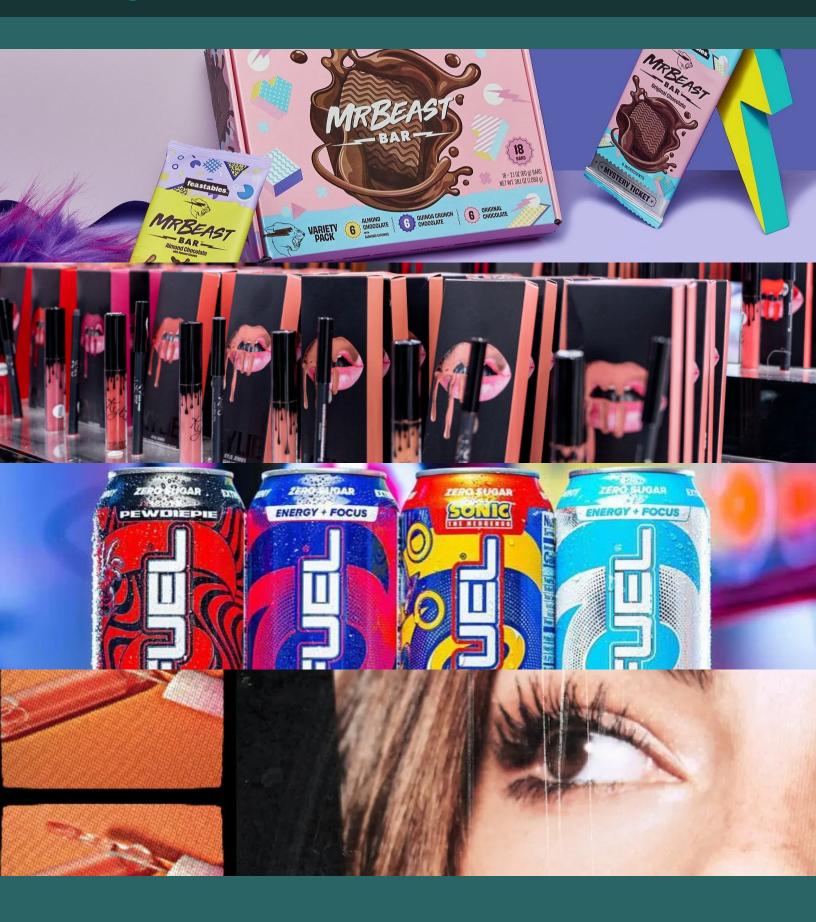


Creator Brands

Using Influence to Launch on Amazon



By Chris Moe November 30, 2023 All materials copyright @ Cartograph 2023

Overview

In the past decade, content creators have amassed huge followings on podcasts, Youtube, Twitch streams, and short form platforms like TikTok. Possessing giant audiences, many have launched consumer brands to further connect with and monetize their audience.



What started with celebrity brands - notables including George Clooney (Casamigos), Ryan Reynolds (Aviation Gin), the Kardashians (Kylie's Lip Kits, Skims) - has now spread to a wide range of creators with targeted audiences.







Ryan Reynolds

Kylie Jenner

PewDiePie

Mr. Beast

Aviation Gin

Kylie Cosmetics

G Fuel

Feastables









While celebrities tend to be famous for association with movies and TV, creators can have a more direct connection with their audiences, which still often number in the tens of millions. Celebrities and influencers tend to be followed for where they are and what they look like, while creators are followed for what they say and create.

Creators can be powerful purchase drivers, and therefore most of these brands launch on their own DTC websites first, directing their audiences to purchase directly. We've found that inevitably, their audiences start looking for their products on Amazon.

In this paper we will discuss how Creator brands can leverage their audience advantages to best set themselves up for success on Amazon.



What you'll learn in this paper:



Advantages Creators Have When Launching a Brand



- Incrementality (and Cannibalization) of Amazon to Your Business
- 6 Tips for Creator Brand Launches

Thinking Different: Expanding to the Amazon Channel as a Creator

As one of the world's largest online marketplaces, Amazon offers unparalleled reach and potential for businesses, but navigating it as a brand is not easy. From product listings and pricing strategies to inventory management and customer service, every aspect of the launch process requires careful consideration. We're going to assume the basics of an Amazon launch like content, supply chain, and advertising are understood, and instead focus on how you should think differently if

you're a brand with an existing audience, like a Creator Brand.

Note: Many of these insights also apply to brands launched by influencers or celebrities. The major difference is that the active conversation with their audiences tends to be smaller, so some of the strategies or impacts may be muted. We have observed celebrity is often more useful in B2B contexts than driving consumer purchases.



Advantages of Being A Creator

When launching a brand on Amazon, the ability to direct traffic to the platform is an insurance policy for your brand's success.

As a creator, you have a distinct and key set of advantages:



You have an attentive and committed audience

- It's more valuable than celebrities or influencers because people care about what you have to say, not just how or where you appear. They're more likely to take action and purchase.
- You probably also have superfans, who would be willing to engage with you more than you
 currently offer (hence starting a brand). These folks can also be used for extra engagement or
 brand support.



You have strong media capabilities

- You have the ability to make high-quality content quickly.
- If you can slot brand creative into your content calendar, you'll have a major advantage in being able to iterate quickly.



You likely have many creator friends in your network

• The possibility for partnerships and cross-promotion (paid or otherwise) is substantial.

