

ZMS Ad Manager Partner Guide

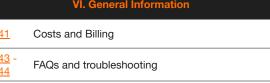


ZMS Ad Manager Partner Guide

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Introduction to the ZMS Ad Manager



Introduction Why advertising on Zalando?

Drive your Sales and Marketing Impact with Zalando Marketing Services (ZMS)

Zalando Marketing Services (ZMS) supports you to launch campaigns that create immediate visibility for your brand and products, scale up your sales growth, and drive your marketing impact.

With the ZMS Ad Manager you are in the driver's seat to easily run branding and performance campaigns, with full control on your end.

You can either:

- Launch a Sponsored Product campaign to drive the visibility and sales of your SKUs in order to maximize your sales performance and win new customers (watch the demo)
- Launch a Sponsored Collection campaign which increases your brand awareness, customer engagement with your collections and ultimately paves the way for your commercial success (watch the demo)

ZMS Ad Manager benefits at a glance
Performance: increases your product visibility, purchase intent & sales
Branding: increases your reach, brand awareness, and customer engagement
Flexibility: full control over budget, markets, duration and SKUs
Accessibility: intuitive and rapid campaign set-up
Transparency: daily campaign monitoring reports and highlights
Control: pay only when your ad is being viewed
Instantaneity: create your campaign in less than 5'

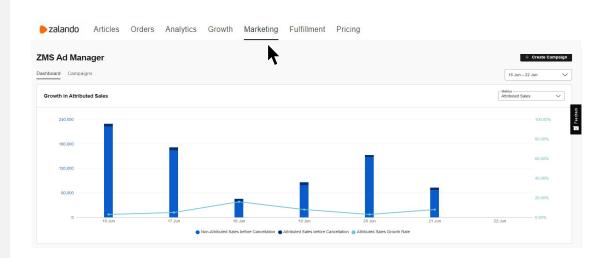


Introduction What is the ZMS Ad Manager?

The ZMS Ad Manager

- The ZMS Ad Manager is a module within zDirect which allows users to create and manage their marketing campaigns for their business on Zalando. In specific, campaigns with Sponsored Products.
- To find out, if your account and assortment are suitable, please see the requirements to get started
- If you are eligible to use the ZMS Ad Manager, you can activate/use it by clicking on the Marketing Module in zDirect
- If you are a Partner who needs access to zDirect, please reach out to your known Zalando contact.
 For ZMS Ad Manager access, please get in touch with partner-care@zalando.de to get started.

Access via the Marketing Module in zDirect







Introduction To get started

Getting started

Please note, access to zDirect partner portal is required to access the ZMS Ad Manager.

For optimal campaign performance while utilizing the ZMS Ad Manager, we recommend that you review your account and verify that it satisfies the following criteria:

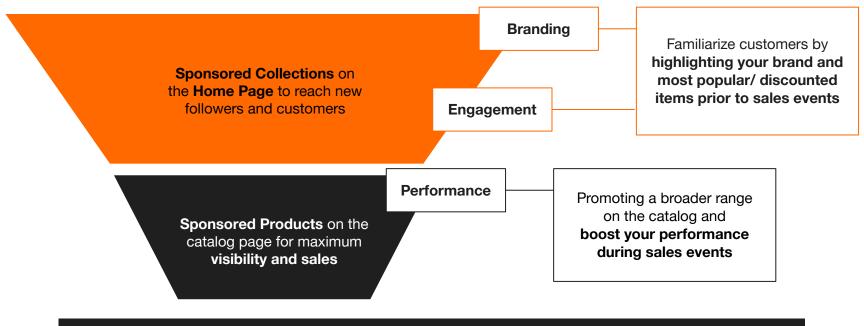
At least 20 articles live on Zalando that are available for promotion At least 30% of the sizes available for each SKU – and at least three items per size A very good CXM performance regarding all CXM KPIs for Partners using their own logistics solution. Or alternatively, you use ZFS (Zalando Fulfillment Services) Ideally, we recommend to be active in all markets you are live in on Zalando

Do you meet all recommendations above and want to get started? Please get in touch via partner-care@zalando.de to gain access



Holistic Marketing planning

Maximize your sales and marketing impact on Zalando by integrating branding and performance marketing



Run both campaigns simultaneously to drive traffic to your sponsored SKUs and convert new customers



Performance Campaigns: Ad Formats & Specifications

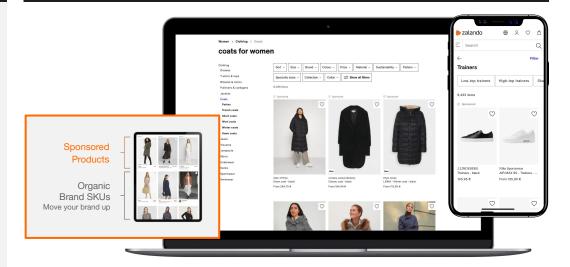


Ad Format Sponsored Products

Sponsored Products

- Sponsored Products is an ad format on Zalando that enables our partners to increase visibility for their assortment in the Zalando catalog pages and on other product-based placements such as the Product Detail page (PDP). The primary goal of this format is to drive product visibility and sales.
- Ads are shown as 'Sponsored' products on the catalog pages on two types of sorting: popularity and sale. The standard website layout for most countries has 5 'Sponsored' product rows on page 1 and also on page 2, with 3 slots per each row. The standard app layout for most countries has 15 'Sponsored' product rows, with 2 products per row.

