### Helium 10

25

SEASONALITY

10

GUIDE

SELLER'S

∡

### **'Tis the Season: How to Prime your Business on Amazon for Q4**

**G**1

15 16

24

25\* 26

27

28

New Data, Recent Keyword Trends, and Bold Predictions to Prepare Sellers for the Holiday Selling Sprint

#### INTRODUCTION

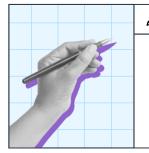
#### **"Timing is everything."** Has there ever been a greater understatement in the world of e-commerce?

From savvy product selection to inventory scheduling, there is seldom an element of online selling that does not rely on a ticking second hand. For better or for worse, this includes your bottom line. Seasonal keyword demand can be the wave you ride to plentiful sales or the dead waters where the unknown product goes to drown.

While we recommend being cautious about selling products that can only be sold during a specific holiday season, you can be more proactive about identifying crossover products. A healthy product candidate shows increased volume in Q4, but is also in demand after the holiday season ends.

It's never too early to start researching seasonal keywords and adding them to your program. Begin looking into crossover products as soon as possible. You want to give yourself time to build up history prior to the season starting on both new keywords and new products. As you will see below, the holiday season is starting earlier than ever.

Regardless of how "seasonal" your product may seem on the surface, every online business needs to be in lockstep with consumer demand on Amazon. This report guides sellers (of every product type) on how to adjust keyword strategies to take advantage of surging holiday search volume.



#### Author's Note

This report will cover examples from Halloween and Christmas. Even if you are not selling holidaythemed products, you should be adjusting your keyword strategy to take advantage of the increased volume that happens in Q4.

#### The quick wins for taking advantage of seasonal volume?

- Include seasonal terms like "holiday gift ideas" and "stocking stuffers" in your keyword and PPC strategies.
- Consider adding a low-cost item that has both seasonal and non-seasonal appeal.
  Many items can be marketed as stocking stuffers, and the product can also be sold after the holiday season ends.
- Start getting in the "Q4 mindset" now, not later. Use the summer to start planning inventory shipments, expanded PPC campaigns, and research into the year's most popular holiday keywords.



**OPTIMIZING FOR Q4** 

### Halloween is Huge, and the Surge is Only Starting Earlier

If you're going to capitalize on seasonality and consumer trends, you need to know which strategies to optimize and more importantly, when to start. Hint: It's sooner than you think.

#### IN THIS SECTION

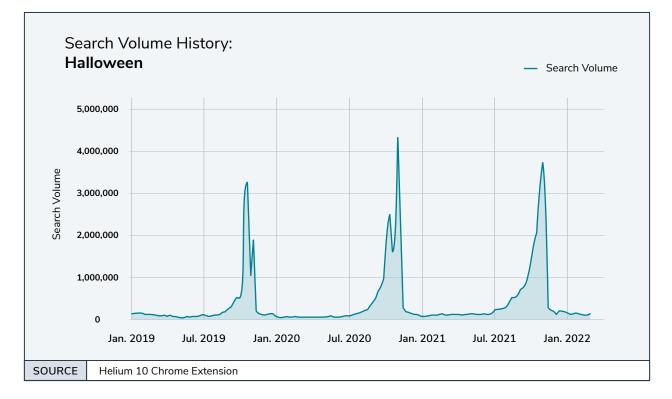
- What Can We Learn From Halloween 2021 PPC Trends?
- Black Friday is Just the Beginning

May 2022 Data Report | Tis the Season: How to Prime your Amazon Business for Q4

# \$З.2в

Total money spent on Halloween decorations on Amazon.com in 2021

Peak daily search volume for "Halloween" in October 2021



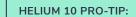
In order to bring a deeper understanding of audience purchase habits, let's take a closer look at search volume data, PPC trends, and keyword optimization strategies related to the first major Q4 holiday: Halloween.

According to the NRF, consumer spending on Halloween-related items reached an all-time high of \$10.14 billion in 2021, up from \$8.05 billion in 2020. Costumes and decorations are the most popular Halloween products (behind candy, of course), drawing the attention of 70% of shoppers.

In fact, the Amazon community spent a whopping \$3.2 billion on Halloween decorations in 2021.<sup>1</sup> To see how this spending is reflected within Amazon searches, we can study year-over-year search volume for "Halloween" using the Helium 10 Chrome Extension.

