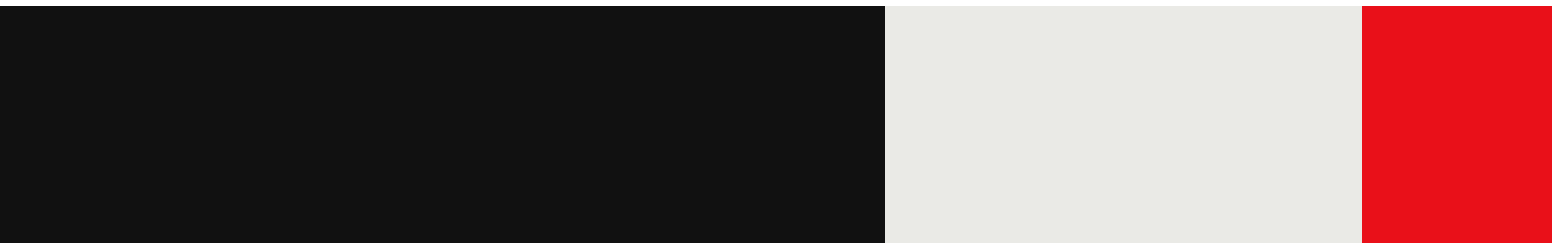


Why commerce media networks have grown so quickly

Article



Retail media is not just for retailers anymore. US commerce media ad spending is projected to hit \$118.4 billion by 2029, growing at a 15.3% compound annual growth rate (CAGR), per a May EMARKETER forecast.

- And more than half (58%) of advertisers are interested in advertising on non-retail media networks, according to a December 2024 Skai and Path to Purchase Institute survey.

With third-parties like LiveRamp and PromoteIQ making it possible for companies that have never had an ad business to go to market, more and more media networks are popping up outside of retail to capitalize on this growth.

If a company offers any sort of commerce, chances are it's considered entering the media network business. Few of the channels where commerce media potential is particularly ripe include:

- Intermediaries like Uber, DoorDash, and GrubHub, who have had media networks for years, but don't quite fit under the retail umbrella.
- Financial institutions like PayPal, Chase, Klarna, which have been launching media networks for the past few years, powered by valuable shopper data—but challenged by privacy concerns and regulations.
- Travel brands like United, Marriott, and Expedia, which offer insights into where and how consumers are traveling, and can potentially capture their attention in transit.

Some wildcards have also broken into commerce media in the past year.

- RE/MAX, which boasts it is “the first real estate brand to launch a commerce media network” and Mohegan, which launched what it calls the “industry's first casino media network” are trying to corner their cuts of ad spend.

In an increasingly crowded playing field, new commerce media networks will need to make sure they can excel in at least one of the following areas.

1. First-party data

First-party data, maybe the most important aspect to launching a media network, is the reason retailers like Amazon and Walmart have been so successful. They can evaluate past shopper behavior to predict what products they might be most interested in.

Financial institutions have huge potential to capitalize on their own first-party data of where people shop, but they'll need to do so in a way that doesn't creep consumers out or draw regulator ire.

Wildcard commerce media networks founded by businesses without consumer-level data need creative ways to reach specific audiences or partnerships with businesses that can share their data.

2. Owned ad inventory

Media networks can't just have data—they need high-attention places where brands can place ads. For retailers, this started within search ads, but has moved up the funnel to display ads, in-store placements, and streaming channels.

For networks from airlines and rideshare apps, out-of-home ads could be a potential growth area with captive audiences, so long as the ads don't make the travel experience more miserable than it needs to be.

But channels where consumers don't typically spend a ton of time, like credit card apps, could struggle to deliver ads, and may have to partner with social media or streaming networks.

In the next phase of commerce media, we'll likely see partnership between distinct industries. Media networks from companies like Uber and United could follow in the footsteps of Lyft and Delta to offer a seamless advertiser experience for travelers from one destination to another. Or a financial institution like Chase Media Solutions could partner with a retailer like Kroger to uncover a more robust picture of their consumers.