

2023

Retail Media Research Report

Your Guide to Growth and Better
Shopper Experiences



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Unless hyperlinked to an external source, all statistics used in this report are from Merkle's proprietary research.

The State of Retail Media 2023



What's New This Year?

The key factors influencing the retail media landscape in 2023



CONTINUED EXPANSION, with several new entrants in grocery and ecommerce-owned. This creates a more complex landscape with greater variance in capabilities across RMNs.

BRANDS SPLITTING THEIR INVESTMENTS ACROSS MORE RMNS, increasing the need for RMNs to know what they stand for and create a value exchange.

INNOVATION FROM ESTABLISHED RMNS to stay ahead of new entrants, fueled by top concerns of competition and developing solutions for new ad products.

PURSUIT OF FIRST-PARTY DATA to enhance brands' customer profiles and inform budget planning, especially as shopper touchpoints increase.

INVESTMENT AND INTEREST IN UNITING IN-STORE AND DIGITAL CAPABILITIES as the definitions of retail media and the shopper journey become more nuanced.

2023 brought a more complex landscape



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Amazon is no longer **the only game in town.**

This has been true for a few years but reinforces the increasing competition for retail media budgets in 2023. **Only 49% of brands reported working with Amazon in this year's survey, with investments spread across 41 unique RMNs.**

What's Now for Retailers



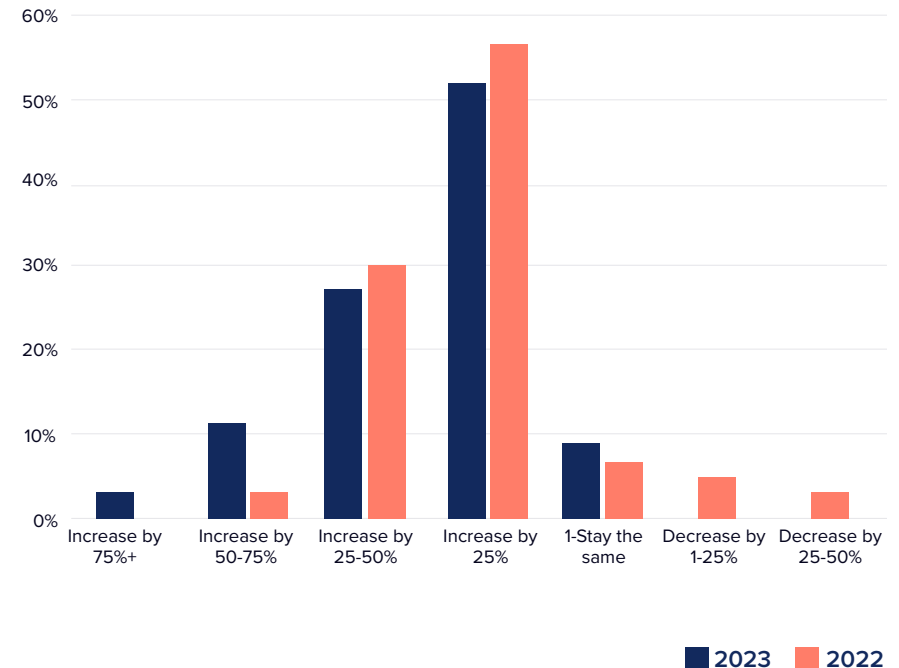
91% of RMNs expect growth in the next three years.

Emerging RMNs have high expectations as they enter the fastest-growing area for media investments – but in a crowded space, that becomes more challenging. To compete (and grow), retailers need to build an innovative, differentiated strategy.

How does that happen?

Show that you can help brands create more personalized experiences for shoppers through data, omnichannel offerings, and partnerships.

How do you expect your **RMN revenue** to change over the next three years?



Our Top **Recommendations** to Achieve RMN Growth

01

UNLOCK NEW REVENUE STREAMS WITH YOUR DATA

Use your data to help brands better understand and engage their audiences.

02

CREATE A COMMERCE-EVERYWHERE EXPERIENCE

Show up where your shoppers are and anticipate where they'll be next.

03

USE CREATIVE AS A DIFFERENTIATOR FOR BRANDS AND CUSTOMERS

Make it easy for your brands to carry relevant, consistent conversations with shoppers.

04

USE A BRAND-CENTERED SALES APPROACH

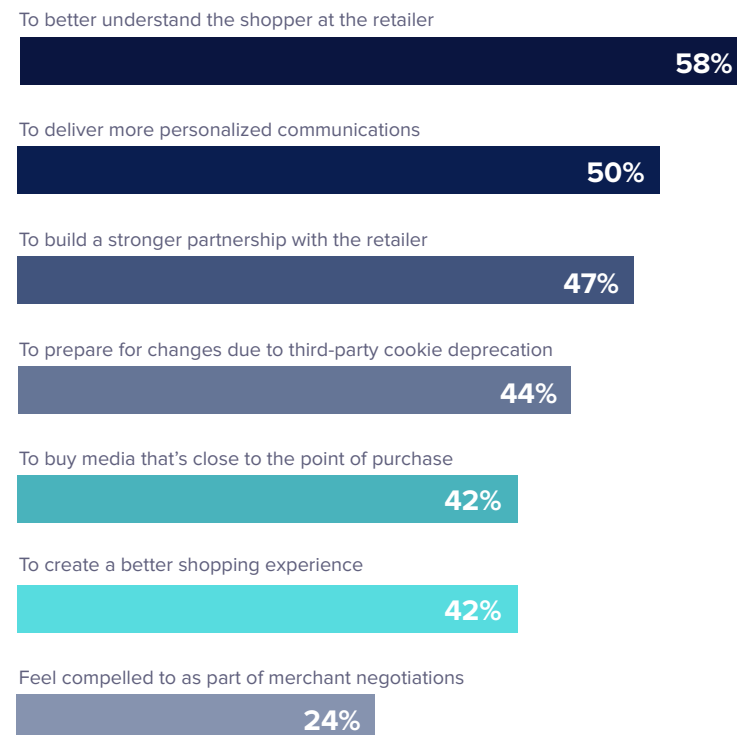
Enable brands to see what you're doing to help them reach their customer better.

Brands are speaking loud and clear: they want to know their shoppers.

The top two reasons brands work with retail media networks are about their shoppers. They want to know them better, and they want to engage with them in relevant ways.

First-party data has become a critical offering for RMNs to help brands reach both their shopper experience and performance goals. A recent change is that **brands can now buy audience insights without media** to create a better picture of their customer.

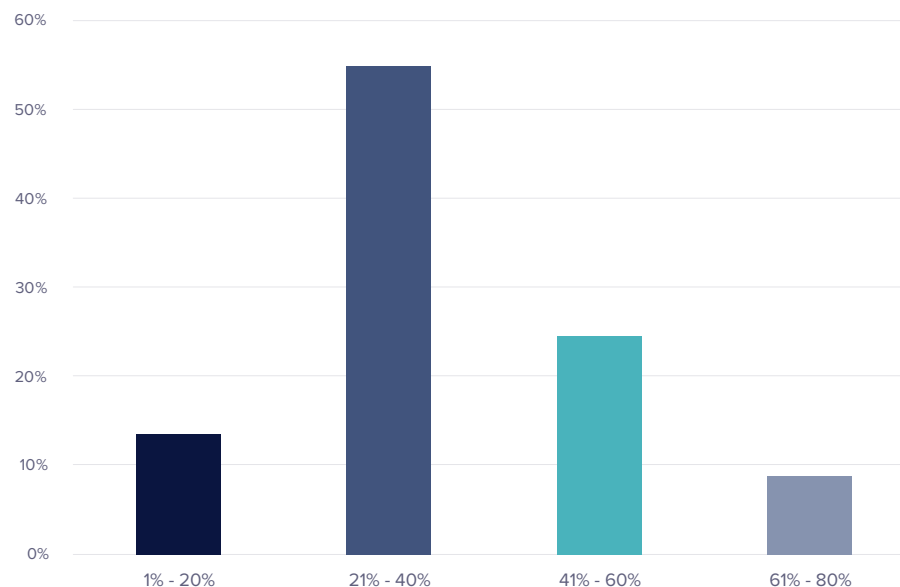
Why do you work with Retail Media Networks?



But retailers are sending mixed signals when it comes to non-media solutions.

They drive more than 20% of RMN revenue for the vast majority of RMNs, yet it's not a major focus for monetization investments.

Of this gross annual value, how much is going to **Non-Media Solutions** (for example, data and audience insights without media)?



47% of brands want data and insights without media

and there's an opportunity to step in where other RMNs aren't investing.

First-party data can add revenue for your RMN beyond media placements. How can you best capitalize on the opportunity?

Package the data right. Quality beats quantity – a curated, relevant audience is easier to use than a full customer file.

Co-mingle data in a privacy-safe clean room. This creates a robust view of the customer in a single place, enabling you and the brand to better serve your audiences.

Where can retail media networks **add more value** to the brand/advertiser relationship?

