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Category Report

July 2024

Ampd Campaigns Category Report



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Why Google ads?

On-site retail media was a game changer and has become the industry standard. However, consumer behaviors are changing, and your strategies should adjust with them.

Enter Google Ads, which is an extremely effective channel to bring high-purchase intent, new-to-brand consumers directly to your brand.

- **87% of 2023 holiday shoppers** used Google to help with their shopping.
- **46% of product searches** start with Google

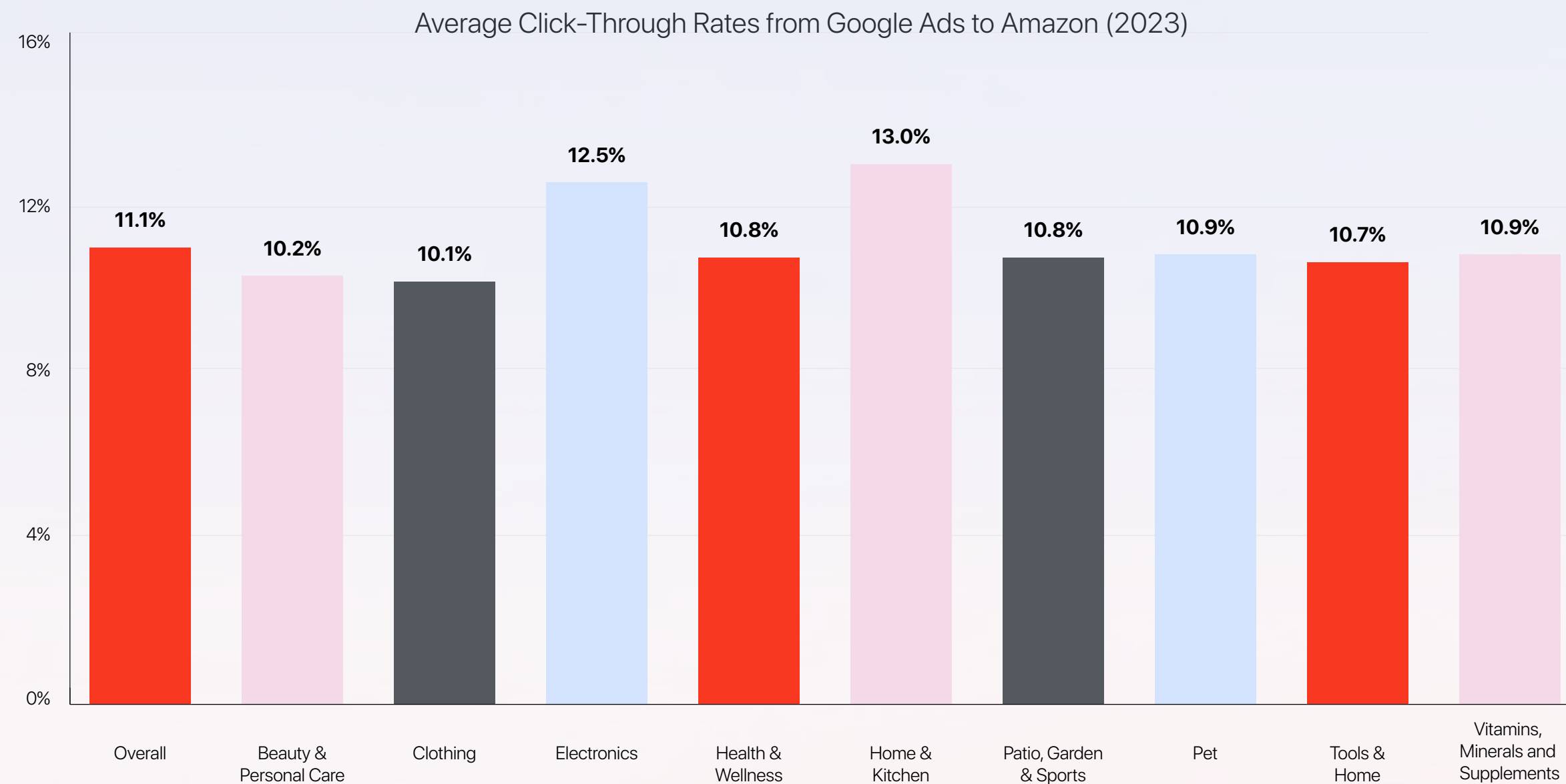
When done well, off-site ads facilitate a deeper, more impactful advertising reach, driving brand awareness and online engagement.

