RETAILX

RETAIL MEDIA X

Report 2025

In partnership with:

TEALIUM®

Introduction

There is no denying that retail media is on a roll. In 2023 global spend on retail media hit $136bn and is forecast to have reached **$145bn in 2024**. It is likely to top **$150bn this year** and growth continues for the rest of the decade. These figures are conservative, however. Most retailers don't list the revenues generated by retail media as a business channel and so it is likely that the market is in fact worth way more.

What *is* known is that retail media continues to take a consistent share of the growing digital advertising market, accounting for nearly **20% of spend**. This cements just how important a marketing channel it has become.

This adoption has been driven by data. Retail media offers brands looking to market their goods **unparalleled targeting**, with retailer first-party customer data allowing campaigns – and increasingly the creative itself – to be finely honed to reach the right people at the exact right point in the sales funnel.

Almost all brands (**87%**) say that this first party data is what attracts them to retail media, with **74%** saying that this gives them better access to shoppers at the point of purchase.

But there is more to it than just targeting. Some **57%** of brands see **closed loop attribution** as a key reason for using retail media, while **51%** use it for **marketing efficiency** gains – the whole process of marketing through retail media being more focussed and therefore wastes less time and money.

But how brands spend their money on retail media is shifting. While **80%** of brands are using **onsite** retail media, **off-site** – where retailer customer data is used to find and target consumers on other sites, typically social media – is the fastest growing area for spend, up **18%** year-on-year. **In-store**, which accounts for just **$1bn** in retail media revenues in 2024, is also growing rapidly.

Linking all these channels together – along with increasing interest in connected TV – is among the most pressing challenges retailers face with media offerings. **Measuring the effectiveness** of retail media has always been tricky – especially when looking to compare performance between different networks – but doing that when it is an omnichannel campaign is adding a whole new layer of complexity.

However, the retail media market is increasingly being defined by **collaboration**, with brands and retailers working together to share data to build better targeting and to better attribute sales across all these channels. This has helped to make measurement more effective, but has seen the need for keeping data sources private rise. **Clean rooms**, **federated learning** and **differential privacy** are all being used to aid this, making retail media data both richer and more secure.

With **AI** being brought to bear on both data processing and data use, retail media's growing role looks set to continue. **Collaboration and creativity** are definitely the themes of 2025, with data's role in driving not only the targeting, but also the creative itself starting to become the next area of growth for retail media networks. Things never stand still in marketing nor retail, but the pace of change both are poised to see around retail media is immense.

Contents

Market dynamics and performance

Retail media worldwide is now a significant proportion of total digital ad spend – and there is more growth to come

As more retailers embrace the idea of digital retail media spending – both to keep up with competitors and to add a much-needed new revenue stream to their bottom line – so spending in the sector is also rising.
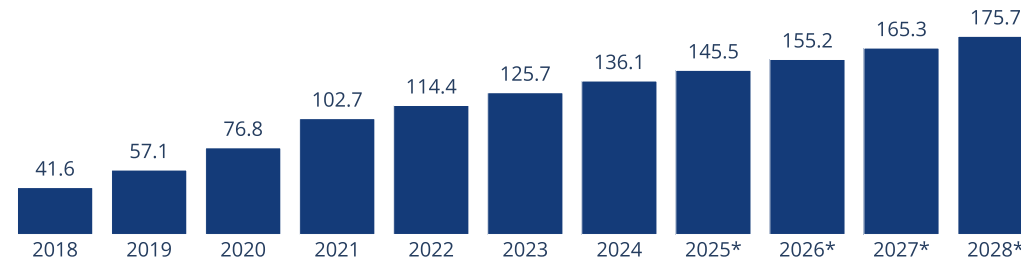
According to data, global digital retail media spending hit $136 billion in 2024 and is forecast to reach $145.5 billion by the end of 2025. However, these figures grossly underplay the money that is currently changing hands in retail media worldwide. These figures are based on publicly available results from retailers and other owners of retail and commerce media networks and so only give an insight into part of the picture.

If we look at retail media as a share of total digital media we get a clearer view of how the market is performing. According to Insider Intelligence data, in 2023, some 18.8% of total digital ad spend was directed at retail media. In December 2024, that figure sits at 20%. The global digital ad market has been valued at around $792 billion in 2024, making retail media worth some $158 billion.

Again, this probably is an underestimate of the total spend on both digital advertising and retail media, however it gives a good benchmark by which to

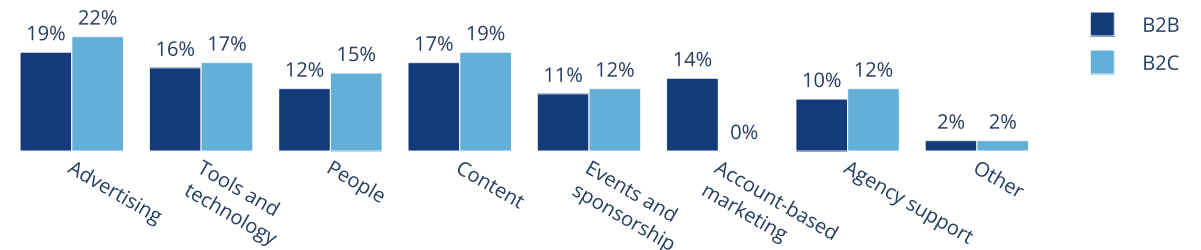## Digital retail media advertising spending (bn USD), 2018-28

Worldwide

Year	Value
2018	41.6
2019	57.1
2020	76.8
2021	102.7
2022	114.4
2023	125.7
2024	136.1
2025*	145.5
2026*	155.2
2027*	165.3
2028*	175.7

*Forecast

Source: Statista, 2025

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Marketing budget allocation by type of company, 2024

Category	B2B	B2C
Advertising	19%	22%
Tools and technology	16%	17%
People	12%	15%
Content	17%	19%
Events and sponsorship	11%	12%
Account-based marketing	14%	0%
Agency support	10%	12%
Other	2%	2%

Survey includes CMOs and VPs of marketing

Source: Salesforce State of Marketing 9th edition

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assess if not the total value of the market, but its trajectory.

According to the figures (see page 6), annualised digital retail media spend is growing at between 6% and 9% each year. The largest growth surge has been seen across 2022 and 2023, where revenue growth saw a 9% uptick. This coincided with the retail industry embracing the idea of retail media and creating networks to facilitate it worldwide.

So, whatever the actual value of the retail media market is among all those non-publicly listed companies, the message is clear: it is growing at a reasonable rate, pretty much in line with how the broader digital marketing market is growing.

This indicates that retail media, while important to brands and marketers, is considered a stalwart part of the digital marketing landscape.

THE GLOBAL VIEW
When looking at individual countries and regions, this growth is more varied and indicates to a large extent the maturity of retail media in each market.

The highest growth globally is seen in Brazil (42%) and Mexico (40%), both relatively new to using retail media. The lower end of the growth spectrum is to be found in the relatively mature retail media markets of the US (26%) and Canada (25%).

Europe (see panel overleaf) sits somewhere in the middle – France's retail media market growing at 32%, the UK at 30% and Germany at 29%. Again, this shows how each region's growth is directly linked to how far along their retail media journey they are, with each growing at an exponentially slowing rate towards that

Retail media ad spending growth in select countries (%), 2024

Country	Growth
Brazil	42.3%
Mexico	39.8%
France	31.6%
UK	29.9%
Germany	29.0%
US	26.0%
Canada	24.9%
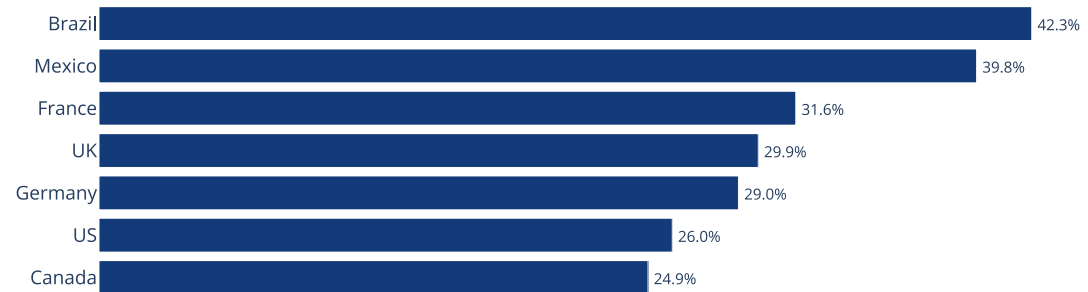
Digital advertising that appears on websites or apps that are primarily engaged in retail ecommerce or is bought through a retailer's media network or demand-side platform (DSP)

Source: EMARKETER

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annual growth vector of around a fifth of total digital marketing spend.

Retail media growth in Brazil has been driven by its adoption by leading local retailers such as marketplace site Mercado Libre, local stores Magazine Luiza and Americanas, as well as the rapid growth of Amazon in the country. These brands have proliferated in recent years in the Brazilian market as the country's shoppers have embraced ecommerce in ever-increasing numbers.

A similar picture can be found in Mexico, where again Mercado Libre and Amazon – not to mention US retailer Walmart – have also seen a surge in both Mexican ecommerce and retail media.

The enigma is China. China has seen huge growth in ecommerce over the past decade and, as would be expected, this has driven a surge in retail media.

However, while we are still waiting for reliable data, China's retail media growth looks to be considerably behind other markets (probably c10%) and the overall global average.

This is a result of the rapid maturation of the Chinese market and something of a slowdown in consumer spending as the Chinese economy post-pandemic. China has also adopted more stringent regulation of online advertising and has sought to put curbs on how data is shared and used, which has also impacted the country's retail media landscape.

EUROPE: A RAPID EMBRACE OF RETAIL MEDIA
Europe is seeing strong retail media growth, with leading markets of France, Germany and the UK all growing by above global market average levels in 2024 – France's retail media market growing at 32%, the UK at 30% and Germany at 29%.

This has been driven by a combination of factors that have worked together to elevate retail media to a more prominent position as a marketing tool.

The potential phasing out of third-party cookies has seen retailer first-party data become a valuable asset that retailers are keen to exploit. Advertisers, meanwhile, are increasingly keen to understand consumers at a more granular level to perfect more targeted campaigns.

Media spending is also shifting from brand-centric campaigns to performance-driven channels, where the focus is on measurable results. Retail media offers advertisers the opportunity to track performance and optimise campaigns based on real-time data, making it a compelling option for performance-driven marketers.

As such retail media allows retailers to enhance the value proposition for their brand partners by providing them with access to valuable customer insights and driving increased sales. This can lead to stronger brand relationships and collaborations.

The closed loop attribution facet of retail media is also a draw to brands looking to market in Europe. Europe is a highly competitive and very mature ecommerce market and so requires more sophisticated and more targeted forms of brand marketing. Retail media plays to this demand.

The maturity of the market has also seen it readily adopt Q-commerce tropes – Deliveroo, for instance, started life in the UK – and so the region is also at the forefront of growth in Q-commerce retail media. Like the mature markets of the US and Canada, Europe is also at the forefront of the rise of commerce media, where non-retailers are also looking to leverage their first-party consumer data to create a media sales channel.

These factors, combined with seeing just how lucrative retail media has been for leading US retailers in the preceding years, has driven the European market to new highs. While spending on retail media is set to be around 20% of total ad spend, that still equates to the European retail media market being a multi-billion dollar sector.

Retail media advertising spending (bn EUR), 2021-28

Europe

2021	2022	2023	2024*	2025*	2026*	2027*	2028*
7.4	9.6	11.3	13.8	17.6	22.3	26.9	31.3
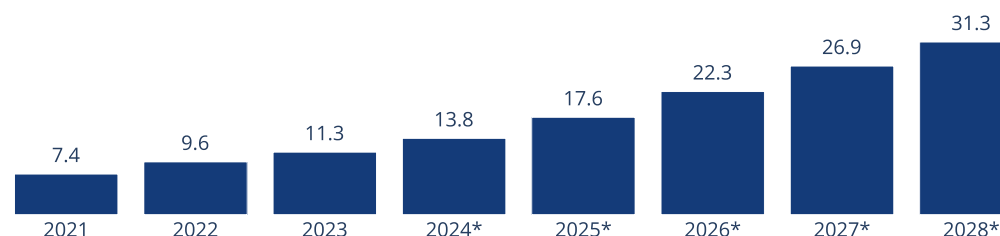
October 2024 data. 2024 year includes an estimate for the last two months of the year

Source: IAB Europe

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The retailer perspective

What makes for a successful retail media network from a retailer's point of view and how is the sector performing for them?

The retail media ecosystem can be broken down into a value chain that is both simple yet rent with complexity. In essence, retailers offer the real estate and customer data, brands pay them to advertise thereon and leverage that data, sometimes through an agency and sometimes direct.

However, there is also a complex web of existing relationships between retailers and brands, relationships between retail media tech and retailers and, of course, the relationship between brands, agencies and tech platforms. So, what does the current global retail media landscape look like from the retailers' perspective?

Overall, retailers take around 80% of the total spend seen in retail media – the other 20% largely being earnings for the tech and platform companies that facilitate retail media, making that a $30 billion industry in its own right for these tech players [1].

The $145.5 billion spent in the sector in 2025, therefore, translates to earnings for retailers of around $116 billion – although again this is of the known revenues attributed to the sector, the real amount will be much higher.

## Forecast change in In-Store Retail Media ad spending (%), 2024-28
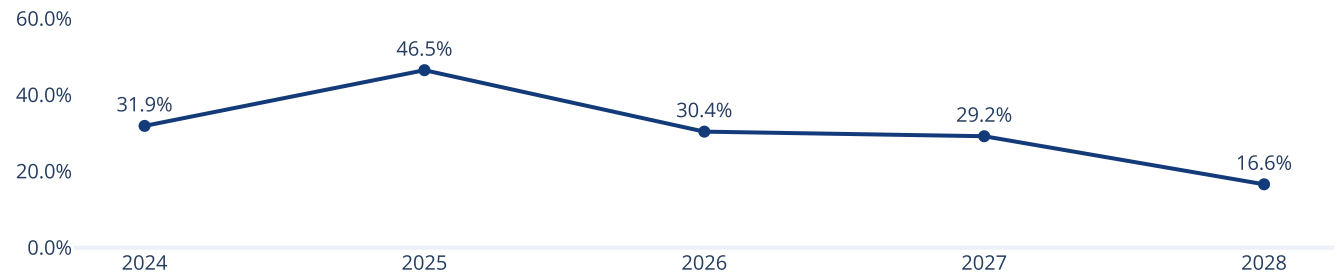
Forecast 2024. Digital advertising appearing on in-store signage, either in the store or immediately adjacent exterior; includes advertising in grocery stores, petrol stations, restaurants, etc.; excludes signage for common areas not directly affiliated with the retailer.

Source: EMARKETER

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Retail media network off-site vs ecommerce channel display ad spending (bn USD), 2021-28

USA
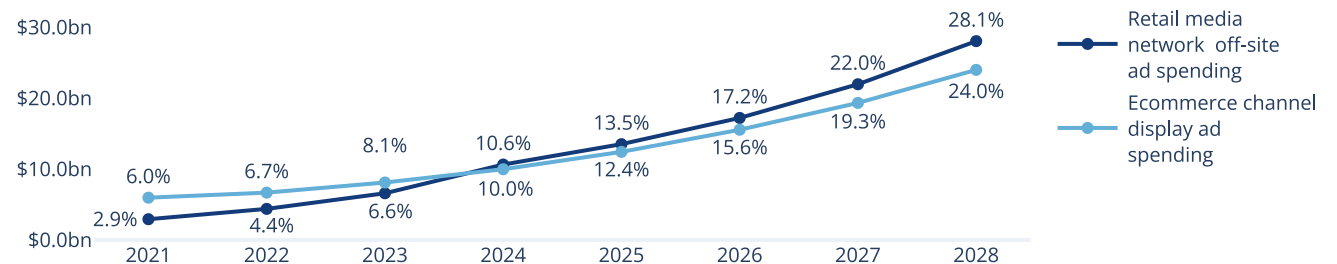
Forecast 2024. Retail media network off-site ad spending is digital advertising that is bought through a retailer's media network or demand-side platform (DSP)

Source: EMARKETER

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Retailer earnings are also expected to hit some $293 billion by 2029, as the global retail media sector heads towards turning over $369 billion that year [1].

So, how is this revenue split across the retail media offerings posited by retailers?

RETAILER REAL ESTATE

The power of retail media partly lies in the wealth of first-party customer data that retailers have gathered through years of doing on and offline business, but it is how it can be used in combination with the 'real estate' that retailers can offer brands as a means of leveraging this first-party data where it really starts to take off.