Make it easier to buy through automation tools

56%

Offer insights products without having to buy the media

47%

Greater partnership opportunities

44%

Offer data product without having to buy the media

42%

Lower CPMs

33%

Provide more timely access to reporting and optimizations

31%

Closer link to merchant teams within the retailer

22%

Provide greater personalization tools like dynamic creative or dynamic pricing

14%

There are more connection points than ever to help you understand your shoppers

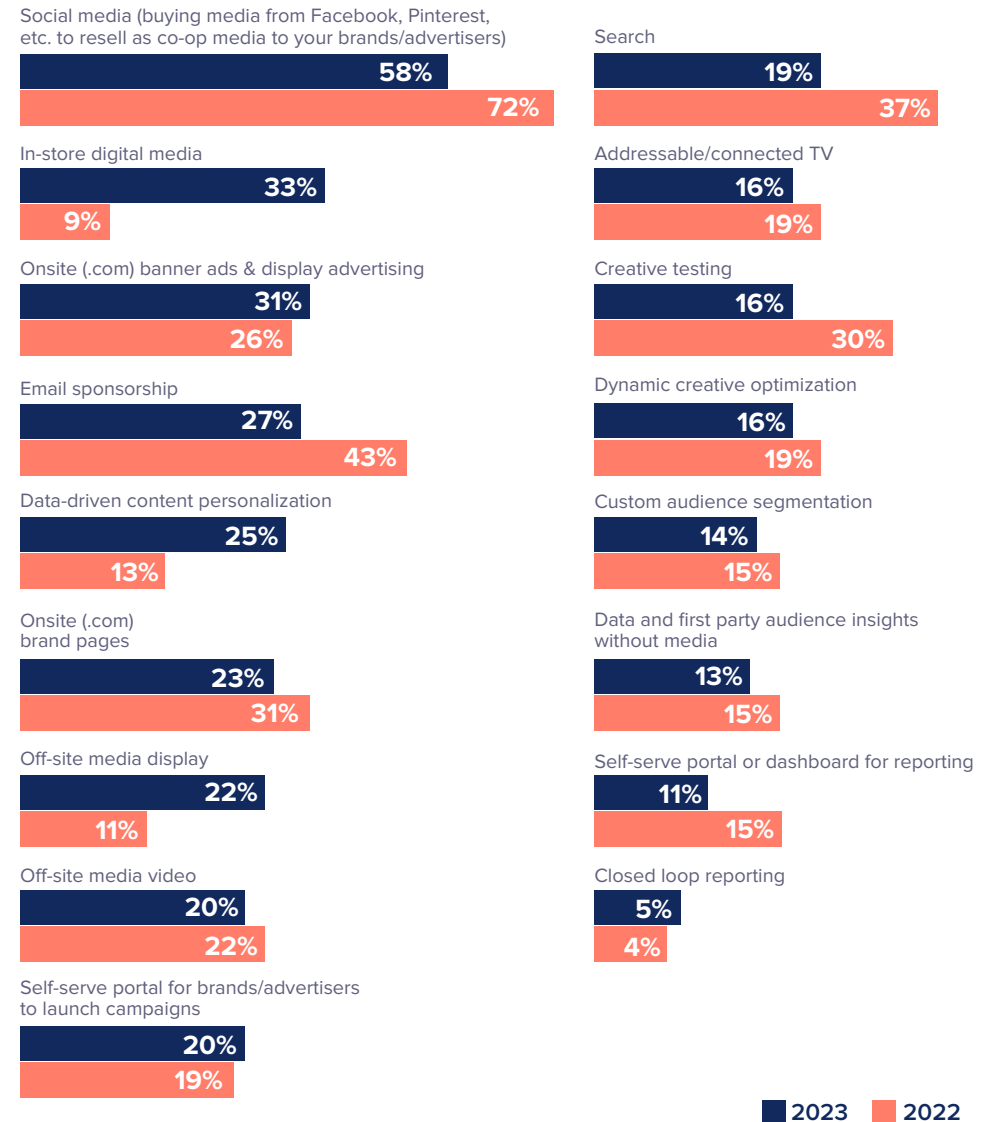
Retailers play many key roles throughout the shopping journey, whether that's research, onsite commerce, or in-store transactions.

You have those connection points because commerce is happening everywhere.

In 2023, retailers heavily invested in areas reflecting commerce-everywhere priorities.

Four of the top five monetization investment areas for RMNs this year fell outside of onsite media.

Which **monetization solutions** are you most heavily investing in this year?

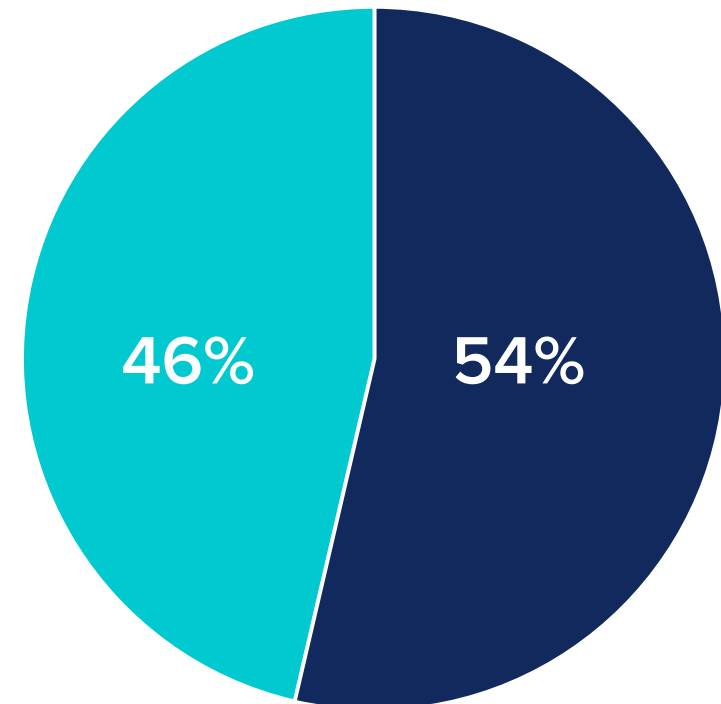


We also see **commerce-everywhere** priorities in places where media campaigns are happening.

Onsite media used to reign supreme, but the split between onsite and offsite campaigns in 2023 was almost 50/50.

This shows the **need for RMNs to have onsite, offsite, and in-store capabilities** in their omnichannel media offering.

What percentage of campaigns run **offsite** (purchased media) versus **onsite** (your owned and operated properties)?



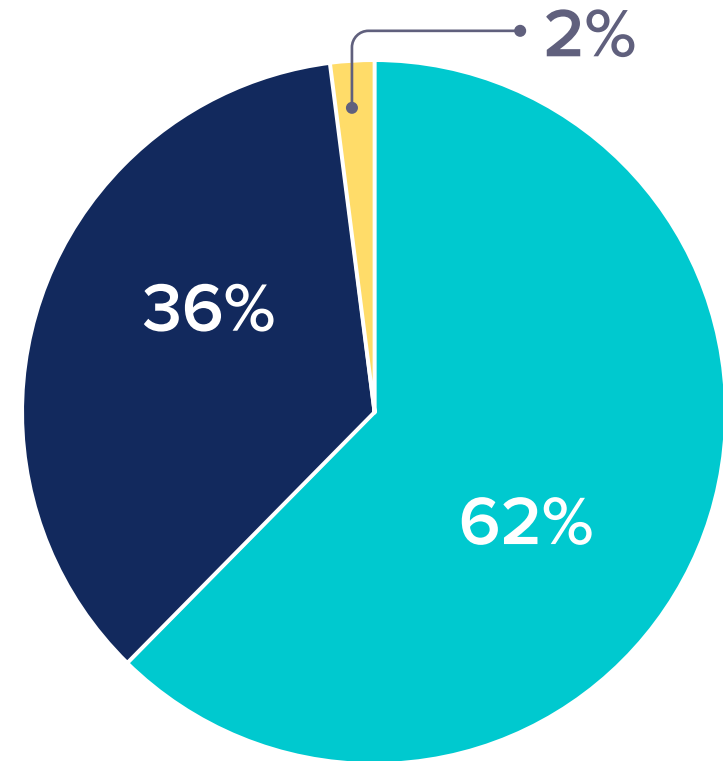
■ Onsite ■ Offsite

A connection between retail media, shopper, and loyalty strategies is a must.

Data and insights connect these three areas to enable a commerce-everywhere experience.

Fewer retailers reported seeing the connection compared to last year, illuminating the organizational challenges and competing objectives that arise when thinking about the shopper.

Do you see a connection between retail media and shopper and loyalty strategies?



- Yes, we see them all working together frequently
- Sometimes - on occasion, budgets and/or strategies across the three areas work together
- No, budgets and strategies are always handled separately

A commerce-everywhere mindset can support your other RMN goals.

A commerce-everywhere approach aligns with top 2023 RMN opportunities.

Forge deeper partnerships with technology & media

partners: more offsite investments create stronger relationships.

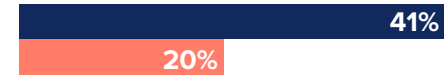
Build a stronger connection between merchant & retail

teams: this is a stepping stone to move toward commerce-everywhere.

Grow brand incremental investments: commerce-everywhere opens new avenues for brand investment and your revenue.

What are the **two largest opportunities** for your digital retail media business?

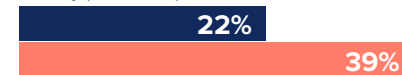
Create deeper partnerships with technology companies and media platforms (Google, Facebook, Criteo)



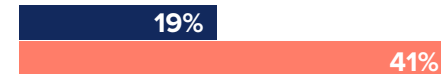
Grow advertisers'/brands' incremental investments



Solidify partnerships with endemic advertisers/brands



Monetize insights for advertisers/brands



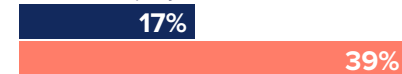
Provide greater personalization for shoppers



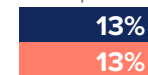
Ensure you have a competitive solution to the current RMN landscape



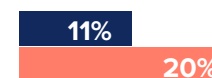
Monetize first party data



Develop a stand-alone business unit with its own P&L



Provide a way to partner with non-endemic advertisers/brands



■ 2023 ■ 2022

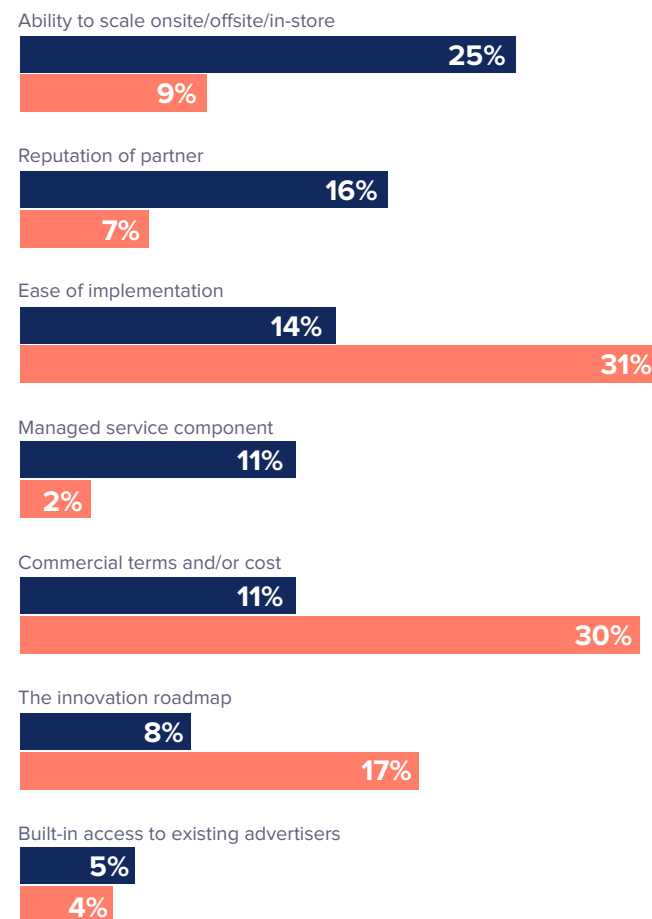
Set the foundation for a commerce-everywhere approach with the right tech.

