

Digital Market Update

September 25

Based on annual data across Shopify, Google, Meta and SEO



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E-com Landscape

1.0

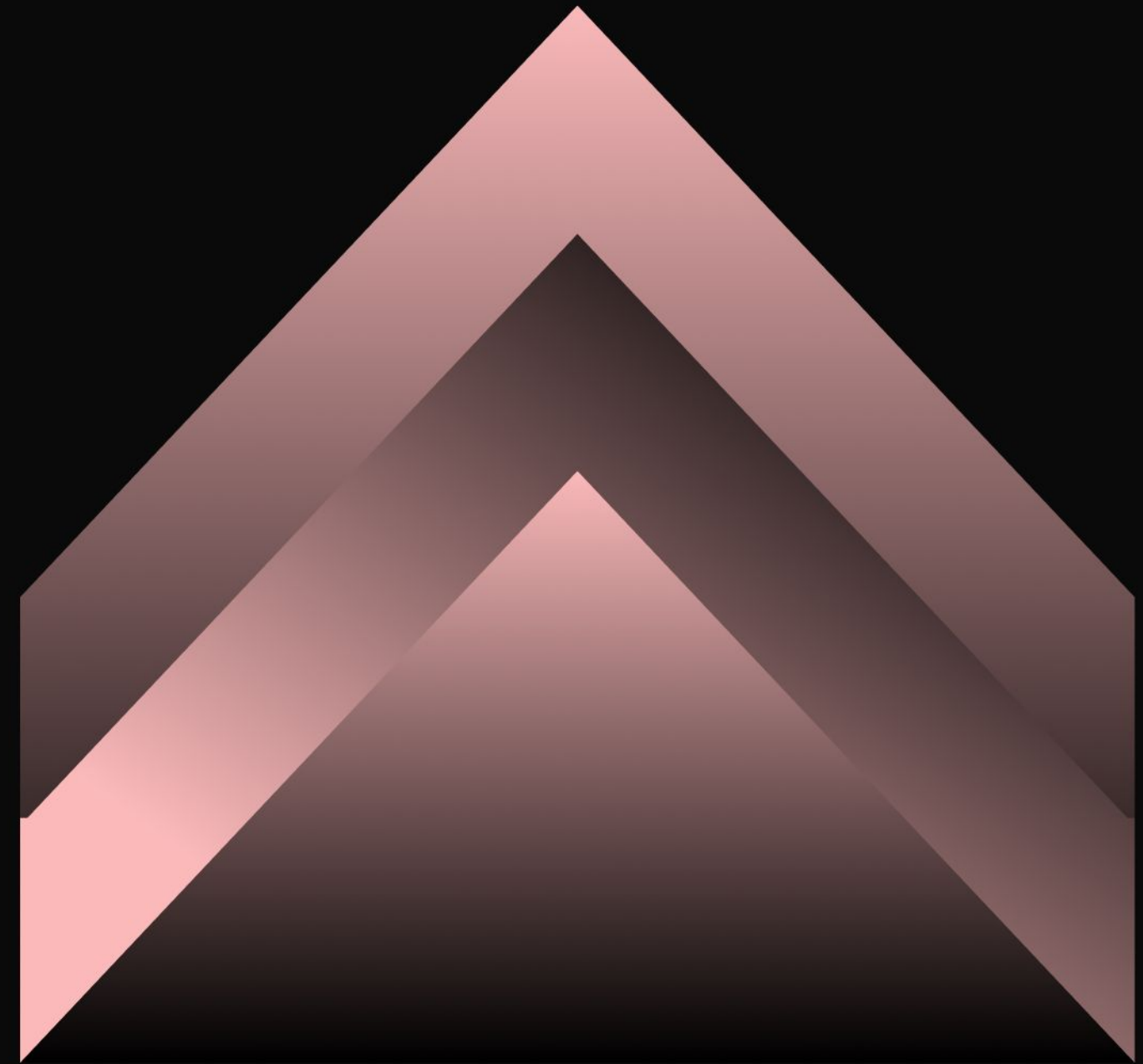
September E-com Wrap Up.

Resilient spend, shifting patterns, solidarity amongst retailers.

Year-on-Year: Revenue held steady, down just 0.29% which is a win in the current retail climate. Orders were up 4% despite a 65% drop in customer count, highlighting the strength of existing customers. Returns spiked 32.7% and discounts rose 14% as retailers balanced competitiveness with margin management.

Month-on-Month: Compared to August, revenue dropped 3.49%, mirroring YoY patterns. Returns rose 26%, customer count fell 8.1%, AOV dropped 2.5%, and order volume dipped 0.25%. Fewer customers, lower spend per order, and higher return rates continue to erode profitability.

Key Takeaways: Soft month? You're not alone. These shifts are being felt across the retail landscape. But loyal customers are holding strong, orders remain steady, and there's clear room to lift conversion and retention. Now's the time to dig into return data, reduce friction, and enhance upsell opportunities to drive order value.

