

2022 Q4 CPC REPORT



Key Findings

- Cost-per-click (CPC) remained flat quarter-over-quarter for Amazon Sponsored Products and decreased slightly for Sponsored Brands.
- Walmart Connect Sponsored Ads click-through-rates (CTR) skyrocketed quarter-over-quarter and year-over-year.
- Instacart Ads CPC and cost-per-acquisition (CPA) increased quarter-over-quarter in Q4 2022.
- As expected, ad spend across Amazon, Walmart, and Instacart experienced a significant increase in Q4.

Q4 2022 will be remembered for one of the largest holiday event pushes ever, with Cyber Monday 2022 generating \$240B in sales across retail media. Emerging consumer habits have taken root and driven eCommerce to new heights, with projected sales to reach \$1.050 trillion by the end of 2023.

But despite this growth, consumers were still saddled with uncertainty in Q4, as 72% reported anticipating higher prices during holiday shopping—and nearly half stated they'd only purchase items on promotion.

What does this mean for brands? Expect consumers to approach 2023 with caution. While consumers won't abandon spending overall, many will go down the brand ladder to seek value—76% of Amazon shoppers said they'd put a purchasing bias on private label products.

In Q4, top searches on Amazon predictably changed to holiday season-related items, such as Halloween costumes for women, Christmas decorations, stocking stuffers for adults, Squishmallow, and Nintendo Switch.

This report brings together data sourced from the Pacvue and Helium 10 proprietary databases to provide an unparalleled look at the largest coverage of eCommerce advertising data in the industry. It includes data from thousands of advertisers across small, mid-sized, and large brands and every major product category.

Pacvue and Helium 10 help eCommerce brands, sellers, and agencies grow their eCommerce business and increase sales. Use this report to benchmark your own performance on Amazon, Walmart, and Instacart, and uncover trends in the industry.



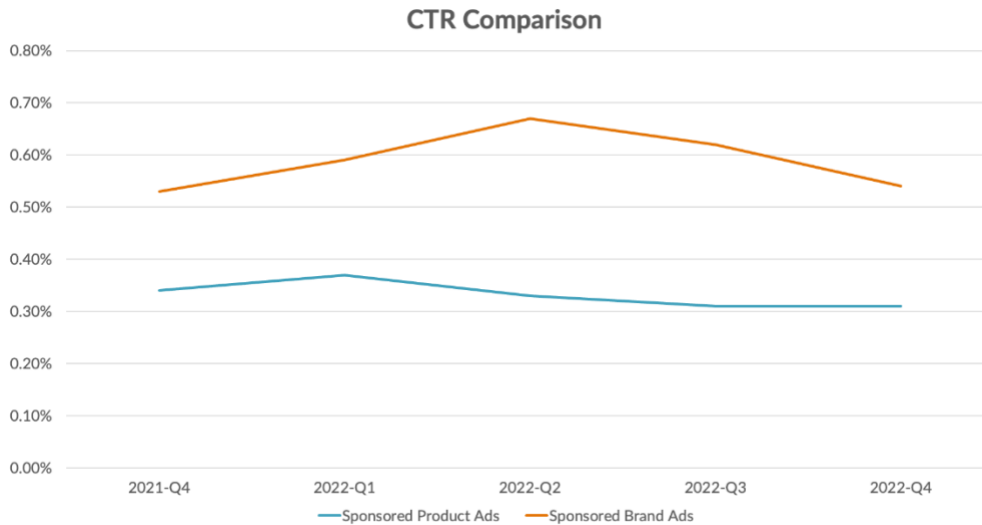
Amazon Benchmarks

Q4 2022 Trends

Sponsored Product Ads	CTR	CPC	CPA	CVR	ROAS	eCPM
2021 Q4	0.34%	\$1.42	\$7.29	19.49%	\$4.53	\$4.87
2022 Q1	0.37%	\$1.31	\$6.48	20.13%	\$4.75	\$4.81
2022 Q2	0.33%	\$1.30	\$6.71	19.36%	\$4.68	\$4.23
2022 Q3	0.31%	\$1.21	\$6.48	18.71%	\$4.81	\$3.74
2022 Q4	0.31%	\$1.21	\$6.91	17.46%	\$4.73	\$3.78
QoQ Change	0.0%	0.0%	6.6%	-6.7%	-1.7%	1.1%
YoY Change	-8.8%	-14.8%	-5.2%	-10.4%	4.4%	-22.4%

Sponsored Brand Ads	CTR	CPC	CPA	CVR	ROAS	eCPM
2021 Q4	0.53%	\$1.72	\$9.43	18.24%	\$3.76	\$9.11
2022 Q1	0.59%	\$1.60	\$8.85	18.10%	\$3.95	\$9.52
2022 Q2	0.67%	\$1.63	\$9.47	17.20%	\$4.01	\$10.85
2022 Q3	0.62%	\$1.60	\$9.72	16.48%	\$3.83	\$10.00
2022 Q4	0.54%	\$1.58	\$10.45	15.16%	\$3.77	\$8.54
QoQ Change	-12.9%	-1.3%	7.5%	-8.0%	-1.6%	-14.6%
YoY Change	1.9%	-8.1%	10.8%	-16.9%	0.3%	-6.3%

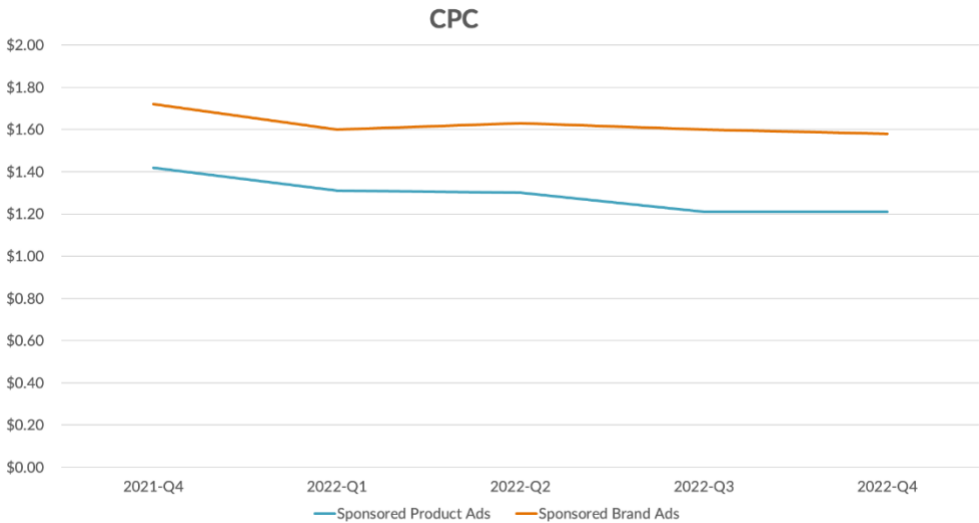
Amazon Click-Through Rates remained flat for Sponsored Products and fell for Sponsored Brands in Q4.



CTR for Sponsored Products ads remained unchanged quarter-over-quarter at an average of 0.31%. Sponsored Products CTR experienced a decline year-over-year, with a total decrease of 8.8%.

CTR for Sponsored Brands ads decreased by 12.9% quarter-over-quarter, down to 0.54%, while Sponsored Brands CTR remained flat with an increase of 1.9% year-over-year.

