

Amazon Sponsored Products

The Ultimate Guide -
Advanced Edition

sell**ics**

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You've arrived at our Ultimate Guide to Sponsored Products. In this advanced Amazon PPC Strategic guide, you will first get a quick refresher on the basics (Part A). Then, we'll dive in to our four-step Amazon Sponsored Products strategy (Part B), including Amazon PPC campaign structure, setup and optimization.

Part A: Introduction to Amazon Sponsored Products

Why should I use Amazon Sponsored Products?

Amazon's PPC ads are second to none for product promotion. They're even becoming a contender for [Google](#) search's PPC market domination overall. A solid Amazon PPC Strategy is – dare we say – **necessary** to your success on Amazon. For a good reason, the adoption rate is sky-high: most merchants use Amazon PPC to promote their products. And of those, almost [three-quarters](#) use Sponsored Products exclusively. Why?

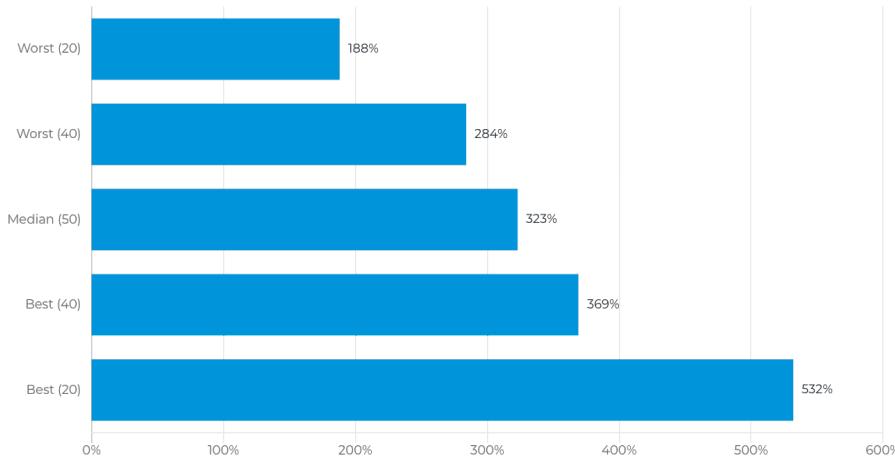
1. To get visibility

If you want to occupy the top of search, **you have to**. There is little organic space above the fold. If you don't bid on those coveted ad spaces, your competitor will. As long as ads continue not to hurt user experience, you can be sure that the landscape will continue to grow in real estate and complexity, which is all the more reason to get on board.

2. Because they work!

Amazon Sponsored Products are super-effective. It's hard to imagine an advertising opportunity that is lower-funnel or more tightly tied to making a sale. And, they're native-looking to boot. Frankly, they're a marketer's dream. It should be no surprise, then, that according to a Sellics study, the **median-performing** RoAS was 323%: an over **3x return** on investment.

Sponsored Products RoAS by percentile: the difference between top and bottom-performing accounts is an additional 3x



That's a great start, but not all Amazon Sponsored Products ads are equal. The top 20th percentile-performers earn a return of 532% of their initial investment – **more than 5x**. That means the difference between the poorest and **best-performing** Sponsored Products ads is **an additional 3x**.

Are you wondering which stat applies to you?

Benchmark your PPC performance against competitors in your industry and marketplace – now, for free – with the Sellics [Benchmark \[Beta\]](#).

Before you start – Amazon Sponsored Products basics

Before we get down to brass tacks – if this is your first campaign or you're just getting started with Amazon PPC, it makes the most sense to start here. There, you'll find answers to all of the Amazon PPC FAQs. From a rundown of each ad format and their placements to setting your budget and keyword match types. Here, we'll only be briefly brushing over the basics. Let's go!

Glossary of terms

Before we dive in, here's a quick refresh on the basics.

Search terms vs. keywords	'Search terms' refers to any search query the customer types into Amazon. 'Keywords' are what you, as the seller, bid on in your ad campaigns. Depending on the keyword match type used, one keyword can cover multiple customer search terms.
Keyword match types	Keyword Match Types determine the degree of match between the keyword and customer search term for an ad to appear on Amazon. There are three match types available (Broad, Phrase, Exact), all with varying ad targeting precision and monitoring effort required.
Negative keywords	Negative keywords help sellers exclude unwanted customer search terms from their ad campaigns. When utilized effectively, negative keywords can be a powerful tool to help you control your advertising costs on Amazon.
CPC optimization	Optimizing your keyword CPC requires you to define your advertising goals from the outset. The optimal CPC can differ wildly based on the goal metrics you are targeting. Regularly optimizing your keyword CPC ensures the profitability of your ads on Amazon.
Amazon PPC campaign types	The main difference between running an automatic and manual campaign is that an Amazon manual campaign will give you more accurate results. In an automatic PPC campaign, you let Amazon run your ads and choose suitable matches for you . In a manual campaign, you choose the targets you wish your Amazon ad to be displayed for, giving you more significant ad targeting precision.

Automatic vs manual PPC campaigns

Because the difference in campaign type plays an essential role in our recommended Amazon PPC strategy, it's worth going over in a bit more detail. Here are the differences between running an automatic versus a manual campaign: can you...?

AMAZON CAMPAIGN TYPES	AUTOMATIC	MANUAL
Add targets?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Set keyword match types?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Set bids by target?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Add negative targets?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

And their respective benefits and drawbacks:

CAMPAIGN TYPES	AUTOMATIC	MANUAL
What are the pros?	Less effort required + Amazon's algorithm performs automatic keyword research.	Precise ad targeting means a potentially more efficient and profitable campaign
What are the cons?	Imprecise ad targeting means a potentially more wasteful campaign	More effort and management required

Questions? If you're not thoroughly familiar with these terms, we can help. [Start here](#) to find the answers to PPC FAQs.

How to group products

Short answer: don't group. Create campaigns and ad groups – by ASIN. Creating one setup per ASIN will give you the **most control** over your

- targeting
- Amazon CPCs
- budget

Long(er) answer: if you can group your products will depend on your product portfolio's quantity and diversity. Generally products can be grouped if they share the

- same keywords
- same profit margin

Here's an example: in some ways, an avocado-shaped float and a donut-shaped float have a lot in common. They're both novelty pool floats shaped like foods. And you can imagine someone seeking out one and ultimately purchasing the other.



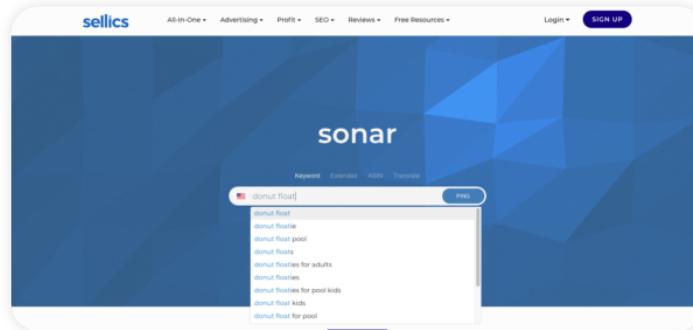
Should they be in the same ad group? No – they're not interchangeable. The qualities that make them different are significant enough that they're likely to be reflected in **different search terms**. Regarding **CPCs** – if the donut is significantly more popular, the competition's likely to be more fierce for those keywords, meaning that you'll need to bid more for those clicks – driving up the CPC for the entire group. You don't want to end up putting up an avocado where you've paid for a donut.

The same logic applies to your **budget** on Amazon. With both products in the same campaign, you cannot precisely allocate your budget to one product or the other. Finally, if their **profit margins** differ significantly, it won't be possible to calibrate or even read the PPC campaign's profitability (or ACoS) accurately. However, ultimately, grouping, like campaign building, is also about finding the **sweet spot between precision and effort**; it might not be feasible for you to create 1,000 groups for 1,000 SKUs because you would need too much time to manage all those campaigns. **The final word:** while it can make sense to **group variations** – absolutely do not group completely different products.

Keyword research

Compiling a roster of relevant keywords is, well, key. If you've dabbled in PPC ads previously, you will already have some idea of the most common relevant keywords for your product or product line. Even still, and especially if you're starting from scratch with a new setup, it's a good idea to do some basic keyword research. The following are potential sources:

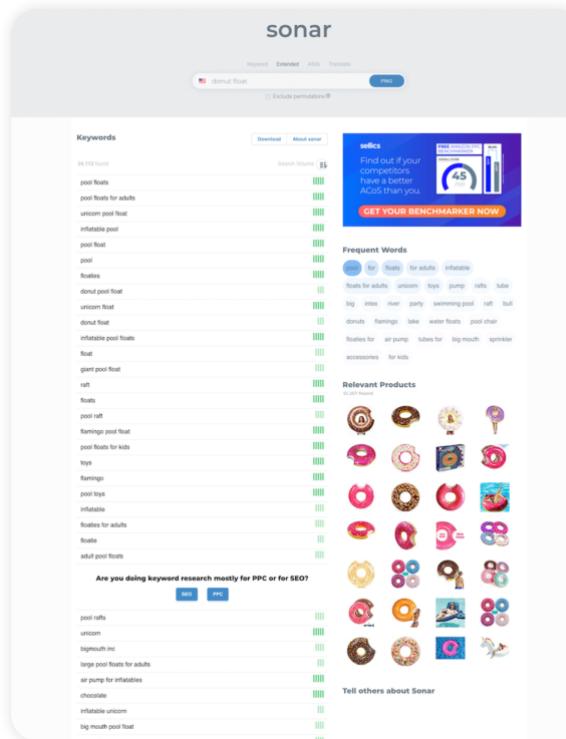
1. **Brainstorming:** consider synonyms and product qualities
2. **Auto-complete** function of the Amazon search field
3. **Sonar:** a free [Amazon keyword tool](#) by Sellics



I could [go on](#) about the merits of Sonar, of which there are many. The coles notes are:

- Sonar's suggestions come from **real Amazon search terms**.
- You can search by both **keyword and ASIN** and find related targets automatically ranked by relevance and **search volume**.
- Since search terms are regional, you'll find **six international marketplaces** to choose from: the USA, Germany, France, Italy, Spain, and the UK.
- Sonar, the Amazon keyword tool, is **free to use**, and your results are downloadable in **excel format**.

