

PACVUE | Helium 10

Q1 2025

Retail Media Benchmark Report



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Methodology

About the Report

Explore Pacvue and Helium 10’s Q1 2025 Retail Media Benchmark 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.

How We Measure

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 Pet Supplies, Beauty & Personal Care, and Electronics—it stands as one of the most thorough reports available in the industry.

A letter from

Melissa Burdick

Pacvue President & Co-Founder

Looking Ahead to 2025

Dear Readers,

Q1 2025 brought major changes to the retail and eCommerce space. New tariffs have reshaped global trade dynamics and added new considerations for brands navigating everything from supply chains to advertising budgets. While the US tariff rate on China now exceeds 100%, these shifts also present an opportunity for businesses to rethink strategy and build greater agility.

Rather than slowing down, many sellers are using this moment to realign with what matters most: operational efficiency, smarter investments, and deeper customer relationships. While consumer sentiment has softened, it's also a signal that shoppers are becoming more intentional—and brands that adapt quickly will be better positioned to meet those evolving needs.

At Pacvue, we're focusing on helping clients control the controllable. During times of uncertainty, businesses should be laser-focused on driving profitability, market share, and share of voice around their most important products, services, and customers. We predict that most customers will show a new level of price sensitivity and intentionality, which means you need to build trust and relationships around what they need most.

“While consumer sentiment has softened, it’s also a signal that shoppers are becoming more intentional.”



In our Q1 2025 Retail Media Benchmark Report, we take a look at the trends that kicked off the New Year across Amazon, Walmart, and Instacart. Most notably, Amazon US DSP drove 36.5% new-to-brand sales in Q1 2025 as the channel becomes a reliable customer acquisition lever, while Walmart Connect’s 41.6% YoY increase in average daily spend testifies to its growing popularity among advertisers. No less impressive, Instacart’s relatively stable performance across CPC, ROAS, and other key metrics positions the retailer as a dependable place to invest advertising dollars.

I see this as a bright spot amid global uncertainty. New retail media solutions have made it easier for brands and agencies to reach audiences more efficiently and effectively. And AI is making it easier to scale and optimize at every touchpoint in the customer experience.

So, while we might be in for a rollercoaster this year, our numbers show there is still plenty of opportunity to drive retail success. By focusing on what really works to improve profitability and experimenting with new solutions, brands can weather the storm and come out stronger on the other side.

We hope this report is a helpful resource as you look toward the rest of the year!

Melissa Burdick
President & Co-Founder, Pacvue

Q1 Retailer Releases



Amazon Retail Ad Service

A cloud-based adtech solution, Amazon Retail Ad Service drives advertising revenue for retailers in a secure, privacy-safe environment backed by Amazon Web Services, while helping brands convert more customers across more retailers through access to retail ad space via integrated partners.

Amazon Global DSP

Pacvue is a beta participant in the Global Amazon DSP (ADSP) API, providing our customers self-service access to 16 new countries across LATAM, EMEA, and APAC. Previously, Pacvue ADSP customers outside of North America only had access to reporting capabilities.

Instacart AI-Powered Tools

Instacart unveiled a suite of automation tools that leverage AI to streamline operations, generate marketing collateral, manage data-driven insights at scale, and more, including Universal Campaigns, AI-Powered Landing Pages, Recommendations in Ad Manager, and Enhanced Product Library.

Walmart Onsite Display Advertising

Pacvue is a beta participant for Walmart Connects Display advertising API, giving Pacvue customers enhanced functionality for Walmart Connect display ads to launch and create more effective campaigns. ROAS on Walmart Connect grew 14% YoY in 2024, and eMarketer expects over 80% of retail media spend in 2025 to be spent on Amazon and Walmart alone.

Kroger Promoted Product Carousel

Kroger launched a new promoted product ad placement, which features multiple items in a single ad carousel—organized in any order you prefer. It's a significant awareness driver and basket builder for brands.

Q1 2025 Snapshot

The Future of Commerce Is AI-Driven, Omnichannel, Personalized & Retail-Media Focused

Brands Invest in Measurement Strategies to Weather Tariff Headwinds

Confronted with tariffs and other economic challenges, brands are prioritizing greater visibility into the performance of every retail media ad dollar to drive efficiency, agility, and profitable growth. The path to success in 2025 is clear—focus on adjusting your ad spend and strategy based on accurate, real-time performance signals to maximize the impact of your campaigns.

Amazon and Amazon DSP Attract Higher Advertising Spend

While ad spend on Amazon predictably decreased quarter-over-quarter—standard for a post-holiday period—the same metric increased year-over-year across both Sponsored Products and Sponsored Brands ad types. Meanwhile, brands significantly expanded their advertising budgets for Amazon DSP, as ad spend on the channel increased 25% year-over-year to reflect a broader trend of advertisers leveraging full-funnel tactics to drive long-term growth.

Walmart Connect Sees Ad Spend and Performance Gains

As Walmart Connect continues to invest in its ecosystem and brands steadily pursue omnichannel expansion, ad spend on the retailer increased by a significant 41.6% year-over-year. With ROAS improving as well—up 5.1% year-over-year—Walmart Connect is attracting greater confidence and investment from advertisers by delivering stronger returns on their campaigns.

Instacart Delivers Steady, Reliable Growth

As ad spend increased 6.2% and CPC rose 0.6% year-over-year, it's clear that Instacart is capturing more interest from advertisers and slowly becoming more competitive as a result. While ROAS declined 2% year-over-year, the retailer still delivered a strong \$5.41 return in Q1 2025—signaling consistent value to brands advertising on the platform.



Q1 2025 Snapshot

The Future of Commerce Is AI-Driven, Omnichannel, Personalized & Retail-Media Focused

Flat Costs, Greater Ad Spend for Sponsored Products on Amazon EU

On Amazon EU, CPC for Sponsored Products remained flat year-over-year, whereas Sponsored Brands cost advertisers 8.3% more during the same period. Drawn to the ad type's lower bidding intensity, advertisers increased their ad spend for Sponsored Products by 6% year-over-year while tightening their budgets for Sponsored Brands, which saw a -7.5% decrease in year-over-year ad spend.

Shoptalk 2025 Highlights AI and Full Funnel Retail Media as Critical Drivers of Commerce Success

No longer a strategic advantage but a strategic necessity, AI has become foundational for demand forecasting, driving personalization at scale, optimizing inventory management, and enhancing product search. Meanwhile, as retail media collapses the traditional funnel by offering new pathways to reach and convert shoppers online and in-store, brands are investing in strategic partnerships to amplify omnichannel capabilities, drive operational efficiencies, and enable innovation.



The Key to 2025 Success Is Controlling the Controllables

In the face of macroeconomic challenges like tariffs, successful brands are building intentional strategies focused on precise measurement, enabling them to pinpoint the performance of every dollar they spend across the funnel—and intelligently adjust their budgets and tactics to reflect shifting market conditions as they arise. By leveraging strategic partnerships, brands also get actionable data on the omnichannel performance of their campaigns, tools that streamline and simplify campaign management, and robust cross-retailer insights that reveal opportunities to maximize profitability, media efficiency, and market share. In 2025, sharpening your focus on measurement and investing in strategic partnerships is the most effective way to mitigate the effects of tariffs on your business—and your bottom line.

2025 Q1 | Key Findings

36.5% New-To-Brand Sales in Q1 2025

Amazon US DSP drove **36.5%** New-to-Brand Sales

9.1% Ad Spend Increase

CPC for Amazon US Sponsored Products rose **6.2%** YoY and ad spend increased **9.1%** YoY

6% Ad Spend Increase

On Amazon EU, CPC for Sponsored Products remained flat YoY and ad spend increased **6%** YoY

\$11.48 Return on Ad Spend

Electronics had the strongest Q1 2025 ROAS of any Amazon category at **\$11.48**

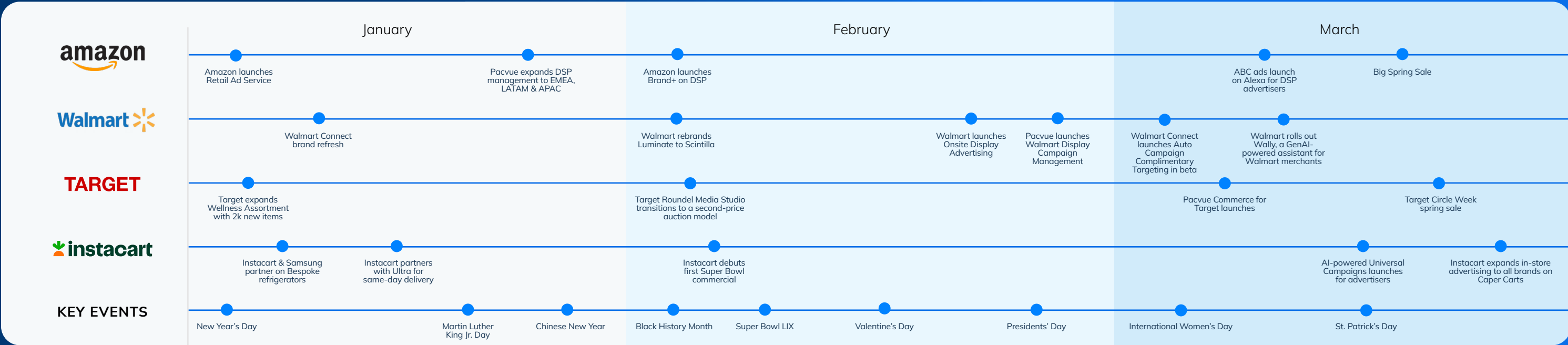
42.5% Ad Spend Increase

Ad spend increased **42.5%** YoY for Walmart Sponsored Products and ROAS improved **5.2%** YoY

Click Through Rate improved 0.6% on Instacart

CTR improved 0.6% YoY on Instacart while CPC rose **2.8%** YoY

2025 Q1 | Quarterly Performance Drivers





Amazon Ads US

Q1 Benchmarks

2025 Q1 BENCHMARK REPORT

Amazon Ads US | Sponsored Brands Overview

	CPC	CPA	CVR	ACOS	ROAS	Brand Avg Daily Spend
2024-Q1	\$1.60	\$9.63	16.67%	23.64%	\$4.23	
2024-Q2	\$1.80	\$11.00	16.32%	25.58%	\$3.91	
2024-Q3	\$1.93	\$11.37	16.96%	27.34%	\$3.66	
2024-Q4	\$2.00	\$11.29	17.70%	27.24%	\$3.67	
2025-Q1	\$1.85	\$9.67	19.08%	25.50%	\$3.92	
QoQ Change	-7.5%	-14.3%	7.8%	-3.6%	3.7%	-29.5%
YoY Change	15.6%	0.4%	14.5%	7.9%	-7.3%	9.1%

Q1 Overview

Amazon Ads US · Sponsored Brands

The biggest opportunity is precision at scale.

“With data clean rooms maturing and retailer APIs opening up, brands can finally activate high-fidelity targeting across platforms like Instacart, Walmart, and Amazon. The smart ones are building closed-loop measurement systems that tie media to incrementality, not just ROAS. There’s also a huge whitespace in creative optimization—most retail media is still stuck in static banners, and the brands experimenting with dynamic and AI-generated creatives are gaining an edge.”

Inteaz Ahamed
Host of Applied Intelligence Podcast



Amazon Ads US | Sponsored Products Overview

	CPC	CPA	CVR	ACOS	ROAS	Brand Avg Daily Spend
2024-Q1	\$1.30	\$6.02	21.52%	19.98%	\$5.00	
2024-Q2	\$1.38	\$6.32	21.85%	20.11%	\$4.97	
2024-Q3	\$1.46	\$6.58	22.18%	21.52%	\$4.65	
2024-Q4	\$1.44	\$6.95	20.73%	21.25%	\$4.71	
2025-Q1	\$1.38	\$6.54	21.16%	22.15%	\$4.51	
QoQ Change	-4.2%	-5.9%	2.1%	4.2%	-4.2%	-15.4%
YoY Change	6.2	8.6%	-1.7%	10.9%	-9.8%	9.1%

