

Why Agencies Fall Short on Marketplace Ads

(And What Your Team Really Needs)



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Introduction

It's Tough Out There for Marketplace Agencies

Managing marketplace ads on Amazon and Walmart has become a high-stakes challenge. Clients expect growth, efficiency, and clear ROI—but rising competition, shifting platform rules, and overloaded teams make it harder than ever for agencies to deliver consistent results. The old approaches of manual campaign management and siloed tools simply don't scale.

This ebook shows why even capable agencies fall short, and how adopting smarter tools and workflows can turn marketplace advertising into a reliable profit engine.

By the end, you'll know how to protect your margins, retain more clients, and confidently grow your agency's marketplace practice.

Common Pitfalls Agencies Face in Marketplace Advertising

Even experienced agencies often encounter recurring challenges when managing marketplace ad campaigns for multiple brands. If any of this rings true for you, know that you're not alone.

Overloaded Team Bandwidth

Marketplace advertising is labor-intensive. Your team may be stretched thin building campaigns, adjusting bids, and analyzing reports for many clients. An overloaded team means slower reactions to market changes and missed opportunities to improve performance.

Manual Campaign Management

You already know: using human effort for every bid tweak and keyword update is not sustainable. Manual processes not only consume valuable hours but are prone to error and delay. When an important change (like pausing a wasted spend keyword or raising a bid on a high-converting term) depends on someone's to-do list, performance suffers.

Fragmented Tools & Reporting

Many agencies cobble together a patchwork of tools—one for keyword research, another for analytics, spreadsheets for budget pacing, a BI dashboard for reporting. This fragmentation leads to inefficiency. Dashboard development and reporting become time-consuming and complex, especially with multi-channel clients and varying data sources. Jumping between Amazon's native console, third-party tools, and custom reports is not only tedious but increases the risk of inconsistent data.

Flat Retainers, Rising Expectations

The scope of work grows, but the retainer stays the same. If your clients' budgets and complexity increase but your fee stays flat, you're doing more for less and your margins are getting squeezed. Your team ends up over-servicing accounts to keep clients happy, which isn't sustainable. This dynamic can lead to burnout and corners cut on campaign management.

High Client Churn

Clients want results—fast. If campaigns stagnate or reporting isn't clear, agencies risk losing accounts. High client churn means constant re-selling and onboarding, in a vicious cycle. Not only is churn expensive (acquiring a new client costs far more than retaining one), it also hurts team morale. Common churn drivers include underwhelming performance, poor communication, and lack of perceived value. Often, it's not that the agency team isn't capable; it's that they're underpowered by their tools and overloaded by their workflows.

Difficulty Differentiating & Scaling

Prospective clients hear many agencies promise "best-in-class" marketplace ad management. If you're doing things more or less the same way as everyone else, it's hard to stand out. Agencies are looking for ways to differentiate their pitch to win and retain clients, but over-reliance on human effort limits how much you can expand campaigns or innovate. This also ties into scaling issues: without efficient systems, taking on more clients or marketplaces (e.g. adding Walmart or TikTok alongside Amazon) means linearly adding more staff, which flat retainers may not support.

These pitfalls can trap even competent teams in a cycle of reactive work and middling results. The good news is they're avoidable. Let's take a look at how.

What Your Team Needs To Run Successful Campaigns at Scale

Agencies must move beyond the status quo of resource-intensive management to be successful today.

The screenshot displays the Teikametrics dashboard with a dark blue sidebar on the left containing various icons. The main content area is white and features several AI-driven recommendations:

- GenAI Smart Pages**: A section with a pink star icon. Below it, a box titled "Enhance Your Product Pages" shows a count of **1,637** product pages negatively impacting performance. It suggests using GenAI to improve listing scores for better search visibility and conversion. A link "Activate GenAI Smart Pages →" and "Learn more in Help Center" are provided.
- Advertising Optimization**: A section with a speech bubble icon. It states: "Take these actions to grow sales, save time, and cut wasted ad spend. The more you optimize, the more value you unlock."
- AI Smart Campaigns - Grow Sales**: A section with a star icon. It says: "Create AI smart campaigns with customized campaign goals to launch, grow, profit, liquidate." A link "AI Smart Campaigns : 12" is on the right.
- High Priority Recommendations**: Two boxes labeled "High Priority" in purple:
 - Maximize Your Sales**: Shows a count of **193** products that are in-stock and in-demand but not advertised. It suggests launching Smart Campaigns to boost revenue. Includes a link "Use Campaign Creator →" and "Learn more in Help Center".
 - Fine-Tune your Ads with AI Smart Campaigns**: Shows a count of **385** advertised products not in Smart Campaigns, suggesting conversion to minimize waste and maximize sales. Includes a link "Use Campaign Creator →" and "Learn more in Help Center".

