



# A Guide to Retail Media

## Emerging Opportunities in an Always-On Shopping Landscape

**IAB Canada Committee Industry Paper**

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## Introduction

As our awareness shifts towards first party data and the key it holds to unlocking the opportunities left for advertisers to address audiences in the next iteration of online advertising, we are focusing our attention on practical applications that can be implemented today. Over the past months we have seen rapid developments in the retail media space and our members are paying close attention.

In collaboration with the Retail Media Committee, IAB Canada has developed this guide to buying retail media as an introduction to this exciting new channel. The aim of the guide is to provide foundational information that describes the opportunity, delves into the unique capabilities offered through this type of buying strategy and provide best practices to invest wisely. The document is an organic industry paper and will be updated as new information becomes available.

*Consumers are always  
shopping online - everywhere.*

## Defining Retail Media

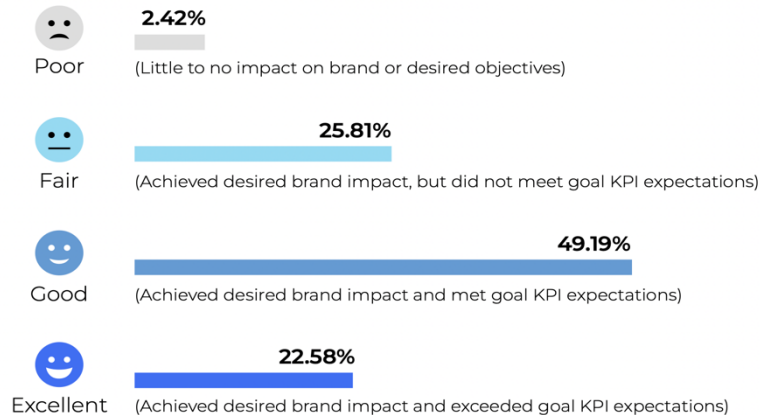
Retail Media describes a broad set of advertising tools and infrastructure, where brands leverage a retailer's customer data, digital platforms, in-store experiences or customer analytics for advertising execution and measurement.

While Retail Media has roots in eCommerce advertising, such as sponsored searches and display banners, it has evolved significantly as a channel to include eCommerce placements, in-store advertising, such as digital screens and audio, and offsite amplification via social or programmatic media. No two Retail Media companies offer identical solutions, but this guide attempts to give an overview of the major ad types and solutions available.

With the tremendous growth of eCommerce, we have seen platforms perfecting their ability to attract customers, personalize offerings and influence behaviors based on native algorithms and first party data. Today, these platforms have largely opened their offerings to outside advertisers and have seen impressive results. A recent Skai & BWG study that captures feedback from 163 of the world's leading agencies, brands, aggregators,

technology providers, publishers, and retailers reported that 71% of advertisers surveyed found retail media delivered "Good" or "Excellent" results in 2022.

**Overall, how would you describe the results driven by retail media in 2021?**



Source: State of Retail Media 2022 Skai & BWG

Digital in-store shelving, end-caps, and in-aisle features have become accessible and democratized through unearthed media inventory that is well-suited to a surprisingly broad range of advertisers.

Often appearing as native ads on home, category or search results pages, Retail Media placements benefit from trusted retailer brand association, rich first party data that creates predictively appropriate opportunities and, in some cases, can leverage harder to access tools like dynamic pricing. As a major attractive extension, some retail media partners provide audience retargeting capabilities against audience clusters that are defined by the retailer, as in-market and highly qualified.

## Why the Big Deal? Why Now?

Historically, due to disparate technical platforms and opportunities, advertisers implemented siloed online and offline marketing programs. It's true that in recent years, brands have come close to capturing end-to-end attribution data using cookies and select partnerships, but these methods have been diminished due to increasing constraints on access to data ([cookie deprecation](#) being the largest factor). Further, brands don't have direct line of sight into purchase behaviours beyond their last click attribution models. This lack of visibility makes it hard to reach audiences that are likely to buy without hefty investments into an open marketplace. Given the importance of data in decision-making and optimization, accessing the storefront proxy has become the holy grail of digital ad campaign success.

With eCommerce sales remaining much higher than pre-pandemic levels, there has been a lasting impact on consumer behaviour. Leveraging Retail Media networks allow brands to access consumers who are engaged in a shopping experience. Ads feel more relevant in environments that capture the context of their experience at point of sale. When shoppers engage with a brand's retail media or purchase their products from an online store, it provides the advertiser an opportunity to receive powerful first-party insights that can help them create sharpened segmentation strategies, better communicate offerings and even inform product development. With a core part of Retail Media Networks' offerings coming from buying offsite inventory including DOOH, display, social media and video, in addition to owned sources, the opportunity to reach sizable and relevant audiences is powerful.

More Retail Media companies and solutions are being brought to market every year. This can add complexity for advertisers as they try and identify new ways of working and identify the best-performing Retail Media solutions for their objectives.

## Leveraging First Party Data – The Win-Win-Win

The ability for brands to leverage a retailer's first party data is at the core of Retail Media. Retailer first party data is often made available for brands via customer insights to drive media planning, pre-defined or custom audience segments for targeting, or use of transactional data for measurement and attribution.

