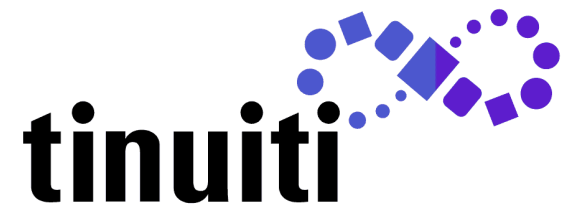


Webinar

30th March 2022 3PM GMT / 10AM ET

Top Marketplace Trends Driving eCommerce



About ChannelSight

We help global brands optimise the digital path to purchase, capture consumer engagement and increase eCommerce sales.

Trusted by over 270 global brands

Whirlpool
CORPORATION

B/S/H/



crucial
by Micron



Perrigo

PHILIPS



GALDERMA
EST. 1981

P&G

Johnson & Johnson

32m+

Retailer sessions
tracked annually

2000+

Active
retail partners

1.5m+

Baskets
generated annually

70+

Active
markets

Webinar Speakers



Bob Dwyer

Account Executive



Ross Keating

Chief Commercial
Officer



Lizzie Allan

Retail Media Specialist,
Marketplaces



David Quaife

Managing Director,
MENA



Pooja Kothari

Marketing
Manager



The Best of Both Worlds: Effectively Combining D2C and Marketplace Sales Channels

Ross Keating

Chief Commercial Officer
ChannelSight

Part 1

The case for both marketplaces and D2C



The age of digital marketplaces

The eCommerce boom has led to an increase in the number of online marketplaces as well as marketplace share of sales.

62.5%

Amount of global online spending that occurred via digital marketplaces in 2020

No surprise: Amazon is still the reigning king

Amazon is still the number three global leader and the number one leader in the United States.

63%

Percent of shoppers who start their search on Amazon



But there are other players as well...

- 40 of the top 100 marketplaces were launched in the last decade
- Walmart Marketplace expands offerings to compete with Amazon
- Launch of Debenhams marketplace
- The fastest-growing U.S. marketplace in 2021 was home furnishings marketplace Chairish



Benefits of marketplaces

Brand awareness and visibility

Brands have the potential to reach a higher number of potential customers.

Lower customer acquisition costs

Due to the customer volume on marketplaces, the cost per acquisition tends to be lower.

Consumer trust

Well-known marketplaces are familiar and instill trust in consumers.

Reach new markets

Marketplaces enable brands to easily expand their reach to customers around the world.

D2C still has a certain lure for shoppers.

- Brands can provide customers a more personalised and engaging experience
- Customers like to go directly to the website for high quality and accurate information
- D2C brands provide convenience through a streamlined path to purchase

+80%

Consumers who are expected to make at least one purchase through a D2C brand within the next 5 years.



One out of five shoppers start their product search on brand sites.

Benefits of D2C

High customer lifetime value

Brands can build more loyalty and engagement with consumers, thus increasing CLV.

Control over brand

Having control over the brand messaging and customer experience are important factors.

Access to consumer data

D2C enables brands to collect valuable first-party data from customers.

Higher margins

Brands can sell products on D2C at retailer prices, therefore increasing profit margins.

Part 2

Combine and Conquer

You can have your cake and eat it too.

Brands don't need to choose one or the other.
The most successful brands capitalise on a
combined D2C and marketplace strategy.

+248%

Average conversion rate increase by
switching from pure DTC to a hybrid model



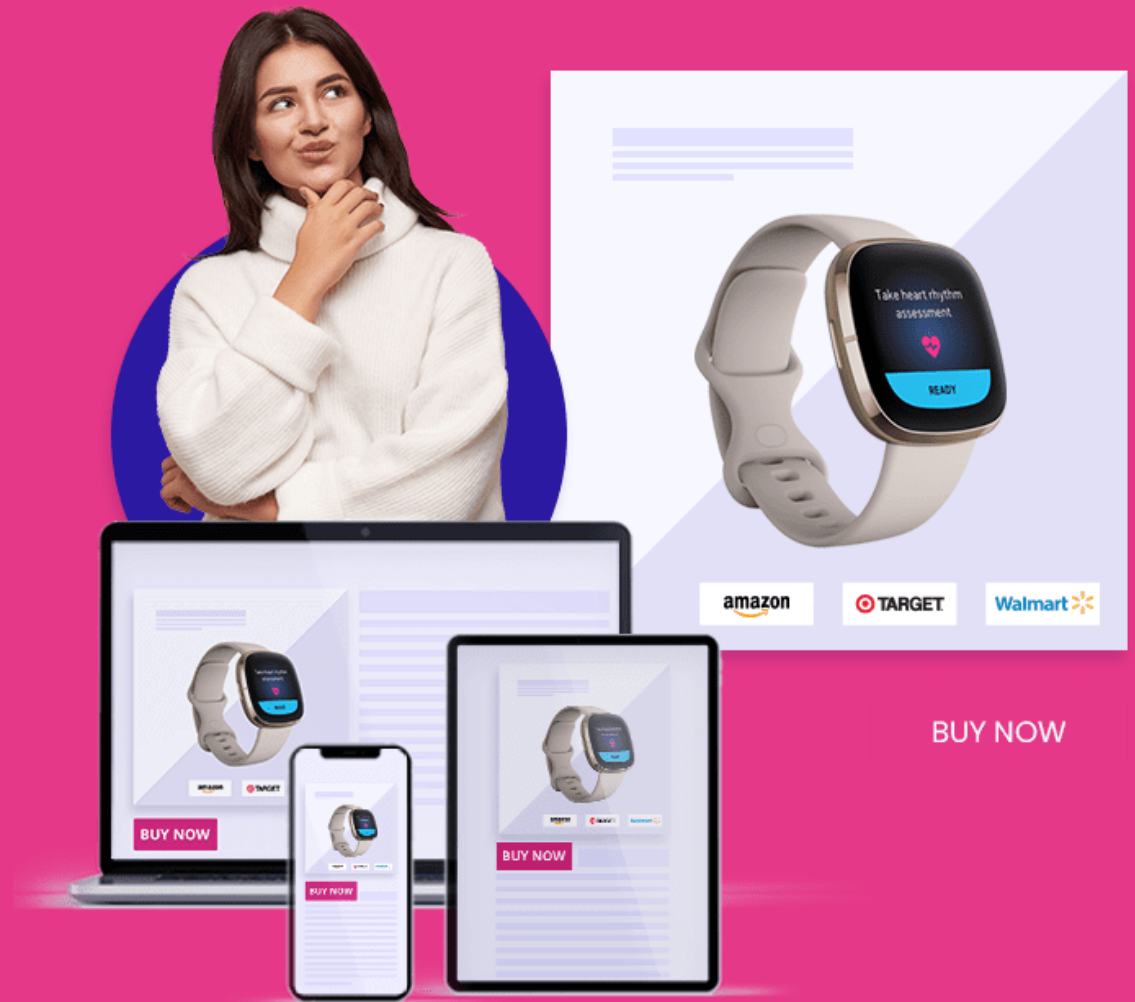
How does a hybrid strategy work?

Hybrid provides consumers an easy route to wherever they prefer to shop – whether that be D2C or through a marketplace. Hybrid models are key for eCommerce conversions



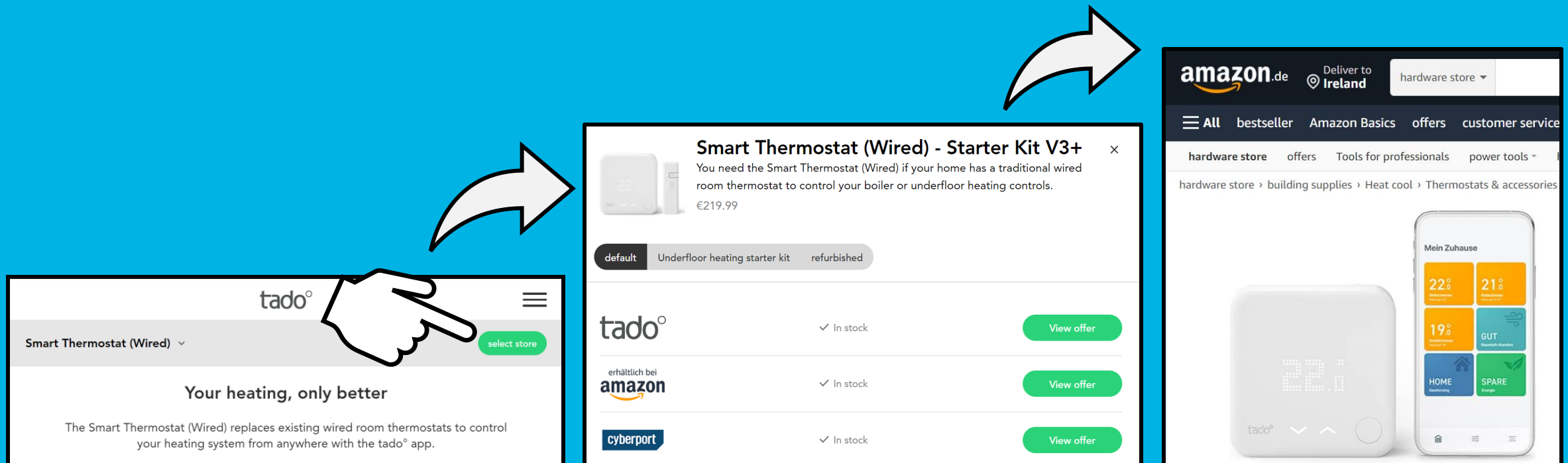
Step 1: Focus on the omnichannel consumer journey

Create integrated experiences between brand site and retailers. Consider the whole omnichannel consumer journey, not only the brand sales funnel.



Tip: A 'select store' button gives customers options and convenience

B2C technology manufacturer, Tado°, seamlessly directs customers from their product pages to preferred marketplaces.



