

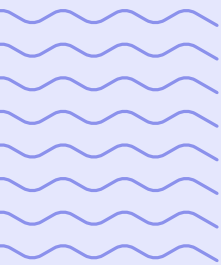


2019 'Turkey 5' Amazon Advertising Analysis

Overall and Category-by-Category Data



Executive Summary



In 2019, Amazon advertisers spent 92% more during the 'Turkey 5' compared to the prior four Thursday through Monday periods. At the same time, cost-per-clicks (CPC) across the site grew only 12% from those weeks directly prior to Thanksgiving, demonstrating that the supply of users coming to Amazon largely outstripped the corresponding increase in advertising activity – similar to what the Teikametrics insights team observed over Prime Day 2019.

Specific categories that demonstrated the largest increases in advertising spend period-over-period were Sports and Outdoors (+90%) and Electronics (+90%), reflecting how brands in each of these categories are heavily reliant on maximizing sales during the holiday gift-giving season. Health and Household (+22%) and Tools and Home Improvement (+21%) saw the smallest increases in advertising spend on a percentage basis. Amazon advertising spending dropped slightly in the Grocery and Gourmet Food category compared to the pre-'Turkey 5' period, as brands in this category aren't generally as seasonally dependent.

Looking at year-over-year data, Amazon advertisers drove similar conversion rates during the 'Turkey 5' at slightly better efficiency while spending 39% more in 2019. However, using the 2018 trend as a guide, brands should expect both conversion rates and cost-per-conversion metrics to continue to improve as we approach the shipping cutoff date for Amazon.

Methodology

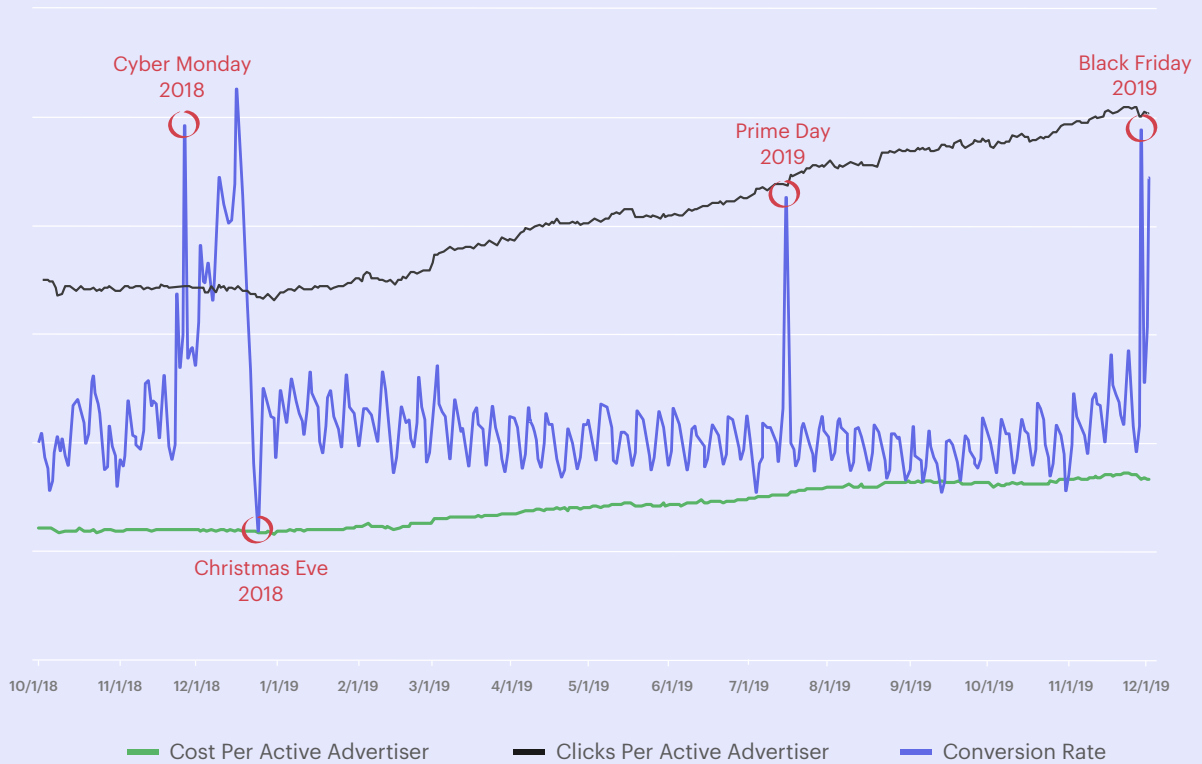
To calculate period-over-period changes in Amazon advertising spend and cost-per-clicks (CPC), Teikametrics analyzed ad spend and click data across more than 219,000 products sold by Teikametrics customers. Each of the products analyzed used Teikametrics to advertise on Amazon during the four Thursdays through Mondays prior to the 'Turkey 5' in 2019, along with the 'Turkey 5' period (November 28 – December 2, 2019). A product must have been associated with an average of at least \$1 in daily ad spend in each of the studied periods to be included in the larger sample. Products were included in vertical breakdowns matching their respective top-level 'Amazon Bestseller' category provided the category designation was available through Teikametrics data collection.

