

The retail media-CTV marriage will renew its vows in 2025

Article

The trend: The convergence of retail media and connected TV (CTV) is reshaping digital advertising, with Walmart's [Vizio deal](#) highlighting how retailers can expand ad reach while using their first-party data to connect exposure directly to purchase behavior.

Why it matters: This union addresses key challenges in both spaces.

- CTV offers personalization capabilities that traditional TV lacks, enabling retailers to deliver more targeted messaging.
- Retailers can now track the complete consumer journey, from ad viewing to purchase.
- First-party data enables more precise targeting and measurement capabilities than traditional TV advertising ever could.
- The combination creates fresh opportunities for retailers to influence purchases while reinforcing their role in customers' daily lives.

Market dynamics:

- Retailers are expanding beyond traditional retail media networks to capture broader audiences.
- Advertisers are demanding clearer return on investment metrics as targeting capabilities improve.
- Campaign measurement is evolving from basic return on ad spend to more sophisticated metrics like incremental sales.
- Integration challenges persist as systems for buying, measuring, and planning remain fragmented across platforms.
- Not every retailer has the scale or relevance to create influential CTV campaigns.

Industry perspectives:

- "Retail media brings first-party data about what people are actually buying, while CTV ensures that messaging reaches the right audience with maximum attention," says **Equativ** senior vice president of data and retail media **Claude Spasevski**.
- "It can't just be about adding a new feature. Everything must work together to be truly impactful," notes **Drew Cashmore**, head of strategy at retail media orchestration platform **Vantage**.

Consumer implications:

- Viewers can expect more personalized and relevant advertising experiences.
- The shift promises better alignment between viewed ads and actual shopping interests.

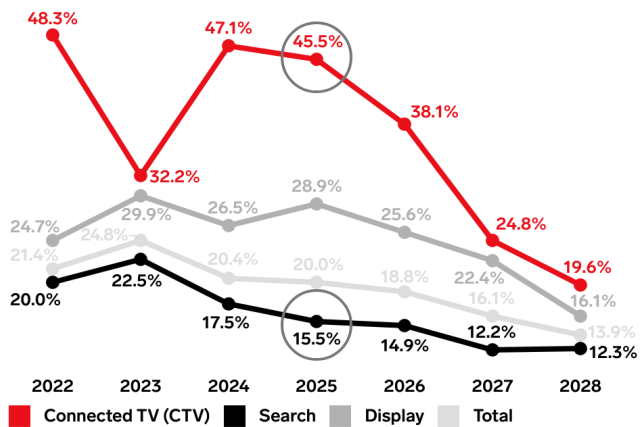
- Concerns about data privacy and trust remain key considerations in implementation.

Our take: While the convergence of retail media and CTV shows promise for transforming advertising effectiveness, success will depend on solving integration challenges and achieving sufficient scale. Retailers who can successfully blend these capabilities while maintaining consumer trust will gain significant advantages in reaching and measuring their audience impact.

As this convergence continues, more retailers will likely explore CTV partnerships, though not all will have the resources or relevance to compete effectively.

Retail Media CTV Ad Spend Will Grow About 3 Times Faster Than Retail Media Search in 2025

% change in US retail media ad spending, by format/device, 2022-2028



Note: 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); examples of websites or apps primarily engaged in retail ecommerce include Amazon, Walmart, and eBay; examples of retail media networks include Amazon's DSP and Etsy's Offsite Ads; includes ads purchased through retail media networks that may not appear on ecommerce sites or apps
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