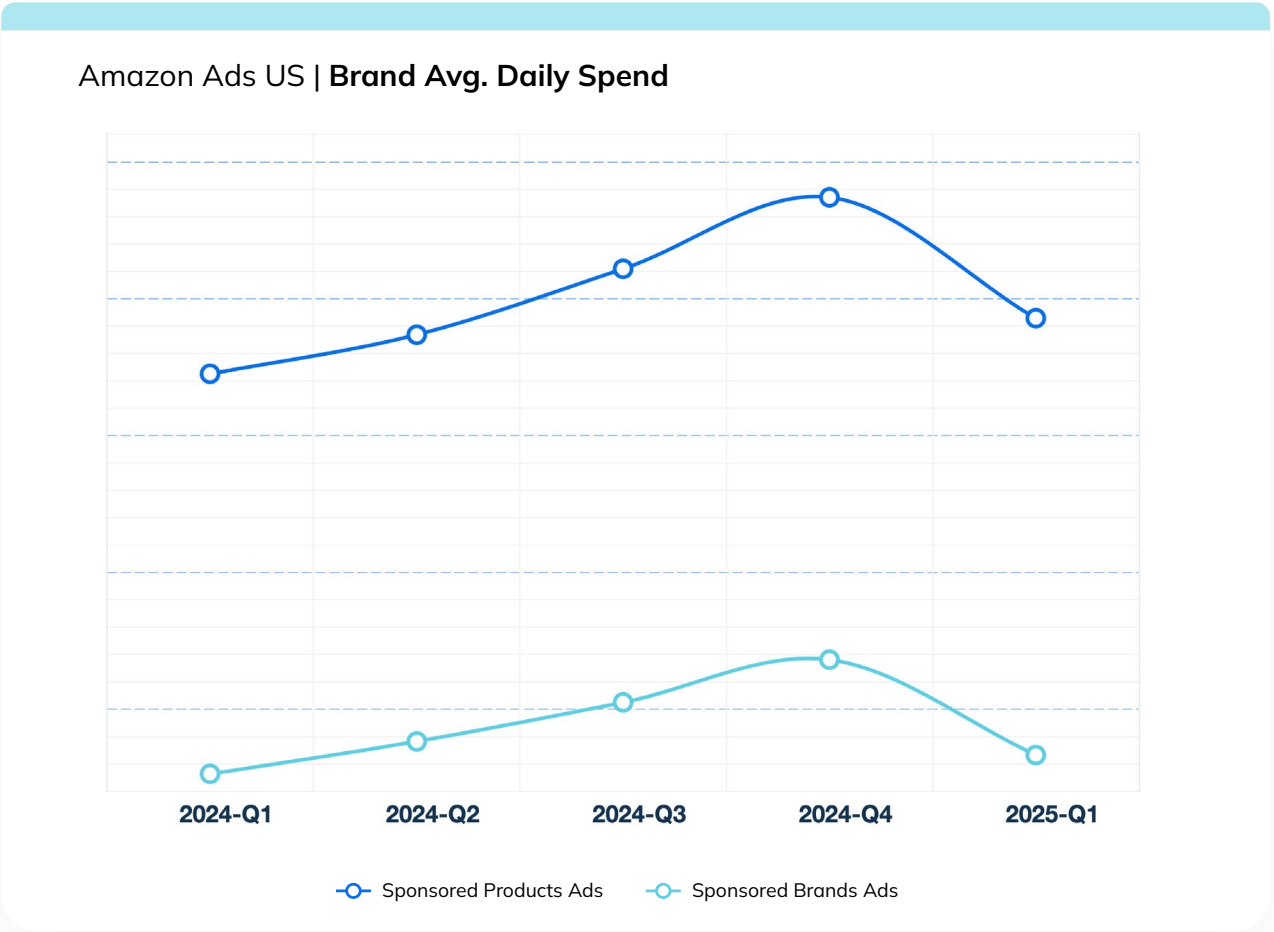
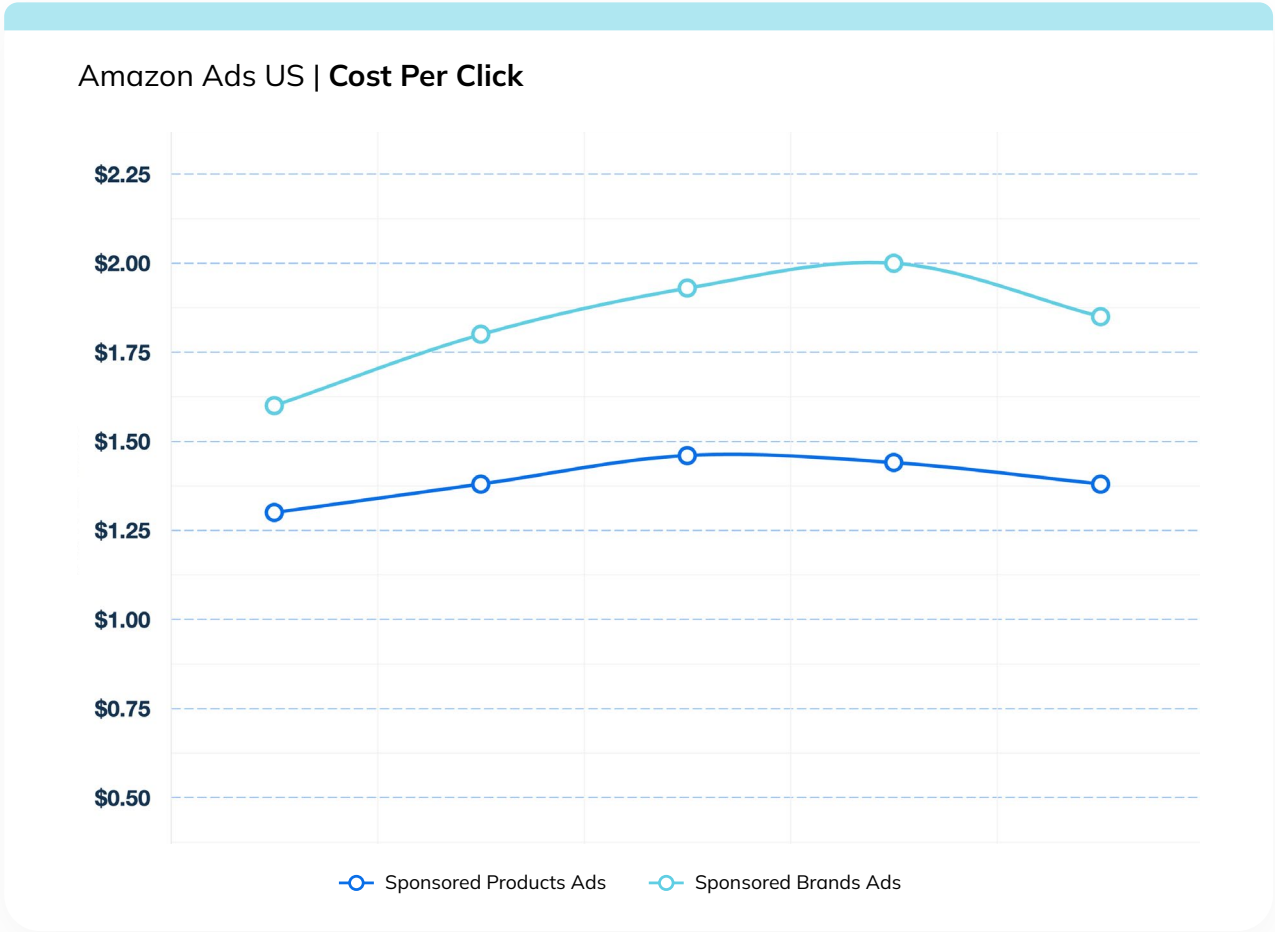
Q1 Overview

Amazon Ads US · Sponsored Products



CPC and Spend

Amazon Ads US Benchmarks



Sponsored Brands

15.6%

Cost-Per-Click (YoY)

Sponsored Brands & Products

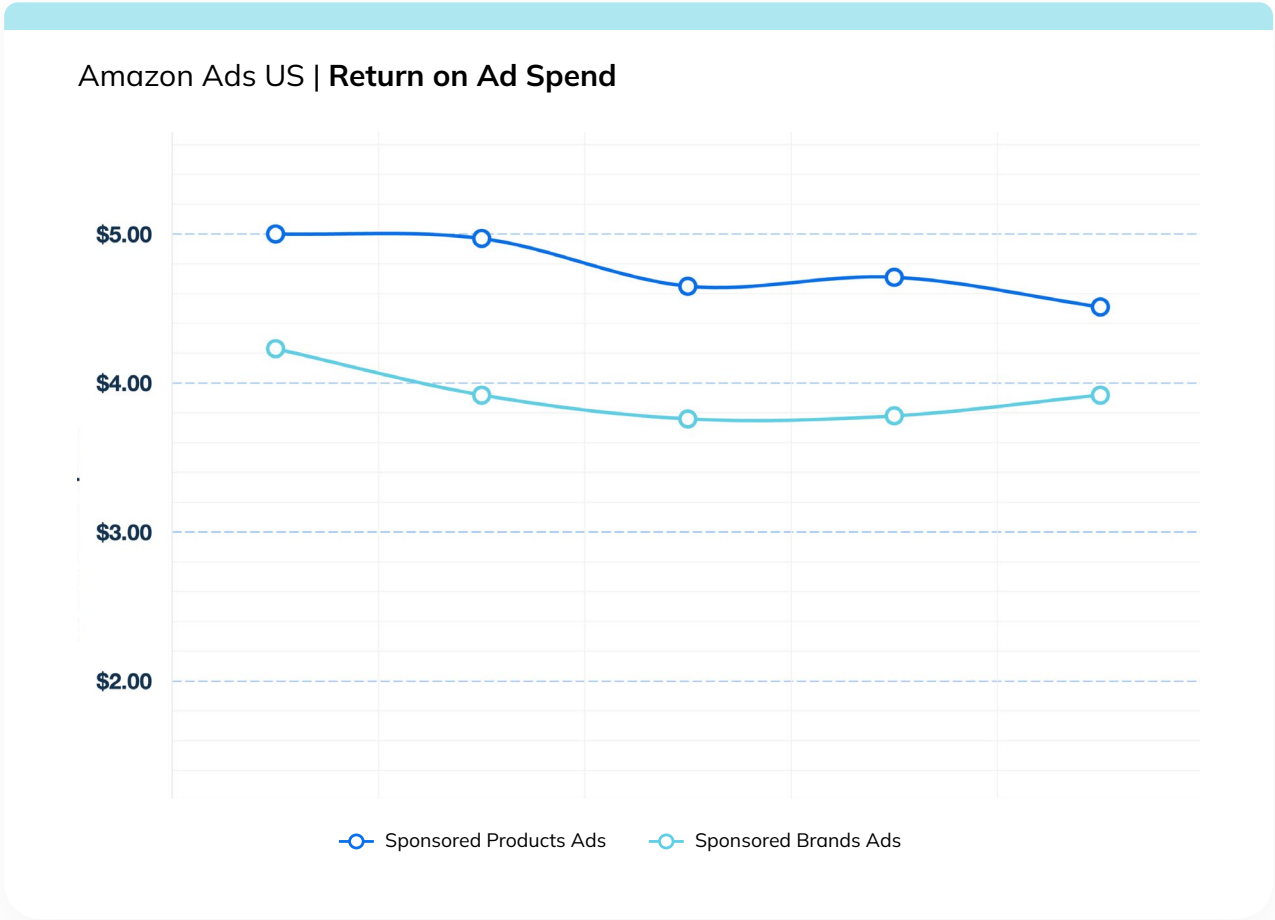
9.1%

Average Daily Spend (YoY)

While average daily spend rose 9.1% YoY for both Sponsored Products and Sponsored Brands, CPC for the latter increased 2.5x YoY, making Sponsored Brands 29.1% more expensive than Sponsored Products in Q1 2025 at \$1.85 per click

ROAS and CVR

Amazon Ads US Benchmarks



Though Sponsored Brands CVR improved and Sponsored Products CVR decreased YoY, Sponsored Products converted slightly better in Q1 2025, again outperforming Sponsored Brands in the first quarter of the year

Sponsored Products

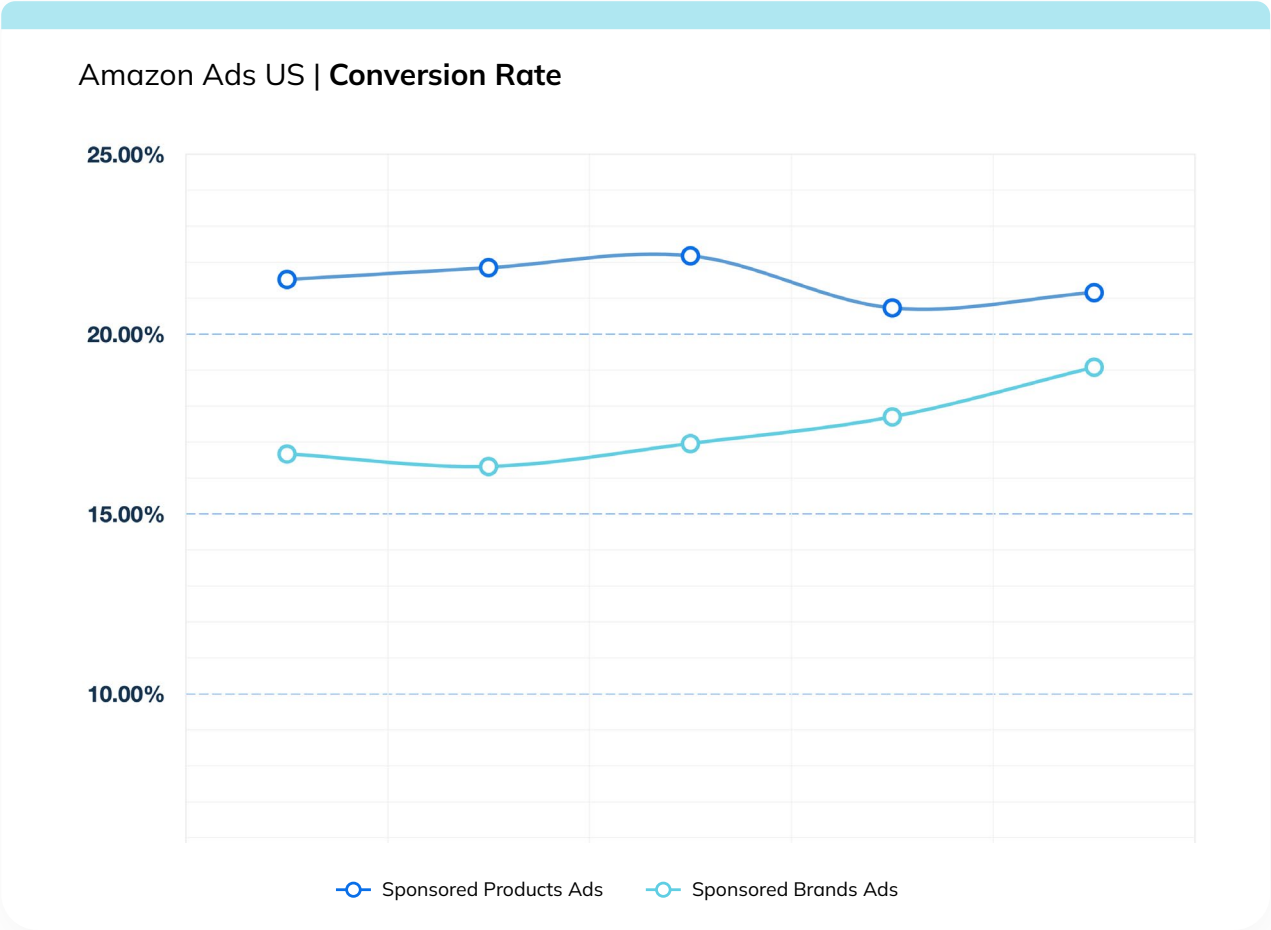
\$4.51

Return on Ad Spend (Q1 2025)

Sponsored Products

21.2%

Conversion Rate (Q1 2025)





Amazon Ads Europe

Q1 Benchmarks

2025 Q1 BENCHMARK REPORT

Amazon Ads EU | Sponsored Brands Overview

	CPC	CPA	CVR	ACOS	ROAS	Brand Avg Daily Spend
2024-Q1	\$0.84	\$6.75	12.46%	19.78%	\$5.06	
2024-Q2	\$0.96	\$7.32	13.16%	22.58%	\$4.43	
2024-Q3	\$1.01	\$7.22	13.98%	19.98%	\$5.00	
2024-Q4	\$0.99	\$7.26	13.69%	19.92%	\$5.02	
2025-Q1	\$0.91	\$6.61	13.74%	19.39%	\$5.16	
QoQ Change	-8.1%	-9.0%	0.4%	-2.7%	2.8%	-36.4%
YoY Change	8.3%	-2.1%	10.3%	-2.0%	2.0%	-7.5%

Q1 Overview

Amazon Ads EU • Sponsored Brands

Amazon’s API turns Europe’s fragmentation into agility.

“Now, brands can automate cross-border scale while preserving local precision—and agencies can unlock retail media’s future: a unified, adaptive commerce engine. It’s clear Amazon DSP is repositioning themselves as the DSP of choice for brands whether they sell on Amazon or not. What a 2025 we have in store!”

