

INSIDE THE ECOMMERCE INDUSTRY

# Multichannel Marketing Report



DataFeedWatch  
by cart.com

2023

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# EXECUTIVE SUMMARY

Welcome to the Multichannel Marketing Report 2023 – the second annual eCommerce report from DataFeedWatch by Cart.com.

This year we're taking another deep dive into the ways retailers organize their campaigns and product catalogs across advertising channels (including Google, Meta, and Amazon) to provide marketers with the best industry benchmarks for their paid efforts.

## Did you know?

- Advertisers use 2.7 channels on average to promote their products online.
- Google Shopping and Facebook are used in tandem by almost 46% of marketers regardless of their industry or size of their product catalog.
- Search channels dropped in popularity by a whopping 7 percentage points.
- More than 66% of advertisers exclude unprofitable products from their data feeds to optimize the way they spend their budget.
- Almost 1/3 of advertised products are on sale.
- The average discount value has increased to almost 35%.
- The Vehicles & Parts industry grew by an impressive 64% in stock availability.

## These are only a few of the insights we cover in this report!

You'll also find a broad scope of strategic and actionable tips – from discount tactics, optimizing product listings for the prevalent paid channels used in your eCommerce sector, up to tackling product identification errors which place retailers at a competitive disadvantage. To uncover deeper layers of eCommerce success, we've joined forces with SellerActive by Cart.com and 8 leading PPC and marketplace experts who've shared their unique know-how on optimizing product data for the best possible campaign performance.

## Curious about the tactics we'll discuss? You'll find popular feed optimization tricks that can increase your ROAS, like:

- Excluding unprofitable products to optimize budget allocation.
- Overwriting key product attributes for greater visibility and better conversion rates.
- Bidding modifications based on business objectives, such as profit margins.

Hop on over to the report for more actionable insights!

As the market leader in feed marketing, DataFeedWatch has been able to collect data from over 50,000 product feeds in more than 60 countries. These samples have been collected as data snapshots from Q2 2022, Q4 2022 and Q2 2023. They have been anonymized in order to protect the privacy and valuable business data points of DataFeedWatch customers.

## About

# DataFeedWatch by Cart.com

[DataFeedWatch by Cart.com](#) is a leading Feed Management Solution that combines Data Transformation with Help & Advice, empowering Merchants and Agencies to succeed on 2,000+ integrated shopping channels, affiliate networks, and marketplaces. The list includes Google, Meta, Amazon, and more. Since its launch in 2013, it operates in 60+ countries and is regarded as the most intuitive data feed solution on the market. Major global brands like Adidas, Decathlon, and KENZO have used DataFeedWatch to improve their product performance across channels and expand to new markets.

## About SellerActive by Cart.com

[SellerActive \(acquired by Cart.com\)](#) is a multichannel management platform that helps eCommerce businesses grow their product reach across marketplaces such as Amazon, Walmart, eBay and more. With SellerActive, you can easily build a centralized product catalog, bulk upload new listings to multiple channels, and quickly resolve marketplace-specific issues.

## About Cart.com

[Cart.com](#) is the leading provider of unified commerce software, logistics and expertise for multichannel businesses. From the suite of AI-enabled eCommerce and order management software to the nationwide network of fulfillment and distribution centers, Cart.com unifies commerce data and capabilities to help B2C, D2C and B2B companies reduce cost and accelerate growth.

# Methodology

The reports in this study are based on sample data snapshots from the following sources:

## 1. Feeds

The data was drawn from over 50k feeds from shops with various catalog sizes – starting from 500 products, up to stores advertising 200k+ products.

## 2. Products

The sample size of products tested varies from quarter to quarter.

- Q2 2022 reports contain 4.5 million products.
- Q4 2022 reports contain 4 million products.
- Q1 2023 reports contain 3.8 million products.
- Q2 2023 reports contain 7.2 million products.

## 3. Users

This study took over 16k shops into account, spanning over 20 different eCommerce sectors, including: Apparel & Accessories, Animals & Pet Supplies, Cameras & Optics, Electronics, Furniture, Home & Garden, Automotive, Sporting Goods, Health & Beauty, Food, Beverages & Tobacco, Baby & Toddler, Luggage & Bags, Toys & Games, Arts & Entertainment, Business & Industrial, Office Supplies, Media, Hardware, and Software.

## 4. Advertising channels

300 different advertising channels were included in this report. Google Shopping, Facebook, and custom channels accounted for over 50% of data samples. This means the reports likely have a heavy bias towards PPC platforms. The remaining samples include channels like TikTok, Bing, eBay, and Snapchat.

## 5. Countries

This study collected data from 60 countries in total. 27.4% of feeds were taken from the US, 57.4% from European countries, and the remaining 15.2% were gathered from the rest of the world.

# Meet the experts who shared their insights on the data



“ Omair started Cart.com alongside Jim Jacobsen to be the first end to end eCommerce-as-a-Service company in the world, democratizing eCommerce by giving brands the same complete eCommerce capabilities as today's digital giants, delivering a fully integrated and owned suite of software, services and infrastructure to scale businesses online. ”

## **Omair Tariq**

CEO & Co-Founder at Cart.com



“ I love helping merchants grow. That's why DataFeedWatch was created – to offer retailers everything they need to be successful on Shopping Channels and Marketplaces. ”

## **Jacques van der Wilt**

General Manager Feed Marketing at DataFeedWatch by Cart.com



“ Marketplace expert and a founder of SellerActive by Cart.com. He's a developer and a project manager of a wide variety of business applications. He drives innovation through use of technology and process improvement. ”

## **Jason Harra**

General Manager of Product Marketplaces at Cart.com





“ Andrew is the founder of SavvyRevenue: an agency focused on scaling Paid Search for B2C eCommerce stores across Europe. They manage Paid Search for some of the largest D2C brand and retail eCommerce stores or provide sparring to in-house teams. ”

**Andrew Lolk**

Founder of SavvyRevenue



“ My mission is to unite and provide insane value to the PPC community, helping you become the best Google Ads Specialist you can possibly be. ”

**Miles McNair**

Google Ads Expert &amp; Co-founder of PPC Mastery



“ Kasim (rhymes with “Awesome”), is an entrepreneur, author, and a proud Front Row Dad. Professionally Founder of Solutions 8, one of the top-ranked Google Ads agencies in the world. ”

**Kasim Aslam**

CEO of Solutions 8



“ Kirk has worked in advertising since 2009, receiving recognition by PPCHero as a Top 25 PPCer 6 years in a row. He is known for his PPC articles across various industry publications such as Shopify, Microsoft and MarketingLand. ”

**Kirk Williams**

Owner of ZATO PPC Marketing



“ John is the CEO at a pay-per-click agency ranked in the top 1% of Premier Google Partners worldwide. He manages millions of dollars in client ad spend for businesses ranging from billion-dollar corporations to local small businesses. ”

**John Horn**

CEO &amp; Managing Partner at StubGroup



## CHAPTER 1

# Advertising & Market Trends

Drawing insights from the latest trends in catalog-based online advertising to help you make better marketing decisions

### Highlights:

- In 2023, online retailers have cut back on their multichannel presence for eCommerce digital distribution. The average number of paid channels used has plunged from 3.2 channels in 2022 to just 2.7 in 2023.
- The United States experienced a significant decline of over 25% in the number of channels used by retailers in 2023 compared to the previous year. As a result, the average U.S. retailer now only uses 2.3 channels, placing the U.S. far behind in the global ranking.
- Advertisers are shifting their focus from search-based channels to social media channels for eCommerce advertising. The use of search channels has decreased by over 7 percentage points between 2022 and 2023.
- Online retailers are now more eager to put discounts on their inventories: 2023 saw the number of discounted products grow by nearly 14% compared to the previous year.



- The Automotive sector experienced an impressive recovery from post-pandemic shortages. Over the past year it has improved from 57.46% of its products affected by shortages in 2022, to 20.70% in 2023.
- The Sporting Goods industry has suffered from serious product shortages in 2023. More than 1/3 of advertised items are out of stock.
- TikTok has grown in popularity over the course of the last year. It's now 5x more popular in the Health & Beauty industry and has doubled its presence in the Fashion sector.
- The Electronics sector is a pioneer among product categories in embracing the refurbished market. Refurbished products grew from 17.71% in 2022 to 18.35% in 2023.

## Reports Inventory

- 1.1 [Multichannel product distribution slows down in 2023](#)
- 1.2 [The U.S is low on leaderboard for paid channel usage](#)
- 1.3 [Most eCommerce sectors see a significant decline in channel usage](#)
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- 1.13 [Global eCommerce market product stock levels at 83.32%](#)
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- 1.16 [Vehicle & Parts restocked: 64% y/o/y growth in product availability](#)
- 1.17 [Less custom-made products advertised in 2023](#)
- 1.18 [The Furniture industry leads with custom-made products in online offerings](#)
- 1.19 [The Electronics sector still pioneering in the refurbished market in 2023](#)

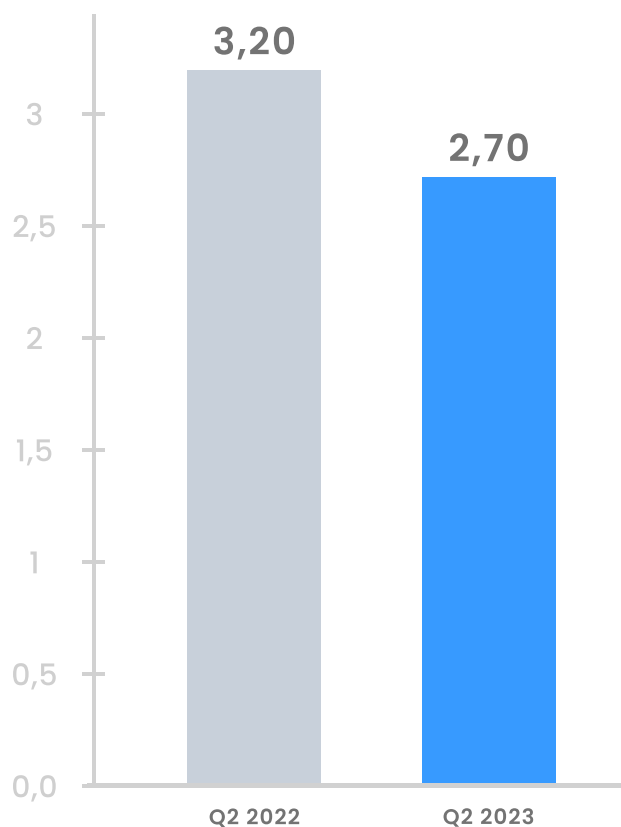
## 1.1

## Multichannel product distribution slows down in 2023

A look at the eCommerce distribution landscape in 2023 reveals the average use of paid channels per online retailer dropped to 2.7 channels (from 3.2 in 2022). This downward trend can be explained by 30% of advertisers decreasing their ad budget for the year (as reported by [Insider Intelligence](#)).

### Average number of advertising channels used per shop

Q2 2022 - Q2 2023 | DataFeedWatch anonymized data



- The U.S, New Zealand, and Finland scored the biggest drops from 2022 to 2023 in terms of multichannel product distribution.
- Zooming in on the eCommerce sectors, the Home & Garden category had the largest decline (from 3.9 to 3 channels on average).

Despite the overall decline between 2022 and 2023, this situation could change as early as next year. According to [Insider Intelligence's research](#), 42% of advertisers plan to spend more money on digital advertising in 2024, reigniting multichannel growth.

## 1.2

## The U.S is low on the leaderboard for paid channel usage

It's interesting to note that in 2023, advertisers in East Asia have increased their use of channels by 19% compared to the previous year (from 3.7 channels on average to 4.4). This growth has led to a significant shift in their rank, with the region now coming in at the very top.

### Average number of channels, by country

Q2 2022 vs. Q2 2023 | DataFeedWatch anonymized data

Country	2022	2023	Difference 2022 vs. 2023
<b>East Asia</b>	3.7	<b>4.4</b>	18.92%
<b>Austria</b>	3.9	<b>3.6</b>	-7.69%
<b>UAE</b>	3.5	<b>3.5</b>	0.00%
<b>Belgium</b>	3	<b>3.4</b>	13.33%
<b>Italy</b>	3.1	<b>3.3</b>	6.45%
<b>Germany</b>	3.6	<b>3.3</b>	-8.33%
<b>Poland</b>	3	<b>3.2</b>	6.67%
<b>Netherlands</b>	3.2	<b>3.2</b>	0.00%
<b>Switzerland</b>	3.2	<b>3.1</b>	-3.13%
<b>Ireland</b>	2.8	<b>3</b>	7.14%
<b>Sweden</b>	3.2	<b>2.9</b>	-9.38%
<b>Spain</b>	2.9	<b>2.9</b>	0.00%
<b>Rest of the World</b>	2.3	<b>2.8</b>	21.74%
<b>Australia</b>	2.5	<b>2.7</b>	8.00%
<b>South East Asia</b>	2.7	<b>2.6</b>	-3.70%
<b>Finland</b>	3	<b>2.5</b>	-16.67%
<b>United Kingdom</b>	2.1	<b>2.4</b>	14.29%
<b>France</b>	2.1	<b>2.4</b>	14.29%
<b>United States</b>	3.1	<b>2.3</b>	-25.81%
<b>Denmark</b>	2.2	<b>2.3</b>	4.55%
<b>LATAM</b>	2.1	<b>2.2</b>	4.76%

Country	2022	2023	Difference 2022 vs. 2023
<b>Canada</b>	2.3	<b>2.2</b>	-4.35%
<b>Norway</b>	2.5	<b>2.1</b>	-16.00%
<b>New Zealand</b>	2.4	<b>1.9</b>	-20.83%

Last year's leader, Austria, saw a drop in multichannel presence - from 3.9 channels on average in 2022 to 3.6 in 2023. It now comes in second place.

At the same time, the number of channels used by retailers in the U.S in 2023 has decreased by more than 25% compared to the previous year. Now the average U.S retailer uses 2.3 channels (3.1 in 2022), which puts the States low in the rankings. New Zealand and Finland also recorded noticeable drops.

## 1.3

## Most eCommerce sectors see a significant decline in channel usage

The average number of ad platforms used in 2023 dropped compared to 2022, and the same trend emerges across individual product categories.

The Home & Garden sector saw the largest decline: from 3.9 to only 3 channels used on average. The same downward trend can be seen in product categories such as Furniture, Health & Beauty, and Sporting Goods. In each instance, about 20-30% fewer paid channels are used by advertisers in 2023 than a year earlier.

### Average number of channels by category

Q2 2022 vs. Q2 2023 | DataFeedWatch anonymized data

Category	2022	2023	Difference 2022 vs. 2023
<b>Electronics</b>	3,60	<b>3,38</b>	-6,06%
<b>Home &amp; Garden</b>	3,86	<b>2,96</b>	-23,25%
<b>Apparel &amp; Accessories</b>	3,14	<b>2,88</b>	-8,46%
<b>Furniture</b>	3,44	<b>2,67</b>	-22,43%
<b>Hardware</b>	2,46	<b>2,58</b>	4,56%
<b>Health &amp; Beauty</b>	3,33	<b>2,50</b>	-25,14%
<b>Arts &amp; Entertainment</b>	2,50	<b>2,47</b>	-1,15%
<b>Sporting Goods</b>	3,16	<b>2,29</b>	-27,60%
<b>Food, Beverages &amp; Tobacco</b>	2,94	<b>2,26</b>	-23,12%
<b>Vehicles &amp; Parts</b>	2,39	<b>1,95</b>	-18,31%

Electronics is the leading product category for multichannel presence in 2023. Its average channel usage only dropped from 3.6 to 3.4. The only category where channel usage increased was Hardware (from 2.5 to 2.6).

Following behind, products in the Home & Garden category are advertised on an average of 3 channels. Fashion has an average presence of 2.9 channels, while products in the Furniture category are advertised on 2.7 channels.

## 1.4

# Popular paid channels across eCommerce sectors

Throughout the years 2022 and 2023, Google Shopping, Facebook, and custom channels\* continued to maintain their prominent positions as the leading marketing channels across all eCommerce categories.

While not in the lead, it is worth noting the growing popularity of TikTok in specific areas. Advertisers have increased their presence in product categories such as Health & Beauty and Apparel & Accessories.

## Apparel & Accessories: Google increases its share

Google's popularity among fashion retailers is on an upward trend in 2023. From 41.38% in 2022 to 47.5% in 2023 - Google's share among all utilized ad channels is growing. In contrast, custom channels (often consisting of niche, local channels) have been de-emphasized, losing its share by 4 percentage points compared to 2022. This might indicate that, at the moment, Apparel retailers are more prone to invest in proven sales platforms.

### TOP 10 channels used in the Fashion sector in 2023

Q2 2023 | DataFeedWatch anonymized data

1	Facebook
2	Google Shopping
3	Custom Channels
4	Pinterest
5	Microsoft Ads
6	Criteo
7	Awin
8	Amazon
9	TikTok
10	Google Search Ads

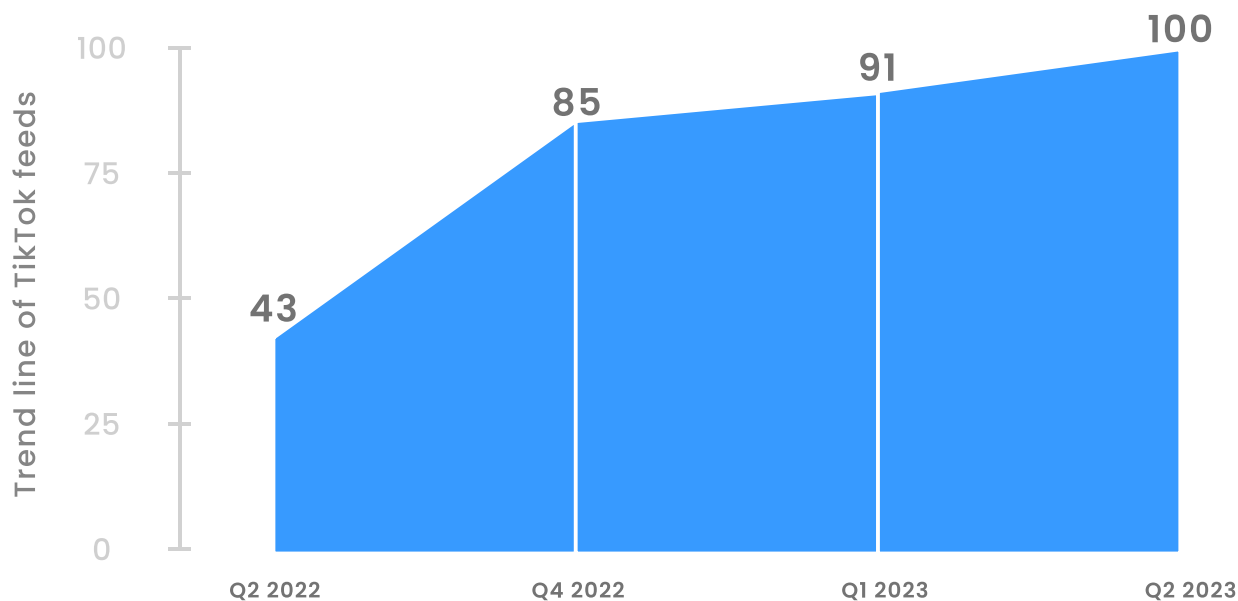


Custom channels is a DataFeedWatch solution that enables marketers to create a product data feed tailored to their own specifications, for any advertising channel of their choice. These often include local, niche channels, distribution partners, or personalized recommendation engines

Furthermore, the data shows the Fashion industry has taken notice of TikTok's increasing popularity and emergence as a significant advertising platform. Over the course of the last year, advertisers have doubled their use of TikTok in their advertising strategies.

**TikTok usage in the Apparel & Accessories sector**

Q2 2022- Q2 2023 | DataFeedWatch anonymized data\*



\*These numbers represent interest in advertising on TikTok relative to the highest point on the chart for the given industry sector and time. The value of 100 is the peak popularity of the channel.

**TOP 10 channels used in the Electronics sector in 2023**

Q2 2023 | DataFeedWatch anonymized data

1	Google Shopping
2	Custom channels
3	Facebook
4	Amazon
5	Google Search Ads
6	eBay
7	Microsoft Ads
8	PriceRunner
9	Criteo
10	Partner-ads

**Electronics: niche channels on the rise**

In the Electronics industry, there was a promising increase in using custom channels, going from a 25% to 29% share between 2022 and 2023. This shows that the sector is open to trying new and more personalized ways of reaching its target customers.



### TOP 10 channels used in the Furniture sector in 2023

Q2 2023 | DataFeedWatch anonymized data

1	Google Shopping
2	Facebook
3	Custom channels
4	Pinterest
5	Microsoft Ads
6	PriceRunner
7	Google Search Ads
8	Criteo
9	Amazon
10	Google local product inventory

## Furniture: diversification in Google ad inventory

The Furniture industry has seen competition between three channels, with their popularity changing over time. But Google Shopping gained an advantage and became the top choice for advertisers in this sector. In the second quarter of 2023, it boasted a 38.58% share among all advertising channels (compared to 30.46% in 2022). It's also worth noting that Google appears in the top 10 ranking for the Furniture sector a few times – covering various types of campaigns: Shopping, Search, and Local inventory ads.

## Health & Beauty: advertisers move to mainstream channels for more exposure

Health & Beauty companies also reported fluctuations in the use of various types of channels. The popularity of Google Shopping increased by more than 11 percentage points from 2022 to 2023 (from 42.12% to 53.36%), and Facebook's by almost 4 percentage points (from 14.62% to 18.29%). In contrast, custom channels fell by almost 10 percentage points over the same period (from 20.19% to 10.98%). This shows that custom channels may not be the right choice for the Health & Beauty sector.

### TOP 10 channels used in the Health & Beauty sector in 2023

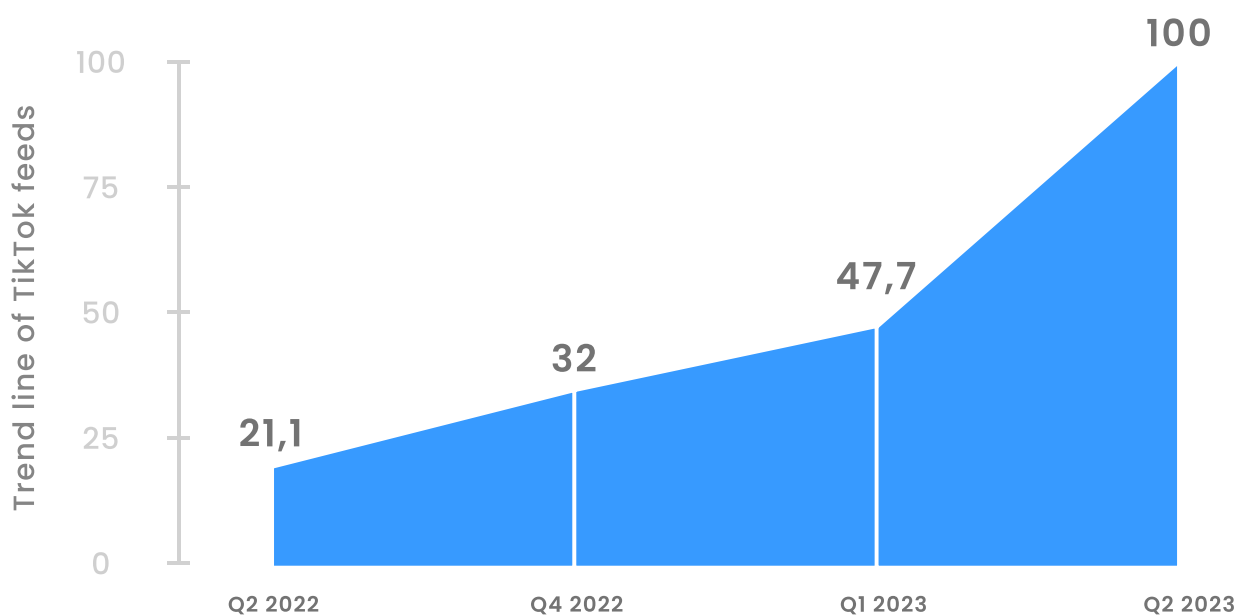
Q2 2023 | DataFeedWatch anonymized data

1	Google Shopping
2	Facebook
3	Custom channels
4	Microsoft Ads
5	Pinterest
6	Google local product inventory
7	TikTok
8	Google Search Ads
9	Amazon
10	Criteo

TikTok is climbing the list of popular channels for this sector. From the beginning of 2022 to Q2 2023, its usage among Health & Beauty merchants grew a whopping 5x.

**TikTok usage in the Health & Beauty Sector**

Q2 2022- Q2 2023 | DataFeedWatch anonymized data\*



\*Numbers represent interest in TikTok advertising relative to the highest point on the chart for the given industry sector and time. A value of 100 is the peak popularity of the channel.

**Home & Garden: extensive use of Google Shopping and Custom channels**

In the Home & Garden sector, both Google Shopping and custom channels have remained popular among advertisers, showing they are effective in reaching consumers.

**TOP 10 channels used in the Home & Garden sector in 2023**

Q2 2023 | DataFeedWatch anonymized data

1	Google Shopping
2	Custom channels
3	Facebook
4	Pinterest
5	Amazon
6	Google Search Ads
7	eBay
8	Microsoft Ads
9	PriceRunner
10	Criteo

## 1.5

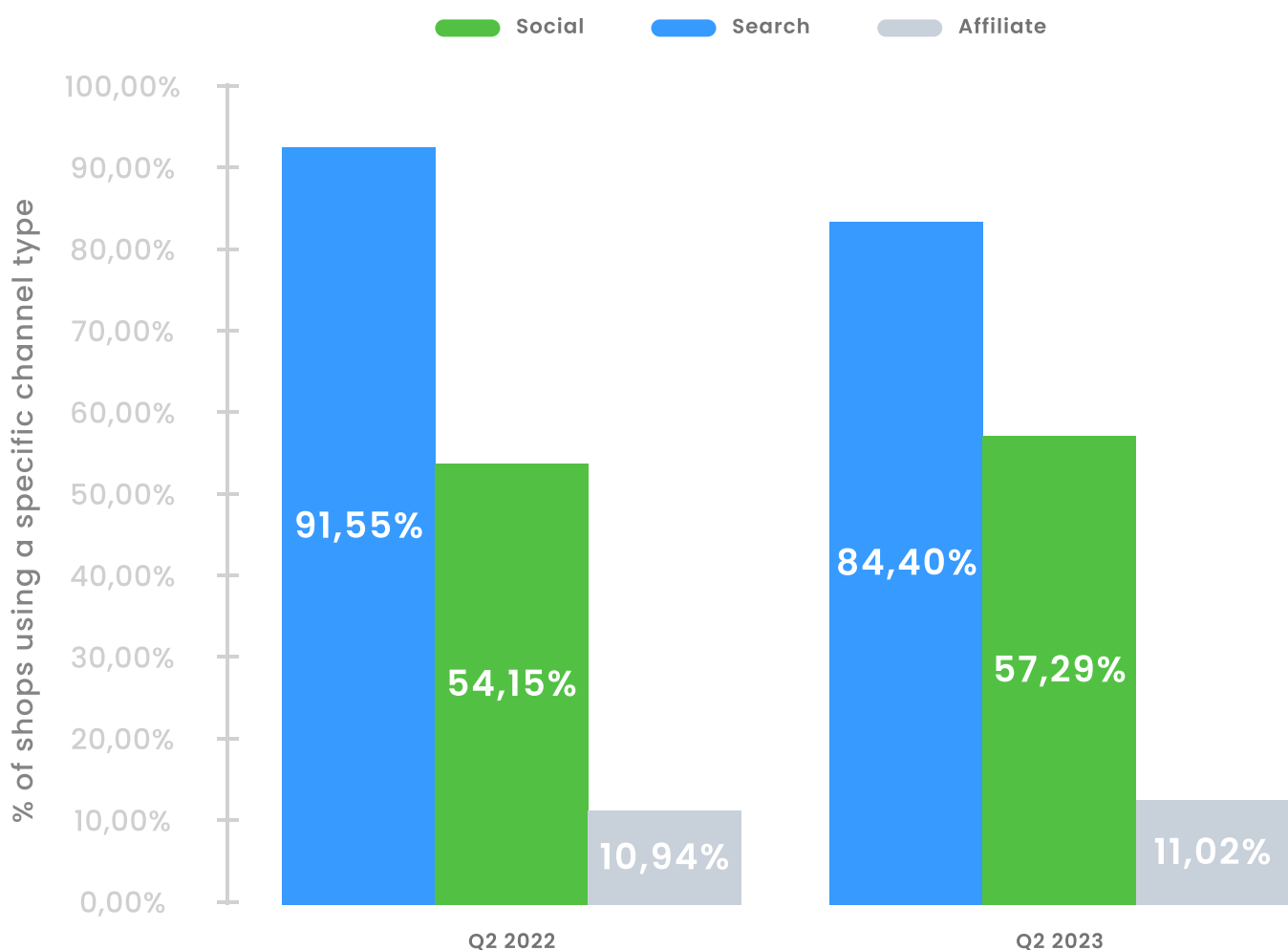
## Search channels drop by a whopping 7 percentage points

Over the course of 2022 to 2023, the use of search-based channels (for example: Google Shopping and Bing) among advertisers has been on a downward trend, while there has been a simultaneous upward trend in the adoption of social channels for eCommerce advertising purposes.

Overall, the use of search channels fell by more than 7 percentage points. Simultaneously, the use of social media channels in retail advertising increased by more than 3 percentage points.

### Popularity of Search, Social and Affiliate channels among eCommerce shops

Q2 2022 - Q2 2023 | DataFeedWatch anonymized data



A new study by Accenture forecasts that social commerce will grow three times faster than traditional eCommerce. It is projected to increase to \$2.9 trillion by 2026 (Statista), more than doubling its current value.

Affiliate channels remain a fairly underexplored type of advertising. At the moment, 11.02% of all advertisers use this type of advertising.

It's interesting to note that affiliate marketing in Canada and the U.S accounts for 16% of eCommerce sales and has seen a steady increase in interest over the past 6 years (as shown in Google Trends). This indicates a future growth potential for advertisers using this channel type.

