





GET TO KNOW US:

You want to change your Amazon strategy and not miss any important trend? Contact us to talk about your strategy now:

+49 221 17733710 sebastian.gilles@factor-a.com

WHAT'S YOUR POTENTIAL? HOW TO ANALYZE YOUR AMAZON CATEGORY AND GET THE MOST OUT OF IT

Amazon categories serve many purposes and are much more complex than you may think. Whether you are currently active in a particular category or interested in a new market, a Sales Ranking analysis can help you discern what is working well and what shoppers are really searching for in each category.

Contact us to get a deeper understanding of the product segments that are important for your business and products, and assess your business's category potential.

WHO ARE WE?

Hi, we are Dept - an international digital agency with more than 1,200 experienced thinkers and doers, which unites one thing: A 100% digital DNA. As an agency we combine creative excellence with a strong understanding of technology and data. This way we are always one significant step ahead of others. We create digital experiences that inspire customers and move companies forward.

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part of **DEPT**

HOW TO ANALYZE YOUR AMAZON CATEGORY AND GET THE MOST OUT OF IT

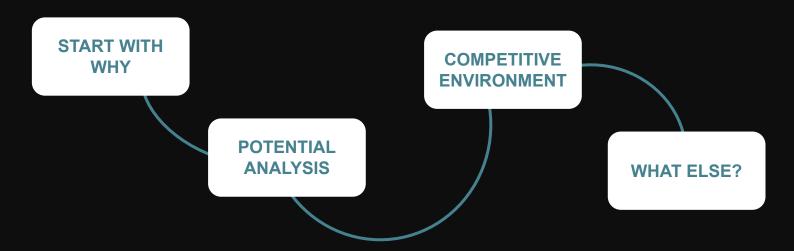
January 14th, 2021



Head of Consulting sebastian.gilles@factor-a.com +49 (0) 221 429156 72



AGENDA



O1 START WITH



Solution State State

Think about

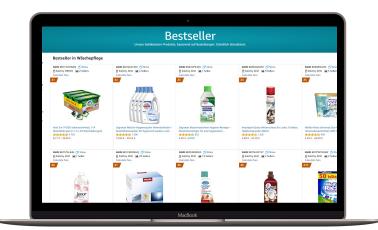
- Who are the stakeholders?
- What arguments do you need?
- What is the real solution space?

WHICH DATA / INFORMATION / INSIGHTS DO YOU NEED?

Think about

- What do you need to take a decision?
- What data do you need to convince your stakeholders?
- What can be easily learned?

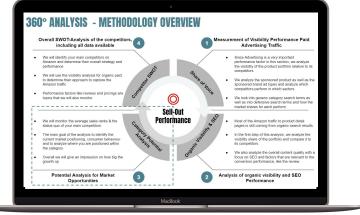
FOCUS ON CONSUMER PREFERENCE



In my target categories I want to know:

- What kind of products sell best?
- What kind of price points are attractive?
- Where would my products fit in consumer demand?





In my target categories I want to understand:

- How competitive is the category?
- Whom am I competing against?
- How can I win within the category?

Potential Analysis

WHAT ABOUT THE MARKET SIZE?



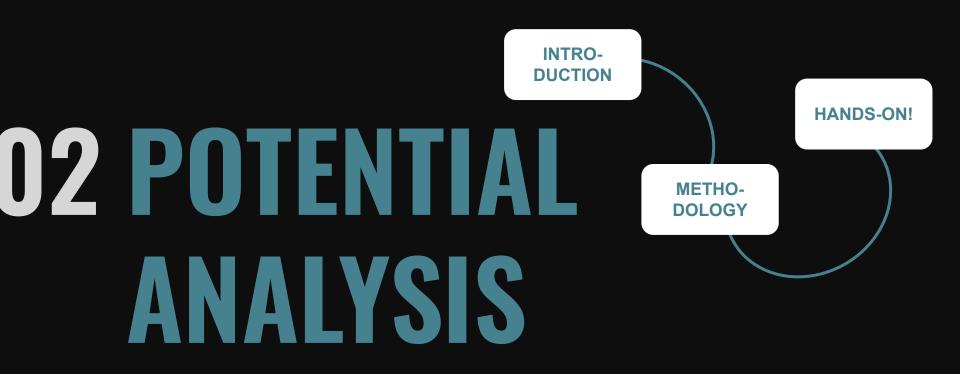
Market Size is a BlackBox

Amazon doesn't share any data on market volume (with very few exceptions)