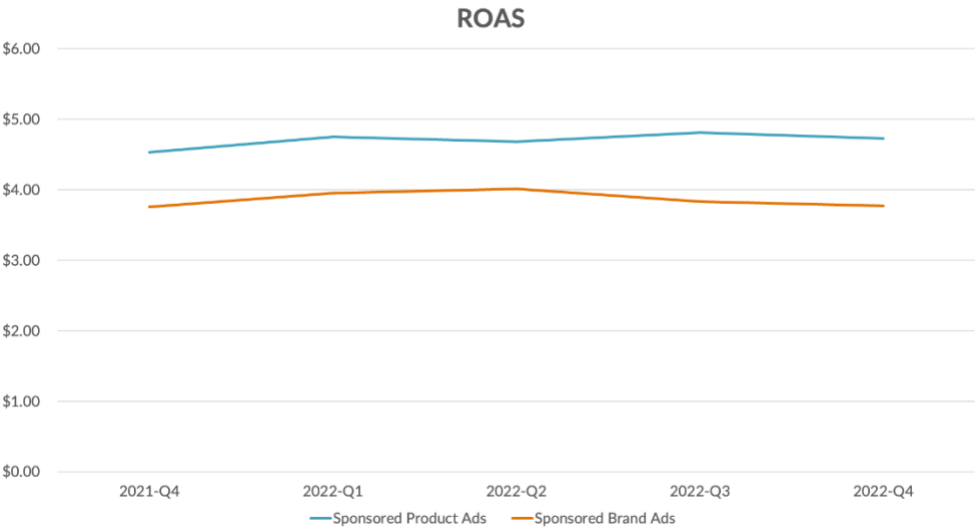
CPC remained flat quarter-over-quarter for Amazon Sponsored Products and decreased slightly for Sponsored Brands.



CPC for Sponsored Products remained flat and decreased slightly for Sponsored Brands in Q4 2022. Sponsored Products CPC remained unchanged at 0% quarter-over-quarter at an average of \$1.21. Sponsored Brands CPC showed a modest decrease of 1.3% quarter-over-quarter at an average of \$1.58.

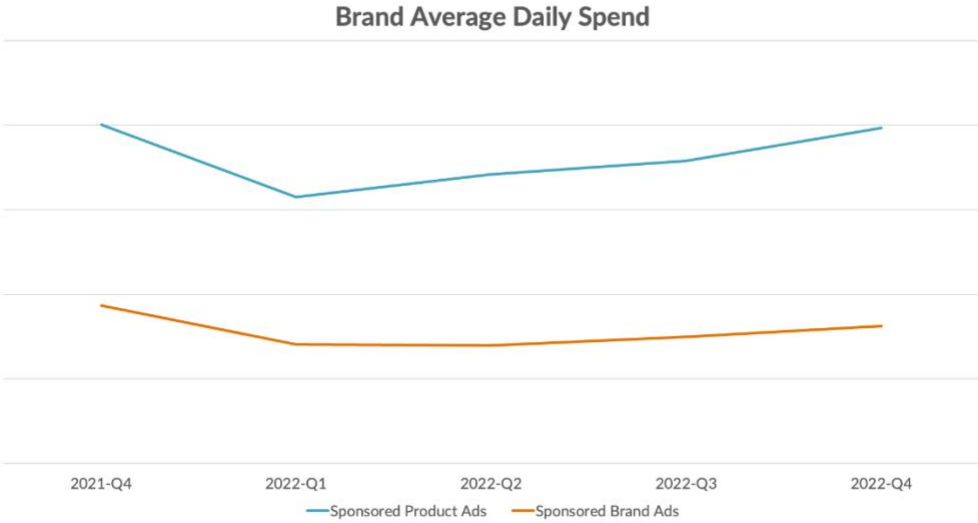
CPCs for Sponsored Products ads decreased by 14.8% year-over-year, while Sponsored Brands fell by 8.1% year-over-year.

ROAS for Amazon Sponsored Products and Sponsored Brands fell slightly quarter-over-quarter in Q4 2022.



Sponsored Brands Return on Advertising Spend (ROAS) fell by 1.6% quarter-over-quarter and increased year-over-year by 1.3% at an average of \$3.77 in Q4 2022. Meanwhile, Sponsored Products ROAS decreased by 1.7% quarter-over-quarter and increased 4.4% year-over-year at an average of \$4.73.

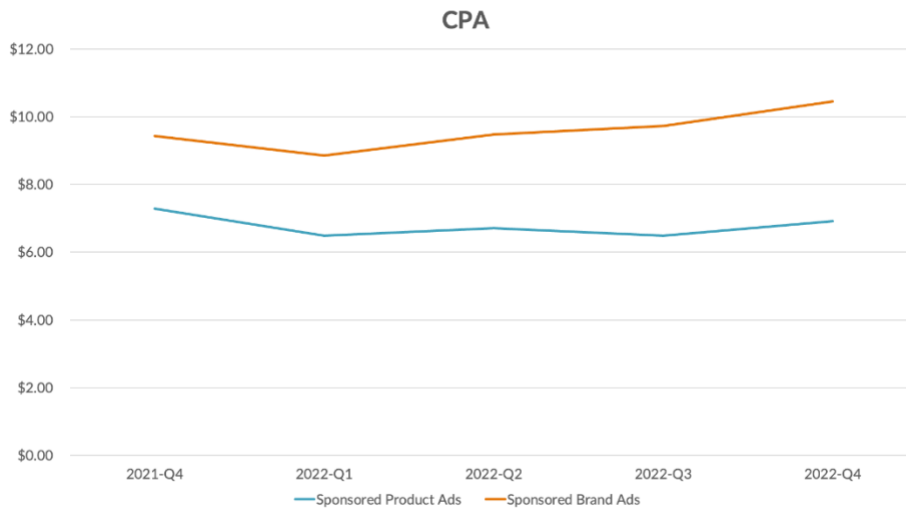
Spend for Amazon Sponsored Products and Sponsored Brands increased quarter-over-quarter.



Average daily ad spend for Sponsored Products increased 11% quarter-over-quarter, while Sponsored Brands ads saw an increase of 8.5% in Q4 2022.

The average daily spend for Sponsored Products decreased slightly by 0.8% year-over-year and fell by 12.8% for Sponsored Brands in Q4 2022.

