AMZELL
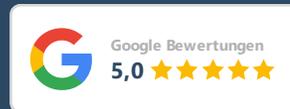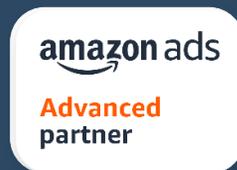
Partner Case Study

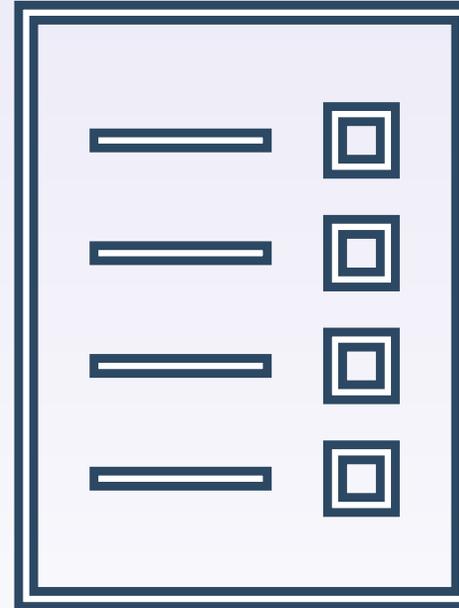Knuffelwuff

06/2023
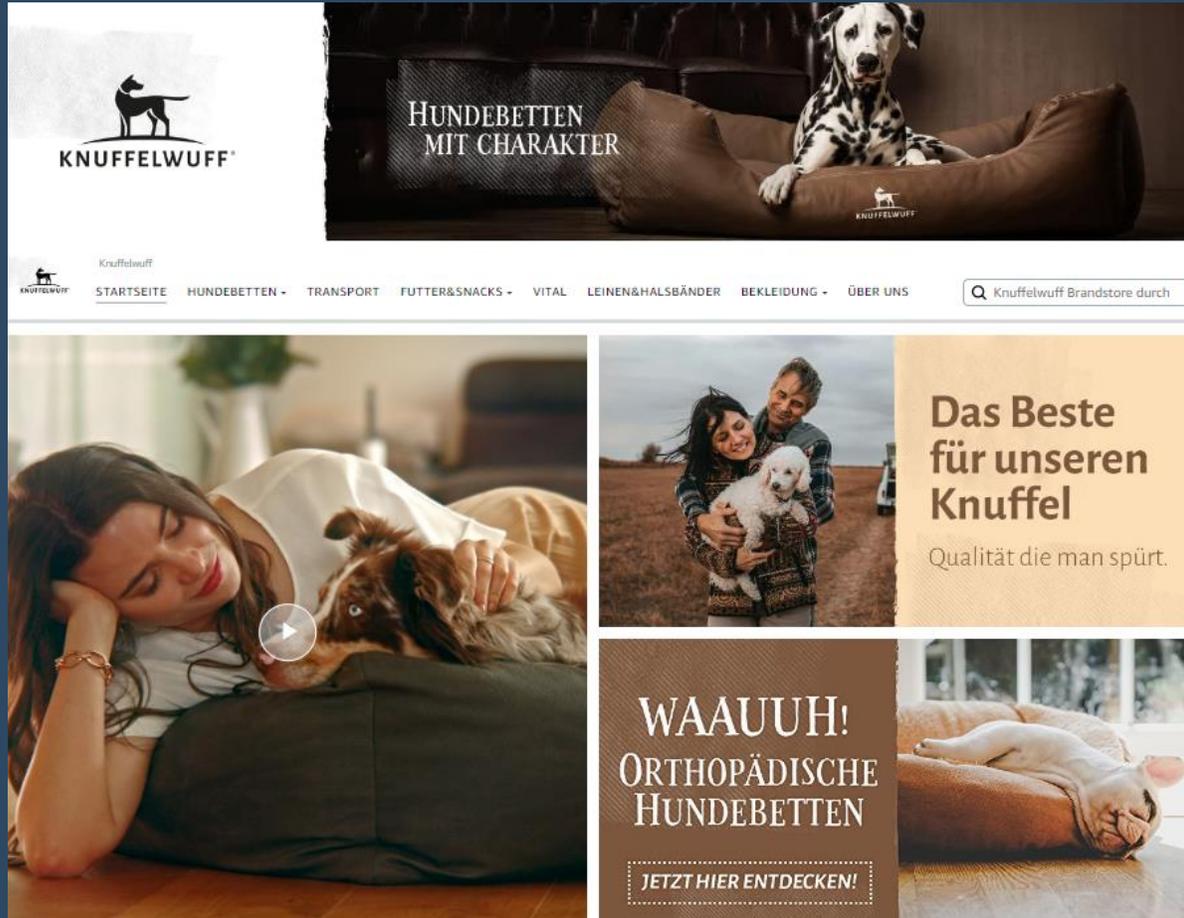
Agenda

➢ Client

➢ Business goal & strategy

➢ My role

➢ Business outcome

➢ Amazon ads product

Client | Knuffelwuff

Discover Knuffellwuff, the perfect place for your furry friend. Quality dog beds offer unparalleled comfort, support and style. From orthopedic beds to cozy cave beds - there is something for every dog. Knuffellwuff appreciates both pets and their owners and creates functional, comfortable and timeless beds. Give your dog the perfect night's sleep with Knuffellwuff premium dog beds.

AMZELL

Client | Starting point & challenges

Starting Point

➢ Takeover of the account
➢ Increasing number of competitors with lower price range
➢ Strong competitor listings in the category
➢ Lack of target group oriented creatives
➢ No Amazon Store

Chances

➢ Full-funnel approach with granular setup
➢ Unused potential in the Sponsored Brand field
➢ Coordination of creatives und store pages with the target group