What does your team really need? A combination of advanced technology and strategic workflows that free up your bandwidth and maximize performance. In practical terms, this means:

AI-Powered Bidding & Optimization

AI-driven automation analyzes performance data and adjusts bids or budgets in real time, responding instantly to market changes like rising competition or shifting conversion rates. Offloading routine bid and keyword management frees your team to focus on strategy while protecting client ROAS and ACoS targets.

[Explore more →](#)

Automation of Routine Tasks

Tasks like campaign creation, negative keyword updates, creative rotations, and reporting can be automated to save time and reduce errors. Templated workflows allow your team to launch and manage multiple campaigns quickly, reallocating hours to higher-value strategy and client communication.

[Explore more →](#)

Unified, Multi-Channel Dashboards

A single dashboard for Amazon, Walmart, and other marketplaces eliminates tool-hopping and spreadsheet silos. With one source of truth, your team can track performance across accounts, spot trends faster, and make informed optimizations without juggling a “frankenstack” of tools.

[Explore more →](#)

Advanced and Accessible Reporting

Auto-generated reports keep clients informed and impressed with minimal effort from your team. Real-time dashboards and branded reports reinforce your agency’s role while making KPIs like ROAS, ACoS, and sales crystal clear—helping reduce client churn through consistent transparency.

[Explore more →](#)

Account Management Practices That Scale

Efficient multi-account management allows you to oversee dozens of marketplace accounts from a single “master” view. Adding new clients becomes seamless, and strategists can switch between accounts or manage them in aggregate without juggling logins or workflows.

[Explore more →](#)

White Labeling and Retention of Client Ownership

The right technology augments your service without diminishing your role. You maintain full control and present results as your agency’s deliverables, while your technology handles the heavy lifting—freeing your team to focus on strategic insights, creative optimization, and client relationships.

[Explore more →](#)

In short, what your team needs is a smarter way to manage marketplace ads—one that combines AI, automation, integration, and insight. Embracing such an approach will transform your marketplace advertising practice from a headache into a scalable, profitable service for your agency.

The key to enacting that approach? A good marketplace optimization platform.

**How a Marketplace
Optimization
Platform Keeps
You Productive and
Profitable**

A marketplace optimization platform—software designed to help ecommerce teams streamline and optimize their listings, advertising, and inventory using automation and real-time insights—gives agencies the leverage they need to manage campaigns efficiently, deliver stronger results, and protect margins.

Here's what agencies typically see as they bring on great marketplace optimization software:

Improved ROAS and Lower ACoS

Clients are often measuring your value in terms of return on ad spend (ROAS) and advertising cost of sale (ACoS). A marketplace optimization platform uses AI-powered bidding and real-time data analysis to automatically direct spend toward the most profitable keywords and products—something no manual workflow can consistently achieve.

For agencies, this means more predictable performance improvements for clients, better budget utilization, and stronger proof of value when it comes time to report results.

Greater Efficiency = Higher Margins

With marketplace software, automation handles the labor-intensive work of campaign adjustments, bid management, and reporting, so your team can focus on high-level strategy and client communication.

When fewer manual hours are needed per account, your agency can manage more clients with the same team, increasing the profitability of flat-fee retainers. In other words, efficiency directly translates into healthier margins without adding headcount.

Better Client Retention and Win Rates

Stronger results and consistent reporting reduce client churn and help you stand out in competitive pitches. Platforms like Teikametrics offer white-labeled dashboards and automated reporting that make it easy to keep clients informed and confident in your work.

When you can clearly demonstrate impact and proactively address performance, clients are more likely to stay—and prospects are more likely to sign on.

Full-Funnel Visibility and Optimization

A marketplace optimization platform goes beyond PPC bidding to offer a holistic view of your clients' marketplace performance, from ad spend to SKU-level profitability. By connecting advertising data with inventory and sales trends, your team can make smarter, faster decisions—like pausing ads on low-stock products or doubling down on high-margin items.

This comprehensive visibility is critical for scaling agency operations and driving meaningful business outcomes for clients.

Ongoing Innovation and Support

The right platform isn't just a tool—it's a partner that evolves with the marketplace. Regular feature updates, best-practice guidance, and dedicated support ensure your team can take full advantage of the technology.

Instead of cobbling together disconnected tools, your agency can rely on a single solution designed to help you adapt quickly and stay ahead of industry changes.

To summarize: Agencies leveraging marketplace optimization platforms are achieving better performance outcomes, operating more efficiently, and growing their business faster than those stuck in the old model. The combination of AI-driven results and operational scalability becomes your competitive advantage.