Tip: Customise sales channels for each product

Hoover directs customers to retailers and marketplaces for products that perform better on those sites. For top-selling products, the D2C 'Buy Now' button is more prominent.

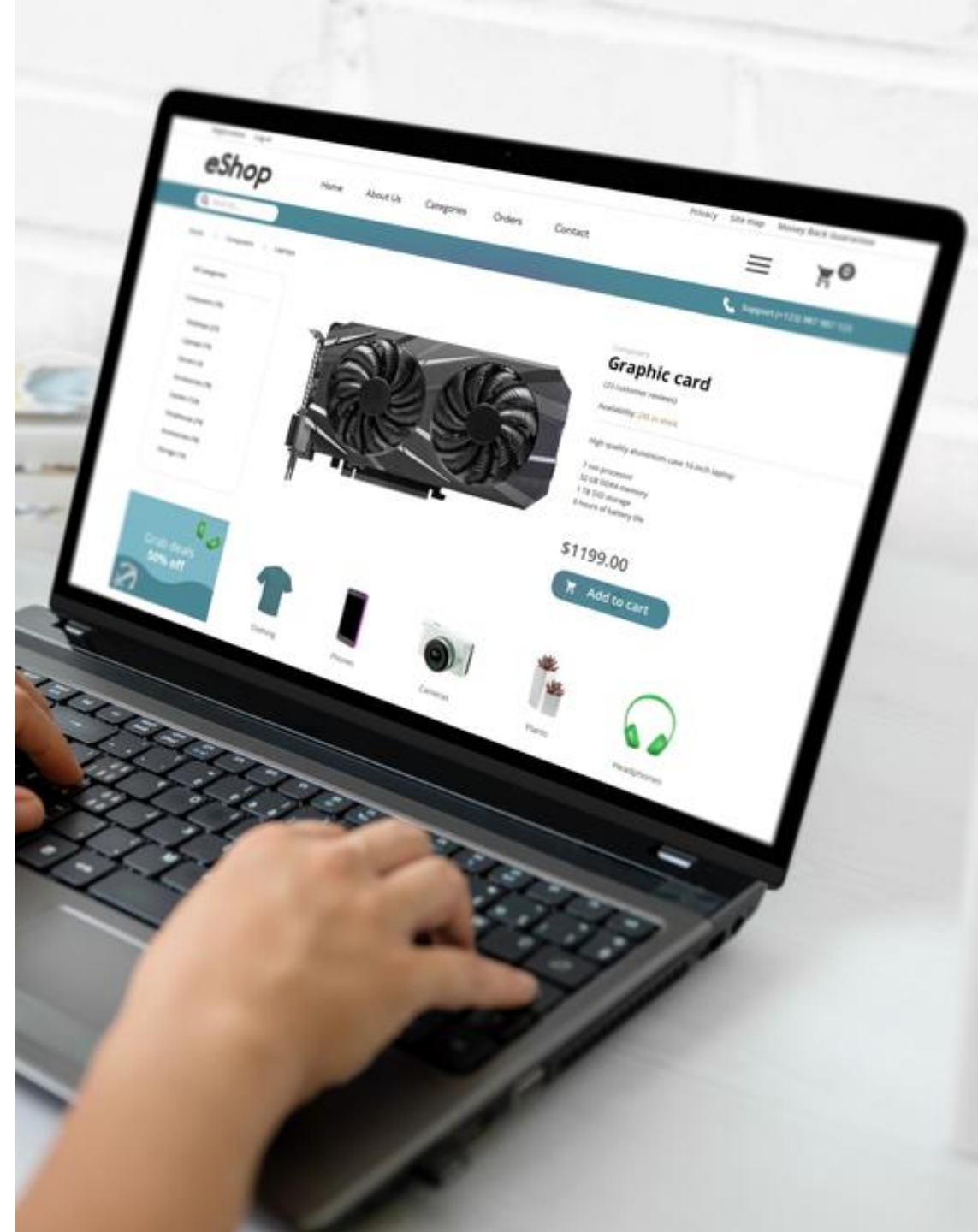
The image shows two side-by-side product pages for Hoover vacuums. The left page is for the H-HANDY 700 EXPRESS (HH710M 001) and the right page is for the JOVIS PLUS (SM550AC 001). Both pages display product images, ratings, specifications, and purchase options. A hand icon points to the 'BUY NOW' button on the left page, and another hand icon points to the 'BUY FROM A RETAILER' button on the right page.

Product	Model	Rating	Voltage (V)	Dry capacity	Run time (min)	Function	Primary Button
H-HANDY 700 EXPRESS	HH710M 001	8.3 out of 10	11.1	0.15	12	Dry	BUY NOW
JOVIS PLUS	SM550AC 001			0.5	Continuous		BUY FROM A RETAILER

Buttons at the bottom of each page: 'Add to compare' with a minus sign icon.

Step 2: Maintain control over your digital shelf

Monitoring your digital shelf is key to maintaining brand reputation and product performance. Ensure you have a reliable and efficient way to maintain control over how your products are being displayed on marketplaces.



Tip: Keep an overview of all product content

Selling on marketplaces doesn't mean brands have to lose control over product listings or brand messaging.

A digital shelf tool can automate this to ensure marketplace content is as high quality and accurate as D2C content.



Step 3: Leverage data from D2C and marketplaces

Integrating data from marketplaces with first-party consumer data from brand sites can provide a richer understanding of customers.



Tip: Leverage basket composition data from marketplaces

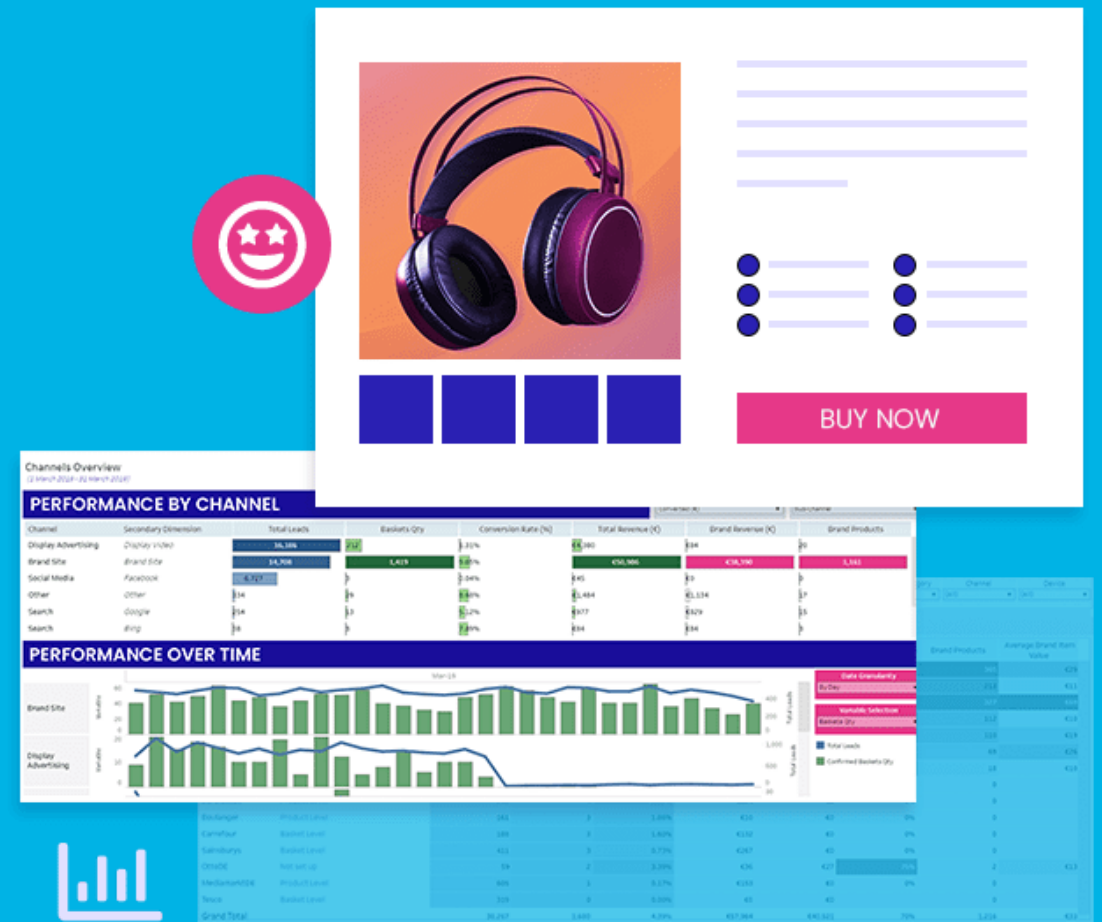
Basket composition data provides a wealth of information about consumer shopping habits that can be used for product bundles and recommendations.



Tip: Integrate data sources from brand site and marketplaces

Focus on data integration, building your own data banks, and enriching your CRM.

Data integration can be used for user journey analysis, audience segmentation and lookalike targeting.