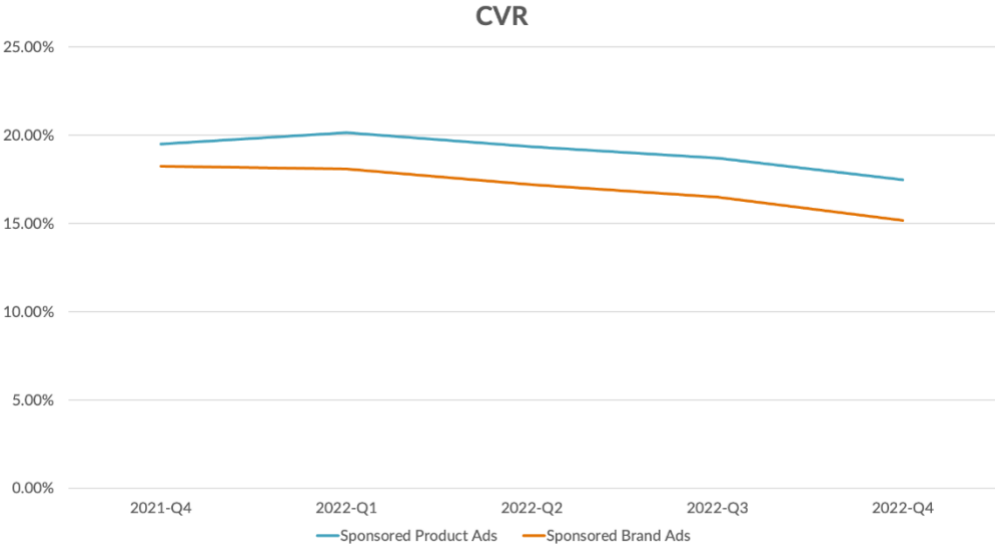
Cost-per-acquisition increased for Amazon Sponsored Products and Sponsored Brands ads quarter-over-quarter.



Sponsored Brands ads CPA showed a 7.5% increase quarter-over-quarter rising to \$10.45 in Q4 2022. CPA increased year-over-year by 10.8%.

Sponsored Products ads CPA of \$6.91 represents a 6.6% increase quarter-over-quarter and a 5.2% decrease year-over-year.

Conversion rates for Amazon Sponsored Products and Sponsored Brands continued to decrease quarter-over-quarter and year-over-year.



In Q4, we saw that both ad types fell for a fourth consecutive quarter. Sponsored Products ads conversion rates (CVR) dropped with a 6.7% decrease quarter-over-quarter, while CVR decreased by 10.4% year-over-year at an average of 17.46%. Sponsored Brands ads CVR decreased 8% quarter-over-quarter and 16.9% year-over-year at an average of 15.16%.



Walmart Benchmarks

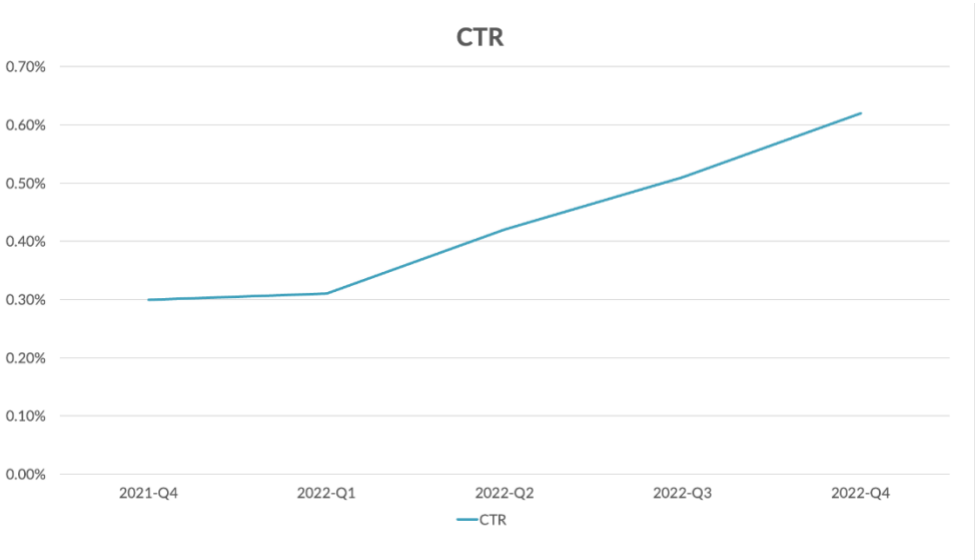
WALMART KEY FINDINGS:

- Q4's holiday shopping boom caused ad spend on Walmart Sponsored Ads to significantly increase by 17.95% quarter-over-quarter and by 31.49% year-over-year.
- Sponsored Ads click-through-rates skyrocketed QoQ and YoY.
- Sponsored Ads cost-per-click increased for the first time in four quarters.

Q4 2022 Trends

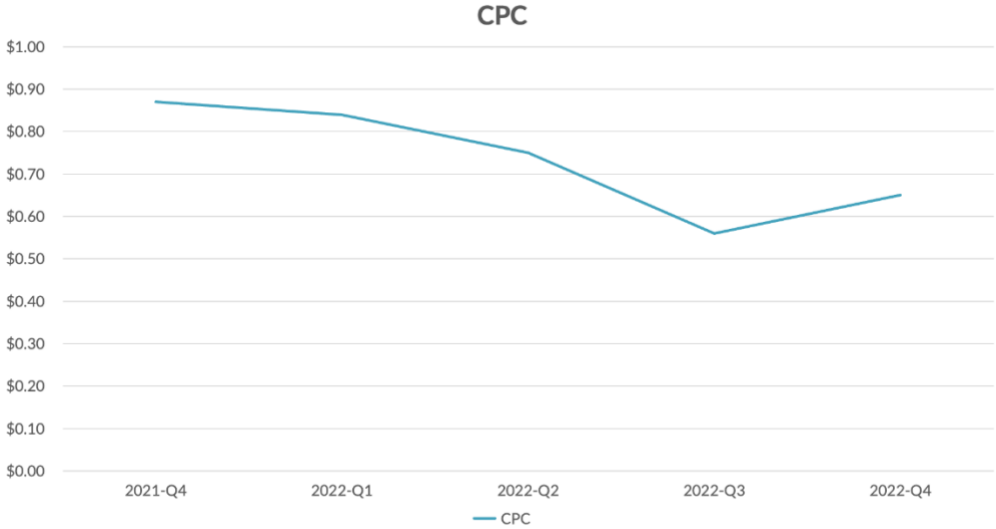
Walmart	CTR	CPC	CPA	ROAS	eCPM
2021 Q4	0.30%	\$0.87	\$1.08	\$3.32	\$2.59
2022 Q1	0.31%	\$0.84	\$1.01	\$3.60	\$2.59
2022 Q2	0.42%	\$0.75	\$0.88	\$4.75	\$3.13
2022 Q3	0.51%	\$0.56	\$0.59	\$6.93	\$2.86
2022 Q4	0.62%	\$0.65	\$0.73	\$6.06	\$4.02
QoQ Change	21.57%	16.07%	23.73%	-12.55%	40.56%
YoY Change	106.67%	-25.29%	-32.41%	82.53%	55.21%

Walmart Connect Sponsored Ads click-through rates significantly increased quarter-over-quarter and year-over-year.



