zalando **PARTNER**

Marketing Services

Ad Manager Partner Guide

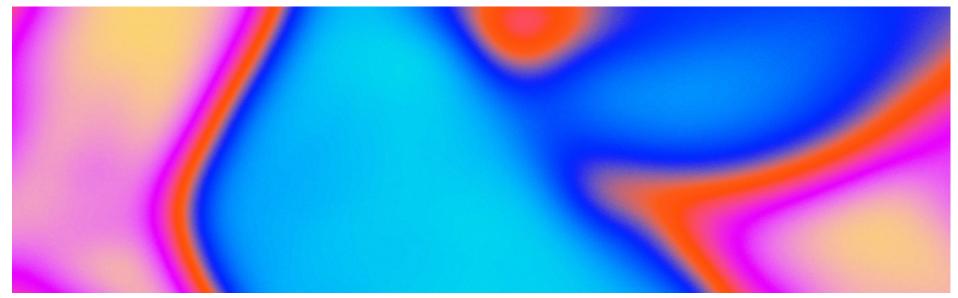
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SECTION 01

Ad Manager Introduction



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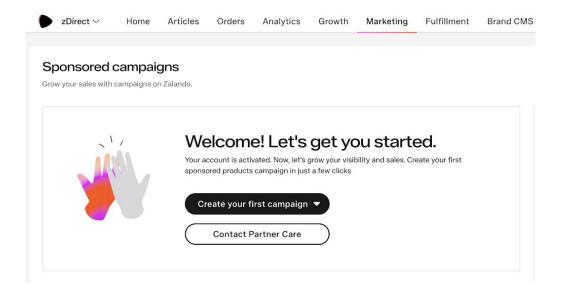
Ad Manager introduction What is the Ad Manager?

Boost your sales and marketing impact with Zalando's self-service advertising tool

Take the driver's seat

The Ad Manager is designed to empower brand partners by putting advanced advertising tools directly into your hands. With a user-friendly interface, real-time data insights, and flexible campaign formats, Ad Manager enables you to reach new customers, deepen engagement, and drive conversions across all Zalando markets.

You benefit from in-depth reporting which you can tailor to your needs, both for your self-service campaigns via the Ad Manager, as well as for managed campaigns set up by the ZMS team.



Ad Manager introduction Benefits at a glance

How to drive your marketing and sales impact with the Ad Manager



Effective ad formats & tangible results

Place your brand and assortment in front of shoppers primed to buy. Extend your brand's presence on one of Europe's leading fashion platform, reaching millions of customers who are ready to convert. Choose dedicated ad formats to drive your consideration and conversions with tangible results.



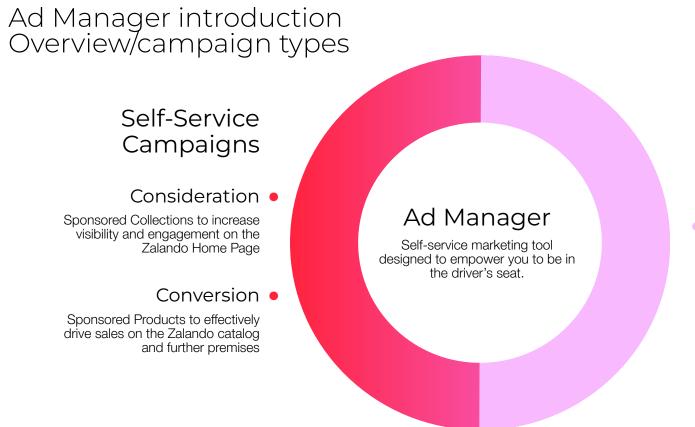
Control & flexibility

Ad Manager gives you the ability to set budgets, choose campaign formats, allowing you to manage and refine your brand's presence and business impact. Tailor your campaign set up according to your goals, and benefit from automated campaign optimization, as well as control levers to boost your campaign impact continuously.



24/7 access & data insights

With in-depth insights and reporting, monitor what works best and adapt your campaigns as you go, ensuring each investment supports your brand's objectives effectively. Gain a clear understanding of your campaign impact, both for your self-service campaigns managed by you on zDirect, as well as your managed campaigns set up by the ZMS team.



Reporting

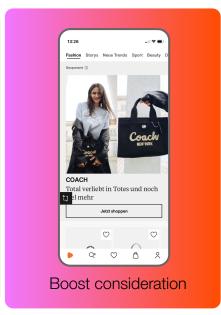
Data-driven Campaign Tracking & Performance accessible 24/7, updated daily, easily customizable. Also for managed campaigns incl. offsite (set up via the ZMS team).

Ad Manager introduction Overview/campaign types

With the Ad Manager, you can set up consideration and conversion campaigns

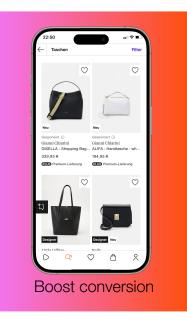
Sponsored Collections

- Boost your consideration and foster engagement with your assortment.
- Substantially increase PDP views, add-to-wishlist, add-to-cart and brand followers.
- Available for brands with a Brand Home.



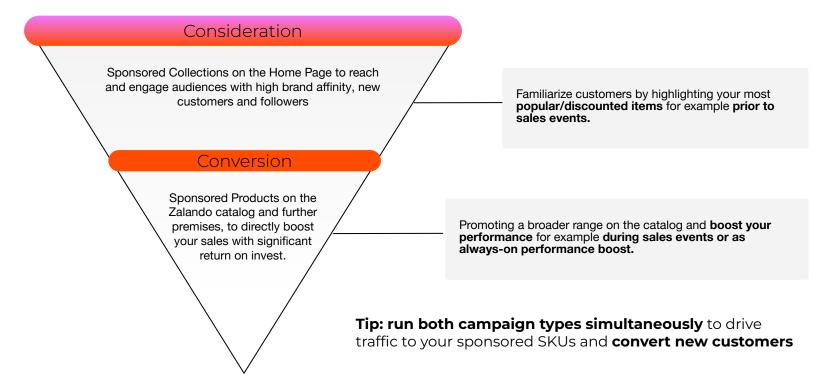
Sponsored Products

- Increase your assortment sales and customer acquisition, and achieve significant RoAS (Return on Ad Spend).
- Either boost your overall assortment with Dynamic Sponsored Products or boost specific assortment with Selected Sponsored Products.