The best way to familiarize yourself is to [try it](#) – if you haven't already. Here's a sneak peek:



Delegate your keyword research to artificial intelligence:

Sellics Advertising offers two tools to do both keyword research and optimization for you – using either rule-based automation or a full AI solution, called “Autopilot.” Curious? You can [try it for free](#).

Part B: Amazon Sponsored Products – Advanced Amazon PPC Strategy

Step 1: establish an Amazon PPC goal

The first step for starting your Sponsored Products campaign is setting a clear goal. Assigning a clear goal will allow you to correctly measure your performance according to key performance indicators (KPI's).

COMMON GOALS:	AS MEASURED BY:
Maximizing sales or impressions	Break-even ACoS
Generating profit	Target ACoS

Goal 1: maximize sales or impressions

In a way, sales are always the goal. But the question is, at what cost? If your primary goal is to generate sales, that may come at the expense of profitability. Prioritizing sales over profit usually means your return only needs to **break even** with spend, i.e. you need to achieve a **break-even ACoS**. A higher ACoS means you're losing money. A lower one, and you're in profit-making territory.

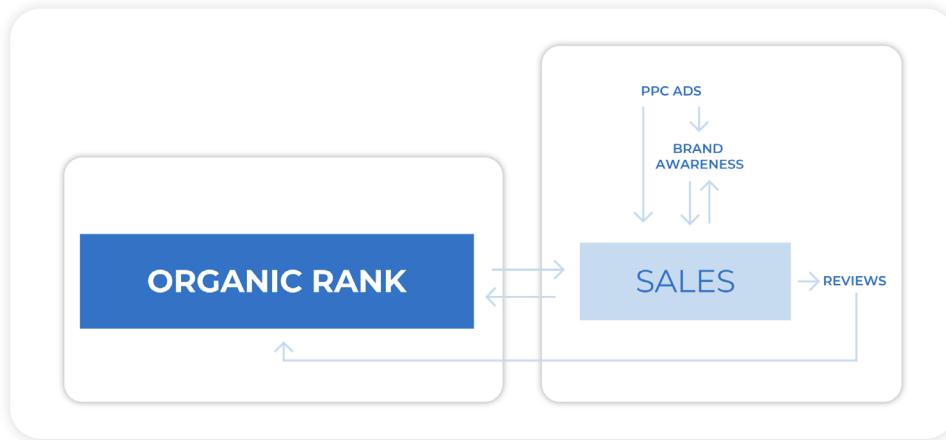
Break-even ACoS = profit margin before ad spend



When might sales be more important than profitability? When:

- launching a **new product**. Sales beget **sales** by improving your ranking. Both directly and by potentially garnering reviews and increasing visibility.
- increasing **brand awareness** is your goal. In this case, in addition to conversions, **impressions** will be a focus KPI.

In these contexts, you're using PPC ads to start a **virtuous cycle** or **flywheel** that encourages more sales and profit in the future. Usually, the ultimate goal will involve profitability. And: more profits can be reinvested in PPC ads and other marketing to restart the flywheel



Look familiar? This model is a **flywheel** – a term coined by strategist advisor Jeff Collins and employed by Jeff Bezos.

Goal 2: generating profit

When maximizing sales, it might be perfectly acceptable to break even or even spend more than you'll earn from your ads. But to achieve profitability, your investment can't be equal to or exceed your return. To achieve an ad profit you need to define a **target ACoS**. It's a simple concept, but the execution can be tricky.

Target ACoS = profit margin before ad spend – target profit margin after ad spend



1. Calculate your product's profit margin by deducting all associated costs (manufacturing, shipping, Amazon fees) from the selling price.
2. The amount leftover (from 1) is both your profit margin and break-even ACoS: if you spend this amount on advertising, you won't lose or make money – you'll break even. It's easiest to understand this number in % of the total sales price.
3. Based on the % from step two, determine your target ACoS – which will necessarily be a lower percentage.

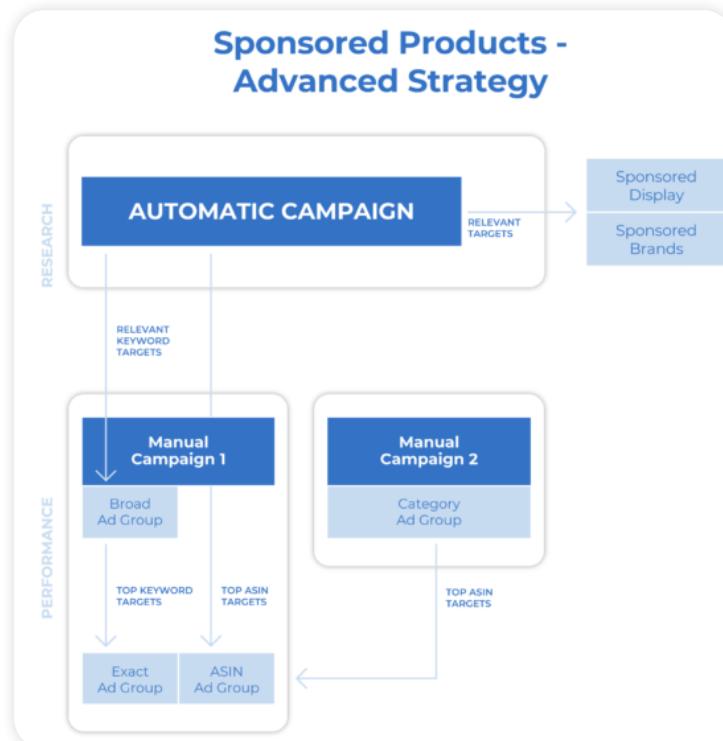
Step 2: defining the strategy and Amazon PPC campaign structure

Based on comprehensive data analysis and incorporating recent changes to the ad landscape, we have created a **new advanced edition** of our tried and tested Amazon PPC strategy. Our Amazon PPC strategy and campaign structure balances achieving the most **precision** and efficiency with the **least effort** possible; giving you control over your ads without dominating your daytimer.



And while the resulting Amazon PPC campaign structure is **robust** and powerful, it's also quite **flexible** – in that it can adapt to any goal. Amazon PPC campaign structure for **1 ASIN or 1 set of ASINs** (how to group products):

- 1 **automatic** campaign with 1 automatic ad group
- 1 manual campaign with 3 ad groups for **broad** and **exact** match keywords and **ASIN** targeting
- 1 manual campaign with 1 ad group for **category** targeting



Is your competitor's **ACOS** better than yours?



Understand your performance in context. Identify the areas of your campaigns you need to improve.

[BENCHMARK NOW](#)

This setup is leveraging each campaign's benefits and match type by combining them – so that you can profit from their unique advantages while avoiding their respective shortcomings. **Automatic campaigns** are easy to set up and have a vast reach. But, they can be wasteful to your budget since they lack precision. **Manual campaigns** have the accuracy needed to craft a more efficient campaign but are a lot more work.

In the Amazon PPC campaign structure above each campaign and ad group has their own function:

- The **automatic** PPC campaign automatically performs **target research**.
- Then those targets are **harvested and refined** through manual campaigns and ad groups (**broad match keyword or category targeting**).
- Finally, only the **top targets** are added to Amazon ad groups with the highest degree of control: an **exact match keyword or ASIN ad group**.

This one-two punch is the perfect compromise and makes each campaign a cog in a collaborative system.

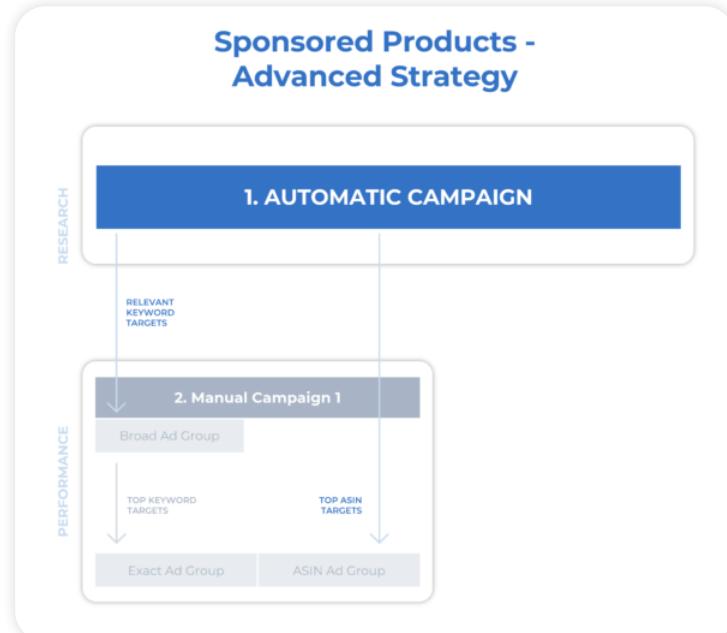
To get an overview of the relationship between your Amazon auto campaign, your manual campaign, and their respective ad groups, let's talk sports for one second. Your keyword and ASIN research is target "try-outs."

