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SELLERAPP · BENCHMARK REPORT 2026

The State of Amazon Advertising 2026

Category benchmarks across Sponsored Ads & Amazon DSP

12	28	$3B+	FY 2025
Product categories	Credible sources	Managed ad spend	Full-year data

Published June 2026 · SellerApp Research Division

ABOUT SELLERAPP

Commerce is more complex than ever

Brands need visibility beyond advertising metrics to make profitable growth decisions. SellerApp is a commerce intelligence company that helps sellers, brands, and agencies grow profitably across global marketplaces, from Amazon, Walmart and Instacart in North America to Flipkart and quick commerce in India, and Lazada and Shopee in Southeast Asia.

Its Marketplace Intelligence platform combines advertising analytics, profitability insights, competitive intelligence, retail analytics and automation in one place, alongside managed services, marketplace APIs and advertising intelligence powered by Amazon Marketing Cloud (AMC), Amazon Marketing Stream and Amazon DSP.

Since 2017, SellerApp has helped manage more than **$3 billion in ad spend across 33,000+ brands**. This report brings that experience together with industry research to provide category benchmarks across Sponsored Ads and Amazon DSP.

REPORT AT A GLANCE

$3B+
Managed ad spend

33,000+
Brands supported

Global
Marketplace coverage

28
Credible sources

The benchmarks in this report are informed by industry research, publicly available datasets, and SellerApp's experience managing billions in advertising spend across global marketplaces.

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SECTION 01

Executive Summary

Five findings that define Amazon advertising in 2026

01

EXECUTIVE SUMMARY

The year Amazon advertising changed its economics

Amazon advertising in 2025 delivered a result that defied conventional wisdom: **costs rose sharply while efficiency improved**. Platform-wide CPM surged 47.46% to $7.82 per thousand impressions, the steepest year-over-year increase of any metric tracked across any major digital channel. Yet in the same period CPA fell 5.65% to $13.35, conversion rate climbed 9.97% to 11.02%, and ROAS grew 10.16% to 3.14x.

This is not a contradiction. It is evidence of a maturing platform where better-aligned advertisers win and poorly structured campaigns are priced out. The CPM increase is the cost story; the CPA decline is the strategy story.

The most consequential structural shift was Amazon DSP. Its share of total Amazon ad spend grew from 17.7% to 23.4% across 2025, and in Q1 2026 DSP became cheaper per click than Sponsored Products for the first time in Skai's five-year dataset. The full-funnel stack is no longer optional.

For brands entering 2026: model acquisition economics at current CPM levels before committing budgets, build DSP retargeting and prospecting alongside Sponsored Products, and plan for seasonality, October is the cheapest month to advertise, January the most expensive, a 4.5-point ACoS swing flat-budget plans miss entirely.

KEY FINDINGS AT A GLANCE

+47.46%
Platform CPM surge
Sharpest YoY cost increase of any metric on any major digital channel. Models built on 2024 CPMs are now structurally wrong.

15.57%
Grocery conversion rate
Highest CVR on the platform. At $0.58 CPC and ~21% ACoS, Grocery is the most efficient environment in Amazon's ecosystem.

36.5%
DSP new-to-brand rate
More than one third of all DSP-attributed purchases come from customers who have never bought from the brand on Amazon before.

$25.08
Electronics CPA
Among the highest CPAs in the dataset, even with a strong 4.15x ROAS. The category's $104 average order value is what makes the economics work.

EXECUTIVE SUMMARY · THE NUMBERS

A paradox year: costs up, efficiency up

CPMs surged 47% while CPA fell, ROAS rose, and DSP became cheaper per click than Sponsored Products. The brands that understood this won. Those that didn't paid more for less.

THREE NUMBERS THAT DEFINE THE YEAR

+47.46%

CPM surge year-over-year

Sharpest cost increase of any metric on any major platform

3.14x

Amazon platform ROAS 2025

Despite rising CPMs, efficiency and reach both improved

36.5%

New-to-brand % via Amazon DSP

More than 1-in-3 DSP conversions are first-time brand buyers

CTR	CPC	CVR	ACOS	TACOS
0.47%	$1.12	11.02%	29.8%	10–15%
Platform average	+15.5% YoY	+9.97% YoY	Platform median	Healthy range

Note: Platform CTR, CPC, CVR, ACoS and CPA are blended from independent third-party benchmark sources and are not derived from one another. Sources: Triple Whale 2025 Amazon Benchmarks Report; Autron 2026; Ad Badger 2026; Pacvue Q1 2025. Platform figures blended across Sponsored Products, Brands & Display.

