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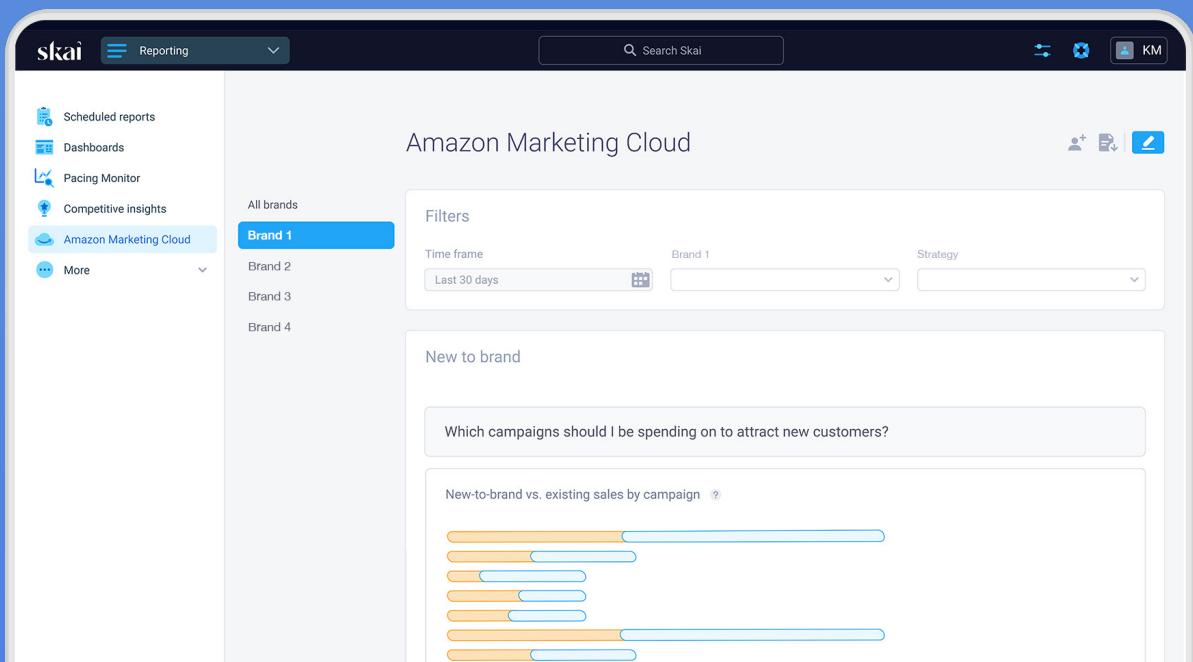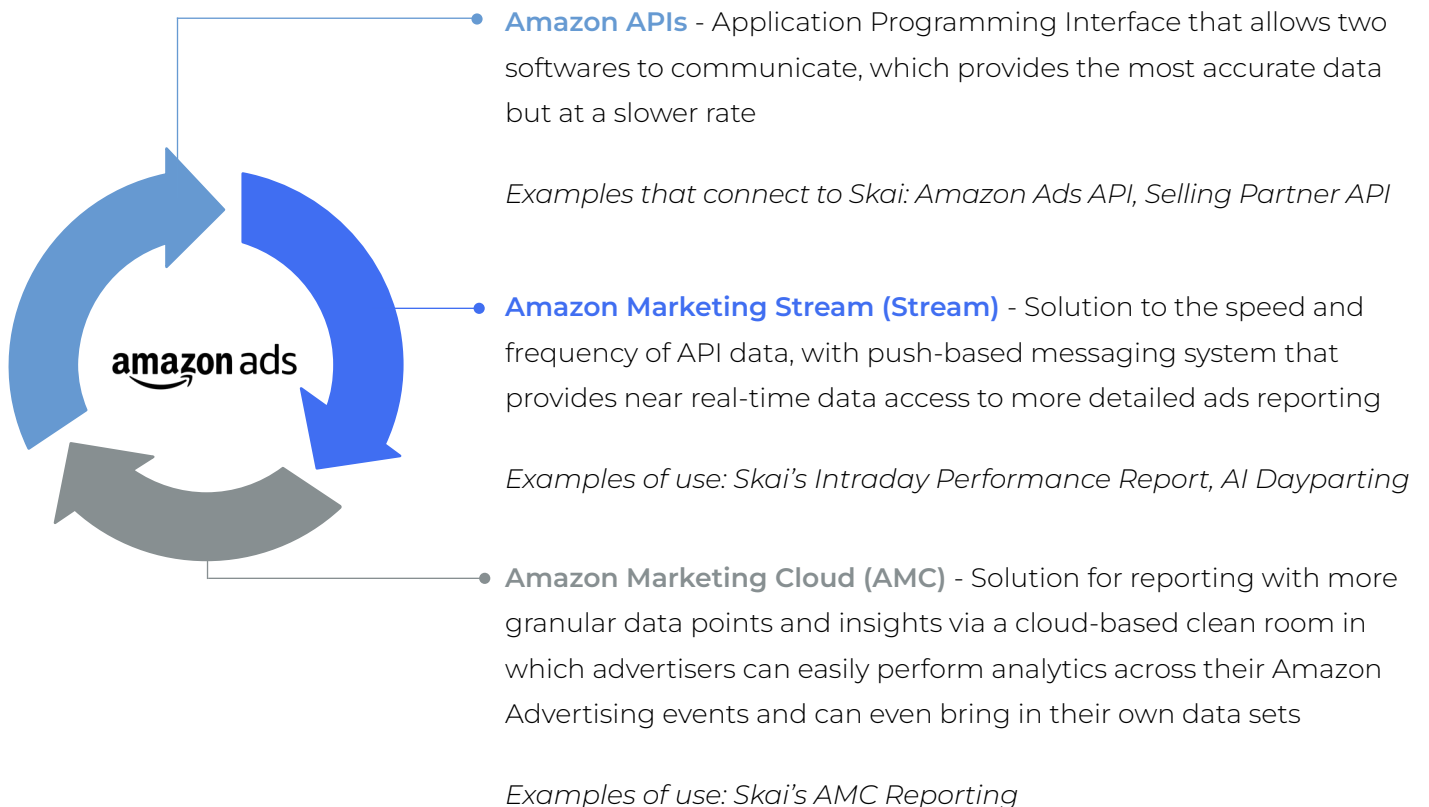
Amazon Marketing Cloud Playbook