To calculate year-over-year changes in Amazon advertising spend, clicks, conversion rate, and cost-per-conversion, Teikametrics analyzed the respective data across a consistent set of more than 700 customers who have advertised using Teikametrics software since 2017 through December 2, 2019. In the interest of accuracy around cost and click metric momentum, each of those stats are shown on a per-active profile basis for each given day. Cost per conversion metrics are displayed using a seven-day rolling average for better visibility.

Amazon Advertising Spending, Clicks, and Conversion Rates

YEAR OVER YEAR

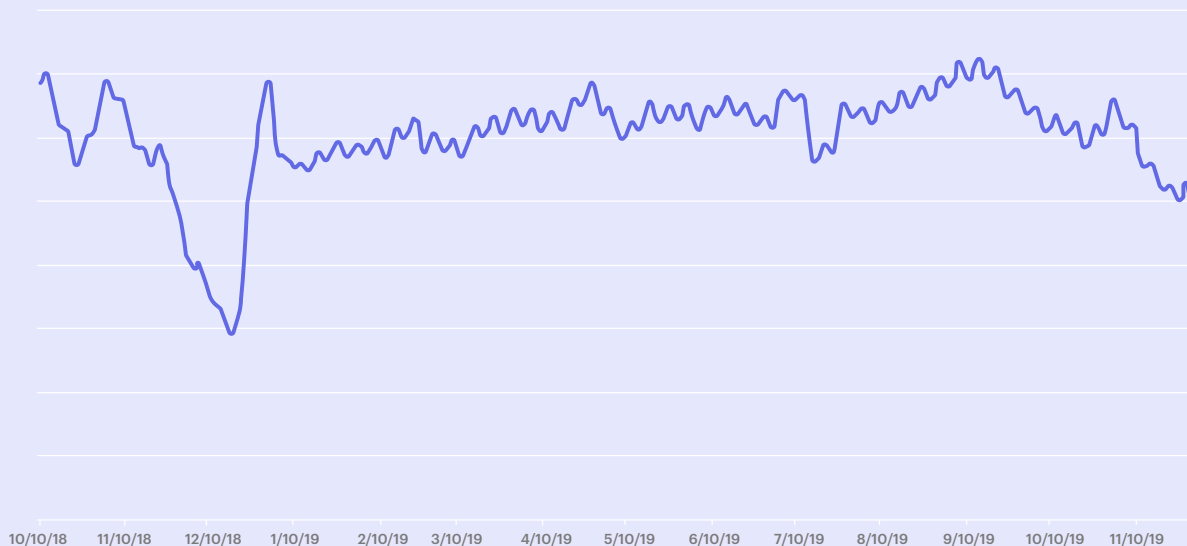
Takeaway: Advertisers spent 92% more during Turkey 5, but some of the most active sales days on Amazon are likely still to come.



