

Sellics Advertising

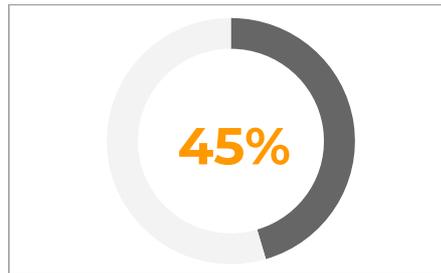
PPC Grader



www.sellics.com

Executive Summary

Your Amazon PPC Performance Grade is



based on your advertising data from 2020-08-01 to 2020-08-31
in the US market.

Key topics

Score out of 100%

1.1 Ad Waste	26%	
\$40,000 in ad spend can potentially be saved each month		
1.2 Most efficient targets	50%	
Most efficient targets (ACoS ≤ 20%) represent 30% ad spend and 90% sales		
1.3 Least efficient targets	50%	
Least efficient targets (ACoS ≥ 20%) represent 40% ad spend and 10% sales		
2.1 Budget allocation	57%	
Too much ad budget is allocated to auto (40%) compared to manual (60%)		
2.2 Number of targets	29%	
The number of targets (110) per manual campaign is too high (max. 100)		
2.3 Negative targeting	60%	
Auto campaigns compete for the same traffic as manual campaigns		

Key metrics

\$1,000,000 Ad Sales	-	\$200,000 Ad Spend	=	\$800,000 Ad Profit
\$15 Efficient ROAS	*	\$40,000 Ad Waste	=	\$600,000 Sales Potential
20.00% Current ACoS	+	\$600,000 Sales Potential	=	12.50% ACoS Potential

1. Optimization opportunities

Your existing advertising data presents opportunities to optimize bids and keywords. Without knowledge of your advertising goals, below are some general ideas for how you can control costs while growing sales, using your total account ACoS as the benchmark for current performance.

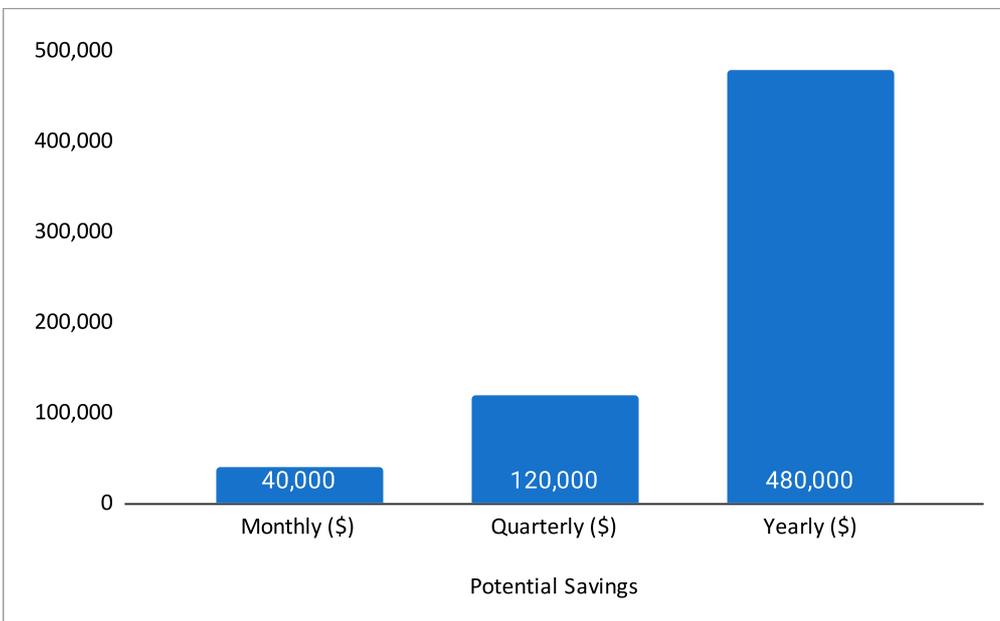
1.1 Ad Waste

Why this matters

Non-converting search traffic accumulates ad waste. Not only does that hurt your profitability, it also spends up some of your daily budget that otherwise could have been allocated to converting search terms.