## 1.6

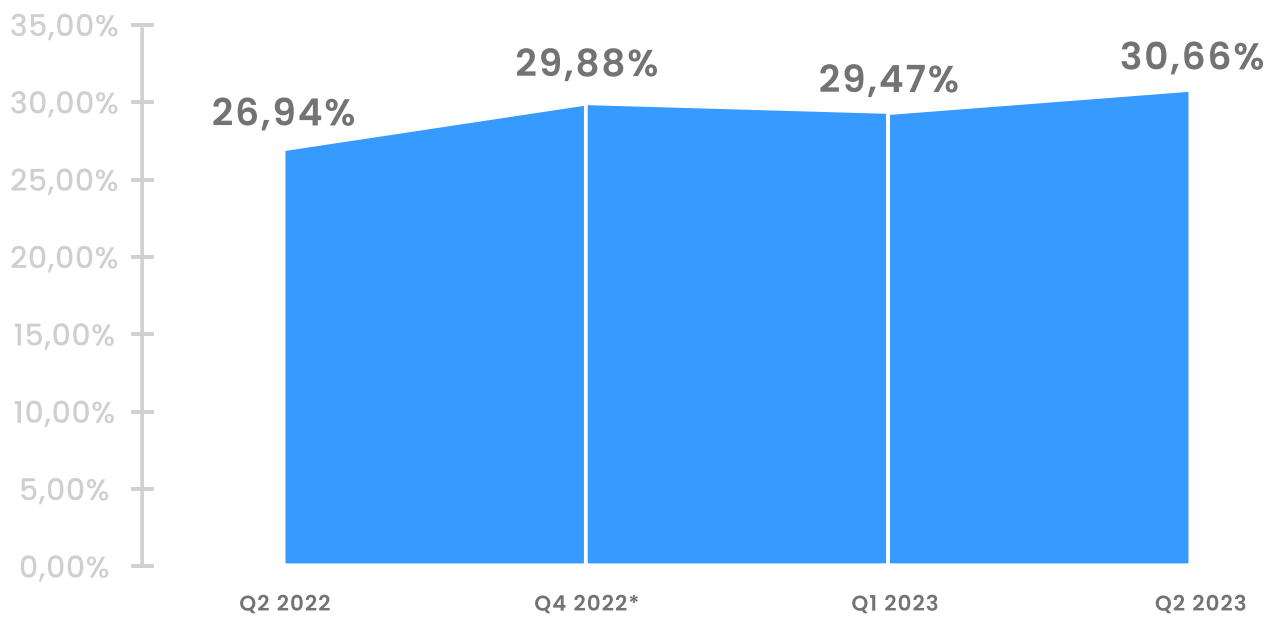
## Discount strategy on the rise: number of products discounted grew by almost 14%

The latest statistics show that 30.66% of all products advertised online are on sale as of Q2 2023.

Overall, there was an almost 14% increase in the number of discounted products in 2023 compared to 2022. This indicates that the strategy of discounting products is gaining popularity. As predicted based on last year's report, the combination of growing inflation and consumers becoming more cost-conscious has pushed retailers to offer more discounts.

### Average percentage of products on sale

Q2 2022 - Q2 2023 | DataFeedWatch anonymized data\*



\*Q4 data collected outside of the discount period

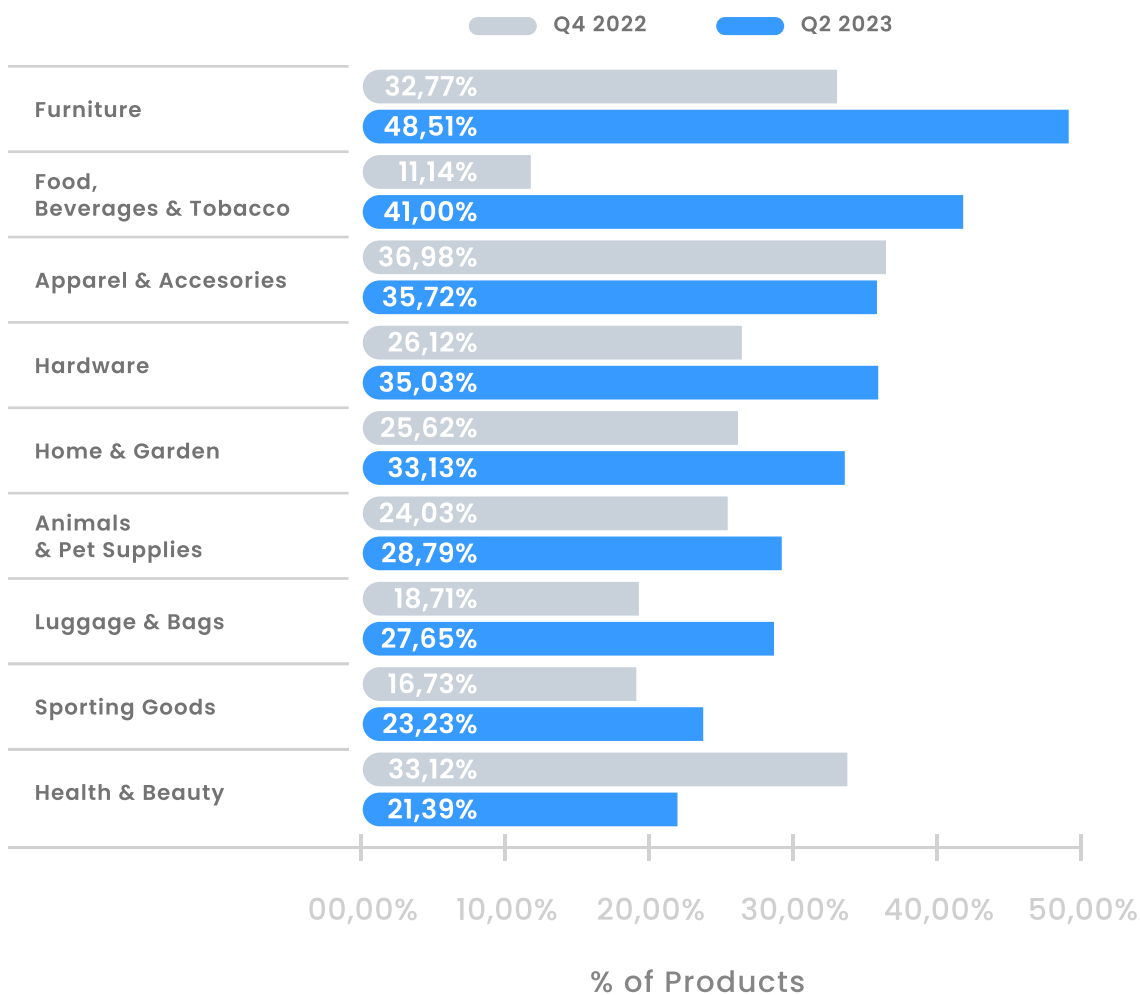
# 1.7

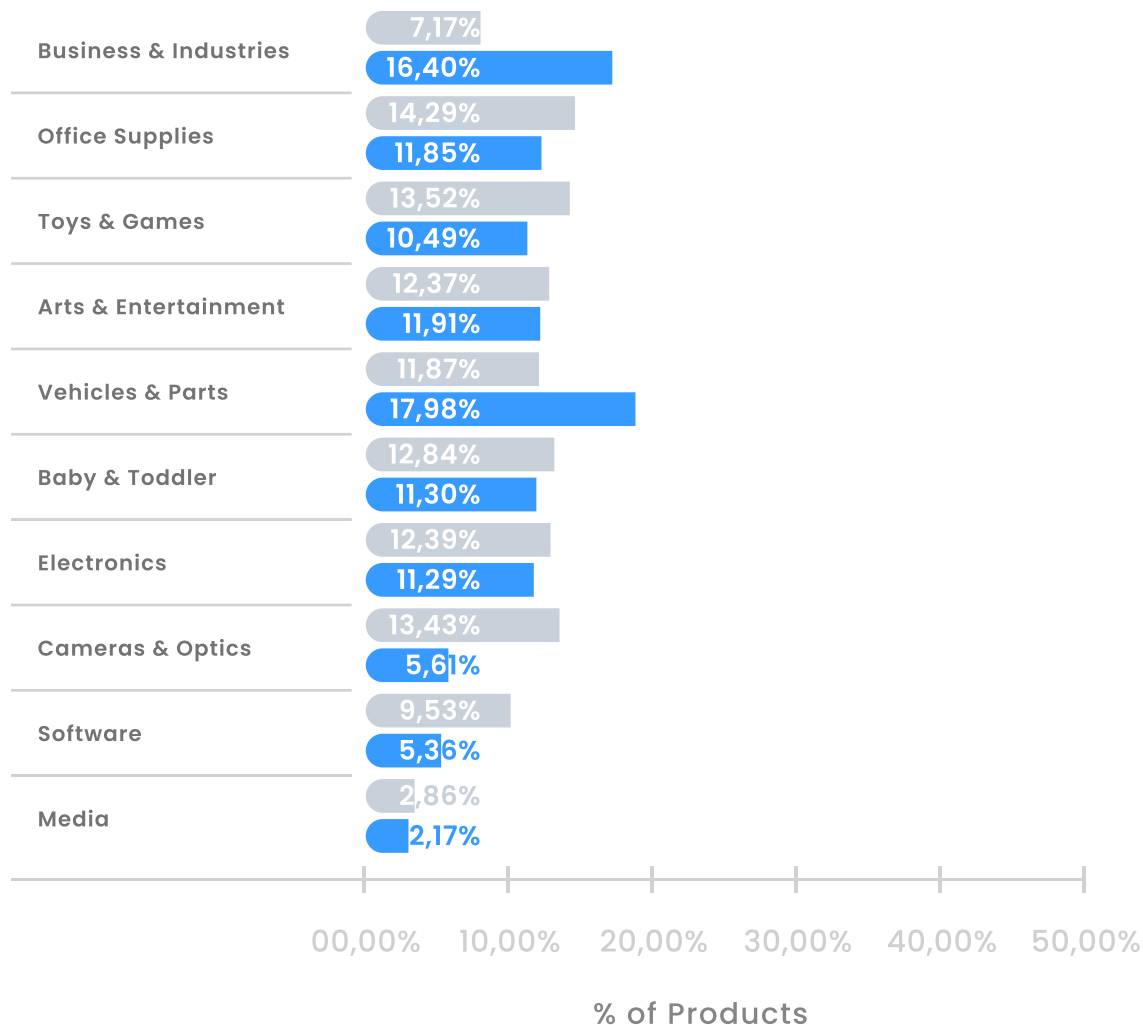
## Furniture, Grocery, and Fashion lead in offering discounted items

Certain product categories leverage discounts across their inventory more often than others. In Q2 2023, Furniture took the lead in discount implementation with 48.51% of products on sale. Right behind, with high levels of discounted inventory, come the Food, Beverage & Tobacco, and Apparel & Accessories sectors with 41% and 35.72% of products offered at a promotional price respectively.

This discount strategy allowed retailers to appeal to shoppers by saving money and fitting into their planned budgets.

**Percentage of products on sale, by category**  
Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



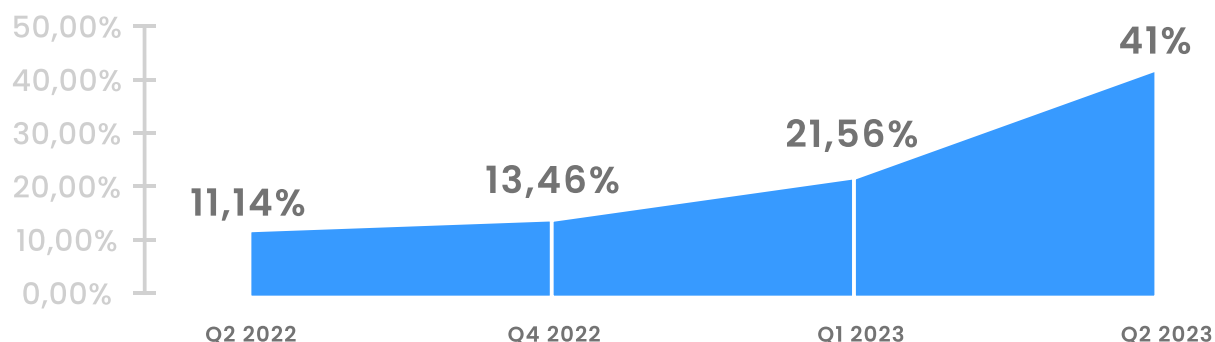


The biggest changes in terms of applying discounts in various product categories occurred in:

- **Food, Beverages & Tobacco:** in this category, the number of products on sale increased by almost 30 percentage points in 2023 compared to 2022.

Percentage of products on sale in the Food, Beverages & Tobacco category

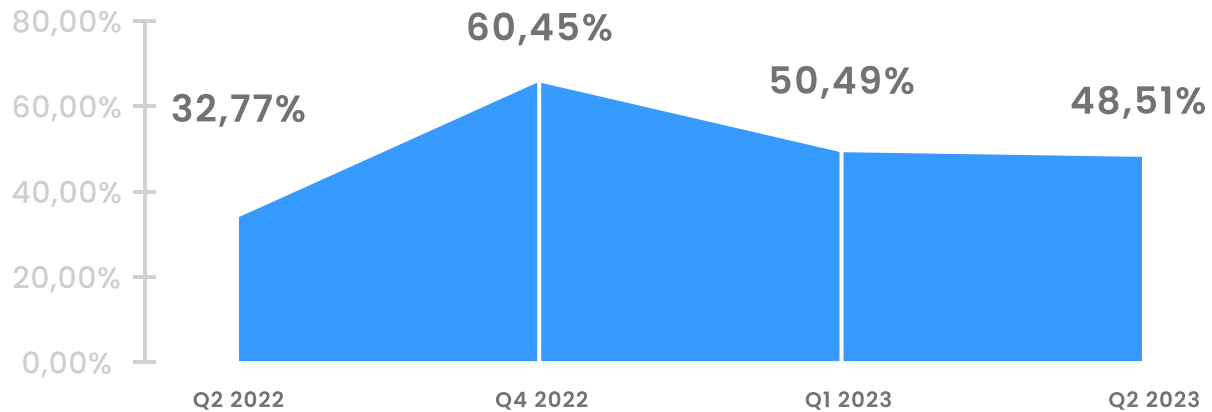
Q2 2022 - Q2 2023 | DataFeedWatch anonymized data



- **Furniture:** the number of discounted products increased by 16 percentage points in 2023 compared to 2022.

Percentage of products on sale in the Furniture category

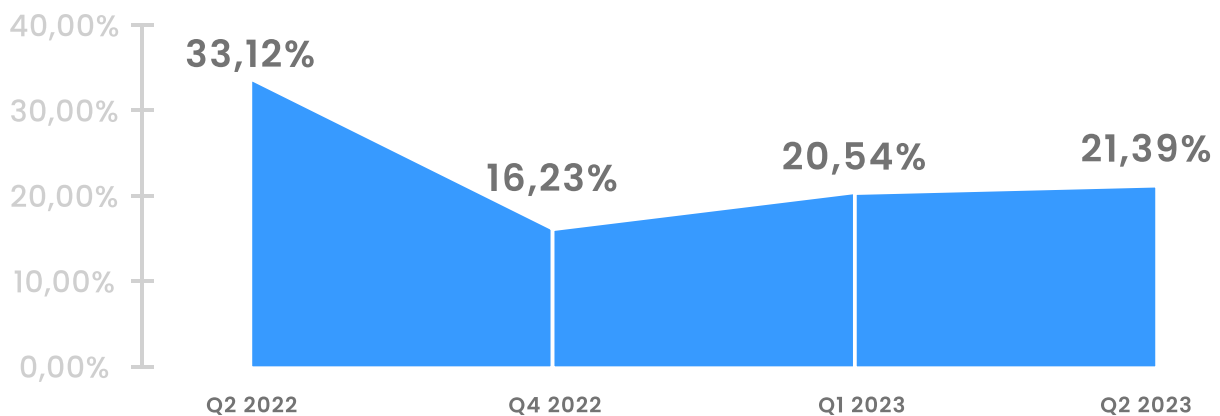
Q2 2022 - Q2 2023 | DataFeedWatch anonymized data



- **Health & Beauty:** this category saw a nearly 12 percentage point decrease in the number of products on sale.

Percentage of products on sale in the Health & Beauty category

Q2 2022 - Q2 2023 | DataFeedWatch anonymized data



The frequency of discounts suggests that advertisers in sectors with the most discounts might be facing greater price sensitivity in the market (in comparison to other categories) and experiencing increased competition for the best ad placements.



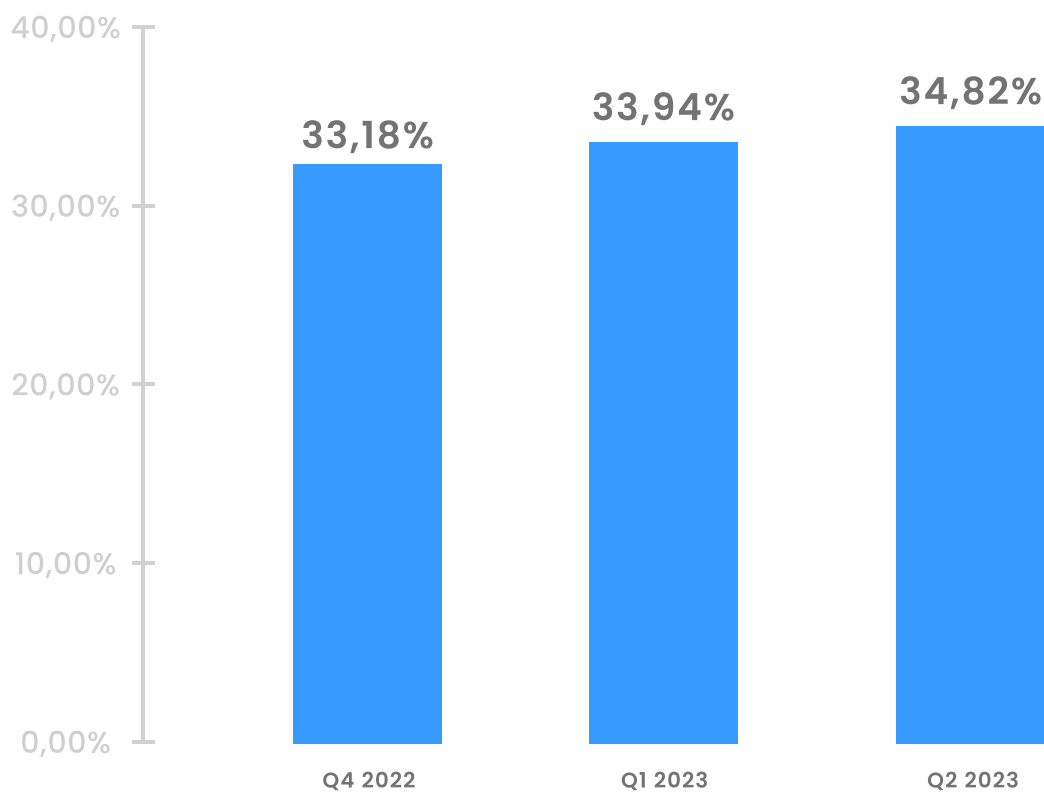
## 1.8

### Average discount value applied to products increases slightly

The average discount value applied to products has been stable over the past 12 months. However, they have increased slightly from an average of 33.18% in Q4 2022, to 33.94% in Q1 2023, to 34.82% in Q2 2023.

#### Average discount value

Q4 2022 - Q2 2023 | DataFeedWatch anonymized data



Media and Electronics are the two categories where the value of discounts increased the most - in both cases, by more than 45%. On the other hand, Toys & Games and Food, Beverages & Tobacco are the sectors that saw a decrease in the value of discounts (down by 36% and 21%, respectively).

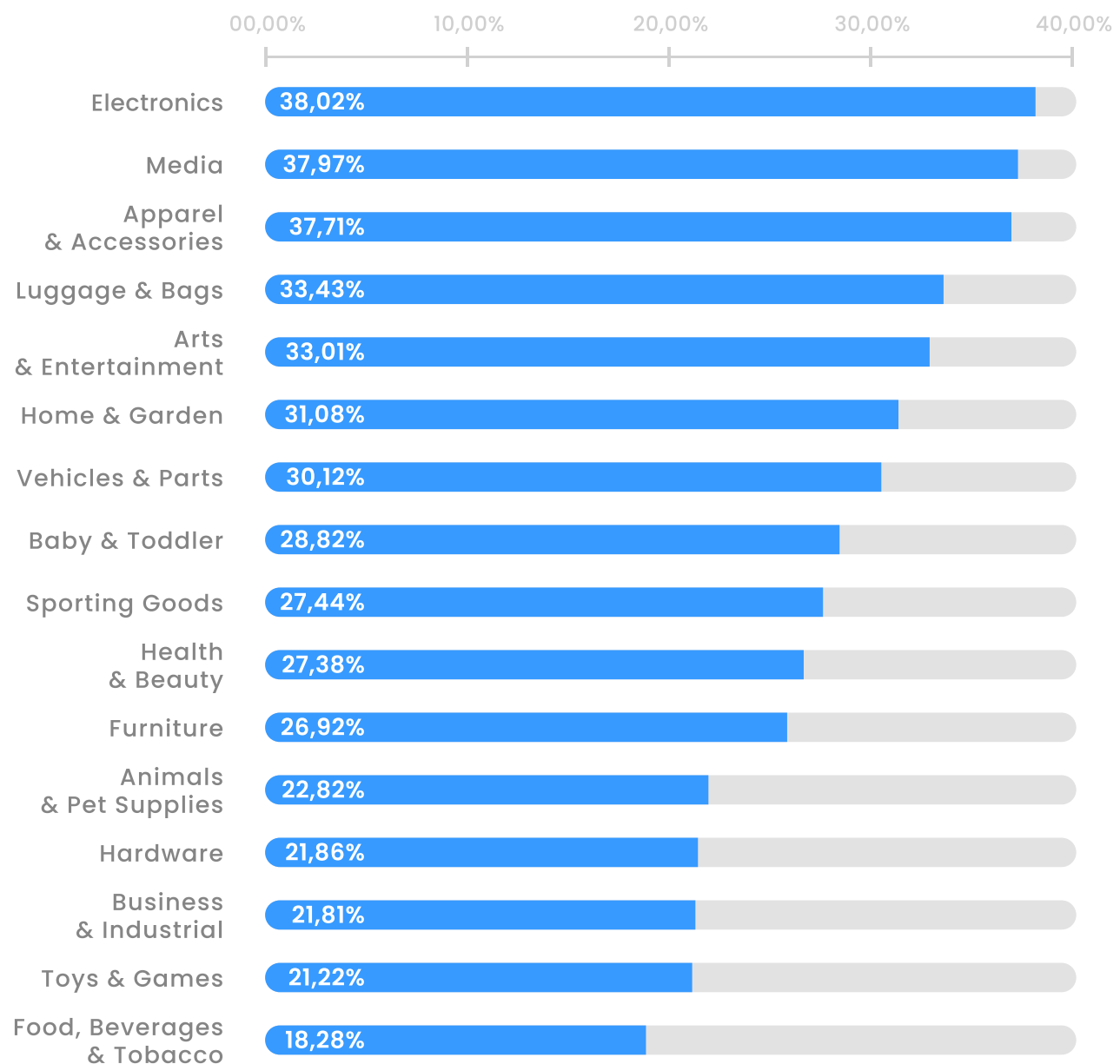
## 1.9

**Avg. discount % per eCommerce sector**

To remain competitive, sellers in the Electronics sector have introduced the highest discounts on the market with a 38.02% discount on average. This may be a reaction to consumers having a prolonged price sensitivity in this sector, stemming from the pandemic and inflation.

**Average discount value, by industry sector**

Q2 2023 | DataFeedWatch anonymized data



Coming at a close second is Media with 37.97%, and Apparel & Accessories with an even closer third of 37.71%.

The lowest discounts were in the Food, Beverages & Tobacco sector with 18.8% markdowns seen on average. Toys & Games came in with a 21.22% average.

**From 2022 to 2023, the categories with the highest discount drops are:**

- Toys & Games with 36%
- Food, Beverages & Tobacco with 21%
- Baby & Toddler with 12%

The drop in the value of promotions in the Toys & Games and Baby & Toddler categories may be caused by the pre-Christmas period and retailers counting on big profits.

**From 2022 to 2023, the product categories with the highest growth in discount values are:**

- Media with 50%
- Electronics with 46%
- Cameras & Optics with 29%

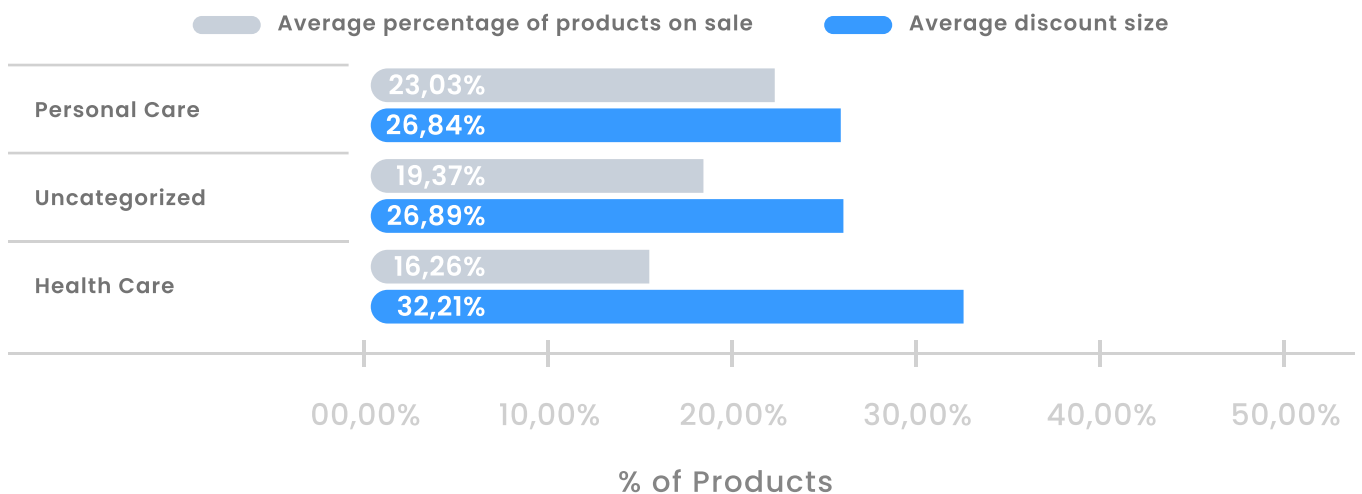
# 1.10

## Categories with a multitude of discounted products don't offer the highest discounts

While industries such as Furniture or Food, Beverages & Tobacco discount more items in their catalogs compared to other industries, the discount size doesn't necessarily follow the growth pattern. In fact, they propose bargains that are below all other advertisers' averages. The charts below compares these discrepancies by showcasing the average percentage of products that have been put on sale for a given subcategory versus their average discount size.