Recap

1

Focus on the entire omnichannel consumer journey

2

Maintain control over your digital shelf

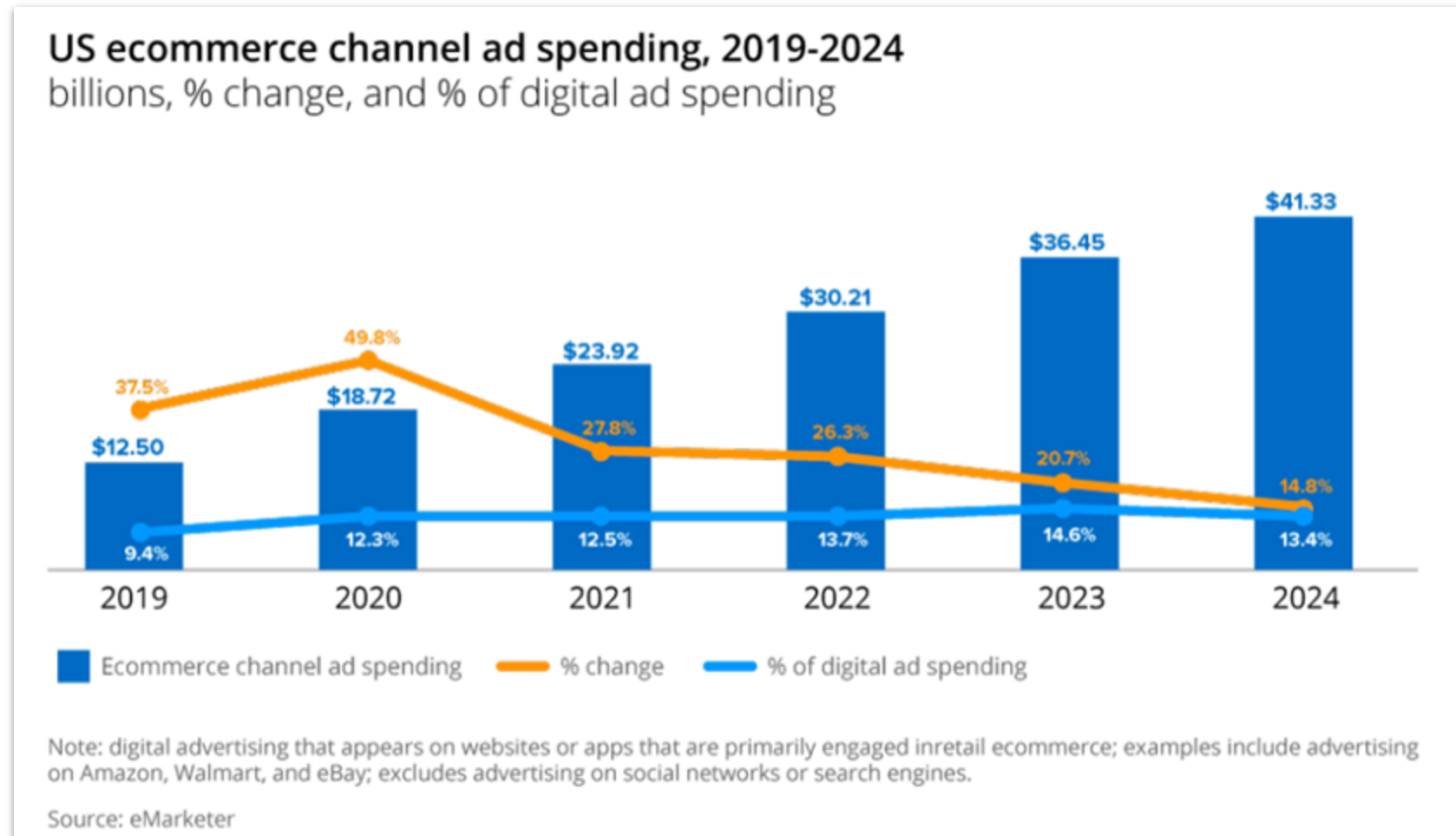
3

Take advantage of both D2C and marketplace data

Marketplace Advertising Trends in 2022

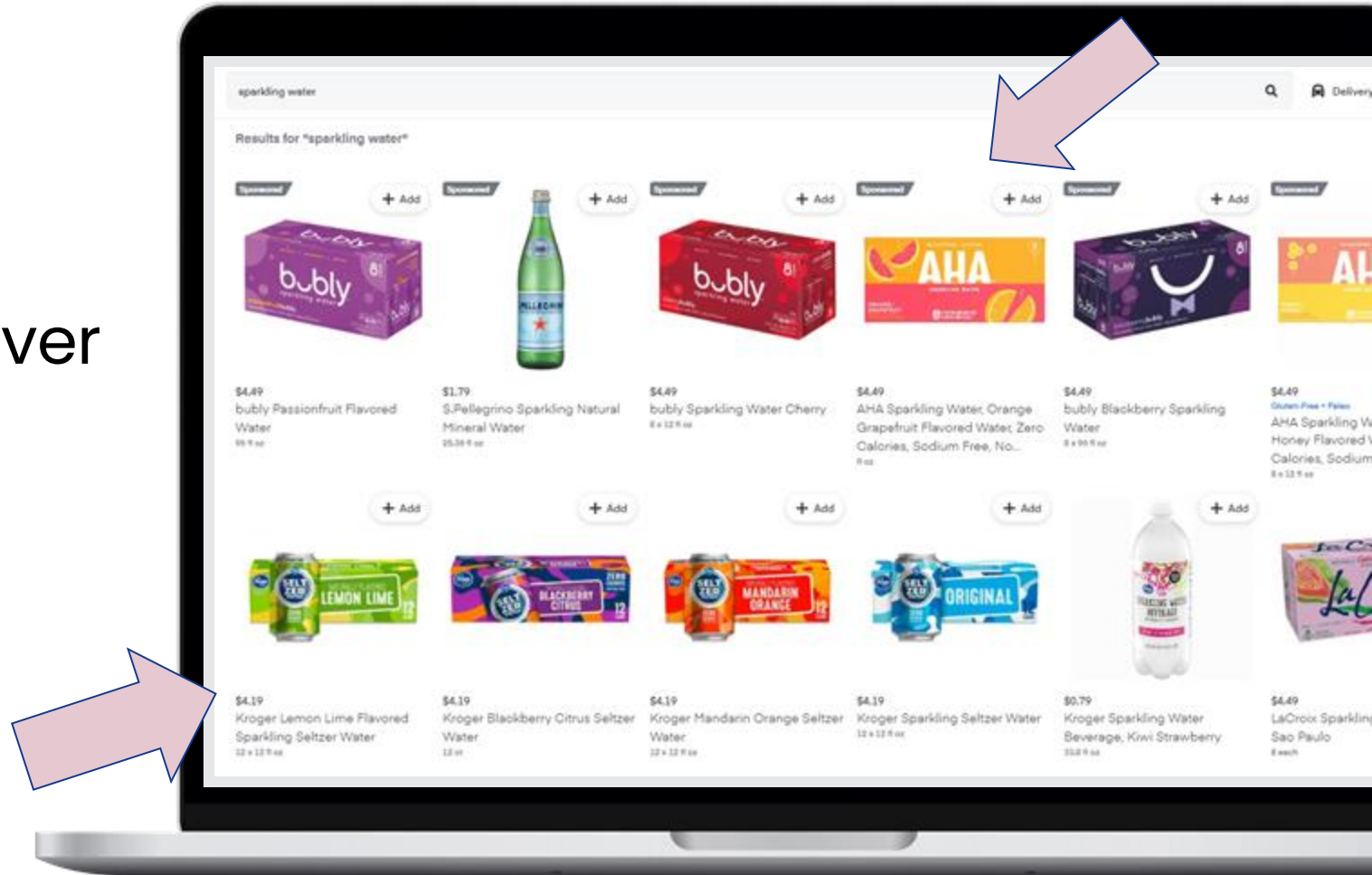


E-Commerce is growing, and so is the need for Advertising



Trend #1: Diversifying Advertising Channels

There's more noise than ever for Paid and Organic placements



The benefits of expanding your advertising investment in new marketplace channels can include:

- Increasing your Customer Base
- More Data Insights
- More Testing Opportunities

Trend #2: Staying Flexible

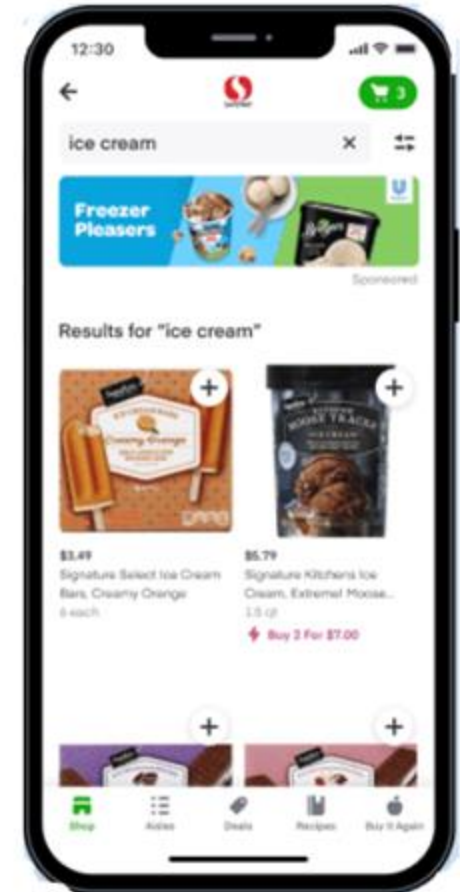
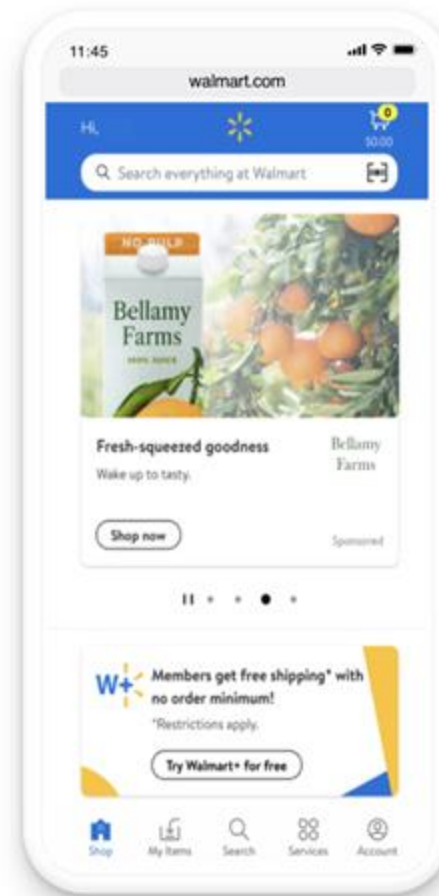
	RETAILER		
BIG BOX/REACH	Walmart	Target	Kroger
LAST MILE	Instacart	goPuff	Shipt
DRUG/BEAUTY	Ulta	CVS	Walgreens
HOME	Wayfair	Home Depot	
DEPARTMENT STORES	Macy's	Kohl's	
ELECTRONICS	Best Buy		
PETS	Petco		
OUTSIDE OF THE US	Sainsbury's	ASDA	Morrisons
PROPRIETARY RETAILER-SPECIFIC PLATFORMS	Walmart Connect	Walmart	Target
SELL-SIDE PLATFORMS	Criteo	PromoteIQ	CitrusAd
PROGRAMMATIC PLATFORMS	theTradeDesk	Display & Video 360	