Your Account Assessment

5000 search terms have accumulated at least 10 clicks and 0 orders, resulting in \$40,000 in ad waste.



How to solve in Sellics

1. Set an automated rule in Sellics that states, "If Orders = 0 after at least 2x Clicks, set search term to negative." 2x Clicks means two times the expected number of clicks to achieve a conversion.
2. Look back 30 or more days, filter search terms for 0 orders and at least 10 clicks. Select filtered search terms and add to negative.

Reduce ad waste

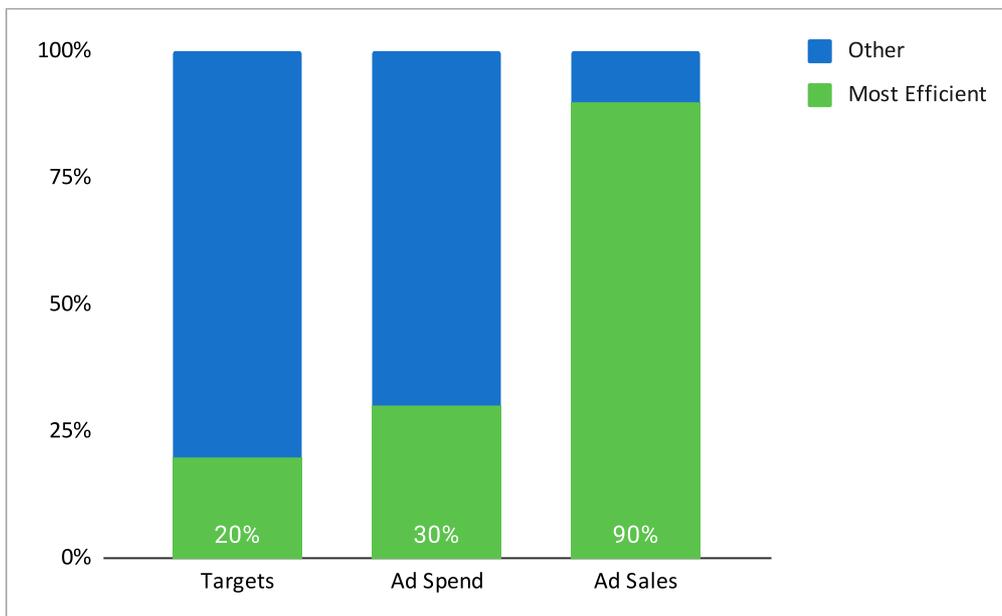
1.2 Optimize more efficient targets

Why this matters

To reduce ACoS or increase ROAS, advertisers can grow sales faster than growing spend. To accomplish this tactic, increasing bids on efficient targets increases how competitive their bids are in the auction. Therefore, efficient targets would get more visibility to continue driving conversion at its low ACoS or high ROAS.

Your Account Assessment

10000 targets (20%) have an ACoS of 20% or lower. These targets represent 30% of your ad spend and 90% of your ad sales. Increasing bids towards these targets could increase your reach of already-efficient targets.



How to solve in Sellics

1. Set a Target ACoS according to your advertising goal. Enable an automated rule in Sellics that states, "If ACoS < Target ACoS after at least 1 Order, increase bid by 30%."
2. Look back 30 or more days, filter targets for ACoS < average ACoS. Consider which targets you would like to drive more traffic to. Increase bids.