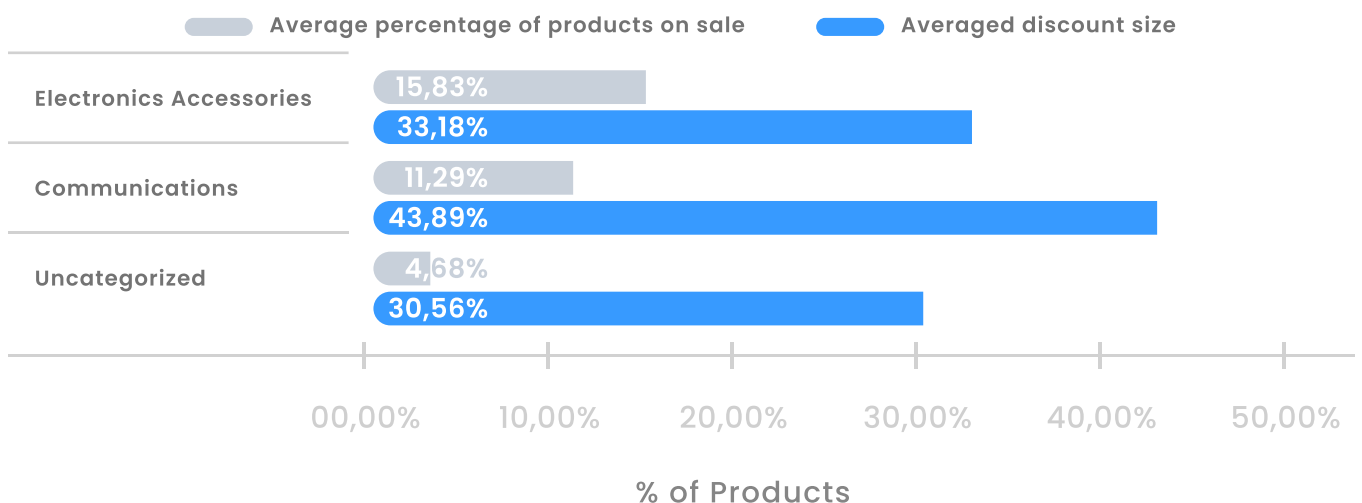
Percentage of Health & Beauty products on sale vs. their discount size

Q2 2023 | DataFeedWatch anonymized data



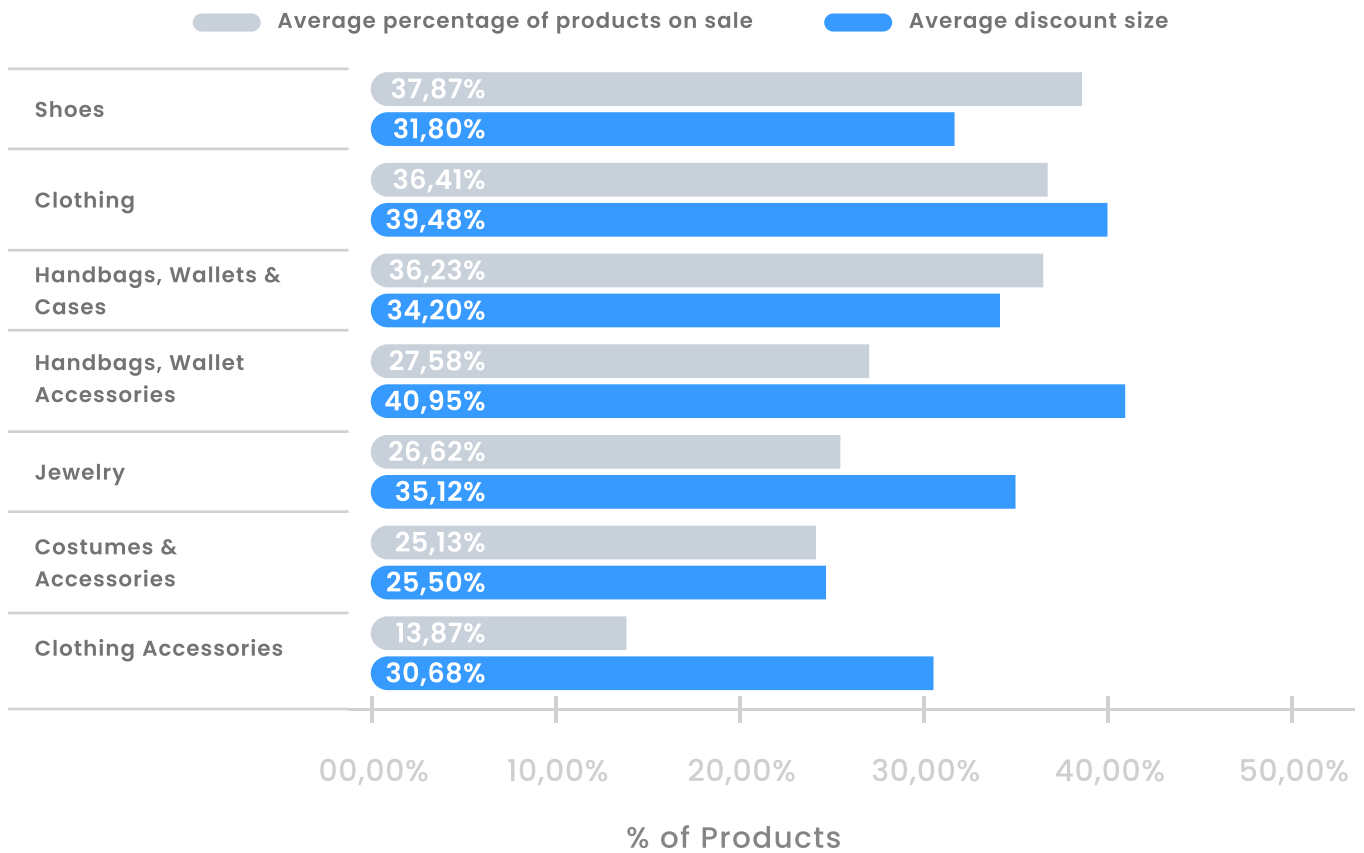
Percentage of Electronics items on sale vs. their discount size

Q2 2023 | DataFeedWatch anonymized data



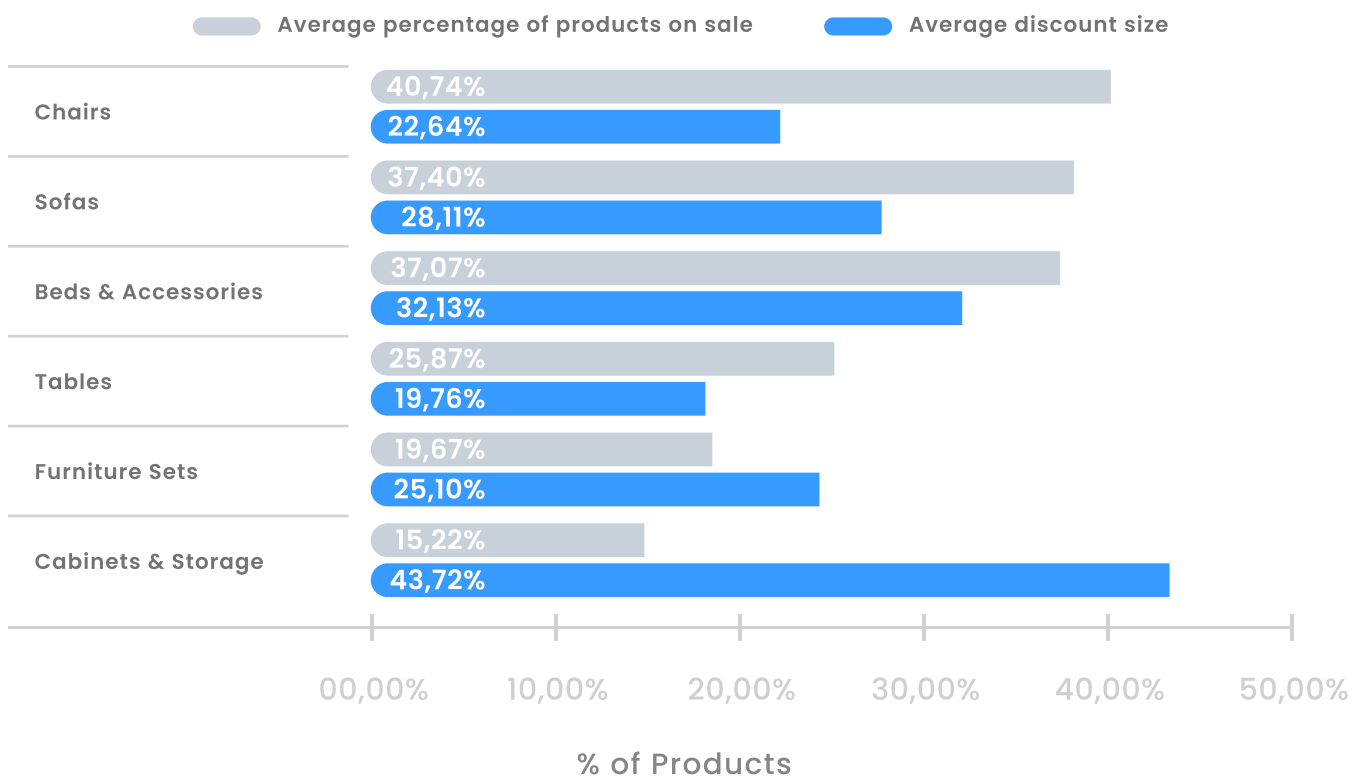
### Percentage of Apparel products on sale vs. their discount size

Q2 2023 | DataFeedWatch anonymized data



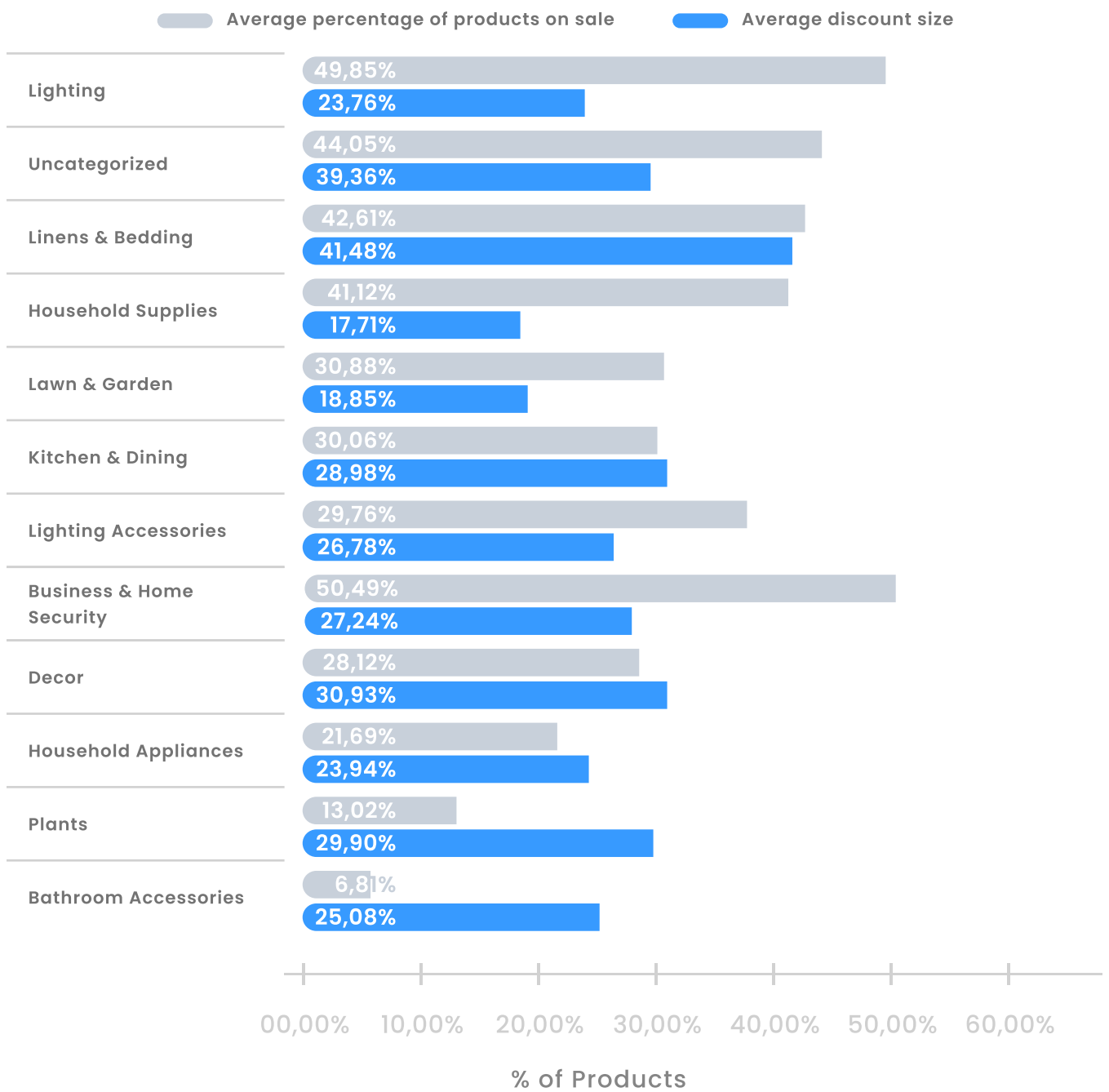
### Percentage of Furniture items on sale vs. their discount size

Q2 2023 | DataFeedWatch anonymized data



**Percentage of Home & Garden items on sale vs their discount size**

Q2 2023 | DataFeedWatch anonymized data



# 1.11

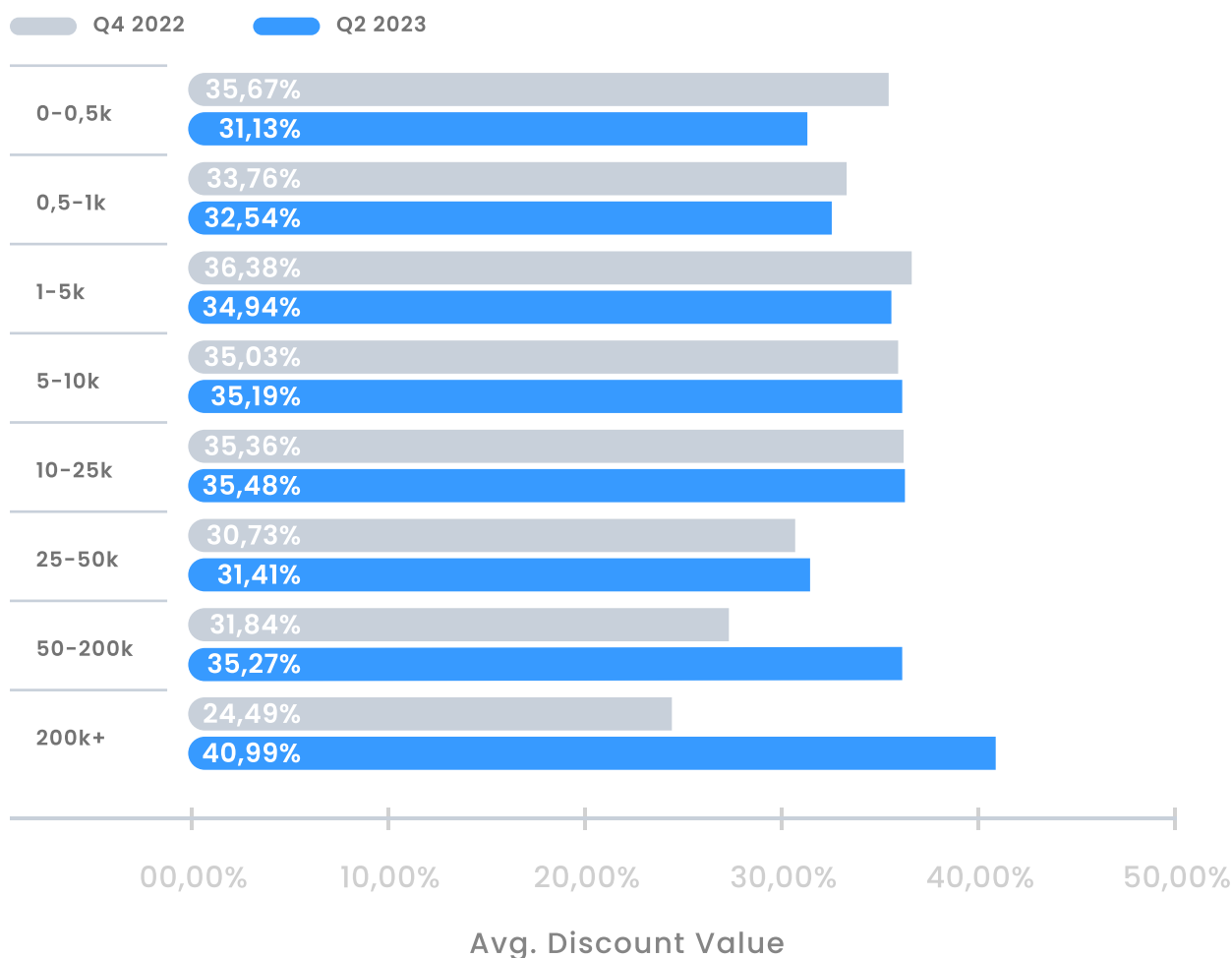
## Large stores increase the number of discounted products

Large retailers that advertise more than 200,000 products in a given channel have more of their catalog discounted: from 24.49% of products discounted in Q4 2022 to 40.99% of products discounted in Q2 2023.

However, the percentage of discounted products vs. regularly-priced products is not strictly correlated with the size of the advertised inventory. This percentage fluctuates from quarter to quarter.

**Average discount value, by product count in store**

Q4 2022 - Q2 2023 | DataFeedWatch anonymized data



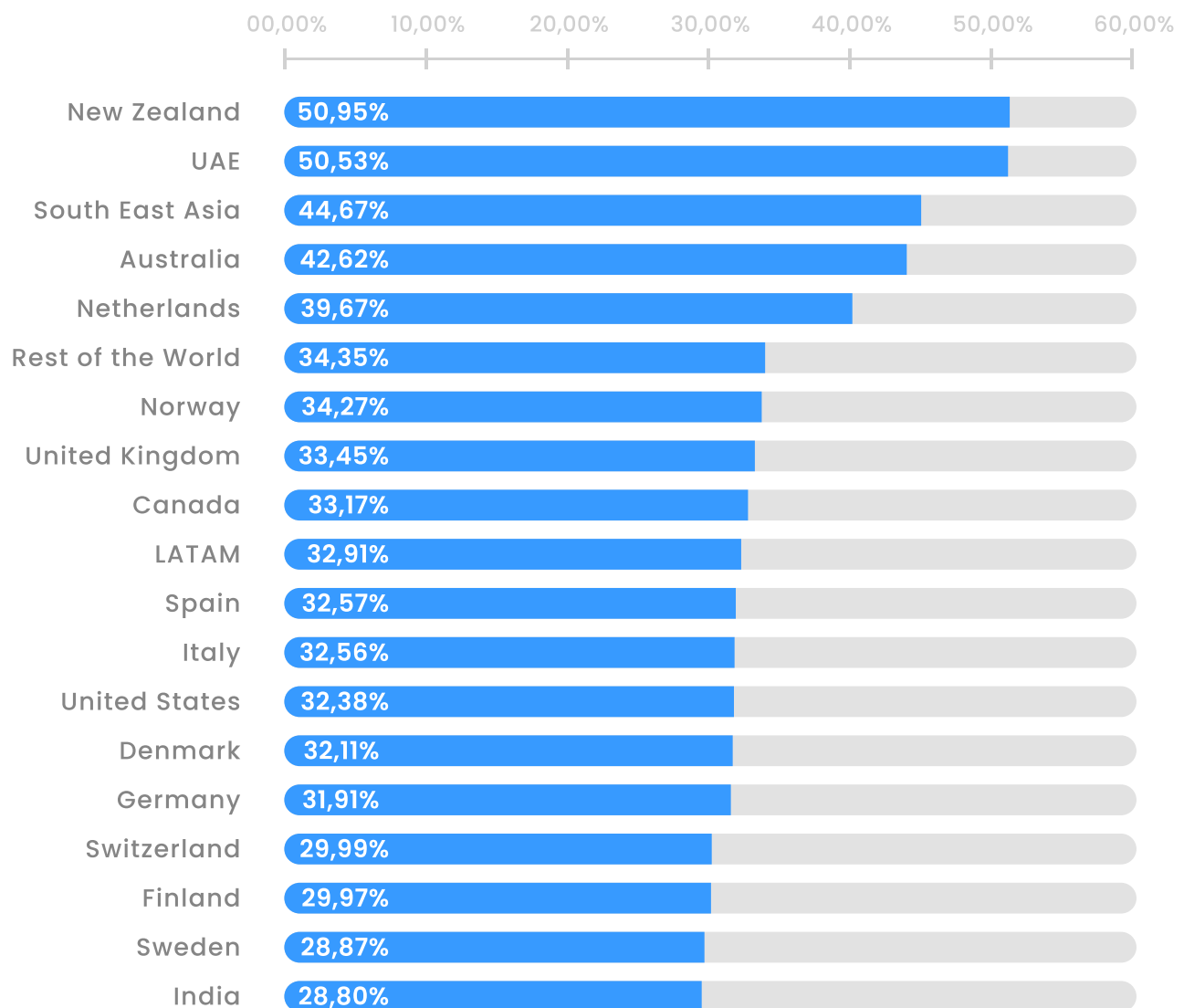
## 1.12

## New Zealand retailers apply the highest discount values at 50.95%

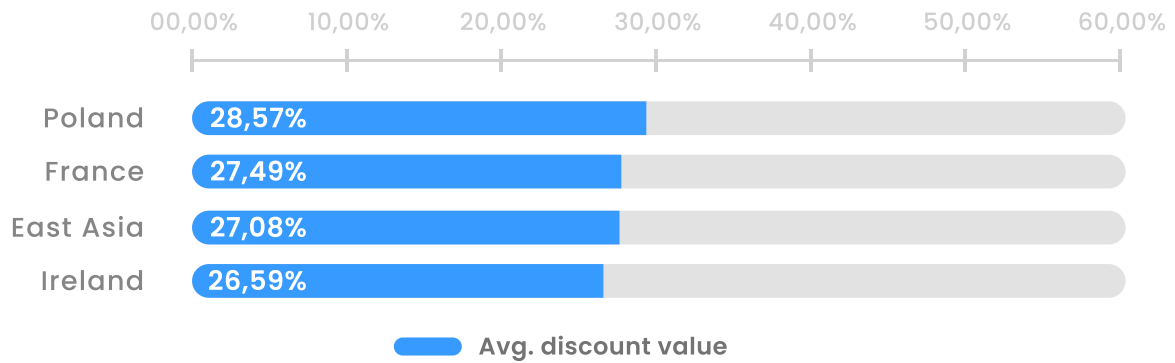
Advertisers in New Zealand apply the highest discounts in 2023 to their products advertised online. The average value of the discount applied to products in New Zealand is 50.95%. The United Arab Emirates is second with an average product discount of 50.53%, and South East Asian countries are third with an average discount of 44.67%.

### Average discount value, by country

Q2 2023 | DataFeedWatch anonymized data







The smallest discounts in 2023 are applied by retailers in Ireland (26.59%), East Asia (27.08%) and France (27.49%).

From 2022 to 2023, the highest growth in discount value can be seen in:

- Southeast Asian countries with 62%,
- New Zealand with 33%
- and Latin American countries with 23%

At the same time, the largest declines in discount values are seen in:

- Germany with 23%
- and France with 19%

# 1.13

## Global eCommerce market product stock levels at 83.32%

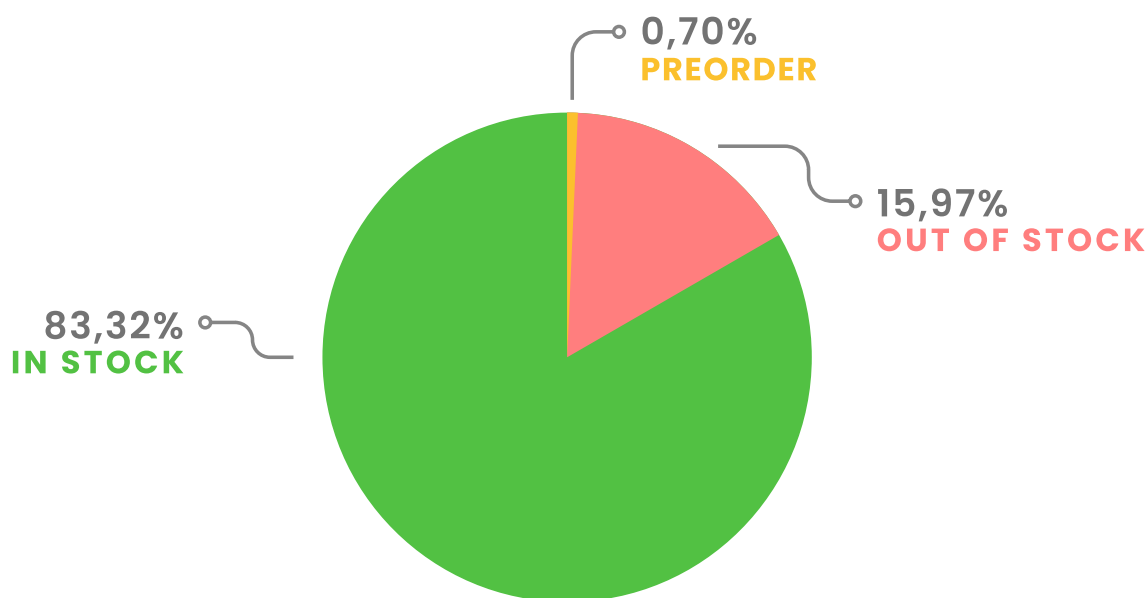
The change in global product availability  
Q2 2022, Q2 2023 | DataFeedWatch anonymized data

Availability	Q2 2022	Q2 2023	Q2 2022 vs. Q2 2023
<b>In Stock</b>	82,45%	<b>83,32%</b>	1,06%
<b>Out Of Stock</b>	16,66%	<b>15,97%</b>	-4,14%
<b>Preorder</b>	0,89%	<b>0,70%</b>	-21,35%

The percentage of available and unavailable products advertised across paid channels remains stable throughout 2022 and 2023. The overall global product availability increased slightly from 82.45% in 2022 to 83.32% in 2023.

This may be due to changes made stemming from the worldwide impact of the Covid-19 pandemic. As people began to rely on online shopping, fulfillment centers faced higher demand causing logistical issues and product shortages. Now that there’s been some time to recover, most production levels have resumed and new systems have been put in place to keep up with online demand, like having more warehouse locations.

Global product availability  
Q2 2023 | DataFeedWatch anonymized data



## 1.14

## Europe emerges with the highest in-stock rates in ads: 9/10 products available

Europe has emerged as the region with the highest percentage of in-stock products advertised. Within Europe, the Netherlands has held first place with 91.1% of its products in stock.

### Percentage of products in-stock per country

Q2 2022, Q2 2023 | DataFeedWatch anonymized data

Country	2022	2023	Difference 2022 vs. 2023
<b>Netherlands</b>	90,21%	<b>91,91%</b>	1,88%
<b>Spain</b>	84,54%	<b>89,46%</b>	5,82%
<b>Italy</b>	85,33%	<b>88,66%</b>	3,90%
<b>Switzerland</b>	66,38%	<b>87,86%</b>	32,36%
<b>Germany</b>	82,51%	<b>87,01%</b>	5,45%
<b>Finland</b>	81,16%	<b>86,82%</b>	6,97%
<b>Poland</b>	90,65%	<b>86,72%</b>	-4,34%
<b>UAE</b>	89,26%	<b>86,60%</b>	-2,98%
<b>Denmark</b>	83,70%	<b>85,82%</b>	2,53%
<b>France</b>	60,21%	<b>85,11%</b>	41,36%
<b>Sweden</b>	92,14%	<b>85,06%</b>	-7,68%
<b>Rest of the World</b>	72,54%	<b>84,91%</b>	17,05%
<b>Norway</b>	89,65%	<b>84,28%</b>	-5,99%
<b>United States</b>	85,61%	<b>82,60%</b>	-3,52%
<b>United Kingdom</b>	82,92%	<b>82,55%</b>	-0,45%
<b>Australia</b>	77,27%	<b>79,02%</b>	2,26%
<b>Canada</b>	83,22%	<b>76,89%</b>	-7,61%
<b>East Asia</b>	74,84%	<b>76,33%</b>	1,99%
<b>South East Asia</b>	79,99%	<b>75,92%</b>	-5,09%
<b>Ireland</b>	73,43%	<b>75,04%</b>	2,19%
<b>New Zealand</b>	82,79%	<b>73,88%</b>	-10,76%
<b>LATAM</b>	65,04%	<b>58,21%</b>	-10,50%

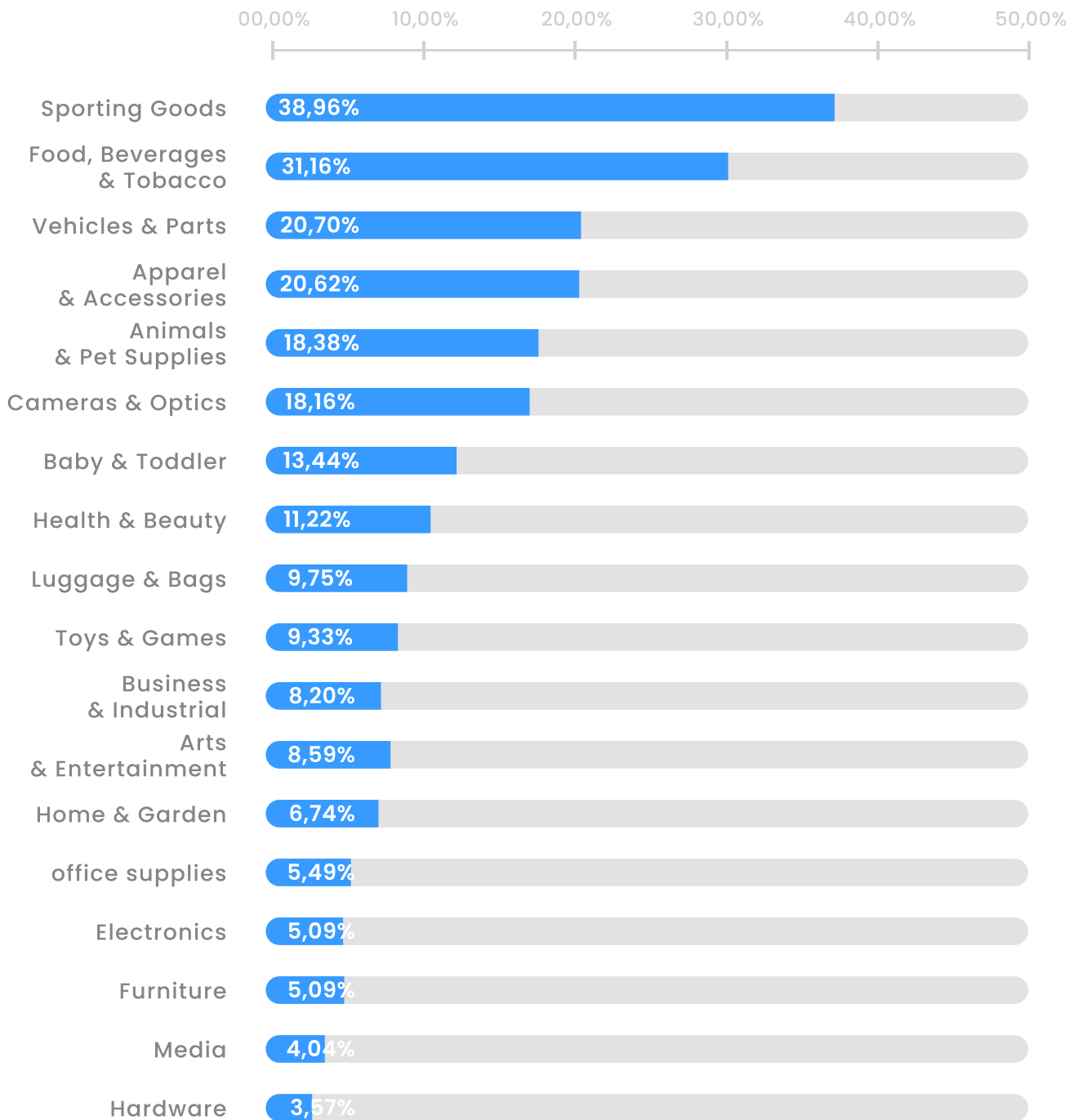
France takes the lead for the biggest improvement in stock levels going from 60.2% in 2022 to 85.1% in 2023. Switzerland follows up with 66.38% in 2022 to 87.86% in 2023. The U.S comes in 14th place out of 23 regions with 82.6% of its products in stock.