For most retailers, there are effectively three main places that they can offer advertising opportunities to brands and agencies looking to reach consumers.

ONSITE RETAIL MEDIA

Around 80% of retail media ad spend can be attributed to onsite retail media [2]. Onsite retail media, as the name suggests, are adverts that are displayed on retailer websites and/or apps that are designed to capture shoppers' attention while they browse, or shop the retailer's site. These ads can appear as banners, tiles, or interactive formats on high-traffic areas such as homepages, category pages, search results and product detail pages.

Onsite retail media does come in a range of flavours, however, each with their own rewards and challenges for both retailers offering them and the brands leveraging them.

• Search advertising and sponsored products

– Onsite search advertising typically manifests as sponsored product ads that appear within a retailer's

RETAIL MEDIA SUCCESS FACTORS FOR RETAILERS

What constitutes success for retailers operating all or any of the kinds of retail media offerings across onsite, in-store and off-site?

The obvious answer is cold, hard cash earned by selling as much inventory as possible, but while that is the name of the game, there are a number of other elements that need to be successful for a retailer's media offering to work.

Revenue, ROI and integrity – as said, money in the bank is a retailer's main KPI for its retail media network, but that has to come with a proportionate ROI. However, this all has to be done so that it maintains the retailer's own brand integrity. While ROI and revenue may be best served on paper by selling every media opportunity across all properties, this may be damaging to customer experience and ultimately brand. Balancing these is key.

Data quality and insight – retail media networks live and die by their data, so collecting, combining, cleansing and managing customer data has to be done to the very highest standards possible. This presents challenges internally with having the right expertise on hand and, if working with outside platforms and agencies, maintaining the cleanliness and security of that data is paramount.

How data is then used to profile customers and, more crucially still, how those profiles are then used to target customers effectively yet sensitively and at the right moment is essential to success. Get the targeting wrong and the customer and the brand – and ultimately the retailer – looses; bombard the customer and the same happens. Balance and pace are everything.

Operations – Retailers need robust and scalable platforms that can handle large amounts of data and support various advertising formats to run a successful retail media network They also have to be agile, to adapt to changing consumer behaviours and implementing strong data governance policies and complying with data privacy regulations is essential.

Data and platforms also have to be integrated across all channels – onsite, in-store and off-site – to provide a seamless and high-functioning offering to brands looking to leverage retailer data. Establishing a process for ongoing testing and optimisation of data strategies and the platforms themselves to ensure continuous improvement is also key to success for retailers running retail media networks.

website or app when customers use the search function. Onsite search advertising is crucial for retailers, as 43% of retail customers head directly to the search bar on a website [3]. With 88% of people using retail site search functionality, it presents a significant opportunity for brands to guide customers through their product discovery journey [4].

Driven by search, these ads can also be targeted by keywords, so are presented to the shopper as they are looking for relevant products. As a result, these ads have the ability to reach high-intent shoppers at a critical point in their purchasing decision, often resulting in higher conversion rates compared to other forms of advertising.

However, it is worth noting that search works a little differently at every retailer, so to win, advertisers need to understand the search driver priorities of the retailer. This can be any combination of keywords, name and content, sales, conversion, content, taxonomy (how products are classified) and clicks and traffic.

• **Sponsored stores and pages** – Expanding the sponsored product relationship a retailer may have with a brand can lead to brands having sponsored pages and/or branded stores-within-stores that can offer many of the advantages of sponsored products, as well as cementing a deeper relationship with brands. They veer into the realm of turning retailer sites into retailer run marketplace, but they can offer the same mutual benefits to both the retailer and brand as sponsored products but with a deeper level of integration between the two.

Sponsored pages are custom landing pages on a retailer's website or app, created by brands to showcase their products and messaging. These pages often include lifestyle imagery, brand logos and curated product selections to enhance brand storytelling and market position.

Branded stores, meanwhile, are more comprehensive digital storefronts within a retailer's platform, functioning as a mini e-commerce site for the brand. They allow brands to display their full product catalogue, organise products into categories and highlight promotions or new launches.

• **Onsite display advertising** – Onsite display ads are digital advertisements shown on a retailer's website, or mobile app as adverts rather than as specific products and tend to be found as banners, tiles, or interactive formats on high-traffic areas such as homepages, category pages, search results and product detail pages and act as a final prompt to take a look at a brand rather than buy a specific product.

They leverage the retailer's first-party data in much the same way as sponsored products do, looking to serve up highly relevant adverts at the right point in the shopper journey. The ads then use dynamic features like real-time pricing updates and "add-to-cart" buttons to prompt action. These ads aim to influence purchase decisions at critical moments, often at the bottom of the funnel, where consumers are closer to making a purchase, but can appear anywhere from the home page through to the payment page.

IN-STORE RETAIL MEDIA
In-store retail media extends the retailer's brand marketing reach into physical stores. Typically using digital screens, shelf signage, interactive kiosks and even in-store media such as radio, in-store retail media is designed to influence shoppers directly in the store as part of their real world browsing, their journey through the store and, with carefully positioned media, at the point of purchase, the checkout.

Where onsite retail media can use the retailer's customer data to precisely target users, in-store retail media is less precise as, while the retailer can leverage insights from loyalty programmes and general shopper data, it can't predict precisely who is in the store. Therefore, in-store retail media is more segmentally targeted, rather than laser focussed.

That said, it is gaining a strong following and reaping great rewards for many retailers. Data shows that as retailer refine how they use digital tech in stores, this segment of the retail media market is likely to hit $1 billion by 2028 [5].

However, the burgeoning use of digital screens in stores and a growing re-emergence of in-store radio and TV is seeing in-store garner some new fans. As technology that can better map consumer habits in stores also comes into play, so in-store retail media is likely to see a further surge. It may be interesting to also see how it ties up with off-site retail media's use of social sites (see below) as a means of bringing the physical and digital together.

OFFSITE RETAIL MEDIA

Off-site retail media is a little different. It is advertising that extends a retailer's reach beyond their own website and app, using their first-party data to target ads on external platforms across social media, video networks and publisher sites. It works by leveraging the retailer's audience data and advertising network to reach potential customers who aren't actively shopping on the retailer's platform.

Off-site retail media is seen to account for some 18.5% of total retail media spend [6] and is one to watch as it is expected to grow significantly – potentially reaching 25 to 30% of spend by 2030 – driven by the increasing demand for data-driven, personalised advertising and the need to reach broader audiences. It is already keeping pace in revenue terms with ecommerce channel display advertising and is predicted to surpass it within the next two to three years in the US.

Off-site has become particularly important to retailers as it allows them to not only generate new revenues, but also new retail media revenues. In addition, it makes the most of the growing consumer tendency to look for shopping inspiration on sites outside of the traditional ecommerce realm, particularly across social media platforms. Combining retailer first-party customer data around shopping habits helps brands then find those customers on these sites and start the process of conversion.

However, there are challenges. Off-site campaigns rely on retailers' first-party audiences in the open web, providing less control and information compared to on-site and to some extent in-store advertising, where retailers have 100% audience visibility. This can also impact ad serving optimisation and measurement.

The decline of third-party cookies has made it harder to track and target audiences effectively, requiring retailers to develop more holistic audience strategies beyond relying on logged-in users.

There are also potential issues with ad fraud and the prevalence of 'Made for Advertising' (MFA) sites, which prioritise ad loads over quality, pose a significant threat to the effectiveness and transparency of off-site advertising.

References

[1] Statista, https://www.statista.com/statistics/1481052/retail-media-ad-revenue-type-worldwide
[2] eMarketer, https://www.emarketer.com/content/upper-limits-of-retail-media-s-on-site-monetization-coming-focus
[3] Forrester, https://www.forrester.com/report/MustHave-eCommerce-Features/RES89561
[4] Disqo, https://resources.disqo.com/the-rise-of-search-in-retail-media
[5] eMarketer, https://www.emarketer.com/content/in-store-retail-media-spend-hits-1-billion-by-2028
[6] Advertiser Perceptions, https://www.advertiserperceptions.com/retail-media-will-represent-a-fifth-of-us-ad-spending-in-2024/

The brand perspective

What makes for a successful retail media network from a brand or advertiser's point of view and how is the sector performing for them?

In a world of stiff competition, driven by the need for ultra-personalisation and relevance, retail media has been something of a boon to brands looking to advertise their goods. While retailers stand to generate significant extra revenues from retail media, arguably there is even more at stake for the brands that use these networks. For them, it has become a significant marketing channel through which to reach the right consumers at the right moment.

WHY BRANDS USE RETAIL MEDIA
This is borne out by the data, which shows that access to retailer first party data is what attracts 87% of European buy-side stakeholders to use retail media, while 74% do so for better access to shoppers at the point of purchase.

However, drilling further down into the reasons why brands choose to use retail media indicates that, while the headline grabbers of first-party data and better targeting are clearly winners, factors such as closed loop attribution and efficiency gains in targeting audiences based on deterministic retailer data are also key drivers for 57% and 51% respectively. Couple this with the third each that cite granular product level attribution reporting (36%) and

Reasons advertisers invested in retail media advertising, 2024

Europe

Reason	Percentage
Access to retailer first-party data	87%
Reach shoppers at the point of purchase	74%
Closed loop attribution	57%
Gain greater efficiency of media when targeting audiences based on deterministic retailer rata	51%
Improve consumer experience	45%
Development of post third-party cookie strategy	42%
Granular product level attribution reporting	36%
Data to reach new consumers in emerging channels such as CTV, audio, OOH	36%
Access to a brand safe environment for advertising	36%
Access to privacy compliant advertising	28%
Access to retailer marketing partnerships	21%
Other	8%

Based on >160 respondents among buy-side stakeholders, May 2024

Source: IAB Europe

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RXMRM25RP-7-v6

access to brand safe environments (36%) as important metrics and a picture emerges of how retail media occupies a special place in modern brand marketing, giving excellent targeting – the results of which can also be better tracked and measured – and which obviates some of the risks of advertising in 'the wild' where brands have less control.

Other factors, such improved customer experience (45%) and access to emerging channels such as CTV, audio and out of home (OOH) advertising (36%), cement retail media a key channel for brands and one that is delivering success for those that already use it.

HOW BRANDS BUDGET FOR RETAIL MEDIA

The advantages of retail media to brands can be clearly seen in their budgeting strategy across the digital marketing environment. Path to Purchase Institute research has shown that roughly a quarter (22%) of brands have a dedicated retail media budget, comparable to the 24% that have it as part of a trade budget and the 24% that see it as part of their national media budget. 27% pay for retail media from their shopper marketing budget. According to research from 2024, 17% of brands consider themselves to be extremely sophisticated when it comes to their retail media maturity and 53% consider themselves above average.

Brands' budgets are determined in the main annually, although some are done on a case-by-case basis. How those budgets are then allocated within the retail sales funnel is another matter. There are four main points in the process where retail media marketing comes into its own.

Awareness – at the top of the retail funnel, retail media plays a role in surfacing brands to customers

as an awareness exercise. This is usually targeted with broad brush strokes, leveraging retailer data on generic groups, such as new parents, DIY enthusiasts and so on. This has often been the role of TV and print media ads, but retailers are also becoming adept at this more broad-based targeting.

Consideration – at this stage, the shopper is already 'in-aisle', looking at the subcategory level. While awareness level campaigns may help with brand recognition, seal-the-deal retail media's role is to target these shoppers and redirect them towards the brand's products. It is here that paid search and sponsored product ads become most relevant as they bring the brand to the top of the pile at the moment where the shopper is deciding which brand to buy.

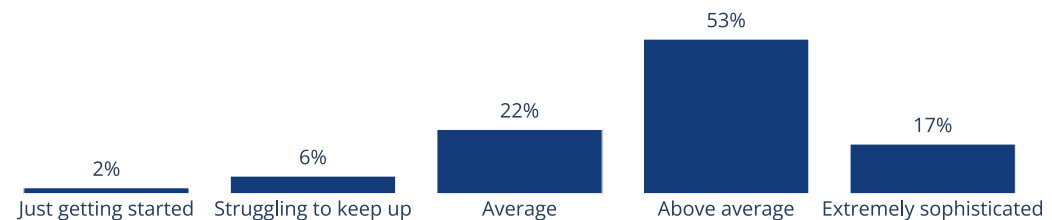## Budget allocation to retail media among brands
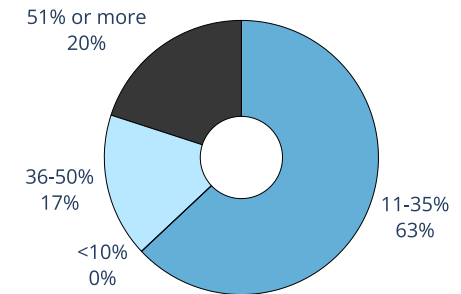
Brand Perspective Study, December 2024

Source: Skai x P2PI State of Retail Media

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Retail media maturity according to brands

Brand Perspective Study, December 2024

Source: Skai x P2PI State of Retail Media

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Conversion – retail media's role at the conversion stage is to target those that have looked at the brand's products already. Here ads surface the brand or product that has garnered interest at the awareness and the consideration stages – ideally with some sort of click-through right up to abandoned cart. Spend here is becoming a key consideration for retail media budgeting as conversion is the ultimate goal for brands looking to leverage all that retail media has to offer.

Loyalty – at the other end of the funnel sits loyalty, where retail media is used by brands to target customers who have processed through all or some of the above stages and have converted to buying that brand's products. At the loyalty stage, brands look to use retail media to drive 'subscribe and save' offers, replenishment reminders and updates on new and upcoming product drops.

Testing and learning – one final budgetary consideration lies in looking to keep back some of the retail media budget for testing ad formats and locations, messaging and place within the funnel. This on-going process should allow a brand to be ready to move when consumer habits or the market changes, knowing what will and won't work under a variety of circumstances.

HOW MANY NETWORKS BRANDS USE
The spread of use of retail media networks by brands and advertisers is surprisingly broad. According to Path To Purchase Institute research, the majority (54%) are using six or more retail media networks, with as many as 36% using more than 10. This is indicative of brands that have adopted retail media as a key part of their marketing strategy, having no doubt seen how effective it has been at lower levels and scaled up. There is also the likelihood that

Retail media results for their organization, according to agencies and CPG retailers
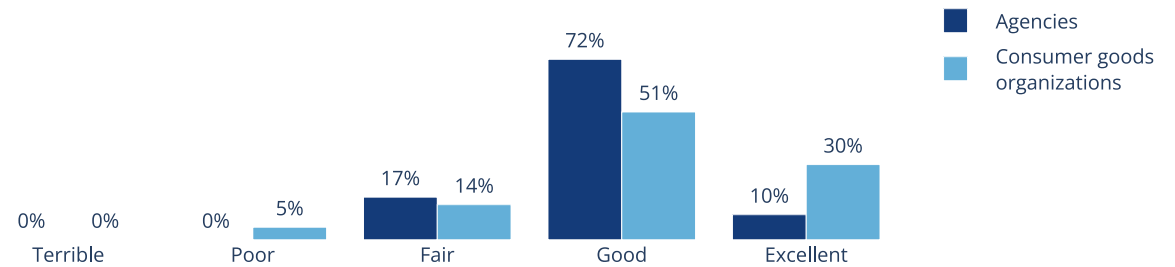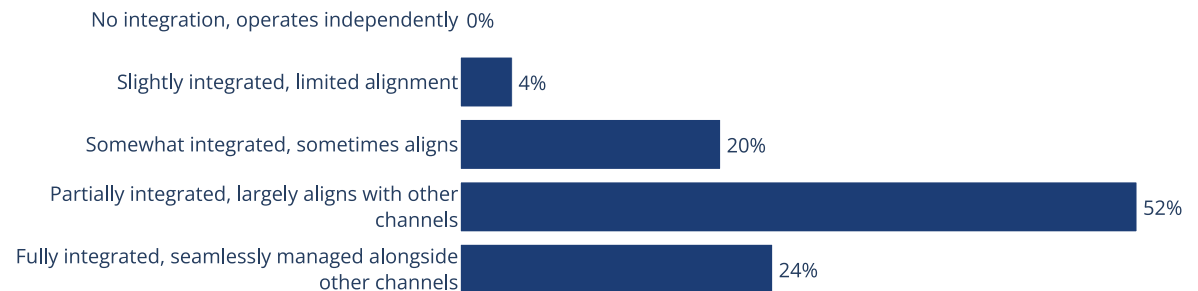

Brand Perspective Study, December 2024, total respondents=109. Question: "Overall, how would you describe the results retail media has driven for your organization/your CPG clients this year?"

