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**TouchPoints**<sup>®</sup>  
SPECIAL REPORT

# **PRIME DAY AND BEYOND:** *WHY YOU DON'T HAVE TO SELL ON AMAZON TO REAP THE REWARDS OF THE MIDSUMMER SALES EVENT*

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## INTRODUCTION

Over the past **10** years, Prime Day has become a critical sales event for brands, especially for the countless **small- and medium-sized sellers** that rely on Amazon to grow their businesses. And Amazon revealed that the July 2024 event was its **most successful iteration** to date — largely due to the **millions of new members** who signed up for Prime in the **three** weeks leading up to the event's start.

But Prime Day's impact has permeated the entire retail industry, with direct competitors like **Target** launching their own **midsummer sales holidays** and brands designing their own unique campaigns to ride the wave of consumer intent. In fact, some are now calling this the “midsummer sales period” to reflect the broader planning implications for brands and retailers alike.

“Even just **two** years ago, there was a question of whether brands were going to do Prime Day or if they were just going to sit back and not try to compete in such a loud environment,” explained Sarah Engel, President of **January Digital** in an interview with *Retail TouchPoints*. “That’s not an option anymore. It’s clear now that this is what consumers expect. And I think brands have the responsibility to put it in their plans to participate. It has now become its own holiday moment.”

As a result, the Prime Day playbook is being rewritten with **two** distinct narratives: one that is for sellers that want to maximize their advertising, merchandising and content strategies within the “digital walls” of Amazon; and the other is for all brands and retailers that want to adapt their owned, earned and paid activities to capitalize on Prime Day buzz and shopping behaviors.

This deep-dive report will reflect on the key learnings from the July 2024 shopping holiday, while offering tactical tips and guidance to help brands and retailers prepare for the likely fall 2024 iteration of Prime Day and the following holiday sales period, including:

- How sellers can **capitalize on high-intent customers** during Prime Day sales using a combination of advertising solutions in the Amazon portfolio;
- Tips to help sellers **level up their content and creative** to build customer engagement after they've won the initial purchase; and
- Ways all brands and retailers can **develop marketing, advertising and merchandising strategies within their own spaces** so they can capitalize on the behaviors that Prime Day activates.



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## TAPPING INNATE GAMIFICATION PRINCIPLES

At a fundamental level, Prime Day is driven by gamification principles. The sales event is only available to a select group of people (Prime members) and they only have *two days* to sift through Amazon's extensive network of sellers and deep inventory assortment to find the **best possible deals**.

The core mechanics of the holiday activate all kinds of emotions — excitement, urgency, even anxiety — that rev up customers and inspire them to *shop*. This is a strategy that all brands, but especially Amazon sellers, can benefit from, according to Ericka McCoy, CMO at [Resonate](#).

"The gamification of Prime Day is something that brands and retailers can replicate," McCoy said in an interview with *Retail TouchPoints*. "We saw in our data that these are not low-cost shoppers versus, say, Walmart. However, they are trying to see if **they are going to get a better price on the things they have been looking at** — things that are likely already in their cart. Because when you look at the products in their carts, it's **things that are unique or innovative, even fun**. This is telling me that this audience was a shopper that was playing along."

For competitive sales periods and events especially, brands can benefit from bringing these more innovative or best-selling products into the sales spotlight. And now is the time for brands to firm up their plans for fall, especially if they want to be part of Amazon's most high-traffic sections, like the Lightning Deal pages, according to David Hutchinson, VP of Marketplaces at [NP Digital](#).

"You have to be thinking ahead in terms of which products will go on that page and be ready because that window opens up and sells out very quickly," Hutchinson said in an interview with *Retail TouchPoints*. "Once you identify which products you're going to discount, you need to think about whether you'll have enough in either your warehouse or Amazon's warehouse so you're not displacing products that would be bought over the holiday season. We do not see many brands discounting every single product they have for the sake of it anymore — they understand the financial and supply chain pains that come with doing that."



## ADVERTISING TO HIGH-INTENT AUDIENCES

Although Amazon didn't share specific sales numbers, the company revealed that more than **300 million** items were available for Prime Day shipping. Hutchinson noted that brands were especially eager to get their deals front and center and were investing accordingly in Amazon's unique advertising solutions. As a result, NP Digital partners saw a **72%** lift in sales, **28%** boost in return on ad spend (ROAS) and a **35%** increase in conversions over the same period in 2023.

Hutchinson outlined several tips and best practices to help brands flesh out their plans for the likely fall event and following holiday shopping season:

- **Harness the power of the badge:** Amazon badges can indicate that items are “Amazon's Choice,” available for “Amazon Prime” delivery, or are a “Limited-Time Deal.” There is a specific badge available for Prime Day, and Hutchinson noted that this badge is “critical” to success. “Otherwise, [Prime Day] becomes a very expensive exercise,” he said.
- **Consider the entire Amazon advertising portfolio:** There are **four** main ways to advertise on Amazon, including **Sponsored Products ads**, which have a very native look and feel. “These traditionally have about **70% to 75%** of a brand's budget, then the rest is used on **Sponsored Brands ads** and **Sponsored Display ads**,” Hutchinson shared. Sponsored Brands ads “take people away from that cluttered marketplace and give them the opportunity to see a wider portfolio of products that a brand sells,” he said.