# 1.15

## Stock status across eCommerce sectors

Percentage of products out of stock, by category

Q2 2023 | DataFeedWatch anonymized data

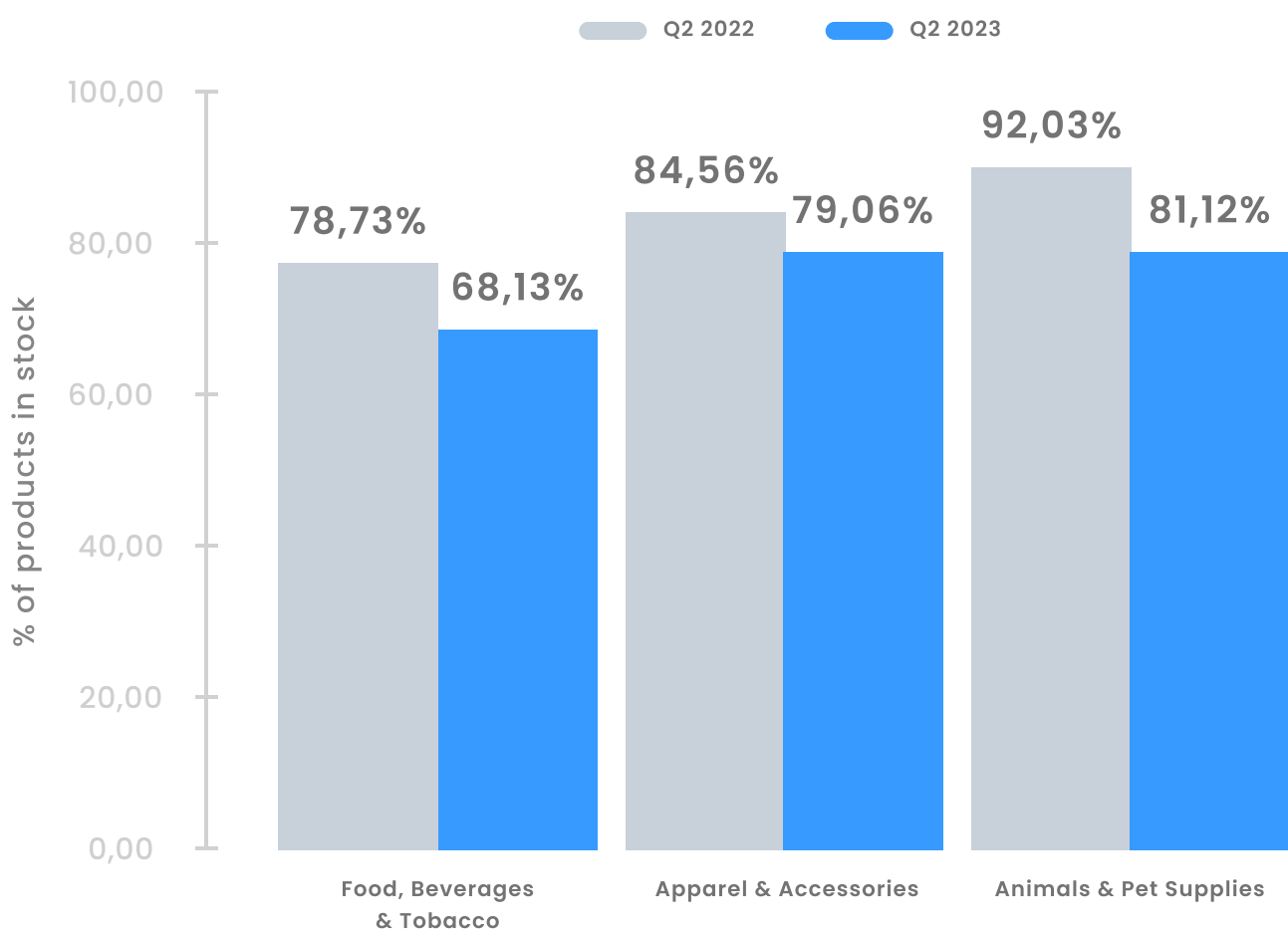


Sporting Goods has the highest level of unavailable products. More than 1/3 of items are out of stock. Food, Beverages, & Tobacco followed with 31% in second place, and Vehicle Parts is in third place with 20.7%.

As for other key declines, Animals & Pet Supplies dropped from 92% products in stock in 2022 to 81.1% in 2023, Apparel from 84.56% to 79% and Food, Beverages, & Tobacco from 78.73% to 68.13%.

**Biggest stock drops, by category**

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data

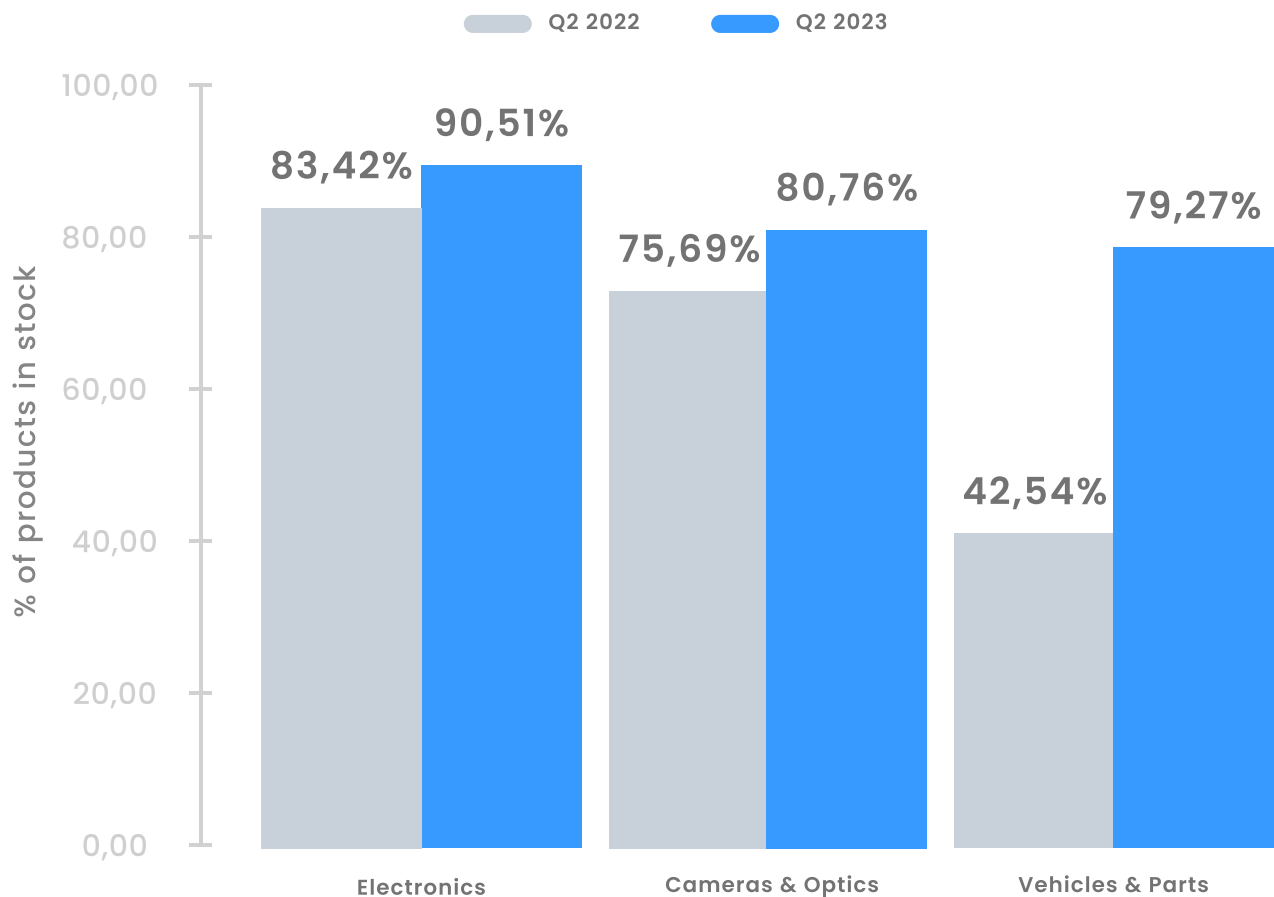


Out of the three declining categories, Animals & Pet supplies scored the largest decrease in the number of available products online. Compared to 2022, the percentage of available products dropped in 2023 by almost 12 percentage points.

The high product shortages in this category can create a great marketing opportunity for retailers who have well-stocked inventories for the near future.

### Biggest stock spikes, by category

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



On the other hand, the three categories with improved product availability are:

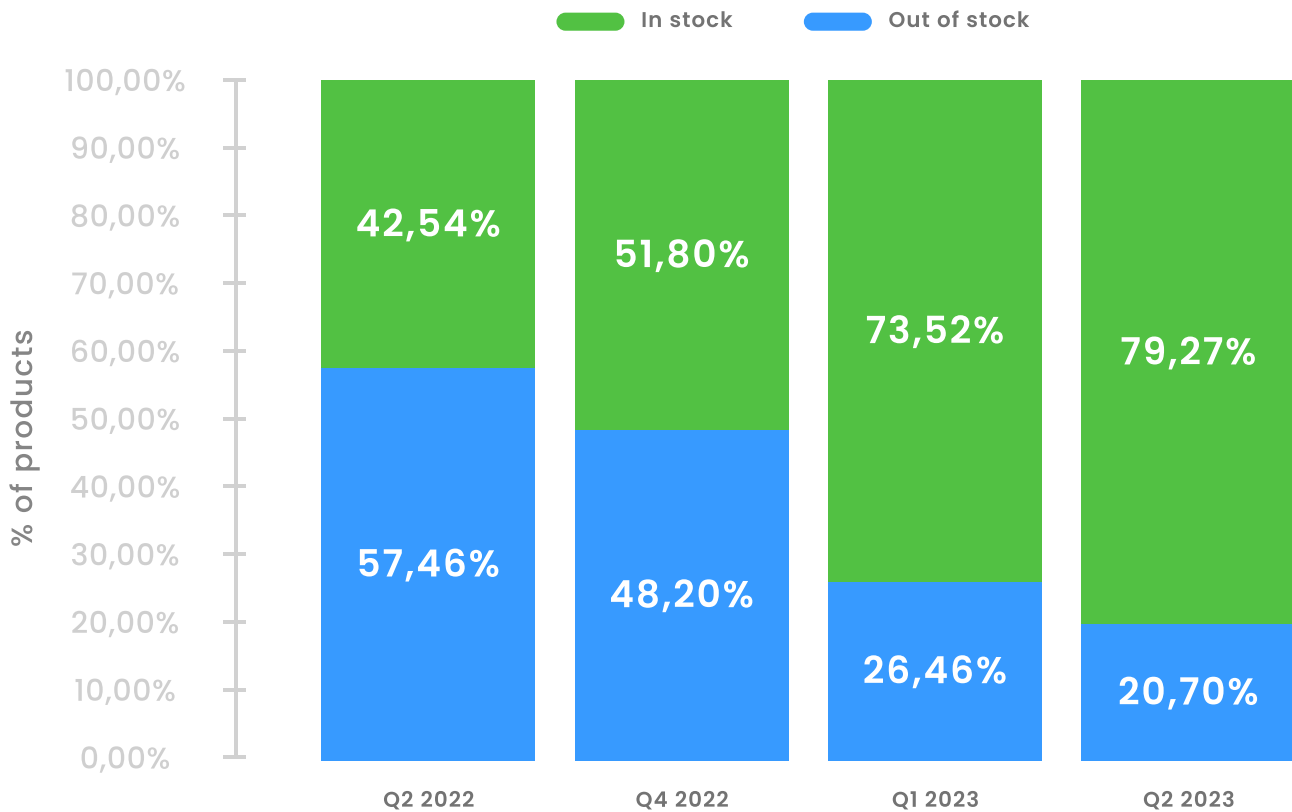
- Vehicles & Parts growing from 42.54% to 79.27%.
- Cameras & Optics bouncing from 75.69% in 2022 to 80.76%
- Electronics going from 83.42% to 90.5%.

# 1.16

## Vehicle & Parts restocked: 64% y/o/y growth in product availability

The Covid-19 pandemic caused shortages across all eCommerce categories in 2021 and 2022, especially in the Automotive sector. However, in 2023 we saw the sector bounce back, as it showed an impressive recovery in restocked inventories – from 42.5% of products in stock in 2022 to 79.27% in 2023.

**Vehicles & Parts stock trends 2022–2023**  
 Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



Although this result places the sector at below average for product availability in 2023, it's still an impressive 64% year-over-year change.

Consequently, car part sellers can expect increased competitiveness in the automotive industry.



1.17

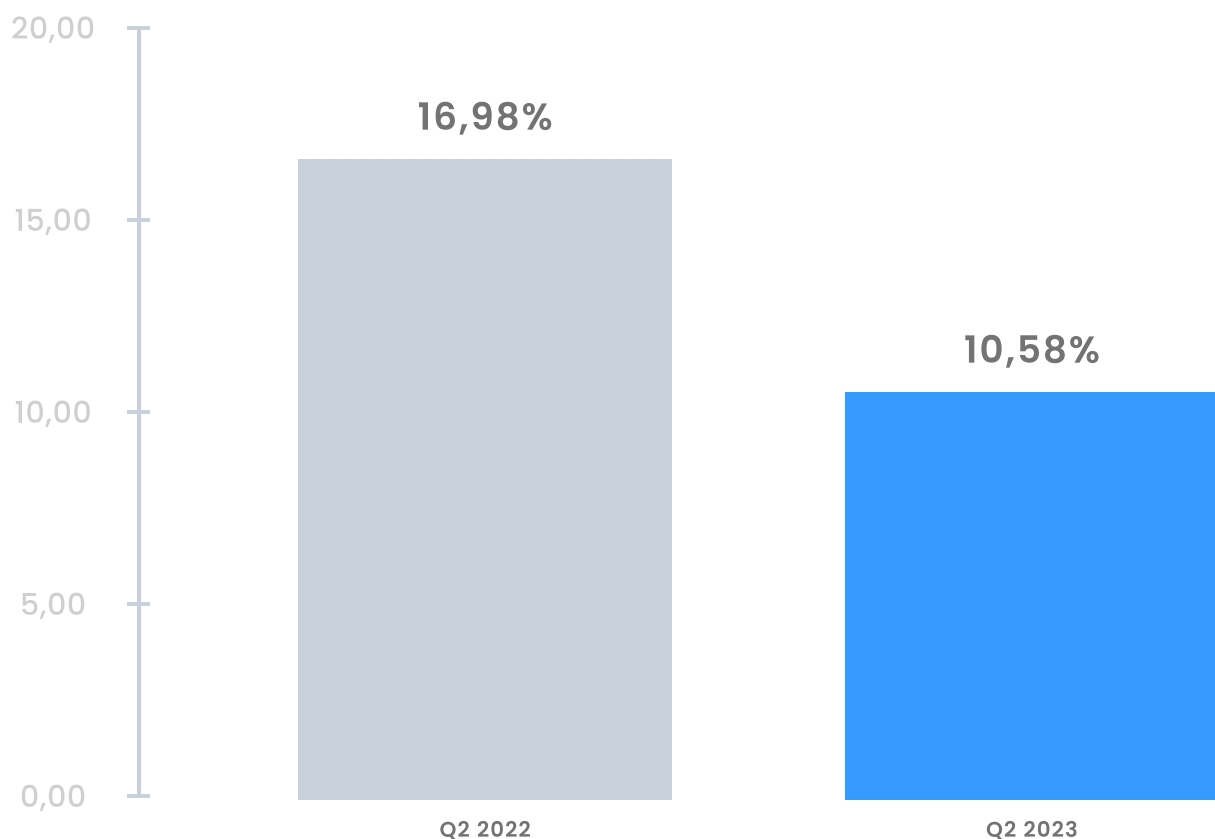
## Less custom-made products advertised in 2023

Custom-made items have been on the decline since 2022, with a drop of 6 percentage points. In 2023, only 10.58% of advertised products were custom made compared to 16.98% in 2022.

Mass production levels returning to those pre-pandemic could be a contributing factor towards the decrease. This change could have suppressed shoppers' desire for custom items when cheaper items are now available on the market.

### Percentage of custom made products

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



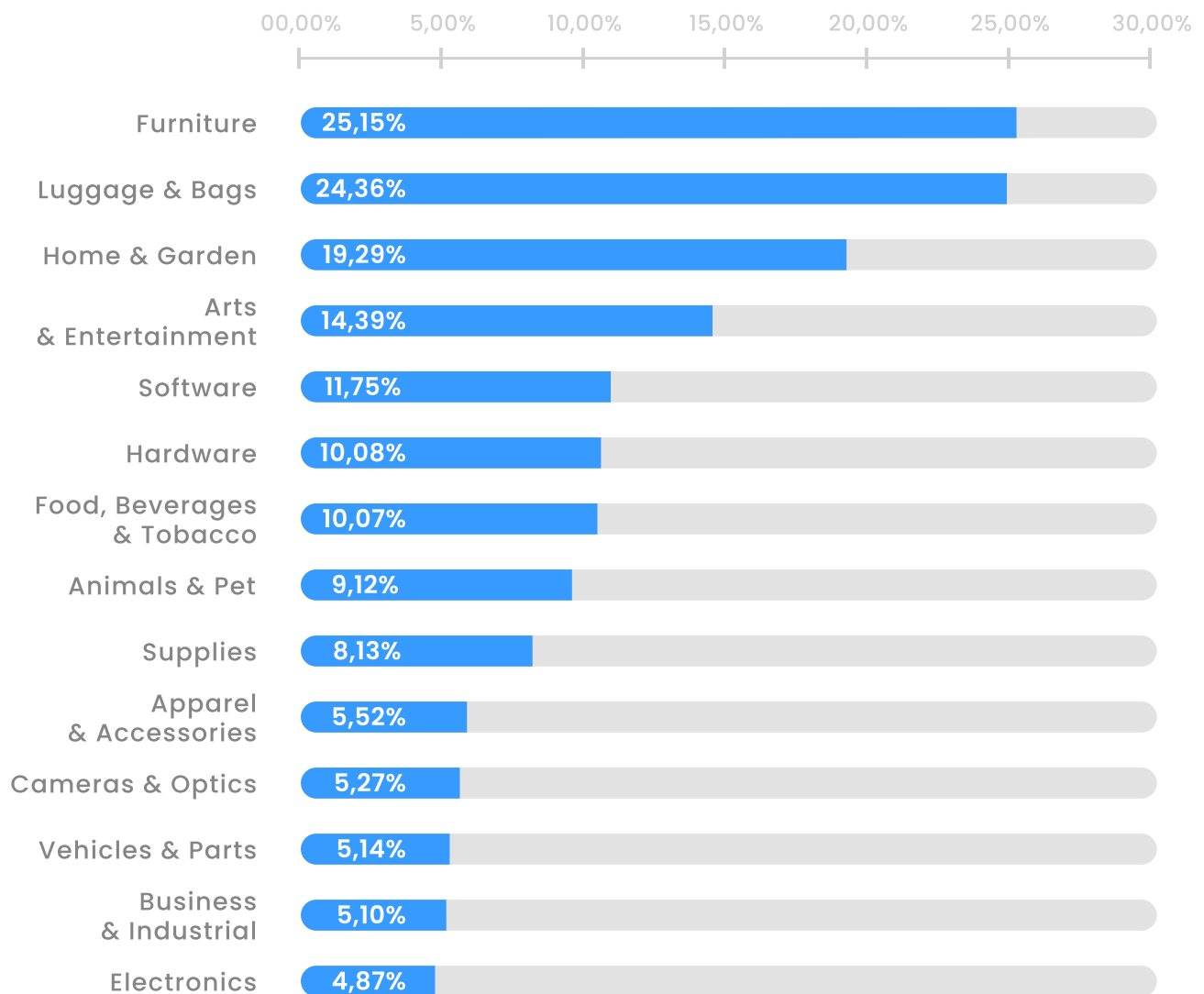
# 1.18

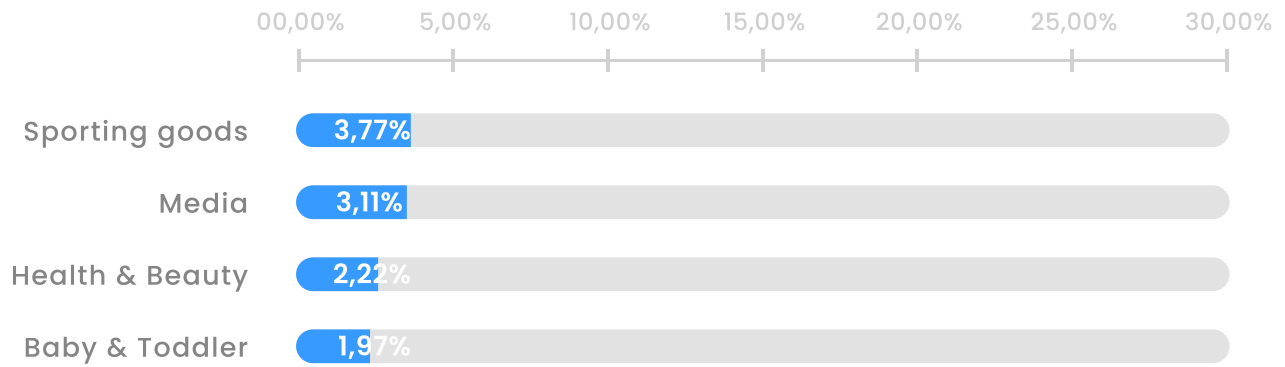
## The Furniture industry leads with custom-made products in online offerings

In 2023, 25.15% of products advertised in the Furniture category are custom-made, making it the category advertising the most custom-made products. While this is a drop compared to 2022, manufacturers are still aiming to appeal to interior designers and their customers by providing more versatile options.

Percentage of custom-made products, by category

Q2 2023 | DataFeedWatch anonymized data

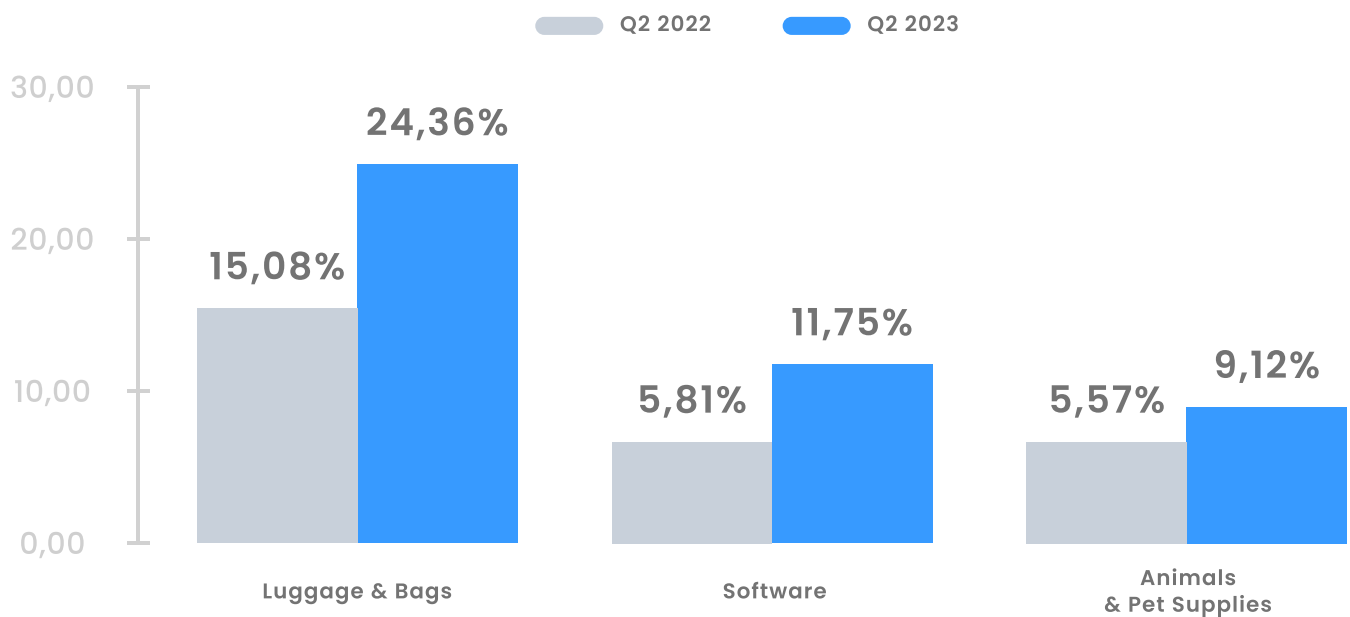




The biggest growth was seen with the Luggage & Bags category from 15% in 2022 to 24.36% in 2023. This leap could be due to travel and tourism opening back up after being halted by the pandemic.

**Biggest spikes in custom-made products, by category**

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



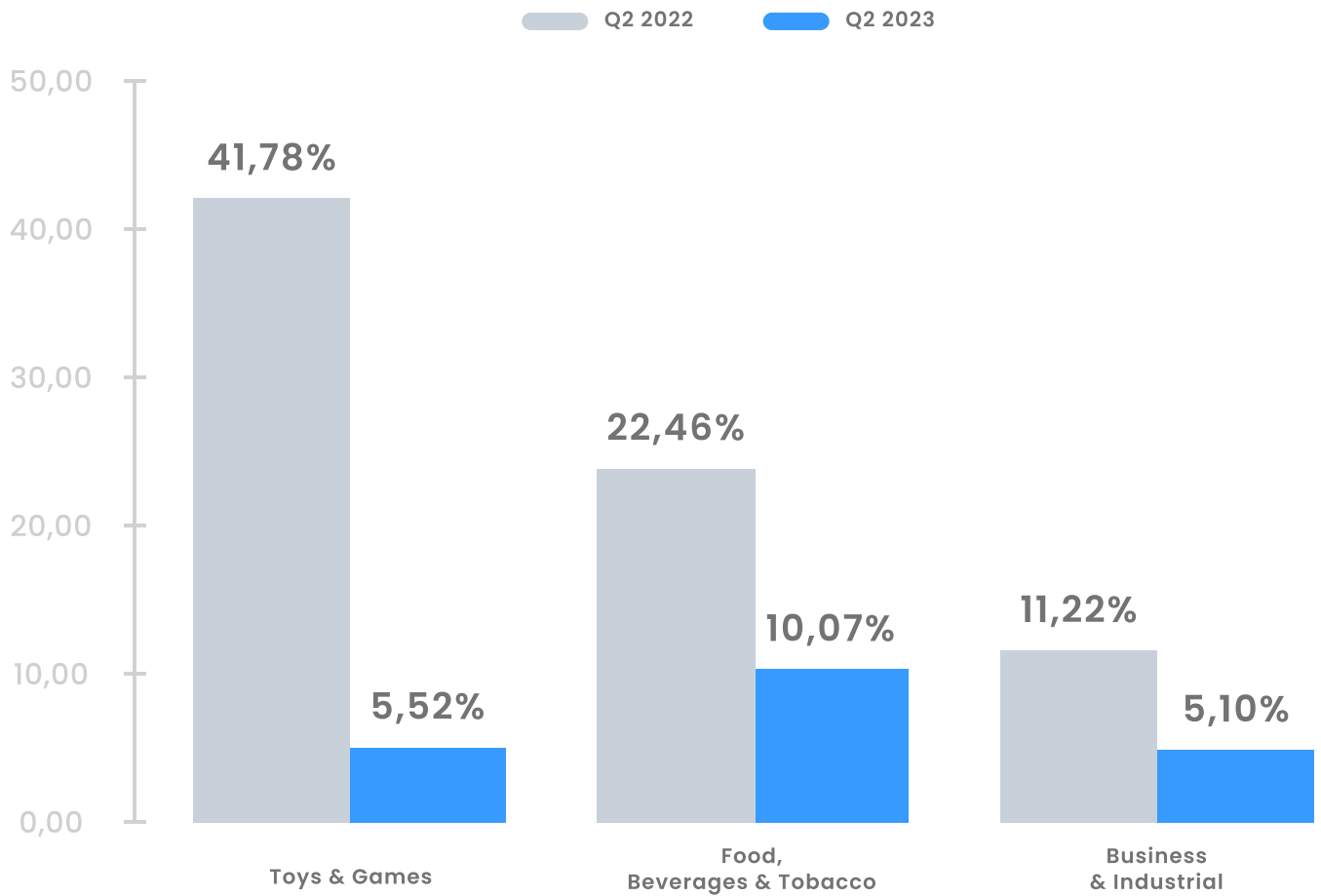
Similarly, the need for custom-made toys may have diminished due to mass production picking up post-pandemic. Toys & Games had a dramatic decline in advertised custom-made products from 41.78% in 2022 to 5.52% in 2023.

Food, Beverages & Tobacco decreased from 22.46% in 2022 to 10.07% in 2023.

This may be due to the free movement of goods commencing, putting less of an importance on locally produced items.

**Biggest drop in custom-made products, by category**

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



# 1.19

## The Electronics sector still pioneering in the refurbished market in 2023

Product condition in the Electronics sector  
Q2 2022, Q2 2023 | DataFeedWatch anonymized data

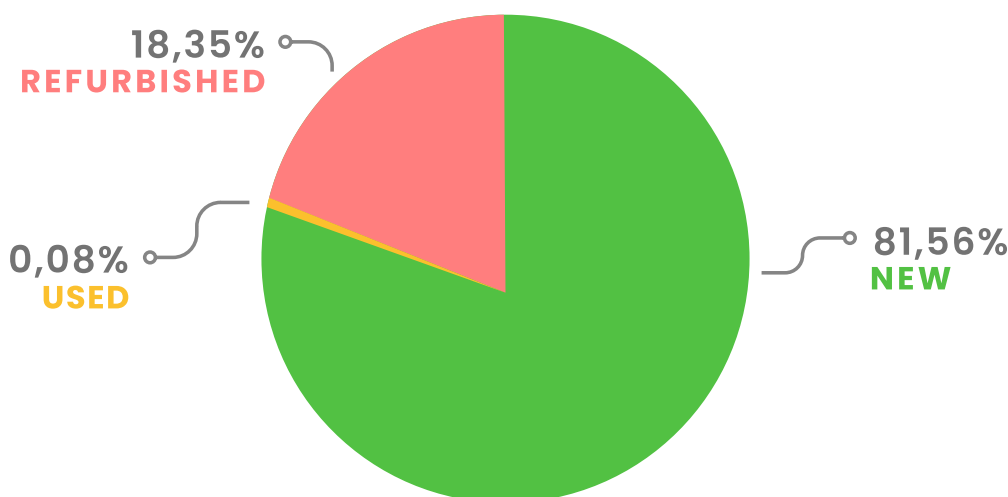
Availability	Q2 2022	Q2 2023	Q2 2022 vs. Q2 2023
<b>New</b>	81,78%	<b>81,56%</b>	-0,27%
<b>Refurbished</b>	17,71%	<b>18,35%</b>	3,36%
<b>Used</b>	0,51%	<b>0,08%</b>	-84,31%

The Electronics sector is a pioneer among product categories for embracing the refurbished market. The inventory of refurbished products grew from 17.71% in 2022 to 18.35% in 2023.