Introduction to AMC

While retail media advertisers use an average of 8+ data sets to guide strategy and budget decisions, Amazon Ads is making strides in its data offerings. In 2022, Amazon Ads released some of its biggest product developments in data usage. Brands now have the capacity to make their data more actionable and reach customers like never before. If you're not taking full advantage of the updates to the API or the rollout of Amazon Marketing Cloud and Amazon Marketing Stream, you're missing a big opportunity to connect with your customers and drive sales on one of the world's biggest retailers.

Amazon APIs - Application Programming Interface that allows two softwares to communicate, which provides the most accurate data but at a slower rate

Examples that connect to Skai: Amazon Ads API, Selling Partner API

Amazon Marketing Stream (Stream) - Solution to the speed and frequency of API data, with push-based messaging system that provides near real-time data access to more detailed ads reporting

Examples of use: Skai's Intraday Performance Report, AI Dayparting

Amazon Marketing Cloud (AMC) - Solution for reporting with more granular data points and insights via a cloud-based clean room in which advertisers can easily perform analytics across their Amazon Advertising events and can even bring in their own data sets

Examples of use: Skai's AMC Reporting

Amazon Marketing Cloud, also known as AMC, is the solution for reporting with more granular data points and insights via an AWS cloud-based clean room in which advertisers can easily perform analytics across their Amazon Advertising events and can even bring in their own data sets. AMC unlocks multi-touch attribution so that advertisers can go beyond Amazon's last-click attribution. AMC provides a greater understanding of your customer behavior do that you can make more informed budget decisions.
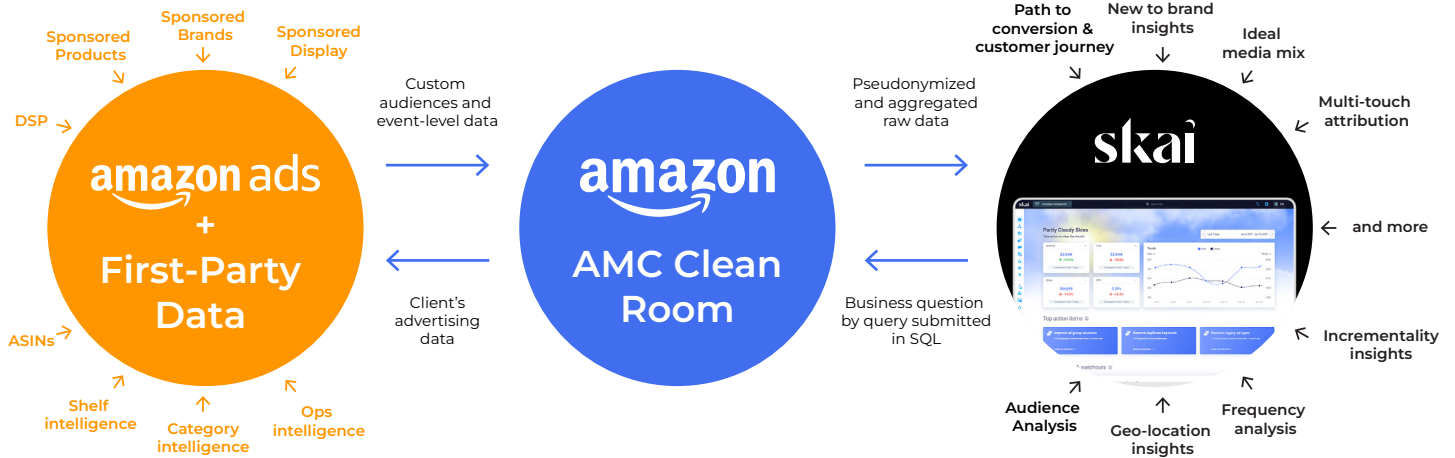
It takes your measurement questions as a query and provides the raw data as an answer, which Skai parses into data visualizations so you can more easily identify key insights.

The final step is taking action against these learnings such as shifting budgets across campaigns. AMC can uncover a more comprehensive look at the customer path to purchase, true measurement of DSP's impact, better understanding on incrementality, identification of gateway ASINS, and much more.

These data releases are key priorities for brands to ensure they have the most advanced competitive edge in the market. With Skai, this has never been easier. Not only can Skai support your Amazon campaigns with first-class automation and optimization, but our marketing platform brings in additional data sources that connect the dots and show you the bigger picture.

One key measurement challenge AMC unlocks is multi-touch attribution. Amazon Ad's standard attribution model is last-click, but with AMC you can understand how touchpoints work together along the path to purchase allowing for more customer-centric

