

TRENDS REPORT

# State of Retail Ecommerce Patio, Lawn & Garden Category

Month Ending October 2023

**Not Licensed For Distribution**

© 2023 CommercIQ. All trademarks are property of their respective owners.

CommercIQ

# Overall Executive Summary

---

## Executive Summary: Top 3 Takeaways for October 2023

---

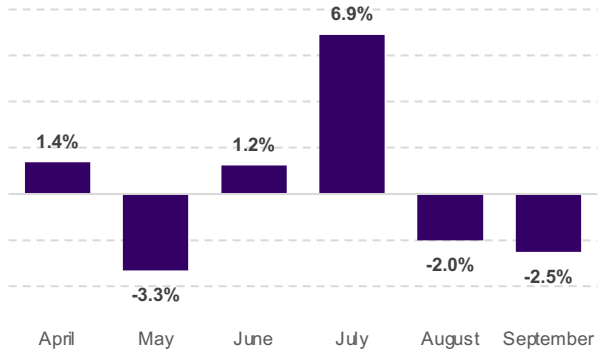
- 1 Out of Stock levels are continuing to rise month over month and have surpassed 2022 levels in September.
- 2 There is a general increase in competitiveness with a growth in ad spend and reduction in glance views.
- 3 Price Levels rising steadily along with slight increase in conversion rates. This likely explains a continued increase in ROAS despite rising CPCs over the last 3 months.

---

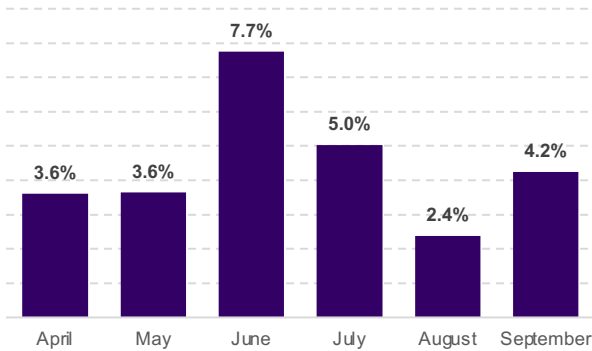
Source: Internal data from CommerceIQ's REM Platform for its users for the 18 months leading up to and including September 2023.

**Across all categories there is a much more pronounced growth in ad spend, with a slight decline in glance views. This correlates with minor growth in revenue and improvement in ROAS.**

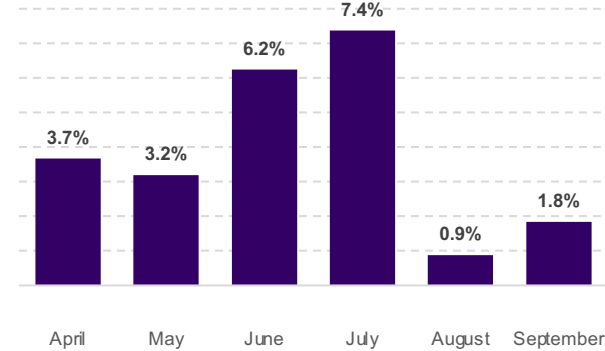
**Change in Glance Views (Overall)**  
2023 v 2022



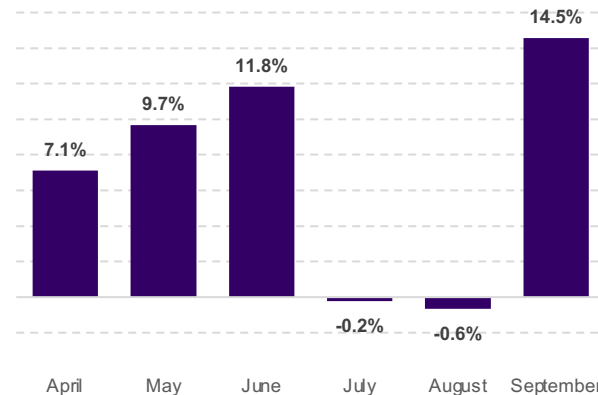
**Change in ASP (Overall)**  
2023 v 2022



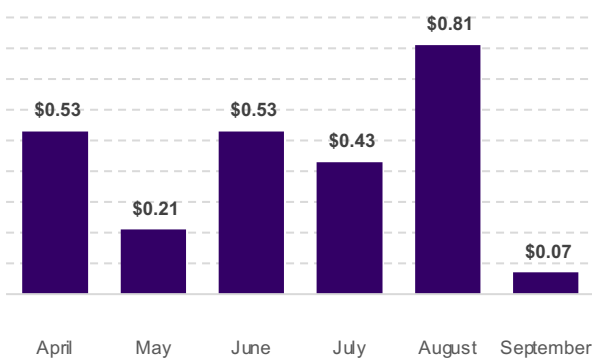
**Change in OPS (Overall)**  
2023 v 2022



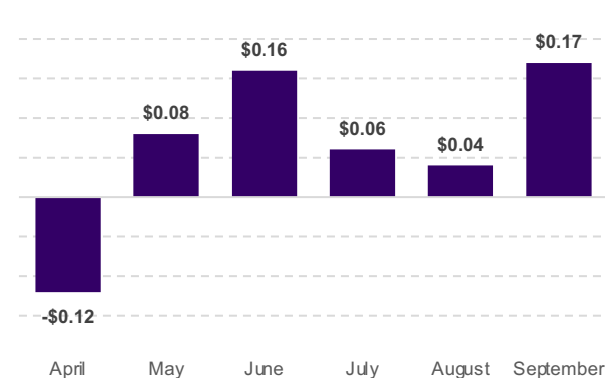
**Change in Ad Spend (Overall)**  
2023 v 2022



**Change in CPC (Overall)**  
2023 v 2022



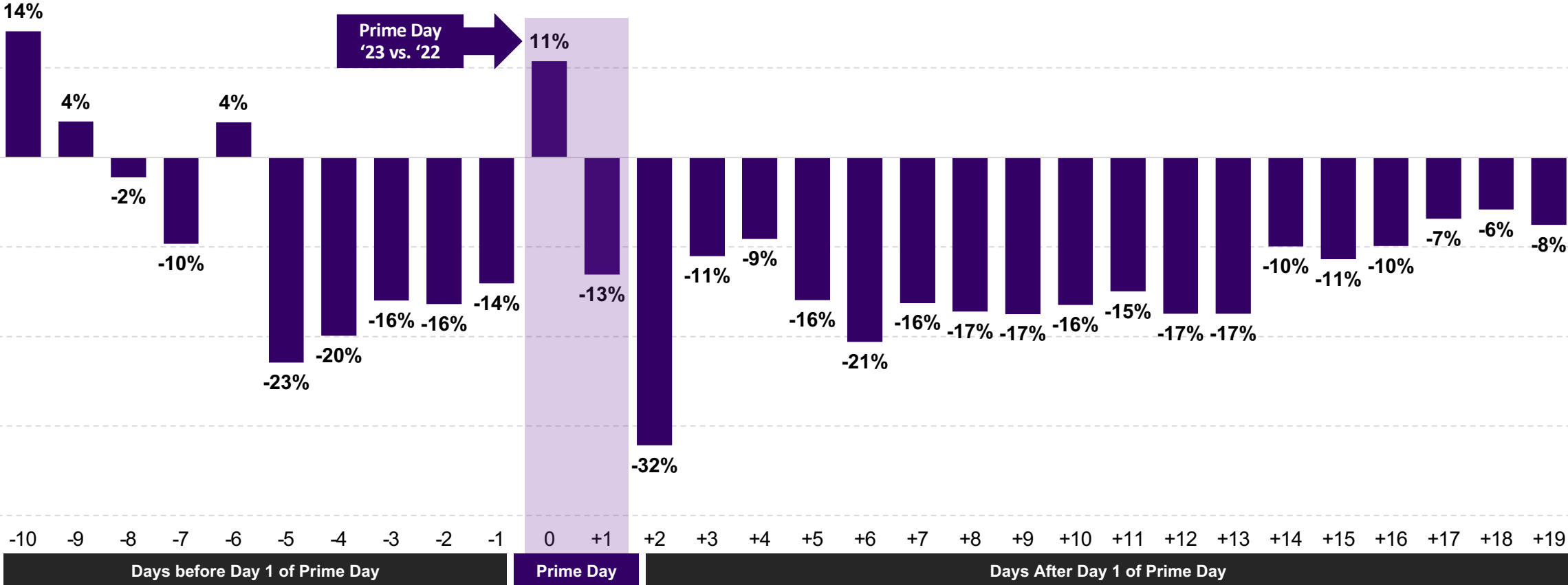
**Change in ROAS (Overall)**  
2023 v 2022



