

Google and Shopify partner to unite 1.7M merchants with Google's suite of services

Article

Google and Shopify minted a new integration deal to bring Shopify merchants to Google's "shopping journeys" as the search giant forges ahead with its ecommerce ambitions, [per](#)

TechCrunch. Google says it has over a billion of these journeys every day, as customers go through Search, Maps, Images, Lens, and YouTube seeking out products and services. Merchants will have the opportunity to place their products across these journeys seamlessly with the new integration.

The Shopify deal helps Google to expand its ecommerce push. Shopify brings with it 1.7 million merchants who can sell their products across Google's shopping journeys, including Google Shopping **for free**, per Google's April 2020 update. At the time, Google shifted its Shopping tab to show algorithmically placed results more than paid-product results, which pushed an 80% increase in the number of merchants using the feature, per the company. And, it's now offering improved analytics for brands that work with its shopping features, namely through its "Shopping Graph." The tool will aggregate data from websites, price reviews, videos, and product data taken directly from brands and retailers to offer consumers an organized way to discern the best place to find a product, reviews on said product, best prices, and more. This tool will span all of Google's platforms, and the Shopify deal will help Google's quest to ascertain the expansive trove of data it's looking for because it brings so many merchants with it—of course, in order for Graph to be useful, Google needs as many merchants on board as possible.

Amazon has been steadily gaining on Google in terms of ad dollars and, consequently, has ramped up efforts to both pull marketers back in and to up the ante when it comes to beneficial offerings for brands—like these direct paths for ecommerce. Amazon has siphoned a decent share of revenues from digital ad markets at home and worldwide in recent years. The ecommerce giant netted **10.3%** of total digital ad spending in the US in 2020, and **5.2%** of worldwide total digital ad spend, per our estimates, up from 7.8% and 3.8% respectively in 2019. For context, in 2020, Google took 28.9% of US digital ad revenue share and 27.5% worldwide, compared to 31.6% and 28.9% of shares in 2019 respectively. While Google still holds a solid upper hand, the company has seen fit to ramp up its ecommerce offerings to compete in a different vein and keep up with the general consumer trend toward ecommerce. As more dollars flow to ecommerce, digital advertising will pick up more share of total spend, and as eMarketer senior forecasting analyst at Insider Intelligence Eric Haggstrom pointed out, more platforms that offer that ad inventory will want to creep closer to the sale—which explains why Google, and Facebook, and Instagram (among others) are pushing shopping options so aggressively.

Digital Ad Revenue Shows Up Common

Digital Ad Revenue Snare, by Company

US, 2020, % of total

Amazon



Facebook*



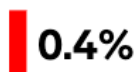
Google



Hulu



IAC



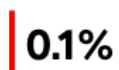
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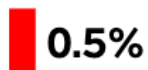
Microsoft



Reddit***



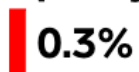
Roku



Snapchat



Spotify



Twitter



11/20

Verizon Media****

2.1%

Yelp

0.5%

YouTube

3.0%

Source: eMarketer, March 2021

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