

(Almost) Everything You Need to Know About Amazon Ads (for Romance)

Class Transcript

Nicholas Erik (00:00:00):

Hello and welcome to almost everything you need to know about Amazon Ads for Romance. As the title of this class probably suggests. This is all about Amazon ads. It's a comprehensive look at how to set them up, analyze them, test things on your Amazon page, and I'm going to also include some specific tips and information for romance authors in particular. Now if you're writing in another genre, then the information will still apply, but just tailoring some of the details toward romance. And a little bit about me. I've managed seven figures in Amazon ad spend for authors in a variety of genres. I've run marketing campaigns for multiple romance books that have hit number one over in the store for with multiple six and seven figure romance authors. And I've taught other people the processes you'll learn in this class. So this isn't just something that I can do and these techniques aren't just usable by me.

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I've actually taught them to people with a wide range of experience and they have used them successfully in their own author businesses. If you want to download the slide deck, you can do so at the link on screen. That's nicholaseric.com/everything-az-romance-slides. We'll kick things off here with the foundation and let's start by breaking down. What makes the Amazon ads different? Well, Amazon isn't just an ad platform, it's primarily an e-commerce site, and the ads that appear are a byproduct of the retail products that Amazon sells. So if their customers aren't having a good experience with the site, then that means that Amazon doesn't have an ad business because they don't have that traffic coming to the actual store. For us as advertisers, what this practically means is the Amazon ad auction is going to favor spending to books that are already selling. If you have a book that's already visible, then it will usually be more receptive to spending with the Amazon ads and ads that have a longer history, meaning a proven conversion track record where they've been performing well for three months, six months, et cetera, a year.

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Those will often serve more smoothly and there will be less fluctuations in the budget from week to week, month to month, that sort of thing. And they can receive a slight CPC discount in the auction talking about five to 10% here. It's not going to make or break the ads, but certainly helpful using the page read and sales data from your Amazon ads dashboard is crucial for being able to analyze how your ads are performing and it's central to the strategy that we're going to be discussing in the class. So we need to answer how accurate is the Amazon ad data? And in my experience, it's around 90 to 95% accurate sales. Take two to three days to stabilize page reads, take four to seven days to stabilize. Generally speaking, that means that sales data from December 1st will usually be stable enough to analyze on December 3rd or fourth, and the page

read data will be stable enough to analyze somewhere between December 5th and December 8th.

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Key point here, page reads are not necessarily attributed to the day the actual borrow occurs. That means that someone can borrow your book on December 3rd after clicking on one of your ads, but maybe they start reading it on December 5th and then they stop for a few days, then read more on December 8th and so forth. That means that the page reads are going to be oftentimes distributed across different days as the reader actually reads through the book and their device syncs with Amazon. Finally, if you have a long box set, say 1500 plus KMPC, which is just Amazon's term for the number of Kindle Unlimited pages in your book, then it's going to be less accurate because not all the reads will be tracked during the 14 day window because a lot of people aren't going to finish that complete box set within the 14 day attribution window that the Amazon ads use.

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And finally, we'll take a closer look at the elements of an Amazon ad. And to do that, we're going to head over to the actual Amazon site. First, let's talk about where your Amazon ads appear on the Amazon site, and if we scroll down here, this is the page for my book Drop Dead and we can see this group of ads. This is referred to as the sponsored product ad carousel, and that is going to be the primary location where the majority of your ads show up. And usually there are two of these on the page. And then we also scroll past the also Boughts or red, and sometimes you'll see sponsored ads within this carousel as well. That'll be a little sponsored note above the, and none of these are sponsored. These are just all organic, but Amazon now mixes together some of the organic and ad placements. Then the other place your ads appear are in the search and let's actually look for just urban fantasy books.

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And this at the top is going to be a sponsored brand ad. Generally speaking, I recommend focusing on the sponsored product ads. They tend to perform better, they're cheaper. If you're really looking to scale out aggressively, then you can look at the sponsored brand ads, but that is not where I would start. And then we have some sponsored product ads which are appearing at the top of the search. So these are at the very top of the search, but they're a little bit below the sponsored brand ad. And then we can see this, this is a sponsored brand ad, which is a video ad and the video ads are going to be more complicated and time consuming to put together. So again, that's not where I would start with my Amazon ad efforts. And then we have some more sponsored product ads throughout the search results.

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And the bottom here we have some sponsored brand ads heading back to the Amazon page for Drop Dead and scrolling down to the sponsored ads. Let's break down the key elements of the sponsored ads since that's going to make up the bulk of your spend the majority of the time. And we have at first glance six components. Not all of them are super important, but we have our cover, the title, the author name. Then we have the copy, which in my experience doesn't impact the performance and thus I wouldn't usually recommend using it just because it's an added step. It's only available in the us To me, that also suggests that Amazon has data where they know that it doesn't move the numbers all that much. And then we have the ratings here. And finally we have the price along with whether it's a paperback or ebook. So technically if we include the format, we have seven things.

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Now out of those, the cover is clearly pretty important and then the title is important, the author name. I would say maybe it has an impact, maybe it doesn't. It's not something that you can really test because you can't change your entire pen name just on a whim. The copy, as we mentioned, doesn't really have much of an impact in my experience. The ratings, this is something that you can't control and test. It's hard to say how much of an impact on the numbers that a certain number of stars or certain volume of ratings has, but if you're just starting out and you only have a few ratings on your book, then it's not going to make or break the performance. From what I've seen, you can still get good conversion, the A's going to be effective if the other elements are in place, meaning the cover and the title, then the format that's going to tell people whether it's a paperback or the Kindle edition that if someone's a print reader, then that's going to tell them not to click on that particular ad.

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Then we have the price, which if you have a lower price say 99 cents, then that could probably entice certain people to click on the ad who otherwise wouldn't necessarily be all that interested in the book. And that definitely plays a substantial role in the conversion. And you can test different prices there where you maybe price the book at 2 99 and then you could test 3 99, see if that impacts conversion four nine, or you could test 99 cents versus 2 99 where at a 99 cent price point you're taking a hit on the royalty not only for that book but also just the sell through to the other books because fewer people will go on to read book two, book three, book four, but maybe if the conversion is high enough with the ads that can make up for the drop in the sell-through.

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But the key elements here that really impact your ad and make up, I would say the bulk of the ad itself are going to be the cover. And everybody knows that the cover is important. I'm not saying anything new there, but as we can see, that is about half the ad if you're not running copy and it's the thing that's going to draw people's eye and it just illustrates how important the cover

is not only in the ad placements, but also keep in mind that the organic placements up here are essentially the same. They don't have the author name beneath the title, but otherwise these are pretty close match to the ads. If your cover isn't drawing people in, then your organic performance is going to suffer and your ad performance is also going to not be great. But I want to talk about the title because this is something that people overlook and I know that because it's something that I didn't really key in on until a few months ago and I had already managed millions of dollars in ad spend at that point.

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And once I mention it, it's something that will be incredibly obvious, but sometimes obvious things aren't so obvious, and we have the title here and the title is important. I think that that is also overlooked in terms of things that can impact conversion and the overall book's performance. However, the title is not something that you can easily test or change after the fact. You can test titles before you release the book, and that's something that you would do using Facebook or book pub ads. But after the book's been released, you're pretty much stuck with the title that you got unless you're willing to jump through a lot of hoops and it's certainly not something that you can change without a significant amount of effort. However, we see that we actually have a subtitle here as well as the series title, and that forms a significant part of the ad and gives the reader a lot more potential information if you're careful in your consideration of what to put in these areas.

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And just a note, you don't want to keyword stuff your subtitle that's against Amazon's terms of service. The words in the subtitle are supposed to be on the cover itself. If you look through the store, most people don't abide by that particular rule. However, that is what the Amazon terms say, and I would caution you against stuffing a bunch of keywords in the title, meaning the subtitle anyway, because it's very likely to hurt the performance as we will soon see in a moment with an actual example where changing just one word in the series title actually had a major impact on the conversion, dropping it from 11.6% to 8.6%. So you want to give some consideration to what you're putting in the subtitle, the series title. If you're a romance author, then what tropes do I emphasize here? What is my series name? Am I making it clear who this book will appeal to?

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And we can see that sometimes the cover alone is enough, and this is pretty clearly an urban fantasy book even without any additional information. But this book here, by having a fast feel good urban fantasy, that gives me a lot more information as a perspective reader when I'm scrolling through this and I can immediately see if I'm an urban fantasy fan that hey, this book is very likely to be of interest to me. And that is something that again, is obvious in retrospect. But while I thought that the series name the subtitle could impact the conversion and were

important to consider, I didn't anticipate just how much of an impact they could have on the Amazon ad performance. And for an actual example, we can head over to this book Shattered Silence, which is a thriller slash mystery. And we can see from the cover branding that the dog is a prominent aspect of the packaging and the book, it's mentioned early in the blurb. And what that means is when you have a book that appeals to a specific sub genre, and here we have thrillers and mysteries, and then people who are dog people are going to be interested in the canine mysteries and emphasizing that element in your packaging and your marketing material makes it more likely that those people will click on the ad and then convert.

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So initially this was the series title Eden Mercer Canine Mystery Thriller book one, and then we changed that to just Eden Mercer mystery Thriller. And that means that we removed just one word, nothing else changed, and conversion actually dropped from 11.6 to 8.6% cent. And what that immediately told us was that this was a key element with the Amazon ads where people were seeing this in the sponsored ad carousel and it was attracting people who were interested in the canine aspect. And once that was removed, then yes, the book appealed potentially to more people in that a wider audience who wasn't as interested in the canine aspect might click on it, but then they saw the cover at a larger scale, they read the blurb, they read some of the reviews, and maybe they weren't as interested. And after we put this word back in, then everything was fine.

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And this seems like such a small change, but sometimes small changes can be large changes, and what I would implore you to do is when you're changing something like the subtitle or the series title or coming up with different ideas, first give it some thought, but second, don't just change that and then not actually track it. I see this all the time with say the tagline, this was tested and added to the blur because it performed well. People will just add new taglines to the blurb or make changes to the subtitle, make changes to the series name randomly upload a plus content and then assume that it's moving them forward. But that is not a guarantee as we saw here and seemingly inconsequential changes can have a big impact, and one, you don't know what an inconsequential change is unless you're tracking those changes and their impact.

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So going forward, if you change something and it doesn't have a major impact, then you don't need to track it as closely, but you only know that if you actually track things to begin with. And then two, you also uncover new ways to improve the performance and ways that potentially are low effort and high leverage here, this is just a single word, didn't cost a dollar to change. That subtitle totally free, took two minutes, whereas if you're going to test a new cover and replace that, maybe that's the correct move at that point in time, but that's going to cost you 200, 300 bucks and also you have to manage the designer and email back and forth with them.

It's a much bigger project. And now we're going to head back to the presentation and just in case you're wondering why it looks a bit different, the live class on Zoom actually crashed, and then I had to rerecord this portion of the class afterward.

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So I'm going to head back to the presentation and the rest of this will be the recording from the live class I Alright, a little bit of excitement there where Zoom crashed, and so we are back to our regularly scheduled programming and the next part after the foundational elements, we set up our tracking, so this is what I call the five keys of tracking and you can download these templates here [@nicholaseric.com](mailto:nicholaseric.com) slash tracking. I will put those into the chat for the people who are here live. And so what you want to do is monthly you want to have a sheet for official tax and business purposes where you're tracking your final revenue, meaning your royalty deposits from the various retailers and your business expenses. And then for the ads specifically, you want to track daily or weekly and have an ad profitability tracking sheet weekly is way easier for people to adhere to and what I'd recommend, particularly with the Amazon ads when you're tracking daily, people tend to freak out and overreact to just random variations in the ad performance that don't actually mean anything can be useful to track daily for that reason to learn what's just random variance and normal variance and what actually is signal meaning something that is meaningful and actionable.

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But I'd say from an adherence standpoint, most people don't want to do that for very long and you're totally fine just tracking weekly because it's going to smooth out that variance and make it much easier to see trends week to week and spot how your ads are performing For launches. I do recommend tracking daily and that's for the first 30 days of the launch. That way you're able to react to any changes in the moment and you also build a reference library where you can see, hey, this is how day four, day seven of the launch that I'm currently running compares to past launches and that becomes an invaluable asset over time with those 30 day launch tracking sheets. Four, with the Amazon ad specifically, you need a tracking spreadsheet for tracking your Amazon keywords, ASINs and other targets. This is absolutely critical. The basic version here in the tracking sheet is going to allow you to do that.

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There's an advanced version in the 80 20 ads course that is going to take that up significantly and really help you analyze how your ads are performing. And then the fifth and final key is a swipe file. This is a spreadsheet or folder on your computer where you save ads and marketing materials like blurbs or covers that catch your eye from other authors and that's just to act as inspiration, generate ideas for your own marketing. You're obviously not copying them verbatim or anything like that. It's just so you can see what's happening in your genre and then you can use those principles, frameworks, et cetera, and apply them in unique ways to your own

books. I'd say that the swipe file is less important if you're only running Amazon ads because you don't typically need to swipe anything for the Amazon ads, you're not going around screenshotting different ads and things like that.

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All the ads look the same. One of the nice things about the Amazon ads in fact is that your options are relatively limited when it comes to the ad itself. You don't have a whole lot of leadway there and that means that they're very simple to set up and you don't have to think about that aspect very much. The primary focus with the Amazon ads is one, the relevance of the targeting and then two, the analysis and then three, keeping all that data that you're getting organized, which is a challenge as you advertise more and more, this is what the Amazon Tracker looks like and crunches through a bunch of numbers for you keeps everything organized in one place.

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So the other thing that we need to do for our tracking is we need to set up or calculate rather our revenue per sale and revenue per borrow, and I said set up there because there's a template within that tracking sheet that you saw the link to on screen and popped into the chat. Again, that's nicholaseric.com/tracking and so you want to set that up, meaning put the revenue per sale and revenue per borrow values in there because that gives you a centralized storage location for those and also the templates in the course. You can actually just import the information from that central sheet and you don't have to update your revenue per sale and revenue per borrow everywhere. Revenue per sale and revenue per borrow by the way are synonymous with sell through value and read through value. That's what most other materials and courses will refer to it as.

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So if you've heard those terms before, that's what I am talking about and starting with revenue per sale, this is the total value of a sale of book one when you factor in sell through to the rest of the series. This is critical because it's very difficult for the Amazon ads to work with just a standalone, you're probably going to need a minimum of three books and really I'd say a five plus book series is where the Amazon ads start to become viable and a really useful component of your marketing because you need that sell through to the rest of the series given the high bids on the Amazon ads, particularly in romance. So in most genres in the US you're looking at a 70 cent bid minimum to get the ads to serve and that's 70 p in the uk. If you're advertising there in romance, sometimes you can get the Amazon ads to serve at that low of a bid, but you might be looking at 80 cents, 90 cents as a starting point depending on how competitive your sub-genre is and how willing Amazon is to serve ads for that particular book.

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You'll find that different books will serve at different price points. It's just one of the unique things about the Amazon ads and you want to be aware of that because certain books will work better with the Amazon ads just because they'll serve at a lower cost, but the absolute floor there in most fiction genres tends to be about 70 cents in the US. In romance in particular, if you're writing romance, then you can get the As to serve at lower than that, the bid floor is around 50, 60 cents, but for most romance sub genres, it's going to be 70 cents or potentially higher than that unless you want to only spend two \$3 a day or something like that on your ads. But if you're looking to spend a decent amount of money, 70 cents getting back to revenue per sale, we need to calculate this again because the real upside here is in the sell through and read through to the rest of the series and we're going to use these numbers to analyze whether or not our ads are profitable.

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It's really critical that we get accurate numbers here because that is going to dictate a lot of the decisions that we make. Further down the line, we want to calculate revenue per sale and revenue per borrow on a region by region basis. We want our data to be stable for the time period we use to calculate these numbers. We don't want any launches, promos, price changes of Book one. Those are all going to impact the sell through and read through, and thus we want to find a timeframe where things were stable. I recommend omitting box sets from the series revenue here. It tends to skew the data. I would rather underestimate the revenue per sale and revenue per borrow and be pleasantly surprised by how the ads are performing and my overall net profit down the line rather than be unpleasantly surprised because I was overly aggressive with calculating these numbers. The equation for revenue per sale is really simple. The key is getting that accurate data as the old saying goes, garbage in, garbage out. If you pick a timeframe where the numbers aren't particularly stable, then you're going to get a useless number here.