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023.

**Despite an +11% increase in ad spend during Day 1 of Prime Day 2023, brands pulled back ad spend throughout the rest of July, resulting in relatively flat ad spend compared to July 2022.**

**Ad spend by Day in July 2023 compared to July 2022**

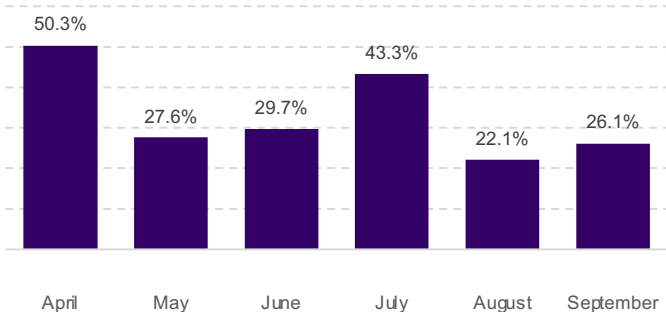


Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023.

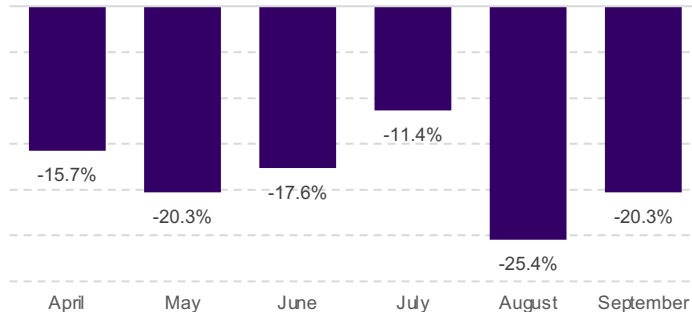
# Key Category Metrics

**While this category has tailwinds with growing traffic, price levels and sales have trended downwards alongside increased ad spend, signaling increased competitiveness within the industry.**

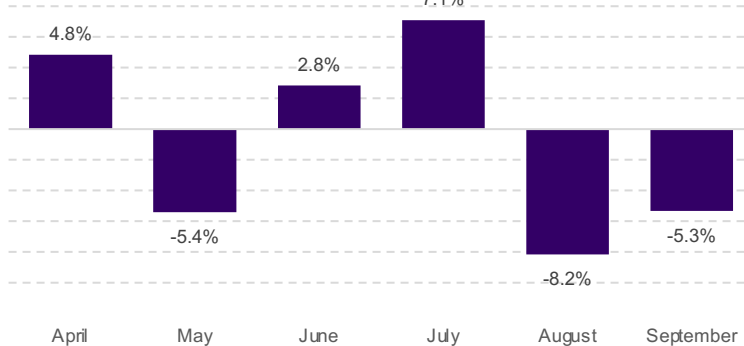
**Change in Glance Views (Overall)**  
2023 v 2022



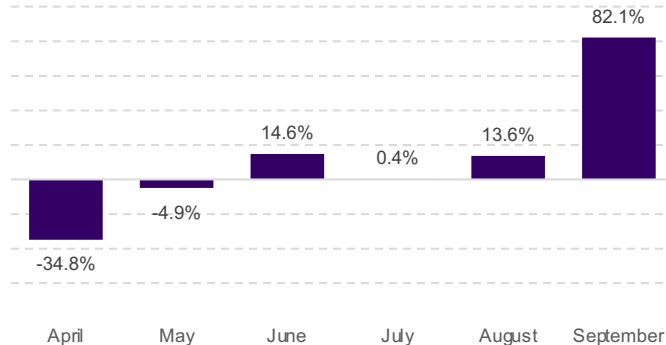
**Change in ASP (Overall)**  
2023 v 2022



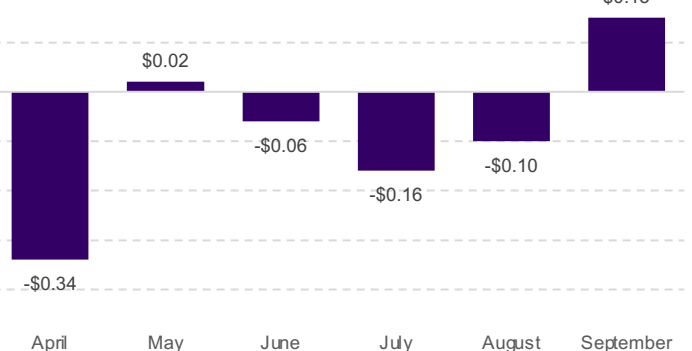
**Change in OPS (Overall)**  
2023 v 2022



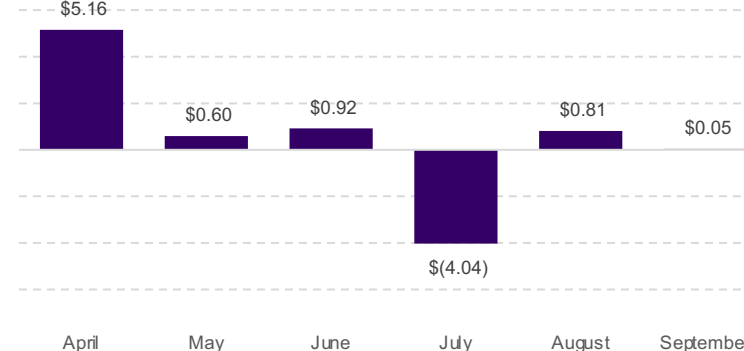
**Change in Ad Spend (Overall)**  
2023 v 2022



**Change in CPC (Overall)**  
2023 v 2022



**Change in ROAS (Overall)**  
2023 v 2022



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023.

---

## Category Summary: Top 3 Takeaways for October 2023

---

- 1 Revenue lost due to out of stock has spiked in September, potentially driven by a reduction in inventory on hand in the 5 months preceding September.
- 2 The category is facing strong tailwinds with growing revenues, ROAS and traffic with stable gross margins.
- 3 ROAS has improved, likely supported by decreased ad spend and decreased CPCs.

