when you download it:

![Image of the Search Terms Report]

Beautiful! The next step is as easy as copy and pasting it directly into an Excel sheet (or Google Drive if you do not have Excel):

Looking better for it already. Let’s sort the data into something we can scan more easily and pick out data, using a pivot table!
Once you get to this point, the data you should see that your data has already been highlighted:
So hit OK and let it process and then you should end up here:

On the right you can select which fields you add to your pivot table. Once you select your fields, you need to organize them. Here's an example, you simply drag and drop the fields into the correct area:
I have placed campaign name and customer search term in rows, and then all of the values I want to see associated with those search terms in values.
When you click "OK" you will get results like this:

Looks much better. Now we can manipulate this data, and copy it into a brand new sheet. (Tip: Use the "Paste Special" and "Paste Values" function to paste in the data without formatting).

Once you have it in a new sheet, you can apply a filter, so that you are able to filter your keywords by specific columns.
One useful hack is to sort by descending or ascending order. For example, you could sort total spend in descending order, to make sure you aren’t spending too much money on keywords that are not performing!

From here, you can go through your keywords and audit the performance using the tips we covered earlier.

Importantly, you can also gain insights in here for new keywords that you should be targeting. Remember that for auto campaigns or any broad or phrase match types, your campaigns may be firing ads for variants of keywords, or new keywords completely.
You could also create a pivot table using the same data and having the match type and customer search term in rows:

![Pivot Table Builder](image)

This is where you can dig out performing keywords and feed these back into your manual campaigns – as well as optimize your product listing where necessary.
Understanding Amazon PPC Jargon

There's quite a lot of terms and jargon when it comes to pay-per-click advertising. Some of them are synonymous across the PPC world, and some of them are specific to Amazon PPC.

Here's a handy guide to all the terminology you might come across. You can look back on this if ever you get confused!

**Targeting Type**

You can choose between automatic and manual targeting and this can be selected at the campaign level for each individual campaign.

**Automatic**: This is where you use your product listing and let Amazon take care of the rest. It will scrape your listing for keywords and automatically run your campaign and set your bids (but you set a budget). This is the quickest and easiest way to start a campaign to mine for keywords that you can then target with a manual campaign.

**Manual**: A manual campaign is where you define all elements of your campaign, including keywords, bids and budgets. This gives you the most control and allows you to be more granular with your campaign.

**Campaign**

A campaign is a logical group of things that you are bidding on, usually a grouping of products, keywords or match types. You can specify your targeting
type on the campaign level and set a maximum daily budget for the whole campaign.

**Ad Group**
An Ad Group is a level below a campaign, which is used to group the wider campaign into smaller segments. This allows you to make your account more granular, and also means you can set default bids for each Ad Group.

**Keywords**
Keywords are the terms you are bidding on and competing on. So when someone searches for your keyword on Amazon, your ad may show up (depending on who else is bidding on it) and if that person clicks on your ad, then you will pay UP TO your maximum default bid.

**Match Types**
Match types are directly linked to Keywords (above). Each keyword will have an associated match type: broad, phrase or exact match.

*Broad*: Includes everything from synonyms to variations and plurals. Broad match types will result in the most impressions because there can be more variance in the search terms used to trigger your ads.

*Phrase*: Phrase match must include your phrase in the correct order in the search term, but there can be additional words in front or after the search term. It will also allow for plurals, abbreviations and acronyms. This starts to narrow down the number of searches which may trigger your ad, compared to the broad match type.
**Exact**: Your exact keyword needs to be used to trigger your ad, the only variants allowed are misspellings, singulars and plurals. This is the most targeted, therefore it is usually cheaper and you will waste less money on clicks. However, it also means you will get less impressions in the first place as there are not many variants.

**Default Bid**
This is the “default” amount you are willing to spend on your ad which will be added to all keywords to save time. This is set at Ad Group level but you can also change your bid for specific keywords (recommended).

**Search Terms**
These are the “keywords” that real Amazon shoppers are using to search Amazon to find products. Amazon will match these up with your targeted keywords depending on the match type that you are using. The best part is, you can actually download a list of the actual Search Terms that people used to find your ads from Advertising Reports.