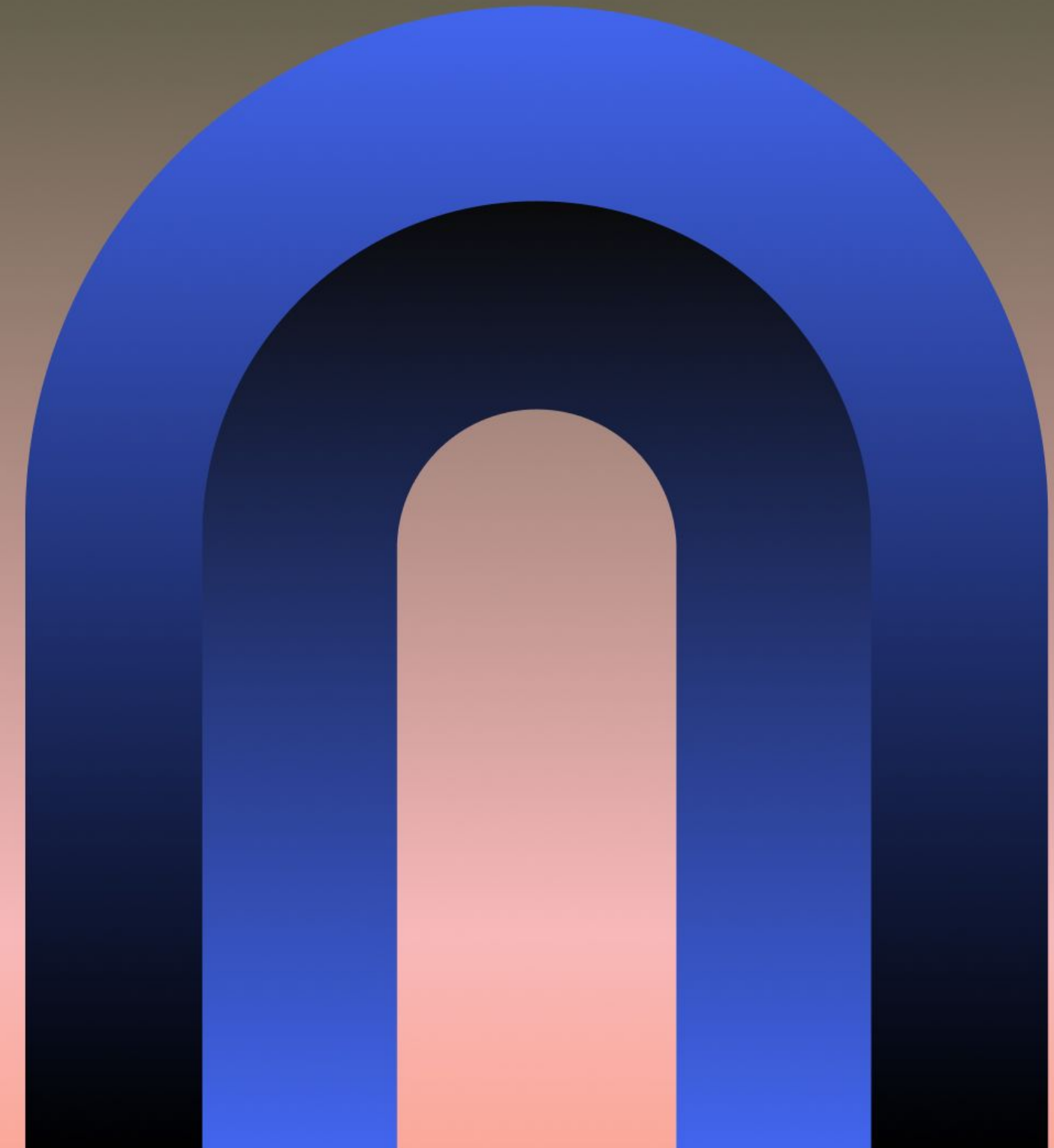


Spotlight on Sales

Each month, we aggregate anonymised performance data to provide a benchmark of what's happening right now across our portfolio.

Month-on-Month Trends (September 2025 vs. August 2025)

Metric	Change	Strategic Insight
Revenue	-3.49%	A stable September post-August lift. No surprises here – use this window to refine offer strategy and finalise BFCM stacks.
Orders	-0.25%	Holding steady despite fewer active campaigns. Heading into peak trading season, now is your opportunity to optimise flows and test timing on warm audience reactivation.
Customer Count	-8.13%	Small pullback no cause for concern if it reflects cleaner segmentation. Focus on VIP conversion and list hygiene.
Discounts	-16.82%	More disciplined promos are paying off. Use September learnings to keep offer architecture tight for Q4.
Average Order Value	-2.53%	Slight drop, likely tied to reduced bundles and lighter baskets. Now's the time to build 'complete-the-look' logic into PDPs.
Returns	+26.5%	Volatility here is expected. Mitigate with enhanced fit tools, styling comms, and crystal-clear shipping/returns info.



Year-on-Year Trends (September 2025 vs. September 2024)*Average sales performance across PH Digital clients.*

Metric	Change	Strategic Insight
Revenue	-0.29%	A stable YoY performance that still reflects strength, considering ongoing shifts in AOV and audience behaviour.
Orders	+4.72%	Clear win – momentum is building. Capitalise on demand with efficient fulfilment and razor-sharp merchandising.
Customer Count	-65.44%	Sharp decline down to cleaner segmentation strategy. List quality over list size is the right call ahead of peak season.
Discounts	+13.96%	Winter promos did their job. Use this learning to reframe volume-driving offers into high-margin value bundles.
Returns	+32.7%	A seasonal spike and a good prompt to strengthen PDPs, size guidance, and post-purchase flows before BFCM.
Average Order Value	-5.31%	Contraction suggests increased promo uptake. Counter with higher-value bundles and tailored upsell pathways.

Key Takeaways: September showed stabilisation across key metrics (orders, sales, and discount-led conversion) while revealing new behavioural trends. In particular, AOV dips and returns spikes are a reminder to review PDP content, UX, and offer design. With approximately 7 weeks until BFCM, there's still time to action and test important tweaks, but you need to move, now. [Talk to us](#) today for strategic guidance and retention tools calibrated for the current conditions.

Strategic Recommendations

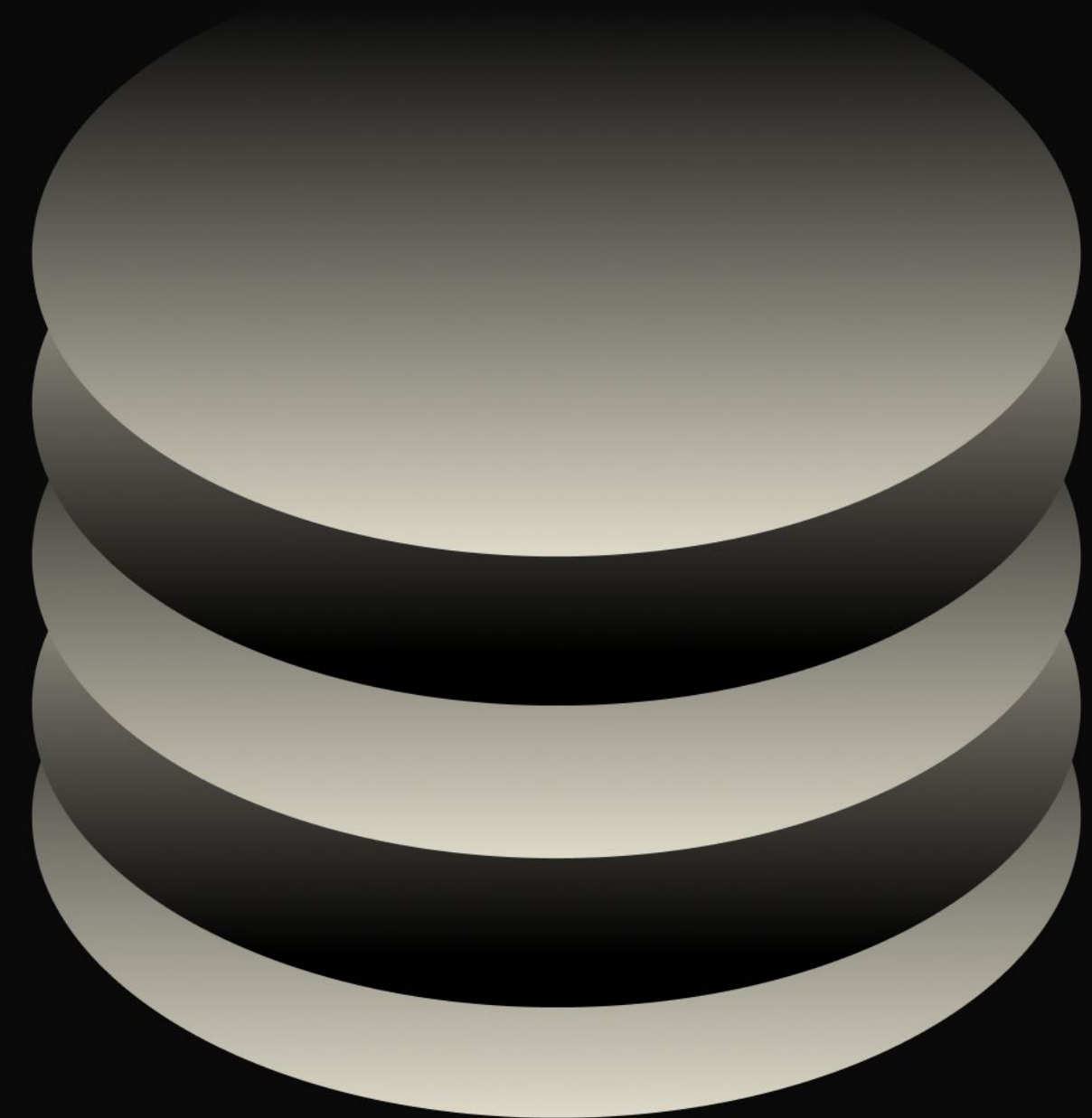
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Your Digital To-Do List.