Increase bids for efficient targets

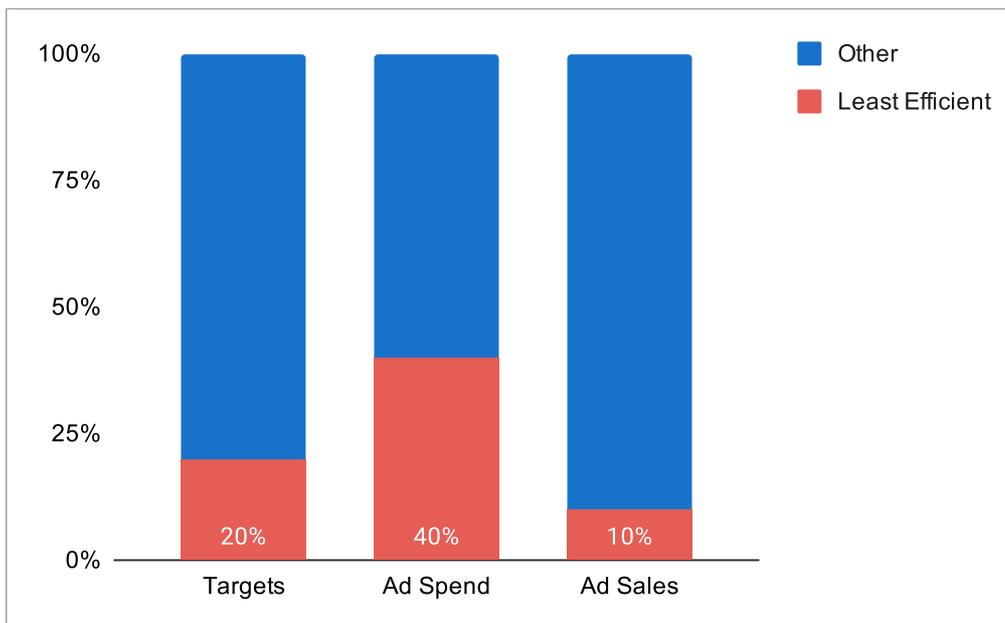
1.3 Optimize less efficient targets

Why this matters

To reduce ACoS or increase ROAS, advertisers can reduce spend faster than reducing sales. To accomplish this tactic, reducing bids on inefficient targets decreases how competitive their bids are in the auction. Therefore, inefficient targets would get less visibility. This effectively reduces spend faster than its subsequent sales, since they were inefficient to begin with.

Your Account Assessment

10000 targets (20%) have an ACoS of 20% or higher. These targets represent 40% of your ad spend and 10% of your ad sales. Decreasing bids for these targets would reduce the reach of inefficient targets.



How to solve in Sellics

1. Set a Target ACoS according to your advertising goal. Enable an automated rule in Sellics that states, "If ACoS > Target ACoS + 2.5% after at least 1x Clicks, decrease bid by 30%."
2. Look back 30 or more days, filter targets for ACoS > average ACoS. Consider which targets you would like to drive less traffic to. Decrease bids.

Decrease bids for inefficient targets

2. Foundations Checklist

Review each of the below topics to identify opportunities to ensure your brand's advertising has a strong foundation for success. Before you even optimize a single bid, these steps will ensure you correctly set up a foundation for sustainable growth.

