

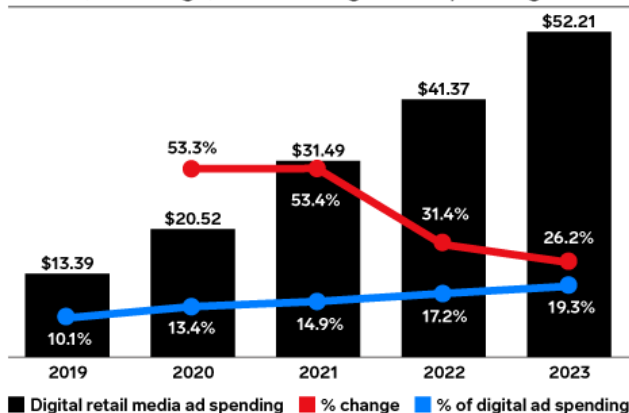
US retail media ad spend will pass \$30 billion for the first time this year

Article

The forecast: US retail media ad spend will hit **\$31.49 billion** in 2021, up **53.4%** over 2020. By 2023, this figure will pass **\$50 billion**, with the vast majority of retail media ad spend coming from ecommerce channels.

US Digital Retail Media Ad Spending, 2019-2023

billions, % change, and % of digital ad spending



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 advertising on 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

Source: eMarketer, Oct 2021

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eMarketer | InsiderIntelligence.com

Dive deeper:

- Ecommerce channel ad spend will account for **89.7%** of total retail media spend in 2021. That figure will shrink to **86.3%** in 2023 as retail media networks become a high-growth opportunity.
- Ecommerce retailers are looking to shift to monetizing off-site advertising, both on other parts of the internet and on connected TV devices.
- **Amazon** is a leading indicator of this trend, while other retailers like **Walmart, Etsy, and eBay** are newly venturing toward off-site advertising. Given that this form of revenue is new for these companies, it'll take time for them to build up these businesses to complement their on-site advertising.

Looking ahead: Retail media advertising will continue to be one of the fastest-growing segments of US digital advertising through 2023, with growth continuing in the double digits. Retail media will also increase as a share of total US digital ad spend, hitting **19.3%** in 2023.