# LSMGLOBAL

LSM Global has managed the Amazon EU business of a leading Professional Musical Instruments manufacturer since Jan 2019 and through careful execution of our Amazon best practice strategy we have generated consistent efficient growth, across all markets and brands.

This case studies illustrate how this was achieved through focus on content, advertising, and forecasting.

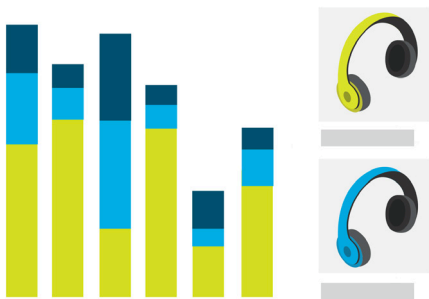# LSMGLOBAL

Detail Page Content
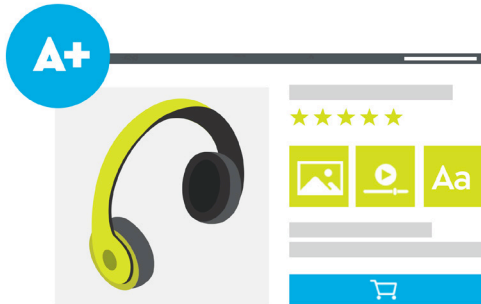
Adding a full suite of images, videos and A+ enhanced content is proven to increase conversion on Amazon to a significant degree due to increasing customer confidence.

By adding a full set of images and video, improving titles and bullet points, creating variation sets and adding enhanced content (A+), we drove an overall 1.5 percentage points increase in conversion in , worth an **incremental €300K+ in Q4 Sales Volume.**

Variation sets and A+ comparison tables allow customers to shop up and down your product range to find an item that meets their needs and budget without leaving the page and potentially finding their way to a competitor's product.

By adding variation sets and A+ comparison tables to all ASINs we doubled the percentage of item comparisons within this manufacturer's brands YoY on Amazon UK to higher than 70%.

Advertising

LSM Global took on responsibility for managing this manufacturer's search advertising on Amazon EU platforms in May 2020. We were briefed to increase sales across the portfolio using an increased budget while maintaining or decreasing ACOS (Advertising Cost of Sales)

This was achieved through careful segmentation of products into better targeting groups and more complimentary campaigns, moving away from the previous reliance on a very small number of products driving sales and a focus on Automatic targeting campaigns. This approach allowed us to remove unproductive impressions

and keywords, driving the budget towards the higher converting keywords and product targeting groups. It also allowed us to promote a wider range of products improving "in brand" sales and the visibility of some previously underperforming parts of the range.

We also introduced a wider approach to using different targeting types ensuring that we had covered not just keywords but also product, category and interest targeting groups that were relevant.

These actions drove an immediate increase in sales of **+50% QoQ** while maintaining Advertising Cost of Sales **(ACOS) under 8%.**

Forecasting
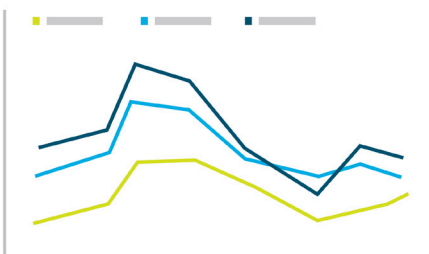
This manufacturer works with Amazon through a distributor. We kept running into availability issues due to low stock allocation from the manufacturer's central buying and the distributor servicing the Amazon channels

Through plotting projected future customer demand using appropriate category level seasonality curves against on hand and inbound inventory we were able to highlight ASINs with lower than 6 weeks of cover and estimate forward looking lost sales to secure the appropriate buy-in and allocation of stock from key stakeholders at the manufacturer and their distributor.

We monitored these metrics weekly and took action on the worst offenders by surfacing two metrics –

1) Amazon order rate as a % of projected shortfall and

2) PO confirmation rate.

By using a combination of these KPIs we are able to either increase the stock allocated by the manufacturer and held by the distributor to improve confirmation rate or work with Amazon to switch Buyability/Replenishment codes for ASINs not ordered at all, or increase the forecast/place vendor initiated orders for ASINs which are being ordered but not in sufficient quantities to avoid out of stocks

Overall this action resulted in a reduction in Replenishable **Out of Stock rate to under 5%** of page views, unlocking an incremental **€500K+ in Q4 sales volume.**