Ads are generated from the Product Feed, no Creatives needed



Ad Delivery is based on these Factors:

- SKU inventory level (incl. availability of different sizes)
- · Ad rank based on campaign budget, predicted click rate and predicted purchase rate of promoted item



Articles for Promotion What to choose – Dynamic or Selected Sponsored Products?

Choose the right campaign set up

- You can create advertising campaigns based on your objectives. You can either promote the full assortment of your chosen brand(s) or promote specific articles.
- Dynamic Sponsored Products allows you to promote your entire brand assortment of the selected brand(s).
 This means our advertising algorithm automatically promotes the articles which drive an optimum performance for you.
- Selected Sponsored Products allows you to choose specific articles, for example your key styles and bestsellers, or articles with high stock levels. You can also mix your selection across different brands which you supply.

Either promote your entire assortment or specific articles

Campaign setup

Select the campaign type

Dynamic sponsored products

Promote your whole assortment of selected brand(s). Giving you full data-driven optimisation and maximum performance.

Selected sponsored products

Promote specific articles - like your key styles and bestsellers, or articles with high stock levels.

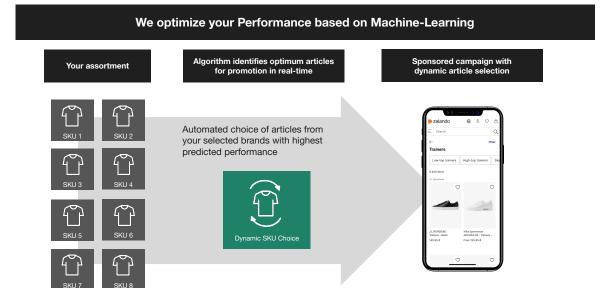




Articles for Promotion Dynamic Sponsored Products

Dynamic Sponsored Products

 Dynamic Sponsored Products lets you promote the entire assortment of one or more brands which you supply. Our machine-learning advertising technology automatically selects the best articles for your campaign based on Zalando data. Our systems monitors article performance, availability and further factors in near real-time, making sure that articles with the best chance of driving your performance and sales are promoted in your campaign.

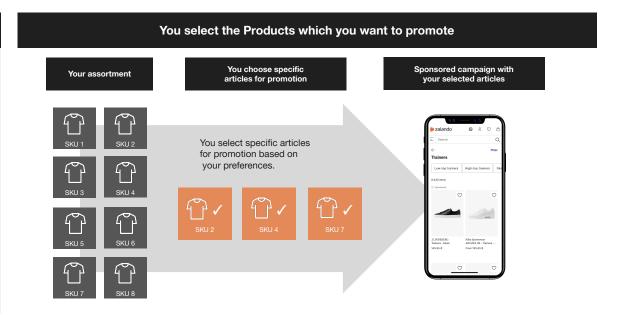




Articles for Promotion Selected Sponsored Products

Selected Sponsored Products

- By using Selected Sponsored Products, you can promote specific articles in your campaign based on your preferences. For example you can choose to promote fresh key styles, bestsellers or articles with high stock level. When setting up the Selected Sponsored Products campaign, you can filter by Brand, Country and Article Type (Category) in order to discover the article you are looking for and then add them to campaign.
- Read more about how to choose products for your Selected Sponsored Products campaign





Performance Campaigns: Management, & Monitoring



Campaign Setup & Management Campaign creation + Global and Country budgets

Go to the zDirect Marketing Module

You can create a ZMS advertising campaign directly from your zDirect account. On the top right corner of the Marketing Module you will see the 'New Campaign' button. You can either choose

- a) Global budget campaign, for an automated distribution of the total budget in your selected markets
- b) Country budgets campaign, for which you can define maximum budgets per country

We recommend choosing the new Global budget option. Here, the algorithm automatically distributes budget along the campaign runtime based on the performance, for optimised results.

Tips for budget decisions:

- There is no fixed maximum budget.
- We recommend investing minimum 7% of your sales target (in NMV) or 12% for high growth targets/stock pressure/during sales events*.
- In addition, we recommend that the daily budget is more than 20 EUR per market.

*7% in NMV is equal to minimum of ~ 3% GMV before returns. 12% in NMV is equal to minimum of ~ 5% GMV before returns

Use the 'New Campaign' Button in zDirect



Choosing Global budget or Country budgets

GLOBAL BUDGET:

- In general we recommend to choose Global Budget. Here you define a total budget for all markets in which the campaign is running. The algorithm automatically distributes the budget along the campaign runtime across markets based on the performance, for optimised results.
- You can flexibly choose in which markets your campaign will run. Campaigns have the same start and end dates across selected markets.

COUNTRY BUDGET:

- With Country Budgets, you are defining specific, maximum budgets for each market.
- Country Budgets campaigns help you, if you want to set certain budget limits on a country level. For example if you have defined maximum budgets per country.
- With Country Budget campaigns, you can set different campaign start and end dates for different markets.