Source: Skai x P2PI State of Retail Media

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Retail media cross-channel coordination with other digital ad channels, according to brands

Brand Perspective Study, December 2024

Source: Skai x P2PI State of Retail Media

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many brands look to leverage a range of retailer sites to best target a range of products at groups of consumers. For brand advertisers, such as those in FMCG that have a broad range of products and which need to target those products at specific audiences, a broad spectrum of networks is key.
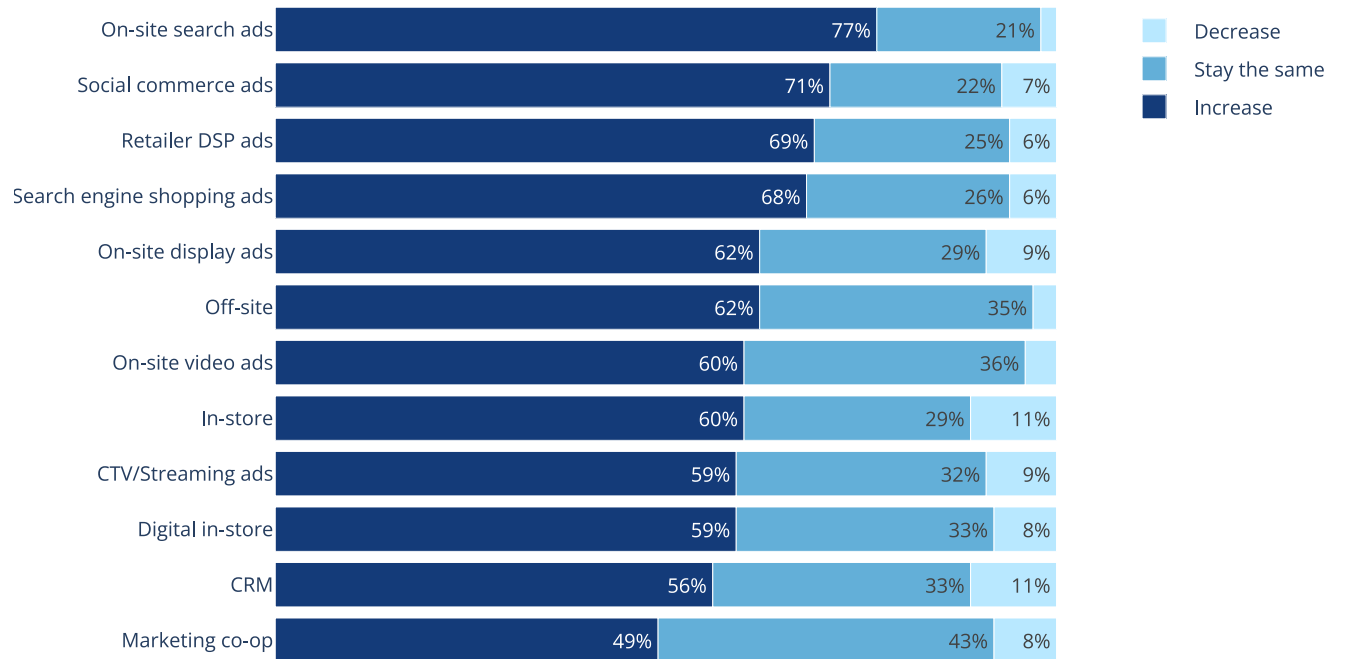
So what kinds of results are advertisers seeing? According to a recent report by Kenshoo Skai and the Path to Purchase Institute (P2PI), 82% of agencies and 81% of consumer goods organisations report seeing either good or excellent results from retail media (see graphic on previous page).

As to how retail media campaigns align with other digital ad channels, more than three-quarters of brands say their efforts here are partly or fully integrated (see graphic on previous page). We would expect this figure to grow in the years ahead.

As to advertisers and brand marketers that are working with small numbers of networks, they are likely looking for specific, probably local, tie-ups with key retailers. These advertisers are indicative too of how smaller brands look for retail media networks that will help them reach their own very specific demographic. This bodes well for smaller, more niche retailers looking to create retail media networks that rely on richness of data, rather than scale.

Finally, the graphic on this page shows how brands are allocating their retail media budgets year-on-year. Brands are increasing their on-site search ad budgets by 77%, suggesting this area of activity is yielding strong results.

Budget allocation to retail media in 2025 compared to the previous year, according to brands

	Increase	Stay the same	Decrease
On-site search ads	77%	21%	
Social commerce ads	71%	22%	7%
Retailer DSP ads	69%	25%	6%
Search engine shopping ads	68%	26%	6%
On-site display ads	62%	29%	9%
Off-site	62%	35%	
On-site video ads	60%	36%	
In-store	60%	29%	11%
CTV/Streaming ads	59%	32%	9%
Digital in-store	59%	33%	8%
CRM	56%	33%	11%
Marketing co-op	49%	43%	8%

Brand Perspective Study, December 2024

Source: Skai x P2PI State of Retail Media

RetailX 2025

RXMRM25RP-23-v1

CHANGE IN SPENDING

This competition within retail media for brand bucks is seen clearly in how marketers and brands say that their ad spending will change in the year ahead.

Just 4% of them predict that they will decrease their retail media marketing spend, with 42% planning to increase it. However, if you factor in other ad channels such as social media, CTV and out-of-home (OOH) as being elements of off-site retail media, then the picture for retail media spend is rosier still.

As seen earlier on, off-site retail media – where brands leverage retailers off-site properties such as relationships with social media and TV channels – is set for huge growth in the years ahead. It is reasonable to assume, then, that some of the proposed 72% increase in planned spending on social media marketing is going to impact retail media bottom lines for those that leverage off-site. The same applies to the 59% planning in increase spend on CTV and the 29% set to up OOH spend.

It is interesting to note that some of this increased spend on retail media is coming at the expense of more traditional media offerings. National TV, print and local TV and radio are all set to see substantial drops in ad spend in the same period as marketers naturally switch spending to the channels where consumers not only spend more of their time, but where targeting and personalisation are far more entrenched and effective.

RETAIL MEDIA SUCCESS FACTORS FOR BRANDS

From a brand advertiser perspective, a successful retail media network must combine strong data, effective targeting and comprehensive reporting. Advertisers want to leverage retailer's first-party data to personalise ads, reach the right audience at the right part of the sale funnel and track campaign performance. So, what factors does a brand marketer have to consider when looking to successfully leverage retail media?

Data – primarily, a successful retail media partnership between retailer and brand relies on the data that the retailer brings to the party. The underpinning strength of retail media lies in the first-party data that the retailer has about its customers and their behaviour such as browsing history, purchase patterns and demographic information. But this data has to be clean. Ensuring the accuracy and relevance of data through processes such as data cleansing and enrichment is crucial fto achieving this – and any brand engaged with a retailer needs to have oversight of that quality, cleansing and enrichment.

Audience targeting – while data underpins the whole process, the accuracy and effectiveness of the targeting that results from that data is really what brands are paying for. Advertisers need to be able to work with the retailer or network to pick and choose the data they need to use to make sure that targeting fits any given campaign. Data on demographics, purchase behaviour, browsing habits, abandoned carts and so on all needs to be sliced and diced to create the targeting that is needed at the point in the shopping funnel that the campaign demands. For example, sponsored products campaigns will need different data to, say, a loyalty campaign, the former requiring data about browsing and purchase history to hit the search and checkout, while the latter leads on understanding consumers that have already purchased that brand. Using this data to also personalise and customise the actual ad creative is also vital and this data, too, may differ from that needed to place and target the ad.

Measurement and reporting – advertisers need to have a full and ongoing picture of how their campaigns are working so that they can adjust placement and creative live, to drive the outcomes they are looking for. Here, brands need access to detailed reports on campaign performance, including impressions, clicks, conversions and sales data. They also need the ability to tie both online and offline sales directly to campaigns is essential for understanding campaign ROI..

Transparency and trust – while ensuring that ads are actually seen by consumers, advertisers need assurance that their ads will be displayed in safe and appropriate environments. This is crucial to not only driving conversions or any other outcome, but also to making sure that there is no brand damage from appearing in the wrong place or from effectively spamming consumers with unwanted ads. Here again, measurement along with clear and transparent reporting on ad placement and performance are vital to building trust in the network and the data.

Technology integration – to make all of the above happen, successful brand-retail media tie-ups rely on the brand and its agency having seamless integration between their own marketing technology stack and the retailers retail media platform. And, if that wasn't tough enough, it has to be flexible and scalable to adapt rapidly to changing market conditions.

The consumer perspective

What makes for a successful retail media network from the point of view of how consumers like to interact with retailers and brands?

While retail media offers retailers a new revenue stream and brands new, more targeted ways to market their goods, consumers can often get lost in the equation. It is their data that is being used and their money that is being wooed, after all. So, how do they like to find out about the things that they want to buy and what impact do they see retail media is having on their purchase behaviour?

PRODUCT DISCOVERY
Wouldn't it be neat if consumers all cited retail media as their preferred channel for discovering products that they want to buy? The truth, however, is that most of them aren't aware that retail media is actually a thing and so have no idea that it is playing a role in their product choices.

However, there are certain things that they do like – and for the retail media sector it makes for interesting reading.

In our ConsumerX survey, it was found that the biggest thing that influences shoppers to buy products are coupons and discounts. General ones influence 46% of them, while personalised ones 42%. This is particularly true in Brazil and the UAE, where
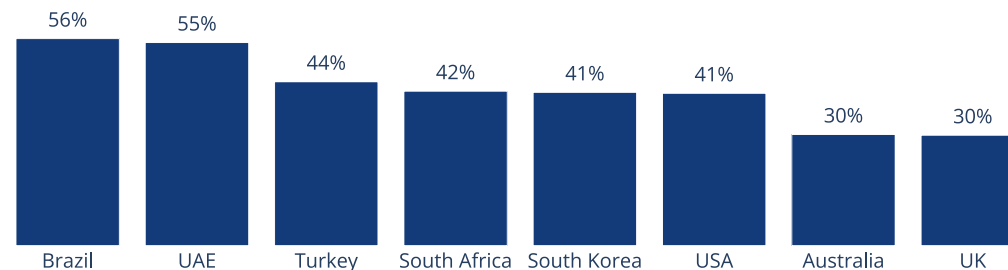
Channels for product discovery
Worldwide
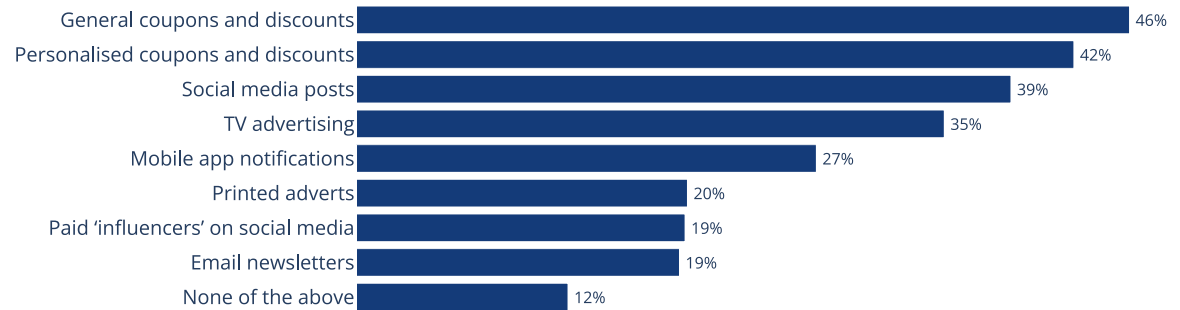
Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...'. Chart ID: CX75677

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-1-v2

People who will buy new products if they see them on personalised coupons and with discounts
By Country

Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...-Personalised coupons and discounts'. Chart ID: CX76275

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-6-v1

56% and 55% respectively cite personalised coupons and discounts as major drivers of purchase.

Globally, the other main influencers of purchase behaviour are social media posts (39%) and TV advertising (35%). More traditional ad channels such as linear TV and print media languish at the bottom of the list and are only really popular for generating sales in South Africa (60%) and the US (38%).

NOT GETTING PERSONAL
What is interesting is that, aside from personalised discounts, none of the major drivers of consumer purchases are in any real way targeted. It isn't until you look at the 19% who buy because of email newsletters – which are often at least addressed personally – and those that buy because of mobile app notifications (27%), that personalisation becomes a factor.

However, this is not really a true picture of how consumers shop, nor how they react to marketing. As said, most consumers are unaware of personalisation in marketing. They get that an email address to them is 'personal', but what they don't appreciate is that the majority of the digital adverts and messages that are targeted at them and people like them are based on their online behaviour.

Consumers are, of course, aware that they are under surveillance as they browse and shop online and that data is gathered on them – but many don't really consider what it is used for.

They may well be deeply anxious about 'their data and privacy' but few understand what is being gathered and what it is being used for. Younger people – GenZ

People who will buy new products if they see them in their mobile app notifications
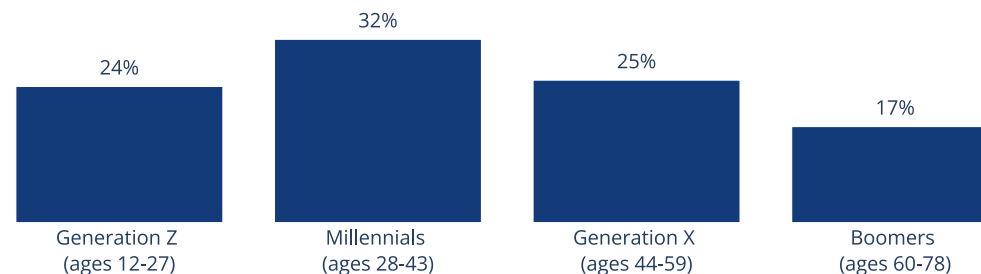
By Country
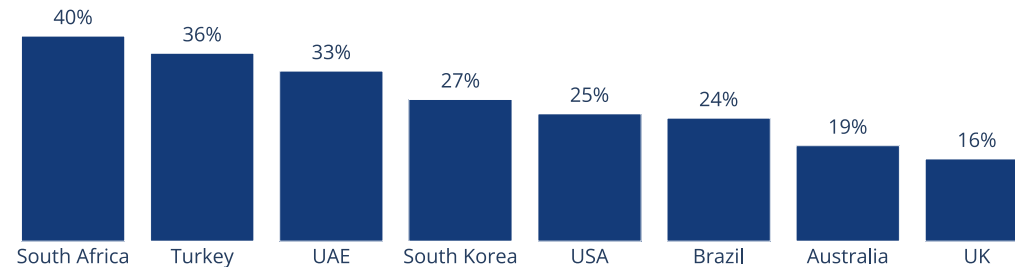
Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...-Mobile app notifications'. Chart ID: CX76269

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-4-v1

People who will buy new products if they see them in their mobile app notifications

By Generation, Worldwide

Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...-Mobile app notifications'. Chart ID: CX76271

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-5-v1

and Millennials in particular, both essentially digital natives – are less concerned and see that there is a transaction involved in getting free access to things in return for data. However, data privacy is an issue that still bothers around 90% of all people.

HOW DO CONSUMERS VIEW RETAIL MEDIA?
So, what does that mean for retail media? Research from 2023 suggests that the reason consumer head to retailer websites is never to browse – with only 8% saying it is – but for specific purposes, with 60% looking for coupons or discounts, 44% comparing prices and 36% to repurchase items. Moreover, 43% are pleased when retailers suggest new products while they are looking on their sites and 38% say they are pleased when retailers appear to 'know them' by advertising relevant products [1]. This all points to consumers being very receptive to sponsored product and search ad-based retail media.

Instore is a different story. Data suggests that 83% of shoppers like to hear about new products available in the store when they are visiting and many would consider purchasing. 42% notice such ads on posters and screens, 37% brand displays on shelves and 34% posters and screens in store windows [1].

This again illustrates that traditional in-store advertising – something that has been with retailers for many years – is not only already popular, but given the digital spin of screens and pop ups is a retail media channel that is set for strong growth.

An eye tracking study of shoppers in UK convenience store chain Co-op found that time spent viewing in-store media is comparable to social media and out-of-home advertising and that small store media ranks just behind online video in terms of brand recall.

