

THE FASTEST GROWING
E-COMMERCE CHANNELS
MARKETERS SHOULD
LEVERAGE RIGHT NOW

DEEP DIVE

by



STACKED MARKETER

www.stackedmarketer.com

Table of content

What do expect from this deep dive

- Established marketing channels are becoming less effective
- What can we do about this?

Section 1: Amazon isn't the only big player in town think

- "Smaller marketplaces" still have hundreds of millions of users
- Amazon has international competitors who are bigger & growing faster than Amazon
- Selling in China has become easier thanks to Shopify and this marketplace

Section 2: Resale marketplaces are growing fast & aren't only for used products

- Just how big are resale marketplaces?
- Did you know that Facebook has a bigger marketplace than Craigslist?

Section 3: Popular marketing channels with new ad formats that showed promise

- YouTube Audio Ads > Video Ads?
- TikTok has some new ad formats that work amazingly well already

4
4
5
6
6
7
11
13
13
16
19
19
23

- Reddit has a recent ad format where you can target based on intent 28
- Instagram has recent ad formats targeting shoppers 30
- If you want to show your product in action, Snapchat Ads is the place to go 32
- Microsoft Advertising is bigger than you think 36
- Amazon Ads > YouTube Ads 40

Section 4: Fast-growing e-commerce marketing channels

- TV and streaming Ads 44
- Podcast Ads 46
- Smaller Amazon competitors recently introducing ad networks 53
- In-game ad networks 58

Section 5: Social media features to watch if you want to organically reach e-commerce shoppers

- Instagram Product Links 62
- Google Web Stories 64
- Pinterest 67

Conclusion

69

What to expect from this deep dive

It's an ever-evolving industry that was hit by many changes in 2021 – you know, Apple iOS updates...

You've probably heard the complaints from marketers across social media. But with this deep dive, we will bring you some of the hottest opportunities for e-commerce growth channels. Let's first set the stage.

Established marketing channels are becoming less effective

All marketing channels follow the [law of shitty clickthroughs](#).

The law of shitty clickthroughs simply states: a marketing channel first works, and then it doesn't.

Take Facebook, for example. [Less and less people are using it](#). Even those who continue using Facebook [spend less time on it](#). Advertising on Facebook is [becoming less effective](#) overall. Furthermore, Facebook has deceived advertisers causing them to file action lawsuits against the company.

Talk about a declining channel.

Facebook isn't the only established marketing channel shrinking. Take email marketing as another example. Open rates [have been steadily declining](#) over the years. With Apple Mail Privacy Protection rolled out, even though open rate stats have increased, there aren't more people actually reading emails.

Why is this happening? Why do many older marketing channels decline?

You can start selling on most of these e-commerce platforms. Here's how:

- Shopee has a seller guide with instructions on how to get started.
- Shein offers clothes at extremely low prices by working directly with various Chinese factories and you can't list your items there like with Shopee. However, we have seen people reselling things they found on Shein on other platforms (such as eBay or Amazon).
- Meesho also has a seller guide on getting started.

If you want to start selling internationally without headaches, then this next section might just make your day.

Selling in China has become easier thanks to Shopify and this marketplace

At the beginning of 2022, [Shopify and JD announced](#) a partnership where Shopify sellers in the U.S. can easily list their products on the JD marketplace, cutting the time to start selling in China from (typically) 12 months to 3-4 weeks.

JD.com? In case you haven't heard, they're one of the biggest online marketplaces in China, with [over 550 million active consumers](#).

There's even better news for you: After you get approved, you can use JD's fulfillment center that will directly ship your product from US warehouses to consumers in China. JD will also handle things like:

- Automatic currency conversion and language translation for your products.
- Easily syncing your Shopify products with the JD marketplace.

How to get started selling in China with JD and Shopify: Install the JD marketplace app on Shopify:

Section 3: Popular marketing channels with new ad formats that showed promise

Big marketing channels like Google or Facebook are now entire ecosystems. Every ecosystem has new parts which show promise, and for marketers, these parts are new ad formats that have shown promise for early adopters.

Will you be one of the first to take advantage of these ad formats and get potentially insane ROAS? If your answer is “Hell, yeah!”, read on...

YouTube Audio Ads > Video Ads?

YouTube has Audio Ads? Yup. YouTube launched a feature called [Audio Ads in November 2020](#). The ads are still in “beta mode,” which means you will need to contact your Google account manager to activate them if you don’t see this ad format on your account.

Give me an idea on how those ads look: Here’s an [example ad](#) with a simple animation. Here’s an [example ad](#) with a static image.