This use of first party data is often called a "win-win-win". It is a win for brands as it offers them unique targeting and measurement capabilities; a win for retailers, as it allows them to monetize their digital and physical properties and a win for customers who see more relevant, targeted digital advertising.

Acknowledging the importance of protecting sensitive and valuable Personally Identifying Information (PII), brands are often subject to advertising policies and licensing agreements that prevent certain uses (and misuses) of customer data. Some common restrictions include preventing against use of overly small segments, restricting data from sensitive purchase categories, and avoiding ethnic or income-based targeting. It's best to consult with each Retail Media company on their audience targeting policies and practices. One common approach to first-party data that is gaining momentum within Retail Media is [data clean rooms](#).

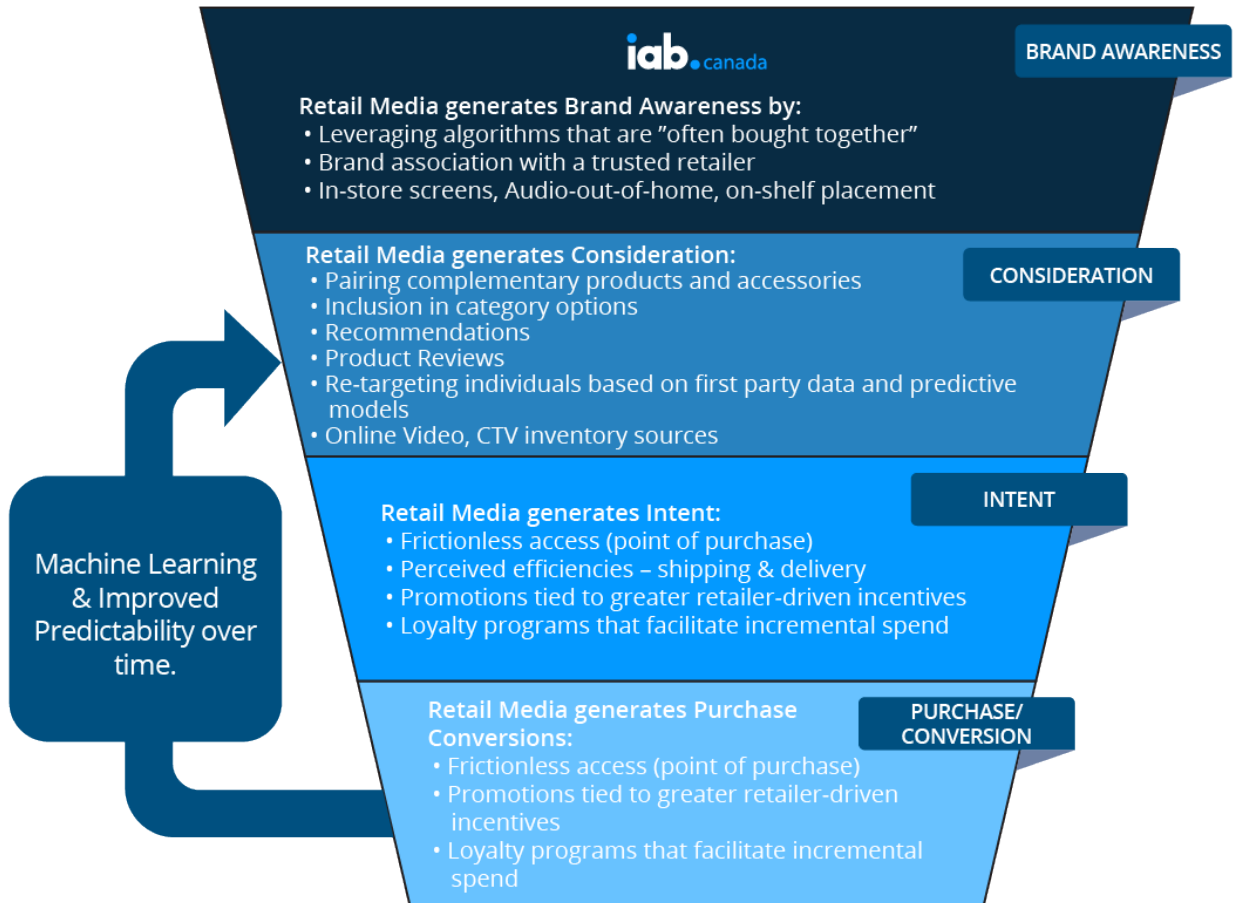
While large media platform and retailers had existing infrastructure to support integration of first party data to access audiences in a privacy-protected way, Data Clean Rooms (DCRs) have exploded in popularity and have quickly become an essential ad tech layer in the digital advertising ecosystem. DCRs allow brands, retailers and publishers to input their data and match it for activation and attribution purposes without any party revealing any personally identifiable information (PII) to the other. Using a DCR means that partners can remain in control of their respective data while enhancing it and accessing audiences across highly effective media platforms.

While larger retailers have impressive audience reach and a wealth of segmentation to offer, retailers of all sizes can extend their own audiences by collaborating with publishers through the use of DCRs and thereby offer a unique value proposition to advertisers. This type of lower funnel activity creates a win-win situation for the retailers as well as the advertiser in that it encourages a visit to the storefront. This type of strategy is associated with SEO in that retailers can leverage the enormous number of SKUs to drive traffic back to their environments while offsetting the costs through third party advertising. It also means that retail advertisers are investing across a broad vertical landscape to captivate audiences. Essentially, the products become an intensified centre piece of a retailer's distributed content strategy.