People who will buy new products if they see them in social media posts

By Country
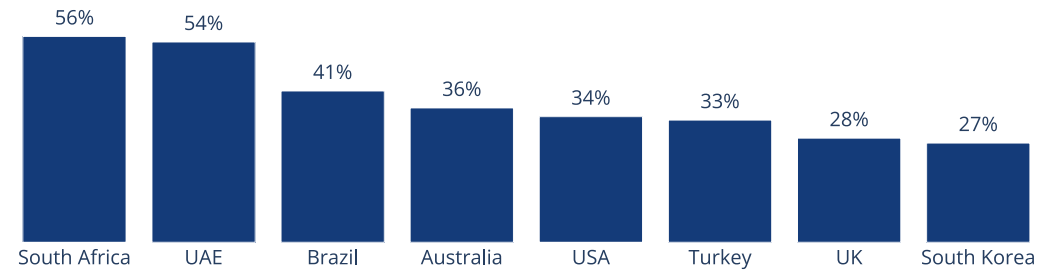
South Africa 56% | UAE 54% | Brazil 41% | Australia 36% | USA 34% | Turkey 33% | UK 28% | South Korea 27%
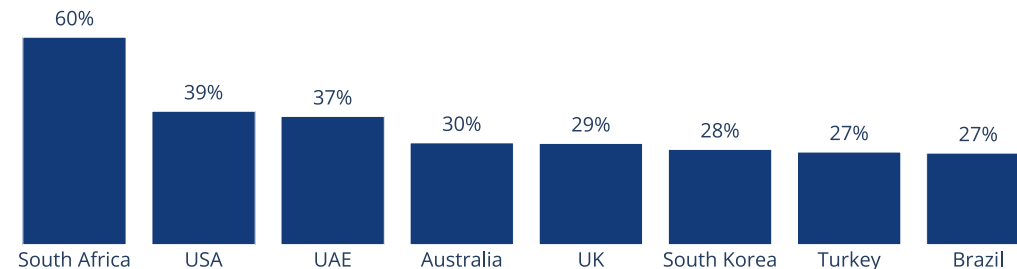
Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...-Social media posts'. Chart ID: CX76281

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-7-v1

People who will buy new products if they see them in TV advertising

By Country

South Africa 60% | USA 39% | UAE 37% | Australia 30% | UK 29% | South Korea 28% | Turkey 27% | Brazil 27%

Based on 3,608 respondents who shop online at least once a year in eight countries (aged 16-84), Jul 2024 - Aug 2024. Surveys conducted in five languages. Question: 'I will buy new products if I see them in...-TV advertising'. Chart ID: CX76284

Source: ConsumerX

RetailX 2025
RXMRM25RP-CX-8-v1

Branded in-store media, meanwhile, improves recall by up to 7% and increases purchase consideration by between 2% and 4% [2].

These results suggest that in-store retail media should be treated as part of a long-term brand-building strategy rather than just a way to prompt last-minute purchases.

Off-site advertising is also strong. Sponsored social media posts and ads in retailer-owned magazines are noticed by 80% of shoppers, while off-platform display ads are noticed by 75% [1]. Social media posts are particularly popular in emerging markets such as Brazil and the UAE, with ConsumerX data showing that 56% of Brazilian consumers and 55% of those in the UAE being especially swayed to do so.

The effectiveness of onsite, off-site and in-store retail media is, however, hard to measure. Consumer data suggests that around 49% of shoppers in 2023 claimed that they sometimes buy products in-store after seeing ads online [1], but definitive figures for how impactful retail media is hard to pin down. The spend, however, justifies the means, so with more than half a trillion dollars being spent on online advertising worldwide each year, it is safe to say that consumers do probably buy as a result of it.

FOCUS ON SEARCH?
From a consumer point of view, further research suggests that retailers need to focus on the search experience for consumers. Data shows that searchers on retailer websites make up just 24% of visitors, yet they drive 44% of total revenue from 42% of conversions, converts at two and half times non-searching consumers [3]. When searching and then finding what they want they buy – which is good

RETAIL MEDIA SUCCESS FACTORS FOR CONSUMERS
From a consumer perspective, a successful retail media network offers relevance, personalisation and privacy, with targeted ads that align with the shopper's interests, preferences and shopping behaviours, and which enhances the overall shopping experience. This combined will make them more likely to engage with brands and so convert.

Relevance and personalisation – to succeed with shoppers, ads should be tailored to the consumer's individual needs and preferences, rather than generic, broad messages. This can be achieved by leveraging the retailer's first-party data, which provides accurate insights into consumer behaviour and purchasing patterns and matching that with what the brands are selling.

However, it goes further, retail media networks can also enhance the shopping experience by offering engaging content, such as recipes, serving suggestions, or behind-the-scenes product stories. And this all has to happen across all channels. Retail media networks should be able to connect with consumers across oline, instore and through mobile. This allows brands to reach consumers at any point in their journey and provide a seamless shopping experience.

Transparency and trust – A successful retail media network relies on data to understand consumer behaviour, preferences and purchasing patterns. This data is then used to personalise ads, optimise campaigns and improve the overall shopping experience. But it must be handled with care. Consumers are increasingly concerned about how their data is used online. Retail media networks should be transparent about their data practices and build trust by being open and honest about how they use consumer data.

Enhanced shopping experience – the overall measure of success, from a consumer perspective, has to be improving the overall shopping experience. Good retail media can do this not only by offering targeted recommendations, personalised offers and relevant content, but also by improving the search experience, the overall look and feel of the brands and content that they see and not making it too overt that they are being advertised to. It almost always comes back to offering them a bargain or personalised offer, making the consumer feel like they are winning. And this all has to happen in different ways at different parts of the retail journey – all the while being just what the consumer needs and wants to see at that moment.

news for sponsored search and sponsored product advertising for retailers.

However, simply having a search engine isn't enough, the quality of the search experience matters. With 68% of online shoppers stating ecommerce search needs an upgrade – and 42% reporting that results are technically relevant to their queries, but not

things they'd want to buy – there's an opportunity for retailers to do better. The data supports moving beyond 'relevance' to 'attractiveness' as a primary search metric.

Returning results that are relevant to the query is just the beginning – the real goal is connecting people to what they actually want to buy.

For example, two shoppers go to a site and search for 'men's jeans. Chances are they're not looking for the same thing. Yet traditional keyword-based engines don't distinguish. They match the word 'jeans' and deem all types relevant – putting the burden on the shopper to wade through.

Instead, combining retailer first-party data with AI and machine learning can refine what it is that the shopper is looking for so that the right results are shown to them, making what is shown more attractive. This is search advertising and sponsored product retail media combined and, from a consumer point, of view is something that would be extremely attractive. For retailers and brands this is the next level of retail media.

THE AD LOAD TRAP
While perfecting the targeting of ads at every stage of the shopping journey is the aim of the retail media game, there is a balance to be struck between maximising the revenues generated by retail media of all flavours and the customer experience. Bombarding users with ads, however targeted and relevant, can get annoying and force shoppers to head to other retail sites. This is the ad load trap: an increase in the number of ad units per page swamps the user and ends up nixing the whole process.

Often what happens is that a retailer experiments with retail media at a low level and sees success. As this success builds, the retailer adds in more ad real estate, increasing the number of ads per page. As more ad slots are introduced, ad load per page increases and relevance starts to slip. Organic listings end up below the fold. Sponsored products take priority. Shoppers get frustrated with irrelevant result.

This erodes trust and, while slow to cause a problem, eventually leads to conversions dropping and eventually traffic falling.

The key to avoiding this is to have relevance front and centre in any retail media strategy. Many retailers already use bidding systems to prioritise sponsored products. However, it's not enough to simply reward the highest bidder. Sponsored placements must also serve the shopper's needs, not just the advertisers. Retailers should move beyond standard bidding models means using data-driven algorithms to assess customer behaviour, shopping patterns and contextual signals to ensure that the products being promoted align with shopper expectations.

This sums up where retail media and consumers collide. Without consumers there is no retail media, but making sure that it is targeted and above all relevant (and to some degree not being over done) is key to a good customer experience and to shoppers then buying the products the brands have invested in promoting.

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The data perspective

Retail media lives and dies by data, it is its very foundation – but it has to be collected and handled with care

Retail media as we know it can only work thanks to data. Increasingly deep understandings of consumer habits and behaviours across their shopping journey and loyalty-lifetime with any given retailer or brand is what makes retail media such a powerful proposition.

There is a raft of data that can be collected (see panel), but it is what you do with that data and, perhaps more importantly, how you handle that data that is becoming the key issue in expanding retail media.

WHAT DATA CAN DO

This data allows retailers to offer brands highly targeted access to its customer base, allowing brands to target the right consumers at the right moment. A retail media offering uses this data to:

• Segment audiences for targeted advertising: Retailers can use their data to slice their audience along the obvious lines of age, gender, location, purchase history, shopping frequency and spending, however there is much more lurking in the data than that. Analysis of the retailer data can also reveal brand affinities, price sensitivity, how loyal (or not) they are, as well as the sensitivity to 'occasions' such as religious festivals or discount drives they actually are. This data can all be used to slice and dice the customer base

WHAT DATA TO COLLECT?

Retailers have an increasing wealth of customer data that grows as customers do more both on and offline with those retailers. Every interaction can be measured in some way and can deliver an detailed view of the entire customer base, its cohorts down to individual preferences. So, what data needs to be collected?

• Loyalty programmes – customers sign up to receive discounts and benefits from being loyal to a retailer, in return for giving that retailer increasingly rich data about who they are, where they are and what they like, do and buy. A good example of this is the UK's supermarket Tesco, which is seen as something of a retail media pioneer in how it worked with its retail media partner dunnhumby to leverage the data of its Club Card loyalty programme, which has access to data from 23 million members out of a total of 28.3 million UK households. It has grown from 14 million in 2020.

• Online browsing behaviour – data on how shoppers shop online based on what they look at, what they search for and what they buy. This can be anonymous, which gives a broad picture of who does what, or much more personal if it is tied in with loyalty programme or signed up users.

A prime example here is Carwow, which uses customer browsing data to connect automotive manufacturers directly with potential buyers, bridging the gap between brand marketing and dealer activation.

• Purchase history – the conversion of browsing into buying of all and any shopper on the site outlines who buys what and when and more important maps their journey to that point. A recent example of this is Uber, which leverages aggregated customer data to offer personalised advertising based on user behaviour, such as frequent visits to music venues or specific restaurants.

• Customer profiles – data and information gleaned from all manner of customer touchpoints from payments through to all and any data submitted when signing up to loyalty programmes.

The data gathered across all of the above typically includes:

- Demographics
- Product preferences
- Shopping frequency
- Average basket size
- Brand affinities

down to almost individual levels, allowing brands to use retailer sites to hit certain customers at certain points with specific ads that chime with some or all of these factors.

• Personalise ad content and product recommendations: This deep understanding of the

consumers is then used to personalise the content seen by each shopper when they hit the retailer's website. For brand advertisers this means serving up specific ads and recommending specific products at a point where that customer is most likely to engage.

• Optimise ad placements and timing: Similarly, the right content should appear in an optimum position at the right point in the shopper journey based on their behaviour data to maximise the possibility of engagement with that ad or content.

• Driving creative – increasingly, retail media networks and the brands that use them are looking at how to leverage the data gathered to drive the creative within campaigns. It can be relatively simple things such as seasonal trends, or real-time events – such as a TV show boosting demand for related merchandise – informing ad themes and product recommendations, or it can be really much more personalised. eBay, for example, uses logged-in user activity to segment audiences, such as "vintage collectors" or "DIY enthusiasts" and serves tailored ads. Getting more sophisticated still, there are also demographic-intent hybrids, combining location, device type and past purchases to generate creative that feels personally curated, such as promoting winter gear to users in cold climates browsing coats.

Increasingly, AI-powered tools are driving this trend, creating the sub-genre of Dynamic Creative Optimisation (DCO). Here automated ad assembly uses AI to adjust imagery, copy and CTAs in real time based on user profiles. For example, a coffee brand might showcase espresso machines to high-income users and more budget-friendly options to price-sensitive shoppers.

eBay's systems, for example, analyse both text (product titles) and images to identify complementary items, such as pairing AirPods ads with protective cases, while algorithms compare multiple creative variants – such as hero images, discount messaging – to optimise engagement.

• Measure campaign effectiveness and provide closed-loop attribution: Knowing who is looking at what allows retailers and their brand advertisers to measure how effective a campaign is since it allows for closed loop attribution, a technique that directly connects media spend to specific consumer actions, particularly online and offline sales. If you know the shopper, you can track what they do.

CHALLENGES TO DATA SUCCESS
It is worth noting that using consumer data does come with challenges, however.

• Privacy concerns and regulations: What data is collected and how it is used and stored is highly regulated across the US and Europe through GDPR and CCPA regulations. These cover how consent is sought for gathering data, which has to be explicit from the user, along with details of how that data will be used and stored. This is particularly true of sensitive data such as location, ethnicity and nationality, but applies across all data.

The issue is compounded for retail media networks as that data is effectively shared with brand advertisers – third parties, as far as the consumer giving the data is concerned – and retailers must be clear about this use case when collecting the data. Networks must also be careful how that data is then used to make sure it remains within the regulations and the explicitly garnered permission to collect that data.

However, retailers also have to balance this against the advantages this data can deliver to personalisation and user experience. Consumers accept a degree of intrusion if what they receive in return is of value. This is the key balancing act in retail media.

• Data integration and management: Aside from how to use the data, retailers face a range of challenges with managing the data they gather. Fragmentation is perhaps the biggest issue here. Retailers often have data scattered across different departments, making it difficult to leverage for retail media networks and leading to inaccurate targeting. It also leads to issues with lack of standardisation of data across the company, again making it hard to fully leverage.

This can also lead to issues with integrating with the systems needed to manage the use of that data to serve onsite ads and can also potentially cause privacy and regulatory issues as it may have been collected using different terms and conditions of use, particularly among third parties.

• Scale: While large retailers with established data strategies may have sufficient first-party data to create effective retail media networks, smaller retailers face challenges in building comprehensive datasets from their limited customer bases and lack of effective data collection strategies. This can also see smaller retailers buy in data to help bolster what they have and to create a more compelling retail media offering. However, this leads to more issues with fragmentation, integration, data management and compliance with privacy regulations.

KEEPING DATA CLEAN IN THE ERA OF RETAIL MEDIA COLLABORATION

Aggregated data is crucial to retail media because it allows retailers to understand broader consumer trends and preferences, enabling more effective targeting and personalised advertising campaigns.

By combining data from various sources, retailers can gain a richer understanding of customer behaviour, leading to more relevant advertising and increased sales.

However, this data is valuable and there has to be a balance between collaboration between data owners and retailers and keeping that data private. So, how do you do that?

DATA CLEAN ROOMS

Data clean rooms in retail media are secure, privacy-compliant collaboration environments where retailers and brands analyse combined datasets without exposing raw customer information.

Instead, it goes into a data clean room. Here, participants – retailers, brands, media platforms – upload de-identified, aggregated data such as purchase histories, ad engagement metrics into the clean room. Algorithms process the combined datasets to generate insights on audience behaviour, campaign performance and cross-channel attribution without revealing personally identifiable information (PII).

Brands can then use these insights to refine targeting, optimise ad spend and measure offline/online conversions. For example, loyalty programme data can track in-store purchases influenced by digital campaigns.

Privacy is enforced in a number of ways within the clean room.: Techniques like tokenisation, differential privacy and federated learning (see below) ensure compliance with regulations like GDPR, while preventing data leakage.

Clean rooms matter because they provide advertisers with verifiable campaign metrics, such as sales lift say, while keeping retailer data secure. They also allow collaboration amid stricter regulations and cookie deprecation by eliminating raw data sharing.

FEDERATED LEARNING (FL)

Training systems from data from across multiple data sources – the data that comes from your clean room – also requires privacy protection and this has led to the increasing deployment of federate learning (FL).

FL is a machine learning technique where multiple decentralised devices collaboratively train a model without exchanging their raw data. Unlike traditional machine learning, federated learning doesn't require a central repository for all the data. Each device trains a local model using its own data, then devices send their updated model parameters (or weights) to a central server.

The central server aggregates the model updates from different devices to create a shared global model. This process of sending model updates, aggregating them and updating the global model is repeated multiple times until the model reaches a desired level of accuracy.

By keeping data localised, federated learning helps protect sensitive data from unauthorised access or breaches. It allows for training models on large, distributed datasets without the need for massive data transfer or storage, all the while enabling multiple entities to work together to train a model, even if they have different data distributions or regulatory constraints. This makes it ideal as a 'clean data' tool for priming retail media networks from shared datasets.

DIFFERENTIAL PRIVACY (DP)

Another shared data cleansing techniques is differential privacy (DP). DP is not a single tool, but a mathematical framework that defines how algorithms should be designed to protect privacy.

It achieves privacy by adding a controlled amount of random noise to the data or the analysis process. This noise obscures individual data points, making it harder to re-identify or infer sensitive information about specific individuals.

