BIZCOMMUNITY

How to succeed on Amazon

By Danette Breitenbach

Amazon launching in South Africa has been greeted by local brands with excitement as well as trepidation but participating on the Amazon platforms is something that should not be taken lightly.



Source: © Tobias Dziuba pexels Amazon is a live and complex environment and each country comes with its own complexity

This is a message of caution from Russell Ball, MD of RT7Digital, a full-service Amazon marketing specialist agency.

"Amazon is a complicated environment which differs greatly from local classified ad platforms like Takealot, and requires investment, resources, and specific Amazon exclusive knowledge for brands to succeed," he says.

"However at some point brands wanting to reach the biggest audiences internationally must venture into the world of Amazon," he adds.

Presence in SA

Ball knows what he is talking about with RT7Digital recently recognised as a UK finalist for the 2022 Amazon Ads Partner Awards in Brand Building for its work with UK-based chocolate truffle brand, Monty Bojangles.

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"This award has come at the perfect time as it highlights our international competency and allows us to announce our presence here in South Africa, which is in line with Amazon South Africa launching here next year," says Russell Ball, MD of RT7Digital.

Apart from Monty Bojangles, the agency supports a variety of brands in the UK, EU, and US to grow brand awareness on Amazon's marketplace platform. Talking about South Africa, Ball says: "We are excited to engage and support local brands who want to play in this space in the near future."

A live and complex environment

Ball says that Amazon is a live and complex environment and each country comes with its own complexity.

While successful brands and vendors have enjoyed massive success on the platform for many years, he warns there is a huge misconception out there that just because it's the biggest marketplace in the world, all a brand needs to do is get onto it and the rest is plain sailing.

"To succeed, a brand must take its A-game to Amazon to make a difference and then keep adapting that game plan to maintain momentum," he says.

"To be blunt, if you want to succeed on Amazon you must be neurotic and a stickler for detail, and have the perseverance to stick to it for nothing short of 12 months to build your presence, get reviews, build sales velocity and climb the organic and paid ranking ladder," he explains.

In other words, you must build momentum on the famous, but not widely understood, Amazon flywheel.

The Amazon flywheel

"Over the years, the flywheel has gained notoriety as Amazon's way of using its algorithm to leverage customer experience to drive sales velocity," explains Ball.

"Made up of various elements that are weighted differently by the algorithm, one must get each slice of the pie right in order to overcome inertia and start building perpetual momentum on the flywheel," he continues.

While the core concept of how the flywheel works haven't changed and will always remain true to its fundamentals, as the platform matures, what has changed is that there is less flexibility and leeway on how to drive the flywheel.

"Over the years, people have come up with tactics, tricks and shortcuts to work the algorithm in their favour, whereas now there is far less leeway as the algorithm has become refined," says Ball.



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Not an official release

At the end of 2021, Amazon changed the algorithm again, but rather than being an entirely new version, it's more of an update of the existing algorithm. Some in the industry are calling it version 10, but it's not an official release.

"Whenever Amazon makes updates or releases new versions of its algorithm, it doesn't explain how to optimise your listing, which is achieved through studying how the algorithm is weighted, the ecosystem as a whole, and what is and isn't working

to create a pre-launch, launch and post-launch strategy," says Ball.

"When attempting to sell on Amazon you need to stimulate the algorithm to notice that you're there, and then proactively work on building your ranking to speed up the flywheel and keep it going," he adds.

Ranking high

"We help create content using keywords, build their brand stores, ensure imagery is sound and that all content options Amazon offers are utilised to ensure the best opportunity to rank high with the Amazon algorithm (which is always changing by the way)," he explains.

The agency also advises brands on the requirements to be able to set up an account on Amazon and on which account (Seller Central, Vendor Central, or a hybrid of both) is the best account for them.

In addition, it assists with research of competitors in the market both on Amazon and other sales channels and advises on the best way to position themselves.

They also manage a brand's advertising campaign. "We ensure their products are front and centre and create campaigns during peak events such as Black Friday, the festive season, and other retail events, such as Amazon Prime Days."

RT7Digital's work on the Monty Bojangles campaign was not only with the repositioned content but the performance that followed. The brand awareness managed to increase the UK account sales by 126% from £292,423 (the highest sales in 2021 before RT7Digital took over) to £659,274 and claimed the 1# top seller in Chocolate Gifts (since February 2022).

Founded over a decade ago, RT7Digital's operations team is based in South Africa. Its operations team includes the Amazon Ads team, Content team, and Amazon support team. Its sales and customer success managers are based in the UK as well as a very small team in Germany.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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