

When CPC Prices Rise, Merchants Start Asking Questions



Why more e-commerce retailers are rethinking how they advertise on comparison platforms

Over the past few days several Swedish media outlets reported that a number of major e-commerce retailers have decided to leave the price comparison platform Prisjakt following significant increases in CPC advertising costs.

For many merchants this raises an important question: how sustainable is a model where advertising costs per click continue to rise while margins in e-commerce remain under pressure?

For more than two decades, the dominant business model in price comparison advertising has been straightforward. Merchants pay for traffic, typically through a cost-per-click (CPC) model, and hope that the resulting sales justify the investment. While this approach has driven enormous growth for comparison platforms and merchants alike, it also comes with an inherent challenge: the relationship between advertising cost and actual return is often unpredictable.

When competition intensifies and click prices increase, merchants may suddenly find themselves paying significantly more for the same visibility, while conversion rates and margins remain unchanged. In those situations, marketing investments can quickly become difficult to justify, particularly in product categories where margins are already thin.

A shift toward performance certainty

At Compare Group, we believe comparison platforms should evolve alongside the needs of modern e-commerce businesses. Instead of focusing purely on clicks, we believe the real metric that matters for merchants is measurable performance.

That is why we introduced a model where merchants can advertise on our comparison platforms with a guaranteed Return on Ad Spend (ROAS). Instead of paying for clicks and hoping for the best, merchants can choose a performance-based partnership where the expected return is agreed upfront. If the agreed ROAS is not achieved, we compensate the difference.

“In a market where margins are under pressure, merchants should not have to gamble on advertising costs. Performance should be predictable.”



For merchants who want to go even further, we also support POAS (Profit on Ad Spend) partnerships. Instead of optimizing purely for revenue, POAS focuses on the actual profit generated for the merchant, allowing advertising strategies to align directly with product margins and profitability targets.

Performance-driven comparison shopping in Europe

Across our European comparison platforms, Compare Group connects more than 70 million consumers per year with over 3.200 online shops, generating more than 4 million qualified leads every month.

For Nordic merchants specifically, Compare Group operates several comparison platforms, including:

- 🇸🇪 Varusök (Sweden) - varusok.se
- 🇳🇴 Sammenlign (Norway) - sammenlign.no
- 🇫🇮 Vertaa (Finland) - vertaa.fi
- 🇩🇰 Sammenlign (Denmark) - sammenlign.dk

Our goal is simple: create a model where merchants, consumers and comparison platforms all benefit from a sustainable ecosystem built around transparency, performance and long-term value.

Merchants who want to learn more about our ROAS and POAS partnership models can find additional information here: business.comparegroup.eu



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