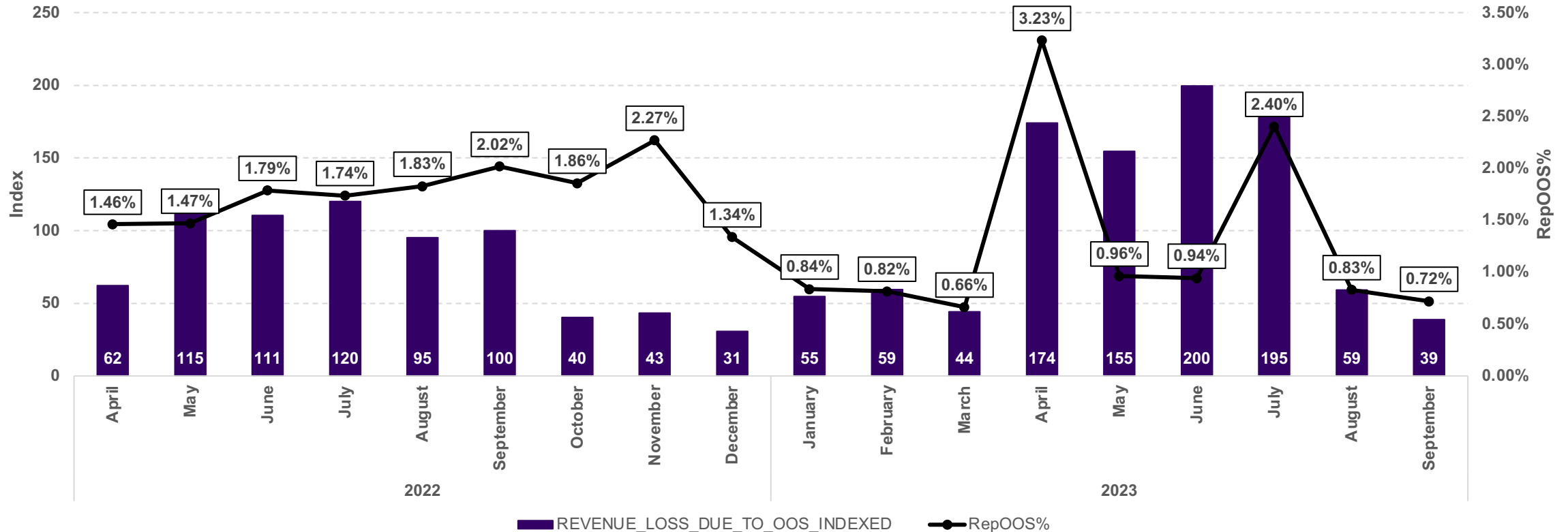
---

Source: Internal data from CommerceIQ's REM Platform for its users for the 18 months leading up to and including September 2023.



The category faced some challenges with increasing RepOOS% and spikes in revenue losses due to OOS in the Summer, but levels have now improved going into Q4.

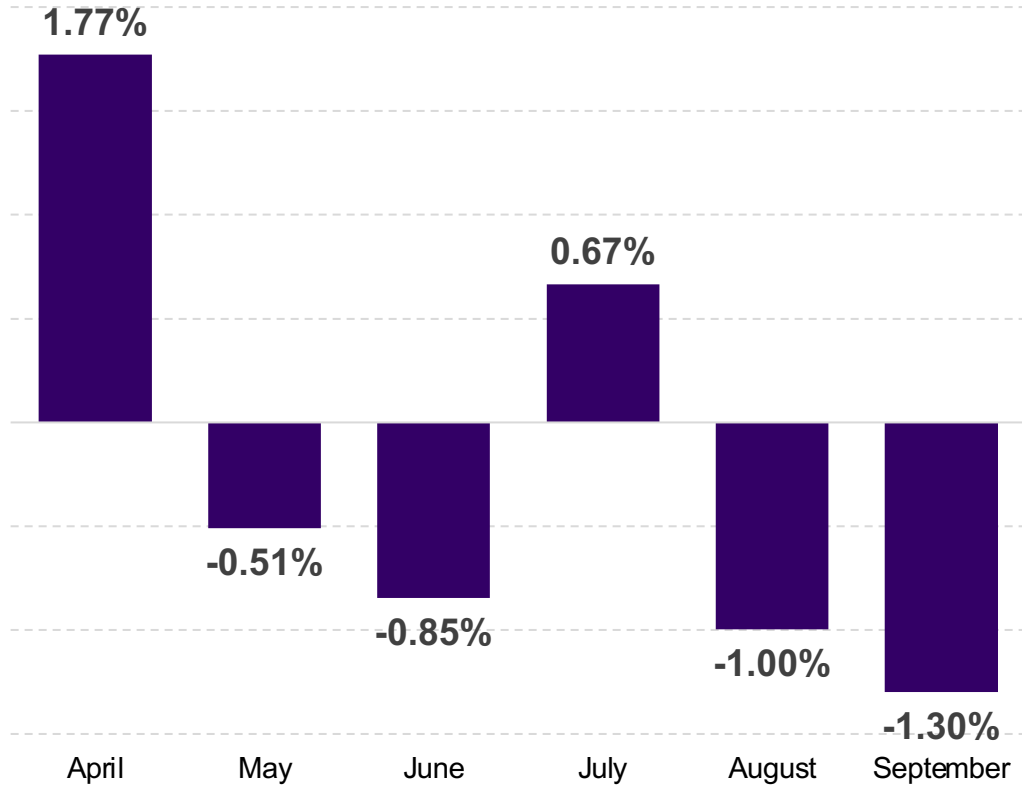
### Out of Stocks for Units and Revenue



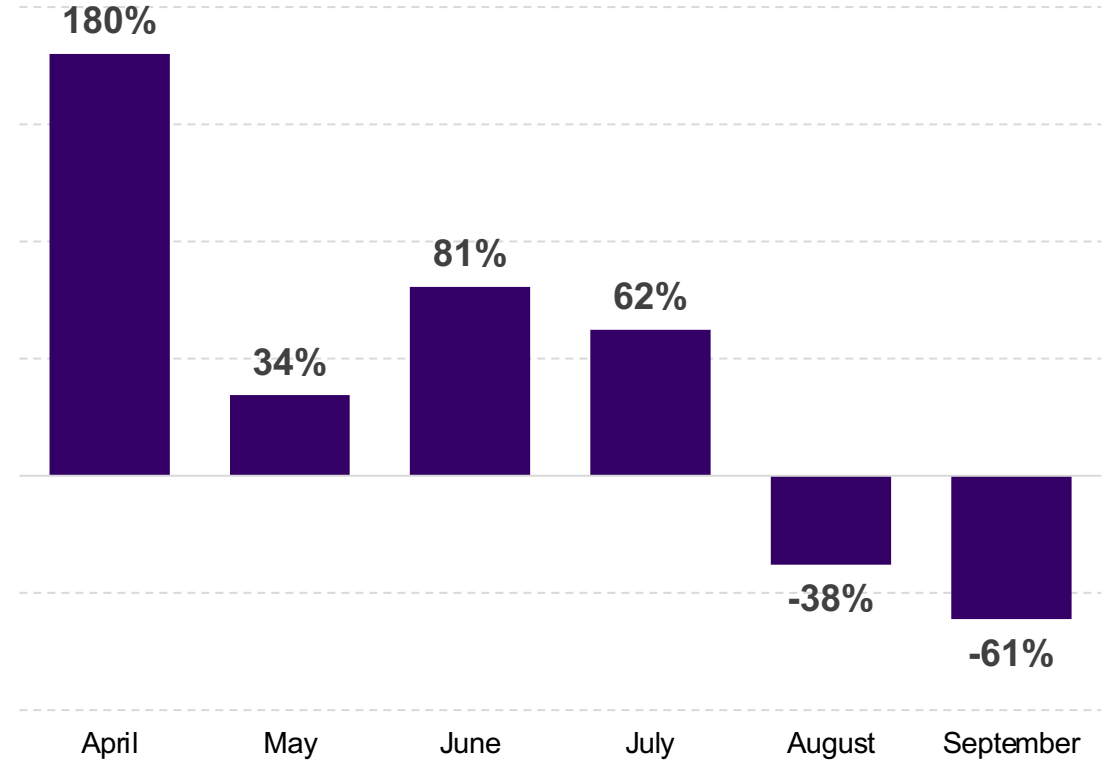
Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

