National Marker Company YoY Revenue Increases by 761% Using Amazon Advertising

The Situation
Rhode Island manufacturer, National Marker Company (NMC), has been producing high-quality safety identification products for over 81 years. The company comes from an established traditional marketing background, where catalogs were used as a method to market to consumers, licensed distributors and brick and mortar stores.

NMC was facing an industry in flux as competitive landscapes headed more and more toward digital advertising, and they needed to make some aggressive moves to stay ahead. They desired a foundation that would prove successful in the long run and address their challenge of visibility. Amazon was the battleground that needed to be won, but they weren’t sure where to begin.

Opportunity Identified
Derek Falardeau, NMC’s ecommerce manager, saw the writing on the wall for his traditional industrial distribution channel. So, to get ahead and keep up with NMC’s unaltering growth, Falardeau set out to find Amazon Advertising expertise that he could trust. In late July 2017, the company partnered with ROI Revolution to work on their Amazon Advertising efforts.

Falardeau knew there were a few hurdles right out of the gate; they’re a smaller company with a very niche catalog and budgets needed to stay within the guidelines. Additionally, they had a fairly narrow return goal of 10 to 15 percent, which didn’t leave a lot of room for experimentation.

Our Expertise in Action
Once in the account, the ROI team quickly structured NMC’s campaign set-up for Amazon and built out granular Sponsored Products ad coverage for all NMC products. This ensured some form of ad coverage for every product in their catalogue.

Sponsored Products ads were absolutely essential for NMC’s growth. Prior to ROI Revolution, the company only had a couple of campaigns active, so the team hit the ground running on buildouts that were inclusive of all NMC’s different categories, each with their own seasonality. Within the first week of August, the team had built 30 campaigns, and within the first month there were close to 60 active campaigns.
Our Expertise (Continued)

In addition to campaign creation, the ROI team also optimized listings and campaigns for their top hero products that made up most of the account revenue. By utilizing the “80/20 rule”, they were able to make a lot of profitable sales while also gaining market share in less profitable categories with aggressive category targeting.

Along the way, a lot of new product opportunities that were not top of mind for NMC were discovered, and the team was able to exploit those new, profitable areas to keep momentum going.

Results Achieved

The change in traffic and sales was almost immediate. Even during a period that was historically known as the company’s slow season, they were now experiencing steady growth. The team had found the silver bullet that pierced the “seasonality” barrier.

“Our traditional slow season for our distributors didn’t reflect on Amazon.”
- Derek Falardeau, National Marker Company Ecommerce Manager

ROI Revolution took over the account in August 2018. In the time since, year-over-year (YoY) impressions increased by 283%, and YoY clicks also significantly increased by 574% as NMC continues to grow.

Revenue increased 761% YoY with only a 9% increase in advertising cost, resulting in a massive ROAS which far surpassed the client’s goals.

“Amazon has become a much larger contributor to NMC’s total revenue package for the upcoming business year.” - Derek Falardeau

Conclusion

Sponsored Products Aid Discovery. Sponsored Products Ads help customers discover your products seamlessly, they deliver results at a great return when compared to other digital ad units and they are pretty much a must have for a starting place for advertising on Amazon.

Focus on a Range of Product Categories. When only one or two best sellers are making up most of your account revenue, you are at risk if those products go out of stock. This is especially true for 1P vendors who have minimum control over when Amazon decides how much product to order and when to order it. Diversify to cover your bases.