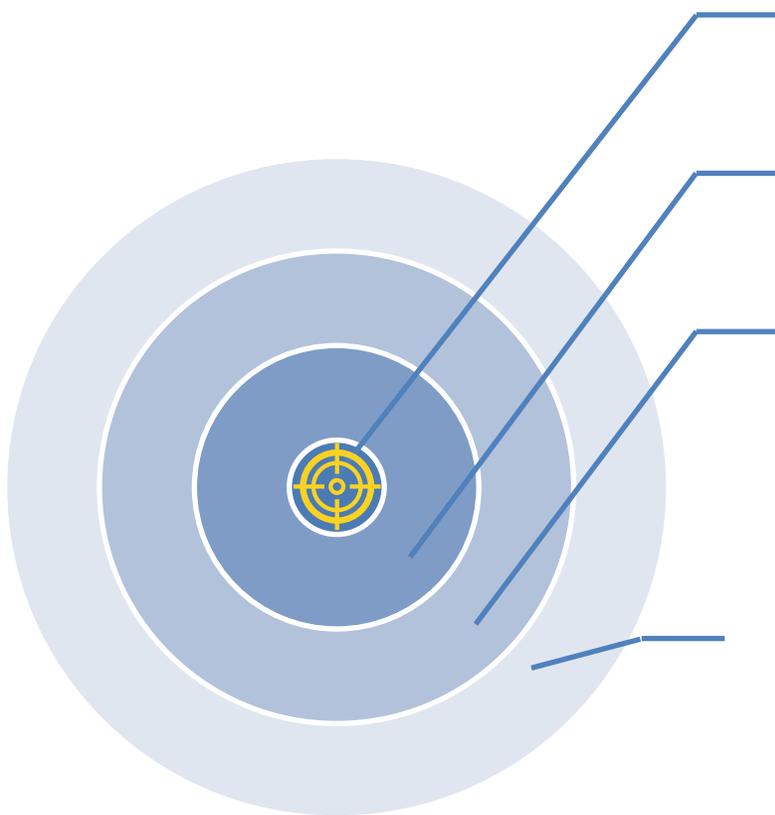## 3 Stage Strategy

Phase 1
➢ Sponsored Brand expansion
Phase 2
➢ Store launch by client
Phase 3
➢ Store concept according to the needs of the target group
➢ Specific campaign on a subcategory with competitive advantage
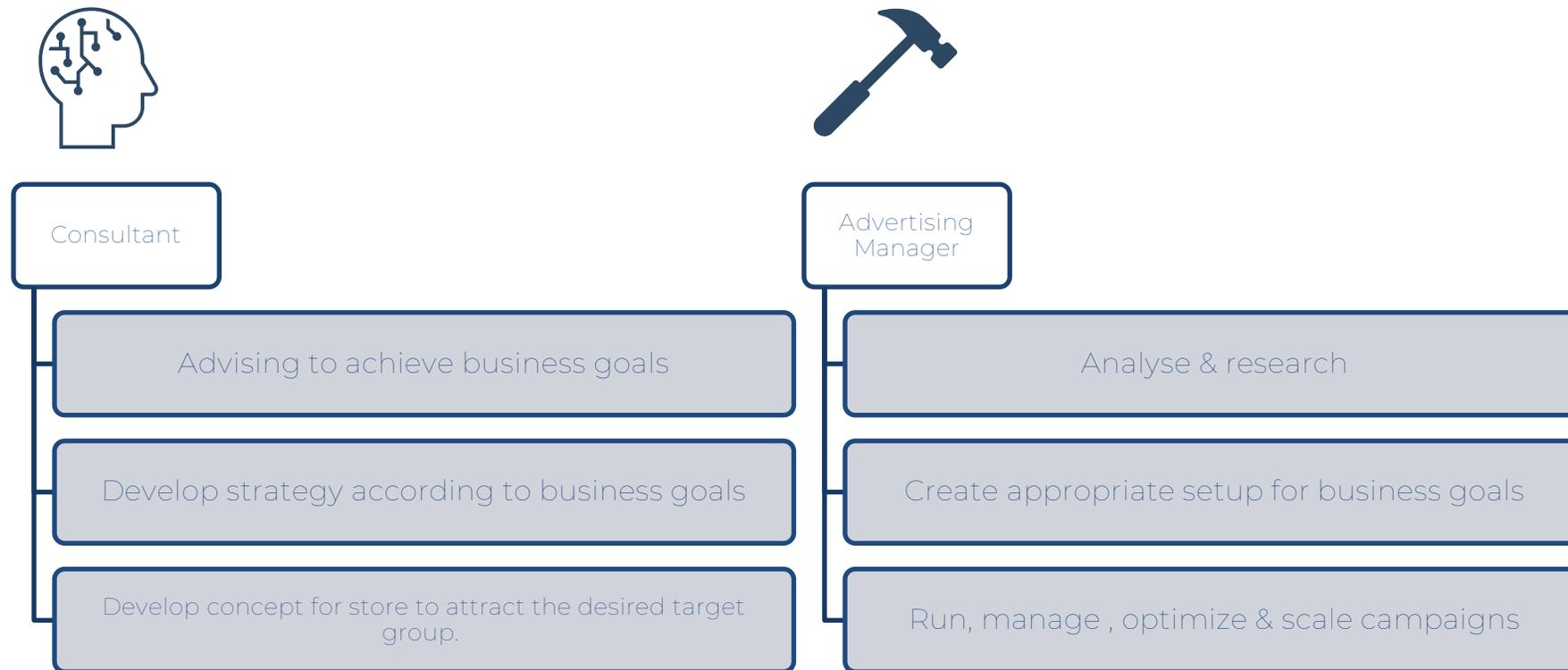➢ Creatives that reach the targeted audience

Business goals

Briefing

➢ Business Goal: Advertising sales growth by the maximum of 20% ACoS (overall ads)

➢ Create a campaign setup that can be easiliy scaled

➢ Abilitiy to react on changing market/category after analog retail went back to normal (after covid restrictions 2021)

➢ Representative & efficient brand appearance (Amazon store & creatives)

My role

Consultant

Advising to achieve business goals

Develop strategy according to business goals

Develop concept for store to attract the desired target group.

Advertising Manager

Analyse & research

Create appropriate setup for business goals

Run, manage , optimize & scale campaigns

Strategy stage 1 - I

➢ Objective: Exploiting unused potentials of Sponsored Brand campaigns - product targeting & generic keywords