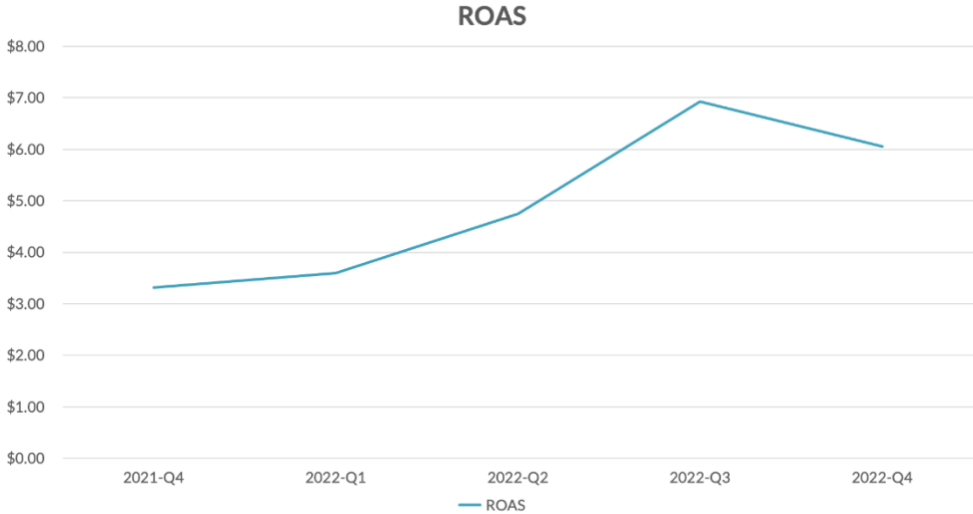
CTR continued to rapidly ascend by 21.57% quarter-over-quarter at an average of 0.62% in Q4 2022. Sponsored Ads CTR continued to show enormous growth year-over-year, increasing by a whopping 106.67%.

Walmart Connect Sponsored Ads cost-per-click increased quarter-over-quarter.



Brands saw CPCs increase for the first time in four quarters in Q4 2022. Sponsored Ads CPC saw an increase quarter-over-quarter by 16.07% up to \$0.65. However, this still represents a total decrease of 25.29% year-over-year.

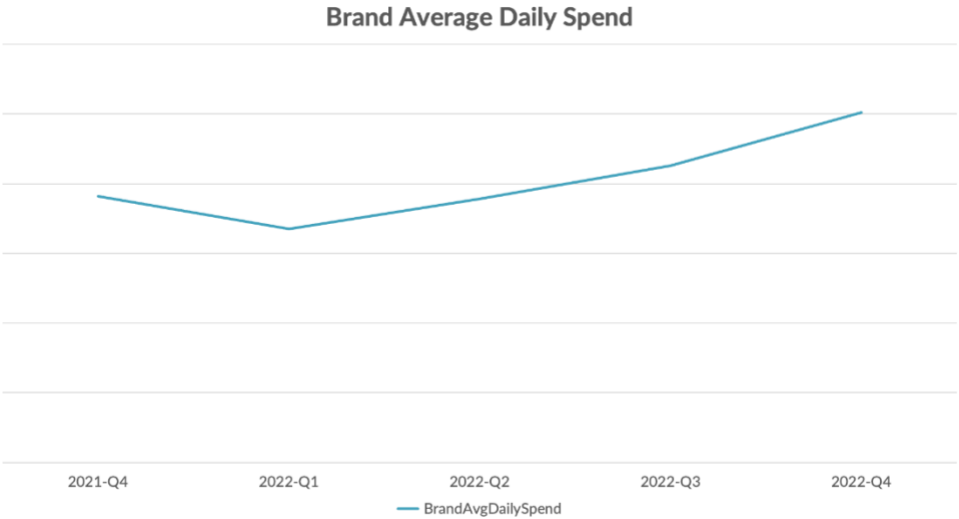
Return on Advertising Spend (ROAS) for Walmart Connect Sponsored Ads rose 82.53% year-over-year.



Walmart Connect Sponsored Ads ROAS fell for the first time in four quarters.

In Q4 2022, ROAS decreased 12.55% to \$6.06 quarter-over-quarter. Sponsored Ads ROAS increased 82.53% year-over-year.

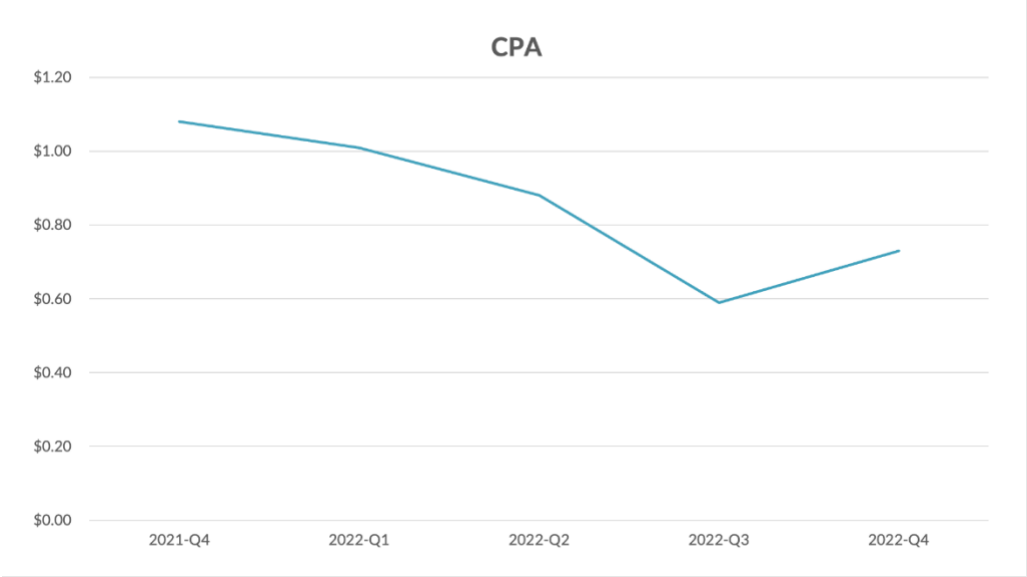
Spend on Walmart Connect Sponsored Ads increased quarter-over-quarter and year-over-year in Q4.



Sponsored Ads spend showed a strong increase of 17.95% quarter-over-quarter. The dramatic increase was due to the biggest holiday shopping season ever for Amazon and other top online marketplaces.

Spend on Sponsored Ads increased by 31.49% year-over-year in Q of 2022.

Walmart Connect Sponsored Ads cost-per-acquisition significantly increased quarter-over-quarter and fell year-over-year.



Sponsored Ads CPA increased for the first time in four quarters. CPA increased by 23.73% quarter-over-quarter to 0.73% in Q4 2022. However, Sponsored Ads CPA significantly decreased by 32.41% year-over-year.



Instacart Benchmarks

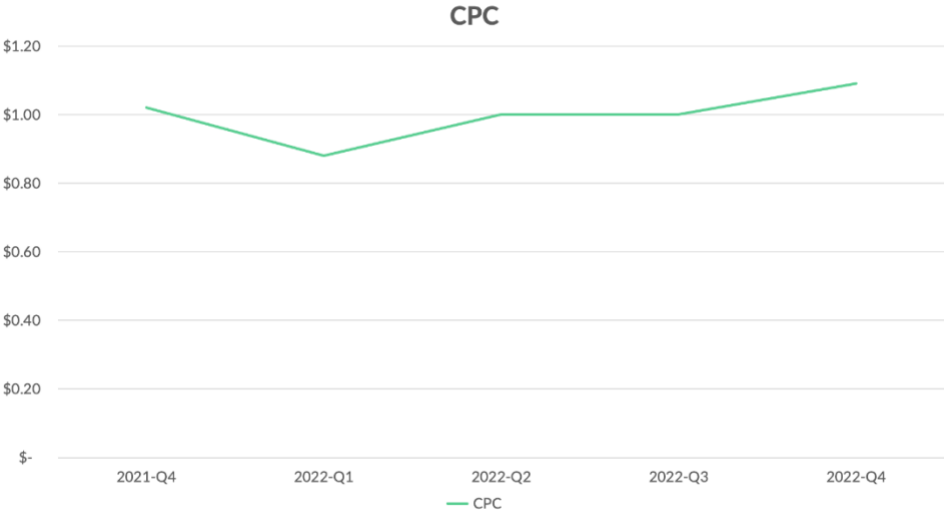
INSTACART KEY FINDINGS

- Instacart CPC rose to \$1.09 in Q4 2022, which is a 9% QoQ increase.
- Average daily spend rebounded strong in Q4, with brand averages increasing by 22.08%.
- Sponsored Ads CPA steadily climbed in 2022, finishing at \$1.34, marking a YoY increase of 8.06%.