The average Amazon shopper is also shopping on Google. Getting to them on Google, where there is less competition, will mean a lower CPC and higher CTR.

Methodology

Ampd has collated and analyzed Google Ads campaigns launched across categories in 2023. In this report we have reviewed the highlights of these campaigns and reported on which categories have seen the best performance across the year.

Click-through-rates (CTR) on Google Ads are **28x that of Amazon.**



Average ad click-through-rate (CTR):



11.1%

(Ampd)



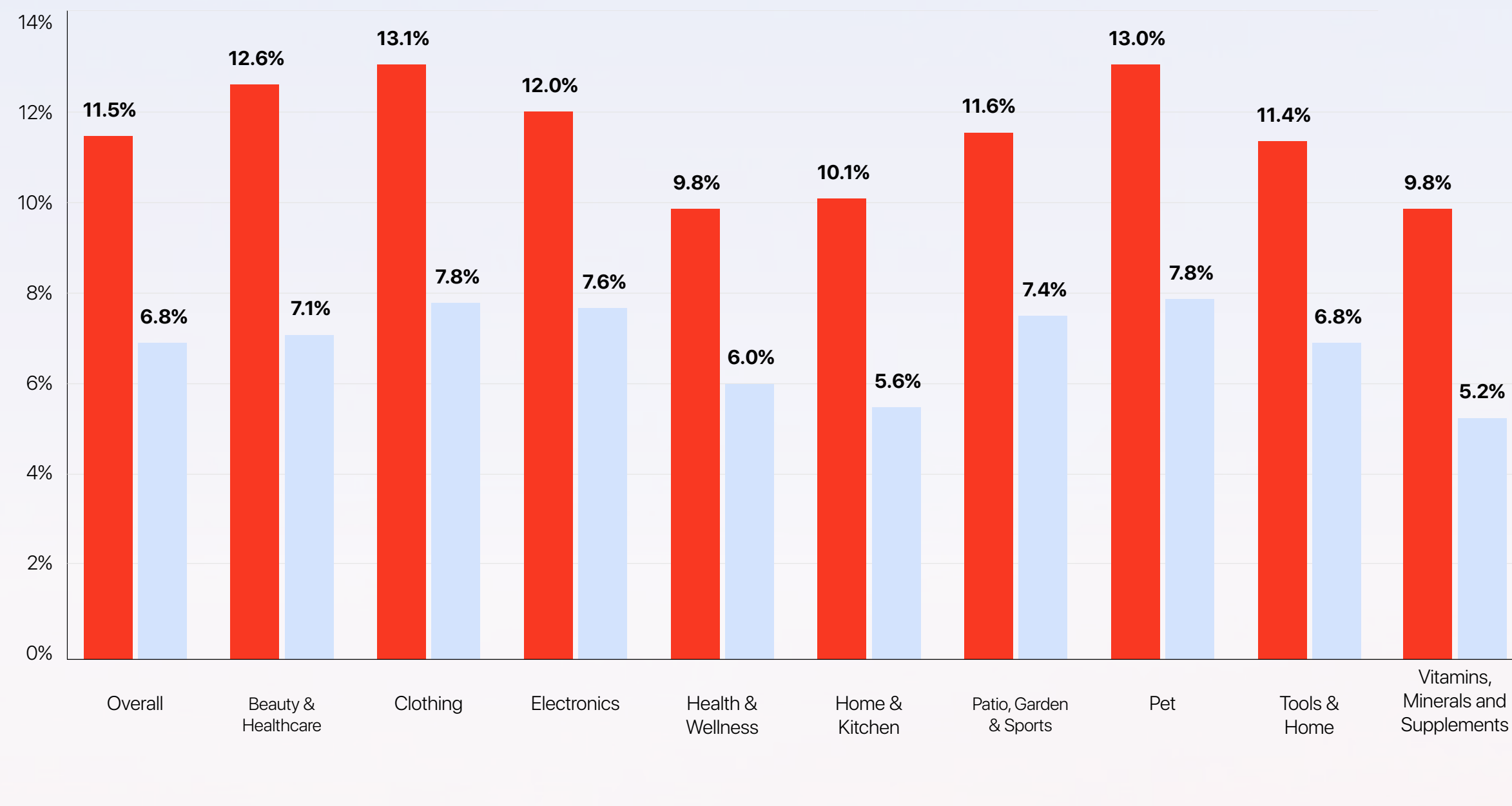
0.4%

(Multiple sources)

