

Pinterest Enters Partnership with Amazon

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Photo by OVAN

Pinterest has formed a multi-year strategic [ad partnership](#) with Amazon focused on bringing more brands/advertisers on the platform, providing more comprehensiveness and shoppability, and a best-in-class buying experience for shoppers. Amazon is Pinterest's first partner to serve 3rd party ads on its platform. This comes at a time when brands are increasing Retail Media investment and social platforms are testing Retail Media solutions with networks to attract more investment. With over 463M monthly users, this is an opportune moment for Pinterest to grow user engagement with shoppable content and leverage the support of Amazon to provide consumers with a shortened path to purchase.

Background

Amazon wants to enable better ad experiences for Pinterest users and offer performance marketing opportunities for advertisers. While the details of how advertisers can activate haven't been shared, we know the consumer journey will be seamless, making it easier for consumers to click on the ad and purchase directly from the ad. The Pinterest experience today, like other social platforms, once an ad is clicked the consumer is directed to the brand's landing page. The integration of Amazon ads on the Pinterest platform will make it easier for consumers to discover and purchase relevant products directly on Amazon's site. This benefits brands who are interested in engaging with Pinterest's audience and extending their reach outside of Amazon's walls. This requires a heavy lift hence the delay in this being made available. Brand advertisers won't begin to test until the back half of the year and will come in a series of monthly rollouts.

Implications

- The introduction of Amazon ads on Pinterest will be limited to select ad product types
- This will more than likely be bought through Amazon, on a CPM model
- Reporting and measurement will likely come through Amazon, with Pinterest sharing the platform performance directly with Amazon

Summary

In summary, this is not the end for digital platforms partnering closely with Retail Media Networks/Platforms to offer packaged solutions. Amazon is committed to making its platform a place for inspiration, discovery, and interaction. With in-app solutions like Amazon Live and Inspire currently available, expanding offsite is the logical next step to expand their off-site capabilities while driving more traffic and engagement to their platform. We anticipate more partnerships and innovations to develop this year.

Understanding the implications and what value this brings to your clients is key to assessing before investing in new solutions. Like any new commitment, gather valuable insight and learnings through testing and measuring performance against similar tactics.

Our Take on What's Next

- We predict Pinterest will roll out to additional retailers to scale their RMN solutions
- This will be a rolling launch, starting with select advertisers and verticals
- This will be open to both endemic and nonendemic brands selling on Amazon
- The ad products will focus on lower-funnel objectives before expanding to full-funnel



Contributed by Chantal Joseph, Associate Director, DTC Commerce at [TRANSACT](#), Omnicom's practice dedicated to providing connected commerce consulting and eRetail services.