The auto-campaign is the **minor league**: you think these targets will do well, enough to be in the 'game,' but you're not exactly placing bets. What you are doing is looking for talent for the **major league**. You guessed it: the major league is a manual PPC campaign (specifically, your broad match ad group and category ad groups). Here, targets are expected to perform, but not necessarily at the highest echelon.

That is for: the **all-star team!** Your manual exact and ASIN ad groups.

Step 3: Amazon PPC campaign setup

Setup for your automatic (research) campaign



CAMPAIGN	AUTOMATIC
Function	Keyword and ASIN research
Campaign Name	SP [Fill in ASIN] Auto
Starting Budget	\$15 per product
Ad Groups	1. Automatic

Automatic ad group settings

AD GROUP	AUTOMATIC
Function	Keyword and ASIN research
Ad Group Name	SP [Fill in ASIN] Auto
Starting Bid	Use Amazon's suggested bid
Initial Targets	None
Initial Negative Targets	Initial targets from broad ad group (as negative phrase) and from ASIN ad group (as negative ASIN)

Setting up an auto campaign is just that – automatic. **Amazon's algorithm** will make its best guess about which keywords and ASINs are a suitable match for your product. These matches are a valuable resource since Amazon's determination of relevance will be based on **shopping behaviour**. (Remember, it's in Amazon's interest to turn searches into sales, too.)

Harvesting 101: how automatic target research works

That said, nobody's perfect. Amazon casts a very wide net on your behalf.

KEYWORDS	PRODUCTS
loose and close matches XL pool floatie floating donut swimming ring dough-nut pool float doughnut toys inflatable donut funny pool float fake donut small float novelty tube beach toy for kids chocolate donut pool toy giant pool float drink float baby swimming seat float for babies beach float pump pool float	substitutes and complements 

You should expect that some of the targets (keywords and ASINs) will be irrelevant to your products. Others may be relevant – but ultimately not particularly useful. And, you don't have to guess which is which.

What makes targets (keywords and ASINs) 'good' or valuable?

A target (keyword or ASIN) is worthy of harvesting when it **results in a sale**. The more the target correlates with a sale for your product, the more valuable it will be to your **performance campaign** on Amazon.

What counts for performing well will also depend on what you set out to do – your goal. Think of your goal as a lens through which you view your targets and campaigns.

For instance, if your goal is to generate **Brand Awareness**, you can harvest keywords that have a high number of **impressions**.

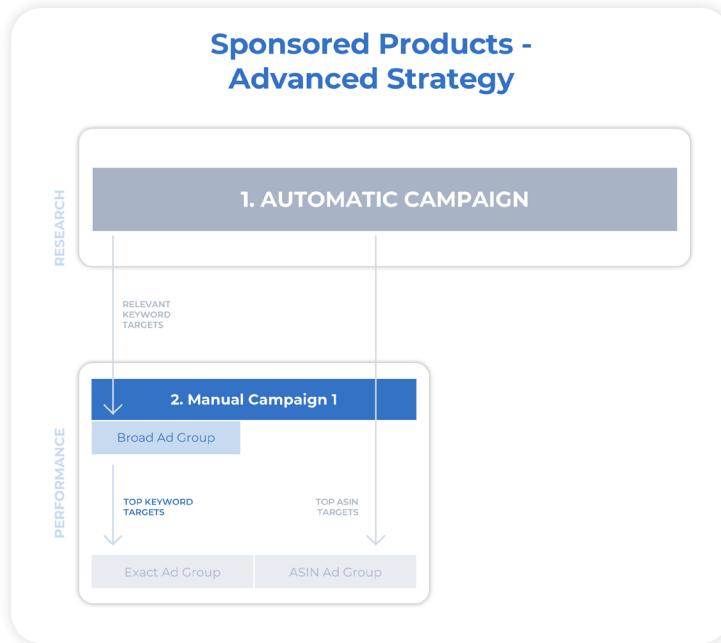
Know that research isn't one and done. With a constant flow of new search terms (based on changing seasonality and trends) combined with the introduction of new products (ASINs) to Amazon, it's essential to keep the door open to new targeting opportunities.

The importance of adding negative keywords to your Amazon PPC ad groups

To make the most of this campaign, you'll want to add any existing keywords that you're already targeting elsewhere as negative phrase matches.

You don't want to waste a major league player in the minor league. Keep your scouts looking for new talent.

This is especially important because Amazon's algorithm **prefers known targets**, so if you leave the keyword in place in your auto campaign, it'll ` and keep you from making the most of your research campaign.

Setup for your manual campaign (broad, exact, and ASIN targeting)

CAMPAIGN	MANUAL (BROAD, EXACT and ASIN)
Function	Performance (profit/sales/impressions)*
Campaign Name	SP [Fill in ASIN] Manual
Starting Budget	\$25 per product
Ad Groups	1. Broad Match
2. Exact Match	
3. ASIN	

*While all three ad groups within your first manual campaign will have performance as a goal, the 'broad match' campaign is also part refinement research.

Manual broad match ad group settings

AD GROUP	MANUAL BROAD MATCH KEYWORDS
Function	Performance and identification of top keywords for exact ad group
Ad Group Name	SP [Fill in ASIN] Manual Broad
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched keywords from Sonar (20) with match type broad. Note: these keywords will also be used as initial targets for the exact match group.
Initial Negative Targets	Add initial targets with match type negative exact

Why match type is (so) important for Amazon PPC campaign optimization

Broad match

The broad match setting makes your keywords **flexible**. Your Amazon PPC ad may appear when customers include these keywords in searches, period. They may be:

- in any order
- include other search terms – even in between your keywords

KEYWORD: POOL FLOAT	Broad	Phrase	Exact
pool float	✓	✓	✓
kids pool float	✓	✓	✗
pool float novelty	✓	✓	✗
pool donut float	✓	✗	✗
pool cupholder float	✓	✗	✗
donut float	✗	✗	✗

This flexibility makes this ad group type useful for **research**, specifically for discovering **long-tail** keywords you might not have thought of. The value of long-tail keywords is that their degree of specificity is likely to **decrease their CPC** while **increasing** the likelihood of a **conversion**. Think, “sprinkle donut with bite pool float.”

Exact match

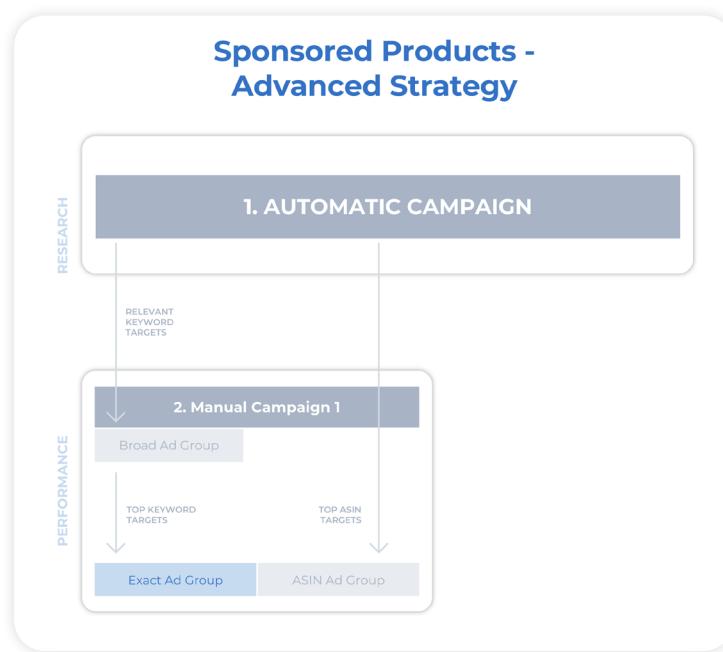
This is not possible in an exact match campaign, which is the most rigid. Exact match type means it will match the keywords exactly – in the order you've written and **without additional search terms**. This helps create a more accurate performance-focused ad group because additional keywords can disqualify your product's suitability for the search in many contexts.

For example, “**cupholder** pool float” is both a broad and phrase match for the keyword “**pool float**”. But suppose your float isn't a cupholder (or a **unicorn** pool float, or a pool float **for babies**). Employing exact match means you don't have to stress about wasting money on irrelevant permutations (or creating an impossibly extensive list of negative keywords).

Phrase match

You will soon notice we've neglected the **phrase match** type in our recommended Amazon PPC campaign structure and setup. The main difference between broad and phrase is that phrase match allows search terms to be tacked on before or after your keywords, but not in between. While this match type is in some ways a “happy medium” between broad and exact, it's a bit too narrow for research and too broad for a super-refined performance campaign.