<sup>1</sup>Inman, D. (2021). Halloween Spending Soars as Celebrations Near Pre-Pandemic Levels. NRF. https://nrf.com/media-center/ press-releases/halloween-spending-soars-celebrations-near-pre-pandemic-levels

SOURCE



国

- If you want to explore adding Halloween inventory to your Amazon store, do your product research now and get the listings up as soon as possible.
- You will need time to acquire rank on your listings and to get reviews.
- Consider picking a product that will still be in demand next year, in case you have overstock at the end of the season.

Search volume for "Halloween" has been spinning up earlier and earlier for three straight years, and quite significantly.

#### AUGUST 3, 2019

"Halloween" search volume did not consistently track above 100,000 searches until the week of **August 3rd.** 

#### JULY 11, 2020

"Halloween" search volume reached the same 100,000 searches by **July 11th.**  JULY 3, 2021

Search traffic for "Halloween" was consistently reaching above 200,000 by July 3rd.

Search volume for "Halloween" peaked at 123k<sup>2</sup> daily searches during October 2021, with total volume from mid-August to early November rivaling key Christmas keywords in December. Although the graphs above seem to tell an identical tale, with search volume spiking every October, the build to each of these spikes illustrates an interesting trend.

Interestingly, the baseline search volume after the 2020 Halloween rush remained higher than that of the year before, hovering around 100,000 during the off-seasons of winter, spring, and summer. These numbers reflect more "normal" pre-pandemic off-season Halloween search volume. Come 2021, search traffic for Halloween was consistently reaching above 200,000 by July 3rd.

We are predicting that Halloween 2022 is going to be huge, both in pent-up demand and peak popularity. In spite of the pandemic, 2020 saw a lift in peak search volume compared to 2019. In 2020, Halloween lived in a time bubble when COVID-19 variants were not interfering with social events. However, in 2021, Delta and Omicron interrupted the Halloween festivities.

This year, the combination of wider vaccine availability and a further stabilized "new normal" of online shopping (also due to COVID-19) will lead to unprecedented Halloween product interest on Amazon.

<sup>2</sup>Search Volume History displays an estimate of what the total searches for 30 days would be, based on the volume of searches that happened on each day in the past. To get a daily total, we divide each amount by 30.

SOURCE

# What Can We Learn From Halloween 2021 PPC Trends?

Product reviews function as social proof of consumer trust in your product, something you'll want in place before the Halloween rush, not after.



₽ Key Terms

#### Pay Per Click (PPC):

Pay Per Click advertising refers to the process where you, an Amazon Seller, create an ad for your product and pay Amazon every time a customer clicks on that ad.

#### Cost Per Click (CPC):

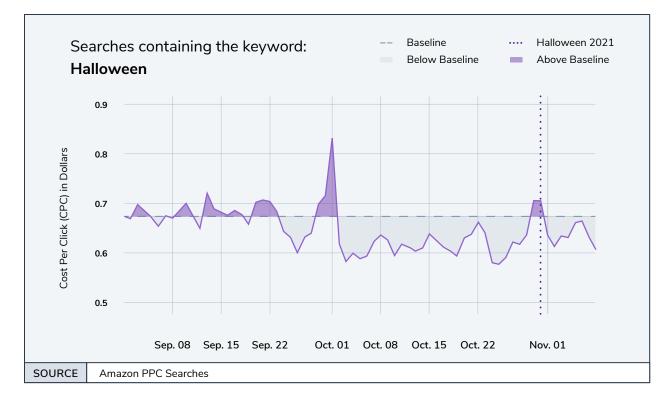
Tracking CPC reveals changes in seller demand-it is a measure of how much sellers are willing to pay for clicks.

#### Conversion Rate (CVR):

Tracking Conversion Rate reveals changes in consumer demand–it is the percentage of clicks that result in a sale.

#### Advertising Cost of Sale (ACoS):

ACoS is calculated by dividing PPC spend / PPC sales, meaning that a lower ACoS is better. This helps us understand how much of every dollar of revenue is spent on advertising.