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Ad Manager introduction Maximize impact with holistic campaign planning



General information

Ad Manager introduction How to get started - requirements

Access to the zDirect partner portal is required to use Ad Manager. For optimal campaign performance, we recommend ensuring your account meets the following criteria:



Product availability

At least 20 articles live on Zalando, ready for promotion.



Stock levels

At least 30% size availability for each SKU, with a minimum of three items per size.



Market portfolio

Ideally, run your campaigns in all Zalando markets where your brand is available.



For Partner Program

Aim for strong Customer Experience Model (CXM) performance across all KPIs if you manage your own logistics, or alternatively, use Zalando Fulfillment Services (ZFS)



For Wholesale

Make sure stock is delivered to the Zalando warehouse before launching your campaign.

Ad Manager introduction How to get started - first steps

- Visit zdirect.zalando.com (Zalando partner login—feel free to bookmark this link).
- Partner Program: Click on "Activate" in the Marketing Module and await confirmation

Wholesale: If you already use Retail Center, you can access Ad Manager with your existing credentials (without further activation). If you can't access the Ad Manager, please get in touch with your Zalando support contact.

Once logged in, you find the Ad Manager in the Marketing module.

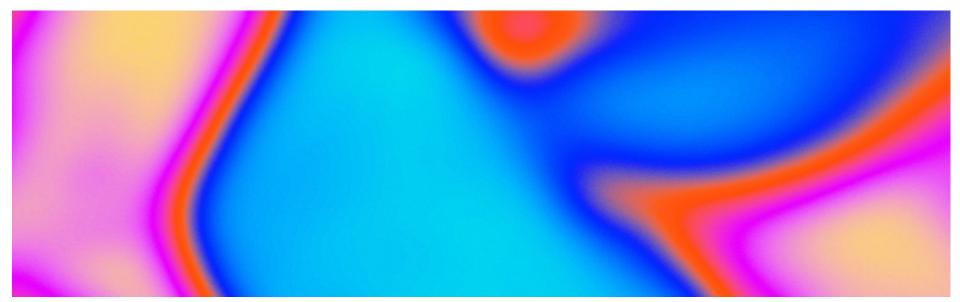
If you require support to get started:

- Partner Program Partners: <u>partner-care@zalando.de</u>
- Wholesale Partners: supplier-support@zalando.de

How to add users to zDirect? Please find here a step-by-step guide for user management. >zalando Home Articles Orders Marketing Sales Advertising Fulfillment Example Partner | ② □□ ♀ **User Management** Rows per page: 10 ∨ 1 - 4 ← → Example Partner | ② 🔐 🛇 Add user to your organization Create a new user or invite an existing one to have access to your account erika mustermann@partner.com



Conversion campaigns: Sponsored Products



Sponsored Products Boost your conversions

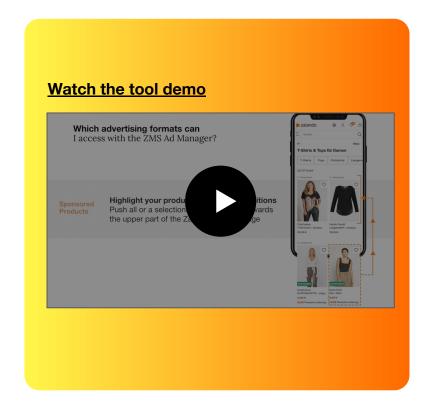
What are Sponsored Products campaigns?

Sponsored Products are an ad format on Zalando that helps partners boost visibility for their assortment across Zalando catalog pages and key placements like Product Detail Pages (PDP).

The primary goal is to increase product visibility on Zalando and drive sales.

Key points:

- Automatic placement: ads appear in high-visibility spots on Zalando's website and app.
- Effortless setup: use existing product feeds—no additional creatives needed.
- Conversion-driven: drives performance by reaching customers actively browsing for products.



Sponsored Products Ad format

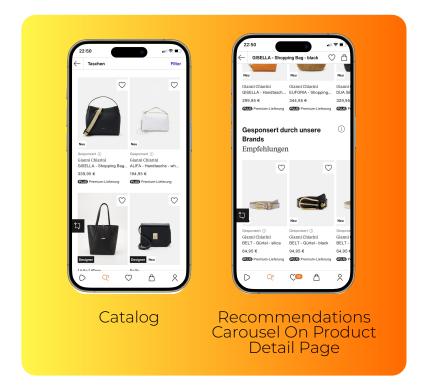
Where Sponsored Products appear on Zalando

Catalog Pages:

 Sponsored Products are displayed prominently on Zalando catalog pages. On the app, the catalog layout features typically up to 15 rows (2 products per row) and on the website, up to 5 rows per page (with 3 slots per row).

Product Detail Pages (PDPs):

 Positioned on PDPs for higher relevance and visibility, ensuring products gain attention in spots likely to drive clicks and conversions.



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Why choose Sponsored Products for your campaign?

- Broad reach and visibility: Place your products where customers are already browsing, ensuring they see your brand's items within relevant search results and pages.
- Flexible targeting and budget options: Select global or country-specific budgets and tailor your approach for SKU promotion to boost your sales effectively.
- **Conversion-focused:** This ad format is optimized for maximum product views and conversions, making it ideal for driving immediate sales and attracting new customers. Leverage either smart automation, or control levers to increase your impact.

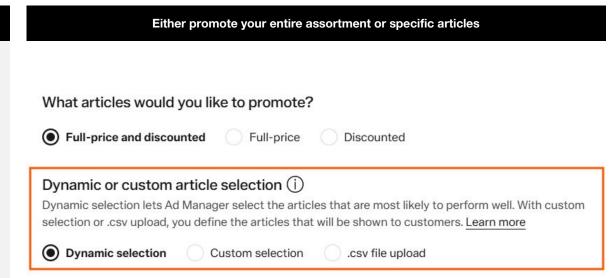


Sponsored Products Choosing Dynamic or Selected Sponsored Products?

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. For Global budget campaigns, you can also promote selected categories.
- 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.





