

Retail media placements have high engagement but low viewability, says DoubleVerify report

Article

The news: Ads on retail media networks enjoy a **183% higher engagement rate than the baseline average across all impressions** tracked by DoubleVerify, indicating their

effectiveness in capturing attention and prompting action, according to the measurement firm's latest Global Insights report.

The annual study, which analyzed over a trillion impressions from more than 2,000 brands across 100 markets, for the first time allocated a separate section to RMNs, highlighting their unique tradeoffs compared with other advertising networks.

- Retail media placements' high engagement comes with a significant downside in viewability. Of ads placed on retailers' own ecommerce sites (owned and operated inventory, or O&O), 36% were viewed by users, compared with 73% viewability for audience extension inventory.
- This contrast suggests that while RMNs can drive higher interaction, the ads are not as frequently viewed in full.
- RMNs perform well in brand suitability and ad fraud, with placements garnering 10% fewer brand suitability violations and 31% less ad fraud than benchmarks. This makes RMNs a safer and more reliable choice for advertisers.

Why it matters: As the digital advertising world braces for the impending deprecation of third-party cookies—something many publishers remain unprepared for—RMNs are poised to become increasingly valuable. Their ability to apply first-party data offers a robust alternative for targeted advertising, enhancing their attractiveness to advertisers looking for effective ways to reach specific audiences.

- While the lower viewability rates on O&O inventory might initially seem a drawback, the high engagement indicates that these ads effectively target shoppers at key moments within their buying journey. Retailers' prioritization of optimizing the shopping experience and driving sales often means that ad viewability is secondary to these primary goals.

The power of offsite: Offsite programmatic retail media uses product availability and customer behavior data to target the right audience across digital channels, enhancing ad effectiveness and measurement.

- This year, Advertiser Perceptions expects US retail media spending to grow by 30%, largely due to offsite programmatic advertising.
- Our forecast predicts 61.5% growth in retail media network offsite ad spending to reach \$10.64 billion this year, rising 27% to 28% through 2028.

Our take: The DoubleVerify findings indicate a need for advertisers to balance their strategies, focusing on where their ads are more likely to be seen versus where they are more likely to engage consumers.

- **Most advertisers would be best served by RMN buys that balance O&O and audience extension inventory.** O&O inventory, though less viewable, is integrated into the shopping environment, while audience extension inventory provides higher viewability and a wider reach. Striking a happy medium between sales and brand awareness is necessary.