Amazon: Beyond the Top Spot

How Challenging Traditional Ad Placement Wisdom Led to 152% ROAS Improvement

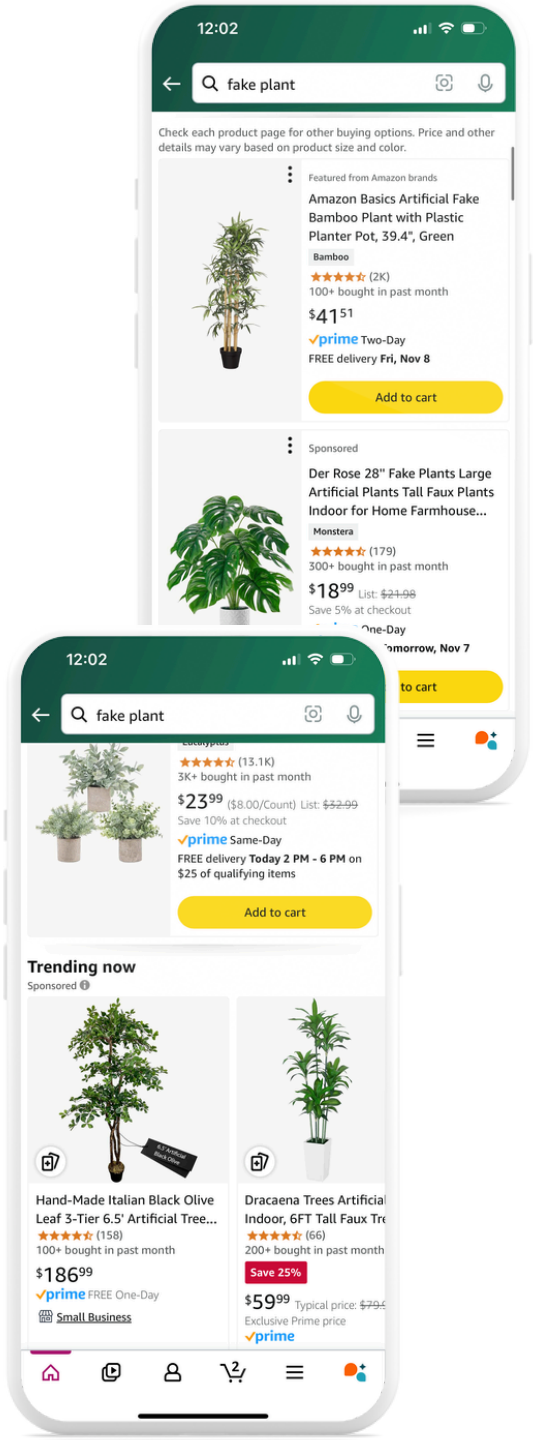
An Envision Horizons
Amazon Advertising Strategy Report

THE *Challenge*

In a market where every advertising dollar counts, conventional wisdom often pushes brands toward premium Top of Search placements on Amazon.

But what if the path to better ROAS (return on ad spend) lies further down the page? Sometimes the most profitable customers aren't found at the top of search results.

Here's how we achieved a 152% improvement in ROAS by challenging traditional placement strategies.



Why Test TOS vs ROS?

Rest of Search (ROS) refers to all placements on Amazon's search results page that are not in the top row of the page. These placements typically appear below the fold or on subsequent pages. While they don't offer the same immediate visibility as Top of Search (TOS), they present **unique advantages for maximizing reach and ROAS**.

Contrary to common belief, **high-intent shoppers don't just click on top results**. Many consumers prefer to compare products, read reviews, and search for the best value, often scrolling down the page and beyond. Amazon's second price auction dynamics mean that **while highest bidders win Top of Search, reduced competition for lower placements allows advertisers to capture valuable traffic without high costs**.

The *Experiment*

Operating in the competitive home products category on Amazon, our client faced pressure to maintain visibility while managing costs effectively. With some top-of-search (TOS) keywords commanding CPCs as high as $6, we needed to develop a strategy that could deliver both visibility and profitability in a high-traffic environment...

The *Execution*

The brand implemented a dual-placement strategy that compared the performance of Top of Search (TOS) versus Rest of Search (ROS) placements...

1. Set up parallel campaigns targeting identical keywords across both TOS and ROS placement types
2. Maintained presence in premium TOS positions while experimenting with increased bids on ROS placements
3. Monitored conversion rates alongside CTR to get a complete picture of placement effectiveness
4. Focused on optimizing for both visibility and cost efficiency
5. Used the cost savings from ROS placements to experiment with broader keyword coverage

By strategically leveraging Rest of Search (ROS) placements alongside traditional Top of Search (TOS) positions, advertisers can significantly improve their overall ROAS while maintaining strong conversion rates. **The key is understanding how different search terms drive different customer behaviors and aligning product placement strategy accordingly.**

THE RESULTS

The comparative analysis revealed significant performance differences between placement types:

TOS

Top of Search (TOS) Performance:

- Cost per Click (CPC): $1.54
- Return on Ad Spend (ROAS): 1.53
- Click-Through Rate (CTR): 4.55%
- Conversion Rate (CVR): 15.66%

ROS

Rest of Search (ROS) Performance:

- Cost per Click (CPC): $0.64
- Return on Ad Spend (ROAS): 3.86
- Click-Through Rate (CTR): 2.38%
- Conversion Rate (CVR): 15.68%

Key Finding: While ROS placements showed lower click-through rates, they achieved nearly identical conversion rates at a significantly lower cost, resulting in a substantially higher ROAS.

Summary: Pro *Tips*

1. **Evaluate Search Term Behavior:**
   - Broad terms often see more distributed clicks throughout the page
   - Specific product searches tend to concentrate clicks at the top
   - Consider customer journey and comparison shopping behavior

2. **Optimize Product Placement:**
   - Use TOS for products with strong ratings and proven conversion rates
   - Leverage ROS for new products and highly competitive categories
   - Consider cross-placement strategies for products with broad appeal

3. **Implementation Best Practices:**
   - Start with conservative ROS bid adjustments (20-50%)
   - Monitor performance weekly
   - Adjust based on spend distribution
   - Consider price competitiveness and review count in placement decisions

ENVISION HORIZONS

Ready to level up your advertising?

Get in touch with us to start your journey toward outstanding results.

Contact

Envision Horizons Team

sales@envisionhorizons.com

www.envisionhorizons.com