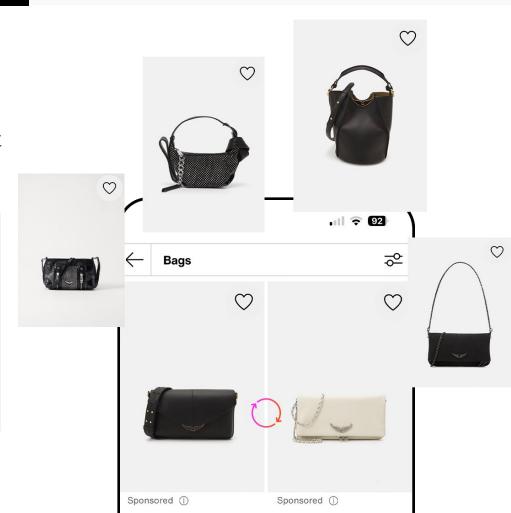
Watch the demo

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Dynamic Sponsored Products

We promote the SKUs from your chosen brands (and categories) with the highest predicted performance based on an automated, smart article selection.

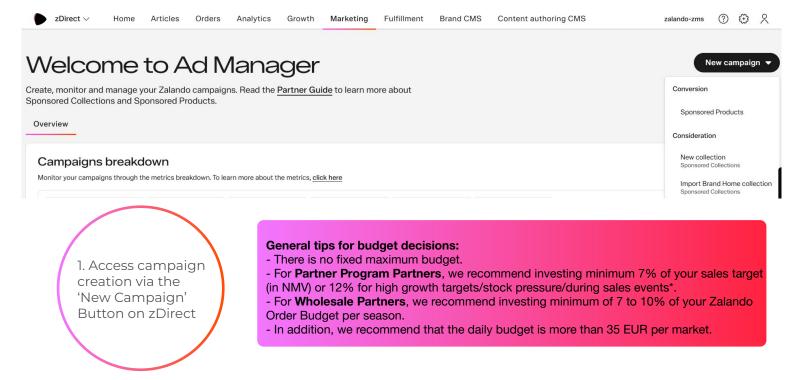
- Dynamic Sponsored Products lets you promote the entire assortment of one or more brands which you supply. Our machine-learning advertising technology automatically selects the best articles for your campaign based on Zalando data.
- Our systems monitors article performance, availability and further factors in near real-time, making sure that articles with the best chance of driving your performance and sales are promoted in your campaign.
- If you run a Global budget campaign: next to promoting your full assortment, you can also focus on certain categories such as Clothing, Shoes, Accessories, Underwear, Sports, and Beauty.



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 campaign

You select specific articles for promotion based on your objectives and preferences.



Contents

Sponsored Products, campaign creation Global or Country budget



Global budget campaign

Benefit from an automated distribution of the budget in your selected markets

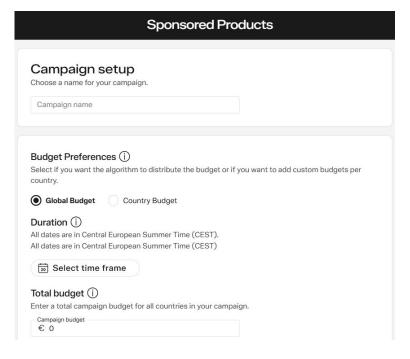
- We recommend to choose Global Budget. Here you define a total budget for all markets. The algorithm automatically distributes the budget along the runtime across markets based on the performance, for optimised results.
- You can flexibly choose in which markets your campaign will run.
 Campaigns have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

Country budget campaign

Define specific budgets per country

- With Country Budgets, you are defining 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.

Sponsored Products: budget preferences

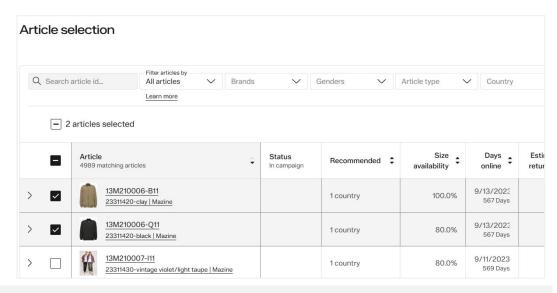


- 1. Choose a campaign name
- 2. Set your Budget preferences:
 - → For Global budget: define a total budget for all markets. This budget will be automatically distributed across the selected markets
 - → For Country Budget, specify the budget for each country: Select the countries where you plan to run the campaign. Assign the campaign budget (in Euros) for each selected country. You can modify your selections at any time by adding or removing countries as you refine your campaign structure.
- 3. Choose in which markets your campaign will run
- 4. Decide whether to promote full price and/or discounted articles
- 6. Select if you want to run:
 - Dynamic Sponsored Products: you can optionally focus your assortment on categories like Clothing, Shoes, Accessories, Underwear, Sports, and Beauty.
 - → <u>Selected Sponsored Products</u> campaign you can specify the items you want to promote in detail (<u>more information here</u>)
- 7. Last, select the brands to be included to the campaign

Selected Sponsored Products: Custom selection: how to choose SKUs?

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.
- You can select relevant articles by 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.
- 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.



Available for Partner Program: optimize your SKU selection using article filters and KPIs:

- Filters: Eligible, best sellers, newly added, longest online.
- KPIs: Return rate, size availability, conversion rate, days online.

The new Sustainability filter simplifies identifying sustainable products, with data refreshed every two hours for enhanced campaign planning and partner experience.

Conversion campaigns

Sponsored Products

Option 2: SKU list upload

For global budget campaigns, you can upload a SKU list of selected items as a *.csv file with Zalando article IDs separated by commas, eliminating the need for manual selection. A sample csv-file is available in the tool for reference

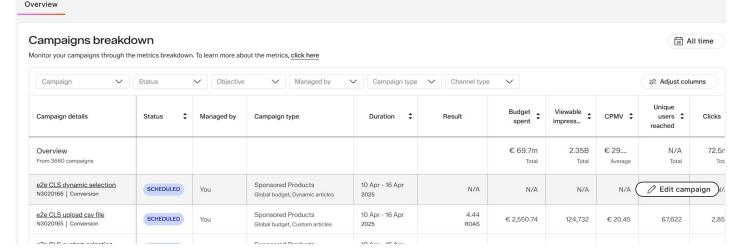
What articles would you like to promote?							
● Full-price and discounted Full-price Discounted							
Dynamic or custom article selection Dynamic selection lets Ad Manager select the articles that are most likely to perform well. With custom selection or .csv upload, you define the articles that will be shown to customers. Learn more Dynamic selection Custom selection .csv file upload							
File upload Requirements: .csv file format, Zalando article IDs separated by comma + Select file							

Sponsored Products: how to edit a running campaign?