Late-Oct/early-Nov is decision-making time. Lock in key actions now so you can enter Black Friday with confidence, clarity, and control.

- **Audit return reasons:** Pinpoint recurring issues (e.g. fit, quality, expectations) and address them fast.
- **Update product content:** Refresh imagery, sizing guides, and descriptions to reduce mismatch and minimise returns.
- **Optimise checkout flow:** Use data to identify drop-off points (add-to-cart vs. checkout) and plug conversion gaps.
- **Upsell and cross-sell:** Add 'complete the look' or 'frequently bought together' features to lift AOV.
- **Re-engage lapsed customers:** With customer count down by 65%, reactivation is key. Use email flows and remarketing to win back known audiences – often cheaper than acquiring new ones.

Still building your strategy? We can help. [Contact us](#) for a free digital audit today.



How PH Digital is Helping.

This month, we're turning **Couch Chemistry** into campaign execution so brands can scale with margin, move with confidence, and land strong in November:

- **Offer-to-action sprint:** We'll help translate your offer into media-ready creative, ad copy, email subject lines, PDP tweaks, and paid headlines – all designed for conversion and clarity.
- **Audience + timing strategy:** We'll run segmented teasing and warm-up flows now, then retarget heavily over Cyber Weekend. Need a waitlist, early access form, or rewards mechanic? Our team is **ready to build it.**
- **Creative, loaded early:** From founder videos to high-volume statics, we'll push the formats that work. More variants = faster learnings = higher returns.
- **Tracking, cleaned up:** Meta pixel, GA4 events, Klaviyo flows...we're currently auditing every touchpoint. If it's broken, we'll fix it before it costs you.
- **Budget and pacing control:** We'll go live with a plan in place to pivot fast when needed: monitoring CPMs, ROAS, and competitor behaviour daily to protect your return.



Paid Performance Insights

3.0

September Google Ads Performance.

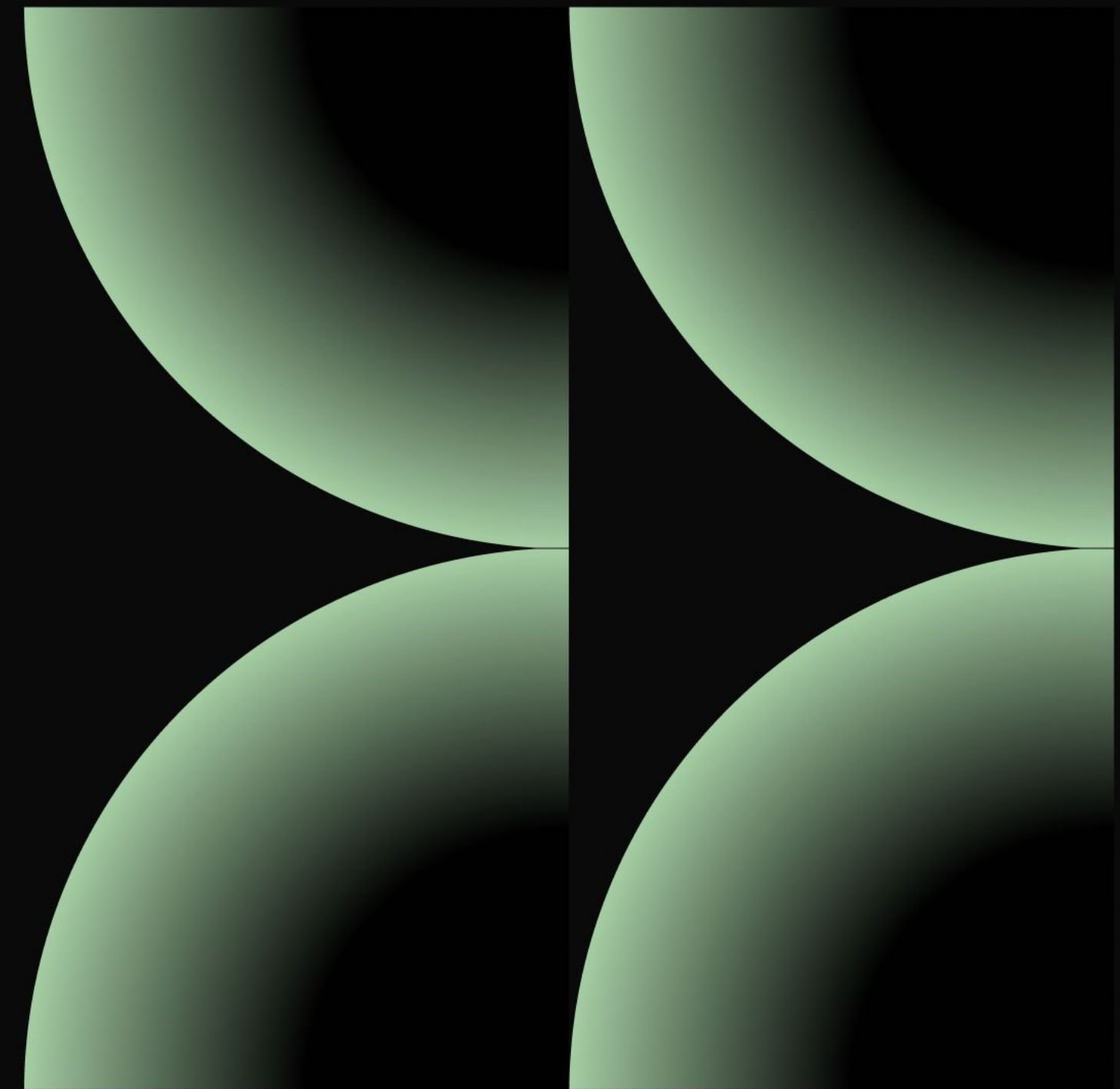
PMax powers ahead as we refine for peak trading.

While auction conditions tightened, PMax efficiency held strong, validating it as the core BFCM engine. Elsewhere, mixed results highlight key opportunities to optimise.

Month-on-Month: Cost rose 7.4% while revenue dipped 10.4%, largely due to rising CPCs (+7.9%) and a 5.5% drop in CTR. However, impressions increased (+5.4%), showing demand is there. It's now about converting it better, with refreshed creative, sharper audience signals, and faster landing paths.