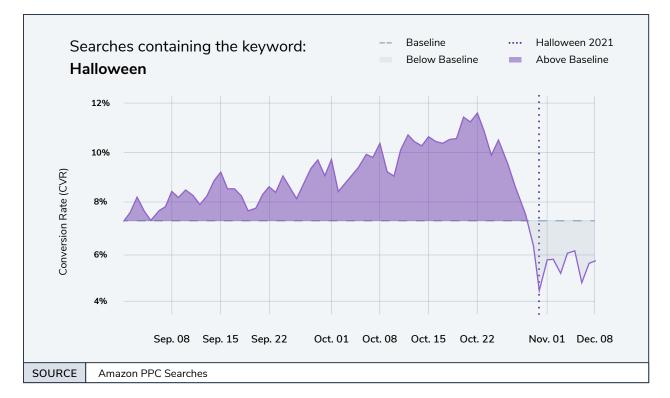
If you are launching a new product, you will face the challenge of driving reviews to increase customer trust. Running PPC is a way to boost product visibility ahead of the Halloween season so you can get reviews ahead of the surge. More conversions for your listing drive stronger product rankings, which in turn, drive even more sales. By the time October arrives, sellers who have already achieved stronger BSRs (Best Sellers Rank) are primed for capitalizing on surging search traffic and maximizing sales. Let's take a look at what to expect for PPC during the height of the Halloween season. It's important to be aware of the timing for the expected increase in Cost Per Click (CPC), as well as the expected increase in conversion rate.

Cost per click for search terms containing the word "Halloween" is surprisingly stable, ranging between 60 and 70 cents for most of the season. The increase in impressions in the two months prior to the holiday is an anticipated trend, however the CPCs are surprisingly stable.

# 20%

Decrease in CPC in early October -A decrease in CPC indicates that consumer demand to purchase is outpacing seller demand to sell.

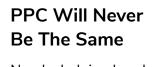




A decrease in CPCs indicates that consumer demand to purchase is outpacing seller demand to sell. As impression volume for 'Halloween' searches increases, the CPC drops. The stable CPCs may indicate lower market competition due to the specialized nature of Halloween merchandise. For example, if there are only two sellers carrying a particular costume, they do not need to increase their bids in order to win the best placements for Sponsored Ads.

The Conversion Rate for search terms that contain the word "Halloween"

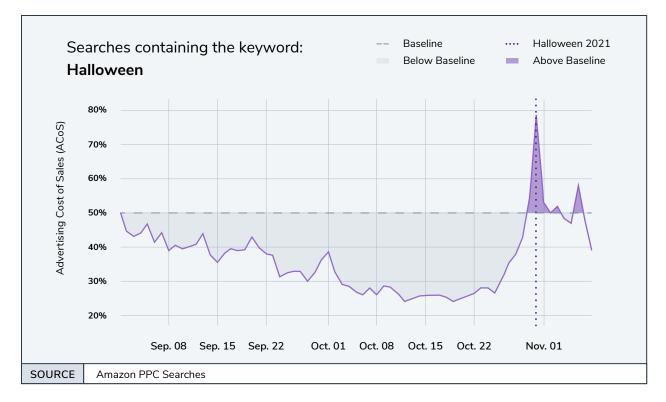
remains on an upward trend from early September until the last ship date for Halloween. This gradually increasing conversion rate reflects the shifting ratio between consumers doing research and consumers browsing with an intent to purchase. It makes sense that as the holiday approaches, the window shoppers settle on their holiday choices, subsequently converting to sales for sellers. We observe a weekly trend too, with Friday displaying a localized peak in conversion rate. October 1st, 8th, 15th, and 22nd are all Fridays.



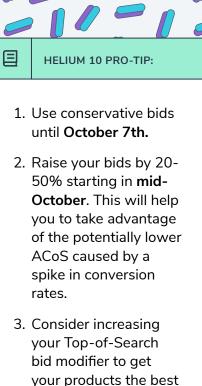
HELIUM 10 TOOL TIP

Need a helping hand to organize your Amazon advertising strategy? Helium 10's **Adtomic** is a dedicated PPC management platform that gives sellers (of all experience levels) the templates, automation, and bid suggestions needed to fundamentally improve advertising efforts.