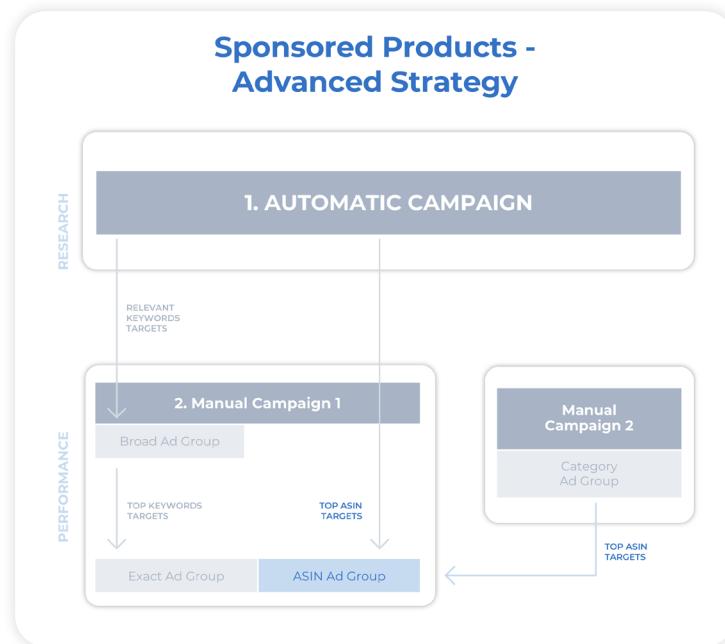
Manual exact match ad group settings



AD GROUP	MANUAL EXACT MATCH KEYWORDS
Function	Performance (profit/sales/impressions)
Ad Group Name	SP [Fill in ASIN] Manual KW Exact
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched keywords from Sonar (20) with match type exact.
Initial Negative Targets	None

If an automatic Amazon campaign is casting a wide net in an ocean of potential targets, your manual campaign is spear-fishing.

Your exact ad group will target only the best of the best keywords. You can be assured of that because they have been harvested (twice) based on both their search volume and performance.



AD GROUP	MANUAL ASIN TARGETS
Function	Performance (profit/sales/impressions)
Ad Group Name	SP [Fill in ASIN] Manual ASIN Exact
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched ASINs from Sonar (20)

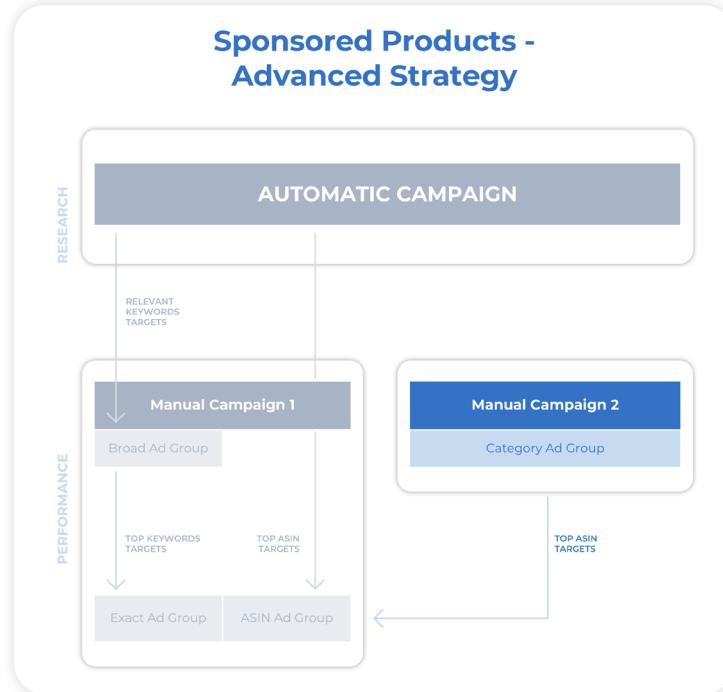
Your exact ASIN ad group works in parallel to your exact keyword ad group: both are 'all-stars,' using only the best-performing targets just with different tactics. Unlike your exact match keyword ad group, instead of a two-step refinement, there are instead two sources: one is your automatic campaign, and the other is your category campaign. Both have a broad enough reach to find new and potentially profitable ASINs. Despite similarities, this isn't a duplication of efforts – far from it. ASIN-targeting campaigns have distinct advantages, especially for certain types of products where **keywords are less effective**. For example, if your products are:

Generic Example: sand bucket	Products unlikely to have long-tail keywords leave only expensive generic keywords for you to bid on – making it difficult to compete. In other words, the keyword search volume is too high.
An easy up-sell Example: an air pump	Some products work better together, but shoppers might not think of this until they see it.
Impulse purchases , gifts, or novelty items Example: donut-adorned drinking straws	You can use ASIN targeting for the online version of items by the cash register.

In a way, ASIN targeting allows sellers and vendors to use sales tactics as a bricks and mortar store does. ASIN targeting can help shoppers find what they don't yet know they want.

What can hotdog sales teach us about the merits of product targeting? Amazon PPC Advertising experts Tommaso and Courtney, [break it down](#).

Setup for your manual campaign (category targeting)



CAMPAIGN	CATEGORY TARGETING
Function	Performance and identification of top ASINs for ASIN ad group
Campaign Name	SP [Fill in ASIN] Category
Starting Budget	\$10 per product
Ad Groups	Category

Category ad group settings

AD GROUP	CATEGORY TARGETING
Function	Performance and identification of top ASINs for ASIN ad group
Ad Group Name	SP [Fill in ASIN] Category
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched relevant categories
Initial Negative Targets	Add initial ASIN targets from ASIN ad group as negative ASINs

Your Category ad group is essentially the ASIN version of your Broad ad group – in the sense that it is both for performance and for refining targets to feed to your exact match (ASIN) campaign. Category campaigns are also useful for generating **many impressions** quickly – for getting your brand ‘out there’ on a grander scale in your own or related categories. Targeting by category is especially helpful when you want to promote your products **more broadly**. For example, if your products are:

New, odd, or rare

Because no one knows your product exists, they’re unlikely to search for it.

Example: bottle-opening bikini

In this case, keyword search volume is **too low**.

Fashion and accessories

These products are likely to be **browsed** and chosen based on **visual appeal**, especially for clothing and accessories.

Example: a sarong

Showing them to shoppers might be nudge enough for them to convert or at least attract them to your listing.



Prior to the popularity of this product, it's unlikely that “inflatable sofa” and “original couch indoor backpack” would have been useful keywords. [Source: Amazon.com]

We've compiled a [handy printable checklist](#) that summarizes our recommended Sponsored Products setup.

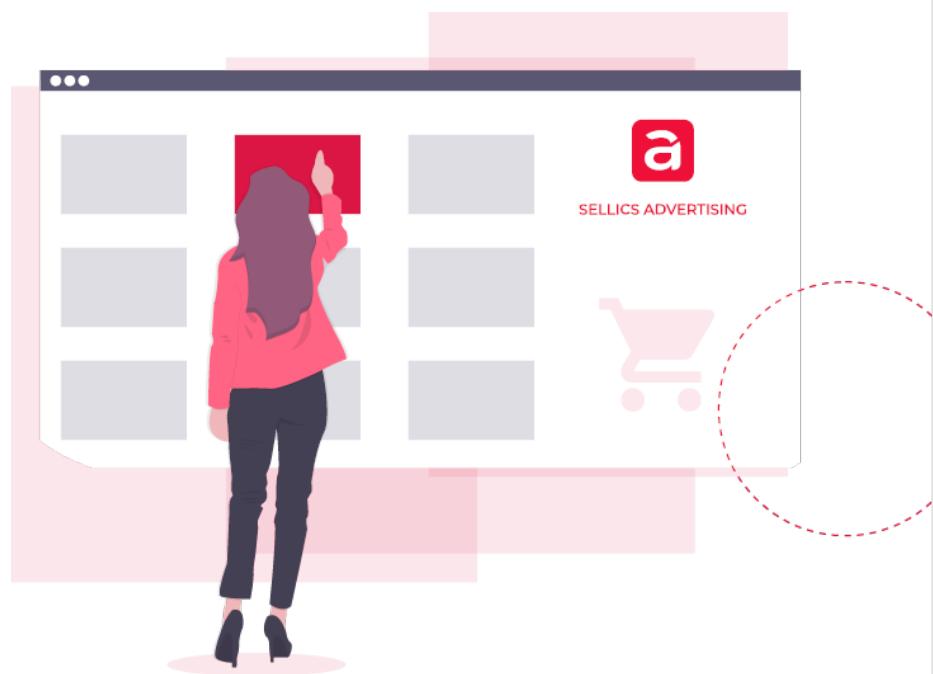
THE ULTIMATE 2021 GUIDE TO SPONSORED PRODUCTS MASTERY, INCLUDING ADVANCED AMAZON PPC STRATEGY: SUMMARY					
TARGET HARVESTING					
SOURCE	DESTINATION	HARVEST	IF	THEN	AND
Automatic ad group	Broad ad group	Relevant search terms (browsing)	IF orders > 1	THEN immediately add to broad ad group	AND add as negative keyword to source
Broad ad group	Exact ad group	Top search terms (browsing)	IF orders > 2 after X clicks	THEN add to exact ad group	AND add as negative exact keyword to source
Automatic ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add to ASIN ad group	AND add as negative ASIN to source
Category ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add as exact keyword to exact ad group	AND add as negative ASIN to source

BID OPTIMIZATION & NEGATIVE TARGETS		
AD GROUP	NEGATIVE TARGETS	BID OPTIMIZATION
Automatic	- irrelevant or poor-performing search terms add to negative if 0 conversions after X clicks	If ad group ACOS < / > target, then increase / decrease ad group bid
Broad	- irrelevant or poor-performing search terms add to negative if 0 conversions after X clicks	- If ACOS < / > target, then increase / decrease bid - If conversions = 0 after X clicks, then reduce bid or pause
Category	- irrelevant or poor-performing ASINs add to negative if 0 conversions after X clicks	- If ACOS < / > target, then increase / decrease bid - If conversions = 0 after X clicks, then reduce bid or pause - If impressions close to 0, then check product keywords or increase bid
Exact	N/A	If ACOS < / > target, then increase / decrease bid
ASIN	N/A	If ACOS < / > target, then increase / decrease bid

X = a sufficient number of clicks. (This number is dependent on your conversion rate, but between 10 and 20 is a good rule of thumb.)