Contents

Performance

Campaign Setup & Management
Campaign creation: Global budget / Country budgets FAQs

Question	Answer
What is the difference between Global Budget and Country Budgets?	With Global Budget, you define a total budget for all markets in which the campaign is running. The algorithm is automatically distributing the budget along the campaign runtime based on the performance, for optimised results. With Country Budgets, you define specific, maximum budgets for each market.
Can we choose for Global Budget campaigns, in which markets the campaign will run?	Yes, you have full flexibility to choose in which markets your campaign will run. Please note the feature is specifically helpful for campaigns running in several markets.
When to choose Global Budget and Country Budgets?	In general we recommend Global Budget. Country Budget campaigns helps you, if you want to set certain budget limits on a country level, for example if you have defined maximum budgets per country or if you want to choose market specific campaign runtimes.
How can I evaluate country-level performance via the ZMS Ad Manager?	In the campaign tab, you will be able to monitor the campaign delivery and results on a country level and gain daily insights into which budget was used in which market, and what results were achieved. We recommend to constantly monitor your performance.
Can we adjust the budget & campaign runtime during the campaign?	Yes, also for Global Budget campaigns, you can increase or decrease your budget during the campaign. You can also adjust the campaign runtime during the campaign, e.g. extending the runtime if there is budget left when the campaign ends.
Will the budget be mainly distributed to bigger markets?	No, our algorithm is balancing market level budgets across all selected markets for optimum performance and will therefore also leverage performance opportunities in smaller markets.
Can a Global Budget campaign be paused in a specific market during its runtime?	Yes, in this case the budget is further distributed only in the other markets in which the campaign is running in.

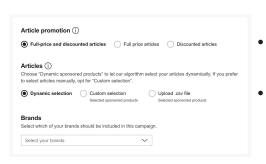


Campaign Setup & Management Campaign creation: Global budget

Global budget campaign set up

Campaigı	set up			
Choose a na - Campaign na	me and set the durat	ion for your campa	ign.	
Duration				
	30 26/11/2022 -	29/12/2022		
Total bud Enter a total Campaign bu € 12000	campaign budget for	all the countries in	the campaign.	

- 1. Choose a campaign name to identify your campaign. Tip: use a naming convention such as brandname date to differentiate campaigns easily.
- 2. Choose the campaign duration. Hereby you define a general runtime across all markets (which you select afterwards). The campaign will start at 00:00 and end at 23:59 Berlin time. We recommend a campaign runtime of minimum 2 weeks.
- 3. Define a total budget for all markets. This budget will be automatically distributed across the selected markets
- 4. Choose in which markets your campaign will run
- 5. Choose if you want to promote full price / discounted articles
- 6. Choose if you want to run a <u>Dynamic Sponsored Products</u> campaign or a <u>Selected Sponsored Products</u> campaign



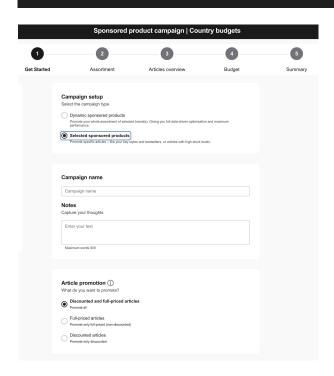
- For Dynamic Sponsored Products the algorithm automatically promotes eligible articles from the brand(s) you want to promote for maximum performance
- For Selected Sponsored Product campaigns, you can either use the custom selection feature to select specific products, or directly upload a *.csv list. More details on article selection here



Campaign Setup & Management

Campaign creation: Country budgets (1/2)

Country budgets: general campaign set up



- 1. Choose Dynamic or Selected Sponsored Products
- 2. Choose a campaign name to identify your campaign. Tip: use a naming convention such as brandname_date to differentiate campaigns easily.
- 3. Choose if you want to promote full price / discounted articles
- 4. For Selected Sponsored Products, continue with the <u>article selection</u>. For Dynamic Sponsored Products, the algorithm automatically promotes eligible articles from the brand(s) which you promote for maximum performance
- 5. Continue with the market specific budget / campaign runtime settings

	•	Create new Dynamic Spor	sored Products campaig	yn .	
Campaign overvie					
Period ③ 01 Jun - 15 Jul	Budget ③ €6,000				
Countries dd countries, spend ar	nd campaign time frame for e	each			Add Countries 😝
		Allocate budget € 4000	- Select period - 01 Jun - 15 Jul	~	Add Countries ♣

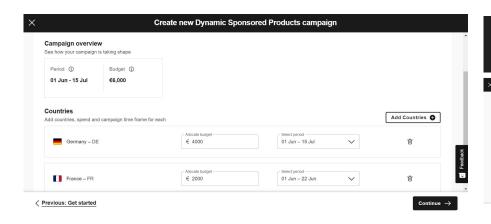


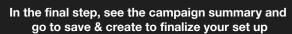
Campaign Setup & Management

Campaign creation: Country budgets (2/2)

Budget and campaign runtime settings

- a) Define budget per country: Add the countries in which you wish to run the campaign. For each country, add the campaign budget (in Euro). You can remove countries and re-add them while you structure your campaign.
- b) Choose start and end date: Define the duration of your campaign by entering the start and end date for each market. The campaign will start at 00:00 and end at 23:59 Berlin time. Tip: We recommend a campaign runtime of minimum 2 weeks.
- c) Click 'Continue' to proceed or 'Previous to go back (or click 'X' on top right to cancel campaign creation).





