

Study Reveals Ecommerce Stores Must Stop Relying on Facebook Advertising Or Risk Financial Ruin

Research clearly shows eCommerce retailers relying on Facebook advertising will risk facing financial ruin if they do not change their marketing strategy.

GOLD COAST, QUEENSLAND, AUSTRALIA, March 26, 2022 /EINPresswire.com/ -- [Munn Digital](#), an Australian-based Ecommerce Digital Marketing Agency Partner, Google Partner, and Shopify Partner work primarily with eCommerce stores across the US. Analyzing over 125 eCommerce retailers across 7 different industries, research clearly shows eCommerce retailers relying on Facebook advertising will risk facing financial ruin if they do not change their marketing strategy.

Mobile Device Info	Source / Medium	Acquisition			Behavior			Conversions		eCommerce
		Users	New Users	Sessions	Bounce Rate	Pages / Session	Avg. Session Duration	Transactions	Revenue	
3. Apple iPhone		facebook / cpc								
Feb 1, 2022 - Mar 15, 2022		5,034 (12.26%)	4,906 (12.54%)	5,853 (11.51%)	5.81%	6.47	00:01:26	67 (0.50%)	\$3,679.92 (0.51%)	
Feb 1, 2021 - Mar 15, 2021		13,265 (19.29%)	13,028 (19.16%)	15,215 (18.58%)	2.75%	7.13	00:01:22	189 (1.55%)	\$10,911.47 (1.55%)	
% Change		-62.05%	-62.34%	-61.53%	110.94%	-9.26%	4.61%	-64.55%	-66.27%	
6. Apple iPhone XR		facebook / cpc								
Feb 1, 2022 - Mar 15, 2022		963 (2.35%)	939 (2.40%)	1,060 (2.09%)	7.08%	5.83	00:01:09	17 (2.41%)	\$758.76 (1.74%)	
Feb 1, 2021 - Mar 15, 2021		2,892 (4.39%)	2,833 (4.34%)	3,210 (3.92%)	4.30%	6.42	00:01:11	30 (2.54%)	\$1,693.56 (2.48%)	
% Change		-66.70%	-66.85%	-66.98%	64.58%	-9.21%	-2.37%	-43.33%	-55.20%	
17. Apple iPhone XS Max		facebook / cpc								
Feb 1, 2022 - Mar 15, 2022		353 (0.86%)	349 (0.89%)	397 (0.78%)	2.27%	6.99	00:01:37	6 (0.83%)	\$292.82 (0.68%)	
Feb 1, 2021 - Mar 15, 2021		1,343 (1.95%)	1,316 (2.02%)	1,508 (1.84%)	2.06%	7.92	00:01:23	24 (2.03%)	\$1,456.63 (2.13%)	
% Change		-73.72%	-73.48%	-73.67%	10.28%	-11.76%	16.57%	-75.00%	-79.90%	

Google Analytics Screenshot Of Actual Decline In Apple Device Sales from Facebook Advertising

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Marketing budgets and strategies must be changed and reviewed, and eCommerce retailers realize that Facebook advertising performance will simply not be as lucrative as it once was.”

Tracey Munn

Google and Shopify Partner, Munn Digital, has recently completed an 8-month study on the impact to eCommerce retailers in the United States post the Apple iOS14 update (and more recently email privacy changes). Analyzing 125 eCommerce retailers across the United States, industries included; Hair & Beauty, Nutrition, Fashion, Snack Foods, Baby Products, Homewares

Munn Digital, Founder, Chief Digital Strategist and 15 year digital marketing veteran Tracey Munn, led her team of analysts on a tracking mission to monitor the impact of this update to eCommerce retailers relying on Facebook to

generate sales.

Monitoring over 125 eCommerce stores, the results have been nothing short of staggering.

Tracey Munn comments:

“There was an initial impact in eCommerce sales after the Apple iOS14 update, however, we are

truly seeing the impact as of the beginning of 2022.

Quality Facebook Advertising, the kind that delivers a x4 ROAS (return on ad spend), relies heavily on well-structured funnels. This means cold audiences are targeted at top of funnel, and warm audiences (those who have engaged with the brand in some way), and retargeted to at middle and bottom of funnel.

These warm audiences, and retargeting, is where we have seen the greatest impact from the iOS14.5 update."

Impacts to the Facebook Pixel and Events

Prior to the update, Facebook Marketers could create unlimited Facebook Pixel Events. This meant audiences could be retargeted based on numerous behaviors, from visiting a website, to time spent on a product, adding a product to cart, clicking on a button, and so many more.

Post iOS14.5, pixel events were limited to 8 events only. Some of the campaigns we reviewed had over 60 audiences and granular campaigns set up based on previous events. This stopped upon the update, in some cases reducing retargeting audiences by 70%, of which 96% of that audience had opted out of tracking.

What the Data Predicts for Ecommerce Retailers

- A staggering 100% have been negatively affected by the Apple iOS14 update.
- All retailers participating in the study shared their Google Analytics profiles along with other tracking systems Munn Digital.
- Data highlights from the study conclusively showed that:
 - Apple devices reported no less than a 30% drop in retargeting sales from Facebook Advertising over 8 months
 - Depending on the industry, the highest reported drop in Facebook sales from Apple devices was 51.41%
 - Samsung sales increased in all retailers by a minimum of 200%
 - Stable Facebook campaigns, where audience targeting did not change after the iOS14 update, decreased on average from a x 6 ROAS to a 2.4 ROAS
 - ROAS (return on ad spend) declined across all 125 retailers

What should eCommerce retailers be doing to recover from lost sales

Should eCommerce retailers stop advertising on Facebook? Tracey Munn comments:

"I don't believe any eCommerce retailer should stop Facebook advertising, but must ensure they are experimenting with targeting options, and understand that Facebook retargeting is simply not what it once was.

As Facebook results have decreased, some retailers are seeing, at minimum, a 700% spike in YouTube traffic and sales from YouTube ads. Organic sales are also on the rise, as are email-generated sales.

Marketing budgets and strategies must be changed and reviewed, and eCommerce retailers realize that Facebook advertising performance will simply not be as lucrative as it once was. Retailers must expand their marketing efforts to include more channels."

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