

3 challenges advertisers are facing and how retail media networks can solve them

Article

Ninety-one percent of US advertisers plan to maintain or increase their investment in retail data in the next few years, according to data from The Trade Desk Intelligence.

Despite this, there are a handful of challenges that could hinder potential investment. Here are some of advertisers' biggest barriers and how retail media networks (RMNs) can help to reduce them.

1. Advertisers only see retail media as a lower-funnel tactic

The stat: 61% US marketers said the top challenge involved in using RMNs is that they're only effective for lower-funnel marketing, the top challenge cited in The Trade Desk Intelligence's research.

The solution: RMNs need to evolve their ad capabilities beyond search and display toward upper-funnel channels like social or TV. This may require some retailers to recruit help from third-party partners that are more familiar with targeting and measuring campaigns across those channels.

2. Advertisers want more access and control

The stat: Nearly all US advertisers (95%) say that the walled garden environments of RMNs are a challenge, but 63% say that "a centralized self-service platform that includes integrated planning and buying tools" would be a motivating factor when activating retail audiences or measurement on a demand-side platform, per The Trade Desk Intelligence.

The solution: Begin building out self-service platforms that give advertisers more control over their campaigns, from planning and activating to measurement. Look to [The Kroger Co.](#) or [Walgreens](#) for examples of what that can look like.

3. Advertisers are feeling overwhelmed by the number of potential RMN partners

The stat: 57% of US advertisers say they're willing to work with a maximum of four retail data partners, according to The Trade Desk Intelligence. The same percentage say they prioritize working with the biggest and/or most relevant RMNs.

The solution: It's all about differentiation and standing out from the competition. RMNs should consider advertiser pain points, like the ones listed above, and how they can address them. Need some inspiration? Lack of campaign performance visibility/transparency, lack of interoperability, and increasing costs were also cited as some of marketers' top challenges.