## How Retail Media Fits into a Media Strategy

Over the past decade, we have seen brands push their media buying strategy further down the purchase funnel. While we have seen some sophistication emerge in attribution models that assign appropriate value to upper funnel activity, advertisers are most comfortable investing media where they have a closer proxy to the purchase. This is where Retail Media presents us with a fascinating new reality. The channel provides advertisers with a hybrid effect – media purchased on retail platforms provides both upper funnel brand awareness opportunities as well as point of sale lower funnel conversion inventory.

# The Retail Media Purchase Funnel



IAB Canada 2023





## The Consumer Journey & Touchpoints

Today's shopping experience includes a multitude of touchpoints. Consumers use a wide range of resources before making purchase decisions across all categories. Research carried out by Google CEE and Ipsos that surveyed 4,200 consumers across four categories of products and services, confirmed that the majority of decision-paths include a mixture of online and offline searches. And according to Forbes research, 66% of customers use social media as their shopping strategy.

**66%** of customers use **social media** as part of their shopping strategy (Forbes Survey 2021)

Consumers' online and in-store purchase patterns further underscore the importance of extending audiences to beyond specific retail environments and building out strategies that include a broader reach to meet the omnichannel realities of the purchase process.

While categories may show variances in touchpoints, media insights gleaned from the point of purchase are uniquely positioned to optimize a frictionless path to the end transaction.

	 Laptop	 TV	 Mobile Contract	 Clothes
Online path only + online purchase	14%	11%	6%	12%
Offline path only + offline purchase	5%	8%	10%	23%
Mixed research/no search + online purchase	48%	40%	32%	21%
Mixed research/no search + offline purchase	33%	41%	52%	43%
	<b>81%</b>	<b>81%</b>	<b>84%</b>	<b>64%</b>

Source: Google CEE - Ipsos Study 2018

The Google CEE - Ipsos chart above shows that most decision-making paths include a mix of online and offline factors.

As such, Retail Media companies are looking to diversify their solution offering, connecting with customers pre-shop, during, and post-shop, and in digital and traditional channels.



## Ad Placements Available Through Retail Media

Retail Media provides a broad canvas of options for advertisers to place ads. Given the multiple touchpoints consumers have on their path to purchase each of the following options provide visibility along the way:

**Digital assets on owned and operated website or mobile web for retailer** - includes many IAB assets as well as custom native/sponsored products.

**Mobile app environments** – particularly effective in the context of loyalty experiences, the one-to-one personalization of the mobile environment can provide a powerful tool to influence both online and in store purchases.

**Streaming audio services in-store or as part of an extended reach buy** – audio is a powerful in-store medium that helps influence in-aisle purchase behavior. Custom streaming within store environments and geo-fencing are both part of this exciting audio channel.

**Email marketing** – email marketing remains a powerful tool to reach loyal customers. Often used to announce new product drops or promotions, inclusion in email marketing can help drive sales and or consideration.

**In store video** – many brick and mortar environments have integrated screens into the retail environment. Whether streaming custom content on recipes or showing how-to tips, in store video can provide an engaging medium for shoppers while in-store.

**Extended reach campaigns** that include all forms of digital media like social, search, display, DOOH, video and more, enhance existing brand media efforts and can deliver on a wide-range of outcomes across the funnel.

All placement types described above provide access to audiences or transactional data to guide planning and deliver measurement.

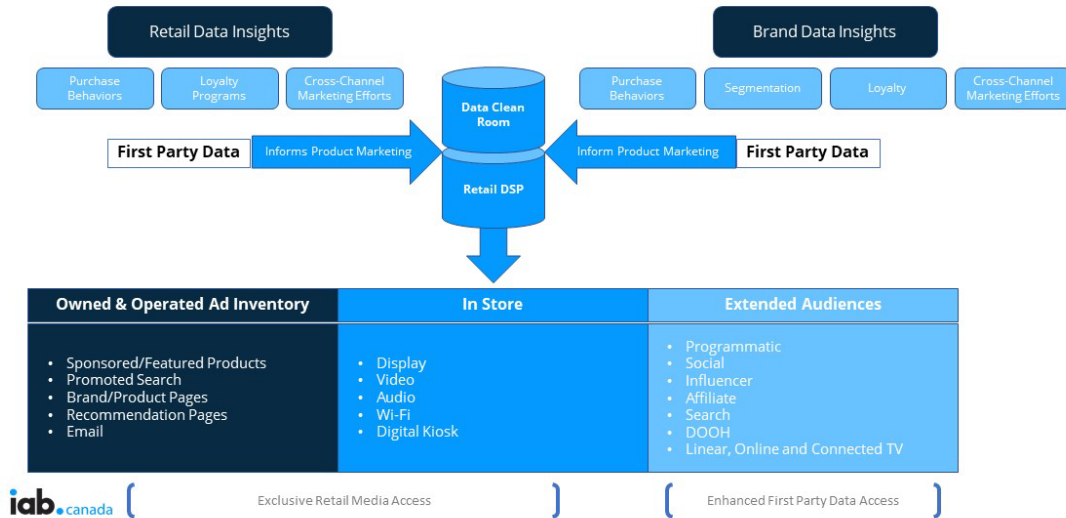
### A Closer Look at DOOH

Part of a Retail Media Network's "integrated" inventory which includes a hybrid of on- and off-platform inventory, including things like the retailer's emails, SMS pushes, in-store screens and more, RMNs offer place-based inventory next to or near a point of interest.