Matt West
BoostKit



Amazon Ads EU | Sponsored Products Overview

	CPC	CPA	CVR	ACOS	ROAS	Brand Avg Daily Spend
2024-Q1	\$0.67	\$3.85	17.32%	13.87%	\$7.21	
2024-Q2	\$0.73	\$3.96	18.54%	15.57%	\$6.42	
2024-Q3	\$0.78	\$4.31	18.03%	15.56%	\$6.43	
2024-Q4	\$0.71	\$4.19	16.93%	14.52%	\$6.89	
2025-Q1	\$0.67	\$3.83	17.39%	14.47%	\$6.91	
QoQ Change	-5.6%	-8.6%	2.7%	-0.3%	0.3%	-31.8%
YoY Change	0.0%	-0.5%	0.4%	4.3%	-4.2%	6.0%

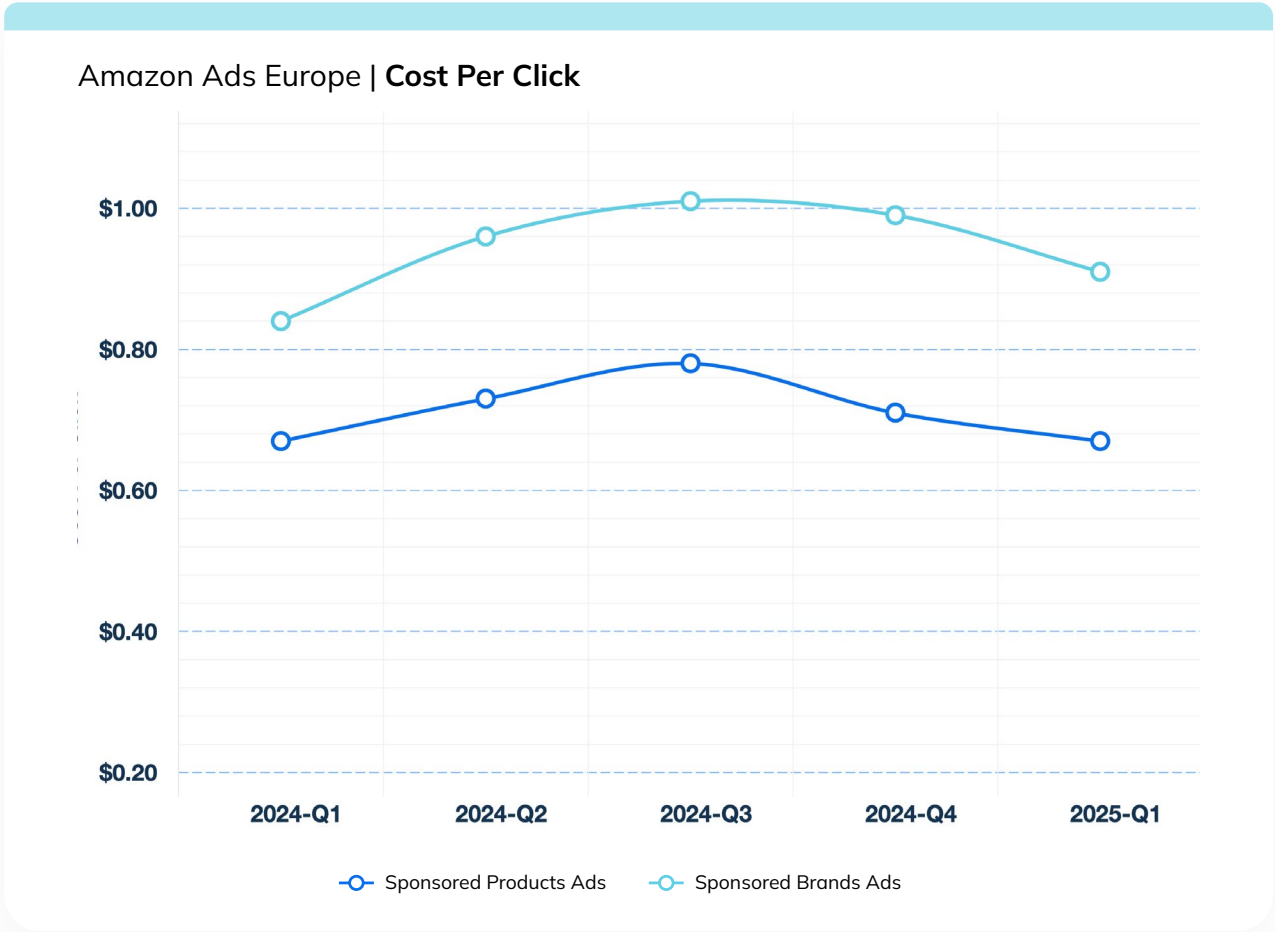
Q1 Overview

Amazon Ads EU • Sponsored Products



CPC and Spend

Amazon Ads EU Benchmarks



Sponsored Brands

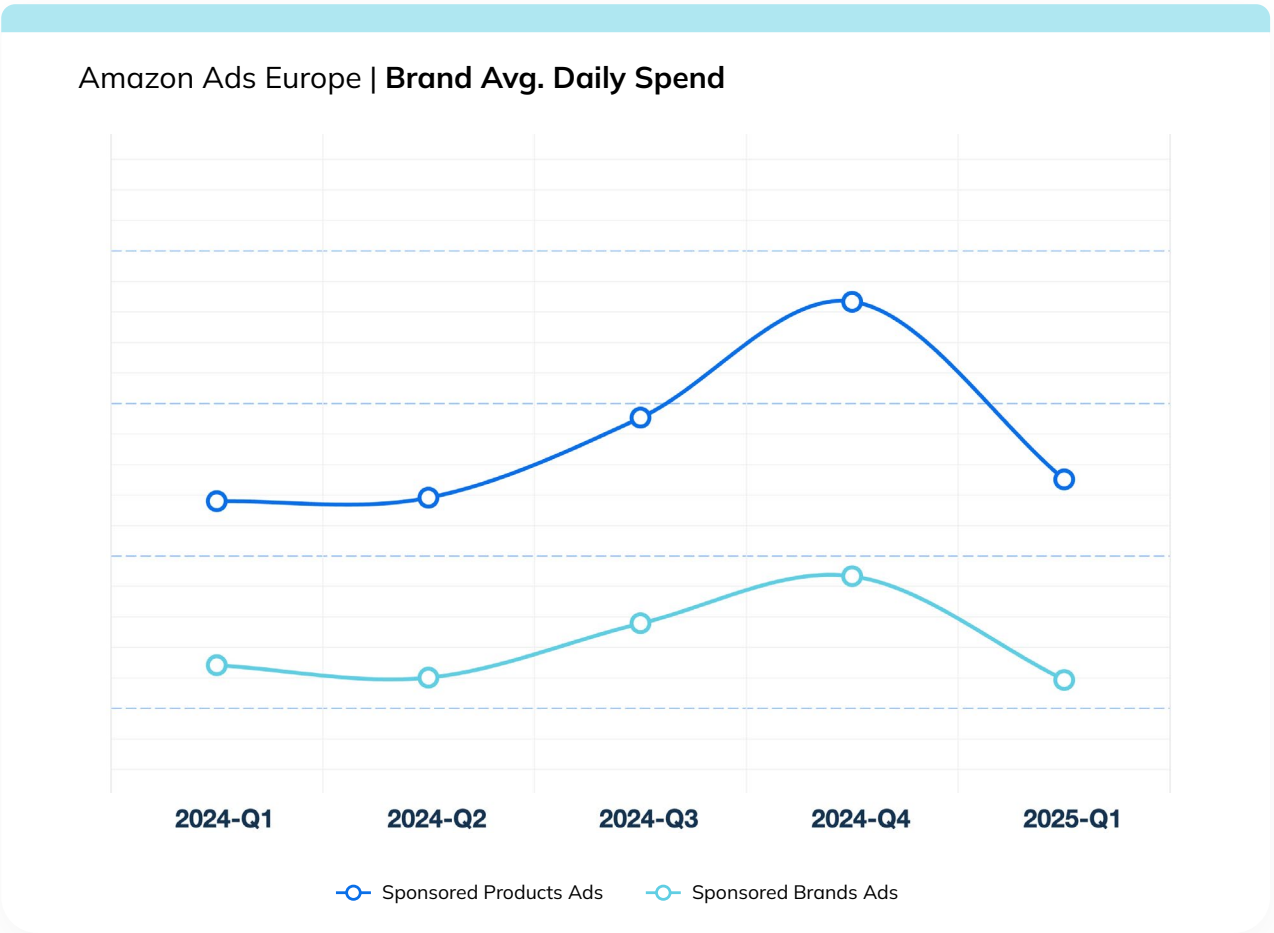
8.3%

Cost-Per-Click (YoY)

Sponsored Products

6%

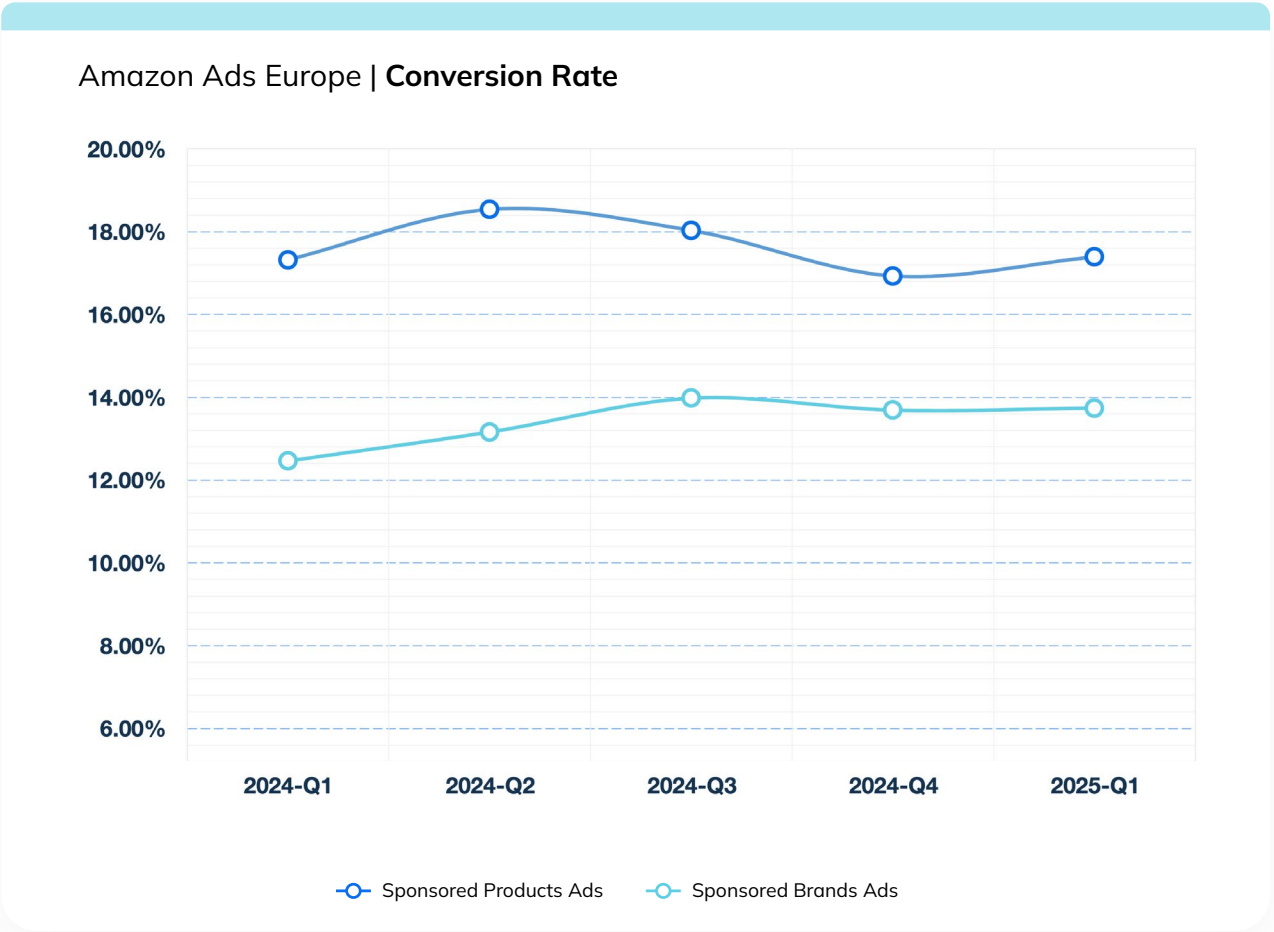
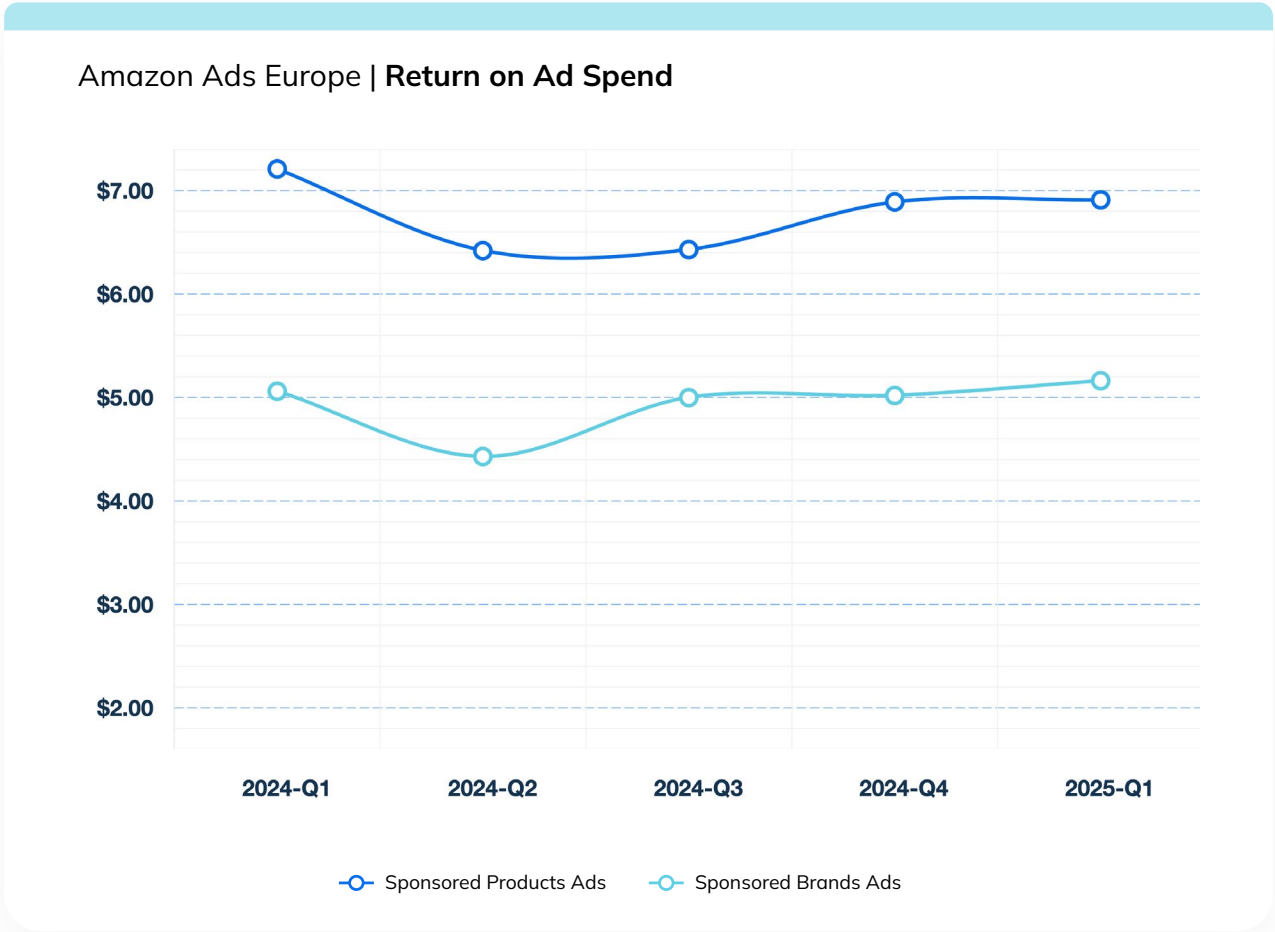
Average Daily Spend (YoY)



