

# Q&A with Pacvue: Why retail media networks are important for retailers like Sam's Club

Article

Insider Intelligence spoke with Riy Edo, senior director of product management at Pacvue, an enterprise software that works with brands, sellers, and agencies to manage their

ecommerce businesses. Edoo shared insight into Pacvue's recent partnership with Sam's Club and the future of retail media networks.

**Insider Intelligence: What is the importance for retailers, such as Sam's Club, to have their own retail media platform?**

**Riy Edoo:** It is not going to be important for everyone. For Sam's Club, there are a few reasons why it should have its own retail media platform. Firstly, across the enterprise and consumer packaged goods space, the volume of sales that originate from Sam's Club is important. Secondly, Sam's Club sits in a unique spot in which it can deliver on an omnichannel experience with a myriad of advertising activations and platforms. With Sam's Club, everything ties back to a membership ID, making it a closed loop and enabling Sam's Club to have full control, whereas other retailers use intermediaries to tell a full story of incrementality and drive business growth.

Sam's Club can enable control so the advertisers know what their budgets are doing, building confidence that their investment is leading to net incremental sales. Sam's Club's custom API development allows the company to do that in a way that it couldn't before.

**II: What are the major developments you're seeing within the retail media space?**

**RE:** There are two things occurring within the space. Firstly, a new retail media platform pops up every two days. Everybody's used to the fact that each platform wants to compete for ad dollars and share of wallets. But they're not all equal. Measurement and capabilities are different.

Secondly, we are seeing the unlocking of business data, meaning everything from supply chain to operations, profitability, and total sales. This adds a whole new lens on what's possible when optimizing and buying media. It leads to activation, and allows teams to make better decisions.

We've been seeing quite a bit of unlocking of both the supply chain business data metrics and total sales profitability, integrating that into the advertising experience that brands choose to be part of. For example, by evaluating point of sale and share data, a brand was able to predict a trend with a retailer and increased search and display media budgets on high-performing campaigns in order to curb delistment threats and remain on shelves and available for purchase online. As retail media dollars grow, brands are going to be more demanding of what they expect from retail media networks.

## II: How will retail media evolve?

**RE:** We are going to see large-scale diversification of dollars. Right now, most customers are pretty search-heavy. As those environments saturate, especially across individual markets, we're going to start to see an increasingly higher cost per acquisition from some of these tactics.

For some retailers, that's going to be an opening up of off-site inventory, in places like social and affiliate. For others, it's going to be on-site display or DSP [demand-side platform] activations. We're going to start to see retailers facilitate diversification with direct-response capabilities in platforms available via APIs, so you can now activate search DSP and potentially social or affiliate programs.

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