➢ Budget: 11.000 €

➢ Timeframe: Dec 2021 – Jan 2022

➢ Sponsored Brand Landing Page: Landing page featuring top sellers - no store available.
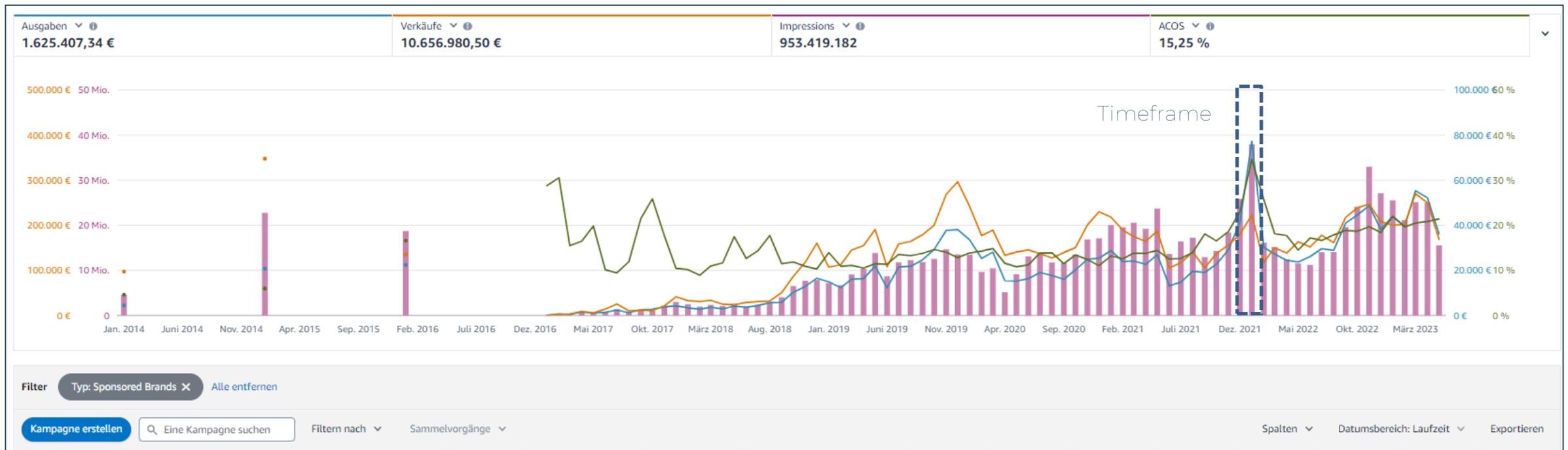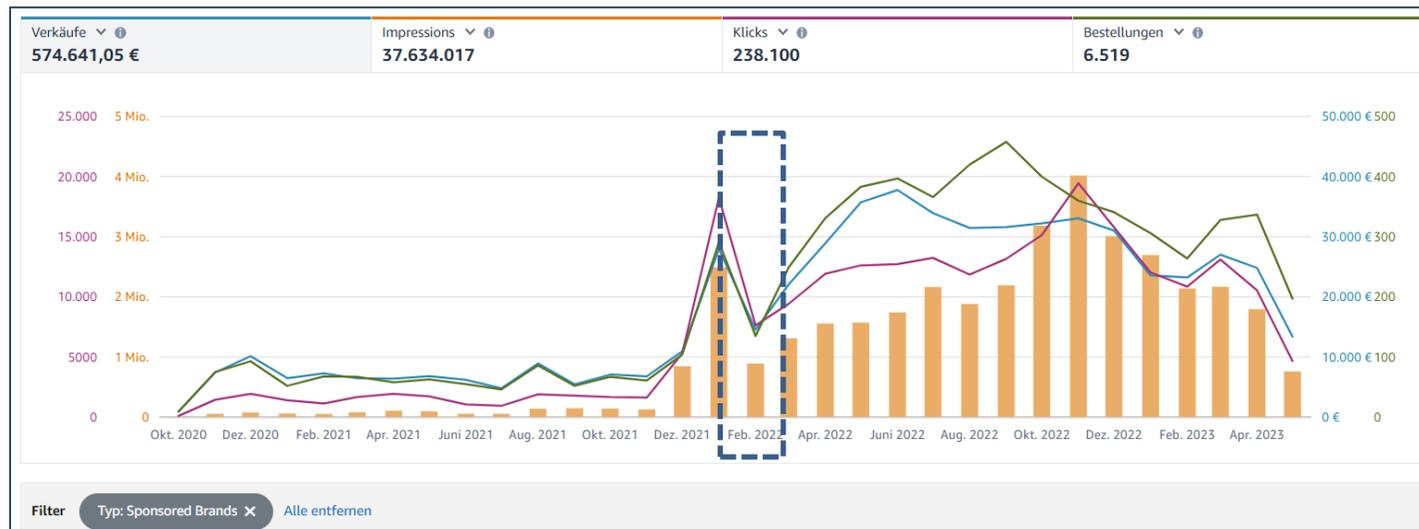
Strategy stage 1 - II

Evaluation stage 1:

➢ Revenue scaled up to €27,994 through Sponsored Brand

➢ ACoS has increased to 39%

➢ Need: Conversion Rate (CVR) optimization | JAN 22 – CVR 1,6%
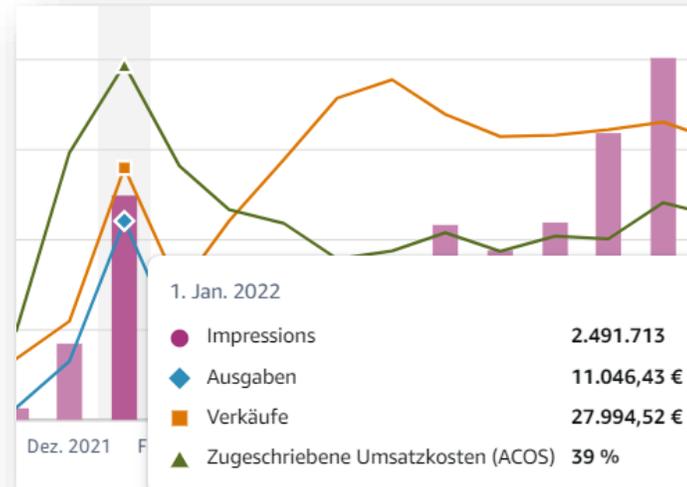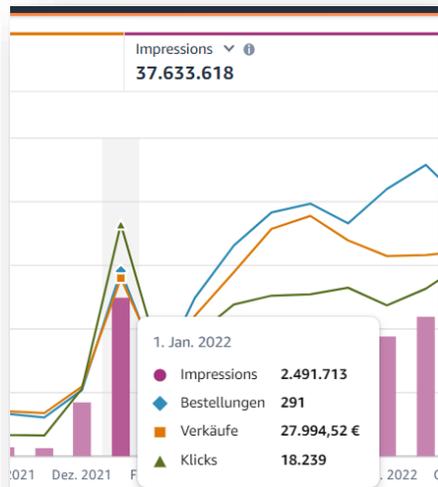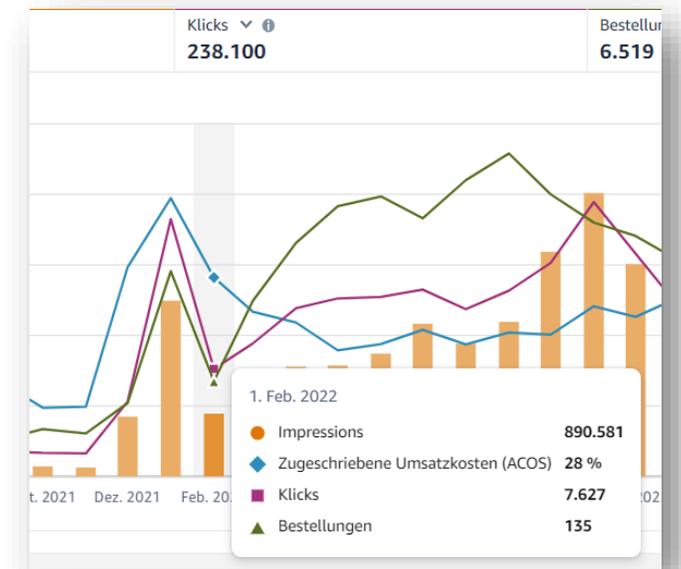
Strategy stage 2