Trend #3: Display












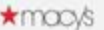









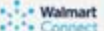






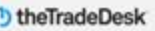

- Instacart (Self-Service):
 - Behavior Targeting
 - Keyword Targeting
- Walmart:
 - DSS

Additional Display Opportunities:

- Target



How to Choose the Right Channel for Your Brand

RETAILER	
BIG BOX/REACH	Walmart  TARGET  Kroger 
LAST MILE	Instacart  goPuff  Shipt 
DRUG/BEAUTY	ULTA  CVS  Walgreens 
HOME	wayfair  Home Depot 
DEPARTMENT STORES	macy's  KOHL'S 
ELECTRONICS	BEST BUY 
PETS	petco 
OUTSIDE OF THE US	Sainsbury's  ASDA  Morrisons  Instacart  Walmart  Home Depot 
PROPRIETARY RETAILER-SPECIFIC PLATFORMS	Walmart Connect  Walmart  TARGET  Kroger 
SELL-SIDE PLATFORMS	criteo  PromoteIQ  CitrusAd 
PROGRAMMATIC PLATFORMS	theTradeDesk  Display & Video 360 

Considerations:

1. Timing
2. Budget
3. Stock and Merchandising
4. Performance Goals

Schedule Your Consultation with a Tinuiti Expert





ENTERING THE MIDDLE EAST ON MARKETPLACES

David Quaife

General Manager MENA, Pattern



WE'RE THE BEST AT WHAT WE DO

#5

Amazon Seller
Globally

+850,000

Units Shipped
Monthly

5*

Tmall Trade Partner

60

Countries Selling In

\$500m

Global Revenue

\$225m

Series B Funding

BRANDS WE ACCELERATE

We represent a portfolio of 100+ consumer brands on global marketplaces, taking care of every aspect of listing, marketing and selling their products



Panasonic

 Black Diamond

YOGI TEA[®]
ORGANIC

 BOSCH



KONG



pure
encapsulations

 TATA
STRYDER

 PROTOCOL
FOR LIFE BALANCE[™]

BURT'S BEES[™]

 klean
ATHLETE.
NUTRITIONAL SUPPLEMENTS

 ZEBRA

PANDORA

Google

 CORAVIN[™]
Stop opening, start tasting.

Whittard
CHELSEA 1886

 Standard
Process

havaianas[™]

 DOUGLAS
LABORATORIES[™]

Moët Hennessy

THORNE[®]



feetures

FOREO

Holland & Barrett

 Skullcandy

OMRON

ICONIC
LONDON

VITAL
NUTRIENTS

evo[®]

speCtra[®]

INTEGRATIVE
THERAPEUTICS[™]

SLENDERTONE[®]

 Owlet

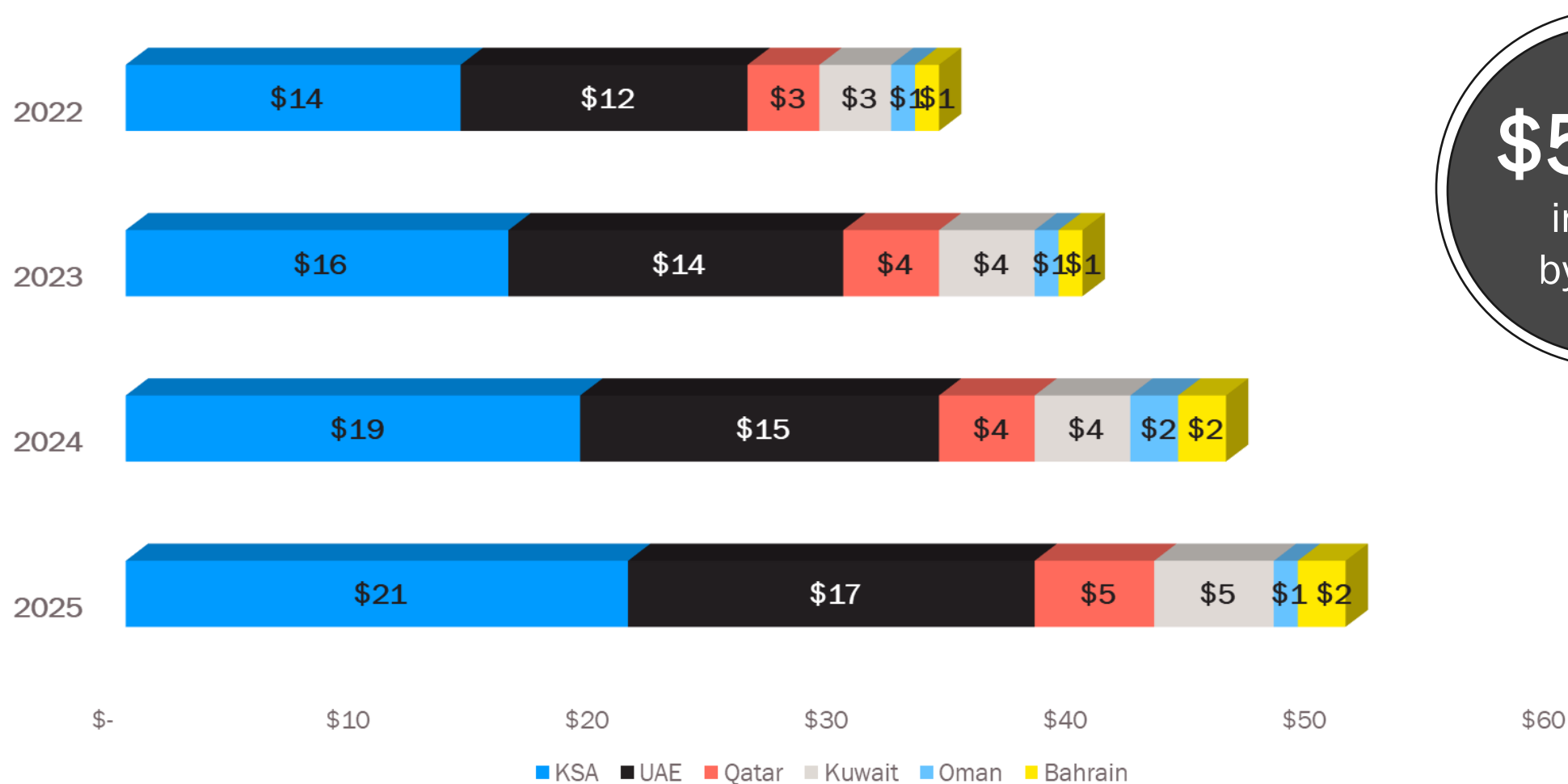
WHY THE MIDDLE EAST?

THE OPPORTUNITY FOR US AND EUROPEAN BRANDS TO DRIVE INCREMENTAL
SALES IN THE MIDDLE EAST'S FAST GROWING ECOMMERCE MARKETS



Ecommerce is thriving across the GCC

Projected Annual Ecommerce Sales for the GCC Markets in US\$billions



\$50bn
in GMV
by 2025

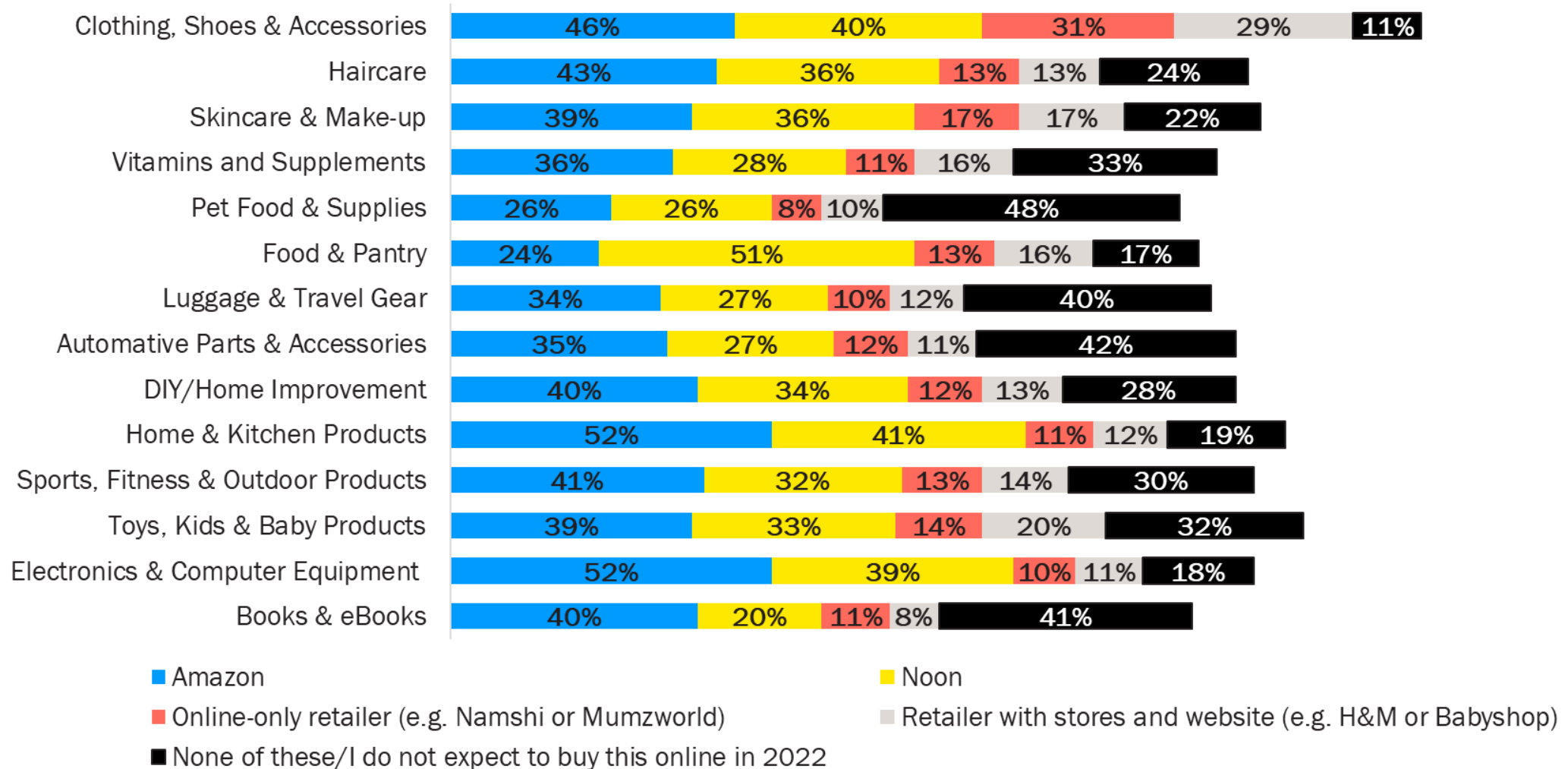
The Amazon logo is displayed in black on a semi-transparent grey rectangular background. It features the word "amazon" in a lowercase, sans-serif font, with a curved arrow underneath it pointing from the letter 'a' to the letter 'z'.

