

Closing the loop: A buyer's guide to retail media ad types

Article

Retail media has transitioned from its 1.0 era, defined by on-site search and sponsored product ads, into the era of retail media 2.0, which consists of a mosaic of ads on-site, in-store, and across other media channels. “The opportunity gets much bigger, but realizing the opportunity also gets a lot more complex,” our analyst Andrew Lipsman said on “[Behind the Numbers: Reimagining Retail.](#)”

Media buyers should consider all the following retail media ad types, as defined by the [Interactive Advertising Bureau's \(IAB's\) Retail Media Buyer's Guide](#).

1. On-site ads are served within a retailer's platform, like on Amazon's or Walmart's websites.

- Sponsored products: Listings within search for relevant products
- Sponsored brands: Banner ads within search results
- Display ads: Banner ads that follow customers across the website, like on the homepage

Shopper's journey: A shopper searches Walmart.com for protein powder. They may see ads within search for a specific product and banner ads now and in the future for a given brand. These ads are close to the point of purchase.

2. Off-site display ads leverage retailer data but are served through partnerships.

- Third-party sites mean the ad types are limited, but the IAB calls out web, app, display, audio, digital video, digital out-of-home (DOOH), and in-game.
- **Social media and connected TV (CTV) ads** are also considered off-site display ads, and are supported by **partnerships** such as the ones between Dollar General and Meta or Albertsons Companies and Omnicom Media Group. **CTV** is one area where Amazon in particular has immense retail media potential through Prime Video and Freevee.
- These ads are still considered retail media because brands leverage retail media networks' partnerships and data to buy the ads, resulting in better targeting and measurement capabilities.

Shopper's journey: It's been a month since that shopper bought protein powder, according to Walmart's data. Walmart has partnerships with Roku, TikTok, and Snap, which means a brand could buy ads through Walmart Connect to nudge that customer on CTV and social media.

3. In-store digital advertising refers to the new era of targeted ads in brick-and-mortar, which can target customers, increase sales, and leverage consumer data in real life.

- **Inside the store**, these ads include product displays, signage, and **video screens**.
- Location-based push notifications and retail apps can offer even more personalized ads to in-store consumers.

- While smart shopping carts aren't common yet, they also have vast personalization potential as adoption increases.
- There's also a physical retail media opportunity outside of the store, through DOOH ads in parking lots; **at charging stations**; and near buy online, pick up in-store parking spots.

Shopper's journey: Energized by several protein-packed months, the buyer decides to venture into a Walmart. Even before entering, there is a retail media opportunity on screens in the parking lot's electric vehicle charging station. In-store, the shopper may see brand signage or an aisle end-cap display for the protein powder. The brand may also nudge our shopper with targeted omnichannel ads within Walmart's app.