While both ad types recorded lower average daily spend QoQ, advertisers ultimately increased their Sponsored Products spend YoY by 6%, prioritizing lower costs

ROAS and CVR

Amazon Ads EU Benchmarks



Sponsored Brands

10.3%

Conversion Rate (YoY)

Sponsored Products

\$6.91

Return on Ad Spend (Q1 2025)





Walmart Connect

Q1 Benchmarks

2025 Q1 BENCHMARK REPORT

Walmart Connect | Sponsored Brands Overview

	CTR	CPC	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2024-Q1	0.22%	\$1.37	40.78%	\$2.45	\$3.01	
2024-Q2	0.22%	\$1.43	43.14%	\$2.32	\$3.12	
2024-Q3	0.18%	\$1.38	41.21%	\$2.43	\$2.43	
2024-Q4	0.17%	\$1.53	42.00%	\$2.38	\$2.67	
2025-Q1	0.18%	\$1.55	45.42%	\$2.20	\$2.83	
QoQ Change	5.9%	1.3%	8.1%	-7.6%	6.0%	-7.1%
YoY Change	-18.2%	13.1%	11.4%	-10.2%	-6.0%	32.8%

Q1 Overview

Walmart Connect · Sponsored Brands



Walmart Connect | Sponsored Products Overview

	CTR	CPC	ACOS	ROAS	eCPM	Brand Avg Daily Spend
2024-Q1	1.01%	\$0.68	13.95%	\$7.16	\$6.88	
2024-Q2	1.09%	\$0.71	13.67%	\$7.31	\$7.74	
2024-Q3	1.02%	\$0.69	13.21%	\$7.57	\$7.02	
2024-Q4	0.82%	\$0.70	12.58%	\$7.95	\$5.75	
2025-Q1	0.92%	\$0.70	13.27%	\$7.53	\$6.43	
QoQ Change	12.2%	0.0%	5.5%	-5.3%	11.8%	7.2%
YoY Change	-8.9%	2.9%	-4.9%	5.2%	-6.5%	42.5%

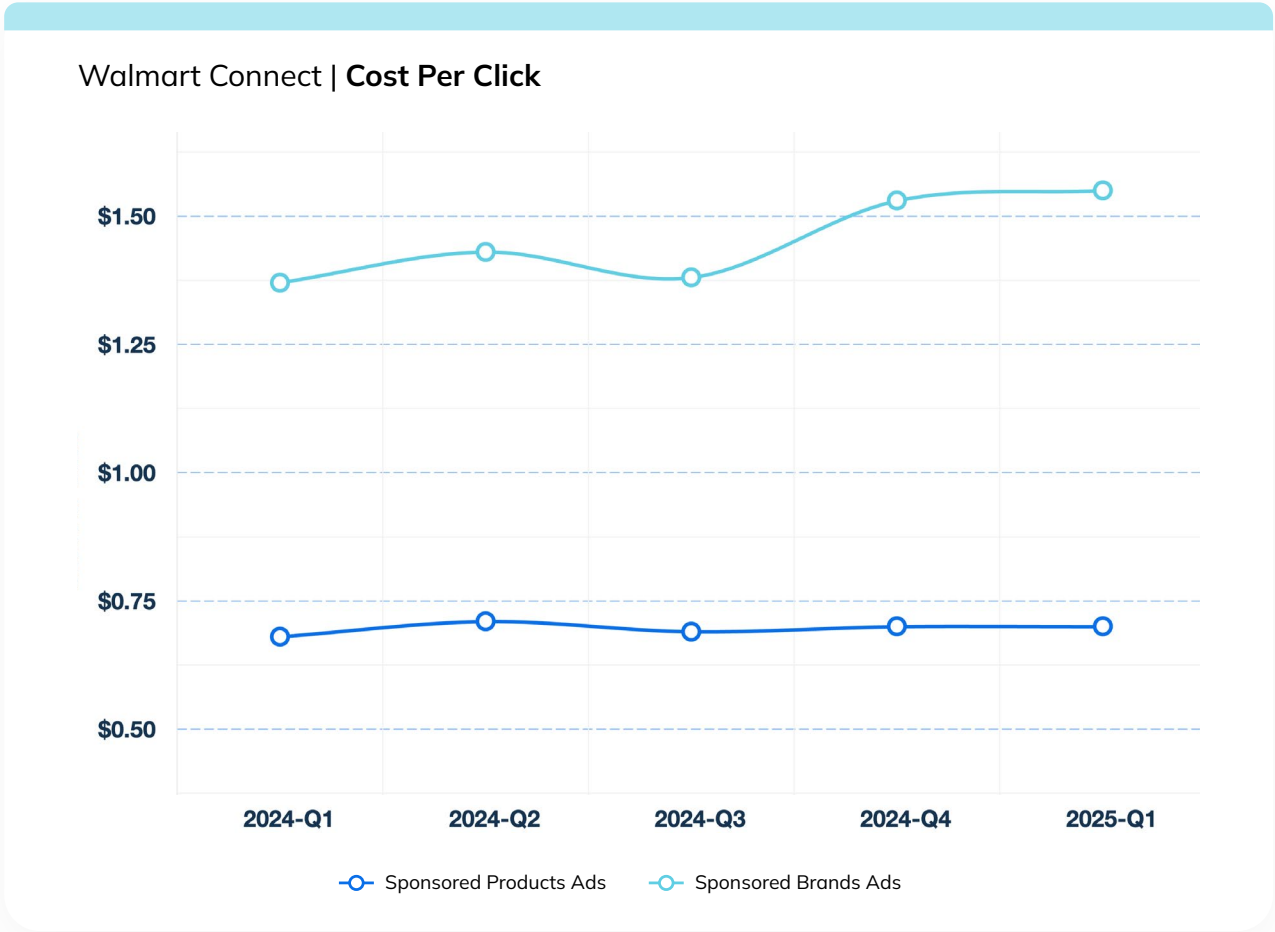
Q1 Overview

Walmart Connect · Sponsored Products



CPC and ROAS

Walmart Connect Benchmarks



Sponsored Brands

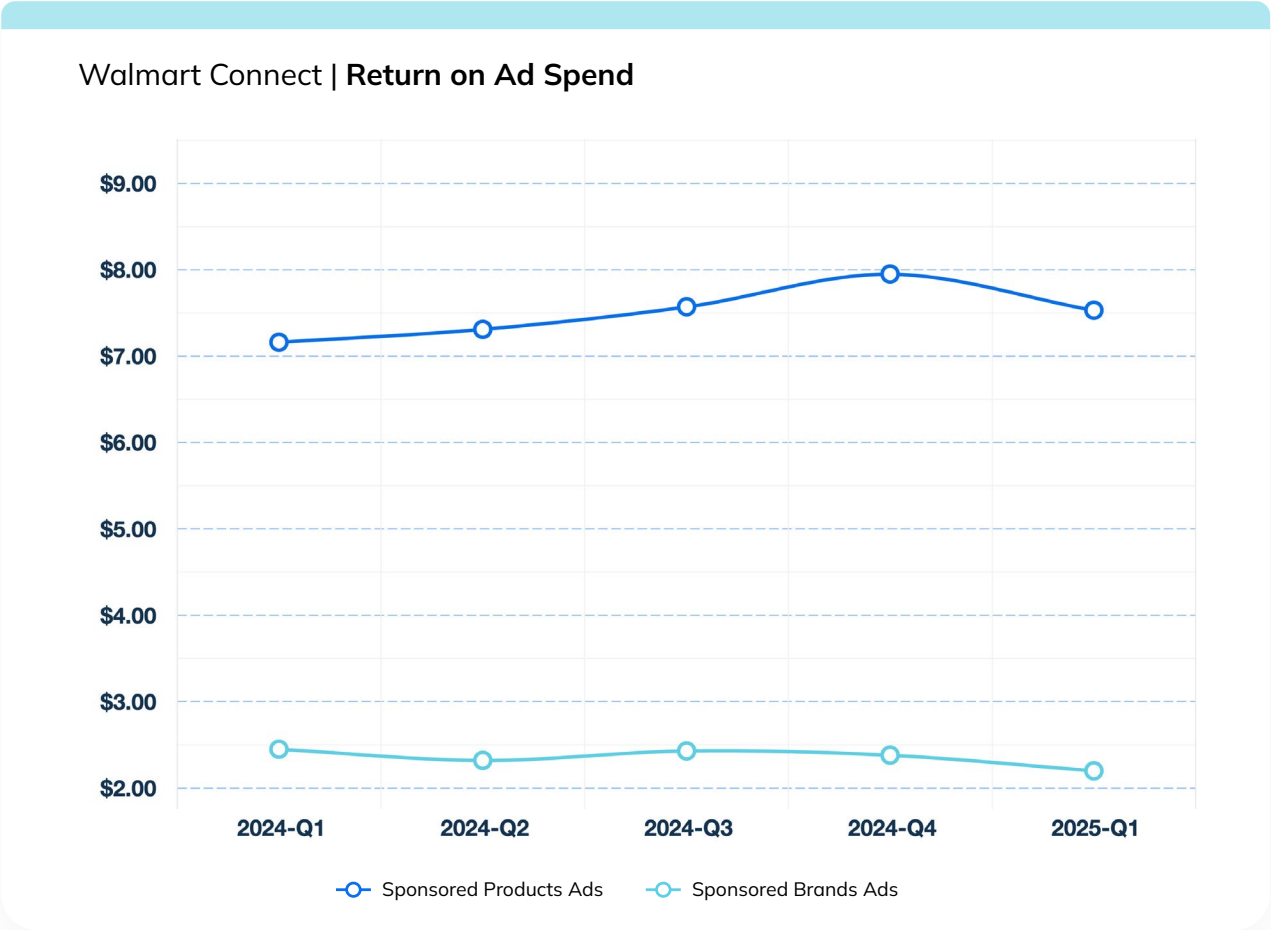
-10.2%

Return on Ad Spend (YoY)

Sponsored Products

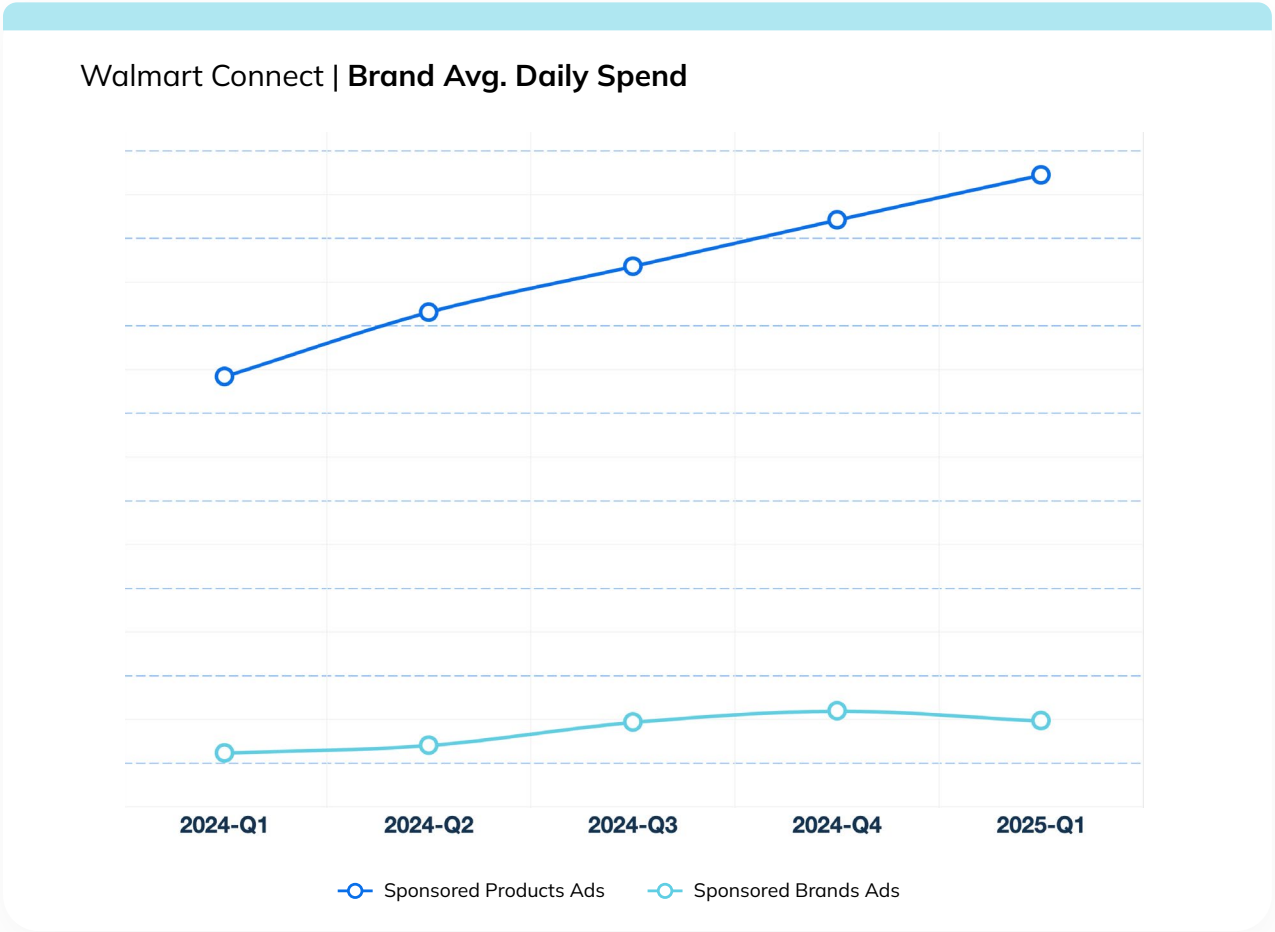
5.2%

Return on Ad Spend (YoY)