Year-on-Year: PMax led the charge, delivering +51% conversion value and +44% more clicks. Brand and Shopping both saw higher CPCs and lower conversion value. General Search impressions dropped, but CTR lifted +12%, demonstrating potential to re-engage high-intent users with stronger messaging and offer clarity.

Key Takeaway: PMax is doing its job, now we sharpen everything around it. The next couple of weeks are the moment to test and refine, so you enter BFCM with smart spend, proven creative, and conversion pathways built to scale.



September Paid Social Performance.

Rising costs = crunch time for your conversion funnel.

Higher spend saw revenue dip slightly, but the signals are clear: audiences are still engaging. The challenge is converting that attention amid rising auction pressure.

Month-on-Month: Meta ad spend rose 11.5% in September, leading to a 7.5% drop in revenue. However, despite softer ROAS, engagement is holding strong: CTR lifted +1.37%, and clicks jumped an impressive +17%.

Year-on-Year: Spend increased sharply (+46% YoY), dropping ROAS from 5.43 to 3.53. CPMs are up +32%, and CPCs up +7%, reflecting tighter auctions and heavier competition. Still, rising click-throughs show creative is working. Now's the moment to double down on proven formats and sharpen offer clarity.

Key Takeaway: The cost of entry is higher, but the right ads are still winning. Focus now on converting captive audiences with fast funnels, sharp copy, and clear value. The groundwork laid in late-October and early-November will decide how far your Meta budget goes come BFCM.



Introducing: Reels Trending Ads.

Accounting for over 50% of time spent on Instagram, Reels is the fastest-growing surface across Meta. It's also the most valuable to advertisers, and the widespread rollout of Reels Trending Ads has just upped the ante.

- This new paid feature allows brands to **insert themselves directly between top-performing Reels** in their category, piggybacking off of cultural momentum to win attention and action.
- In early tests, **Trending Ads drove +20% unaided awareness**, on par with YouTube Select (+20%) and greater than TikTok Pulse (+14%).
- Now out of Beta testing, **PH Digital** is helping brands identify themes and trends that **align with their category and values**, not just what's going viral.
- Trending Ads work best when they kick off a funnel, not replace one. **We can facilitate that first touch**, then retargeted viewers with product-focused ads.
- Remember, your **content still needs to earn the click**. That means native framing, sharp pacing, and real utility.

Key Takeaway: You can't buy cool, but you can buy context. **Reach out** to our experts today for a refreshed Reels strategy that boosts reach *and* builds revenue.



Platform Updates

4.0

Paid Platform Updates.

This month's most newsworthy insights and need-to-know updates across **Google, Meta and YouTube**, and how you can take action.

1. Platform: Google Ads

What's New: Search, Shopping, Performance Max and Demand Gen campaigns can now direct users to both web and app properties, making full-funnel journeys easier to build and track.

→ **Take Action:** If your brand has an app, we'll review your goals and suggest where dual destinations could lift volume or reduce cost. If not, it's business as usual – but expect increased competition from app-led brands this quarter.

2. Platform: Meta

What's New: Meta has upgraded ad sequencing, letting brands deliver multi-step campaigns in a set order across placements. With behavioural targeting built in, it's ideal for launches, education, and retention flows.

→ **Take Action:** Build 3-part sequences: awareness, education, conversion. Start broad, then retarget with detail. Use post-sequence metrics to spot drop-offs and sharpen storytelling.

3. Platform: YouTube

What's New: YouTube has added new comment filters and sharing options for Community posts, making it easier for creators and brands to engage audiences around specific content. These updates improve visibility, moderation and post-click interaction.

→ **Take Action:** Use Community posts to drive warm traffic ahead of BFCM. We'll test content formats that encourage replies and shares, and monitor comment filters for additional engagement signals.

Email Marketing Updates.

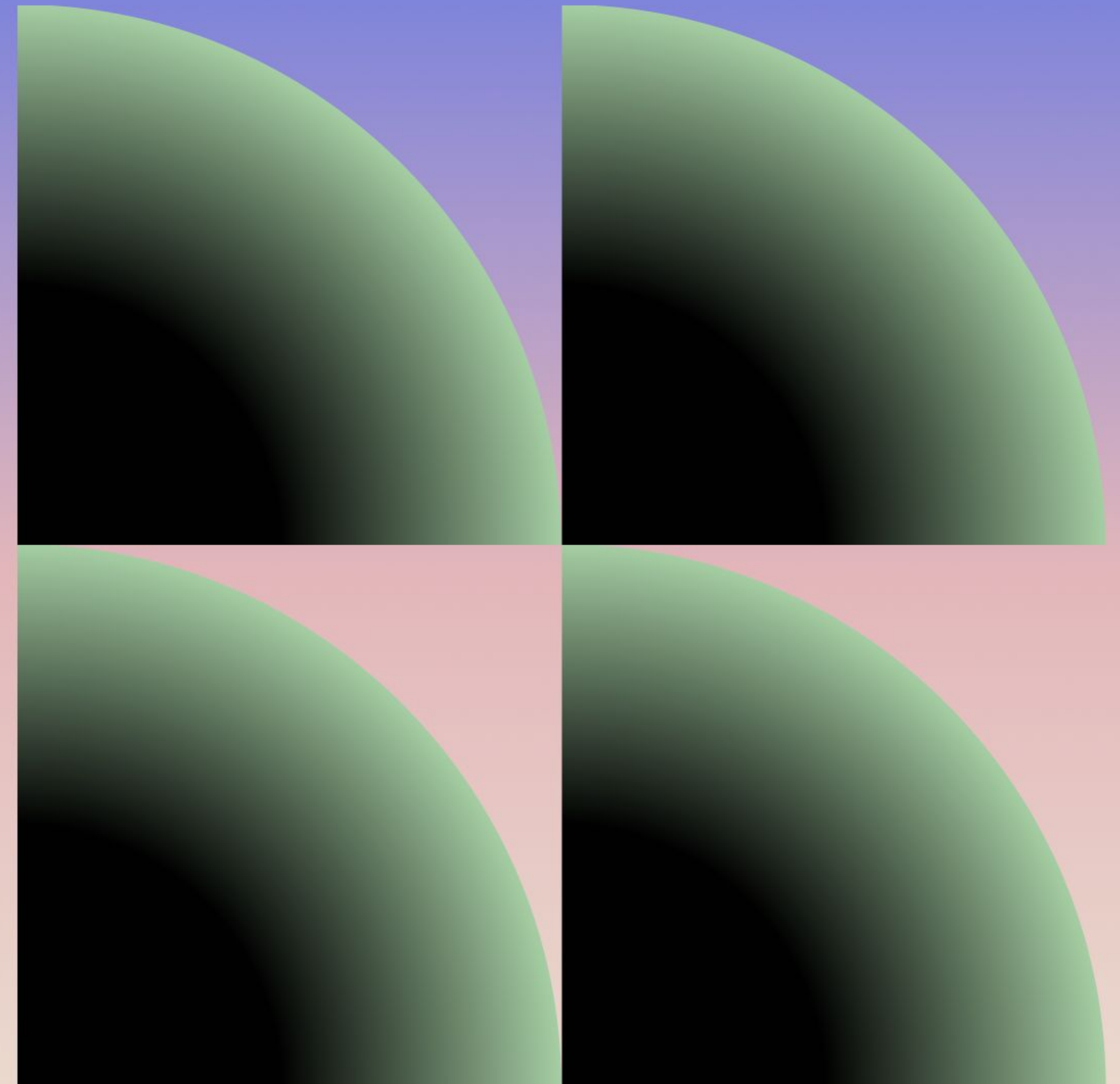
Gmail previews just got more powerful.