The key guarantee is that the presence or absence of a single individual's data in the dataset should have a minimal impact on the output of the analysis. This means that even if an attacker or someone who shouldn't see the data knows the individual's data is in the dataset, it's still difficult to learn anything specific about them from the results.

There is a trade-off between privacy and the utility of the data, however. More noise means stronger privacy protection, but potentially yields less accurate results.

In retail media, this allows retailers to analyse customer data to identify trends and preferences without revealing individual purchase histories.

Measuring success

As retail media becomes entrenched in the marketing cannon, how can its effectiveness be measured?

To meet the varying demands of retailers, brands and consumers, retail media has to be measurable – but how do you measure the success of an advert or campaign and, moreover, how do you compare different networks with each other and with all other forms of advertising?

This is the retail media measurement conundrum: you are comparing apples with underpants and ukeleles with jet skis. You are also looking to compare how ads drive sales through different, incompatible channels, muddied further by shoppers maybe seeing an ad or sponsored product online that then drives them, days or weeks later, to buy in-store.

There are also sectoral differences too. Different marketing goals require different metrics and marketers do not use the same metrics in every category and industry to measure success. Look at selling alcohol compared to selling clothes to selling breakfast cereal; they are marketed differently to different audiences in different ways with different messaging – how can success be measured?

There are also issues with the data that can be collected on how campaigns perform. Often retailers have little or no insight into how sales have changed incrementally based on a campaign, especially in-store as this data is often buried deep in the PoS and there is no other way to accurately measure anything else therein.

THE AVAILABLE TOOLS

But measure we must. There are tools available for measuring the effectiveness of retail media and these tools offer at least some insight into how campaigns work and offer some degree of rudimentary comparison across networks and products. They are also evolving as the industry evolves, which along with industry-wide moves to standardise measurement of retail media, will ensure that the sector will get to a point where it can effectively and comparatively measure itself.

So, what tools are available?

Cost-per-click (CPC) – Perhaps the most basic online ad metric is simply working out the cost for each user interaction with each ad. This certainly helps brands and retailers get a feel for the value of any given onsite and some off-site campaigns. However, it only delivers an indication of how much it is costing to get someone to click. In reality, brands advertising through onsite retail media need to know not just what a click costs, but also what it yields.

Return on investment (ROI) – Looking at how the money spent achieving each click, or in the case of in-store each purchase of that product, impacts revenue generation can be a more useful measure. ROI is calculated using the revenue attributed to the advertising, minus the cost of buying the ad placement divided by the cost of investment (then multiplied by 100, if you want it as a percentage). This provides a clear, quantifiable measure of campaign performance by directly linking ad spend to revenue generated. Measured by tracking and linking consumers who see an ad and then made a purchase, ROI can offer a simple way to attribute revenue and sales uplift to any specific ad campaign.

However, it has limitations. ROI focuses primarily on immediate financial returns, potentially overlooking long-term brand building effects or customer lifetime value. An overemphasis on ROI might also lead to neglecting the limited scale of onsite inventory, which is restricted by the retailer's website traffic and ad capacity. It can also be misleading, since high ROI doesn't necessarily mean high overall sales volume, which could lead to misguided decision-making if not viewed in context. Additionally, a focus on ROI can lead to increased competition for limited ad space, potentially driving up costs and reducing overall effectiveness.

Return on ad spend (ROAS) – The shortcomings of ROI as a metric to measure the success of retail media is why many in the retail media market – both on the brand and retailer sides – prefer to look at ROAS. Calculated by dividing the revenue attributable to an ad by the cost of the ad, ROAS can provide a clear, quantifiable measure of campaign performance by directly linking ad spend to revenue generated. It is also often seen as favourable when measuring onsite retail media performance because onsite typically has a much higher margin than offsite advertising and generates more sales uplift due to it targeting engaged shoppers right at the decision or purchase point of their journey.

However, it too has many of the same shortcomings as ROI: a focus on immediate financial return rather than long-term brand-building impact; flattening ad strategy into something that is only performance-led; and not giving a complete picture

of customer engagement, brand awareness and market-share growth.

It is also open to misinterpretation, with high ROAS not necessarily meaning high overall sales volume – which can lead to misguided decision making by brands.

Incremental return on ad spend (iROAS) – This is a metric used to measure the effectiveness of advertising campaigns by focusing on the additional revenue generated directly from advertising efforts. iROAS is calculated by subtracting the cost of ads from the incremental revenue and dividing by the cost of the ads (before multiplying by 100 if you want that as a percentage).

It differs from traditional ROAS in several key ways. Firstly, iROAS measures the revenue that would not have occurred without the specific marketing campaign, excluding baseline sales and accounts for the baseline consumer propensity to buy. This reduces measurement bias in digital marketing, leading to a more detailed picture of what is happening with an onsite campaign. A high iROAS indicates that a marketing tactic is effectively driving growth, while a low iROAS suggests the tactic may be targeting people who aren't willing to buy or would have bought regardless of marketing.

As a result, iROAS is becoming increasingly important in the marketing industry, especially in retail media, since it offers a more sophisticated approach to measuring campaign effectiveness and allocating marketing budgets efficiently.

NEXT GENERATION OF TOOLS

The shortcomings of these measurement tools has prompted research into other ways to measure the impact of retail media, not least where it occurs across channels, with shoppers maybe seeing a relevant online ad and then purchasing some time later instore or off-site.

So, what are the other ways in which retail media can be measured?

Research onsite, purchase elsewhere share (ROPES) – Shoppers use multiple channels, often researching online and purchasing offline (ROPO), this further complicates the measurement of the effectiveness of retail media. ROPES is calculated by dividing the number of off-site brand buyers by the number of on-site category researchers. While it doesn't prove causality, it highlights the potential impact of on-site retail media campaigns on off-site purchases. In the multichannel world it can be useful for quantifying webrooming and showrooming and the impact tht has on marketing and purchase.

Additionally, understanding ROPES helps retailers optimise their onsite media campaigns by targeting specific segments of customers who are more likely to research on-site and then purchase elsewhere. If a retailer knows that a significant portion of their on-site research leads to off-site purchases, they can adjust their advertising strategies to maximise the impact of their campaigns.

However, ROPES itself doesn't prove a causal relationship between on-site research and off-site purchases. It's a correlation, not causation. Also, it can be challenging to track purchases that occur entirely off-site, especially in physical retail environments.

Amplified ratio (AR) – A proxy for amplifying ROAS by comparing onsite purchases to off-site purchases within the same category, AR offers a way to quantify the incremental impact of retail media campaigns, rather than just the overall sales generated. It's not a standardised term, but it aligns with concepts like incremental sales lift or iROAS, which aim to isolate the unique contribution of advertising to revenue.

To work it out, retailers first need to establish a baseline of expected sales, then to create two groups, one exposed to ad and the other not. The sales performance of the groups are then compared and the difference in sales between the ttwo represents the incremental lift in sales attributed to the advertising. The AR can then be calculated by dividing the incremental sales lift bu the ad spend.

On the plus side, AR provides a more accurate understanding of the actual value of retail media campaigns and isolates the impact of advertising from other factors. It also helps optimise ad spend by identifying which campaigns are truly driving incremental sales and allowing resources to be allocated more effectively.

However, it does have its downsides. The accuracy of the measurement depends heavily on the methodology used, including the rigor of the A/B testing and the statistical validity of the data analysis. It can also be complex to implement, requiring data tracking, statistical analysis and potentially multi-platform integration.

And it is not always feasible, as it may be difficult to isolate the impact of advertising in complex retail environments or when user data is limited.

THE DRIVE FOR STANDARDISATION
The fragmentation of metrics, audience duplication and privacy concerns around the data use and measurement of retail media has seen the industry working together – though its de facto industry body, the IAB – to create a more standardised approach to measuring retailer media.

However, this isn't limited to metrics that quantify the outcomes of retail media spend, rather they ambitiously seek to codify the whole process from how data is gathered, stored and used, through to how campaigns are measured and even down to what is meant by incrementality and how it is measured.

The IAB and the Media Rating Council (MRC) are working together to create a set of guidelines that seek to clarify and standardise all processes that feed into retail media, covering:

• Data collection, processing and quality control
• Audience measurement and metrics
• Digital ad delivery and viewability
• Best practice for measuring incrementality
• Reporting and transparency
• In-store digital place based (DPB) environment
  measurements

This soup to nuts approach is a work in progress, but it is the beginnings of steps towards making retail media standardised, secure and measurable. It will also make it safe for brands, retailers and above all consumers to use.

The more such standards are adopted, the more complaints about attribution should – in theory – go away. However, the need for ongoing standardisation will continue since the pace of technological change means that new measurement methods will be needed for new types of marketing. Currently, many brands use ROAS and ROI as their main KPIs because they were championed by Google and Facebook as measures for advertising. But are they the best way to measure retail media? The marketing community is recognising that these measures are far from perfect. ROI is a very different metric than ROAS, yet both are used in retail media.

More details of the IAB-MRC retail media measurement guidelines can be found here https://www.iab.com/wp-content/uploads/2024/01/IAB_Retail_Media_Measurement_Guidelines_January2024.pdf

While not a new technique it is increasingly being looked at by brands and retail media networks as another way to interpret the success of campaigns. The key is that MMM helps isolate the incremental impact of retail media campaigns, allowing retailers to understand which channels are truly driving new customer actions. This allows for more effective resource allocation, ensuring marketing spend is focused on the most impactful areas.

By calculating the return on investment (ROI) and iROAS for each media channel, MMM identifies the most effective media channels and the optimal allocation of budget across them, allowing retailers to maximise ROI. It can also account for time-lagged effects, where marketing activities may not have an immediate impact on sales, such as ROPES.

It is also better at analysing the impact of both online and offline media, helping retailers understand the complex interactions between different channels and platforms and addressing the challenge of media fragmentation for a more comprehensive understanding of channel performance.

MMM also uses aggregate data rather than individual customer data, making it a privacy-safe alternative to traditional attribution models – particularly important in the era of declining use of third-party cookies.

In essence, the effectiveness of AR or similar metrics hinges on the quality of the data, the rigor of the measurement process and the ability to isolate the true impact of advertising from other factors influencing sales, a problem that dogs retail media measurement.

Marketing mix modelling (MMM) – This is a statistical technique that helps businesses understand and quantify the impact of various marketing activities on sales and other key performance indicators (KPIs). It uses historical sales and marketing data to estimate how different elements of the marketing mix, such as advertising, promotions, pricing and so on, contribute to overall business performance.

Future-proofing retail media: scaling relevance, not just reach

**MERINDA HILLIER
VP OF MARKETING EMEA
TEALIUM**

WHAT KEY OPPORTUNITIES DO YOU SEE FOR RETAILERS IN THE EVOLVING RETAIL MEDIA LANDSCAPE?
Retail media has shifted from a promising new revenue stream to a core strategic pillar. The greatest opportunity now lies in building differentiated offerings based on trusted consumer relationships. Retailers that invest in transparent data practices and deliver high-quality audience insights — not just scale — will be the ones that brands seek out. In a fragmented landscape, consistency, reliability, and audience relevance will define success.

WHAT ARE THE MOST EFFECTIVE STRATEGIES FOR RETAILERS TO HELP BRANDS MAXIMIZE RETAIL MEDIA?
The most effective strategies focus on making media easy to buy and measure. Brands are demanding closed-loop attribution, granular segmentation, and real-time insights. Retailers that can simplify media activation, offer flexible buying models (onsite, offsite and in-store), and consistently demonstrate performance beyond traditional ROAS will lead. Collaboration is also key: building true partnerships with brands, rather than acting purely as media vendors, creates stronger, longer-term value.

HOW TRANSFORMATIONAL DO YOU BELIEVE RETAIL MEDIA IS FOR THE BROADER RETAIL ECOSYSTEM?
Retail media is profoundly transformational because it reshapes the entire retailer-brand relationship. It turns transactional commerce into a strategic media partnership. It drives new capabilities — in data strategy, identity resolution, creative development, and measurement — that elevate a retailer's digital maturity overall. For many retailers, the journey to becoming successful media owners is also accelerating their evolution into more agile, customer-centric organizations.

HOW DO YOU SEE THE RETAIL MEDIA SECTOR EVOLVING OVER THE NEXT FEW YEARS?
We're moving toward a more open, interoperable ecosystem. Retailers that once built walled gardens are now realising that collaboration — with brands, agencies, and tech partners — drives greater value. Standardisation around measurement will gain momentum. In-store and connected TV media will become more integrated into retail media strategies. And as alternative identifiers gain traction, the focus will increasingly shift to maximising the value of authenticated first-party relationships. Retailers and brands that invest today in resilient, privacy-conscious data strategies will be best positioned to capitalise on these shifts.

WHAT CAN RETAILERS AND BRANDS DO NOW TO FUTURE-PROOF THEIR SUCCESS IN RETAIL MEDIA?
Both sides need to think long-term about the consumer relationship. It's not just about monetising inventory or targeting ads — it's about building a foundation of trust, relevance, and value exchange. Retailers must double down on data transparency and offer brands meaningful insights and measurement capabilities. Brands must push for richer collaboration, using retail media not only for lower-funnel conversion but also to drive upper-funnel brand growth. Those who take a strategic, consumer-first approach will ultimately shape the future of this market.

© Albertsons Media Collective

Company name: Albertsons Media Collective

Parent retailer: Albertson Companies

Sector(s): Grocery

HQ Location: Boise, Idaho, USA

Operational in: USA

Parent sales revenue: $80.4bn

Retail media revenues: Not disclosed

Find out more: www.albertsonscompanies.com

Albertsons Media Collective: a next-gen collaborative network

Founded by Joe Albertson in 1939 in Boise, Idaho, USA, Albertson Companies has become a leading US grocery chain, operating 2200 stores across 34 states in the US, under the Albertsons banner and as Acme Markets. It has been a leading player in the omnichannel shift in grocery in the US, prioritising personalised service across stores via its extensive loyalty programme, click and collect, a mobile shopping app and ecommerce website.

The company's loyalty programme – Albertsons for U – boasts more than 45 million members and continues to grow at some 15% per year and it is this data that has seen it become something of a retail media star. Seven per cent of its annual revenue now comes from ad sales.

In needs it too. The retailer was locked in long-running merger talks with fellow US grocery chain Kroger, which collapsed in late 2024. Had the merger gone ahead, it would have created a retail and retail data giant that could've rivalled Walmart in the US. That is no longer an option for Albertsons.

With this in mind, Albertsons has sought to position its retail media play as something of a next generation network. Calling it Albertsons Media Collective shines a light on what it believes makes it stand out – collaboration.

In 2023 it became the first advertiser to use a Pinterest advertising measurement feature where Pinterest and Albertsons could upload first-party data in a non-identifiable way. Albertsons since worked with Mondelez on a Pinterest campaign that generated a 16% sales lift through a campaign around salty snacks.

The retailer also collaborates with tech players. It has partnerships with companies such as Criteo, CapGemini and The Trade Desk that is uses to enhance its media planning, campaign execution and, above all measurement.

Albertsons has become quite focussed on measurement. In Summer 2024, it launched Collective TV for brands to target, measure and optimise campaigns across streaming, digital video and linear TV. Then, in January 2025, it rolled out an API that enables advertisers to integrate Albertsons' campaign performance data into their own measurement models for analysis.

This collaborative approach to measurement – allowing advertisers to plug the performance data into their own systems – offers an interesting new take of trying to make retail media more measurable and its performance easier to understand.

Complementing these efforts, Albertsons also teamed up with TransUnion to offer its advertisers the latter's TruAudience marketing mix modelling (MMM) measurement to unlock ease and efficiency in comparing performance across retailers and channels.