amazon

The Noon logo is displayed in black on a semi-transparent grey rectangular background. It consists of a stylized circular icon on the left, followed by the word "نون" in Arabic script and the word "noon" in lowercase English script on the right.

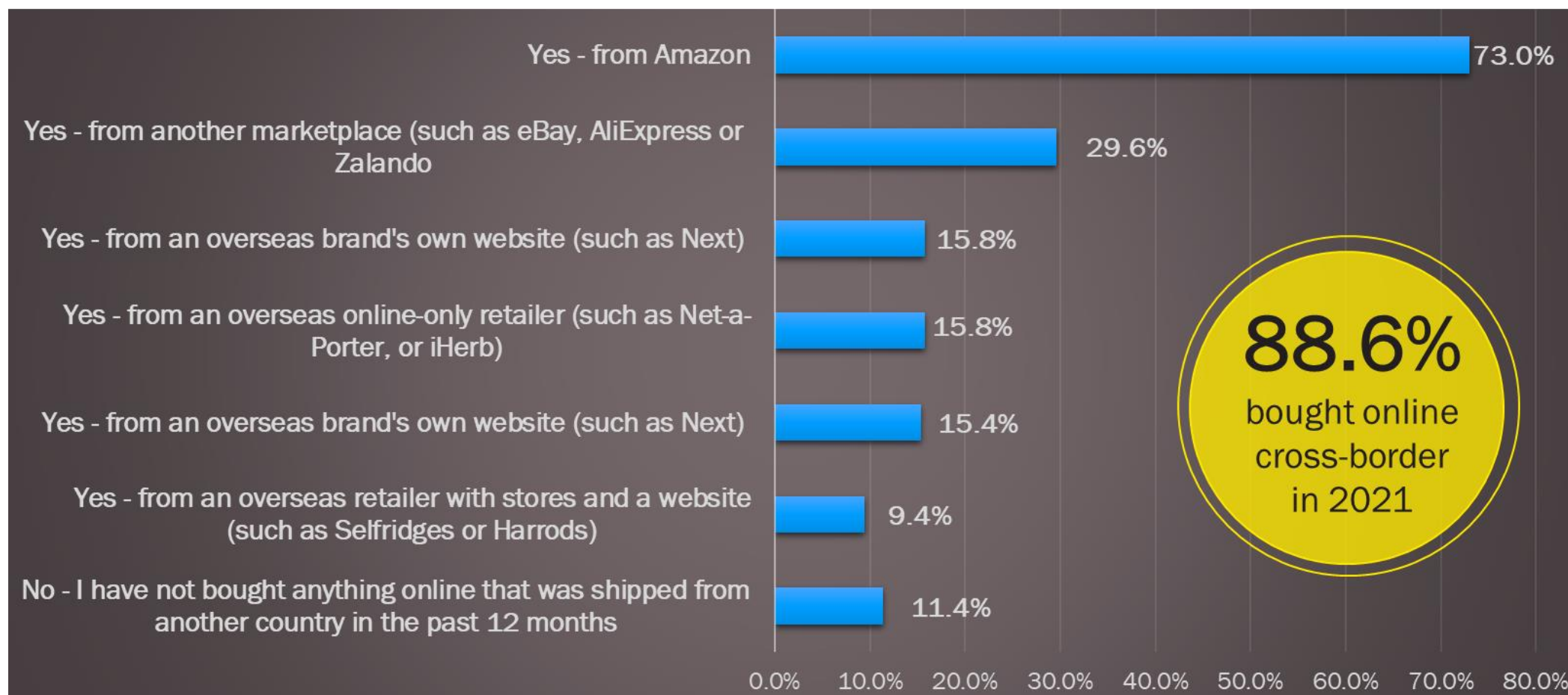
نون
noon

Where the UAE's online shoppers buy from



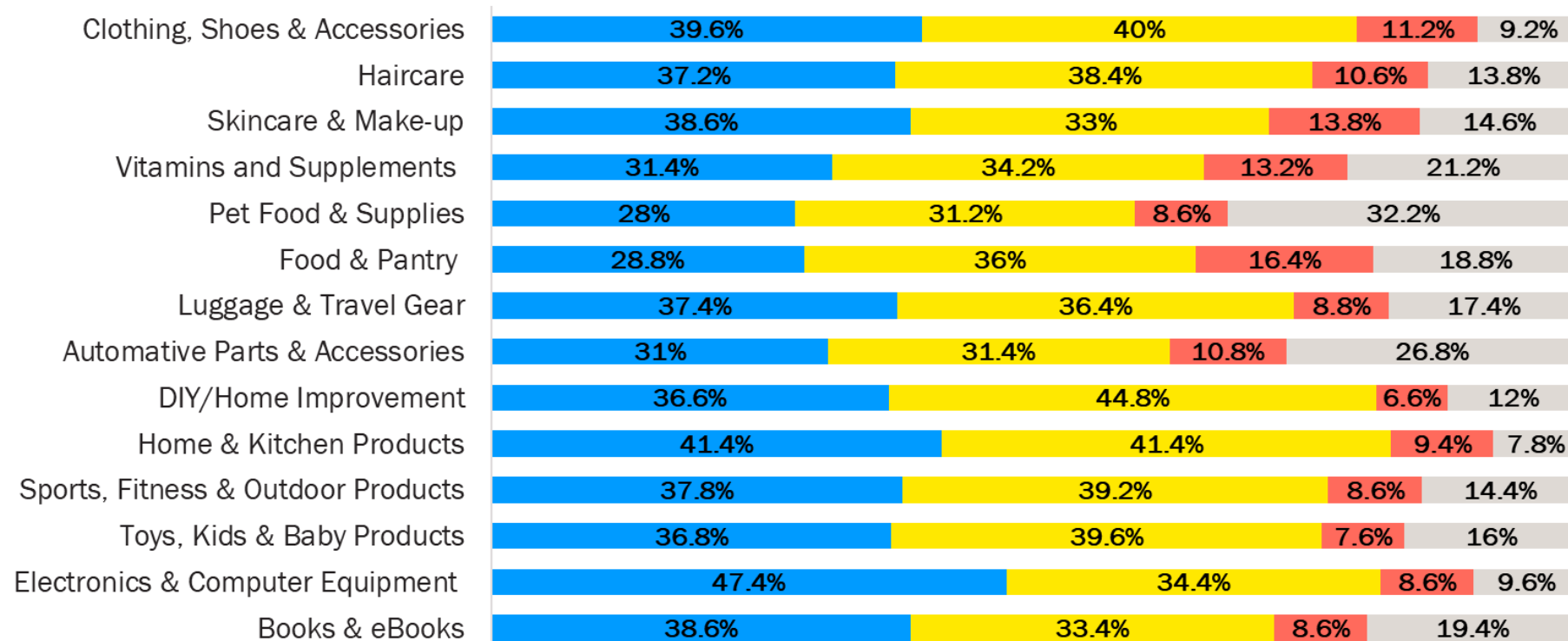
Our consumer polling shows unmet demand

Have you bought any products online that have been shipped overseas in the past 12 months?



Amazon is considered for many categories

How likely are you to buy from Amazon.ae in the future?