The top factor this year when deciding which tech to use for an RMN was ability to scale onsite, offsite, and in-store – but only 25% of retailers are thinking that way. **Jump on the opportunity to weigh this heavily in your tech decisions to deliver value that matters to brands.**

Actively seeking a monetization partner? Google (80%), Amazon (77%), and Salesforce (50%) were the most-used partners in this year's survey.

If you're struggling to find the right partner, you're not alone: it was the biggest challenge for scaling digital retail media business in this year's survey (36%).

What is the top factor when deciding **which technology** to use for your retail media network?



■ 2023 ■ 2022

Stand out by embracing brand initiatives not historically owned by RMNs.

The importance of a connection between merchant, loyalty, and RMN teams as a key RMN feature increased 8x from 2022, from 4% to 36%.

Lean into this – and delight brands – by supporting loyalty, promotions, games, and sweepstakes.

Which retail **enterprise services** and partnerships would you like to see **offered** or **bundled** with the RMN?

Store and web services for new product launches, sampling, etc.

58%

Loyalty, promotions, games, and sweepstakes

53%

Customer journey strategy

50%

Merchant team joint business planning

50%

Product inventory management

47%

Creative services

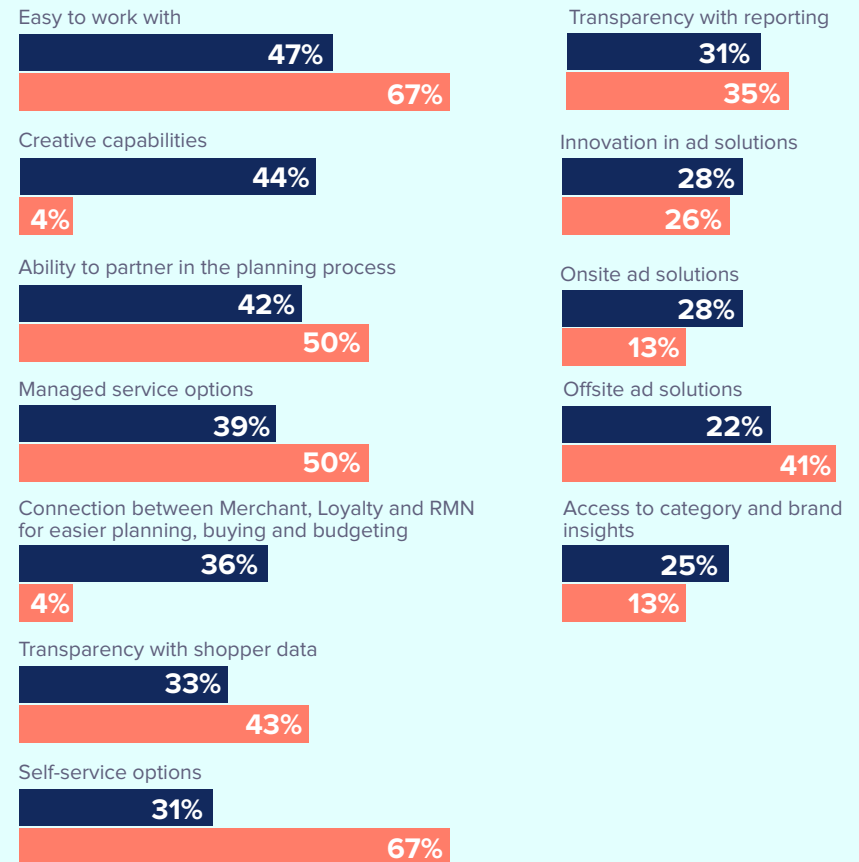
28%

Commerce- everywhere amplifies the need for good creative.

It creates connectivity across the buying journey and helps the brand tell a consistent story, no matter where they're engaging with the shopper.

It's no surprise, then, that **creative capabilities** skyrocketed as a key RMN feature for brands year over year.

What are the **key features** you look for in a **retail media network**?



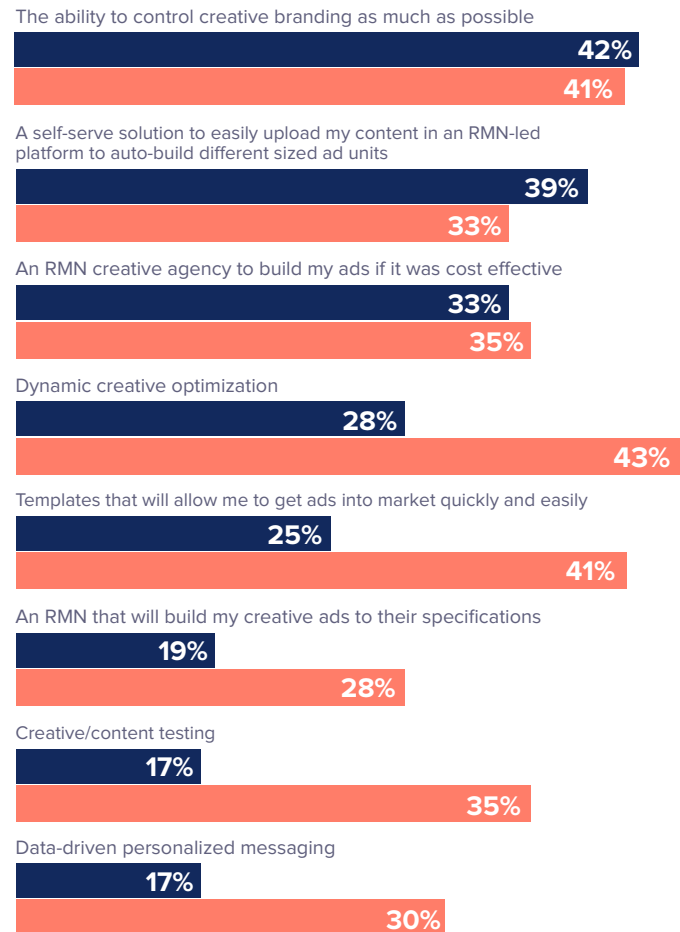
■ 2023 ■ 2022

Brands echo that creative branding and control are important to them.

The top priority for brands with RMN creative is to control branding as much as possible, followed closely by self-serve solutions.

As more advertisers invest in retail media, they may not all have agency support – making self-serve a critical option.

From a creative perspective, which of the following options do you deem **important** when considering whether to **work with a retail media network**?



■ 2023 ■ 2022

Dynamic creative optimization (DCO) is the gold standard for scaled personalization.

DCO's automation supports efficiency via feeds and personalization via localized content. It also makes testing faster and easier.

Twenty-five percent of RMNs offered DCO to brands as a monetization program in 2023, up from 15% in 2022. The vast majority that have it are using it for data-driven personalization and production efficiencies.

How is dynamic **creative optimization** leveraged?

Internal production efficiencies and scale

88%

Data-driven personalization of content and creative

81%

Rapid testing capabilities

31%

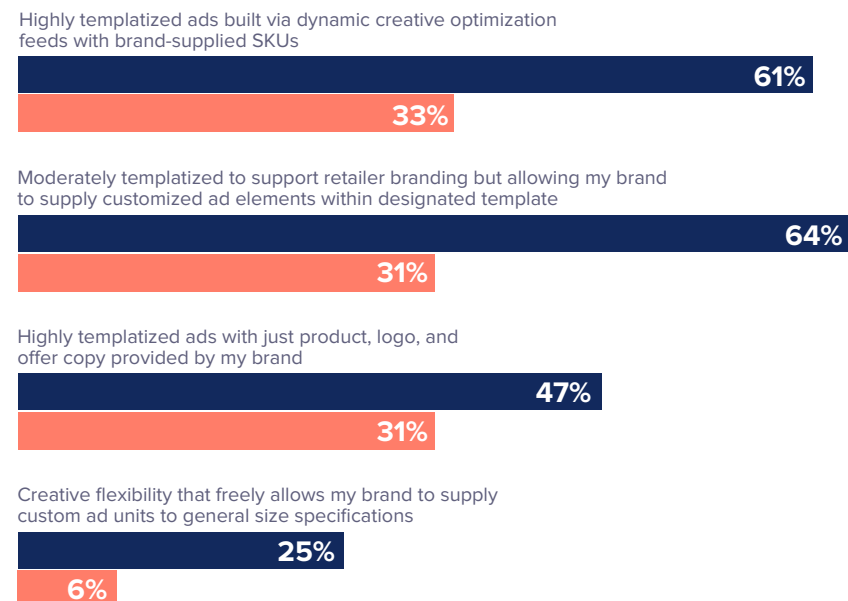
There's a disconnect between what RMNs provide and what brands want.

Highly templated ads are most in-demand, but RMNs more commonly offer moderate templation.

This shows the importance of planning your offerings around what brands want and care about.

Since brands are most interested in some templation and self-serve solutions, a combination of the two could be your best bet moving forward. Remember to ask your actual brand partners what they want – don't just rely on our data!

What type of **creative flexibility** do you desire/offer?



