Case Study

BOOSTING SALES IN MAMMUT'S GERMAN ONLINE STORE THANKS TO HIGH-QUALITY RETAIL DATA FROM AMAZON

Amazon has huge volumes of valuable data about the buying habits and preferences of its users. Brands can use this data to roll out well-targeted display and video ads for relevant premium inventories via the Amazon Demand Side Platform (DSP). Webrepublic is one of the first agencies in Switzerland to have access to Amazon DSP, and is rolling out Mammut's display campaign for the Black Friday and Cyber Monday weekend. The high conversion rate of 3.4% is a good reflection of the data quality.

INITIAL POSITION

The Black Friday and Cyber Monday weekend is one of the most important events of the year for retailers. The competition is fierce, with every retailer vying to get the best ad placement. As everything happens so quickly, there is little time to analyze insights and optimize campaigns, making the quality of the underlying data even more important. It is a huge challenge to reach users via push channels like display, video or native advertising just before they are about to make a purchase.

GOALS

★ Increasing sales in Mammut's German online store during the Black Friday and Cyber Monday weekend

★ Testing the effectiveness of campaigns via Amazon DSP compared to other DSPs

MEASURES

More and more users are going straight to Amazon to search for products – without looking anywhere else. This is why the online behemoth has such incredibly detailed first-party data on the buying habits and preferences of its users. This data is especially suited to helping meet sales targets for shopping events like Black Friday. Webrepublic was one of the first agencies in Switzerland to gain access to the Amazon DSP, and can now use its valuable data to help its clients turn a profit.

Webrepublic is working with Mammut to roll out its first Amazon DSP-based display campaign. Webrepublic is in charge of planning, implementation and analytics during the campaign. To help boost sales in Mammut's online shop, the Programmatic team launched what is known as an endemic link-out campaign. The campaign uses Amazon DSP, but advertises exclusively outside of the Amazon platform and redirects users to Mammut's own online shop instead of Amazon.

A campaign targeted at two consumer segments:

★ In-market segment: people who were recently searching for a specific product or product category, such as Camping or Outdoor Recreation, or who have bought a specific product in one of these categories.

★ Lifestyle segment: focus on the stage at which the user is in their life.

Based on their past habits, users can be categorized and analyzed in terms of relevance for a certain campaign to enable more precise targeting.

A two-phase campaign:

During the teaser phase, products are advertised with the "Black Weekend" call-to-action. Users are then redirected to Mammut's Black Friday microsite, which displays a countdown.

During the actual sales phase, the "Don't miss out" call-to-action gives users a chance to purchase discounted products on the microsite.
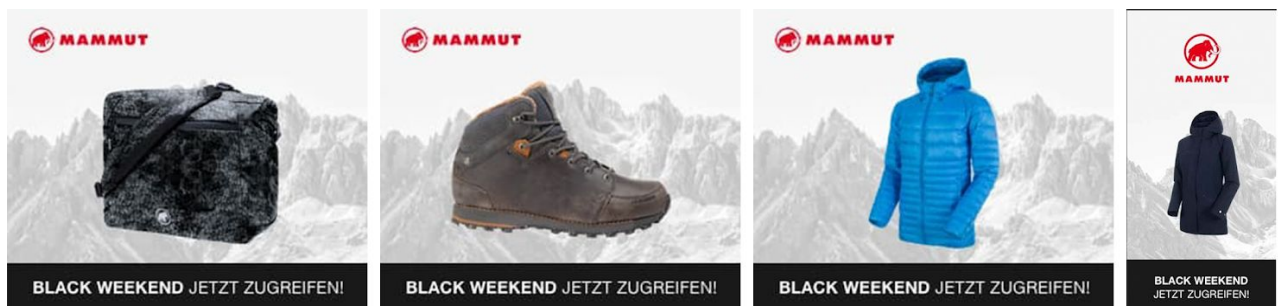
RESULTS

★ The high CTR of 0.41% shows that the relevant group was targeted successfully. (According to Amazon, the benchmark is between 0.08 and 0.15%; according to adbadger, it is 0.36%.)

★ Conversion rate of 3.4%, higher than the average e-commerce conversion rate of 1.33%

«Amazon DSP allowed us to leverage its first-party data on browsing and shopping behavior to reach our target audience. Not only were we able to target customers with a high likelihood of conversion, but we expanded the reach outside our standard marketing platforms. The performance was quickly reflected in the numbers, with our campaign outperforming the display CTR and e-commerce conversion rate benchmarks.»

KAROLINA KOSELA, Online Marketing Manager, Mammut

«The quantity and quality of Amazon's retail data are unmatched and enabled us to target the most relevant users with Mammut's Black Friday campaign during a brief span of time.

What is interesting here is that the high-quality data can also be used to help meet awareness targets or increase profit for clients without a specific e-commerce focus, since it makes it possible to draw conclusions about users' lifestyles and general preferences, which then crystallize into the relevant segments for awareness and image campaigns. As an agency with access to Amazon DSP, we can offer our customers these options.»

DAMIAN CHANDLER, Head of Programmatic Advertising, Webrepublic

ABOUT AMAZON DSP

Amazon DSP is Amazon's answer to Display & Video 360, Google's own programmatic advertising technology. Brands as well as service providers can reap the benefits of Amazon's treasure trove of data and roll out display and video campaigns in the relevant advertising contexts. Thanks to its massive volume of retail data, Amazon makes it possible to identify the causal link in users' behavior, i.e. between their searches and actual purchases. Amazon refers to this as the "total wallet" perspective. The performance aspect of the display campaigns therefore offers a clear edge over competitors. It is not currently possible to launch Amazon campaigns that are exclusively geo-targeted for Switzerland.

Even companies that do not actually sell products on Amazon can take advantage of Amazon DSP, such as banks hoping to attract potential customers with a welcome gift.

Amazon's distinction between two types of company and campaign:

Endemic companies: companies that (can) sell products on Amazon

Non-endemic companies: companies that cannot sell their products in Amazon's categories (e.g. travel, finance, automotive)

Link-in campaigns: campaigns that link to Amazon

Link-out campaigns: campaigns that link to an external website or external online shop

This yields three different combinations:

★ endemic link-in campaigns

★ endemic link-out campaigns

★ non-endemic link-out campaigns

Unlike non-endemic link-out and endemic link-in campaigns, endemic link-out ads cannot be displayed directly on Amazon.