Cost Per Conversion

7-DAY ROLLING AVERAGE

Takeaway: Cost per conversion dipped leading into the Turkey 5, likely due to discounting and some budget outs. Always make sure your bids update with promotions and don't let capped budgets keep you from always bidding to value.

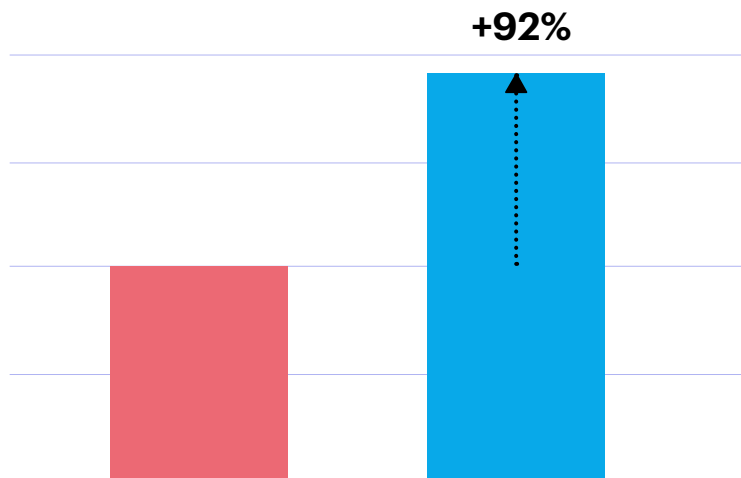


Overall

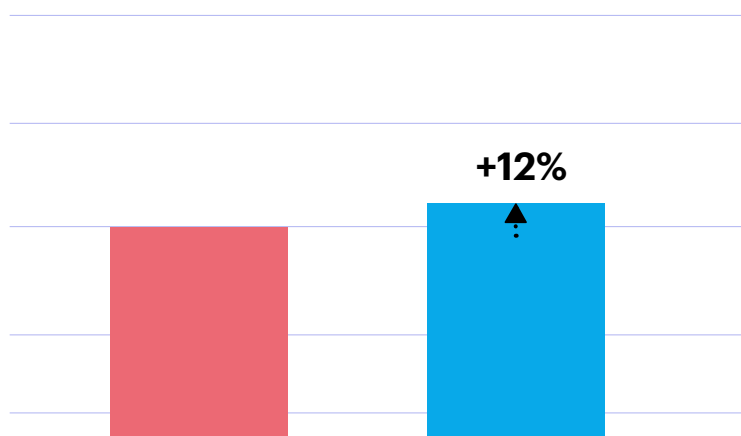
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