## The category has been able to reverse the revenue losses leading into Q4

### Change in RepOOS% (2023 vs 2022)



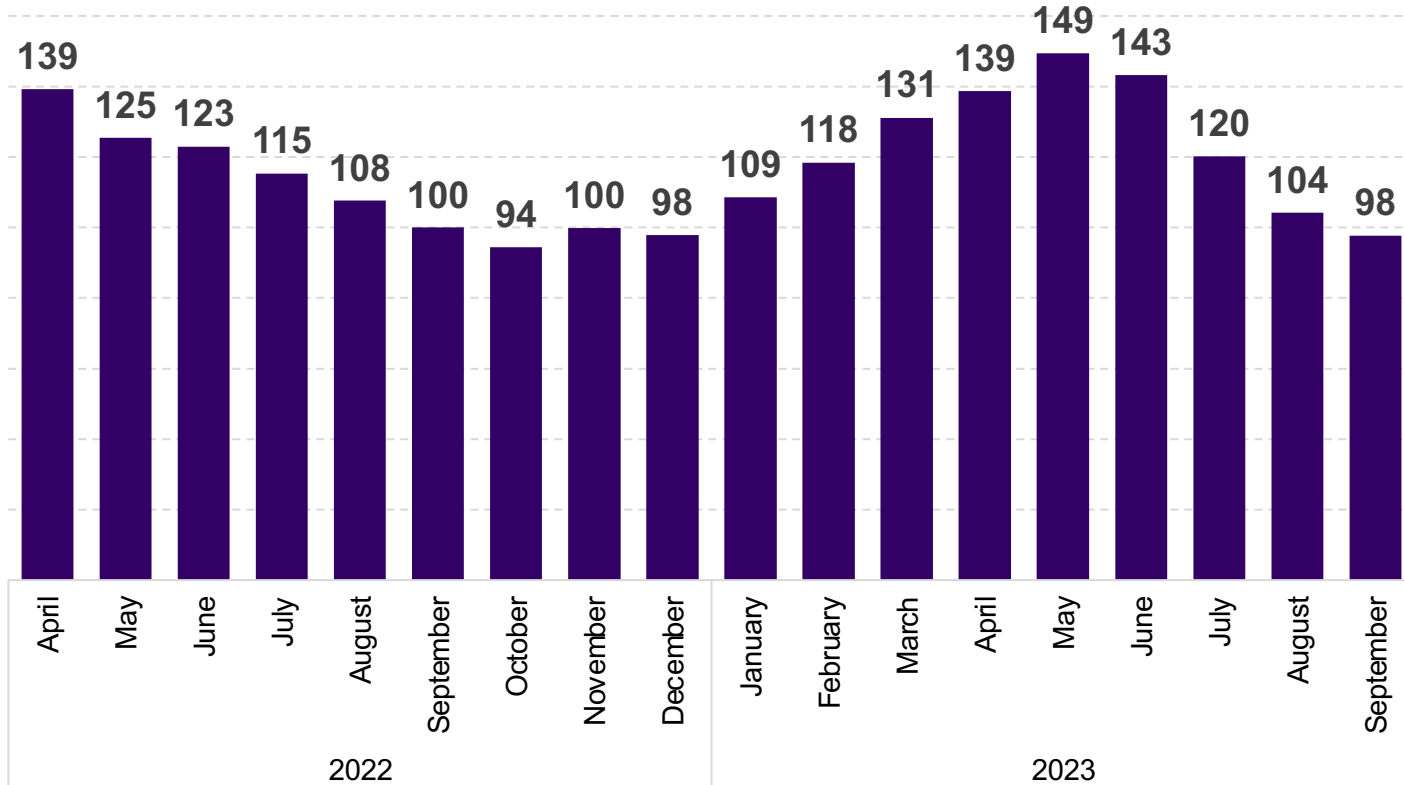
### Change in Revenue Lost due to OOS (2023 vs 2022)



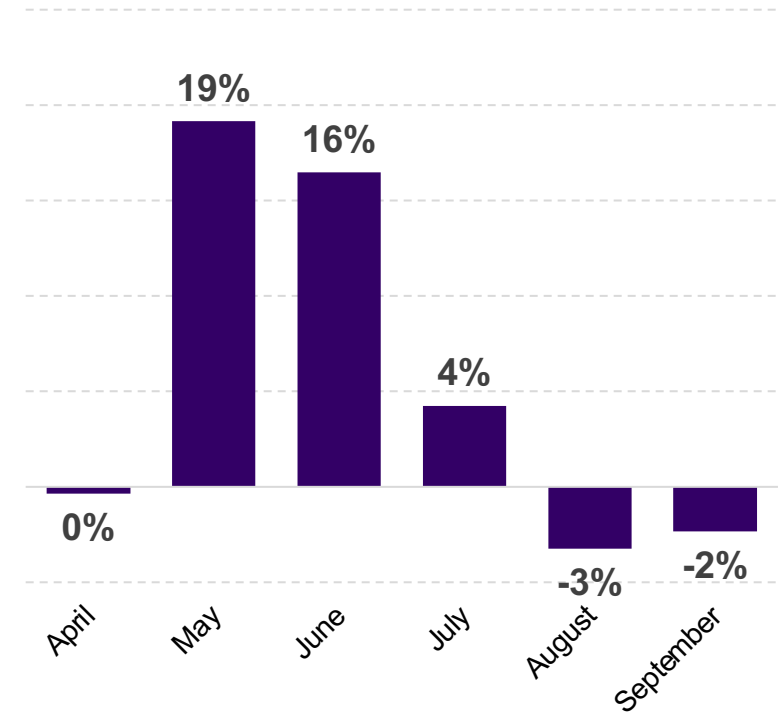
Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

Inventory levels slightly increased month over month but are below 2022 levels, which could indicate pent up supply chain deficiencies leading into Q4.

