



 PACVUE |  Helium10

Q4 2024 CPC Benchmark Report

● Amazon Ads ● Walmart Connect ● Instacart Ads ● Category Highlights

Explore Pacvue and Helium 10's **Q4 2024 CPC Report**, containing quarterly and yearly advertising trends for Amazon, Walmart, and Instacart. This report contains insights into the current state of retail media advertising in the United States and the EU, helping you to benchmark your own performance and understand key industry trends. This report offers a comprehensive view of advertising data on a large scale. It contains information from thousands of advertisers across various brand sizes and product categories, making it one of the most comprehensive reports of its kind in the industry.

About the Report

Q4 2024 REPORT

Q4 Key Findings

- Amazon US Sponsored Products CPC up 3% and Ad Spend up 10.2% year-over-year
- Amazon EU Sponsored Product Ad Spend up 14.1% year-over-year
- Walmart Sponsored Product Ad Spend up 15.2% year-over-year
- Instacart Sponsored Product Ad Spend up 10.1% year-over-year
- Electronics had the highest ROAS of any Amazon Category, up 16.9% year-over-year

This report provides an expansive overview of advertising data from the last three years. Drawing on insights gathered from thousands of advertisers utilizing Pacvue's platform—representing diverse brand sizes and product categories such as Home & Kitchen, Beauty & Personal Care, and Electronics—it stands as one of the most thorough reports available in the industry.

How we Measure

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Q4 2024 REPORT

Dear Readers,

For the advertising industry, the New Year seems to officially start with CES. This year, the Pacvue team was there and witnessed all sorts of new and exciting innovations in the industry, especially in retail media CTV, and anything AI. With over 200 retail media networks and growing, the state of the industry is healthy—and moving faster than ever.

Despite all the options, most brands and agencies still go with the tried-and-true players in the space.

Emarketer predicts that Amazon will take home 76% of all retail media ad spend in 2025, and Walmart will claim about 8%. Analysts predict a consolidation of ad spend among advertisers, so most dollars will keep going to the retail media networks with the best ad formats, the strongest performance, and the highest levels of data accessibility.

It all comes down to measurement. While every retail media network has a specific audience with a valuable first-party dataset, the results are locked in walled gardens. That's why one of Pacvue's top priorities is cross-platform retail media analytics: when you can see how each specific retail media network, audience, and ad strategy is performing, you can start diversifying your spend to what really works.

In our Q4 2024 Benchmark Report, we look back on the

numbers behind the holiday season across the Amazon, Walmart, and Instacart retail media ecosystem. By diving into quarterly and annual performance metrics, we'll take a close look at the way that both customer behavior and retail media pricing are changing.

The big highlights are the differences in click-through rates (CTR) and return on ad spend (ROAS). When we looked at Q4 2024, we found that Walmart came out as a clear winner. Compared to 2023, Walmart Connect ROAS in 2024 increased by 15%. Brands seem to notice this performance improvement: daily average brand spend rose by almost 16% compared to 2023, too.

The other clear winner from our report is the Sponsored Products ad format: on Walmart, Sponsored Products drove 3.2X higher ROAS compared to Sponsored Brands ads. Not only that, but the cost-per-click (CPC) for Sponsored Products was about half the price. We saw this trend repeated at Amazon: Sponsored Products generally drove higher ad efficiencies and effectiveness compared to Sponsored Brands ads.

It's not all great news: CPC prices on Amazon kept rising with higher demand, which means advertisers really need to focus on the tactics that will convert customers. And juggling multiple requirements, datasets, reports, and customer groups for different retail media networks makes it hard to make strategic optimizations in real time.

A letter to our Readers



Melissa Burdick
Pacvue President & Co-Founder

This year, it's going to be more important than ever to look before you leap—whether into your next campaign or a new retail media network.

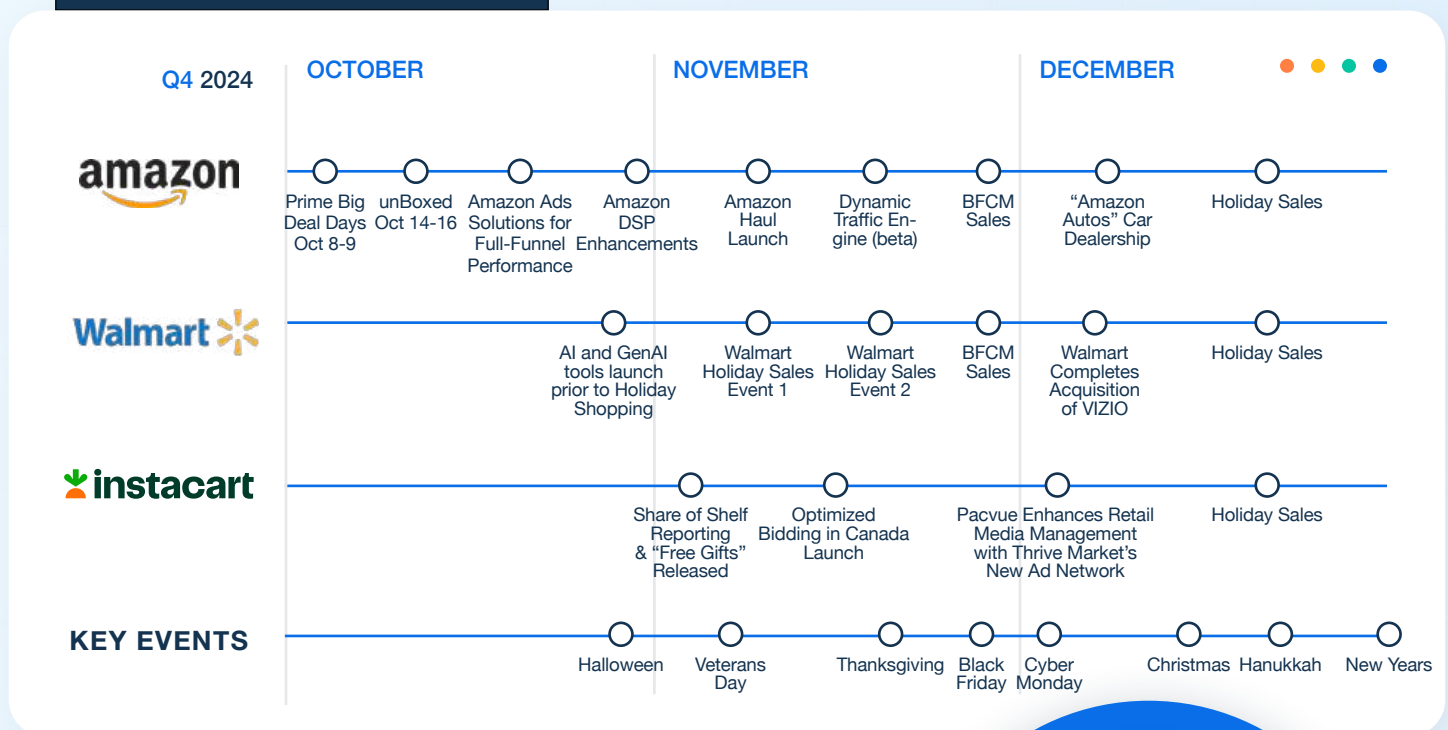
But, as this report will show, there are opportunities across different product categories (specifically, Electronics, Beauty & Personal Care, and Home & Kitchen) and new ways to think about the overall budgeting of your retail media campaigns.

We hope this report is a helpful resource as you kick off the new year!

Melissa Burdick

Pacvue President & Co-Founder

QUARTERLY PERFORMANCE DRIVERS



A letter to our Readers



Melissa Burdick
Pacvue President & Co-Founder



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Amazon Ads

U.S. Benchmarks

Outperform Your Competitors with Powerful Commerce Benchmark Data

Amazon Ads U.S.

Q4 Overview

Anne
Harrell



Head of Product
Evangelism
Pacvue

“The first step to building a successful omnichannel retail media strategy is to **be clear on what your goals are and how your activities will help you reach them**. The second step is to have a measurement solution that gives you a 360-degree view. The more focused your efforts are across all mediums, the more often you’ll reach high-value shoppers”

SPONSORED PRODUCTS

	CTR	CPC	CPA	CVR	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.32%	\$1.34	\$6.33	21.20%	20.08%	\$4.98	\$4.27	
2024-Q1	0.34%	\$1.26	\$5.87	21.54%	20.12%	\$4.97	\$4.36	
2024-Q2	0.32%	\$1.33	\$6.04	22.09%	20.06%	\$4.98	\$4.26	
2024-Q3	0.34%	\$1.41	\$6.35	22.14%	21.55%	\$4.64	\$4.73	
2024-Q4	0.35%	\$1.38	\$6.61	20.91%	21.27%	\$4.70	\$4.83	
QoQ Change	2.9%	-2.1%	4.1%	-5.6%	-1.3%	1.3%	2.1%	14.6%
YoY Change	9.4%	3.0%	4.4%	-1.4%	5.9%	-5.6%	13.1%	10.2%

Amazon Ads U.S.

Q4 Overview

Clare
Hogan



Head of Retailer
Partnerships
Pacvue

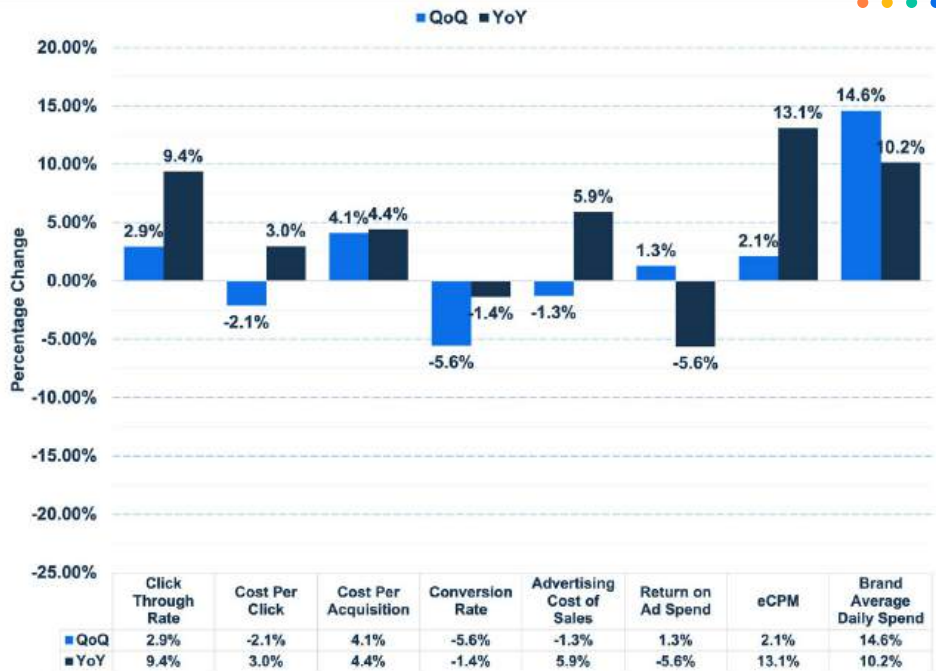
“The future of data is **consolidation and recommendations**. If you can bring all the disparate data together and connect the dots, then it’s easier to see **what will drive performance**. And it’s easier for the platform itself to identify the best opportunities going forward.”

SPONSORED BRANDS

	CTR	CPC	CPA	CVR	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.48%	\$1.68	\$9.74	17.24%	22.90%	\$4.37	\$8.01	
2024-Q1	0.47%	\$1.54	\$9.03	17.10%	23.61%	\$4.24	\$7.26	
2024-Q2	0.46%	\$1.72	\$10.21	16.81%	25.58%	\$3.91	\$7.92	
2024-Q3	0.48%	\$1.86	\$10.80	17.25%	27.34%	\$3.66	\$8.96	
2024-Q4	0.48%	\$1.94	\$10.47	18.51%	27.24%	\$3.67	\$9.29	
QoQ Change	0.0%	4.3%	-3.1%	7.3%	-0.4%	0.3%	3.7%	21.1%
YoY Change	0.0%	15.5%	7.5%	7.4%	19.0%	-16.0%	16.0%	18.6%

Amazon Ads U.S. Trends

SPONSORED PRODUCTS

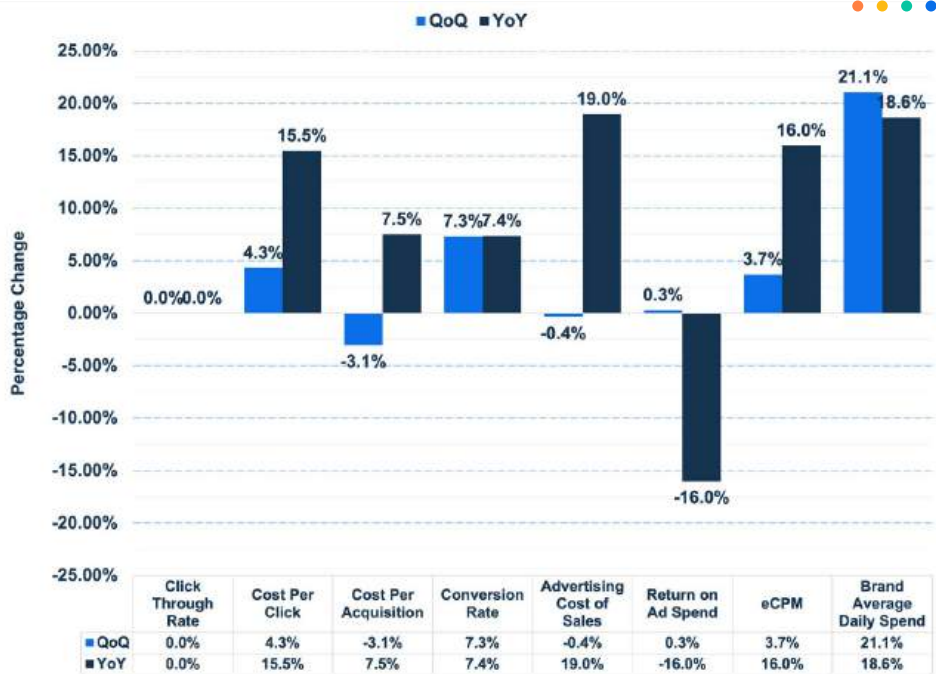


Spotlight: Amazon Haul

Launched in beta late last year, Amazon Haul offers mobile shoppers an extraordinary range of products spanning the Electronics, Home & Kitchen, Clothing, Shoes & Jewelry, and other categories for just \$20 or less—with most cheaper than \$10 and a few as low as \$1. What's more, these budget-friendly products are protected by Amazon's legendary A-to-z Guarantee, enjoy free returns over \$3, and generally arrive at customers' doorsteps within 1-2 weeks of ordering.