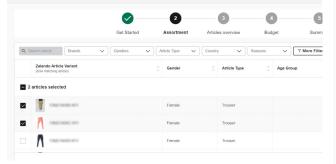




How to choose SKUs for a Selected Sponsored Products campaign

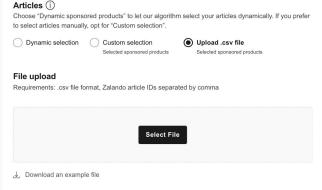
Option 1: Select articles & review

- During the campaign set up process, you will see your entire assortment
- You can filter based on brands, article type (category) and country.
- Once you find the articles you would like to promote, vou can select them using the checkbox next to each article (or bulk select all).
- When you have selected one or more articles you want to promote, click 'Add articles' to add them to the campaign. You can modify your choice until you have your optimum selection for promotion.
- In the final step, you can review all the articles which you selected. If necessary, you can remove articles from the campaign in this step.



Option 2: SKU list upload (only for global budget campaigns)

- Specifically for global budget campaigns you have the option to easily upload a SKU list of your selected items for promotion, without the need to manually select products in the tool.
- It is important your upload will be a *.csv file with Zalando article IDs, separated by comma
- · In the tool, you find also an exemplary csv-file which you can download as a reference.



Tip: How to select the right **Articles for Promotion?**

Consider our article filters:

- All eligible
- **Best sellers**
- Newly added
- Longest online

Here are the key benefits:

- Key Performance Indicators, such as: size availability, estimated return rate, and conversion rate.
- A new Sustainability filter, which simplifies the identification and the selection of sustainable products.
- Data points are refreshed every two hours, leading to improvements of your campaign planning and partner experience.



Campaign Management Editing a running campaign

How to edit a running Campaign

If your campaigns are not in 'Finished' state, you can go
to the campaign list view and start to edit them by
clicking on the 'pencil' icon next to the campaign – or
alternatively click on the 'Edit Campaign' button in the
campaign details view.

What you can adjust during the Campaign Runtime

Name

Update / change the name of your campaign

Budget

Please note when editing the budget:

- · You can decrease or increase your budget
- You cannot reduce the budget below the amount that is already shown as spent. The spent budget is shown on the campaign edit page in near-real time
- Because your campaign is spending budget while you edit it in real time, we add some buffer to the spent value. This offers you to greater flexibility to manage campaign performance.
- Tip: For <u>Country Budgets campaigns</u>, you can shift budget between countries based on the performance of the campaign or your priorities.

Countries

Add new countries to your already scheduled or running campaigns. For Country Budget campaigns, you will be able to set an associated budget, start and end dates, to each market you are adding

Pause / Unpause

Campaigns can be paused/unpaused at any time during their runtime.

- Global budget campaigns can be paused and unpaused either centrally across all markets or per market.
- For **Country budgets campaigns** you can pause a campaign individually for each country.

In general, If a campaign is paused beyond its end date, you cannot unpause it.



Ad Format & Specifications

Campaign Setup & Management Campaign Monitoring, KPIs & Insights Further FAQs

Performance

Campaign Monitoring & KPIsMonitor your campaigns and performance

ZMS Ad Manager

Introduction

Monitor your campaign performance across three tabs where data is updated on a daily basis

Compare Campaign impact with **Dashboards**



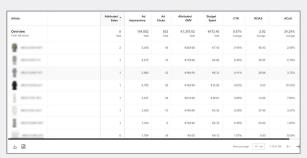
Monitor the impact of your campaigns in simple view that shows that orders generated by your campaign in comparison to your organic orders.

See an overview of your **Campaigns**



See an overview of all your current and past campaigns and understand your campaign performance including important campaign KPIs. Here you find a full KPI overview.

Check the performance of various **Articles**



Look at the performance of each article promoted within the campaign and analyse your best performing articles to derive any necessary measures to optimize your performance.



Campaign Monitoring & KPIs KPI overview

ZMS Ad Manager KPIs

- The KPIs on the right side help you to evaluate your campaign success from a sales and marketing point of view.
- These campaign metrics are updated once a day in the ZMS Ad Manager.

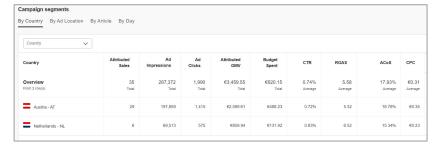
KPI	Description
Attributed Sales	The number of sales created by your campaign, on top of your organic orders (before returns). Non attributed sales represent your organic Zalando sales.
Ad Impressions	How many times your products were displayed on Zalando based on the campaign
Ad Clicks	Number of clicks on the sponsored articles
Attributed GMV	GMV which was generated by your ZMS Ad Manager campaign within 14 days after generated clicks (before returns). Non attributed GMV represents your organic Zalando GMV next to the campaign.
Budget Spent	Campaign budget spent so far in EUR which will be billed
CTR	Click-through-rate on the sponsored articles (Ad Clicks/Ad Impressions * 100)
ROAS	Return on Ad Spend = how much revenue is generated for each EUR invested (Attributed GMV / Budget spent)
ACOS	Advertising Cost of Sales = how much cost is incurred for every EUR of revenue earned
CPC	Cost per click on the promoted items (Budget spent / Ad clicks)



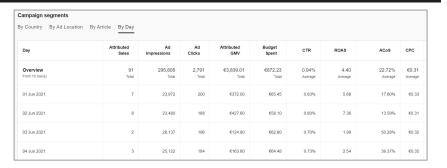
Campaign Monitoring & KPIs

Further analysis of results: by country, by daily performance and further tips

Country Tab Analyze your campaign by markets, if you run it across different countries.



