

# The Numbers CPG Brands on Amazon Need to Know.

Margins, ad costs, conversion rates, fees — benchmarked against the real state of Amazon in 2026. So you know exactly where you stand and what the gap is actually costing you.

**PUBLISHED** JUNE 2026    **AUDIENCE** CPG BRANDS \$75K-\$500K/MO    **SOURCES** CITED INDUSTRY STUDIES

— WHY THIS REPORT EXISTS

## Most Amazon data is generic. This is for CPG brands specifically.

Platform-wide averages tell you almost nothing useful. A brand selling supplements operates in a completely different margin environment than one selling kitchen equipment. This report organizes benchmarks by the numbers that matter to CPG operators — margins after all costs, ad efficiency at current CPC levels, and the conversion rate thresholds that separate growing brands from stagnating ones.

Every statistic cited here links to a published source. Where Eleviam references observations from our own 40+ brand portfolio, it is labeled as such and distinguished from third-party data. We are operators. We believe in showing the work.

**5–15%**

Average net margin for Amazon sellers — after all fees, ads, and costs. Healthy target is 15–25%.

**\$1.18**

Average Amazon CPC in 2026 — near the highest levels on record, up from \$1.04 in 2025.

**8–12%**

TACoS range for established, well-optimized CPG products.

**+24%**

Amazon ad revenue growth in Q1 2026 — twice the pace of its retail growth.

All figures sourced from published third-party research, cited throughout. Eleviam internal observations are based on our 40+ brand portfolio and labeled where used. This report does not constitute financial advice.

**CONTEXT – Q1 2026**

**Amazon advertising grew 24% YoY — twice the rate of retail growth**

Amazon's Q1 2026 earnings showed advertising revenue hit \$17.2 billion, up 24% year-over-year, while online store revenue grew just 12%. When ad revenue grows at twice the pace of retail, sellers are paying more per unit of visibility than the prior year — every quarter, consistently.

[src] Amazon Q1 2026 Earnings – April 29, 2026 (CNBC / About Amazon)

**CONTEXT – APRIL 2026**

**A new 3.5% fuel surcharge hit all FBA sellers on April 17, 2026**

Amazon added a 3.5% surcharge to all FBA fulfillment fees in the US and Canada, effective April 17 — its first fuel and logistics surcharge since 2022. Average impact: roughly \$0.17 per unit for standard-size items. A seller moving 10,000 units/month faces about \$1,700 in new monthly costs from this line item alone — on top of the January fee increases.