2.1 Budget Allocation between Auto and Manual

Why this matters

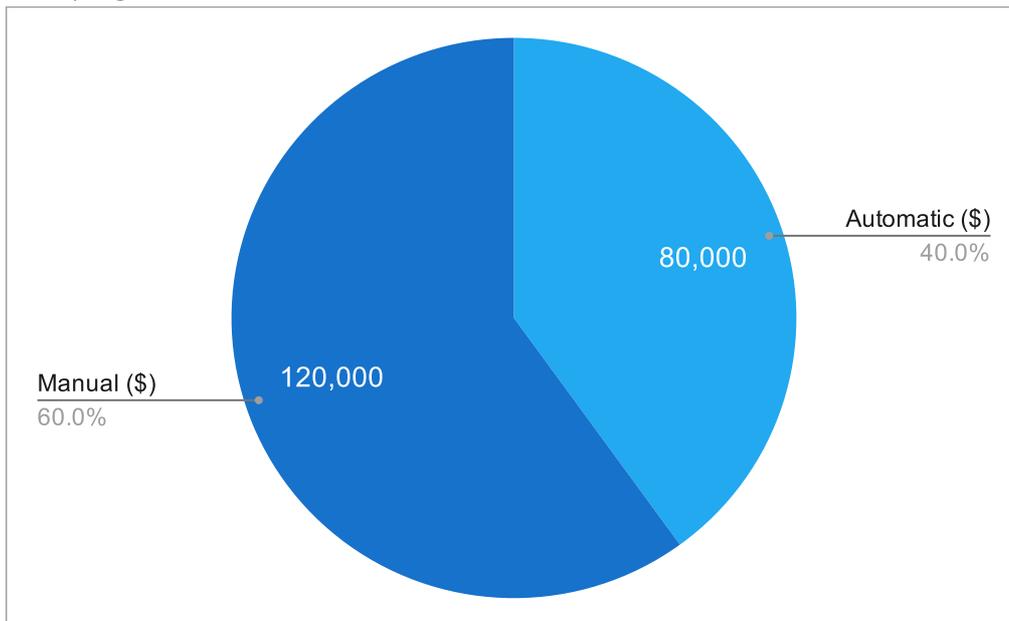
Budgets dictate how much spend can go to each campaign, no matter its performance. That means even if a campaign is successful with high sales and low ACoS, it can run out of budget.

Best Practice

At most 30% Automatic and at least 70% Manual. This split ensures the bulk of your budget is allocated towards Manual campaigns where you have greater control of bids at the target level.

Your Account Assessment

Manual share of ad spend is 60%. Auto share of ad spend is 40%. Your budget allocation leans too heavy towards Automatic campaigns, limiting your ability to target precisely with keywords and individual bids in Manual campaigns.



How to solve in Sellics

Consider shifting at least \$20,000 from your Automatic campaigns to your Manual campaigns.

Optimize budget allocation

2.2 Sufficient # of targets

Why this matters

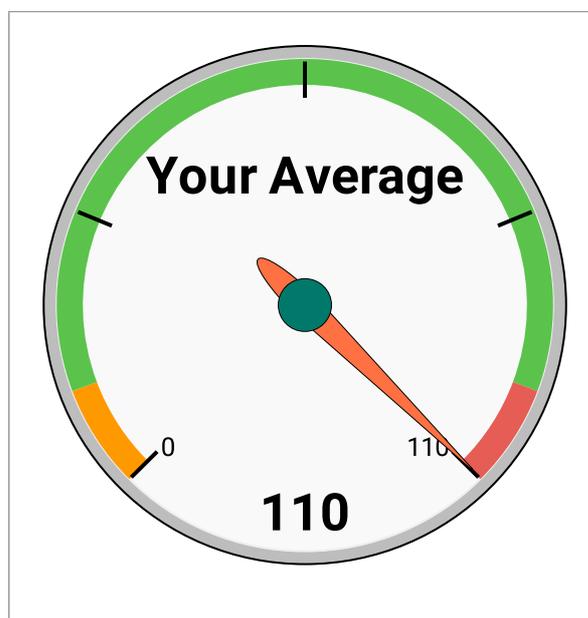
Having too few targets could mean limiting your reach in the advertising auction. Having too many targets could mean you are spreading your spend too thin testing targets, running out of budget before you could adequately invest in the targets that deliver performance.

Best Practice

At least 10 but no more than 100 targets per manual campaign.

Your Account Assessment

30000 targets in 273 campaigns = average of 110 targets per campaign. The long tail of 30000 targets accumulate \$60,000 in spend, or 30% of spend, with no sales. Too many targets.



How to solve in Sellics

Starting from your top sales-driving campaigns, filter targets by sales. Cut any target that has not generated sales in 60 days.

