

In-store retail media, standardization, and partnerships are on our mind

Article

Nearly three-quarters (74.2%) of the \$59.61 billion in US digital [retail media](#) ad spend we forecast for 2024 will go to [Amazon](#). That leaves \$15.35 billion going to non-Amazon retailers

and \$370 million going to in-store formats. That should excite marketers, said EMARKETER's new principal analyst Sarah Marzano.

"It's very easy for the stories we tell about retail media to center around the giants who are a bit more mature in the space," Marzano said. "But what I'm really excited about are trends and opportunities that are afforded to what I'll call the longer tail and the emerging next frontier of retail media," which Marzano says also includes the store.

Retailers should be thoughtful about those in-store formats. "You don't want something that's effectively acting like a pop-up ad and interrupting your in-store shopping experience," Marzano said.

Avoid obscuring products. Shoppers can't easily abandon carts in stores as they can online, but they can grow frustrated and cut shopping trips short or decide not to return.

Instead, think about how retail media can assist shoppers on their journeys. "Maybe it's facilitating product discovery, or offering knowledge that they would want about a product and that doesn't feel disruptive," Marzano said.

Flashy investments' in things like digital screens and smart shopping carts are nice, Marzano said, but the digitization of the store can also come from being more intentional about areas that aren't necessarily innovative or new, like store audio, self-checkout screens, TVs in electronics sections, screens at gas pumps, and sampling.

The long tail of retail media may also foster standardization, Marzano said. "These brands are working with multiple [retail media networks](#) and they need to be able to measure the efficacy across campaigns. And right now, that's not happening."

As smaller retailers grow motivated to work together, standardization could follow. Partnerships may also emerge between retailers with audience overlap but different products, like a footwear retailer and an electronics store. Collaborations will require standardization in measurement while also creating non-endemic advertising opportunities, Marzano said.

Overall, the future of retail media is bright, with US omnichannel retail media ad spend projected to surpass \$100 billion by 2027, per our October 2023 forecast. "It's really interesting to watch as retailers learn how to operate in a really different way fundamentally than what they've historically done," Marzano said.

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