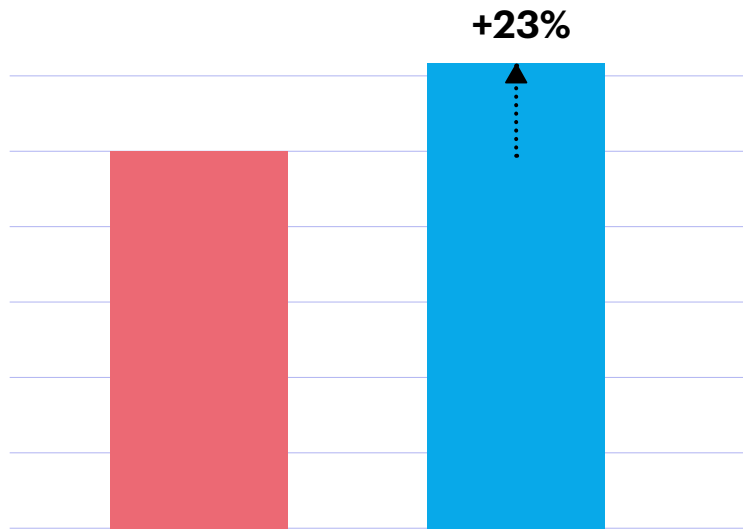


Clothing, Shoes, & Jewelry

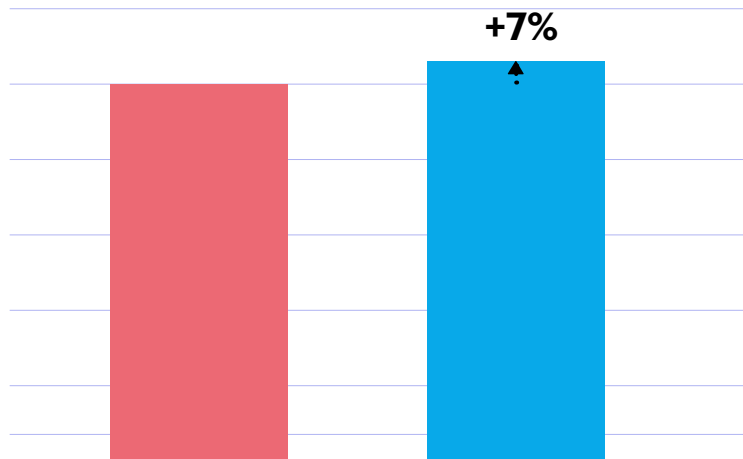
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

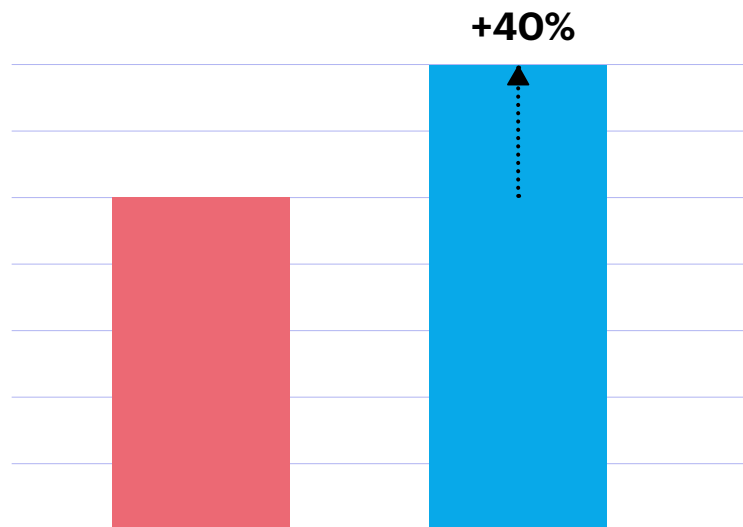


Beauty and Personal Care

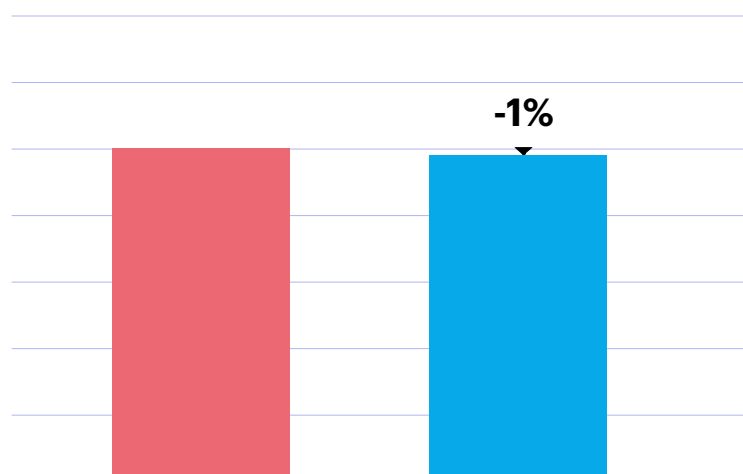
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