Q4 2022 Trends

Instacart	CTR	CPC	CPA	ROAS	eCPM
2021 Q4	0.31%	\$1.02	\$1.20	\$4.17	\$3.15
2022 Q1	1.99%	\$0.88	\$1.06	\$5.05	\$17.48
2022 Q2	1.98%	\$1.00	\$1.19	\$4.75	\$19.67
2022 Q3	1.80%	\$1.00	\$1.24	\$4.70	\$17.95
2022 Q4	2.00%	\$1.09	\$1.34	\$4.37	\$21.78
QoQ Change	11.11%	9.00%	8.06%	-7.02%	21.34%
YoY Change	545.16%	6.86%	11.67%	4.80%	591.43%

Instacart Ads cost-per-click rose 9% quarter-over-quarter in Q4 2022.



Instacart Ads CPC has grown steadily over three consecutive quarters. Moving up from a yearly low of \$0.88 in Q1 2022 to finish Q4 2022 at \$1.09

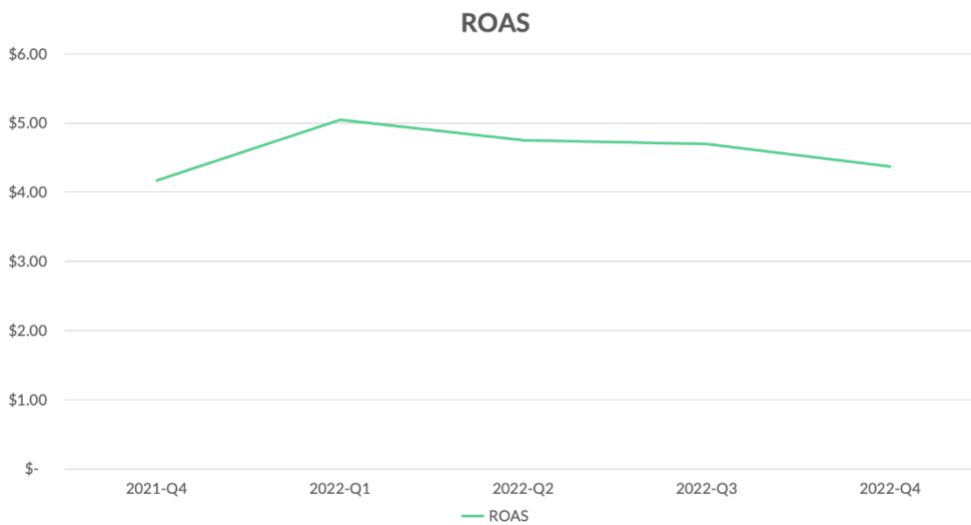
This marks a quarter-over-quarter CPC increase of 9%. And a 7% higher CPC when compared to Q4 2021.

Historically, Instacart has seen a dip in CPC rates in Q1 from the previous year's Q4 levels. Brands leveraging Instacart Sponsored Ads should monitor this trend for Q1 opportunities to build new campaigns, reach new

audiences, and test their ads at a lower price point.

	CPC		CPC		CPC
Q4 2020	\$1.44	Q4 2021	\$0.99	Q4 2022	\$1.04
Q1 2021	\$1.05	Q1 2022	\$0.88	Q1 2023	TBD
Change	-27%	Change	-11%	Change	TBD

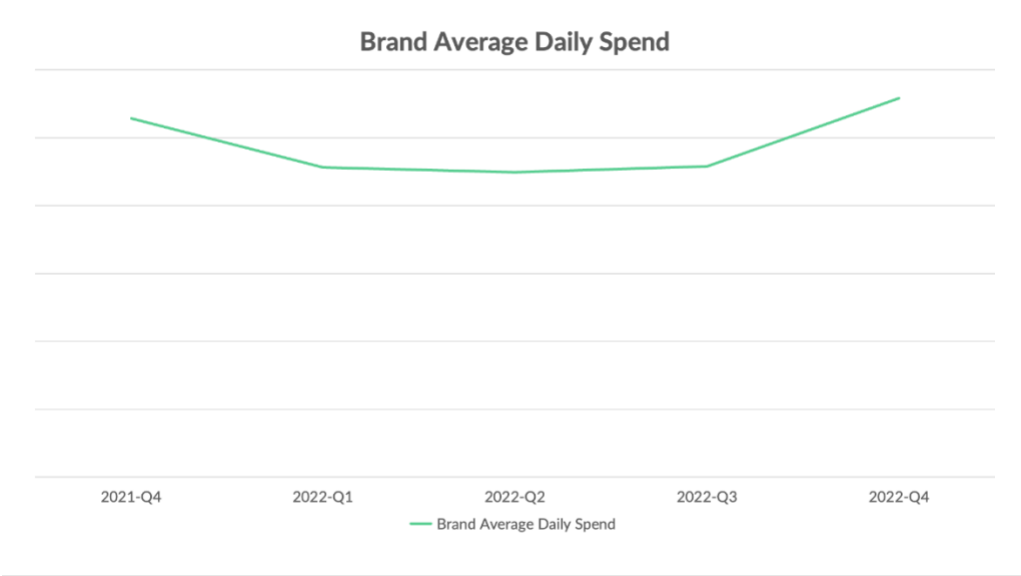
Instacart Sponsored Ads ROAS declined 7.02% in Q4.



ROAS fell for a third consecutive quarter by 7.02% down to \$4.37 in Q4 2022.

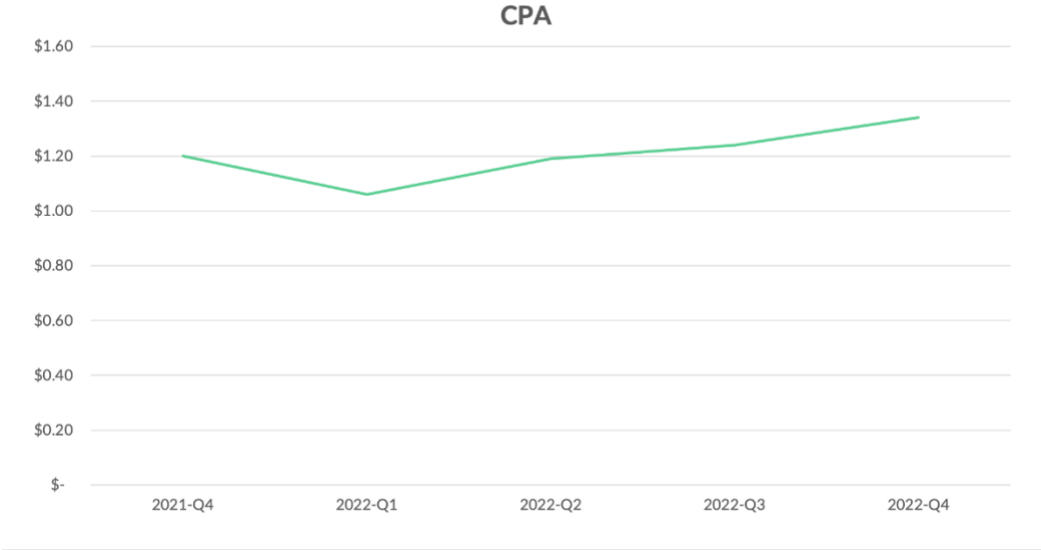
Despite this trend, Sponsored Ads ROAS is still up 4.8% year-over-year.