Experience Adtomic  $\rightarrow$ 



As the Halloween season continues, we notice a gradual decrease in Advertising Cost of Sale (ACoS) The ACoS trend for 'Halloween' searches is surprising in that it continues to drop until the very last week of the season. Sellers are seeing a progressively better return on PPC spend all the way through to one week prior to the holiday. Perhaps the specialized nature of the inventory provides insulation from competition. Many sellers choose not to get involved with seasonal items due to a fear of having remnant inventory when the season ends. After Halloween ends, we see the ACoS take a dramatic turn for the worse, hitting 80% on November 1st. Shortly thereafter, it corrects to the lower levels seen prior to the holiday. Given that an increase in CPC is acceptable when accompanied by an increase in conversion rate, sellers often increase their maximum bids during the period when the conversion rate on Halloween items is highest. If sellers forget to lower bids after the holiday, CPC will remain high, with a low conversion rate. This would lead to a spike in ACoS.



chance of a click. 4. Remember to lower your bids **after the holiday season ends!** 

#### **OPTIMIZING FOR Q4**

# Black Friday Is Just the Beginning

The origins of Black Friday lie in the late eighties. The music? Guns N' Roses. The shopping? Brick N' Mortar. Regional department stores had the most diverse inventory available, but to experience that inventory, a trip to the physical location was critical.



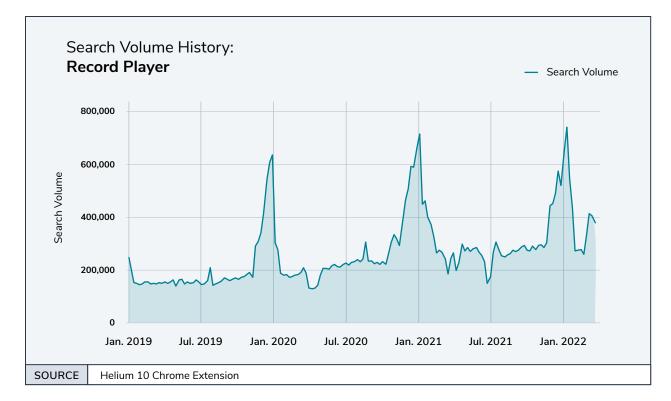
# HELIUM 10 TOOL TIP

#### Trendster: A New Way to Visualize Demand

Compare product price history and sales rank any time from the last 24 hours, going back to over a full year. This is the best way to visualize seasonality, demand fluctuations, and even Google trends in one convenient place.

#### Try Trendster for free $\rightarrow$

<sup>3</sup>Adobe Business. (2021, April). 2021 Holiday Shopping Insights Report. Adobe. https://business.adobe.com/resources/holiday-shopping-report.html



Flash forward to 2021, Amazon.com has been growing for almost three decades and the world is recovering from a global pandemic that forced life even more online than it already was. Black Friday 2021 (Thanksgiving plus Black Friday) raked in \$14.04 billion<sup>3</sup> in online sales (\$8.9 billion spent on Black Friday and \$5.14 billion spent on Thanksgiving. That's only a 6.3% decrease from 2020.)

#### IT'S BLACK FRIDAY... UNTIL JANUARY

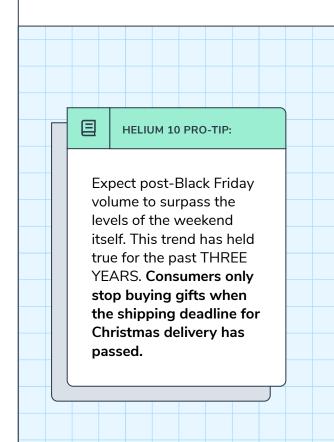
While Black Friday may be relevant to a brand with an annual marketing budget, for the individual Amazon seller looking to utilize Q4 seasonality to scale your business, think of Q4 more as a season overall. In many cases, we see post-Black Friday volume surpassing the levels of the weekend itself.