■ Amazon is my first choice in the future

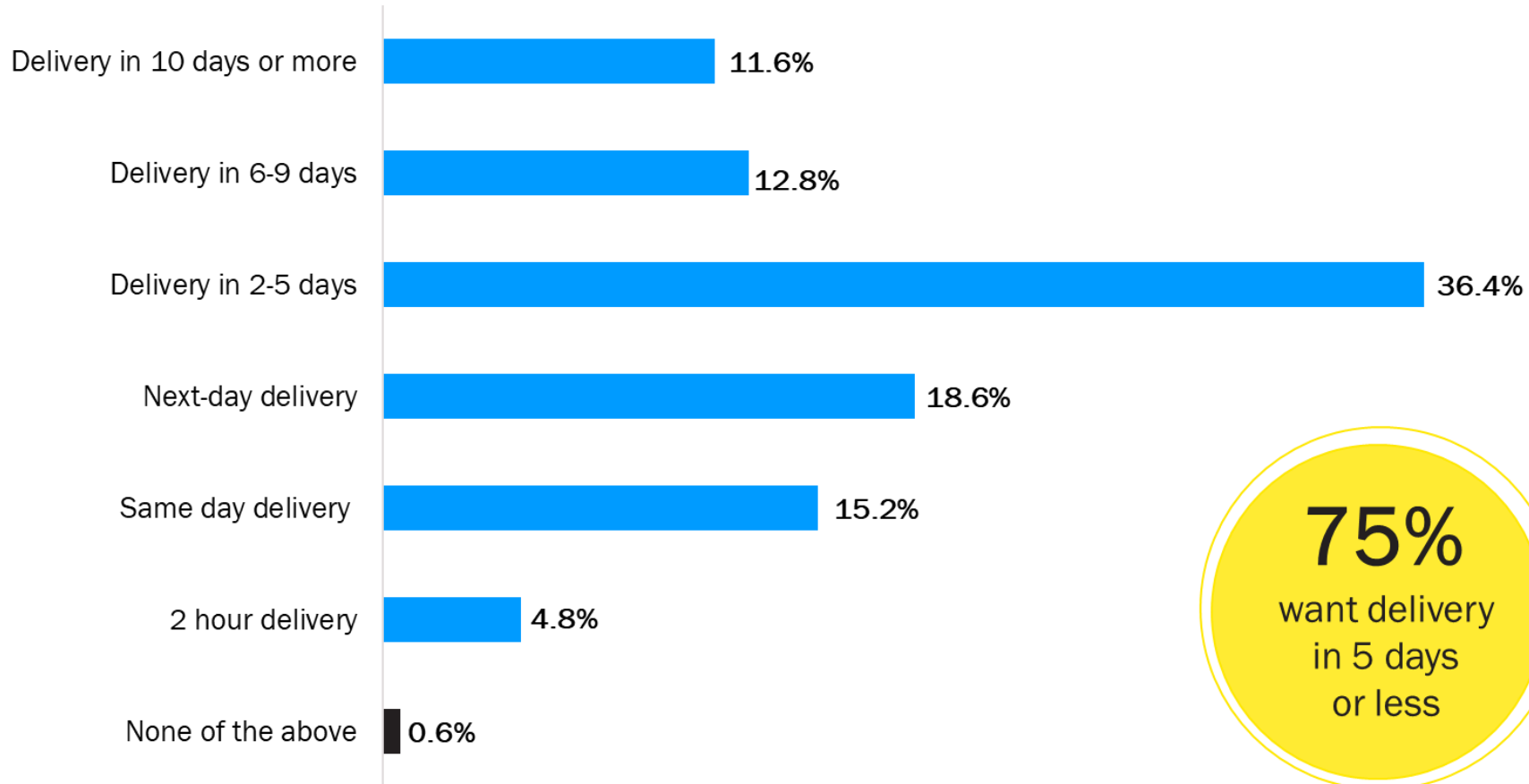
■ Amazon is one of the retailers I would consider

■ I would not consider Amazon for this item

■ I never buy this/not sure

Consumers want relatively fast delivery

When you are buying non-essential products online (not including groceries)
what is the longest delivery timeframe you are prepared to accept?



75%
want delivery
in 5 days
or less

REAL-LIFE EXAMPLES

ACHIEVING CONTROL & GROWTH ON MARKETPLACES



LAUNCHING A US BRAND ON AMAZON IN THE MIDDLE EAST

CHALLENGE

US supplements brand Thorne needed support to launch in the United Arab Emirates, and particularly to list on Amazon.ae. This included support with registering its products, so they could be sold locally, rather than cross-border.

APPROACH

- Pattern became the brand's authorised Amazon seller in the UAE, and used a local third-party certifier to have the brand's products registered for sale in market.
- We developed a robust launch strategy for the brand, considering sell-through rates, dates of cover, campaign forecasts and lead times, to avoid OOS situations.
- Pattern was able to quickly build Thorne's Amazon.ae brand store and create A+ content for listings by reusing product and brand content from Amazon's US site.

RESULTS

- Thorne's sales are now 500% the first full month of trading after seven months
- The brand participated in Amazon's Emerging Brand Day in Q1 2022
- Pattern is now expanding the brand's Middle East channels to market with distribution to physical retail stores



THORNE



STABILISING PRICE & POLICING THE MARKETPLACE

CHALLENGE

Slendertone was being sold by Amazon in the UAE, but struggling to stand out amongst a number of sellers offering cheaper alternatives that did not work as well as its products. The brand also felt that Amazon's discounting was damaging to its brand positioning.

APPROACH

- Pattern became the brand's authorised Amazon seller in the UAE, and it stopped selling directly to Amazon.
- We worked with the brand to take down unauthorised sellers, who were using the brand's name or selling fake products. We identified key grey market sellers and the source of their stock; so the brand could cut off their supply.
- We aligned with the brand's commercial strategy and list products at RRP.

RESULTS

- An average of 89% growth in the UAE over a period of nine months.
- Sales growth from 2019 – 2020 was +178%
- Prices have stabilised, they had dropped 31% between 2018–2019 while being sold directly by Amazon.



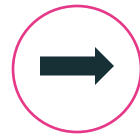
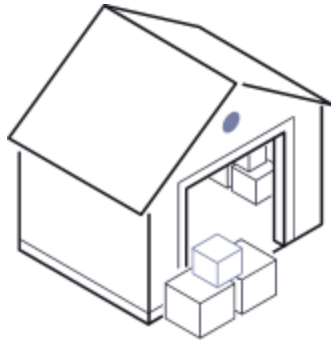
178%
sales uplift

A photograph of a smiling man with dark hair and a beard, shirtless and wearing grey athletic shorts. He is wearing a black Slendertone abdominal toning belt with a blue control unit. The background is a blurred outdoor setting with greenery and hills.

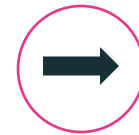
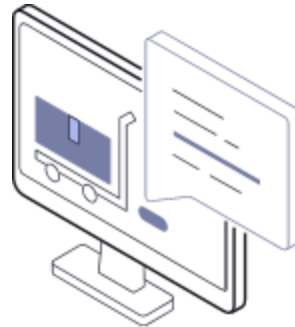
Make us your Middle East Distribution partner

WE CAN ACT AS YOUR DISTRIBUTOR FOR ONLINE & OFFLINE CHANNELS

WE BUY YOUR STOCK



WE LIST ON MARKETPLACES



WE GROW YOUR BUSINESS



YOU SHIP TO OUR FACILITY

Pattern acts as an extension of your brand. Our aim is to be a seamless extension of your

AND SUPPLY PRODUCT TO AGREED RETAIL PARTNERS

Pattern gets your product listed with the right retailers for your brand - and lists on

WE REPORT BACK

We will grow your sales through your chosen channels and share everything we learn

Thanks for listening

Pattern is the category leader in global ecommerce and marketplace acceleration. As well as being one of the largest Amazon sellers in the world, we are also present on Noon, Tmall, JD.com, eBay and other marketplaces.

Our unique model delivers growth and control to consumer brands selling on Amazon, with Pattern taking care of every aspect of their Amazon presence, utilising our proprietary technology to optimise and report on key success metrics. Unlike an agency, we buy stock from our brand partners; and so when you sign up to work with Pattern, we pay you.

For more information on how we work and to arrange a time to chat:
mena@pattern.com

Amazon 2021 Advertising Benchmarks By DataHawk

Insights on Amazon Advertising
KPIs from DataHawk's User Base

Agenda

1. What Makes a Good Advertising Benchmark?
2. How Brands Allocate Their Ad Spend
3. Amazon Advertising Throughout the Year
4. Amazon Holiday Advertising Trends

1

What Makes a Good Advertising Benchmark?



Advertising Benchmarks

This table is a breakdown of DataHawk users' performance vis-a-vis key advertising metrics for each of the different Amazon ad types.

The table is segmented into bottom quartile, median, top quartile, and average to provide perspective on how Amazon businesses performed in 2021.

Monthly Amazon Seller Metrics						
Sponsored Products 98.32%	Quartile	Sales	CPC	Conversion Rate	RoAS	ACos
	Bottom	\$6,070	\$0.69	7.18%	2.3x	19.4%
	Median	\$33,713	\$1.03	11.43%	3.6x	27.6%
	Top	\$130,866	\$1.48	17.98%	5.1x	42.6%
	Average	\$180,560	\$1.21	13.19%	2.4x	40.6%
Sponsored Brands 75.08%	Bottom	\$770	\$0.61	4.57%	1.9x	22.2%
	Median	\$4,327	\$0.89	8.37%	3.1x	31.9%
	Top	\$17,126	\$1.36	13.52%	4.5x	51.8%
	Average	\$20,460	\$1.14	9.74%	1.9x	53.6%
Sponsored Brands Video 80.47%	Bottom	\$1,819	\$0.80	7.41%	2.4x	22.6%
	Median	\$5,996	\$1.02	11.27%	3.3x	30.2%
	Top	\$18,904	\$1.39	16.57%	4.4x	41.3%
	Average	\$20,645	\$1.21	12.60%	2.7x	36.7%
Sponsored Display 82.15%	Bottom	\$218	\$0.64	3.31%	1.2x	28.7%
	Median	\$1,024	\$0.90	6.01%	2.4x	41.5%
	Top	\$4,003	\$1.33	9.84%	3.5x	79.7%
	Average	\$5,678	\$1.04	7.34%	1.3x	74.1%