> "I can't begin to describe how fascinating these AMC insights are. While one sub-brand is just 5% of our sales, we've uncovered the immense brand introduction it's causing to the rest of our brands. thanks to AMC Reporting via Skai.

planning. Whether you are identifying the right media mix for new-to-brand customers, the DSP campaigns that are impacting sales, or the campaigns that are driving incremental sales - AMC is the measurement tool for you.

If you're not taking advantage of all that AMC can offer your brand, it's time to get started.

This playbook focuses on key strategies on leveraging AMC to answer your business's measurement and uncover new performance opportunities. **Let's get into it.**

Key features of Skai's AMC Report

Skai's AMC Report offers many unique features with many capabilities to surface the insights that matter most to your business needs. Below you will find each key feature and the capabilities it unlocks.

1 Queries as Business Questions

Queries can answer so many questions and the insights are endless! By adding measurement questions, each data visualization is answering a specific challenge with direct causation and correlation. Additionally, each business question has its own report and its own recommendation on how to best read the data.

2 Coverage on ad signals from Sponsored Brands (newest), DSP, and Sponsored Products

Supporting measurement insights across all ad types available from Amazon ensures you're getting the fullest picture possible of your performance.

3 Dimensions and Categories

The ability to label your campaign measurement data by your preference (ad type, stage of the funnel, creative type, etc) provides flexibility to slice and dice the data in whatever way you'd like to see it.

4 Custom query support

If you have existing queries, you can add them to the AMC report to view the data alongside all modules. Or if you'd like support with your own custom query and measurement question, our Dev Team is here to support.

5 Report Customization

Reports are initially standardized, but can be tailored according to your preference. Create multiple report pages per brand, sub-brand, or dimensions and customize each with the modules that matter most to each view.

6 Easy-to-read data visualization

AMC works in SQL and only exports raw data. Skai's reports automatically parse the raw data into the best visualization for easy-to-read charts and insights.

Recommendations for sections and business questions

Skai's AMC Reporting breaks out each query into specific measurement questions paired with the right visualization to simplify the data analysis process. Below we break down our query sections and business questions with recommended use. For Brands just starting out with AMC, we recommend starting with with pre-built queries that will provide uncover new insights. Once you have a better sense of what deeper insights you're interested in, ask the deeper questions with custom queries.

