



# SELLER'S GUIDE TO DEALS & DISCOUNTS

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# The Benefits of Offering Deals and Discounts

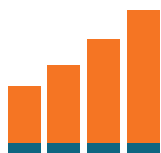


Providing Amazon deals and discounts can build customer loyalty and set you apart from your competitors. Offering discounted pricing can help new shoppers discover your products and feel confident about purchasing from you.



## 1. Attract New Customers

Recruiting customers in a highly competitive market is an ongoing challenge for Amazon sellers. With many shoppers searching Amazon for the best deals, offering a discounted price can be one of the most effective ways to attract new and repeat buyers.



## 2. Boost Sales and Revenue

When properly executed, Amazon deals and discounts can be a cost-effective marketing strategy. By selecting an affordable discount budget and targeting price-conscious consumers, deals and discounts can boost sales and revenue.



### 3. Improve Click-Through Rate

Offering a way for shoppers to save is a great strategy to improve your click-through rate (CTR). A high CTR means your product listings are receiving more traffic and performing well. It indicates a competitive price and high perceived value.



### 4. Build Customer Loyalty

While offering discounts may seem like a loss for sellers, it can ultimately enhance customer lifetime value (CLV). Discounts and promotions attract loyal customers, motivating them to select you over your competitors and establishing you as a valuable seller on Amazon.



### 5. Create a Successful Product Launch

When rolling out a new product, it can be difficult to generate interest and compete with comparable products with more ratings and reviews. Offering an attractive deal can increase your visibility, increase customer satisfaction, and motivate buyers to leave positive reviews.



### 6. Move Inventory

Many sellers struggle to move excess or outdated inventory. From overstock to seasonal inventory that remains unsold, offering deals and discounts can stimulate customer demand and enable you to achieve an optimal inventory level.



### 7. Improve Your Brand Reputation

Providing competitive pricing and exceptional product quality is one of the most effective methods to earn customer trust. Customers recommend you to their friends and are more inclined to buy from you rather than your competitors.



## Select the Right Deal or Discount



Amazon offers a variety of discounts and deals. For sellers, choosing the right promotional strategy can help you get ahead without incurring a loss. Familiarize yourself with the available options and analyze the profit margins to ensure a successful promotion.

### Coupons

Coupons are a popular way for sellers to promote products on Amazon. When you apply a coupon to one of your products, they are visible in search results and on the top of discounted listings. Sellers have the choice of offering either a percentage off or a dollar off discount.

Coupons have a maximum duration of 90 days. It is recommended to use at least a 10% discount, but discounts of 20-30% typically perform better.



#### Pros:

- All products are eligible for coupons
- Sellers can choose their discount
- Generates shopper interest
- Easy for customers to use
- Sellers gain data on the number of buyers who used their coupons

#### Cons:

- \$0.60 fee for each coupon used
- Narrows profit margins

## Discount Offers

There are two available discount offers on Amazon:

**Percentage off** promotions provide sellers with the option to offer tiered discounts. Select the product you want to promote, enter the discount percentage, and set your budget and timeframe. With these offers, you can customize the terms by making them unlimited or single-use, specifying the number of items or the total value that is eligible for a discount.



The **Buy One, Get One** (BOGO) option enables sellers to pick a product that qualifies for an extra free item. Determine how many items a customer must buy and what they will get for free, then set the schedule for your promotion.

### Pros:

- Generates customer interest
- Customizable terms
- Option to create a one-time discount
- Helps you clear out excess or outdated inventory
- No additional fees

### Cons:

- Not as visible as other promotion offers
- Narrows profit margins





## Lightning and 7-Day Deals

A **Lightning Deal** refers to a short-term promotional sale where a limited number of discounts are offered on a product for a span of four hours. Lightning Deals can be found throughout Amazon, and are available on the Today's Deals or the Prime Day page.

**7-Day Deals** are short-term promotions that last for seven consecutive days. They receive a "Limited time deal" badge in Amazon search results and can be found on both Amazon's Deals page and your product page.

### Pros:

- Amazon promotes your products
- Generates more traffic
- Popular with Amazon shoppers
- Exposure on the most popular landing page on Amazon

### Cons:

- Amazon determines product eligibility, approves the deals, and sets the day and time the offer will run
- \$150/deal; \$300-450 during shopping events like Prime Day, Black Friday, Cyber Monday, etc.
- Narrows profit margins

## Prime Exclusive Discounts

You can use Prime Exclusive Discounts to run your promotions any day of the year. Although there is no fee for running these discounts, you must offer at least a 10% discount from the lowest price and a minimum discount of 20% for Prime Day and other special events.

US sellers with Prime-eligible products sold through FBA qualify for Prime Exclusive Discounts. These exclusive deals are only offered to Amazon Prime subscribers.