- Strategy: Store launch driven by client
- Objective: ACoS decreased to 28%
- Result: Performance drop - Store concept wasn´t optimal
- Budget: €7,000
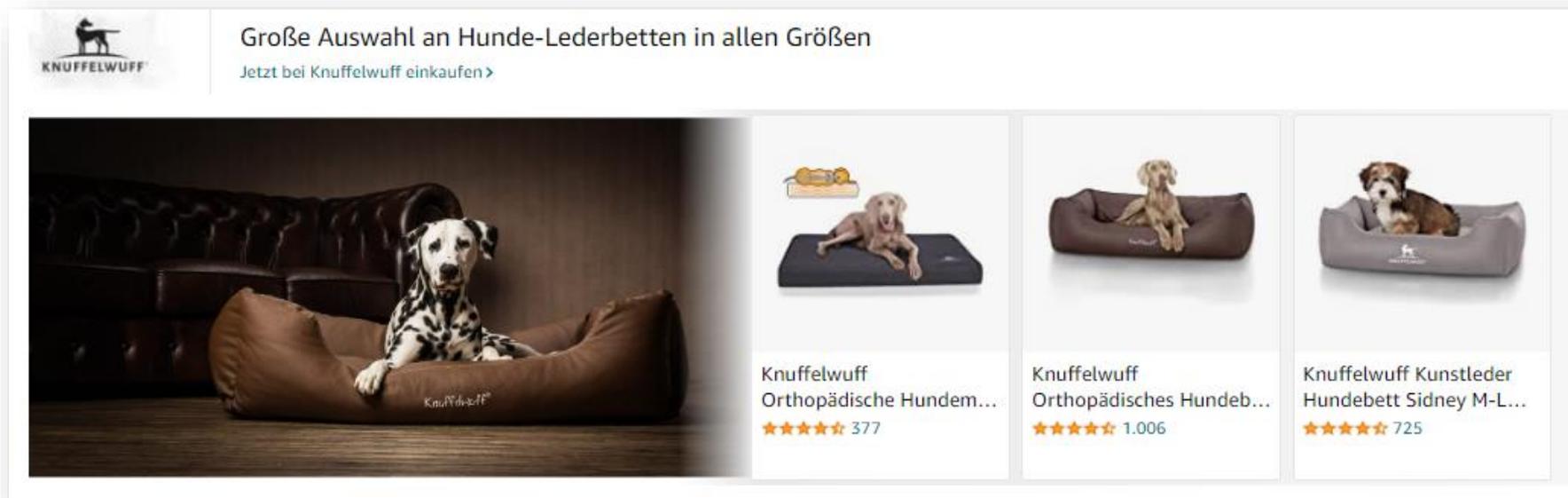- Timeframe: Feb 2022
- Sponsored Brand Landing Page: Store

Evaluation Phase 2:

- Revenue has declined.
- ACoS has decreased to 28%.
- CVR has increased to 1.77%.

Strategy stage 3 - I

- Objective: CVR optimization
- Strategy:
  - Store re-launch: Granular subpages tailored to the target audience's purchase intent
  - Campaign structure: Sponsored Brand campaigns clustered by target audience's purchase intent
  - Sponsored Brand creative aligned with the target audience: Dog owners with high purchasing power
  - Optimization of advertised products for the generic main keyword "Hundebett." (English: dog bed)
  - Leather dog beds have shown greater competitiveness compared to the previous top seller.
  - Budget: €7,000
  - Timeframe: March 2022
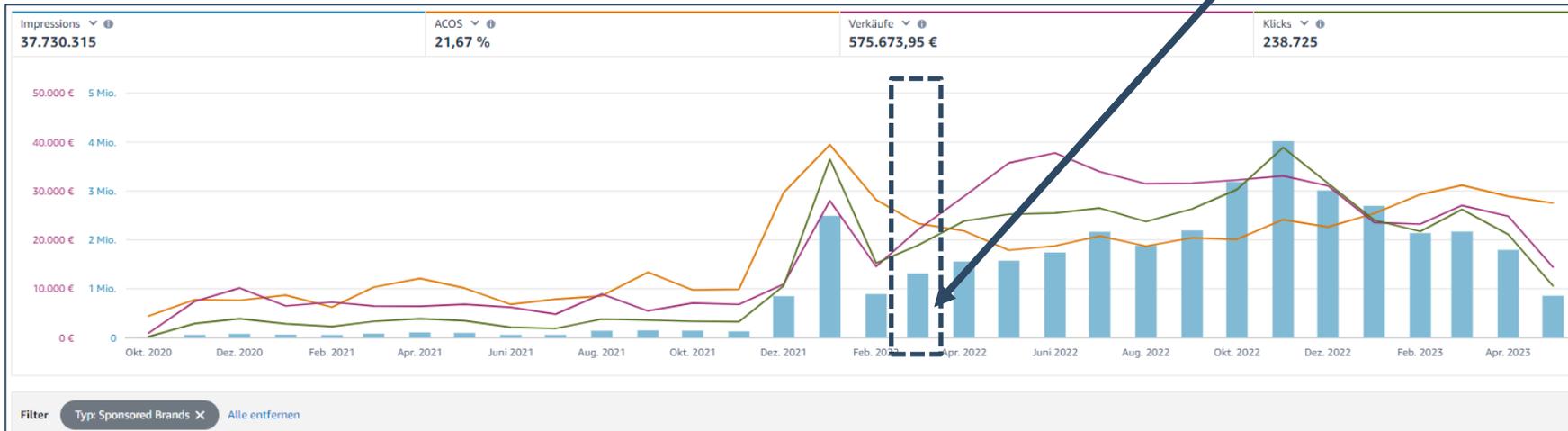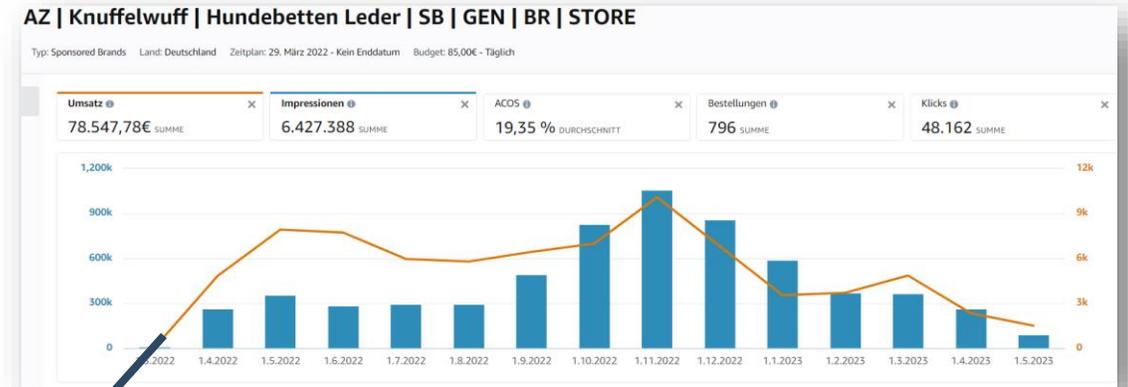 - Sponsored Brand Landing Page: Store subpage.

