

2026 Shopify Profit Benchmarks by Niche

Benchmark data for DTC and Shopify store operators
across 8 major verticals

Executive Summary

What realistic gross margin, net margin, return rate, and AOV can you expect for your Shopify niche in 2026?

A huge number of Shopify merchants only monitor top-line revenue. They cannot tell whether their business is genuinely profitable — or which individual SKUs are losing money. This report aggregates public e-commerce benchmark datasets covering 8 major DTC verticals.

Disclaimer: These are industry median reference values only. Not business performance guarantees. Individual store results vary by sourcing, ad efficiency, product positioning, and business model.

Methodology

Benchmark numbers are aggregated from public 2026 e-commerce analytics reports, DTC CFO publications, and operator community surveys. Figures represent **median performance**, not best-in-class top results. Data covers private-label, print-on-demand, and dropship stores; pure-wholesale and B2B-only stores are excluded.

Core Term Definitions

- **Gross Margin:** Revenue minus product landed cost, before advertising and operating expenses.
- **Net Margin:** Profit after COGS, shipping, payment fees, returns, ad spend, and fixed operating overhead.
- **Return Rate:** Percentage of total orders that get returned.
- **AOV:** Average Order Value per completed order.

2026 Niche Benchmark Table

NICHE	MEDIAN GROSS MARGIN	MEDIAN NET MARGIN	RETURN RATE	MEDIAN AOV
Beauty & Personal Care	68–72%	12–18%	5–10%	USD 52–85
Apparel / Fashion	55–65%	8–14%	15–24%	USD 48–70
Home & Kitchen	45–52%	10–16%	8–12%	USD 60–110
Pet Supplies	50–58%	11–17%	7–13%	USD 55–78
Health / Supplements	62–68%	10–15%	4–8%	USD 60–95
Jewelry & Accessories	65–74%	16–24%	10–15%	USD 38–62
Consumer Electronics	32–42%	6–12%	12–18%	USD 75–140

NICHE	MEDIAN GROSS MARGIN	MEDIAN NET MARGIN	RETURN RATE	MEDIAN AOV
Sporting Goods	58–64%	12–19%	9–14%	USD 54–85

Quick Niche Takeaways

- **Beauty & Personal Care:** High gross margins, but sample and gift-with-purchase costs compress net profit. Subscription repeat-buy significantly improves outcomes.
- **Apparel / Fashion:** Returns are the number one profit killer. Strong gross margin can disappear entirely under high return volume.
- **Home & Kitchen:** Solid stable margins; watch for heavy inbound logistics cost eating into landed COGS.
- **Consumer Electronics:** Low baseline gross margin; high sales volume is required for healthy net returns.

Six Hidden Profit Leaks

1. Under-calculated landed COGS. Supplier invoice price is not your true unit cost. Factory shipping, packaging, tariffs, and customs can add 15–30% per unit. Using only supplier cost in your spreadsheet is the most common margin-destroying mistake.

2. Return-associated costs. A refund is only part of the loss. Return shipping, restocking labor, and unsellable returned inventory can erase 15–25% of the original sale. Highest risk in apparel.

3. Vanity platform ROAS. Ad-platform ROAS does not subtract product cost. A 3.0x ROAS on low-margin electronics can still generate net-loss orders. You need contribution-margin-adjusted ROAS.

4. Hidden app and subscription overhead. Monthly Shopify apps, plugins, and tool fees accumulate slowly. A USD 29/month app becomes USD 348 in annual fixed cost that most sellers never allocate.

5. Missing SKU-level profit visibility. Whole-store P&L tells you the aggregate result. It cannot answer which SKU drives profits and which product loses money on every ad-driven sale.

6. Unaccounted 3PL surcharges. A quoted per-order fulfillment price often increases after adding storage fees, pick-and-pack extras, and return-processing add-ons. Monthly reconciliation is mandatory.

Profit-Gap Self-Audit Checklist

Answer yes/no to diagnose your profit blind spots:

- ☐ I calculate full landed unit cost (not only supplier invoice price)
- ☐ I track return-related financial loss, not just return count
- ☐ I compute real contribution-margin ROAS after subtracting product costs
- ☐ I sum all monthly app and tool subscriptions as fixed operating expense
- ☐ I can view profit and loss broken down for every individual SKU
- ☐ I reconcile my 3PL monthly bill for hidden surcharges

If multiple boxes are unchecked: you likely have unmeasured profit leakage in your store.

Business-Model Comparison

BUSINESS MODEL	TYPICAL GROSS MARGIN	TYPICAL NET MARGIN	NOTES
Private-Label DTC	40–60%	15–30%	Highest upside, higher inventory risk
Print on Demand	30–45%	10–20%	Zero inventory risk, limited margin ceiling
General Dropshipping	18–30%	5–13%	Light capital, thin margins, ad-dependent

Benchmarks Show Where You Should Be — Now Calculate Where You Are

Our Shopify Profit-Tracking Excel Template comes with pre-built formulas, a monthly P&L dashboard, and per-SKU profit analysis. Input your order data and compare directly against these benchmarks. Works with Excel and Google Sheets.

Disclaimer: Benchmarks are aggregated from public industry sources and are for reference only, not business guarantees. Actual results vary significantly by sourcing, ad efficiency, product positioning, and operational efficiency. © 2026 Niche AI Tool. All rights reserved.