### Pros:

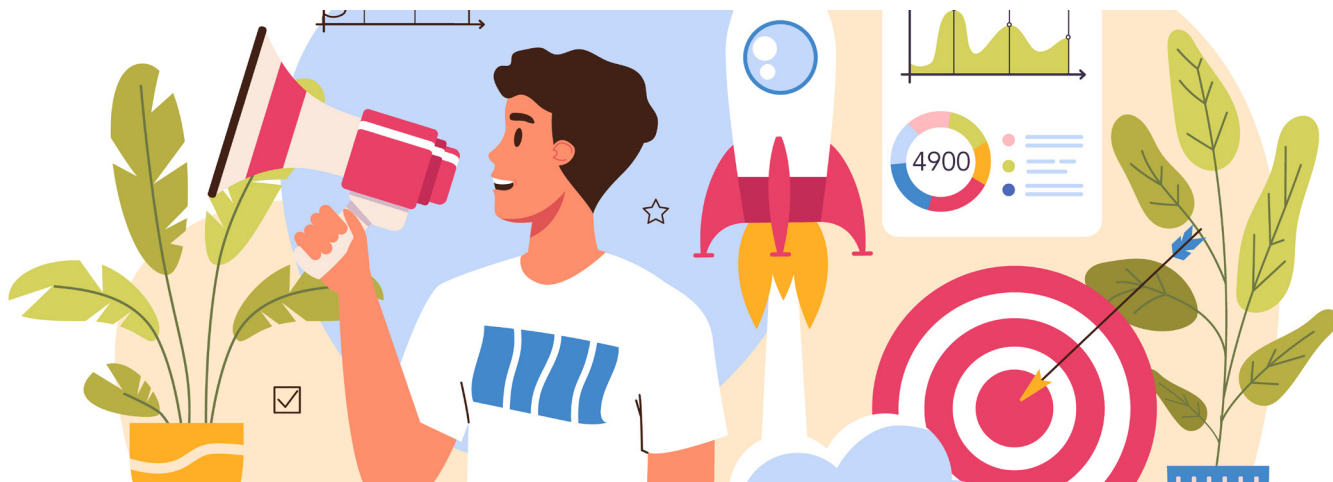
- Amazon promotes your products
- Generates traffic
- Popular with Amazon shoppers
- Adds strike-through pricing and special badging during event days

### Cons:

- Amazon determines product eligibility, approves the deals, and sets the day and time the offer will run
- Amazon sets minimum discount requirements
- Narrows profit margins







## Brand Tailored Promotions

**Brand Tailored Promotions** are discounts sent to high-intent buyers. To qualify, you must be a brand registered seller on Amazon, have at least 10 customer engagement campaigns with a minimum of 1000 total emails sent over the past 10 campaigns, and maintain an average opt-out to click rate below 1% for your last 10 campaigns.



With these Amazon promotions, sellers can select their discount percentage and target one of six different segments. Brand Tailored Promotions appear on search, product detail pages, and promotion shopping pages. These promotions are highlighted with a green badge indicating either 'Follower promo' or 'Exclusive promo'.

### Pros:

- Amazon promotes your products
- Sellers can select their discount percentage
- Exclusive placements on Amazon pages
- Targets high-intent buyers
- Allows you to select your audience

### Cons:

- Amazon determines eligibility
- Narrows profit margins
- Must be applied to your entire product catalog

## Subscribe and Save

With Subscribe and Save, customers can sign up to receive automatic deliveries of your products at up to 15% off with free shipping. This discount is taken off the price of your product. Buyers choose their preferred interval for repeat deliveries, allowing you to gain loyal repeat customers.

To qualify for Subscribe and Save, you need to maintain a seller feedback rating of 4.7+ and have an active FBA (Fulfilled by Amazon) account for a minimum of three months with a good sales performance.



### Pros:

- Provides an affordable customer acquisition method
- Sellers pick the products
- Sellers gain data on the number of buyers who have subscribed
- Promotes customer loyalty

### Cons:

- Amazon determines eligibility
- Narrows profit margins
- Customers can purchase discounted items and cancel their subscription at any time





## Strategize for Success



With Amazon deals and discounts, it's important to carefully consider your short and long-term strategy. To successfully grow your brand without incurring losses, start by collecting data and evaluating your goals.



### Determine Your Target Market

Before selecting your deal or discount, it's important to familiarize yourself with your target audience. Identify your existing customers and tailor your marketing approach accordingly. You have the option to target all Amazon shoppers, Prime members, students, parents, or customers who have browsed similar products.



### Conduct Competitor Analysis

To stand out from the pack, it's important to know what your competitors are doing. Begin by identifying competitor products that align with your target audience's search. Take a look at top sellers in your category and analyze their marketing strategy and estimated sales volume. Seek out opportunities to create unique discounts and deals that make you stand out and provide unbeatable value to potential customers.