The BlackBox is hard to crack

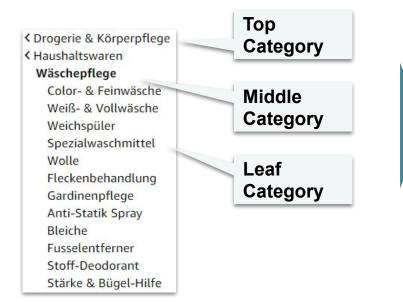
Getting "realistic" numbers is sometimes possible but very category-dependent



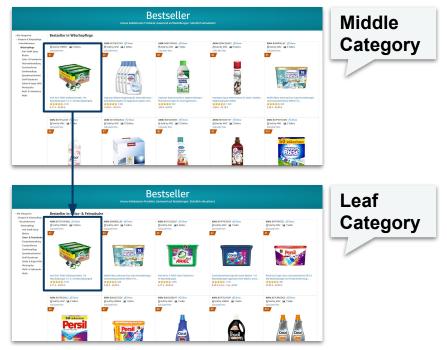
INTRODUCTION

HOW CATEGORIES WORK ON AMAZON (1/3)

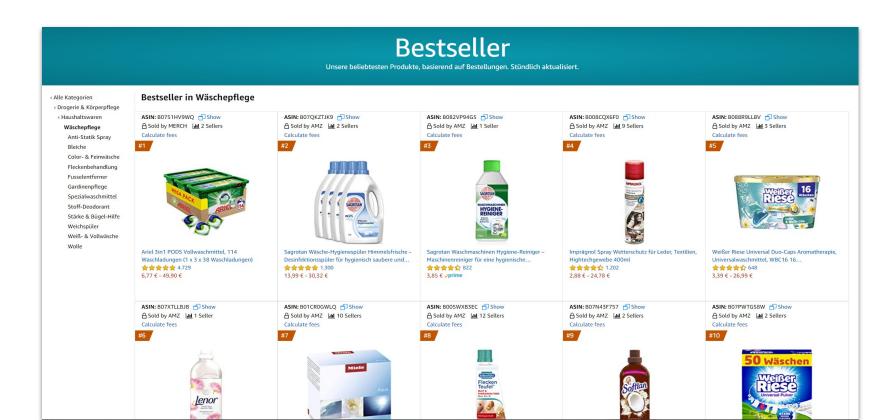
Amazon Categories for Detergents



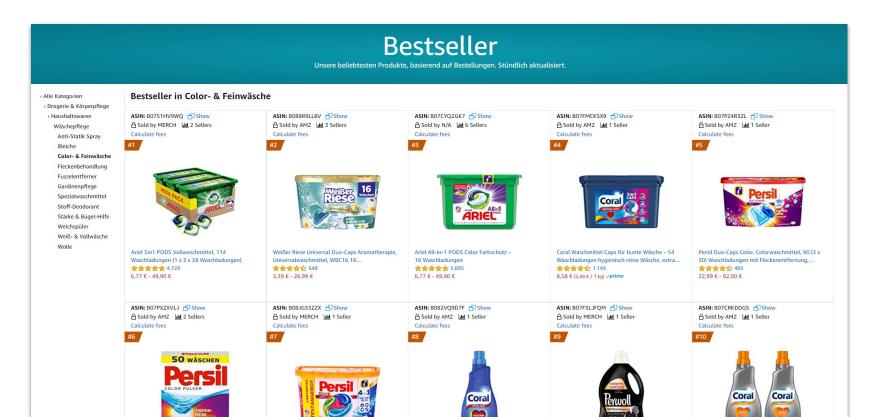
Sales Ranks Middle & Leaf



HOW CATEGORIES WORK ON AMAZON (2/3) Sales Ranks Middle Category



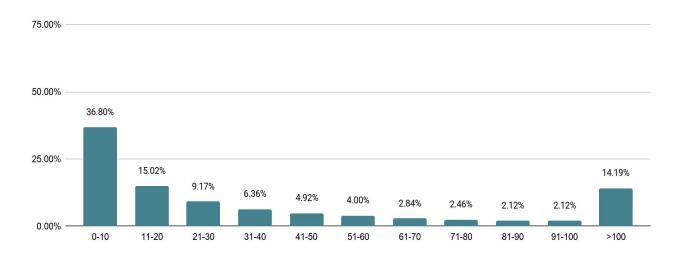
HOW CATEGORIES WORK ON AMAZON (3/3) Sales Ranks Leaf Category



ON SALES RANKS & MARKET SHARES

Why is it important to fight your way up the sales ranks?

Exemplary distribution of Market Shares & Sales Ranks



Being at the top is what brings you growth-relevant traffic and, with that, relevant market shares

METHODOLOGY

POTENTIAL ANALYSIS

Step-by-Step

- Find the right categories
 - Identify the right products
- **Cluster products**
- Analyze price segments
- Focus on Sales Ranks

HANDS-ON!

THE CHALLENGE OF IDENTIFYING THE RIGHT CATEGORIES



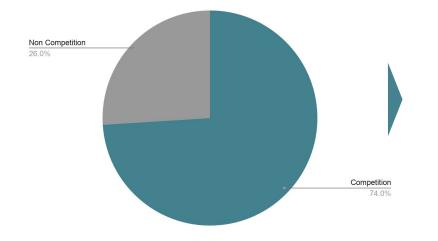
- Think about precision vs. completeness
- Amazon has its own semantics
- Categories are not really MECE

Top Category is very often not the right category

USING SALES RANK TO IDENTIFY MARKET TRENDS

		N	liddle Category "Waschmittel"	Leaf Category		
Rank	ASIN	Brand	Title	Leaf-Category	Leaf-Category Rank	
1	B0751HV9WQ	Ariel	Ariel 3in1 PODS Vollwaschmittel, 114 Waschladungen (1 x 3 x 38 Waschladungen)	Color- & Feinwäsche	1	
2	B07QKZTJK9	Besuchen Sie den Sagrotan-Store	Sagrotan Wäsche-Hygienespüler Himmelsfrische – Desinfektionsspüler für hygienisch saubere und frische Wäsche – 4 x 1,5 I Reiniger im praktischen Vorteilspack	NA	NA	
3	B082VP94G5	Besuchen Sie den Sagrotan-Store	Sagrotan Waschmaschinen Hygiene-Reiniger – Maschinenreiniger für eine hygienische Waschmaschine – 1 x 250 ml	Weiß- & Vollwäsche	1	