On Hand Inventory Index



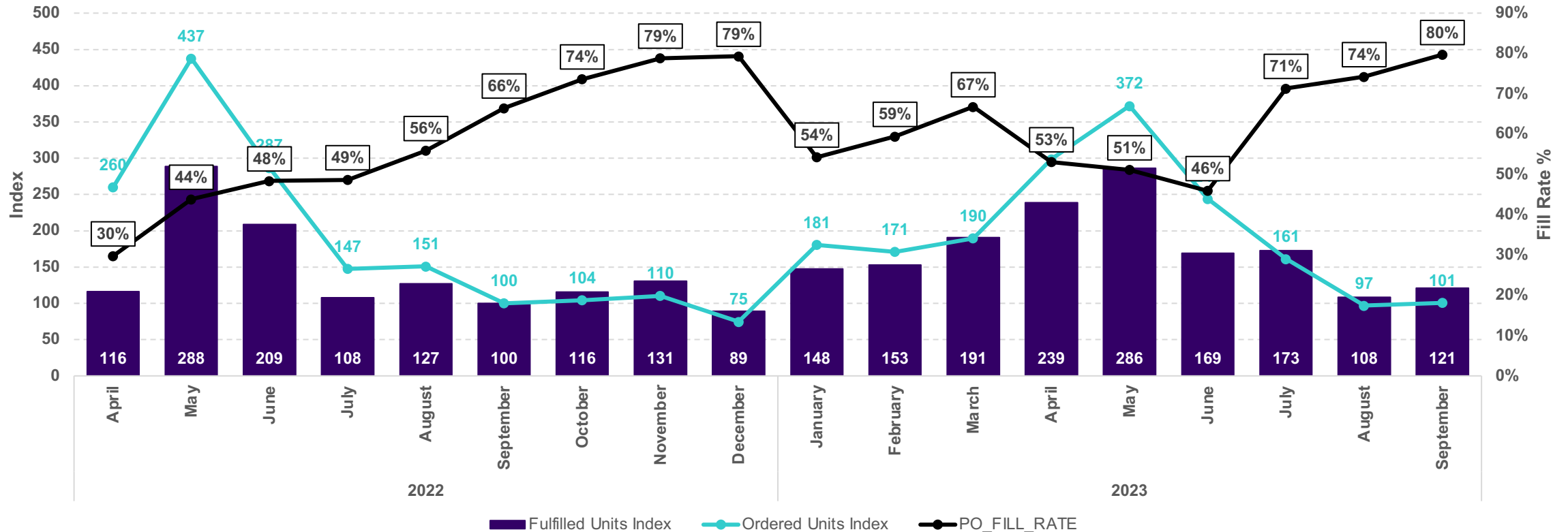
Change in On Hand Inventory (2023 vs 2022)



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

# Fill rates started to climb and along with Ordered units are slightly above 2022 levels.

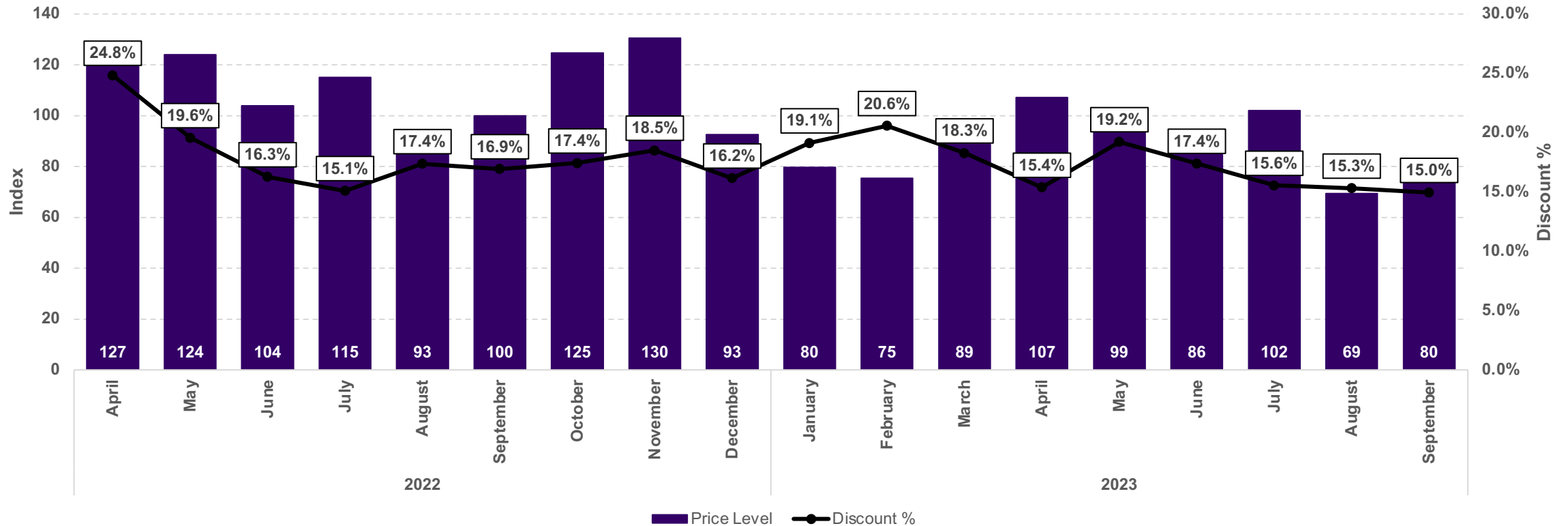
## Fill Rate % vs. Ordered Unit & Fulfilled PO Units Indices



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023. Fulfilled PO Units Index = Ordered Unit Index X Fill Rate %