You'll find the optimization and harvesting tables from this article in our [PDF summary document](#).

**Advertising is complicated
enough — we're here
to fix that.**



LEARN MORE

Step 4: Amazon PPC campaign optimization

Harvesting keywords and ASINs

Optimizing targets for Amazon PPC campaigns is all about **controlling traffic flow**. What we call “harvesting” is a two-step process, that involves:

1. Sourcing profitable targets from an ad group or campaign with a **broader reach** to a more **precisely targeted** campaign
2. **Adding them as negative targets** in the source ad group or campaign – to halt traffic to those keywords

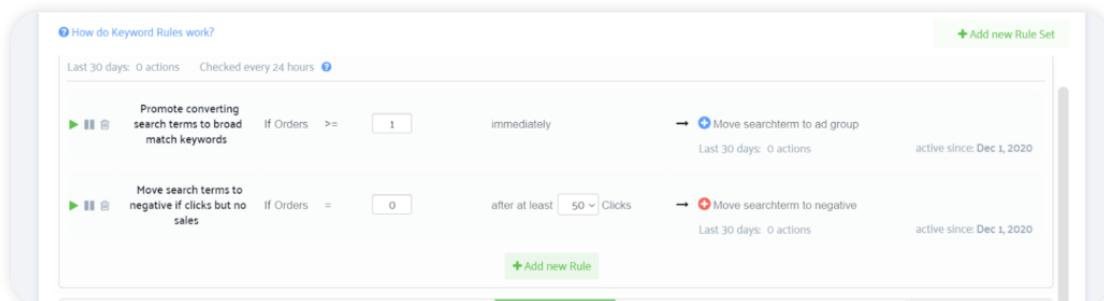
Here's an overview of the harvesting flows in our recommended Amazon PPC strategy:

SOURCE	DESTINATION	HARVEST	IF	THEN	AND
Automatic ad group	Broad ad group	Relevant search terms (keywords)	IF orders > 1	THEN immediately add to broad ad group	AND add as negative phrase keyword to source
Broad ad group	Exact ad group	Top search terms (keywords)	IF orders > 2 after X clicks	THEN add to exact ad group	AND add as negative exact keyword to source
Automatic ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add to ASIN ad group	AND add as negative ASIN to source
Category ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add as exact keyword to exact ad group	AND add as negative ASIN to source

X = a 'sufficient' number of clicks. (This number is dependent on your conversion rate, but between 10 and 20 is a good rule of thumb)

Automate this task

By using best practice rules sets in [Sellics Advertising](#), you can automatically **transfer top-performing search terms** from your automatic to manual campaign, saving time and increasing efficiency. Alternatively, use [Autopilot](#) to fully automate your Amazon PPC campaigns.



Negative keywords and ASINs

Unlike regular keywords, there are only **two match types** for negative keywords on Amazon: exact and phrase match. If you add “pizza float” to a negative phrase match, no searches containing “pizza float” will trigger your ads. If you added it to an exact match, then related search terms such as “pizza float **for kids**” would still be included. In addition to cutting off traffic flow to source campaigns, negative targets are also used to cut off traffic coming from **irrelevant** or **unprofitable** keywords.

If your keyword is a tree, search terms are its branches. Adding search terms as negative keywords is like pruning – you’re only cutting off specific branches in the interest of preserving the overall health of your tree.

— Victor @ Sellics

And pruning is important! Especially given that our studies show that one in four ad dollars is wasted. Adding the right keywords as negative targets is the best way to prevent wasted spend and reduce ACoS. And how many clicks are ‘sufficient’ to tell if you’ve given your keyword or ASIN a fair shake at making a sale? The exact number will depend on your conversion rate, but we suggest giving it between 10 and 20 clicks.

Automate this task

By using best practice rules sets in [Sellics Advertising](#), you can automatically add **negative keywords** and **transfer top-performing search** terms from your automatic to manual campaign, saving time and increasing efficiency. Alternatively, use [Autopilot](#) to fully automate your Amazon PPC campaigns.

While we’re on the subject of efficiency: you might want to consider **dayparting**. Dayparting is a technique used in Amazon PPC strategy that limits impressions to your ad based on the time of day and/or day of week for the purpose of more precise targeting. There are two principal scenarios where this technique is used.

1. To **save budget** by avoiding the morning or overnight:

With many budgets quickly burned in the early hours, midday and evening stand to have less competition – which means a lower CPC and ACoS. Depending on your product line and target audience, it’s probably the case that customers are less likely to make purchases during the wee hours. So that turning off your ads at night can protect from a flood of clicks that are more likely to be click-fraud than clients.

How likely is a customer to buy pool accessories at 2am? Only you know, which brings us to the second reason.

2. **Optimizing** for days and times that work best **for your business**. Unless you’re live-tracking your sales from your phone with the [Profit app](#), these insights are likely to come from off-Amazon sources. Either by ‘common sense’ or experience-earned insights.

Bid optimization

Bid optimization for Amazon PPC campaigns is all about **controlling your spending** and using your ad dollars as efficiently as possible. Imagine that bids are a dial to be finely tuned. Too low, and you miss out on valuable placements and revenue. Too high, and you overspend your ad budget, eating away at your profits. Without a solid grip on your bid strategy, you risk losing sight of your goal or having an Amazon PPC strategy that’s plain not working.

Improving your conversion rate is a sure-fire way to increase PPC ad performance.

But how can you tell if yours is “good” or “bad”? The answer’s not simple, but – thanks to Sellics data scientists – it is easy! You can [benchmark your account](#) against others in your category and marketplace now, for free.

The optimal bid is one that agrees with your budget – based on your **advertising goal**.

Goal is maximizing sales/impressions:

ACoS target value = break-even ACoS = profit margin before ad spend

Goal is achieving target profit margin after ad spend:

ACoS target value = target ACoS = profit margin before ad spend – profit margin after ad spend

But the optimal bid also depends on your product **price**, and your product page's likelihood of **closing the sale** (conversion rate). Because each target (keywords and ASINs) will have a different

- CTR
- conversion rate
- bid competition level (\$)

bid optimization for Amazon PPC campaigns has to happen at the target-level (except for automatic campaigns).

We recommend starting with Amazon's default bid and adjusting from there. These adjustments to your bid, if done correctly, are what we call bid **optimization** for Amazon PPC campaigns.

Keywords/ASINs with good ACoS:

IF ACoS < target value, THEN increase target bid

Keywords/ASINs with poor ACoS:

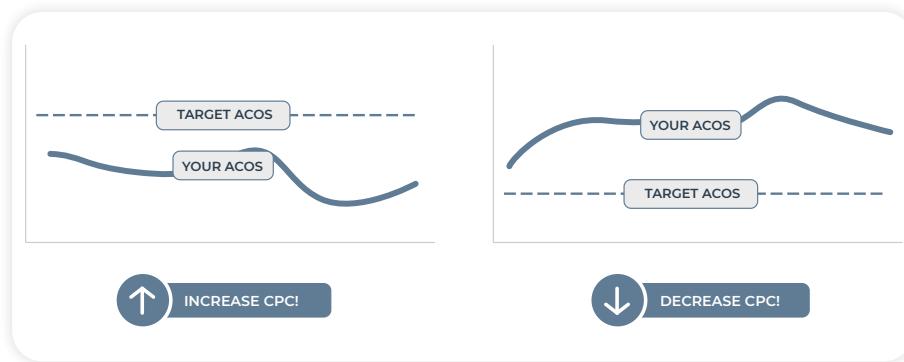
IF ACoS > target value, THEN decrease target bid

Keywords/ASINs without conversions:

Reduce bid or pause

Keywords with few or no impressions:

In case of no impressions, check if the keyword is missing in your product listing. In case of low impressions try increasing the keyword/ASIN bid.

