Guide to Retail Media

An introduction for advertisers & media buyers

Discover what retail media is, why it holds such rich opportunities for advertisers, and how new standardised metrics are paving the way for smarter, more profitable buyer investment

www.abc.org.uk/retailmedia

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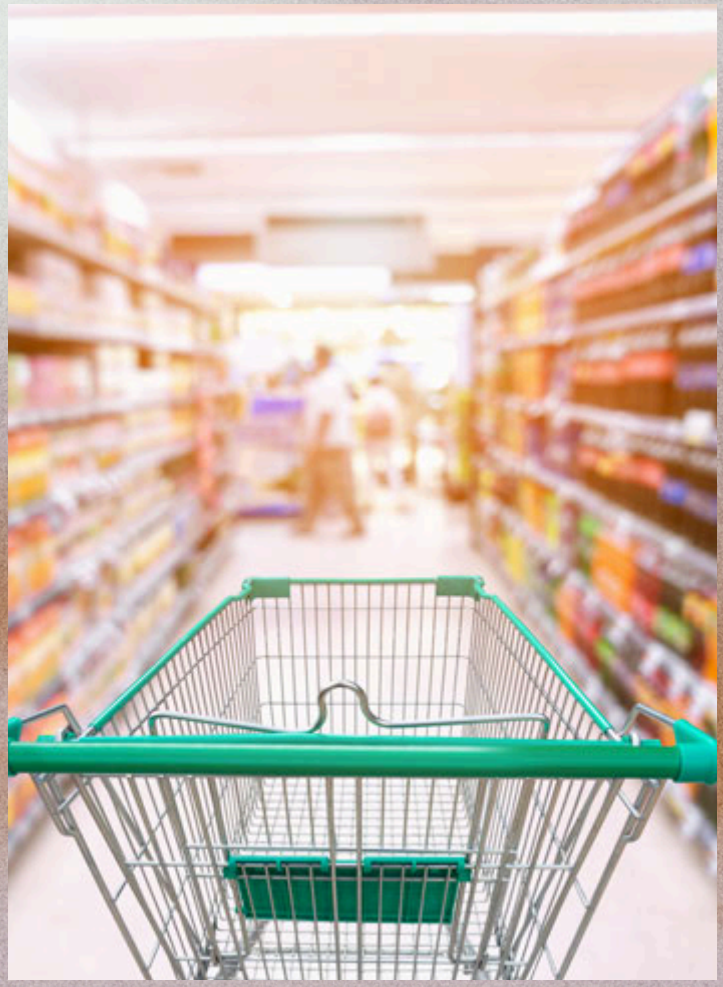


RETAIL MEDIA'S METEORIC RISE

Retail media has become one of the hottest topics in the industry – and for good reason.

You only need to look at some of the latest statistics to see how quickly this market is growing...

According to IAB Europe, retail media ad spend in Europe grew by 3.5 times the total ad market in 2023 and is predicted to reach €31bn by 2028.

IAB UK reported that retail media is on track to break the £1 billion mark in the UK in 2025, and that's excluding Amazon.

Nearly half of responding advertising professionals surveyed said their agencies advised clients to invest in retail media to raise consumer awareness of a brand or product. One in three did so to make use of retail media as a first-party data source. (Statista 2024)

What do we mean by retail media and retail media networks?

Essentially, retail media refers to any advertising opportunity offered by a retailer, whether digital or in-store.

A Retail Media Network (RMN) is the specific platform or system that a retailer uses to plan, execute and measure advertising campaigns.

RMNs can comprise of On-site, Off-site and In-store digital activations. Let's look at each of these more closely...