Day Tab Analyse your campaign results based on your daily performance



Tips for further Analysis

· Sorting of KPIs across the entire app

You can sort data tables based on different KPIs. This allows you to see your top sellers, most profitable days, or whatever matters most to you. This way you gain valuable insights tailored to your needs.

· Download the reporting data

Within the reporting section of a specific campaign, you find a "Generate Report" button at each table. This allows you to download reporting data as CSV files (Comma Separated Values) for further analysis.



Campaign Management Optimizing your campaign

There are different ways to optimize the performance of Sponsored Products to achieve your campaign goals.

You can make changes to the following variables based on performance:

→ Ma

Markets

For Country Budget campaigns: shifting budgets from lower-performing to better-performing countries. For Global Budget campaigns, this happens automatically

0

Budget & Runtime

Affecting the budget pressure by e.g. extending the campaign runtime

0

SKUs

For Selected Sponsored Product campaigns: remove low performing SKUs

To learn more about campaign optimization best practices, download the Ad Manager Checklist for Sponsored Products.





Branding Campaigns: Ad Formats & Specifications



Branding

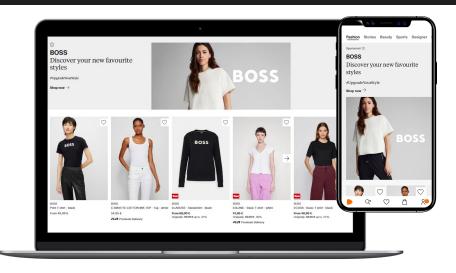
Ad Format Sponsored Collections

Sponsored Collection

- Sponsored Collection is an ad format on Zalando which enables partners to increase the visibility of their collection on the Zalando Home page. The primary goal of this format is to drive visibility along the customer journey leading to increased brand awareness.
- By promoting your collections beyond your target customers to an extended audience, you will increase your visibility to gain new customers and followers.
- Sponsored Collection supports you to build your reach and grow your customer base to develop real and long-lasting connections with your customers and followers.



Ad Formats on App and Web



Collections campaigns help you increase traffic and conversion

- · When clicking on the Collection banner, the customer will arrive on the collection page set up by the partner
- · When clicking on an article in the Carousel, the customer will arrive directly on the PDP page of the article

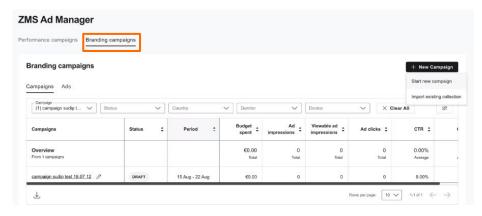


Branding

Introducing ZMS Self-Service Sponsored Collection

A new way to drive your visibility and your follower base on Zalando.

Next to the performance campaign tab, where you can run your sponsored product campaigns, you will find the new branding campaigns tab where you will be able to set up your Sponsored Collection campaign.



Requirements to get started

- You need to have at least 20 SKUs available in the Zalando shop in order to be eligible for a Brand Homes account.
- For a Brand Homes page to go live, you will need to publish: 1) A
 Brand Homes header (including category links) and 2) At least
 one Collection through the Brand Homes CMS.
- A Collection can hold from 9 to 999 articles (Zalando SKUs).
 Please note that in order to be eligible for Brand Homes, you will need to have at least 20 articles available in the Zalando shop.



Ad Format & Campaign Types

Campaign Setup & Management Campaign Monitoring, KPIs & Insights

Branding

Introducing ZMS Self-Service Sponsored Collection

A new way to drive your visibility and your follower base on Zalando.

Zalando Reach

The total addressable market encompasses over 51 million users, which are all Zalando customers.

Boosted Reach

After boosting your campaign through a ZMS campaign, the total number of customers reached significantly increased.

Organic Reach

Total loyal customers reached organically (brand followers & buyers)

ZMS Sponsored Collections

- After creating a Brand Home Collection, the Ad is visible on the partner Brand Home Page and will be shown organically to relevant customers on the Zalando Gender Homepage.
- Relevant customers are customers who have already purchased an item from your Brand and/or have added an item from your brand into their basket and/or are following your brand.
- As an additional benefit, on top of the organic visibility, each time you publish a collection, we will send an email and app push notification to your brand followers with a link to your Collection page.