# Price Levels and discount levels have also remained slightly below 2022.

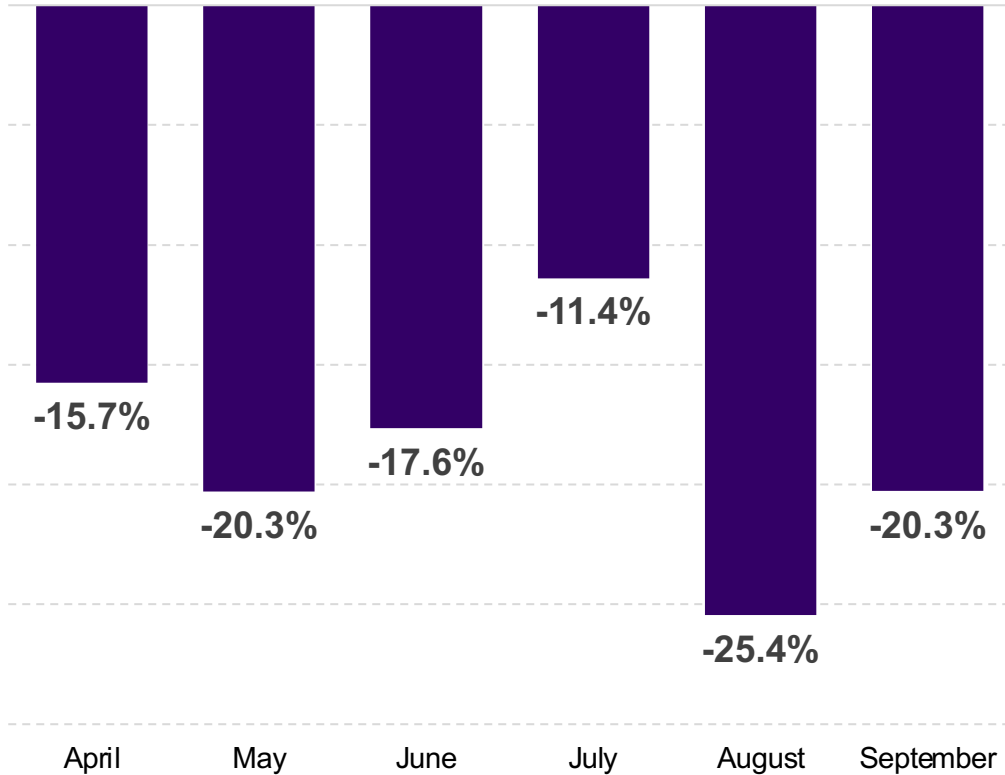
## Price Index vs. Discount Percentage



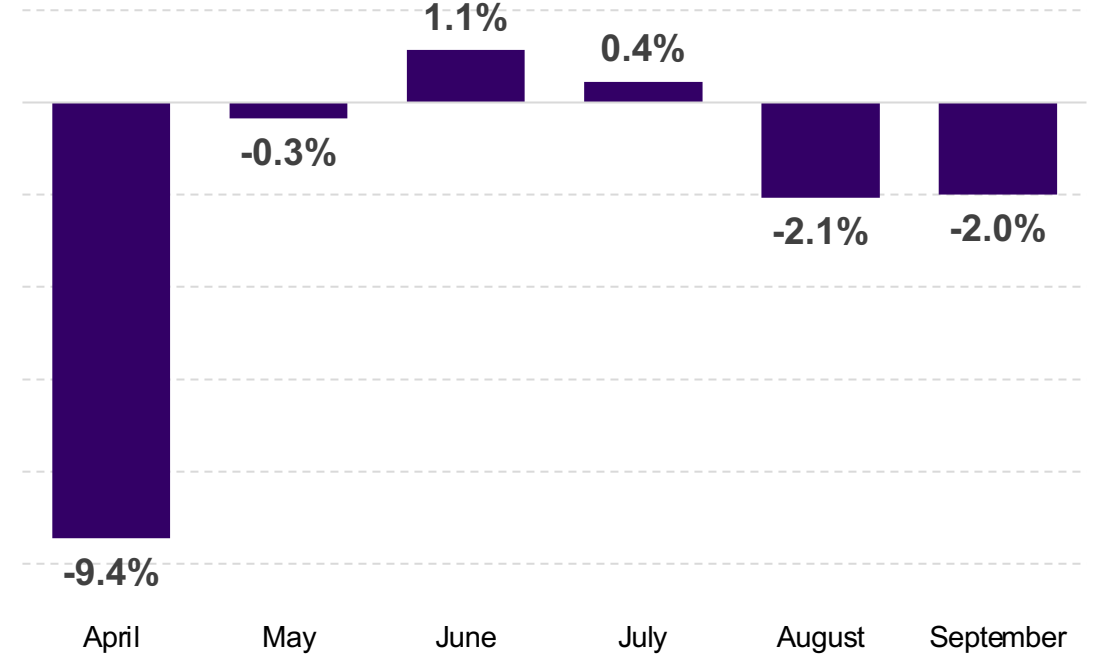
Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

## Price levels and discount percentages are down versus 2022.

### Change in Price Level (2023 vs 2022)



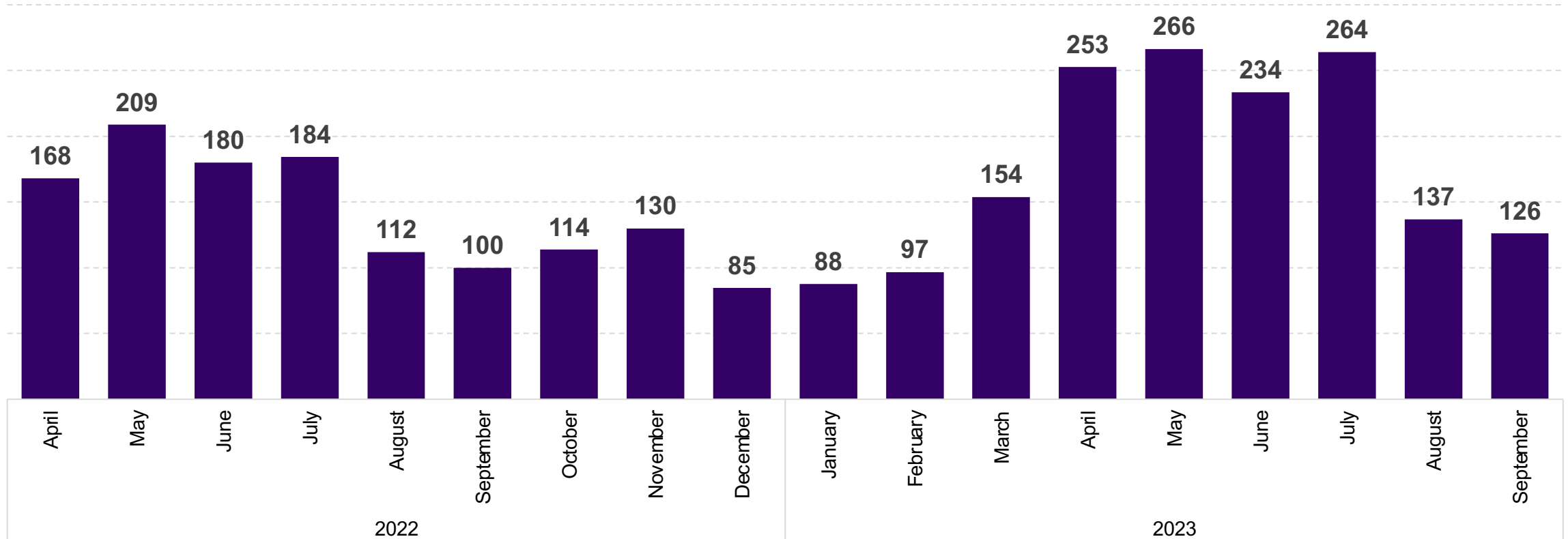
### Change in Discount % (2023 vs 2022)



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

Glance Views have continued to climb month over month, signaling increased interest in the category.