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Equation is total series sales revenue divided by book one ebook sales. So you want to calculate this not only on a region by region basis, but also a format by format basis because your paperback will have a different revenue per sale than the ebook version. The pricing is different. The percentage of people who go from book one to book two, it's going to be different. Therefore the revenue per sale numbers are going to be different and you want to calculate those separately. An example of this calculation, we have \$10,421 in series sales revenue and then you divide that by 1034 book one ebook sales. This is just a hypothetical example and we have 10 0 8 in our revenue per sale.

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Next up we have revenue per borrow, which is the same idea just for the Kindle Unlimited side of things where revenue per borrow is our total value of a borrow of book one when factoring

in read through to the rest of the series. And we want to calculate these separately because they are going to be different, especially if you write shorter books, these can diverge significantly because you're getting paid a lot less for each borrow of the book than the sale. For example, my books are around 45, 50,000 words. My book one is priced at 2 99. I make about \$2 for a sale of that, but since it's only 268 Kindle Limited pages, I make rounds a dollar or so depending on the page read rate in the us. That's a significant difference. What you'll find is that most resources and courses blend these together and just calculate one number that's not going to give you the accuracy that you're looking for. So the equation here is total series Kendall limited revenue divided by book one borrows, and we're calculating this by the way, for the same timeframe that we chose for revenue per sale.

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Then we have book one borrows. So to calculate borrows, we take the book one page reads, we divide that by book one K-E-M-P-C and KMPC is the number of Kindle limited pages in the book. You can find that by going to the book in question on the KDB dashboard, clicking the three dots next to it and selecting KDP select info and then scrolling to the bottom of the page and you'll see K-E-M-P-C which stands for Kindle edition normalized page count. It's just Amazon's term for the number of Kindle unlimited pages. So an example using our equation, we have \$8,711 in series Kindle Unlimited revenue 1,126 book one Borrows and that comes out to 7 76 in our revenue per borrow. The tracking template, it has a video that walks through how to use the revenue per sale and revenue per borrow tracking template, and it also goes over this process as well. If you want a bit more detail, then you can check that out and the video for each of those templates is linked within the tracker itself After we have our tracking set up, then the next step is we want to benchmark our ad performance. Don't skip the tracking aspect. I get the question a lot, how do I make my ads profitable or how do I scale?

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Probably the biggest reason why people can't do either of those things is that they're just either not tracking at all or not tracking well enough. If you have that foundation in place, then it makes everything that follows so much easier and you refine your tracking systems over time. It does not have to be perfect at the start, so don't use that as an excuse to not get started at all, but it's a huge factor in making your ads profitable or just seeing which ads aren't profitable so you can stop wasting money and then scaling later on. Scaling is going to be much easier if you're building on a solid foundation. Then if you have a bunch of rickety sticks that you're trying to build this massive mansion on, everything's going to collapse.

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So let's talk about what benchmarking is and why it's important for a moment and then I'll walk you through how to set up your benchmark ads. The idea here behind benchmarking is that we want to be able to compare performance across different books. The question is or that I often

get is how is my book performing? What are good numbers? What are bad numbers? By going through this process, you build a data library for yourself and then you can see and answer that question for yourself and your data becomes an asset rather than a random collection of numbers.

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How we do that is instead of starting random ads for each book, which many people do, they're getting information from different places. One person says, as in ads perform better, another person says genre keywords are the best, and another person says Auto ads are better, and you just get this random collection of campaigns that are running for each book where you can't compare any of the results for book A to book B. Instead, the benchmark approach takes the same starting ads for each book and you can run additional ads at the start or later. You just want at least one ad type that's consistent across all the books that you advertise, and what that does is it gives you a common point of comparison. If you always run an author keyword ad for every single book that you run Amazon ads to, then you can see, okay, the conversion for this particular book was 6% for the author keyword ads and then this other book that I've run the author keywords ads to, it's converting at 14%.

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You can very quickly see that book B is performing better than book A. When you use this approach and you have common points of comparison, having a standard set of go-to campaigns for when you're starting to run ads to a series also streamlines the ads management significantly. You're not using a lot of mental bandwidth ruminating about what ads should I run? What are the best ads to run? This isn't about running the absolute best ads possible from the start. I do think that the author keyword ads in my experience have performed better than the other ad types, but that's not the main benefit. It really just allows you to get right into the process and get consistent data. You also get more efficient at running the ads because you have more repetitions of running the same ad types and going through the process of setting things up.

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You don't have to refer to your notes or refer to the class materials all the time. Whenever you want to set up a new ad, that process becomes ingrained. Whereas if you're just randomly starting new ads and exploring new tactics all the time and not practicing anything beyond one or two repetitions, you never fully get that automated aspect where you start to speed up because everything is in your unconscious and you can just roll through the process. The core idea behind this is this gives us a way to AB test our books against each other and see how they're performing. AB testing is where we isolate the impact of a single variable by just changing one thing at a time. If we run say author keyword ads with the same settings across multiple different books, then the only thing that's changing there is the book and we can't run a

super strict AB test on any ad platform, whether it's Amazon or Facebook or another ad platform just because of the way that the ad algorithms function. Sometimes that stops people where they say, okay, I can't get 100% accurate data, therefore everything is bullshit. That's not a good mindset, that's not a good approach. Also, a hyper fixation on accuracy is going to cost you an immense amount of money testing so much money that it makes testing not pay off because you're paying so much for that accuracy.

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There are going to be quirks in the ad algorithm and it can affect things with the results, but if you go through this process over and over again, the benefit of the repetition is that you can spot when something is off, where it may be that the ads served slightly differently or something was different with how the ads behaved because you have that consistency. So what we're going to do here is start two campaigns. You can start with just the one. That's what I would recommend if you are just starting with the Amazon ads, if you've struggled with the Amazon ads in the past to analyze whether you're ads are profitable, whether they're working, just do the author keyword campaign because it's less prone to variance. The auto ad is deceptive in that it is easier to set up so it looks like the easier route, but then the data is harder to analyze and there are more things that can put their thumb on the scale and skew the results.

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Once you're more advanced, then that is something I would recommend throwing in. I like running those because it tells me how scalable the book is because the auto ad shows for a lot of different targets within the sub genre and that is helpful if I want to scale, and it's also useful in that the auto ad can be cheaper than the author keyword ad and thus maybe it performs better, so it gives me another campaign to test. Also, if you're just testing one campaign, then there can be variance in just how that one campaign performs. Getting back to what I talked about with the ad algorithms and the ad behavior serving differently, things like that. If you have two campaigns, then it's going to iron some of that out where if one campaign performs a little bit strangely, then the other campaign is unlikely to exhibit that so you have more data to work with. Running two campaigns is also going to obviously be more expensive because you're running two things instead of one. If your budget is limited, just start with the one campaign number one, this is what again I would recommend starting with, and then the auto ad is optional. We have an author keyword ad with 10 to 20 keywords using broad match. Those are going to be keywords like Lee Child nor Roberts.

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If you want to improve the accuracy of the benchmark turn off keywords after they hit 15 to 30 clicks, so after you set up the campaign up and running, as the keywords hit 15 to 30 clicks, then you turn them off so that no one keyword hogs the entirety of the budget or a handful of keywords hog the entirety of the budget. I usually aim for 30 clicks in the US and UK for larger

genres to get a solid sample size. So if you're writing romance thriller, then that's what I would aim for. In the romance genre, the sub-genres that I would aim for 30 clicks are contemporary romance and paranormal romance where it has large mainstream appeal. If you're writing in a more niche sub genre, say romance, then I would aim for 20 clicks just because there is a smaller audience there and thus the click volume is going to be lower and it's harder to get 30 clicks. You can't aim for 20 clicks if your budget is more limited, but the downside is that you have more variance in that. A smaller sample size means that you're going to have less accuracy, so there's always a balance between accuracy and costs.

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I aim for, again, 20 clicks in smaller genres, say urban fantasy where it's more difficult to get 30 clicks on most of the keywords. I usually aim for 15 clicks in other regions since these have less click volume available from advertising and translation in Germany, France, Italy, et cetera. Then going to aim for 15 clicks with the author keywords. Then the auto ad, again, this is optional, but I would recommend doing so if you have the budget and once you're good with the process on the author keyword ad and a couple of things you need to do to ensure that the data is accurate, we need to get rid of our self targeted terms because those tend to convert very well, 25%, 30% plus, and that will skew the data where it can make the auto ad look like it's performing a lot better than it actually is, which in turn affects our benchmarks because if Book A's auto ad shows up for a lot of your own books and book B's doesn't then book A is going to look like a way better performer when that actually may not be the case.

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To do that, we turn off close match that tends to zero in on your own terms and then two, we negative target our own author name and ASINs three, apply your negative list if you have one. If you don't, that's fine, but if you've been building that up, then apply that. It's going to improve the efficiency of your auto ad and then we run each campaign to 200 plus clicks. I usually run the author keyword campaigns a bit more than that. 200 clicks is fine for the auto ad. 200 clicks is going to cost you around 150 to \$200 depending on how much you're bidding. If you want more data, then you can spend a bit more data, gives you more accuracy, but it also takes more time and obviously it costs more as well. Let's get into the setup and what I'm going to do here is break down how to set up both of these campaigns and that's going to run through the best practices for ad setup, what type of bids to use, all those sorts of things over to Amazon Ads dashboard here,

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Share the screen.

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Can you see the Amazon ads dashboard on screen here? Let me know in the chat, make sure that's showing up. All right, awesome, and just to answer a question about revenue per sale and revenue per borrow before we continue, I don't typically include the prequel novellas in the series revenue. You can, but the sell through path is a bit murky there where if they're starting from book one and then going through the series in order to let's say book five is where it ends, do they then loop back around to the prequel novellas or do they never read them? It's just difficult to know.

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So for the most accuracy I would say don't include the prequel novellas, but it's worth mentioning with the revenue per sale and revenue per borrow that you can calculate it with different books included. You can calculate it with the box that's included. I would recommend calculating the revenue per sale and revenue per borrow for different timeframes, so seeing how it performed in December versus May, assuming that both of those timeframes of course have stable data and then that will give you a better read on what the true revenue per sale and revenue per borrow are because they're just estimates. But if you really sit down and take a couple hours to run the numbers, then they can be remarkably accurate and then they're going to be more useful when you're analyzing your ads.

(00:52:01):

And yes, the recording will be sent out after the class if you have to leave early, since I know that this is going to be pretty long, we're in for an adventure here on this Saturday afternoon. Alright, how to set up these ads, so head over to your Amazon ads dashboard and we're going to click create campaign to set up the ads, but first what we actually need to do is we need to do some keyword research and we need to gather those keywords and have a list of things to actually target. So I tend to do that as I'm setting up the campaigns. You can do it before if you want to gather those. I would caution against gathering a list of say 50 or a hundred keywords or 50 or a hundred ASINs beforehand because you don't know what's going to convert well and that time could be wasted if you discover that, oh, this particular type of keyword does really well, I want to go find more of those, then you don't spend a lot of time just researching things that you'll never use.

(00:53:28):

So I'm going to click create campaign here. We're going to use sponsored products and then we have at the top, if you're running ads in the us, it'll give you the option to run text or just have a standard ad in other regions. You're not going to see that I haven't found that text has a major difference performance wise, we'll just use standard that will cut down on something that you have to do during the ad setup, which is always nice. And then under products here, just search for your book. This is case sensitive, meaning if I type in Drop Dead and don't capitalize, it doesn't pop up.

(00:54:23):

You can also just grab the book's ASIN and copy and paste it in. It's another way to find it. This is critical here when you're advertising your books to get the most accurate data and to use the systems that I'm going to lay out in this class and in the 80 20 Amazon ads course only include one format of the book and one book. So I have the Kindle version of Drop Dead here. That's the only book I'm adding to this campaign. It's the only book that's being advertised in the campaign. This is absolutely essential and this is where so many authors immediately make their data pretty much useless and where they're running into trouble. When you add multiple books to the campaign, the number of sales that you get, the number of reads that show up on the Amazon Ads dashboard, those are going to be much higher, so it's going to look like the ads are performing better, but the way the attribution system works is actually someone doesn't have to click on the ad and read or someone doesn't have to click on the ad after they click on the ad for say book one.

(00:55:48):

They don't have to click on the ads for book two, book three, book four for that data to be attributed to the ad as long as they purchase or read them within the 14 day attribution window. So what that means is it tends to inflate the performance of how the ad itself is doing. And the other thing is you can't control what books are getting the spend, so if you want to advertise book two, which I generally don't recommend in most instances, then you can, but you want to do it in its own campaign because it's going to perform differently. Now with romance, one of the key exceptions there is your book two, your book five that may have been your breakout hit and that can actually perform better than book one with the ads in other genres even where you have standalones say a Jack Reacher style series that can be read in any order, typically book one's conversion and performance is going to massively outperform book five, book seven, book eight.

(00:56:49):

You can test those all individually if you want. That gets very expensive. It's a lot of testing effort and what you usually find at the end of that exodus is that book one perform the best and you just wasted a bunch of money. Romance again is the exception. I would still start with book one in your series and romance, but if that doesn't perform well, then you can shift to another book in the series and that may outperform book one. The exception to that rule there is during a launch where if I'm trying to push the book and ride the algorithmic visibility that you get as a result of the book being a new release, I may advertise say book seven if that's the newest book in the series. So summary of that one book, one format per ad focus on your book ones. If you have a box set that's an entry point to the series, meaning books one through three, books one through five, a complete series set, you can advertise those as well, but focusing on the book ones and the entry box sets, that's going to streamline your ads management. It's going to cost

you less money testing and it's usually going to get you much, much better results than testing all the books in your catalog.

(00:58:18):

We have our book here that we're advertising selected, and if you have paperbacks, generally speaking, I would not advertise those outside of genres like nonfiction or children's or middle grade where you can sell a significant number of paperbacks. If you're a romance author and you have a special edition paperback that you want to try, I think that might be worthwhile. Full disclosure there, it's not something that I've tested. I have no idea how that will work with the paperbacks that I've tested, meaning just regular paperbacks. It's not worthwhile in most fiction genres to advertise those. If you do want to advertise those and test that out, that's fine, just have that split out in its own campaign because the paperback will perform differently. Different targets will perform well for the paperback. Then for the ebook version, there will be overlap there, but you want to split that data out and have it in its own campaign.

(00:59:29):

Under targeting for our keyword ad, we're going to select manual targeting, and then under manual targeting we're going to select keyword targeting, which is already selected for us, and then here under keyword targeting we have this list of suggested keywords. I don't tend to even look at this. You definitely don't want to just click at all. I see people do that sometimes that's not going to be beneficial, and so what I do is I do my own research here and then copy and paste in the list of keywords that I want. For match type, you want to run one match type per campaign. I start with broad match and that's what I would recommend in general for the author keyword ads, and then we need our keywords. If you already have 'em, you can paste them in. At this point, I'm going to show you how I do the research process. A lot of times just from a workflow standpoint, I'm actually doing the research at this point where I've set up the rest of the ad and then I go ahead and find keywords.

(01:00:52):

The first place that I usually go is the book that I'm advertising, and that way I can see under the also bots, the sponsored product carousel, other places on the page, what similar books people have purchased and books that are relevant to this particular book that I'm advertising, and what I do is I just click on books that look like they're relevant and if I have any questions about whether a book aligns with my own, then I'm going to just click on it, read through the reviews, the blurb, et cetera. I split out the targeting into five tiers. Tier one is tight targeting, which is the most closely aligned with my book here, and tier two is going to be moderate targeting. What I generally do is I focus on tier one and tier two when I'm running these benchmark tests, and that's where I would start.