With the ability to drive traffic to Amazon, the algorithm will reward you and the Amazon engine will kick into a higher gear. This is part of the 'Amazon flywheel' – high search volume and high conversion rate result in higher organic placement of your product listing for similar search terms and categories.

Translation?

Your product could quickly become a best seller.



Sizing Up The Opportunity

Amazon presents a significant, distinct distribution opportunity that should not be overlooked. But how large will your business be? We look at it a few different ways:

Amazon should be 10–20% of your direct-to-consumer business.

Brands that are best sellers in their category sometimes get up to 35% of DTC businesses. This can be higher in some categories, but it's rare we see newer DTC brands with Amazon more than 50% of DTC.



Second, you generally get around 0.25X ROI on paid social ads outside Amazon in the form of unattributed Amazon searches. So, if you spend \$100k/mo in paid social, you will get roughly \$25k in sales as a baseline on the platform: consumers who learn about the product, then search your brand and find the products on Amazon.

On Amazon we can measure the impact of posts with a few different methods:

- Amazon and 3rd-party tools share weekly and monthly search volume data
- Direct links can be measured with Amazon attribution tools
- It's less precise, but social posts can be compared to changes in ads and traffic metrics to baseline impact of indirect posting
- We find that TikTok posts tend to result in more Amazon searches vs. other channels



What about DTC Cannibalization?

Based upon launches with many DTC brands, we observe that around 3% of DTC shoppers will move from DTC to Amazon, or vice versa. Our theory is they are largely different sets of online shoppers. We'll usually price Amazon in line with DTC or with a slight premium to account for free shipping threshold to minimize any cannibalization.

Amazon as a channel, when managed correctly, captures incremental new-to-brand customers driven by your organic posts as well as your paid marketing activities. Once you build a baseline, it opens a new source for customer acquisition. **Your DTC provides a discovery source for net new customer acquisition.**Customers tend to be loyal to your content and website – Amazon simply opens up to your audience that prefers shopping on Amazon.



Amazon's Flywheel & Tips for Creator Brands



The Ultimate Prize: Free Organic Traffic

All Amazon products are stack ranked in order of shipped unit volumes. Amazon rewards the higher ranking products with larger shares of their free organic traffic. Most of this traffic is actually not in Amazon search: it's recommendations around Amazon, on the home pages, in emails, and even in advertisements outside Amazon. This is the ultimate goal of any brand on Amazon – sell more units and get more organic traffic.



Positive Feedback

Your ability as a creator to drive units will help kick-start this organic traffic positive feedback loop. So when your audience goes to buy your product, you'll start climbing in the rankings faster, and get more exposure.

As you get more traffic, two limitations arise. The first, inventory, is relatively easy to plan around, but you should try to understand how your posting influences traffic We want to ensure we have a good offer when getting this traffic - the limiter to this is usually inventory and reviews.



Amazon Launch Timing

Generally, we prefer to launch 1–3 months after your DTC to ensure messaging and product gets good feedback from customers. Given Amazon's slow ramp and review build, a major "launch day" that brands often push on DTC isn't as practical. Additionally, most teams find this helpful to not have to launch two platforms at once, even if you have an agency partner.



Reviews

Reviews is the second item you can shortcut with your audience. Generally we try to get 100 reviews as quickly as possible to start advertising and ramping up traffic, so when people get to the page, they're more likely to convert.

We can accelerate review building with your audience, leveraging superfans and using unpaid Amazon-compliant strategies. When doing this, we recommend sending small batches at once, so your audience reviews have a higher chance of being posted.

Once we have a solid review base, you can start looking at competition and to measure the gap in review volume, as this is often the limiting factor in taking share from competitors (once you're in 000s and 0000s of reviews). Your audience can increase the rate of review building and close this gap.



Partnership and cross promotion tend to be the most powerful when they're unpaid. Share your products with your network of creator friends - if they like the product they will post it, and we've found this creates more lift than most paid posts. It comes across as more authentic, and moves faster than working through creator teams for paid agreements.



Input and other Audience Engagement

Ask for feedback: your audience is engaged and excited to speak with you, so ask them what they think, and what they want. Launching new products or new flavors with demand waiting is a huge advantage.

Furthermore, you'll start to develop a sense of which consumers shop on DTC vs. Amazon. Sometimes it can be split by demographic: Amazon tends to be older than DTC consumers. You can tailor your messaging when talking about Amazon specifically. And some brands (particularly in shoes and apparel) will have colors and styles exclusive to Amazon and DTC.

Big Amazon sales days, like Prime Days, are days you'll want to direct your audience to Amazon. Amazon has a far bigger pool of organic traffic they can share that day, and ROI on traffic sent can be 3-5x a normal day.

Conclusion

The opportunity for Creator Brands on Amazon is huge. All Creator Brands should consider how Amazon fits into their strategy and the incremental value they can drive on the channel.

If you have any questions, or would like to discuss your brand approach on Amazon, please feel free to reach out. We're always happy to chat, and offer a free audit of any Amazon strategy.



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Reach out on LinkedIn!

Helping brands grow products that are better for people and our planet.

We are an eCommerce-focused agency that helps CPG brands sell on Amazon. Our mission is to help brands grow products that are better for people and the planet. We support brands end-to-end with strategy, pricing, SEO, advertising, and operations and logistics.