If campaigns are not in 'Ended' state, you can edit them via the campaign breakdown view, hover the mouse over campaign line and the 'Edit Campaign' will appear on the right side

Campaigns can be paused or resumed at any time, with global budget campaigns allowing this action across all or specific markets, and country budget campaigns enabling pausing or unpausing per country.

Note: If a campaign's paused countries have already passed their end date, they cannot be resumed.



Sponsored Products How to optimize a running campaign?

What you can adjust during the Campaign Runtime

Name: Update / change the name of your campaign

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 greater flexibility to manage campaign performance.
- For <u>Country Budgets campaigns</u>, you can shift budget between countries based on the performance of the campaign or your priorities.
- For Global budget campaigns, the budget spent per market is automatically optimized based on your overall budget, to maximize your campaign outcome.
- By adjusting the campaign runtime, you can increase or decrease budget pressure

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, for each market.

Articles: for Selected Sponsored Products campaigns, you can add/remove SKUs also during the campaign runtime. If you run a Dynamic Sponsored Products campaign and promote specific categories, you can adjust the categories during the campaign.

Budget pacing: is accessible when editing a running campaign. It enables you to optimize the daily spent budget. You can increase or decrease the daily budgets with the pacing factor (more details)



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

Choose the right campaign set up

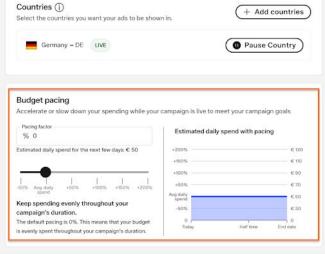
Budget pacing is a control option for Sponsored Product campaigns, enabling you to optimize the daily spent budget. Based on your campaign's ongoing performance, you can increase or decrease the daily budgets with the **pacing factor** to achieve the right balance between budget spending and results.

Benefits:

- ✓ Greater control over your campaign, optimize towards your objectives
- ✓ Enhanced investment steering to respond to changing market conditions/KPIs.
- ✓ Optimise budget spending across campaign lifetime.

Example: if a campaign typically spends 100 Euros daily, applying a pacing of +50% will aim to spend 150 Euros daily in the following days, while a -20% input will reduce the daily expenditure to 80 Euros.

How it works



The feature is visible, when you **edit your Sponsored Product campaign.**

Budget pacing, step by step:

1. Your goals:

Define if your key goal is visibility, conversions, or a specific RoAS.

2. Analyze:

past campaigns in terms of your desired performance

3. Adjust "budget pacing":

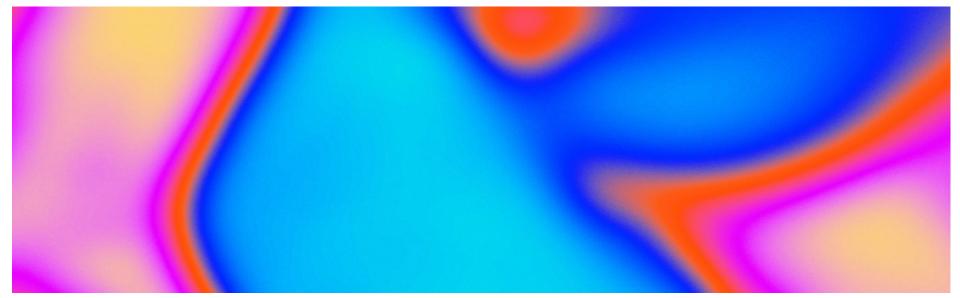
- a) if you are satisfied with RoAS & wish to expand your outcome, increase budget pacing, so more budget is allocated in the coming days
- b) if you are experiencing a period of low sales/low ROAS, and you want to keep budget, reduce the budget pacing to allocate less budget in the coming days.

4. Continuously monitor:

Check your performance and adjust if necessary



Consideration campaigns: Sponsored Collections



Sponsored Collections Start with your Brand Home

Brand Home

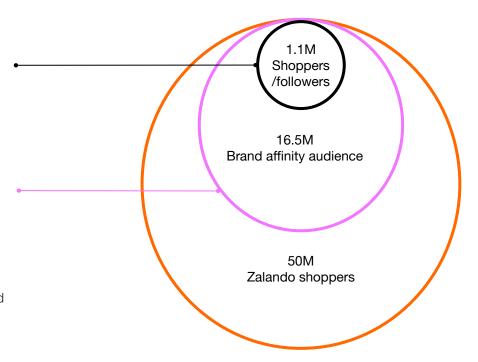
Never heard of Brand Home? Discover the free self-service platform that allows you to create brand spaces and showcase your stories, mission, and products.

Learn more about Brand Home

Sponsored Collection

Boost your Brand Home to build reach and engagement towards your brand affinity audience via Sponsored Collections

- **Get discovered:** Attract new customers, followers, and strengthen your Brand Home presence on Zalando.
- Build trust and loyalty: Introduce new collections to a wider audience and maximize the potential of your organic collections.
- **Optimize your Brand Home performance:** Leverage Sponsored Collections to maximize Brand Home impact, increase visibility, engagement, and drive collection performance.



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Sponsored Collections Boost your consideration

What are Sponsored Collections Campaigns?

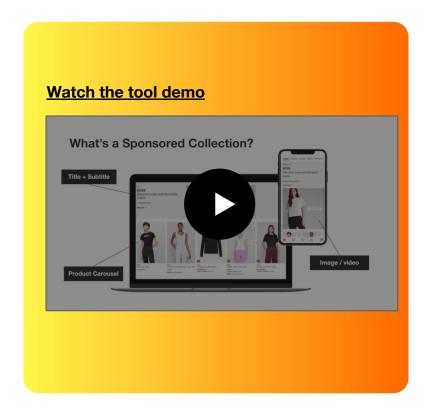
The primary goal is to drive engagement and consideration with your brand and product

Sponsored Collections is a powerful ad format on Zalando designed to boost the visibility of your collections right on the Zalando Home Page. Its main purpose is to help customers make informed decisions by showcasing your collections through engaging and influential content. Partners with a Brand Home can set up a Sponsored Collections campaign directly on the Ad Manager.

Why this matters?