What's Changed: Gmail's new *Manage Subscriptions* and *Purchases* views show more email content at inbox level, pulling metadata like product images, order history, or discount info. In response, Klaviyo has enabled merchants to customise these views to improve visibility and drive action.

Why It Matters: Users can now unsubscribe, re-order, or review past transactions without opening an email. That means stronger subject lines and CTAs are no longer enough – brands need compelling data structured in the backend to influence these high-intent inbox touchpoints.

How PH Can Help: We'll surface your brand logo, add custom discount fields, and test which structured data signals increase conversions in Gmail views. Not on Klaviyo? We'll take a look at your ESP and advise on any schema setup issues.

What Next? These updates will shape how retention emails perform through BFCM and beyond – especially reorder and loyalty automations. Review your setup today.



SEO Landscape

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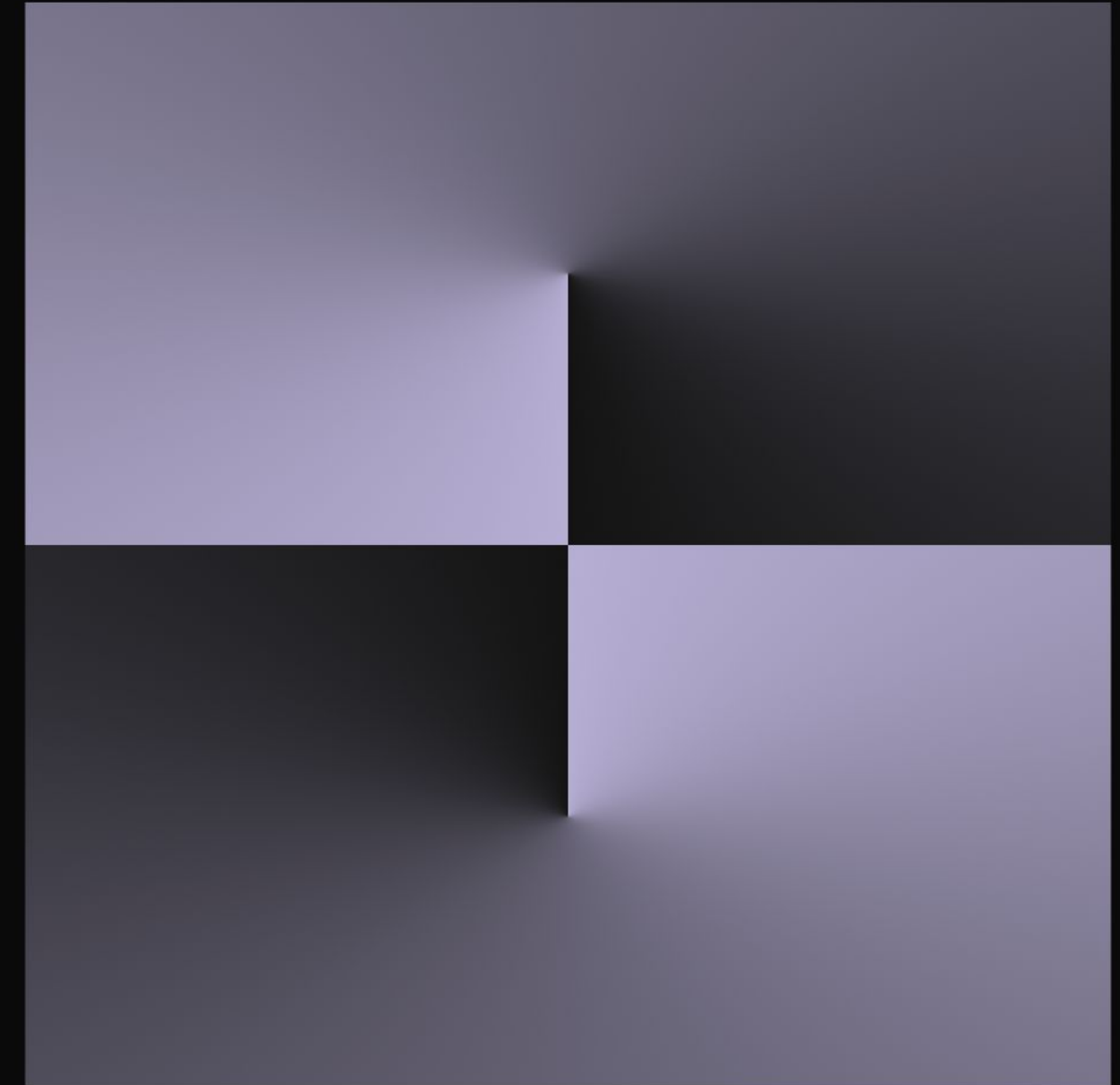
Important SEO Updates.

What's New: Google has wrapped its latest Spam Update, which targeted low-value tactics like auto-generated pages, templated filler, and shady redirects. At the same time, the platform quietly removed a setting that let users view 100 search results per page – a move that will make it harder for brands to track long-tail rankings.

Why It Matters: If your site relies on thin or templated pages to pull traffic, you may have noticed some turbulence. Brands with well-structured sites, helpful content and strong internal links are much better placed to ride this one out.

What's New: Google also flagged some recent crawl issues that are affecting how pages get indexed, causing a spike in errors for some sites. And there's early testing underway on a new "preferred source" feature, which invites website owners to highlight which version of a page (blog, press, PDP) they want Google to prioritise.

Why It Matters: Tech SEO is back in the spotlight. Orphan pages, broken paths and bloated redirects must be cleaned up to protect crawl budget. For retailers, aligning structured data, sitemap signals and canonical tags gives your best content the best shot at ranking.



September SEO Strategy.

The next month is about getting your tech foundations tight and your top content on Google's radar. It's not about big expensive builds. It's about sending the right signals: trimming the excess, surfacing your strongest content, and showing Google what matters.

1. Tighten Your Tech

- **Crawl cleanup:** We're identifying and fixing orphan pages, outdated redirects and dead-end URLs that waste crawl budget and dilute site authority.
- **Indexing and sitemap fixes:** Spotting duplicate or missing pages and tightening your sitemap so search engines can follow the signals.
- **Canonicals and crawl direction:** Where content exists in multiple places (PDP, blog, press), we'll signal which version Google should trust.
- **Site speed and mobile checks:** If your site's lagging or buggy on mobile, we'll flag it. Speed still plays a huge role in ranking and conversion.
- **Structured data checks:** Making sure your product pages, reviews and FAQs are sending all the right schema signals for AI results and rich snippets.