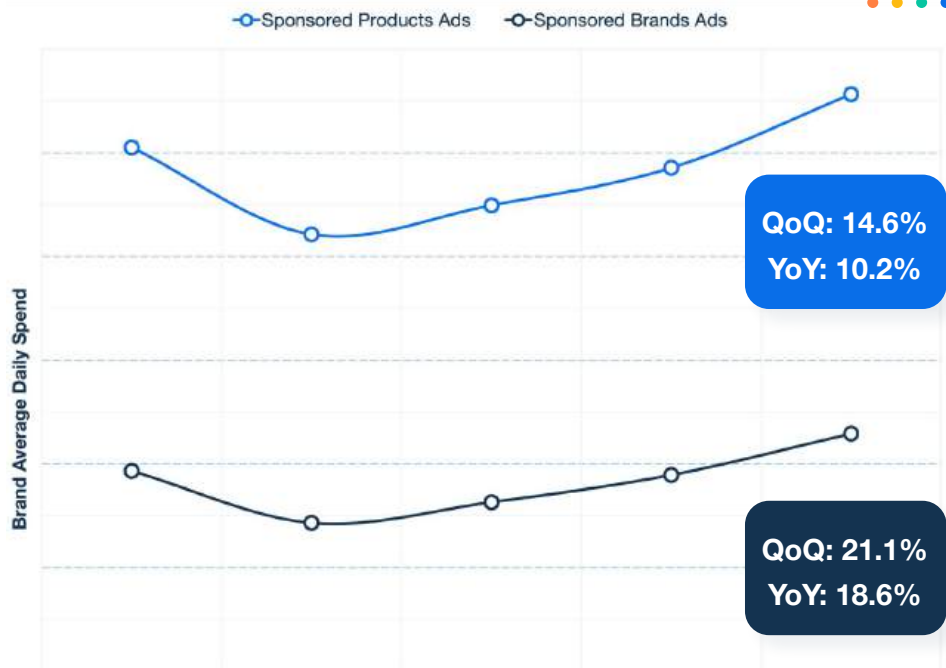
Exclusively available to mobile shoppers and distinguished by youth-focused branding—"best-selling" words instead of stars, heavy use of emojis, dramatic verbiage (e.g. "crazy deals!"), and different color schemes—it's clear Amazon's generally targeting a young, even teenage market with Haul. In Amazon's battle with ultra-low-cost rivals like Temu and AliExpress, Amazon Haul stands out as a formidable strategy for capturing extremely price-sensitive, generally younger shoppers, satisfying their demand for products that not only don't break their budgets but also uphold Amazon's long-standing reputation for quality and customer service.

SPONSORED BRANDS



Amazon Ads U.S. CPC & Spend

BRAND AVG DAILY SPEND COMPARISON

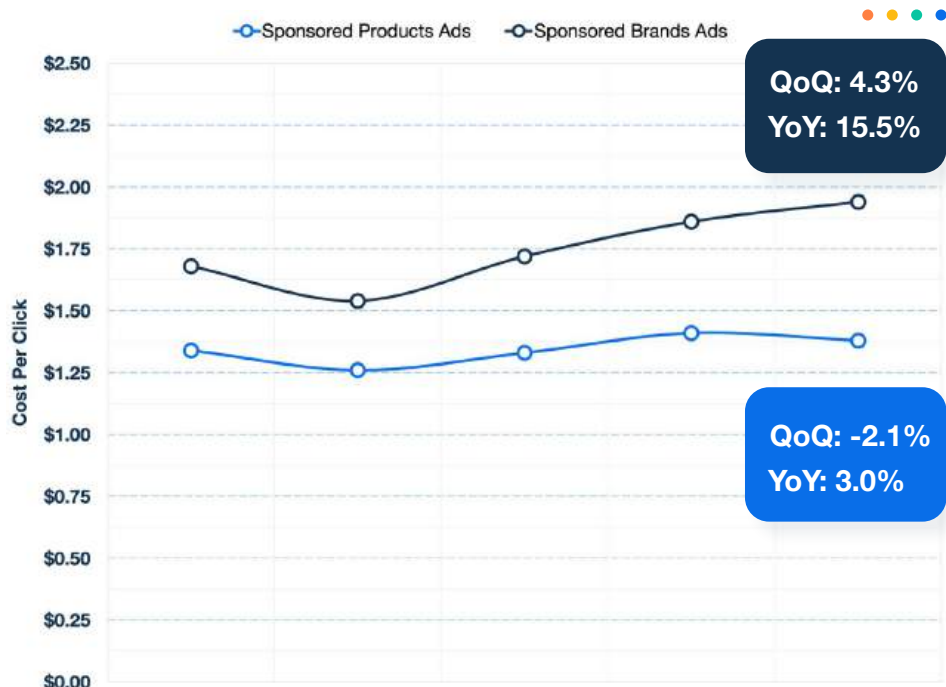


Highlights

Brands increased their average daily spend for both Sponsored Brands (+21.1% QoQ, +18.6% YoY) and Sponsored Products (+14.6% QoQ, +10.2% YoY) ads. However, Sponsored Products captured significantly more ad spend, drawing 83.3% more dollars in Q4 2024 than their Sponsored Brands counterparts.

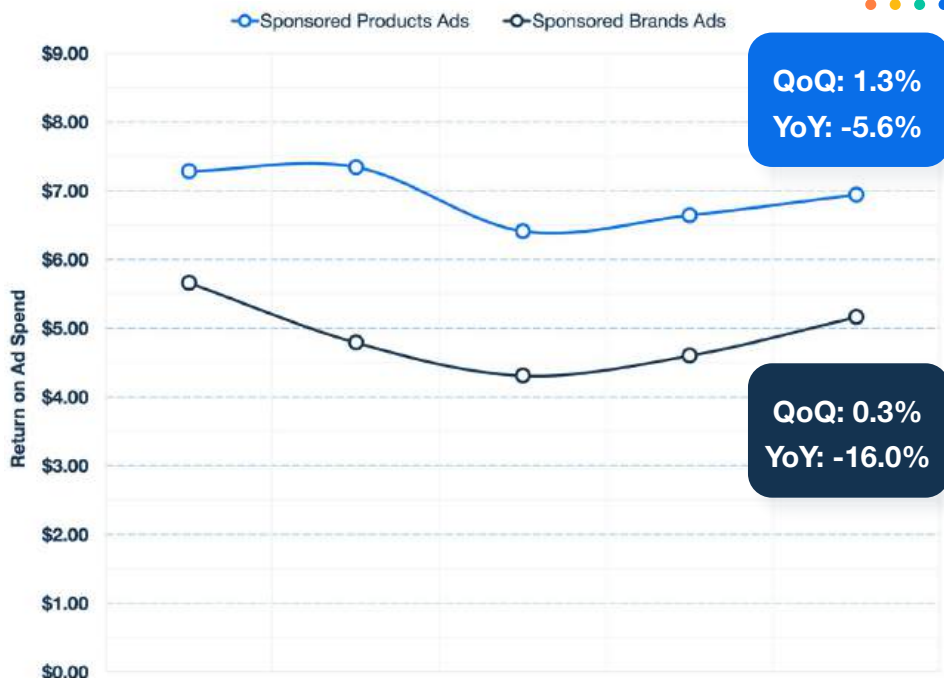
Reflecting stiffer competition and higher advertiser investment, Sponsored Brands CPC rose QoQ and YoY. Interestingly, while Sponsored Products CPC improved by a modest 3% YoY, it also dipped by -2.1% QoQ. In fact, Sponsored Products ads saw slightly lower CPCs in Q1 and Q2 2024 than Q4 2023, bucking the YoY trend and helping to mitigate industry-wide cost and profitability challenges. As expected, Sponsored Brands ads were more expensive to run than Sponsored Products ads, costing a \$0.56 higher CPC in Q4 2024.

CPC COMPARISON



Amazon Ads U.S. ROAS & CVR

ROAS COMPARISON



Highlights

Unfortunately, ROAS declined YoY for both Sponsored Brands (-16%) and Sponsored Products (-5.6%) ads, as surging customer acquisition costs and other challenges diminished returns on advertising spend. Quarter over quarter, however, Sponsored Products ads recorded a 1.3% higher ROAS and Sponsored Brands ads posted a much less damaging -2.8% ROAS dip. In the face of yearly ROAS losses, these quarterly ROAS gains (or smaller losses) reveal there are ways to mitigate advertising challenges in the short term.

Moving on to conversion rates, the data is clear—Sponsored Brands (+7.3% QoQ, +7.4% YoY) ads outperformed Sponsored Products ads (-5.6% QoQ, -1.4% YoY) across the board. Despite their higher daily spend, cost efficiencies, and ROAS, Sponsored Products ads experienced a significantly lower CVR on both a yearly and quarterly basis.

CVR COMPARISON



Focus On:

Amazon New Releases



AMZ

Amazon DSP Enhancements

Amazon DSP introduced a more intuitive interface for advertisers that allows for campaign creation in just a few clicks.

New frequency cap controls empower brands to control spend and understand frequency groups across campaigns, channels, and devices.

A new ads data manager gives brands the ability to upload first-party data to Amazon DSP from other sources and overlay them across Amazon DSP audiences for highly precise segmentation.

New AMC Solutions

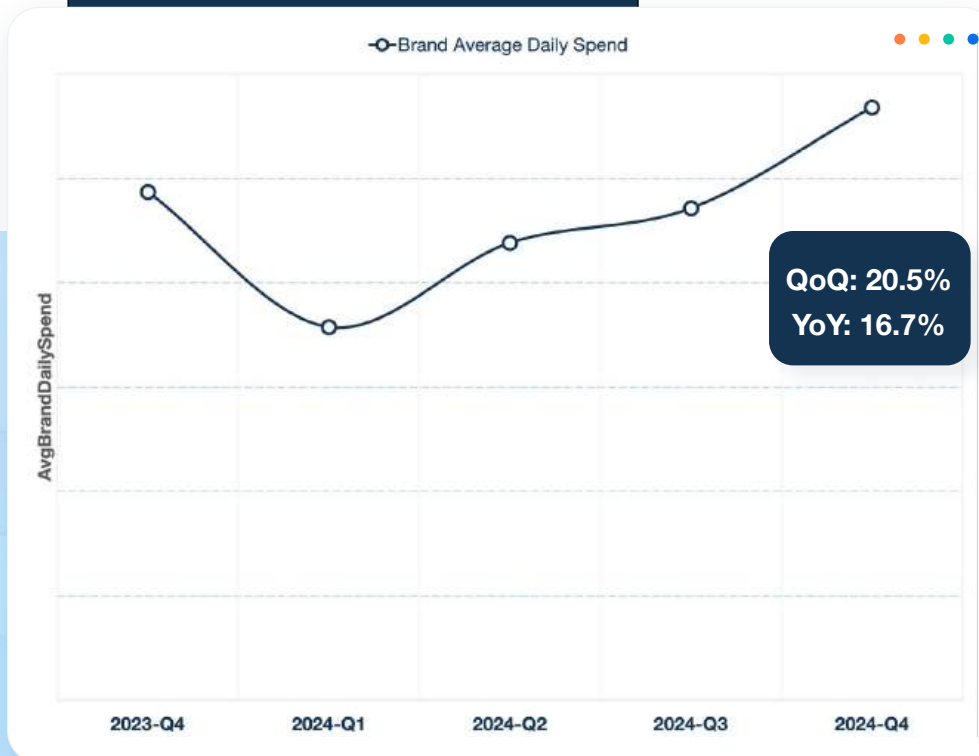
Amazon Marketing Cloud (AMC) announced a new multi-touch attribution model that allows for granular customer journey insights and audience segmentation.

These new features help brands build loyalty and drive new-to-brand customers with advanced conversion tracking and transparency into paid channels across the funnel.

Long-term sales insights estimate the sales a brand can expect to generate over the next year based on how effectively their campaign moves new-to-brand shoppers down the purchase funnel.

Amazon Ads U.S. DSP Trends

BRAND AVG DAILY SPEND COMPARISON



Highlights

Amazon DSP captured even more advertiser investment in 2024, recording higher average daily spend both QoQ (+20.52%) and YoY (+16.63%). Unsurprisingly, daily spend trended upward as the year progressed, peaking in Q4 2024 as brands raced to capture holiday shoppers with upper funnel tactics.

While ROAS decreased YoY, the decline was negligible at -0.42% and effectively balanced out by a 1.63% QoQ improvement. Interestingly, Q2 posted the lowest ROAS (\$3.20) in 2024, although it's typically not the most competitive quarter.