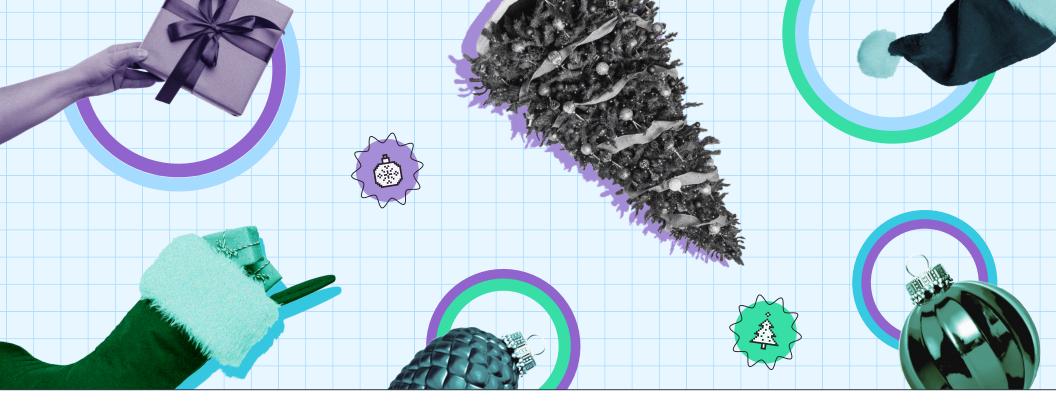
For example, here is the search volume for "record player". While there was a Black Friday bump, search volume continued to climb, and only fell off once the holiday shipping cutoff passed.

When looking at historical search volume for "record player", the Black Friday spike is a tiny peak compared to the December search volume.

# \$8.9<sub>B</sub>

Spent on Black Friday in 2021, only a 6.3% decrease from 2020





#### CRUSHING CHRISTMAS

### **Christmas Truly Comes Early**

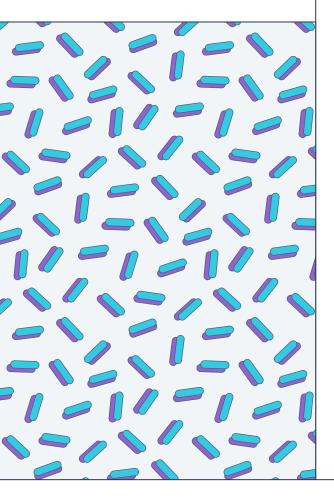
Existing Amazon sellers are no strangers to Q4 holiday frenzy. However, when should you start preparing? **More importantly,** what can you do to stand out from the crowd?

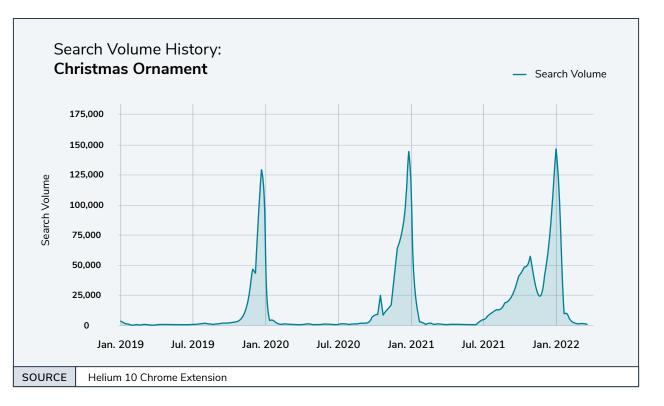
#### IN THIS SECTION

- Expand Your Keywords to Include Holiday Terms
- 2021 PPC Trends for Searches Containing the Phrase "Stocking Stuffers"

# 145к

Peak daily search volume for "Christmas Ornaments" in December 2021





At first glance, the search volume estimation for the term "Christmas ornament" may look like the 2021 volume was comparable to 2020.

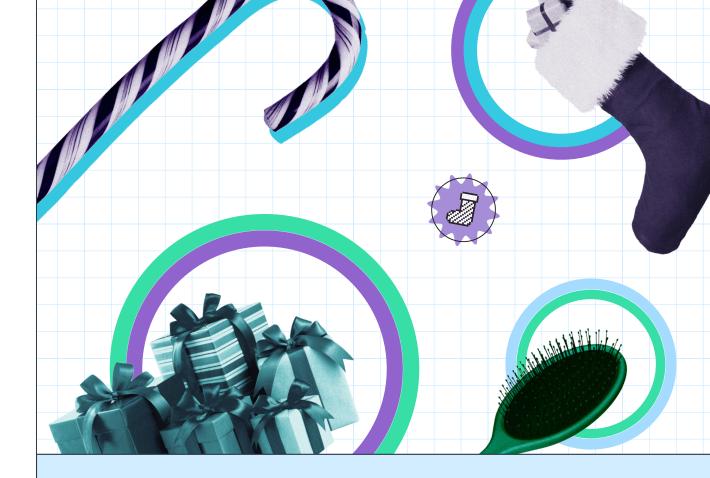
However, look closer at the months prior to December—in 2020, the spike didn't start until December. In 2021, we see an increase in searches for Christmas ornaments starting in **late June**.

