



UNLOCK GROWTH IN A SATURATED MARKET

Performance Under Pressure

How **Homeware** Brands Can Solve E-Commerce's Toughest Challenges with Smarter PPC

CIRCUS

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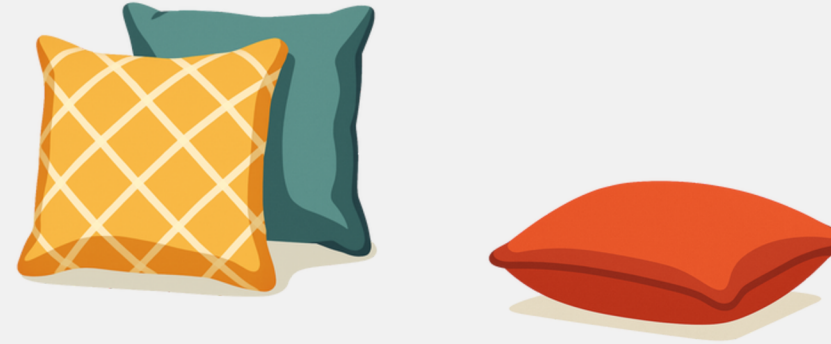
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Summary



The homeware industry is at a crossroads.

Rising consumer expectations and buyer journeys, online competition, and unpredictable market conditions are pushing brands to rethink how they connect with audiences. Paid search can often be the difference between standing still and breaking through noise.

This guide explores the current state of the homeware industry and the seven most pressing challenges homeware brands face in e-commerce. More importantly, it shows how smarter PPC strategies can act as both a stabiliser and a growth engine – even under intense pressure.

**HOW SMARTER PPC
CAN COMBAT SOME OF
E-COMMERCE'S
TOUGHEST
CHALLENGES:**



**RISING COSTS
SUPPLY CHAIN
RETURNS & FRAUD
INVENTORY
TECH & AI
LABOUR & TALENT
COMPETITION**

And the only checklist you'll ever need to make sure that your PPC is ticking all the right boxes...

The State of the Industry

HOMEGWARE IN 2025

The homeware sector has seen accelerated digital adoption post-pandemic.

Consumers are shopping online for everything from kitchen essentials to high-ticket furniture items, and footfall in stores still plays a crucial role in discovery and experience.

For homeware brands, staying competitive means leveraging data-driven strategies that take the entire customer journey into account.



KEY TREND: CONSUMER BEHAVIOUR

SHOPPERS RESEARCH EXTENSIVELY ONLINE BEFORE PURCHASING, REGARDLESS OF WHERE THE FINAL TRANSACTION HAPPENS.

KEY TREND: RISING COSTS

RISING COSTS ARE FORCING BOTH CONSUMERS AND RETAILERS TO RECONSIDER PRODUCT VALUE.

KEY TREND: BUYER JOURNEYS

CUSTOMERS MOVE FLUIDLY BETWEEN ONLINE AND OFFLINE CHANNELS, EXPECTING SEAMLESS EXPERIENCES ACROSS BOTH.

The 7 Biggest Homeware Challenges

WHAT STRUGGLES ARE STOPPING SUCCESS?



Homeware retailers are exposed to a number of challenges that can hinder their growth efforts – whether that be increasing market share, improving new customer acquisition, or achieving a specific ROI goal.

From rising ad costs and online competition, to supply chain and inventory issues – there's no shortage of things to consider when it comes to running a successful homeware brand.

HOW SMARTER PPC CAN HELP 

Rising Costs

The cost of reaching customers online is climbing fast, and homeware brands are feeling the squeeze. Our analysis of average CPCs across several homeware clients shows a sharp year-on-year increase: in 2023–24, average CPCs sat comfortably between £0.70 and £0.90, but in 2024–25 they frequently push above £1.00, peaking at £1.10 in April.

This means that the same budget now buys fewer clicks, reducing efficiency and forcing brands to pay more just to maintain visibility. Every click counts, so making sure that those clicks are valueable is more important than ever.

HOW PPC CAN HELP



AUDIENCE REFINEMENT

Using first-party data and in-market audiences to reduce wasted spend.

CREATIVE TESTING

Constantly iterating ad copy and assets to improve CTR and Quality Score.

DIVERSIFICATION

Expanding into Microsoft Ads and Meta to reduce overreliance on Google.

Supply Chain

Global supply chains remain unpredictable, with delays, shortages, and surges in shipping costs. For homeware brands, this means stock availability can change quickly, and products promoted today might be unavailable tomorrow. PPC campaigns without visibility into supply issues risk wasting ad spend on items that cannot be fulfilled.

Unreliable stock erodes brand trust and may push consumers toward competitors with more predictable availability. Poor alignment between marketing and logistics can therefore have long-lasting reputational damage.



HOW PPC CAN HELP

LINKED CAMPAIGNS

Creating automated rules for ads to pause when stock is low.

LOCAL STOCK ADS

Driving shoppers to stores with confirmed availability and stocked products.

CLEAR AD COPY

Using ad copy to manage expectations around shipping and delivery.

Returns & Fraud

From rugs that don't match a customer's décor to furniture that doesn't fit through the door, returns are frequent and costly. On top of this, fraudulent purchases – particularly with big-ticket items – can cut into margins. Both issues drain resources and eat into already-squeezed profits.

Returns and fraud are especially damaging in homeware because of the nature of the products. Furniture and appliances are expensive to ship, store, and handle, making returns costly compared to fashion or beauty. Brands that fail to account for these risks find themselves constantly offsetting losses.



HOW PPC CAN HELP

EXCLUSION AUDIENCES

Filtering out high-risk behaviours to mitigate return risk.

VALUE-BASED BIDDING

Optimising towards customers with higher LTV, not just conversions.