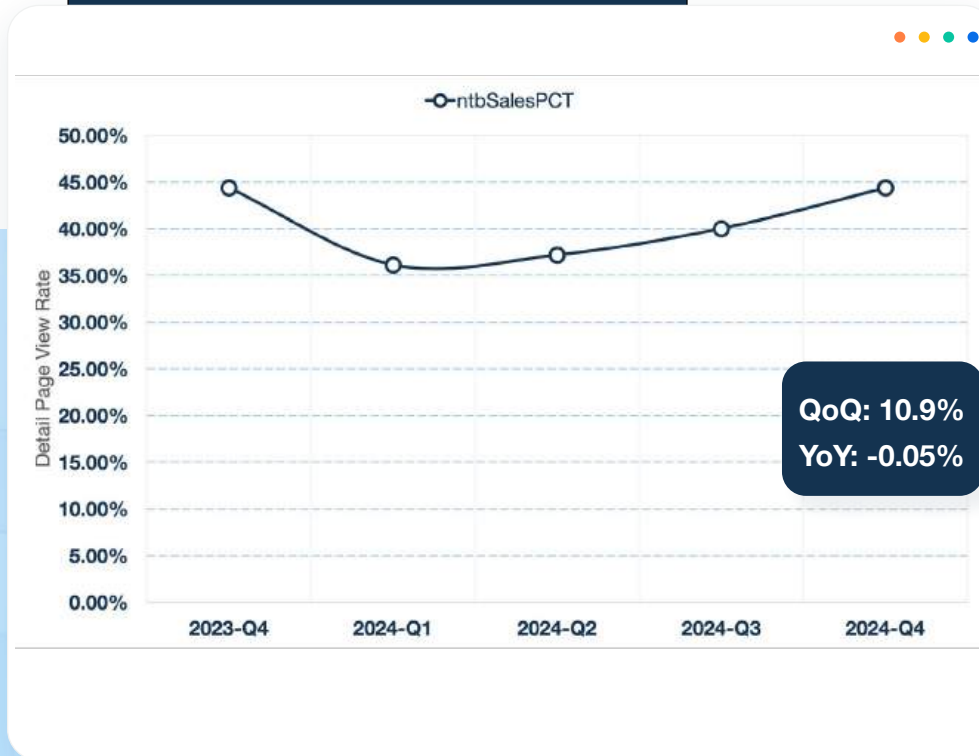
RETURN ON AD SPEND COMPARISON



Amazon Ads U.S. DSP

New to Brand Trends

NEW-TO-BRAND TOTAL SALES & DPV TRAFFIC

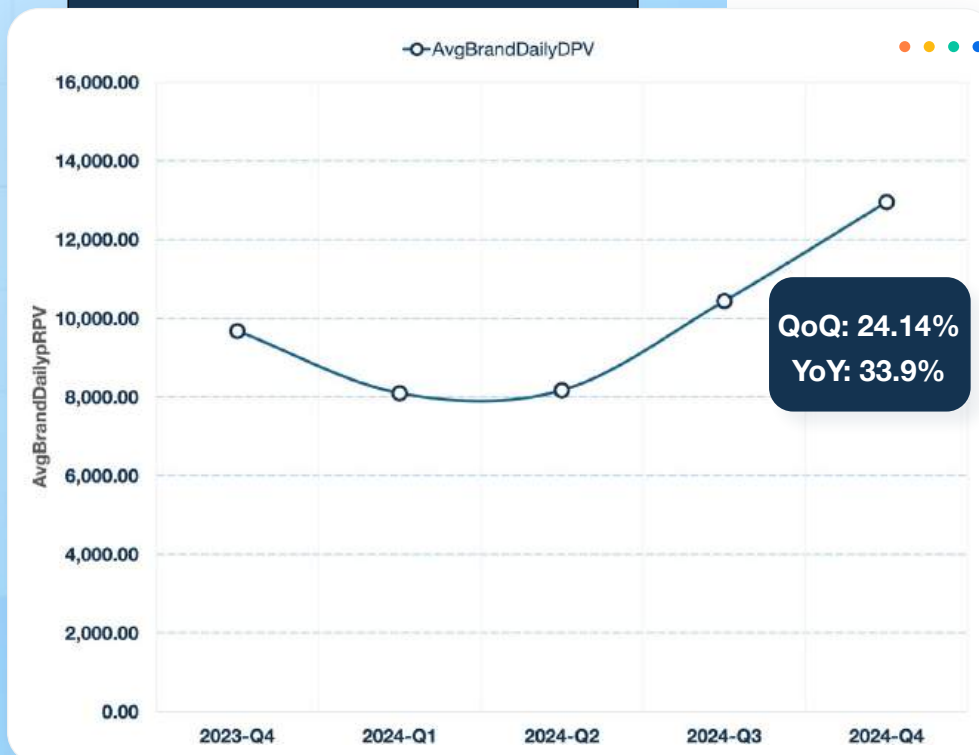


Highlights

New-to-brand sales were effectively flat (-0.05%) on a yearly basis, but they rose a healthy 10.89% on a quarterly one. The largest QoQ gains in 2024 occurred during the latter half of the year, spiking 40% in Q3 and 44.45% in Q4 as brands expanded their ad budgets to convert new customers in the increasingly competitive H2 period.

Meanwhile, DPV surged a spectacular 33.9% YoY and 24.1% QoQ, which significantly boosted daily sales (+16.1% YoY). Once again, H2 witnessed the strongest DPV movement at 10,436 in Q3 and 12,955 in Q4—a 35.9% increase over H1.

PRODUCT DETAIL PAGE TRAFFIC





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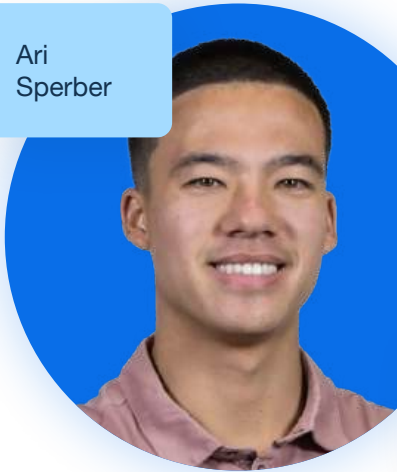
Amazon Ads Europe Benchmarks

Outperform Your Competitors with Powerful Commerce Benchmark Data

Amazon Ads Europe

Q4 Overview

Ari
Sperber



Senior Retail Media
Search Manager
Pacvue

“Discounts are constant, and we know consumers are feeling overwhelmed. **74% of shoppers have abandoned a shopping cart** in the last three months. With this, brands seeing success are advertising beyond the noise of onsite SERPs and winning across the web, on streaming, and more.”

SPONSORED PRODUCTS

	CTR	CPC	CPA	CVR	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.29%	\$0.76	\$4.81	15.76%	13.74%	\$7.28	\$2.18	
2024-Q1	0.31%	\$0.69	\$4.14	16.64%	13.62%	\$7.34	\$2.12	
2024-Q2	0.30%	\$0.76	\$4.32	17.69%	15.60%	\$6.41	\$2.26	
2024-Q3	0.32%	\$0.81	\$4.67	17.27%	15.05%	\$6.64	\$2.55	
2024-Q4	0.34%	\$0.76	\$4.64	16.34%	14.41%	\$6.94	\$2.61	
QoQ Change	6.2%	-6.2%	-0.6%	-5.4%	-4.3%	4.5%	2.4%	33.5%
YoY Change	17.2%	0.0%	-3.5%	3.7%	4.9%	-4.7%	19.7%	14.1%

Amazon Ads Europe

Q4 Overview

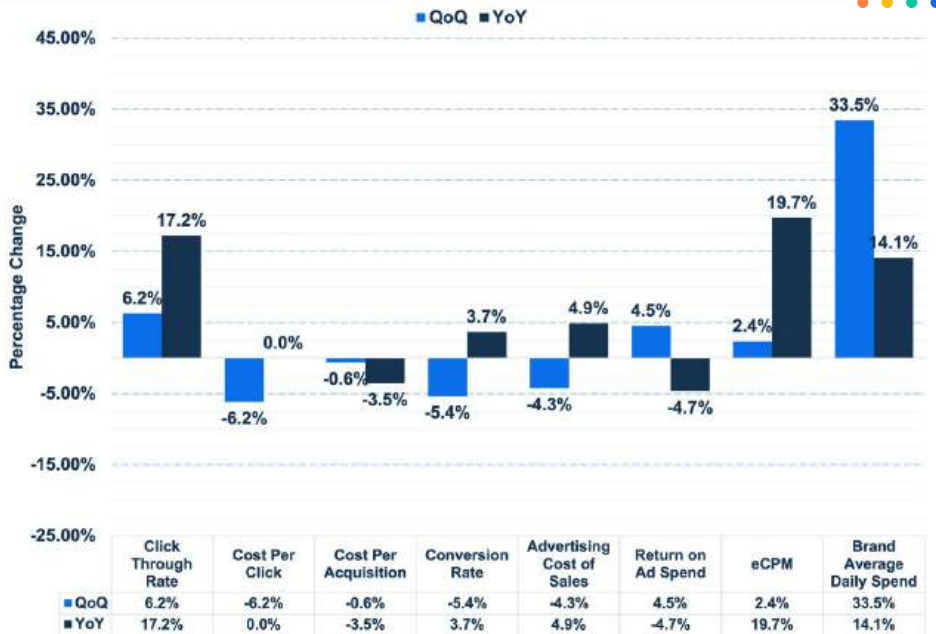
SPONSORED BRANDS

	CTR	CPC	CPA	CVR	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.37%	\$0.90	\$7.72	11.60%	17.66%	\$5.66	\$3.29	
2024-Q1	0.32%	\$0.86	\$7.56	11.44%	20.87%	\$4.79	\$2.75	
2024-Q2	0.32%	\$1.02	\$8.03	12.70%	23.20%	\$4.31	\$3.27	
2024-Q3	0.35%	\$1.10	\$8.81	12.52%	21.74%	\$4.60	\$3.81	
2024-Q4	0.37%	\$1.02	\$8.46	12.05%	19.38%	\$5.16	\$3.82	
QoQ Change	5.7%	-7.3%	-4.0%	-3.8%	-10.9%	12.2%	0.3%	27.8%
YoY Change	0.0%	13.3%	9.6%	3.9%	9.7%	-8.8%	16.1%	12.3%



Amazon Ads Europe Trends

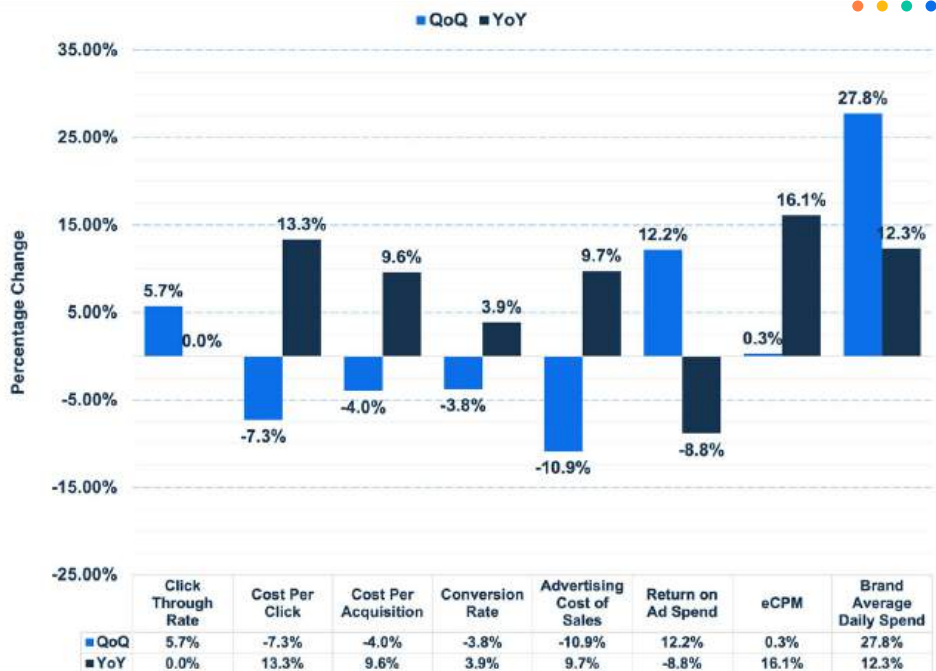
SPONSORED PRODUCTS



New Amazon Ads DSP Capabilities

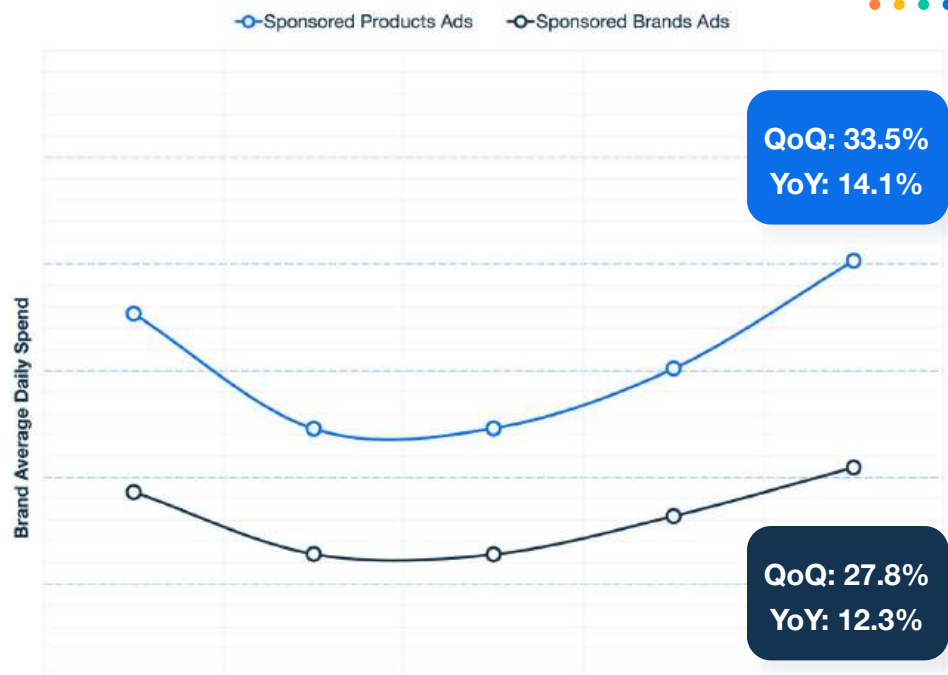
Amazon rolled out its Amazon DSP (Demand-Side Platform) suite of campaign management solutions to businesses in 16 countries across LATAM, APAC, and EMEA — including Germany, Spain, France, Italy, Belgium, Switzerland, Poland, Turkey, and the United Kingdom. Formerly exclusive to North America, this expansion unlocks advanced audience creation through AMC (Amazon Marketing Cloud) insights, robust automation tools like dayparting and budget management, and in-depth reporting powered by Amazon Ads performance data for brands across the globe. Through Pacvue, these businesses can now build more efficient campaigns, exercise greater control over their performance, and more accurately measure their results in multiple markets.

SPONSORED BRANDS



Amazon Ads Europe CPC & Spend

BRAND AVG DAILY SPEND COMPARISON



Highlights

Echoing trends in the US market, EU brands reported higher average daily spend for both Sponsored Brands (+27.8% QoQ, +12.3% YoY) and Sponsored Products (+33.5% QoQ, +14.1% YoY) ads. Just like US brands, EU ones prioritized Sponsored Products ads in their budgets, investing 63.4% more in Sponsored Products ads than Sponsored Brands ads in Q4 2024.

CPC for Sponsored Brands ads dropped -7.3% on a quarterly basis and rose 13.3% on a yearly one, while CPC for Sponsored Products ads experienced a similar QoQ decline (-6.2%) but remained flat YoY. Confronted with increased pressure from higher advertising costs, brands leveraged short-term strategies to stretch their ad budgets.

CPC COMPARISON



Amazon Ads Europe CVR & ROAS

ROAS COMPARISON



Highlights

EU brands saw ROAS decline YoY for Sponsored Brands (-8.8%) and Sponsored Products (-4.7%) ads, as the EU market suffered many of the same challenges as the US. On a quarterly basis, however, Sponsored Brands (+12.2%) and Sponsored Products (+4.5%) ads posted ROAS improvements, with Sponsored Brands ads delivering an almost 3x higher return. While the yearly ROAS losses are concerning, the quarterly gains prove that EU brands can still drive success with short-term strategies, like optimized audience targeting and increased budget investment.

CVR COMPARISON



Conversely, EU brands recorded lower quarterly conversion rates and higher yearly ones for both Sponsored Brands (-3.8% QoQ, +3.9% YoY) and Sponsored Products (-5.4% QoQ, +3.7% YoY). Despite rising costs and competition, both major ad types enjoyed higher CVRs YoY.

Spotlight:

Amazon unBoxed Announcements



AMZ

AI Creative Studio

AI Creative Studio is a new platform where brands can create, refresh, and customize ad content, leveraging an AI gallery of re-creatable ad formats or their own assets. Advertisers can generate new creative variations, adjust styles and formats, and save ads directly to their asset library.

Audio Generator

Amazon adds Audio Generator to its suite of AI-powered creative tools, allowing advertisers to automatically generate voiceover scripts for 30-second interactive audio ads. Brands can also customize the voice, tone, and music to complement display, video, and sponsored ad campaigns.