#### TROUBLE STANDING OUT?

You don't have to sell the biggest ticket holiday product to see your sales increase in Q4—instead, focus on low-cost items that can be marketed as stocking stuffers. Avoid getting stuck in a high cost, high competition pool, unless you are sure you can rule the niche. Many sellers are better off simply being the bigger fish in a smaller pond.

# Expand Your Keywords to Include Holiday Terms

Keywords are a flexible, creative tool that help you bridge the gap between your product and the current season.



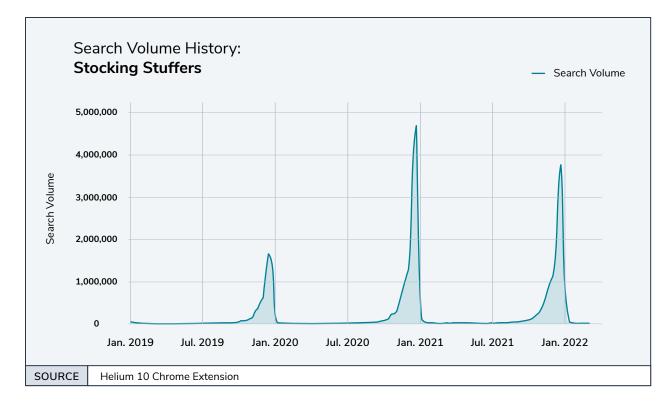
#### 

HELIUM 10 TOOL TIP

### Achieve Amazon X-Ray Vision With The Helium 10 Chrome Extension

The easiest way to find estimated search volume (for any keyword or phrase on Amazon) is through the Helium 10 **Chrome Extension.** By looking back at the last three years of estimated search volume, we get a bird's eye view of year-over-year trends.

Download Chrome Extension Free  $\rightarrow$ 



Let's take the keyword "stocking stuffers" as an example. We selected "stocking stuffers" because the Helium 10 Chrome Extension reveals that most items using this keyword are not specific to Christmas. You can apply this same logic to keywords for other holidays, such as Easter, Hannukkah, or Valentine's Day.

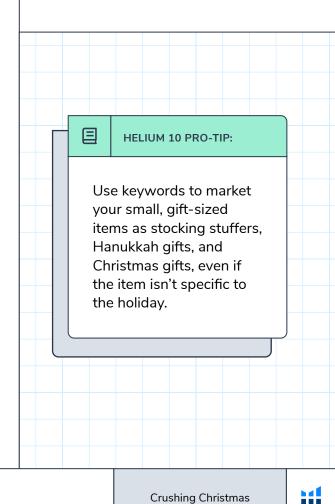
If you search online for stocking stuffer ideas, it becomes apparent that almost anything relatively inexpensive and small in size can be a stocking stuffer. Go through your current product list and determine which items can be marketed

as "stocking stuffers", "Christmas gifts for him/her", "Holiday gift ideas", or "Hanukkah gift ideas". Remember, your product can live in more than one niche, depending entirely on the context it's purchased!

Add these seasonal keywords, and even consider bidding on them if you use PPC.

# $4.8_{M}$

Search volume for "Stocking Stuffers" in December 2020



# What Can We Learn From Christmas 2021 PPC Trends

Regardless of how exciting your new product is, no one knows it exists at launch, which means you most likely won't be starting with any reviews. That's okay! By leveraging Amazon PPC, you can still rank in top placements. Below is an example of PPC on searches containing "stocking stuffers."



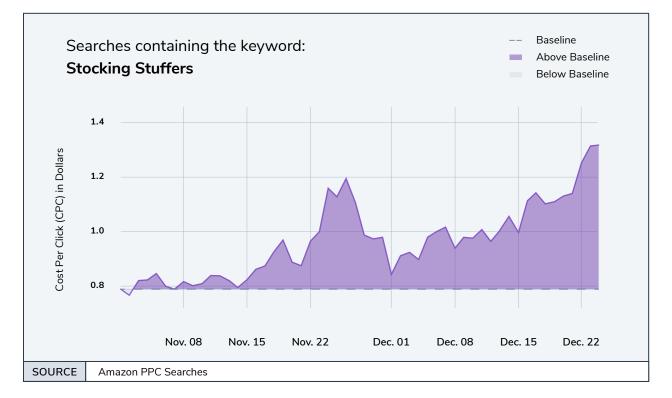
#### 

HELIUM 10 TOOL TIP

#### **Testing The Waters Before Launch**

Fine tuning your seasonal listing for specific demographics? Get live audience feedback on titles, main product images, and more with Helium 10's new A/B split-testing tool, **Audience**. Generate as many polls as you need, and collect quick, easy feedback to validate your product idea.