While not a significant increase, Electronics has sustained a steady 1:5 proportion in relation to refurbished vs. new products being sold. For every 5 electronics sold, one of them is refurbished.

Because this trend has emerged for the second year in a row, it may point to consumers' commitment to adopting sustainable practices and staying within budget because older refurbished items are often less expensive than buying new models.

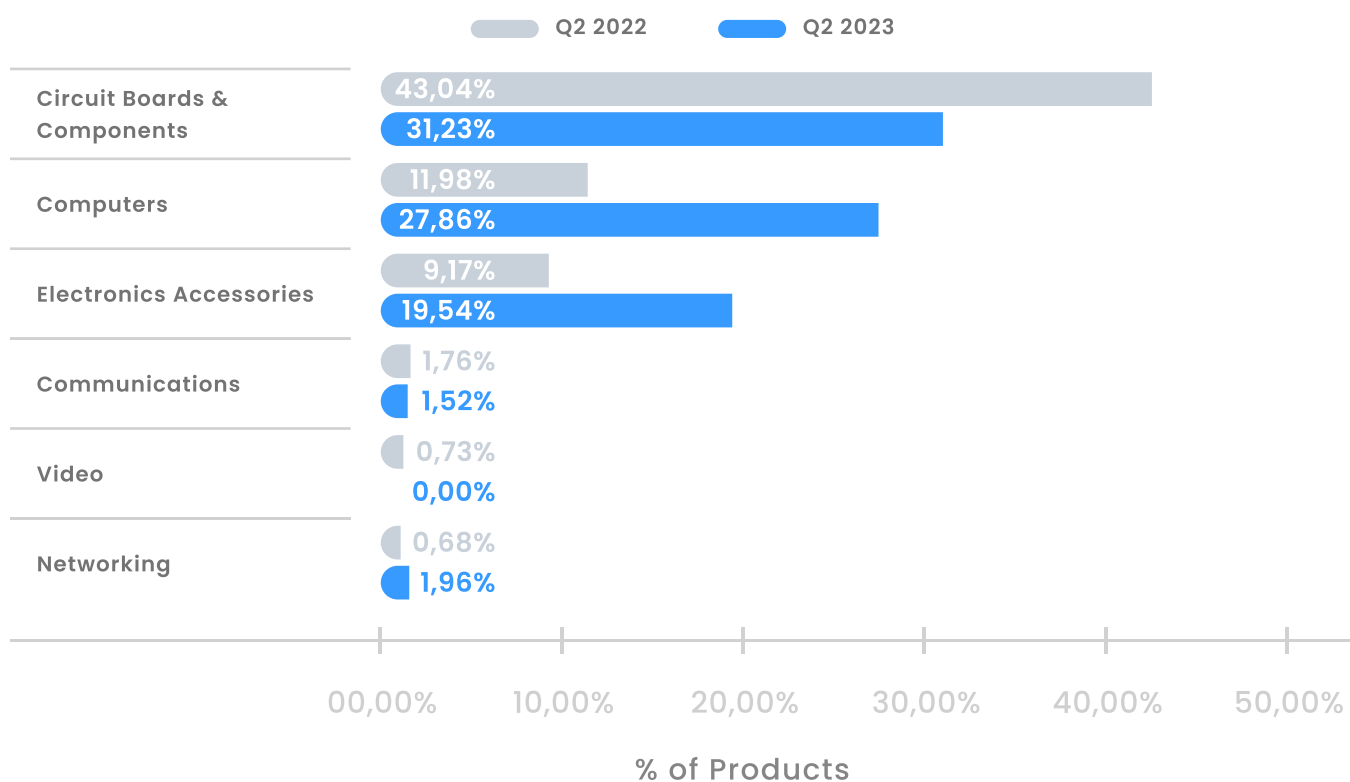
Products condition in the Electronics sector  
Q2 2023 | DataFeedWatch anonymized data



When zooming into refurbished Electronics, Circuit Boards & Components come in first place with 31.23% in 2023. However, this is a drop of 12 percentage points from the year before.

**Percentage of refurbished products in the Electronics sector, by subcategory**

Q2 2022 vs Q2 2023 | DataFeedWatch anonymized data



Computers come in second place, with almost 28% of all products advertised being refurbished. This is a growth of 16 percentage points from the year before.

Refurbished electronic accessories grew from 9.17% in 2022 to 19.54% in 2023, showing an increasing market interest.

Some Electronic products are only advertised as new. These include multifunctional printers, arcade equipment, GPS accessories, marine electronics, and video console accessories.

## CHAPTER 2

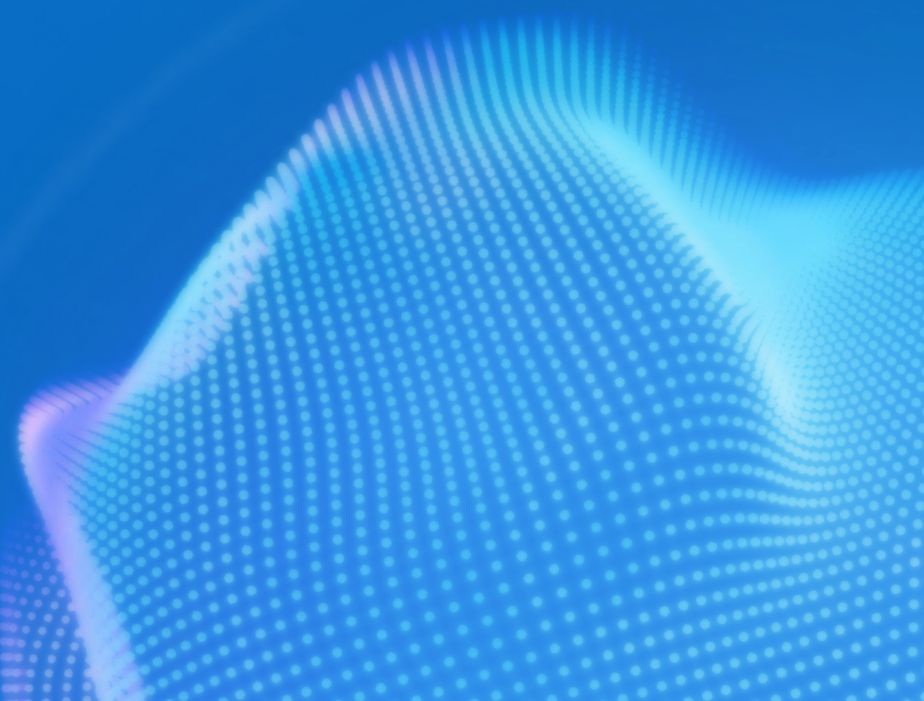
# Strategy and planning

Expert tactics to address current trends in multichannel campaigns for greater performance

### Highlights:

- Creating a discount strategy with clear goals and a focus on customer preferences can help you increase sales and retain current customers while avoiding potential harm to your business during times of rising inflation.
- Strategically choose the best channels for your category with the top 15 channels per sector rank.
- Big online stores with 200k+ products advertise on 6.5 more channels than small shops with less than 10K products.

- Consider the competitiveness and stock levels in your industry before deciding on the number of channels you want to expand to.
- Try expanding to local channels, as these are the platforms that often attract the most loyal customers.
- 25% of listings in countries with a primary language other than English are, nevertheless, in English. This speeds up the process of rolling out to new markets.
- Adding extra product details through secondary data sources like inventory management systems and Google Sheets can help you meet ad platform requirements, enhance sales by providing additional context, and improve campaign performance through actionable data for PPC segmentation and optimization. It's an underused tactic deployed by 14% of advertisers.





## Reports Inventory

- 2.1 [As inflation rises, consider discount tactics](#)
- 2.2 [Prepare your channel strategy to get ahead of the competition](#)
- 2.3 [Look at the competitiveness and stock levels of your industry before expanding](#)
- 2.4 [Consider Amazon ranks to determine your industry competitiveness](#)
- 2.5 [Pair your Google Ads with Social Ads](#)
- 2.6 [Want to find loyal customers? Expand to your local channels](#)
- 2.7 [Want to increase your reach? Expand to other languages](#)
- 2.8 [Add supplementary data to boost your advertising efforts](#)
- 2.9 [Don't waste your budget on advertising out-of-stock products](#)

## 2.1

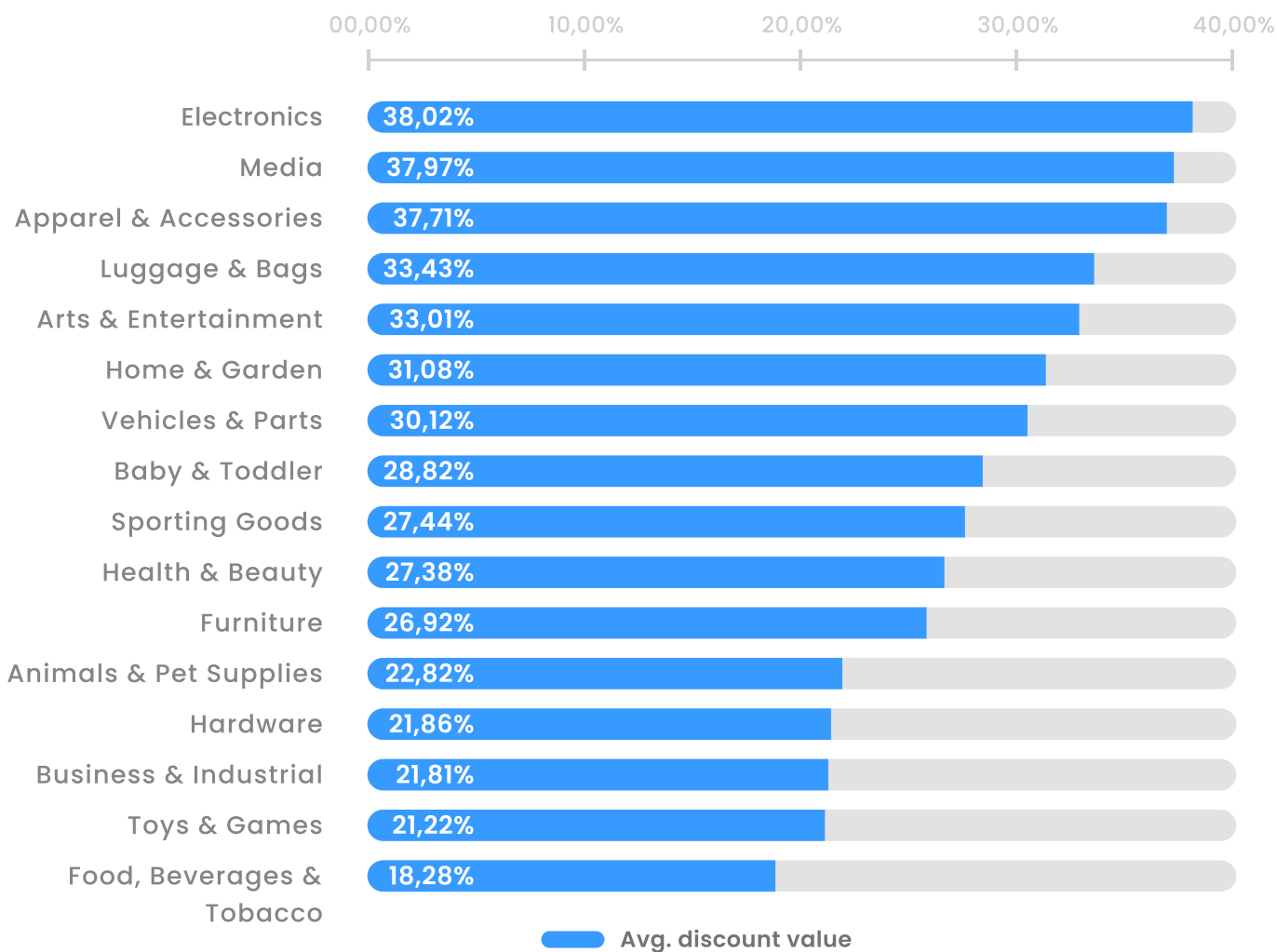
# As inflation rises, consider discount tactics

As inflation rises and shoppers consider cheaper alternatives, introducing discount strategies becomes a more popular tactic across all industries.

Between 2022 and 2023, retailers applied discounts to more of their inventory than before. Here are the average discounts values offered by each industry in 2023:

**Average discount value, by industry sector**

Q2 2023 | DataFeedWatch anonymized data



In order to increase your potential for conversions, but not lose too much of your profit margin, you need to approach your discount strategy sensibly.

## 1) Consider your main objective before crafting a discount strategy

Setting clear goals is essential when implementing discounts, as different objectives require tailored approaches to avoid potential harm to your business. Common goals include:

- **Increasing sales**

TIP: To achieve increased sales, consider volume discounts or bundling discounts.

- **Clearing out old stock**

TIP: When dealing with old stock, prioritize rapid movement rather than high-profit margins.

- **Gaining new customers**

TIP: Offering discounts to new customers lowers their perceived risk.

- **Retaining current customers**

TIP: Retaining current customers can be facilitated through loyalty discounts.

## 2) Be mindful of your customer base and their preferences

TIP: Discounts may affect your customers' buying behavior. Personalized discounts based on behavioral segmentation (based on your customers' needs and actions) can be effective.

## 3) Make sure your discounts add value

TIP: Adding value to discounts, meaning giving something to customers that they actually really desire but don't get easily or often, is essential to ensure they enhance your brand rather than devalue it. Gift-with-purchase (GWP) strategies can achieve this goal.

## **4) Define your target customer base and build strong relationships with them**

TIP: For guaranteed profits, focus on targeted marketing and prioritize customer retention strategies. It's worth investing in cost-effective technologies that can help you achieve this.

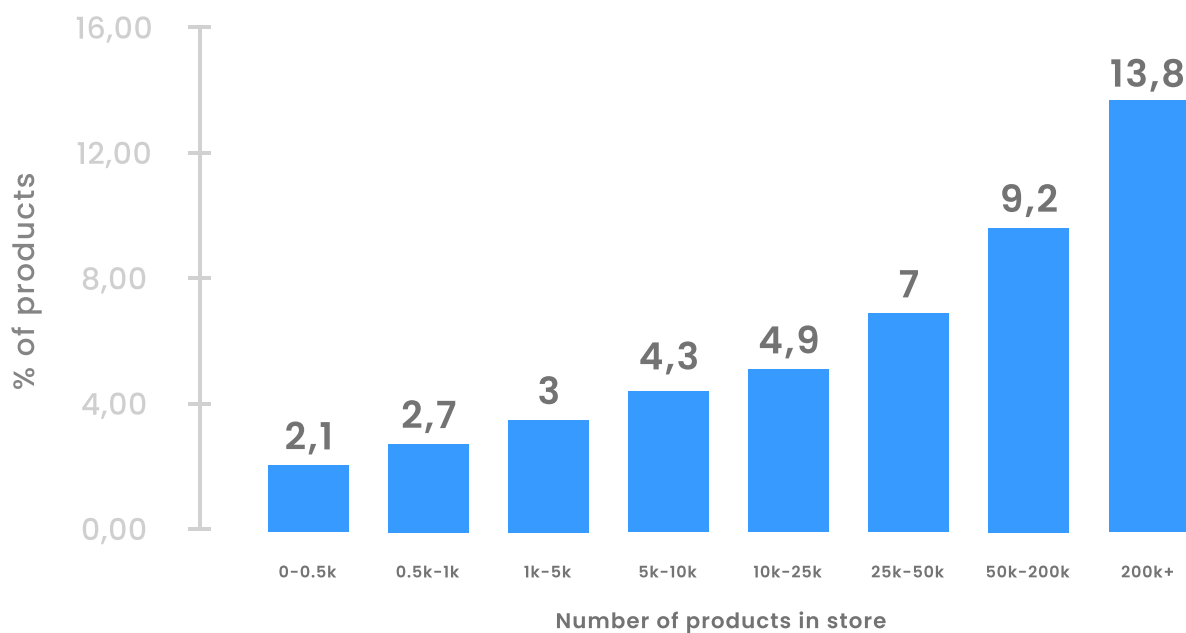
## 2.2

# Prepare your channel strategy to get ahead of the competition

Bigger changes in multichannel advertising are being observed among larger retailers. Driven by cost-conscious policies, large companies and agencies selling more than 50k products reduced the number of channels they sold on compared to the second quarter of 2022, by an average of 1.5 channels.

However, the number of channels used by medium-sized stores and agencies has been stable over the past year, with slight fluctuations.

Average number of channels per store size  
Q2 2023 | DataFeedWatch anonymized data



### 1) Recommended channel strategy for companies advertising 200k + products

Businesses dealing with more than 200k products advertise on 14 channels on average.

If your business is managing a similar product volume and your aim is

to advertise most product categories – not only the top sellers – you need to be present on all the channels where your competitors are in order to be competitive. Analyze the top 14 channels used in your sector and win over your competitors' audiences on the same channels.

The most popular channels for most product categories are Google Shopping, Facebook, Pinterest and Bing, as well as industry-specific custom channels. Others should be chosen depending on the specific sector you operate in.

## **2) Recommended channel strategy for companies advertising 25k-200k products**

The average number of channels used by businesses managing 25-200k products are 7 to 9.

If the number of products you sell and advertise falls within this range, be sure to analyze the top 9 channels and apply a similar tactic of diversified multichannel presence as your competitors do. This will make your offer competitive.

Top channels you should consider include Google Shopping, Facebook, industry-specific custom channels, and a few more depending on your sector: Amazon, Pinterest, Google Search Ads, eBay, etc.

## **3) Recommended channel strategy for companies advertising 10k-25k items**

Smaller businesses offering 10k-25k items in their catalog usually allocate their budget proportionally to the top 4-5 channels used in a specific sector.

The typical choices for all businesses are Google Shopping, Facebook, an industry-specific niche channel, in addition to either Bing, Pinterest, or Amazon. To be competitive, you should also consider advertising on these channels.

## **4) Recommended channel strategies for companies advertising less than 10k products**

Shops with less than 10k items that want to become more recognized in their industry and stay competitive in the local market, usually stay within

the equation of the 3 most popular channels: Google Shopping + Facebook + industry-specific custom channel.

If you want to succeed as a small business, you need to be present on the same top channels as your direct competitors.

**TOP 15 most popular channels per industry**

Q2 2023 | DataFeedWatch anonymized data

Apparel Sector	
1	Facebook
2	Google Shopping
3	Custom channel
4	Pinterest
5	Bing
6	Criteo
7	Awin
8	Amazon
9	TikTok
10	Google Search Ads
11	Google local product inventory
12	Shareasale
13	Google Manufacturer Feed
14	PriceRunner
15	Snapchat

Electronics Sector	
1	Google Shopping
2	Custom channel
3	Facebook
4	Amazon
5	Google Search Ads
6	eBay
7	Bing
8	PriceRunner
9	Criteo
10	Partner-ads
11	TikTok
12	Pinterest
13	Idealo
14	Google local product inventory
15	Adtraction.com

Home & Garden Sector	
1	Google Shopping
2	Custom channel
3	Facebook
4	Pinterest
5	Amazon
6	Google Search Ads
7	eBay
8	Bing
9	PriceRunner

Home & Garden Sector	
10	Criteo
11	TikTok
12	Idealo
13	Google local product inventory
14	Awin
15	Google local products

**Furniture Sector**

1 Google Shopping

2 Facebook

3 Custom channel

4 Pinterest

5 Bing

6 PriceRunner

7 Google Search Ads

8 Criteo

9 Amazon

10 Google local product inventory

11 Bol

12 Google local product inventory

13 Prisjakt

14 Adroll

15 Snapchat

**Health & Beauty Sector**

1 Google Shopping

2 Facebook

3 Custom channel

4 Bing

5 Pinterest

6 Google local product inventory

7 TikTok

8 Google Search Ads

9 Amazon

10 Criteo

11 PricerRunner

12 eBay

13 Shareasale

14 Awin

15 adtraction.com



## 2.3

## Look at the competitiveness and stock levels of your industry before expanding

Besides the size of your company's product catalog, keep in mind that there is another perspective you should consider when deciding on the number of channels to use.



"Strategically diversifying your ecommerce presence is crucial. At Cart.com, having the privilege to observe the daily operations of leading ecommerce players, we've identified pivotal strategies for multichannel expansion:

- Sector Benchmarking:** Always start by studying your sector's benchmarks. This reveals which channels are most compatible with businesses like yours, guiding your multichannel approach.
- Align your advertising strategy with stock levels.** If you're flush with stock for a particular item, it's an opportune time to cast a wide net across various channels. Conversely, items with dwindling stock levels might not be the best candidates for aggressive advertising. Why pump advertising dollars into a product that's likely to sell out organically?
- Remember, one size doesn't fit all:** Different products shine on different platforms. Segment your offerings to match platforms with the most relevant products. Such specificity can boost your brand's resonance on each channel.

While it's challenging to balance these factors and adapt swiftly, there are solutions that enable flexible management of multichannel presence, inventory, and other key commerce operations. Cart.com proudly stands as a solution that combines it all."

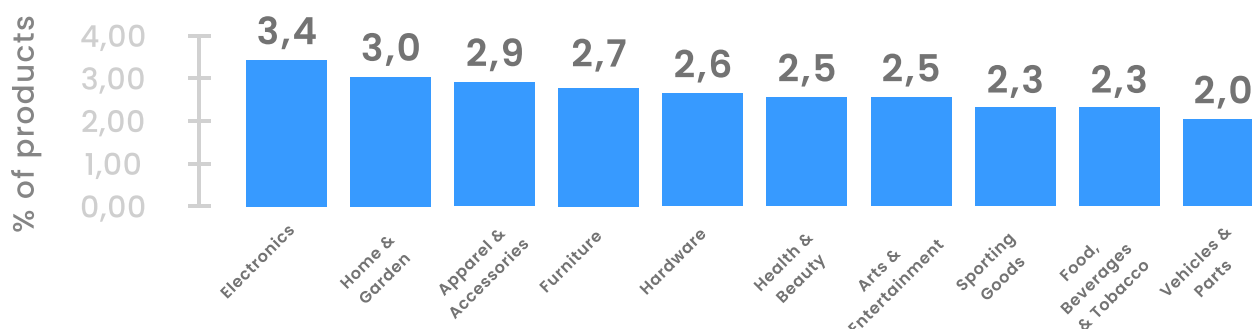
Omaid Tariq | CEO & Co-Founder, Cart.com



Your approach may change slightly whether your sector is highly competitive or not. In a more competitive industry, you should be visible on more channels, even though your stock may be lower.

### Average number of channels per industry

Q2 2023 | DataFeedWatch anonymized data



## 2.4

# Consider Amazon ranks to determine your industry competitiveness

For Amazon sellers, just like any other online retailers, the benchmarking step is crucial before making any strategic decisions regarding marketing efforts. What helps you set those benchmarks is the Amazon Best Seller Rank metric.

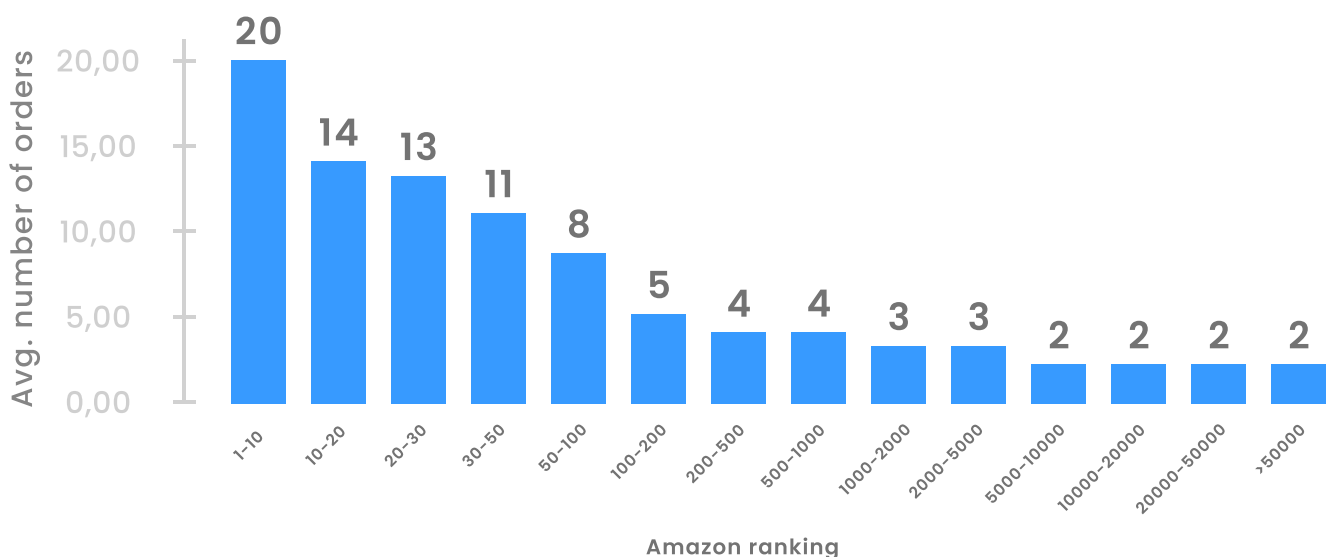
Amazon sellers rank is a reflection of a product performance in the Amazon store that compares it to other products listed in the same category. While a product's rank doesn't improve sales on its own, you can treat it as an estimation of its demand and make strategic decisions about what products to invest in based on it.

As a general rule, the lower your rank is (such as 1 or 2) the more popular your product might be among buyers and there's a higher chance of you selling out of your stock.

### Methodology:

The reports in this study are based on a data sample snapshot from our partner SellerActive by Cart.com. The sample consists of 461 Amazon sellers and +15.4 million orders tested over a period of 2.5 years. The data was only collected from US-based merchants.

**Amazon rank vs. number of orders**  
Q2 2023 | SellerActive anonymized data

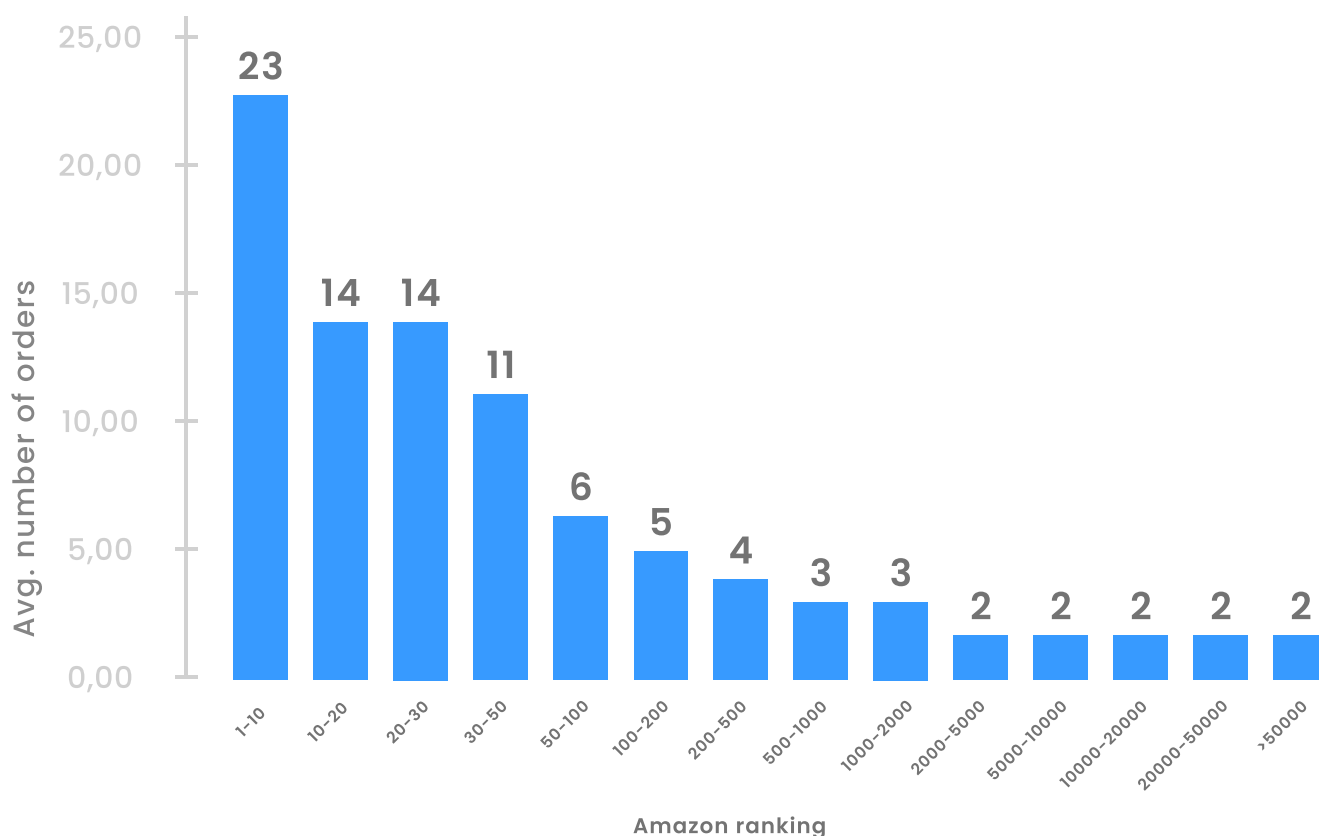


For example, while looking at data from March 2023, it's noticeable that, on average, more orders were placed for products positioning between rank 1-10. The lower the positions (higher numbers), the less orders are made.

As of 2023, rankings 1-10, 10-20 and 20-30 gradually evened out compared to the years before. Previously, it was only the TOP 10 positions that captured the most sales leaving positions 20 and 30 far off the ladder. This translates to buyers considering purchasing less popular items more often than ever before.