2. Signal What Matters

- **Preferred page signals:** We're watching Google's "preferred source" experiments closely, and starting to tag which pages (PDP vs blog) should take priority.
- **Internal linking boosts:** Surfacing important pages by linking them from high-traffic content like top sellers, gift guides and about pages.
- **Filler content audits:** Reviewing templated blog posts and outdated pages, cleaning where needed.
- **High-impact refreshes:** Updating priority PDPs and evergreen content with better images, specs and FAQs to re-signal value.
- **Page promotion signals:** Re-linking, re-sharing and re-circulating key pages across organic and paid touchpoints to help them get seen (and re-crawled) faster.

PH Insights Hub

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PH Digital Lab Report.

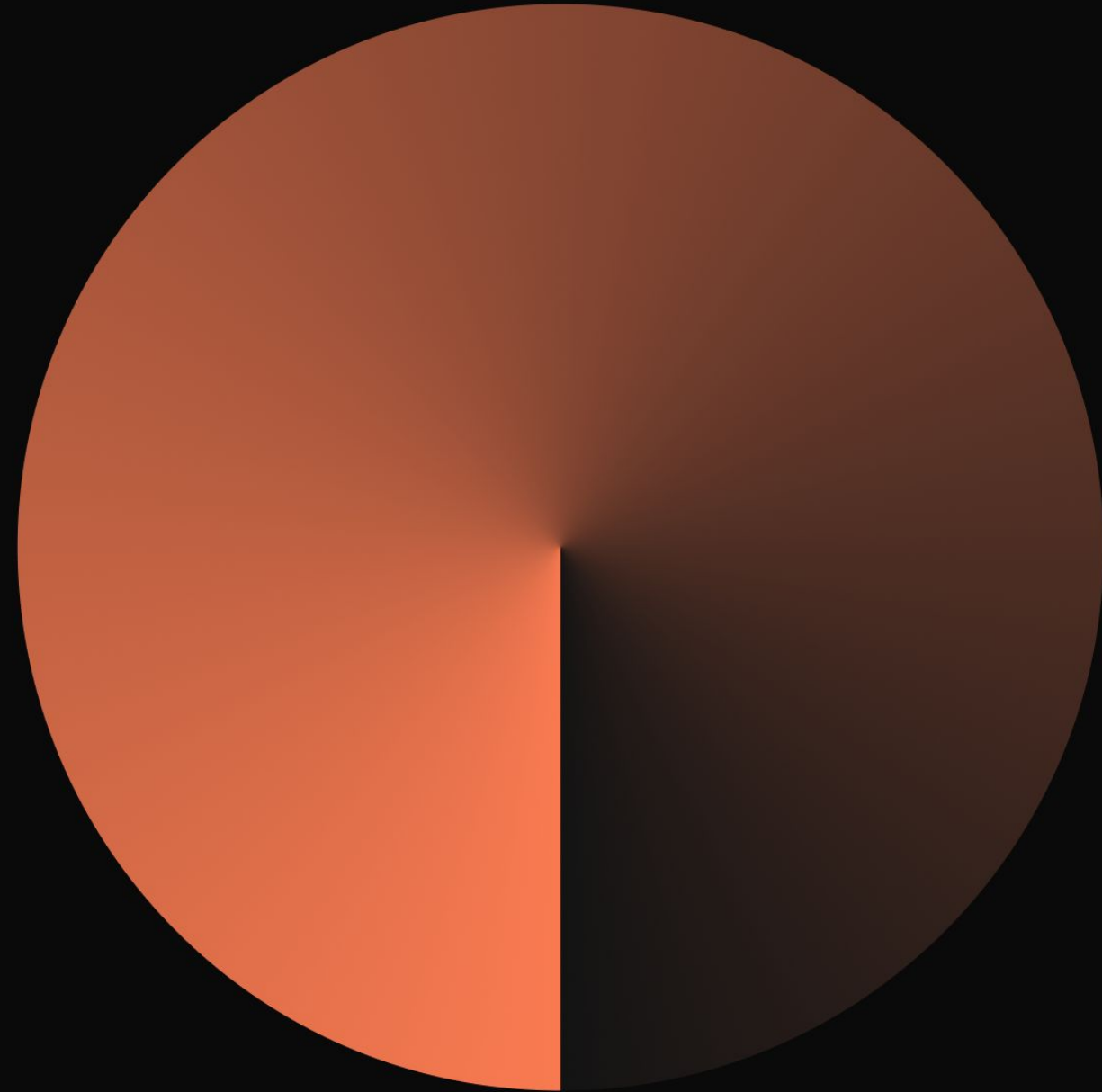
In this monthly digest of the digital updates making waves across the web, we share the TL;DR version (that's *too long, didn't read*), and our expert team's top takeaways.

1. Dangerous Games: Riot Games faced major backlash this month after quietly removing an under-fire player from its *League of Legends* Worlds anthem video. The player's sexist remarks were what kicked off the saga, but it was Riot's perceived attempt to dodge accountability that scandalised fans and turned this hype drop into a reputation scramble.

Our Take: Riot's stumble wasn't in choosing sides, it was in trying not to. When brands enter passion spaces like gaming, beauty, or fashion, neutrality is often read as cowardice. Understand a fandom's values, engage with care, and don't confuse silence with safety.

2. Paw Patrol: Amazon has debuted Search Party, a new feature that lets Ring doorbells crowdsource footage to help track down lost pets. It's a feel-good, utility-driven use of AI that also deepens product integration. With user permission, Ring joins a wider neighbourhood network that scans for your missing dog, and alerts you when there's a match.

Our Take: This is soft trust-building at scale. When products become part of someone's everyday ecosystem – not just a purchase but a problem-solver – brand loyalty follows. Don't just sell features. Solve real-life frustrations in ways that feel helpful, not extractive.



- 3. Over the Moon:** On 7–8 September, a total lunar eclipse – the so-called *blood moon* – bathed skies red across Asia, Australia, and the Pacific. Naturally, the internet lit up. It wasn't a retail holiday or cultural milestone, but it *was* a rare, shared experience that flooded feeds and group chats worldwide.

Our Take: When events like this take over the internet, even for 24–48 hours, they're prime creative territory. No need for full campaigns, just clever copy, on-theme assets, and a limited-time offer that shows your brand is awake, playful, and culturally tuned-in.

- 4. Pixels to Pavement:** AI brands are coming offline. Last month saw IRL pop-ups from the likes of OpenAI and ElevenLabs – part marketing activation, part trust play. Their respective 'AI Playground' and 'Future of Voice' events gave everyday users a tangible touchpoint with an otherwise intangible tech.

Our Take: When the product is invisible, the experience can't be. Physical activations help translate hype into understanding, and story into memory. Whether your business is AI or something equally as abstract, look to pop-ups, showrooms, and IRL moments to deepen brand salience and spark press-worthy content.