Placements can range anywhere from display ads positioned in points of interest close to a shopping center to a specific store location's audio stream for a particular time of day. DOOH screens and streams can be embedded anywhere of interest or direct value.

Further retail media placements can occur on non-retail and non-publisher properties like transportation, delivery services or hotels.

## Retail Media Activation



## Who Buys Retail Media?

As detailed in previous sections, there are several stakeholders at play when it comes to deriving the benefits from the channel. The operationalization of Retail Media presents another layer of complexity.

A retailer embarking on media sales must navigate the internal responsibilities between the existing traditional marketing business and a new Retail Media marketing business unit. This means that the go-to market approach becomes two-pronged. Given that Retail Media inventory is used to drive traffic and conversions to the retail property, the third parties being serviced in the process require a new agency-like structure. Similar to decentralized brand activity, there is a separation line between broader retail brand awareness which may focus on overarching anthemic themes that speak to the retail services, loyalty programs and brand attributes, versus the more granular efforts aimed at product and category marketing.

On the buy side, we see an emergence of Retail Media divisions coming into play with holding companies realizing both the opportunities and the complexities associated with Retail Media planning and buying. Retail-specific marketplaces are being built to service existing clients while building out infrastructures for new businesses looking to capitalize on specialized agencies to manage their first party data programs in the retail space.

Each stakeholder holds similar roles within their mandates. Following is an overview of responsibilities in the media buying and selling landscape:

Stakeholder	Sales & Account Management	Planning & Buying	Operations/Campaign Execution	Unique Attributes
Retail Media Platform/Publisher	<ul style="list-style-type: none"> <li>Relationship Owner</li> <li>Campaign Accountability</li> <li>Liaison with Brands, Agencies or other Third Parties</li> </ul>	<ul style="list-style-type: none"> <li>Audience Insights</li> <li>Segmentation</li> <li>Campaign Analysis and Optimization</li> <li>Monitor Media Performance</li> </ul>	<ul style="list-style-type: none"> <li>Internal Inventory Management</li> <li>Trade Desk Operations</li> <li>Dynamic Ad Insertions</li> <li>Budget Controls</li> <li>Self-Serve Platforms</li> <li>Product Feeds</li> </ul>	<ul style="list-style-type: none"> <li>Retail Media Platform Intelligence</li> <li>Customer Behavior Expertise</li> <li>Competitive Data Sets</li> <li>Direct Platform Access</li> </ul>
Advertiser/ Brand/ Agency	<ul style="list-style-type: none"> <li>Works across multiple brands and clients.</li> <li>Develops KPIs and media objectives.</li> <li>Performs inventory of existing assets and platform solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Creates &amp; implements segmentation strategies.</li> <li>Develops campaigns across Retail Media Partners</li> <li>Collects &amp; Analyzes Campaign Data</li> <li>Integrates reporting to wholistic media dashboards.</li> </ul>	<ul style="list-style-type: none"> <li>Direct Retail Partnerships</li> <li>Trade Desk Solutions tapping into Networks</li> <li>Self-Serve platforms</li> </ul>	<ul style="list-style-type: none"> <li>Category Expertise</li> <li>Existing Trade Desk services</li> <li>Content Management services</li> <li>Volume deals with publishers – scale</li> <li>Centralized Portfolio Management</li> </ul>
Publisher	<ul style="list-style-type: none"> <li>Client Relationships</li> <li>Business Development – Inventory Deals</li> <li>Troubleshooting</li> <li>Custom Opportunity Proposals</li> </ul>	<ul style="list-style-type: none"> <li>First Party Data Insights</li> <li>Contextual Advertising Opportunity Development</li> <li>Extended Reach Play</li> <li>Pricing Strategies</li> </ul>	<ul style="list-style-type: none"> <li>Inventory Management</li> <li>Ad Serving</li> <li>Quality Assurance</li> </ul>	<ul style="list-style-type: none"> <li>Content Expertise</li> <li>Seller Defined Audiences – Machine Learning Enabled Optimization</li> <li>Access to Premium Inventory</li> </ul>

## Stakeholder Table of Benefits

Stakeholder	Benefits
<b>Brands</b>	<ul style="list-style-type: none"> <li>Access to retailer first party data</li> <li>Opportunity to enhance owned first party data</li> <li>Project or model in-store outcomes based on eCommerce activity</li> <li>Closed loop measurement and insights on impact of media spend</li> <li>Brand Safe advertising environment</li> <li>Incremental sales</li> </ul>
<b>Retailers</b>	<ul style="list-style-type: none"> <li>Supplemental revenue to offset product and service costs (returns, shipping, diminished margins)</li> <li>Closer relationships with brands</li> <li>Overall traffic generation through content strategy driving impressions</li> <li>Incremental sales</li> </ul>
<b>Publishers</b>	<ul style="list-style-type: none"> <li>Deepened partnerships with retailers as they build media networks for extended reach</li> <li>Access to incremental brand advertising</li> <li>Activation of contextual relevance</li> <li>Native advertising boosted through reputable retail ads</li> </ul>

## Retail Media Measurement

Because Retail Media touches on all areas of the purchase cycle and involves several layers of inputs and channels, there is some complexity involved in measurement. Using best practices that lean towards performance marketing, brands and agencies can manage

multiple channels to centralize results, understand the value of Retail Media activity and develop actionable insights.