Create your first poll & gather feedback  $\rightarrow$ 



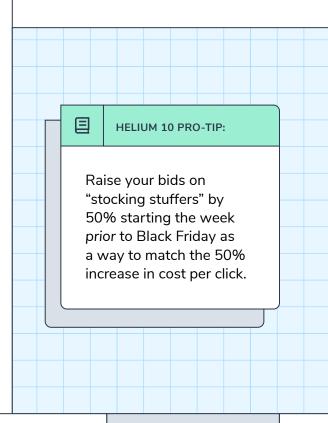
If you anticipate when the seasonal CPC spike will occur, you can proactively set your bids high enough to get a strong placement in the search results. Remember the saying, "You get what you pay for?" Well, paying more for a higher position may be beneficial because better placements usually result in increased sales.

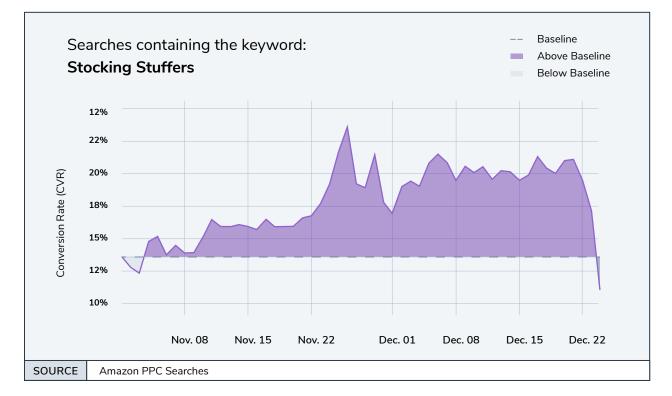
CPC for search terms containing the phrase "stocking stuffers" increased 50% from \$0.80 on November 1st to \$1.20 on Black Friday. This Black Friday spike in CPCs is nearly as high as the spike after the last day to ship has passed. This corresponds with a decrease in impressions also seen on Black Friday. A decrease in CPCs indicates that consumer demand to purchase is outpacing seller demand to sell. As the impressions increase after Black Friday passes, the CPCs drop.

After the Black Friday spike, CPC decreases and stays below \$1 from November 29th through December 7th. December 8th is the beginning of the highest levels of impressions seen during the season (they peak at over 1200% higher than levels seen in early November).

# 50%

Increase in CPC for search terms containing the phrase "Stocking Stuffers" on November 1st 2021





The increase in CPCs during this time indicates that PPC advertising is competitive for 'stocking stuffer' searches. Unlike Halloween, where the peak impression levels led to lower CPCs, in the case of stocking stuffers, the sellers seem to be raising their bids in order to remain competitive during the peak of the season.

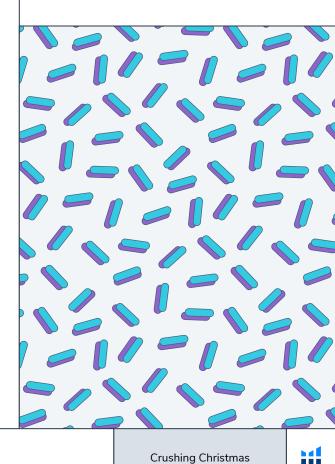
As the conversion rate (CVR) for search terms containing the words "stocking stuffers" remains high from the week prior to Black Friday through the Christmas shipping cutoff date, you should see increased sales offsetting the higher cost per click.