Section: Path to conversion

RECOMMENDATION: Use for incremental sales, increased market share, and to get ahead of the competition by focusing beyond last touch attribution

BUSINESS QUESTIONS:
- What is my audience's most common path to conversion?
- What is the top campaign on my path to conversion?
- Which campaign is the most impactful as a first touchpoint?
- Which strategy should I use to optimize for new customer acquisition, based on multi-touch attribution?

Section: New-to-brand

RECOMMENDATION: Visualize the ratio of new-to-brand metrics for sponsored products, which don't have support for new-to-brand, to achieve new-to-brand goals

BUSINESS QUESTIONS:
- Which campaigns should I be spending on to attract new customers?
- How effective are my top campaigns at reaching new customers?

Section: Media mix

RECOMMENDATION: Justify investment in additional ad types, upper-funnel tactics, and always-on budgets by way of purchase rate

BUSINESS QUESTIONS:
- What is my media mix's reach in unique impressions?
- What potential audiences should I be targeting?

Section: Audience analysis

RECOMMENDATION: Build new audiences to increase engagement on certain ad types

BUSINESS QUESTIONS:
- What are my best audience segments by media type, creative type, geo, and more?
- What potential audiences should I be targeting?

Section: Frequency analysis

RECOMMENDATION: Identify frequency benchmarks to better manage campaigns and hit optimal benchmarks

BUSINESS QUESTIONS:
- How does the number of impressions affect my conversion rate?
- What is my frequency sweet spot? What's my frequency cap lucky number?

Section: Geo-locations

RECOMMENDATION: Identify which campaigns perform better in certain regions to double-down on performance

BUSINESS QUESTIONS:
- How does my campaign performance vary by geo locations and how does the performance correlate to other factors?

Section: Custom query

RECOMMENDATION: While Skai's Product and Development Teams have done discovery to ensure we're supporting the top queries our clients are requesting, we understand that clients have custom measurement questions. In this module you can simply copy and paste any instructional query that you'd like to run, and it will reflect as a table widget.

Pro tips for Skai's key features

It's not just about Skai's AMC Report features; it's about how you leverage these tools to maximize the power of AMC. Below you will find best practices available only via Skai's exclusive features.

Dimensions and Categories

- Skai's AMC Reports has Dimensions and Categories built in, meaning you can filter on Dimensions and see your charts and tables dynamically updated by either filtering out campaigns that aren't selected or by grouping/segmenting campaigns.

- Dimensions need to be tagged at the campaign level.

- If you're going to use the Dimension filter, we strongly recommend that you have 100% of your campaigns tagged.

- The charts that are impacted by the Dimensions filter are:

  - **Section: Path to conversion**

    - Business question: What is my audience's most common path to conversion?

    - Business question: What is the top campaign on my path to conversion?

    - Business question: Which campaign is the most impactful as a first touchpoint?

  - **Section: New to brand**

    - Business question: Which campaigns should I be spending on to attract new customers?

    - Business question: How effective are my top campaigns in reaching new customers?

- Label line items and orders according to ad type: Sponsored Brands , DSP, Sponsored Products, Sponsored Display, and Amazon DSP.

- Label line items and orders according to funnel tactic.

- Label experiments to run, such as creative (generic vs. custom).

Report Customization

- Skai's AMC Reports offer limitless reports that can be tailored to your business. Reports come standardized with all query modules, but can be customized per the business questions you need answers to.

- Customize reports by separate brands, sub-brands, or time periods so you can immediately see what matters most.

- Customize reports by product line, category and/or parent ASIN.

Amazon Ads Instance

- Ensure your AMC instance is pulling information on all your Amazon Ad types: Amazon DSP, Sponsored Products, Sponsored Brands, and Sponsored Display.

Dev Support

- As AMC is still in open beta and a relatively new offering from Amazon, there continues to be limitations. If you have any issues and you have your own AMC instance, you can reach out to: amc-support@amazon.com. If you have any issues and are on Skai's AMC seat, let your CS representative know and Skai will reach out on your behalf.

- Skai offers Dev resources to help you construct a new instructional query for a fee. Reach out to your CS representative as a first step.