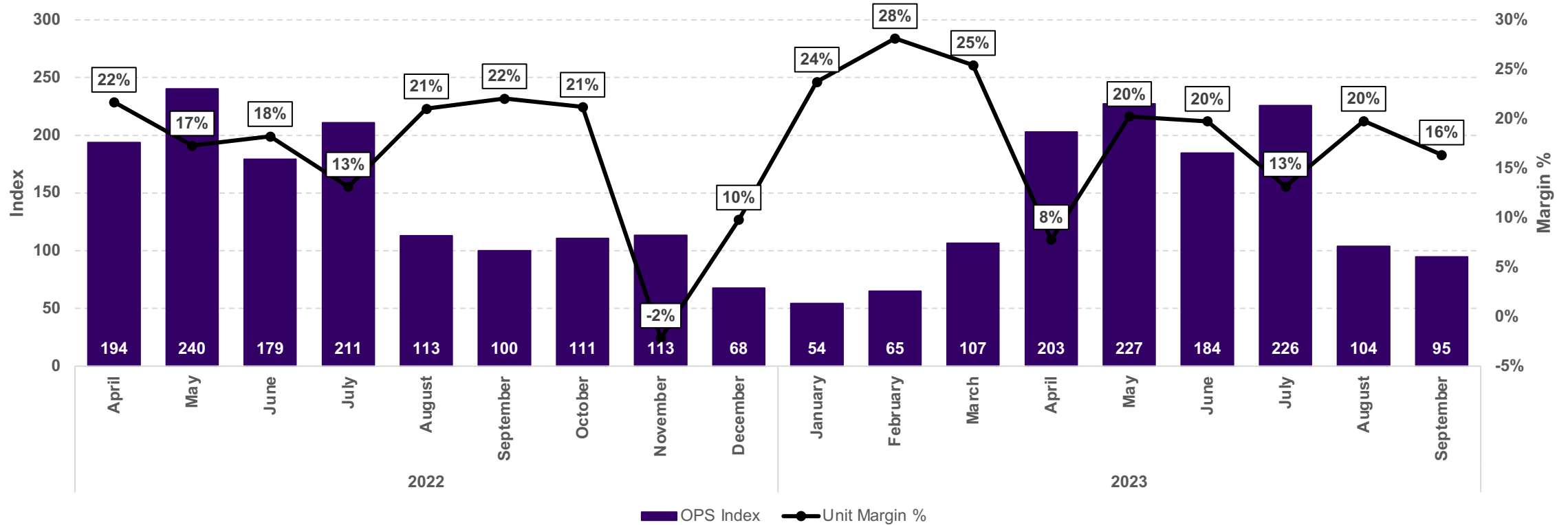
### Glance Views Index



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

# OPS has fallen below 2022 levels while Unit Margin % has begun to decline.

OPS Index vs. Unit Margin %

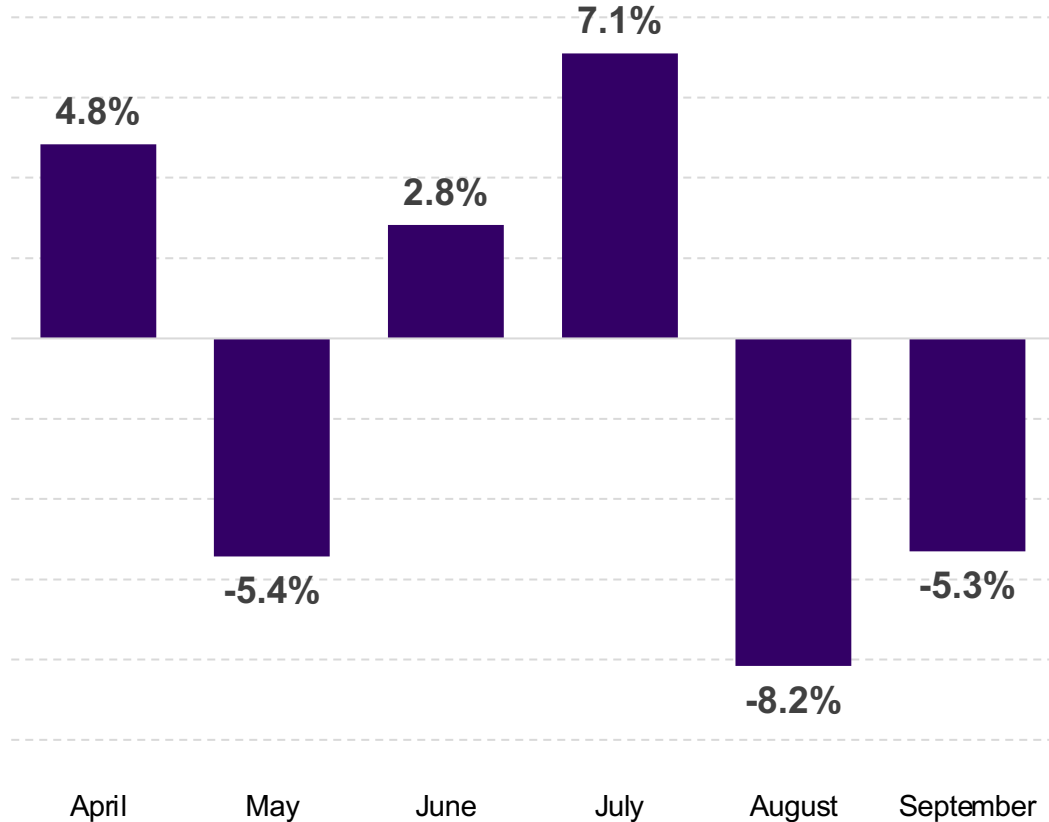


Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

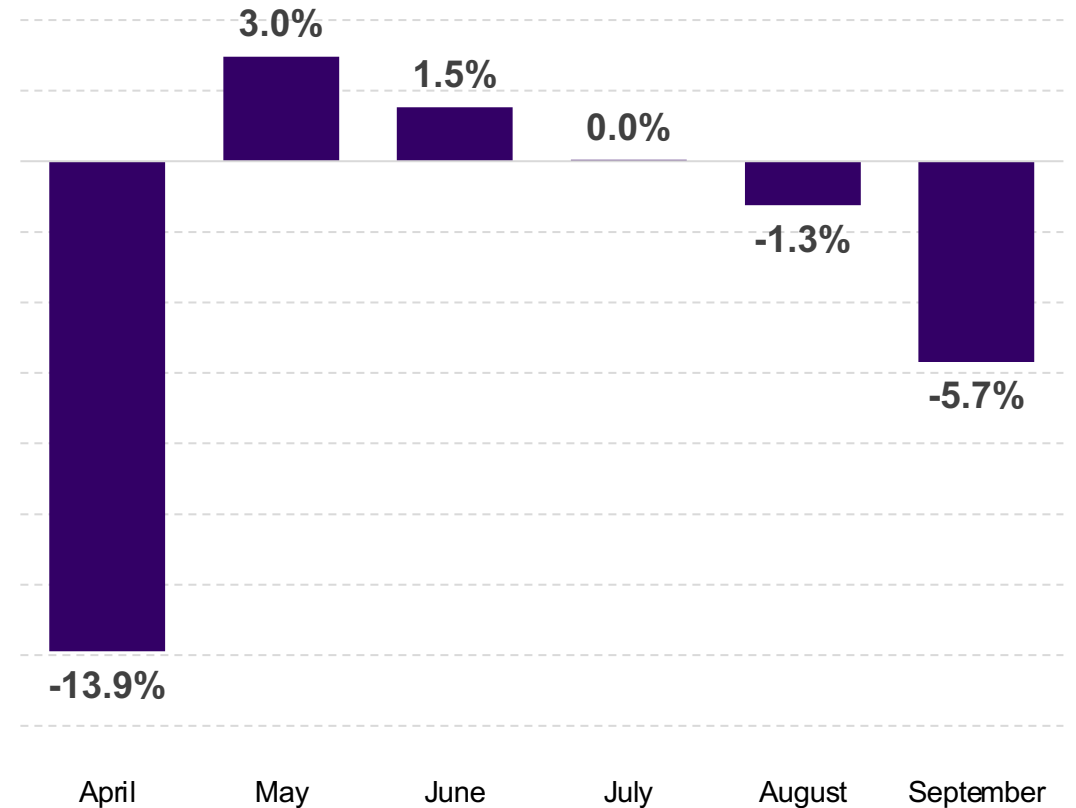


## Ordered Revenues and margins have started to fall, compressing profitability within the category.

### Change in Ordered Revenue (2023 vs 2022)



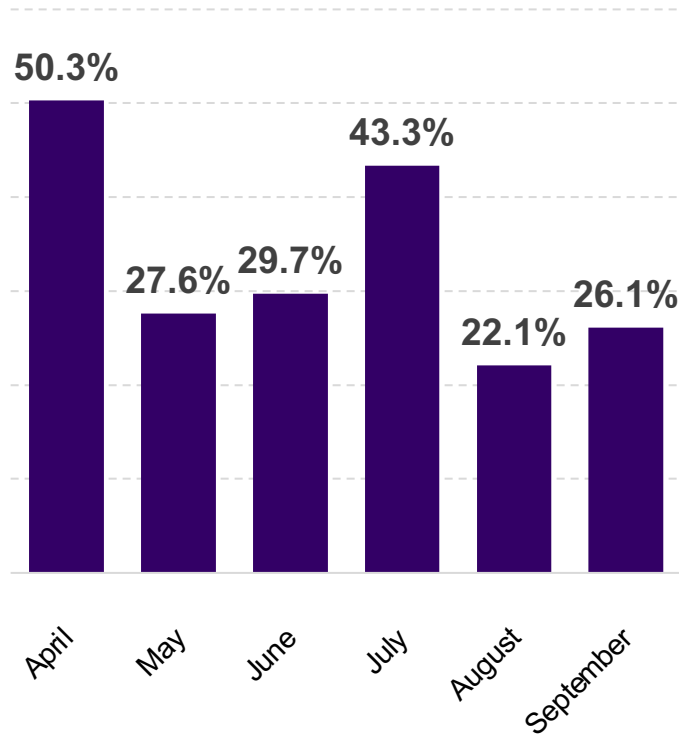
### Change in Unit Margin % (2023 vs 2022)