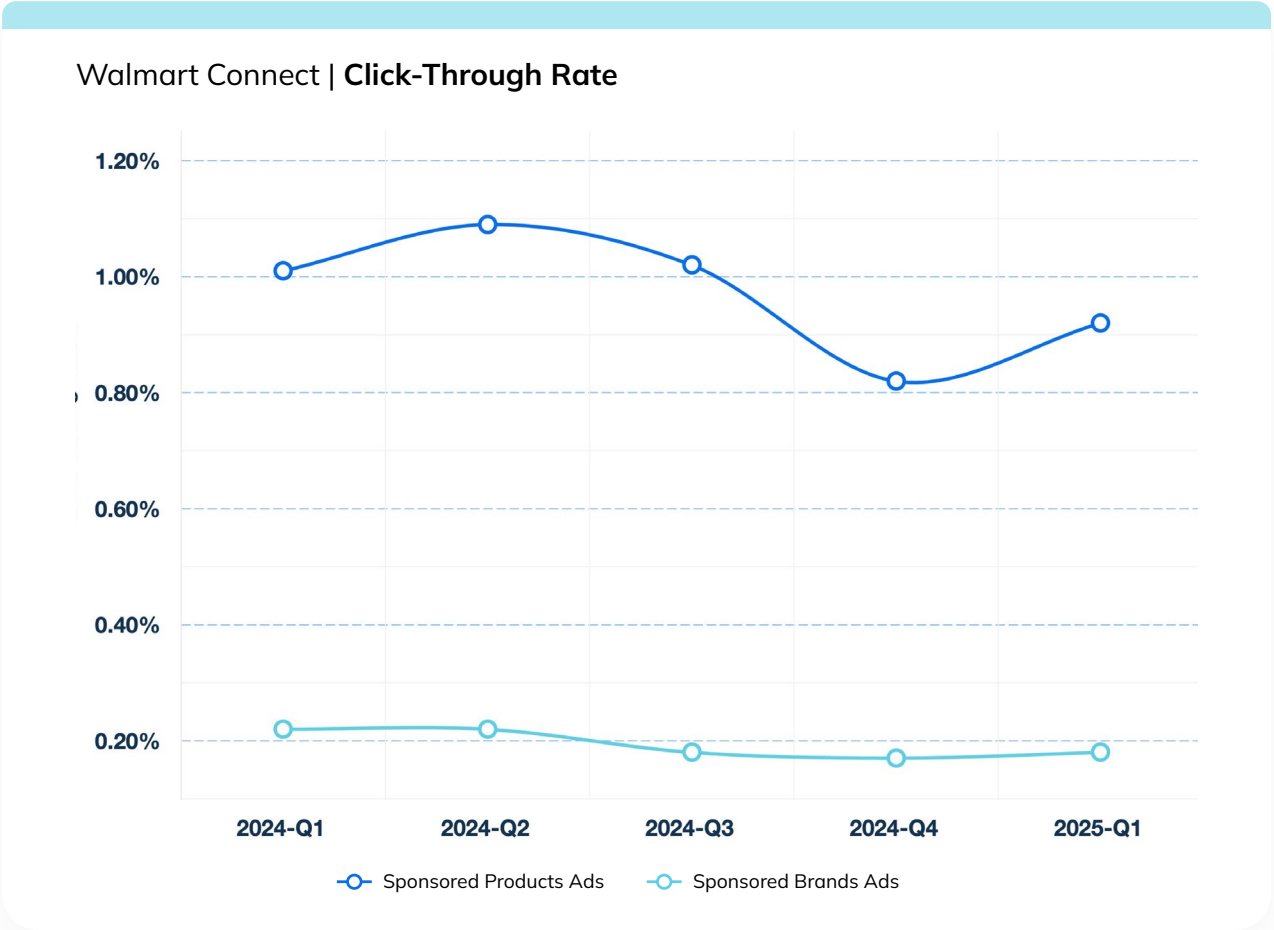
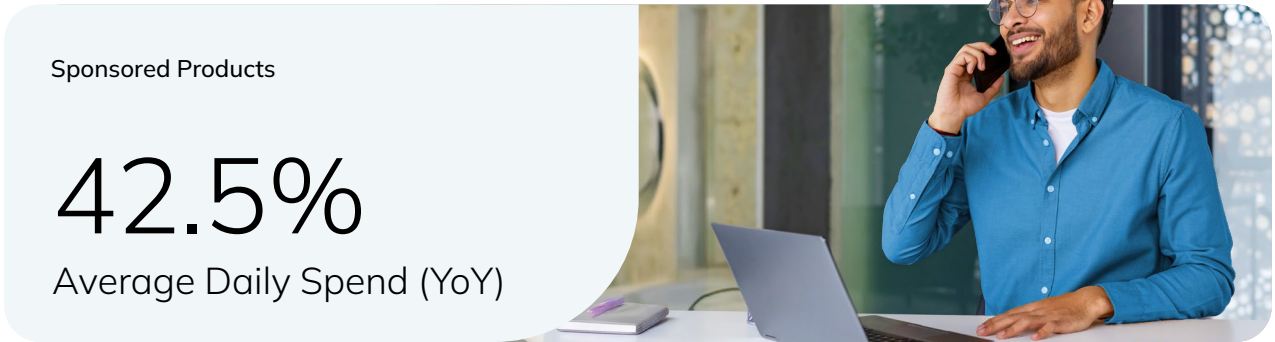
CTR and Spend

Walmart Connect Benchmarks



Sponsored Brands

32.8%
Average Daily Spend (YoY)