**Amazon rank vs. number of orders**

Q2 2023 | SellerActive anonymized data



*"In the stock market, past performance does not predict future results, but on Amazon, it generally does. The best way to forecast order volume for upcoming quarters is to look at how products in those categories did in previous quarters and in a year over year comparison. If you need to understand the upcoming demand for a product that hasn't gone through a season of selling yet, you can find other products with similar sales ranks in the same category that have. By analyzing those, you can see how their order volume changed during their peak selling months and use that data to give you an understanding of how your product will perform."*

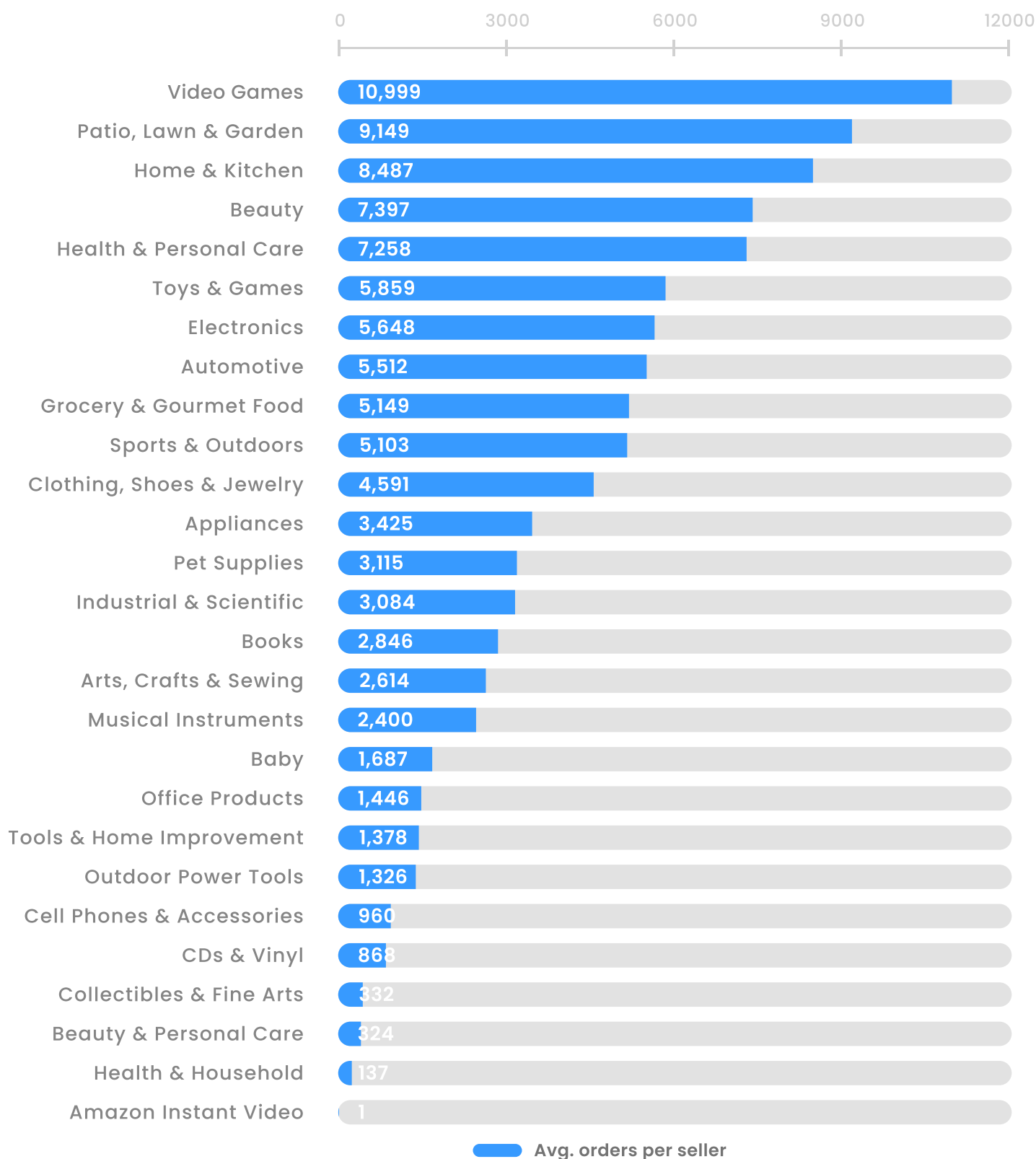
Jason Harra | General Manager of Product Marketplaces at Cart.com



Want to know how many orders per 1 seller are placed in your industry sector on average? Here's a list of the top ranking categories per order level in Q1 2023. Check where you're at:

**Average orders per seller per category**

Q2 2023 | SellerActive anonymized data

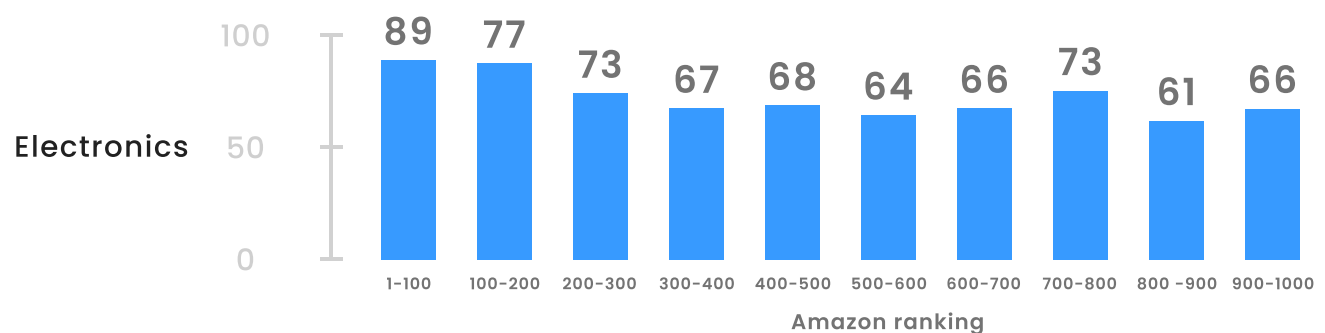
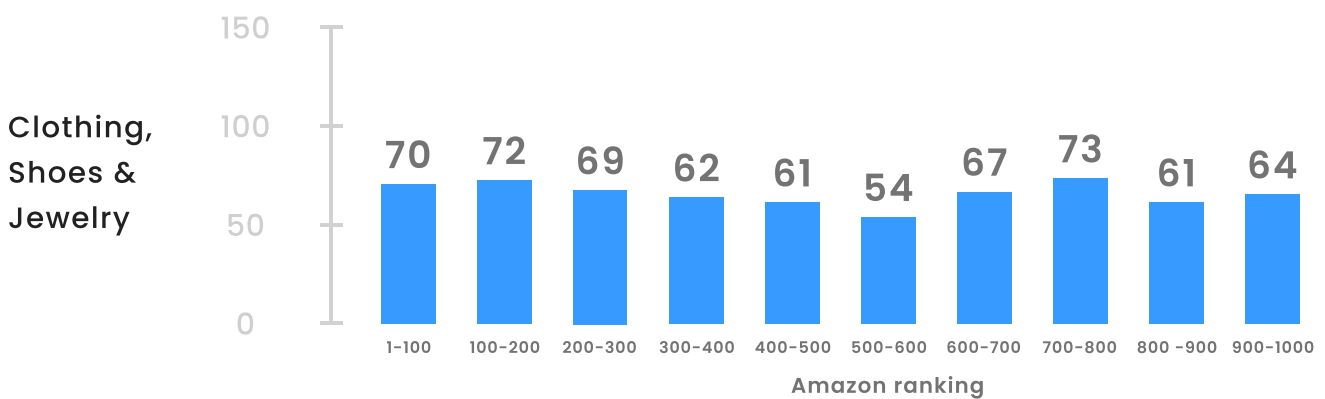
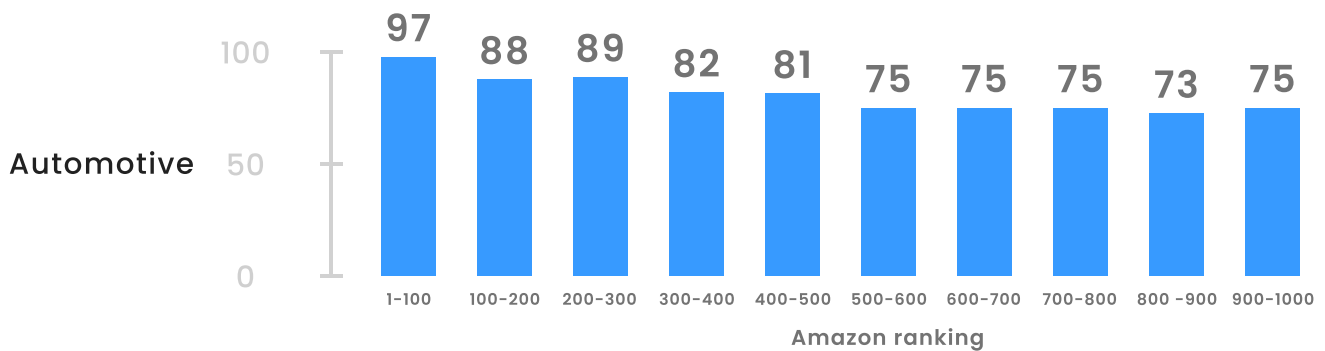


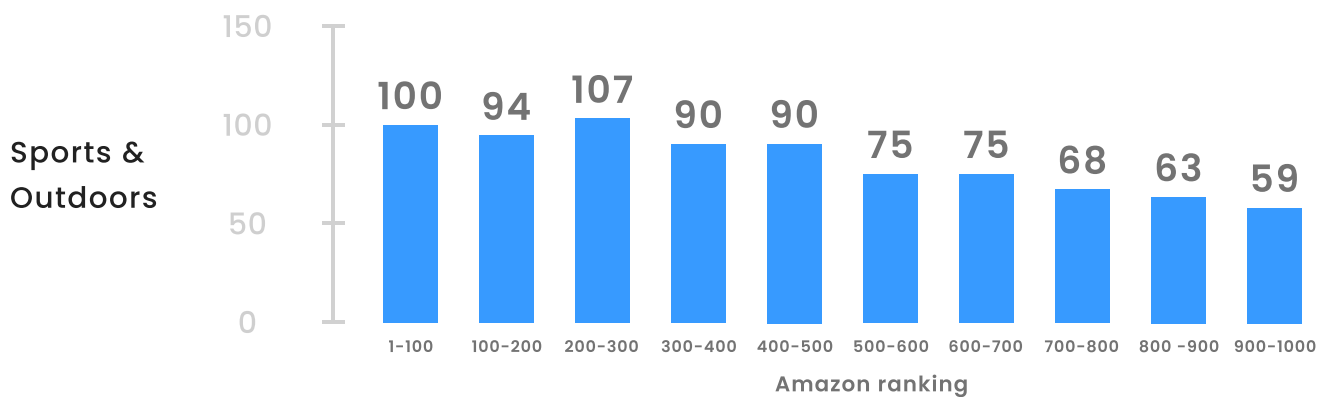
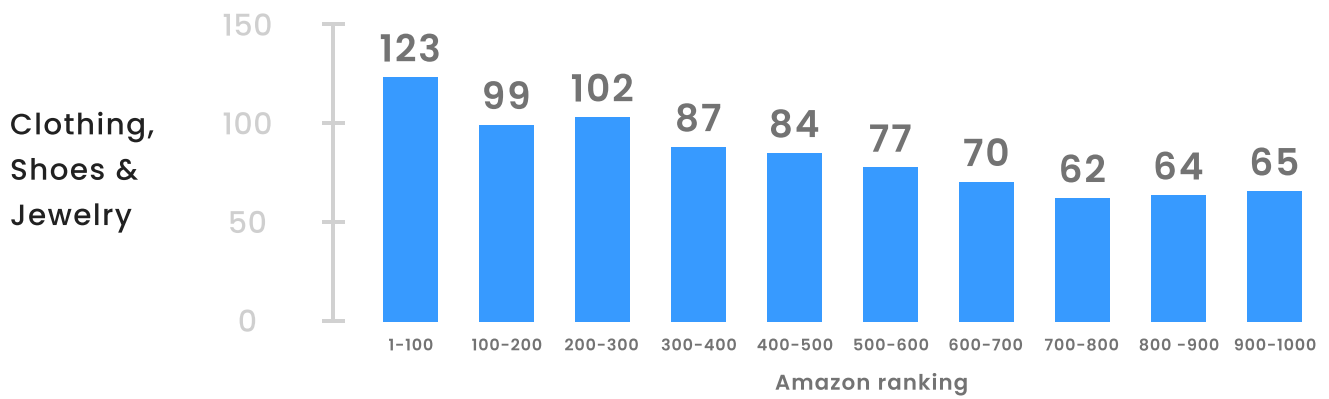
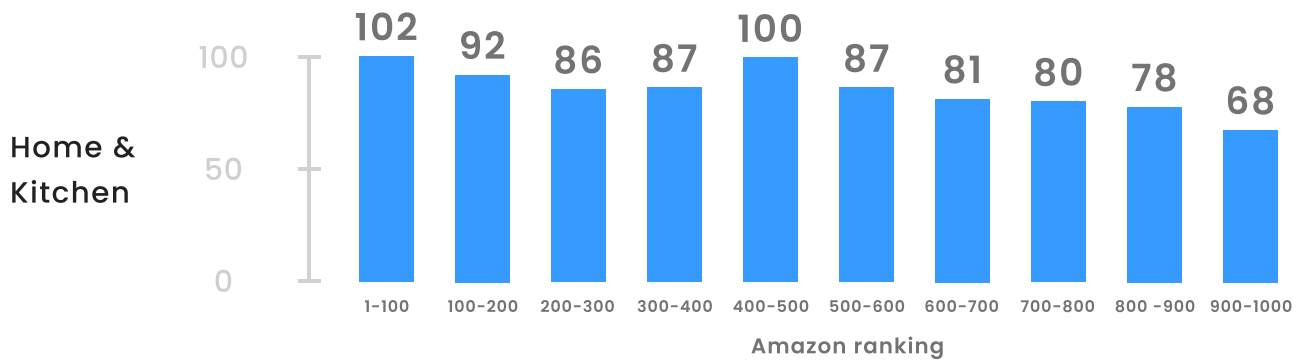
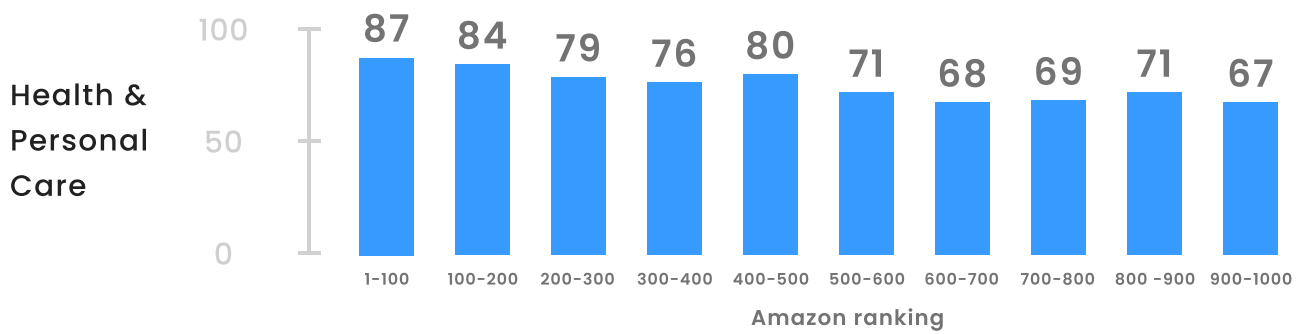
To see a reliable benchmark of how much competition you have for a specific rank in your category, consider the statistics below. According to the Q1 2023 data, almost every industry presents the following pattern – the lower your ranking number, the more challenging it will be for you to stand out against your competition.

Positions from 1 to 100 showcase the biggest merchant density in almost every category. That means boosting your rank will drive more sales as long as you optimize your product listing to stand out against other sellers.

**Amazon rank vs number of sellers per category**

Q2 2023 | SellerActive anonymized data





"The number one thing you can do to sell more of a single product on Amazon and activate a higher ranking, beyond buying Amazon ads, is to improve your product keywords. Think about what is relevant to the buyer and what differentiates your product in its category from other products. You can test the value of these keywords by searching on Amazon itself in the relevant categories. For primary keywords, the ones that are most important for your product, consider adding a few variations or synonyms. Don't overdo it though. Adding too many keywords can flag your product for keyword stuffing and negatively impact your ranking."

Jason Harra | General Manager of Product Marketplaces at Cart.com

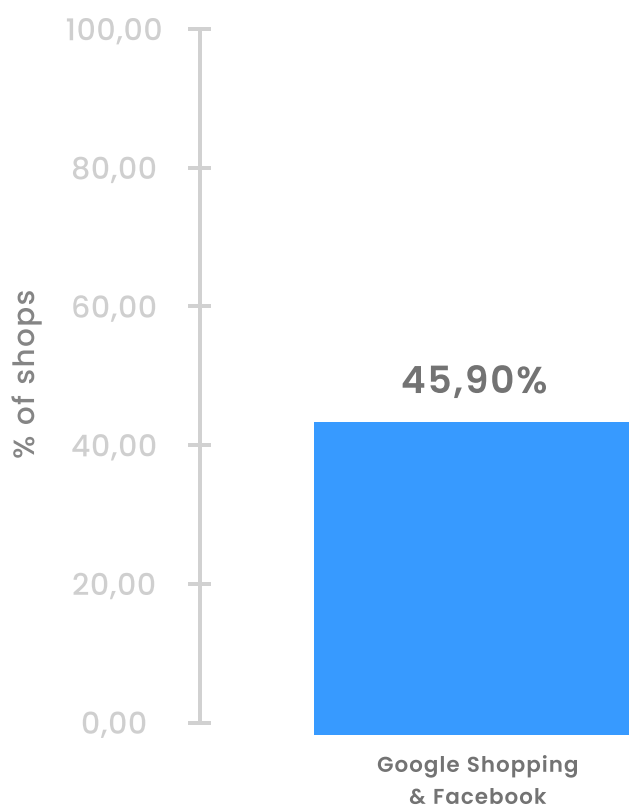


## 2.5

### Pair your Google Ads with Social Ads

Google and Facebook are the most recommended pair of channels to consider regardless of size or industry type. As of 2023, they are used simultaneously by nearly 46% of all online advertisers. This is a strategy with a lot of potential, given the growing trend throughout the years.

Percentage of shops advertising on Google Shopping & Facebook  
Q2 2023 | DataFeedWatch anonymized data



The argument in favor of using Facebook is that incorporating social media into advertising strategies has become even more common for companies this year than in 2022. As of 2023, more than 57% of companies use social advertising, including Facebook and other social platforms, as part of their marketing strategy.

Moreover, Facebook's feed requirements are similar to Google's, so it doesn't take much effort to roll out your product catalog to this social channel.



"One of the biggest questions I've been asked over the years working in eCommerce advertising is this: Why doesn't Meta Ads work for me? Why doesn't Google Ads work for me?"

The answer often lies in the fact that these businesses have found significant success in one channel and are puzzled when they can't replicate that success in another. To achieve success across multiple channels, it's crucial to evaluate the customer journey in each marketing channel and understand the requisites to make it a success.

**Consider the customer journey on Meta Ads:**

1. A highly targeted ad creative displays your product.
2. Meta's algorithm presents it to individuals likely to purchase.
3. A custom landing page further informs potential customers about your product.
4. The product page is streamlined, focusing solely on conversion, as the preceding steps have done the heavy lifting in terms of selling.

**Now, contrast this with the journey on Google Shopping Ads for a similar ecommerce business:**

1. A consumer searches for a product.
2. Your relevant product ad appears.
3. The consumer is directed to a product page that's solely designed for conversion.

Notice the difference? The multiple touchpoints that made your Meta Ads campaign a success are absent in the Google Ads approach. Conversely, if you've optimized your website for Google Ads and wish to venture into Meta Ads, you might face challenges. While you may have a well-designed website from a Search perspective, you don't have the processes ready to produce engaging ad creatives or specialized landing pages.

Diving into a new marketing channel without understanding its unique requirements is a common pitfall. This is often why many ecommerce businesses excel in only one marketing channel."

**Andrew Lolk | Founder of SavvyRevenue**





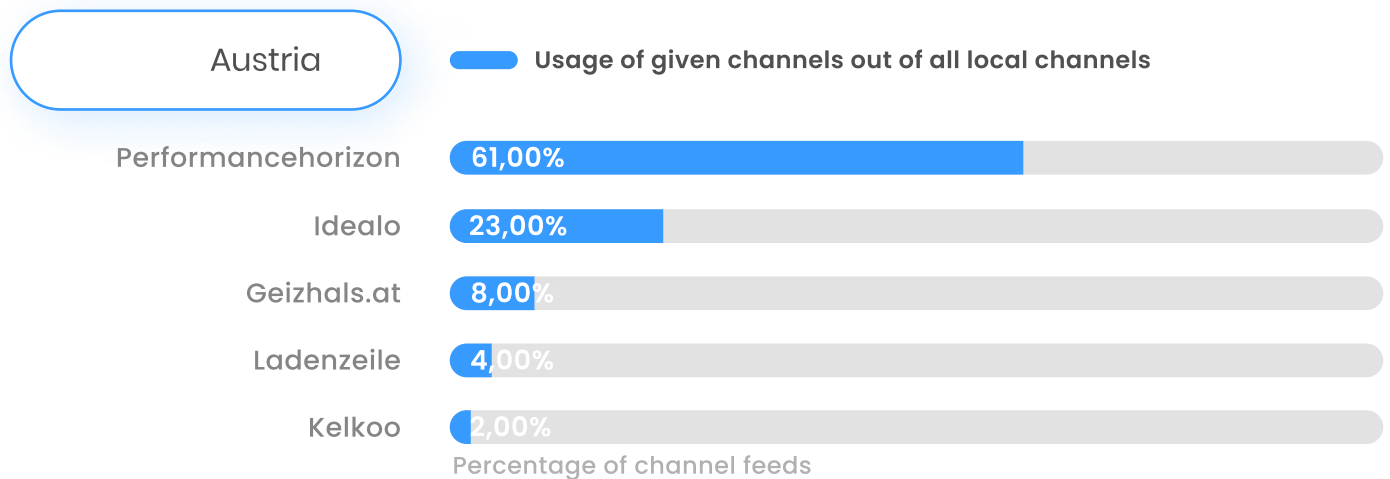
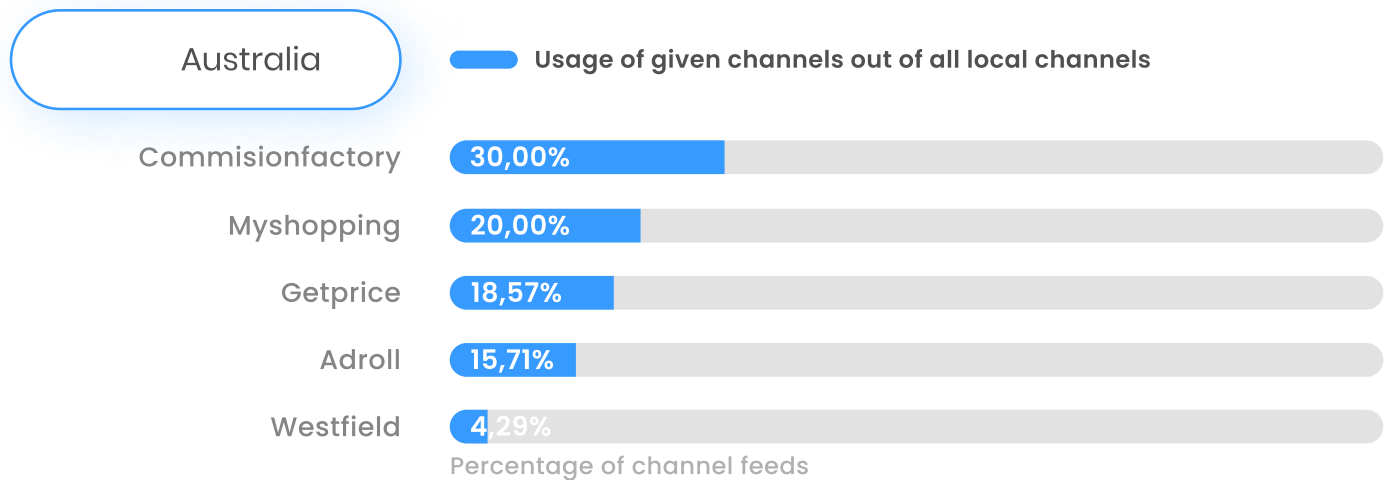
## 2.6

# Want to find loyal customers? Expand to your local channels

The multichannel approach broadens your reach, builds trust, allows personalized marketing, and mitigates risks associated with relying solely on one platform. Embracing multichannel strategies can lead to sustainable growth and success in both global and local markets. If attracting more sales in your local area is an important part of your marketing strategy, consider expanding your advertising efforts to one of your country's most popular local channels.

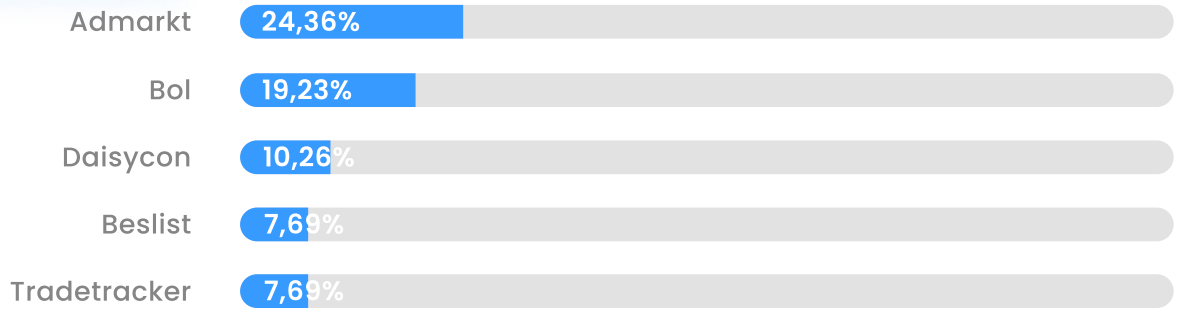
Here's the list of the key local channels in each country for 2023:

**Popular local channels per country**  
Q2 2023 | DataFeedWatch anonymized data



Belgium

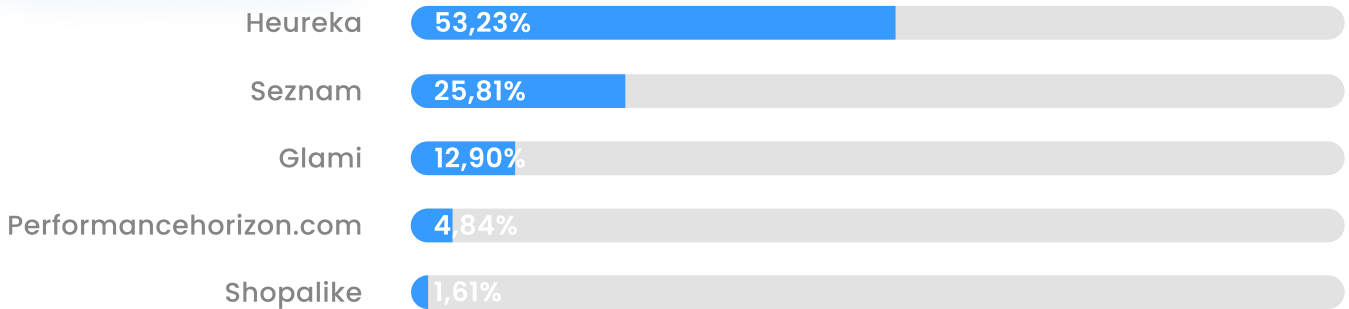
Usage of given channels out of all local channels



Percentage of channel feeds

Czech Republic

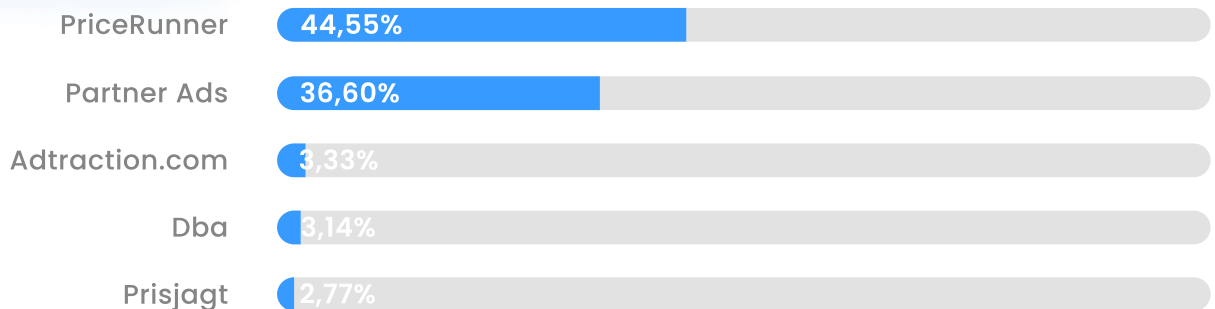
Usage of given channels out of all local channels



Percentage of channel feeds

Denmark

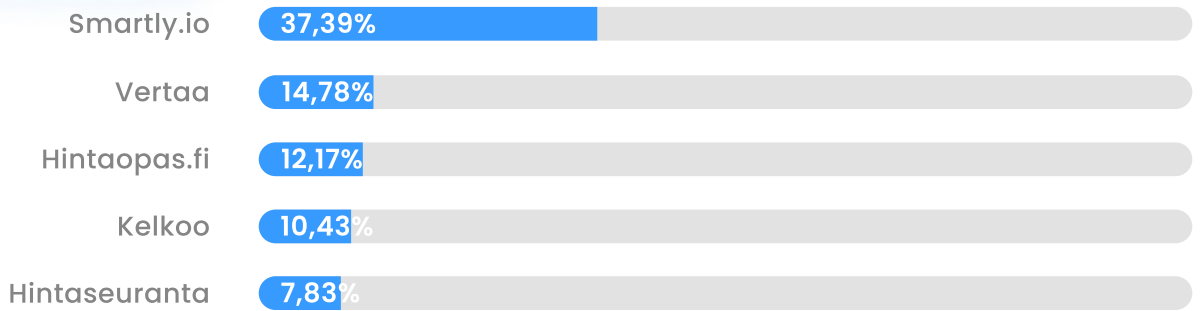
Usage of given channels out of all local channels