[src] EcommerceBytes / CNBC / DCL Logistics – April 2026

**CONTEXT**

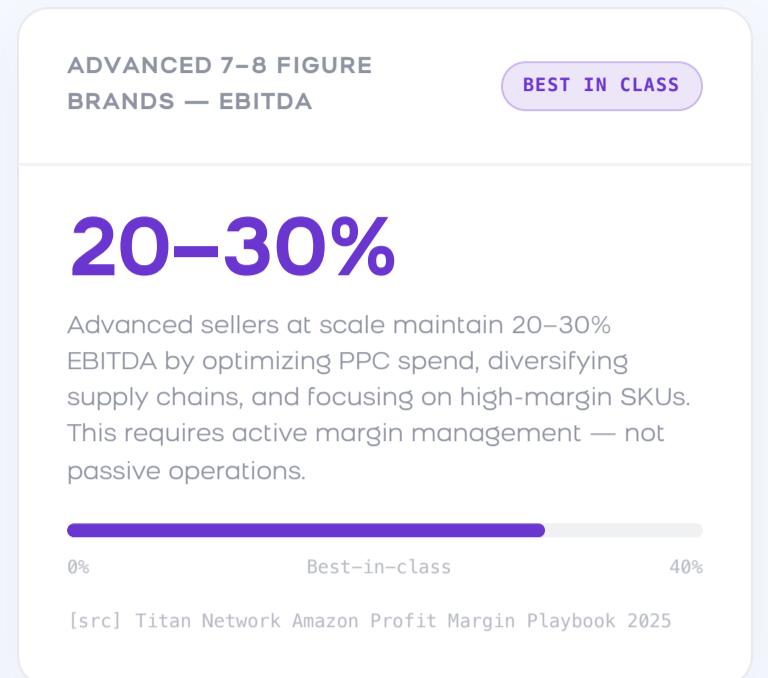
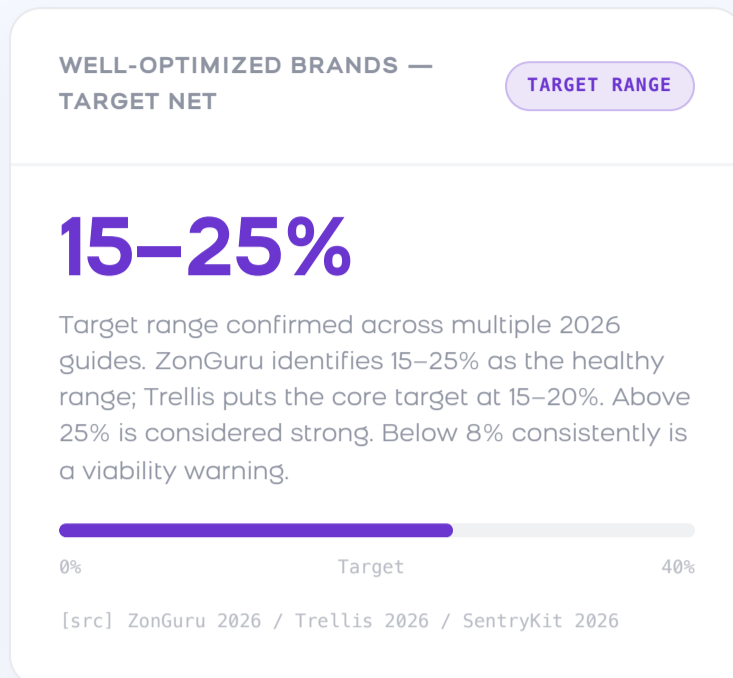
**Active seller count dropped from 2.4M (2021) to 1.65M by end of 2025**

The compression is real. Just 165,000 new sellers registered in 2025 — the lowest in a decade, down 44% from 2024. The remaining sellers are more sophisticated and better-capitalized. The bar is higher.