On average, partners who are running Sponsored Collections campaigns benefit from

- +255% uplift in brand followers,
- +12% uplift in PDP views,
- +17% uplift in Add-to-Cart
- +24% uplift in add-to-wishlist.1

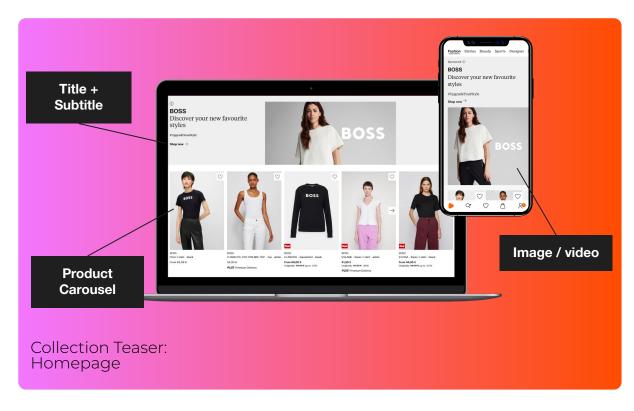


Clicking the Collection banner will take the customer to the collection page set up by the partner.

When clicking on an article in the Carousel, the customer will arrive directly on the PDP page of the article

Campaign KPIs

- Brand Followers
- · Traffic to PDP
- · Add to Wishlist
- · Add to Basket
- · New Customers



Consideration campaigns

Sponsored Collections

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Sponsored Collections Benefits at a glance

Drive consideration and engagement

Boost your PDP traffic, your add to wishlist and cart, by showcasing your product assortment

Reach new customers

Your Ad will be shown to an audience beyond converted and considering shoppers

• Benefit from smart data-driven optimization

leveraging dynamic SKU selection in the Collection Carousel on the Zalando Homepage typically increases CTR by 30-40% based on our Al-powered algorithms

Benefit from effective audience targeting

You can leverage brand affinity targeting for Sponsored Collections, which can increase add-to-wishlist actions by +96% and add-to-cart actions by +82%, compared to campaigns without targeting¹

Gain new followers

Track new followers and follower growth on the brand home CXM

Increased impact

On top of the campaign visibility, each time you publish a collection, we will send an email and app push notification to your acquired brand followers with a link to your Collection page.

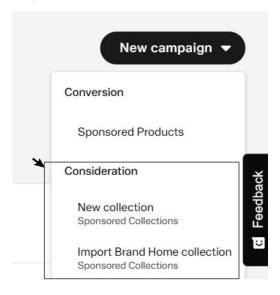
1 2024 ZMS Campaign experiment with targeted and non-targeted ads

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).

If you don't see the option to start a Consideration campaign on zDirect, please contact your Zalando or ZMS support contact.

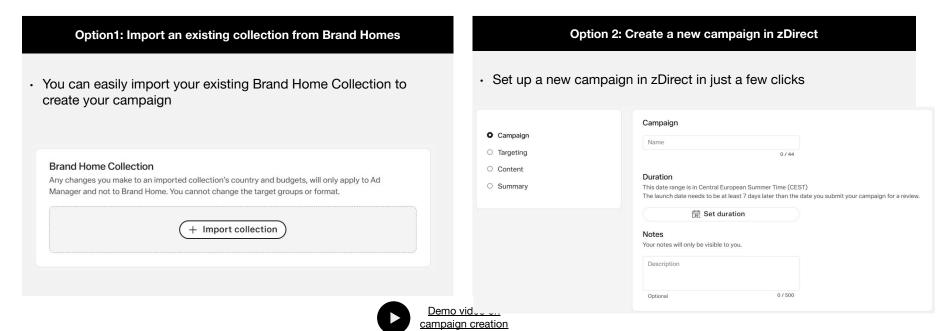
On the new campaign tab drop down, where you can run your sponsored product campaigns, you will find the new consideration campaigns tab where you will be able to set up your Sponsored Collection campaign.



Contents

Sponsored Collections, campaign creation Two ways to onboard your campaign content

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



Sponsored Collections, campaign creation Option 1: import from Brand Home (1/2)

Detailed Instructions for BH Import

Easily import your Brand Home Collection to create a campaign:

- In the Ad Manager tab, select the consideration campaign tab and click "Import existing collection. Your collections will be sorted by publish date, gender, country, and articles.
- Choose the collections to add, set 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, input fields will be pre-filled based on your Brand Home settings.

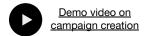
Note: To modify a collection, edits must be made in Brand Home, not in Ad Manager.

- CMS: 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.

Important Notes

The Collection must already be published on Brand Home (meaning it has already been approved in the Brand Home quality assurance process). Your Campaign however needs to go through an additional 2-day ZMS approval process.





Detailed Instructions for BH Import (continued) Important Notes 3. Define the budget you would like to allocate to each market between App and Web. You can select a smaller number of countries than the organic collection (ex: Your Brand Home collection is live in 10 countries 4. 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. 5. On the summary page, you can review your campaign one last time before Countries and budget publishing it. Once the campaign has been published, it will be visible in your + Add Countries Add countries and allocate budget between the website and the app campaign dashboard. Belgium - BE France - FR Sponsored Brand Collection Demo O Campaign Solution Center View your collection(s) here Targeting 24 Aug 2023 to 15 Sept 2023 Germany - DE O Content Target groups German (Germany) 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

Contents

Detailed Instructions for zDirect

Set up a new collection in zDirect:

Contents

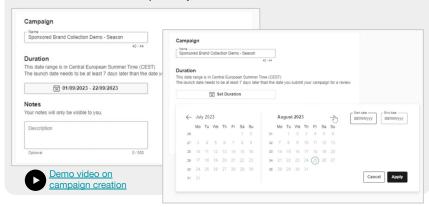
- 1. In the Ad Manager campaign overview tab, you can click on the button "New campaign" and opt for the consideration campaign type where you can choose whether you would like to start a new campaign, or import an existing collection.
- 2. On the first page of the campaign creation, you need to enter 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.
- 3. You can add notes to the campaign in case you would like to include any background information, such as brands or article categories.
- 4. In the next window, you can select the targeting for your campaign (you can choose one option, or multiple e.g. for unisex collections)
- 5. 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)
 - a. Please note that you can only create a collection in the markets where your brand is already live.

Important notes

Consideration campaigns

Sponsored Collections

- ◆ Your Campaign can only start 7 days after the creation as it first needs to go through the Quality Assurance process (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 your Brand Home Page. To unpublish the collections, you need to log into the Brand Home CMS to unpublish your collections.