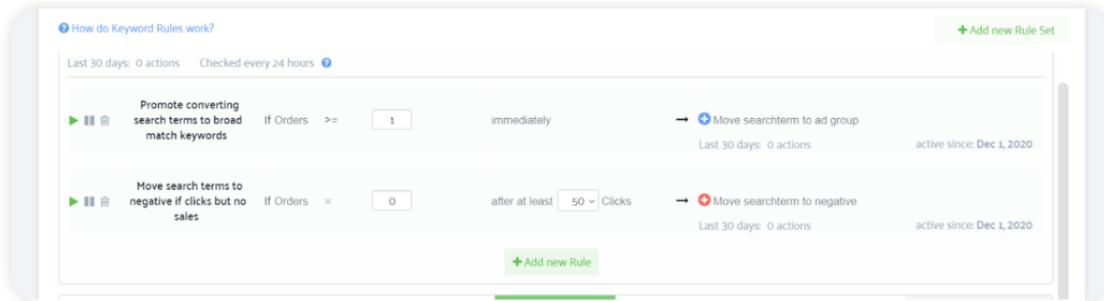


Our top tips for bid optimization for Amazon PPC campaigns

1. Don't be too bold: test your bid adjustments in **incremental steps** of between 20 and 30%. This will yield more precise results and help you dial in to the optimal bid more accurately.
2. Be patient: collect enough clicks before adjusting your bids to make sure you've collected **enough data** to make an informed decision.
3. Stay agile: CPCs can and will **change!** And so can the other factors influencing your bid (like your conversion rate, CTR, and even your product costs). That means **bid optimization for Amazon PPC campaigns is like cleaning your car after a visit to the beach**: a job that's never done.
4. Our ultimate tip is this: save time and money by delegating bid optimization to a total AI solution, like [Sellics Advertising](#) – where bid adjustments are made automatically according to our recommended strategy.

Automate this task

By using best practice rules sets in [Sellics Advertising](#) you can automate your bid management. Alternatively, use [Autopilot](#) to fully automate your Amazon PPC campaigns.

**Summary: Amazon PPC campaign optimization – targets and bids**

AD GROUP	SOURCE TARGETS FROM THIS GROUP, TO	NEGATIVE TARGETS	BID OPTIMIZATION
Automatic	Broad ad group and ASIN ad group	<ul style="list-style-type: none"> – irrelevant or poor-performing search terms – add to negative if 0 conversions after X clicks 	If ad group ACoS < / > target, then increase / decrease ad group bid
Broad	Exact ad group	<ul style="list-style-type: none"> – irrelevant or poor-performing search terms – add to negative if 0 conversions after X clicks 	<ul style="list-style-type: none"> – If ACoS < / > target, then increase / decrease bid – If conversions = 0 after X clicks, then reduce bid or pause – If impressions close to 0, then check product keywords or increase bid
Category	ASIN ad group	<ul style="list-style-type: none"> – irrelevant or poor-performing ASINs – add to negative if 0 conversions after X clicks 	<ul style="list-style-type: none"> – If ACoS < / > target, then increase / decrease bid – If conversions = 0 after X clicks, then reduce bid or pause – If impressions close to 0, then check product keywords or increase bid
Exact	N/A	N/A	If ACoS < / > target, then increase / decrease bid
ASIN	N/A	N/A	If ACoS < / > target, then increase / decrease bid

X = a 'sufficient' number of clicks. (This number is dependent on your conversion rate, but between 10 and 20 is a good rule of thumb)

Want to save this strategy for later? We've made it easy: download our 2021 Sponsored Products strategic summary [here](#).

THE ULTIMATE 2021 GUIDE TO SPONSORED PRODUCTS MASTERY, INCLUDING ADVANCED AMAZON PPC STRATEGY: SUMMARY					
TARGET HARVESTING					
SOURCE	DESTINATION	HARVEST	IF	THEN	AND
Automatic ad group	Broad ad group	Relevant search terms (keywords)	IF orders > 1	THEN immediately add to broad ad group	AND add as negative phrase keyword to source
Broad ad group	Exact ad group	Top search terms (keywords)	IF orders > 2 after X clicks	THEN add to exact ad group	AND add as negative exact keyword to source
Automatic ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add to ASIN ad group	AND add as negative ASIN to source
Category ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add as exact keyword to exact ad group	AND add as negative ASIN to source

BID OPTIMIZATION & NEGATIVE TARGETS		
AD GROUP	NEGATIVE TARGETS	BID OPTIMIZATION
Automatic	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	- ad group is < target, then increase / decrease bid - if conversions > target, then check product keywords or increase bid
Broad	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	- if ACUS < target, then increase / decrease bid - if conversions = 0 after X clicks, then reduce bid or pause - if impressions close to target, then check product keywords or increase bid
Category	- irrelevant or poor-performing ASINs - add to negative if 0 conversions after X clicks	- if ACUS < target, then increase / decrease bid - if conversions = 0 after X clicks, then reduce bid or pause - if impressions close to target, then check product keywords or increase bid
Exact	N/A	if ACUS < target, then increase / decrease bid
ASIN	N/A	if ACUS < target, then increase / decrease bid

You'll find the optimization and harvesting tables from this article in our [PDF summary document](#).

Step 5: benchmark your Amazon PPC performance

An optimized Amazon PPC campaign structure and advanced techniques will take you pretty far, but compared to what? Working in a silo, it can be difficult to assess how your ad campaigns are **really doing**. While we covered the techniques involved in crafting an efficient and optimized PPC campaign, this can't compensate for a poor click-through or conversion rate. Improving either is a sure-fire way to reduce ACoS and increase ad efficiency, but to know whether and how much potential you have for improvement, you first need an accurate picture of where you stand.

“Is my conversion rate high or low?”

To find out, what you need is a **reliable benchmark** – and you won't get one by googling industry averages: they're both too general and largely inaccurate, with super-high and super-low performers dragging the middle toward either extreme. For a benchmark to be helpful, it **should be specific to**:

- Amazon PPC – and Sponsored Products in particular, and
- your product category, and
- marketplace.

That way, you can answer: how am I doing **compared to my peers** – taking into account the unique conditions of my market segment outlined above. For example, our hypothetical donut float salesperson would benefit from knowing that the Sports & Outdoor category has a **median** Sponsored Products CTR of 0.36%, and ACoS of 15%.



How do we know that? Based on advertising data of over \$2.5b+ in Amazon ad spend data worldwide, Sellics has created the [Sellics Benchmarking Tool \[Beta\]](#). With this tool you can understand within seconds how well your

Amazon PPC campaigns are doing.



[Get access now](#) for free and discover how your:

- CPC
- ACoS
- click-through rate (CTR)
- conversion rate (CVR)

stack up to find out where **attention is needed**. Once you know, we have plenty of resources to help strengthen your stats!

Level-up: expert Amazon PPC strategies

Amazon PPC bid automation

Rules-based automation uses an “if-then” equation to make helpful changes to your campaigns automatically, without having to:

- observe the conditions first-hand by pouring over metrics, or
- having to make those adjustments yourself.

Based on what we’ve covered so far, you already know the conditions in which you want to adjust your bids. So, you make the **rules**, and the software makes the adjustments. In the case of bid optimization for Amazon PPC campaigns, if the bid is above your target ACoS, it will be decreased automatically. If it is below, it will be increased automatically.

Implement your own keyword and bidding rules now: to automate harvesting and bid optimization – with [Sellics Advertising](#).

The main difference between rules-based automation and a full artificial intelligence is that an **AI solution** goes beyond following simple if/then rules. You’re still the one setting the conditions in which you want changes made. However, this time the software uses algorithmic intelligence to, essentially, predict the future so that it can make changes with a more accurate and holistic point of view.

Not, mind you, by magic but based on a complex web of data points and past performance. It's a bit much to get into the 'how' here, but what you need to know is that Sellics Autopilot can predict the:

- **expected conversion rate** – which is different from the average conversion rate – accounting for seasonality and changes in market conditions.
- **expected revenue** – which, of course, is different from the price of the product you're advertising – accounting for brand halo sales, multiples, and complimentary purchases.
- and, the **bid-to-CPC** ratio, which varies by Amazon product category.

Having predicted these factors, armed with your target ACoS, Autopilot is afforded more freedom to make bid adjustments because it is more informed. After all, it's easy to set your bet when you know the outcome of the game.

Learn more

about how [Sellics Autopilot](#) uses AI automation to optimize your campaigns for you.

Dynamic bidding strategies

You may not know it, but, you're already using dynamic bidding, by default. This allows Amazon to adjust your bids. There are three settings:

Down only (Amazon's default setting)

The purpose of automatically decreasing your bids is to **reduce waste**. If a click is less likely to convert, the bid is automatically reduced by up to 100 %. You might worry that – if applied too aggressively – this could keep you from making sales on targets that are simply slow to convert. But, not so. Only targets that are **very unlikely** to convert would be lowered to 0, making "down only" a quite conservative option and the reason it's applied automatically. Speaking of which, how exactly is the likelihood of converting determined? The short answer is that even we don't know. Amazon uses artificial intelligence based on its extensive shopping behavior data. We can't be sure about what the determining factors are, but we have a [pretty good idea](#).

Up and down

The purpose of adding automated bid increases is to **seize new sales** opportunities – in addition to reducing waste. In other words, increasing efficiency. If a click is likely to convert, Amazon will **raise your bid** by up to 100% (double) for placements at the top of the 1st page of search results and up to 50 % for all other placements.



We recommend you give this a try for your **optimized ad groups** – so long as your goal involves profitability.