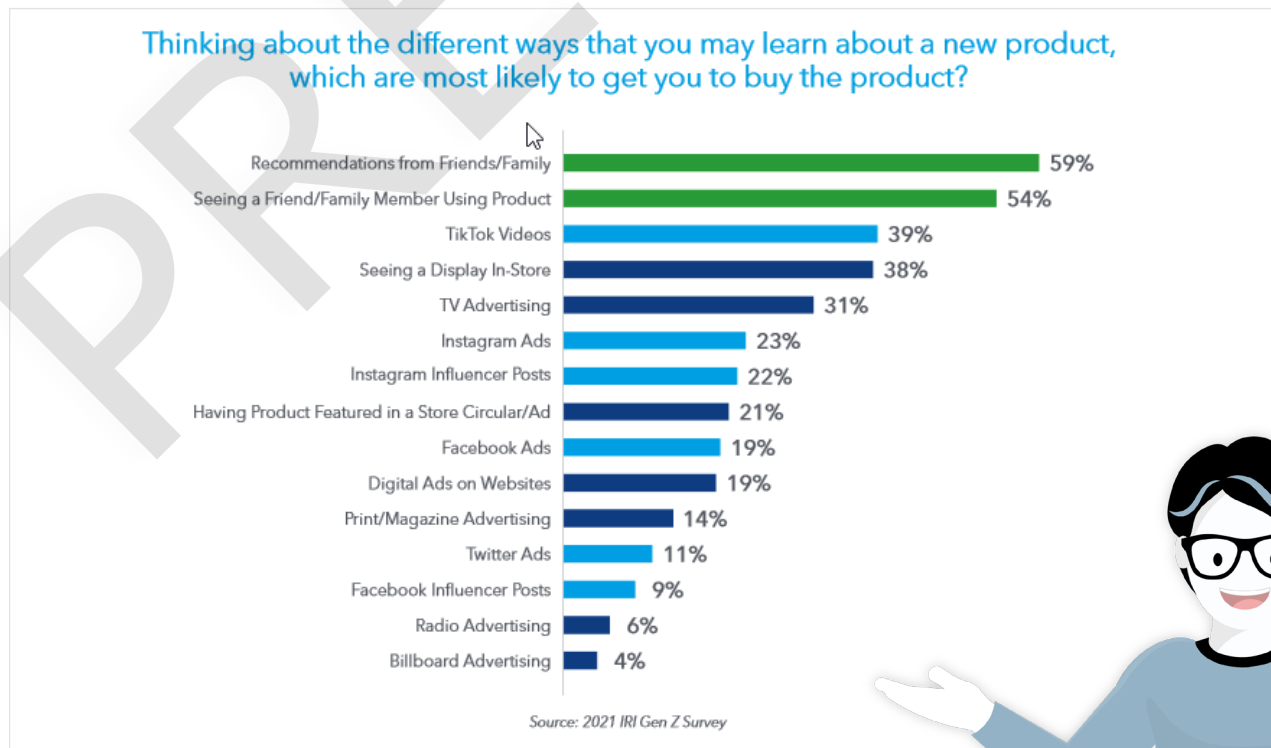
As you can see, it’s all about audio with these ads. The video component is pretty simple; there’s a still image or a simple animation.

When do they appear? Usually during long listening sessions and when YouTube is playing in the background. You’re more likely to listen to an audio ad when...you’re listening to audio. Duh!

YouTube says they work: According to YouTube, more than 75 percent of measured audio ad campaigns on YouTube drove a significant lift in brand awareness.

And other advertisers confirm: [Creatopy did an experiment](#) where they compared the effectiveness of YouTube Video vs. Audio ads. Let’s take a more detailed look.

2. **Short video is the future:** The founders of both Snapchat and Facebook [agreed with this statement](#), with Mark Zuckerberg saying that “people have a lot of choices for how they want to spend their time, and apps like TikTok are growing very quickly,”
3. **TikTok is eating away at Facebook’s lunch:** Facebook loses [around one million](#) daily active users on average. The reason? Probably TikTok. Take it from the CFO of Meta, David Wehner, who said “we believe competitive services are negatively impacting growth, particularly with younger audiences.” Facebook doesn’t consider many services to be competitors.
4. **It’s eating away at Alibaba’s (and at traditional online retail’s) lunch too:** Younger generations in China are increasingly doing shopping using short videos and live streams, according [to the WSJ](#). This eats away market share from traditional retailers like Alibaba. And if there’s one thing we know about e-commerce, it’s that it’s a matter of time before Chinese trends move to the west.
5. **IRI did [a research report on how Gen Z makes purchase decisions](#).** IRI Worldwide discovered that Gen Z mainly discovers products to buy via TikTok:



They plan to double down on ads: Amazon has recently acquired MGM, a major entertainment company, for \$8.5 billion. This was just one indication that Amazon [plans to double down on its advertising business](#), especially video ads.