[src] Marketplace Pulse – Amazon Seller Registrations 2025

# Profit Margins

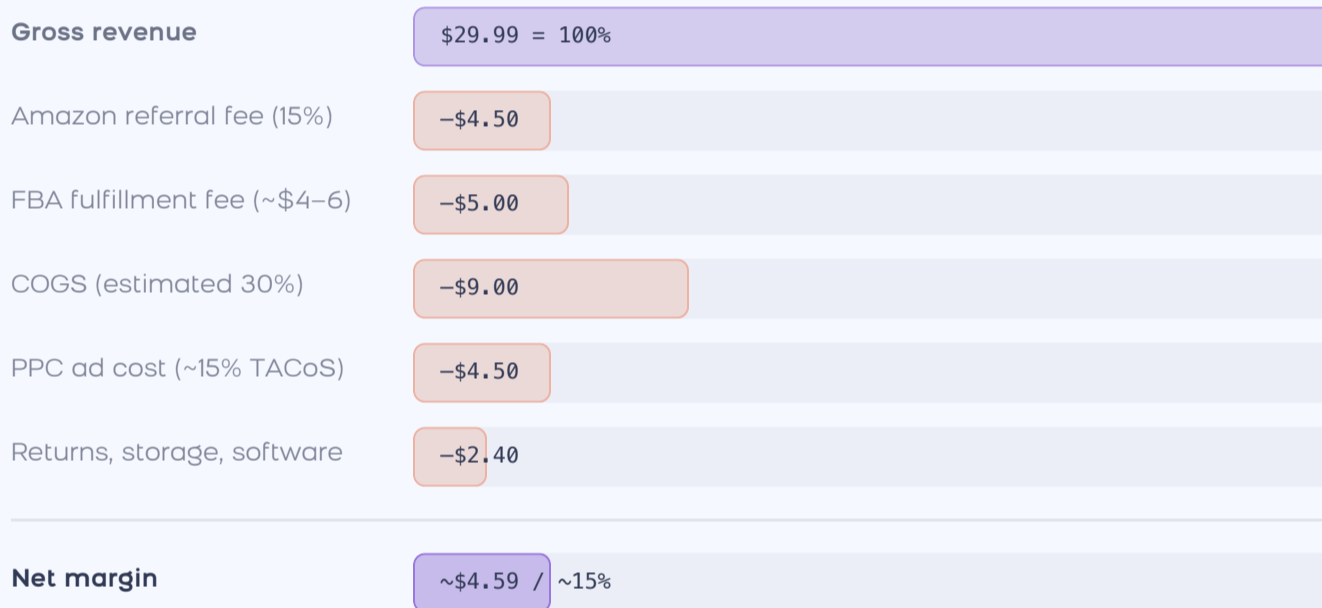
What CPG brands at different stages actually keep after Amazon's cut, fulfillment, advertising, and returns. The spread is wide — and where you sit within it is a strategic decision, not an accident.



## — THE REAL COST STACK

### Where \$100 in revenue actually goes

Based on a CPG product priced at \$29.99 in the Health & Personal Care category. Figures are illustrative of the cost stack using published 2026 fee benchmarks — your specific numbers will vary by category, COGS, and ad efficiency.



Referral fee source: Amazon Referral Fee Chart 2026. FBA fee benchmark: SentryKit Amazon Profit Margin Guide 2026. Illustrative COGS estimate. TACoS benchmark: Canopy Management Metrics Guide 2026.

**The margin trap most CPG brands fall into:** Running 15–20% TACoS on a product with 15% referral fees and \$5 fulfillment costs leaves almost nothing. At a \$29.99 price point, you're spending more in fees and ads than you're keeping in profit — before COGS.

**The 2026 fee stack reality:** As of mid-2026, Amazon sellers face compounding fee increases in a single year: a January fulfillment fee increase, Amazon shifting more FBA prep cost onto sellers, and a 3.5% fuel and logistics surcharge added April 17 averaging ~\$0.17/unit. A seller paying \$5.34 to fulfill a large standard item in late 2025 is now paying closer to \$5.61 per unit — before any referral fee changes.

**25% of Amazon SMB sellers have less than 5% net margin — or none at all.** A quarter of the market is essentially running a funded experiment. If your margins are in this range, optimizing ad spend and conversion rate is not a growth strategy. It is a survival strategy.

[src] Jungle Scout via Statista – SMB Seller Margins 2024

[src] SentryKit – Amazon Profit Margin Guide 2026

## — SECTION 02

# Advertising Costs & Efficiency

CPC is rising. ACoS targets are tightening. The brands that are winning in this environment are not spending more — they are converting better and relying less on paid traffic for every dollar of revenue.

AVERAGE CPC — 2026 CURRENT

**\$1.18**

Reported 2026 average, among the highest levels tracked, up from roughly \$1.04 in 2025. Ad Badger logged the monthly high at \$1.27 in May 2026 heading into Prime Day.

[src] Autron / Epinium 2026 / Ad Badger (May 2026 peak)

TARGET ACoS — ESTABLISHED PRODUCT

**15–25%**

Industry average ACoS runs near 29–30%. Profitable sellers target 15–25% or lower on established products with organic velocity.

[src] Canopy Management Amazon Advertising Cost Guide 2026

TACoS — ESTABLISHED PRODUCT

**8–12%**

Established, well-ranked CPG products. Active launches typically run 15–25% while organic velocity builds. TACoS rising while ROAS stays flat signals ad-dependency.