SECTION 02

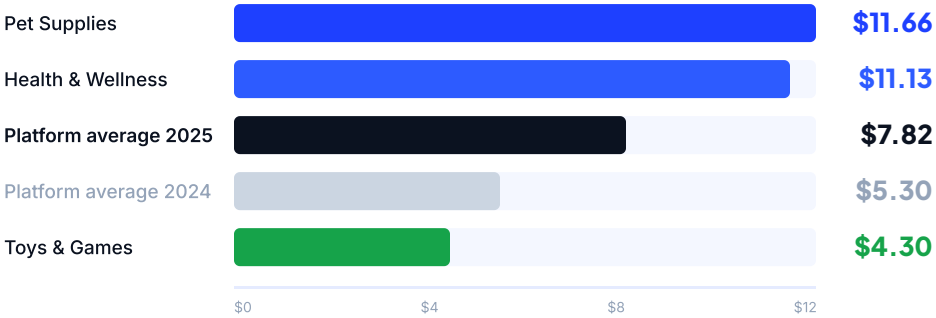
The CPM Shock

Why Amazon's reach got 47% more expensive, and why efficiency improved anyway

SECTION 02 · THE CPM SHOCK

Amazon's reach just got 47% more expensive

CPM by category (USD), averaged across Amazon DSP, and why efficiency improved anyway



Key insight: Pets ($11.66) and Health ($11.13) pay the highest programmatic costs, yet both reach high-value, high-intent buyers.

+47.46%
YoY CPM increase, platform wide
Sharpest YoY metric increase on Amazon in 2025

$7.82
Average Amazon CPM 2025
Up from $5.30 in 2024 (Triple Whale full-year)

$11.66
Highest CPM category: Pets
Dense advertiser competition + high LTV = premium CPM

$4.30
Lowest CPM category: Toys & Games
Cheapest reach and the platform's highest CTR (0.65–0.70%)

Sources: Triple Whale 2025 (full-year CPM); SellerApp Marketplace Intelligence. Category CPMs averaged across Amazon DSP placements.

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SECTION 03

Sponsored Ads Category Benchmarks

CTR, CPC, CVR, ACoS, ROAS, TACoS & CPA across 12 product categories

03

SECTION 03 · SPONSORED ADS

Sponsored Ads Benchmarks

12 categories × 7 metrics · Full-Year 2025

CATEGORY	CTR	CPC	CVR	ACOS	ROAS	TACOS	CPA
Beauty & Personal Care	0.40–0.47%	$1.20–1.50	**14.56%**	28–33%	3.0–3.6x	8–12%	~$8–10
Health & Wellness	0.40–0.45%	$1.20–1.80	**12.34%**	33–41%	2.4–3.0x	10–15%	~$10–15
Home & Kitchen	0.40–0.50%	$0.80–1.10	8–10%	27–32%	3.1–3.7x	10–14%	~$8–14
Electronics	0.55–0.62%	$1.12–1.45	4.60%	24–29%	3.4–4.2x	7–10%	~$24–32
Fashion & Apparel	0.40–0.47%	$0.89–1.10	6–9%	29–42%	2.4–3.4x	10–15%	~$10–18
Grocery & Gourmet	0.35–0.45%	$0.58–0.90	15.57%	19–24%	4.2–5.3x	5–10%	~$4–6
Pet Supplies	0.40–0.47%	$1.00–1.35	**15.26%**	26–32%	3.1–3.8x	8–13%	~$7–9
Baby Products	0.35–0.45%	$0.90–1.25	10–13%	26–33%	3.0–3.8x	9–14%	~$7–13
Sports & Outdoors	**0.60–0.67%**	$0.85–1.20	10–13%	25–32%	3.1–4.0x	8–13%	~$7–12
Automotive	0.35–0.45%	$1.00–1.50	5–8%	27–35%	2.9–3.7x	9–14%	~$13–30
Office Products	0.35–0.45%	$0.80–1.10	8–12%	25–32%	3.1–4.0x	8–13%	~$7–14
Toys & Games	0.65–0.70%	$0.80–1.10	10–14%	25–30%	3.3–4.0x	8–12%	~$6–11

Sources: Triple Whale 2025; Autron 2026; Ad Badger 2026; Pacvue Q1 2025. ROAS and CPA derived from reported CPC/CVR/AOV where noted. CPC midpoints used in derivations.