**Product Ad**
This is simply the term used for the final product, an ad showing your product on the Amazon website.

**Impressions**
Impressions are when your product ad is shown to a shopper. This could appear on the search results page or on a product listing page. Each time your ad is displayed is counted as an impression.
Bid
As mentioned before, you can tweak the maximum amount you want to spend per ad click for each Ad Group and each Keyword. The bid will play a part in determining whether your ad will be shown, how often it will be shown and in what order it will be shown. Other factors that come into play with how Amazon decides which ads to show are the most relevant and best matched ad copy, and keywords.

Click
A click is when a shopper clicks on your sponsored ad. As this is a pay-per-click model, you will then pay up to the amount of your maximum bid for this click. Even if a shopper does not purchase, you will pay for each click.

Click-Through Rate
Click-Through Rate, commonly known as CTR, is a metric defined by dividing the total number of clicks an ad receives by its total number of impressions.

\[
\text{Clicks / Impressions} = CTR \%
\]

CTR is usually displayed as a percentage. So if you have 100 impressions and 1 click, you would have a 1% CTR. It’s entirely normal to have a CTR between 3-5%, depending on how targeted your campaign is and what match types you are using.

Cost
The cost of a click is the sum total of each individual click, and it may vary. If your maximum bid is set to $1 you may only pay 0.50c, depending on who else is bidding and how competitive the keyword is.
Cost Per Click

Cost Per Click, often known as CPC, is the average cost you pay per click. Because the cost will vary with each click, the CPC gives you an insight into how much you pay on average, so you can determine your return on investment (ROI).

At the moment, in the Amazon Campaign Manager, you can’t actually see the cost of each individual click, so you have to rely on the CPC.

Conversion

A conversion is what you want to happen. When a shopper clicks your ad and then purchases your product.

Conversions can be measured immediately, or at a later date. So you could get a conversion within one day, within seven days or within 30 days. As such, your 30 day conversion rate will always give you a better indication of how your campaigns are faring.

Conversion Rate

Conversion rate is a percentage metric which is calculated by the number of conversions divided by the number of clicks an ad receives.

\[
\text{Conversions / Clicks} = \text{Conversion Rate} \% 
\]

Because conversions are collected between a one and 30 day period, you can see your conversion rates measured by one, seven and 30 day conversions.
Sales Revenue
Your sales revenue is the overall revenue you have made from sales that have come directly from your sponsored ads.

Advertising Cost of Sale (ACoS)
The Advertising Cost of a Sale (ACoS) is an Amazon specific metric. So it’s not something you would find on other PPC platforms. It measures the sum of your advertising costs and divides them by the sales revenue an ad generates.

\[
\frac{\text{Advertising Costs}}{\text{Sales Revenue}} = \text{ACoS percentage}
\]

So here you are aiming for a lower ACoS which means your ads are costing less and bringing in more revenue. A high ACoS indicates high spend and not enough return on investment.

Cost Per Sale
Cost Per Sale or CPS is the amount of money that you are spending on average to generate a sale. This is also known as Cost Per Action (CPA) on the Google AdWords platform.

\[
\frac{\text{Sales Revenue}}{\text{Advertising Costs}} = \text{CPS}
\]

CPS is shown as a dollar / currency figure, rather than a percentage like ACoS.

Suggested Bid
This is a suggested guideline to set your maximum bids at an amount that means you will win the ad auction and Amazon will display your Product Ad. You don’t have to take this literally, and you can bid less or more if you wish. Bear in mind that you usually won’t spend your maximum bid per click, unless it’s a particularly competitive keyword and your bid is quite low.
Conclusion

You made it to the end, thanks for sticking it out and I hope you got some valuable takeaways along the way.

I have found that Amazon PPC is an extremely useful tactic to help boost sales, which also has a positive effect on your organic performance on Amazon too. The key to success is to set up structured campaigns and manage them efficiently.

We have covered everything in this guide from how to set up a campaign, to keyword research, ongoing optimizations and understanding report data from Seller Central.

If you keep this resource handy, you can refer back to it if you ever get stuck.

Plus, if you need some help in understanding your reports and taking control of your most important Amazon business metrics, don’t forget you can get your hands on a free trial of Fetcher!

Please feel free to contact us by emailing support@fetcher.com if you have any questions!