The good news: Not many people are familiar with Amazon Ads. We've seen people rarely cover anything better with Amazon Ads. There lies your opportunity.

To get started with Amazon, head over to [Amazon's Ads official page](#).

To get an edge, it's a good idea to stay up-to-date with the latest new formats and insights. For example, **did you know that Amazon has its own annual conference full of advertising tips and tricks?** It's called unBoxed. [Here are the highlights](#) from the 2021 version.

Amazon also frequently releases updates to its ads platform. [Here's a dedicated page](#) with some of the updates.

Featured updates

Amazon DSP launches in Turkey

March 15, 2022

Amazon DSP is now available to advertisers in Turkey.

[Learn More](#) ➔

Budget usage percentage is now available in Amazon Ads API

January 31, 2022

Users can pull their budget usage percentage in real-time in Amazon Ads API.

[Learn More](#) ➔

Use bulksheets to efficiently launch new campaigns in ad console

January 31, 2022

New spreadsheet form Sponsored Display campaigns and more.

[Learn More](#) ➔

Section 4: Fast-growing e-commerce marketing channels

We've talked about popular channels like YouTube and the new, promising ad formats they provide.

What about not-so-popular marketing channels – at least among e-commerce marketers – that have the potential to become major players for e-commerce in the near future? Here are some of them that have shown a lot of promise over the past 2 years.

TV and streaming Ads

Why we care about TV ads: They have huge distribution. And they work.

Jake Langley [wrote a tweet](#) about a DTC brand which made a killing advertising on Fox News TV ads. Most of their traffic is direct, meaning people type the URL in their browser address bar.

What's the cost to advertise on a TV network like Fox News? \$18k. We don't know about you, but this is far less than we thought.

Just how big is TV: Ad-supported streaming is growing fast. [According to eMarketer](#), ad-supported video streaming will grow from 140.1 million to 171.5 million subscribers by 2026.

That's a lot of potential eyeballs for your ads.

How can you reach this audience? Fortunately, there are some trends in our favor...

More and more TV platforms are adding ads: The latest to this list is Vizio, [which is testing](#) popup ads over its TV shows.

More importantly, these providers are also trying to make those ads performance-based.

In-game ad networks

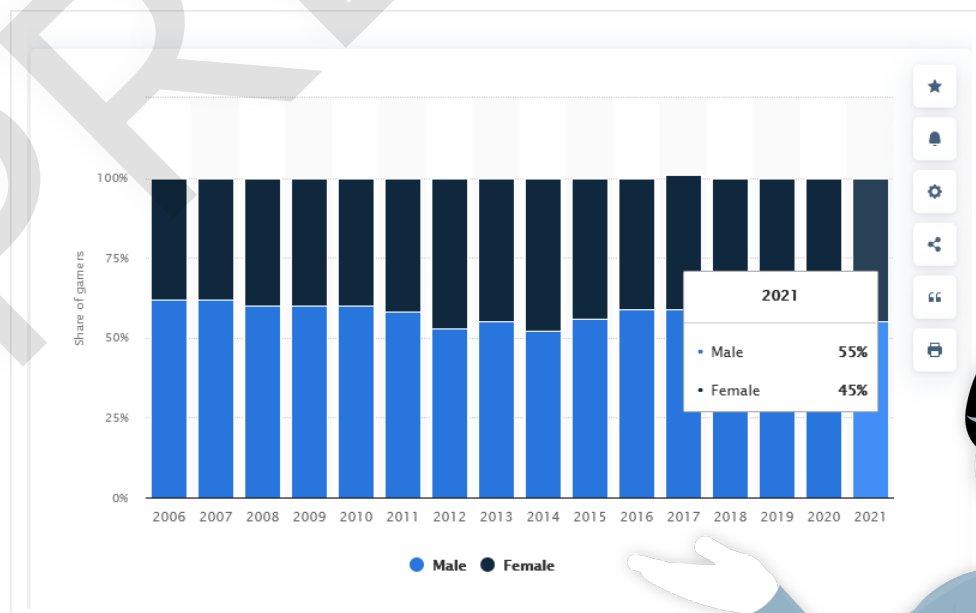
What do you think is Netflix's biggest competitor? Hulu? HBO? It's Fortnite, [according to a Netflix executive](#):

"We compete with (and lose to) Fortnite more than HBO... There are thousands of competitors in this highly-fragmented market vying to entertain consumers."