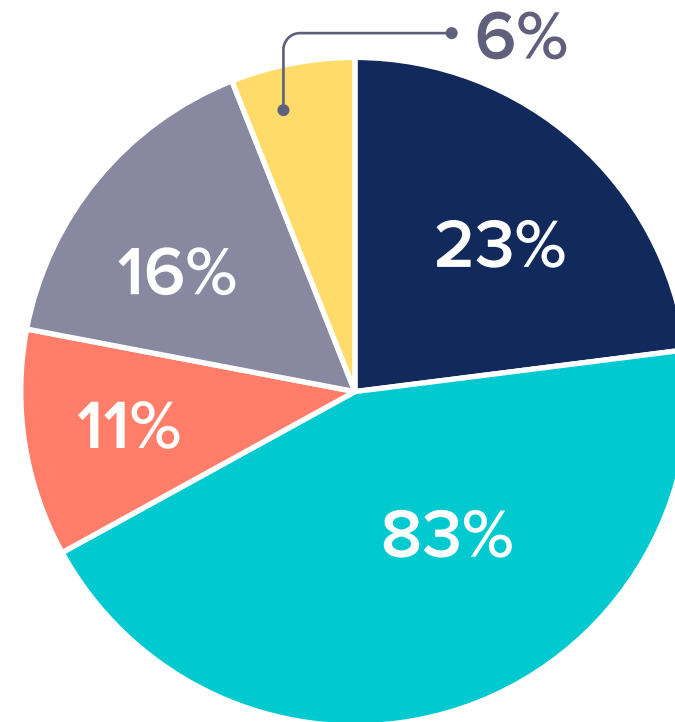
■ RMNs Provide ■ Brands Prefer

Consider monetizing creative as an additional revenue stream.

As your RMN scales, so too will your creative costs. Currently, only 6% of RMNs profit from their creative. **There's an opportunity to make money on creative with how important it is to brands.**

You can choose to pass on some or all costs to advertisers to help the bottom line. Alternatively, low-cost offshore agency teams can help reduce your overall creative costs to improve profitability.

How do you treat **creative costs**?



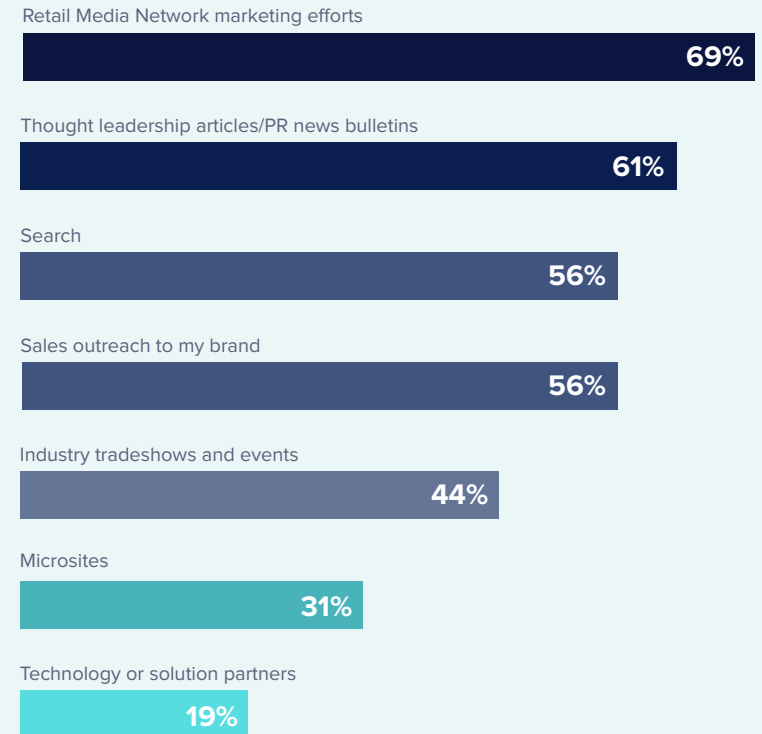
- Absorb creative costs within the enterprise creative team
- Absorb creative costs within the retail media network financials/margin
- Pass creative costs on to brands/advertisers
- A combination of absorbing costs and passing them along to brands/advertisers
- Mark up creative costs to generate additional revenue/profit for our RMN

You've nailed your data, commerce connectivity, and creative – how do you get brands on board?

Sixty-nine percent of brands decide where to invest their retail media dollars based on the RMN's marketing efforts.

The stakes are high to get it right. Let's dig into how to do it.

How do you learn about or research retail media network(s) to determine where to **invest marketing dollars**?



The top feature brands look for in an RMN is that they're easy to work with.

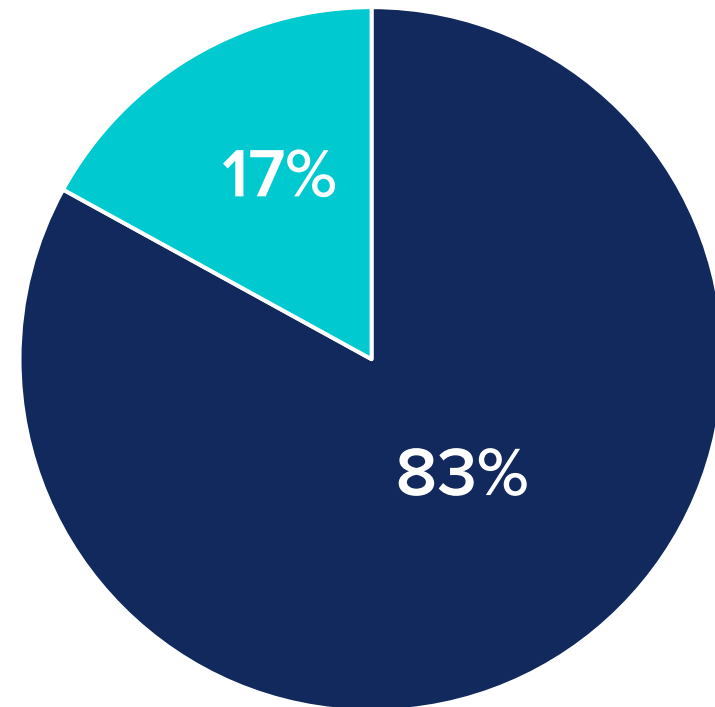
Make brands the star of your sales approach so they can see how you'll help them.

83% of RMNs already use a marketing plan to grow – that's a great start!

Brands want a strategic partner who understands their business. Use sales to create that relationship by focusing on **empathy, marketing expertise, and problem-solving skills.**

You'll build trust and credibility and set the stage to align on mutually beneficial goals.

Do you currently follow a **marketing plan to grow** your retail media network (for example, B2B email campaigns, events, webinars, etc.)?



- Yes, we regularly advertise and market our retail media network via B2B channels
- We do limited marketing for our retail media network

Include reinvestment strategies and successes in the conversation.

Brands want to know how their RMN investment will improve performance and market share. Stand out by:

Identifying their needs to align the investment to the brand's and retailer's priorities.

Educating the brand on how you'll solve their needs by presenting solutions that align with their asks. Then, craft KPIs that will effectively measure progress on those areas.

This approach, called "solution selling," multiplies success for brands and retailers alike.

When partnering with an RMN's client facing team, what is the one **most important** thing for them to share in the planning process?

How a 'reinvestment strategy' improves brand performance and market share

28%

Media share of voice across RMN's .com site and in-store

17%

Merchant priorities and key tentpole events

17%

Category case studies

14%

Category and brand level insights

8%

Category performance benchmarks

6%

Category pacing to plan

6%

The category's competitive landscape

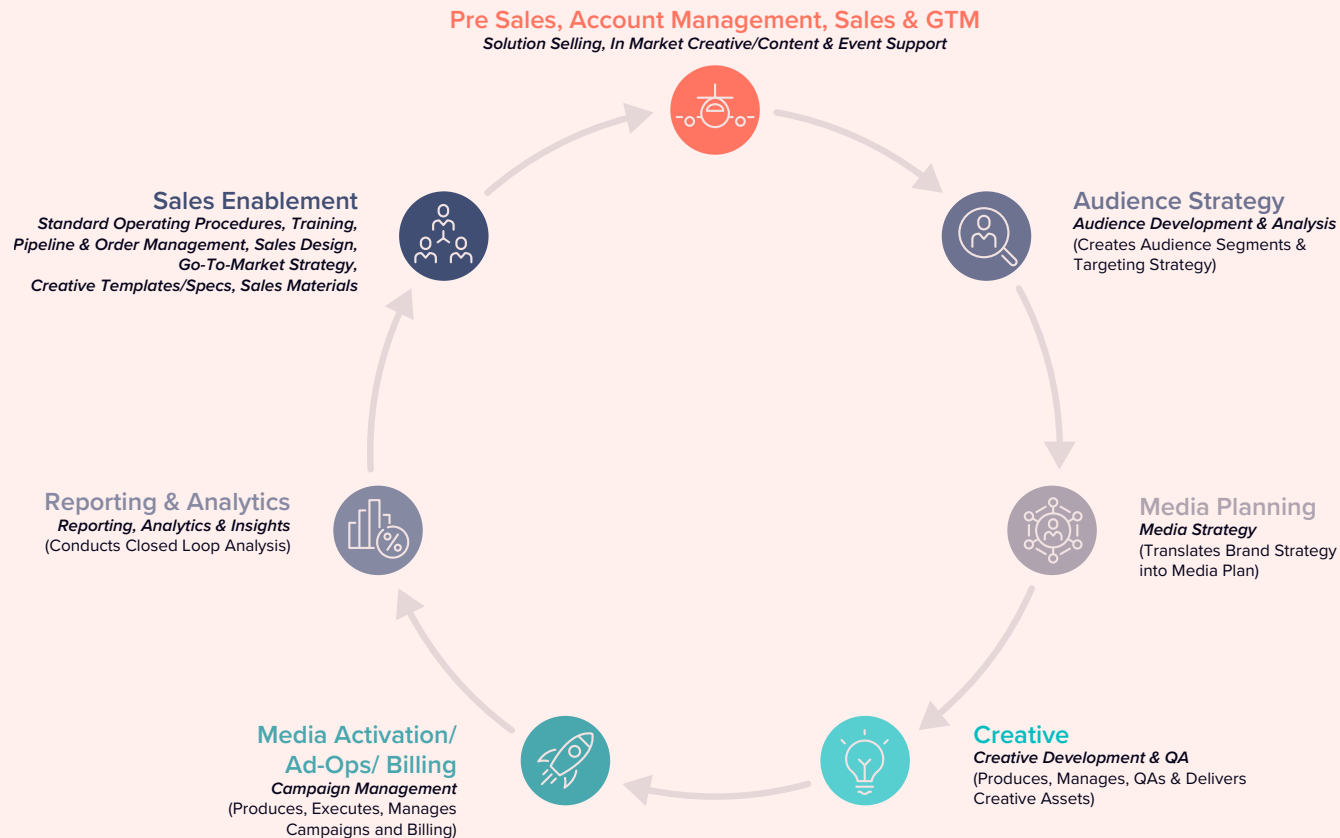
6%

Bring it all together to fuel your RMN's success.