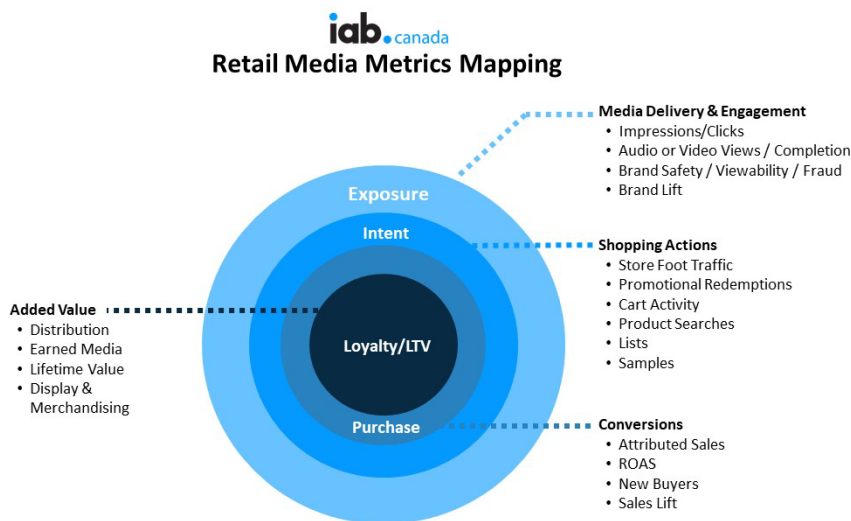
## Setting Objectives

Marketers must take a holistic approach to setting objectives and KPIs to measure Retail Media effectiveness. As described in previous sections, with multiple stakeholders involved, cross-alignment must be established at the onset. Objectives aligning to each media touchpoint throughout a campaign lifecycle can be measured and optimized accordingly.

KPIs range from standard media metrics such as cost per thousand (CPM), click through rates, and impressions to engagement and conversion metrics. Comparing these metrics to other initiatives can pose challenges outside of standard guardrails that cover overarching benchmarks like viewability, brand safety, and valid human impressions.

Evaluations must always be based on specific campaign objectives.

As illustrated below, the impact of Retail Media can be measured across the various stages of the purchase funnel. Each touchpoint has several potential metrics attached to it.



When looking at added value, brands may consider certain campaign activity to create a better relationship with retail channels that can help on the distribution front. It is important to consider the holistic view across the stakeholders to better understand the mutual benefits to engaging with partners. These considerations become important when

looking at multi-year deals or bundles that provide in-store exposure like end-caps, audio inventory or other opportunities as well as digital.

As in other digital media activity, brands are encouraged to look for incrementality and measure not only attributed sales through ROAS but also iROAS. As retail marketing offerings broaden to include all programmatic channels, identifying new customers and the behaviors that led to purchase is critical. To date, Retail Media networks tend to report the sales increase among people exposed to a campaign. With time, we will begin to see movement towards control group testing to better capture incrementality.

Retail Media Networks (RMs) can provide a broader set of metrics due to their scale. The broad spectrum of customer data that RMNs have at their disposal, offers more granularity in campaign measurement. RMNs are often able to provide unique metrics like Share of Wallet, New/Repeat Customer ratios and more.

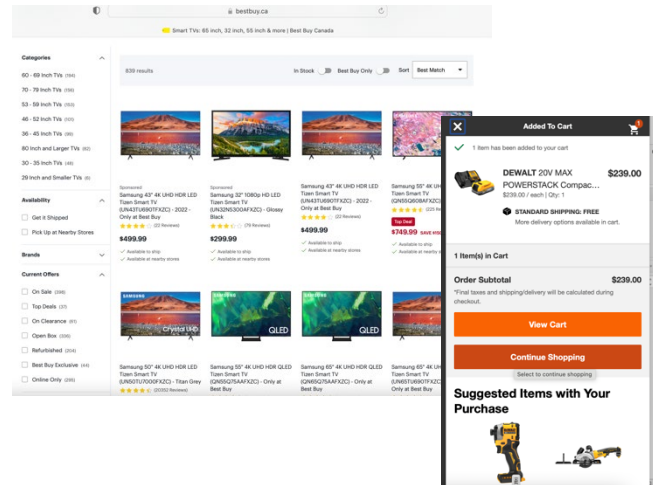
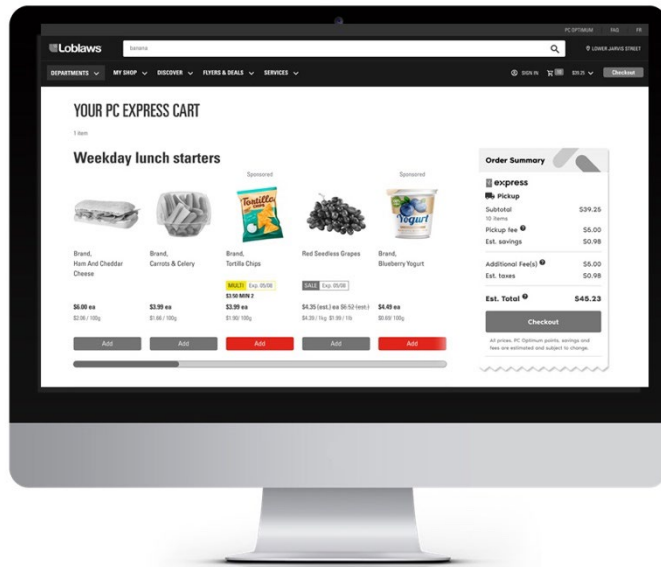
Across the board, there is more to be done in the way of standardization of measurement and metrics across RMNs in media metrics and commerce performance metrics. With the increased adoption and discovery being made with Data Clean Rooms, the [IAB Tech Lab](#) will continue to work with RMNs, brands and publishers to develop guidelines and recommendations.