- 5. Street Smart:** Fashion month analytics are in, and according to Launchmetrics, street style coverage generated more media impact than most of the SS25 runway shows. Why? It's rawer, faster, and more immediately shoppable, with TikTok creators driving millions of click-throughs to e-commerce sites before brands themselves even have time to post.

Our Take: For fashion brands, street style isn't just a content goldmine, it's real-time market research. We saw this play out at NZFW in August, and then we came back and decoded it all in our *Runway to Revenue* downloadable, which you can [read here](#).

Black Friday: Unfiltered.

PH Digital's in-house podcast [Couch Chemistry](#) is back with a brand new episode dedicated to the dos, don'ts, and data-backed insights that will determine the winners – and losers – of BFCM 2025.

Hosted by Content Lead Phoebe Watt, and featuring Lead Strategists Eukeni Udaeta and Anlerie Conradie, Senior Strategist Nikki Gibbons, and a special cameo from PH Digital CEO Christine Kearney, the [47-minute videocast](#) covers (and clarifies) contentious ground such as:

- Sitewide vs staggered offers
- Going early vs holding back
- Margin protection vs moving stock
- Brand integrity vs creative that converts

Our expert panel didn't agree on everything, and that's the point. Black Friday is a nuanced beast. The best strategies aren't built around magic numbers and generic advice. They're brand-specific, data-led, and they stand up to rigorous debate. Ready to see for yourself?

Couch Chemistry

How NOT to Blow Black Friday



Watch on [YouTube](#) | Listen on [Spotify](#)

Agency News.

7.0



■ PH Digital

Agency Update

“As others pulled back, we pushed forward: **fast, hard and with purpose.**”

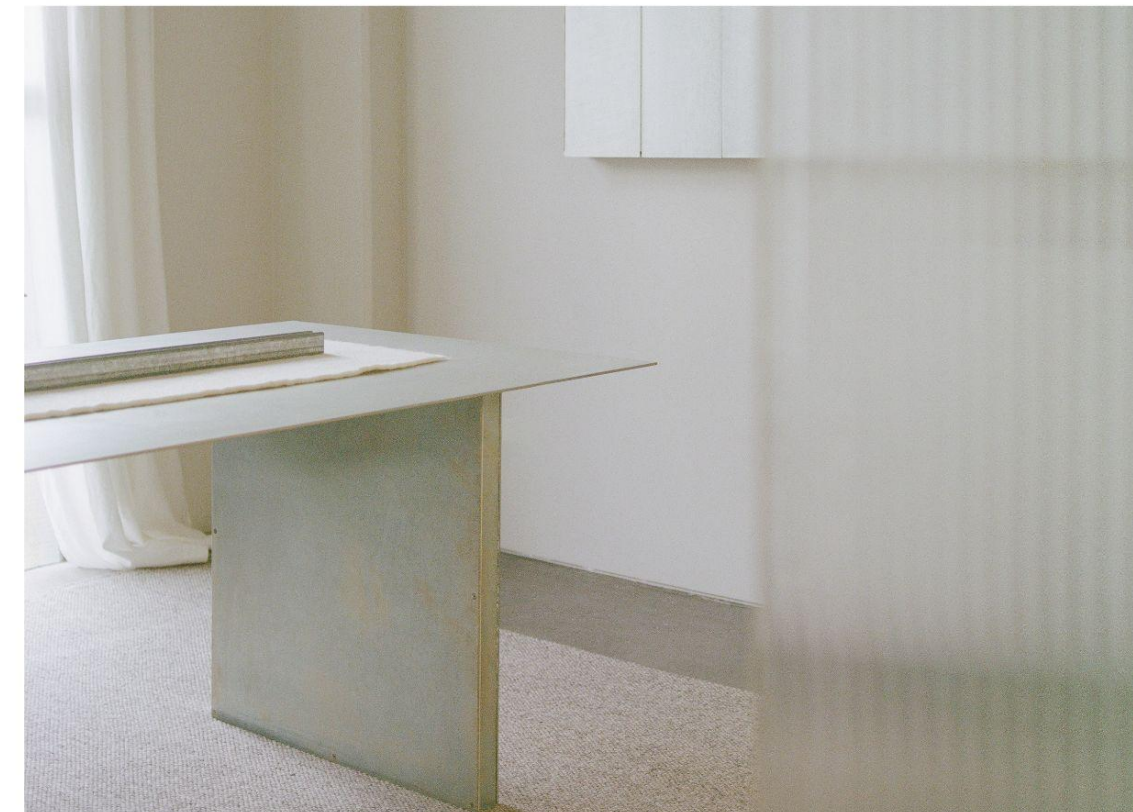
Christine Kearney,
Partner & CEO

■ PH Digital

Agency Update

“Two years ago, I stepped into PH Digital with a clear goal: to build the most **trusted, effective and sustainable** performance marketing agency in NZ and Australia.

Staying solvent as the economy nosedived might’ve been enough. But **taking the reins in a recession** taught me the first of many lessons: fortune favours the bold.”



■ PH Digital

Agency Update

Milestones achieved Sept **2023–25:**

- **Reshaped our business at the core:** completing a shareholder buyout and refining our governance to give sharper alignment and clearer direction.
- **Rebranded to PH Digital:** not just a new name, but a bold repositioning that reflects the calibre of clients we represent and the standard we hold ourselves to.
- **Built real leadership depth:** expanding our existing senior team and introducing lead roles to scale capability and strengthen delivery.



- **Secured more resilient growth:** broadening into FMCG, finance, and commercial services to balance our portfolio through the toughest retail climate in years.
- **Opened our new Grey Lynn studio:** a purpose-built space that symbolises who we are, how we work, and where we're heading.
- **Invested in our people:** reducing client loads, embedding new team structures, and establishing rhythms and rituals that keep us aligned to our mission: to be the best at what we do.



"It's been an astonishing two years, but what makes me proudest is the team that made it all happen, and the incredible relationship I've built with my business partner, Toss Grumley. Together, we've proven that with **clarity, discipline** and **relentless ambition**, it's possible to outpace industry expectations, set a new standard of service for clients, and **reassert the value of agency partners** in a rapidly-advancing landscape."

■ PH Digital

Agency Update

"In short: full credit to the PH Digital team, our endlessly supportive clients, and the special network of friends and followers whose **enthusiasm and encouragement** has been nothing short of vital.

This is **Digital Chemistry.**"

Paid Metrics Index

8.0

Paid Metrics Index – Key Acronyms.

SEO - Search Engine Optimisation: The practice of optimising a website to improve its visibility and ranking in search engine results pages.

SEM - Search Engine Marketing: A form of digital marketing that promotes websites by increasing their visibility in search engine results pages through paid advertising.

CPC - Cost per click: CPC refers to the price you pay for each ad click.

CTR - Click-Through Rate: The percentage of people who click on a specific link or ad out of the total number of impressions it receives.

ROAS - Return on Ad Spend: This metric measures the effectiveness of a marketing campaign by calculating the revenue generated in relation to the cost of the advertising. The equation is simply revenue divided by cost, so \$1 spent for \$5 revenue = 5 x ROAS.