- Shoppers through Google Ads have high purchase intent and there are fewer competitive ads than on Amazon, this means a much greater CTR.
- Overall, the Home & Kitchen category had a CTR of 13.0%. 32x higher than that of an Amazon Ad.
- The Electronics category had the 2nd greatest CTR, 12.5%, which was 31x greater than the average Amazon Ad. The CTR of Health & Wellness category was also a massive 27x than Amazon Ads.
- All categories had a CTR of at least 10.1%, which is far higher than the average 0.4% of an Amazon Ad.

Google Ads traffic to Amazon.com has a **3-4x higher conversion rate** than Brand.com

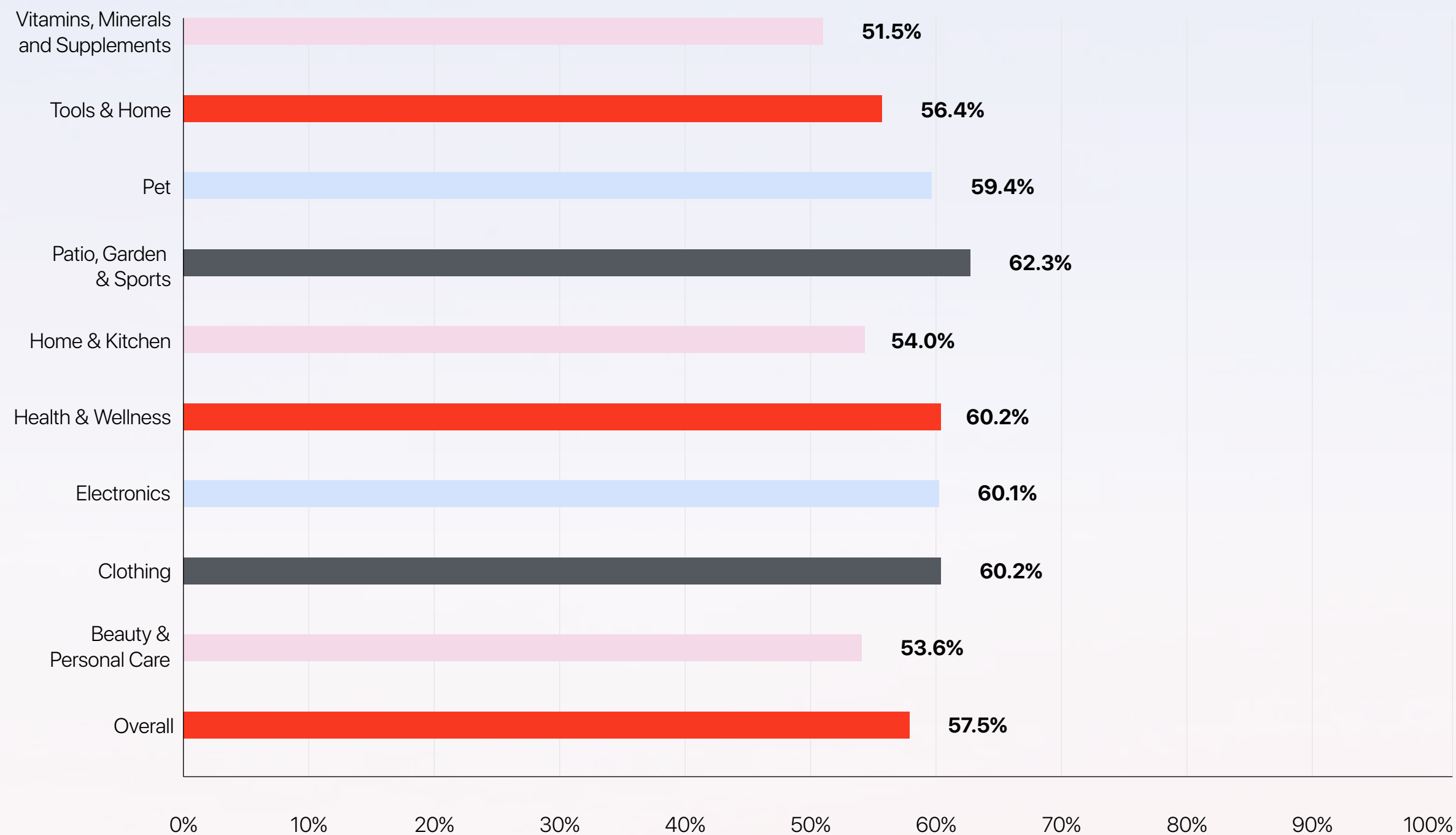
Average Add-To-Cart/Conversion Rates from Google Ads to Amazon (2023)