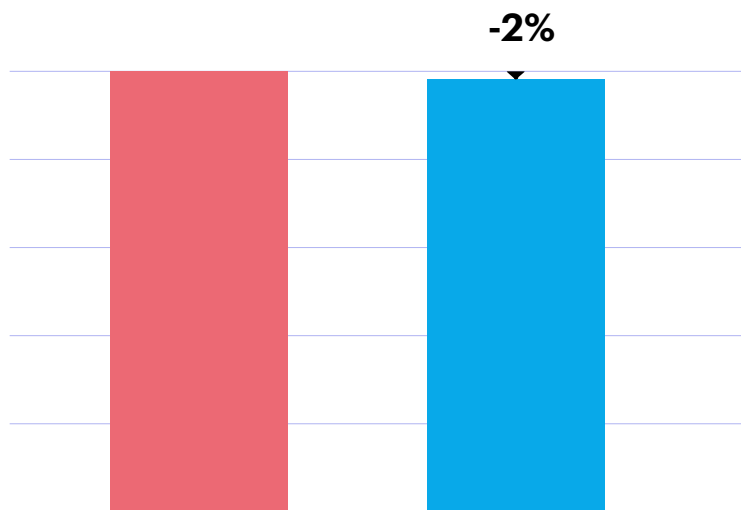


Grocery and Gourmet Food

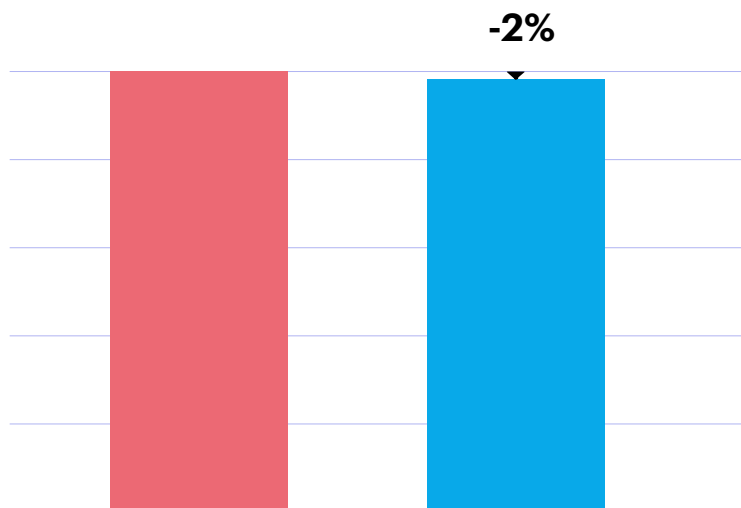
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