(01:02:03):

For most people, if you're trying to scale, then oftentimes you need the book to convert on tier three targets which are more loosely aligned with your book. I'm going to show you some examples here in a moment. Tier four is branching out or branch targeting where there are genres that are kind of related to the book in question, but not really, and then book five or tier five rather is going to be books that are totally unrelated in different genres. Let's give some examples of these. This is what I would call a tier one target for this particular book. It's an urban fantasy book with a female protagonist and just reading through the reviews, the packaging has similar types of tropes and probably is going to hit a similar audience.

(01:03:10):

Then tier two targeting is something like this where either the tropes are different slightly, so an example would be just an urban fantasy book that doesn't star a female protagonist or just a general urban fantasy book, or in this case, this is actually pretty similar to this book in terms of the actual content, if you read through the reviews and the tropes and things like that, but we can see from the positioning that the cover almost looks like a supernatural suspense novel. We see these wolves in the background, but it doesn't have that typical type of urban fantasy vibe with the glowing and the wisps and things like that. The delineations between the tiers are not set in stone. I wouldn't get overly obsessed with is this a tier one target, is this a tier two target? It's just an easy method of categorization where you can look at a book and determine how relevant it is to your particular book.

(01:04:19):

The more relevant a target is, whether that's a keyword or asin, the more likely that is to convert, but that's not a hard and fast rule. You can have things that seem only tangentially related to your book, so a tier three target or even a tier four target outperform something where it's like, okay, this is very closely aligned to my book. This is an almost exact match to the style of the cover, the tropes, things like that. This confuses people and they get hung up on, this should work. The data will tell you what's working and what isn't and you go from there, but when you're starting out, then you want to generally focus on what is most likely to be relevant and perform well, which are the tier one and tier two targets, so this again is a tier two target. Then we have tier three, which is paranormal romance, and this is tangentially related to urban fantasy. A lot of urban fantasy books have a strong romance sub plot, but they're not paranormal romances, and then obviously you have paranormal romance where the central focus is the romance.

(01:05:48):

If you want to scale, generally speaking, some of these tier three targets have to convert reasonably well, not always, but a lot of times that's going to be the case, and so for this particular book, I've tried paranormal romances and they don't convert well, which limits the scalability, but it's good to know and you can't fight that. The numbers are the numbers and

that's why you test. This is what I would say is a tier four target. This is a paranormal romance, but it looks like a menage romance and it's also a lot darker and things like that, so just that combination of elements. Probably tier four again, wouldn't get super fixated on is this a tier three or is this a tier four? Just we know that this isn't super relevant to what I'm writing and I really wouldn't test the tier four targets in most instances, unless you're trying to just scale massively, most of the time you're just going to end up burning money.

(01:06:58):

Then tier five is just something totally unrelated. I'm writing Urban Fantasy. This is killing floor. It's the first Jack Reacher book. It's a thriller. It's not relevant. I don't target things like this. I don't try to test them. If you're writing a really mainstream thriller mystery novel, then sometimes these tier five targets can convert actually, okay. I still wouldn't test them on purpose. What you'll see for those books, sometimes if you look through the auto ads search term report or the category search term reports is you'll see things pop up that aren't really relevant at all depending on how mainstream your thriller or mystery that you're writing is, and they may convert, okay, I'm fine with that if they're doing that in the auto ad or the Kindle category ads, but I'm not going to go out of my way to gather a bunch of tier five targets and getting back to the research process using those filters, then I can start to build my list and what I'll just do is open them up in new tabs if I'm unsure of whether or not that particular author is going to be relevant, and then I'll just look at the blurb.

(01:08:30):

And for romance in particular, what I would do is I would look for things in your subgenre to start with. If you're writing Paranormal Romance, then I would look for similar Paranormal romance books. You can even get more granular than that where maybe getting back to this book in particular, let's say if you have a paranormal romance, but it's not a rejected mate trope, you could just focus on friends to lovers or whatever the trope is, you could go that granular and take that tier one targeting to an even more precise level. This is difficult unless you're writing in very popular romance. There are so many contemporary romances and so many paranormal romances that you can actually build a list of targets that use the exact same tropes as your book and get to that 10, 15, 20 number. You're still going to hit a wall pretty quickly because there aren't going to be an unlimited number of books that just align almost on a one-to-one basis with yours, but that's one of the benefits of writing in a larger genre where you can just pinpoint things to that degree.

(01:09:55):

I don't usually do that, and I don't necessarily recommend doing that. I don't think it has a huge amount of benefit, but you can try it. I would be fine if I wrote a faded mate's romance or a Best Friends to Lovers or whatever your trope is with targeting something like this and considering it a tier one target, but just as a heads up. And then one of the benefits of writing in a specific sub

genre where you have a very specific audience is that really what your tier one targets are going to be. Your tier two targets are going to be sometimes that can be a little bit fuzzy. If you're writing say, a mainstream contemporary romance, what exactly are the most relevant things here? With a bit of practice, it's something that you'll dial in pretty quickly, but when you're writing in those smaller sub niches, then it's pretty obvious what is hyper relevant to your book and what isn't.

(01:11:00):

Again, getting back to the research process, I'll just skim through these, look at the actual book page, what the reviews say, and see where that slots in and whether or not I want to target it or not, and then what I'll do is I will add those to my targeting tracker, and this is a key step that I often skipped, but it's going to save you a lot of time on the backend and keep things organized, and thus, I would strongly recommend doing so. If I'm being totally honest here, my normal process was, and still often is just putting the keywords right in here and then circling back to get all the keywords into my spreadsheets later on. I don't recommend that, but look, you got to get the ads up and running. It's something that you can do later. It's just going to take you more time, so it's better to organize things as you're going rather than after the fact.

(01:12:14):

So let's do it the optimal way. This is the tracking key, and so as we can see, all our templates are linked here, and so you want to make a copy of the Amazon Targeting tracker. If you don't already have a copy of that, if you're in the course, then I would strongly recommend using the advanced version rather than the standard version here. If you're not super comfortable with Sheets, then you can just use the standard version and upgrade to the advanced version later on if you're in the course, but the advanced version is going to give you significantly more insight into how things are performing, and it's going to save you a lot of time in the long run, but the standard version is still quite useful, and the first time that you download this, by the way, one of the benefits of using Sheets rather than Excel is it's much easier to keep things organized because you can actually link the sheets together, so you can come over here and you can put the link into your sheet,

(01:13:38):

And then whenever I open up my tracking dashboard here, I have a centralized location where I have my revenue per sale values, I have my Facebook and BookBub information. If I'm running ads on those platforms, I have my swipe file and I know where everything is rather than some random corner of my hard drive or some collection of 46 Word documents or Google documents that aren't labeled correctly and that I'm never going to find. So now if I want to look at my Amazon tracking key, boom, I have it right there. Let's add this list of targets. Here I have Heather Harris. If you have a situation where you're targeting someone with a middle initial, then I'm going to omit that. It's just going to give me a little bit more search volume. If

we have someone where the initials are ones with periods in between them, then I usually just do this instead of

(01:15:08):

And Bennett,

(01:15:15):

And as I'm doing this, if anybody has any specific romance related keyword research questions that I haven't addressed, let me know. In the chat we have Haley Edwards. If I'm pulling ASINs by the way, the easiest way to do that is just to go up to the URL here and grab it. The ASINs are also available under product details. I'm adding an ASIN to the sheet. Then what I want to do is also include the name of the book and the author.

(01:16:05):

That way I can see what the actual title was rather than just a random assortment of numbers and letters. That couple more to grab. I'm going to go for 10. You don't have to get to 10. You could do five if you wanted to. I like 10 because sometimes you'll pick things that don't have a ton of search volume or maybe they just don't serve very much, and so that gives you enough keywords to get to that 200 click threshold and I'm just looking for a blend of tier one and tier two targets just FY. I have looked at these many, many times so I know that these are all relevant. If you're unsure, if this is your first time doing it, then I would actually click on the books and see what's going on there.

(01:17:22):

Another nice thing about putting these into sheets here is that we can highlight things and then go down to the bottom and we have the sheet count up how many keywords we've gathered. Vanessa Nelson, if someone writes in multiple genres by the way, then you may not want to use them as part of the benchmark test. Say someone writes Paranormal romance and contemporary romance, I probably wouldn't target them as a keyword during the benchmark test. I'll be fine with targeting them later on and testing that, but if your ads for whatever reason are showing up more for their paranormal stuff and you write contemporary romance, obviously that's going to throw the results off a bit. And then we have Taylor S in white need one more and Annabel Chase

(01:18:39):

And if you're using the advanced tracker, this works the same way. You just enter your information here and then you have it for future reference. One nice thing about the advanced tracker is that you can see if you've already targeted something because if I add it to the list it's going to show up as having spend and impressions, so I haven't actually targeted this. If you have a duplicate, it's going to highlight in red. The standard tracker will do that as well, which

is just a useful visual indicator that you already have it. But this is extremely useful where if I'm wondering if I've targeted sourcer for example, which I don't really recommend targeting keywords like that that are super broad, but I was just testing this. We can see that it has spend, so I know that I've tested it in the past. One of the main obstacles to scaling and just one of the biggest problems that you encounter in general with the Amazon ads as you become more advanced and test more things is just keeping everything organized and knowing what you've tested for a given book, when you're at the start, it's very easy to know whether you've tested this collection of 10 keywords because you've only tested say nothing or maybe 20 keywords, but that quickly becomes a challenge as you're running ads in more regions to more books, just more keywords and ASINs that you're testing to that particular book.

(01:20:31):

It's impossible to keep it all in your mind and this is extremely useful. So we have our list here, and so if you're using sheets, one of the most useful features is the filter. And so if I just want to get rid of this ace in here, then I can come under type and deselect asin and now I just have my list of author keywords and I can paste those in. Again, that took me an extra five, 10 minutes here to do and I often skip that and then future me regrets it when I spend half an hour or an hour gathering and putting all that information in.

(01:21:23):

And so I have my list of keywords here for the default bid. This depends on how fast you want the data. I would start the bid at a minimum of 70 cents and I bid odd amounts, so 71, 72, something like that because people tend to gravitate towards zeros and fives just gives me a slightly higher chance of winning the ad. Auction won't make or break the performance, but just useful as a trick. And if you're being conservative, you can start at 70 cents. You can start lower than that. A big problem however, is just staying engaged with the ads and actually coming in and checking on the data. It's very boring and oftentimes even disheartening when you put up a bunch of ads, you do all this keyword research and then you come back in a week later and your ads have one click and 762 impressions.

(01:22:20):

It feels like you're doing something wrong. It feels like progress is very slow and so you obviously don't want to overspend just to get the data super quickly, but there's a balance between going too slow and being way too aggressive and blowing through a massive amount of money in a short period of time for no real benefit. Thus, I would recommend against bidding really low and then bumping up the bids. You can do that. I don't like it as a use of mental bandwidth and just for adherence purposes, most people quit before the ads ever start serving 70 cents, 71 cents at a minimum. I would say if you're writing in romance, then I would probably start it at 81 cents for most of the sub genres. Again, being an exception there where you can get the S serve at 50, 60 cents, but for most romance genres, 70 cents will be the

absolute floor and I'd say if you want decent click volume and to get this test data back reasonably quickly, you're looking at 80, 90 cents as a starting point and then you can bump the bids up every four to seven days by 5 cents if you're not getting the impressions and clicks that you want.

(01:23:46):

That's a more conservative approach. A more aggressive approach would be instead of starting at say 70 or 80 cents, which again I'm using kind of as the floor for most romance genres, I would start that at 91 cents or a dollar one, something like that. I prefer to get the data faster.

(01:24:08):

It gives you feedback quicker, it allows you to make quicker decisions, and again, the engagement is such an important and an overlooked aspect where you start gaining momentum, you start making this habit and you're checking your Amazon ads dashboard, you're analyzing the ads, you're seeing what's going on. It has a lot of benefits, so yes, you're in theory paying a bit more for the clicks, but one, you may have to pay that much anyway, and two, the benefits over overall are going to outweigh the downside of paying a bit more. I think people are way too focused on getting the absolute cheapest clicks possible. That limits the scalability of the ads. It just limits really almost everything with the ads. I'm not against getting cheap clicks if they're available, but there aren't that many cheap clicks available. With the Amazon ads, I'm going to start this at 91, we'll go aggressive and if you're going with the aggressive approach, then it's going to be starting 91 cents a dollar one and then bumping up the bid 10 cents every one to three days until it's serving as many clicks and impressions as you're looking for and it can ignore this keyword group thing and get rid of it, and now we're ready to go Under negative keyword targeting, you can apply your entire negative list.

(01:25:46):

I usually don't do that for the author keywords because it's very unlikely that they're going to appear for something totally irrelevant. Annabel Chase is going to appear for Annabel Chase books, Annabel Chase, Kindle, Annabel, chase, whatever her various series titles are, but it can't appear for just some random keyword like paranormal reverse harem by itself, so I'm not concerned about this going off the rails and targeting totally irrelevant things as long as I've done my keyword research here, I'm going to apply six things that cut down on the wasted ad spend by five to 25%, so got audio, book audio, audible, prime paperback, I negative target these even if I have a paperback or audio book, I'm advertising the ebook so I don't want to have the ad appearing for those formats. If you're advertising the paperback, then negative Target Kindle and ebook instead.

(01:27:01):

Prime Reading, I don't want to pay for Prime reading downloads to advertise for that because the Amazon ads dashboard doesn't track that. The KDP dashboard itself doesn't track and report that. That means that I can't see anything related to the number of prime downloads that I'm getting, which means I can't analyze how that's performing and I don't want to be paying for things that I can't track. Also, what you'll find is that prime related searches tend to be pretty expensive actually, so not only can you not really track how they're performing, but also you're paying more than a lot of other keywords Under campaign bidding strategy, select fixed. This will serve more smoothly than dynamic bids up and down and down only, and I've found that the performance tends to be fairly similar to dynamic bids down only. I really wouldn't recommend dynamic bids up down in any circumstance that I can think of.

(01:28:15):

If an ad is working that has this on, just leave it, but it's not something that I really test or use very much because it can massively increase the cost of the ads and also throttle the spending, which is somewhat counterintuitive because it can double the amount you're bidding, meaning if I have a bid of 91 cents, it can enter the auction at 180 2, but it can also throttle the bid down and that leads to very uneven spending, often very expensive ads if you're trying to scale, if you're trying to get the ad spend to serve as smoothly as possible. If you're trying to get your test data as quickly as possible, then fixed bids is the best option. I don't change anything with the bid adjustments. Generally speaking, I really don't change anything here even after the campaign is running unless I see that one of these is outperforming the others, but you can't know what's performing the best until you actually get the data.

(01:29:23):

This is something to adjust once you have data, but not at the start. You'll see some people say that top of search performs the best. I have not found any consistent winner among these three. It just depends on the campaign. Oftentimes they're pretty similar, but if you want to change this, do it afterward. When you're setting up the ad, leave these as is. Don't check this with Amazon Business. We're not advertising to business owners and then for the campaign name, very important to have a standardized naming convention. This is going to help you scale, it's going to help you keep things organized. It's just going to make your life a lot easier. The naming convention that I use is going to be the abbreviated series name. This is the Test sky series and then the number of the book. So we have TS one and then I use a campaign structure that I call L one and L two L one campaigns are testing campaigns.

(01:30:33):

L two campaigns are winner campaigns. The idea is that as I'm testing, I move winning targets over to the L two campaigns from the L one campaigns and that helps keep things organized. It allows me to consolidate my best performing targets into those winning campaigns and by including that in the campaign name, I can see whether it's a test campaign or a winner's

campaign. At a glance, we have TS one, L one and then we have the targeting type, which is important because then I don't have to drill into the actual campaign itself. Also, if you're using the naming convention in the course, then the targeting sheet will actually identify these different targeting types for you. If you name these, you can see I have author keywords and auto here, and if I scroll to the right, the sheet automatically tags them as such, which allows me to see what targeting types are performing the best for a given book.

(01:31:55):

And then next we have the bid, so that is going to be 91 1 cents in this case, just double checking. And then I have the bid type, which is DN for down only, UD for up, down and then FX for fixed. And again, that tells me what I'm bidding and it tells me the bid type at a glance, but also if you're using the advanced targeting tracker, it's going to pull that in and allow me to slice and dice the data by the bid type, which is useful. I don't set a certain end date and then we have the daily budget. I set this slightly higher than I'm aiming to spend. For example, if I'm trying to spend \$12, I might set it at 15. Do not set this at say \$10,000 or \$20,000 or some of these just stupid suggestions you see in groups.