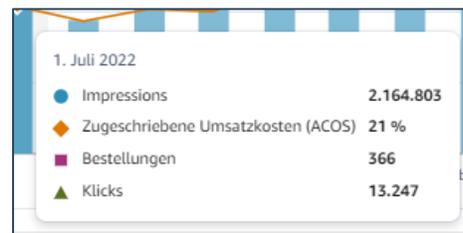# Strategy stage 3 - II

Evaluation stage 3:

➢ Revenue has decreased.

➢ ACoS has decreased to 23%. (MAR)

➢ CVR has increased to 2.,76%. (JUL)

Implementation of special campaign with landingpage
store | supage "Lederbetten" :

AZ | Knuffelwuff | Hundebetten Leder | SB | GEN | BR

Source:

Business Outcome

Business outcome: Main Keyword

Evaluation search term performance main keyword:

➢ Outcome: ACoS has decreased to 13,6%.

➢ CVR has increased to 1,7%.
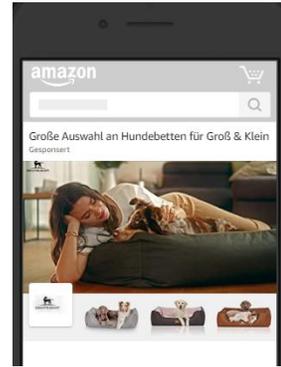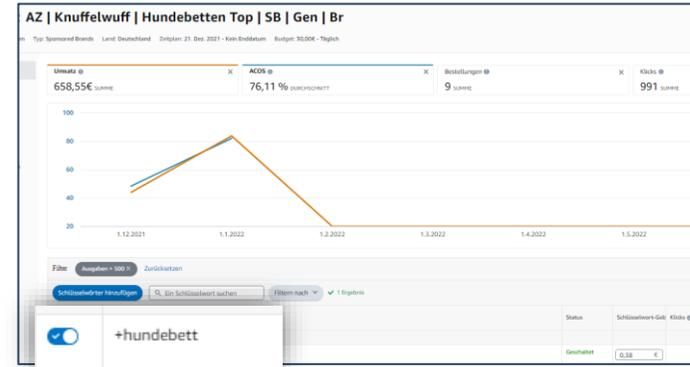
Campaign	Search Term	Clicks	Ads spend	CPC	Ad orders	Total sales	ACoS	CVR
AZ	Knuffelwuff	Hundebetten Top	SB	Gen	Br	+hundebett	991	501,24€	0,51€	9	658,55€	76%	0,9%

Performance of the generic sponsored brand campaign in stage 1 & 2 | timeframe DEC 21 – FEB 22:

AZ | Knuffelwuff | Hundebetten Top | SB | Gen | Br

ACoS:

➢ Campaign: 50,92%

➢ Main keyword "hundebett": 76,1%

CVR:

➢ Campaign: 1,16%

➢ Main keyword "hundebett": 0,9%
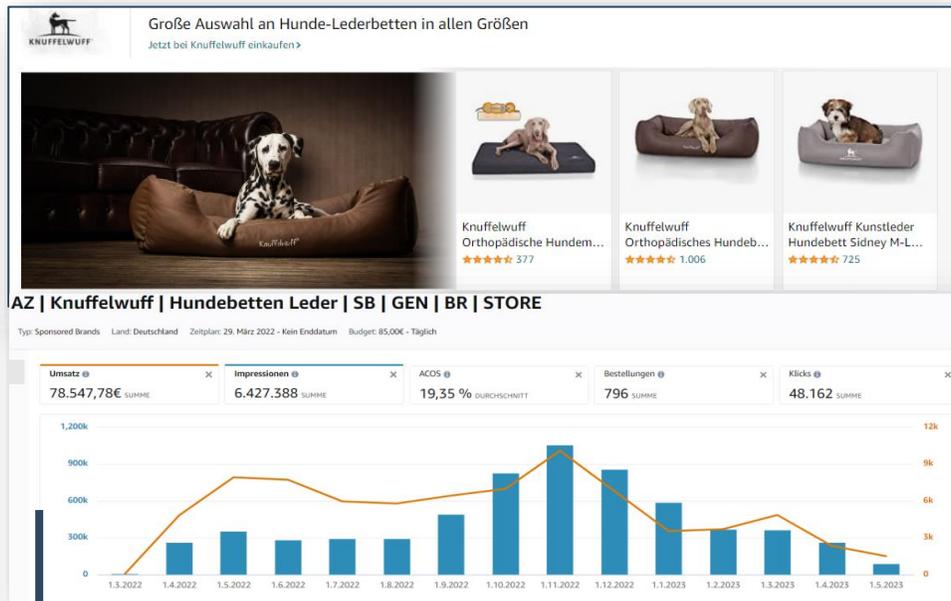
Campaign	Keyword or Target	Search Term	Bid	CPC	Spend	Total Sales	ACoS	Ad Orders	ConvR
Total			€0,48	€0,31	€12.824,68	€71.120,54	18,0%	725	1,8%
AZ	Knuffelwuff	Hundebetten Leder	SB	GEN	BR	STORE	+hundebett	hundebett	€0,33	€0,22	€3.417,49	€25.043,96	13,6%	271	1,7%