[src] Canopy Management Metrics Guide 2026

AD CONVERSION RATE — AVERAGE

**~10%**

Reported average advertising conversion rate across Amazon in recent agency analysis. Roughly one in ten ad clicks converts to a purchase across categories.

[src] Headline Amazon Agency CVR Analysis 2024–2025

**The structural problem Q1 2026 earnings confirmed:**

Amazon's advertising revenue grew 24% year-over-year in Q1 2026 — roughly double the 12% growth rate of retail sales. When the ad platform grows twice as fast as the store, every seller's cost of visibility is rising faster than the market they're advertising into. This trend has persisted for multiple consecutive quarters.

[src] Amazon Q1 2026 Earnings – CNBC, April 29, 2026

**The benchmark that predicts your ceiling:** If your TACoS exceeds 15% on established products, evaluate whether ad spend is replacing organic sales you would have gotten anyway. A high TACoS alongside flat ROAS is the pattern that signals an organic rank problem, not an ad efficiency problem.

[src] Canopy Management Metrics Guide 2026 / Scale Insights TACoS Guide

TACoS RANGE	WHAT IT SIGNALS	STATUS
Under 8%	Strong organic rank, ads are accelerating not replacing organic sales	EXCELLENT
8–12%	Established product benchmark. Healthy balance of paid and organic	TARGET
12–15%	Acceptable during growth phase. Watch for plateauing organic share	WATCH
15–20%	Launch phase acceptable. Ongoing = organic rank is not building	REVIEW
Above 20%	Ads are replacing organic sales, not supplementing them. Margin at risk	ACT NOW

Source: Canopy Management (2026), Scale Insights TACoS Guide, Velocity Sellers FBA Strategy 2025

SECTION 03

# Conversion Rate

Amazon's conversion rates are significantly higher than other e-commerce platforms — but that average hides a wide range. A 1–2% improvement in CVR on a \$200K/month brand is worth more than most PPC optimizations.

AMAZON PLATFORM AVERAGE CVR

BASELINE

**10–15%**

Amazon's platform average across categories. Far above general e-commerce CVR of 2.5–3% due to high-intent purchase traffic and Prime conversion pressure.

[src] Epinium CVR Optimisation 2026 / Parah Group

TOP-PERFORMING LISTINGS CVR

BEST IN CLASS

**30%+**

Top Amazon listings — particularly low-cost consumable CPG products with strong reviews, benefit-forward creative, and competitive pricing — can exceed 30% CVR in their category.

[src] Epinium – Amazon CVR Optimisation 2026

CVR BELOW THIS = PROBLEM

ACTION THRESHOLD

**Under 8%**

A CVR below 8% signals either poor listing quality or misaligned traffic. Either the listing can't convert the right visitors, or the PPC targeting is sending the wrong visitors entirely.

[src] SellerMetrics / Sequence Commerce 2025

THE CVR COMPOUNDING EFFECT

## What a 1% CVR improvement is worth at different revenue tiers

Assumes consistent traffic volume. Improvement in CVR compounds because it also improves organic rank, reducing long-term ad dependency.

REAL EXAMPLE

### A benefit-driven title improved CVR by 12% across 45 SKUs

A CPG brand tested two title variants on Amazon's Manage Your Experiments: one ingredient-focused, one benefit-focused. The benefit-driven version outperformed across all 45 SKUs tested, validating a new copywriting standard for the entire catalog.

[src] Epinium – Amazon CVR Optimisation 2026

MONTHLY REVENUE	SESSIONS/MO (EST.)	+1% CVR = EST. REVENUE GAIN
\$75,000/mo	~7,500	+\$5,000-\$7,500/mo
\$150,000/mo	~15,000	+\$10,000-\$15,000/mo
\$250,000/mo	~25,000	+\$17,500-\$25,000/mo
\$500,000/mo	~50,000	+\$35,000-\$50,000/mo

Illustrative calculations using published CVR and session benchmarks. Actual gains vary by category, price point, and existing CVR baseline.