Spend on Instacart Sponsored Ads rose roughly 22% quarter-over-quarter.



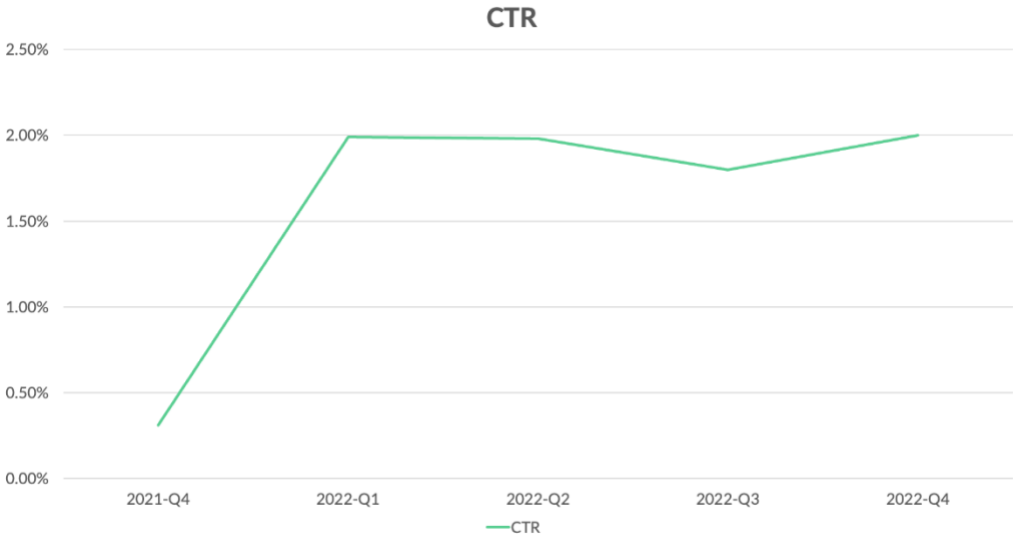
Daily advertising spend surged by 22.08% QoQ for Instacart Sponsored Ads, finishing Q4 with a 5.65% higher daily spend average YoY.

Cost-per-acquisition for Instacart Sponsored Ads increased by approximately 8.06% quarter-over-quarter.



CPA climbed for the third consecutive quarter, finishing at \$1.34. This was up from a Q1 low of \$1.06. Instacart Sponsored Ads CPA increased 8.06% QoQ and 11.67% YoY.

Click-through rate rose 11.11% quarter-over-quarter



Instacart’s CTR rose 11.11% since Q3 2022—but stayed consistent with the CTR rates seen in the first half of 2022.



Category Trends

Q4 2022 CPC Industry Impacts – featuring Helium 10 Data

The data represented in the figures above reflects averages across all product categories. While most industries showed consistency across key metrics (CPC, CPA, et al), certain categories stood out.

As the cost of inflation persisted throughout the fourth quarter, and with the simultaneous occurrence of Amazon and Walmart's most extensive holiday shopping events to date, several product categories showed noteworthy performance that deviated from the overall averages.

It is important to note that the category data presented in the Q4 2022 CPC Report has been sourced from Pacvue and Helium 10's proprietary database pertaining to Amazon.

The Toys & Games category saw significant increases in Sponsored Products ROAS, Spend, and CVR quarter-over-quarter.

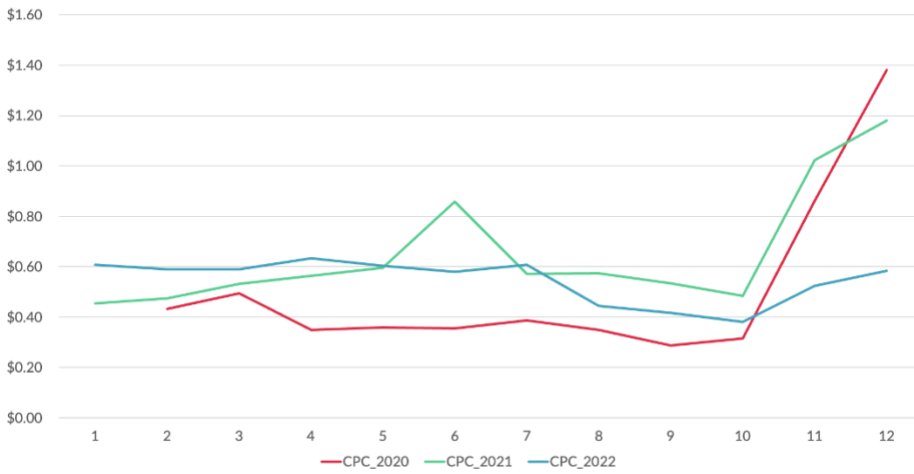
CPCs for Sponsored Products remained flat quarter-over-quarter (0% change) in the category at \$0.49 in Q4.

The average ROAS for Amazon Sponsored Products significantly increased by 32.17% quarter-over-quarter up to an average of \$8.34 in Q4.

Ad spend on Sponsored Products surged in Q4 with an increase of 113.4% quarter-over-quarter. However, ad spend was lower year-over-year in both November and December.

CVR for the Toys & Games category grew tremendously for Sponsored Products in Q4, increasing by 36.9% quarter-over-quarter at an average of 13.28%.