- The Overall Add-to-Cart rate (ATC) for Ampd 2023 campaigns were 11.5% and had an average Conversion Rate of 6.8%.
- The Pet category had the greatest Conversion Rate at 7.82%, just ahead of Clothing (7.78%).
- The Beauty & Personal Care category had the third-greatest Add-to-Cart Rate, 12.6%, and an above average Conversion Rate of 7.1%.

- Electronics followed with a 12.0% ATC Rate and an 7.6% Conversion Rate
- Health & Wellness and Home & Kitchen had similar ATC rates at 9.8% and 10.1%, but Health & Wellness had a marginally higher Conversion Rate at 6.0%.

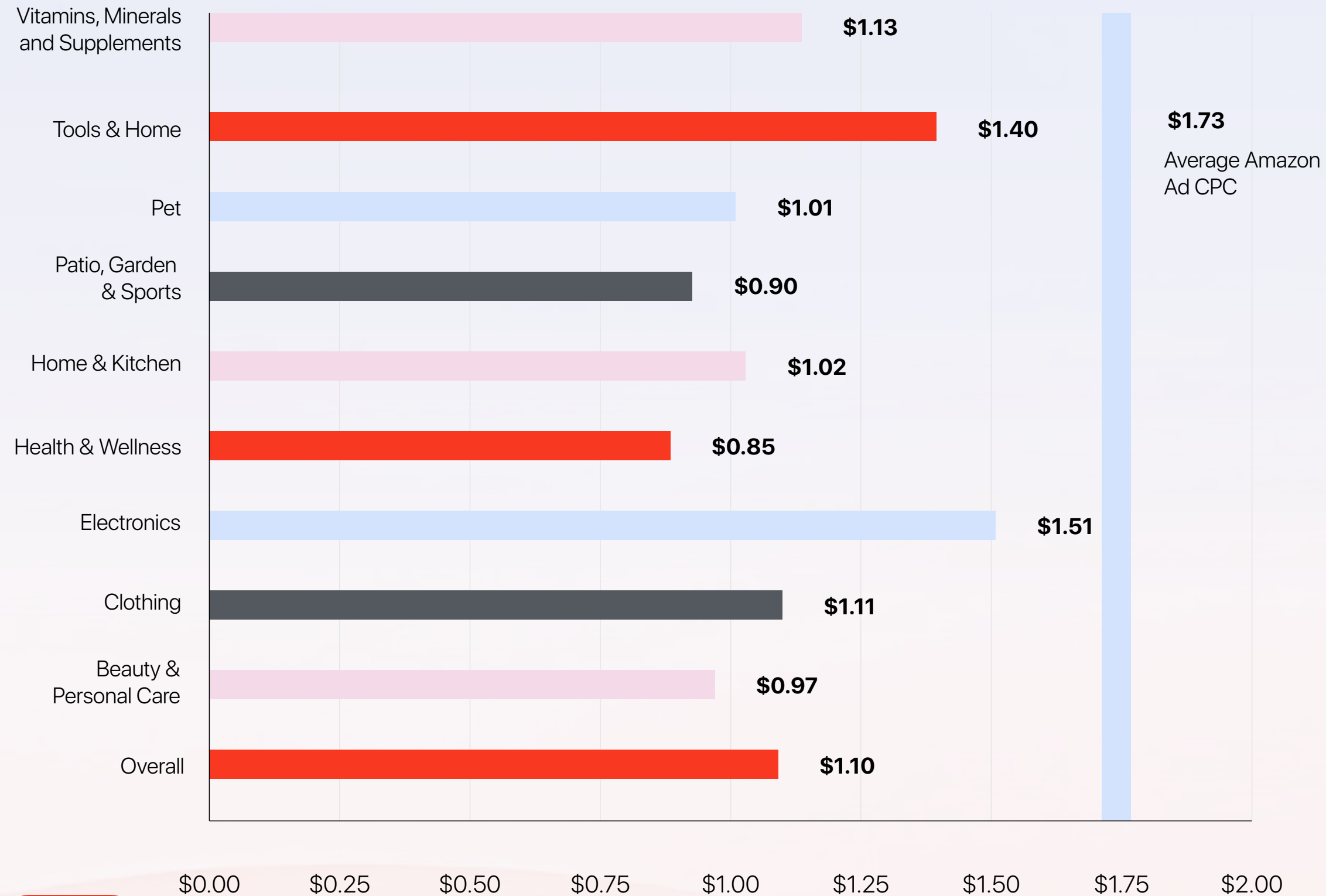
Ampd campaigns drew more committed shoppers.