#### KEY PRINCIPLE

### Organic rank is more predictive of ad efficiency than bid strategy

Products already ranking in the top 3 organically run ads 20–30% more efficiently on average. This is why conversion rate is upstream of advertising cost — improving CVR compounds into better organic rank, which makes every future ad dollar work harder.

[src] SalesDuo Amazon Advertising Benchmarks 2025

#### OPERATOR NOTE

### Track Unit Session Percentage weekly, not monthly

Your Unit Session Percentage in Business Reports is the most accurate conversion signal Amazon provides. A big gap between it and your ad campaign CVR means your ad targeting is pulling the wrong traffic — a targeting problem, not a listing problem.

[src] Amazon Seller Central – Business Reports (Unit Session %)

#### — SECTION 04

## Fees, Costs & Silent Margin Killers

Most CPG brands know their referral fee. Far fewer account for all the fees compounding on every unit. The ones that get built into your P&L incorrectly are the ones that make your business look profitable when it isn't.

CPG CATEGORY	REFERRAL FEE 2026	NOTE
<b>Grocery &amp; Gourmet Food</b>	8% (under \$15) / 15% (over \$15)	Tier cliff at \$15 is a significant margin trap for food brands near that price point
<b>Health &amp; Personal Care</b>	8% (under \$10) / 15% (over \$10)	Vitamins, supplements, personal care. Grouped with Beauty for the \$10 tier. \$0.30 minimum fee
<b>Beauty (over \$10)</b>	15%	Beauty under \$10 drops to 8%. Pricing near the \$10 threshold matters
<b>Sports &amp; Outdoors</b>	15%	Standard rate across most sport/wellness CPG
<b>Home &amp; Kitchen</b>	15%	Standard for household CPG products

Source: Amazon Referral Fee Chart 2026 (FBALytic, ListingForge). Rates confirmed unchanged from 2025 per Amazon fee announcements. Verify current rates in Seller Central.

**FEE 01 – APRIL 17, 2026**

**New: 3.5% fuel & logistics surcharge on all FBA fees**

Effective April 17, 2026, a 3.5% surcharge applies to every FBA fulfillment fee in the US and Canada — Amazon's first fuel and logistics surcharge since 2022. Average impact: ~\$0.17/unit for standard-size items (about \$0.26 in Canada). A seller moving 10,000 units/month absorbs ~\$1,700 in new monthly costs from this line item alone. Amazon described it as temporary but provided no end date. The 2022 fuel surcharge — also "temporary" — was eventually rolled into base FBA rates.

[src] Amazon Seller Central / Supply Chain Dive – April 2026

**FEE 02**

**Coupons carry a clip fee on top of the discount**

Beyond the markdown itself, Amazon charges a flat clip fee for every coupon redeemed — roughly \$0.60 per redemption. On a low-priced consumable, the discount plus the per-redemption fee can quietly erase the margin the promotion was supposed to create. Model the clip fee into the promo, not just the discount.

[src] Amazon Seller Central – Coupons fee policy

**FEE 03 – THE CUMULATIVE PICTURE**

**Multiple fee hits in one year add up faster than the headline number**

The January fulfillment fee increase, Amazon ending its US FBA prep and labeling service, and the April 17 fuel surcharge stack on top of each other. AMZ Prep, a third-party prep network, reviewed fee reports across hundreds of its clients and found most were paying 8–10% more on total fulfillment and logistics costs in 2026 — above the per-unit figure Amazon advertised. (Single-vendor estimate; it bundles storage and transportation, not just the fulfillment fee.)

[src] AMZ Prep FBA Fee Analysis 2026

— SECTION 05

# The Gap: Where Brands Are Leaving Money

The difference between a 10% net margin and a 20% net margin on a \$200K/month brand is \$20,000 per month — \$240,000 per year. These are the four levers that most commonly create that gap.

