

Harnessing the Amazon Marketplace To Grow a Product Offering



Background

Any serious online business would be remiss not to take advantage of Amazon's unrivaled ability to mass distribute consumer goods. Yet there's more to it than merely selling your products on Amazon and expecting overnight success. Sellers need to learn how to leverage the largest online marketplace on the planet to put their products in front of appropriate buyers. That includes digital merchandising to advertise your brand and grow your product line. This is how we helped Hypothermias dominate a sweet little niche of the dessert market with a full suite of Amazon Advertising products and strategy deliverables.

About Hypothermias

Arizona-based [Hypothermias](#) is an authorized distributor of world-renowned Hatsuyuki shaved ice machines and ancillary accessories. Their business model has evolved to supply cups, containers, flavored syrups, and every other piece of equipment any serious shaved ice aficionado might need.



Goals



Expand flavor offering



ACOS below 15 percent



Develop DTC market

Objective

When Hypothermias originally onboarded with Logical Position in spring 2019, they wanted to develop their DTC business channel. After establishing some proven success with Google Ads, they looked to the Amazon platform to dramatically disrupt their business model. Beyond the big bulk purchase of a shaved ice machine, they were looking for repeat purchases on transactional items. Understanding customer lifetime value allowed them to home in on specific products they could expect customers to reorder, such as specialty cups and flavored syrups.

Strategy

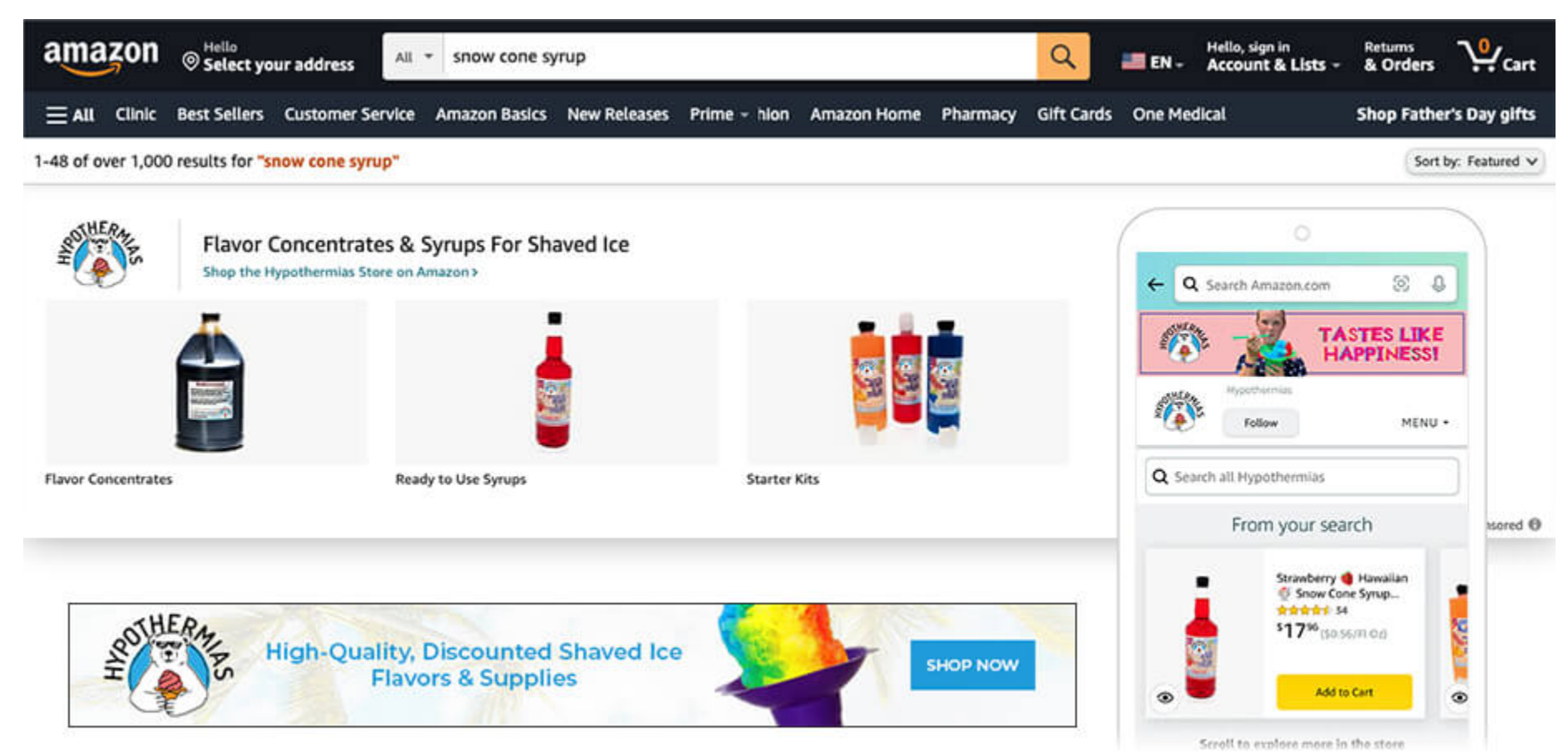
We started small both in advertising budget and product offering. This made it easy to test the waters and develop an opportunity-based strategy that we could use to eventually scale the account. Keeping a low ACOS initially was important to feed valuable revenue back to the business in order to expand their product offering. This allowed Hypothermias to grow their general market footprint in the shaved ice/snow cone space without jeopardizing the bottom line of the business.



Sponsored Products was the flagship advertising mechanism used to garner additional eyeballs from shoppers who were looking for snow cone flavors. Our team used auto campaigns to identify which search terms were actively converting in the account and provided the most opportunity. Armed with that information, we built out manual campaigns to direct sufficient budget to the highest-performing keywords. We further leveraged top of search bid modifiers to ensure any and all variations of the brand and product offering were accounted for. Additional opportunities emerged, and Hypothermias used that data to inform their product expansion, eventually dominating all the available digital shelf space for snow cone flavors.

In addition to producing all of their A+ content, our creative department rebranded their entire business and marketing collateral, including a new logo. This included their sponsored brand videos as well, giving their Amazon storefront a fresh new look to entice consumers and potential customers new to the brand.

Finally, we deployed a brand protection strategy by targeting our own product pages, which kept all competing brands from leveraging the Amazon algorithm to ride Hypothermias' coattails.



Results

The Hypothermias' account has seen phenomenal YoY growth. Overall sales increased by 35% from 2021 to 2022 and they have consistently expanded their product lines to add new flavors and capture available demand, allowing them to grow their syrup offering from three flavors to more than 100 in just over two years.

Their ACOS hovers around 14 percent, meaning they generate \$100 in revenue for every \$14 spent on advertising. Similarly, the account-wide CVR is exceeding expectations at 10 percent.

In year-over-year comparisons from April 2022 to April 2023, revenue grew from \$82k to over \$140k.



It's been pretty refreshing helping our client keep their customers cool! So if your business is ready to see some stone cold results, reach out today for a complimentary account review.

Ready to Find Out What Makes Us Different?



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