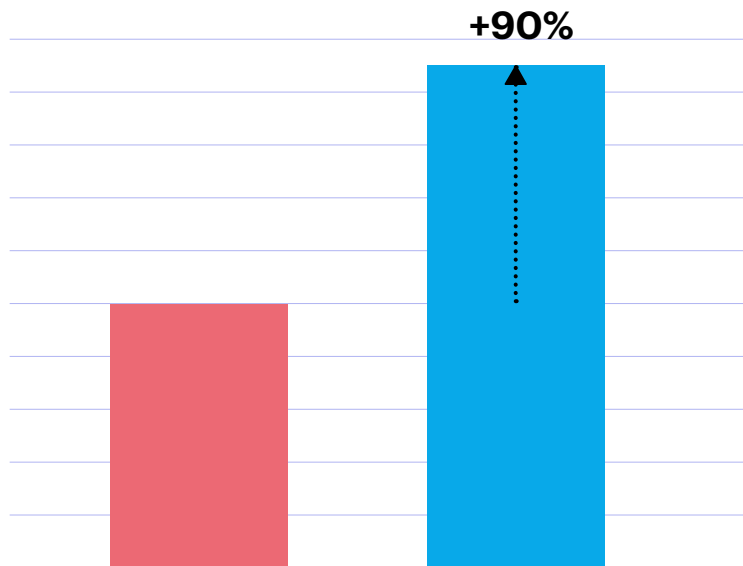


Sports and Outdoors

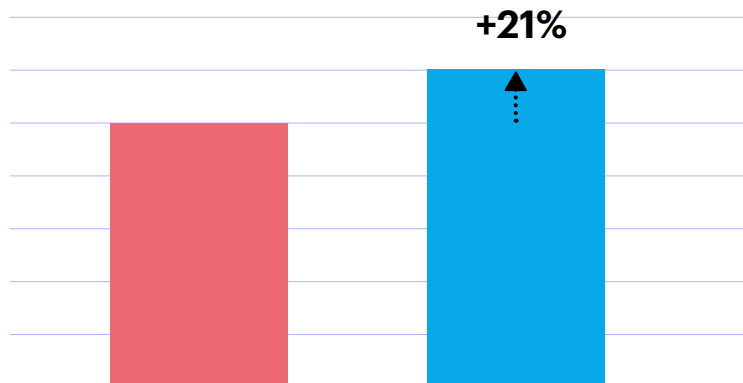
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

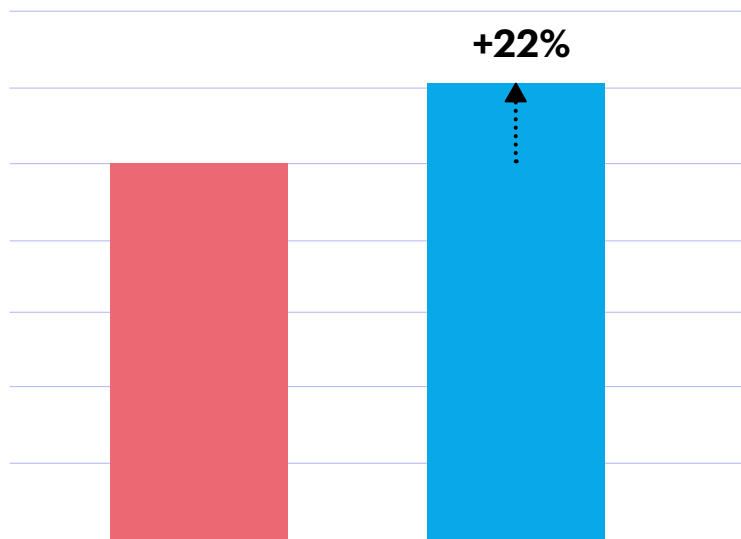


Health and Household

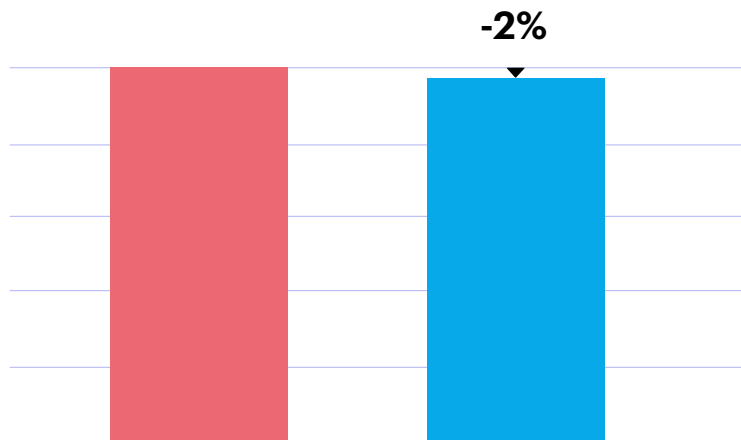
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

