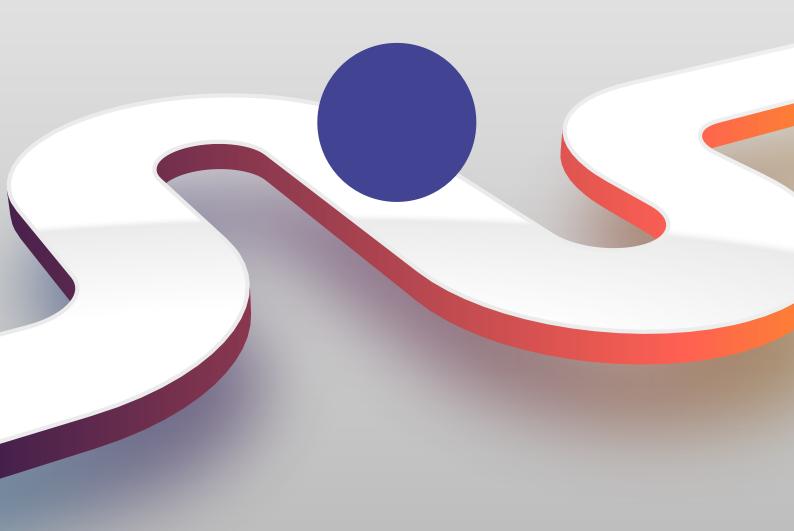


# Performance Scheduling





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# Background of the case study



## Dayparting: The revolution for your Amazon business

As more and more people sell their products online, the competition on online marketplaces is getting tougher. Especially as an Amazon seller, you need to make sure that your products reach enough people to make your business worthwhile. To stay ahead of the competition, you need to improve the profitability of your ads and your ad spend.

In our case study, we show you how you can improve the profitability of your ads through time-based adjustments, also known as "dayparting".

Dayparting means that bids and budgets are increased or decreased on certain days and at certain times, depending on how actively customers are shopping online at these times. This avoids high advertising costs that do not lead to a conversion and at the same time provides sufficient budget for the periods in which a conversion is likely.

The case study focuses on sponsored product ads that are displayed on the search results page and on product detail pages.

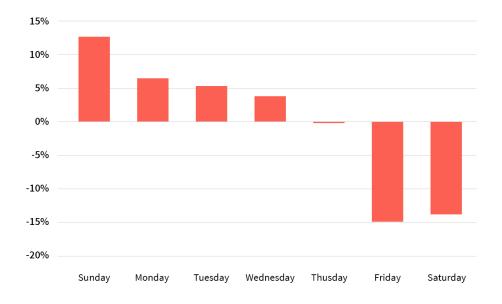
Buying behavior when **shopping online** 

The company workarea has examined the shopping behavior of online retailers over the course of the week to find out at which times sales and visitor numbers in e-commerce are most promising. While Sundays and Mondays see the most visits, Friday is the worst day for online retail. The reason for this could be that people tend to pursue their leisure activities on Fridays and therefore shop less, while on Sundays they tend to stay at home and have time for online shopping.

The same effect can also be observed on Amazon. On average, the turnover of Amazon sellers is highest on Sundays and Mondays and lowest on Fridays.

On Mondays, the average turnover is 6% above the general average daily turnover. On Sundays, it is even 13% above the average, while Fridays have the lowest value at 15% below the average.

#### Revenue Deviation to the Daily's Average



# Grundlagen der Case Study



We use Amazon Marketplace Web Services (MWS) and data from the Amazon Ads API to obtain sound data for the analysis.

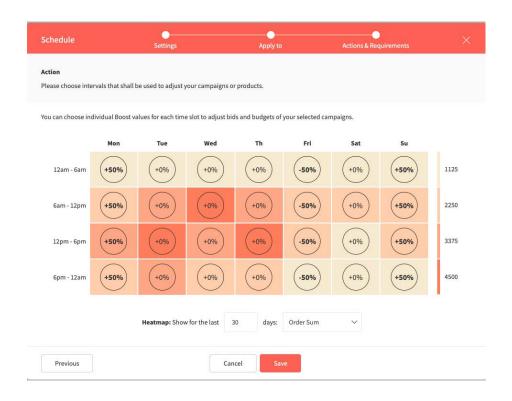
Important: Amazon does not currently provide real-time data, which means that you can only receive yesterday's data today. However, the data you receive for yesterday is still not accurate at this time, as Amazon uses different attribution windows. This means that Amazon needs time to attribute a specific click to a product sale. In our case study, we assume a 7-day attribution window.

### 3.1 Determining the right product test set

Two product test sets from the same brand were defined to check the results. In this case study, we focused on campaigns that already exist. A total of 7702 keywords were defined, which are stored and active for the respective test campaigns. Every Friday, the bids and budgets of the test sets were reduced by 50% using our scheduling function.

Every Sunday and Monday, however, the bids and budgets of the test sets were increased by 50% by our system. At the end of the day, the bids and budgets were reset to the initial values. This process was carried out for one month before the results were then compared with the month before the case study. In addition, a validation test set, in which no changes were made, was included in the analysis to ensure that the results of the test set were meaningful.

No further changes were made to the bids and budgets during the entire test period so as not to distort the results.



#### 3.2 Evaluation methods

To evaluate the results, we compare the most important KPIs of the keywords of the test products for the month before the start of the case study with the month in which the case study took place. In order to be able to better assess whether the temporal adjustments have an influence on the results, we also evaluate the performance of the keywords in the validation test set. We include the ACOS, the total ACOS, the conversion rate and the return rate for both product test sets and time periods.

# Results of the case study



#### 4.1 Impact on the ACOS

The ACOS was reduced by adjusting the timing of the advertisements. The case study therefore shows a positive effect on the efficiency of the advertisements and thus also on the profit.