(01:32:54):

It doesn't help you get the ad to serve more. That's a myth. What it can do is if you have a budget of a thousand dollars or \$10,000, it can lead to an unexpected ad bill if the campaign suddenly spikes up and spend, especially if you have 20 or 30 or 50 campaigns all with this stupid approach. Don't do this, it does not help you and just leaves you open to immense amounts of sadness when you're getting your credit card statement. I'm going to set this at \$15 a day. Actually, I'll set it a little bit higher because preferably I would want this to run in two to three weeks, but spending \$25 a day then get there within a couple weeks, probably isn't going to hit that budget with the bids and 91 cents and just with 10 or 12 keywords or whatever I have in it in urban fantasy, just giving it a little bit of headroom there.

(01:34:08):

And that is it for the author keyword campaign. And then I will set up the auto ad next and then I'm going to answer some questions and the other thing that I forgot to mention, if you're in the course and you want the advanced test tracker to pull in the data and have that be easily copy and pastable, then add in the word bench and the sheet, we'll be able to identify that for you. You can add this in as well if you're just using the regular tracking sheets, just so you know that it's a benchmark, but that's going to be most useful if you're using the advanced tools in the course.

(01:35:11):

Alright, and then for the auto ad, same thing, create campaign. We're going to use sponsored products standard ad so we don't have to worry about writing any texts, going to just advertise

the one book and the one format of the book in the campaign for the cleanest data. Possible targeting is going to be auto the default bid here you can usually bid about 10 to 20% less for the auto ads than for the author keyword ads, meaning potentially you could get this to serve maybe at like 61 cents in some of the fiction genres. In romance, I'd say you're still looking at 70 cents as the floor, maybe 80 cents. It's very book dependent where some books will serve at 70 cents and then the same book for the same targeting type in the same sub genre. You have to bump that up to 90 cents or a dollar or a dollar 10 to get a decent number of clicks and again, that's just one of the unique things about Amazon ads and why you test different books and you find out which books are most receptive to spending, which books are performing the best CPC wise conversion wise and you focus more of your efforts there.

(01:36:44):

So we have our default bid of 70 cents if we're being conservative, 60 cents if we're being really conservative, I would prefer to be more aggressive here and get the data faster and so I would go 81 90 1 cents, maybe a dollar and then bump that up again every one to three days by 10 cents if I'm not seeing the click volume that I want. Then with the negative targeting here, if you have a negative list then I would apply that. If you don't, then that's fine. Just apply those six words from the auto ad that I mentioned, which are free audible audiobook, prime paperback and audio.

(01:37:37):

Very important here with the negative targeting you have to negative target your own author name, which in this case would be DN Erickson and your own ASINs. Otherwise, the auto ads can show up for your own self targeted terms and that will skew all the conversion data. It's going to make the benchmark essentially useless. It's also going to make that data useless if you're just trying to analyze the performance because you see a conversion rate of 30% on your auto ad, everything looks amazing, and then you look at the search term report and it's just showed up a bunch and converted a bunch for your own books and it's converted for some other books, but it's very difficult to sort all that out. You can do it after the fact if you're skilled with spreadsheets, would not recommend zero out of 10 as someone who runs a lot of stuff through spreadsheets just going to take you forever.

(01:38:35):

It's easy to prevent, takes five, 10 minutes once you have the list gathering. That list may take you an hour if your catalog's fairly large, but it's worth the effort because it makes the data so much cleaner. I'm fine with self targeting things, just do it in its own self targeted campaign. I don't want that data skewing the numbers in the auto and Kindle category ads going to negative target my own name. You can also negative target the series titles and you can also negative target the book titles as in extra layer of prevention. I usually don't do this at the start just because I don't always have the series title, the book titles readily available, but if you're finding

that you're still getting a bunch of self targeted terms coming through, then that can help eliminate some of those, but this is a good start here. Your author name and then your serious titles use negative phrase. One trick that helps eliminate additional negative targets that you want to get rid of is just use your last name and add that as well, especially if you have something that has periods in it or if your first name is commonly misspelled, those sorts of things. Then that will knock out a lot of self targeted terms. Then under negative product targeting, we're going to enter our list of ASINs and this is something that you may have to go and gather.

(01:40:16):

It's definitely worth doing. Once you have that list then all that you have to do is copy and paste it in and you're all set. Use fixed bids, no bid adjustments. Use your naming convention. I would recommend mine, but if you have your own, that's totally fine, just make sure it's consistent. Again, we have the abbreviated series name that is Test sky one, so TS one for test Sky book one and this is an L one campaign since it's a research campaign with the auto ads, with the Kindle category ads with the category ads, I just always refer to those as L one campaigns. Those can be winning campaigns where they may be your best performers, but I don't rename them to L two. I just leave them always as L one and they can be kind of a hybrid test slash research slash winners campaign. If they end up performing well, abbreviate series name L one. Then we have the ad type which is auto and our bid, which is 81 cents and then our bid type which is fixed. Again, that's DN for down only UD for up down FX for fixed. Then we can add bench. If you do have any other elements, say you have text, then you can add in that and if you're in the course then you can track those with codes here.

(01:42:28):

If you do have some sort of placement modifier, which I do not recommend doing from the start, but then you can enter top and the amount, so if you have a 52% placement modifier for top of search that would look like that restive search, you have ROS and then the number and then for product pages you have PROD and then whatever percentage daily budget going to set this to \$25 and didn't mention this when I was setting up the author keyword ads, but I don't use portfolios. You can, that's not my preferred way of organizing the ads, so I don't select anything here and then for the start and end date, I don't enter an end date because if the ad is effective, I just want it to keep running. I can always go in and manually turn the ad off and that's not a problem.

(01:43:31):

And then the start, you can start something in the future if you have a book that's say on pre-order and you want the ads to go live on launch day. Otherwise I usually don't set a start date. I just want the ads to start running as soon as possible and then we launched the campaign and we have one final thing to do with the auto ad. We can edit it right from here or if you click off

of this screen because you forget to do this step and then you're doing it later, then you can also edit the campaign from the list on the dashboard and all that we need to do is click into the campaign and then we go to the ad group and click on that and we go to targeting and we turn off close match. The reason we turn off close match for the auto ads is because that tends to zero in on terms related to your own books and by turning that off, even though we have the negative list applied, it gives us another layer of prevention there

(01:44:51):

Right

(01:45:01):

Up the sharing. Go back to the PowerPoint and I'm going to answer some questions here and then hop into the analysis part. Does anyone add their prequels as a book one or the last number in the series or do most people keep them separate? I would recommend keeping them separate. I don't have prequels, but just from people that I've worked with, you can add them as a related series item. That way it is tagged as part of the series and the Amazon algorithms and people on Amazon can see that it's related to the series, but it doesn't get added to the series page itself and added as a numbered entry

(01:46:20):

Confused. When I make an attribution link, I use all the books in the series. Are you saying not to do that? So this applies to the attribution links as well, which are for tracking Facebook ads, for tracking BookBub ads, any non Amazon ad source, and it also applies to the Amazon ads, which is of course what we're talking about today only include one book and one format out of that book per ad campaign. It's going to dramatically improve the accuracy of the data that you're getting and with the Amazon ads in particular, if you're including all those other books in the campaign, then you're actually running ads for all those other books. So if you include book two, book three, book four in the example that I just showed for say the keywords, then book two is going to appear for sometimes when someone searches for those author keywords, book four, an ad for book four is going to appear and I don't want that because one, as I talked about before, book one usually converts better, but two, even if I want to test those other books, I can't split out all that data.

(01:47:37):

When I look at the data on the Amazon ads dashboard for let's say SE Babin, that was one of the keywords that I added. I can't tell if that click, if that conversion, if that happened for book one or if it happened for book six, which makes the analysis essentially impossible.

(01:48:03):

If you want to target the other books in the series which can work in romance, then just do a different campaign. You'd just have a book two campaign, book four campaign. I would still test book one first, but if book one doesn't work or you want to test another book because it's your bestseller, then by all means jump into doing that and test it out, but just make sure it's in its separate campaign where you're just targeting that specific book. I've given away 15 plus 15,000 plus copies of my book one, which is a lot I think for should I start with book three? I would still start with book one, see what happens. Certainly if you give away a lot of copies of the book, then that can start to impact the conversion rates that you're seeing. How many copies do you need to give away before that happens? Depends on the size of your sub genre, but it can impact the conversion rates and the performance of the books with the ads. If you give away enough copies just because people already have a copy of the book for author keywords, what is the advantage of using broad match over phrase?

(01:49:28):

The main advantage is just that it offers a little bit more search volume. That's it for the author keywords. They're functionally going to be pretty similar at however for targeting, you suggest looking at also bots, so instead of targeting the bigger names in our genre, we're looking for books that are similar and have similar tropes with the targeting. The easiest place to start is with the books on your page because they're just the most likely to be relevant and it's the easiest place to kick off the research. What I usually did with clients where I was trying to scale is I looked at the top 100 in the sub-genre first just head over to Google, type in top 100 Kindle bestsellers and then your sub-genre and region that you're looking for the sub-genre list in and then go through that same process where you're saying, Hey, is this a tier one target?

(01:50:45):

Is this a tier two target? Is this really relevant to my book or is it more tangentially related or not related at all? And you can build the list that way. If you're looking for higher volume targets, which is often what I still do, even if I'm not trying to scale just because with the method that I showed where you're starting with your book page, depending on how popular of an author you are, the also bots that are linked to you may not be super high volume targets and thus it can be harder to get enough clicks to actually get a read on whether they're performing or not. Get those 20 clicks, get those 30 clicks enough data.

(01:51:39):

Are you adding the ASIN as a keyword? No, I don't target the ASIN as a keyword. The ASIN targeting is a specific option. You select product targeting and then with the ASINs you want to select exact match. It's very important expanded. It is going to really function as kind of a category add, so if you want to just target that specific book and that specific format of the book, make sure you select exact match. When you're setting up the ASINs for your targets, do you do author name, book title, asin all as targets? I do not generally target the book titles as

targets because they either have such low search volume that they're not worth testing or the book title is shared with another book title and it leads to a lot of unintended targeting. I will test the author name usually first and then if that author name performs well, then I'll test their ASINs.

(01:52:46):

You could do that in reverse or you could just test one or the other. It depends on your preference. I will say that in general I have targeted more ASINs as of late because the advanced targeting tracker makes it much easier to keep all that stuff organized. You'll see people recommend ASINs as the best performing target and the best way to target the Amazon ads, I don't agree with that for most people because most people don't have the spreadsheet to slice through that data and actually organize it in a way where you can leverage the benefits of the ASINs because the ASINs are about 10 20 sometimes more, 10, 20% more expensive and in romance they can be really expensive where you're spending a dollar 50, \$2, two 50 for a really high volume as I, and you're not extracting maximum value out of that if you can't really slice through the numbers and keep everything organized without a solid spreadsheet.

(01:53:53):

It's just an absolute nightmare and something that I occasionally did, but it wasn't a staple of my ads management when I was running ads for successful authors and that wasn't because they didn't potentially work, it was because if you can't get through that data and actually manage it, then the negatives outweigh the positives and I think that that's often overlooked where people are looking for the absolute best way to target or the absolute best way to manage the ads. The best way to manage the ads is one the way that you're going to actually manage them and can manage them and then you work from there. So we're looking at also bots and similar titles, but what are we looking at? What are we using as the actual keywords? Use the author name.

(01:55:12):

We run multiple ads for different books but targeting the same keywords. To compare at the start, I would just run the ads for one book at a time. As you get more experience, you can run ads for multiple books at a time, but it's very easy to quickly get inundated with data and especially as you're learning the analysis techniques and the other stuff that we'll talk about here, it just becomes overwhelming and people either quit or they have just this massive overload of tasks and things to do because they're trying to manage the ads for four different series. Just start with one and then once you get that data, we're going to talk about what to do next. You can move on to another book or you can really focus on that book, but I would just start with the one if you're already running ads don't obviously shut all the ads off for your other series. The same general principle applies though, just focus on the one series, test it and then you can move from there. Or targeting authors who write in multiple genres. Would you recommend targeting their specific book asin? That would be in your tier one or tier two? Yeah,

that's a great way to approach those authors who write in multiple genres and some of those genres may not be relevant to yours instead of targeting them as an author keyword, you can just target the specific ASINs which are relevant.

(01:56:53):

This is my issue with the Amazon ads versus the Facebook ads, the CPC, but I'm beginning to let go of that mindset block and yeah, we'll talk about that in the analysis section where the CPC is just one part of the equation and it doesn't actually tell you the true cost of the ad, but the 91 cents bid example, that default is double the suggested bid and higher than the max in some instances. I don't find that the suggested bids are super accurate and they can give you an idea of how competitive that keyword is. For example, if the suggested bid is \$2 for a keyword or ASIN is probably pretty competitive, but other than that, I don't really glean any information per se from the suggested bid and I don't use it to set my own bids.

(01:58:06):

What's the criteria for negative ASINs that aren't your own? I don't add any negative ASINs that aren't my own ASINs to the auto ad. You can if you want, but it's like playing a game of whack-a-mole where the auto ad can in theory appear for pretty much any ASIN in the store. So if something is just devouring the budget where a specific ASIN is getting 50 clicks or a hundred clicks, I'll negative target it if it's not performing well. But other than those pretty rare circumstances, I'm not going through the auto ad and getting rid of irrelevant ASINs or anything like that just because it's like trying to empty the ocean with a teaspoon. It is a futile endeavor if you let a good ad keep running but you've turned off author keywords that are around 15 to 30 clicks to keep one from hogging the budget, what do you do about those keywords later when you've decided to let it run? So what I would do at that point as you get more familiar with the process is if the keywords are good after say the 30 clicks, I'm just going to move them over to the L two campaign immediately, which is the winners campaign.

(01:59:29):

That way they continue running. Otherwise, if you're not using that structure or you just want to wait until the benchmark is over, you can just go in and turn them back on and every keyword isn't going to hit 30 clicks. You're not going to get exactly 30 clicks or whatever number of clicks you're aiming for. Just to be clear there, I wouldn't wait until everyone hits the click threshold. You can be waiting a really long time because some keywords are just going to get four clicks and then they don't have the click volume or they just kind of die out in that campaign for whatever reason.

(02:00:20):

When you find a winning combo of author ASIN keywords, do you repeat those keywords with the first book of a backlist series or release of a first book in a new series? Yeah, I'll start with

winning keywords from another book if it's similar. So if I'm advertising book A and I find that this group of ASINs and author keywords works really well and let's say I'm advertising book two in that series, then I'll start there. That's a great place to start with the testing because you've already done a lot of the legwork. It doesn't mean that those targets are going to work for that new book because certain keywords, certain ASINs work really well for certain books and don't work well for others, and that's one of the most critical things with the Amazon ads where you can have two billionaire romances even in the same series and author name A as a keyword works really well and works really well for book one and then doesn't work well for book two or vice versa, and the name of the game is you test and then you turn off the things that aren't working. But certainly if the books are similar, if they're in the same series, then using those proven keywords and ASINs from your previous testing is a great way to get more mileage out of that testing. You save time, you save money, and you're leveraging your data as an asset's a win-win win.

(02:01:57):

How many keywords do you add in an ad max? I'd say 50 at the absolute maximum. I used to recommend a maximum of 30, but the ads have gotten a little bit better at not getting super top heavy. What happens if you go beyond 50 is that one or two or three keywords, and this applies to ASINs as well. They can really hog the budget where if you have a hundred clicks on an ad, those two ASINs might have 85 clicks and then everything else has one click and zero clicks even if the targets otherwise are potentially high volume targets. So you could have a situation where James Patterson gets 86 clicks and then you're also targeting Lee Child, who obviously is also super popular, maybe even more popular depending on the time you're targeting him. Then James Patterson, he might have one click and that could be a bid issue, but it can also just be the campaign gets very top heavy and zeros in on just one or two targets, so keeping it between 10 and 50 avoids that problem and by doing 10 to 20 it mitigates that problem even further and also it just cuts down on the amount of research time that you have to do and the testing budget for example.

