

# Amazon drives more than three-quarters of the \$36 billion US ecommerce channel ad market

Article



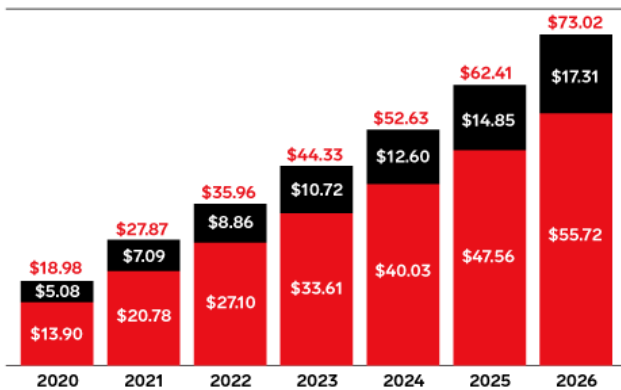
The forecast: Amazon will make up **77.7%** of US ecommerce channel ad revenues this year, contributing **\$27.94 billion** of the **\$35.96 billion** total.

## Dive deeper:

- Amazon's share of ecommerce channel ad revenues is shrinking, but growth will stay in the double digits, as it has since we began tracking it in 2017. The retail giant won't see anything close to the whopping **56.5%** growth it posted in 2020, but its ecommerce channel ad revenues will still increase by an impressive **28.1%** this year.
- Because of Amazon's dominance, growth for the company means growth for the entire ecommerce channel ad market. Total US ecommerce channel ad spending will rise by **29.0%** this year.
- Ecommerce channel ad spend contributes an increasing portion of total digital ad spend in the US. This year, it will make up **14.5%** of the digital ad market, and its share will reach **20.1%** by the end of our forecast period in 2026.
- Among several top retailers, including **Walmart**, **eBay**, and **Etsy**, ad revenue growth was slightly weaker than expected in Q4 2021 due to supply chain issues and an outbreak of the omicron variant.
- That said, ecommerce isn't going anywhere, and neither is ecommerce channel advertising. As Amazon's rivals build out their ad capabilities, the market as a whole will continue to boom, most notably in consumer packaged goods, where in-store advertising is going digital.

### US Ecommerce Channel Ad Spending, by Format, 2020-2026

billions



■ Ecommerce channel search ad spending  
■ Ecommerce channel display ad spending

Note: includes digital advertising that appears on websites or apps that are primarily engaged in retail ecommerce; examples include advertising on Amazon, Walmart, and eBay; excludes advertising on social networks or search engines  
Source: eMarketer, March 2022

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**Looking ahead:** Two forces combined—economic volatility and cooling ecommerce growth following two red-hot years—have made for some rocky Q1 2022 earnings reports, but ecommerce channel ad spend will not be hit as hard as retail. In 2026, ecommerce channel ad spend will reach **\$73.02 billion** in the US.