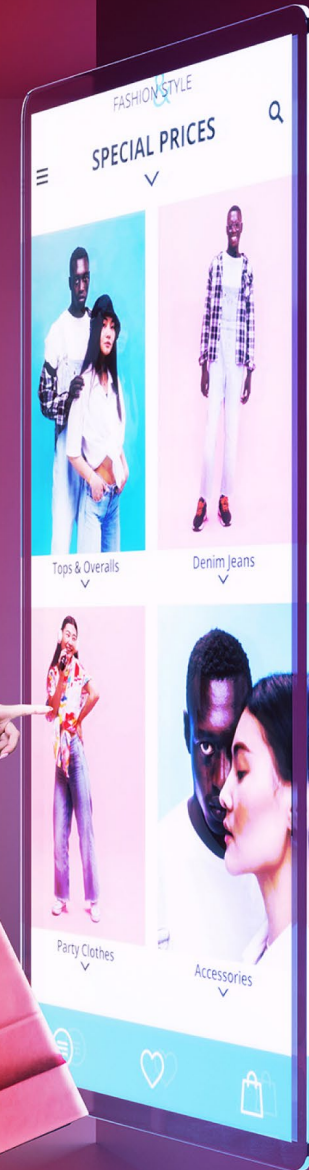
Data monetization, a commerce-everywhere approach, great creative, and brand-centered selling are more powerful when they're working together.

Collaborate across teams to align your efforts. This will create better experiences and outcomes for you, your brands, and your shoppers.

See how it all works together in this diagram:



What's Now for Brands

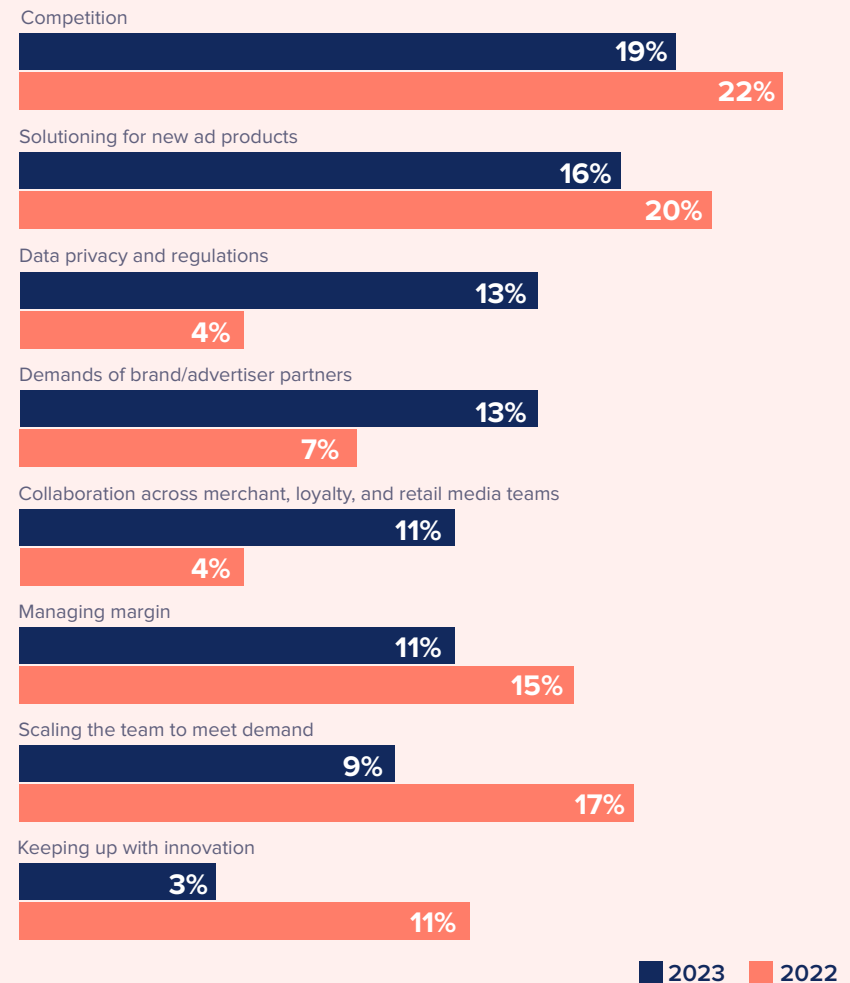


Brands hold a position of power in a competitive retail media landscape.

RMN options are plentiful, and their top concern is competition. Their capabilities, maturity, and audiences vary – **how can you figure out the best opportunities for your brand and make the most of each partnership?**

Here are four focal areas for you to forge the right retail media relationships and scale your program.

Which is the **largest potential concern or challenge** about your retail media business?



Our Top **Recommendations** to Achieve RMN Growth

01

NAVIGATE THE COMPLEX LANDSCAPE

Understand who's out there to help you reach your target audiences effectively.

02

CREATE A SEAMLESS SHOPPING EXPERIENCE

Find RMN partners that can give you the audience data and tools to reach your shoppers across their journey.

03

INTEGRATE TO OVERCOME ORGANIZATIONAL SILOS

Plan at the shopper, category, or portfolio level to deliver cohesive experiences.

04

APPROACH ANALYTICS & MEASUREMENT SMARTLY

Look at cross-RMN performance and match KPIs to business goals to boost performance and CX.

With so many RMN options, you don't have to settle.

Surveyed brands partnered with 41 different RMNs in 2023, with each offering a range of solutions.

With this many options, you're likely to find an RMN (or a few!) that offer the capabilities you want.

Don't be afraid to be selective with your criteria.

What types of **monetization solutions** do you offer for brands/advertisers to participate in?

Social media (buying, media from Facebook, Pinterest, etc. to resell as co-op media to your brands/advertisers)

78%

In-store digital media

59%

In-store physical media

50%

Email sponsorship

42%

Onsite (.com) banner ads & display advertising

41%

Off-site media display

34%

Search

33%

Self-serve portal for brands/advertisers to launch campaigns

30%

Off-site media video

33%

Onsite (.com) brand pages

28%

Data-driven content personalization

28%

Data and first party audience insights without media

27%

Dynamic creative optimization

25%

Self-serve portal or dashboard for reporting

22%

Out of home (OOH) media

17%

Creative testing

16%

Addressable/connected TV

13%

Custom audience segmentation

11%

Closed loop reporting

6%

RMNs are motivated to hear your perspectives and wants.

What if you find that the perfect RMN doesn't exist?

Voice your needs! Think of RMN partners as an extension of your team, who you're building a relationship with that extends beyond a specific channel.

RMNs want to grow their brands' investments and solidify partnerships with advertisers. Letting them know what you want will help them plan their roadmap – or they may find other ways to address your asks.

What are the two **largest opportunities** for your digital retail media business?

Create deeper partnerships with technology companies and media platforms (Google, Facebook, Criteo)

41%

Building a connection between merchant teams and retail media

22%

Grow advertisers'/brands' incremental investments

22%

Solidify partnerships with endemic advertisers/brands

22%

Monetize insights for advertisers/brands

19%

Provide greater personalization for shoppers

17%

Ensure you have a competitive solution to the current RMN landscape

17%

Monetize first party data

17%

Develop a stand-alone business unit with its own P&L

13%

Provide a way to partner with non-endemic advertisers/brands

11%

Marketing efforts are a reliable way to find out about new RMN opportunities.

83% of RMNs are regularly advertising via B2B channels, so you shouldn't have to work too hard to find out about new opportunities.

When you do engage in conversations, **consider the top RMN pain points brands have faced** and how you and the retailer can work together to avoid them.

Which is the most **concerning issue** you've experienced working with retail media networks?

Too many contacts to execute a single campaign

22%

Sales teams that are product-centric instead of brand-centric

17%

Costly service fees

17%

Errors or late in market delivery

14%

Lack of reporting capabilities

11%

Lengthy timelines to get campaigns to market

11%

I have not experienced any of these issues

3%

Complicated creative specifications

3%

Limited ad products

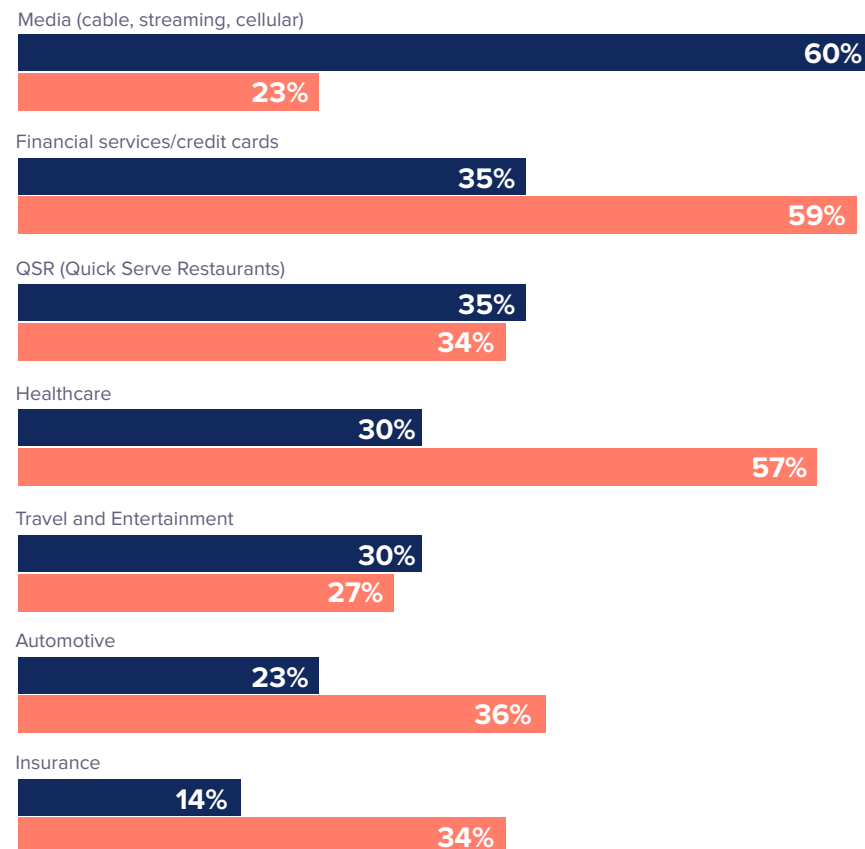
3%

If you're a non-endemic brand, pay special attention to audience alignment.