Business outcome: MAR 22 – DEC 22

- Sponsored Brand Revenue 2021: 83.720,65€
- Sponsored Brand revenue 2022: 317.880,10€
- Sponsored Brand revenue growth to 2021 after implementing new strategy and scaling sponsored brand campaign setup: 279,7%
- Average growth rate 2022 to 2021: 6,7%

- Sponsored Brand Revenue MARCH 22 – DEZ 22: 317.880,10€
- Sponsored Brand campaign revenue MAR 22 – DEZ 22 „AZ | Knuffelwuff | Hundebetten Leder | SB | GEN | BR | STORE": 62.604,03€
- Campaign makes 19,7% of all Sponsored Brand Ads
- Sponsored Ads overall revenue MAR 22 – DEZ : 1.855.149,98€

Business outcome: Store Insights
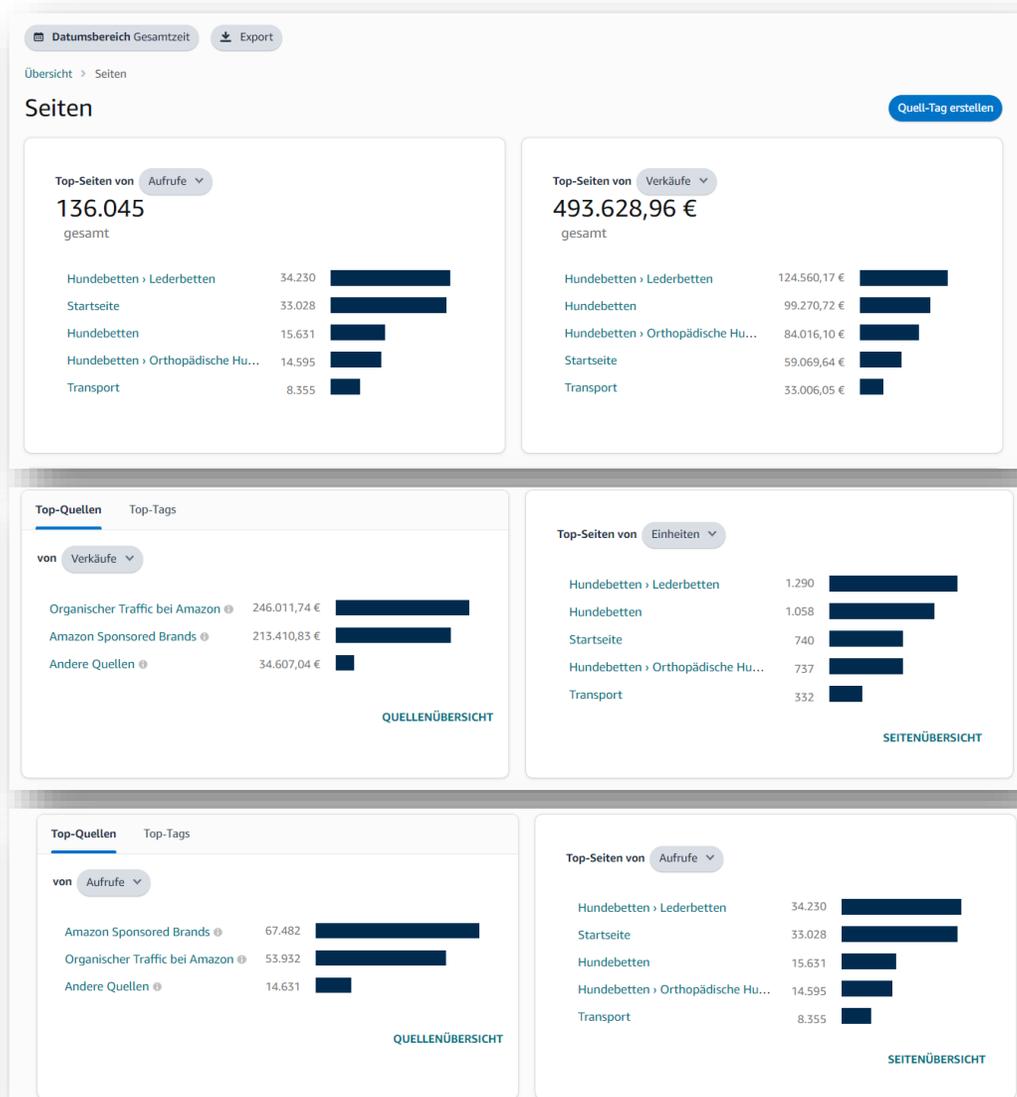
Leather beds emerged as the strongest subcategory in the store after harmonizing the creative elements and linking for the main keyword "dog beds."
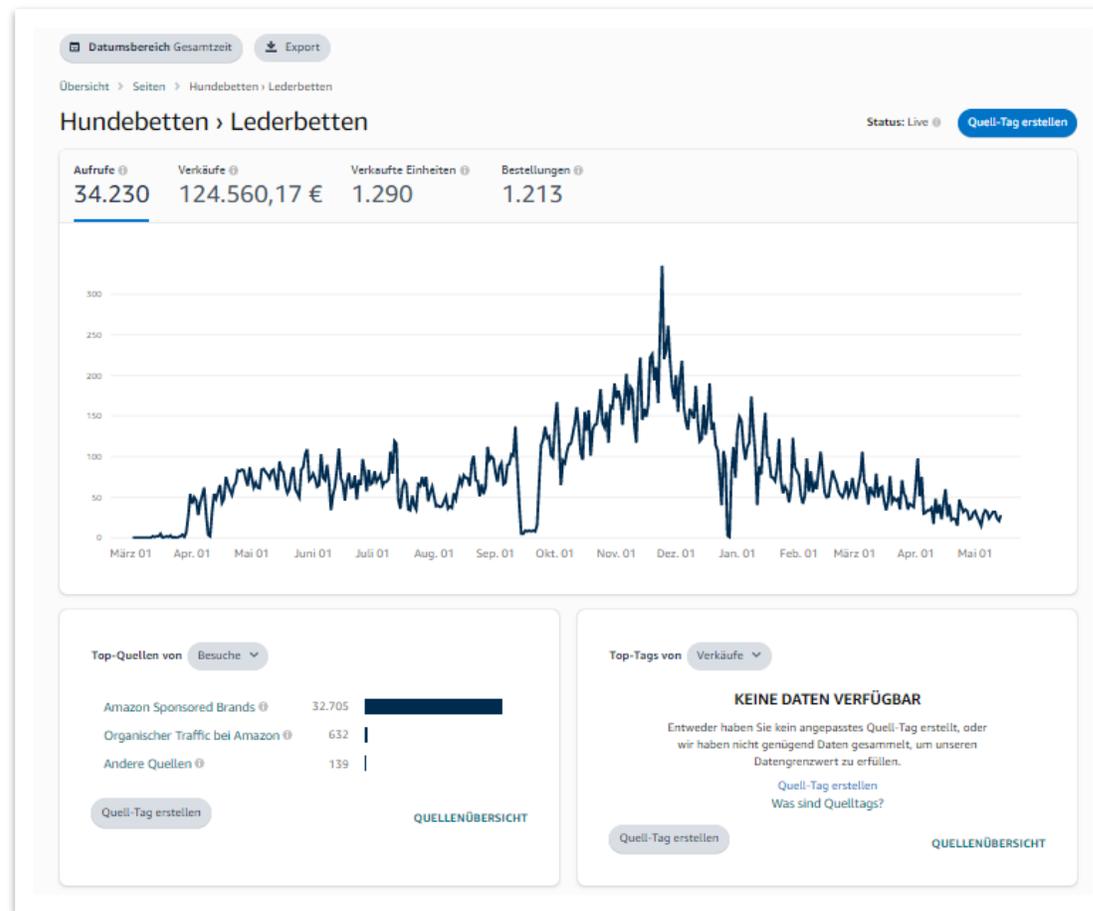
Amazon Ads Product 2021 vs 2022