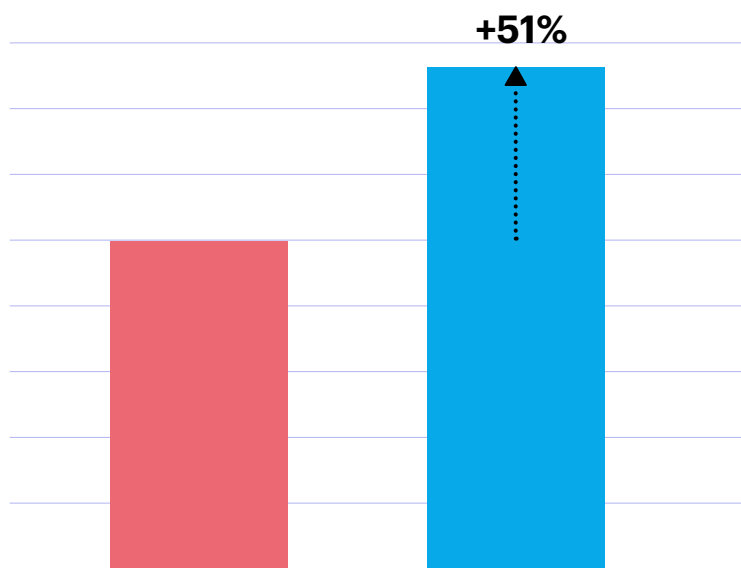


Home and Kitchen

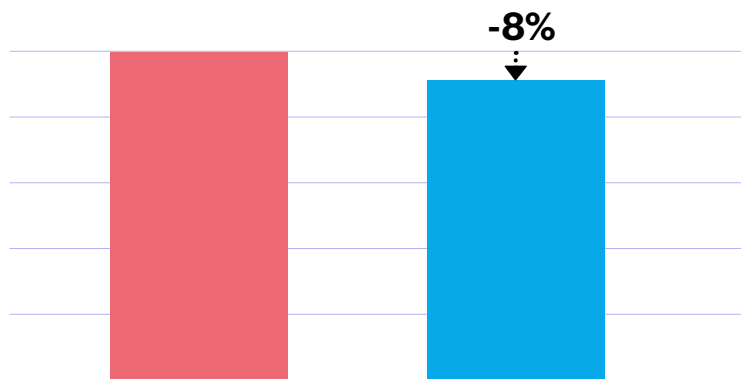
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

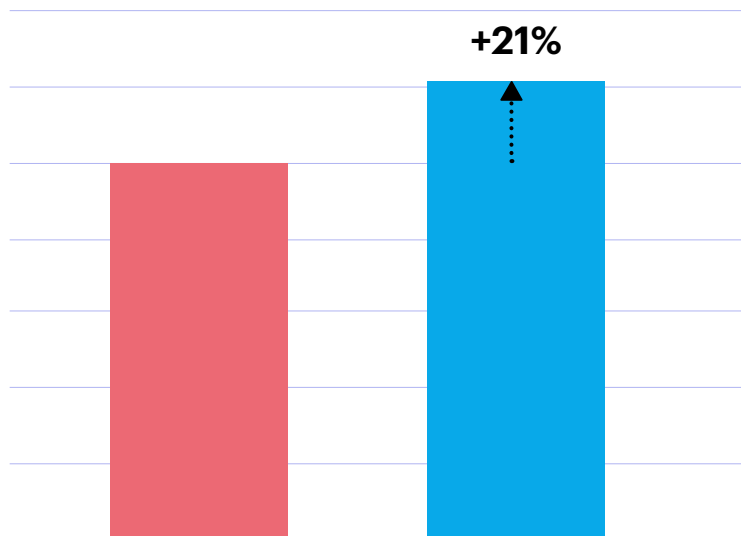


Tools and Home Improvement

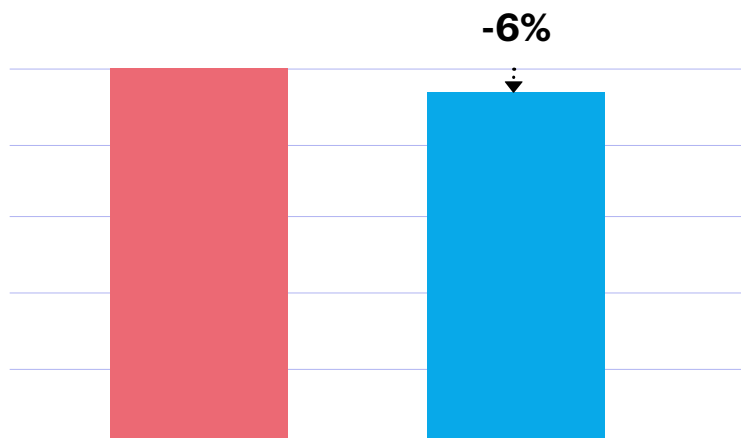
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