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Walmart Connect Benchmarks

Outperform Your Competitors with Powerful Commerce Benchmark Data

Walmart Connect

Q4 Overview

Anne
Harrell



Head of Product
Evangelism
Pacvue

“I’d say most brands and agencies can find **a lot of growth opportunities on Walmart Connect**. The key is to stop yourself from standing still. You should always **test and learn new strategies within the ad types you’re already using, while also remaining open to adding new inventory / ad types to the mix**. For example, WMC now has onsite display that could really open the door to a new audience for your products.”

SPONSORED PRODUCTS

	CTR	CPC	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.96%	\$0.69	14.96%	\$6.68	\$6.65	
2024-Q1	1.02%	\$0.70	14.09%	\$7.09	\$7.17	
2024-Q2	1.09%	\$0.74	13.82%	\$7.24	\$8.06	
2024-Q3	1.02%	\$0.71	13.23%	\$7.55	\$7.26	
2024-Q4	0.83%	\$0.72	12.96%	\$7.71	\$5.95	
QoQ Change	-18.6%	1.4%	-2.0%	2.1%	-18.0%	9.9%
YoY Change	-13.5%	4.3%	-13.4%	15.4%	-10.5%	15.2%

Walmart Connect

Q4 Overview

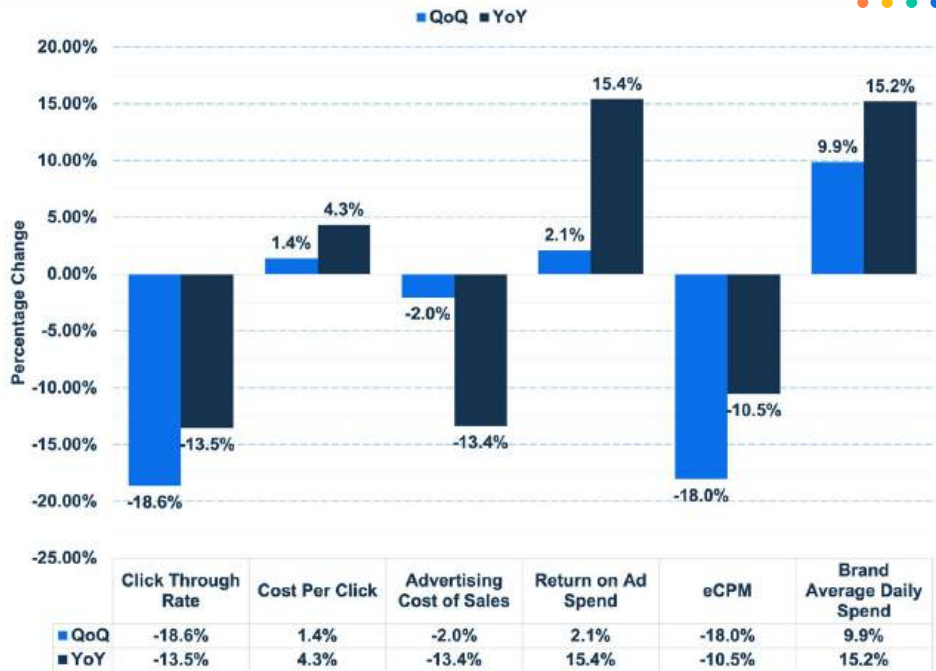
SPONSORED BRANDS

	CTR	CPC	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	0.24%	\$1.32	38.75%	\$2.58	\$3.17	
2024-Q1	0.22%	\$1.38	36.74%	\$2.72	\$3.02	
2024-Q2	0.21%	\$1.47	40.25%	\$2.48	\$3.13	
2024-Q3	0.17%	\$1.38	39.00%	\$2.56	\$2.40	
2024-Q4	0.18%	\$1.50	41.07%	\$2.43	\$2.65	
QoQ Change	5.9%	8.7%	5.3%	-5.1%	10.4%	11.7%
YoY Change	-25.0%	13.6%	6.0%	-5.8%	-16.4%	32.7%



Walmart Connect Trends

SPONSORED PRODUCTS



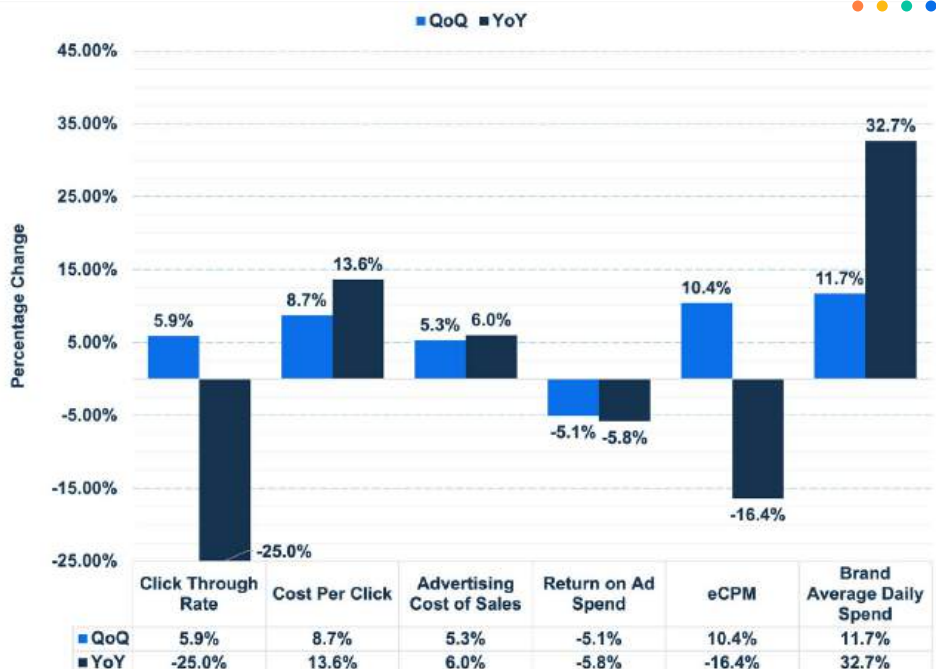
Walmart Connect News

Walmart is adapting to market trends by investing in new innovations, fulfillment enhancements, and continuing to prioritize value and convenience while winning over high income shoppers. According to their Q3 earnings, 75% of new market share coming from households with an income of more than \$100,000.

Walmart also completed the acquisition of Vizio to tap into the CTV space and a CTV audience with more than 19 million active accounts.

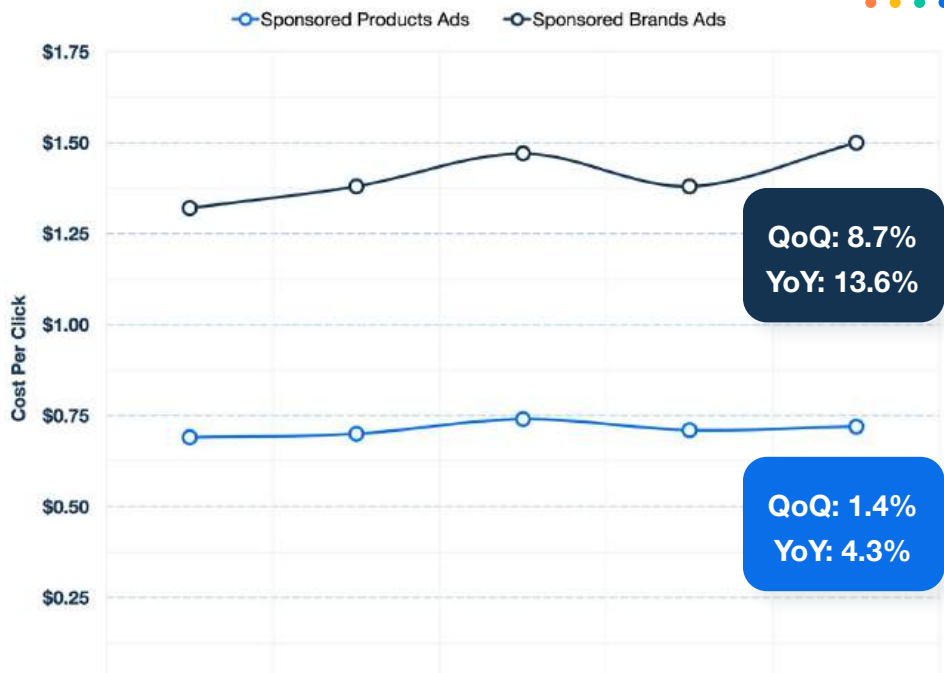
During Cyber 5 weekend, Walmart stepped into the linear TV ad space with an NBC Universal collaboration, powering shoppable ads across live sports on November 28th.

SPONSORED BRANDS



Walmart Connect CPC & ROAS

CPC COMPARISON

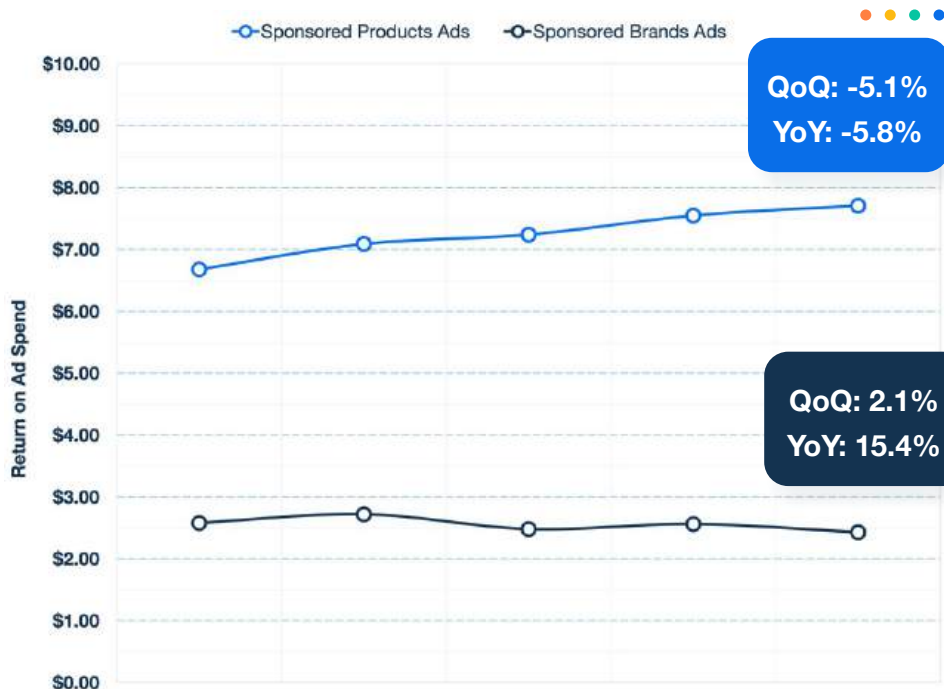


Highlights

Total CPC for Walmart Connect rose slightly QoQ (+1.4%) and YoY (+4.2%), though Sponsored Brands ads largely drove that trend. QoQ, Sponsored Brands CPC (+8.7%) rocketed 144.6% higher than Sponsored Products CPC (+1.4%), while YoY Sponsored Brands CPC (+13.6%) surged 103.9% more than Sponsored Products CPC (+4.3%). By Q4 2024, Sponsored Brands CPC peaked at \$1.50 — 70.3% more expensive than Sponsored Products' \$0.72 CPC during the same period.

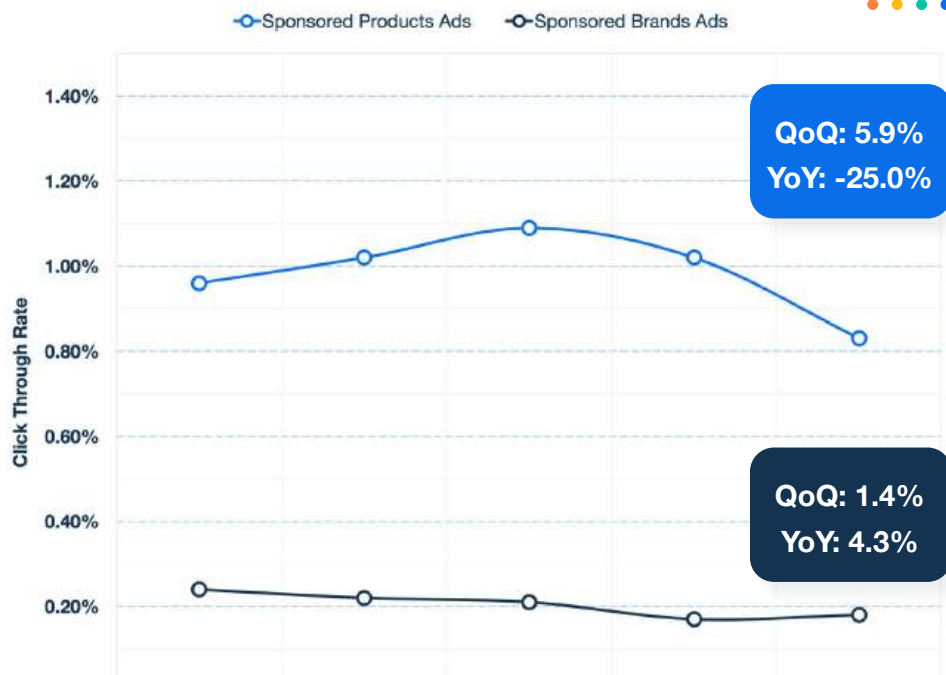
Unsurprisingly, Sponsored Brands ads suffered lower ROAS (-5.1% QoQ, -5.8% YoY), whereas Sponsored Products ROAS enjoyed modest improvements QoQ (+2.1%) and significant gains YoY (+15.4%). Benefiting from a lower CPC, Sponsored Products ads delivered a 3.2x higher return to advertisers on Walmart Connect.