NOV 2021
BEFORE starting strategy with AMZELL
Profit from synergy-effects and efficiently reach new clients.

Sponsored Display	Sponsored Brands Video	Sponsored Brands	Sponsored Products
Attract **new** customers	Tell your story; let **ASINs come alive**	**Gain visibility** for brand & products	Gain **visibility** for hero ASINs

SD 3,6%   SBV 2,3%   SB 0%   SP 94,1%
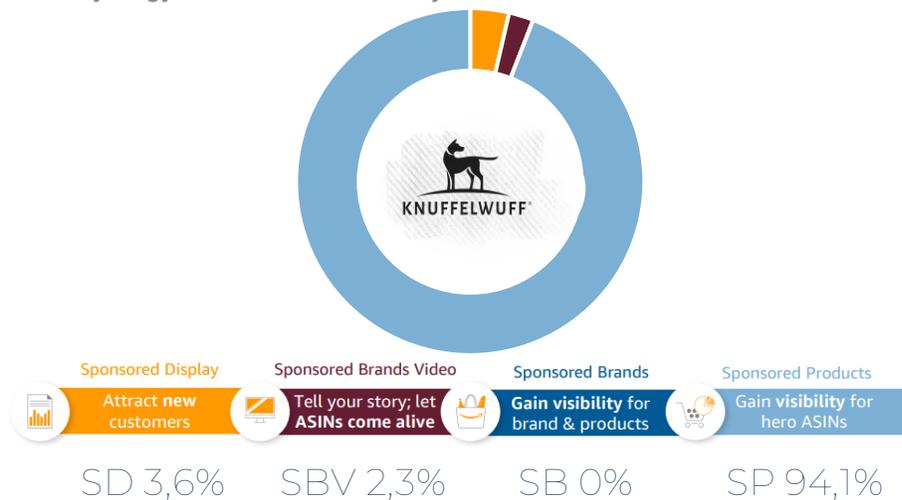
MAR 2022
AFTER starting strategy with AMZELL
Profit from synergy-effects and efficiently reach new clients.

Sponsored Display	Sponsored Brands Video	Sponsored Brands	Sponsored Products
Attract **new** customers	Tell your story; let **ASINs come alive**	**Gain visibility** for brand & products	Gain **visibility** for hero ASINs

SD 11,4%   SBV 11,2%   SB 7,7%   SP 69,7%

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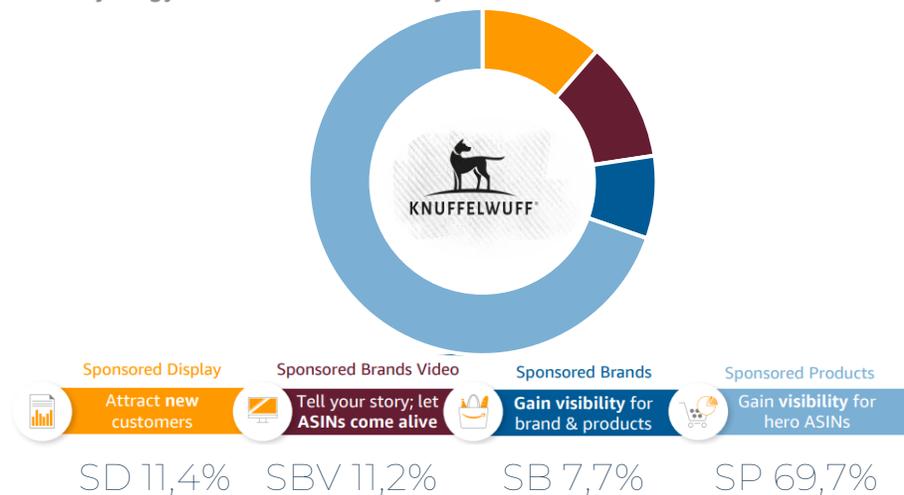
Amazon ads product | sponsored display - I

- ➢ The strategic potentials of sponsored display campaigns have not been properly recognized by the client yet.
- ➢ The following strategic goals have been scaled with the campaign type since December 2021.
  - ➢ New to brand customers
  - ➢ Strong defense strategy
  - ➢ Sponsored display remarketing campaigns –

  Advertised products are divided in 2 campaigns:

  Topseller parents and slow seller parents
- ➢ Timeframe: Dec 2021 – Mar 2022
- ➢ Budget: 5000€ | max. ACoS target 25%
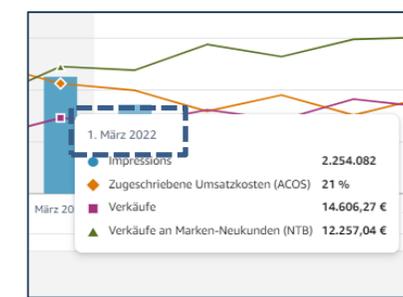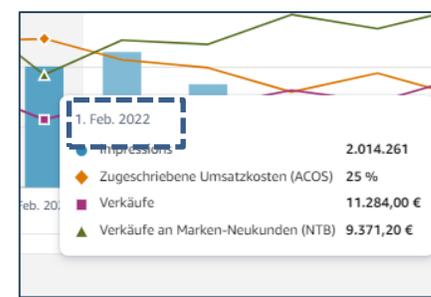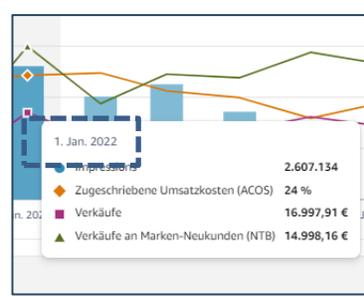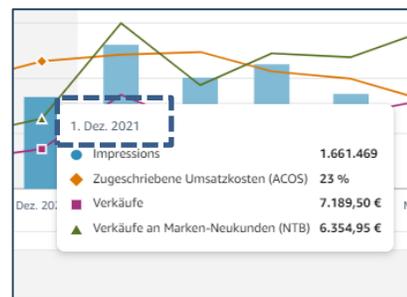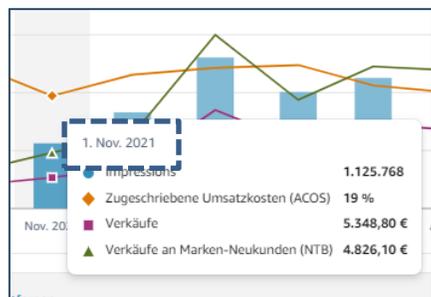
Amazon ads product | sponsored display - II

Outcome sponsored display ads

(measured timeframe DEC 21 – MAR 22)

➢ NTB revenue 43.815,90€ | overall revenue 50.077,68€
➢ Growth within the mentioned time frame compared to the previous period 448,4%
➢ Revenue growth within the mentioned time frame compared to the previous period 428,42%

Amazon ads product | sponsored product - I

- Challenge sponsored product campaign
  - Price increase all products – DEC up to 10% | JAN up to 20%
  - Topseller B07QYTR3R1: NOV 21 64,95€ | DEC 69,95€ | JAN 84,95€
  - Lower CVR because of price increase. Drop from 2,42% to 1,41%.
  - Losing organic ranks
  - Increasing number of competitors listings in lower price range
  - Unstable inventory levels

- Timeframe: DEC 2021 – MAR 2022
- Ads CVR Timeframe : 2,42%
- Ads CVR previous period: 4,2%

Overall Previous period: Average CVR MAI 21 – OKT 21: 2,42%

Overall Average CVR DEC 21 – FEB 22: 1,41%

Date	Sales Revenue	Sales Units	Total Number of Sales Units	Average Sales in €	Average Selling Price	Sessions in Total	Orders per Session in %
01.12.2021	330.876,90 €	4.182	4.034	82,02 €	79,12 €	232.330	1,74%
01.01.2022	312.263,75 €	3.845	3.743	83,43 €	81,21 €	286.955	1,30%
01.02.2022	183.013,25 €	2.073	2.017	90,74 €	88,28 €	170.986	1,18%
							1,41%

Sponsored product data

Ads CVR: 4,2%

1. Nov. 2021	
● Impressions	17.140.754
◆ Zugeschriebene Umsatzkosten (ACOS)	19 %
■ Bestellungen	1.767
▲ Klicks	42.440

Ads CVR: 2,42%

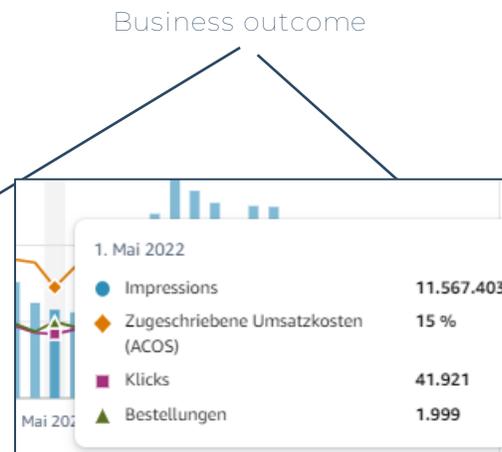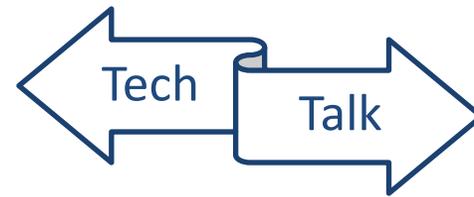| 1. Jan. 2022	
● Impressions	32.877.652
◆ Zugeschriebene Umsatzkosten (ACOS)	35 %
■ Bestellungen	2.122
▲ Klicks	87.597

Amazon ads product | sponsored product - II

➢ A long-term advertising solution for recurring situations could be to analyze and understand the market dynamics and competitive landscape thoroughly.

➢ A long-term advertising solution for recurring situations that come with brand issues: inventory levels and price policy.

➢ Conducting regular competitor analysis: Monitor and analyze the pricing strategies, product offerings, and marketing tactics of your competitors in the lower price segment. Identify their strengths and weaknesses to inform your own strategy.

➢ Timeframe DEC 21 – MAR 22

➢ Granular campaign setup for sponsored product

➢ Separat topseller from slow seller parents for advertising. For each campaign.

➢ Sponsored product setup generic für each top seller parent (top 20)

➢ Brand strategy: divide brand traffic from generic and implement strong defense

➢ Granular setup for fast data evaluation, analysis and reaction on negative changing like: "top child of parent out of stock"

Tech **Talk**

Business outcome

➢ Stage 1: Briefing with client. Long-term business goals and current situation

➢ Stage 2: Analyse market, dynamics after first price increase. And prepare meeting with client

➢ Stage 3: Meeting goal: Price adjustment to remain competitive, retain loyal customers, and increase the conversion rate to its previous level..

➢ Convincing customers that a price increase also has negative effects on their margin, as they may sell less with a lower conversion rate (CVR).

1. Mai 2022

● Impressions	11.567.403
◆ Zugeschriebene Umsatzkosten (ACOS)	15 %
■ Klicks	41.921
▲ Bestellungen	1.999

Mai 202

Overall CVR MAR 22: 2,62%

Overall increase revenue to previous month 125,6%

Ads CVR MAR 22: 4,77%

Date	Sales Revenue	Sales Units	Total Numer of Sales Units	Average Sales in €	Average Number of Sales Units	Average Selling Price	Sessions in Total	Order per Session in %	Average Number of Bddings
01.03.2023	412.899,76 €	6.859	6.622	62,35 €	1,04	60,20 €	253.159	2,62%	814

AMZELL

Team

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