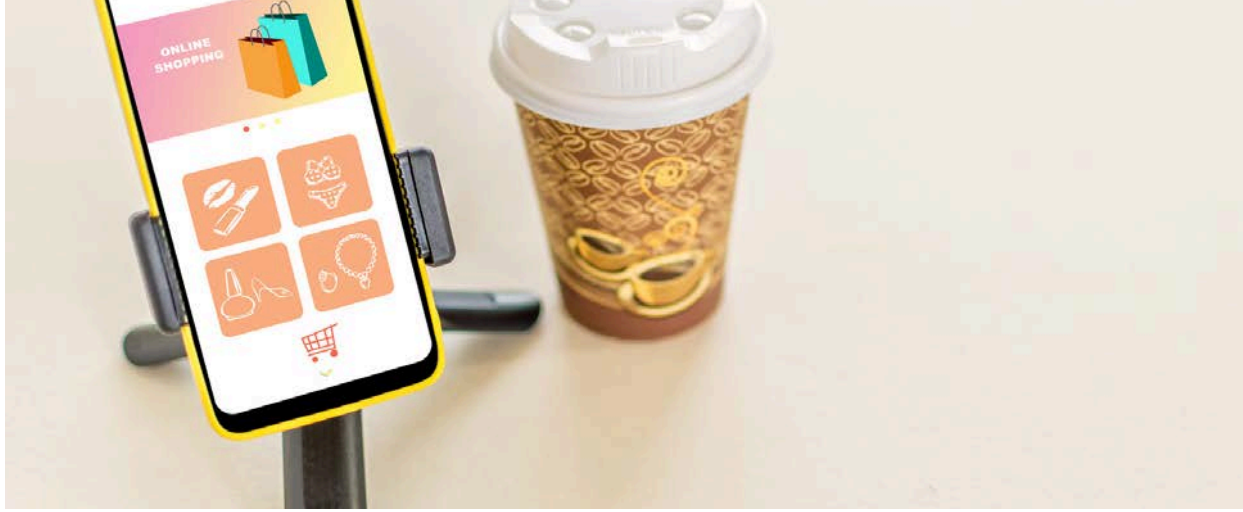
On-site advertising is sold on the retailer's own digital properties or digital store, for example a supermarket website and app like Sainsbury's, or on consumer marketplaces such as Amazon.

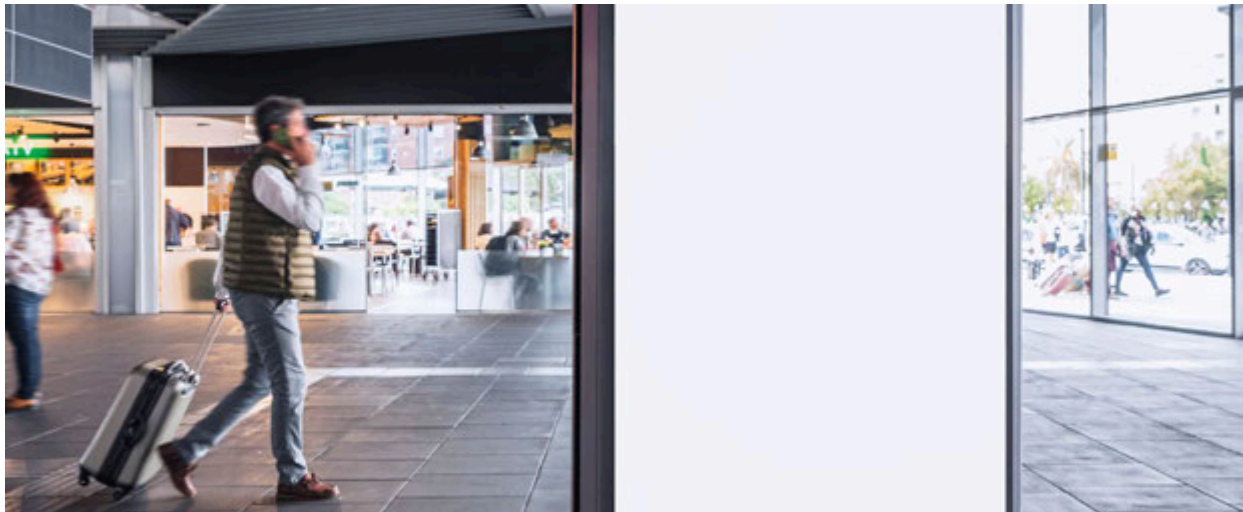
On-site advertising is sometimes referred to as the 'digital shelf' – somewhere a brand can raise its visibility online. The in-store equivalent is a promotion on a supermarket shelf or at checkout.

Off-site advertising is where retailer data is used to buy advertising on third party inventory. As well as sites and apps, this may include channels such as social, CTV or DOOH. This process is similar to what we might know as 'audience extension'.