© Coles
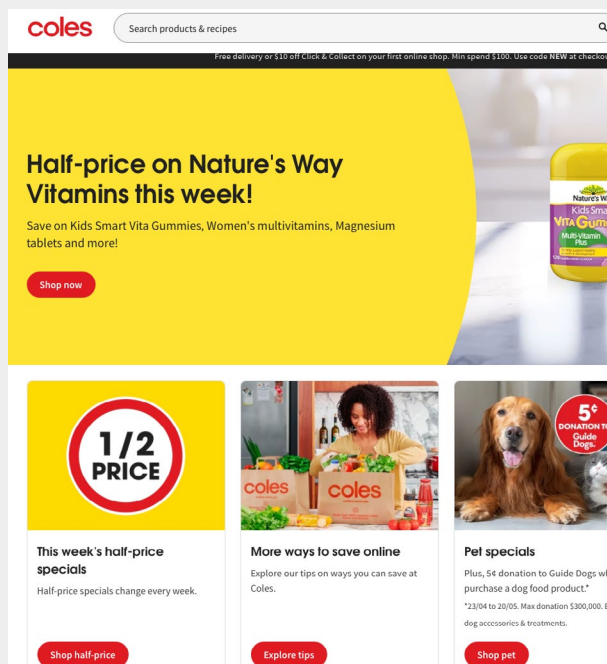
Company name: Coles360
Parent retailer: Coles
Sector(s): Grocery
HQ Location: Melbourne, Australia
Operational in: Primarily Australia, with subsidiaries in Singapore, Hong Kong and China
Parent sales revenue: $29bn in 2024
Retail media revenues: $450mn in 2024
Find out more: www.coles.com.au/coles360

Coles360: leading the way in the emerging Australian retail media space

The Coles Group, a household name in Australia, is one of the country's biggest retailers. It operates a national supermarket and liquor store footprint totalling 850 stores, employees more than 120,000 people and accounts for 27% of the Australian grocery market. It also operates under various brands, such as Coles Online, Coles Central, Myer, Target, Kmart and Officeworks.

More pertinently it has relationships with more than 8000 suppliers, something that has inspired it to create one of the region's most successful retail media networks. Retail media is seeing spectacular growth in Australia. It is a billion-dollar industry, forecast to reach $3bn in 2027. And investment in retail media is continuing apace. IAB Australia's first report into retail media in Australia found that 31% of investment comes from new budgets, with 69% reallocated from other budgets.

The latest Australian Entertainment and Media Outlook report by PwC Australia shows that the impact of the growth of retail media from the likes of Coles 360 has started to be reflected in the overall internet advertising revenue numbers for the country as a whole.

And Coles360 has tapped right into this. Leveraging its loyalty programme – called Flybuys and which has more than 9 million active members – the retailer offers a full funnel, omni-channel suite of media assets to brands and is particularly adept at using the programme to capture how consumer move across the business and how they behave towards the ads they get shown in granular detail.

Like most retail media networks, Coles is increasingly focussing its efforts on measurement, launching a comprehensive measurement solution, Coles 360Impact, designed to provide a 360-degree view of campaign performance powered by Circana.

The new capability leverages two incremental techniques, namely customer and market lift. Coles 360Impact has an increased focus on causality for all Coles media channels, both addressable and non-addressable media.

In-store, Coles is using sophisticated segmentation targeting on its digital entry screens, enabling brands to be more precise in the shoppers they connect with as they step into Coles stores.

Coles 360 also became the first Australian retailer to use Australia Retail Media tech vendor Zitcha to power the self-serve platform for Meta's Managed Partners Ads (MPA). This partnership allows retailers to unlock the full potential of Meta's Shopper Marketing Ads product through Zitcha's MPA API integration.

© Cencosud Media

Company name: Cencosud Media
Parent retailer: Cencosud
Sector(s): Grocery, homewares, shopping centres, financial services
HQ Location: Las Condes, Santiago, Chile
Operational in: Argentina, Chile, Brazil, Peru, Colombia and the US
Parent sales revenue: $17.5bn in 2024
Retail media revenues: Not disclosed
Find out more: www.cencosudmedia.com

Cencosud Media: adding robots to instore in LatAm

With 26 million customers, Cencosud is one of the largest retailers in the Americas. Operating across Argentina, Brazil, Chile, Peru, Colombia and parts of the US, as well as having an office in China and a tech hub in Uruguay, the company has almost 1,500 stores and owns 67 shopping centres.

Latin America is among the fastest growing retail media markets globally – not least in Brazil, where growth in retail media ad spend is highest of all – and retail media is now one of the top three ad channels in the region. Data suggests that spending on retail media in the region is likely to hit $2bn in 2024, accounting for 8.3% of total digital ad spending.

This all positions Cencosud's retail media arm – Cencosud Media – as a regional powerhouse and leader in the field in the region.

So, what makes it stand out? The company offers the full range of on and off-site, in-store and out-of-home channels, but it is the in-store proposition that is particularly exciting. Among Cencosud Media's latest innovations is the ability to run ads on the largest interactive 3D screens in Latin America, located in major shopping centres in Chile and Argentina, reaching a huge audience.

In Colombia, digital screens with sensors have been installed in physical stores to measure customer reach, viewing time, gender, and age. In Brazil, brands can include ads in "NIC," a robot in stores that interacts through artificial intelligence, adapting to the customer's profile and mood, providing a more engaging and personalised shopping experience in a novel way.

Online, it has launched a new "Shoppable Content" format, allowing customers to click on a promotional banner, email marketing, or offsite campaign and be directed straight to their cart with the advertised products, facilitating easy purchase with a high conversion likelihood.

Additionally, Cencosud Media is focusing on customer self-management through a self-service reporting platform, offering real-time campaign result monitoring. This tool provides brands with easy access and continuous updates to understand the impact of each activation with a closed-loop focus and track incremental sales generated from first-party data audiences.

Finally, Cencosud Media's analytics team employs machine learning and artificial intelligence models to create customer segments, propensity engines and predictive models, among other tools, to offer products and services tailored to each consumer's interests.

Cencosud Media is working to further strengthen its technology platforms to enhance the experience for its regional brand partners by standardising ad formats, technologies and measurement across all operating countries. Retail Media in Latin America has evolved in recent years to integrate even more in-store channels into its omnichannel strategy and Cencosud is well-positioned to tackle this trend with innovative formats that complement its 360-degree approach.
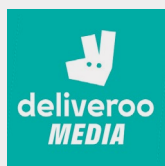
© Deliveroo Media

Company name: Deliveroo Media
Parent retailer: Deliveroo
Sector(s): FMCG, restaurants, media and entertainment, finance, travel, and technology
HQ Location: London, UK
Operational in: UK, France, Belgium, Ireland, Italy, Singapore, the United Arab Emirates, Kuwait, and Qatar
Parent sales revenue: $2.76bn in 2024
Retail media revenues: $150mn in 2024
Find out more: www.deliveroo.co.uk/dme

Deliveroo: leveraging Q-commerce for brands endemic and non

Having a takeout meal delivered from a favourite restaurant or fast-food joint really took off during the pandemic and is a habit that has stuck. Not only that, it has its own sub-genre of retail; quick commerce (Q-commerce), where consumers now look to have all manner of goods ordered online and delivered within 30 minutes to two hours.

Deliveroo, founded in London in 2013, was an early pioneer of rapid food delivery and is a prime exemplar of how this has morphed into the rapid delivery of other consumer essentials from groceries to other FMCG, right through to fashion, entertainment formats and more. In the UK alone, this emergent Q-commerce market is estimated by IGD to be worth around $1.6bn and is likely to hit almost $4bn by 2029. Globally, it is set to be worth many billions of dollars.

It has also become an ideal platform for retail media, as users of Q-commerce are highly engaged, at the point of purchase, looking for very specific things and are ready to buy.

This has not been lost on Deliveroo, which has since 2022 operated its own retail media arm – Deliveroo Media – to capitalise on this with great success. Set up to allow brands to reach the company's 7 million users through its app and website, it rapidly evolved to offering right across the sales funnel, including the order tracking page. It has taken this further to also

encompass social media ads, email marketing, push notifications and sponsored search listings.

With around 186,000 restaurant, grocery and retail sites delivering some 300 million orders per year, Deliveroo has seen strong growth in its advertising business since its launch in 2022. Ad revenue as a percentage of GTV increased to 1.4% in Q4 2024, making good progress as the business works towards a target of 2% GTV in 2026.
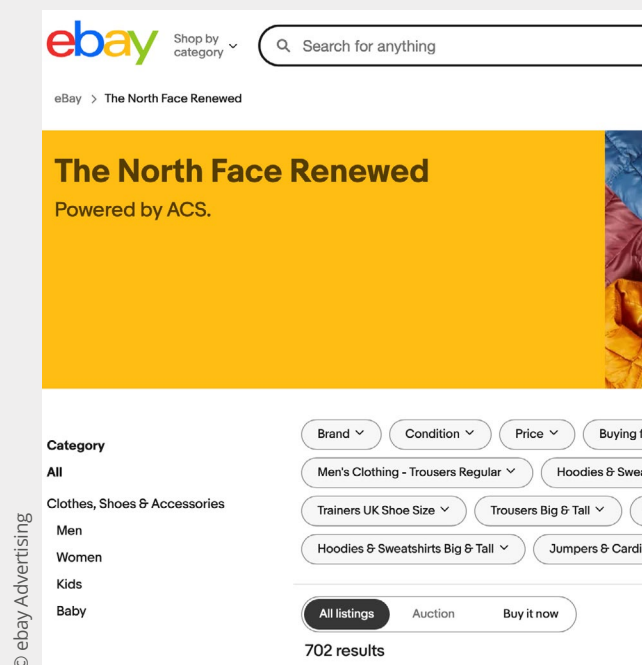
Over the last year, Deliveroo has improved the advertiser experience through the launch of new features and enhanced targeting, increased relevance using machine learning models and launched new formats for non-endemic brands. In 2024, this led to a 15% increase in merchant partners placing ads and 90% of all partners who placed an ad, returning to place another within a month.

Since launch, Deliveroo has also worked with major FMCG brands, including Coca-Cola, Pepsi, and Heineken, as well as entertainment giants like ITV and Sky, who have leveraged Deliveroo's media capabilities and audience to drive highly relevant and targeted campaigns.

Working with tech provider SMG, Deliveroo now offers brand advertisers and compelling proposition; personalised, individually targeted, ads right in front of each high-intent shopper at the decision and purchase part of their journey.

And the brands agree: at the time of writing Deliveroo is poised to announce a raft of brands – endemic and non – that are going to use its platform, so watch this space.

Company name: eBay Advertising
Parent retailer: eBay
Sector(s): General marketplace
HQ Location: San Jose, California, USA
Operational in: US, UK, Germany, France, Italy, Spain, Australia, Canada, and many others
Parent sales revenue: $10.28bn in 2024
Retail media revenues: $1.4bn in 2024
Find out more: www.ebayadvertising.com

eBay Advertising: niche audience access at huge scale

Marketplaces have been using retail media – even if they didn't call it that back then – since they started and, while Amazon is by far the biggest and gets all the attention, eBay also offers a great view into what makes marketplace retail media stand out.

eBay's advertising journey began as a supplementary revenue stream, but gained strategic focus in the early 2010s. In 2011, eBay partnered with Triad Retail Media and acquired WHERE Ads, which later formed the foundation of the PayPal Media Network. During this period, eBay's ads primarily relied on third-party partnerships, offering basic display placements and affiliate marketing. However, the platform's foray into mobile advertising in 2012 – with a full mobile ad business launch in Q4 2014 – marked a critical shift, aligning with surging mobile commerce activity.

A turning point came in 2017 when eBay redefined its ad strategy, moving away from third-party reliance to a hybrid model emphasising first-party data and direct advertiser relationships. This shift aimed to monetise eBay's 128 million active users more effectively, offering advertisers access to granular purchase intent data.

So, what does it offer? A lot of its ad business centres around promoted listings, where performance-based ads let sellers boost visibility for specific products, paying only when sales occur. Advanced targeting options include keyword and category prioritisation, with AI-driven tools introduced in 2024 to automate campaign adjustments based on real-time trends.

Contextual and audience-targeted banner ads across eBay's homepage, search results and category pages are also a key part of its onsite strategy. These include high-impact formats like homepage takeovers and native display ads.

Offsite, eBay uses programmatic channels to retarget eBay shoppers across external platforms, expanding reach beyond the marketplace. Recent tech updates also include AI-driven predictive analytics for emerging trends and personalised campaign recommendations, reducing manual effort for sellers.

Despite being a retail and retail media behemoth, eBay still needs to stand out in a competitive market. One way it does this is through its super-broad user base. Unlike competitors focused on CPG brands, eBay serves a broad spectrum of advertisers, including small sellers and large manufacturers. This inclusivity enables niche targeting, from collectibles to industrial equipment.

It also trades on a degree of 'halo attribution', with eBay's measurement framework evaluating how ads drive incremental sales across entire seller inventories, not just promoted items. This holistic approach helps advertisers understand cross-category impact.

Finally, with decades of transaction history, eBay offers unmatched intent signals, allowing hyper-specific audience segmentation – for example "vintage watch collectors" or "DIY enthusiasts". The platform's shift to in-house sales further deepened data transparency, letting brands track their full-funnel performance.

© RD Saúde

Company name: Impulso

Parent retailer: RD Saúde

Sector(s): OTC pharmaceuticals, prescriptions, health and wellbeing, beauty, cosmetics and fragrances

HQ Location: Sao Paulo, Brazil

Operational in: Brazil

Parent sales revenue: $6.33bn in 2024

Retail media revenues: Not disclosed

Find out more: https://rdsaude.com.br/en/about-rd/about-us/

RD Saúde's Impulso: integrated healthcare provision with exceptional targetting

A lot of retail media attention is focussed on supermarkets, the FMCG and grocery sectors – these players after all have huge consumer reach and carry a wide variety of products. However, OTC pharmaceuticals, beauty and wellbeing is also a sector that ticks those boxes and is starting to develop its own retail media ecosystem, not least in Brazil.

Brazil's RD Saúde is the largest drugstore company in Latin America by revenue and market capitalisation. Saúde operates two widely recognised brands, Raia and Drogasil, and has more than 3,000 pharmacies across all 27 states in Brazil, 14 distribution centres and has a 15% market share.

Raia and Drogasil mobile apps and websites account for around 15% of the company's gross revenues in 2023, highlighting the increasing importance of online channels in its overall business strategy. The company has 46 million registered customers through these platforms. The RD Saúde's marketplace meanwhile stocks more than 80,000 products.

Operating under the Impulso banner, Saúde's retail media offering started in 2017, initially under the name RD Ads. Retail Media started as a division within RD Saúde and later became an independent legal entity after acquiring eLoopz, a startup focused on Digital Out of Home (DOOH) solutions.

In August 2024, the solution was rebranded as Impulso – RD Saúde Media Solutions – to establish the business as the leading retail media player in the Brazilian health, beauty,and wellness market, by connecting marketing, ecommerce, trade marketing teams and agencies.

The company offers the expected range of real estate to advertisers: onsite offering search and display ad solutions in the Raia and Drogasil apps, as well as on its websites, featuring premium-targeted banners and search formats that boost conversions. Offsite, it has strategic partnerships to scale inventory via paid media platforms such as DV360, TikTok and Meta.

However, it is its in-store offering that is most interesting. Impulso operates more than 8,400 screens in more than 1,800 Raia and Drogasil drug stores. These screens are placed behind counters and in store windows. It also offers interactivity, both through direct and programmatic delivery.

Impulso say that it has different advertising formats to match typical brand objectives such as education, acquiring new customers, short-term impact, win-back for abandoned customers and building customer loyalty.

It claims to have activated almost 2000 campaigns for 176 advertisers in the past three years and has grown its client base by 40% in 2024. The proposition is to have offer "a complete solution for every stage of the purchase journey, featuring a closed-loop measurement model to prove campaign efficiency and performance."

© Klarna

Company name: Klarna Ads Manager
Parent retailer: Klarna
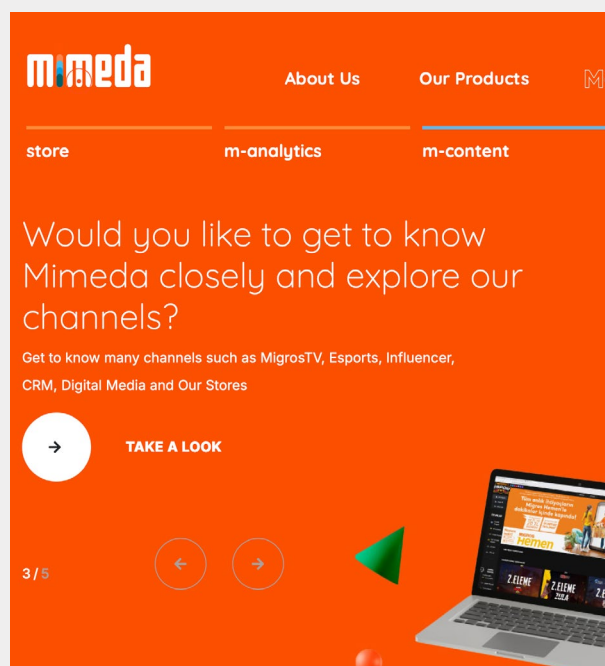**Sector(s):** Fashion, white goods and electrical, consumer electronics, grocery
HQ Location: Stockholm, Sweden
Operational in: US, UK, Sweden
Parent sales revenue: $2.81bn in 2024
Retail media revenues: Not disclosed
Find out more: www.klarna.com/international/enterprise/marketing-solutions/

Klarna: where retail media and commerce media meet

Klarna is part of a new breed of customer facing businesses that aren't retailers in the conventional sense, but which are also finding that the access they have to consumers and their data is now the lucrative bedrock on which to build an ad business.