4	B008CQX6F0	Imprägnol	Imprägnol Spray Wetterschutz für Leder, Textilien, Hightechgewebe 400ml	NA	NA	
5	B088R9LLBV	Marke: Weißer Riese	Weißer Riese Universal Duo-Caps Aromatherapie, Universalwaschmittel, WBC16 16 Waschladungen (1er Pack)	Color- & Feinwäsche	2	
e	B07XTLLBJB	Besuchen Sie den Lenor-Store	Lenor Weichspüler Seidenbaum Blüte, 50 Waschladungen , 1.5 I	NA	NA	
7	B01CR0GWLQ	Miele	Miele 10231860 Duftflakon Aqua für ein frisches / bis zu 4 Wochen lang anhaltendes Dufterlebnis	NA	NA	
8	B005WXB3EC	Besuchen Sie den Dr. Beckmann-Store	Dr. Beckmann Fleckenteufel Blut & Eiweißhaltiges, Spezialfleckentferner gegen Blutflecken, Eis- und Spermaflecken (50 ml)	NA	NA	
g	B07N43F757	Softlan	Softlan Bouquet der Düfte Kokos und weisse Blume Weichspüler, 650 ml	NA	NA	
10	B07PWTGS8W	Marke: Weißer Riese	Weißer Riese Universal Pulver, Vollwaschmittel, 50 Waschladungen, extra stark gegen Flecken	Weiß- & Vollwäsche	3	
11	B07CYQ2GK7	Besuchen Sie den Ariel-Store	Ariel All-in-1 PODS Color Farbschutz – 16 Waschladungen	Color- & Feinwäsche	3	
12	B00U2PBBMO	Besuchen Sie den Dr. Beckmann-Store	Dr. Beckmann Farb & Schmutzfänger Ultra langanhaltender Farbschutz für dunkle Wäsche und intensive Farben ultrastark und mit Aktivkohle für Farbbrillianz (1x 10 Tücher)	NA	NA	
13	B082VPVGKB	Besuchen Sie den Comfort-Store	Comfort Intense Weichspüler (für frische Wäsche Fresh Explosion 60 WL) (1 x 900 ml)	NA	NA	
14	B07QLZFV5R	Besuchen Sie den Sagrotan-Store	Sagrotan Wäsche-Hygienespüler Sensitiv 0% – Desinfektionsspüler für hygienisch saubere und frische Wäsche, ohne Farb- und Duftstoffe – 4 x 1,5 I Reiniger im praktischen Vorteilspack	NA	NA	
15	B07NPY6V8L	Besuchen Sie den Persil-Store	Persil Universal Pulver, Vollwaschmittel, 50 Waschladungen, kraftvolle Fleckenentfernung für hygienisch reine Wäsche	Weiß- & Vollwäsche	4	