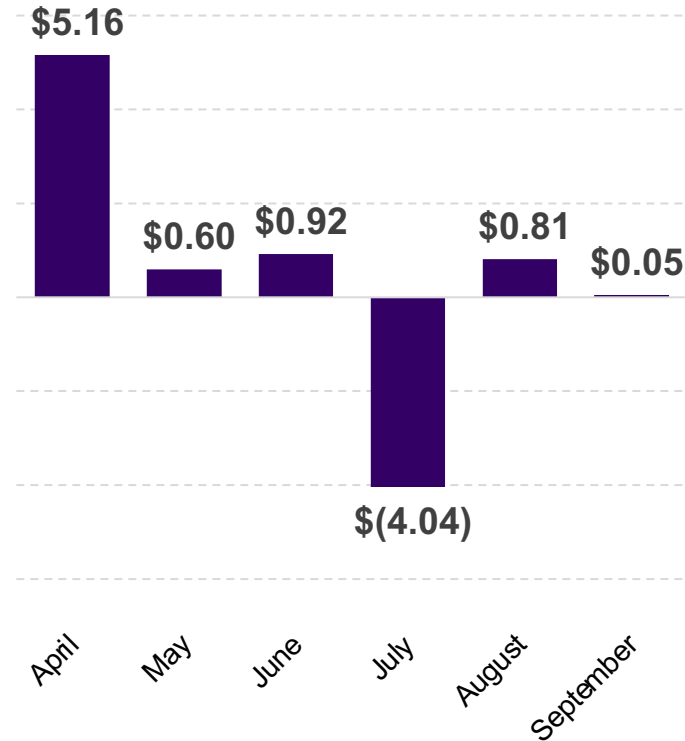
Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

Traffic has remained up Year over Year, supported by a steady decline in CPCs in the last 3 months.

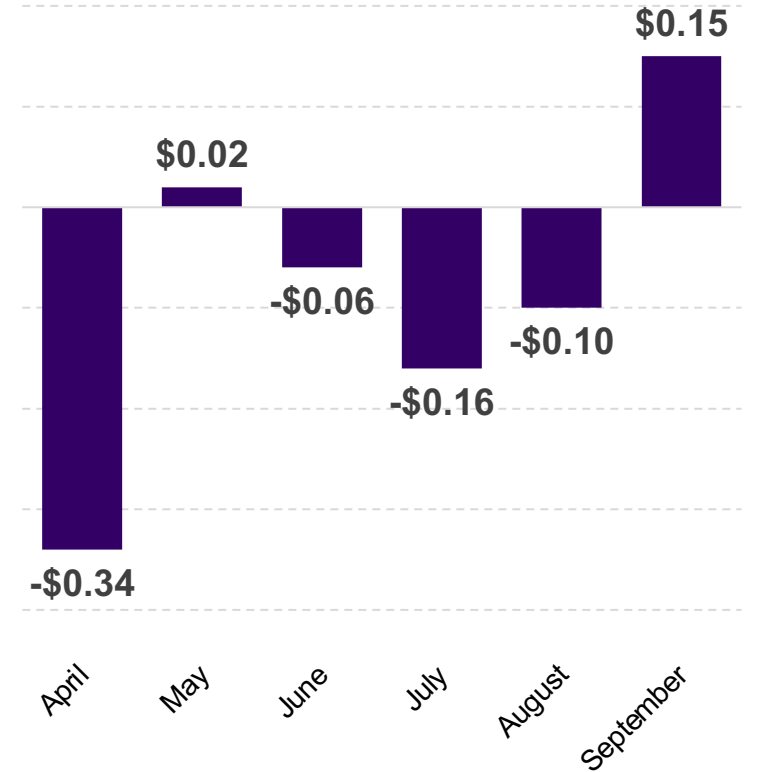
Change in Glance Views (2023 vs 2022)



Change in ROAS (2023 vs 2022)



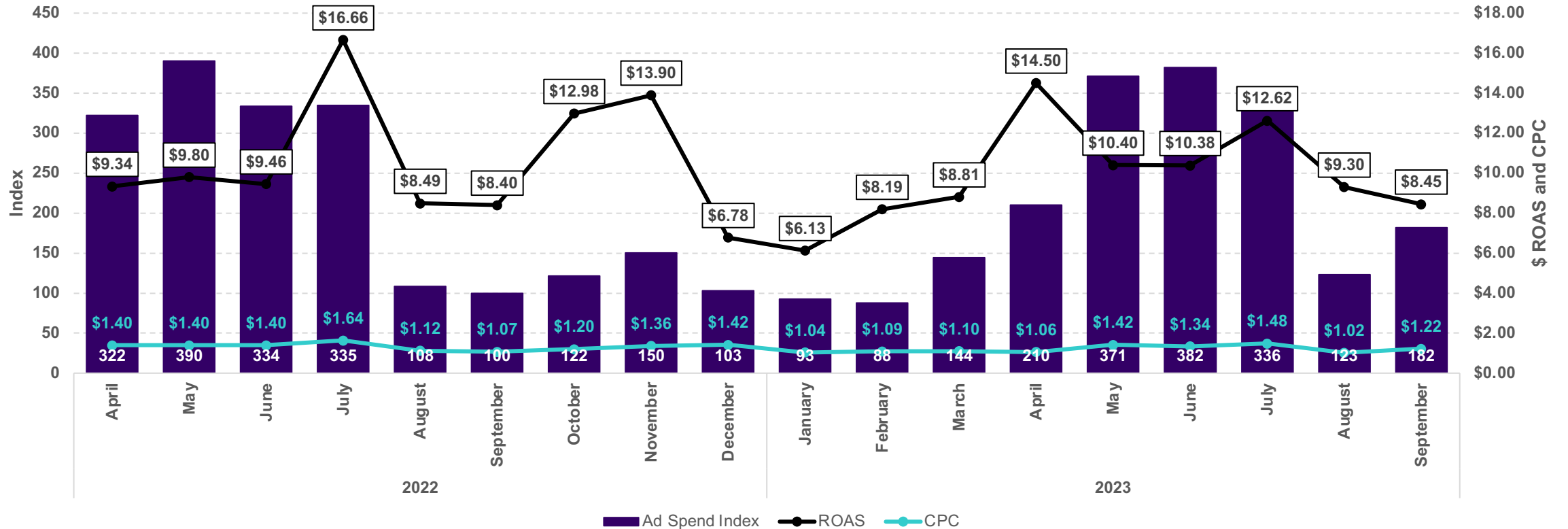
Change in CPC (2023 vs 2022)



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

# In face of increased CPCs and Ad spend, ROAS has seen steady overall improvement after a substantial decline in October 2022.

## Ad Spend Index vs. ROAS and CPC



Source: Internal data in aggregate from CommerceIQ's REM Platform for its users on Amazon for the 18 months leading up to and including September 2023. Index set to 100 for September 2022 to create simpler comparisons for September 2023.

## Contact Us

Contact CommercIQ at <https://www.commerceiq.ai/demo/>

CommercIQ | 2100 Geng Rd Suite 210, Palo Alto, CA 94303

[www.commerceiq.ai](http://www.commerceiq.ai)

**Not Licensed For Distribution.**

© 2023 CommercIQ. All trademarks are property of their respective owners.

# CommercIQ