Klarna is a payment company, pioneering Buy now, pay later interest-free delayed payments method, it has extended its business into being an app-based online shopping assistant.

What does that mean? Well, Klarna has turned its app into something akin to a virtual marketplace, where shoppers use Klarna to search for the items they want and Klarna not only finds them and relevant simulacra, but also does automatic price comparison and looks for and applies discount codes at checkout (as well as offering to split the cost into monthly chunks).

This novel approach has become increasingly popular. Since its set up in 2005, Klarna has garnered more than 150 million global active users and 2 million transactions per day. It now has more than 500,000 global retailers integrating it technology solutions, including H&M, Saks, Sephora, Macy's, Ikea, Expedia Group, Nike and Airbnb.

Such consumer reach and accompanying data – combined with such a roster of brands – has made it a fertile site for marketing and retail media and the company's Ads Manager platform taps into this.

Launched in the US in May 2023, Ads Manager was part of a wider strategy by the company to revamp its app, set itself up as a shopping assistant and to offer tools to help brands grow. The service was then extended to the UK and Sweden in November of the same year.

Consumers willingly share their information with Klarna in order to receive a more personalised shopping experience and discounts. Ads Manager ensures relevant content is being shown to these high intent consumers by enabling retailers to reach the shoppers who are actively seeking brands and products similar to their own.

The platform offers brands an easier and more efficient way to advertise, from ad creation and audience targeting, to in-platform reporting for campaign optimisation.

Unlike platforms such as Google, Facebook and others, where consumer intent is on general search queries, interacting with friends, listening to music, or finding a job, consumer intent on Klarna is laser focused on shopping, making the Ads Manager a highly effective platform for retailers to reach shoppers at the point of purchase.

Additionally, contrary to marketplaces like Amazon, retailer ads on Klarna drive traffic and engagement directly back to the retailer with no intermediation between brand and consumer. Retailers in the US running ads with Klarna have already seen click-through-rates up to 25 times those of industry averages, says the company.

© Mimeda

Company name: Migros Medya Data (Mimeda)
Parent retailer: Migros
Sector(s): Grocery
HQ Location: Atatürk, Türkiye
Operational in: Türkiye
Parent sales revenue: $8.23bn in 2024
Retail media revenues: $10.3mn in 2024
Find out more: www.mimeda.com.tr

Mimeda: Türkiye's preeminent retail media network thrives on innovation

Mimeda, short for Migros Medya Data, is Türkiye's first retail media company established by Migros, the leading supermarket chain in the country.

Migros is a household name in Türkiye and is one of the biggest retailers with thousands of stores across the country. The business was founded in 1954 and now has millions of customers every week in its Migros, Macrocenter, Migros Sanal Market, Migros Hemen, Mion, Vaga and Oliz stores, ranging from supermarkets to hypermarkets from luxury grocery shops, electronics and cosmetic stores.

In-store retail media-wise, the company already has digital screens, entrance sensors and checkout areas within Migros, Mion and Macrocenter stores to capture customer attention at the point of purchase. Online, Migros banners such as Migros Sanal Market, Hemen Online, Vaga, Oliz and Mobilet all provide ecommerce capabilities and extensive online retail media advertising opportunities. It also operates Migros TV, a digital platform featuring a variety of content such as recipes, beauty care videos and children's programmes, with more than 410,000 YouTube subscribers and 20 million monthly views.

Offsite, it offers advertisers use of Migros Group's first-party audiences on the open web and social media platforms to build mid-and upper funnel campaigns. It also connects brands with popular influencers to reach targeted audiences effectively.

In-store, online and offsite platforms are powered by M-Link, a custom-build adtech platform developed by the company. It is one of the few retail media adtech capabilities in the Turkish market. Mimeda uses M-Link to educate digital teams and media planning teams about how to create and execute campaigns.

The key to Mimeda's deep and impressive involvement with retail media stems from its loyalty programme. Called 'Money', Migros has invested heavily in loyalty and there are now 19 million active customers. The insights from the programme combined with the retail channel integration led to the birth of Mimeda.

Even before the term "retail media" became popular, Migros was working with many big FMCG brands, showing what was possible through CRM channels as well as in-store implementation. Once Migros decided to separate the team and rebrand as Mimeda, many of these brands became the first customers of the network, including the likes of Unilever and L'Oreal.

Mimeda has pioneered retail media in Türkiye and has delivered many firsts in retail media globally: the network was working with influencers for years – way before they appeared on any international retail media plan. It has even created events with some of Türkiye's biggest popstars, creating advertising and sampling opportunities within an entertainment environment that local FMCG brands love.

And the future looks rosy. The absence of Amazon in Türkiye's retail landscape makes for a huge opportunity for Migros and Mimeda to thrive.

© ReStore Media

Company name: ReStore Media

Parent retailer: —

Sector(s): Grocery

HQ Location: Milan, Italy

Operational in: Italy

Parent sales revenue: —

Retail media revenues: $473mn in 2024

Find out more: https://restore.shopping

ReStore Media: non-retailer creating a retail media ecosystem in Italian grocery

It is easy to see retail media as a reasonably linear ecosystem, where retailers sit between consumers wanting to buy and brands looking to sell to them. However, sometimes it can be more convoluted than that. In Italy, for example, 40% of grocery retailers in the country use a dedicated retail media provider to run their retail media offerings – a retail media ecosystem like no other.

At the centre of this sits ReStore Media. It is one of the leading digital partners for grocery retail in Italy, with more than five years of expertise in the market and providing an omnichannel retail media solution for retailers such as as Tigros, Coop, Pam Panorama, Iper, Unes, Bennet and Despar across more than 500 towns and cities in the country.

The company has a vertical dedicated SaaS platform designed for grocery websites and apps, which it uses to manage retail media advertising and reporting natively. On top of this, ReStore sells its retail media advertising to FMCG brands as a network to create volumes, aggregating dozens of retailers, their traffic and online volumes.

This is an example of the 'ecosystem model' of retail media, which is emerging as a new layer in the sector with the purpose of aggregating mid- and long-tail retailers across key market segments. Ecosystem RMNs have the greatest potential in large but fragmented retail segments with few viable standalone RMNs. ReStore's Italian job shows just how effective this can be.

This ecosystem approach offers Italian grocery retailers a wide range of services. Onsite is provides the usual sponsored banners, category ads and dedicated landing pages directly on retailers' grocery websites to capture consumer attention at critical touchpoints. Offsite, it uses the retailer's first party data to drive traffic directly to grocery properties on Meta, Google and a range of leading Italian publishers.

In-store it offers a broad range of real estate to advertisers, including in-store radio with tailored audio messaging distributed across more than 3,600 stores nationwide and reaching 5.8 million daily users. It also offers dynamic content on in-store screens deployed in more than 580 stores and exposure to 750,000 daily users.It also runs product trials to create direct consumer experiences, delivering up to 83,000 samples in just two weeks, uses personalised messages via SMS, email and WhatsApp to drive loyalty and engagement.

Working across a wide range of retailers – many of whom are competitors – means that ReStore has also become something of an expert in clean rooms. Clean rooms are one of the hottest technology topics in retail media data management, offering a way to share aggregated rather than customer-level data with advertisers from a range of retailers without anyone retailer getting hold of the others' data. ReStore use the audience data to push activation on programmatic platforms to reach the right client at the right time, given that they know the exact shopper profiles and food habits.

© Very Media Group

Company name: Very Media Group
Parent retailer: The Very Group
Sector(s): Fashion
HQ Location: Liverpool, UK
Operational in: UK and Ireland
Sales revenue: $2.13bn in 2024
Retail media revenues: Not disclosed
Find out more: www.theverygroup.com/media/

Very Media Group: putting data-driven-creative in fashion

UK fashion powerhouse, The Very Group, has been in retail media since 2001 – before many other players saw its potential. However, it has moved with the times and has evolved into something of a unique proposition in marketing, drawing not so much on customer loyalty scheme data as many retailers (rightly) do, but instead leveraging a different level of insight from its customers' personal, shopping and financial data.

Relaunched in 2023 as Very Media Group, it now has access to data from more than 1.4mn daily site visits and 4.4mn active customers. Since relaunching its platform, The Very Group has shown the power of its rich customer dataset and leading creative capabilities in optimising its own brand marketing, driving material growth in brand attribution, sentiment and shopper intent.

Campaigns within the new 'Let's Make It Sparkle' creative platform, including the fashion-forward 'Haus of Flamingo' have achieved wide acclaim, with the Christmas advert launching the brand's three flamingo fluent devices being ranked as Kantar's second most persuasive Christmas ad of 2023.

Now, drawing on technology from SMG, Very Media Group aims to bring the power of this deep consumer insight to brand partners, helping them connect to the distinct Very audience at scale. This has led the company to look using its data not just for targeting ads, but also to aid in generating creative and campaigns.

In April 2025, Very Media Group opened the doors on its own creative studio – HelloStudio – with the express intention of using data as part of the creative process.

This new proposition will provide a multi-channel creative service that taps into the latest technology, offering bespoke and tailored content that connects brands to their consumers. The HelloStudio team's experience already spans big household names across diverse categories, from Adidas and Apple, to Levi's, Ray-Ban Meta and SharkNinja, helping deliver material increases in key measures such as sales, ROAS and social conversions.

Using data, retailers can tailor creative, including messaging, based on hyper-specific audience segments. For example, a fashion/clothing brand can adjust its messaging in real-time to match the weather forecast in a shopper's location.

Even financial data can drive creative decisions, for example showing different product tiers based on a shopper's credit threshold, speaking directly to the shopper's needs, context and buying power.

Customer data can also be used to provide a deeper understanding of consumer behaviours and major events in peoples' lives such as moving home, having their first child, their child starting school etc. Creative can then be tailored to match these significant events as they occur in an individual's life patterns through personalised product recommendations. This kind of dynamic, data-driven creativity can live across every touchpoint: email, social media, web – anywhere retail media extends its reach.

Strategic overview

What is retail media? Read our primer to learn the basics and more

THE POWER OF RETAIL MEDIA
The key to understanding the power of retail media is understanding the power of data. Retailers have tonnes of purchase data thanks to the huge number of transactions with their customers happening every day. This data is supercharged further by the depth of data collected by retailers through loyalty schemes.

There are other reason why brands like retail media:

• Brands can target shoppers at their point of purchase when they are looking to buy
• Brands can capture shoppers interested in a specific category, such as 'almond milk' on a supermarket site, or 'paint' or on a DIY marketplace
• Brands can target shoppers who are looking at competitor products
• The advertising creative used in retail media can be used to match the native retailer customer experience, making conversion more likely
• Post sale, brands can attribute their retail media investment to a specific transaction – called 'closed loop measurement'
• Messaging can be personalised to specific shopping occasions in the year, such as back to school, seasonal promotions or in reaction to world events.

CLOSED LOOP UNDERPINS RETAIL MEDIA
Of this list of benefits, one of the biggest delivered by retail media is the opportunity for 'closed-loop' measurement and attribution.

> **Retail media (noun):** *the practice of retailers using their digital advertising space and in-store opportunities to offer advertising to brands. Essentially, it's the concept of retailers acting as media outlets for brands to reach their target audience*

WHAT IS RETAIL MEDIA?
Let's start with the basics. For those that don't know, retail media or, more accurately, a retail media network, is a retailer-owned advertising service that allows marketers to buy digital ad space across some or all of a retailer's business, all the while driving consumers to see those ads thanks to the abundant first-party data these retailers posses.

Actual sales data from the retailer means that advertisers can tie campaign and budget spend activity back to direct sales impact and return on investment. Retail media offers better measurement, more accountability and a better way to discover which ad exposures to shoppers are driving incremental sales.

THE CHANGING RETAIL MEDIA ECOSYSTEM
The retail media ecosystem, in its most basic form, connects brands wanting to reach consumers with retailers that have access to – and data for – those same consumers. However, in reality the retail media ecosystem is a more complex mix of retailers, tech partners and agencies – and it is rapidly evolving.

It now weaves a tapestry of relationships between retailers, marketplaces, brands and tech companies. Increasingly too, social media, review sites and a raft of other non-retailer customer-facing businesses

Typically for retailers today, the advertising 'real estate' they have covers everything from display ads and product placements on websites, to push notifications and banners in apps, to digital screen adverts and content in stores. It also covers targeted email and messaging campaigns, social media tie-ups, connected TV and print ads.

In all cases, though, the retailer leverages its direct relationship with the shopper – its first-party data – to create customised audiences for its brand advertiser to target. If a retailer has shoppers searching for a particular product and can map media assets to that product, retailers are equipped with the capabilities to become a media platform.

are also starting to impact the sector (see panel overleaf). And this is all changing how the market works and where the money is being spent.

So what does the market look like today?

• **Retailers** – These are the players that have consumer-facing sites and properties and which generate first-party consumer data from ecommerce and loyalty schemes. Retailers have both the space for ads in physical and digital formats and the audience to target those adverts at.

For example, a retailer will charge a brand to place a special offer at a strategic point on its website or on a digital screen, poster or shelf-edge in a store. Yet retailers are also buyers of ads on other sites and properties, adverts which themselves can also be sub-sold to advertise brand products. A supermarket, for instance, may buy an advert on

TV which it will use to advertise a special offer on a certain brand of coffee, or a retailer may even have ad space on another retailer website where it can sell co-location with that brand. For more on the retailer perspective see page 9.

• **Marketplaces** – These are also retailers and all that is mentioned above applies. However, marketplaces have some special features that lend themselves to retail media and set them aside from retailers. They tend to have an audience that is of much higher purchase intent – they are browsing rather than having homed-in on a product – and so their target audience is more open to advertising.

They also have a greater degree of integration between ads and products, being designed to surface products from a search with built-in and more extensive recommendations. They also have very robust measurement and attribution facilities. Perhaps their biggest differential, however, is that they offer a wider range of ad formats compared to many individual retailers. This includes display ads, sponsored product placements and even native advertising options, allowing for creative and engaging ad experiences. For more on the marketplace perspective see page 9.

• **Social media** – Increasingly important for both off-site, onsite and instore retail media, social media can be used to also drive traffic to retailer websites where consumers will see brand adverts. Retailer profiles on social media can also feature offers, insights and more subtle plugs for brand goods.

With some social sites now being shoppable, social media is also becoming a sales channel in itself. The complication for retailers is that, as

TYPES OF RETAIL MEDIA

Retail media, naturally, can be found across channels, leveraging all the real estate – real world and digital – that are available to retailers. The key is how retailers can use their customer data to target the brand or advertiser's ads through those channels.

The basic channels for retail media cover:

• **Onsite** – This includes ad placements directly on the retailer's digital properties – web, apps and email newsletters – across banner ads, sponsored product listings, search result placements and native advertising within product pages.

• **In-store** – While primarily digital, retail media is starting to integrate physical store experiences such as instore displays that can showcase targeted advertising based on shopper demographics or location within the store.

• **Offsite** – This extends the reach of retail media networks beyond the retailer's owned properties,

social sites become shoppable, they become more like marketplaces and the issue of who owns the customer becomes murkier. Currently, social media is an interesting traffic generator and awareness raiser, but it could well become a competitor for many retailers down the line.

• **Brands and suppliers** – Brands, manufacturers, suppliers and merchants are typically the buyers of retail media advertising, as they are looking

using the same retailer data to target the same audience segments across the open web through programmatic advertising platforms. It can also involve ads placed through partnerships with other retailer websites or marketplaces to expand brand reach to a wider audience that has similar shopping interests. Off-site is also key to exploiting the burgeoning use of social media sites for advertising. Here the reach retailer profiles on social platforms combines with retailer data to drive engagement.

• **Other inventory types** – Channels such as connected TV (CTV), in-store audio services and even out-of-home (OOH) digital advertising are also ripe for retail media exploitation and are starting to see tie-ups between the owners of these channels, retailers and brands. There is also the possibility of placing ads through voice assistants such as Alexa or Google Home. Should these gain traction, RMNs might explore incorporating voice-activated advertising opportunities within the shopping journey.

to market their goods to the most relevant and purchase-intending audience possible. Many already have trade marketing deals with retailers – where brands pay to have their products pushed through retail adverts on TV and other media platforms – but increasingly they are looking to leverage the first-party data owned by the retailers to better target ads at the right consumers right at the moment of purchase. For more on the brand perspective see page 13.