ROAS COMPARISON



Walmart Connect CTR & Spend

CTR COMPARISON

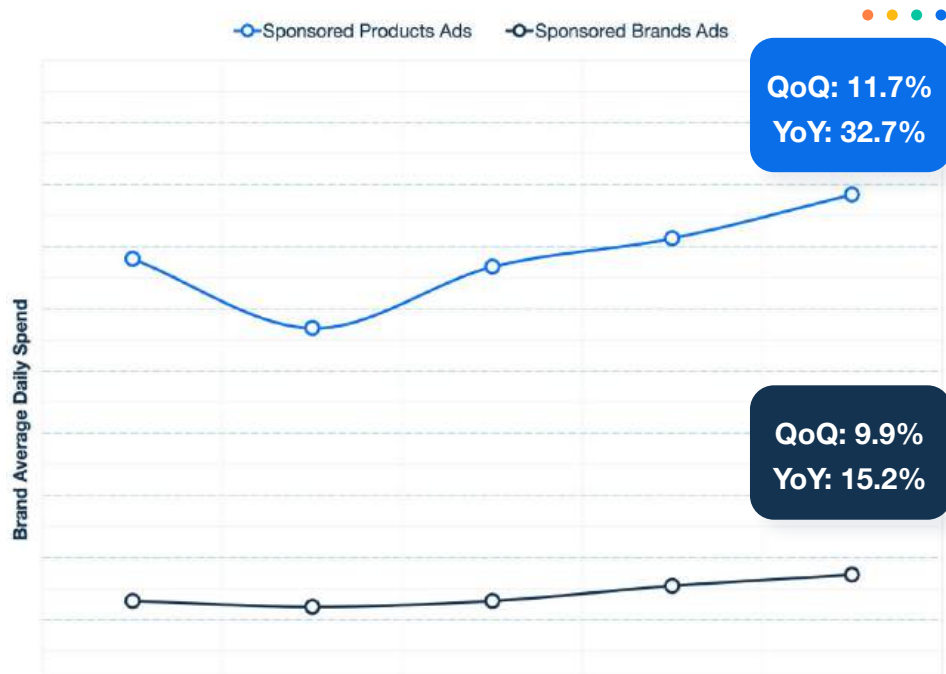


Highlights

On Walmart Connect, total CTR dropped QoQ (-14.9%) and YoY (-15.9%). While Sponsored Brands witnessed the largest CTR decline—a staggering -25% fall YoY—it also recorded the only CTR improvement (+5.9% QoQ). Sponsored Products CTR, meanwhile, tumbled by -18.6% QoQ and -13.5% YoY, but still outperformed Sponsored Brands ads by averaging a 1% CTR in 2024 compared to Sponsored Brands' 0.2%.

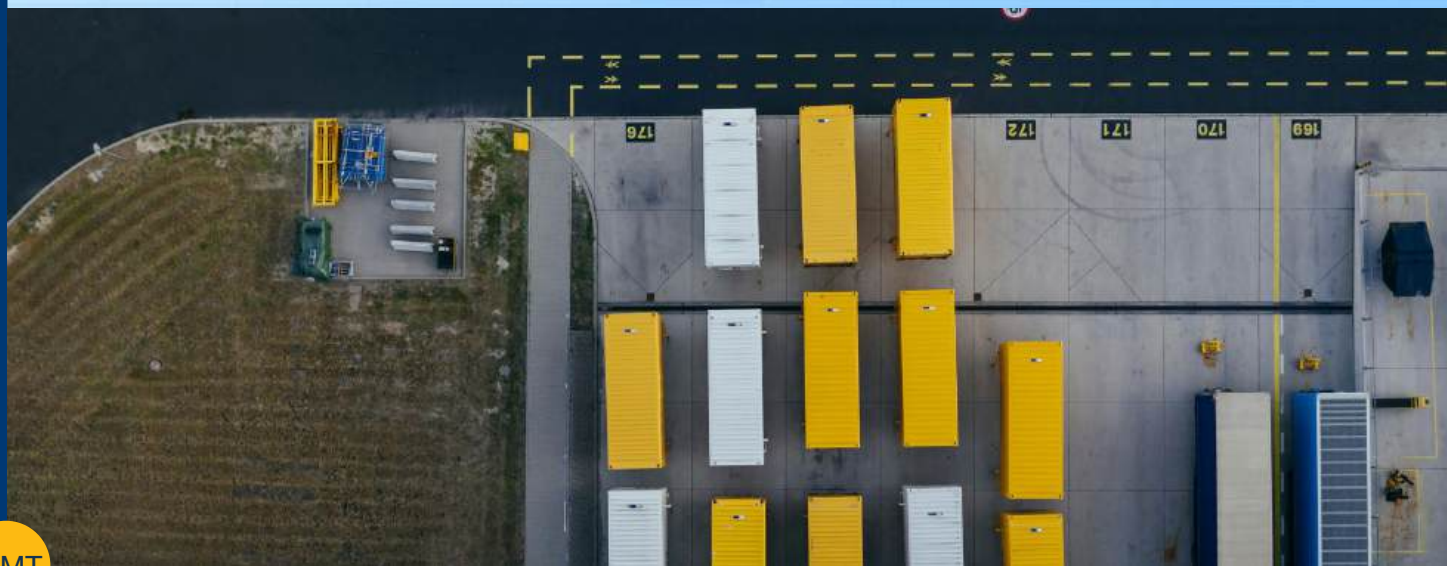
Predictably, total average daily spend increased QoQ (+10.1%) and YoY (+15.8%). Sponsored Brands saw the biggest daily spend improvements (+11.7% QoQ, +32.7% YoY), but Sponsored Products ads drew 130.3% more advertising dollars across 2024 and secured a 4.6x higher daily average spend than Sponsored Brands ads received. Although brands spent more on Sponsored Brands ads, they still prioritized Sponsored Products ads in their budgets.

BRAND AVG DAILY SPEND COMPARISON



Focus On:

Walmart Connect



WMT

Spotlight on Walmart's Marketplace

The increasing market share of Walmart among high-income households is a good sign for advertisers, and there is less competition on Walmart compared to Amazon.

Audience growth and advertising solutions will go hand in hand. Walmart is a fast-growing ecosystem that offers brands a chance to drive incremental sales and build a new customer base on a new channel.

Walmart Connect offers a powerful way for advertisers to build brand equity digitally for shoppers who often end up in the store, especially in grocery and similar categories. The steady growth of the Walmart brand as both digital retailer and retail media player has implications for omnichannel strategies that are local, in-store, and online.

Walmart Sponsored Video Bid Minimum Reduction

Walmart Sponsored Video Bid Minimum Reduction from \$1.30 to \$0.80 starting November 1st. With a lower minimum bid, brands have more flexibility to push bids during peak periods and pull back on bids when those campaigns don't need to work as hard. This was a huge win for Pacvue clients as it allowed for more strategic bid management and resulted in stronger performance during the time of year that counts the most.



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Instacart Ads Benchmarks

Outperform Your Competitors with Powerful Commerce Benchmark Data

Instacart Ads

Q4 Overview

Veronica Slater



Retail Media Manager
Pacvue

“Retailers like Instacart can specifically target **new customers to their platform with their display offerings, helping broaden brand awareness across all categories.** Since we tend to see an increased volume of new entry across retailers during the holiday period and new year, these retargeting tactics are a great way to capture those customers.”

SPONSORED PRODUCTS

	CTR	CPC	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2023-Q4	2.15%	0.93	17.27%	5.79	19.97	
2024-Q1	1.78%	0.87	17.72%	5.64	15.53	
2024-Q2	1.94%	0.87	17.52%	5.71	16.8	
2024-Q3	2.01%	0.89	17.63%	5.67	17.98	
2024-Q4	1.86%	0.93	18.72%	5.34	17.19	
QoQ Change	-7.46%	4.49%	6.18%	-5.82%	-4.39%	11.97%
YoY Change	-13.49%	0.00%	8.40%	-7.77%	-13.92%	10.14%

Instacart Ads Trends

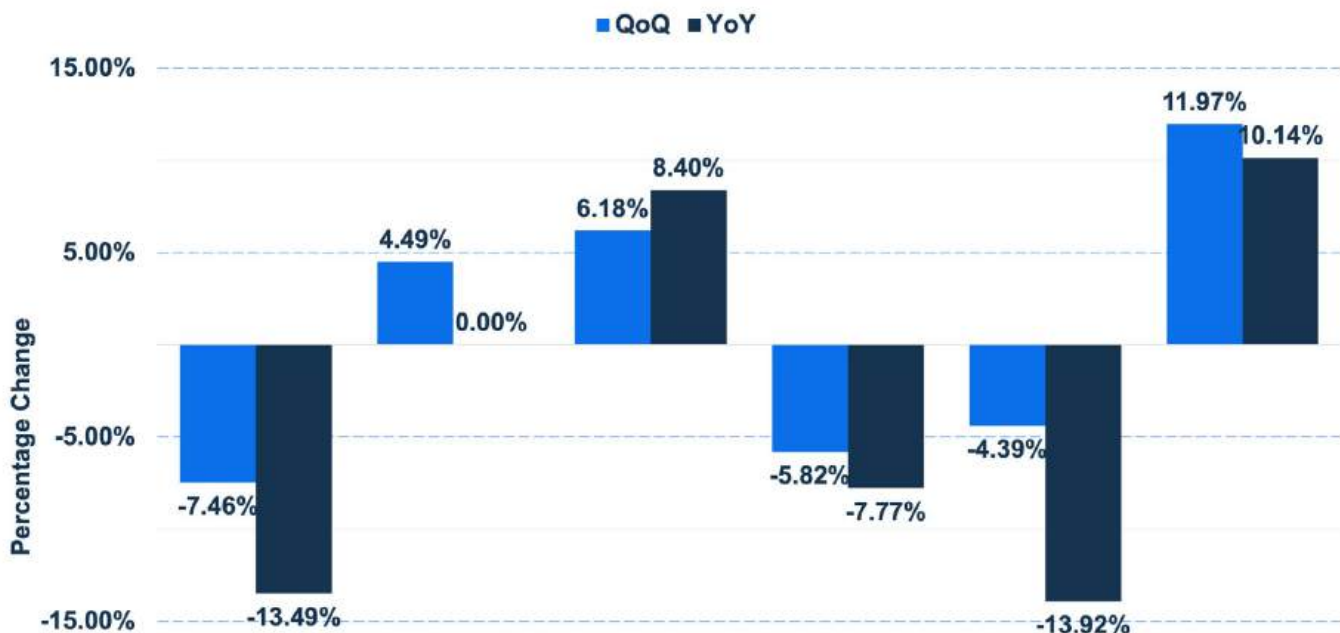
Instacart Ads News

Thrive Market announced their retail media network powered by Instacart in September with Carrot Ads. In December, Pacvue announced that brands can create, launch, and manage Sponsored Product campaigns on Thrive Market's marketplace through Instacart Ads Manager and API. With the introduction of Thrive Market's ad network, Pacvue users can expect comprehensive retail media management, targeted

audience engagement, and advanced analytics and reporting. This integration and partnership enable brands to connect with a highly engaged audience of Thrive Market shoppers, optimizing their retail media strategies while unlocking growth potential.

Instacart also announced that Aldi, Gelson's and Hornbachers are connecting their electronic shelf labels to its Carrot Tag software, helping shoppers find items in store while improving order accuracy and efficiency.

SPONSORED PRODUCTS ADS



	Click Through Rate	Cost Per Click	Advertising Cost of Sales	Return on Ad Spend	eCPM	Brand Average Daily Spend
■ QoQ	-7.46%	4.49%	6.18%	-5.82%	-4.39%	11.97%
■ YoY	-13.49%	0.00%	8.40%	-7.77%	-13.92%	10.14%

Instacart CPC & Spend

BRAND AVG DAILY SPEND

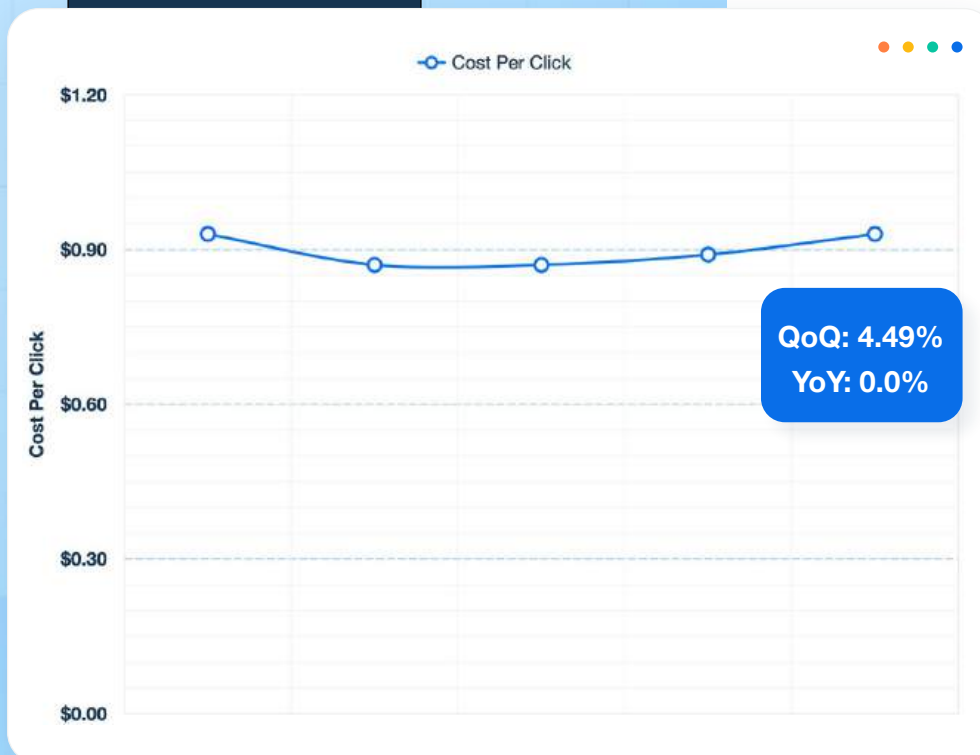


Highlights

Brands increased their daily average spend on Instacart on both a quarterly (+12%) and yearly (+10.1%) basis, reflecting the burgeoning interest many companies have in retail networks beyond Amazon (and Walmart).

While remaining flat YoY, Instacart CPC rose modestly (+4.5%) QoQ. Unsurprisingly, the largest spike was in Q4—mostly driven by Cyber 5 promotions—as Q1 and Q2 held steady at \$0.87 before Q3 averaged a couple of cents more expensive. Advertising competition on Instacart generally becomes fiercer in the latter half of the year, resulting in higher CPCs during the final two quarters.

COST-PER-CLICK



Instacart CTR & ROAS

CLICK-THROUGH RATE



Highlights

Advertisers struggled with CTR on Instacart, both QoQ (-7.5%) and YoY (-13.5%). Interestingly, the lowest CTR of 2024 was during Q1 instead of Q4, when advertising competition is generally stiffer. These relatively lower click-through rates remain a problem—and an opportunity for improvement—for brands advertising on Instacart.

Similarly, Instacart ROAS suffered QoQ (-5.8%) and YoY (-7.8%) in the US despite Instacart's higher daily brand spend. The first and last quarters of 2024 marked the lowest ROAS dips, with Q4 returning an average of \$5.34 per advertising dollar spent. High inflation in the US is likely to blame for these disappointing results, as customers are discouraged from indulging in discretionary expenses like Instacart's grocery delivery service.