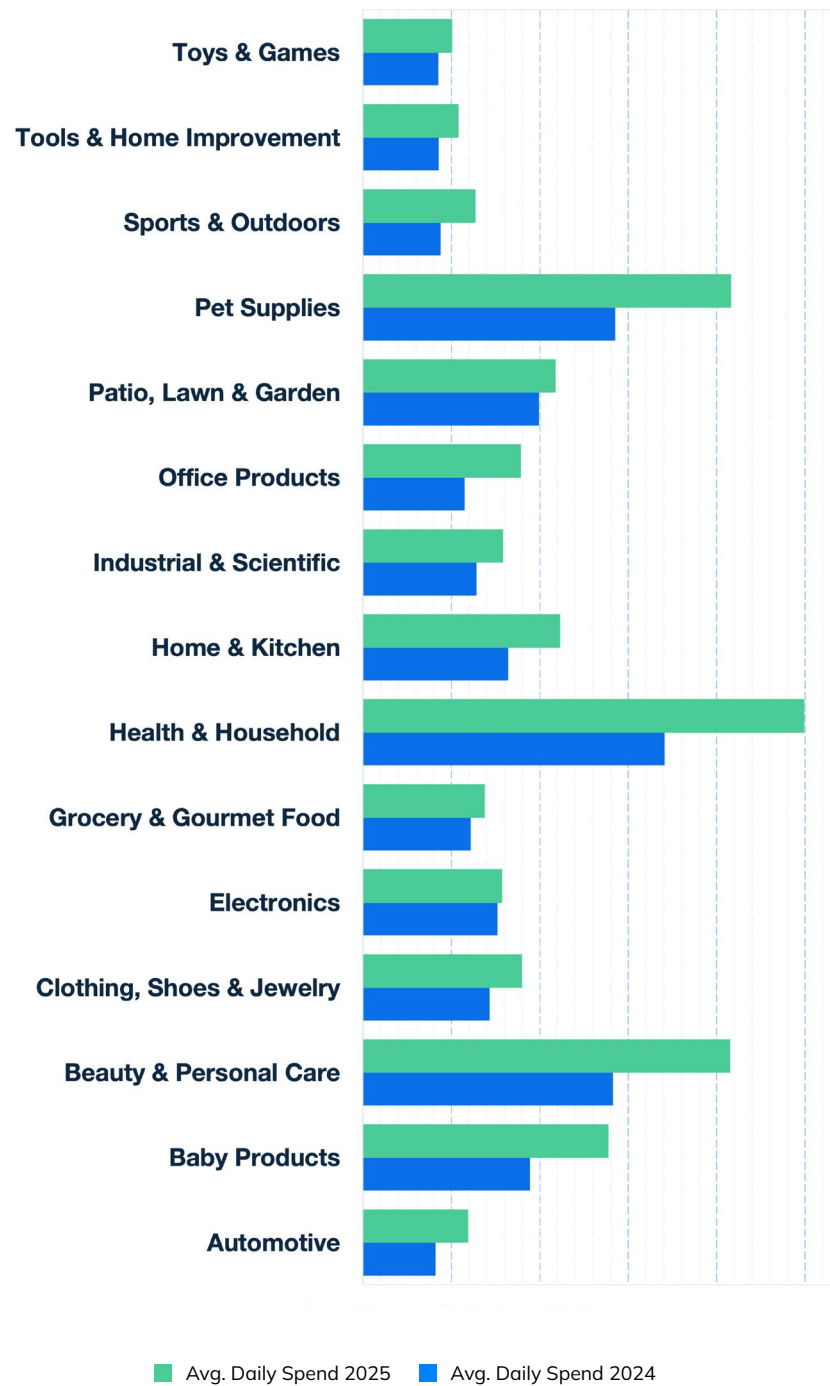




Category Benchmarks

Q1 Amazon US Data

US Categories Q1 | Brand Avg. Daily Spend



US Categories Q1 | Cost-Per-Click



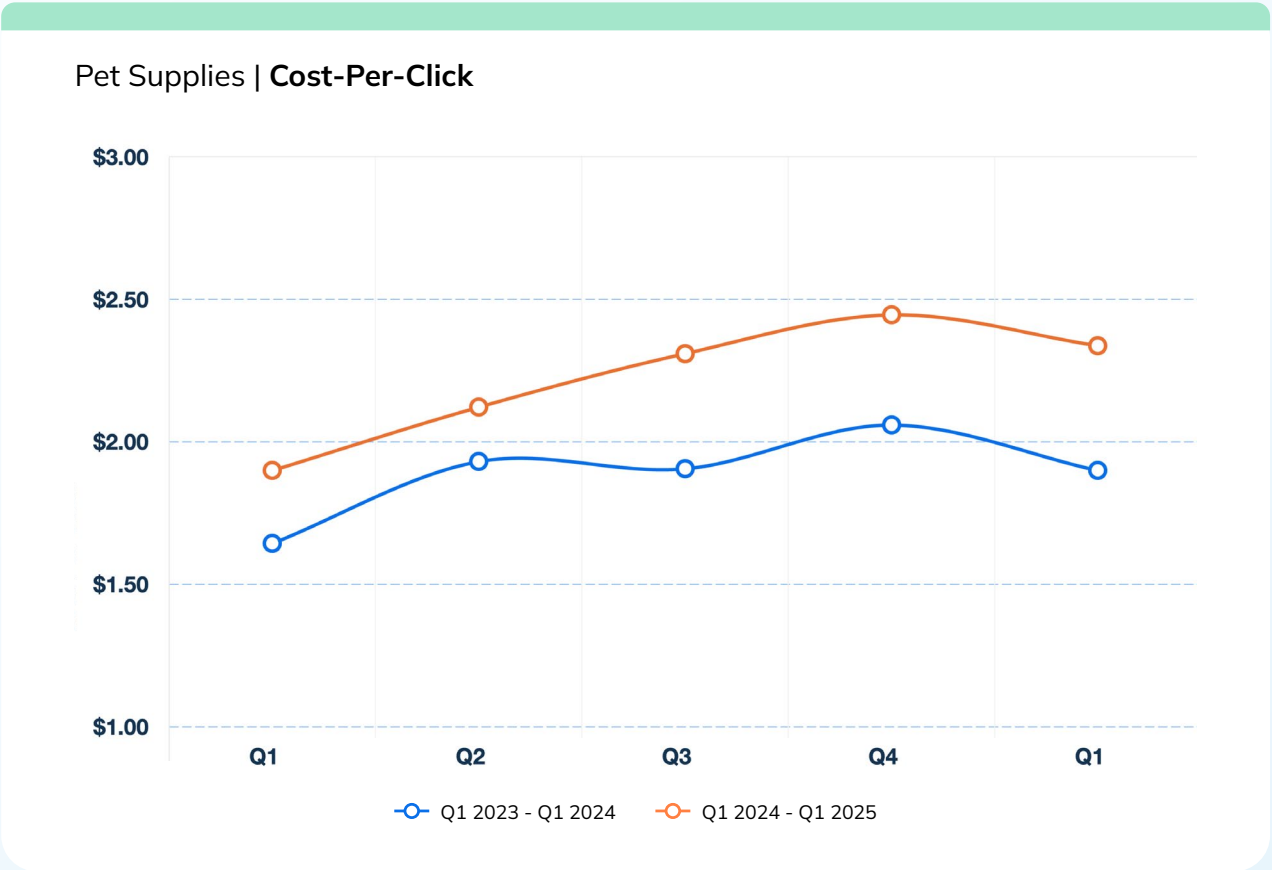
Summary

Amazon US Categories



CPC and Spend

Amazon US Categories • Pet Supplies



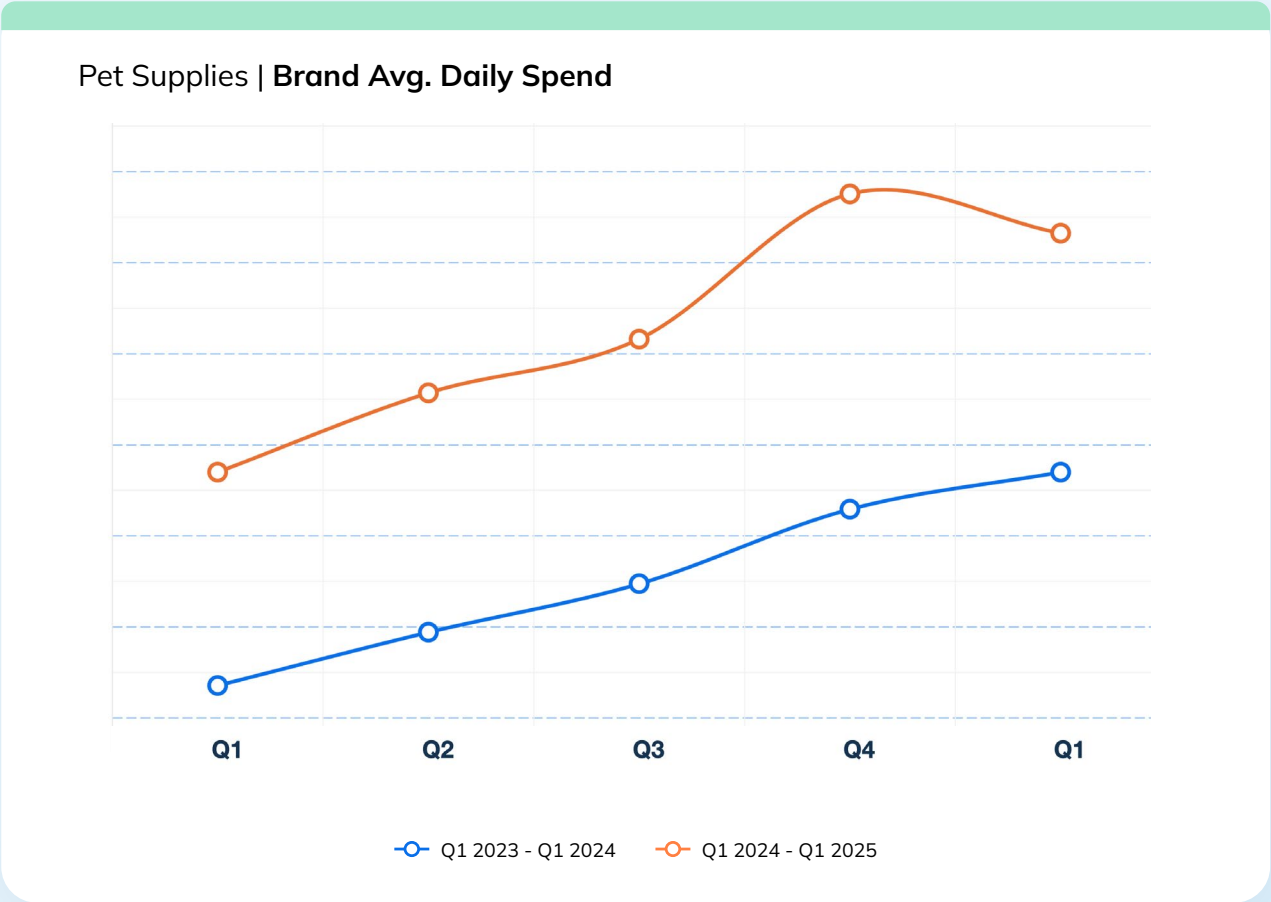
23%

Cost-Per-Click (YoY)

\$2.34

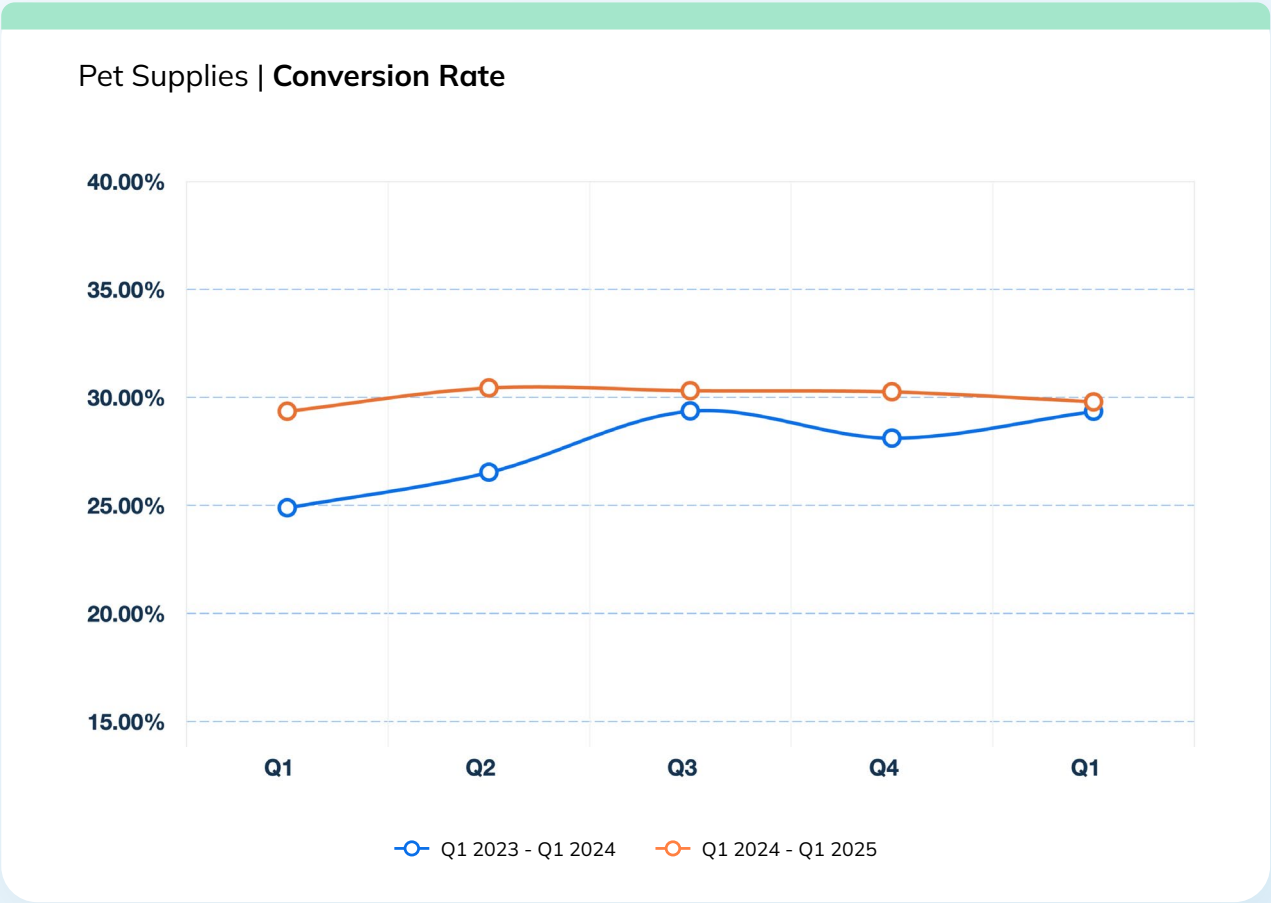
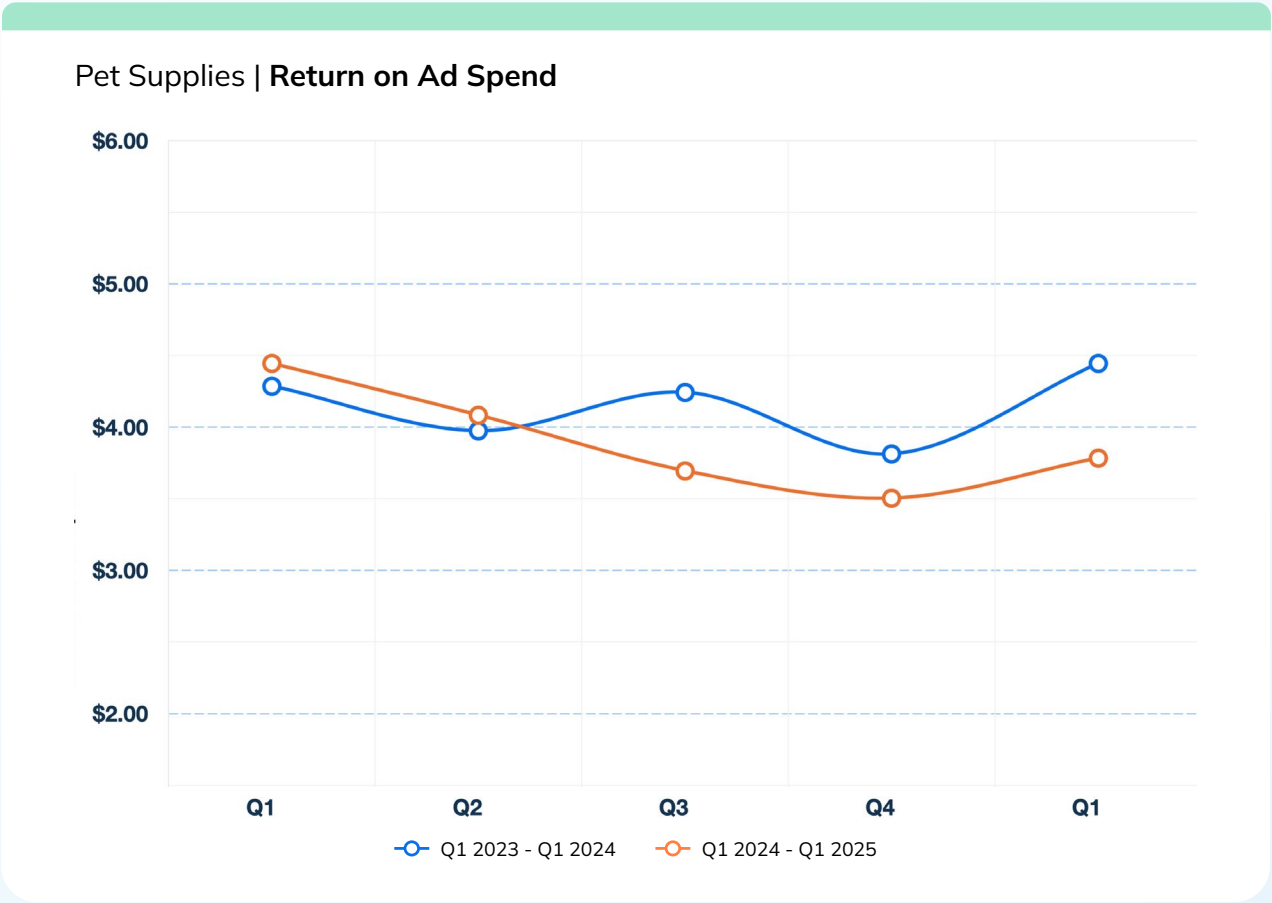
Cost-Per-Click (Q1 2025)

Experiencing the greatest YoY CPC spike across Amazon’s categories, Pet Supplies ranked as the most expensive category for advertisers during Q1 2025 at \$2.34. The corresponding increase in CPC as the category becomes more competitive led to a significant YoY increase in daily brand spend by 46%.



ROAS and CVR

Amazon US Categories ▪ Pet Supplies



-14.9%
Return on Ad Spend (YoY)

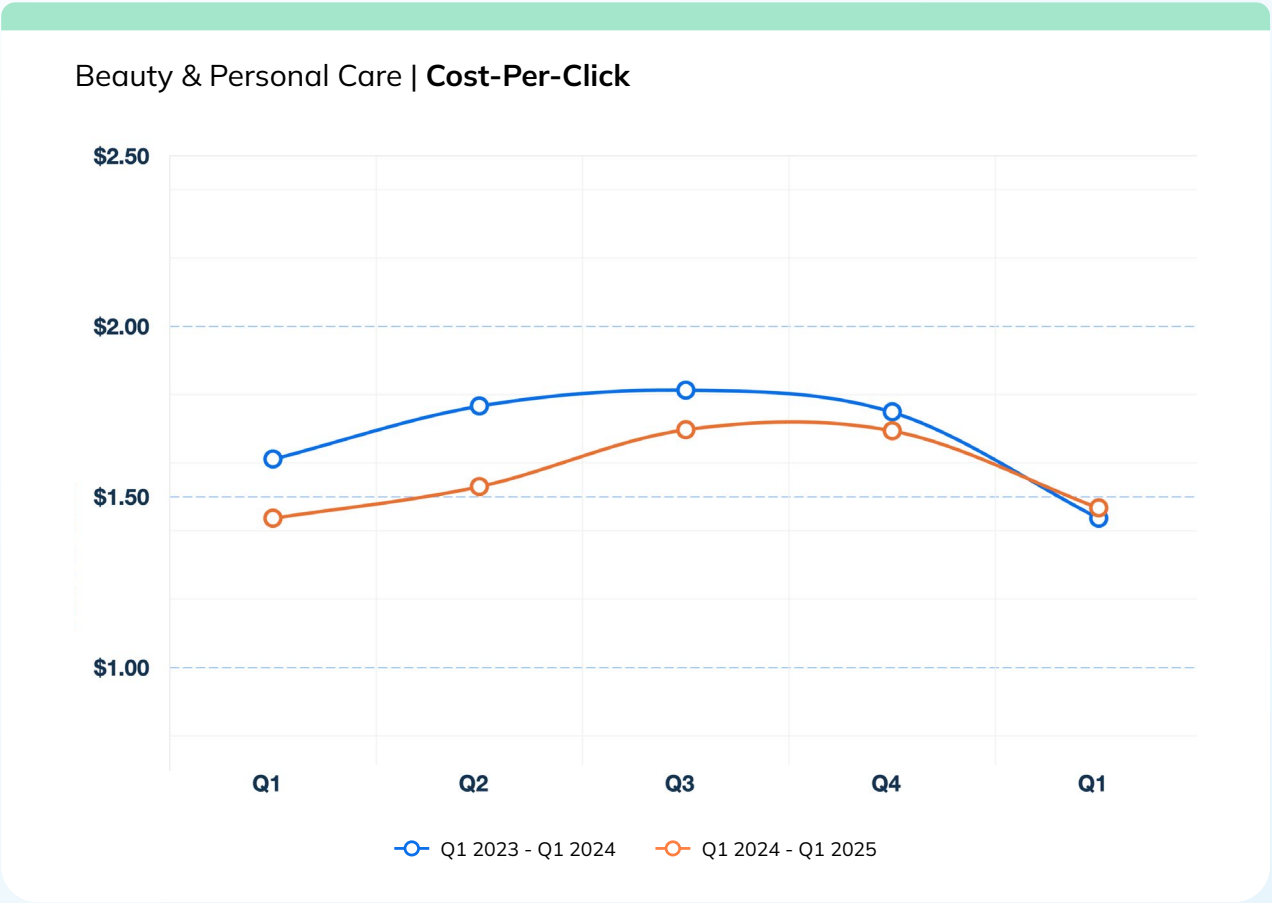
29.8%
Conversion Rate (Q1 2025)