> Increase visibility

Drive brand awareness, present your brand story

Your Ad will be shown to an audience beyond your customers and followers

→ Gain new followers

Track the new followers and follower growth on the brand home CXM



Branding Campaigns: Management, & Monitoring



Branding

ZMS Self-Service Sponsored Collections How to create your campaign

After selecting the branding campaign tab in zDirect, you can click on the button "New campaign" where you have two options to start your campaign:

Import an existing collection from Brand Homes
You can easily import your existing Brand Home Collection to create your campaign
Brand Home Collection Any changes you make to an imported collection's country and budgets, will only apply to Ad Manager and not to Brand Home. You cannot change the target groups or format. + Import Collection

С	reate a new campaign in zDirect
You can easily cr	eate your campaign in zDirect from scratch
 Campaign 	Campaign
O Targeting	Name 0 / 44
○ Content	Duration
O Summary	This date range is in Central European Summer Time (CEST) The launch date needs to be at least 7 days later than the date you submit your campaign for a review.
	Set Duration
	Notes
	Your notes will only be visible to you.
	Description
	Optional 0 / 500





Branding

ZMS Self-Service Sponsored Collection

How to create your campaign: Create in zDirect (1/2)

Detailed Instructions for zDirect

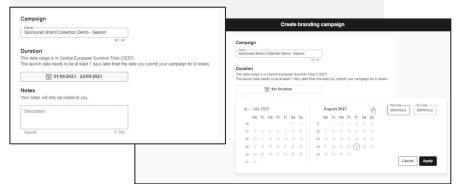
Set up a new collection in zDirect:

- After selecting the branding campaign tab, you can click on the button "New campaign" and choose whether you would like to start a new campaign, or import an existing collection.
- On the first page of the campaign creation, you need to enter the name of your campaign. Choose something recognizable so that you can easily find your campaign. Such as your brand or your collection name and the season or date.
- You can add notes to the campaign in case you would like to include any background information, such as brands or article categories.
- In the next window, you can select the targeting for your campaign.
- After selecting the different markets where you would like to publish your collection, you can now allocate your desired budget between the different countries, as well as between App and Web. (See best practices for more information)
 - Please note that you can only create a collection in the markets where your brand is already live.

Demo video on campaign creation

Important Notes:

- Your Campaign can only start 7 days after the creation as it first needs to go through the <u>Quality Assurance process</u> (Q&A) before being published
- New collections will be published on the Zalando Gender Home Page of the selected gender + on the partner's Brand Home
- ★ After the campaign, the Collection will remain organically visible and will remain on the Brand Home Page





ZMS Self-Service Sponsored Collections

How to create your campaign: Create in zDirect (2/2)

Detailed Instructions for zDirect (continued...)

- Next, you can select the assortment of articles you'd like to show alongside your image and copy. There are two options when selecting the SKUs for your collection:
- \rightarrow Custom selection: Pick your SKUs manually.
 - You can use filters to help you select the articles, or paste the SKU code in the search bar.
- Bulk upload: Easily drag or upload your file containing your SKU selection.
 - Please keep in mind that the upload will only be accepted if it is in the format of a CSV file and if all the articles are separated by a comma.
 - Please note that the first 15 articles of your CSV file will be the ones visible in your product carousel.
- 7. After validating your SKU range, you can confirm and visualize vour chosen selection.
- On the next page, you can finalize your Collection by adding an image or a video that will be shown on top of your collection.
- You can then select the perfect background color and add the title, subtitle, and descriptive text to convey your brand and collection story.
- 10. You'll then be able to preview your collection.

Important Notes

- Treat your product carousel as your virtual window display this is where you have a chance to create a great first impression of the Collection and attract customers to see what you have to offer!
- \star Having short but exciting copy will make your Collection stand out, the attractive visuals will make it more memorable. To make your story stick, we recommend using bold, bright images and videos that represent the collection well.







Quality AssuranceBrand Homes Review Process

Quality assurance

The submitted content goes through Assets review:

Our Quality Assurance experts examine if the content meets all Zalando requirements. A preliminary copy-check is made.

Mistake in the copy

If mistakes are found, the content will be rejected and feedback will be sent to the person who submitted the content for review in the CMS.

Pre-approved copy

If the copy was taken from our list of pre-approved copy suggestions, the content will be approved (if it meets all other requirements).

Own copy provided

If you provide your own copy, the content will be reviewed (See next slide)

Review of content with new copy

After the assets review is completed, the content is forwarded to the copywriters for copy review.

If mistakes are found in the copy, the copywriters will amend it.

Then the content can be approved and you will receive an automatic email notification.

This type of content will be reviewed within 7 business days

Review of content with existing or pre-approved copy

After the assets review is completed, if the copy wasn't changed, or pre-approved copy suggestions were used, the content will be approved (if it meets all other requirements).

In any rejection cases, feedback will be sent to one person (the linked user account in the CMS that submitted the content for review), with an explanation of what has to be amended.

This type of content will be reviewed within 3 business days



Branding

ZMS Self-Service Sponsored Collections

How to create your campaign: Import from Brand Homes (1/2)

Detailed Instructions for BH Import

You can easily import your existing Brand Home Collection to create your campaign:

- Go to the Ad Manager tab, select the branding campaign tab, and click on "import existing collection"
 - Here you will see all your Brand Home Collections sorted by publish date. Gender. Country, and articles.
- After selecting the different Collections to be added to your campaign, you will be asked to select a campaign name and duration. Since your Brand Home collection has already been approved, you are able to schedule your campaign start date immediately.
- On the next page, you will notice that a set of input fields have already been selected based on your existing Brand Home fields.
- Please keep in mind that you will not be able to modify the collection in the Ad manager. If you wish to make modifications you will need to do so in your Brand Home.