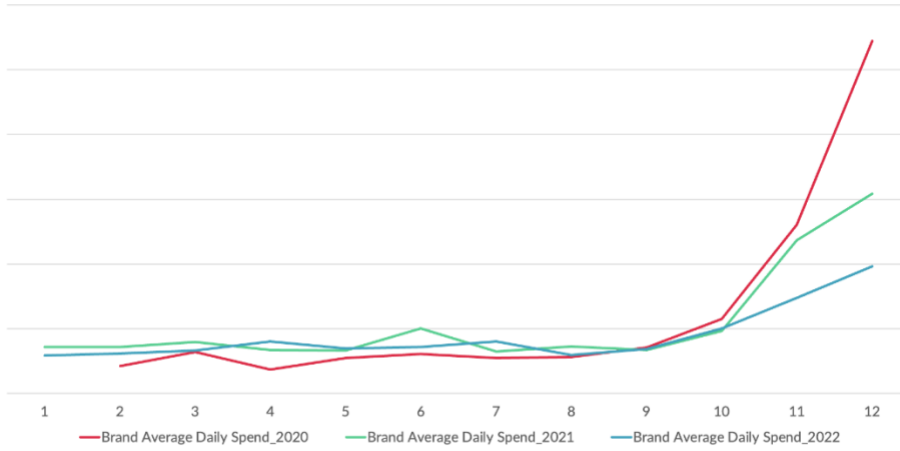
Toys & Games CPC



Toys & Games ROAS



Toys & Games Brand Average Daily Spend



Toys & Games CVR



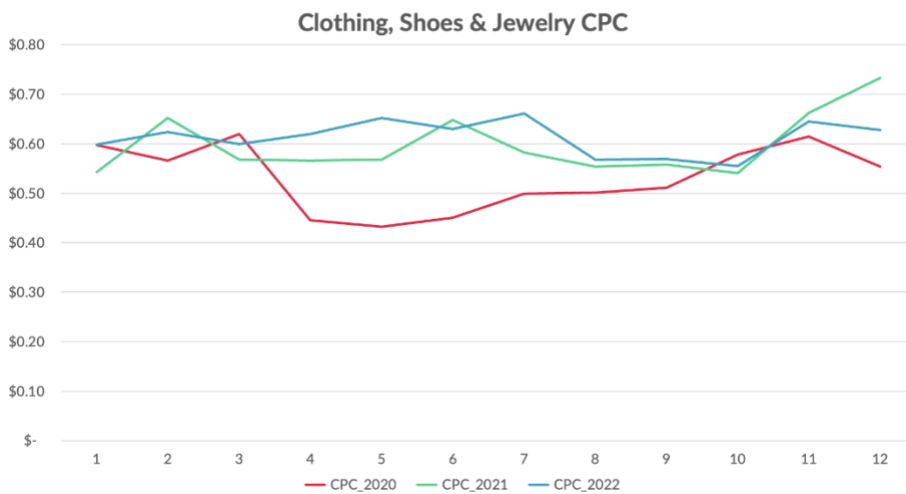
The Clothing, Shoes & Jewelry category saw an increase in CPC, ROAS, and Spend for Sponsored Products quarter-over-quarter.

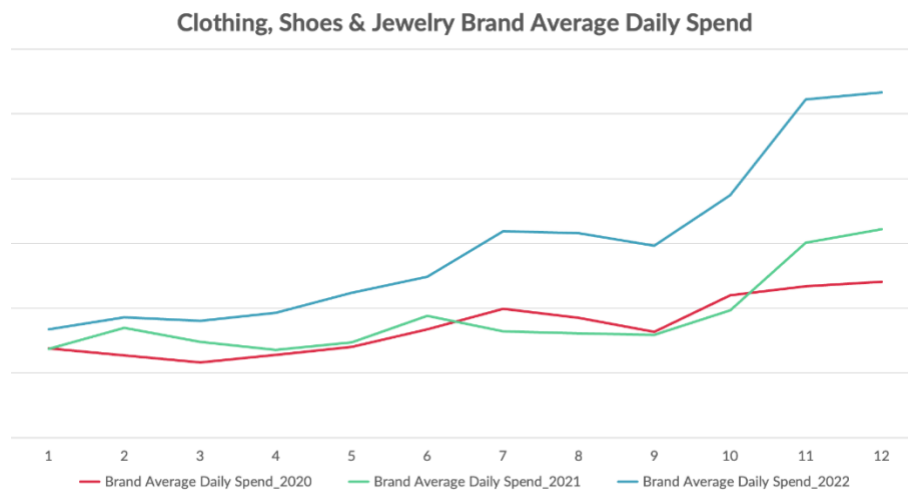
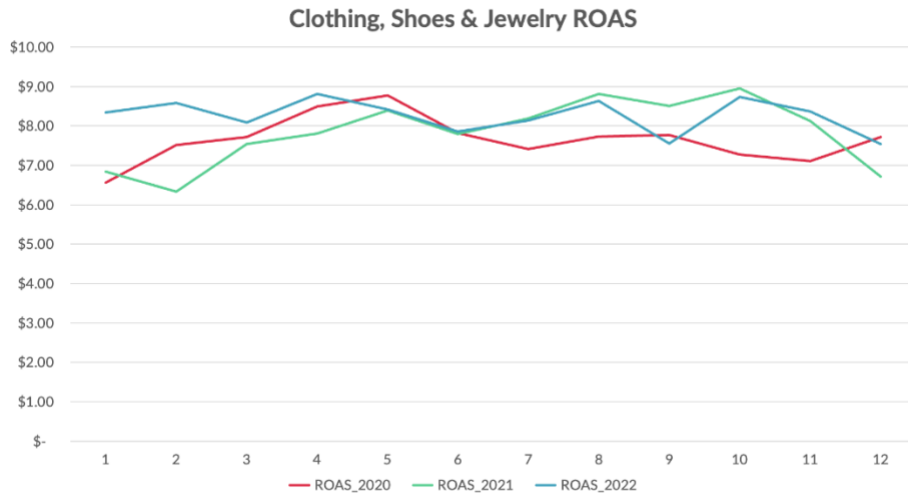
Amazon Sponsored Products CPCs saw a 1.7% increase from an average CPC of \$0.60 in Q3 of 2022 up to an average CPC of \$0.61 in Q4 of 2022.

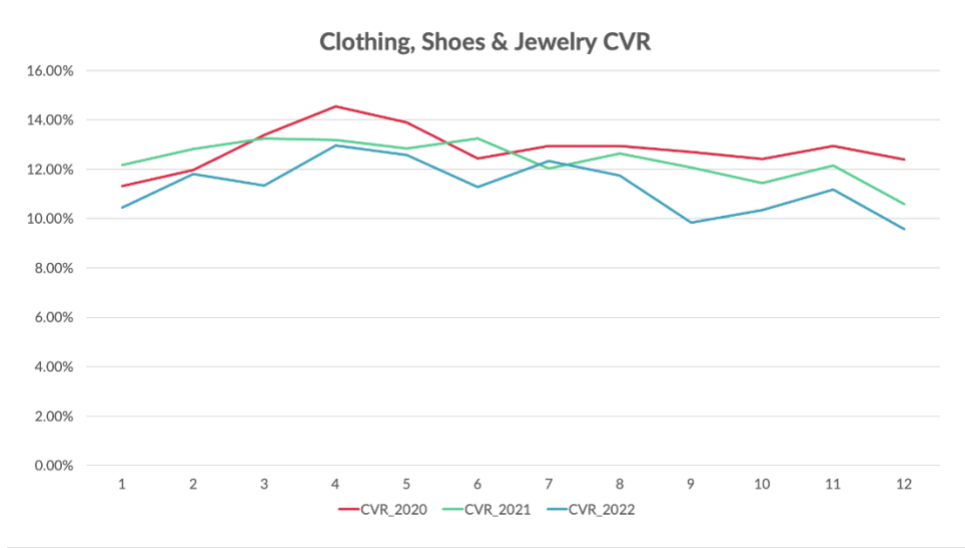
The average ROAS for Amazon Sponsored Products saw a slight increase quarter-over-quarter. ROAS for Sponsored Products represented an increase of 1.23% up to an average of \$8.21 in Q4.

Ad spend on Sponsored Products significantly increased in Q4 with an increase of 53.44% quarter-over-quarter.