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SECTION 03 · CONVERSION

The CVR Divide

Replenishment categories convert; considered-purchase categories grind

HIGH CVR 14%+ · REPLENISHMENT

Grocery — 15.57%

Highest CVR on the platform. Low CPC ($0.58) + high purchase frequency = lowest ACoS at ~21%.

Pets — 15.26%

Subscribe & Save flywheel drives repeat conversions. CPM is $11.66; CVR makes it defensible.

Beauty & Personal Care	14.56%

MID CVR 8–13% · MIXED

Health & Wellness	12.34%
Toys & Games	10–14%
Baby Products	10–13%
Sports & Outdoors	10–13%
Office Products	8–12%
Home & Kitchen	8–10%

LOW CVR <8% · CONSIDERED

Electronics — 4.60%

Lowest CVR on the platform. High AOV ($104) compensates, but broad and auto campaigns bleed fast.

Fashion & Apparel	6–9%
Automotive	5–8%

Grocery converts 3.4× higher than Electronics, at under half the CPC.

Sources: Triple Whale 2025; Autron 2026; Ad Badger 2026. Ranges reflect full-year 2025 category benchmarks.

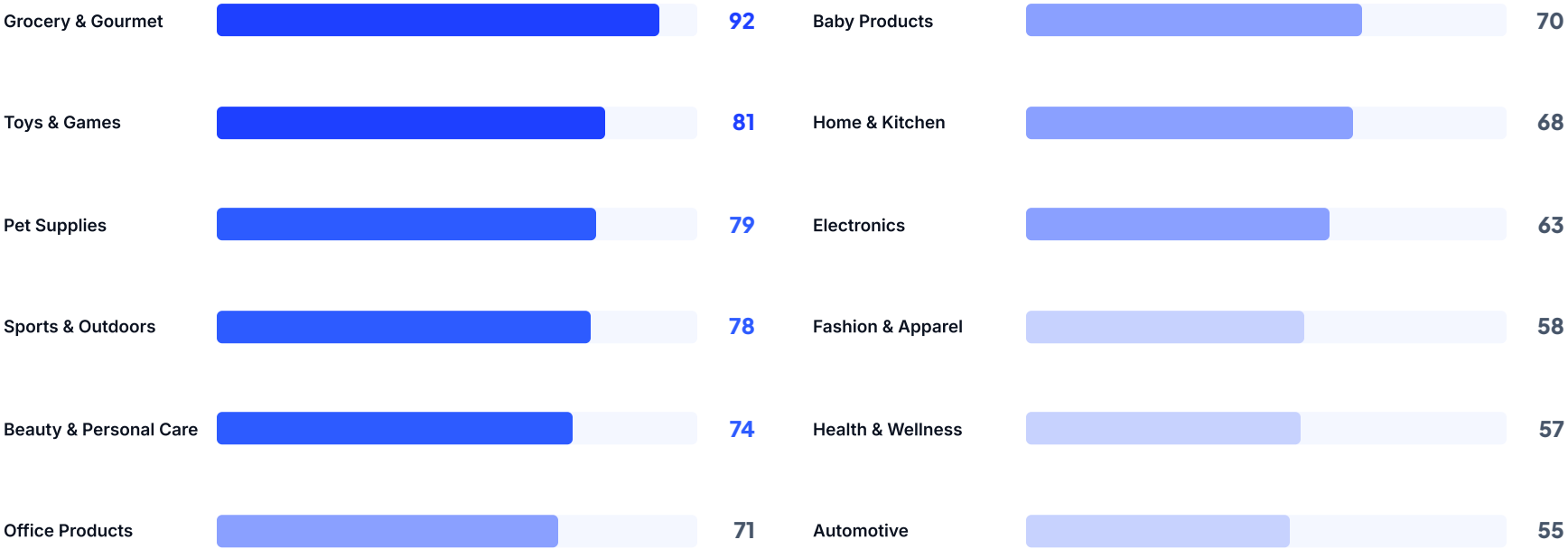
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PROPRIETARY INDEX