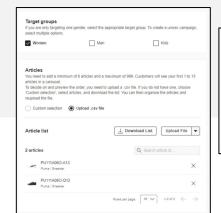


Detailed Instructions for zDirect (continued)

- 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:
- → 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.
- → Our smart algorithm ranks your SKUs in the Collection Teaser on the Zalando Homepage to ensure maximum performance.
- After validating your SKU range, you can confirm and visualize your chosen selection.
- 8. 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 for the different markets, 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!
- ★ 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.





Sponsored Collections Quality assurance

Quality assurance for content set up in zDirect

The content submitted via zDirect goes through Assets review:

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

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 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 or mistakes are found, 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

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

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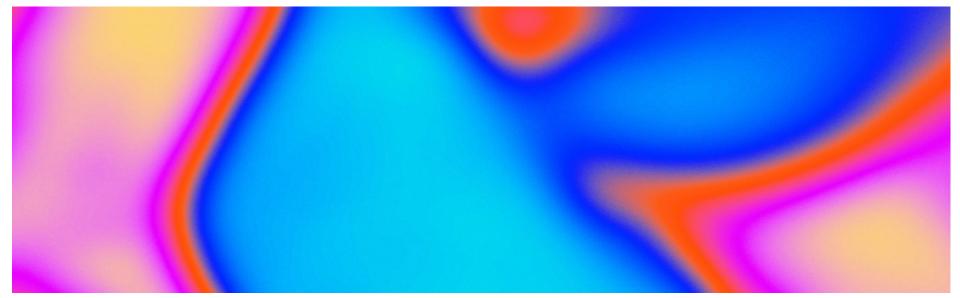
Sponsored Collections - Best practice

Recommendations

- → Campaign Duration: run for at least 2-3 weeks for optimal data collection and algorithm optimization.
- > Planning: ideally start campaigns 2-4 weeks before sales events (e.g., End-of-Season Sale) to boost engagement (e.g. add-to-wishlist) already beforehand
- → **Data-driven Optimization:** to ensure optimum performance, a smart algorithm ranks your SKUs in the Collection Teaser on the Zalando Homepage. This way, SKUs are automatically personalized based on user preferences (which typically leads to 30-40% increase in CTR).
- → Leverage your collection: highlighting your SKUs in a collection ahead of a conversion campaign boosts the outcome of your conversion campaign. Familiarizing Zalando customers with your assortment before directly advertising on catalog to them is a great way to increase your performance.
- → SKU eligibility & requirements:
 - You need to have at least 20 SKUs available in the Zalando shop in order to be eligible for a Brand Homes account. Please note, a Collection can hold from 9 to 999 articles (Zalando SKUs).
 - For a Brand Homes page to go live, you will need to publish:
 - A Brand Homes header (including category links)
 - At least one Collection through the Brand Homes CMS.
- → **Budget:** based on an analysis of successful campaigns, we recommend an ad spend of at least €5k per market per week to maximise performance and create significant impact from your home campaign. Running campaigns below 100 euro budget per day / per market is not recommended.
- → Budget allocation: we recommend allocating 70% in App vs web for a higher Click through rate and a lower Cost per click.

SECTION 04

Reporting



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Marketing Services

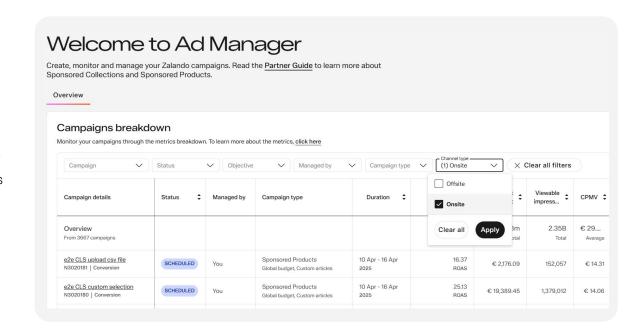
Reporting Data-driven & holistic campaign insights

Data-driven campaign tracking & performance

our new reporting interface provides you with enhanced, customer-centric data that offers greater granularity, ensuring you have the insights needed to align your KPIs with your campaign objectives and ad products.

Daily updates and customizable reports

accessible 24/7, the reports are updated daily, reflecting the most current data and allowing you to analyze your campaign's performance and giving you the confidence to make informed decisions.



Reporting How to access your reports

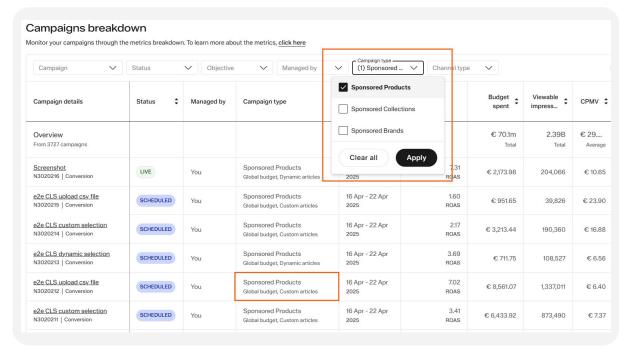
logging into zDirect

- \rightarrow visit zDirect: Open your web browser and navigate to the <u>zDirect</u> login page.
- → log in to your account: Enter your credentials and select whether you're using the Partner Program (PP) or Wholesale (WHS) account. If you have a hybrid setup, remember:

WHS Account: Only the 'Marketing' tab will be visible.

PP Account: You will see additional tabs beyond 'Marketing'.

→ access Ad Manager: After logging in, click on the 'Marketing' tab and select 'Ad Manager'.