RETURN ON AD SPEND



Focus On:

Instacart New Releases

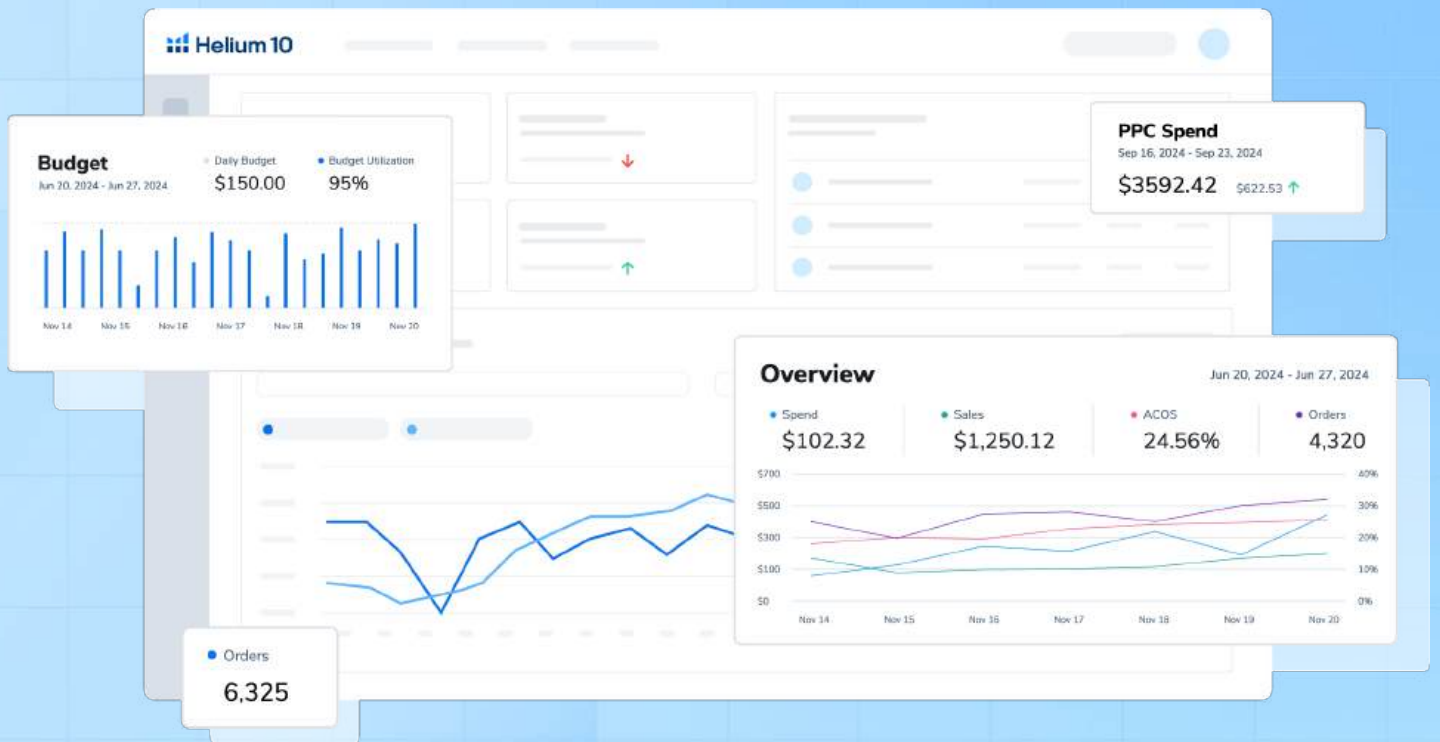


Spotlight: Electronic Shelf Labels

With new electronic shelf labels for major grocers and a push around Carrot Tag software, Instacart is helping customers use a grocery planning app instead of just a delivery app. By partnering with new grocers and integrating the technology across retailers, Instacart is also adding a new layer of transparency and efficiency into the grocery experience. The pick-to-light functionality of ESL technology allows customers and workers to find the items on their shopping list with flashing lights to minimize friction when shopping in-store.

New Pilot: Instacart Occasions

Instacart is redefining the customer shopping journey by curating a “one stop shop” with their occasions shop, featuring lifestyle imagery and seasonally relevant cross-category products (ex. Christmas Party shop with paper towels, holiday candy and drinks). This new way of shopping drives new customer engagement as this encourages more cross-shopping. If you pair a feature in the occasions shop with a promotion/coupon to encourage even more trial, it’s an easy win to grow your new to brand!



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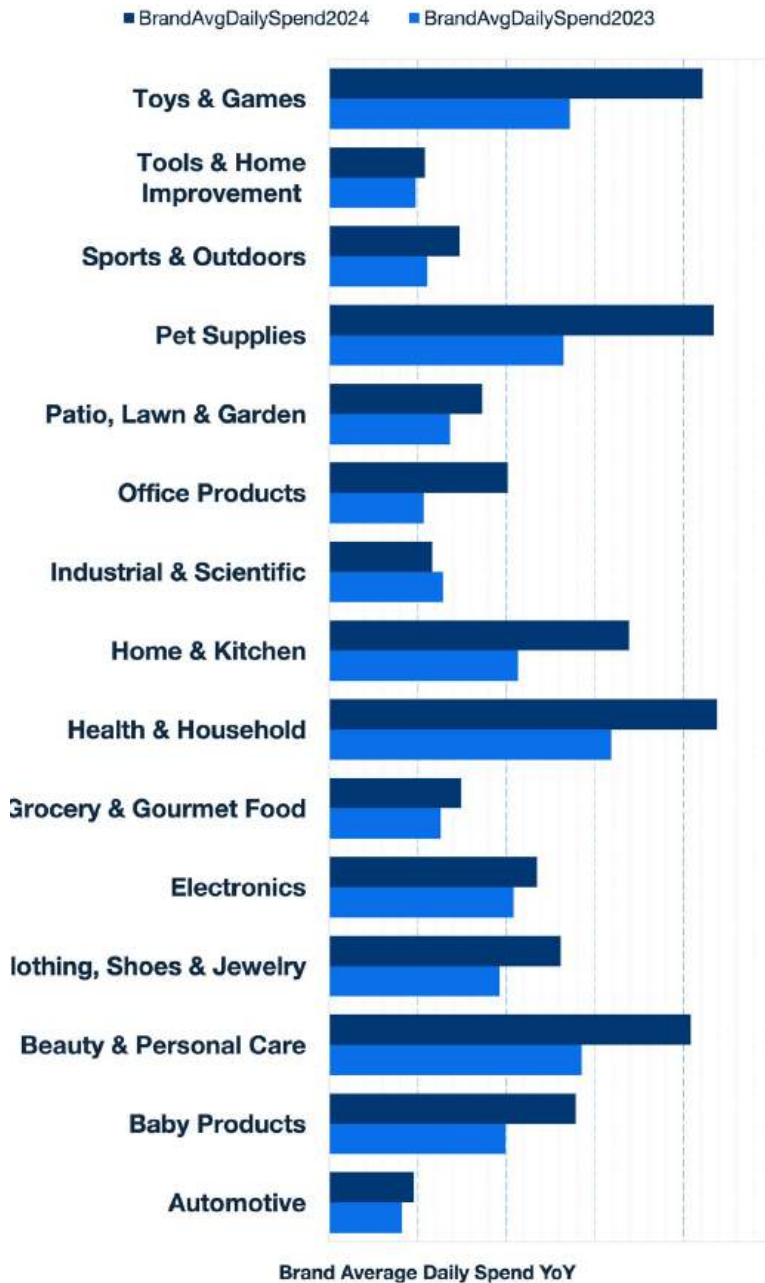
Category Benchmarks

Outperform Your Competitors with Powerful Commerce Benchmark Data

Categories Q4

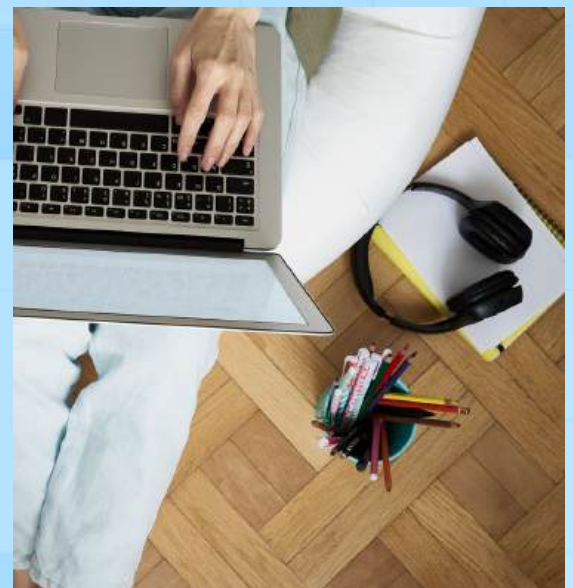
Spend Comparison

AVG BRAND SPEND: CATEGORY COMPARISON



Category Highlights

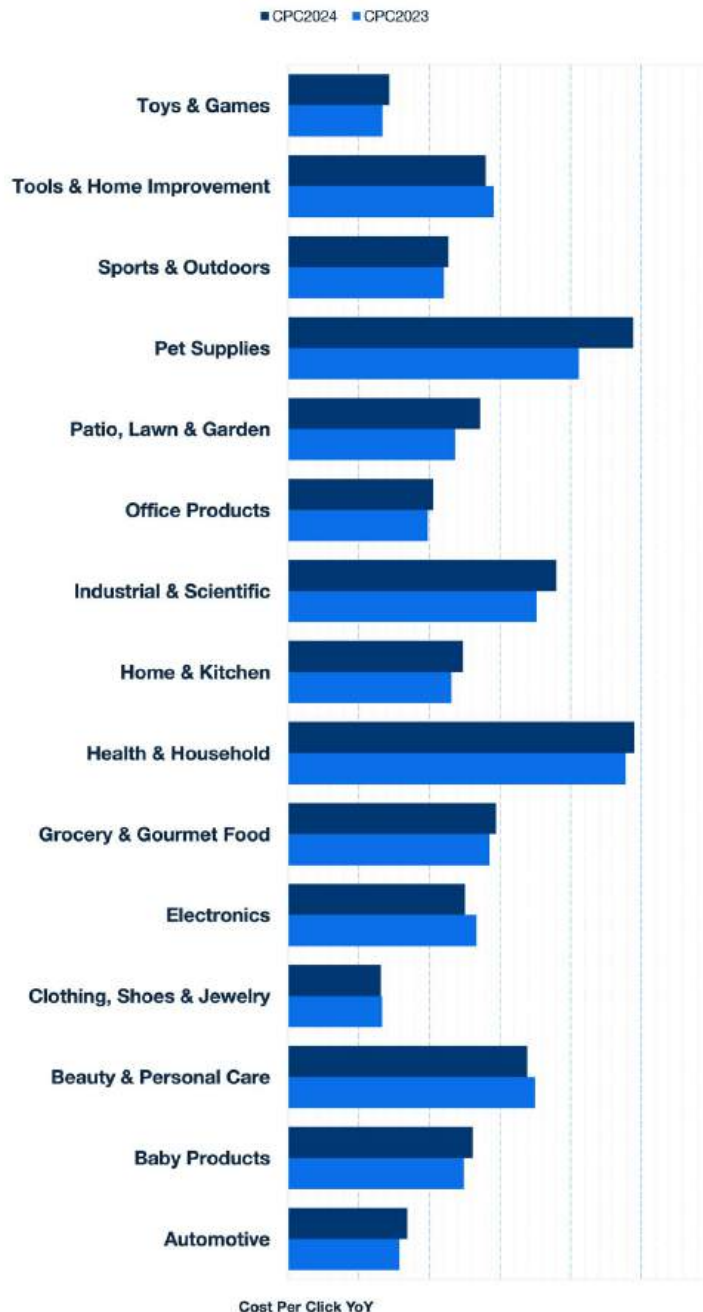
On Amazon, the Office Products (+88%) and Pet Supplies (+64%) categories reported the greatest YoY growth in average daily spend, whereas Health & Household and Pet Supplies posted the highest average daily spend in 2024. The only category to experience a YoY decline in average daily spend was Industrial & Scientific, which decreased by -9.6%.



Categories Q4

Cost-Per-Click Comparison

COST-PER-CLICK: CATEGORY COMPARISON



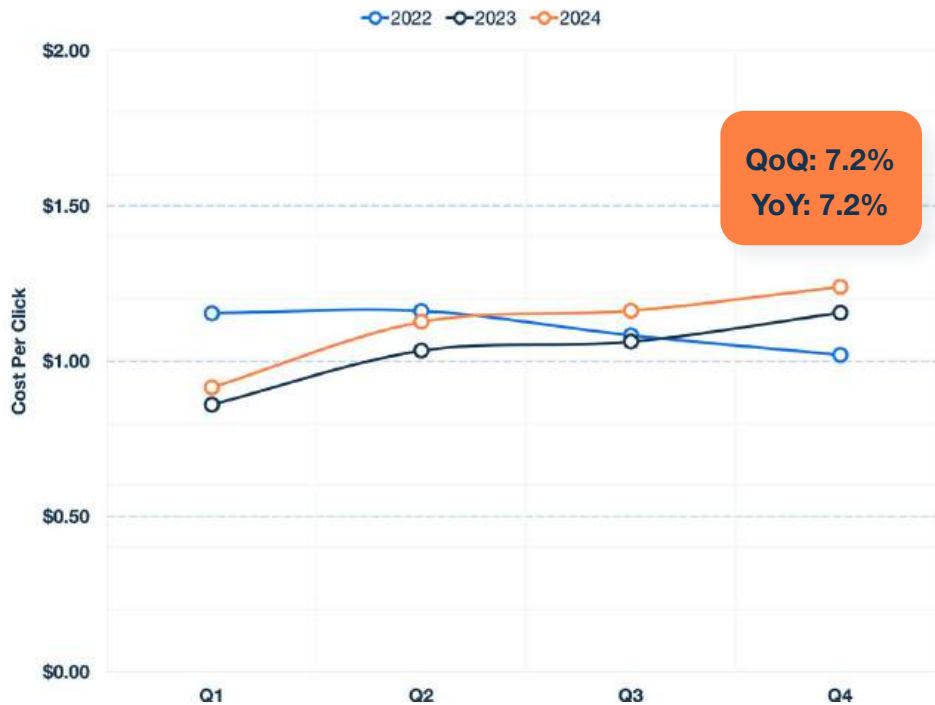
Category Highlights

Pet Supplies experienced the largest YoY CPC increase of any category at 18.7%, significantly outpacing Amazon's other categories in CPC growth and indicating a strong surge in competition. While not rising as rapidly as Pet Supplies, the Health & Household category had the highest overall CPC at \$2.45. Conversely, Clothing, Shoes & Jewelry posted the lowest CPC at \$0.66.