Optimize number of targets per campaign

2.3 Negative targeting

Why this matters

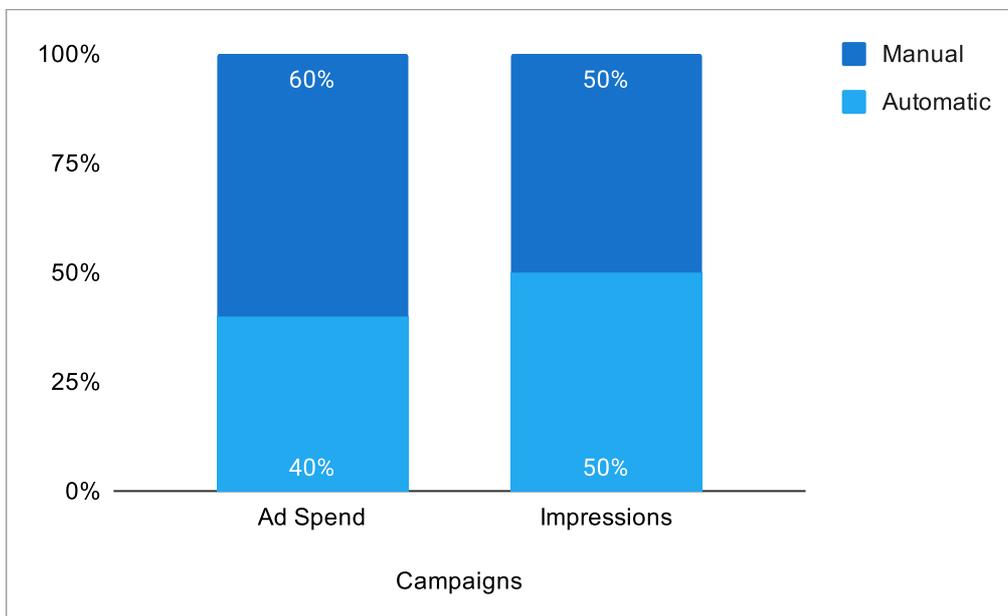
Negative targeting ensures that multiple campaigns do not compete for the same search traffic. Directing search terms to their most relevant target builds relevancy for the individual target, therefore reinforces to Amazon this target should continue to win the search traffic.

Best Practice

For every group of campaigns supporting the same ASIN or group of ASINs, manual targets should be added to Automatic campaigns as negative targets.

Your Account Assessment

Auto share of Impressions is 50%, overindexes vs. Auto share of spend at 40%. It is likely Automatic campaigns are competing for the same traffic as Manual campaigns.



How to solve in Sellics

Consider adding manual targets as negative targets to Automatic campaigns.

Add negative targets to avoid self-competition

3. Financial Opportunity

After taking the above steps to optimize your campaign structure and bids, you can expect the following financial results. The assessments offer a range to account for conservative changes vs. aggressive changes made to your Advertising account.

3.1 Potential incremental sales

Why this matters

By reallocating funds from reduced ad waste to efficient targets, advertisers can drive incremental sales month over month.

How we forecast this

Ad Waste * Efficient Targets' ROAS = Potential Sales

Your Account Assessment

By reallocating ad waste funds towards efficient targets, your potential incremental sales could be \$600,000 per month.

3.2 Potential ACoS reduction

Why this matters

By driving incremental sales month over month, advertisers can reduce their ACoS.

How we forecast this

Ad Spend / (Ad Sales + Potential Sales) = Potential ACoS

Your Account Assessment

Compared to your current ACoS of 20%, your potential ACoS could be as low as 12.5% simply by reallocating your ad waste efficiently.

3.3 Request your PPC Grader

Are you ready to learn what you could do right now to make more out of your Amazon advertising budget?

Request your PPC Grader here:

[Get Free Amazon PPC Grader](#)