(02:03:13):

It's harder to get more data on more keywords or more expensive I should say. It's not really harder per se. It's harder to organize and manage all the data that ensues running Facebook ads at the same time as Amazon ads. What is the best way to figure out data use attribution links data? Yeah, if you're running Facebook ads, definitely use the attribution links that is going to tell you how they're performing and then using what we're going to talk about here, you can compare the performance to your Amazon ads and determine which ad platform is performing best and which should get more of your budget.

(02:04:00):

Let's continue here and

(02:04:15):

Clearing the drawings on screen since someone found the pen tool in Zoom, which is fine, which is on by default for some reason for non hosts, but alright, let's continue on with the analysis and

(02:04:51):

What is a winning ad? Good question and I'm here to answer it and the key part before you can answer that is understanding what your ad strategy is for a given book. Your ad strategy is going to dictate whether an ad is a winner or a loser, and that means that you may have different criteria for different books and that's totally normal and your strategy can and will change on a series by series basis. Our three ads strategies are one profitable. That means aiming to make a direct profit from the ads, not worried about the algorithms, not worried about building a fan base, you just want to make the ads directly profitable. If you get an algorithmic boost, if you get some more people into the series and build that fan base, great, but that's not the goal here. Just purely focused on the direct profitability of the ads.

(02:05:52):

This is where your revenue per click minus your cost per click is profitable. We're going to talk about what revenue per click is and how to calculate it in a moment here we're going to talk about cost per unit as well, and then your target cost per unit is less than the lower of your revenue per sale or your revenue per borrow. You can use either revenue per click or cost per unit to analyze the ads. We'll talk about what scenarios you use those in a moment, but the idea is that those give you a way to analyze how your ads are performing.

(02:06:34):

If you're aiming to run the ads at breakeven, that means that you're fine with just breaking even on the ads themselves, but you're aiming to make a profit from the algorithmic halo that ensues, so you're trying to push enough sales and borrows of the books via the ads to get Amazon's algorithms to kick in and then make your money that way or you're trying to build the fan base. This is usually where I would start with clients where we were trying to scale and then if the ads were running at break even and it didn't look like we were getting many fan base building benefits, then I would shift to a profitable strategy, but this is where I would start. If you're trying to scale the ads aggressively for backlist, a loss leader is where you're losing money on the ads and you're aiming to make that profit from the algorithms and or build the fan base.

(02:07:30):

I wouldn't recommend this outside of a launch where you have built in guaranteed algorithmic help from Amazon because it's a new release. Otherwise, with the backlist, this is a very risky strategy. You're probably going to just incinerate massive amounts of money and you're not

going to be happy if you're trying to be aggressive with the scaling. Use the breakeven strategy for the backlist loss leader. This is my typical approach for a launch. You don't have to use it for a launch, but I want to leverage that new release visibility as much as possible and I'm willing to lose some money on the ads in the short term to ignite the algorithms and then push things, but if you're not using big budget for your launches, then you probably don't want to use a loss leader strategy because you're unlikely to get a huge algorithmic push unless you just have a huge newsletter or social media presence that can generate a lot of sales and for you to boost the algorithms and amplify them instead of the ad spend.

(02:08:38):

So approach here is revenue per click minus cost per click is negative. How negative you want to go is up to you. If you're using target cost per unit, it's going to be higher than your revenue per sale and revenue per borrow, so break even. By the way, with the revenue per click, obviously that's just a round zero revenue per click, minus cost per click, meaning that's a round zero, you're not going to get it exactly at zero, might be 3 cents, might be negative 4 cents, but just around that point and your target cost per unit would be less than or equal to the lower of your revenue per sale and revenue per borrow. We're going to talk about what all this means with an actual example in a moment.

(02:09:32):

Key analysis metrics, your foremost important analysis metrics are CPC and the subtitle here of this slide is why CPC doesn't matter as much as you think it is important, but people overly emphasize the CPC aspect and they don't focus on conversion enough. Conversion is the main lever that you actually have control over on the Amazon ads, as we've talked about, the bid floor in most genres is 70 cents in romance. You may be looking at 80 cents, 90 cents before the ads start to really serve depending on the book and the sub-genre you're advertising in, that means that you can bid 20 cents but your ads just aren't going to show up or you're going to get one click over the next year, which is just a waste of your time. Instead, you're really much more focused on conversion because you can change things with the ad targeting, you can change things on the Amazon ad on the Amazon page rather to affect that and we will discuss how to do that a bit later in the class.

(02:10:42):

Revenue per click, this is recommended when you have accurate revenue per sale and revenue per borrow values. If you've taken the time to calculate those for the series and you're confident in those, then this is what I would use. You can dial in the bids really, really precisely with revenue per click, it's still an estimate, but if those revenue per sale and revenue per borrow values are on point, then it works really well. When I was running ads for clients, there were a few times where the ads were breaking even and I was looking at the numbers and I was kind of thinking, I was like, why is this breaking even where the ad spend was increasing, the revenue

was also increasing, but no real extra profit on the other side and it's because I was setting the bids at breakeven with revenue per click, so obviously I figured that out very fast, but it was interesting to see when that would happen.

(02:11:54):

Okay, this is actually accurate because your revenue per sale, your revenue per borrow, they are estimates and revenue per click. That is an estimate and it can seem like it doesn't have the level of accuracy that you might actually want, but it was pretty damn predictive if the revenue per sale and revenue per borrow values were accurate, but when the algorithms weren't kicking in with the breakeven strategy, things were breaking even because I had the bids set at breakeven. We'll talk about how to calculate that with an actual example along with cost per unit. Cost per unit. I would use this when you don't have accurate revenue per sale and revenue per borrow values. If you have a brand new series, brand new book one box, that's the situation I would use cost per unit in, and so cost per sale is going to be spend divided by sales or CPC divided by sales conversion. That's if you're wide or selling direct.

(02:13:07):

Obviously selling direct part doesn't apply to the Amazon ads, but you can use cost per unit to analyze your Facebook ads, your book ads, et cetera. Then cost per unit is spend divided by sales plus borrows or CPC divided by a total conversion if you're in Kindle Unlimited and the revenue per click is total projected revenue divided by ad clicks. We'll break down how to calculate that here shortly. Revenue per click and cost per unit are your main analysis metrics. These give you common benchmarks so you can compare apples to apples across different ads, different ad platforms, et cetera. Cost per unit incorporates both CPC and conversion. That gives you a complete view of how the ad is performing. Revenue per click takes that a step further and incorporates CPC conversion and sell through and read through and that's why it's more accurate and my preferred method of analyzing the ads, it is more complicated, it takes more time to get that under your belt, but if you practice that then you can pick it up within a month or two. Some people can pick it up within a week, but if you're not super confident in your analysis skills and your math skills, just keep practicing and you can get there within a month, couple months.

(02:14:40):

If you're finding that too difficult or want to start with an easier approach, then you can just use cost per unit, but it will be a bit less accurate. Let's talk about how to do the analysis and

(02:15:09):

We'll use some actual data here. So you can use revenue per click and cost per unit to analyze your campaigns, how individual keywords are performing, et cetera, and so what I'm going to do here is analyze how these campaigns are performing because these are some benchmark

campaigns that I set up last month, so after you've set up your benchmark campaigns, you come in here, you analyze 'em using revenue per click or cost per unit, and then you determine what to do next, but you also use revenue per click or target cost per unit to dial in the bids, turn off different keywords that aren't working and so forth.

(02:16:11):

With the data, usually I'm just going to look at data from where the price is the same as it is now. The book is 2 99. I haven't changed the price recently or this year actually at all. I don't think maybe there were some sort of deal, I'd have to check, but the conversion, the numbers are going to differ across different price points, so that's what I would do there with the date range. And so we have our data here just like export and then I'm going to open that up and excel and crunch through the numbers. By the way, if you're here live, wouldn't worry about trying to follow along with everything. Just watch the replay. Same thing. If you're going through this course and watching the replay, take this in chunks and pause the video, copy what I'm doing, apply it to your own books.

(02:17:10):

It's not a race to try to get it done as quickly as possible. The goal is to get it done correctly so you can actually know what the hell is going on with your ads, which is from the questions people have sent me over the years, their biggest problem, and I think that the biggest issue there is just trying to rush through it and expecting it to be super easy from the start. I've taught this method to a lot of people. You can get there, but I haven't encountered a scenario where I have taught them it and then immediately everything clicks, take some time. Let's switch this

(02:17:59):

To the Excel sheet

(02:18:15):

And the replay will be sent out after the class, so the link will be emailed to you. Let me start this from the beginning here. So when I open up this sheet here, what I typically do is I'll delete these columns that aren't relevant. If you don't know what's relevant or you're unsure, just leave all of 'em. The reason that I delete them is just to get some more screen real estate here. Best practice with spreadsheets is to hide the columns instead of deleting them. I'm not actually saving this data for any future reference because I'm just analyzing it and then I'm applying it in the moment. This isn't something that I store, so I'm not worried about preserving the structure of the spreadsheet. Just FYI. If you are storing data for future reference, don't delete a bunch of stuff in the raw data, just keep it as is. So what I can do is I can hide these, and again, this is optional. If you aren't super comfortable with spreadsheets, you can just leave things as is. It's not going to affect the analysis. It just makes things a little bit easier to fit on one screen, which

is going to make it easier for me to explain it to you and also makes it easier for you to analyze the ads. So I'm going to hide those. Can also hide this.

(02:19:56):

Hold on one second. I got a package.

(02:20:05):

Okay, thanks. You can just leave it outside. Thanks, appreciate it. That's some Christmas gifts incoming from Amazon, as we're talking about the Amazon ads. Very meta. Alright, so once we've hidden those columns, again optional but just cleans up the sheet a little bit, I'll make this a little bit bigger so it's easier for people to read. And then I'm going to just make the campaign column a little bit wider so we can actually see what these are. If I have anything with a bunch of zeros, these ads that I just set up, they don't have any data, then I can just delete them. And then what we do is we add the following columns. We have borrows units, and I'll break down what all these are as I'm going through it. We have projected cost per unit first, and then for revenue per click, we also need projected sales revenue, projected AU revenue, total projected revenue,

(02:21:41):

Net profit

(02:21:46):

Or it's going to be projected net. And then we have revenue per click profit for click

(02:21:58):

And what we're called here

(02:22:06):

Target bid.

(02:22:07):

Okay.

(02:22:09):

I also like to calculate the total conversion. That's optional, but it just allows me to see how the campaigns are converting and get a feel for how that is impacting the overall campaign performance. Is it performing poorly because the the CPC is so high and I'm bidding way too aggressively, or is it because the campaign is converting really poorly? So we have our borrows and to calculate borrows, we take the KMP red and then we divide that by the number of

KMPC in the book, and to get the number of K and PC in the book, we head over to the KDP dashboard, got a lot of acronyms going on here.

(02:23:09):

I'm on the KDP dashboard and look up the booking question, which is drop dead. Then we mouse over these three dots, click KDP, select info, and then scroll down to Kindle edition normalized page count, which is Amazon's term for Kindle unlimited pages, and we see that this is 268. So this allows us to translate that page read number into the number of borrows, which otherwise Amazon doesn't give us that metric. So this is an estimate, but in my experience, it has been a useful one and really what this is estimating is the number of full read-throughs the book is getting. We don't actually know if, let me do the equation first. We have our page reads divided by the KMPC, which was 268 and we get 9.5, so we don't really know if nine people read through the entire book and then another person read through half of it, or if 300 people, 307 people each read eight pages or whatever that comes out to,

(02:24:35):

That's okay. This estimate in my experience has been accurate enough for analyzing the ads and doing what we need. But just a heads up there, we have borrows and then we have units, which is just going to be our borrows plus our orders, which is what Amazon calls the number of sales. So if you hear me refer to sales, and that's what I'm talking about. I'm talking about the orders. So we have 20.53 total units. Then our cost per unit is going to be the ad spend divided by the number of units. Alternatively, we have our total conversion calculated, which I will calculate. Now, total conversion is the units divided by the number of clicks.

(02:25:38):

So alternatively, we can also calculate our cost per unit by taking the CPC and dividing it by the total conversion. That's going to get us the same number. It's slightly different here because of rounding, but it's the same end result if you don't round anything. So actually the CPC is not 0.9, it's 0.912 something or something like that, or maybe a 0.8999 or whatever. So that's the reason for that difference. The last part, if we're using the cost per unit approach, is we need to calculate our target bid, and that means that we are going to have to have a cost per unit in mind that we're aiming for. Again, this goes back to our strategy and it also goes back to our revenue per sale and revenue per borrow. So you want to calculate the revenue per sale and revenue per borrow before you go down and analyze your ads.

(02:26:57):

This is something that people skip over and then they're looking at these numbers, they don't have them. If you have all this stuff stored, you can pull it up really easily. So for example, I have revenue per sale looking this up here, share my screen, lemme switch the screen share, show you this sheet. So I have a revenue per sale of this series and I've calculated for a few

different price points. If you change the price point, you want to recalculate the revenue per sale and revenue per borrow because it's going to change 4 2 99. I have revenue per sale of 7 0 2 and three 16. So if my strategy is a breakeven strategy, then I would set the target cost per unit to the lower of those two numbers, which would be, I would be aiming for a cost per unit below \$3 and 16 cents. If it was profitable, then I would bake in some headroom there.

(02:27:58):

So I might set the target cost per unit at \$3, 2 80, 2 50. It really just depends on how profitable I want the ads to be. And then for a loss leader, I still have a target cost per unit in mind, but I'd be willing to go higher than potentially either of these. So I could set it at nine, I could set it at 15. Obviously the higher you go, the more aggressive that is and the less likely it is to pay off as well because you're just going so far in the hole that you're bleeding so much money that it can't possibly work. So here the strategy has really been more of a loss leader strategy, probably time to change that to a breakeven strategy, but I've just used my own books to test various things over time, so probably like seven bucks, eight bucks. Let me switch back to the sheet. And so for our target bid, we're going to take our target cost per unit, which is \$8, and then multiply that by the total conversion rate. So for the cost per unit, you actually do need the total conversion rate.

(02:29:39):

This over here,

(02:29:45):

So I use revenue per click much more than the target cost per unit and getting back to the point that I made earlier, that repetition is so key and you can see that I have to think about this a bit more than I'm going to roll through the revenue per click analysis, and that's because I just use the revenue per click analysis, probably 10 times more if I had to guess might be more than that, 25 times more. And if you're struggling with the ads, focusing on one thing at a time and getting really good at that and then layering something else on, it pays dividends. You don't need to know a million techniques. You need to know a couple things. It's the old Bruce Lee quote about not fearing the man who's practiced 10,000 kicks, but who's practiced one kick 10,000 times. Same idea here.

(02:30:41):

You don't need to know a million things. You need to know a couple things really well that gives me my target bid and then I can use this to assess A, whether the ad is profitable. And then b, next steps, we'll talk about next steps here in a moment, but whether or not the ad is profitable, this is assuming that this is a loss leader strategy, so I'm already entering a cost per unit that's higher than either my revenue per sale or revenue per borrow, which is what I make when factoring in sell through and read through. So even with an aggressive loss leader

strategy, we can see that the target bid is relatively low, so that tells me that I'm losing money there, which I already knew. Again, I'm testing things, but that gives you that answer to, Hey, how are my ads doing and also what should I bid the revenue per click approach?

(02:31:48):

Bit more complicated, however, the accuracy is significantly higher and we can dial in the bids much better once we start analyzing the individual keywords and ASINs and all that. So first step here is we need the projected sales revenue and what we do is we take the revenue per sale number that we calculated, which in this case is 7 0 2, so that again is our sell-through value. When we factor in the sales of books 2, 3, 4, 5, 6, et cetera, there's six books in this series. Just for context, they have 7 0 2 and then we multiply that by the number of sales, which is again, Amazon calls that orders, so that projects out that those 11 sales of book one are actually worth seven, \$7 and 22 cents to us. Then we do the same thing for the KU side of things where we take our borrows and then we multiply that by our revenue per borrow, which was three 16 and that projects out those nine and a half borrows are worth around 30 13 total projected revenue is just going to add these two things together and then our projected net profit is going to be total projected revenue minus our ad spend and we can see the accuracy here where with the cost per unit, yeah, it's easier to calculate upfront and takes less effort there, but it's much fuzzier in terms of is this profitable?