More verticals are partnering with RMNs as non-endemic brands.

Endemic brands (who sell on the retailer's site) already have clear shopper audience alignment. **Non-endemic brands must take extra care to ensure they're reaching the right shoppers and getting the right data from their RMN partnerships.**

Which verticals do you work with as approved non-endemic advertisers?



■ 2023 ■ 2022

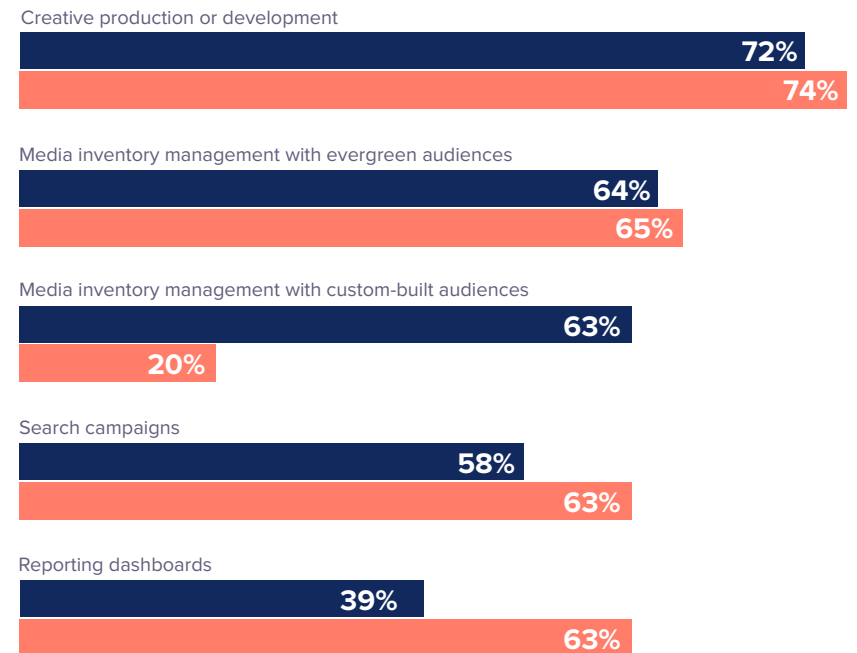
Finding the right partners in the RMN landscape is critical to making great customer experiences.

An RMN partnership gives you access to first-party data to better know your shopper. The right partners should also provide capabilities that mesh with your resources and allow you to reach your audiences in a personalized way with data-driven creative and content across channels.

Look for self-service tools that simplify audience activation.

More than 60% of retailers offer self-service tools for managing evergreen and custom-built audiences. This can be valuable if your brand has the expertise and resources to manage audience deployment, **as self-service options add flexibility and transparency.**

Does your monetization program provide any of the below **self-service tools** for brands/advertisers?



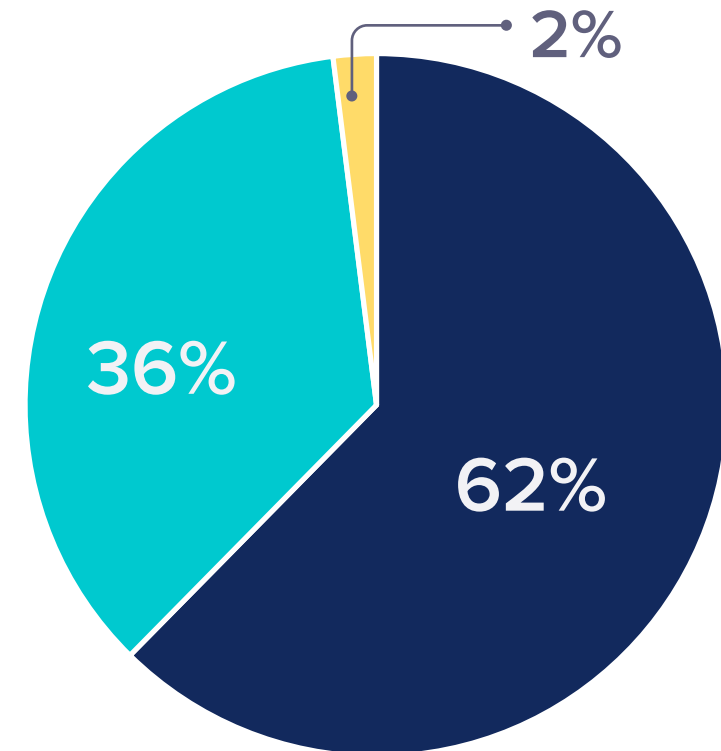
■ 2023 ■ 2022

Find an RMN that sees a strong connection between retail media, shopper, and loyalty strategies.

Only 36% of retailers see retail media, shopper, and loyalty strategies working together frequently.

To deliver a seamless shopping experience, especially in an omnichannel world, those three areas need to be in sync. **Look for RMNs that demonstrate a cohesive strategy across the three.**

Do you see a connection between **retail media** and **shopper** and **loyalty** strategies?



- Yes, we see them all working together frequently
- Sometimes - on occasion, budgets and/or strategies across the three areas work together
- No, budgets and strategies are always handled separately

Choose creative capabilities that align with your team's needs.

Creative is a critical component of brand experience, and solutions can vary dramatically from RMN to RMN.

Evaluate your team's needs so you can **find the right level of flexibility without taking on more responsibility than your bandwidth can accommodate.**

What **creative flexibility**, if any, do you primarily offer to advertisers?

Moderately templated to support retailer branding but the advertiser can supply customized ads within designated template

64%

Highly templated ads built via dynamic creative optimization feeds with advertiser supplied SKUs

61%

Highly templated ads with product/logo/offer copy only provided by the advertiser

47%

Freely allow advertiser to supply custom ad units to general size specifications

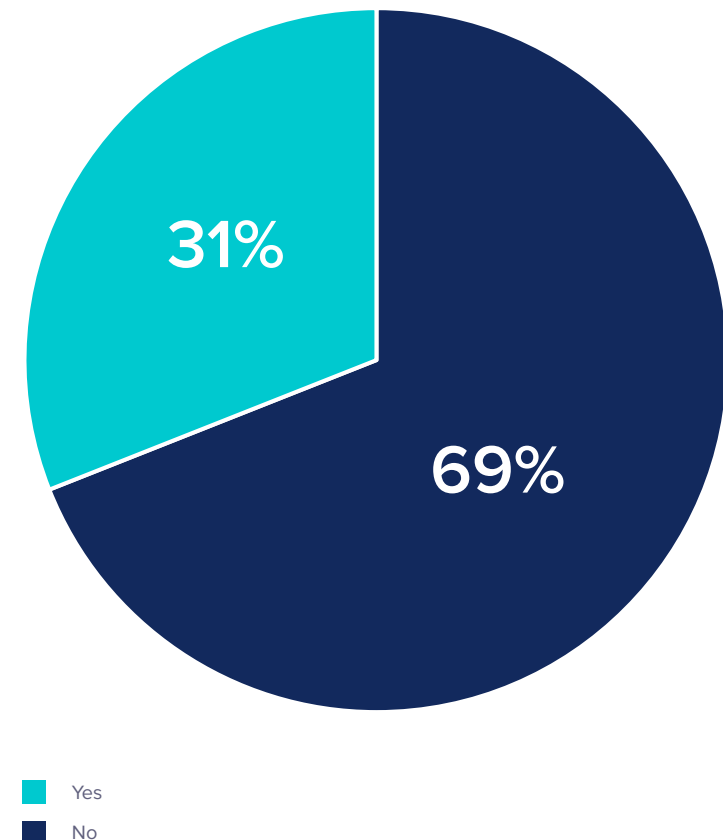
25%

If you're part of the **69% of brands** who've invested in their first-party data, look for opportunities to co-mingle.

As a brand, your customer insights are probably limited to your own data set collected through media, loyalty programs, and owned-and-operate properties. **RMNs provide an important opportunity to enhance your data set.**

Look for an RMN that can co-mingle their first-party data with yours to create a more robust picture of your shoppers that helps you better meet their needs.

Have you invested in **your own first-party data**?



You can't create seamless customer experiences if your organization is disjointed.

Brands that plan and manage at a shopper, category, or portfolio level are outperforming those that manage at a channel level. The winding shopper journey requires increased coordination across marketing departments and other teams in the business.

In-store initiatives introduce a new layer of necessary coordination.

The top ask from brands is in-store tactics and digital media, but to capitalize you must **foster collaboration across various departments.**

You need technology and measurement to activate in-store tactics in a way that's valuable to the shopper. Additionally, teams in marketing, loyalty, merchandising, and more must collaborate to create cohesive engagement.

What is the one **innovation** that you would **most like to see** come from Retail Media Networks?