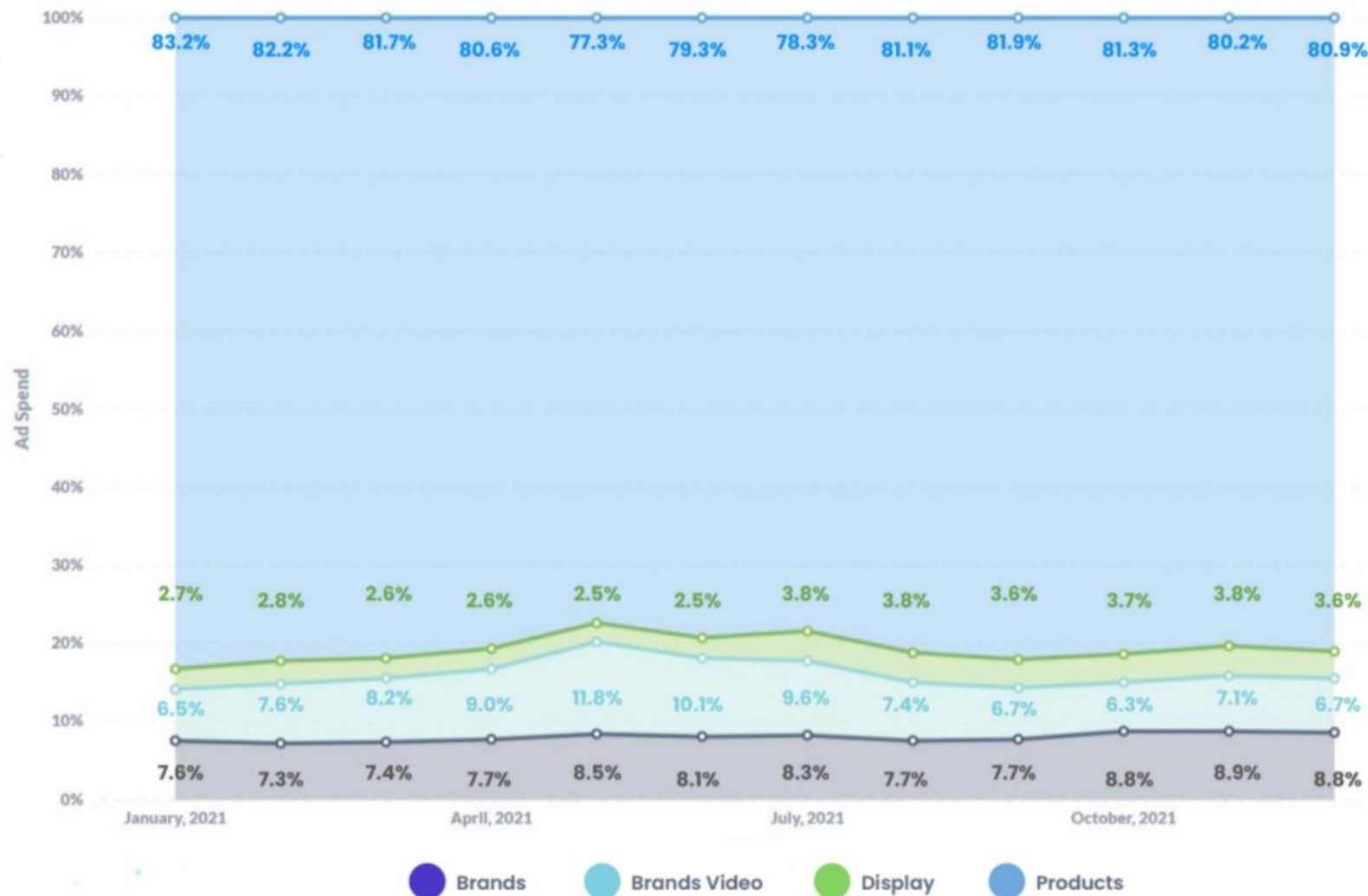
2 How Brands Allocate Their **Ad Spend**



Allocation of Ad Spend

Amazon brands allocate on average **81% of their ad budgets to Sponsored Product ads**, making them the most popular ad type.

In **May**, when ad spend on all other ad types was reduced, **Sponsored Brand ads** and **Sponsored Brand Video ads** increased significantly, presumably because of **Prime Day in June**.



3 Amazon Advertising Throughout the Year



Weekly Median RoAS



Products ads were the most efficient ad type 42-weeks of the year.

Brands Video ads generated the highest RoAS from Nov. 22 (3.9x) to Dec. 19 (4.2x).

Brands ads had notable spikes, surpassing Sponsored Products, during the weeks of Apr. 5-11, Jul. 19-25, and Sep. 6-12.

Display ads delivered the greatest increase (42%) between May 16 and June 16, registering an upsurge of 39%.

Weekly Median ACoS



The average Amazon seller had an ACoS between 25.3% and 31.6% throughout the year.

Sponsored Display ads appeared to be the most expensive ad type all year round.

Weekly Median Conversion Rate



Conversion rates for **Sponsored Brand ads** reached highs of roughly 10% in mid-October and late-June, with lows in early-June. Conversion rates for **Sponsored Brand Video ads** follow a similar pattern as those for Sponsored Brand ads.

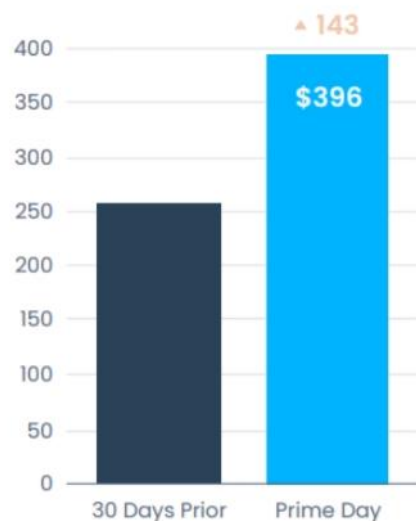
Sponsored Display ads had the highest conversion rates in mid-June, followed by March. **Sponsored Product ads** peaked in June, July, and November, with troughs in early January, February, and April.