How to Decide if It's Worth Investing in New Marketplace Software

For many agencies, the biggest hesitation in adopting new marketplace optimization software is cost. When margins are tight and retainers are flat, any additional expense can feel risky.

But the right platform should pay for itself by improving efficiency, performance, and client retention. Here's how to evaluate whether the investment makes sense:

1. Measure Labor Efficiency

How much time does your team currently spend manually managing campaigns, adjusting bids, and compiling reports? If automation can cut that effort in half, you've instantly freed up bandwidth to take on more clients or focus on higher-value strategy—without hiring more staff. For most agencies, labor savings alone can justify the software fee.

2. Consider Performance Impact

Even modest improvements in ROAS or reductions in wasted spend can have an outsized effect on client satisfaction and retention. When campaigns perform better and budgets work harder, clients are more likely to increase ad spend and stick with your agency long term. Retaining just one additional client can often offset the software's cost.

3. Assess Client Perception

Many clients appreciate agencies that leverage advanced tools to deliver better outcomes. Positioning your technology stack as part of your service offering not only helps justify your fees but can differentiate you in competitive pitches.

4. Factor in Opportunity Cost

The bigger risk for agencies isn't paying for software—it's falling behind competitors who are using AI-driven tools to manage campaigns more effectively. Manual management slows down your ability to react to market changes, risks higher ACoS, and can lead to churn when clients expect more proactive results.

Real Results With Marketplace Optimization Technology

Here are just a few examples from Teikametrics of the impact you and your clients could see in adopting a marketplace optimization platform. [Read more case studies here.](#)

IGLOO®


49% Increase in Total Sales at 489% Higher ROAS.

Teikametrics restructured campaigns and eliminated overlap with strategic negative keywords.

+97.8%
increase in
ad sales

+489%
increase in
ROAS

-66.4%
reduction in
ad spend

+48.9%
growth in
total sales

nutribullet.


+24.9% Total Sales Growth While Cutting Ad Spend.

Teikametrics implemented a full restructure, AI-powered bidding, and segmented brand vs. non-brand targeting, optimizing for shipped COGS over ACoS.

+24.9%
increase in
total sales

-61.5%
reduction in branded search
spend (first 90 days)

BLACKSTONE


4x Sales Growth on Walmart with Smart Seasonal Strategy.

Teikametrics implemented predictive AI, strategic dayparting, seasonal budgeting, and ROAS-focused keyword targeting.

4x
total sales growth
(2020–2022)

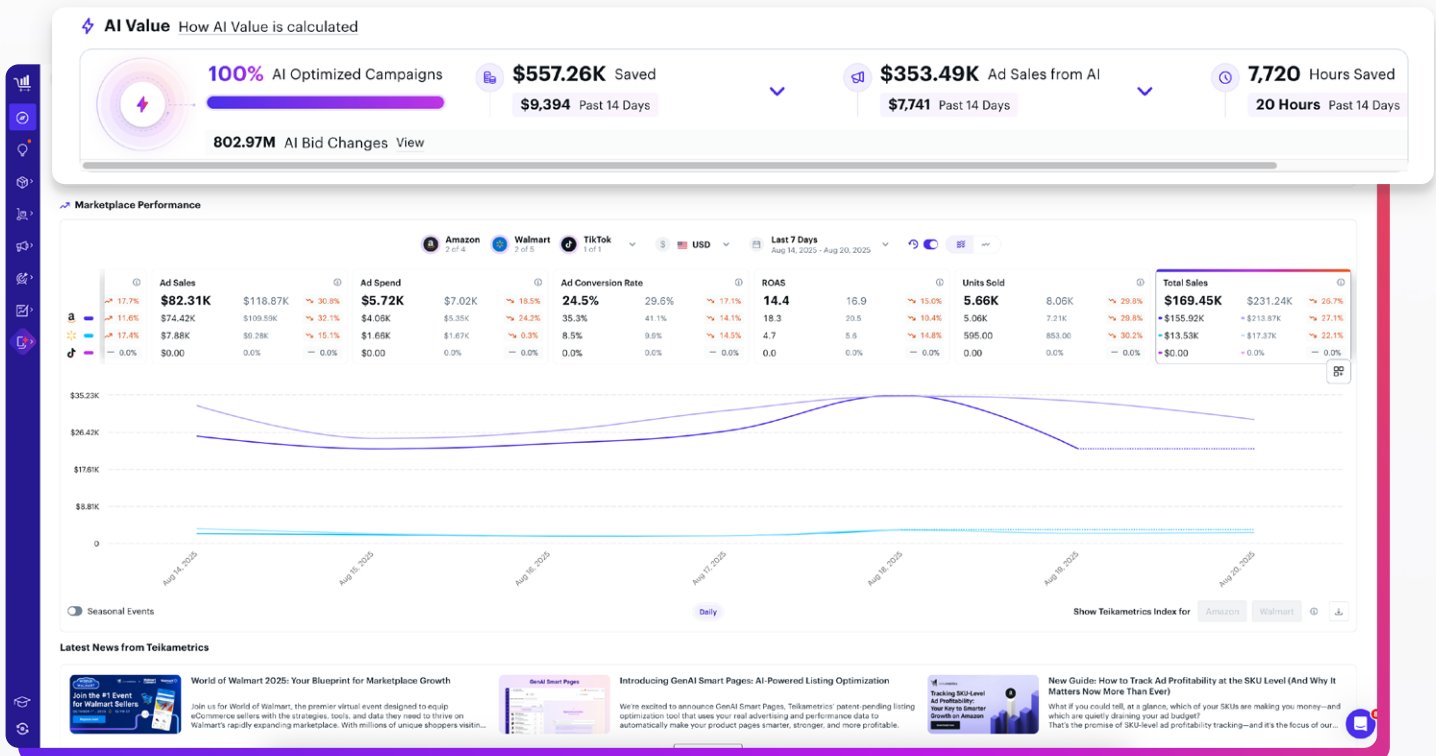
+219%
increase in ad sales
(2022–2023)