#### GAP 01 – Most Common

##### TACoS above 15% on established products

When a brand's TACoS stays above 15% past the launch phase, it signals that organic rank isn't building — meaning ad spend is buying the same sales repeatedly rather than compounding into cheaper organic traffic. The fix is almost never more ad spend. It is conversion rate, keyword indexation, or review velocity.

[src] Canopy Management Metrics Guide 2026

#### GAP 02 – Frequently Invisible

##### Conversion rate below 8% with no diagnosis

Below 8% CVR on a CPG listing is categorically below benchmark. Yet most brands running this rate don't know it's happening — because they're looking at ad metrics, not organic session data. A listing converting at 6% vs 12% doubles the return on every dollar of traffic without changing ad spend by a cent.

[src] SellerMetrics / Sequence Commerce 2025

#### GAP 03 – Underestimated & Getting Worse

##### 2026 fee increases most P&Ls haven't fully absorbed

The January FBA fulfillment increase, the end of Amazon's US prep service, and the April 17 fuel surcharge together added an estimated 8–10% to total fulfillment and logistics costs in one prep network's client analysis — well above the fraction-of-a-percent the headline suggested. Layer on coupon clip fees, and software subscriptions excluded from unit economics, and the typical CPG brand is operating on a margin model that's 3–7% more optimistic than reality.

[src] AMZ Prep 2026 / SentryKit 2026

#### GAP 04 – Structural, Not Seasonal

##### Ad revenue growing 2x faster than retail — confirmed by Q1 2026 earnings

Amazon's Q1 2026 earnings showed advertising revenue up 24% year-over-year while retail sales grew just 12%. The current average CPC of ~\$1.18 is near the highest ever tracked, up from \$1.04 in 2025. Brands running the same campaigns with the same budgets as 2025 are getting measurably less for their money — not because their campaigns degraded, but because the auction floor moved up beneath them.

[src] Amazon Q1 2026 Earnings (CNBC April 29, 2026) / Ad Badger 2026



# How does your brand compare to these benchmarks?

Eleviam is a CPG brand accelerator that has deployed \$4.7M of its own capital into Amazon brands. We look at your account through an operator's lens — not a consultant's. In 15 minutes, we'll pull up your top ASINs and show you where your numbers sit against the benchmarks in this report. No pitch until you've seen something real.

**Book a call:** [eleviam.io/landing](https://eleviam.io/landing) · [hello@eleviam.io](mailto:hello@eleviam.io)

## WHAT HAPPENS WHEN YOU REQUEST AN AUDIT

- 1 **You apply.** Short form. Takes 90 seconds. We use it to pull your data before the call so we're not wasting your time on basics.
- 2 **We do the prep work.** Before we get on a call, we've already looked at your top ASINs — TACoS, CVR, BSR trend, gallery quality, review velocity.
- 3 **We show you the findings.** On a 15-minute call, we walk through what we found. You leave with a prioritized list of gaps and rough dollar estimates on each. No pitch. Just findings.

[BOOK YOUR REVENUE AUDIT →](#)

Limited audit spots per month. CPG brands \$75K+/mo on Amazon.



All benchmark figures sourced from published third-party research and cited throughout. Sources include: Amazon Q1 2026 Earnings (CNBC / About Amazon), EcommerceBytes / Supply Chain Dive / DCL Logistics (April 2026 surcharge), AMZ Prep FBA Fee Analysis (2026), Ad Badger Amazon Advertising Benchmarks (2026), ZonGuru, Trellis, SentryKit, Onramp Funds, Canopy Management, Marketplace Pulse, Titan Network, Jungle Scout (via Statista), Autron, Epinium, SalesDuo, SellerMetrics, Scale Insights. All data current as of publication. Amazon fees and market conditions change – verify current rates in Seller Central. This report does not constitute financial advice.