Greater account service and strategy from the media network post-IO



Live dashboards for campaign reporting



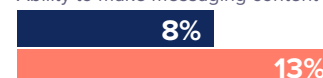
More ad solutions such as OTT, CTV, Voice, Audio



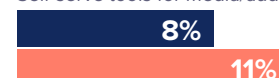
Inclusion of insights into the offering



Ability to make messaging content more relevant via the use of data or data triggers



Self-serve tools for media/audience planning



Monetization of and access to retailer's first party data without media



More social channels



Realtime optimizations



■ 2023 ■ 2022

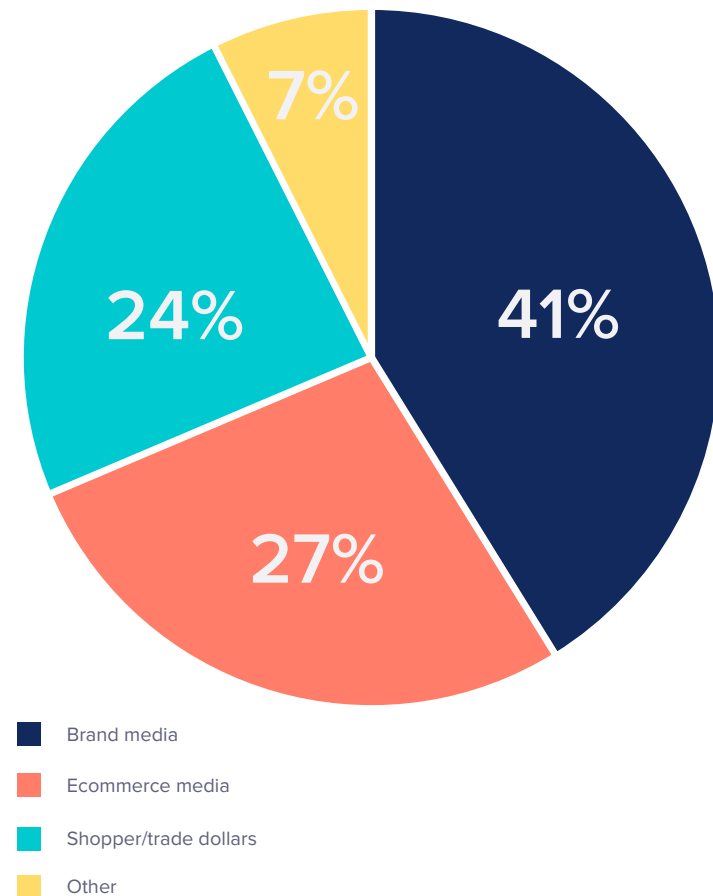
Start by navigating organizational and financial priorities.

RMN investments come from multiple teams – each with their own agendas, stakeholders, and KPIs.

Almost all retail media investments used to come from shopper/trade dollars. We now see brand media spend contributing the most.

Planning must happen in a collaborative way, with business-level goals taking priority over department-level agendas.

What percentage of your incremental retail media network spend comes from **brand media dollars** vs **ecommerce dollars**?

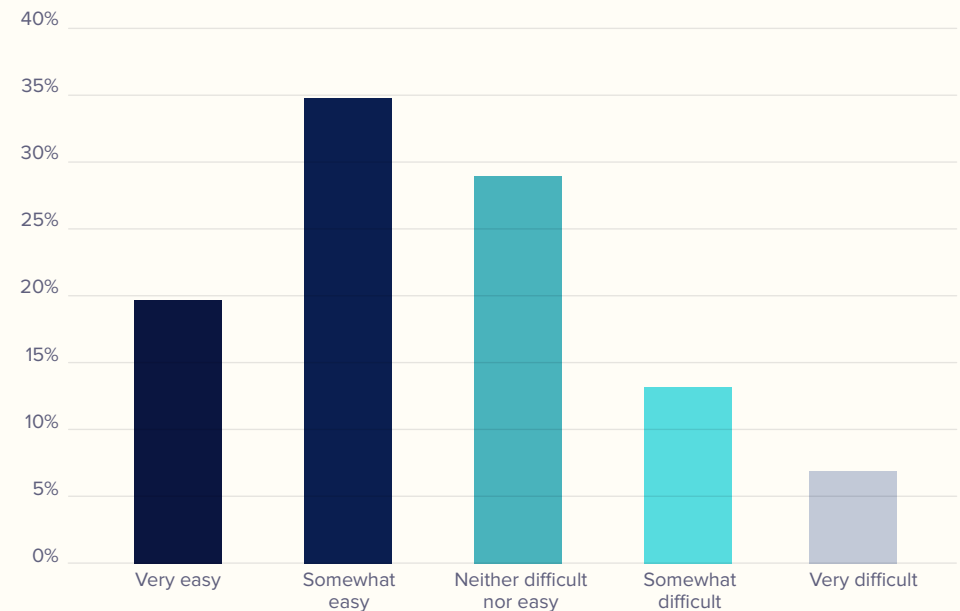


A comprehensive analytics view supports all other brand initiatives.

One of the biggest silos to break down to navigate a complex landscape and create seamless experiences is in your data.

Brands are working with more RMNs than ever before. Evaluating their performance holistically is critical for understanding where to spend your next dollar. **Yet only 53% of brands find it easy to compare results across RMNs.**

How easy is it to compare results across the RMNs you work with?



58% of brands have in-house teams to bring together data, measurement, and insights.

But there's still a concerning **28% of brands who work with multiple RMNs and do not compare their performance.**

Regardless of how you're doing it, there are several key considerations for planning your analytics approach.

If you work with multiple retail media networks, how do you **compare performance** across them?

We have an in-house analytics team



We work with a partner (Skaii, Pacvue, Commerce IQ)



We work with multiple retail networks, but do not compare performance across them



An agency handles our analytics



We do not work with multiple retail media networks



■ 2023 ■ 2022

Consider how you categorize RMN investments and create KPIs accordingly.

With shifts in the economy, **brands are keenly focused on bottom-of-funnel success.**

When **evaluating performance** of your offsite and onsite media investments with retail media networks, what do you **take into consideration?**

Engagement (clicks, conversions, impressions)

50%

Incremental return on investment/return on ad spend (iROI or IROAS)

50%

Return on investment (ROI) or return on ad spend (ROAS)

44%

Brand safety

39%

Incremental sales

31%

Viewability

31%

Reach

31%

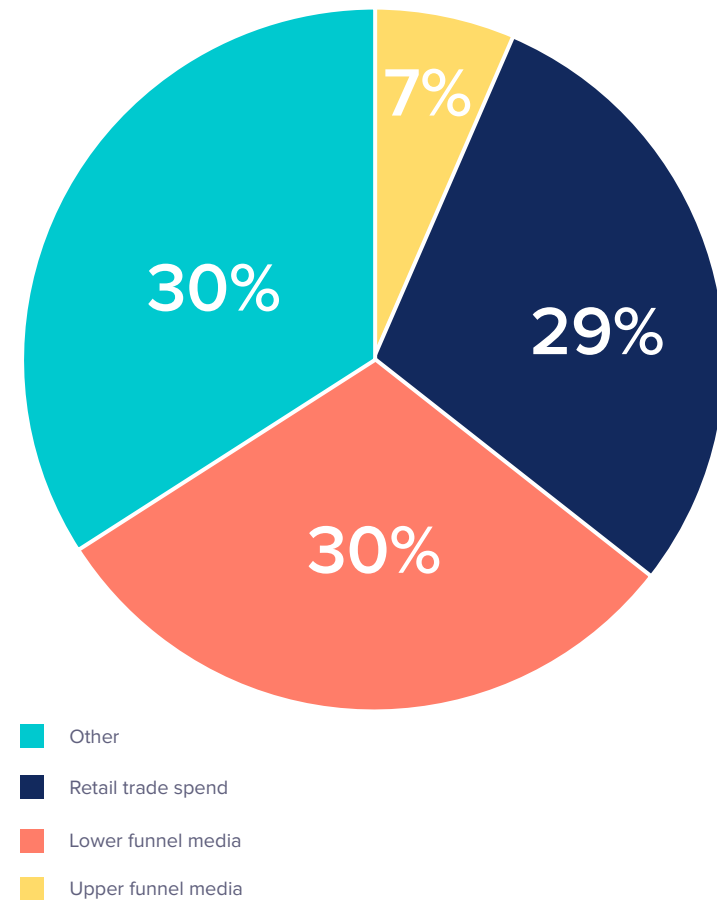
New-to-brand buyers

17%

Upper-funnel and lower-funnel spending may demand different success metrics.

Fortunately, brands are better aligning their KPIs to retail media's place in the funnel this year. This reverses a trend we saw last year, where there was a disconnect between how brands categorized their investments and how they measured them.

How do you categorize your **retail media spend**?



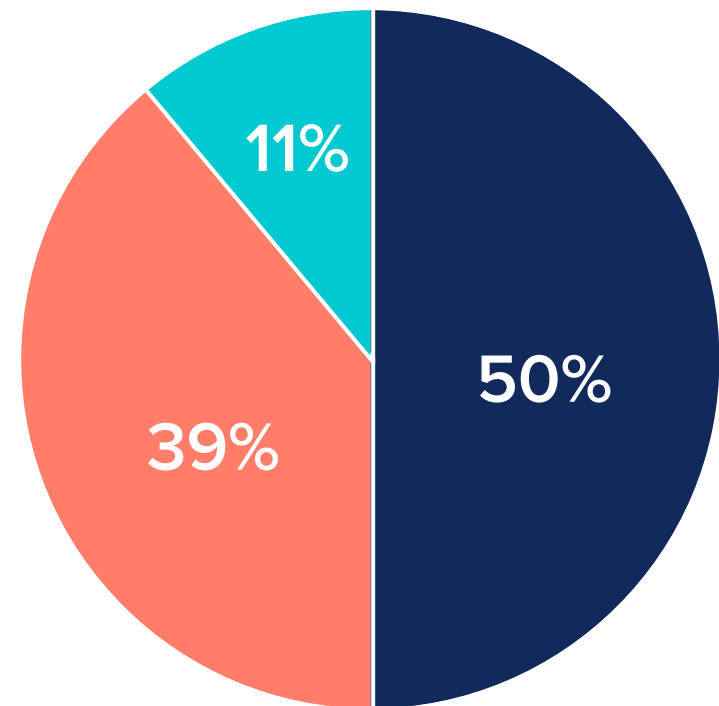
Use your position of strength to hold RMNs accountable to explain data and deliver incrementality.

Ask for clear measurement. Only 50% of brands clearly understand KPIs and can translate them to broader business outcomes.

Push for incremental gains. Only 31% of brands look at incremental sales when evaluating RMN investments, while 17% consider new-to-database customers.

Remember, **you and your RMN partners are a team** – by helping you align performance to your roadmap, they benefit from a higher likelihood of sustained or higher investments from you.