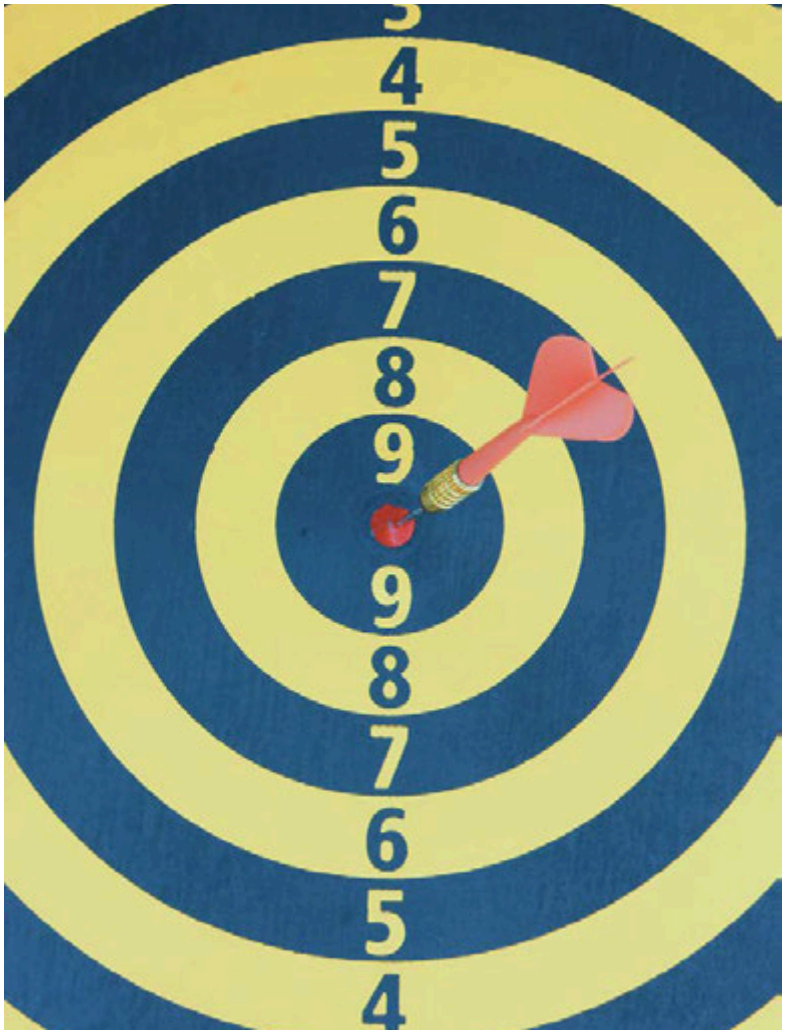
In store media activations are the type of digital advertising placements you might find in store, such as digital displays, in store radio, TV, and even hand scanners.

Advertisers can choose which of these channels to use as part of a multi-channel or omni-channel campaign.





WHY RETAIL MEDIA OFFERS A GOLDEN OPPORTUNITY FOR ADVERTISERS



Three main reasons: rich data, the opportunity to target consumers close to the point of purchase and high ad performance accountability.

Rich Data

Retailers have access to **abundant first-party data and insights** on our shopping patterns and behaviour - particularly if we're part of a loyalty programme such as Tesco Clubcard or Nectar. They know when we buy, what we buy, even what we looked at and chose not to buy. There's a lot of consented data that retailers hold about us, that doesn't rely on cookies and other 'intent' signals.

Using this data, advertisers can precisely target consumers based on actual shopping behaviour, rather than using proxy data. For example, a brand can identify those shopping in a certain category but not yet buying their particular brand, or identify shoppers buying in adjacent categories and choose to target them.

Ready to buy

Retailers can reach consumers at or near to the **point of sale.** When we're on retail media sites we're already in the mindset to buy, we have our basket open and can just drop extra products in.

High ad performance accountability

Most RMNs can **directly link ad spend to product sales** (when you click on the ad you can often go straight through to purchase on the same site or app). This is called 'closed loop attribution'. Brands can more accurately measure the impact of their campaigns and understand which touchpoints are driving the most conversions. So, the analysis of ROI is clearer.

Another appeal is that retail media is viewed as a relatively **brand safe channel**, whether that's onsite or in-store, providing added reassurance to buyers.

What do dishwasher tablets and cars have in common?

Interestingly, the opportunities offered by retail media aren't solely for brands and products that are actually sold on the site where they're being advertised.

An **'endemic brand'** is the name given for companies that sell products on the platform where the ad appears, for example dishwasher tablets on a supermarket website.

'**Non-endemic'** brands are those that sell products or services that are not sold by the platform where the ad appears, for example a car manufacturer advertising on the same supermarket website.