There's now an entire conference on game advertising, organized by none other than the Interactive Advertising Bureau (IAB). [Here's an interesting excerpt](#) from this year's conference in April:

"There's just been the perfect storm right now," said Zoë Soon, the event organizer and a VP at the IAB's Experience Center. "We're seeing changes in consumer habits — so declining linear TV viewership — and CTV is getting oversaturated, and video games is another form of video, and it has such a great young audience."

Roughly 50% of gamers are women: You don't have to take our word for it; take a look at any [video game statistic](#) out there. Many people, including marketers, still seem to have this preconceived notion that only men are gamers... That's far from the truth:



Google Web Stories

Why we care about Google Web Stories: Because of their potential discoverability. Google shows Stories on Discover, an app used by over 800 million users each month. For now, Google shows Web Stories on Discover in the US, India and Brazil. Google can also show Web Stories:

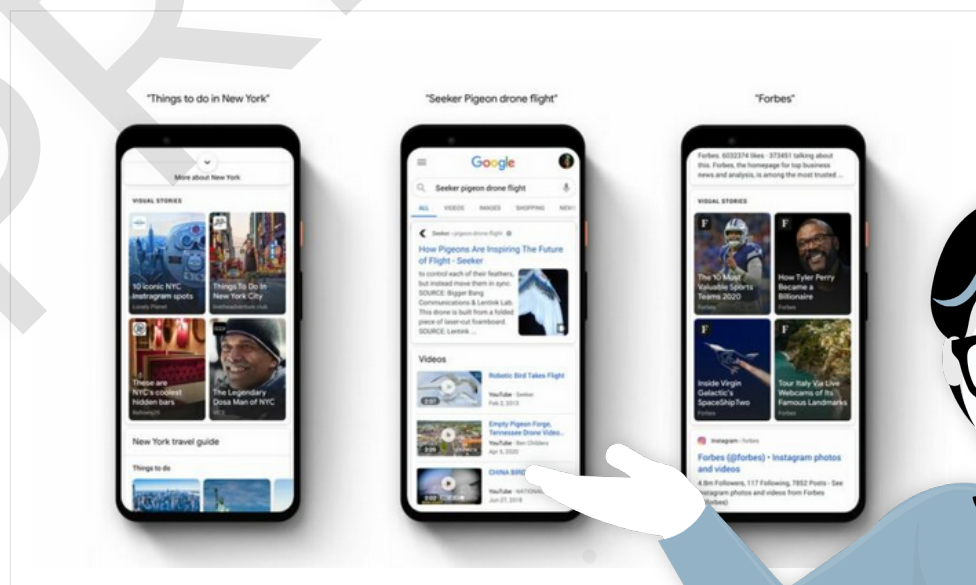
- [Under certain search results](#) as a grid view. For example, when people search for “things to do in New York”, the grid view can show Web Stories from multiple publishers.
- In [Google Images](#) [as an image card](#).

Google is also testing showing Web Stories:

- In place of YouTube videos for [some search results](#)
- In [News search results](#) (as top stories).

Why is Google pushing Web Stories so much? Our theory: Because they’re very well-aware of the potential of short-form content (just look at TikTok) and don’t want to be left out.

Wait. What are Web Stories? Think of Instagram stories, just for the web:



Conclusion

So there you have it. There are many new marketing channels, as well as new ad formats from existing channels that show promise in driving sales for your e-commerce business.

This whole landscape is constantly changing so expect a new Deep Dive from us on this topic every year or so.

At the time of this writing in April 2022, there are multiple players who are trying to squeeze Amazon. As a consequence of the economic changes, more and more people are going to resale marketplaces. Resale marketplaces are noticing the surge and are offering new items, directly competing with the Amazons of the world. This is a trend definitely worth noticing.

We also covered how established acquisition channels are adding new ad formats which show great initial results. YouTube Audio Ads, TikTok Spark Ads, as well as Reddit Conversation Ads are some of these formats. Microsoft Advertising deserves a special mention since they've added tons of new ad formats worth considering over the course of 2021 and 2022.

We've also discussed marketing channels that many e-commerce players are starting to use successfully, such as TV and streaming ads, podcast ads, ad networks from smaller or vertical competitors to Amazon, as well as in-game ad networks (surprise: 50% of gamers are female).

Finally, we've covered some new organic features from Google, Instagram and Pinterest we think are worth paying attention. Utilizing them could unlock some crazy viral traffic or consistent organic, intent-based traffic.

We hope you found this Deep Dive useful!





For the full deep dive, [join Insights by Stacked Marketer](#).

At least one new deep dive every month.

No long term commitments, cancel any time.

If it's not for you, message us within 24 hours of subscribing to get a full refund.

[Try it risk free](#) for \$99/month.