4 Amazon Holiday Advertising Trends

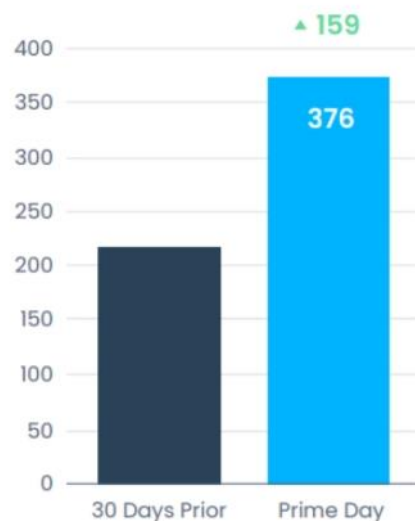


Prime Day Deep Dive

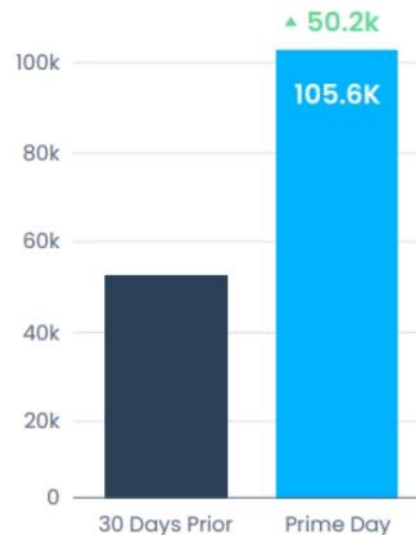
2-Day Ad Spend



2-Day Clicks



2-Day Impressions

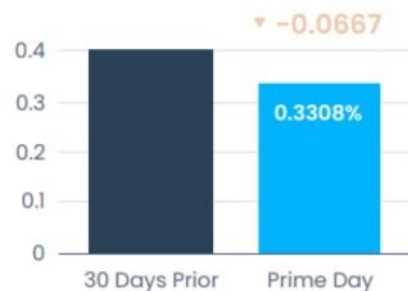


Ad Spend increased by **143**

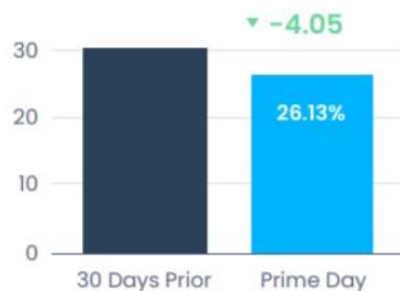
Clicks increased by **159**

Impressions increased by **50.2k**

CTR



ACoS



CPC



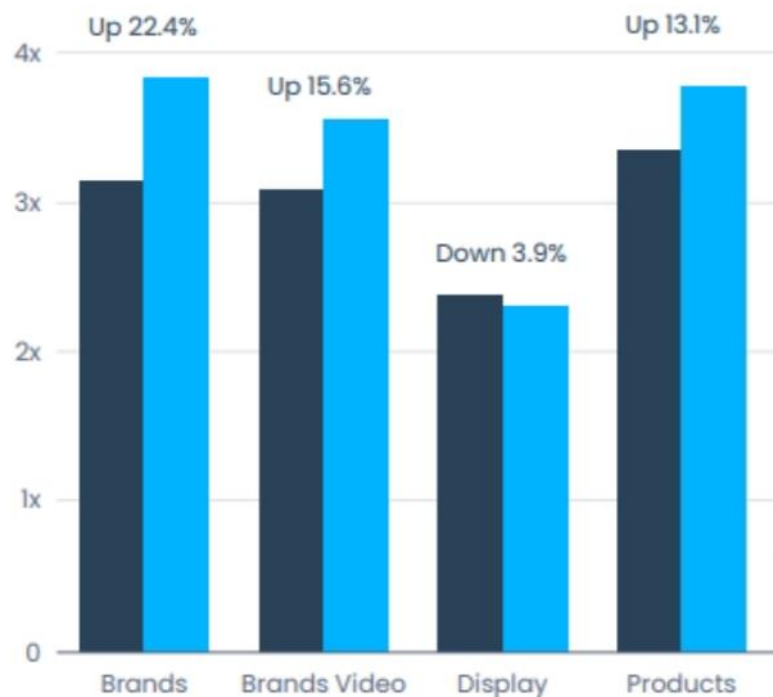
CTR decreased marginally, **0.0667**

ACoS decreased **4.05**

CPC increased minimally, **0.008**

Prime Day Deep Dive

RoAS Segmented by Sponsored Type

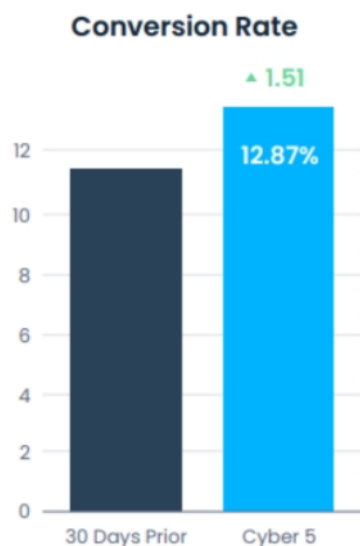
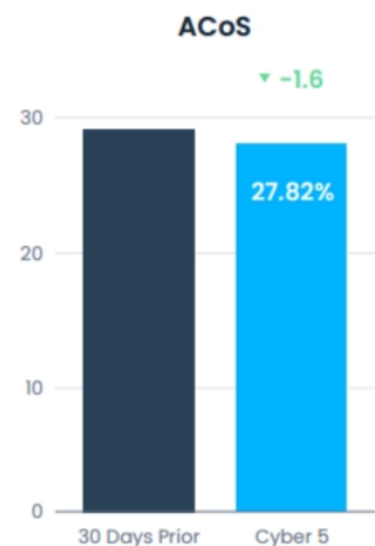
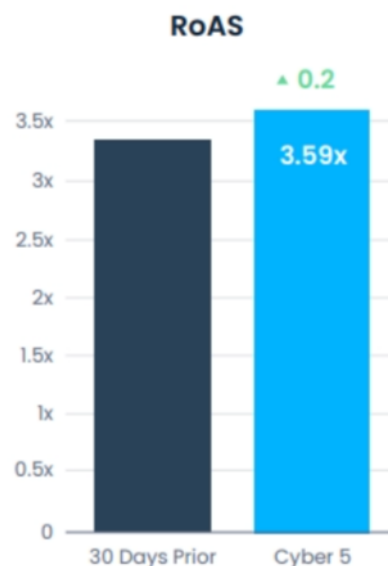
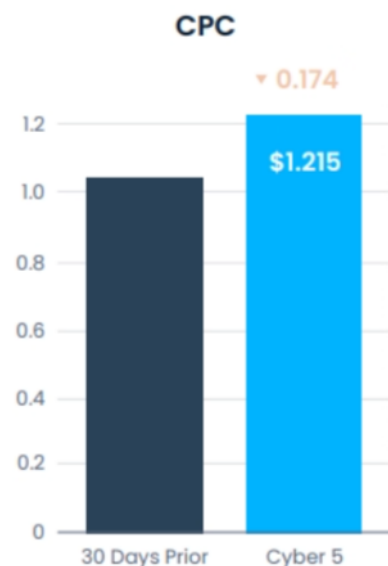
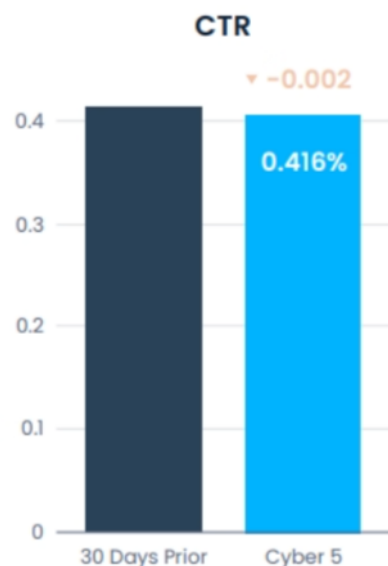


Sponsored Display ads were the only campaign type that decreased in terms of RoAS on Prime Day.

For **Sponsored Products** and **Sponsored Brands Video ads**, RoAS increased by at least 13% compared to the 30 days before Prime Day.

Sponsored Brands ads outperformed all other ad campaigns during Prime Day with a 22% increase in RoAS.

Cyber Five Deep Dive



Cyber Five is the period from Thanksgiving to Cyber Monday

CTR decreased negligibly, **0.002**

CPC decreased marginally, **0.174**

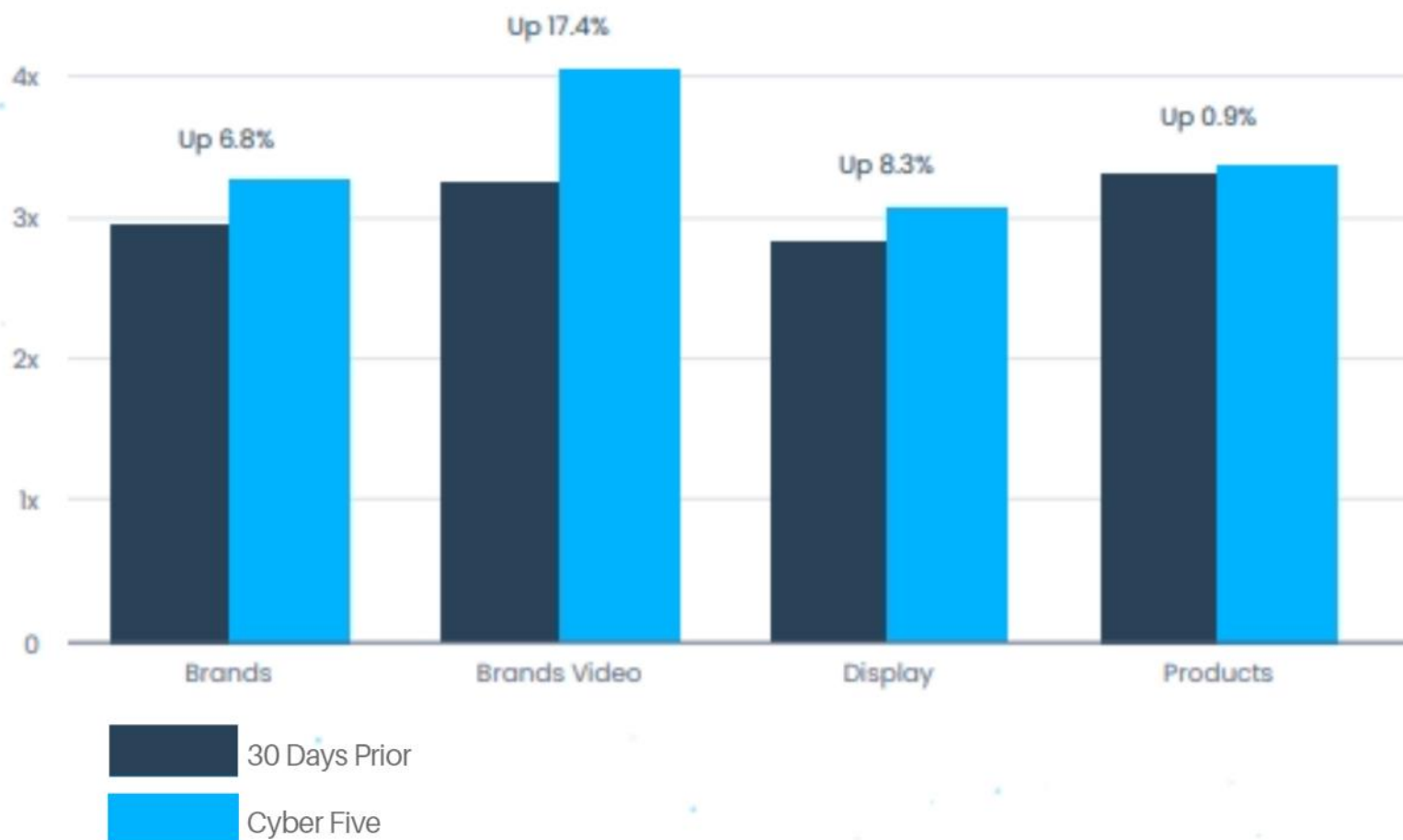
RoAS increased **0.2**

ACoS decreased **1.6**

Conversion Rate increased **1.51**

Cyber Five Deep Dive

RoAS Segmented by Price Group



RoAS improved during Cyber Five compared to the weeks prior, albeit by a marginal amount for **Sponsored Product ads** compared to the rest. Among the campaign types, **Sponsored Brands Video** ads yielded the highest return.

Sponsored Brands: Up 6.8%
Sponsored Brands Video: Up 17.4%
Sponsored Display: Up 8.3%
Sponsored Products: Up 0.9%

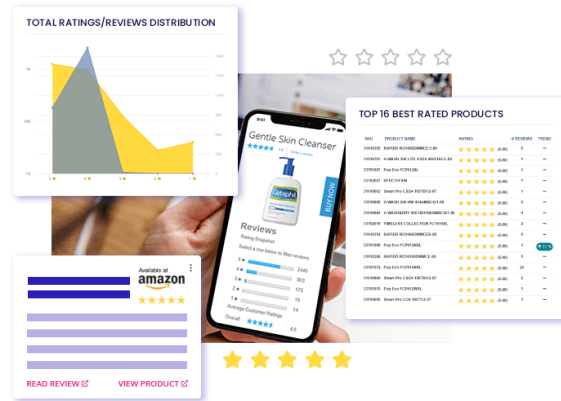
Q&A

Let us help you boost your marketplace sales



Where to Buy

Make your website and online content instantly shoppable, while gathering detailed consumer journey insights.



BUY NOW



Digital Shelf

Monitor your products' content, ratings, reviews, prices, and inventory levels on every retailer site or marketplace you sell on.

2000+

Active
retail partners

70+

Active
markets

270+

Global
brands

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Thank You



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