Important Notes

- The Collection must already be published on Brand Home (meaning it has already been approved in the quality assurance process). Your Campaign can therefore start right away (no need to go through QA again)
- All changes to the collection need to be made in the Brand Home
 - CXM: You will not be able to change anything in the Ad Manager (Gender, articles, countries where collection is live, copy, assets)
 - You will not be able to modify the Images, colors and copies as these are pre-defined by your brand home.
 - Only the copies in the languages of the selected markets for your campaign will be visible.





ZMS Self-Service Sponsored Collections

How to create your campaign: Import from Brand Homes (2/2)

Detailed Instructions for BH Import Important Notes Define the budget you would like to allocate to each market between App You can select a smaller number of countries than the organic and Web. collection (ex: Your Brand Home collection is live in 10 countries You will then be able to preview your Collection based on the information but you only want to boost it in the top 3 countries) added in Brand Home. On the summary page, you can review your campaign one last time before publishing it. Once the campaign has been published, it will be visible in your Countries and budget campaign dashboard. + Add Countries Add countries and allocate budget between the website and the app Belgium - BE France - FR Sponsored Brand Collection Demo O Campaign Total budget Duration Solution Center Targeting 24 Aug 2023 to 15 Sept 2023 View your collection(s) here Germany - DE O Content O Summary Target groups German (Germany) Female Selected articles If you are only targeting one gender, select the appropriate target group. To create a unisex campaign, Desktop website App & mobile web select multiple options ✓ Women Countries Budget ‡ Belgium € 10.000.00 301 articles France € 0.00 € 0.00



Branding

Branding CampaignsBest Practices

Торіс	Recommendations		
Timing & Duration	 → Ideally, a branding campaign should run for at least 3 weeks. This gives the algorithm enough time to collect the data needed to optimize your campaign. → If you're unsure when to plan your collection boost campaign, we would recommend that you run your campaigns prior to sales events or commercial moments. Start your branding campaign 1 month to 2 weeks before any sales events, for example End-of-Season Sale. → Boosting your new collections to drive your brand impact is a great way to gain visibility and create engagement with new and extended audiences. 		
Assortment	 → Highlighting your best-sellers or discounted SKUs in a collection before running a performance campaign will help to boost the outcome of your performance campaign. → Familiarizing Zalando customers with your assortment before directly advertising your catalog to them is a great way to increase your performance. 		
SKU's	 → You need to have at least 20 SKUs available in the Zalando shop in order to be eligible for a Brand Homes account. → For a Brand Homes page to go live, you will need to publish 1) A Brand Homes header (including category links) and 2) At least one Collection through the Brand Homes CMS. → A Collection can hold from 9 to 999 articles (Zalando SKUs). Please note that in order to be eligible for Brand Homes, you will need to have at least 20 articles available in the Zalando shop. 		
Budget	 → We recommend allocating at least 70% in App vs web for a higher Click through rate and a lower Cost per click. → Based on an analysis we conducted on successful branding campaigns, a minimum of 100 euro per day per market is advised for optimal performance. 		



Campaign Monitoring & KPIs Monitor your campaigns and performance

ZMS Ad Manager

Introduction



Monitor your campaign performance across three tabs where data is updated on a daily basis

See an overview of your **Campaigns**



See an overview of all your current and past campaigns and understand your campaign performance including important campaign KPIs.Here you find a full KPI overview.

See the performance of your campaign



See an overview your campaign performance by country, by target group (gender), by device (app,web) and by Carousel articles.

View your collection in the Solution Center



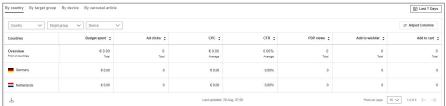
See the growth of followers throughout the campaign period using the Brand Home CMS. Additionally, to unpublish the organically live collection after the campaign period, go the solution center and choosing the option to unpublish it.

Branding

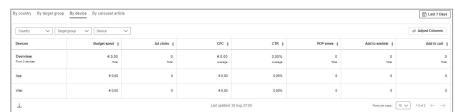
Campaign Monitoring & KPIs

Further analysis of results: by country, by daily performance and further tips

Country Tab Analyze your campaign by markets, if you run it across different countries.



Devise Tab Analyse your campaign results on the Zalando Website and App



Carousel Articles Tab Analyze the performance of each article you've added to the carousel



Tips for further Analysis

· Sorting of KPIs across the entire app

You can sort data tables based on different KPIs. This allows you to see your top sellers, most profitable days, or whatever matters most to you. This way you gain valuable insights tailored to your needs.

· Download the reporting data

Within the reporting section of a specific campaign, you find a "Generate Report" button at each table. This allows you to download reporting data as CSV files (Comma Separated Values) for further analysis.



Branding

Campaign Monitoring & KPIs KPI overview

ZMS Ad Manager KPIs

- The KPIs on the right side help you to evaluate your campaign success from a sales and marketing point of view.
- These campaign metrics are updated once a day in the ZMS Ad Manager.