(02:33:26):

How unprofitable might it be? Here we're projecting out that the net amount that this ad lost is \$167. Wouldn't recommend going this aggressive with a backlist book, not this strategy that I would recommend as illustrated earlier, testing things, different strategies, different techniques.

(02:33:53):

Then we have our revenue per click, which is our total protected revenue divided by the number of clicks. Anytime you have a metric which includes the word per in it, you can treat that as divided by. So miles per hour is miles divided by hours. Revenue per click is going to be revenue divided by clicks. Cost per unit is going to be the cost of the ad is divided by the number of units and that's a really useful shorthand way to remember the equations for various metrics and also deconstruct how to calculate a metric that you may not be familiar with yet. Finally, we have profit per click, which is going to be the revenue per click minus our CPC, so losing about 55 cents a click, that's a lot. Don't do that and then we can bring that down and run the numbers for the other books' going to clean this up just to make it a little bit easier to see what's going on.

(02:35:07):

And so we have our numbers, so this is a benchmark test. This has been running for a long time in terms of ads have been running to this book for a long time. This test I started in I think

November, 2024, so maybe like a month and a half month. You don't have to run it to this many clicks if you don't want, I would probably run the auto to 200, 2 50 I don't think need this much data and then here the campaign, certain targets got a lot more than 30 clicks, which skewed the data. Some things didn't convert well at all and so that's why the conversion is particularly low here, but if I was assessing this data for a book that I just started running as to, I would say that something would need to change with the Amazon page or the targeting was way off.

(02:36:04):

Probably something needs to change with the Amazon page just because the conversion isn't high enough for a book that's been running for a long time. The same thing may be true, you may need to refresh something with the cover with the blurb or something like that. If the book is performing well, then you may not want to make those changes, so you may want to look at the targeting first and try to optimize things there or as the book has gotten older, maybe you have to pair back the spending and scale that back a bit because you just aren't converting as well and certain targets just aren't really efficient enough to test. So we have our analysis here and we know how much we're making with the revenue per click. We know whether the campaigns are profitable or not, and then with our ad strategy we know, okay, what do we need to do to get this aligned with our strategy?

(02:37:11):

Maybe you don't need to do anything except go find more keywords and more ASINs and scale up the spend because everything looks good or maybe you have to make some changes. So we'll talk about that Next, have this here test optimize scale. What next and just for context here for the people on the live call, probably have about another hour or so if you have to go do something else and leave the call, no worries. The replay will be sent out, but just know everybody here knows when it comes to doing the next step after you've benchmarked things or after you've run ads, when you're looking at the ad performance, these are just general guidelines. It is 100% impossible for me to prescribe a one size fits all solution. I would follow these guidelines first, especially if you're just starting out. If you haven't had any success with the Amazon ads, if you don't know what you're doing, then it's going to be easier following specific frameworks and then you can start to go outside those as you gain more experience and practice because you'll understand more intuitively what the problem likely is and then zero in on the troubleshooting efforts there.

(02:38:51):

After you analyze your benchmark ads, you can one test Amazon page elements that impact conversion, things that are going to have the most impact with the Amazon ads are blurbs covers a plus content series titles and subtitles. I would do this if your total conversion is a complete disaster, say less than 5% for a 2 99 book, then something probably needs to change on the Amazon page itself or your targeting was just way off. It's the second item on the list

test, different ad types and targeting. If your conversion isn't good but it looks like the ads were responsible, meaning your keyword ad got 90 out of 203 clicks for two targets that performed horribly and generated no sales or something like that, then I would test different ad types or test different author keywords, test different ASINs, whatever you're using to benchmark whatever you're using to advertise and see if maybe that ad just the targeting was off. This can happen as well with the auto ads where they can really load up on a few ASINs or keywords where you get 30 clicks for one ASIN and 26 clicks for a keyword that isn't super relevant and then just doesn't convert very well.

(02:40:30):

You can optimize the ads. I would say that this is the step that I would take if you have some targets that are converting at 10% plus for a 2 99 book, that would be the first step before changing anything else, if you have 20 keywords in an ad and they're all pretty relevant and nothing got half the clicks or something like that and everything else got two clicks where it just doesn't have any data. If you're looking at that and you have a group of keywords or ASINs that are all converting at 2% or something, then I wouldn't optimize as a first step, but generally speaking, that would probably be my first step in a lot of instances because it may be the case that the overall benchmark looks bad like the 3.7%, we're going to actually break down the numbers for that ad. That converted overall at 3.7% and there are actually a couple of things in there that are promising.

(02:41:24):

It just really focused on a couple of terms that were not performing well and that was a problem on my end where I didn't check on it often enough and I think some term that got one conversion got 76 clicks or something like that, check on your ads. Fairly basic but worth mentioning as you're doing this, it's not set and forget it only takes five minutes to go in and look at the ads, but you don't do it. Then you can be surprised with the results when you go back to check your benchmarks or your ads scale the ads, this is something that happens after people immediately jump into scaling the ads. Even if the ad performs is terrible, they just want to scale the ads immediately. I understand that people are impatient and I am impatient in many areas of my life. I can say that hasn't benefited me in those areas, has never benefited me with the Amazon ads scaling up, poorly performing ads, it's just going to result in worse performing ads. This is something that you do after you've tested and optimized already in the cost per unit or the revenue per click, profit per click. Those are within your targets and those are hitting what you want.

(02:42:53):

Then if looks like all hope is lost, metrics are bad, it's going to be a grind to get them to improve, tested a bunch of things for that book already can't get it working, just move on. I think that just as a rule of thumb here, sometimes people think that they've tested a lot and they

haven't, especially at the beginning where they set up one set of benchmark ads, they don't get the results they want, they immediately declare that the method doesn't work, that it was pointless, that or this book doesn't work and they vanish ship and they try to move on to the next thing. I'm not saying you have to use my method. If it works for you, if it resonates with you, great. If it doesn't, it's totally cool, but commit to something and commit to using a certain method and really figuring out if it works for you and also push a little bit beyond where you think the stopping point is.

(02:43:57):

Say you do 20 pushups and you're tired pushing for that extra rep going for 21, not 26, not 35, just that extra one really beneficial type of approach or five more minutes where you're like, I can't stand this anymore. I can't analyze anything else because oftentimes what you'll find is that you actually had more in the tank and you could have gone further than you anticipated. You do that five minutes and then you spot something and actually then you spend an hour on it and you come up with a solution or you push for that extra rep and you find that you can do three or four more or something like that and this doesn't mean burning yourself out with all this extra work or anything like that just means that usually people just stop way too soon and you can only find where the stopping point is by honestly going a little bit further than the stopping point, so by spending a little bit extra time that's wasted on a book, then that actually pays dividends in the future because you know, okay, actually I didn't need to run those two or three extra tests.

(02:45:07):

The book was dead in the water but you don't know that until you do it.

(02:45:14):

Let's talk about testing, sequential testing process here. This is a major change in how I approach the Amazon ads. If you've gotten this far into the class, if you've taken my courses in the past, if you've watched my material, then you know how important of a thing that I think that testing is, meaning testing blurbs testing covers other elements on the Amazon page, but it wasn't something that I generally incorporated into the overall framework of the ads management method because it's very difficult to get clients to agree to test their blurbs and covers things of that nature. Some people will do it, most people won't, and so as an ads manager, it was difficult for me to set up a method that was contingent on that, but when you're managing ads for your own books, I would make this a really core component and because no one else really wants to do it and very few people will do it, that means that it's a distinct competitive advantage and you don't have to test covers necessarily. It's a huge leverage point, massive impact for the Amazon ads and for Facebook ads for your marketing in general, but obviously those cost money. The other three things on this list are free and in particular the

series titles, the subtitles, the blurbs, those don't take much effort at all to test and they can have a massive impact on your conversion and the overall profitability or lack thereof of the ads.

(02:47:13):

The idea behind sequential testing is simple. We change one element on the Amazon page at a time to isolate its impact. We don't change the blurb and the cover and the plus content all at the same time. Also, we do not randomly change things on the Amazon page if things are working well. I see this all the time with people where they'll just upload a plus content out of the blue for a book that's performing well, don't do that shit. You could bomb the conversion of your page or they'll add a random tagline at the top. That's the most important real estate, the very top of your blurb. Don't do that. If you have the book working well, you can test these things but you want to make sure that you're methodical. It's not a guarantee that anything that you put up, whether it's a new cover, new a plus content or a plus content where there was none before a new series title, new blurb, that that's going to be an improvement over the previous thing.

(02:48:07):

You can go backwards and that will definitely happen as long as you have a process. You can identify when that's happening and go back to the original or test something else, but if you're just randomly throwing stuff up, which is what most people do, then that's just a waste of your time and you could really hurt the performance of the book. Remember at the beginning of the class when I mentioned changing that one word and removing canine, that reduced the conversion of the ads from 11.6 to 8.6%. That's a huge drop. You don't want to be doing that, especially when you spend all this time putting together content to be clear. That will happen where the conversion will go down or the performance of the ads will go down because of something you changed, but you need to be able to identify that because if we weren't tracking that then we would've no idea why that happened and the book might just die.

(02:48:56):

Instead, it's performing still really well even more than 90 days after the release still ranked in the top 3000 pretty consistently, which is a good result, but with that kind of semi rant out the way, we have two ads or we have two options for running our ads. When you're sequentially testing, you probably already have ads running. You have a bunch of Amazon ads that it may have been running for a long time and how do we approach this to get clean data? There are two options. One, you keep your existing ads running. Two, you turn your existing ads off and start new ads of the same ad type breakdown, the pluses and minuses of doing that in a moment. Then for the analysis, we compare the results using cost per unit or revenue per click, profit per click exactly the same as what we just went over where you look at how the ads performed with the new cover and then you compare it to how they performed with the old cover.

(02:50:03):

What I'm looking at the tests for items on the Amazon page, I usually use cost per unit. It's because more people are familiar with it and if there are ads running on Facebook or book pub, then that's my default analysis metric there and thus it's just easier to compare data across the app platforms. You can use either of them. They're going to give you the same end result and conclusion 99% of the time use whatever method you prefer option one. This is important with the data and gathering that for your tests because if again, your data is garbage, then your analysis is going to be garbage and everything is pretty pointless and you're just wasting your time.

(02:50:49):

Option one is to keep your ads running, meaning after you change your blurb or you change your cover, you just keep the same ads going. You don't start new campaigns, you're not turning off your existing ads. Benefits of these of this approach is as faster and easier. You don't have some interruption in ad spend where your ad spend is lower as the new campaigns find their footing. That's probably the biggest benefit and reason why I would recommend this approach. Over the second approach, you continue to build on your existing campaign history and then the same campaigns means you have the same campaign history, so similar targeting behavior, similar learning. If the auto ad is targeting certain types of things, it's going to probably continue targeting those, whereas a brand new auto ad might learn a little bit differently and focus on different things. Same thing with the author keywords and the ASIN campaigns and things like that.

(02:51:46):

If it's favoring a few of those author keywords or ASINs in the campaigns, then it's going to continue to favor those and that makes the test results more of a one-to-one comparison. Then option two, the downside, and this is something that you really need to be aware of, is page read bleed, which is up to 25% of the page reads that you get on the ad can be attributed after the day the person clicked and borrowed the book. As an example, if cover A is up from December 1st to December 15th and you switch to cover B on December 16th and you keep the same exact as running, someone could have borrowed the book on December 15th, meaning they converted for cover A, but those reads or half those reads or whatever could be attributed on December 17th or December 19th instead. Thus making it appear that the conversion occurred for cover B.

(02:52:46):

That's fine, you just need to be aware of it and kind of factor it in, but that's the major downside there. Option two is you start new ads benefit, no page read bleed, so cleanest conversion data, possible downside. This can cause a massive dip in spend as your new ads get up and running. If you're running \$200 a day in ad spend to a book and you just shut off all the ads and replace

'em with new ads, you might all of a sudden be spending \$15 a day for a few days as those ramp up and then it may only be at 50 or 75. If you're running a lot of ads to a book and you're driving a lot of visibility to the book via the Amazon ads, then obviously that's not something that you want. Usually takes longer to get the data because the new ads usually take at least a few days to match spend of the old ads. I'd say that that's an optimistic scenario. A lot of times it might take a week, two weeks, it really depends on how much they're spending. Then downside number three here is that the new ad targeting might not be a one-to-one match to previous ad targeting and that's due to the campaign history. The learning particularly with auto ads and Kindle category ads, the types of targets that they focus on may be significantly different between auto ad one and auto ad two.

(02:54:13):

Here's an example of sequential testing. Testing the cover, just change the cover blurb is the same, didn't change the subtitle, didn't change all the a plus content. I know that people are impatient, but one, most people aren't testing very much so you have enough time to do this and test things this methodically, and two, if you change four things you might as well not run the test at all because it's going to be impossible to figure out what's going on. Just change one thing at a time and then you can get a much better read on how that one element is impacting the proceedings and here are the results. Cover one, outperformed cover two at a higher conversion rate. Cost per unit was better, revenue per click was better, not a world beater by any means, and this is an iterative process where maybe you improve the cover or the blurb but it doesn't get you where you need to go and you actually need to go and tweak something else. Then you work on the subtitle or maybe you work on the blurb some more. Maybe with this cover test for example, I get it to 7%, this was actually the original cover, so the original cover beat all the competitors, but let's say we get it to 7% and that's not good enough to reach my goals, then maybe I would test another cover.

(02:55:46):

This again is why I would recommend focusing on other aspects first because testing a bunch of covers can get very expensive and particularly if you're not accustomed to testing, I think that it's going to be demoralizing because you're eating the cover cost, which isn't a huge amount, but it adds up and then the design time is another administrative thing that you have to manage. It just has more moving parts and while the cover is important, the other aspects can really impact how things perform pretty significantly. Next, we have optimize, and this is really just regular ads management. We turn off poor performing campaigns, keywords, ASINs, et cetera. We move our winning keywords and ASINs from our L one testing campaigns to our L two winners campaigns. We dial in our bids using revenue per click and again that's recommended for books where you have those accurate revenue per sale and revenue borrow numbers or you can use target cost per unit.

(02:56:54):

By doing this over time you allocate more money toward your best performing campaigns, which are your winning campaigns and you cut down on that wasted spend and it's not instantaneous, but major benefit of running the Amazon ads if you are methodical about this is the work is often front loaded or you're doing more research, you're doing more testing optimization early on, and then once you get things styled in for a book, if it works, then you can keep running those campaigns for six months, a year, two years, and they tend to last much longer than Facebook ads, which often have a shorter shelf life campaign structure. We mentioned this previously, L one is test campaigns, L two are the winner campaigns. The idea is that you move your best targets from your L one to your L two campaigns for organization purposes and also to consolidate your best performing terms.

(02:58:04):

I argue that this helps with the spend being smoother, the ad serving. I think it can help the performance a little bit because Amazon sees that the conversion is higher for this campaign and it may favor it in the auction. The primary reason is the organization where you can really allocate the spend toward your best performing targets. Some people prefer not to do this because it is not a guarantee that if you move, say Lee Child is performing really well in your test campaign, if you move that over to the winner's campaign, then it may not replicate the performance because they may have learned slightly differently. I get that argument, but also the organization is huge, so that for me takes precedence and also usually the reason it didn't replicate is you're just getting more data on that keyword and it had a good run over the 20 or 30 clicks that it initially received and then after it got more data turned out not to be a winner, which happens 30 clicks is a solid sample size, but sometimes things don't hold up.