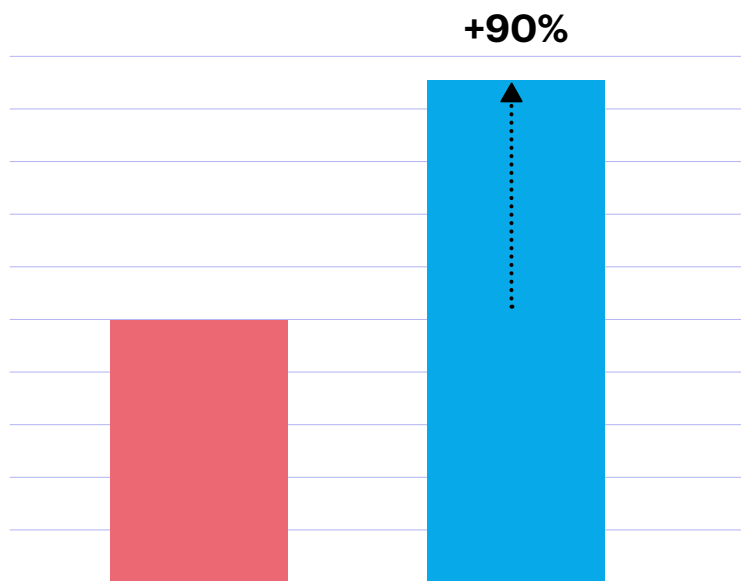


Electronics

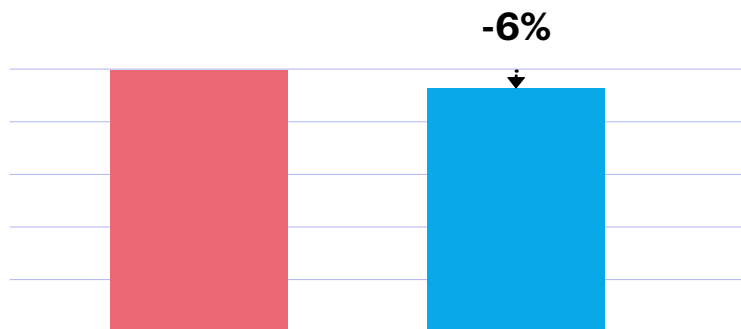
■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

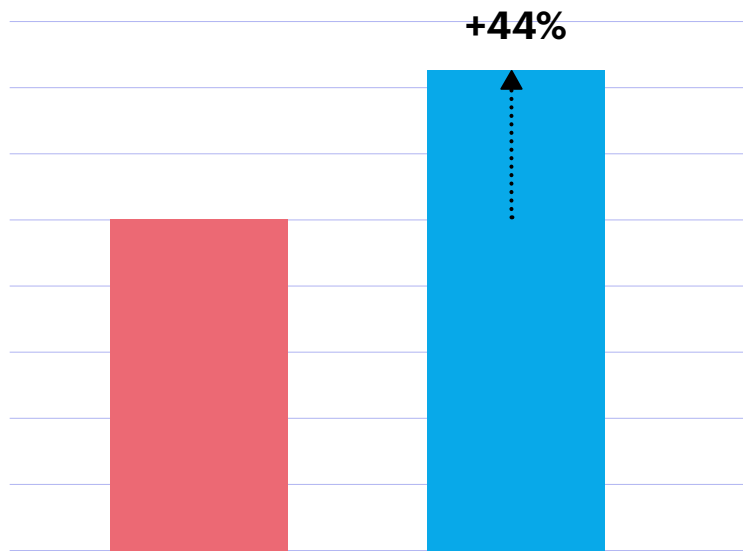


Toys and Games

■ PRIOR 4 WEEKS

■ TURKEY 5

Ad Spend



CPC