KPI	Description
Attributed Sales	The number of sales created by your campaign, on top of your organic orders (before returns). Non attributed sales represent your organic Zalando sales.
Viewable Impressions	How many times your products were displayed on Zalando based on the campaign
New & Returning Customers	How many new and returning customers you gained during this campaign (customers who made a purchase from your brand)
Ad Clicks	Number of clicks on the sponsored articles
Attributed GMV	GMV which was generated by your ZMS Ad Manager campaign within 14 days after generated clicks (before returns). Non attributed GMV represents your organic Zalando GMV next to the campaign.
Budget Spent	Campaign budget spent so far in EUR which will be billed
CTR	Click-through-rate on the sponsored articles (Ad Clicks/Ad Impressions * 100)
CPC	Cost per click on the promoted items (Budget spent / Ad clicks)



Costs & Billing



Costs and billing

Performance Campaigns

- Cost per click (CPC) model: we charge based on the number of clicks generated by the campaign, every time a user clicks on your Sponsored Product Ad.
- The Cost per Click is a dynamic pricing model and varies depending on e.g. competition, category or country. In your daily campaign reporting within the ZMS Ad Manager you will see an average CPC overall, per country or on product/article level.

Branding Campaigns

- Cost per view (CPV) model: we charge based on the number of views generated by the campaign, every time the Ad is displayed on the Home Page
- Partners will be charged based on the campaign budget spent on a monthly basis.
- From September to Cyber Week, a 10% transfer discount will be applied to the invoice.
- It's important to note that this discount only applies to the final monthly invoice at the account level.

General Invoicing and Payment

- Invoicing: Campaign invoices will be sent out automatically via email on a monthly basis (beginning of following month). The invoiced amounts will be based on the actual campaign spendings.
- Payment: please follow the bank instructions in the invoice details; the payment terms are negotiated in the Conditions term agreement and start running as soon as the invoice is sent by our accounting department. In case Zalando does not have updated contact details from your accounting department and legal entity master data (e.g. billing details), you will be contacted to ensure service continuity.



FAQ



Contents

Further FAQs FAQs and troubleshooting Performance Campaigns

Question	Answer
Why are some of my articles not promoted when I use Dynamic Sponsored Products?	Articles which are not eligible for promotion will not be promoted, for example articles with low stock availability
What happens when articles are out of stock?	The campaign automatically stops promoting those articles which are out of stock.
If we add new articles to our assortment during the campaign runtime, will they be promoted?	If you are using Dynamic Sponsored Products and your articles are eligible, newly added articles will be also promoted
What is the maximum budget we can invest?	There is no specific maximum budget limit
How to split the budget between different countries?	If you set up a Global Budget campaign, the tool is automatically taking care of an optimum budget distribution based on performance. For Country Budgets campaigns, you could equally distribute the budget across countries or take market size as orientation, and adjust the budget according to the performance after ca. 5 days.
How to avoid that the budget is spent rapidly after the campaign go live?	The ZMS Ad Manager has an integrated control mechanism to balance the budget and avoid rapid spending.
Where on Zalando will my Sponsored Ads be shown?	Either within dedicated rows on the respective Zalando catalog pages or on product-based placements such as Product Detail Pages (PDP).
What if the sponsored SKU is offered by another merchant? And at another price?	Only one SKU will appear on the first Zalando catalog page



Further FAQs FAQs and troubleshooting Branding Campaigns

Question	Answer
Will my collection created in zDirect appear on my Brand Home Page too?	Yes, the collections created in Zdirect will also be visible on the partner's Brand Home. Even after the campaign runtime, the collection will remain organically live on Brand Home. To unpublish the collection, simply log into the Brand Home CMS in the ZMS Collection tab.
Will my collection still be organically visible in Brand Home after the campaign?	Yes, your collection will continue to be organically visible in your Brand Home, allowing customers and followers to see it on the Home Page. If you decide to unpublish the collection after the campaign, you can easily do so in the Brand Home CMX under ZMS Collections.
Where can I find the 10% discount?	The 10% discount will not be immediately visible in the Ad Manager. Instead, it will be reflected in the invoice received by ZMS at the end of each month. This discount will be based on the account level and will be included on the monthly invoice.
Can I boost collections with Wholesale (WHS) articles via the Ad Manager?	Yes, it is possible to enhance WHS collections in the Ad manager. While you cannot create a collection in zdirect using WHS articles directly, you can import pre-existing collections with WHS articles from Brand Home to zdirect.
Do you have recommendations on how to allocate my budget between the different countries or between Web and App?	On average, partners split their budgets between App (70%) and Web (30%). If your campaign is over performing in a specific channel, you can choose to increase the budget in this specific channel for your next campaign. We also recommend you select multiple markets and see how your collections are performing in each market to adapt your investment strategy for your next campaign. We recommend a minimum daily investment of 150 euros per market for optimal results. Additionally, we suggest running a 3-week campaign to allow the algorithm to gather sufficient data for better optimization of your campaign over time.
When is the best time to set up my sponsored collection?	We highly recommend running collection campaigns featuring your best-selling or discounted SKUs prior to sales events. This strategy allows you to familiarize Zalando customers with your assortment before advertising it, which in turn boosts the effectiveness of your performance campaign. Furthermore, running both campaigns simultaneously is an excellent way to drive traffic to your sponsored SKUs and convert new customers. In your branding campaign, emphasize your most popular items to create visibility and interest, while promoting a broader range of products in your catalog.



Get in touch with us.

Any questions on how to use the ZMS Ad Manager or how to get started? Please contact us anytime: partner-care@zalando.de