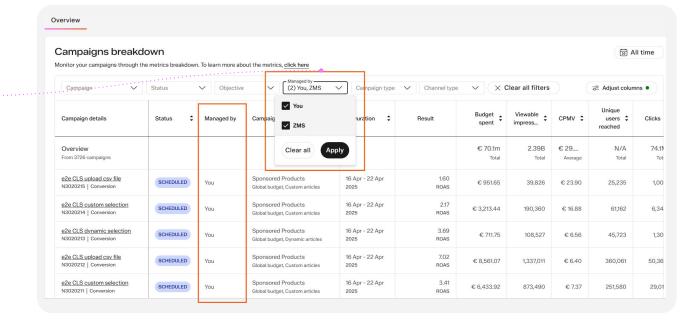
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Reporting

Reporting How to access your reports for Self-service, and Managed campaigns

your campaigns dashboard

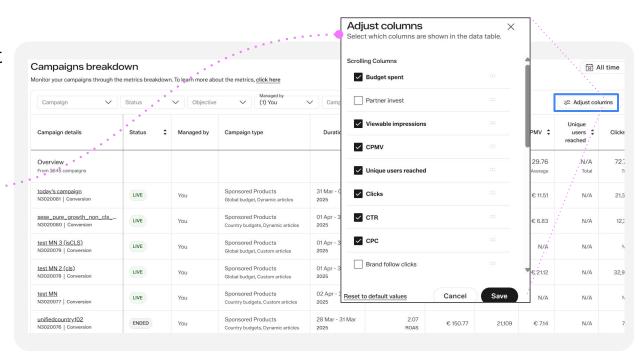
- once in the Ad Manager tab. vou'll land on the Campaign Overview page. Here, you'll see all your campaigns listed.
- identify campaigns:
 - → use filters: Utilise the filters to search by Campaign Name, Campaign Objective, or the newly introduced 'Managed By' column to distinguish between Managed (by 'ZMS') and Self-Service campaigns (managed by 'You').
 - → direct click: Click on any campaign directly from the list.



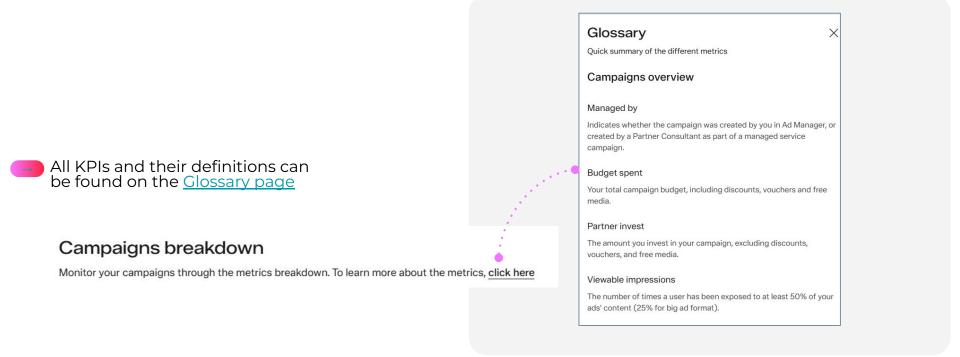
Reporting Customization

customizing your report

- ightarrow default KPIs: Each campaign objective comes with a default set of KPIs relevant to your goals.
- → customize KPIs: Adjust the KPI columns according to your needs by selecting from the dropdown menu on the tab 'Adjust columns'.



Reporting Glossary for definitions and guidance

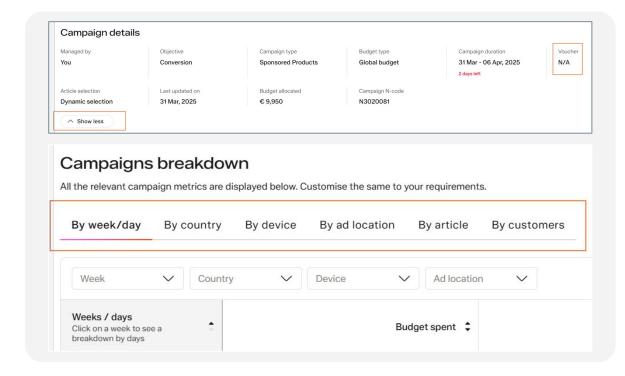


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Reporting Features and filters



- → organised drill downs: The Day Tab is now 'By Week/Day', providing KPI visibility at both weekly and daily levels.
- \rightarrow filter tabs: You can also explore your data by Device (Web and App) and by Customers (New and Returning).
- → voucher visibility (applicable for Self-Service campaigns only): Easily check voucher usage status on the Campaign Detail header.



Reporting Offsite campaigns

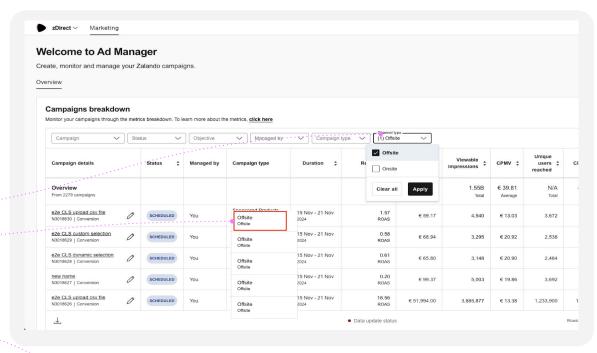
Offsite campaign reports are also available in zDirect for all partners, providing a comprehensive overview of your offsite campaign performance alongside your existing onsite data.

How to distinguish between Onsite and Offsite campaigns?

Utilize the Channel type filter to display only Offsite or Onsite campaigns
Offsite campaigns are also clearly marked in the Campaign type column

Combined Onsite and Offsite campaigns

When a campaign includes both Onsite and Offsite channels, the report will show combined performance metrics and will be labeled as "Offsite + Onsite" in the Campaign Type column





Starting Offsite campaigns for the first time?

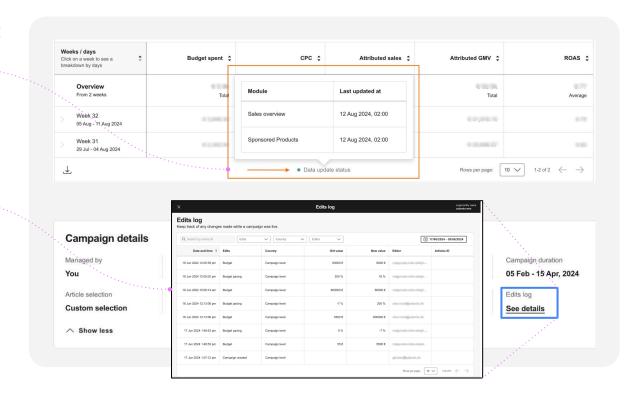
If you have not run Offsite campaigns before but start now, your campaign reports will appear automatically in zDirect once the campaign is live.