Percentage of channel feeds

Finland

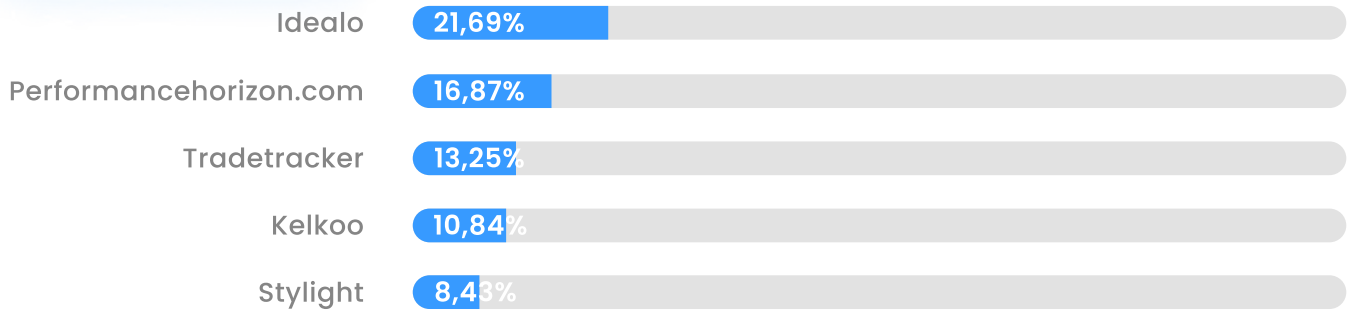
Usage of given channels out of all local channels



Percentage of channel feeds

France

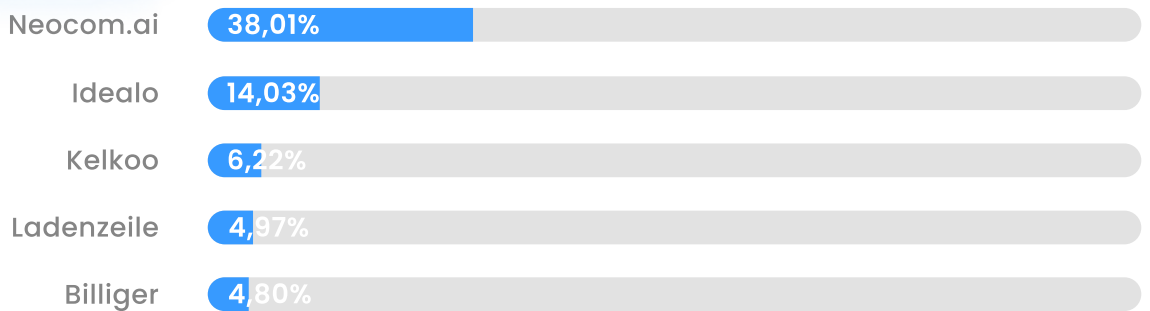
Usage of given channels out of all local channels



Percentage of channel feeds

Germany

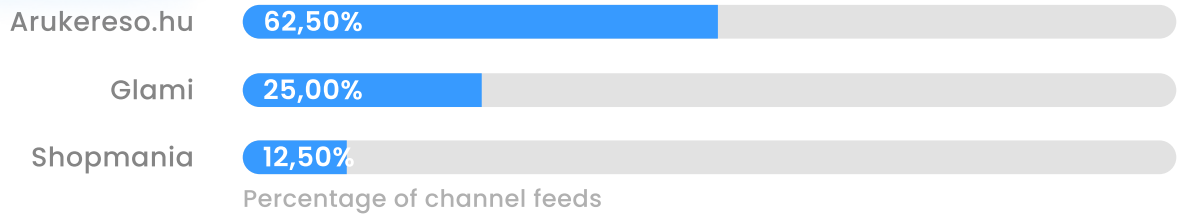
Usage of given channels out of all local channels



Percentage of channel feeds

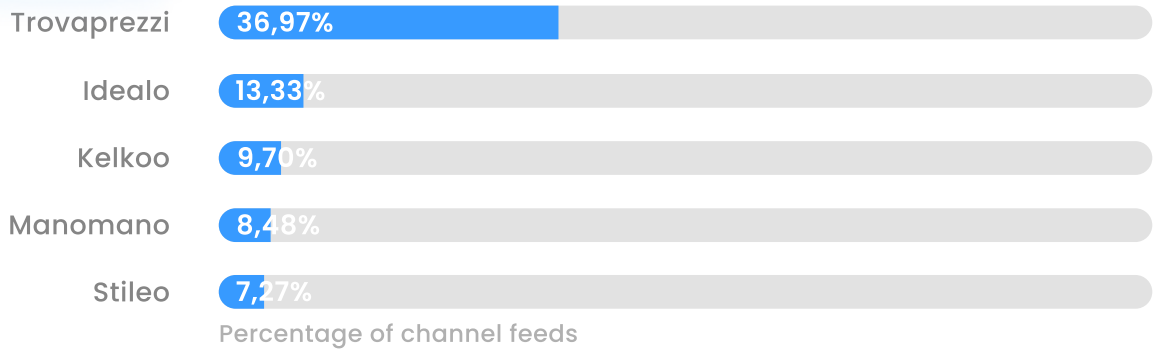
Hungary

Usage of given channels out of all local channels



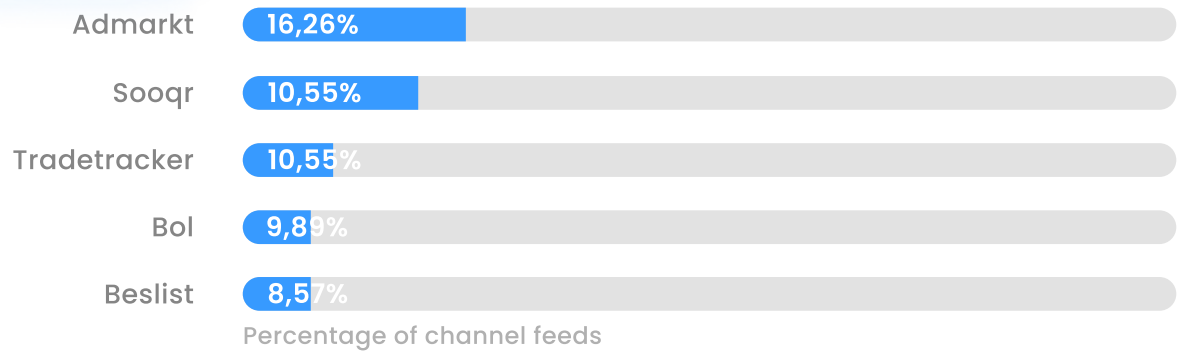
Italy

Usage of given channels out of all local channels



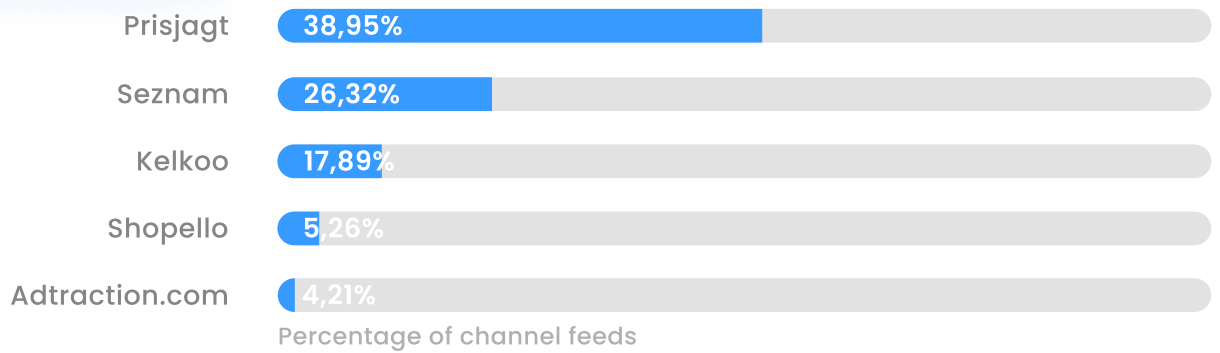
Netherlands

Usage of given channels out of all local channels



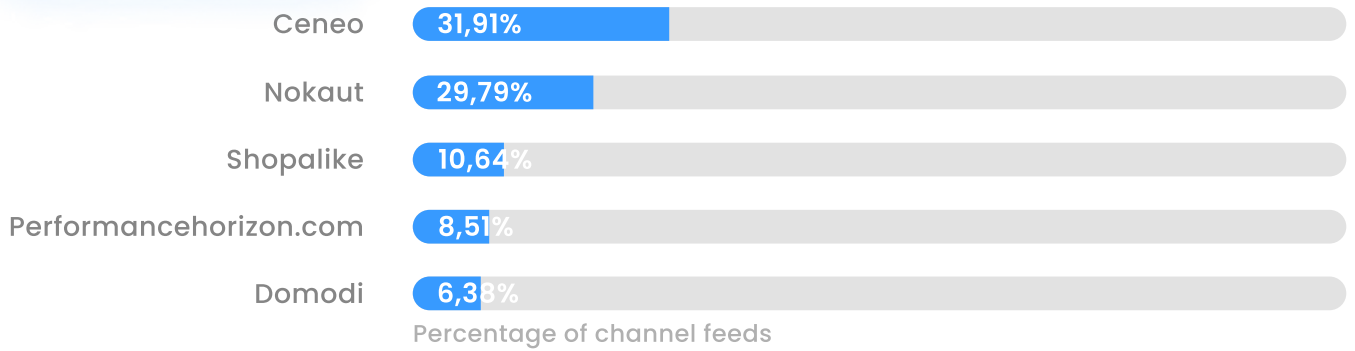
Norway

Usage of given channels out of all local channels



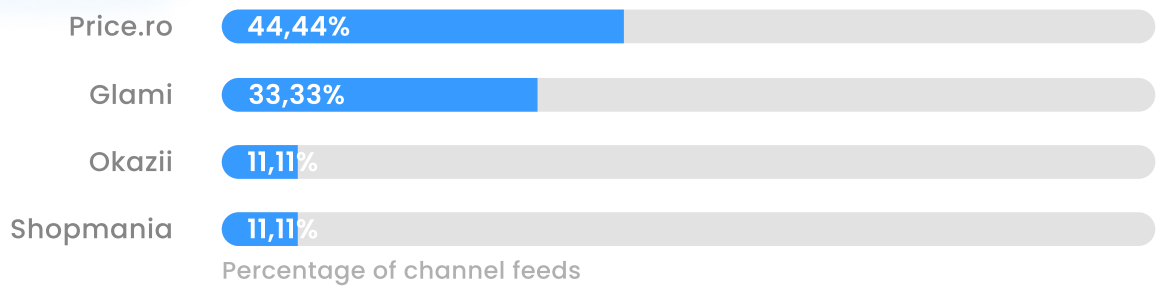
Poland

Usage of given channels out of all local channels



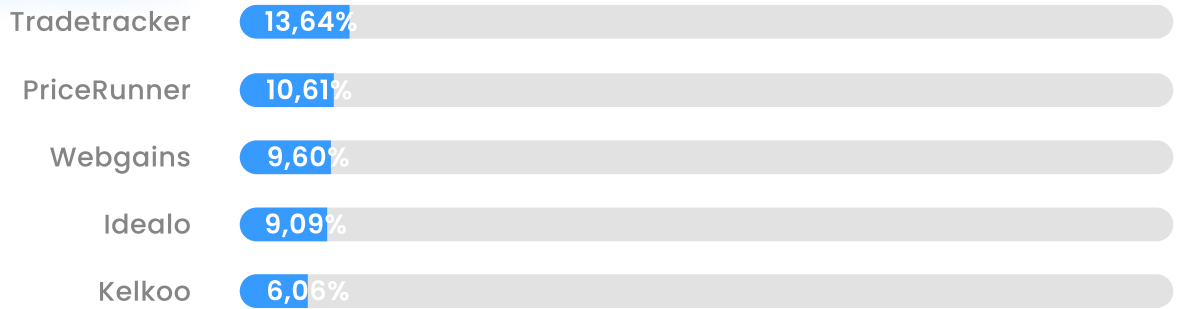
Romania

Usage of given channels out of all local channels



United Kingdom

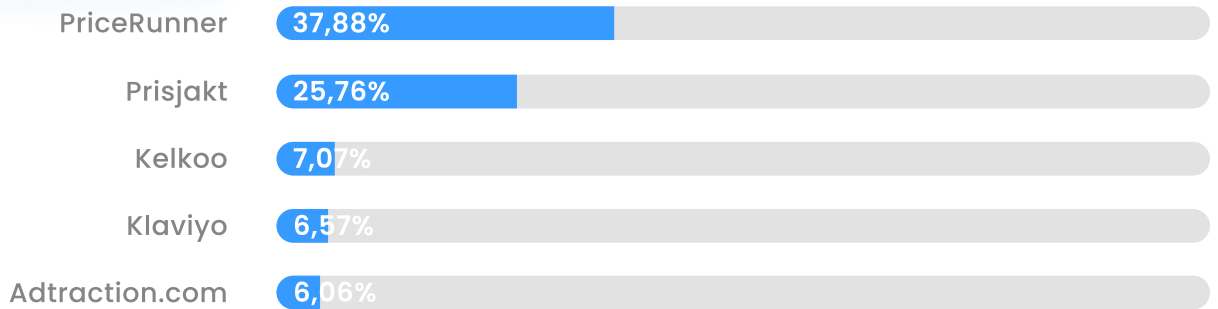
Usage of given channels out of all local channels



Percentage of channel feeds

Sweden

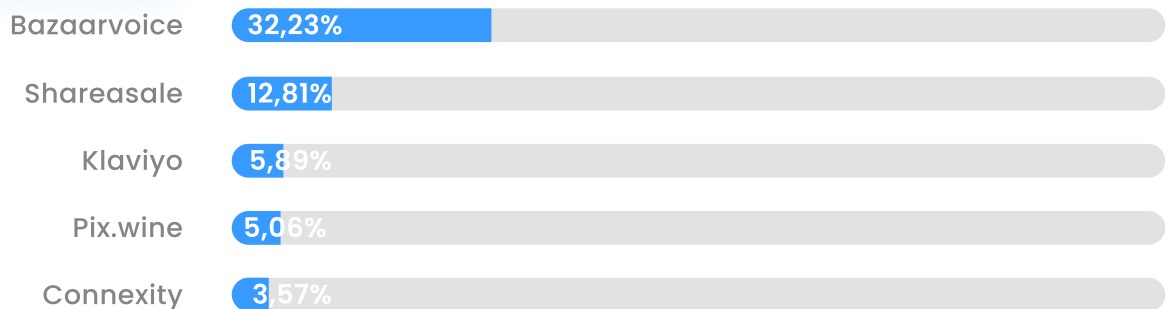
Usage of given channels out of all local channels



Percentage of channel feeds

United States

Usage of given channels out of all local channels



Percentage of channel feeds

## 2.7

# Want to increase your reach? Expand to other languages

For marketers looking to expand their reach through international advertising, starting with ads that are not in their native language can serve as a quick way to enter the market.

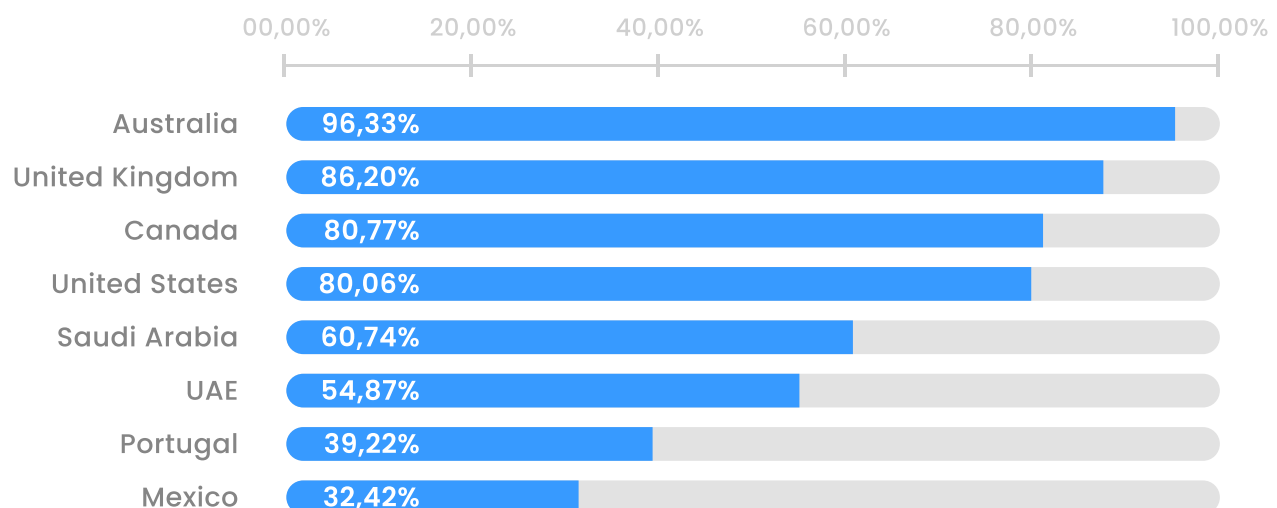
However, this approach has its drawbacks, such as lower visibility potential and possibly lower conversion rates compared to product listings of the same items presented in the local language.

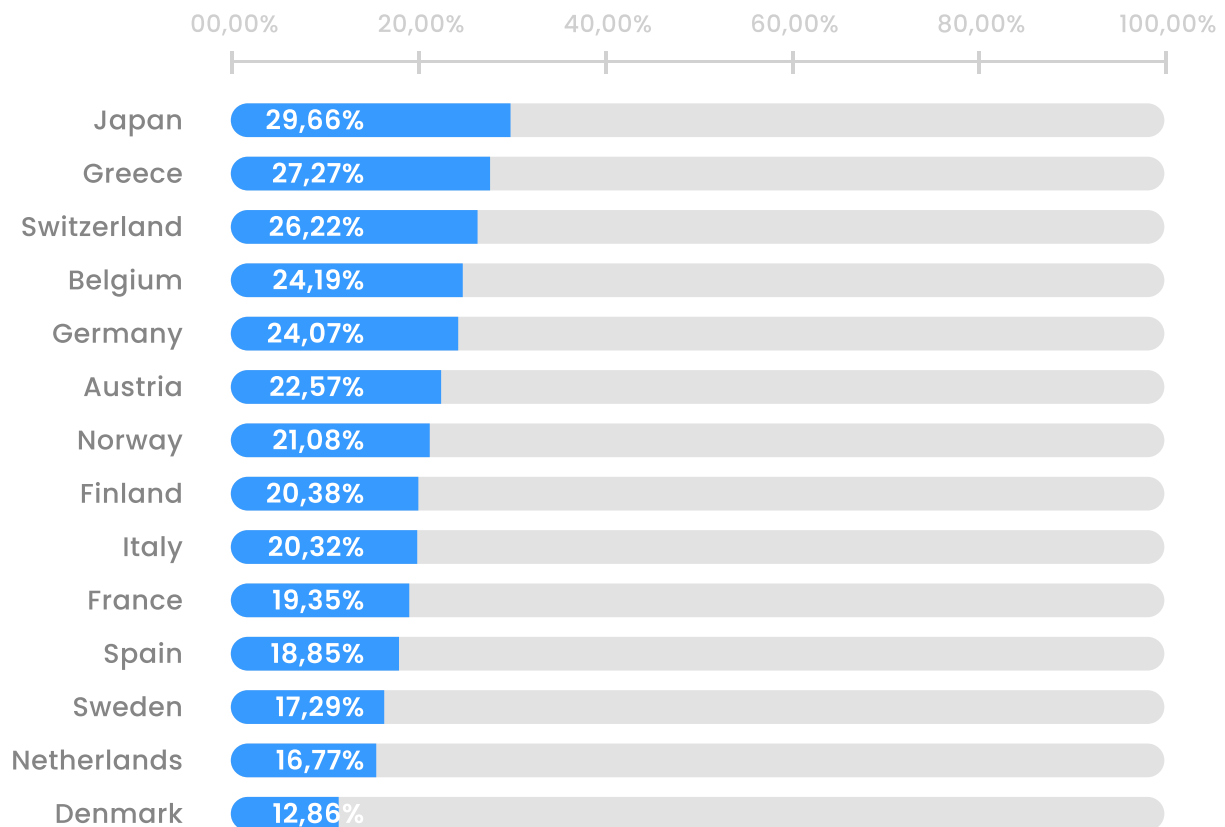
As for language choice - nearly 1 in 4 product listings in a given country is displayed in English. This makes it the most common second language used to advertise in countries with a different primary language. Countries like the Saudi Arabia, United Arab Emirates, Portugal and Mexico are leading in the adoption of English product ads. They have an average of more than 20% of product feeds submitted in English rather than the primary language of the target country.

It's interesting to note that English-speaking countries like Australia, the UK, Canada and the US also have ads in languages other than English. For example, almost 20% of ads in the US are in other languages, likely targeting international residents.

### English language usage in ads per country

Q2 2023 | DataFeedWatch anonymized data





**Here are some tips on running international campaigns:**

### 1) Create a data feed in a supported language

Running ads in countries where a different language is spoken is good to start with. However, if you're thinking seriously about advertising abroad, it's recommended that you prepare a data feed in the supported language and currency of the countries where you want to expand your business.

### 2) Exclude unsuitable products for specific countries

Some products sell well in one country but not so much in others. And sometimes, selling some items is not even allowed in certain places. Make sure you exclude any products from your feed that are not suitable for your chosen country.

### 3) Follow Google's policies and specifications

To set up Google Shopping for multiple countries, ensure the language and currency are supported in the countries you're expanding to and create new



shopping targeting your desired countries. Also check product feed specifications and shopping policies.

#### **4) Translate the entire customer journey**

When you're translating a specific webpage, remember to translate the whole customer journey, including things like the checkout and thank you page. This will make things easy for the customer and help build trust. Don't make it confusing by leading customers to a page in their language and then suddenly switching back to another language and currency for the rest of the process.

## 2.8

# Add supplementary data to boost your advertising efforts

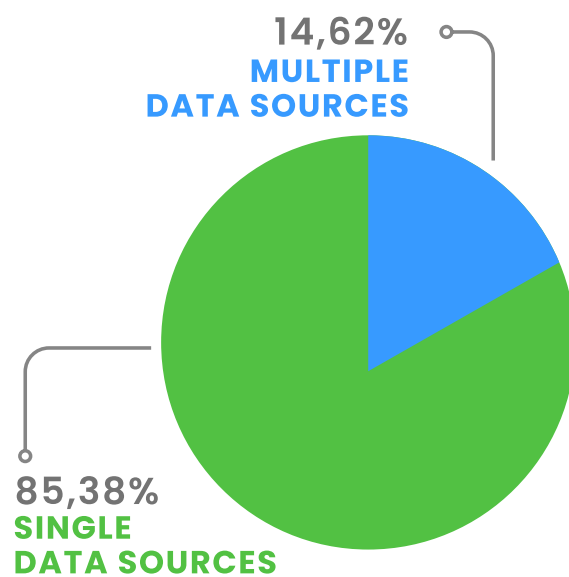
Enriching your product data with supplementary data sources may be an effective strategy, but is not widely practiced among advertisers.

As of 2023, only 14.62% of advertisers add supplementary data to enrich their campaigns.

This means that in addition to the primary feed, which is usually a shop data export, 1 out of every 10 advertisers provide extra product details using secondary data sources. This is often to make up for the data gaps in the feed and meet the ad platform's requirements, or improve campaign performance by including actionable data for PPC campaign segmentation and optimization (e.g. profit margin data).

### Percentage of advertisers who use secondary data source(s) in their feeds

Q2 2023 | DataFeedWatch anonymized data



*"Here's something no one wants to hear. When it comes to online marketing data, there's no such thing as a "single source of truth". The world is moving full speed into a privacy-first paradigm, corporations are using data as weapons in veiled games of statecraft, and broad and sweeping legislation is forcing blinders and limitations on data acquisition, all while user engagement gets more complex and sophisticated. The idea that you can collect and rely on a single source of data is absolute hubris and, frankly, a deadly assumption that will leave you in the dust before the race even starts.*

*The name of the game is going to be diversification. You need to capture as much data as you can from as many available sources as possible and then use the variations to reconcile against each other in order to determine what the "truth" really is. Spoiler alert: You'll never get there. Not entirely. However, whoever gets the closest wins. And they don't just win, they win big. As with all leverageable activities, they win the majority of the prizes available to be won, and the remainder of the competition gets to fight over the scraps."*

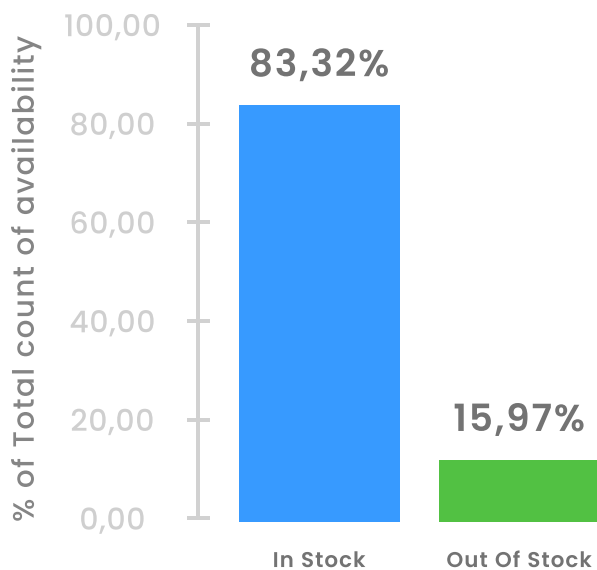
Kasim Aslam | founder and CEO, Solutions 8



## 2.9

# Don't waste your budget on advertising out-of-stock products

Product availability in paid advertising  
Q2 2023 | DataFeedWatch anonymized data



Based on the latest statistics, it has been revealed that approximately 16% of all items advertised are currently unavailable for purchase due to being out-of-stock.

The percentage has remained at a similar level throughout 2022 and 2023. This highlights the importance of taking proactive action to avoid wasting your marketing budget on promoting these inaccessible products.

The best way to do it is by:

### 1) Excluding out-of-stock items

Major eCommerce platforms, such as Google Shopping, automatically stop displaying ads for items that are sold out to prevent a bad shopping experience. However, some other channels might keep showing ads for products even if they're not available, possibly resulting in paying for clicks that don't turn into sales.

Consider using a [feed management tool](#) where you can create a rule based on quantity or availability information from your feed. This way, you can filter out unavailable products and simply exclude them until you get them back in stock.

## 2) Running multiple daily updates on your product feed

If your store's inventory levels change frequently throughout the day, setting up multiple updates per day will keep your PPC campaigns fresh and prevent wasted budgets. It's recommended that you schedule up to 24 daily updates.

## CHAPTER 3

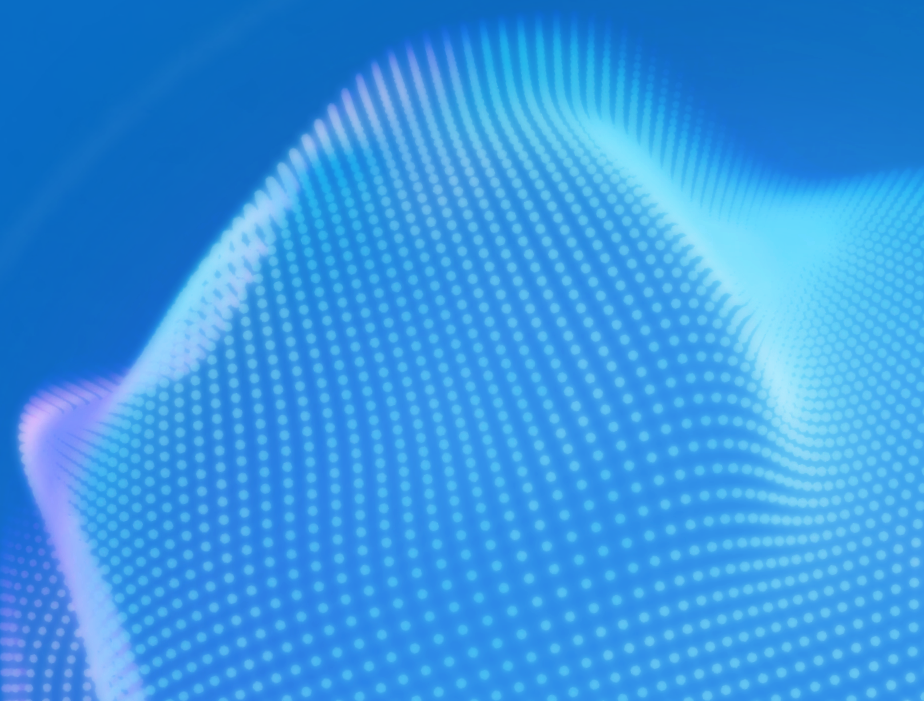
# Execution and Troubleshooting

Data-backed tips and strategies to enhance advertising campaign performance

### Highlights:

- eCommerce advertisers employ 4 core product data optimization tactics to fix errors and missing data in their feeds: creating custom labels, enhancing product titles, enhancing product descriptions, and fixing image links.
- Over half of all marketers recognize the benefit of not advertising every product in their catalog. 66.6% filter out unprofitable or out of stock products to save their ad budget from wasted clicks.
- Approximately 1 on 2 advertisers use custom labels to segment their products. Of those who use custom labels to achieve specific business objectives, 17.91% use sale status as the criteria for segmentation.

- 15% more merchants have started adding extra product images in 2023 than in 2022. This indicates a realization that providing shoppers with additional and varying images can sway first-time customers into making a purchase.
- Almost half of all advertisers encounter errors with GTINs, making it the number one reason for disapproved Google Shopping products. GTINs also come in first place for missing product data, leading to missed sale opportunities.