### Consider Timing

To create a profitable promotion, you need to determine when your target audience will be searching for your products. During the holiday rush, back-to-school season, and other special events like Prime Day, you may generate more traffic. This may vary by product, so be sure to analyze your sales data from previous years. To run successful discounts and deals, make sure your product pages are optimized and inventory is stocked.



### Create an Irresistible Offer

Well-executed, limited-time offers, discounts, and deals can serve as a powerful call-to-action for buyers. These special promotions can illicit an immediate response that encourages shoppers to visit your product page and complete a sale. Reinforce the value and quality of your products through captivating visuals and engaging content, provide exceptional customer service, and strategize on delivering exactly what your target audience wants and needs.





## Promote Your Deals and Discounts



Offering deals and discounts should be part of your larger marketing strategy. To create a successful promotion that boosts sales, think outside the box.

### Craft Compelling Content

Once interested shoppers click on your product page, it's your chance to demonstrate your value with captivating copy and striking imagery. Use professional-quality photos and graphics to prominently showcase your packaging, emphasize unique product features, and showcase how your products can be used.

Capture the attention of shoppers with informative bullet points and consider replacing your product description with A+ Content. This gives you a chance to incorporate additional visuals and concise copy that have been shown to increase sales.





## Leverage Social Media

Leveraging social media platforms such as Twitter, YouTube, LinkedIn, TikTok, Instagram, and Facebook enables you to tap into a wider pool of potential customers while boosting brand visibility. As a key component of a broader marketing strategy, it can be employed to attract traffic to your Amazon listing and increase your sales.

When running a discount or deal, post discount codes directly on your profiles or use unique tracking links to monitor usage. Make sure to include your promotion details and expiration dates to create a sense of urgency and target the right audience.

## Create an Email Marketing Strategy

Using email marketing is a powerful strategy for enhancing brand awareness, requesting reviews, and showcasing your Amazon discounts and deals. Automating promotional emails is a low-cost way to cultivate connections with existing customers and entice them to take advantage of exclusive offers.

Share the details of your discounts and deals with a link to your Amazon product page. This can boost conversion rates by simplifying the checkout process and providing customers with the information they need in advance.







## Collaborate With Influencers

Influencers are considered industry experts on a specific topic. Partnering with influencers can be a highly effective strategy for promoting your products and offers. Use social media hashtags to discover users with similar interests or identify people who have a significant following in your niche.

Request that influencers share your discount, deal, or coupon code with their followers to boost sales. Influencers can utilize blog posts, social media posts, videos, podcasts, or even live streams to help you spread the word about exclusive offers and foster customer confidence.



## Avoid Common Discount Downfalls



While Amazon discounts and deals can offer many benefits to sellers, it's important to establish clear goals and steer clear of common pitfalls. To maximize the effectiveness of your strategy, it's important to know what to avoid.



### Avoid Over-Discounting

If your profit margins are too small, running an Amazon promotion can result in losses. Similar to your advertising strategy, establish a budget and a timeframe that won't cut into profits, while also considering fees and shipping costs.



### Consider Customer Feedback

To ensure the success of your deal or discount, it is important to prioritize customer satisfaction. Take the time to study customer reviews and feedback in order to identify what customers are looking for and how you can deliver a special offer that meets their preferences and expectations.



### Set Clear Parameters

To prevent losses, carefully consider the timeframe and expiration date for your deal or discount. If your objective is to clear out excess inventory, you might want to consider offering a BOGO promotion. Carefully tailor your strategy to meet your goals and make sure that your promotion aligns with your profit margins.



## Track and Measure Performance



Monitoring the success of your promotion can help you create a long-term strategy to increase sales. It's crucial to track and measure discounts and deals to gain insights into how they affect your performance on Amazon.

### KPI (Key Performance Indicators)



Amazon KPIs allow you to analyze your sales data and monitor your progress. From customer acquisition costs to total revenue, it provides you with an accurate measurement of your performance. This data can be leveraged to maximize conversions, improve your feedback rating, and increase your chances of winning the Buy Box.

### ROI (Return on Investment)



To gauge the effectiveness of your promotion, it's important to determine how long it takes to recover invested funds. Your Amazon ROI is calculated by dividing the profit per item by its purchase cost. While a good ROI is 100% and above, you may have a lower ROI for items with faster sales and a higher ROI for products that take longer to sell.

### Adjust Your Strategy Accordingly



Amazon deals and discounts can offer valuable insights to help you formulate a comprehensive marketing strategy. Leverage your promotions to gather customer insights and explore creative approaches to attract and retain clients. Since there is no universal recipe for success, evaluate your data and collaborate with your Amazon consulting experts to find strategies that can boost profits, increase sales, and raise brand awareness.

## We're Here to Help!



Having a dedicated team of experts on your side can help you organize, strategize, and grow your Amazon business. Use our Amazon Seller's Guide to Deals and Discounts to accelerate growth and explore new innovative ways to reach your goals. Opportunity awaits!