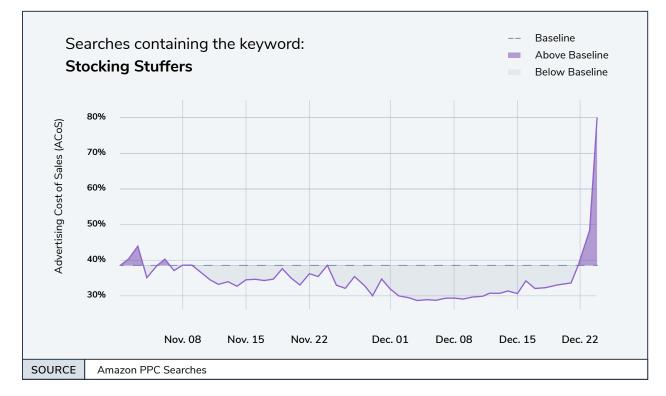
Similar to searches for 'Halloween'. the conversion rate increases as we approach the holiday. We see a stepwise increase in conversion rate when comparing the periods before and after Black Friday.

This suggests that window shoppers make up a greater percentage of the overall traffic prior to Black Friday. The two highest peaks in conversion rate happen in the last week of November but these peaks are both after Black Friday. By December 5th, we see a solid conversion rate that lasts until the last ship date for Christmas delivery.



**Increase** in CVR for search terms containing the words "stocking stuffers" in late November 2021

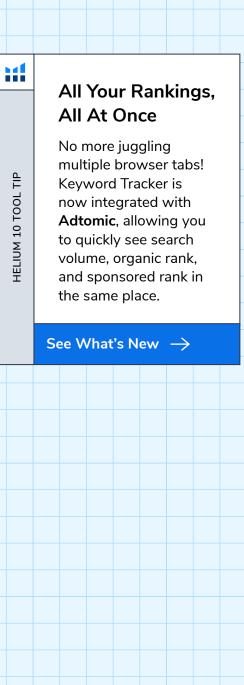




This suggests that window shoppers make up a greater percentage of the overall traffic prior to Black Friday. The two highest peaks in conversion rate happen in the last week of November but these peaks are both after Black Friday. By December 5th, we see a solid conversion rate that lasts until the last ship date for Christmas delivery.

The combination of high CPC with high conversion rates is reflected in the advertising cost of sale, or ACoS, remaining below 40% for the duration of the holiday season. 30-40% ACoS indicates a market that, while it is competitive, still has room to make a profit. Starting around December 5th, ACoS hits the lowest point of the season at 30%, and remains low for two weeks. This lowering of the ACoS during the height of the Christmas season demonstrates how increasing bids during the peak season is justified, as long as conversion rate also increases.

The spike after December 22nd occurs after the shipping deadline for Christmas delivery. Sellers need to remember to lower their bids when the holiday season ends. Otherwise, they will continue to purchase traffic at the elevated CPC levels when the conversion rate has dropped.



#### May 2022 Data Report | Tis the Season: How to Prime your Amazon Business for Q4

CONCLUSION

#### At the end of the day, **the ebbs and flows** of the market are at the mercy of demand.

It's up to us as digital business owners to read the tea leaves, make adjustments, and capitalize on industry trends. Especially if we have the benefit of foresight. Stay prepared and keep the knowledge from this report in your back pocket.

We hope that you feel inspired to add seasonal keywords to your listings, and possibly even add a new product. Now is the time to plan for Q4 so that you can take advantage of this annual influx of consumer spending at the optimal time.

Key Takeaways

Q

Think outside the holiday gift box - Market your smaller-sized products with "stocking stuffer" keywords, even if the item isn't specific to a holiday.

Think ahead, remember to raise your bids on "stocking stuffers" by **50% the week prior to Black Friday.** 

Take advantage of the Helium 10 Chrome Extension by identifying strong Q4 products that also have year-around selling potential. **Don't overthink your price point** Focus on low-cost products instead of the usual, seasonal heavyweights.

Don't neglect Halloween! Use conservative bids until October 7th and raise your bids by 20-50% starting in mid-October. Helium 10 champions entrepreneurship at all stages by creating a space at the intersection of powerful data and ecommerce education where independent sellers can confidently grow their businesses.

A note from Helium 10

With more than 30+ tools for product research, keyword research, listing optimization, operations and analytics, and marketing, Helium 10 brings sellers the most robust data offerings on the market.

Sign up for Helium 10 Free  $\rightarrow$ 



#### **Seasonality Means Opportunity**

Unwrap new, data-driven insights with Helium 10's trend reports. Sign up today to take control of our groundbreaking seller tools for yourself!

Learn More

TIME LIKE THE PRESENT

0 N

THERE'S