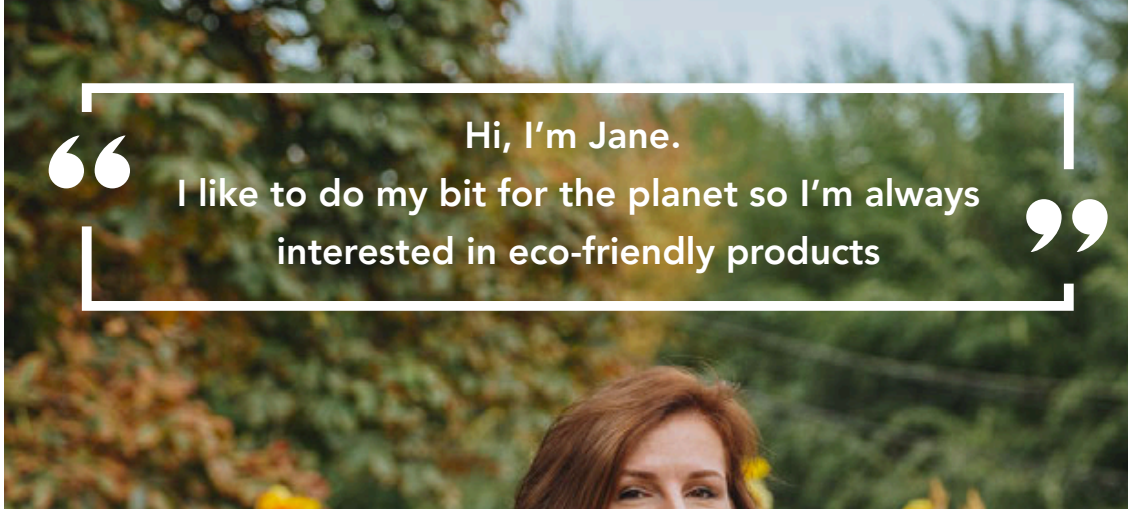
The difference between endemic and non-endemic is mainly the point of sale.
Picture Jane, who has a good income which is reflected in the higher-end products she buys. Her supermarket data also reveals she tends to buy eco-friendly products. So an eco-friendly dishwasher tablet brand would probably flag her as a likely target for their ad.

However, Jane is also a high prospect target for a non-endemic brand such as an electric car manufacturer, who would also be drawn to her higher spend and eco-conscious buying habits.

So, **both brands have the same target audience and benefit from the same powerful first party data insights.** The difference might be in how the media buyer wants to measure success:

- For the dishwasher tablet brand, they might be able to measure an actual sale as a direct result of a user clicking or viewing the ad.
- For the electric car manufacturer, they may instead choose to use a metric that indicates a growing interest or loyalty to the brand, such as landing page visits or requests for product information.

In both cases, the RMN in question needs to be set up to capture these specific metrics if they want to successfully meet the individual measurement needs of different advertiser clients.



STANDARDISATION – SECURITY FOR BUYERS, INCREASED OPPORTUNITIES FOR RETAILERS

By setting rigorous standards and working with independent auditors, we are enabling retailers to showcase their commitment to best practices and industry leadership. This programme is not just about certification; it's about elevating the entire Retail Media landscape.

- Townsend Feehan, CEO at IAB Europe

Despite its huge potential, the growth in retail media has highlighted some challenges. In particular, buyers have cited the fragmentation of Retail Media Networks and their lack of standardisation as barriers to further growth. To solve this issue, they've been calling for consistent measurement and transparency. And the industry has delivered...

IAB Europe

In April 2024, IAB Europe launched their Retail Media Measurement Standards, providing buyers with a framework of consistent metrics so they're able to compare retail media investment with other digital investment. The standards cover online measurement, and are applicable to both on and off-site platforms.

IAB UK

In January 2025, IAB UK announced it has expanded the scope of the IAB Gold Standard — an initiative aimed at tackling challenges in the digital ad industry — to include retail media for the first time.

The Gold Standard requirements cover a subset of the IAB Europe Retail Media Measurement Standards and are aimed at on site channels.

These initiatives are a strong step forward in the road to delivering measurement standardisation across retail media networks, supporting buyer confidence and setting the stage for even faster growth.

... Bringing retail media into the Gold Standard for the first time shows how the sector is maturing to embrace shared frameworks and definitions. We're very pleased to have appointed ABC as the official auditor of the retail media pillar in the Gold Standard.

- Patrick Hann, Ad Tech Manager at IAB UK

WHAT'S NEXT?

With these certification programmes recently launched, a number of RMNs are in the process of embarking on one or both certification processes, or are discussing next steps with eligible auditors.

As the exclusive auditor for the IAB UK's Gold Standard retail media pillar, and an approved auditor for IAB Europe's Retail Media Certification Programme, ABC is uniquely placed to offer RMNs a streamlined path to adopting both certifications so they can enjoy increased time and cost efficiencies - making it even easier to share standardised data with you.

As our Chief Executive Simon Redlich comments, "Retail Media offers a host of opportunities for media buyers. The ability to accurately compare performance across a range of networks will surely accelerate the already rapid growth of this dynamic new market."

If you're working with an RMN and find their campaign data hard to analyse comparatively, ask how close they are to becoming verified to either the IAB Europe or IAB UK Gold Standard certification programmes.

ABOUT ABC

ABC is your independent industry-owned auditor, structured to deliver impartial and trusted assurance services. In addition to Retail Media, our audit programmes underpin a range of industry standards and bespoke requirements globally.

Our wealth of experience in areas such as brand safety, viewability, data privacy, ad fraud and TV measurement perfectly position us as your expert Retail Media auditor.

For more information visit www.abc.org.uk/retailmedia.

trust in media