Pet Supplies has grown increasingly competitive but while returns have softened, the category continues to drive conversions



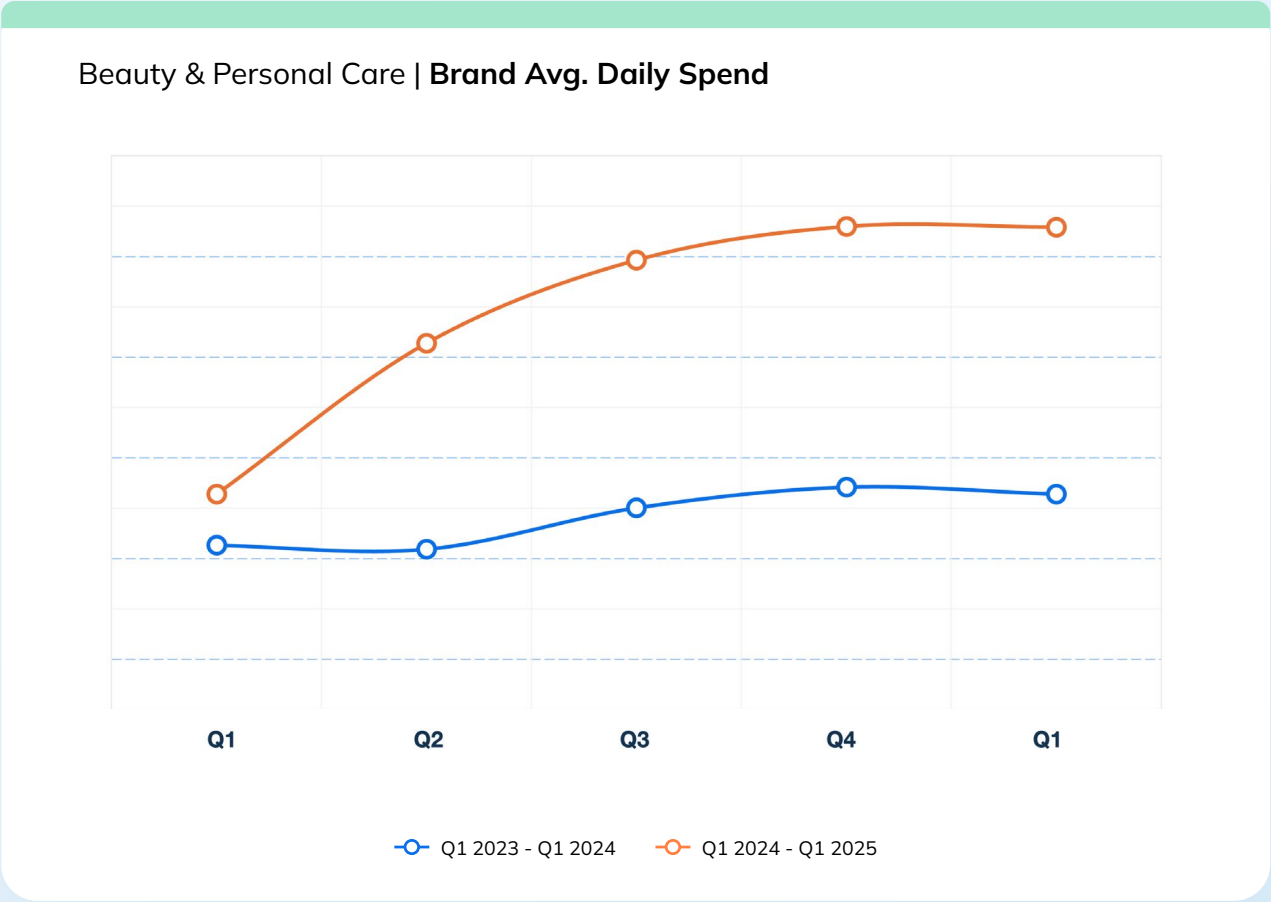
CPC and Spend

Amazon US Categories ▪ Beauty & Personal Care



47%
Average Daily Spend (YoY)

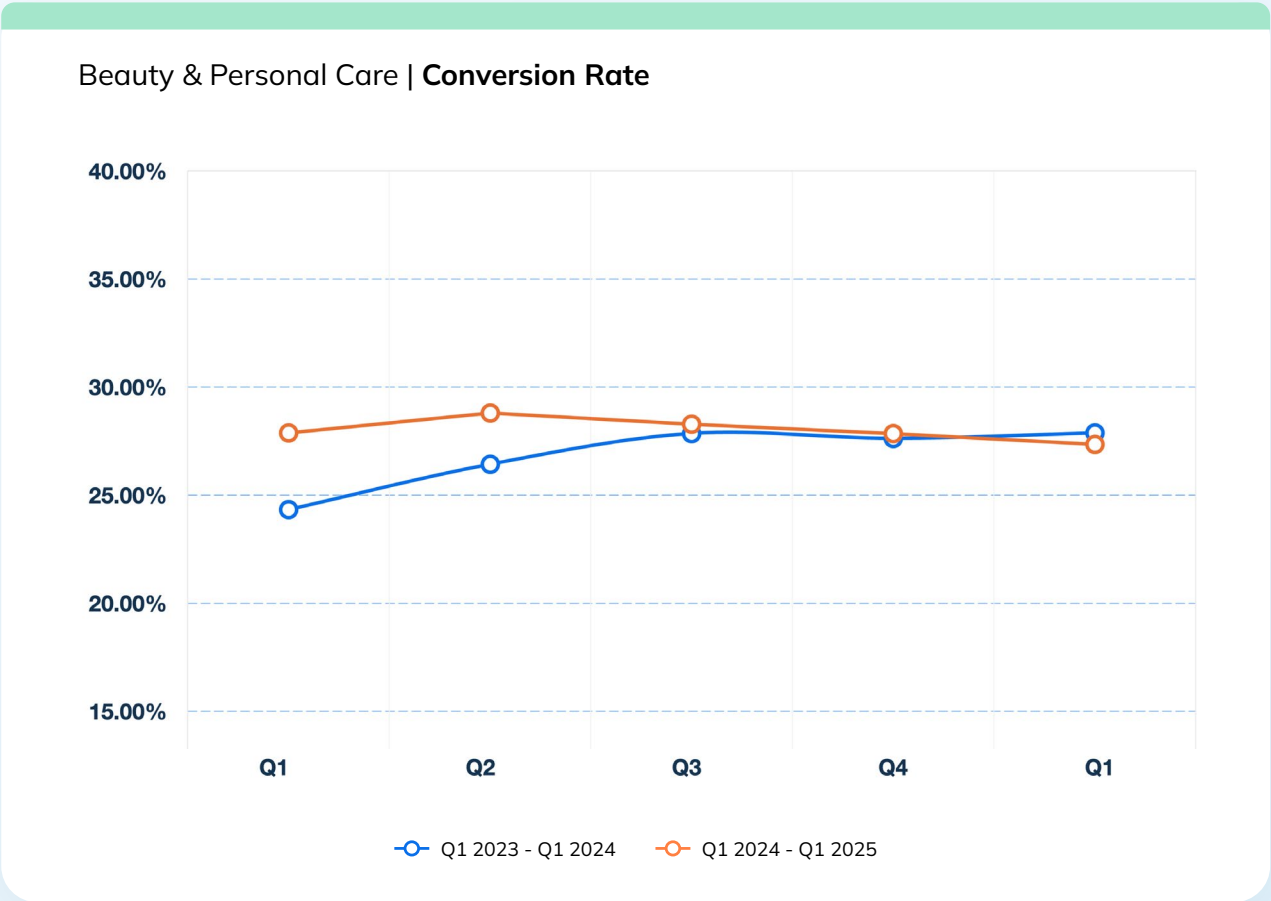
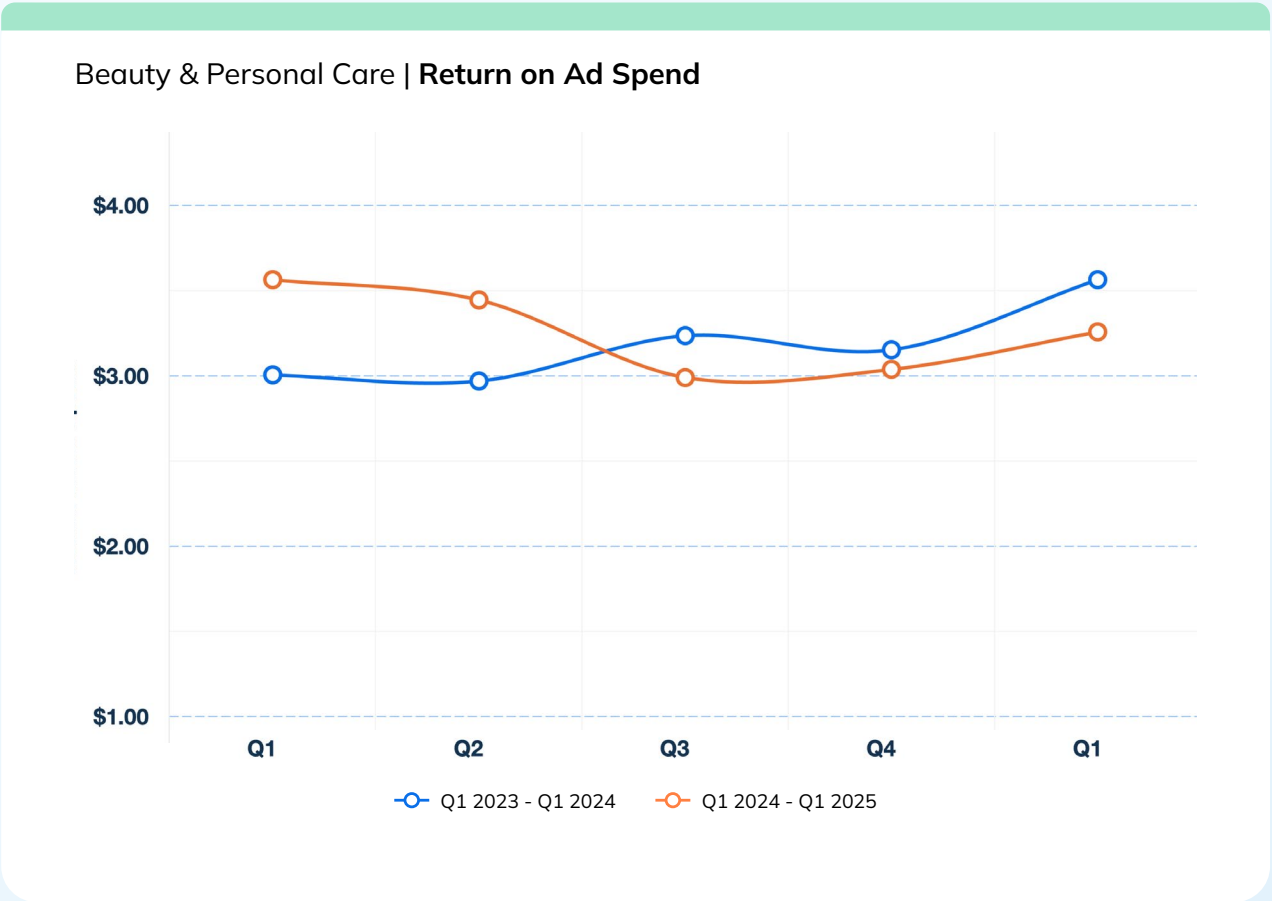
2.1%
Cost-Per-Click (YoY)



ROAS and CVR

Amazon US Categories • Beauty & Personal Care

Although Beauty & Personal Care ROAS declined -8.6% YoY to \$3.26 in Q1 2025—the second lowest ROAS across Amazon’s 15 categories—Beauty & Personal Care’s robust 27.4% CVR in the first quarter of 2025 was the fourth highest conversion rate, indicating that ads in this category reliably convert despite high costs.



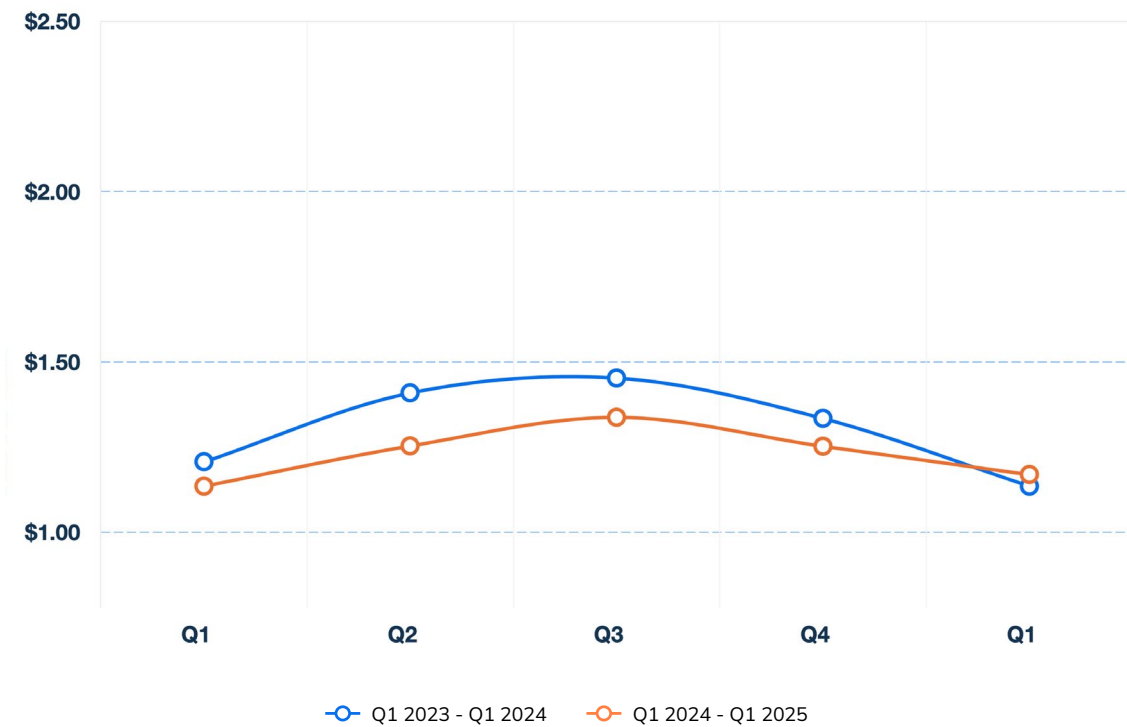
-8.6%
Return on Ad Spend (YoY)

27.4%
Conversion Rate (Q1 2025)