Fixed bids

Alternatively, you can opt out by **disabling bid dynamism**. In this case, dynamic bidding is deactivated and bids remain the same. Amazon will always use your default bid. Because there's no "up only", this setting will be your go-to when you don't want Amazon to stop serving your ad when it's unlikely to convert. In other words, when you're looking to **maximize sales or impressions** at any cost.

Placement modifiers

There are two – technically three – places Sponsored Products may appear:

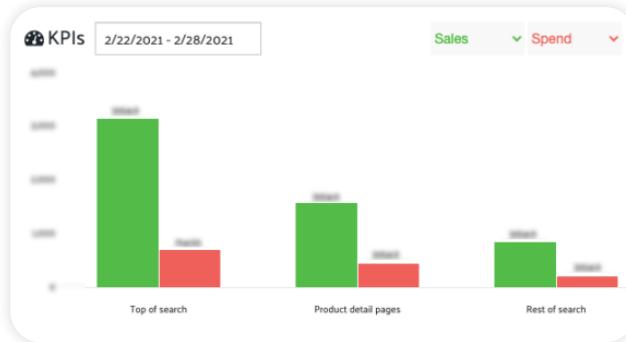
1. Top-of-search (first two Sponsored listings)
2. On product pages
3. The rest-of-search

For the first two, Amazon gives you the option of increasing your bid – **by placement**. Meaning you can increase your bid (by between 1% and 900%) for either Top-of-search or Product pages. This is as close as Amazon gets to letting you **choose where your Sponsored Product ads appear**.

So which placement is the best?

There are two ways to find out.

1. Analyzing the Sponsored Products Placement Report
2. Having a look at the Sellics Placement Report



In either case, what you're screening for is a **lower ACoS**, signalling ad efficiency and profitability. It's paramount that you do this analysis based on the individual products or, more broadly, product lines. There really is **no right answer** outside of what is revealed by your own performance metrics.

Consider, for example, the difference in purchasing behaviours for **high ticket versus low ticket** products. When you are looking to buy a high ticket item – what are the chances that you buy the first one you see? Probably not very high. If your shoppers are likely to browse and comparison shop, then the Product Details Page is probably a better place to capture their attention. And, it's likely that the reverse is true for low-ticket or staple items. But please, don't take our word for it. This is just one example meant to illustrate that one placement really isn't intrinsically better than the other.

How can you ensure your ad appears in the right spot?

Once you've figured out which placement you want, choose a +900% adjustment for the desired placement (either Top-of-Search or Product Pages) and 0 for the other. This should be used in conjunction with Up and Down dynamic bidding.

How to adjust your default Amazon PPC bid according to dynamic bidding and placement modifiers

Both Dynamic Bidding and Placement Modifiers will have an impact on your default bid. A little bit of backwards-math is required. You'll need to determine how much you're willing to pay for:

- your desired placement (let's say Top of Search),
- with a 'high probability of conversion' (according to Amazon AI)

Using this figure as your **maximum bid**, divide by the adjustments to determine which bid to use as a starting point. Find more details and the formula, [here](#).

Brand and competitor targeting

Once you've established your key Amazon PPC campaigns with optimization flows built in and assessed your performance for potential improvements, you're ready to move on: to more campaigns! You can create additional campaigns to achieve more **advanced Amazon PPC goals**. Usually the next-most pressing priorities are one or both of the following:

Defense: defending your listings from your competitors who will try to scoop your sales

A defensive Amazon PPC strategy means bidding on ad placements adjacent to **your own products** – which you can identify through keyword and ASIN targeting. Occupying the space yourself means depriving others of the opportunity.

Why would I need to promote my products to an audience that is already looking for them?

For one, many Amazon shoppers are brand agnostic and, increasingly, come to browse and **comparison shop** – not just to quickly make purchases and be on their way. When customers are looking for your products, if you want them to:

- find them, and
- not be distracted by competitors

Then you should be implementing a defensive Amazon PPC strategy. With ASIN targeting, bid on **your own ASINs**. Of course, be strategic about it: choose a combination of similar and complementary products. Not only to steal the space from your competitors, this is a great opportunity to up-sell and cross-sell. Also, owning the space around your keywords and ASINs will lend your brand more authority. For keywords, you'll want to bid on **your own branded keywords**.

As a starting point, try searching for your brand on Amazon. If you see competitive brands ranking higher than your own products: that's a sign that some of your (prospective) sales are **getting scooped!** But, it's not too late. You want to get in the game by bidding on these keywords yourself and driving up the price – making them less appealing to your competitors. The good news is, **ACoS** tends to be much **lower** on these targets since shoppers have already expressed interest in your brand. What you're doing is nurturing the opportunity you've been given, by: **reducing the friction** of finding your products, and **encouraging conversions** by reducing competitor distractions.

Offense: becoming the scooper – earning incremental sales by promoting your product in competitive spaces

According to Michael Jordan, the best defense is a good offense. And that's become a well worn cliche for a reason! Or, if you're burnt out on sports analogies (my bad) in business it's often said that if you're not growing, you're dying. And this might be especially true in a space as competitive as Amazon – where prospecting could be considered merely an aggressive defensive Amazon PPC strategy, at least according to MJ. The flip side of your defense setup, you'll bid on your competitor's keywords and ASINs. But, again, you want to do so strategically – especially as it's easy to **yield a negative return**. After all, they're not looking for you.

If you're willing to stick it out, it very well might be **worth it** in the long run. Gradually, sales you've earned that started as searches for your competitor will **increase the relevancy** of your keywords for those terms, driving up your **organic rank**. To start, find your competitor's highest volume keywords, you can again use Amazon's search bar: you can assume that the served up suggestions – after typing the brand name – are their highest-volume keywords. Use those as a starting point for your Amazon PPC campaign. The lower-impression terms mean a little less exposure but are lower hanging fruit, since they'll cost a little less: a good place to start.

Fine tuning from there, adjusting your bids will have to be done with your degree of commitment to this goal in mind – we'll discuss that next. For **ASIN-targeting**, you want to make sure you're targeting competitor products over which you have **an advantage** so that you're giving your products a fair shot. Consider ASINs that have:

- a higher price
- fewer ratings, or
- a lower overall rating

than yours. If you want to compete with a product that is more or less equivalent to yours in these respects, consider **adding a coupon** or special offer.

Level-up: category refinements

Category refinements were designed with prospecting in mind. They allow you to **refine your category**-targeting by:

- brand
- price range
- star rating

The most obvious application is for the strategy we've just discussed: targeting products over which you have a clear advantage – either a **lower price** or a **higher rating**. Category refinements allow you to select for these factors without having to do any market research.

Another option, combined with a bit of on-Amazon research, is piggybacking off of big brands' big advertising budgets. For example, targeting brands who've invested in Sponsored Brands lets your Sponsored Products piggyback off of that hard won traffic. For maximum efficiency, be sure to make use of adding brands and ASINs unlikely to convert as negatives.

A conservative or aggressive approach

In both cases, there is a question of degree. You can choose to pursue either of these goals aggressively or conservatively – which comes down to budget.

- | Is the goal (defense/offense) more important than (short-term) profitability?

If the answer is yes, that's an aggressive approach to the goal and means you should aim for a **break-even ACoS**. If not, that's a rather conservative approach to the goal. In this case, the gains (from an either defensive or offensive Amazon PPC strategy) don't override your primary goal to earn profits from your ads. In this situation, your **target ACoS** is the goal.

Budget allocation and portfolios

In the same way that campaigns include a cluster of ad groups, Portfolios organize campaigns:



source: Amazon Advertising

This feature is helpful for accounts managing a number of different brands or within brands with varied product lines. Its chief benefit is making campaign clusters distinct from each other so that changes and analyses can be performed separately – according to each assigned portfolio grouping. As always, we consider this an advanced tactic because it comes down to achieving a **greater degree of control**. The benefit of having **separate** portfolios is that changes can be applied at a level between the account-level and campaign-level. The flip side of segregating different campaigns is that the portfolio also means you can **consolidate** different campaigns. Portfolios are especially relevant for products or groupings where you might want to separately manage:

- budgets and billing
- marketing strategies and stores
- performance metrics

Using metrics alone can be deceiving.

[Learn more](#) about why, according to top PPC strategists, portfolios are a necessary component for understanding your true profit. This, and other advanced strategies are covered in [Episode 15 of Sellics Thursday Live](#).

Conclusion and key takeaways

Levelling up your Sponsored Products strategy is the fastest way to improve your overall performance on Amazon. And, getting a solid grip on Sponsored Products lays a strong foundation to build on – both for your greater marketing strategy and additional Amazon PPC formats like Sponsored Brands and Sponsored Display. The key to success is **building in Amazon PPC campaign optimization** with a setup that's a good compromise between ease and efficiency and gets better over time.

Based on our research and industry knowledge, we can break down a winning strategy into the following steps:

1. Establish a goal
2. Set up one Amazon PPC recommended campaign structure per ASIN (or group)
3. Optimize Targets and Bids
4. Benchmark your performance

And, finally, move on up! Consider creating further campaigns for additional goals and taking on more advanced strategies, involving defense or offense. The benefit of Amazon PPC campaigns is that the more time and data that you accumulate, the more opportunities you have to refine and improve your strategy. If you're not short on time, it's possible to apply most of even our advanced recommendations manually.