TRANSPARENT ADS

Reducing returns by setting clearer expectations in creative e.g. size, material.

Inventory

Balancing stock levels is a tricky challenge for homeware brands. Overstock creates storage challenges, and forces heavy discounting, while understock means lost sales and unhappy customers. For PPC campaigns, the risk is promoting products that don't align with real-time inventory realities.

Promoting overstocked items too late can result in rushed markdowns, and failing to push products in stock leads to missed opportunities. No collaboration between inventory and marketing means campaigns can actually work against profitability.



DYNAMIC CAMPAIGNS

Scaling ad spend in line with inventory levels and available products.

SKU PRIORITISATION

Focusing budget on high-margin or overstocked products.

SMART SHOPPING FEED

Automating based on real-time product availability and inventory.

Tech & AI

Many homeware brands operate with fragmented technology stacks. Disconnected CRMs, outdated e-commerce platforms, and siloed data sources make it difficult to optimise campaigns effectively. At the same time, AI-driven tools present great possibilities but can be overwhelming to implement without proper integration.

Without strong tech integration, it's difficult to track attribution, retarget effectively, or deliver personalised experiences. Brands that lag behind miss out on insights that competitors are already leveraging to win customers more efficiently.



HOW PPC CAN HELP

FEED AUTOMATION

Streamlining product data flow into platforms and shopping feeds.

PREDICTIVE BIDDING

Leveraging AI-driven smart bidding strategies with human oversight.

REPORTING

Building connected dashboards for cross-channel decision-making.

Labour & Talent

HOW PPC CAN HELP

Without the right people in place, brands risk slower deliveries, stock inefficiencies, and frustrated customers – which undermine marketing efforts. At the same time, managing PPC without specialist expertise can lead to poor campaigns that miss opportunities for efficiency.

For homeware brands operating in a competitive space, the solution often lies in hiring the right logistics talent, while partnering with a specialist PPC agency. This balance ensures the business can scale sustainably: logistics supports seamless fulfilment, while expert PPC drives profitable growth.



AUTOMATION

Reducing manual workload with automated rules and scripts.

AGENCY PARTNERSHIP

Leveraging external expertise without increasing headcount.

KNOWLEDGE SHARING

Encourage staff to share brand knowledge to influence PPC tactics.

Competition

The homeware market is crowded. From global retailers to niche direct-to-consumer brands, competition is fierce across every price point. Marketplaces intensify the pressure, offering wide product selections at competitive prices.

Competing against giants with larger budgets makes visibility more expensive. Smaller brands may struggle to protect their own branded search terms from competitor bidding, let alone compete for generic category keywords. Without clear differentiation, brands risk being drowned out by competitors with more aggressive ad strategies.

HOW PPC CAN HELP



BRAND DEFENSE

Protecting branded search terms from competitors to stay on top.

AD DIFFERENTIATION

Using USP-driven creative that highlights brand USPs e.g. competitive pricing.

MARKET SHARE

Targeting competitor keywords strategically to capture market share.

Final Thoughts

Pressure doesn't have to mean vulnerability – it can also be the spark that drives transformation.

The right PPC strategies can help homeware brands turn challenges into opportunities. Smarter campaigns help stretch budgets further, connect stock levels to ad spend, reduce wasted clicks, and focus on the customers who bring long-term value. In short, PPC becomes more than a marketing channel – it becomes a stabiliser for the business and a growth engine for the future. The brands that thrive will be those that act decisively, lean into data-driven decisions, and partner where it matters. We help homeware businesses do just that, and if you're ready to turn pressure into progress, the time is now.

BONUS: PRINTABLE HOMEWARE PPC CHECKLIST

On the next page, you'll find a printable checklist designed to help you review and improve your PPC strategy based on the 7 key challenges that homeware brands are currently facing. Use it as a quick reference guide to **cut wasted spend, align campaigns with wider business logistics, improve ROI, and stay ahead of competitors**. It's the perfect tool to give you and your team a practical way to put the insights from this guide into action.

The Homeware PPC Checklist

RISING COSTS

- Create in-market audiences with first-party data to target the right people.
- Review and test ad copy and assets to improve CTR and Quality Score.
- Consider platforms other than Google to diversify your ads and reduce overreliance on Google.

RETURNS & FRAUD

- Check exclusion audiences and make sure that high-risk behaviours are filtered out.
- Optimise ads with LTV (lifetime value) in mind, not just conversions.
- Use transparent descriptions of products to give customers the 'full picture' and reduce return risk.

TECH & AI

- Automate feeds to streamline data into relevant platforms and shopping feeds.
- Leverage predictive, smart bidding strategies with manual input.
- Build multi-channel dashboards that show cross-platform performance.

LABOUR & TALENT

- Look into where automated rules and scripts can help reduce manual workload.
- Work with a specialist agency (like Circus PPC!) to leverage expertise without having to increase headcount.
- Make sure brand and PPC work together to make tailored ads more effective and representative of the business.

SUPPLY CHAIN

- Create automated rules that pause specific ads when relevant stock is low.
- Update ads with local stock information to drive customers to stores with confirmed availability.
- Add expectations and information around delivery and shipping into ad copy.

INVENTORY

- Scale ad spend in line with the products available at the time, along with inventory levels.
- Allocate budget towards high-priority products that are overstocked, or high-margin.
- Automate your shopping feed based on real-time product availability.

COMPETITION

- Launch brand campaigns to protect branded search terms from competitors.
- Use USP-driven ad copy to highlight brand USPs e.g. competitive pricing, free delivery.
- Strategically target competitor's keywords to capture market share.

Have a Question?

Want more insight into how we can help you to drive smarter PPC for your homeware brand? Get in touch.

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