Data Exports

- AMC Reports can be easily exported with the click of a button. If you're pulling the data for a presentation, we recommend exporting the charts. If you're going to do additional work on the data, we recommend exporting as a CSV.

Use cases

AMC can provide key insights across a variety of scenarios. AMC's flexibility makes it applicable across all categories. For example, CPG might find value in taking a look at their repeat customers or taking a deeper look into their customer lifetime value. And categories with a longer customer journey like consumer electronics might want to take a look past the standard attribution window. Yet, the most complex part of AMC is identifying actionable insights. Below you'll find some key use cases as thought starters so you can ideate on the best ways to leverage AMC measurement insights to inform your strategy.

MULTI-TOUCH ATTRIBUTION
Gain insights beyond Amazon Ad's standard last-click attribution to understanding how touchpoints work together along the path to purchase allows for a more customer-centric planning.

AUDIENCE TESTING
Test to identify new audiences that might be more effective, such as Amazon consumers that are more likely to purchase, retargeting users that visit the PDPs, and removing users that have received too much frequency.

PERSONALIZATION TESTING
Identify key audiences to deliver appropriate creative to and test to learn which creative types are more effective.

AUDIENCE OVERLAP
Learn when to group audiences in a line item or when to separate them with cohorts like new-to-brand, brand loyalists, and Subscribe & Savers.

FREQUENCY OPTIMIZATION
Identify frequency benchmarks to better manage and hit optimal benchmarks.

CUSTOMER JOURNEY INSIGHTS
Gain a more granular and accurate understanding of the actual path to purchase, such as common behavior, most common paths, least common paths, and more.

CROSS-CHANNEL INSIGHTS

Understand which ad types work best together, from OTT to DSP to Search Ads, across the buying journey to inform the best media mix for certain campaign efforts.

GATEWAY INSIGHTS

Understand gateway ASINs, brands, and sub-brands that drive shoppers to purchase more of your portfolio.

AD TYPES INSIGHTS

Learn what ad types are truly effective and double-down on the top paths to conversion for improved performance.

CLEAN ROOM INSIGHTS

Leverage the clean room environment via AWS to calculate correlation of certain campaigns and their impact across the customer journey.

INVESTMENT OPTIMIZATION

Determine appropriate spend by area of the funnel using the Markov Chain Attribution, taking a data-driven approach to a probabilistic situation.

NEW-TO-BRAND (NTB) OPTIMIZATION

Learn the ROI of different new-to-brand campaigns to double down on or pause them and hit your NTB goals.

INCREMENTALITY ATTRIBUTION

More accurately measure incrementality, how ad types work with each other, and the true impact of each ad type on the purchase decision.

DTC ATTRIBUTION

For non-endemic advertisers, measure the influence Amazon Ads has on brand's site and specific landing pages.

Advanced strategy

Once you're more familiar with AMC and identifying actionable insights, the next step is leveraging these insights to optimize your Amazon Ads campaigns. Below you'll find advanced strategies based on hypothetic scenarios that combine Skai's AMC Report with additional Skai features to take your insights to action.

Proving incrementality from upper funnel tactics

Challenge: Management lead or media exec knows that upper-funnel media is important to YoY sales lift. As a senior stakeholder, the CFO needs the Amazon channel to be more profitable.

Skai query: Path-to-Conversion and MTAROAS

Skai business question: What is my audience's most common path to conversion?

Recommended action: Lead reviews the Path-to-Purchase report and identifies common paths to purchase. As Sponsored Product and DSP campaigns are labeled with Dimensions and Categories, lead identifies that the most common paths to purchase all start with the upper funnel.

Results: With Dimensions and Categories, the lead identifies a key insight much faster than it would have been to wait for time/ resources from an in-house analyst to get them the right datasets to be able to segment the data this way. The lead quickly downloads this report in an easy-to-read format and starts putting together a stakeholder report. Additionally, the lead uses other Skai capabilities (including Search Term Analysis, services, AI dayparting, and more) to propose other cost cutting measures as an alternative to cutting upper funnel investment

Tracking custom creative ROAS

Challenge: A full service marketing agency is managing media for a brand on Amazon, and they've been trying to pitch their client on why they need more custom creative for Amazon, including ADSP and SDV. The brand hasn't seen great ROAS on Amazon displays in the past. They want to know if AMC can demonstrate that custom creative performs better than Responsive eCommerce creatives (REC) ads?

Skai query: Media Mix

Business question: Which strategy should I use to optimize for new customer acquisition, based on multi-touch attribution?