- All of Ampd's 2023 campaigns had a greater-than-industry average Cart Conversion Rate. This shows the shoppers interacting with Ampd campaigns are more likely to commit to a purchase.
- Overall, 57.5% of orders added to cart converted to sales.
- The Patio, Garden & Sports category reported the greatest Cart Conversion Rate of 62.3%.
- Within Patio, Garden & Sports, it was Golf (74.2%) and Pest Control (66.7%) that had the highest Cart Conversion Rate.

Cost-per-click (CPC) of Google Ads are 36% lower than Amazon sponsored ads.

Average Cost per Click of Google Ads to Amazon (2023)



Average CPC:



\$1.10

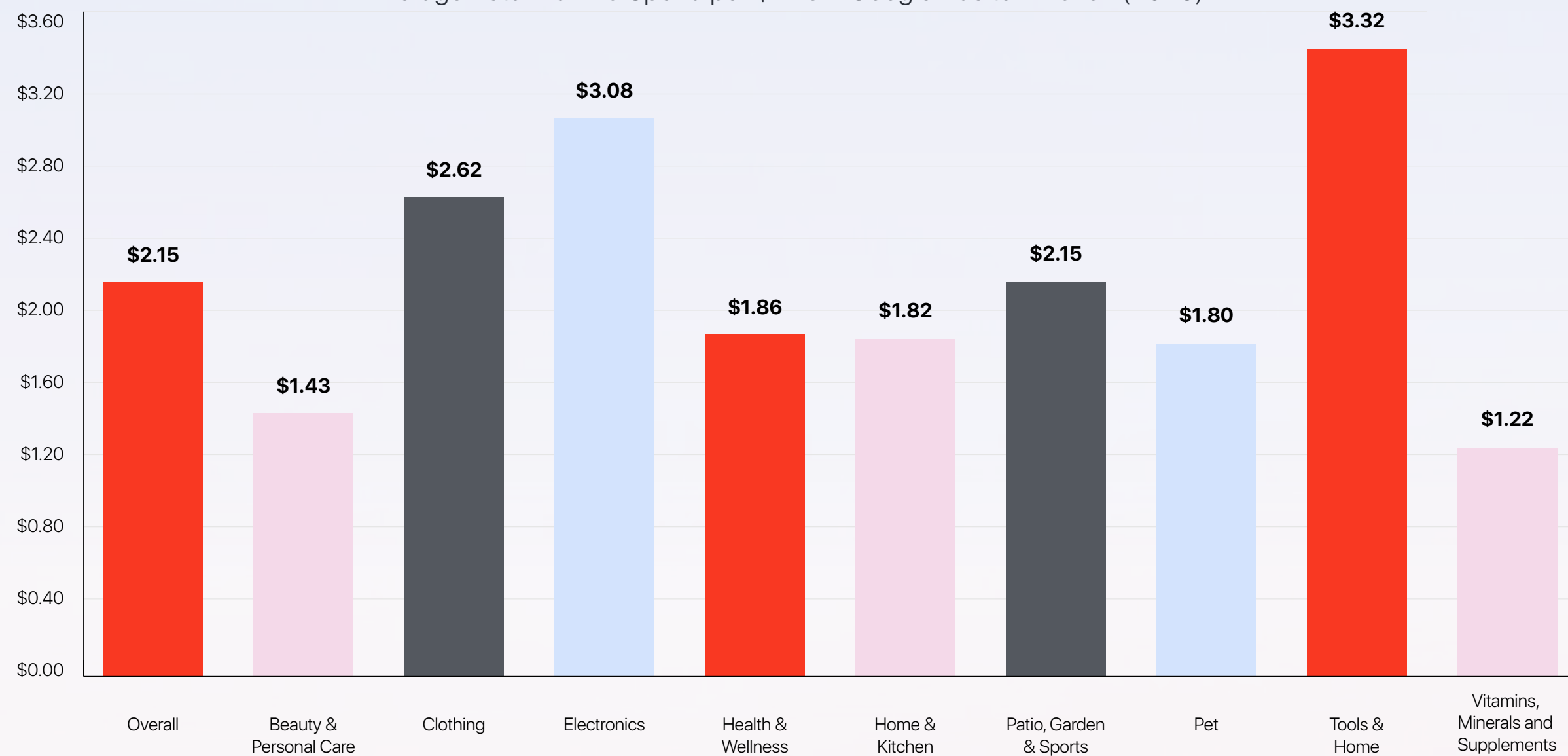


\$1.73

- Growing competition for key sponsored ad on Amazon means the average CPC has risen 11.6% between 2022 and 2023 (CommercelQ).
- Ampd Google Ad campaigns have an average CPC of \$1.10, 36% lower than Amazon Ads (\$1.73). With growing competition and CPC on Amazon, Google ads clearly offer a lower-cost way of reaching high intent shoppers.
- The Health & Wellness category had the lowest CPC at \$0.85, 51% lower than the Amazon average.
- The Beauty category had a CPC 44% lower than Amazon's overall average. On Amazon, the CPC in the Beauty category is volatile, rising by an average of 54% in Q4 (Threecolts), this makes Google Ads a more reasonable, strategic option.

72% of Ampd campaign shoppers are **new-to-brand**.

Average Return on Ad Spend per \$1 from Google Ads to Amazon (2023)



- Overall, Ampd clients' campaigns returned \$2.15 per \$1 spent. 72% of the shoppers in these campaigns were new-to-brand, significantly boosting brands awareness.
- The Tools & Home category had the highest ROAS at \$3.32, closely followed by Electronics with \$3.08.