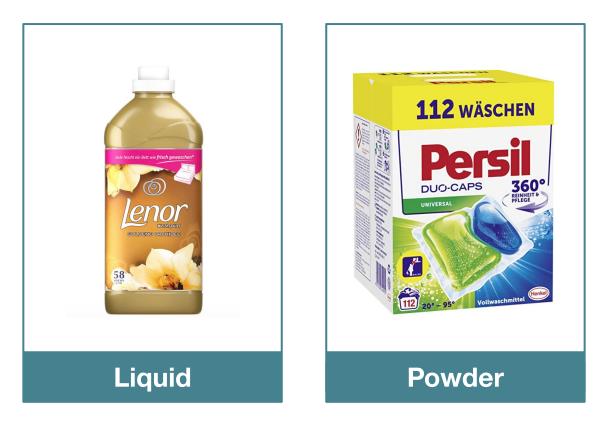
IDENTIFYING THE REAL SET OF RELEVANT PRODUCTS



 Gather TOP 100 sales ranks over time and build average

- Remove products that are not in the right category
- Remove products that are not really competitors (e.g. because product is no real substitute)

CLUSTERING OF PRODUCTS



STEP 3

e 2

CLUSTERING OF PRODUCTS

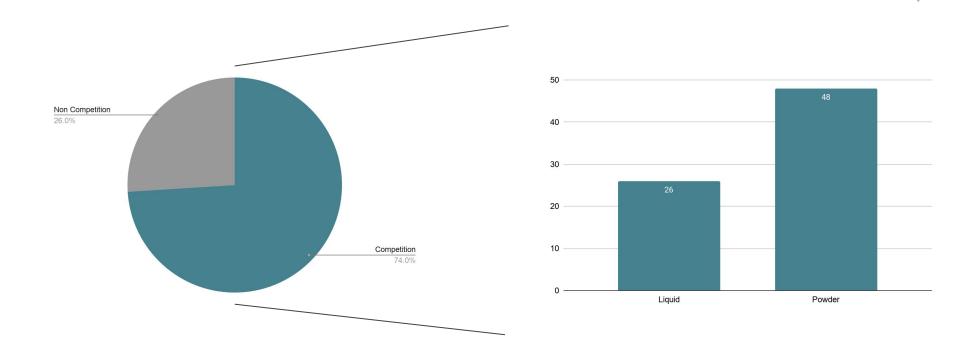


Relevant factors vary by goal of analysis and category type but can include or be a combination of:

 \mathbf{c}

- Style of Products (Color, "Coolness", etc.)
- Quality of Product (Premium vs. Functional, Germany vs. China)
- Special type of product (sustainable, BIO, certifications, etc.)
 "Size" of Product (Number of Units, Package Content, etc.)
- Amazon attributes: Sold by Seller or Vendor, A+ Content available etc.

IDENTIFYING REAL SUBSTITUTE SET



 \mathbf{c}

MATCH YOUR OWN PRODUCTS (Optional)



Liquid

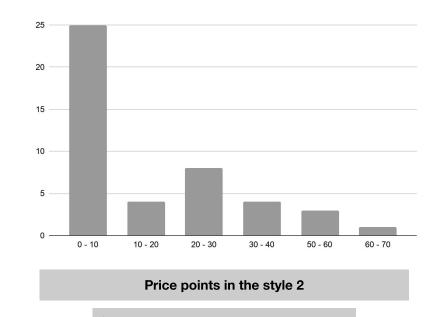
Powder

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ANALYZE PRICE SEGMENTS PER CLUSTER



Average Brand1 price : 27.85 EUR



Average Brand1 price : 12.5 EUR

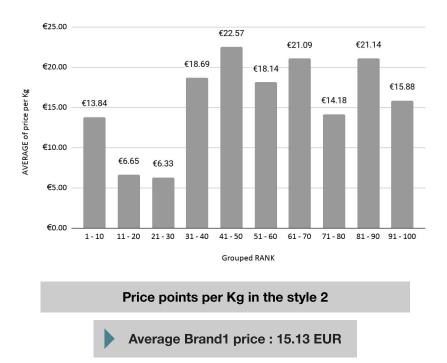
ANALYZE PRICE SEGMENTS PER STYLE

PRICE PER LITER



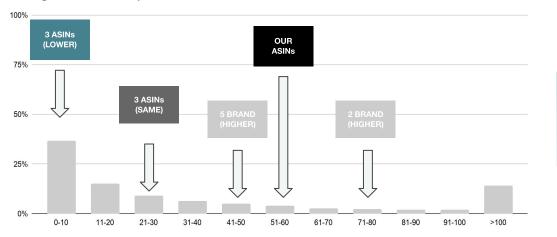
Average Brand1 price : 6.56 EUR

PRICE PER KILOGRAM



ANALYSIS OF SALES CLUSTER, PRICE & SALES RANK

Average market shares per best seller ranks



What is my potential?



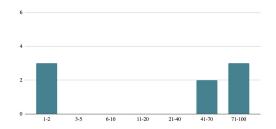
RELEVANCE OF STYLE WITHIN CATEGORY

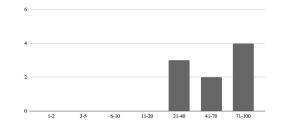


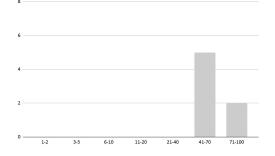
Same Price Segment

Higher Price Segment

S



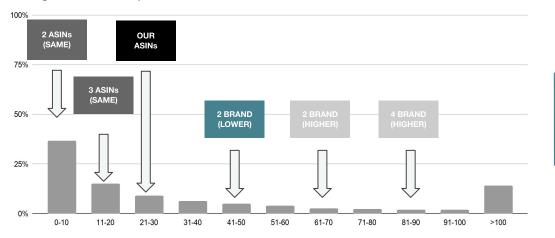




LOWER	SAME	
PRICE	PRICE	PRICE
SEGMENT	SEGMENT	

ANALYSIS OF SALES CLUSTER, PRICE & SALES RANK

Average market shares per best seller ranks



What is my potential?