SellerApp Advertising Performance Index

A 0–100 model estimate combining CTR efficiency, CVR, ACoS vs. benchmark, ROAS, CPC competitiveness, DSP CPM accessibility and NTB potential

CTR efficiency | Conversion rate | ACoS vs. benchmark | ROAS | CPC competitiveness | DSP CPM access | NTB potential



SAPI scores are SellerApp-model estimates, computed from the category benchmarks published in this report (CTR, CVR, ACoS, ROAS, CPC, DSP CPM and NTB inputs) rather than reported directly by a source. Higher = more favorable advertising environment. Not a ranking of category profitability.

SECTION 03 · EFFICIENCY

The Amazon Efficiency Map

CPC vs. conversion rate, bubble sized by ROAS. Upper-left = highest efficiency, lower-right = lowest



Grocery

Extreme upper-left: highest CVR (15.57%) with the lowest CPC ($0.58). The most efficient environment on Amazon.

Electronics

Lower-right outlier: lowest CVR (4.60%) at $1.28 CPC. Viable only because AOV is $104, the highest in the dataset.

Health

High CVR (12.34%) but $1.50 CPC and $11.13 CPM. Structural margin pressure no bid optimization can fix.

Sources: Triple Whale 2025; Autron 2026; Skai Q1 2025. CPC = midpoint of reported range. Bubble radius proportional to ROAS.

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SECTION 04

Amazon DSP Benchmarks

CPM, NTB%, VCR, viewability & video ROAS by objective

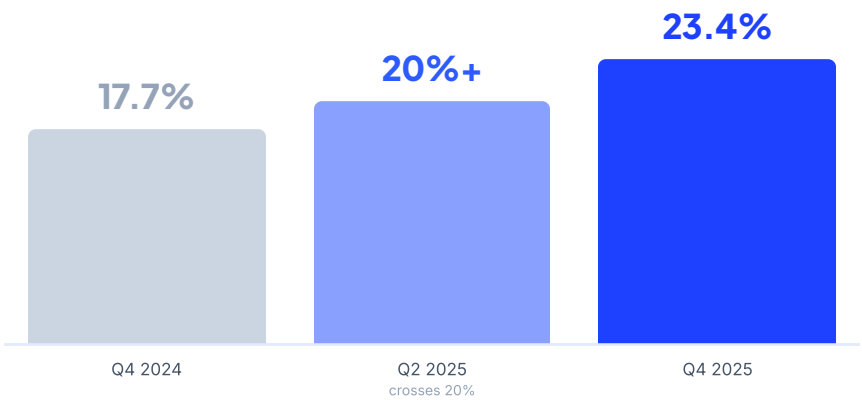
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SECTION 04 · AMAZON DSP

Amazon DSP: from niche to necessary

The 2025 tipping point, and what the Q1 2026 data signals for the rest of the year

DSP SHARE OF TOTAL AMAZON AD SPEND



HISTORIC MILESTONE Q1 2026: Amazon DSP became **cheaper per click than Sponsored Products** for the first time in Skai's five-year dataset.

23.4%
DSP share of total Amazon ad spend, Q4 2025
Up from 17.7% a year earlier

+156%
DSP clicks growth, Q1 2026 YoY
Skai Q1 2026 Quarterly Report

+72%
Upper-funnel investment growth, Q4 2025
While costs simultaneously fell 24%

36.5%
New-to-brand purchase rate via DSP
Primary NTB acquisition channel

Sources: Skai Q1 2026 Quarterly Report; Tinuiti Q4 2025; Pacvue Q1 2025. Q2 2025 shown at the reported 20% crossing threshold.