- The Health & Wellness category had the median ROAS of \$1.86 while Beauty & Personal Care had a lower ROAS of \$1.43.
- Most of these shoppers are new-to-brand and the Health & Wellness and Beauty & Personal Care categories have a high annual repeat purchase rate of +2x. So while initial ROAS may not be as large as other categories, there is significant opportunity for repeated business via Subscribe and Save etc.

Key Takeaways.



US ecommerce sales grew 7.2% in 2023 to \$1.1tn, growing significantly faster than bricks and mortar sales (+2.7%). Ecommerce is now 15.9% of all retail sales.



Google ads have a far higher CTR than Amazon ads (11.1% v 0.4%).



On average, 72% of traffic from Google Ads to Amazon are **new to brand shoppers**.



Ampd Google Ad campaigns drew shoppers with greater purchase intent as **Cart Conversion rates are 57.5%**.



Ampd Google Ads CPC is **36% lower than that of Amazon Sponsored Ads** (\$1.10 v \$1.73).



Ampd's 2023 campaigns returned on average **\$2.15** for every **\$1 spent**, additional returns will also be realized from Brand Referral Bonuses and Repeat Purchase Rate.



Google Ads, should be an integral part of any brand/agency's retail media strategy as, unlike Amazon, shoppers will follow your branded experience without seeing any competitors.



About Ampd.

The intelligent advertising platform connecting digital channels with online marketplaces. Brands and agencies are spending millions of advertising dollars to intersect with off-site shoppers, and Ampd empowers them with automation and closed-loop attribution to drive incremental revenue.

[Learn more at ampd.io](https://ampd.io)