	\$	Managed by	Campaign type	Duration ‡	Result	Budget \$	Viewable impres \$	CPMv
						€ 1.9k Total	652k Total	€ 3.0 Avera
٠٠.	٠.	ŻMS····	Sponsored Products Offsite + Onsite	03 May - 31 May 2022	7.37 ROAS	€ 1,990.98	651,898	€ 3.0
	Data update status					Rows per pa	nge: 10 V	1-1 of 1

Reporting Data update status & edits log

Data assurance & tracking:

- → data refresh status: Hover over the 'Data update status' feature, at the bottom of the campaigns dashboard, to see when each table was last refreshed, ensuring you always work with the most current data.
- → campaign edits tracking: Keep track of any changes made while a self-service campaign was live by clicking on 'Edits log' on the campaign details page header.

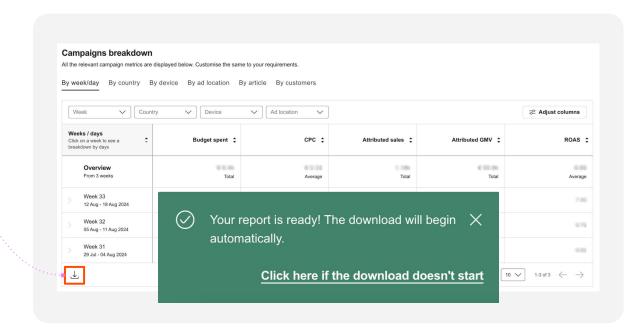


General information

Reporting Download relevant reports

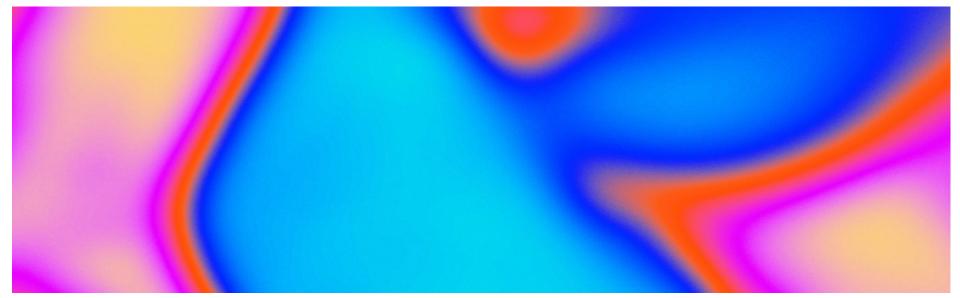
Downloading your report

- ightarrow review your data: Ensure all the relevant KPIs are visible and organized according to your preferences.
- → download the report: Click on the download icon to save a full report of your campaign data to your device.





General information



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General information Costs and billing

Conversion 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.

Consideration 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.
- 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.

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FAQs Conversion 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. If you run a Selected Sponsored Products campaign, you need to add them to your campaign.			
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 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			

FAQs Conversion campaigns: Global or country budget

1	ş — <u> </u>
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 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.

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General information

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.			
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.			
Which articles are shown on the Homepage?	Our smart algorithm ranks your SKUs in the Collection Teaser on the Zalando Homepage to ensure maximum performance.			
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 conversion campaign. Furthermore, running both campaigns simultaneously is an excellent way to drive traffic to your sponsored SKUs and convert new customers. In your consideration campaign, emphasize your most popular items to create visibility and interest, while promoting a broader range of products in your catalog.			

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Consideration campaigns Ad Manager Conversion campaigns Contents Reporting General information Sponsored Collections Introduction Sponsored Products FAQs Reporting Question Answer How to distinguish between Managed On the Ad Manager reporting page, please look at the 'Managed By' column. For managed campaigns set up by the ZMS team you will see campaigns (set up via ZMS team) and managed "by ZMS" in this column, for self-service campaign set up by your organization you will see managed by 'You'. self-service campaigns (set up via you)? All KPIs and their definitions can be found on the Glossary page, which is linked above the campaign overview. Additionally, you can hover Where to find further information on the KPIs in the reports? over a KPI name in the top row in order to see how it is defined. You can also download the report, all KPIs are defined in the glossary. For understanding your campaign impact, it's crucial to be aware about the relevance of different metrics for different campaign types. What are key metrics for which campaign For Awareness campaigns, it is essential to look at unique users (reached) and ad impressions. For Consideration campaigns, KPIs such as

type? Spend (ROAS), and sold items are specifically important.

Engagement (incl. PDP Views, Add to Wishlist, and Add to Cart metrics) are particularly relevant. For Conversion campaigns, Return on Ad You can download your reports throughout the tool by clicking on the download icon located at the bottom left of the report table. You can How do I download my report? either download all of your campaigns on the overview page, or download detail reports on the campaign detail page, once you have clicked into a campaign. Please note, applied filters are not reflected in the downloads, except for on the overview page. Utilize the Channel type filter to display only Offsite or Onsite campaigns. Offsite campaigns are also clearly marked Where are my offsite campaigns? in the Campaign type column. How does ZMS attribution work? ZMS Attribution uses a last click, 14 days window model. All attributed metrics in our campaign reports use ZMS Attribution. The Administrator can give access to any colleagues. Access is organised on a merchant/supplier level, so the colleague must have access How do I get my colleague access? to the merchants that they need to see reports of (more details)

Data insights Tips for Wholesale Partners

for Wholesale

Performance Insights

Leverage Zalando's business insights to inform your assortment performance and campaign planning

Performance Insights empowers Wholesale Partners with access to powerful insights in order to steer their business and succeed at Zalando.

How it works

- Performance Insights increase the transparency of assortment performance via a series of reports, graphs & customizable tables
- Wholesale brands are in the driver's seat and able to meet customer needs while maximizing the sales and profitability

Benefits for partners

- Analyze weekly & seasonal article performance
- Pinpoint your brand's / articles' strong & improvement areas
- Understand your brand's performance across different markets
- Leverage insights to plan adequately for the next seasons

Use the insights as the starting point for campaign planning

→ Access to Performance Insights: https://performance-insights.retail.zalando.com/

Welcome to Performance Insights Here's how your business on Zalando has been performing. **Download performance reports** Sales & Stocks Excel Format V Check the latest performance of your articles Download article-level data Download size-level data View Details Include article images ① Sales by Country Week-based Reports ① Season-based Reports ① Check the article performance per country B Sales and Stock Report B Sales and Stock Report **View Details** ⊥ Download Download Country Report .1. Download

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Get in touch with us.

Any questions on how to use the Ad Manager or how to get started? Please contact us anytime:

Partner Program Partners: partner-care@zalando.de

Wholesale Partners supplier-support@zalando.de