\$43.74
ROAS in 2003, with
\$109M+ in ad sales

The bottom line: modern marketplace software is an investment in your agency's scalability and profitability. Platforms like Teikametrics combine automation, optimization, and reporting into a single system—reducing labor costs, improving results, and helping you retain clients longer. When you compare the subscription fee to the time saved, revenue gained, and churn prevented, the ROI is clear.

Elevating Your Agency's Value With the Right Partner

As we've discussed, even the most capable agencies struggle to successfully scale marketplace advertising with manual workflows and fragmented tools. The marketplace landscape moves too fast, and flat-fee retainers leave little margin for inefficiency. The agencies that win are the ones who pair strong strategy with the right technology.



That's where Teikametrics comes in. As a marketplace optimization platform built for agencies, Teikametrics helps you:

- **Operate at scale without overextending your team:** Automation and unified dashboards reduce the hours spent on manual bid adjustments, keyword updates, and reporting, so your team can focus on high-value strategic work.
- **Improve ROAS and protect margins:** AI-driven optimization ensures ad budgets are used efficiently, turning performance improvements into client retention, upsell opportunities, and healthier profit margins.

- **Maintain your role as the strategic owner:** With white-labeled reporting and clear insights, your clients continue to see your agency's expertise while Teikametrics quietly powers the optimization behind the scenes.
- **Stay competitive and credible in the marketplace:** Every agency says it's "data-driven" and "innovative." Leveraging a proven AI-powered platform gives you tangible proof to back up that promise in pitches and client reviews.

By partnering with Teikametrics, agencies can confidently deliver stronger results, scale without adding headcount, and position themselves as indispensable to their clients.

Instead of chasing tasks and fighting churn, your team can focus on strategy, growth, and client relationships—while the platform handles the heavy lifting.

Key Takeaways + Next Steps

Marketplace advertising is no longer something agencies can manage effectively with manual effort and siloed tools. Scaling profitably requires the right mix of strategy and technology.

Here's what to remember:



Manual workflows limit growth and margin.

Overloaded teams, flat retainers, and fragmented tools make it hard to scale without burning out or cutting corners.



Marketplace optimization platforms unlock efficiency and performance.

AI-driven bidding, automation, and unified reporting let your team manage more clients, improve ROAS, and reduce churn—without adding headcount.



Client retention is your most powerful lever.

Better results and transparent reporting keep clients longer, reduce acquisition costs, and allow you to confidently grow your marketplace practice.



Investing in the right platform pays for itself.

When you factor in labor savings, performance gains, and avoided churn, the ROI from a platform like Teikametrics quickly outpaces the subscription cost.

If your agency is ready to move beyond clunky campaign management and start scaling marketplace advertising with confidence, here are your next steps:

1. **Evaluate your current workflow** – Identify where your team spends the most time and where performance bottlenecks exist.
2. **Calculate the opportunity cost** – Consider how much labor, revenue, or retention you could gain with automation and better insights.
3. **See what a marketplace optimization platform can do for your team** – Book a personalized demo with Teikametrics to see how automation, AI-powered bidding, and unified reporting can help your agency grow profitably. [Request your demo here.](#)

With the right strategy and the right tools, marketplace advertising can shift from a constant challenge to a reliable growth engine for your agency. Equip your team to operate smarter, scale faster, and deliver results that keep clients coming back.

[Request your demo](#)