Amazon US Categories | **Electronics**

CPC and Spend

Electronics | **Cost-Per-Click**



3.4%

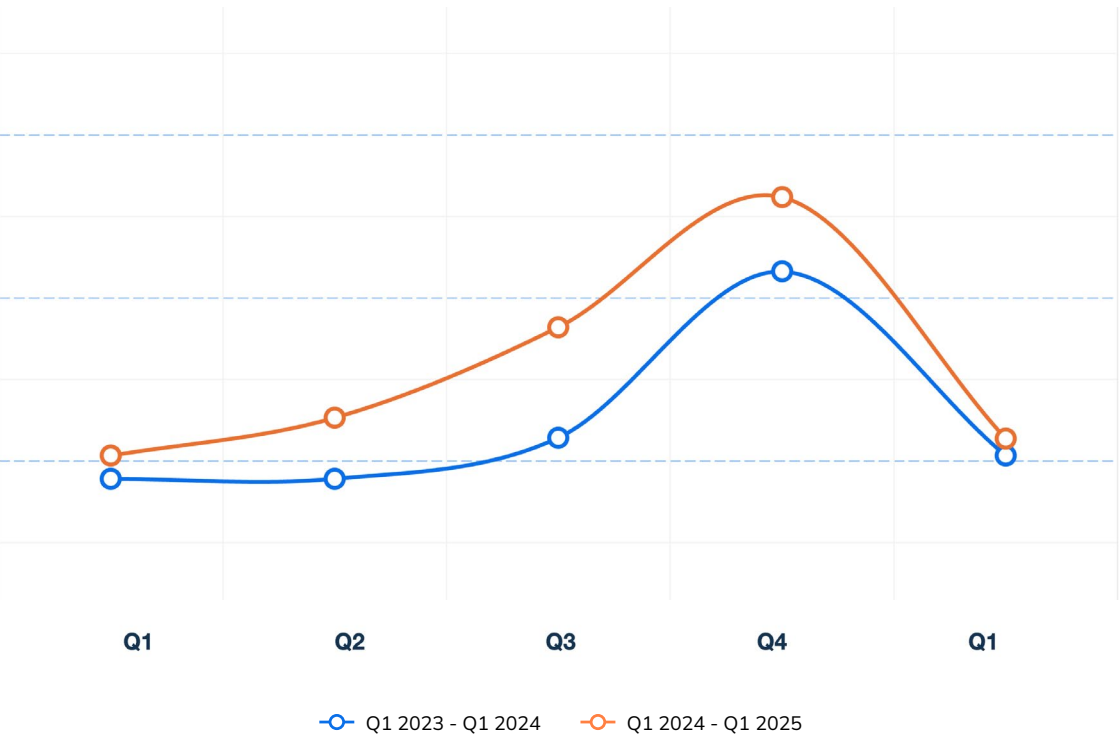
Average Daily Spend (YoY)

3%

Cost-Per-Click (YoY)



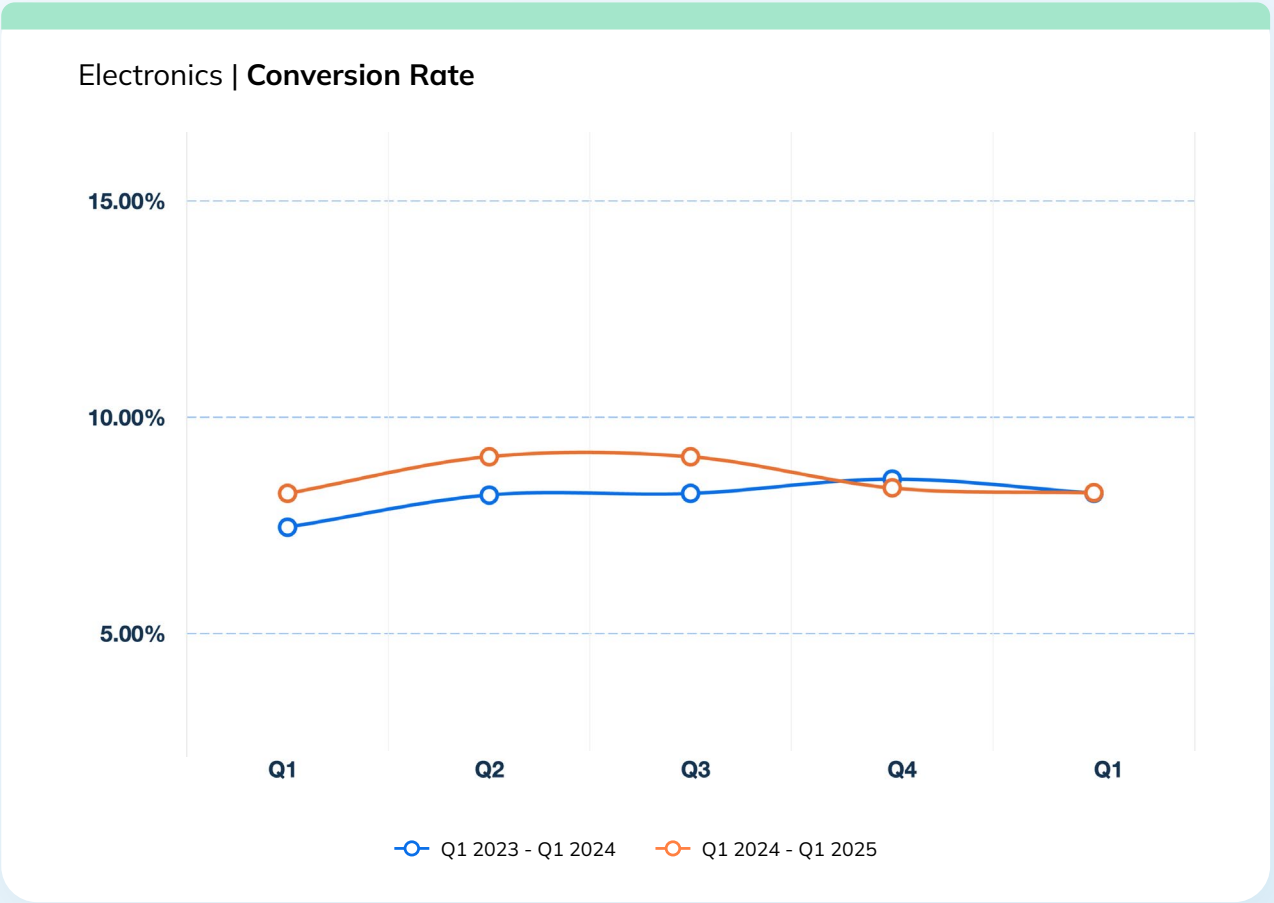
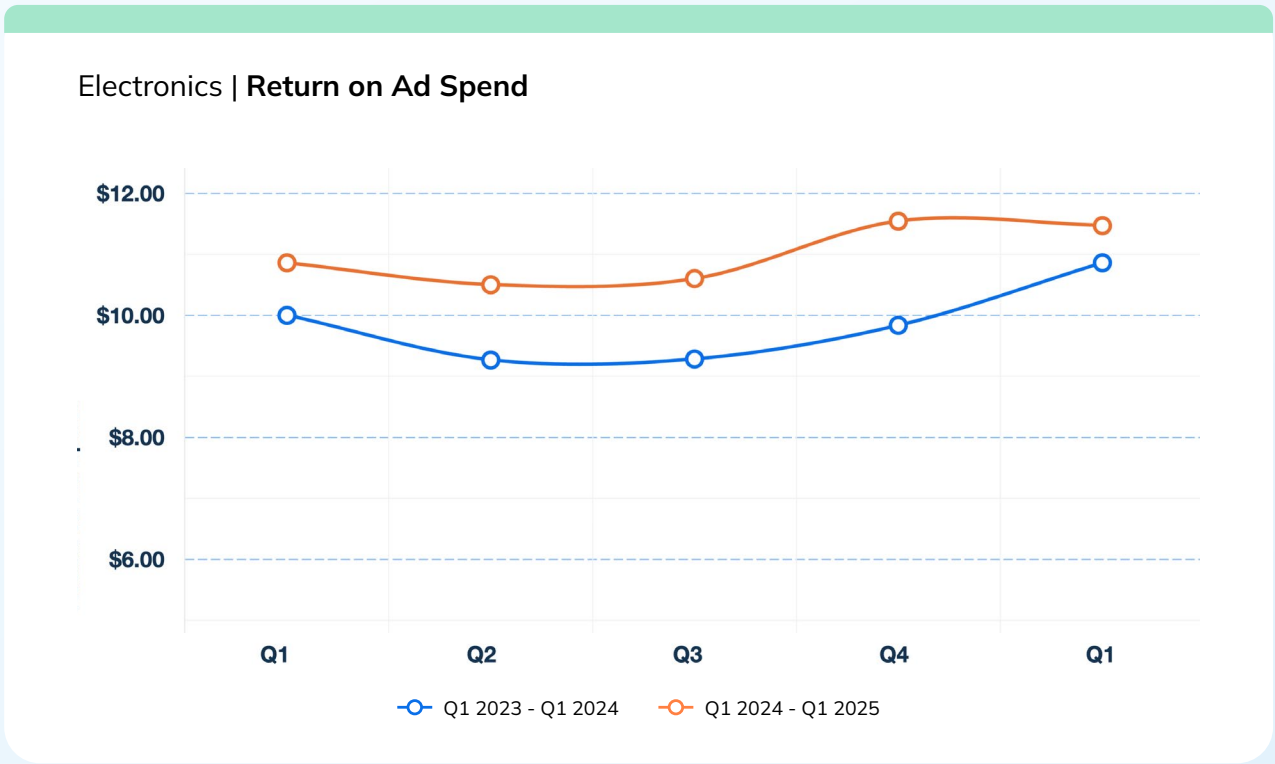
Electronics | **Brand Avg. Daily Spend**



CPC and Spend

Amazon US Categories • Electronics

As one of only two Amazon categories to report higher ROAS YoY, Electronics increased 5.9% YoY and delivered \$11.48 in Q1 2025—the strongest ROAS of any Amazon category in the first quarter of this year. While Electronics CVR ranked last YoY and during Q1 2025, consumers usually buy products in the higher-priced Electronics category—like TVs—during Q4 sales, which is why the conversion rate declined in Q1.



5.9%

Return on Ad Spend (YoY)

\$11.48

Return on Ad Spend (Q1 2025)

What's new from

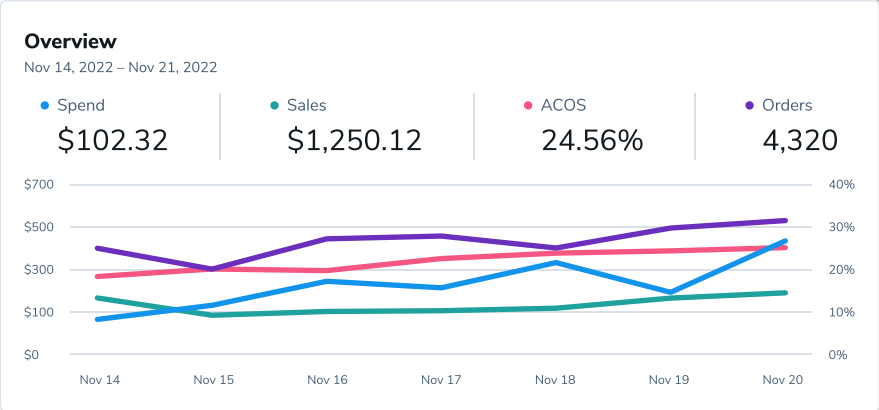
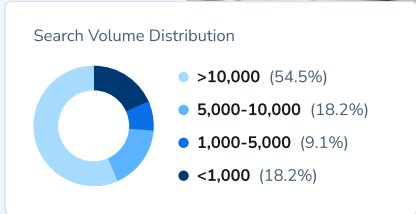
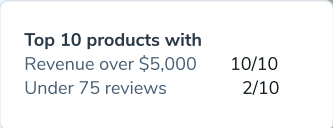
Helium 10

Helium 10 Ads Powered by Pacvue Drives PPC Success with AI

Leveraging Pacvue’s enterprise-grade technology, Helium 10 Ads powered by Pacvue enables novice and veteran sellers alike to automatically manage Amazon Ads and optimize their performance at scale with best-in-class AI advertising, driving campaign profitability.

Helium 10 Launches Search Query Analyzer

A new way to analyze and optimize keyword performance for Amazon Sellers, this tool combines Amazon’s Search Query Performance (SQP) Report with Helium 10’s industry-leading keyword data, delivering actionable insights into trends, opportunities, and buyer behavior in a single dynamic dashboard.



Upcoming in the Industry

2025 Events

June 2-4

Shoptalk Europe
Barcelona, Spain



June 16-20

Cannes Lion Festival
Cannes, France



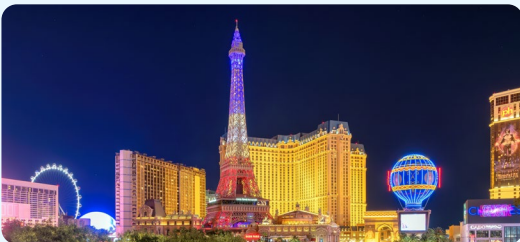
Sep 16-18

Amazon Accelerate
Seattle, Washington



Sep 28 – Oct 1

Groceryshop
Las Vegas, Nevada



Oct 10

Digital Shelf Europe
London, UK



Oct 22-24

Ad Tech Tokyo
Tokyo, Japan



Nov 10-12

Amazon UnBoxed
Nashville, Tennessee





The key to thriving during tough times is to focus on controlling what's in your control. Maximize sales, grow market share, and increase profitability.

Looking Ahead

If nothing else, 2025 is going to be a year of rapid adaptation. The new tariff economy won't just impact consumers or businesses.

As the new tariff economy takes hold, brands are protecting their profitability by investing in precise measurement—tracking real-time performance signals to optimize their advertising budgets and tactics based on dynamic market conditions.

Anyone who has been around in the business long enough might know the famous adage: “When times are good, you should advertise. When times are bad, you must advertise.”

The key to thriving during tough times is to focus on controlling what's in your control. Maximize sales, grow market share, and increase profitability by:

- ✓ Prioritizing organic and paid conversion
- ✓ Optimizing spend in favor of more profitable items
- ✓ Automating media execution based on your profitability goals

While your strategy might change in big ways this year, it's important to remember that your customers will still rely on your brand to deliver the same quality products and exceptional customer experience they've come to expect, even if they ultimately change what and how they buy from you.

As always, Pacvue is happy to help our partners lead the way. Let's focus on profitability and stay the course!

About Us



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.



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 eCommerce business.