CVR for Sponsored Products in the Clothing, Shoes & Jewelry category fell 8% quarter-over-quarter to an average CVR of 10.40% in Q4.







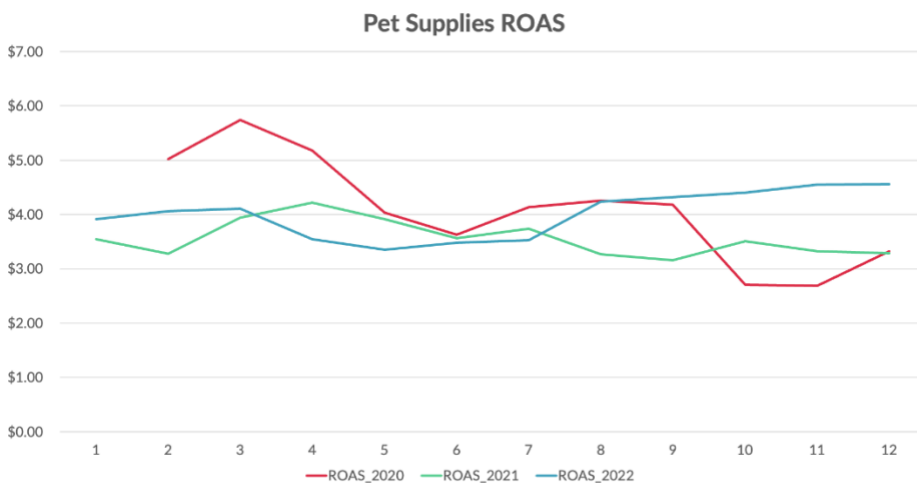
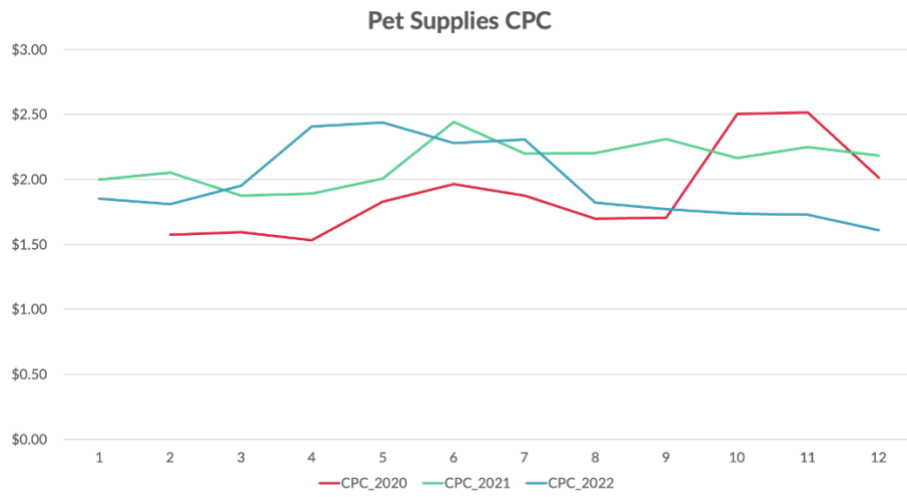
The Pet Supplies category saw an increase in ROAS and CVR for Sponsored Products quarter-over-quarter.

Amazon Sponsored Products CPC decreased 15% quarter-over-quarter to an average CPC of \$1.70.

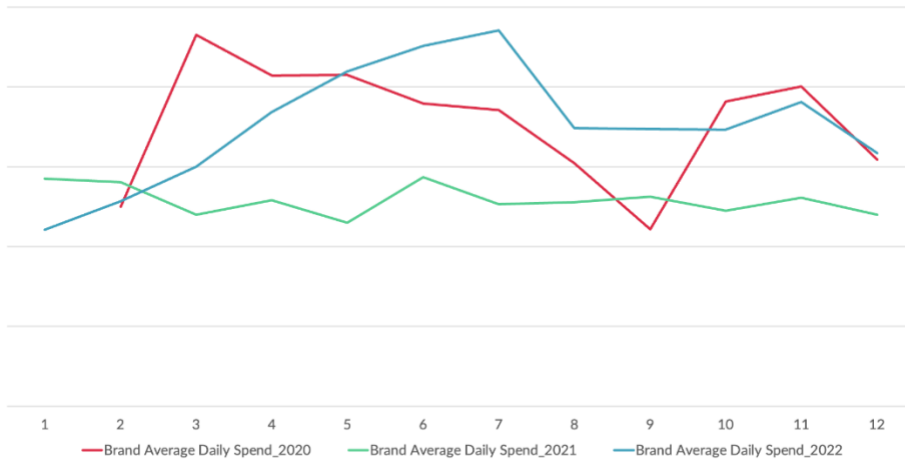
The average ROAS for Amazon Sponsored Products saw a 11.7% increase quarter-over-quarter to an average ROAS of \$4.50.

Ad spend on Sponsored Products saw a modest decrease of 10.43% quarter-over-quarter in Q4.

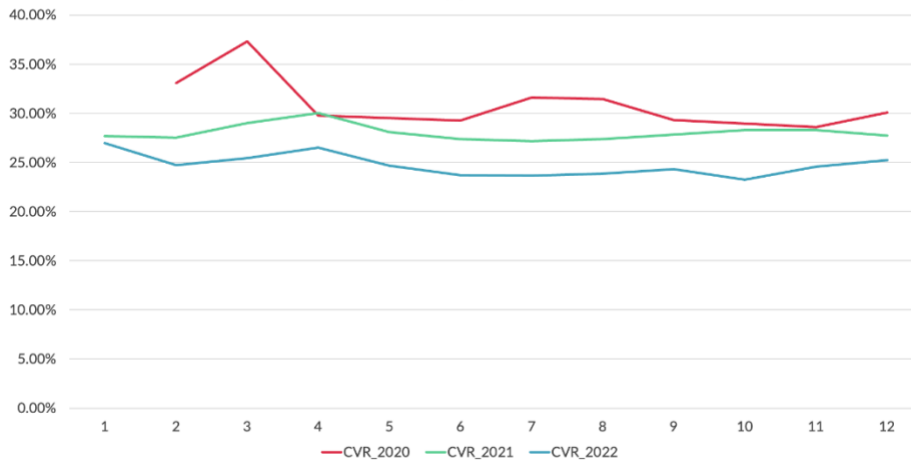
CVR in the Pet Supplies category increased slightly for Sponsored Products in Q4. Sponsored Products CVR grew 1.42% up to an average of 24.34%.



Pet Supplies Brand Average Daily Spend



Pet Supplies CVR



About Pacvue

Pacvue is the enterprise software suite for eCommerce advertising, sales, and intelligence. Combining end-to-end retail data with the tools needed to take recommended actions, brands and sellers use Pacvue to grow their business across Amazon, Walmart, Instacart, and other marketplaces. [Request a demo](#) to learn how to lower costs, stay ahead of the competition, and increase sales.

About Helium 10

Helium 10 is an eCommerce suite of tools for entrepreneurs and businesses to manage and sell products, find keywords, identify trends, optimize listings, and more on Amazon and Walmart. Helium 10 champions entrepreneurship at all stages with the playbook to build, grow and scale a meaningful and steadfast eCommerce business. [Sign up for free](#) to start selling more today.