SECTION 04 · AMAZON DSP

New-to-brand power & video performance

NEW-TO-BRAND BENCHMARKS

36.5%
NTB purchase rate
Amazon DSP US Q1 2025

35–42%
NTB rate for Pets & Beauty

28–34%
NTB rate for Electronics

More than **1-in-3 DSP-attributed purchases** come from customers who have never bought from your brand on Amazon before.

No other Amazon ad format delivers new-to-brand acquisition at this scale. For brands whose growth depends on reaching beyond their existing customer base, DSP is the structurally correct prospecting channel, not an experiment.

VIDEO BENCHMARKS

0.89% — **Sponsored Brands Video CTR**
2.6× higher than static SB ads

11.2% — **SBV conversion rate**
+13% vs. image-based ads

65–75% — **DSP video VCR (15-sec)**
Strong completion for short-form

2.4x — **DSP video ROAS**
Average across brand objectives

+10–20% — **SBV vs. static CPC premium**
The cost of a 2.6× CTR uplift

Sources: Sequence Commerce 2026; Pacvue Q1 2025 Benchmark Report; Darkroom 2026.

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SECTION 05

Quarterly Trends

Q1 2025 through Q1 2026 metric movements

05

SECTION 05 · QUARTERLY TRENDS

Five quarters that reset the auction

Q1 2025 → Q1 2026 metric movements

Q1 2025

Sponsored Products spend **+11% YoY**

+11%
SP spend YoY

Q2 2025

DSP crosses **20% of total Amazon spend**

20%
DSP share crossed

Jul 2025

Amazon **exits Google Shopping** auctions

Exit
Google Shopping auctions

Q4 2025

SP clicks **+23%**, CPC **−1%**; upper-funnel **+72%**

+23%
SP clicks

Q1 2026

DSP **cheaper per click than SP**, a historic first

1st
Cheaper than SP

SEASONAL INSIGHT

October 2025 delivered the **lowest ACoS (28%)**; January 2026 the **highest (32.5%)**. Flat-budget plans systematically buy at peak and miss the efficiency trough.

28%
Lowest ACoS · October 2025

32.5%
Highest ACoS · January 2026

Sources: Ad Badger 2026; Autron 2026; Tinuiti Q4 2025 & Q1 2026; Skai Q1 2026.

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SECTION 06

Spend-Tier Analysis

Performance benchmarks by monthly ad budget

SECTION 06 · SPEND TIERS

Performance by Spend Tier

Budget size fundamentally changes how Amazon Ads performs. The efficiency gradient is structural, not accidental.

SMB

<$10K / month

DSP: no access

ACOS	CPC
30–45%	$0.80–1.30
CVR	**TACOS**
8–12%	15–25%

ACOS BAND 15%–50%

Testing and early-stage. Limited optimization. Auto campaigns dominant.

MID

$10K–$50K / month

Self-serve DSP available

ACOS	CPC
25–38%	$0.85–1.25
CVR	**TACOS**
9–13%	12–20%

ACOS BAND 15%–50%

Established campaigns. Sponsored Brands added. Beginning to measure TACoS and organic halo.

ENT BEST EFFICIENCY

$50K–$250K / month

Managed DSP viable

ACOS	CPC
22–32%	$0.90–1.40
CVR	**TACOS**
10–14%	10–16%

ACOS BAND 15%–50%

Full-funnel viable. Best efficiency zone. AMC analysis becomes feasible.

ENT+

$250K+ / month

Full managed DSP + STV

ACOS	CPC
18–28%	$1.00–1.80
CVR	**TACOS**
11–15%	8–14%

ACOS BAND 15%–50%

Enterprise-grade. Full AMC. Incrementality testing. Prime Video upfronts.

Sources: SellerApp Marketplace Intelligence; Pacvue Q1 2025; Ad Badger 2026. Tiers reflect monthly Amazon Ads investment.

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SECTION 07

Category Spotlights

Where each category wins, where it bleeds, and what to do about it

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SECTION 07 · SPOTLIGHTS

Category Spotlights

Four categories that anchor the 2025 story, and the playbook each one demands

Grocery & Gourmet

The efficiency benchmark

Highest CVR on the platform (15.57%) at the lowest CPC ($0.58). High purchase frequency and Subscribe & Save compress ACoS to ~21%.