S



RELEVANCE OF STYLE WITHIN CATEGORY



S

LOWER PRICE SEGMENT		SAME PRICE SEGMENT		HIGHER PRICE SEGMENT
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REMARKS ON THE APPROACH

Quick and easy way to understand what is currently working in the category! Understand what kind of products consumers like to buy! Based on current products - no information about the consumer demand for a new cluster/segment!

If you are wondering about why these things happen - reviews can often give you the answers

D3 COMPETITIVE ENVIRONMENT **SNEAK-PEAK**

ON SEARCH RANKS & CLICK SHARE

Why is it important to fight your way up the search ranks?

CTR Curve

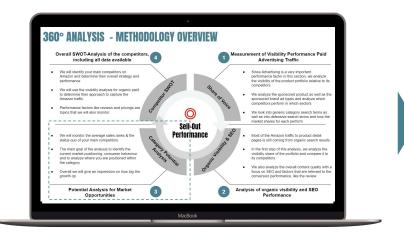


Sales Ranks and Search Ranks have a similar curve

When we determine market shares we often look at the total visibility shares (organic & paid)



HOW TO ANALYZE THE COMPETITIVE ENVIRONMENT?



What are the important factors for understanding your competitive environment?

- What is the competition doing in terms advertising?
- How is the visibility on the organic and paid search results?
- What are your competitors overall strengths in weaknesses in utilizing reviews, twisters and content?

360° ANALYSIS OF YOUR COMPETITION

Overall SWOT-Analysis of the competitors, including all data available

- We will identify your main competitors on Amazon and determine their overall strategy and performance
- We will use the visibility analysis for organic paid to determine their approach to capture the Amazon traffic
- Performance factors like reviews and pricings are topics that we will also monitor

• We will monitor the average sales ranks & the status quo of your main competitors

- The main goal of the analysis is to identify the current market positioning, consumer behaviour and to analyze where you are positioned within the category
- Overall we will give an impression on how big the growth op

Potential Analysis for Market Opportunities

Constitution Share or Voice Sell-Out Organic Usionist 850 **Performance** Caregory Analysis tential

3

Measurement of Visibility Performance Paid Advertising Traffic

- Since Advertising is a very important performance factor in this section, we analyze the visibility of the product portfolio relative to its competitors
- We analyze the Sponsored Product as well as the Sponsored Brand ad types and analyze which competitors perform in which sectors
- We look into generic category search terms as well as into defensive search terms and how the market shares for each perform
- Most of the Amazon traffic to product detail pages is still coming from organic search results
- In the first step of this analysis, we analyze the visibility share of the portfolio and compare it to its competitors
- We also analyze the overall content quality with a focus on SEO and factors that are relevant to the conversion performance, like the review

Analysis of organic visibility and SEO Performance

RESULTS OF THE APPROACH

Visibility Market Shares

Improvements for:

Budgets & Return on Investments

Content, retail, promotion and advertising

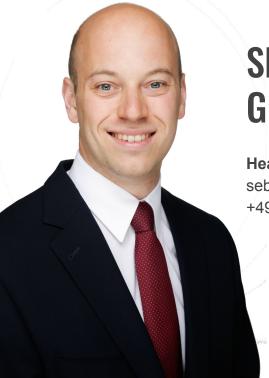
D4 WHAT ELSE?

Search Terms

Market Size (if possible)

D5 YOUR QUESTIONS

ANY QUESTIONS? FIRE AWAY.



SEBASTIAN GILLES

Head of Consulting sebastian.gilles@factor-a.com +49 (0) 221 429156 72



AMAZON ROUNDTABLE NETWORKING, DISCUSSING PROBLEMS AND LEARNING FROM EACH OTHER.

Amazon Experience & insider knowledge

Interactive

Wide Amazon Vendor and Seller Network

Personal



SCAN ME



FACTOR-A LIVESTREAM



DSP LINK-OUT CAMPAIGNS

Utilizing Amazon To Drive Traffic To Your Website



SCAN ME

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