## Retail Media Use Cases

The Retail Media opportunity offers several exciting use cases. It's important to recognize the difference between endemic advertising which, includes the vendor partners that are distributed through larger partnerships by the retailer and external advertisers. Non-endemic advertisers have no pre-existing partnership with the retailer and can have category adjacencies or be completely unrelated. For example, an electronics retailer may partner with a financial institution or an automotive manufacturer. In fact, some of the most unexpected partnerships can drive the strongest results for advertisers willing to explore.

## Endemic Merchandizing on Retailers Site

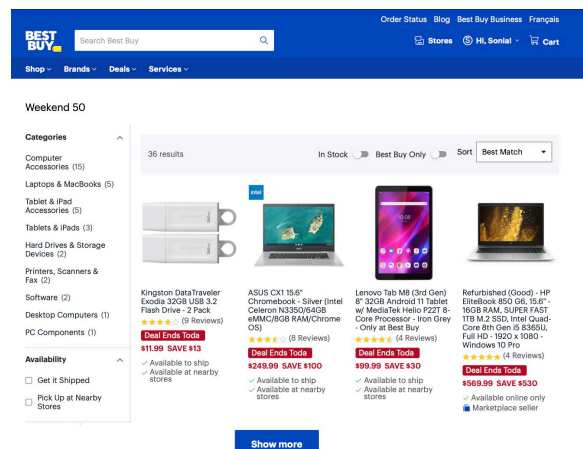
Leveraging the merchandizing opportunities within the retailer's environment to ensure that the product is prominently positioned and that all aspects are activated description, product imagery, special features and reviews.



## Non-Endemic Product Placement Within a Retailer Site

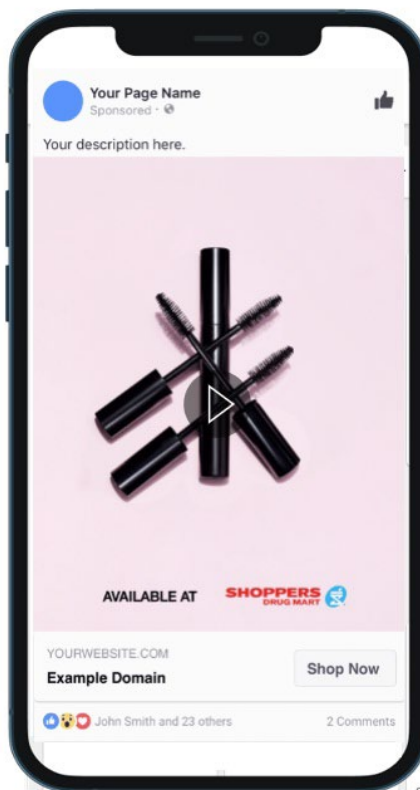
Partnering with a retailer to place product on their retail site can generate several outcomes. Following are some of the most valuable use cases offered by online Retail Media today:

1. Testing the retail environment for deeper partnership opportunities as a distribution channel
2. Discovering & leveraging a retailer's predictive learning models to drive a pre-qualified audience to a product



## Retail Media Network - Extended Audience Buys

Leveraging a Retail Media Networks rich first party data, advertisers can invest in enhanced media campaigns that are planned and executed through retailers directly or agencies that specialize in Retail Media buys. Where brand data exists, there tends to be a clean room transaction through which data is shared and anonymized for use in the supply chain. From here, Retail Media Networks are able to extend the reach outside of their platforms via programmatic like display, online video and connected TV, as well as, search, and social channels for execution.



## Social Commerce

Social commerce is a segment of ecommerce in which merchants sell products directly through social media platforms, allowing potential customers to interact with brands, browse goods and make purchases. Unlike social media marketing, social commerce gives customers the option to checkout directly from social platforms.

## One to Many - In Store Environment – Cross-Selling through Retail Media

One-to-one selling or one-to-many selling is on the rise, particularly in areas like cosmetics. Brand advocates help brands engage with consumers in a uniquely personal way through social channels or apps. Different to influencers, brand advocates engage with consumers differently for the brands they are representing, putting people who love the brand and know the products and services well, in front of the customer directly.

### **Digital Out of Home Placements**

DOOH advertisements offer viewability, contextual relevance, brand safety and proximity to the point of purchase — all while being privacy-friendly.