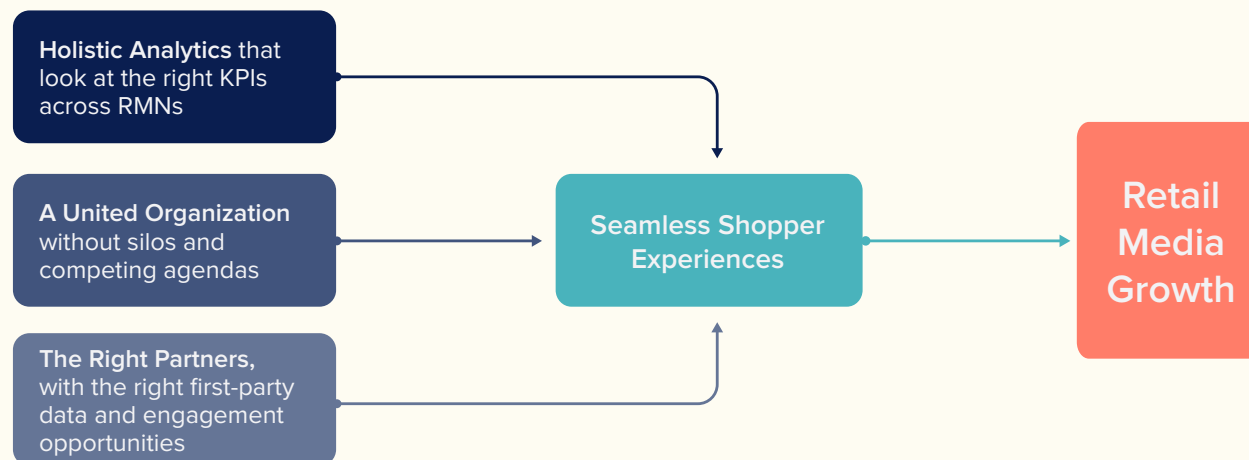
When **evaluating performance** of your offsite and onsite media investments with retail media networks, what do you **take into consideration?**



- I clearly understand the KPIs our RMN partners report and can articulate what they mean/represent to others in the business.
- I know what the KPIs stand for, but can't translate them to broader business implications.
- I grasp the KPIs well enough to gauge if they're moving in the right or wrong direction, but don't exactly understand how they're calculated or why we're measuring them.

Bring it all together to forge the perfect RMN partnership and improve CX.

Retail media is expected to be an [\\$85B industry by 2026](#) – the opportunity is massive. The way to capitalize on that opportunity is through strong partnerships that enable better shopper experiences. Ask the right questions, think about holistic journeys, remove silos, and combine analytics to put your brand in a position for success.



What's Next?

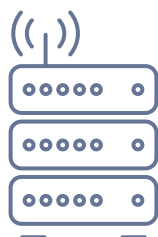


What to watch for in the 2024 Retail Media Landscape



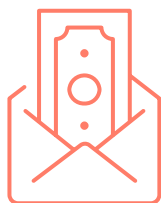
Identity & Data

New, strategic first-party data offerings coming from RMNs



Acceleration of Non-Endemic

Inclusion of non-endemic offerings incorporated into more RMNs within the landscape



New Revenue Solutions for Brands

Capitalizing on the opportunity for monetization of brand first-party data & media efficiencies



Artificial Intelligence (AI)

Operational effectiveness, automation solutions, content & creative solutioning, and strategic planning



Expansion Beyond Retail & Existing Categories

New entrants across multiple verticals & categories following the RMN model (i.e. travel, entertainment)

Identity and data expansion in 2024

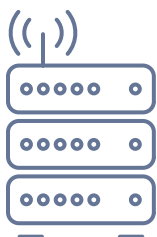


Brands' interest in retailers' first-party data to understand shoppers and inform business decisions has fueled RMN growth. Recent tech developments, like clean rooms, have made identity even more critical.

Brands are increasingly asking for strategic planning based on that first-party data. Investment in identity solutions and partnerships can help fill that need.

72%
of brands that have invested
in their first-party data have
used a clean room to co-
mingle data with an RMN

Non-endemic acceleration in 2024



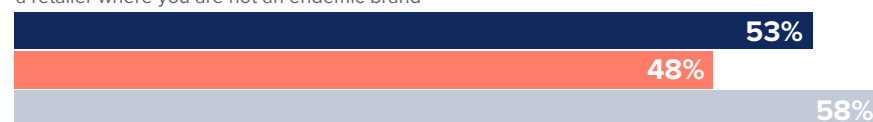
Non-endemic brands are those that buy data or media from a retailer even though their products aren't sold at that retailer.

58% of brands often take advantage of non-endemic data and media offerings, yet the majority of RMNs do not focus on non-endemic.

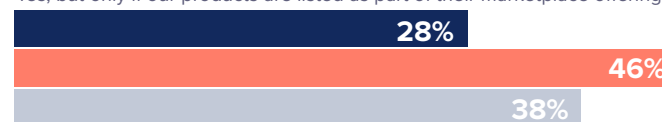
Retailers capitalize and differentiate by meeting this brand need.

Have you ever **taken advantage of data** or a **retail media network offering** at a retailer where you are not an endemic brand?

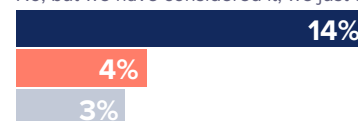
Yes, we often take advantage of their data and media network offering at a retailer where you are not an endemic brand



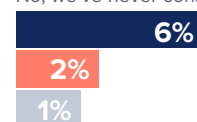
Yes, but only if our products are listed as part of their marketplace offering



No, but we have considered it, we just don't know how to engage

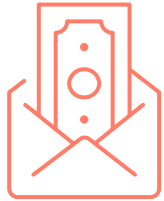


No, we've never considered it



2023 2022 2021

New revenue streams for brands in 2024



Monetization has historically meant RMNs providing insights and data to brands.

Now **there's an untapped opportunity for brands to monetize their own first-party data** or partner with a retailer to accelerate growth of their first-party data for future alternative revenue strategies.

69%
of brands have invested in
their own first-party data

The power of artificial intelligence in 2024



Generative AI can help fuel a CX revolution with its predictive powers. Building generative AI strategy upon relevant, custom-trained models creates large advantages for retailers to connect more closely with their consumers.

With AI, retailers can grow in 3 key areas:

Enhance existing workflows to maximize efficiencies

Streamline operations to unlock scaled revenue

Accelerate time-to-market of strategic initiatives

Media networks outside of retail in 2024



Though the RMN landscape is competitive, there's still room for new verticals and categories.

Retail proved out the media network model and built the foundation for it; now, **companies in travel, automotive, quick-serve restaurants, and more** are applying the same principles to open new revenue opportunities for their companies.

companies are applying the same principles to open new revenue opportunities for their companies.

Parting thoughts and additional resources

Retail media remains one of the most exciting, dynamic spaces in marketing. In addition to the new insights and data we've shared here, we invite you to explore our other related content on some of the topics we've covered:

[Unlock New Revenue Streams with A Strategic Approach to First-Party Data](#)

[So You've Built a Retail Media Network... Now What?](#)

[How to Build Trust in Your Retail Media Efforts](#)

[Media Networks: Not Just for Retail Anymore](#)

[The Importance of Creative in RMN Strategies](#)

[Five Tips to Get Started with Dynamic Creative Optimization \(DCO\)](#)

Merkle's New Stream Media & Retail Group

Our Methodology

The data in this report was collected via survey in July and August 2023. We surveyed 100 executive, senior, and mid-level decision makers in marketing, retail media, merchandising, ecommerce, and shopper marketing roles.

Respondents work at brands and retailers with over \$50M in annual revenue. All participating retailers have a shopper marketing or co-op marketing program, as well as a monetization program that's incremental to their shopper marketing. All participating brands categorize themselves as either CPGs or consumer brands.

E-Retail Practice

On the buy side of retail media, our E-retail Strategy and Activation team brings data-driven, forward-looking strategies to media activation, helping brands maximize opportunities across retail media networks and marketplaces. Merkle's retail media planning solution, Merkury for Commerce, is a data-driven solution that helps brands partner with retailers to determine where to invest across the retail media landscape.

New Stream Media Practice

We know first-party data like no one else. We match your vendors with your shoppers in the right media channels. Our retail monetization offering, New Stream Media, works with leading brands and retailers on the sell side as they build and evolve their retail media network offerings, focusing on the creation and scale of their monetization business.

The New Stream Media network is a total solution or a flexible service.

- Retail Media Discovery and Design Consulting Services or Readiness Assessment
- Media Sales and Go-To-Market Strategy
- Complete Activation Solutions
- Creative Campaign Solutions including DCO
- Adtech Consulting and Implementation

About the Merkle Retail Media Group

The retail industry is experiencing an evolution brought about by accelerated changes in consumer behavior. CPGs & brands across categories are rising to meet these challenges through innovation and direct-to-consumer relationships, while retailers are seeking to monetize their data and enhance the shopper experience.

Merkle connects the unique needs of retailers, brands and shoppers in performance media by leveraging real data to grow your business and to put people first. The Merkle Retail Media group has a unique offering for brands and retailers across activation (buy-side) and monetization (sell-side), helping to create and manage over \$1.25 billion in value for retail media networks. The intersection enables knowledge sharing and innovation across data, media, creative, and analytics offerings for brands and retailers.

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MERKLE

Merkle, a dentsu company, is a leading data-driven customer experience management (CXM) company that specializes in the delivery of unique, personalized customer experiences across platforms and devices. For more than 30 years, Fortune 1000 companies and leading nonprofit organizations have partnered with Merkle to maximize the value of their customer portfolios. The company's heritage in data, technology, and analytics forms the foundation for its unmatched skills in understanding consumer insights that drive hyper-personalized marketing strategies. Its combined strengths in consulting, creative, media, analytics, data, identity, CX/commerce, technology, and loyalty & promotions drive improved marketing results and competitive advantage. With more than 16,000 employees, Merkle is headquartered in Columbia, Maryland, with locations in 30+ countries throughout the Americas, EMEA, and APAC. For more information, contact Merkle at 1-877-9-Merkle or visit www.merkle.com.