## Reports Inventory

- 3.1 [Custom labels and Titles are two primary areas of feed optimization](#)
- 3.2 [17.9 % of merchants groups products based on their sale status](#)
- 3.3 [66.6% of advertisers exclude unprofitable products from paid ads](#)
- 3.4 [32% of advertisers add multiple images to avoid ad fatigue and increase the possibility of first-time purchases](#)
- 3.5 [Magento-based sellers struggle the most with Google Shopping errors](#)
- 3.6 [Sort out your product identifiers to get ahead. Almost 1 in 2 merchants run into GTIN errors.](#)
- 3.7 [GTINs are the most commonly missed data feed attribute at 29.50%, leading to missed sale opportunities](#)

## 3.1

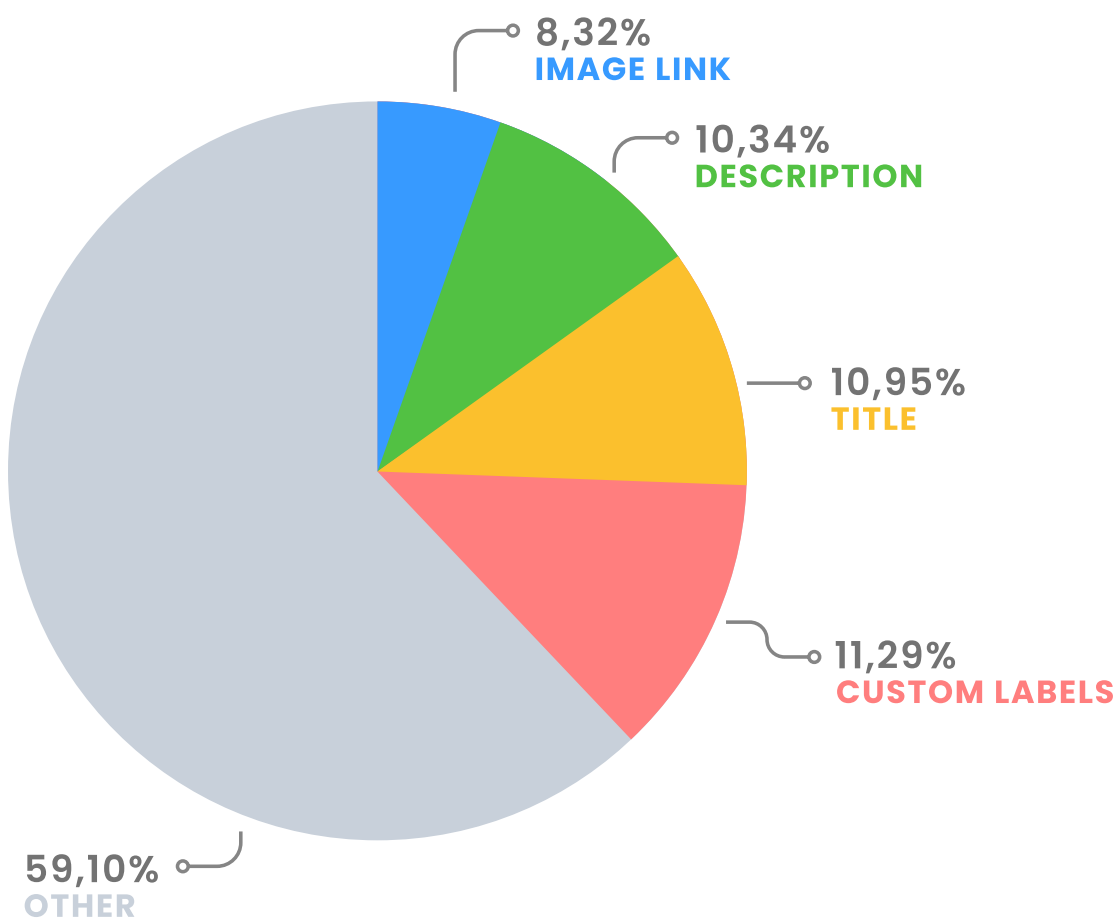
# Custom labels and titles are two primary areas of feed optimization

The original product data pulled from your store is most likely incomplete. Relying on this data 'as is' to create your PPC campaigns will greatly reduce your chances of reaching your advertising goals.

Merchants can optimize this data directly in their product feeds. The most common form of enhancing product feed data is through custom labels. While it doesn't directly improve the performance of your products, it does help by organizing your data and improving your bidding strategy structure.

### Attributes commonly optimized directly in product feeds

Q2 2023 | DataFeedWatch anonymized data





Custom labels can group your products into categories like:

- Seasonal items
- Selling rates
- Price margins
- Best sellers
- Newcomers

Well-executed, optimized custom labels can have a trifold positive effect on your PPC campaigns:

1. Stretching your budget further by not advertising products with low margins and purchase potential.
2. Sending more resources to your most profitable products so they can continue to perform well.
3. Increasing your ROAS by helping you distribute your advertising budget more effectively.

This means that you can apply more aggressive marketing to items in your catalog that have higher conversion potential. As a result, you're able to increase your chances of ranking higher in search results.

There are 3 other attributes that merchants frequently optimize, creating a group of core changes that can be applied. These will have the biggest impact on your campaigns. Product titles are enhanced by 10.95% of shops, product descriptions by 10.34%, and image links by 8.32%.

The data you choose to optimize can vary on a case-by-case basis, depending on your starting point. This is made apparent by the 59% of merchants who conduct other forms of optimization. Custom labels and titles are stand-out tactics, but there's a whole lot more to explore in your individual feeds.

## 3.2

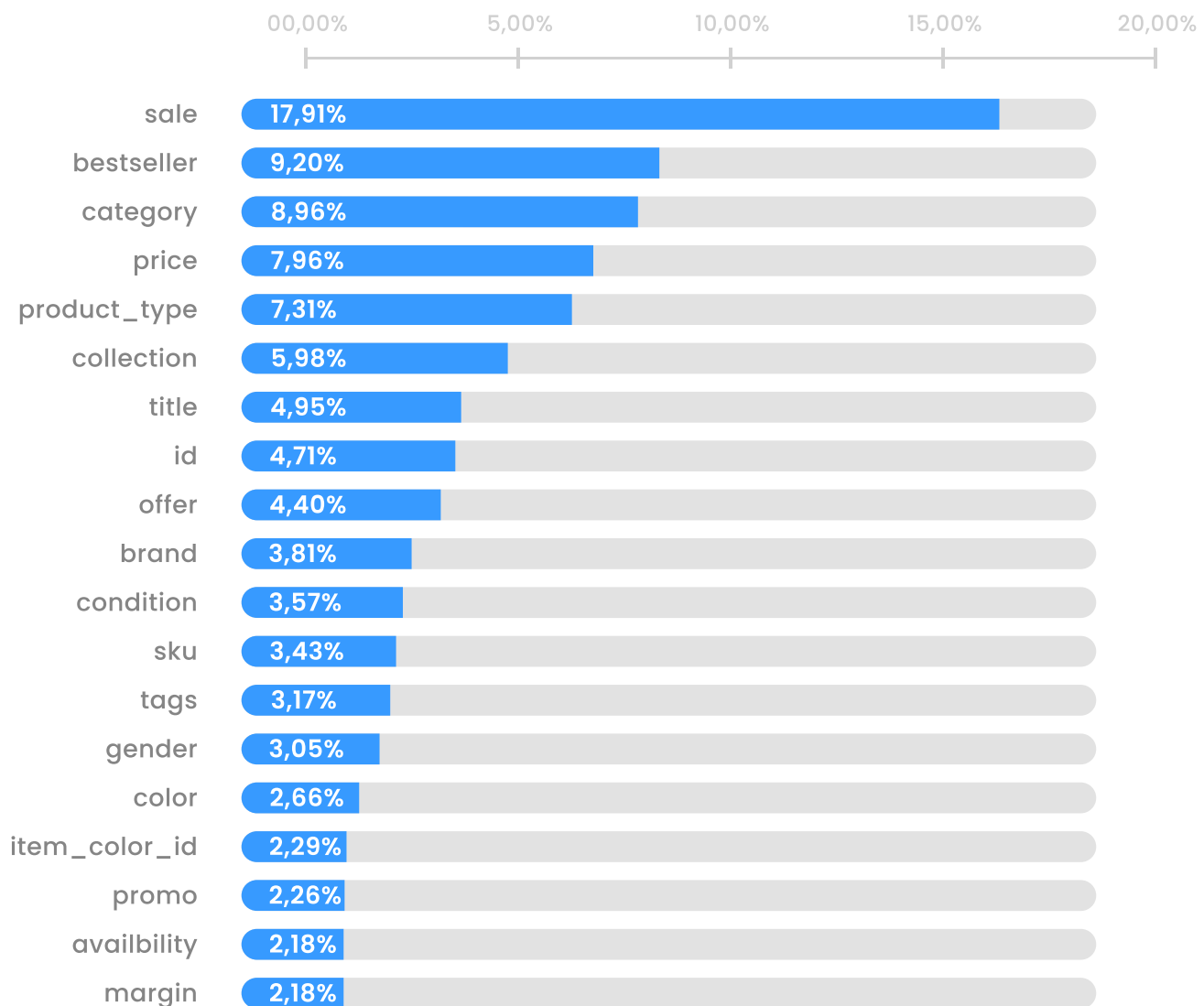
## 17.9 % of merchants group products based on their sale status

Custom labels are one of the most valuable assets you can add to your product feeds when it comes to having more control over your ad spend. Around 1 out of 2 eCommerce advertisers create custom labels with the intent of increasing their ROI.

Of those that use custom labels, 17.91% segregate products by whether they are on sale, making it a stand-out tactic. The second most commonly used factor is whether a product is a bestsellers, with 9.20%.

### Product information used by marketers to create custom labels

Q2 2023 | DataFeedWatch anonymized data



This shows a pattern of prioritizing products that have commercial profitability. When looking at an advertiser's motivation behind segmenting products, there are 4 main areas found:

1. How much the product will appeal to consumers, like with bestsellers and items on sale.
2. Classifying products through categories, product type, and collections.
3. How the products are currently performing (bestsellers).
4. The price point of the product, like for regular prices and items on sale.



*"Segmenting products with custom labels by the sale attribute is a common tactic among advertisers for good reason. One of the biggest motivations behind using it is remaining competitive in the marketplace. When you know that your products are priced better than your competitors, you can prioritize those products in your campaigns. This increases the chances of your ads being seen and, in turn, your conversion rate.*

*Apart from remaining competitive, you can also use this tactic to clear out items quickly from your inventory, or entice shoppers to visit your shop and find more products they want to buy.*

*According to case studies created with our clients, we've seen results such as a 21% increase in conversion rate and an 85% increase in revenue after strategically segmenting products with custom labels.*

*If you're not already using custom labels, then I strongly encourage you to add them as soon as you can. And if you do already have them, look for additional optimization opportunities to boost your results even more."*

**Jacques van der Wilt | General Manager of DataFeedWatch by Cart.com**



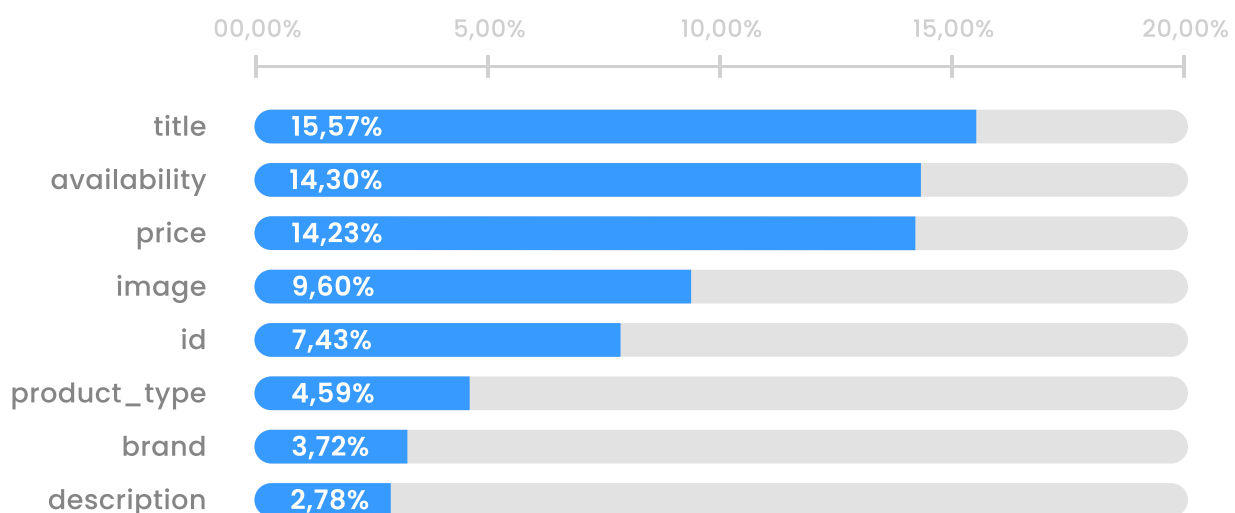
### 3.3

## 66.6% of advertisers exclude unprofitable products from paid ads

More marketers are realizing the benefit of not advertising all of their products, while also shifting their strategies for choosing which products to exclude. Currently, 66.6% of advertisers exclude products in order to avoid burning out their budget on products that aren't going to bring in profits. If you exclude products with low profits, your advertising budget will then go towards products with higher profits.

#### Product attributes used to filter products out of data feeds

Q2 2023 | DataFeedWatch anonymized data



Titles are the most popular criteria used to filter out products. This may point to seasonality or brand performance becoming a focus for marketers deciding which products to exclude. Availability and Price take second and third place consecutively, which means marketers try to save wasted clicks on out-of-stock products, or those that are not profitable enough. In fact, in 9 out of 10 cases, the price attribute is used to exclude low-priced products.



*"When it comes to which products to include in your Google Shopping feed, it is important to keep two things in mind. First, remember free product listings. At my agency, [ZATO PPC Marketing](#), we typically recommend submitting as many products as possible to Google Merchant Center, regardless of performance, so you can take advantage of Google's free product listings and get free, incremental clicks and sales.*

*However, the second thing to keep in mind is that you don't necessarily want to advertise every product. For instance, you may not want to advertise low-stock products since they will sell out regardless of your spend investment. Or, you may not want to sell products that are low priced and are not core products that drive additional sales at an AOV that makes sense for targeting those lower priced products. If that is the case, and you have products you want to not waste advertising dollars on, then you will want to exclude those products from your ad campaigns, not the feed (remember the free product listings?).*

*The easiest way to keep certain products from being advertised while they remain in the feed is by utilizing a feed provider such as DataFeedWatch to set the correct value for the `excluded_destination` attribute within the Shopping Feed to remove the products from shopping ads. Therefore, you only actually target the products you want to advertise! This will ensure you have a more efficient feed, while still taking advantage of the free product listings. Win-win!"*

**Kirk Williams | Owner of ZATO Marketing**



## 3.4

## 32% of advertisers add multiple images to avoid ad fatigue and increase the possibility of first-time purchases

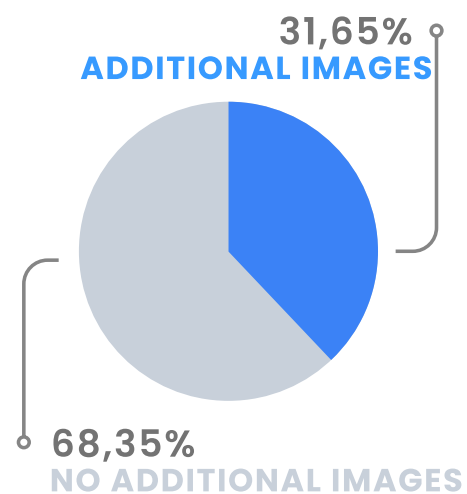
Compared to 2022, 15% more merchants equip their ads with additional images, with the goal of easing the anxiety of first-time purchasers. Now almost  $\frac{1}{3}$  of online advertisers add about 2.2 extra images on average.

This means they're realizing the need to give shoppers the best possible idea of what the product is before they buy. Adding lifestyle images, rather than just stock photos, also helps shoppers visualize the product and make a more informed decision.

There's also a psychological benefit behind adding more images - people are 65% more likely to remember a piece of information 3 days later if there is a corresponding image to go along with it. Providing memorable product images from different angles and staging elements can leave a lasting impression on shoppers and lead to more sales.

### Additional images used in data feeds

Q2 2023 | DataFeedWatch anonymized data



*"Images, alongside your price and title attributes, play a huge role in how likely it is a customer clicks on your Shopping ad, and ultimately converts. The biggest mistake advertisers make is that they only have 1 main image, which is typically a boring product image with a white background. Be creative and mix it up with different backgrounds and lifestyle images to increase your CTR and ultimately conversion rate."*

*Google's new Product Studio will make it 10x easier for brands to test different images, because you can edit and alter images with one click of a button. I'm not super impressed with the AI-generated image ads I've seen so far, but the features and options in Product Studio look promising. Creating great AI-generated images all comes down to the quality of your input (the prompts).*

*With AI and other tools, it's never been easier for a design-noob like myself to create solid image ads, but I don't think designers will become obsolete. The perfect combination is always AI x the human touch."*

Miles McNair | Google Ads Expert & Co-founder of PPC Mastery

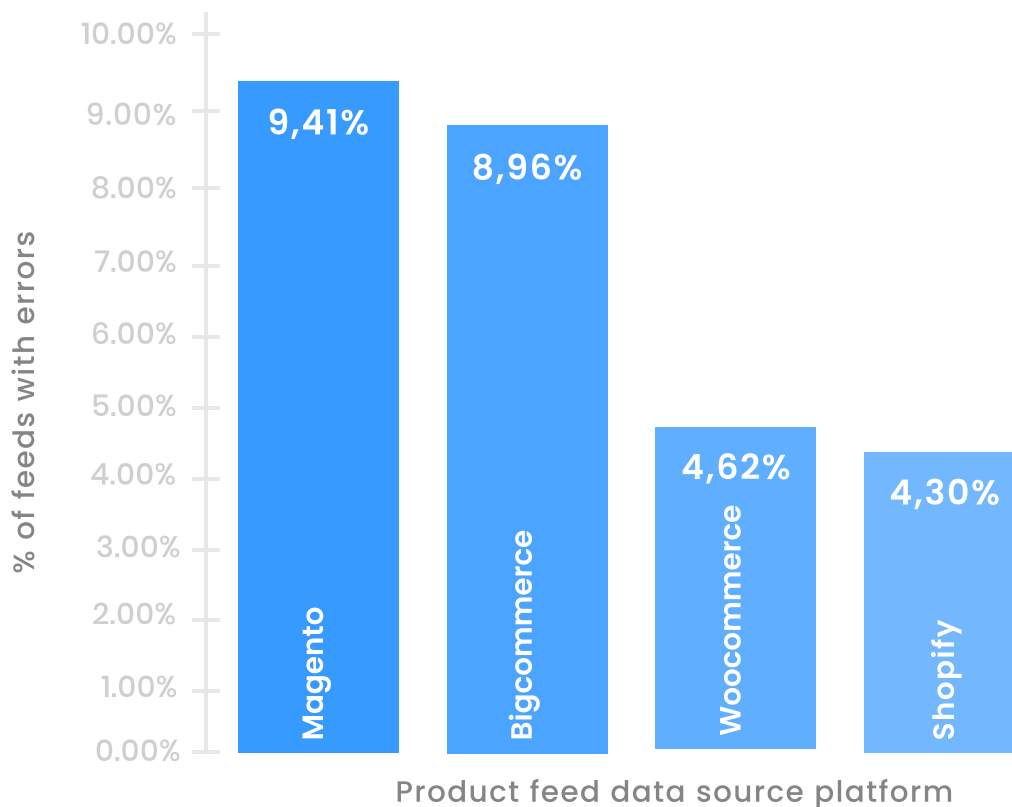


## 3.5

# Magento-based sellers struggle the most with Google Shopping errors

Shopping cart software and Google don't always speak the same language when it comes to product data. This can lead to errors when transferring product data from your shopping cart to Google. Each software will require you to transform your data differently.

Percentage of data errors in product feeds, by merchants' POS system  
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Just like the previous year, sellers using Magento are the most likely to find errors. Almost 10% of products in their Google Shopping feeds are affected by errors, compared to BigCommerce with almost 9% and WooCommerce with 4.63%.

Shopify users, also like the year before, have the healthiest feeds. Just 4.30% of their products contain errors.

## Fixing product feed errors

Here are the two main best practices you can use to simplify the process of matching your attributes and avoid product rejections:

### **1. Know which shopping cart attribute names correspond to all of Google's required attributes.**

Attributes going by different names is the cause of many product errors that occur when transferring product data from shopping cart software to Google Ads. For example, the attribute `category_path` in Magento is called `product_type` in Google Ads.

### **2. Use a feed marketing solution**

A feed marketing solution can save you time and eliminate frustration when preparing your Google feeds. You'll easily be able to map out rules that automatically rename your attributes and run your feed through a review to catch any errors before sending it off to Google.

One of the most useful functionalities of a feed software like DataFeedWatch is the ability to upload an external file with data to make corrections or fill in any missing gaps.



## 3.6

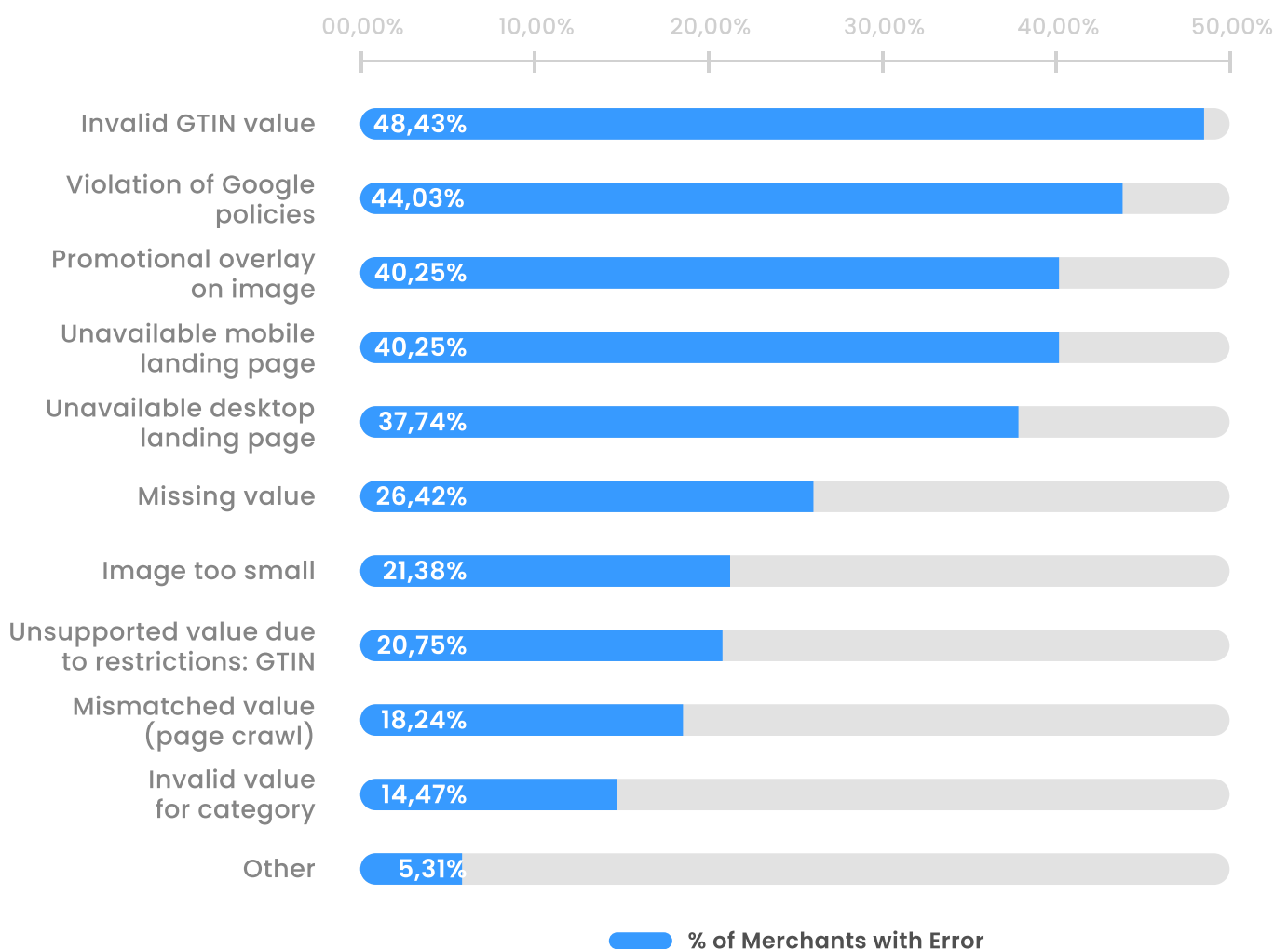
## Sort out your product identifiers to get ahead. Almost 1 in 2 merchants run into GTIN errors.

Disapproved products can harshly hinder your online sales performance, especially when they are bestsellers. Not only will your performance be affected, but the risk of getting your account suspended increases the more you upload products with errors in them.

Troubleshoot your feed before sending it to a sales channel in order to avoid this issue altogether. Using a data feed tool to catch any errors before submitting your feed makes it a quick and easy process.

### Top data errors across all merchants

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In 2023, almost 7% of all products submitted for Google Shopping were disapproved due to containing critical errors. Most merchants had issues with invalid GTINs, violating Google policies, and promotional overlay on images.



*"Product Variant IDs & URLs: When we audit feeds we often see mismatches where a shopping ad is using the price for a variant (e.g. a King bed sheet) but is sending traffic to a product page with a different price (e.g. the price of a Queen bed sheet). This can cause item disapprovals and even an entire Google Merchant Center suspension, not to mention being a very bad user experience.*

*Product Titles: Most product titles need some love before they should be advertised via a shopping campaign. "King Bed Sheet" might be a fine title in the context of your website, but "Bamboo Sheet Set | Cooling King Sheets | 1 fitted sheet, 2 pillowcases | Hypoallergenic | Anti-microbial | BRAND NAME" is going to perform way better on Google."*

**John Horn | CEO & Managing Partner at StubGroup**



## Invalid GTIN

Invalid GTIN errors affect almost half of all merchants (48.43%) and over 4% of submitted products. Since Google penalizes accounts that have submitted incorrect GTIN values, it's key for merchants to address identification issues to ensure their listings do not get rejected.

## Violation of Google policies

If you get an error with the reason of violating one of Google's policies, it means that Google's algorithm has detected some part of your feed that goes against their policies.

In order to find out which element of your feed may be the culprit, you'll need to contact Google directly and request a review. Once you have your answer, you can start making the necessary changes to your product feed or website.

Some common reasons for seeing this error on the product level are:

- Products that aren't allowed to be advertised on Google networks
- Having banned words in titles and descriptions
- Images that go against Google's policies

It's important to address these issues as quickly as possible to reduce the negative impact they could have on your account and advertising results.

## Promotional overlay on images

Seeing this error means that one or more of your images include promotional overlay, which is strictly forbidden by Google. There are three main ways to fix this error.

### 1. Remove the promotional overlay

If you find you have images with promotional overlay, you can use Google's Automatic Image Improvement feature. This will automatically remove the text, leaving you with Google-approved product images. It is important to double-check the finished product to make sure they look okay.

### 2. Replace the image

If you have multiple images for your products and the others don't have promotional overlays, then it will be faster to just replace the image. The easiest way to do this is by changing the image assignment using a feed management service. You'll want to look for the 'image\_link' attribute and change the link provided there.

### 3. Create new images

You may not be able to use the previous two solutions, and in that case, you'll need to create new images. While getting these new images, you can pause the affected products to stop them from being listed so that your account doesn't suffer any damages.

Once you have them, map your feed with the correct image URLs under the 'image\_link' attribute.

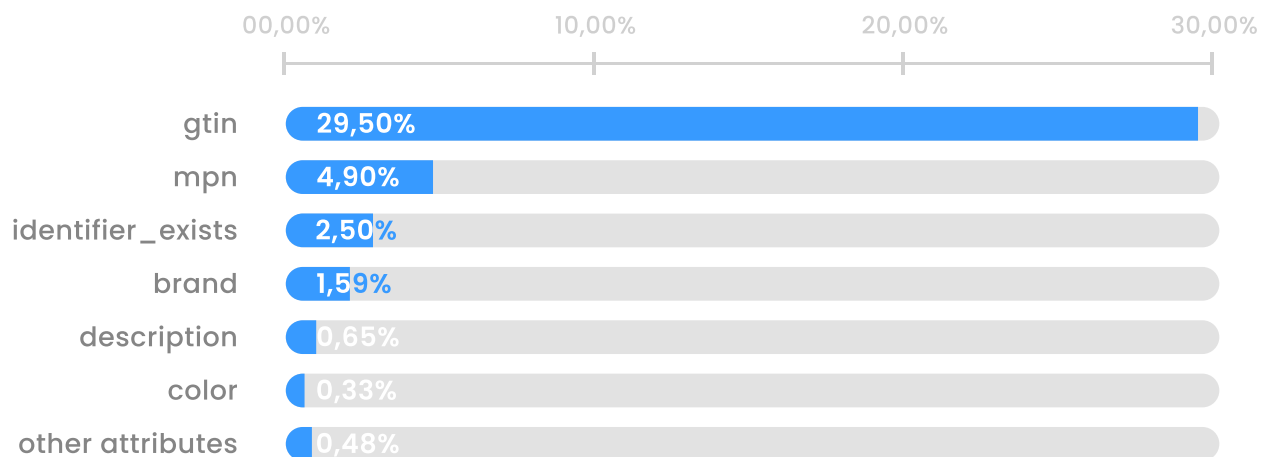
## 3.7

# GTINs are the most commonly missed data feed attribute at 29.50%, leading to missed sale opportunities

Providing GTINs in your product feed is not required, but having them can greatly improve your ad performance. The number of products without GTINs has grown since 2022, from 12% to 29.5% in 2023.

### Commonly missed data feed attributes

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At the same time, attributes like color, brand, and descriptions have been included more often by advertisers to better match search queries to products.

Including GTINs can have many benefits for your campaigns, like:

- Boosting international sales as they are globally recognized codes.
- Google placing a higher priority on products with GTINs than those without.
- Helping you stay competitive by making it easier to use price comparison tools.
- Increasing impressions and conversions because including GTINs leads to your ads appearing in more accurate search results.

If you have missing GTINs, you can find them by manually checking a product's packaging, or by contacting the product's supplier.

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PPC campaigns.

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