Home & Kitchen CPC & Spend

CPC COMPARISON

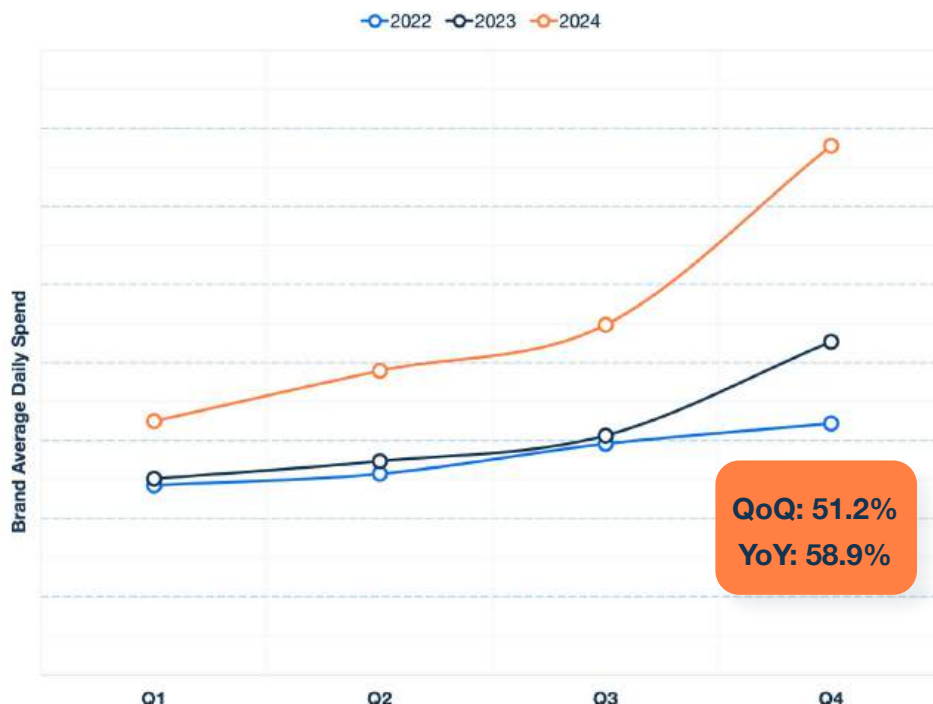


Highlights

CPC rose 7.2% YoY for Home & Kitchen but remained the sixth-cheapest category for advertisers at \$1.16. In 2024, CPC was on average \$0.08 more expensive than last year, representing a steady rise in competition for this category.

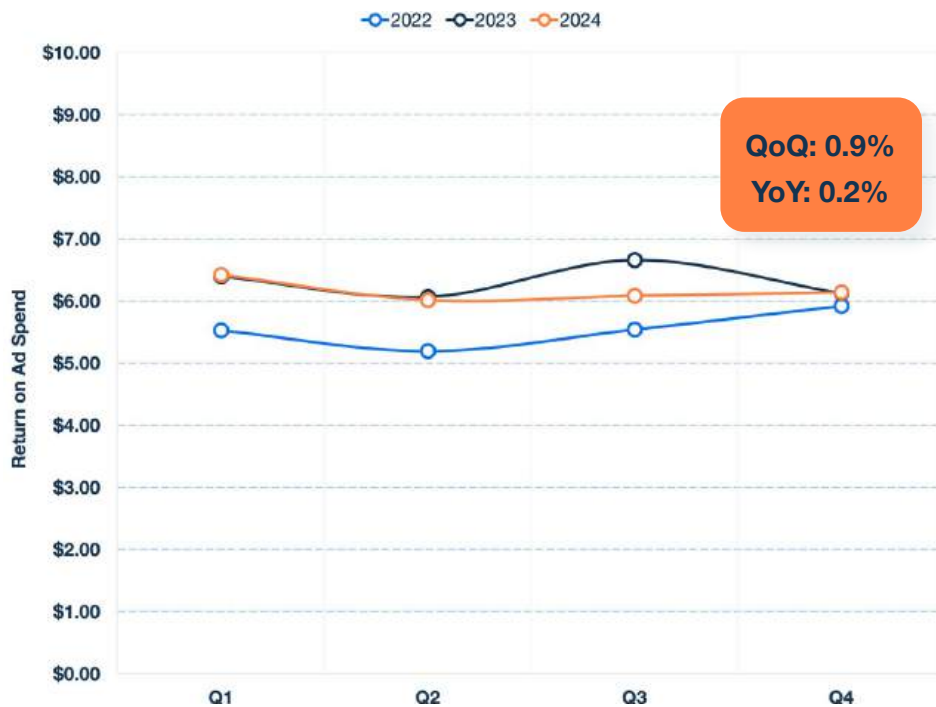
Home & Kitchen saw the third-largest YoY improvement in average daily spend at 58.9%, just behind the Pet Supplies (+64%) and Office Products (+88%) categories. Most of that growth was concentrated in Q4, as brands increased their average daily spend by 21.8% from Q3 to Q4 in 2024 relative to the same period in 2023, signaling that the Cyber 5 promotional period is attracting greater investment YoY.

BRAND AVG DAILY SPEND COMPARISON



Home & Kitchen ROAS & CVR

ROAS COMPARISON

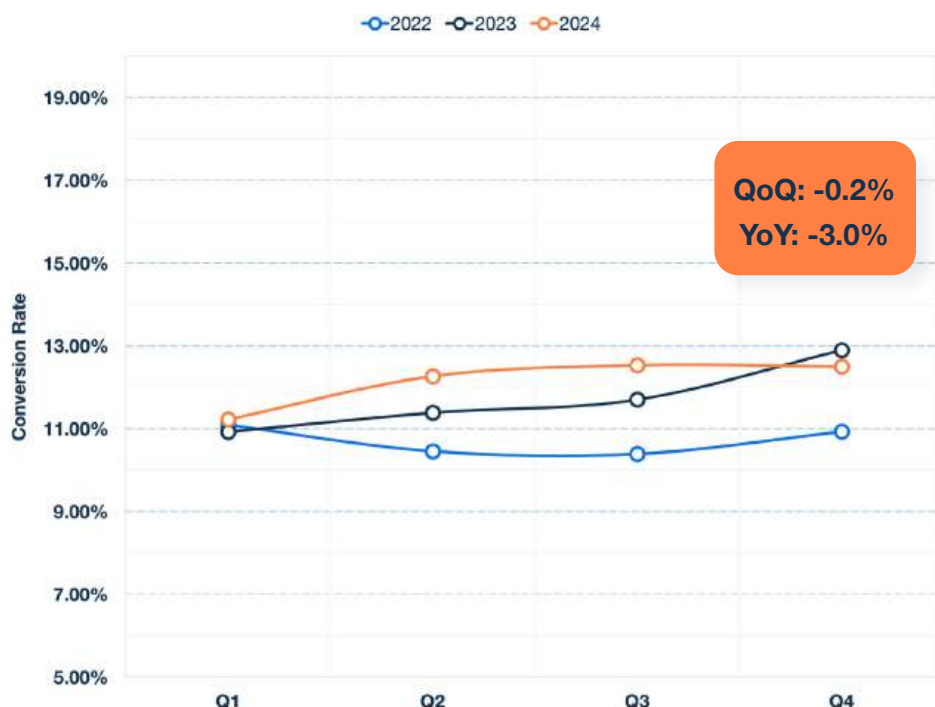


Highlights

Improving by a mere 0.2% YoY, ROAS for Home & Kitchen remained effectively flat. However, despite holding steady, Home & Kitchen still delivered the fifth-highest ROAS of any Amazon category at \$6.12.

Unfortunately, Home & Kitchen CVR dipped slightly (-3%) YoY to 12.5% in 2024—the fourth-lowest CVR among Amazon’s 15 categories. While Home & Kitchen recorded positive CVR gains across the first 3 quarters of 2024, that trend reversed in the final one, indicating that advertisers struggled to convert prospective customers during the highly competitive, holiday-focused Q4 period.

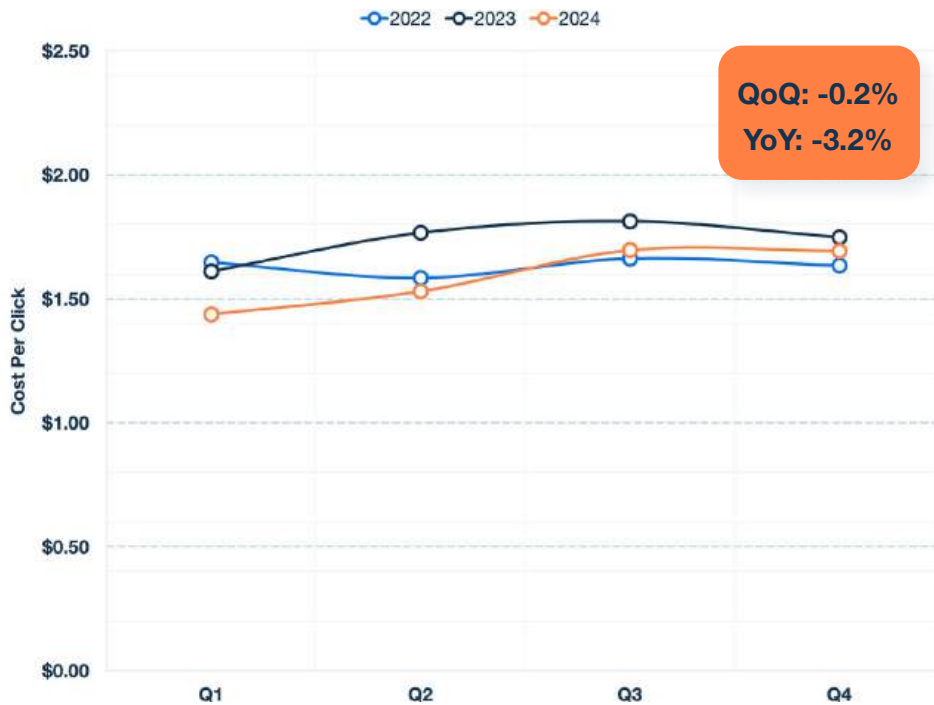
CVR COMPARISON



Beauty & Personal Care

CPC & Spend

CPC COMPARISON

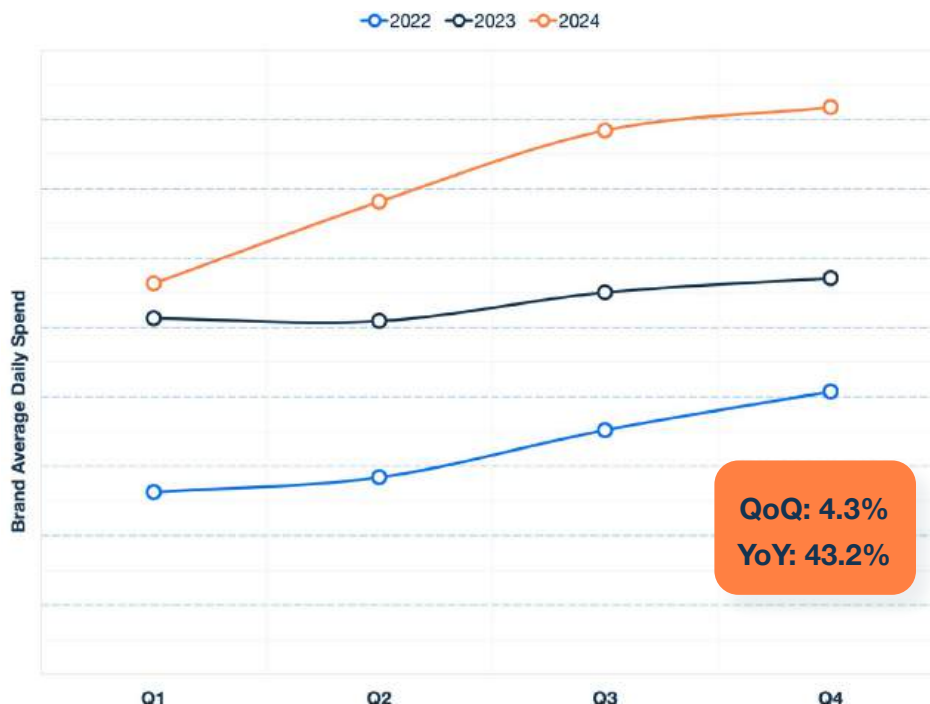


Highlights

Although CPC for Beauty & Personal Care dropped -3.2% YoY to \$1.75, it still ranks as the fourth-most expensive category to advertise in. This CPC decline was much stronger in Q1 (-10.8%) and Q4 YoY, revealing significantly lower advertising competition during the first half of 2024 relative to 2023 and 2022.

In terms of average daily spend, Beauty & Personal Care surged 43.2% YoY—the fifth-largest spike across Amazon's 15 categories. While ranking in the middle for total average daily spend, the category's significant YoY gains indicate Beauty & Personal Care is steadily becoming a magnet for advertising investment.

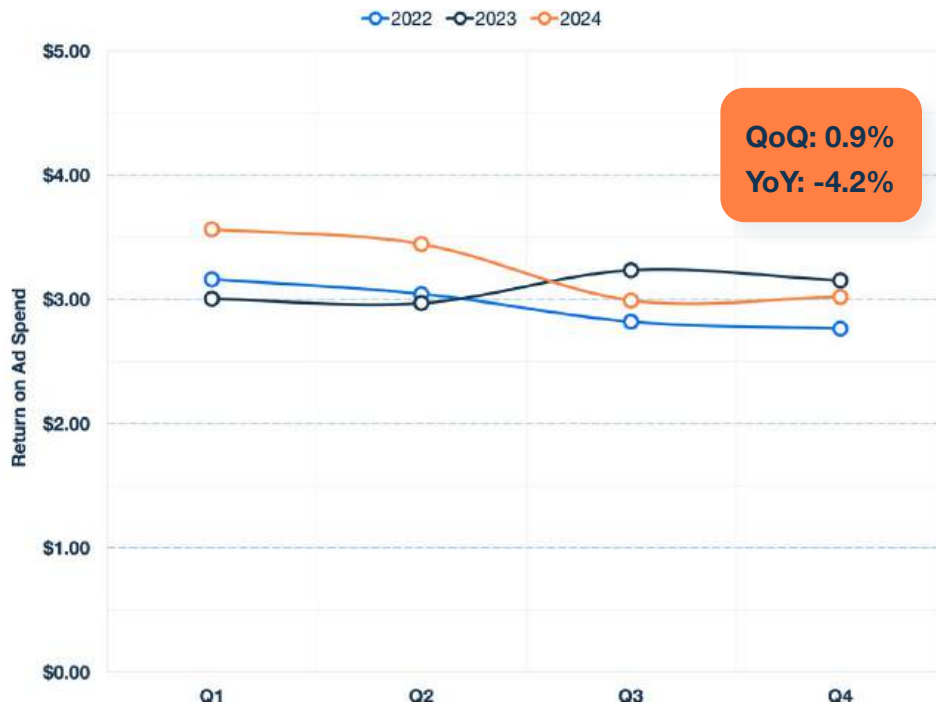
BRAND AVG DAILY SPEND COMPARISON



Beauty & Personal Care

ROAS & CVR

ROAS COMPARISON

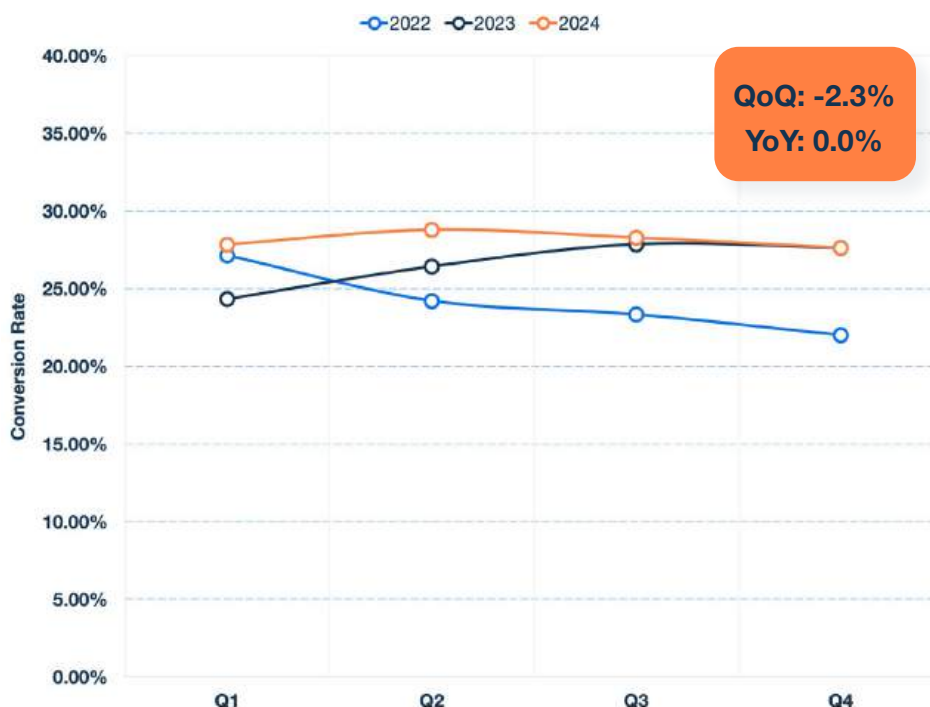


Highlights

While ROAS for Beauty & Personal Care fell by -4.2% YoY to \$3.02—the second-lowest ROAS of any Amazon category—the quarterly picture was more nuanced. In Q1 and Q2 of 2024, Beauty & Personal Care ROAS improved by \$18.6% and 16% respectively before declining in the latter half of the year. Despite the category's YoY challenges, it delivered steadily stronger returns to advertisers running H1 campaigns.