(02:59:09):

I would say after 30 clicks, if something is not performing well, usually it doesn't turn around, but when you have 30 clicks you can have something that gets three or four sales over that time period looks really good, and then you run it to a hundred clicks and those are the only three or four sales that got, and I always refer to auto category, Kindle category ads as L one. These can be winners campaigns, these might be your best campaigns, that's why you test different things, but I don't rename them, I just leave them as L one campaigns and when I get asked the question, how do I scale, it's actually a lot easier in most circumstances than people think they're just approaching it the wrong way and wasting a lot of money where if you do those foundational things that we talked about like tracking your keywords and analyzing them, say pausing the video to go through the revenue per click analysis, those sorts of things and following along what I did step-by-step, I'm not going to argue that any of that is the most exciting thing that you're ever going to do in your life, but those foundational elements allow you to build a much larger structure if you want to and if you're not interested in scaling that

aggressively and spending a huge amount of money, then you can run the ads at a level where they don't take you all that much time.

(03:00:43):

What people are doing is that they're skipping fundamental steps and then they end up spending way more time on the backend correcting all those mistakes and then they say, I don't have time to learn the things the right way, but it's because you have this spiral of events that led to that ultimate circumstance of not having enough time because you just have so much random stuff that's not organized all just basically lighting time on fire and probably more importantly money because you're spending money on the Amazon ads, so don't skip this step With the optimization and the testing, it is so central to the success and the other thing is that after you do this, you may find that you don't have to go into the scaling steps where you thought that you had to run ads to 56 books and that you had to implement all these complex systems and actually you just had to learn how to dial in the bids for the ads and get good at that, and then you have that process down and you can turn off the keywords that aren't working. You can do that with confidence and it's like, oh, okay, I'm actually getting the results that I want and that's all I need out of the Amazon ads. I'm going to go spend my life doing something else that I enjoy more.

(03:02:16):

Anyway, arguments for optimization first and then scaling aside. Let's say you have a hundred dollars a day, your cost per unit is \$10 just for easy math here, a hundred dollars in spend divided by \$10 and cost per unit equals 10 units, so you're getting 10 sales and borrows of your books from the Amazon ads, but then you optimize by turning off your poor performing campaigns, your keywords, your ASINs, thus allocating more of the spend toward your best performers. Let's say you drop the cost per unit just 20% s to \$8, so for that a hundred dollars spend you're getting 12 point a half units a day, which is actually 25% more units for the same spend over the course of a month. Instead of getting 300 units, you're getting 375 or so. I think that should be the math there, but math aside, what we can see is that we're getting more for the same amount of ad spend and 3 75 and so if we take that a step further, maybe we can drop it to seven or maybe we just scale up at that level where we increase the spend a little bit.

(03:03:49):

Maybe we spend 125 or 150 and that gets us where we need to go and that's a much simpler approach approach than trying to scale things up immediately where it's very easy to increase the budget, but then you don't often like the results because if you don't optimize first, then you're scaling up a lot of stuff that's inefficient.

(03:04:16):

Let me show you how this optimization process works and show you with the Amazon ads calculator, pop any questions that you have into the chat and I will answer them as well and the spreadsheet here and this tool is included in the class. You can do all this manually. What it's going to do is crunch all those numbers that you saw me do by hand in about five seconds because it can just roll through those after you copy and paste in your information. Let me turn on a light here. It's got a little bit dark. You calculate the total conversion rate, so the total conversion rate is just going to be the units divided by the clicks and units is sales plus borrows, so you have to calculate the borrows first and then you do sales Swiss borrows which equals units and then units divided by.

(03:05:40):

If you change the cover and the needle doesn't move, do you change the cover back before moving to changing something else like the blurb? Yeah, I would change it to the original or if you want to change, if you want to test a different cover, say you have three covers that you're testing and cover, B doesn't move the needle, then you would move to cover C, but assuming you just have the one cover and it doesn't improve things, then if it goes down significantly, I would definitely change it back. If they're about equal, then my rule is that the control stands, which means that the original, you want to go back to the original, so yes, I would move back there. If any test that you do doesn't move the needle in a positive direction after you get the data, okay, open up the Amazon ads dashboard again and thanks for everyone who's still here live. Appreciate that.

(03:06:49):

As promised, that's been I an ossian esque adventure. I don't know if that really qualifies as a word. We might be making up words at this point, but we continue, so analyzing the author keywords, ASINs, things like that, figuring out how to optimize those. How do we do that? We use revenue per click or we use target cost per unit with target bid, and I'm going to show you this using revenue per click because when you have the calculator, there's no reason not to use revenue per click. It's super easy. I would really, if you're doing this outside of the course and going through that process, I would learn revenue per click. It's so valuable and it will transform your Amazon ads and it's worth the effort. Definitely takes some time to grasp how all the equations work and everything, but once you do, it's like having X-ray vision into what's going on in your has dashboard analyzing keywords. We had this campaign, it converted at 3.7%, which was not good. However, if we click into the campaign, and by the way, just for context, since we've been here for a while, this is the book that we're still looking at and this is an urban fantasy book and it's at 2 99 for the price.

(03:08:44):

When I'm looking at the ads, whether I'm looking at the benchmarks or whether I'm looking to optimize them, troubleshoot them, whatever key mistake that people make is with as in ads with

the author keyword ads with any other keyword ads, they will look at the performance from the campaign dashboard which we just looked at and analyzed and say, man, this looks awful. I spent \$310 and there are two sales on this and 2,600 page, which since the book is 268 pages as long, it's about 10 borrows. I have 12 total units on this book. Don't even have to crunch the math to know that's not great, about \$30 cost per unit give or take, but what the mistake that people make is after they go through that mental thought process is that they turn the campaign off and they don't look at anything. There are a number of reasons why that performance could be poor.

(03:09:49):

It could be because hey, that book just doesn't convert well at all with the ads and you're better served focusing on a different book or it could be situation as we see here where I just didn't come in and turn off some of these keywords that should not have been getting more of the budget and that's on me, turned some things off and then was working on other projects and just didn't come back to. It happens even if you're experienced as we can see here, but by having a weekly ad stay where it's like on Mondays or Wednesdays or whatever day you choose, you come in, it's when you analyze the ads, check on them, even if it's only for five minutes, then this type of scenario usually doesn't happen anyway. What we can see is that there are some things that are actually performing decently.

(03:10:50):

It's just that we have these three things at the top which just eyeballing it are responsible for maybe 60, 70% of the clicks and they generated a grand total of five units. If we're being generous, not great, so we want to eliminate what's not working and we can actually leave what is working because there's some stuff here that's either promising or it's actually working pretty well, so I'm going to export this data, and again, when I'm analyzing this, I want to keep the timeframe consistent with my current price and that is going to help with the accuracy. Then let's pop in here to

(03:11:57):

The tool, and

(03:12:10):

So all that I have to do is copy and paste this in and we can see, again, I'm running a loss leader strategy. I repeat that multiple times just over and over again because sometimes people are saying like, Hey, maybe I should run the ass this way. You should not very aggressively testing things and not recommended, you're not trying to run ads, figure out what works for courses and for clients and things like that, so don't do this, but we can see from the data here that we have these three targets which converted at 2%, 2.5% and 2.7%, and then we actually have some things that converted really well, 18.3, 14.3, this doesn't have a ton of data, 14 clicks, it's

close to my 20 clicks threshold, but there are some things that are working well. I'd say overall the performance isn't great and some of these keywords used to work really well.

(03:13:30):

Say, I know that Faith Hunter used to convert really well. I don't have the numbers available right now at a moment's notice, but from what I remember, it was converting it like 15, 20% very early on and that's because I've spent a ton of money on this book and it's just a bit burned out and I think I probably need to change the cover or blurb or something like that to really get some of those other targets to potentially convert again and not sure that I really want to put in all the effort to do that from being honest. You got to weigh where best to spend your time. You can spend time testing a bunch of covers and blurbs and maybe that pays off, maybe it doesn't, or if you have something else that's working really well or you're working on a different project that's more promising, then you got to allocate your resources accordingly.

(03:14:24):

So when you're looking at this process, don't feel compelled to do absolutely everything. Triage according to what is going to be most beneficial for your author business, but we have these keywords here, Alona Andrews, Ellen Harper, those look like potentially reasonable performers. The other reason that the profit per click here for some of these that are converting actually pretty well is pretty low is because the revenue per borrow on this series is very low. It's three 16 and it's six books long, so that is a combination of two factors. One, the read-through is okay, it's not great, it's not absolutely horrible, but it's not great, and then two, the books are short and this is something that you really need to consider when you're thinking about running the Amazon ads, where if your book is in KU that is going to really impact how much you're making and how viable it is to run the Amazon ads because it's not just having a five book or series or something like that, which is again, what I find is typically the crossover point for where the ads become more viable to run and they have more upside.

(03:15:48):

It's what is your revenue per sale and what is your revenue per borrow? That's really what the five books thing is a proxy for, and if those are really low, then having five books or six books isn't going to help you. So the revenue per sale here is, okay, it's \$7. It's not earth shattering, but that's decent for a six book series with the pricing that I have, but the revenue per borrow makes things very difficult to run the ads and after I'm looking at this, what I do is I can head over to the add in question, which is this, and then I want to transfer my actual good performers to my L two campaign, and then I turn off the things that are performing well. If I want to get some more data on some of these, then I can turn just these keywords off and then maybe let Helen Harper et cetera run here.

(03:16:59):

I would just turn this entire ad off because I don't want to keep running this campaign, and so what I would do is I would take Al Andrews and Ellen Harper and then just leave the rest of the keywords to the graveyard for the time being. So what I'm going to do here, two steps. I'm going to turn this campaign off not performing well, and then if I don't have an L two campaign, I can create it or if I have an existing L two campaign, then I can add it to that. I turned off the L two campaign because I wanted to run some tests. I'll just turn that back on and add that

(03:18:11):

And for the bids, what I'm going to do is you base that on your revenue per click. I actually already have a loan Andrews in this L two campaign because it has been it winner in the past, so what I do for the bids with the revenue per click, let's find my calculator in this C of open tabs is your revenue per click is your breakeven bid essentially provided that your revenue per sale and revenue per borrow numbers are reasonably accurate. That means that if I wanted to break even, I would bid at around 47 cents, and once you have about 30 clicks on the keyword, that tends to be pretty accurate. I'd say once you have a hundred clicks on the keyword that is really accurate and doesn't tend to change that much outside of just add fatigue, but we have 47 cents here, so that would be my breakeven bid, so if I wanted to run the ads at breakeven, I would set that to 47.

(03:19:14):

Now it's not going to serve at 47 cents. That means that I could run it at 47 cents, but kind of a waste of my time to do that. If I was aiming for a breakeven strategy here, which I'm not, then this keyword would also be headed to the graveyard with the rest of them. Instead, what I do with the loss leader strategy is I have a certain amount that I'm willing to lose in mind. How aggressive am I going to get? Probably about 25 30 cents here. That is super aggressive just for context, even during the launch, that's going to be pretty aggressive, but that means that my actual bid would just be this plus the 30 cents, so about 77 cents. This would be 38 plus 30, and that's how I set the bids for the loss leader strategy. If I wanted it to be profitable, it would be the revenue per click minus however much profit I wanted to make per click.

(03:20:14):

If I wanted to make 10 cents per click, then it would be 47 cents minus 10 cents and I would set the bid at 37. Again, the ads aren't going to serve at 37 cents. That would be pretty pointless to do, but if the numbers looked better and you had a revenue per click of 1 0 1, then you could set the bid at 91 cents and you'd have that 10 cent profitability baked in and then you obviously monitor it. You're tracking your net profit weekly, you're monitoring the ads to see if your revenue per sale, your revenue per borrow. These estimates that you're making actually hold up as you're running the ads and whether your strategy is working as intended. Getting back to the AS dashboard, have Helen Harper at 68 cents. I'll round that up to 71. Typically I don't bid

below 70. I'm trying to actually get the keyword to serve a decent amount, and then I also tend to gravitate toward like 71, 72 or 76 cents, 77 cents.

(03:21:30):

Instead of getting caught in that no man's land where you're at like 68 cents, you're going to get beaten by everybody bidding 70 cents. Anyway, so I'm just going to bump that up and just to clarify that last statement, the ad auction does not just work on who bids the most. As we've talked about, relevance is really important. Certain books are more receptive to serving at lower bids, but the bid itself obviously plays a big role in that too, so we've added that to our L two campaign and that's the process. So if I had more ads to go through, then I could optimize those and over time that's what you do, and to clarify what the benchmark campaigns here, I could leave this running, so with the auto ad, I could just leave that running after the benchmark is complete and I'll probably just leave that on.

(03:22:43):

You wouldn't want two auto ads running at the same time. I set up this example auto ad earlier, but you wouldn't want two auto ads running for the same book at the same time. Just have the one and to clarify on the duplicate targeting that I've talked about where you're trying to just target say Alona Andrews in one campaign at a time, that's just the campaigns that are active, it's fine if you've targeted that in the past and the campaign's off. It's also fine if you target the same author keyword or same ASIN for different books. That's a really good practice. In fact, if alone Andrews works really well for one of your urban fantasy books, try it for your other urban fantasy books. Makes sense to do so. It's a good starting point and it gives you a leg up with the testing where you're testing things that are more likely to work but don't run the same target to the same book in three or four or five different campaigns.

(03:23:44):

Makes the data very difficult to manage and analyze and then you just kind of struggle to slice through all the numbers even if you're really good at spreadsheets and it's going to complicate your life. The other issue is that if you run the same target in multiple campaigns for the same book, it can die out in one of the campaigns, which is fine, but sometimes they both just kind of taper off. It's pretty rare but can still occasionally happen just to avoid those issues, try to keep that duplicate targeting for the same book to a minimum, it will happen no matter how diligent about this you are, it will happen. They'll freak out. If it does, it's a hundred percent normal, but just try to avoid it when possible. Let's head back to spreadsheet. We're on the home stretch here

(03:25:27):

Back to our presentation and for the people who are still sticking it out here on the live call, I will drop a link to a bonus at the end if you're still here, just as thank you for your time and as

an endurance award if nothing else. Let's talk about scaling. This is everyone's favorite subject and it is pretty simple if you have those building blocks in place but impossible or a massive pain in the ass if you do not the number one principle, which we've talked about before, but it's just worth hammering, home, optimize and then scale, the efficiency of your ads is going to drop as you increase your ad spend for a given book, which means that your CPCs increase, your conversion decreases. That's because of ad fatigue and you also have to target less relevant things as time goes on. You're branching out from that core audience of readers into those tier three and potentially even tier four targets that have much more nebulous and tangential ties to your book sub genre and that means that those are much less likely to convert.

(03:27:04):

Then on top of that or so it's usually and but occasionally it's just or you have to introduce additional administrative complexity, more advanced tracking software management techniques and you have to spend more time to continue scaling as you're spending more money and you're branching out to all these other books. It just takes more time and that's okay if you want to do that and go down that route, but the first thing that you should do is test and optimize first and then scale. No one's favorite thing is writing another blurb and then testing it. I can tell you that that will take you way less time and energy than just jacking up the ad spend on your books and then crossing your fingers that it's going to work because at best you just spend a lot of money and then turn the ads off, but all that money of course costs you time to generate either from your day job, from your freelance work, from your other books that you've written and all the other marketing efforts. However, you're generating the bulk of your income that you're investing into your business that costs you time, so either way, it's going to cost you time to scale the ads recklessly because you're going to spend money, but also it tends to cost you additional time as well because you have to unravel this massive labyrinth of data and try to figure out what's going on and undo all these things that you change to the ads and you burn them all out and all these sorts of things.

(03:29:10):

So do the simple things first. Sometimes they don't seem simple. Most of them aren't sexy, but they're the foundation and process here is we test and optimize different Amazon ad types, targets, elements on your books page, dial on your bids, turn off poor performing targets, campaigns, allocate more money to your best performers. Then we can vertically scale, which is just increasing the budget on a single book in a single region on a single ad platform. For example, spending more money on drop dead on the Amazon ads in the US and then we can horizontally scale to different books while still running the ads in the same region. An example would be if I wanted to run ads to my book Demon Rogue than I could run those in the us, then we can horizontally scale to different regions. I think that people do this way too quickly.