In the context of RMNs, DOOH can be in-store or partnering with other DOOH vendors for additional placements, or extensions of buys around the stores. For in-store DOOH, this can include screens within the stores like in vestibules, at checkouts, above aisles, coolers, and many more, as well as Audio-out-of-Home, a newcomer to the DOOH product list, enables audio/radio to play within the store across the speakers. These DOOH placements allow advertisers to reach consumers at the moment of purchase, when they are in-store, to drive mass reach and consideration while shopping. Additionally, non-endemic advertisers interested in reaching these in-store shoppers have seen value from the mass reach opportunity within a store and buys for RMNs are increasingly becoming a mix of endemic and non-endemic.

Digital out of Home with vendors, not specific to the RMN inventory, but rather the placements around the stores, can provide an additional opportunity to drive shoppers into store to buy products/basket build. These opportunities offer additional reach and complement a larger upper/mid-funnel buy to increase traffic.



## Considerations for Retail Media Sellers

Retail Media sellers have a lot to gain from their product and service offering. Capitalizing on the margins made available through monetization of their assets depends on a few best practices:

1. Ensure ad products and inventory are made available to brands across as many touchpoints along the customer journey. Think outside the box and leverage the unique real estate that comes with physical retail. Look for ways to create or boost inventory.
2. Maintain a high value to advertisers by targeting shoppers with a high purchase intent. Focus on quality over quantity to build scale. Driving qualified traffic is of highest importance which means the creative messages need to be on point, varied and optimized across all channels to achieve results.
3. Focus on connecting with their audience during the moment of truth at the Point of Sale in the buying journey.
4. Highlight the use of first party data in its power to unearth insights and reach that are impossible to attain outside of the partnership. Use real purchase figures and proof points from the first party data and do not rely solely on inferred interests from surfing behavior only.
5. Provide clear metrics and aim to uncover incrementality.

## Considerations for Retail Media Buyers

Retail Media is increasing in popularity. While brands rush to the scene, so too are Retail Media Networks with increased opportunities. Many Retail Media networks are also expanding into Demand Side Platforms (DSPs), offering more complex and nuanced ways of connecting brands to shoppers.

Here are some top considerations for advertisers when they embark on a Retail Media network program:

1. Budget matters. Look into whether potential partners have minimum spends and consider their rate cards (if available). Check to see that the platform has the capabilities to generate positive returns on your investments at your planned level of expenditure.
2. Scale is key. According to a LiveRamp study In June 2022, 99% of CPG consumer packaged goods (CPG) advertisers said a viable Retail Media network requires access to a minimum audience of 6 million. In Canada this number will be

considerably adjusted and retailers that don't meet that requirement aren't necessarily shut out of the ad market. Media networks are built to be interoperable with other players, and we will see increasing activity of smaller, local retailers pool their audiences to achieve the kind of scale marketers are looking for.

3. Niche placements are a key strength when it comes to specialty retailers like grocery or consumer electronics. If the product in question is a sporting good, it is better to partner with a mixture of retailers that have broad reach across categories with a skew towards sports. For general retail networks, do the due diligence to obtain category data and scale capabilities, to ensure your network provides quality coverage.
4. Some retailers will have more first party data than others. Look into the breadth and quality of first party data to ensure your partners will be able to activate on it. There should be a discussion on transactional, loyalty, email, promotions, and other touchpoint data with customers.
5. Placement opportunities are an important consideration. Look into onsite and offsite capabilities and opportunities to bundle. Creative production costs come into play, especially when several partners offer widely disparate placement opportunities. Ensure that standard creative assets can be leveraged to reach an adequate scale. Naturally, a part of this evaluation will include the quality and image of the placements. Brand safety extends to point of purchase. Is the partner known for high quality service levels? Make sure the environment is suitable for your brands.
6. Campaign Measurement and reporting is a key consideration. Having comprehensive access to reporting via a dashboard is important. Equally important is the ability for a retail partner to measure against the agreed upon KPIs. Look for standard measurements and ensure the reporting methodology is comparable across all activity.

## Retail Media Buying Options

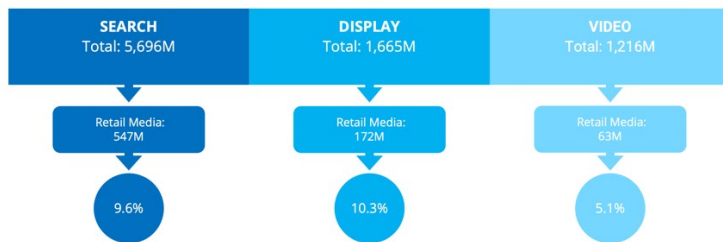
Following is a non-exhaustive list of buying options and what to expect when negotiating with Retail Media Networks.