CVR 15.57% | CPC $0.58 | ACoS ~21%

Play: defend share with exact-match SP, then layer DSP retargeting to convert one-time buyers into subscribers.

Electronics

High AOV, thin patience

Lowest CVR (4.60%) and ~$25 CPA, but a $104 AOV keeps ROAS at 4.15x. Broad and auto campaigns bleed budget fastest here.

CVR 4.60% | CPA ~$25 | ROAS 4.15x

Play: tight keyword harvesting, aggressive negative lists, AOV-aware bidding. Auto campaigns are a research tool, not a scaling lever.

Health & Wellness

The margin squeeze

Strong 12.34% CVR but the tightest economics on the platform: $1.50 CPC, $11.13 DSP CPM and ROAS of just 2.46x.

CVR 12.34% | CPC $1.50 | ROAS 2.46x

Play: this is a structural-margin problem, not a bidding one. Win on subscription LTV and bundle AOV, not on lowering ACoS.

Pet Supplies

The replenishment flywheel

Second-highest CVR (15.26%) despite a premium $11.66 CPM. Repeat purchase behavior makes the high acquisition cost defensible.

CVR 15.26% | CPM $11.66 | NTB 35–42%

Play: pay up for new-to-brand via DSP (35–42% NTB), then ride Subscribe & Save for the lifetime payback.

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SECTION 08

Methodology & Sources

28 credible sources, consensus methodology, full source registry

SECTION 08 · METHODOLOGY

How these benchmarks were built

01 SellerApp Intelligence First

Benchmarks are built using aggregated SellerApp marketplace intelligence and managed advertising data. Publicly available industry research was used to cross-reference benchmark ranges and validate market trends.

02 Cross-Validated Insights

SellerApp's internal benchmarks were compared against established market research from trusted, independent sources to ensure consistency across categories and advertising metrics.

03 Transparent Methodology

All benchmark values represent aggregated category-level performance. Client-specific data has been anonymized, and benchmark ranges are presented where market variation exists.

04 Marketplace-Wide View

Platform-wide benchmarks combine insights across Sponsored Products, Sponsored Brands, Sponsored Display and Amazon DSP to provide a comprehensive view of marketplace advertising performance.

SECTION 08 · RESEARCH

Research Methodology

This report is based on SellerApp's aggregated marketplace intelligence, managed advertising data and proprietary advertising insights. Benchmark ranges and category-level trends were then cross-referenced with publicly available industry research and independent market intelligence to validate consistency and market alignment.

PRIMARY DATA

- SellerApp Marketplace Intelligence
- Aggregated managed advertising data
- Amazon Marketing Cloud (AMC) insights
- Amazon Marketing Stream signals
- SellerApp Marketplace platform data

INDEPENDENT VALIDATION

- Amazon Ads
- Statista
- Nielsen
- Comscore
- Similarweb
- Marketplace Pulse
- GroupM
- Insider Intelligence

All benchmarks represent aggregated category-level performance across 2025–2026. Individual advertiser and client data has been anonymized. Publicly available industry research was used solely to cross-reference and validate SellerApp's internally derived benchmark ranges before publication.

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PRESS ANGLE

5 Most Newsworthy Findings

PR-ready headlines backed by sourced benchmark data

01 Amazon's CPM surged **+47%** in 2025, the fastest platform cost increase of any major digital channel

02 Amazon DSP is now **cheaper per click than Sponsored Products**, a historic first in Q1 2026

03 Grocery converts at **15.57%**, 3.4× higher than Electronics, at under half the CPC

04 ACoS has a **4.5-point seasonal swing**: 32.5% in January vs. 28% in October, an arbitrage window

05 Amazon's exit from Google Shopping (July 2025) sent SP clicks **+23%** while CPCs fell 1%

All findings are derived from SellerApp Marketplace Intelligence and validated against publicly available industry research.

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Take it a step further

See how these benchmarks apply to your Amazon account.

Schedule a Demo

$3B+
in managed ad spend

33,000+
brands served

12
categories benchmarked

© 2026 SellerApp · The State of Amazon Advertising 2026 · sellerapp.com · Data sourced from 28 credible public reports; ROAS, CPA and SAPI scores derived from reported benchmarks where noted.