

Online Advertising Leads to Offline Sales

Amazon campaign drives \$1.6 million in offline sales for Olay

Objectives of this study:

- 1 Understand the lift in offline Olay product sales as a result of this campaign
- 2 Measure the incremental sales Olay realized on Amazon
- 3 Determine how the campaign on Amazon affected customers' perceptions of Olay
- 4 Gather insights surrounding the efficacy of Amazon targeting versus demographic targeting



What we learned:

Olay experienced incremental offline sales:

There was a 10% lift in incremental offline sales among groups exposed to advertising

Olay realized **\$1.6MM** in incremental offline sales

Olay realized incremental sales on Amazon:

Olay experienced a **15%** lift in incremental sales on Amazon during and immediately following the campaign period

Amazon targeting proved to be twice as effective for this campaign:

There was a **15%** lift in overall sales among groups exposed to advertising using Amazon targeting, compared with an 8% lift to those exposed to demographic targeting

Advertising drove brand benefits for Olay:

There was a 10% lift in overall opinion of Olay among exposed groups

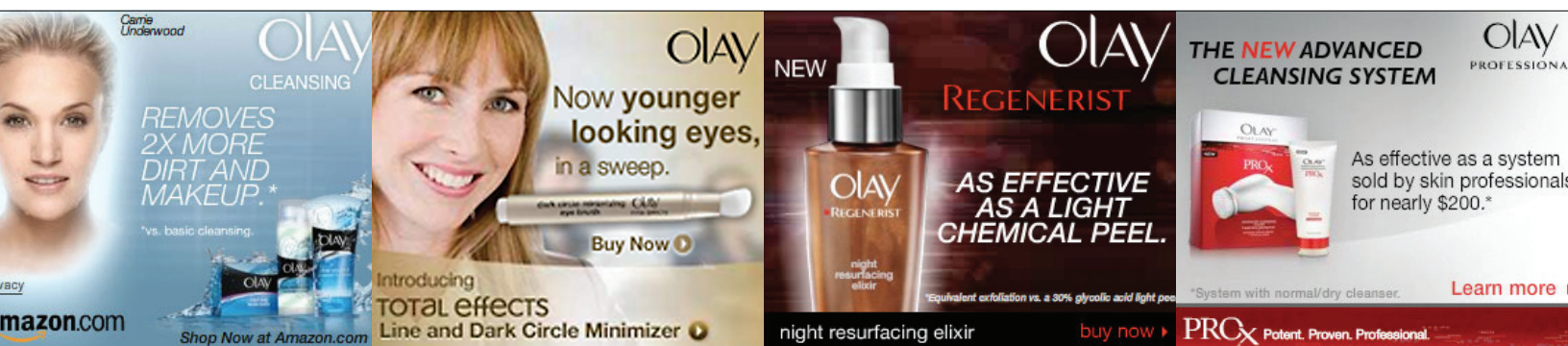
Olay realized a **14%** lift in likelihood to purchase Olay among exposed groups

There was a 13% lift in belief that Olay provides a wide variety of beauty products

Olay experienced a 14% lift in belief that Olay keeps skin moisturized among exposed groups

Online interactions generate sales both on and offline. On average, for every \$1 in online sales generated, an additional \$6 are generated in offline sales.

Source: Forrester Research



Background

It's probably no surprise that advertising with Amazon increases sales of the advertised product(s) on our site. But is that all it does? We've always suspected that our ads had an effect on several important attributes in addition to sales on our site. How did those ads affect what our customers purchased offline? And how did Amazon ads change our customers' perceptions of the advertised brands or products? We joined forces with Nielsen to answer these (and more) questions.

What's next?

This is just the beginning—we want to continue to understand how we can best partner with advertisers to meet their objectives. We are always looking for advertising partners who have a desire to experiment, measure and better understand their customers—both on and offline. If you're interested in learning more about advertising opportunities with Amazon, contact your Amazon Account Executive or email adzinia@amazon.com.

Methodology

Incremental Amazon sales

Amazon tracks exposed and unexposed samples with identical segment attributes. Differences in on-Amazon purchase rate are analyzed to determine online sales lift based on exposure.

Incremental Offline sales

Nielsen tagged all ads and ad variants and measured exposed and unexposed samples with identical pre-campaign product purchase characteristics and demographics. Differences between the two cells, with ANCOVA analyses, determined changes in purchase behavior caused by the campaign.

Online Behavioral impact

Nielsen leveraged its online panel to measure differences in online behaviors between those exposed and not exposed to the campaign.

Brand Impact

Nielsen surveyed 500+ people exposed and 500+ people unexposed to the campaign about brand response to the campaign.