Retail Media Buying Options*	
<b>Ad Auction Types</b>	<ul style="list-style-type: none"> <li>• 1<sup>st</sup> &amp; 2<sup>nd</sup> Price</li> </ul>
<b>Placement Types</b>	<ul style="list-style-type: none"> <li>• Sponsored/Featured/Products</li> <li>• Sponsored Brands</li> <li>• Sponsored Display (IAB Standards &amp; Custom)</li> <li>• Shoppable Videos</li> <li>• “Basket Builder” - Savings</li> <li>• Offsite Audiences</li> <li>• In Store Audio</li> <li>• Standard Display</li> <li>• :15 and :30 sec video</li> </ul>
<b>Cost Structures</b>	<ul style="list-style-type: none"> <li>• CPC by Product/Keyword</li> <li>• CPC by SKU</li> <li>• CPM</li> </ul>
<b>Minimum Bid \$</b>	<ul style="list-style-type: none"> <li>• Retail Media Networks may include a minimum CPC bid for a sponsored search click, or a minimum CPM bid for programmatic display or video formats.</li> </ul>
<b>Targeting Option</b>	<ul style="list-style-type: none"> <li>• Keyword</li> <li>• Category</li> <li>• Audience</li> </ul>
<b>Product Eligibility</b>	<ul style="list-style-type: none"> <li>• Must be in Stock</li> <li>• Relevancy of Findability</li> </ul>
<b>Sales Attribution</b>	<ul style="list-style-type: none"> <li>• 1,7,14, 30-day Click / View</li> </ul>

\*Non-Exhaustive List

## Looking Forward

Retail Media is in its infancy. As marketers begin to realize the value of unlocking retailer first party data, the opportunities will grow. In Canada, expenditure was [tracked](#) conservatively at \$782M in 2021. Following the trending anticipated in the US, we're on track for explosive growth in the coming years with Retail Media accounting for an estimated \$55.35B by 2024. Further, Retail Media expenditures are slated to overtake linear TV budgets in the next 12 months.



Source: IAB Canada Revenue Survey 2022

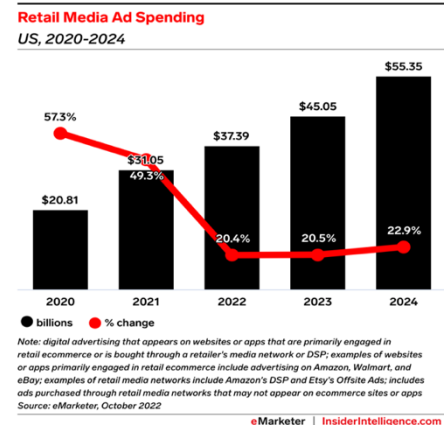
Advertisers are currently funding Retail Media initiatives through reallocation from other pools of retail-related expenditures like trade budgets, sponsorships and promotions but according to Boston Consulting Group and Google, between 60% and 70% of Retail Media dollars in 2026 will be “net new to retailers.”

As Retail Media moves up the funnel, eMarketer indicates that budgets will be drawn from unlikely places, like traditional TV or Radio. Given the surge in video streaming and audio, both in store and onsite, this reality is not hard to envision.

In the meantime, we are paying close attention to emerging platforms that have shop-ability baked-in to their offerings.

## Community Commerce

Brands and retailers are starting to look at developing solutions in a way that replicates the experience of shopping with friends through devices, like squad shopping and group buying. To make it easier for shoppers to interact with their friends, retailers create a platform with video and screen-sharing technology, where the shopper can invite their friends to share wish-lists, share advice, create outfits and give opinions on the latest trends. This presents a fast way for retailers to gain visibility and enter new markets.



## POS Infrastructure for Conversion

Point-of-Sale (POS) is a space that's primed for change. Self-checkout kiosks have been around for a while but are a perfect example of how technology can make the purchasing experience quicker and more efficient. Now, POS systems are taking advantage of cloud-based technologies to do away with the checkout counter entirely. Sales associates can check you out anywhere in the store with portable POS devices, so stores can make sales anywhere. To take this idea further, imagine a store with no lines or checkout at all. With the help of a smartphone app, cameras and sensors, customers can simply walk in, take what they want and leave – this is exactly what future-driven companies like Amazon are working toward.

## Generative AI Shopping

With rapid advancements in AI and the mainstreaming of its use through ChatGPT and other bots, retailers will find new opportunities to create shopping experiences by leveraging the tools in market. Conversational searches read well with consumers and provide a more personal approach to recommendations and nudges. We expect shoppable AI to come into play with the next 12-18 months as competition in the marketplace heats up.

## Live streaming

Consider live streaming solving one of the greatest pain points of eCommerce consideration purchases. It provides personal interaction with the product. Demos sell, and with influencers on the scene across every category, there is no shortage of opportunity to stream demos and tips, placing products front and centre. Live streaming also provides on the ground feedback and QA to address any doubts or barriers to purchase.

## Conclusion

IAB Canada will continue to work with the Retail Media Committee to follow this exciting new space. Studies are in-market across the globe, and we look forward to reporting on their findings. Additionally, IAB Canada will be reporting annual revenue for Retail Media in Canada for the 2022 Revenue Survey, as the channel comes into maturity in our market.

To learn more about Retail Media in Canada and the opportunities that are available, please reach out to [committees@iabcanada.com](mailto:committees@iabcanada.com).

## Sources & Further Reading

[Moving Towards Cookie Independence](#)  
[Google Ipsos Path to Purchase Study](#)  
[State of Retail Media – Skai & BWG 2022](#)  
[eMarketer Retail Media Explainer](#)  
[Warc Retail Media Resources](#)  
[IAB Canada Digital Media Revenue Report 2021](#)

## Acknowledgements

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