(03:30:19):

The one main region that I would recommend trying first is the UK because it has the most upside since it is the next largest English speaking region. And then from there, if you have translations, then you can advertise in those regions. Advertising. The translations can work pretty well, but it is much more of a project that people anticipate because your targeting is completely different in say, Germany, the authors who are popular are different. You have to translate all these words that you don't have to translate in English, the German translation for romance and things like that. You have to go look up what that is and over time you learn those things, but that is a learning curve that people don't anticipate and the upside I would say is lower than in the US or UK because those other regions like Germany, France, Italy, Spain, they're just smaller and have fewer readers on the Amazon platform, which means that just lower click volume overall for the Amazon ads and then people also scale to Australia and Canada really, really early on, and that is not something that I would recommend. In general, the page rate is lower. It's just going to massively amplify the complexity of managing the ads and it's going to distract you from the main objective, which is usually making more money, not getting 45 cent clicks or whatever and spending \$2 a day.

(03:32:18):

So vertical scaling, this is the easiest. In theory, it's the hardest in practice because those CPCs rise on you. You start having to bid really aggressively and your conversion rates fall too because Amazon usually charges you a premium for targets that you don't convert as well for and that are outside of your genre, so it doesn't charge you more. Just to clarify, it doesn't charge you more for targets that are not in the same categories or in the same genres on the dashboard. What is happening beneath the hood of the ad algorithm is that those targets often convert worse, so when Amazon's looking at the data, they're going to favor other books in the auction, so you have to bid more aggressively for targets that you convert worse for a lot of times to get them to serve. You have this double whammy of rising CPCs and lower conversion rates, which really kills you on the cost per unit and revenue per click and profit per click.

(03:33:33):

What you're looking for when you're vertically scaling is every book in series hits the equilibrium point where additional ad spend reduces profit. Maybe you're spending \$25 a day, you're making a \$15 profit, then you increase that to \$50 a day and you're making a \$30 profit, great, but then you bump it up to \$75 a day and you make a \$20 profit, and that means that your profit went down because additional ad spend was inefficient, so you just reduce it to that \$50 a day part. Going back to our principle of going a little bit further than what is optimal or where the breaking point is, you just have to do that to find the actual breaking point of when additional ad dollars aren't paying off. There's no way to predict this at the start, and the approach is you just bump things up methodically.

(03:34:27):

I get asked how fast can I scale? You can go from \$10 a day on the Amazon ads to 500 really quickly if you want. I'd say unless you're really advanced and have a specific reason for doing so, mainly that there's a time crunch for a launch. There's no reason to go that fast. You can go from \$10 to 25 or \$10 to 50, 10 to 50 would be pretty big jump, and then you can go from 50 to 75, 50 to a hundred, and there's no specific timeframe or deadline that you have to hit here with the scaling, it's just mostly people's impatience gets in the way and they want to scale from \$10 to \$200 for a backlist book within three days. That usually doesn't end well. Instead, you just bump things up with whatever amount you're comfortable with. That's \$5 increments.

(03:35:28):

That's totally fine. How you approach your business is 100% up to you and whatever you're comfortable with. I think that's really an underemphasized aspect of the ads management. If you're increasing the spend to amounts that you're not comfortable with and you're sitting there at night going, oh my God, how am I spending this much? I'm spending so much money, you are spending way too much, and what's going to happen is that that's going to inevitably lead to bad decisions. It's okay to be a little bit hesitant, reticent even to spend more, and you're going a little bit outside of your comfort zone, but if you're freaking out, it's going to be the case where you pull the plug on the ads or just make this wild swing the other way. I've seen this many times, just increase it however much you're comfortable with, and if you're trying to bump things up quickly, then real things back in go slower and the spend will scale faster than you think.

(03:36:35):

If you increase from \$25 a day to \$50 a day, that is actually going from seven 50 a month to 1500 a month, and that means that you're spending \$18,000 a year instead of \$9,000 a year on that single book, on a single ad platform in that single region, and that means that you don't often need to be as aggressive with the budgets for an individual book as you might think, and horizontal scaling. This is where you spread the budget across multiple regions, books, platforms, and or formats to reduce the ad fatigue. The benefit here is that you can get lower CPCs, higher conversion rates because you're not just dumping an immense amount of spend on a single book and overall it's going to help you with your scalability. For example, you might've hit an equilibrium point at \$50 a day on Facebook, and then by using Facebook and Amazon in tandem, you can spend \$100 efficiently or vice versa.

(03:37:51):

If you're starting with the Amazon ads, you might find that that's how you scale up that specific book rather than just hammering it with the spend on one platform. The downside, the biggest one by far, and this is something that people overlook, is you're tracking complexity, just it multiplies the biggest group of rabbits you've ever seen in your life where you're managing ads on one ad platform, one region. You got your one book, you add in another book, you're fine.

You add in the third book, you're like, okay, this is taking me some more time to track and this is a little bit trickier. And then what often happens is then people feel compelled to add four other books and then they add 'em on Facebook as well. They're also doing stuff elsewhere. They start running stuff on TikTok and they're embarking on all these other projects, and then a month later it's just everything is on fire.

(03:38:55):

And so you need the tracking foundation in place and it's going to take usually more manage, because for example, if you have to manage Facebook ads and Amazon ads, you need to know how to run both. You're going to be testing more because you're going to be testing things to different books in other regions. Sometimes the keywords and ASINs replicate in other regions, and that's how I would recommend starting with the best performing keywords. ASINs targets from the US just run those. In the uk oftentimes they'll work well, some of them won't replicate, but that's a good starting point if they've worked well in the us, but you still got to test and things can perform differently. Differently doesn't necessarily mean that performance is better. And so you might encounter a situation where, yeah, you're getting less ad fatigue, but you're also getting poorer performance because you're now running ads to your second series, which doesn't perform as well at the bottom here.

(03:40:03):

I'm just reiterating this point because it's something that you're seeing. You see this a lot in groups and it can get very distracting, especially if you are just starting out running ads where everybody's bragging about how profitable, not everybody, but you encounter these posts where people are bragging about how they have a \$2 ad in Australia or whatever, that's getting 26 cent clicks and look, that's all fine. But the general insinuation with those posts a lot of the time is that they have some sort of secret with the ads or that they're really good at running ads and really a lot of times they're just wasting their time on a pointless side quest. And as someone who is new to the ads, or as someone who is struggling with the ads or someone who's just trying to run the ads better, you can look at that and be like, what am I doing wrong?

(03:41:01):

Should I be actually going down this path? And the answer is no. Keep your main goal in mind. Don't get sidetracked by bullshit. Also, no one talks about the page rates in these other regions where they're getting cheap clicks, where oftentimes that offsets any benefit of actually running the ads, time spent running those and optimizing them aside. So the problem with horizontal scaling is that you can have so many different options coming at you that it's hard to discern which ones are actually promising opportunities and which ones are things that are just going to light your time on fire and focus on what has the highest leverage. Simplicity beats complexity. Most people don't have the tracking systems to do all the advertising they're doing. They're

advertising in too many regions, too many books. It's really hard to track all that well. Something I've spent a lot of time, a lot of money.

(03:42:04):

We're talking probably 25, \$30,000 plus at this point just with contractors, different solutions, really hard to do and most people aren't testing enough ads aren't testing enough keywords aren't testing enough ASINs, things like that to have effective ones running to multiple series. And most people have not maxed out say the ebook before, looking for other opportunities or the US before looking for other opportunities. They're trying to scale out to their paperbacks when they're spending \$7 a day on the ebook and they might be able to spend 50 and have that still stand up and get them good performance. The goal isn't to impress anybody with the massive amount of ads you're running and your level of ad knowledge or just have the most complex retain strategy possible. You're the one who has to manage this. It's really going to be difficult to do if you're adding in too many things.

(03:43:21):

Oh, we have our summary and implementation and we will wrap things up here. Practice and implementation. Super simple approach. Just if you want to focus on the Amazon ads, you don't have to. If the Facebook ads are working better for your books and there's still head room to grow there, go and focus on the Facebook ads for 90 days. You don't have to focus on the Amazon ads. The principle here is something's working, keep doing more of it. But if you want to focus on the Amazon ads and really learn those, focus on them for the next 90 days. If you're running Facebook ads, put those on the back burner and that just means the bare minimum to keep them running fine, but you're not taking a bunch of Facebook ads courses at the same time. You're not looking at all this Facebook ad material.

(03:44:13):

You're not searching through Facebook ad groups to find the latest and greatest tactic. You're dialed in, you're focused on the Amazon ads and whether that's going through this class piece by piece, going through the course, whatever you're focused on the Amazon ads and putting your learning efforts there as you're going through the learning process, set a daily habit, 15 to 30 minutes a day that's going to get you really far and try to show up 80% of the time. You're not going to show up a hundred percent of the days. 80% of the time is deceptively difficult to show up for, but it is doable. And by setting that at 30 minutes a day, I think that that's realistic. If you're serious about running these ads 15 minutes, if you have a bunch of other obligations and you just can't fit it into the schedule, but if you're making Amazon ads a priority and you want it to potentially be a foundational element of your business, then I would do 30 minutes a day for the next 90 days.

(03:45:16):

You can do an hour. I would say that that's going to be pretty challenging for most people. I have a lot of free time and when you do something for an hour a day and practice it for an hour a day, you start to realize just how much of an obligation that actually is. It doesn't sound like much, but with everything else you got going on in your business, it's actually surprisingly difficult to fit that in. And then after you've gone through that learning process, you can go through it again for the next 90 days and just keep that habit going. Once you have that skillset under your belt, then you can of course do maintenance where you're watching courses and reading new books or whatever new material comes out just to keep your skills sharp and your information up to date. But the core of the practice is you have a weekly ads day or two weekly ads days, and you can approach this differently, but this works especially well with the Amazon ads where you don't want to be making massive changes every two days to your backless ads that's going to send you in the wrong direction pretty fast and you're going to overreact to things that are happening and you're just going to make a lot of changes and be putting in a massive amount of time for negative effort.

(03:46:39):

So I would have a weekly ads stay or two weekly ads days. Could be any days you want, say Monday and Thursday if you're doing two or just the one, there's no benefit to doing two unless you're managing Facebook and Amazon and want to split them out into separate ads days or you're running a really high spend on Amazon. So I'd say if you're running \$250 a day plus, then you can have two weekly ads days. Otherwise you're fine with one check on the ads periodically in the meantime for a few minutes just to make sure that nothing has gone completely off the rails. But otherwise you're not doing this massive amount of analysis or anything else we talked about on your non ad stays and that works nicely because then you can write or do other marketing stuff, whatever else you got to do for your author business.

(03:47:31):

And that leads us to the summary here. So for the people here in the live class that are still with me, pop this into the chat. It's the Amazon ads calculator. Let me know if that link works and that will copy that automatically to the Google Drive. If you have a Google account, and that was the Amazon ads calculator I showed. It will crunch through the revenue per click, et cetera, and the setup video and the walkthrough video are both in that, so it has everything you need to actually use the calculator and that is super useful. I resisted using my own calculator for a long time and then I finally started using it and I was like, wow, glad I spent years just making this and then putting in the course and then not using it myself, but it is super useful and now I use it and if I don't have it set up or I can't find it, then I'm like, man, can't believe I used to do all this manually every time.

(03:49:03):

I will say that doing the revenue per click is useful and learning what that actually means, doing it manually, there's no better way to really get a feel for those numbers, but once that's solid copying and pasting into the calculator saves a ton of time. Alright, 80 20 summary one, set up your daily or weekly ad profitability tracking two, set up your Amazon targeting tracker to track keywords and ASINs can be the standard version that's in the tracking key and that's at nicholas.eric.com/tracking. Put that link into the chat as well here again. And then we have the series Revenue per sale and revenue per borrow. That's the sell through and read through value, calculate those do spend some time actually getting accurate values. There is going to be so, so critical because you're going to use those numbers over and over and over and over and over and over again and that's a lot of overs, but also that's how much you're going to be using them when you're analyzing your ads.

(03:50:07):

If those are off, then it's going to screw up everything when you're analyzing your profitability. Four, determine which strategy you want to use. Loss leader break even or profitable, and that is on a series by series basis. It's fine to change strategies between series and it's also fine if you start with say a breakeven strategy and then you're like, this isn't working or this isn't quite what I want. It's fine to switch that to a different strategy. However, you do not want to change strategies. Every ad session where it's like today it's a breakeven strategy and then tomorrow because I don't like the numbers, it's now a loss leader strategy. And then the next week I think I want to do a profitable strategy. No, pick a lane, do that for, I would say at least a month. Really, if you're doing the 90 days, I would probably do it for at least six weeks if things look absolutely disastrous, you can change course once you get more experience, you can change that as needed, but at the beginning people just switch up what they're doing from session to session way too much and that just absolutely kills the results ongoing.

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You track your ads profitability daily or weekly, that's the net profit that your ads are making for that series. Analyze your ads performance weekly using cost per unit or revenue per click to determine winners and shut off your losing campaigns. You're losing keywords, et cetera. So you don't encounter that type of situation where you jump into the campaign. It's like, Hey, this keyword got 76 clicks and got two borrows. That's not great. Don't like that.

(03:51:59):

If you do that weekly, then you typically avoid that. Scenario three, you optimize your ads by dialing in the bids and turning off the or performing targets, test elements of your Amazon page to improve conversion as needed. This will probably be the least leveraged aspect of this entire class For people who watch through it, it's probably the most impactful however, and because so few people do it, it's going to give you a competitive advantage and it's worth implementing into your ad strategy. Then finally, scale your spend to the desired level. First vertically

increasing the budget to a single book in a single region. That's until you hit that equilibrium point. Then run ads to other books, other regions, and then I would probably branch out into Facebook and see if you can scale further that way. But with the Amazon ads alone, you can run enough ads where if you're in a popular genre like romance, like Thriller, you can build a six figure, even seven figure business with just the Amazon ads alone.

(03:53:13):

Same goes for Facebook. One of the main benefits of being able to run both is that certain books perform better for Facebook, certain books rather perform better on Facebook and then certain books perform better with the Amazon ads. And so you can pick and choose and also it's going to help you mitigate risk. Where if all your ads get shut down on Facebook and that's your only ad platform and that's your main source of traffic, then that's a code red scenario. Same thing on Amazon where if say sometimes your credit card gets denied, that's the main reason why your ads would get shut off, where your bank flags it as a fraudulent transaction and then the payment doesn't go through and your ads get shut off temporarily. Otherwise, your ads pretty much just stay running. Amazon can change their policies where certain types of covers are no longer allowed with the Amazon ads or they get a little bit stricter with what genres, what type of content are eligible to advertise.

(03:54:18):

So that could impact you there. But one of the nicest things about the Amazon ads is that they're pretty steady, but having both opens up more possibilities and options. But I think that people get to that point way too soon where they feel compelled to run both and they don't have one running well. And this is a wrap up, which is an excellent lead into selling the course. I would say for nine out of 10 books in romance, the Facebook ads outperform the Amazon ads. That's where I would put my efforts first. If you're struggling with the ads and haven't gotten them to work, then I would focus on Facebook and that's more likely to work because the CPCs are just so much lower and Facebook and romance, the ads work really well together.

(03:55:12):

Also, if you have a short series or standalones, then focus on Facebook first because you can get a lower cost per unit because the CPCs are lower on Amazon, the lowest cost per unit you could really get. If the ads are really dialed in, it's probably around \$4 for a full price book. There are going to be some exceptions in different genres, but if you're trying to spend more than \$25 a day, that's probably the absolute best case scenario and that's super rare, which means you need those other books in the series to generate sell through and read through to.

(03:55:57):

And that's it. So that actually didn't include this slide here for the course, but if you want to join the course that's open through Sunday and you can pre-order that and save \$250. There's also a

group workshop option where you can get one-on-one feedback from me and also see what other people in the class are doing. And that really helps contextualize your own data, your own benchmarks, everything that we talked about. And obviously just having the feedback where it's like, Hey, is this good? Is this normal? Am I on the right track? Can really accelerate the learning process as well. So I'll pop the link into the chat or the people here if they want to check that out and I'll put it below for the people watching the replay. But otherwise, thanks everybody for your time and if you showed up live, thanks for making it to the end with me here. I know it was quite the adventure and if you're watching the replay, thanks for making it to the end as well and hope everyone has a great holiday. Happy New Year and I'll catch you in another newsletter course class, something like that soon. So later everybody.