Recommended action: The agency sets up a test with two different sets of ad creative. By using Experiments, the agency learns which creative performs better. The brand agrees to the agency's request for incremental ad budget and creative project fees. Every couple of weeks, the brand swaps out creatives with other variations in ADSP using Skai's Creative Assignments feature, saving hours of work each week. The agency tags all the media in Skai accordingly with Dimensions and Categories labeling custom versus generic creative.

Results: Using AMC, the agency compares performance over the course of three months and pulls together a project summary. Because of the Dimensions and Categories, the AMC reports show that custom creative vastly outperformed the (REC)DSP Responsive eCommerce creatives ads in terms of ROAS and other conversion metrics like detail page views (DPV) and add to cart (ATC) but that the new creative campaigns also radically outperformed every other campaign and tactic in the Top Impact Campaign report, and in the Path-to-Purchase reports to show how frequently it appeared in the customer journey.

At the end of the presentation, the agency pitches more ongoing creative and an additional strategic initiative to measure the impact of the most recent creative tests on Subscribe & Save users over the course of the next nine months using Skai's AMC custom queries support. The brand agrees and all parties go out for drinks afterwards.

Increasing market share

Challenge: A brand is looking to grow its market share YoY in a congested category. The management lead is tasked with growing incremental sales. They have been relying on Amazon's attribution model that only reflects last-touch attribution. But, the brand hasn't seen much steady growth on overall market gains.

Skai query: Path to conversion

Skai business question: Which strategy should I use to optimize for new customer acquisition, based on multi-touch attribution?

Recommended action: The management lead turns to AMC to unlock new Amazon insights. They review the Path-to-Purchase report and gain a better picture of the most common customer journey. With campaigns tagged by Dimensions and Categories, the Lead uses the multi-touch business question to compare the ROAS of first touch to decide where to invest in the upper funnel for campaigns that drive incremental sales. They identify that there are first-touch campaigns that perform better in conversions than last-click and learn that the standard last-touch doesn't drive incrementality as much as first-touch.

Results: As the brand's goal is to grow YoY in market share and grow with incremental sales, the lead decides it's best to stop optimizing for last-touch and start optimizing for first-touch instead. The lead quickly downloads this report in an easy-to-read format to prove their point to their executive. The brand moves forward with this new strategy and after the first quarter starts to notice gradual market gains.
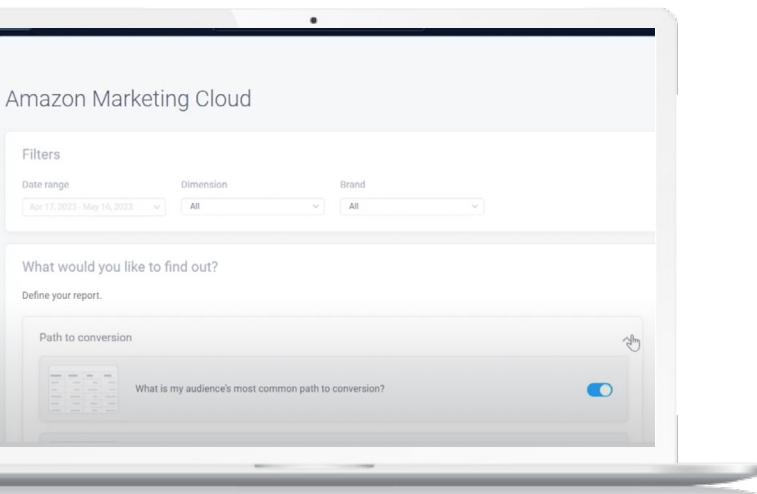
About Skai

Skai (formerly Kenshoo) is a leading omnichannel marketing platform that uniquely connects data and performance media for informed decisions, high efficiencies, and optimal returns.

Its partners include Google, Meta, Amazon Ads, TikTok, Snap, Walmart Connect, Instacart, Roundel, Criteo, CitrusAd, Pinterest, Microsoft, Apple Search Ads, and more.

For over 15 years Skai has been trusted by an impressive roster of brands including Pepsico, Michaels, Reckitt, Daimler, LG and Vodafone.

The company is headquartered out of Tel Aviv, with seven international locations, and is backed by Sequoia Capital, Arts Alliance, Tenaya Capital, Bain Capital Ventures, Pitango and Qumra Capital.

Visit skai.io for more information.