

4 retail media predictions for 2024

Article

Our newsletter team has already made a number of advertising and retail predictions, but now it's time to combine the two. Retail media is still on the rise in the US (growing by a projected 28.6% this year), but competition is getting fierce. From commerce opportunities to consolidation, here's what we expect to see from retail media in 2024.

1. Nonretailers will build out commerce media networks

Omnichannel retail media ad spend will reach \$59.98 billion in 2024, according to our October 2023 forecast. With so much money going toward this channel and an increased need for first-party data, other businesses will want in on the retail media action. Commerce media channels from companies that aren't strictly retailers will emerge—like **Marriott International, which launched its media channel** in 2022. We expect to see more travel and hospitality businesses and quick-service restaurants follow suit to take advantage of large digital and in-person audiences.

2. Not every RMN will be able to rise above the clutter and scale

It's difficult to keep track of just how many **retail media networks (RMNs)** are out there right now. Most US advertisers (57%) say they don't want to work with **more than four retail data partners**, according to The Trade Desk Intelligence. And the same percentage only prioritize working with the biggest and/or most relevant RMNs. The rest will either need to **forge data-sharing partnerships** or will shutter, the way **Gap Inc.'s RMN did** in 2023.

3. More RMNs will add self-service options for advertisers

Over half (55%) of US advertisers reported that a lack of self-serve programmatic tools was a top challenge involved in using RMNs, according to a **May 2023 data from The Trade Desk and Material+**. In order to set themselves apart from the competition, we predict that some RMNs will follow in **The Kroger Co.'s footsteps** and build out their self-service platforms for advertiser clients.

Self-serve options may include budget optimization, customizable audience groups, or reporting and analytics tools—anything to help advertisers create more cost-efficient, targeted campaigns and better understand campaign performance.

4. A handful of ad tech partners will distinguish themselves as retail media must-haves

Third parties will become invaluable partners, especially around data, measurement, and exploring new ad formats. Some partners will be used for data enrichment as third-party cookies are deprecated and retailers limit the amount of first-party data they share with advertisers. Others will help navigate the currently **murky waters of measurement and standardization**. For RMNs, media partners will help them branch out into new ad formats and provide more accurate data back to advertisers.

