

SPONSORED BRANDS

ADVERTISING COST OF SALE (ACoS)

Advertising Cost of Sale (ACoS) measures the efficiency or profitability of ads. It shows the cost (as a percentage) of every dollar earned through advertising with an [Amazon Sponsored Brands](#) campaign.

$$\text{ACoS} = \frac{\text{AD SPEND}}{\text{AD REVENUE}} \times 100$$

WHY IS ACoS IMPORTANT AND WHAT DOES THE BENCHMARK TELL YOU?

Comparing your ACoS to your peer group allows you to see if there is potential to increase the efficiency of your campaigns.

ACoS allows you to see if your ads are making a profit, breaking even, or making a loss:

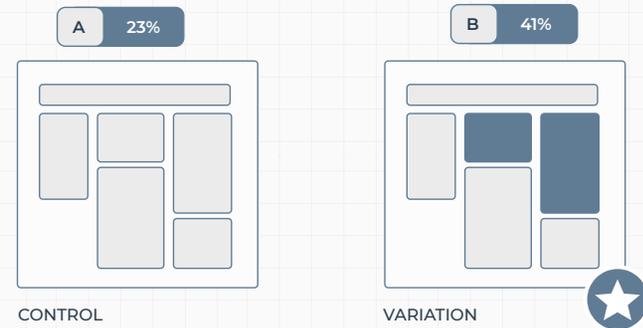
- profit → ACoS less than profit margin
- break even → ACoS equal to profit margin
- loss → ACoS greater than profit margin



There are certain situations in which you may want a break-even ACoS—for example, if you want to maximize sales or impressions to launch a product or build brand awareness. However, to make a profit, in the long run, you will want to define a [target Amazon ACoS](#) based on the profit margin that you want to achieve after ad spend.

HOW TO ENHANCE YOUR SPONSORED BRANDS ACoS

- Add negative keywords:** Reduce ad waste by adding negative keywords for search terms that drive clicks but no sales.
- Optimize bids** for targets frequently to meet your [target ACoS](#), i.e. increase/decrease bids if they are below/above your target ACoS.
- Add new targets with high sales potential:** Research new targets manually or with automatic campaigns. Then add those targets to your manual campaigns and fine-tune their bids.
- Enhance conversion rate (CVR) by A/B testing** your product and landing pages as well as ad creative



HOW SEL LICCS HELPS YOU TO IMPROVE YOUR SPONSORED BRANDS ACoS

With the [advertising solutions by Sellics](#) you can automate bid optimization to save time and drive better results.

To completely [automate your bidding for Sponsored Brands with Sellics](#) you can use predefined but customizable best practice rule sets to save time.

With the [Amazon SEO](#) and [review management](#) solutions by Sellics you can optimize the content and keywords of your product listings as well as track and manage your product reviews for better conversion rates.

Try Sellics for free and boost your ACoS now



FREE TRIAL