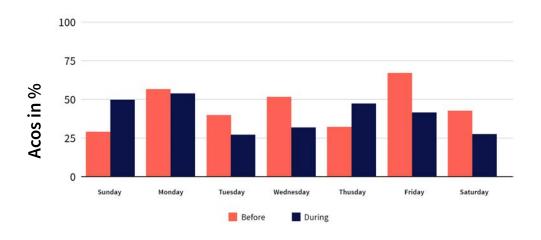
The ACOS fell overall from 39.5% to 33.1%, i.e. by 16%, when comparing the month before the case study with the month in which the case study took place. On the days on which the bids and budgets were adjusted, the ACOS even fell by 19%, from 43% to 35%.

Taking a closer look at the days on which changes were made - Monday, Sunday and Friday - the results are as follows:

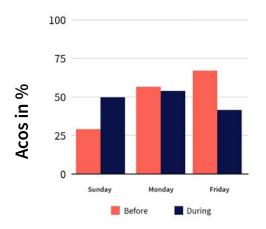
On Mondays, the ACOS dropped from 56.2% to 53.7% and on Fridays from 67% to 41.9%. On Sundays, the ACOS increased from 28.8% to 49.2%.

#### **Test Products**

Acos in % - Before And During the Case Study



Acos in % - Before And During the Case Study



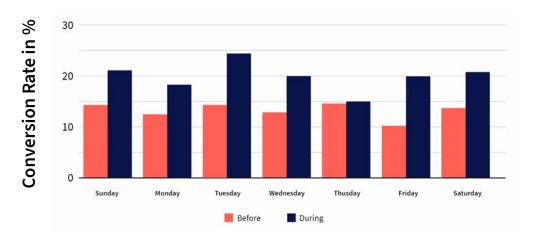
The ACOS of the validation test set, which contains the keywords of two comparable products, increased by 13%, from 36.6% to 41.2%. Looking only at the days on which the bids and budgets were changed, the ACOS increased by 11% from 37.9% to 42%. On Mondays the ACOS rose by 15%, on Fridays by 1% and on Sundays by 25%.

#### 4.2 Effects on the conversion rate

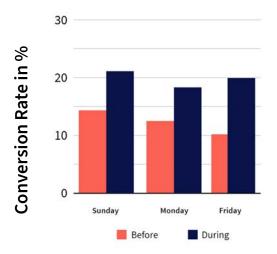
The results are also underlined by the conversion rate. Compared to the previous month, the conversion rate of the test sets increased by 50% in the month of the case study, from 13.2% to 19.8%.

#### **Test Products**

#### Conversion Rate in % - Before and During the Cae Study



#### Conversion Rate in % - Before and During the Cae Study



In contrast, the conversion rate for validation products only increased by 30%.

#### 4.3 Impact on the Total ACOS

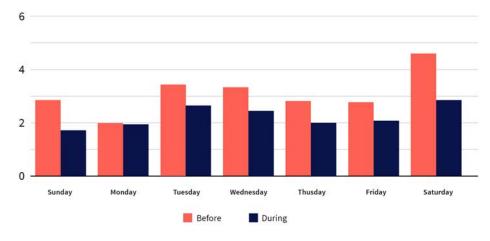
The total ACOS of the test set fell from 13% to 11.9%. On the days on which the bids were not adjusted (Tuesday, Wednesday, Thursday, Saturday), the total ACOS rose from 12.7% to 13.3%.

#### 4.4 Impact on the return rate

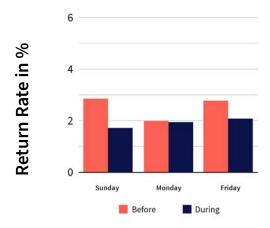
The return rate of the test products fell from 3.1% to 2.2%. The return rate also fell on each day on which the bids were adjusted. On Mondays from 2% to 1.9%, on Fridays from 2.7% to 2% and on Sundays from 2.8% to 1.6%.

#### **Test Products**





### Return Rate in % - Before And During the Case Study



The return rate for the validation test set remained the same at 2%.

#### Conclusion

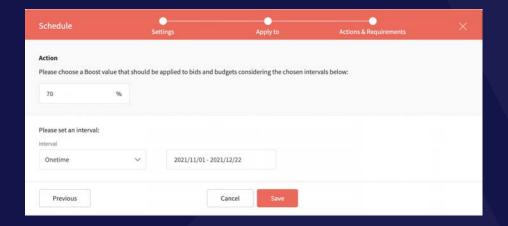
The case study showed that scheduling has an impact on the ACOS, the total ACOS and therefore also on profitability and profit. In particular, lowering bids at times when few users are shopping online (in our case Fridays) has a positive effect - with the same or increasing sales. This positive effect is also underlined by the conversion rate. The increased conversion rate suggests that the ads were more relevant to shoppers and therefore led to more conversions. In comparison, the ACOS of the validation products actually increased both overall and for the individual days on which adjustments were made.

With targeted ads, it is therefore possible to increase both profitability at times when there is little traffic on Amazon and reach and visibility at times when many shoppers are active, giving you a clear competitive advantage. As a seller, you should identify the times when your products are sold frequently or less frequently to improve your ads and brand visibility and also increase your sales.

### Scheduling mit BidX

In the BidX platform, you can easily schedule your campaigns based on the days of the week and time of day or seasonally. You can either pause campaigns (out of season) and reactivate them (in season), or set a **Boost** for specific days or times.

For example, if you sell a product that is ideal as a gift, it can make sense to set a boost for it before Christmas. You can set this **boost** annually with BidX so that you never forget to push your product during this period.



If you want to know more about the <u>scheduling function</u> at BidX, you can book a <u>demo call</u> or contact <u>hello@bidx.io</u>