By incorporating Sponsored Display advertising into their strategy, brands can run retargeting campaigns based on their specific goals: encouraging repurchase, gaining market share against competitors or helping consumers learn more in the context of the price savings. Brands can tailor both ads and audiences to effectively meet their Prime Day goals.

- **Track and adapt your strategies in real time:** It's an arduous process, but because Prime Day generates such a high volume of searches and sales, teams need to constantly refresh their campaign metrics — Hutchinson noted that every **15 minutes** is the ideal — to determine if and how they need to adapt their approach.



## ***BUILDING BRAND EQUITY IN A SEA OF SAMENESS***

Consumers' top goal on Prime Day and other shopping holidays is to find the best possible price for items they want *and* need.

While optimizing your advertising mix and product display pages helps ensure your brand is top of mind, experts pointed to other tactics that would help brands drive education and engagement both before and after those high-intensity sales periods.

For example, Hutchinson pointed to Sponsored Brands as an opportunity for sellers to embrace more **immersive storytelling and high-quality brand visuals**. "Some brands like to show their best sellers here, but our recommendation is to focus on telling your story," he said. "Use a Lightning Deal to drive that awareness and acquisition, but then use the Brand Stores to cross-sell and upsell."

Affiliate marketing also can be a valuable driver for building brand awareness and establishing trust with potential new customers. Amazon has invested heavily in building out its **influencer marketing program**, which gives creators the opportunity to establish their own storefronts and create exclusive content to showcase their top Amazon finds.

“Brands can do a lot by using Amazon as their destination during those Prime periods and bringing people in from [influencer’s social accounts],” Hutchinson said. “Influencers almost prefer working with Amazon because they know the conversion rate is going to be so hot and they know that the tracking is going to provide an independent way of seeing the sales, not just the brand’s way.”

Hutchinson reaffirmed that an effective Prime Day strategy goes beyond bottom-funnel tactics and simply winning the sale on Amazon. Brands should diversify their content approach by incorporating **sponsored brand videos** and lifestyle content that shows products in context (and in action) so that they stand out from the abundant items being sold through the marketplace.

“When you have a product that is similar or is being replicated by other sellers out there, how do you stand out and stand ahead of them?” Hutchinson asked. “It’s about telling the brand story that goes behind the product, why it’s better than the knockoffs. This content cannot be easily imitated. It takes time and brand work. And that is the future of Amazon’s strategy of advertising, because that’s how they’re going to incrementally grow.”



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-David Hutchinson, NP Digital

# A record-breaking event

## prime day



## **EMBRACING THE HALO EFFECT**

According to [Salesforce](#), which analyzed the activity of **1.5 billion** online shoppers, global web traffic grew **2%** year over year during Prime Day. Many merchants wanted to “ride the wave” of Prime Day excitement, which ultimately drove them to create more “enticing” discounts this year.

“When we look at North America, we saw a significant increase in discounts, with the average discount rate growing by **10%** year over year,” said Caila Schwartz, Director of Consumer Insights and Strategy for Retail and Consumer Goods at Salesforce in an interview with *Retail TouchPoints*. “While we saw an increase in sales, that is a function of dollar value. However, what is more interesting is that we also saw an increase in order volumes, which is really an index of demand. **People bought more this year than they did last year, which we have not seen for a very long time.**”

Schwartz referred to this as Prime Day’s “halo effect.” Consumers were actively engaged with Amazon as well as third-party articles, resources and even social media accounts that had content tied to the shopping event. They also were actively comparing prices with other brands and retailers to ensure Prime Day deals were, in fact, the best price.

“Even if [brands] are not selling on Amazon themselves, there’s an opportunity to capture wallet share for consumers that are engaged and paying attention to what’s happening around them from a shopping perspective,” Schwartz said. “That’s something we see every year, but **with discounts increasing this year, retailers came in strong and captured their intended audience quite well.**”

January Digital’s Engel noted that many of its brand and retail clients were taking this halo effect into account to guide their strategies whether they sold on Amazon or not. This past Prime Day, brands that had their full or partial catalogs available on Amazon used the shopping holiday as an acquisition vehicle.

However, larger brands that only have a few key items available on Amazon took one of two approaches: they either ran a deal for a very specific item that historically moved very well on Amazon and then ran a separate promotion on their branded site; or, they did not participate in Prime Day and instead ran their own dedicated promotions during the Prime Day period.

In fact, Engel noted that those branded promotions ran longer than the event’s **two** days, typically starting a few days earlier and running a few days later. To drive awareness and engagement, these brands “leaned into loyalty,” Engel said. “They used email and SMS and they got those promotions out to people who care about the brand,” she explained. “Those brands that saw the best results were the ones that started with their most loyal customers. That’s a good way to go on promotion without degrading your brand.”

Even brands and retailers that do not sell on Amazon can replicate this approach, ultimately using the excitement of Prime Day as a vehicle to create a timely, relevant and impactful marketing strategy.



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-Caila Schwartz, Salesforce



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Alicia is an editor-turned-content marketer, with a passion for all things focused on digital-powered experiential retail.