• **Agencies** – These are the traditional market-makers, animators, service providers, service layer (including traditional media – print, TV, online, billboard) who, until recently, brokered most ad deals. These players both stand to lose and gain from the rise of retail media networks. With larger retailers looking to work with brands directly to leverage their existing relationships are product buyers, agencies run the risk of being cut out of the loop.

However, retail media is a full-time job and requires skills not typically found in-house in retail, so agencies increasingly play the role of middleman between the retailer selling access to its sites and consumers and brands looking to create campaigns that target those people. Agencies bring both sets of skills – creative and brokerage – in spades, having carried out similar roles across all traditional media.

• **Tech partners** – The technology companies looking to sell the platform, data management and inventory management tools to help retailers, brands and agencies deliver retail media networks play a key and growing role in the retail media landscape. Many of these companies are encroaching on the agency territory of building solutions that can connect brands marketing departments with retailers looking for ads.

This is increasingly true for smaller retailers looking to make money from retail media. While they may lack the scale to offer their own retail media properties in any meaningful way, as part of a network of similar small retailers, they can be part of a bigger whole. Here, tech platforms help brands get their ads across these small retailer networks without ever sharing vital and competitive data about retailers with each other.

• **Retailer tech partners** – There are some retailers that have also become part agency/part tech partner by offering the services they created to service their own in-house retail media needs to third-party retailers and brands. Amazon Advertising and Walmart Connect are prime examples.

• **Others** – much like social media's encroachment on retail media, there are a host of other sites that are also starting to look at how they too can leverage their customer data to sell ads and help brands market themselves. Review and recommendation sites, loyalty and discount aggregators and payment providers, such as Klarna (see page 46), are all hotspots for consumer traffic, often while researching purchases. These offer an ideal place for brands and even retailers themselves to position their wares at a crucial part of the sales funnel. These sites, while still a fledgling part of the retail media landscape, are set to become important players in the years ahead as retail media matures into an even more complex ecosystem.

EXTENDING RETAIL MEDIA: Q-COMMERCE AND COMMERCE MEDIA
Retailers are becoming victims of their own success with retail media. Leveraging their first-party data to create lucrative ancillary ad businesses has piqued the interest of many other consumer-facing organisations, each also looking to leverage their customer data to create marketing channels.

Quick commerce – Quick commerce (Q-commerce), ecommerce focussed on ultra-fast delivery of goods typically in under 30 minutes, has grown rapidly in many markets as consumers look for ever-increasing levels of convenience. Typically focussed in food and grocery deliveries, a raft of companies have sprung up offering this – Deliveroo (see page 43), DoorDash, Uber for example – and have shaken up parts of the ecommerce market in the process.

For retail media, Q-commerce is a boon. Retail media thrives on perfectly targeting high-intent consumers at, or very near, the point of purchase. Q-commerce shoppers are among the highest of high-intent purchasers, so advertising on these services has become extremely important. For companies such as Uber through its Uber Eats brand and Deliveroo this offers a lucrative ad channel for FMCG brands in particular and is proving to be quite disruptive in the retail media space.

Commerce media – Many of the Q-commerce players that are making inroads into the retail media market are not traditionally thought of as retailers. This is part of a wider trend in retail media that is seeing many other consumer-facing companies also entering the market, keen to capitalise on their first-party consumer data and create new revenue streams as they have seen retailers do.

Chief among these companies have been airlines and hotel chains, businesses with a high throughput of consumers all of which are likely to want to purchase other things. While not as funnel-based as retail media, commerce media does offer relevant brands a new way to reach a highly targeted audience.

For retailers this is good and bad news. On the positive side it enriches the concept of retail media as part of the overall digital marketing environment. Conversely, as with Q-commerce, more options for advertisers can cannibalise and fragment the finite brand advertiser base and undermine retailer networks. However, the opportunity for collaboration may offset this.

The road ahead

Where is the rapidly evolving retail media sector heading in 2026 and beyond and how can its executives rise to the challenge?

Retail media is riding high as brands increasingly reap the rewards of ultra-targeted advertising across channels – especially in a world where cookies are inevitably going to lose their bite.

However, it is a rapidly changing space, driven by innovation, the march of technology and, somewhat inevitably, regulations.

So, what should those in the retail media ecosystem be preparing for across the rest of 2025 and into 2026?

AI AUTOMATION AND 'INFINITE CREATIVE'
AI and machine learning are already underpinning how retail media operates and their involvement is only going to deepen – with some potentially seismic changes to the whole ad industry.

Retail media is no longer something that can be done manually. AI tools are key to analysing, segmenting and testing the data used, while it also automates bid adjustments, creative personalisation and audience segmentation. AI co-pilots will increasingly handle routine tasks, freeing teams to focus on strategic partnerships and creative experimentation.

Machine learning models, meanwhile, are starting to be used to accurately forecast demand spikes such as holiday seasons, cultural events and so on, and to allocate budgets dynamically across channels.

Perhaps the biggest change, however, will come from how AI will use data in the creative process. While today's RMNs deploy AI to segment and serve, next generation offerings will also create the content that is being served as well.

The Very Group's HelloStudio is already offering this as a service and in May 2025, Meta head Mark Zuckerberg told *The Verge* that it was moments away from being able to produce 'infinite creative'. The next stage of advertising for Facebook – and by dint of that the whole ad industry – is that it will not only work out who to serve ads to, but it will create as many individual ads as needed to reach all the relevant segments.

The idea is that a brand goes to Facebook and says "This is our product, we want you to market it" then Facebook does the rest – creates endless content and ads, tests and adjusts them as it targets multiple consumer data groups. An interesting idea, but one that will totally remake the advertising industry, retail media included.

MARKET SATURATION AND NICHE NETWORKS
One of the biggest factors that will impact retail media in the coming months is rapid market saturation and how that is going to lead to a profound change in the retail media landscape.

Currently there are more than 250 retail media networks (RMNs) globally and, while there has so far been enough ad business to justify this, as the number of networks grows, differentiation is becoming critical as advertisers will start to experience platform fatigue. Some already are.

While the mega-networks – Amazon Ads, Walmart Connect, Tesco Media and Insight – will continue to leverage their huge scale across a vast range of retail verticals, there will be a trend for niche and specialised networks to emerge and for a degree of consolidation among smaller RMNs.

Vertical-specific networks – for example, Home Depot for home improvement, the Very Group for fashion – will gain traction by offering hyper-targeted audiences. This specialisation could also be extended to demographics, as well as by retail sector, with networks that specialise in reaching, say, GenZ through emerging channels such as live streams and social media video, using this as a sales USP to help brands reach not only sector specific audiences, but age-specific ones too.

There is also likely to be a degree of consolidation. Smaller RMNs will merge, creating more specialised offerings, or aggregating a range of networks into a co-operatively run ecosystem. This, however, has obvious data sharing implications – implications that are already eating into how the wider retail media market operates, as we see below.

PRIVACY REGULATIONS AND DATA COLLABORATION CHALLENGES
Stricter privacy laws, such as GDPR and CCPA, along with the deprecation of third-party cookies are forcing retailers to rely on first-party data, while brands demand cross-platform measurement without compromising consumer trust. This is a fundamental of today's retail media play.

However, this increased reliance on first-party consumer data has its own privacy and data integrity issues. The more personal retailers and brands want

to get, the more careful they have to be about the data they are using to do that, where it comes from, how it is stored and how it is shared and used. This is seeing an even bigger push towards better data management than previously observed. The biggest upshot here has been increasing data clean room adoption.

Secure data collaborations, such as those with Amazon Marketing Cloud, or the Criteo-LiveRamp partnership, will become standard to reconcile retailer and advertiser datasets without exposing Personally Identifiable Information (PII).

Retail media executives are also going to have to invest in privacy-compliant technologies such as federated learning and differential privacy to maintain data utility while avoiding regulatory penalties.

Federated learning (FL) is a privacy-preserving machine learning technique that allows models to be trained on decentralised data without sharing the raw data. Differential privacy (DP), meanwhile, is a mathematical framework that a small amount of random noise to data to protect the privacy of individuals while enabling aggregate analysis.

Together, these techniques allow for data to be used to train systems without sharing any of that data yet still getting the full benefit from it. Expect to see this become a mainstay of the retail media discussion in the next 12 months.

MEASUREMENT STANDARDISATION AND ROI PRESSURES

The need for privacy also makes the need for accurate measurement more important still. It is not news that advertisers using retail media face inconsistent metrics across retail media networks, complicating cross-network comparisons.

As part of the need for data prvicay and protection, brands will require verifiable attribution models, such as closed-loop measurement linking ad exposure to instore purchases –all helping to also justify rising ad spend.

Already, trade groups such as IAB Europe are pushing for standardised KPIs such as cost per incremental sale to reduce reporting fragmentation. But brands will also start to demand probabilistic models to isolate retail media's impact from organic sales. There is a high likelihood that soon there will be a surge in retail media adopting third-party auditors such as Nielsen, or Kantar, to validate campaign performance and build advertiser trust.

GLOBAL EXPANSION, LOCAL COMPLEXITY

As the 'established' retail media network market looks for new opportunities, the more developed western RMNs such as Amazon, Carrefour et al, are looking to expand into emerging markets such as Southeast Asia.

While that makes sense on paper, they face some big challenges. These markets already have their incumbents and their own ad ecosystems. They also have fragmented payment and logistics systems and, without putting too fine a point on it, these markets have their own way of doing things.

To achieve this, RMS will have to collaborate with regional players – ecommerce companies, ad agencies and brands – to access local markets. And with many of these players already starting their own retail media networks, there is low incentive to co-operate.

There are also immense regulatory hurdles. Data sovereignty laws, such as Vietnam's PDPD for example, will require in-country servers and localised clean room setups. While deploying modular tech stacks that adapt to regional compliance requirements is one solution, there are costly reengineering challenges.

OMNICHANNEL INTEGRATION AND CTV DOMINANCE

Consumers interact across physical stores, mobile apps and CTV, but most RMNs lack unified measurement capabilities. Linking all this together is going to be key to next generation retail media. Instore, growing use of smart shelves, QR codes and even augmented reality mirrors will help bridge the online-offline gap, with retailers tracking footfall and in-store behaviour as closely as they do online.

Similarly, retailers will also have to partner with streaming platforms such as Roku, Netflix and Disney+ to serve shoppable ads during premium content on smart TV, blending entertainment and commerce – and they will have to track this too.

This data, along with all the online ecommerce and social data that retailers can glean needs to be fed into the machine to create content, ads and campaigns that will work on each individual channel, as well as be coherent across all. This is a technical challenge, but moreover it is also a data protection

and analysis challenge that will require some deep tech integration to achieve.

TALENT SHORTAGES AND SKILL GAPS
The rapid expansion of retail media outpaces the availability of specialists in data science, privacy law and CTV ad ops.

As a result, retailers will increasingly have to partner with universities to develop curricula focused on retail media analytics and programmatic trading.

However, experts that have the AI and privacy engineering skills will be in high demand and salaries will rocket.

Conversely, as data-driven creative comes to bear, more traditional marketing and ad skills will be lower demand and many of these people will perhaps be looking for new roles or reskilling.

In the short term, retailers need to look at building hybrid teams combining retail veterans with ad tech experts, and leverage automation to reduce headcount dependency, but as the sector continues to rapidly evolve, the only safe jobs in retail media are data engineers and change managers.

SUSTAINABILITY AND ETHICAL ADVERTISING
While the longer-term forecast for retail media is that AI will drive increasingly flux and reimagining of how the sectors operates and who works in it, the more immediate future is one where ad content is being impacted by social cues.

One area where this is increasingly prevalent is in sustainability and ethical advertising. Gen Z consumers – who make up 27% of global shoppers in 2025 – increasingly favour brands with demonstrable sustainability commitments.

As a result, RMNs will highlight eco-friendly products and offer carbon footprint estimates for ad campaigns. Algorithms will avoid exploiting vulnerable demographics such as teens, aligning with upcoming EU AI Act requirements.

Many RMNs will also have to integrate sustainability metrics covering emissions per impression, for example, into campaign dashboards to attract purpose-driven advertisers.

Some strategic priorities for retail media executives in 2025
As the retail media sector rapidly evolves, what should execs overseeing it be looking to do to meet these new challenges?

Here is a checklist:

- Invest in clean rooms to future-proof against regulatory shifts while enabling high-value data collaboration.
- Differentiate through vertical expertise, such as luxury or healthcare retail media, to avoid price wars with generalists.
- Forge CTV alliances to capture attention in streaming's golden age, using shoppable ad formats.
- Champion measurement standards to simplify dvertiser workflows and reduce friction in budget allocation.
- Embed sustainability into core offerings to align with Gen Z values and regulatory trends.By addressing these eight areas, retail media leaders can capitalise on the sector's projected $176bn global growth while mitigating risks from privacy, saturation and technological disruption. The next two years will separate winners-who embrace interoperability and AI-from laggards clinging to walled garden tactics.

THE SELF-SERVICE TREND FOR SMBS LOOKING TO GET INTO RETAIL MEDIA

Retail media networks have, so far, been dominated by a raft of mega-retailers that have vast lakes of first-party consumer data, existing strong relationships with brands and deep enough pockets to keep pace with the ever-changing retail media and wider marketing landscape.

But what of the smaller businesses that want to also play? There is definitely an opportunity for them – particularly around building specialist networks or in co-operating to aggregate small audiences into large ones.

So, how do they do that?

The answer lies in true self-service platforms. True self-service platforms – where brands independently manage campaigns with minimal reliance on intermediaries – will dramatically alter the retail media landscape for small businesses by democratizing access, reducing costs, and enabling data-driven agility. Here's how:

DEMOCRATISING ACCESS TO PREMIUM AD INVENTORY

- **Lower barriers to entry**: Self-serve tools eliminate the need for large minimum ad spends, allowing SMBs to compete with major brands on platforms like Walmart Connect and Instacart Ads.
- **Localised targeting:** Small businesses such as regional food producers, for example, can now afford in-store digital ads via self-serve kiosks or shelf-edge screens, previously dominated by big-budget advertisers.
- **24/7 campaign management:** Real-time adjustments to budgets and creatives let SMBs optimise without agency dependencies.

COST EFFICIENCY AND BUDGET CONTROL

- **Pay-per-performance models:** Self-serve platforms often offer flexible bidding on a cost-per-click basis, enabling SMBs to start with budgets as low as $500.
- **Reduced overhead:** By cutting out managed-service fees, SMBs retain more revenue while accessing enterprise-grade tools.
- **Transparent pricing:** Real-time dashboards show exact spend pacing, preventing budget overruns.

PRECISION TARGETING WITHOUT SCALE REQUIREMENTS

- **First-party data leverage:** SMBs can target hyper-specific audiences such as repeat buyers of organic snacks, say, using retailer purchase histories.
- **AI-driven automation:** Tools like Moloco's ML algorithms automate bid adjustments and audience segmentation, letting SMBs focus on strategy.
- **Closed-loop attribution:** Track in-store sales from digital ads, proving ROI even for localised campaigns.

CREATIVE FLEXIBILITY AND EXPERIMENTATION

- **Rapid iteration:** Test ad formats such as shoppable videos or CTV and messaging without lengthy approval cycles.
- **Personalisation at scale:** AI recommends creatives based on real-time engagement data, a feature once exclusive to large brands.
- **Omnichannel integration:** Sync in-store promotions with digital ads via unified self-serve dashboards.

CHALLENGES AND MITIGATION STRATEGIES

- **Skill gaps:** SMBs must invest in training to master self-serve platforms, though providers like Kroger Precision Marketing now offer onboarding guides.
- **Ad fatigue risks:** Over-reliance on automation could lead to generic messaging; SMBs should balance AI with human creativity.
- **Fragmentation:** Managing campaigns across multiple RMNs requires tools like Kevel's Retail Media Cloud to centralize operations.

True self-service will empower SMBs to compete asymmetrically against larger players by combining niche audience targeting, agile budgeting, and measurable outcomes. As platforms like Amazon Ads and Target Roundel refine their SMB tools, retail media will shift from a big-brand playground to a meritocracy of relevance and creativity. For small businesses, this represents an unprecedented opportunity to punch above their weight in the retail media arena.

Figures

End Matter

We hope you have found our research and analysis to be of interest and value. We would be very pleased to hear from you with questions, suggestions or comments. In particular, do let us know of any areas of research that you would like us to investigate for possible inclusion in the 2026 report.

Please get in touch via research@retailx.net

This report is based upon our reasonable efforts to compile and analyse the best sources available to us at any given time. Opinions reflect judgment at the time and are subject to change.

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