MER - Media Efficiency Ratio: A financial metric that compares the marketing expenses of a company to its revenue or sales.

CPA - Cost Per Acquisition: A metric that calculates the average cost incurred to acquire or achieve a specific action, such as a conversion or lead.

CTA - Call to Action: A prompt or instruction that encourages users to take a specific action, such as "Buy Now" or "Subscribe."

UX - User Experience: The overall experience a user has when interacting with a website, application, or other digital product. It encompasses design, usability, conversion potential and accessibility.

LTV - Lifetime Value: The predicted revenue a business can expect to make from a customer over the course of their relationship.

Our Services

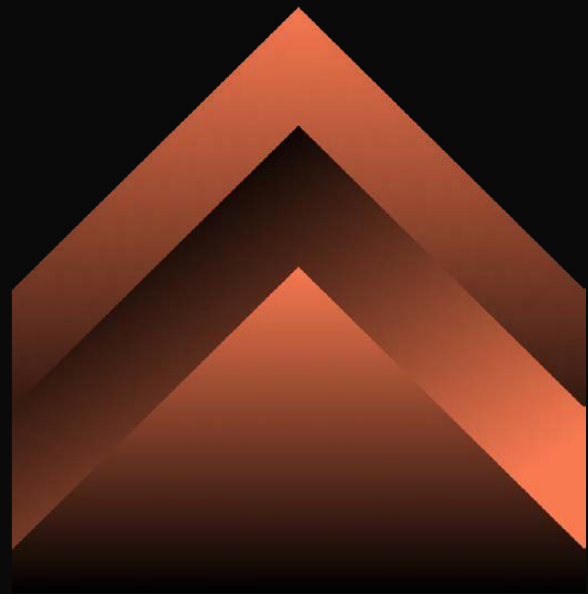
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Our Client Goals & Process

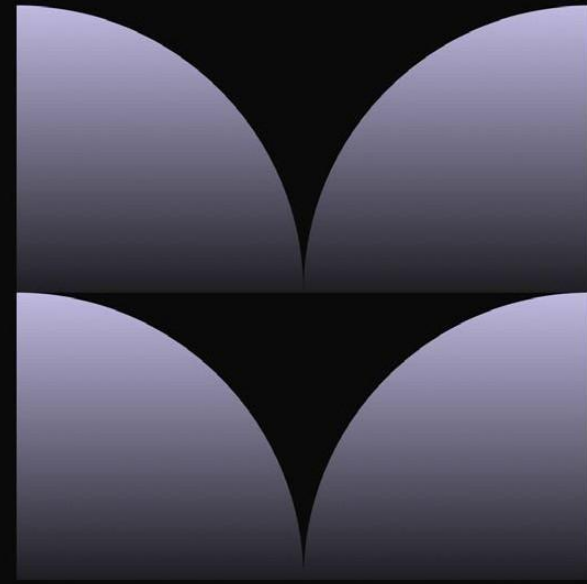
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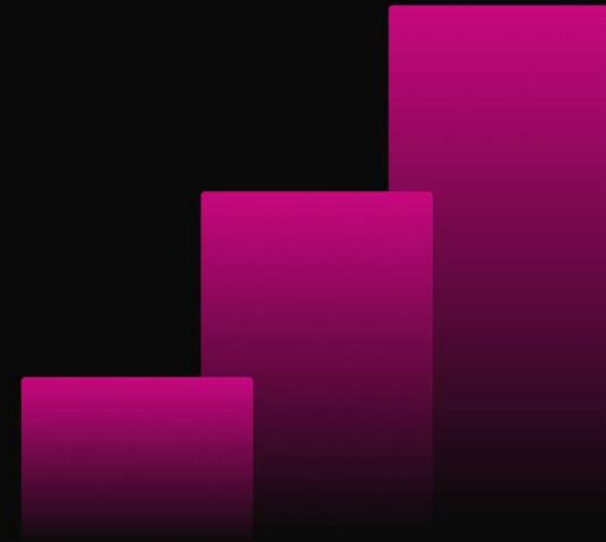
Increase customer acquisition in a scalable way.

(02)



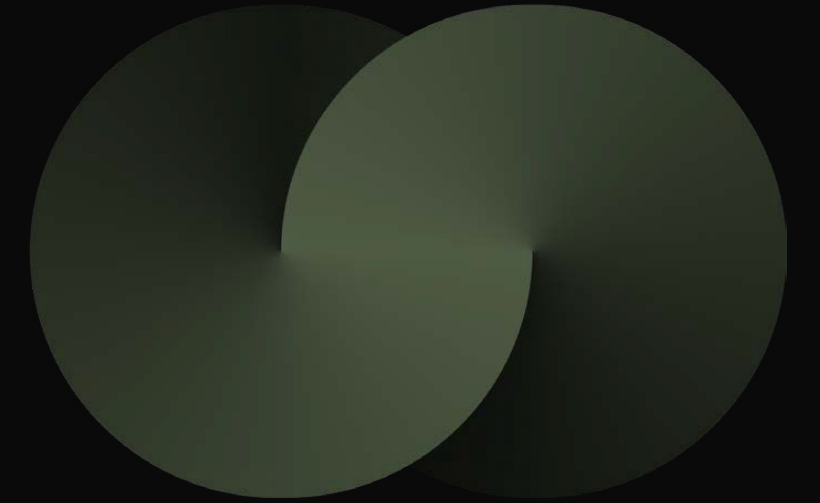
Optimise platform to maximise conversion.

(03)



Increase lifetime customer value to max retention.

(04)



Increase brand awareness nationwide.

(01)

Initial Digital Audit

Review of your current digital assets including ad copy, creative, landing pages, and entire customer experience. We'll review real-time data of customer behaviour, and identify the leaks and barriers to conversion.

(02)

Expert Analysis

Research your market, competitors and ability to scale to find you the best return for your budget We'll provide the best pathway forward for both short-term and longer-term results.

(03)

Strategy Formulation

Where our service is differentiated. Your campaign gets multi-level input from both director level and from our technology strategists. We then tailor your strategy to get you there responsibly.

(04)

Seamless Execution

We make sure your ads and website are optimised for user experience and conversion. We work on your campaigns, aiming to grow your customer base, increase your brand equity and achieve long-term, sustainable revenue growth.

We provide a Digital Strategy Roadmap when clients come on board. This is a tailored 6 step framework to drive e-commerce sales growth.

■ PHASE 1

Customer avatar definition and competitor analysis (current data analysis)

■ PHASE 2

Optimise for conversions (UX audit)

■ PHASE 3

Find and convert more highly-qualified paid traffic (email automation strategy, paid social content strategy, search strategy, influencer strategy)

■ PHASE 4

Retention strategy (Increase AOV, understand Customer Lifetime Value (CLTV) and order frequency, database segmentation, customer loyalty program)

■ PHASE 5

Grow organic traffic (SEO audit and strategy)

■ PHASE 6

Optimise and scale (spend scaling plan and conversion rate optimisation plan)

Ready for Digital Chemistry?
Get started with our
complimentary digital audit.



Digital Chemistry

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