Alternatively, promote yourself from coach to general manager by setting the goals yourself and delegating Amazon PPC campaign optimization to us: the setup we've outlined matches the 'best practices' settings that would optimize your campaigns for you **automatically**. In the meantime, if you leave with just one takeaway, let it be to **benchmark your performance now** (for free) to see where you have the most potential so that you can begin improving your PPC performance today.

For your convenience, we've consolidated our recommendations into a [Sponsored Products Checklist](#) – that can be adapted to any goal.

TARGET HARVESTING				
SOURCE	DESTINATION	HARVEST	IF	THEN
Automatic ad group	Broad ad group	Relevant search terms (keywords)	IF orders > 1	THEN immediately add to broad ad group
Broad ad group	Exact ad group	Top search terms (keywords)	IF orders > 2 after X clicks	THEN add to exact ad group
Automatic ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add to ASIN ad group
Category ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add as exact keyword to exact ad group AND add as negative ASIN to source

BID OPTIMIZATION & NEGATIVE TARGETS		
AD GROUP	NEGATIVE TARGETS	BID OPTIMIZATION
Automatic	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	If ad group ACOS < / > target, then increase / decrease ad group bid
Broad	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	- If ACOS < / > target, then increase / decrease bid - If impressions close to 0, then reduce bid or pause - If impressions close to 0, then check product keywords or increase bid
Category	- irrelevant or poor-performing ASINs - add to negative if 0 conversions after X clicks	- If ACOS < / > target, then increase / decrease bid - If impressions close to 0, then reduce bid or pause - If impressions close to 0, then check product keywords or increase bid
Exact	N/A	If ACOS < / > target, then increase / decrease bid
ASIN	N/A	If ACOS < / > target, then increase / decrease bid

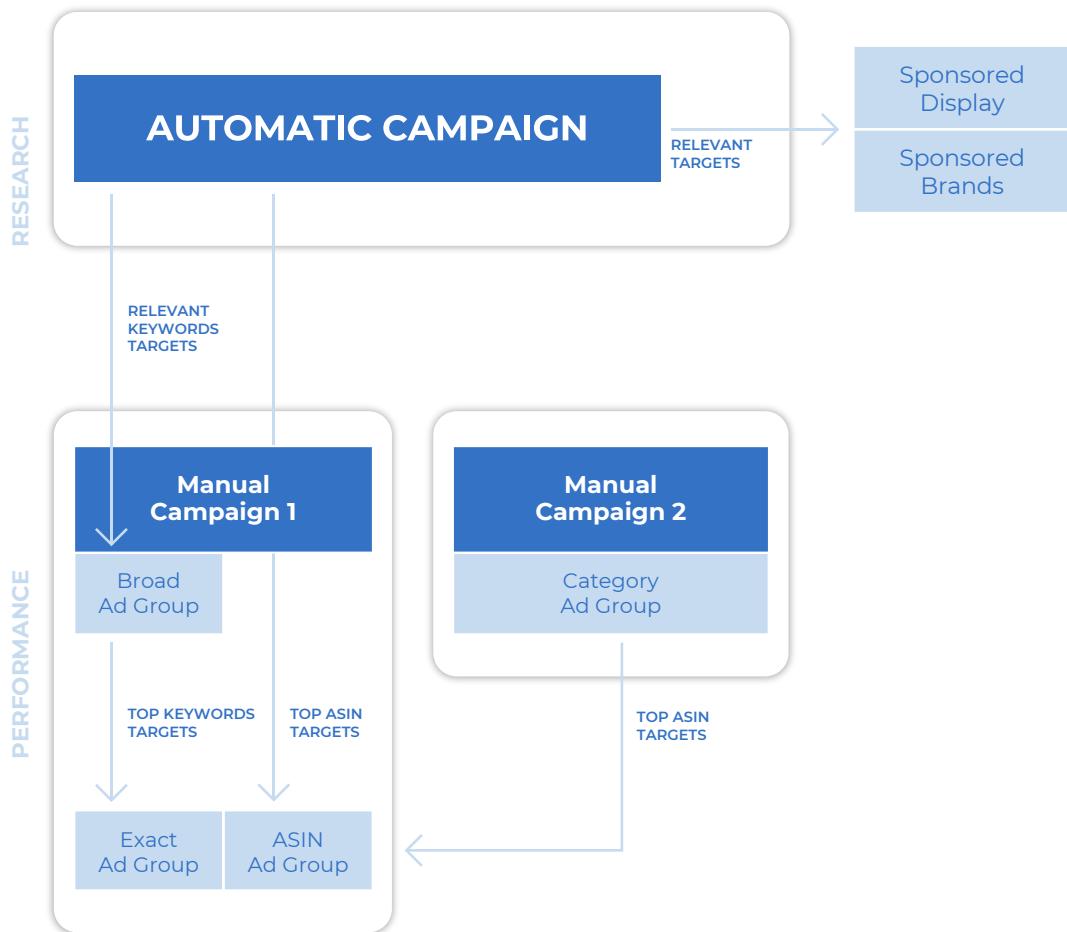
X = a sufficient number of clicks. (This number is dependent on your conversion rate, but between 10 and 20 is a good rule of thumb)

You'll find the optimization and harvesting tables from this article in our [PDF summary document](#).

What did we miss? And, how is it going? Please share your experience with us!

Summary: Sponsored Products advanced checklist

Sponsored Products - Advanced Strategy



#1: AUTOMATIC CAMPAIGN	
Function	Keyword & ASIN research
Campaign Name	SP [Fill in ASIN] Auto
Starting Budget	\$15 per product
Ad Groups	1. Automatic

#3: MANUAL CAMPAIGN: CATEGORY CAMPAIGN	
Function	Performance & identification of top ASINs for ASIN ad group
Campaign Name	SP [Fill in ASIN] Category
Starting Budget	\$10 per product
Ad Groups	1. Category

AD GROUP #1: KEYWORD & ASIN RESEARCH	
Function	Keyword & ASIN research
Campaign Name	SP [Fill in ASIN] Auto
Starting Budget	\$15 per product
Starting Bid	Use Amazon's suggested bid
Initial Targets	None
Initial Negative Targets	Initial targets from broad ad group (as negative phrase) and from ASIN ad group (as negative ASIN)

AD GROUP #1: CATEGORY AD GROUP	
Function	Performance & identification of top ASINs for ASIN ad group
Ad Group Name	SP [Fill in ASIN] Manual Category
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched relevant categories
Initial Negative Targets	Add initial ASIN targets from ASIN ad group as negative ASINs

#2: MANUAL CAMPAIGN: KEYWORD & ASIN	
Function	Performance (profit/sales/impressions)*
Campaign Name	SP [Fill in ASIN] Manual
Starting Budget	\$25 per product
Ad Groups	1. Broad, 2. Exact, 3. ASIN

AD GROUP #1: BROAD MATCH (KEYWORDS)	
Function	Performance & identification of top keywords for exact ad group
Ad Group Name	SP Fill in ASIN Manual Broad
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched keywords from Sonar (20) with match type broad. Note: These keywords will also be used as initial targets for the exact match group.
Initial Negative Targets	Add initial targets with match type negative exact

AD GROUP #2: EXACT MATCH (KEYWORDS)	
Function	Performance (profit/sales/impressions)
Ad Group Name	SP [Fill in ASIN] Manual KW Exact
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched keywords from Sonar (20) with match type exact.
Initial Negative Targets	None

AD GROUP #3: ASIN TARGETING	
Function	Performance (profit/sales/impressions)
Ad Group Name	SP [Fill in ASIN] Manual ASIN Exact
Starting Bid	Use Amazon's suggested bid
Initial Targets	Researched ASINs from Sonar (20)
Initial Negative Targets	None

TARGET HARVESTING					
SOURCE	DESTINATION	HARVEST	IF	THEN	AND
Automatic ad group	Broad ad group	Relevant search terms (keywords)	IF orders > 1	THEN immediately add to broad ad group	AND add as negative phrase keyword to source
Broad ad group	Exact ad group	Top search terms (keywords)	IF orders > 2 after X clicks	THEN add to exact ad group	AND add as negative exact keyword to source
Automatic ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add to ASIN ad group	AND add as negative ASIN to source
Category ad group	ASIN ad group	Top search terms (ASINs)	IF orders > 2 after X clicks	THEN add as exact keyword to exact ad group	AND add as negative ASIN to source

BID OPTIMIZATION & NEGATIVE TARGETS		
AD GROUP	NEGATIVE TARGETS	BID OPTIMIZATION
Automatic	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	If ad group ACoS < / > target, then increase / decrease ad group bid
Broad	- irrelevant or poor-performing search terms - add to negative if 0 conversions after X clicks	- If ACoS < / > target, then increase / decrease bid - If conversions = 0 after X clicks, then reduce bid or pause - If impressions close to 0, then check product keywords or increase bid
Category	- irrelevant or poor-performing ASINs - add to negative if 0 conversions after X clicks	- If ACoS < / > target, then increase / decrease bid - If conversions = 0 after X clicks, then reduce bid or pause - If impressions close to 0, then check product keywords or increase bid
Exact	N/A	If ACoS < / > target, then increase / decrease bid
ASIN	N/A	If ACoS < / > target, then increase / decrease bid

X = a 'sufficient' number of clicks. (This number is dependent on your conversion rate, but between 10 and 20 is a good rule of thumb)