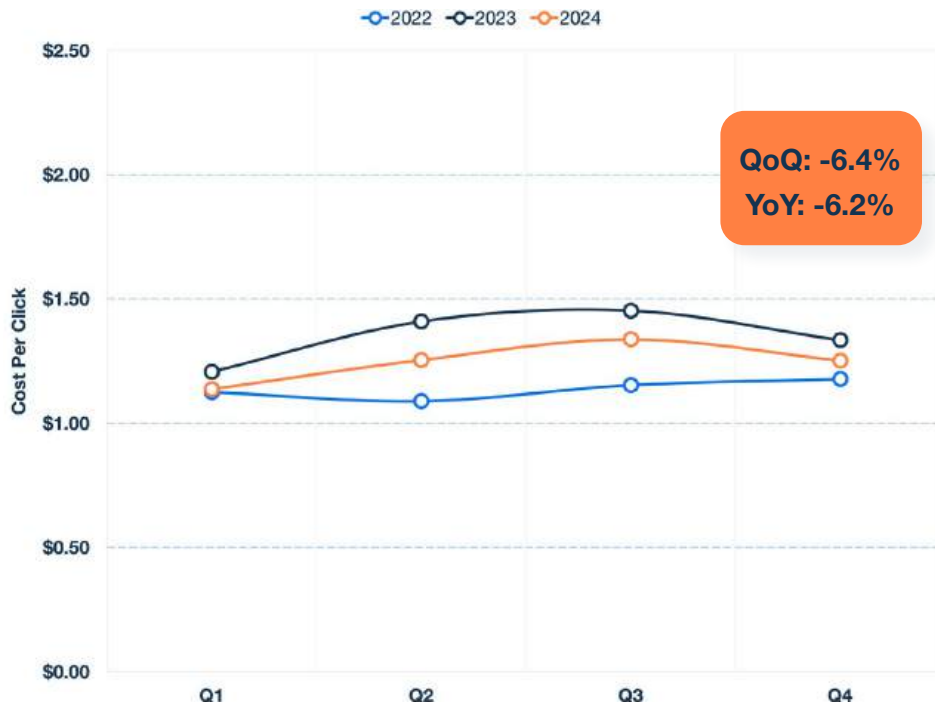
CVR for Beauty & Personal Care held steady YoY, though it rose noticeably in Q1 (+18.6%) and Q2 (+8.9%) as advertisers faced lighter competition in the first half of the year. Beauty and Personal Care remains a top choice for brands running Amazon ads, boasting the fourth-highest conversion rate (27.6%) across Amazon's 15 categories.

CVR COMPARISON



Electronics CPC & Spend

CPC COMPARISON

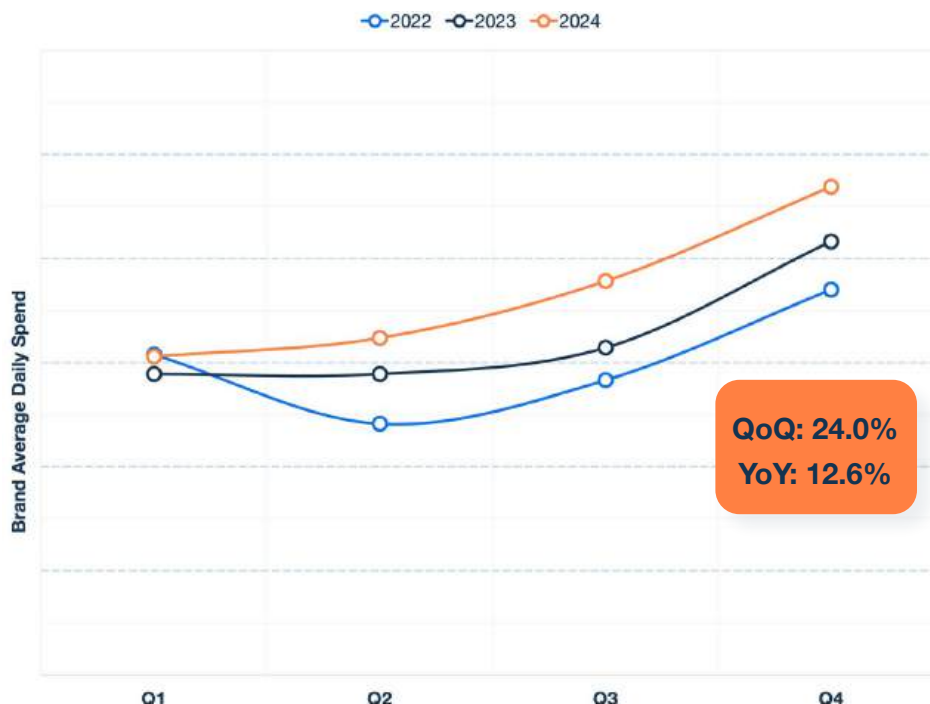


Highlights

Moving on to Electronics, this category enjoyed a -6.2% YoY drop in CPC to \$1.33—the greatest reduction across Amazon’s 15 categories, only 4 of which reported CPC declines. The sharpest decrease was in Q2 (-11.1%), but even the incredibly competitive Q4 period benefited from a -6.2% lower CPC.

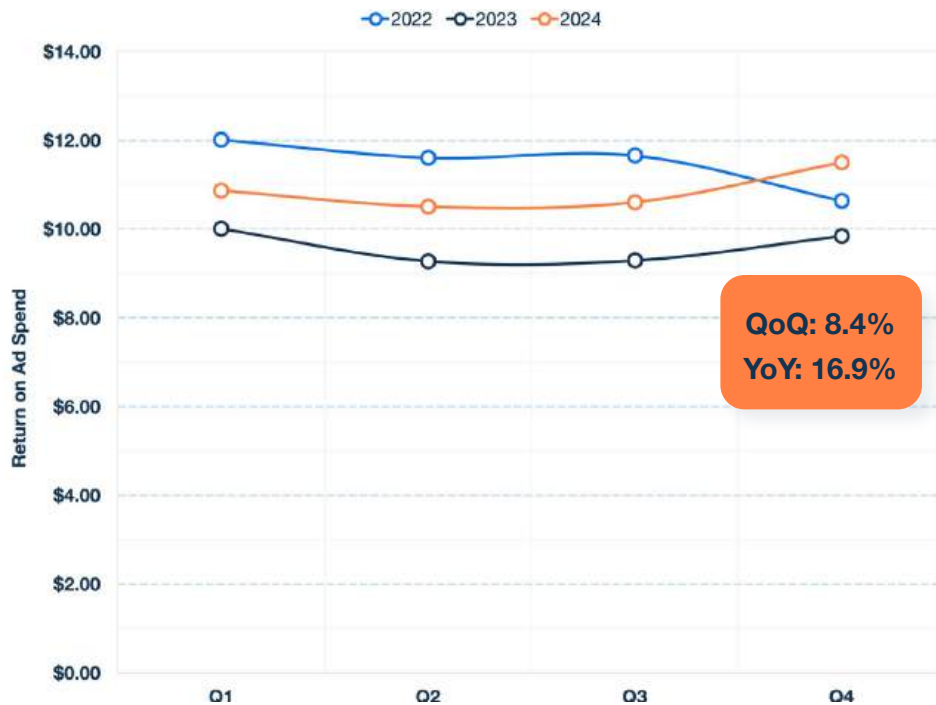
Unsurprisingly, Electronics drew just 12.6% more average daily spend YoY—the second-lowest improvement out of the 14 Amazon categories that reported one—which may explain why its CPC dropped in 2024. In the short term, Q3 witnessed the most significant increase in average daily spend (+20.4%) while Q1 saw the smallest (+5.8%) bump.

BRAND AVG DAILY SPEND COMPARISON



Electronics ROAS & CVR

ROAS COMPARISON

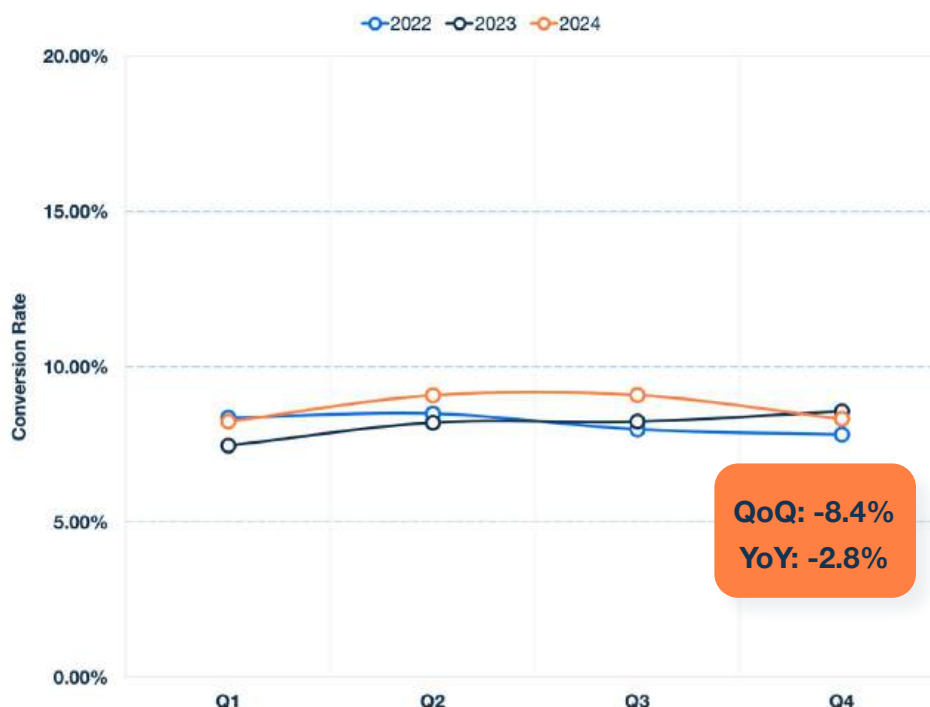


Highlights

Electronics generated the highest ROAS (\$11.50) by a longshot, supported by the largest YOY spike (+16.9%) of any Amazon category. Its closest competitor, Automotive, came in -37.9% lower at \$7.84. Aided by a rapidly diminishing CPC, brands running campaigns in the Electronics category enjoyed stronger returns on their advertising spend.

However, Electronics CVR dropped -2.8% YoY to 8.3%, the third-steepest decline across the 5 Amazon categories that reported lower YoY CVRs and, notably, the lowest CVR of any category in 2024. The likely culprit for these results are that Electronics products are generally priced much higher than competing categories, which encourages longer buying cycles and diminishes the effectiveness of any single ad.

CVR COMPARISON



Focus On:

Upcoming Industry Events



AMZ Hacking Live 2025

January 25

STATION Berlin
Berlin, Germany



[Express Interest](#)

Prosper 2025

March 25-27

Las Vegas Convention Center
Las Vegas, Nevada



[Express Interest](#)

Shoptalk 2025

March 25-27

Mandalay Bay
Las Vegas, Nevada



[Express Interest](#)

Scaling Your Retail Media Strategy

If 2024 was the year that we saw an explosion of retail media networks, 2025 is going to be the year that brands and agencies have to be laser-focused on transparency and efficiency. As our data shows, running the same campaign with the same tactics and the same offers as last year won't work. This year, it's time to take a step back and look at retail media and commerce data as part of the larger commerce media ecosystem.

Here are five tips for pushing the needle in 2025 and keeping shoppers engaged all year long:

1. Reach shoppers beyond retail media networks.

Combine DSP campaigns with targeted incentives and deals across retailers to drive repeat purchases from new customers.

2. Reach off-site audiences with video & display ads.

Experiment with new ad formats and channels to reach audiences that have viewed your product or a competitor product or recently made similar searches or purchases.

3. Experiment with AI for product pages & ad creative.

Test popular AI tools to brainstorm new creative concepts, taglines, and discounts at scale - and unlock a new way to personalize messaging for different customer segments.

4. Build loyalty with seasonality campaigns.

Identify the peak buying periods for new audiences and test coupons for vendors and sellers that appear for your most valuable new customers.

5. Use your customer data to go omnichannel.

After the holidays, most customers are less likely to be on Amazon and more likely to be browsing other sites and social media, so focus on personal, value-driven touchpoints that keep your brand top-of-mind when they're ready to buy.

This year, customer loyalty initiatives are likely to come back in a big way. And, by working on new ways to see the customer journey beyond a single retail media network or big sales season, brands and agencies can make sure that all the excitement of Q4 2024 carries over into the New Year.

Looking Ahead

Q4 2024 REPORT



About Pacvue

A commerce acceleration platform that empowers businesses to discover the most impactful opportunities, activate sales growth, and streamline daily operations. The platform turns insights into actionable recommendations by integrating retail media, commerce management and measurement.



About Helium 10

A commerce suite of tools for entrepreneurs and businesses to manage and sell products, find keywords, identify trends, optimize listings, and more on Amazon & Walmart Connect. Helium 10 champions entrepreneurship at all stages with the playbook to build, grow and scale a meaningful and steadfast e-Commerce business.