

# Retail media isn't a phase, report finds, and we know it

## Article

Some 58% of Association of National Advertisers (ANA) marketers used retail media networks last year, according to a report from the [ANA](#). In the next year, expect to see more movement from marketers outside of consumer packaged goods (CPG) as brands look to take advantage of the recession-friendly ad space. We took a closer look at the report and what it means for advertisers.

## 1. Retail media isn't a phase

**Key stat:** More than half (53%) of marketers using retail media networks started before 2019.

**Analysis:** Retail media networks aren't new, but marketers are investing more money into more networks. Retail media ad spend will grow by 20.5% this year, according to our forecast.

**Takeaway:** Retail media is not a passing fad. Retail media advertising has existed on digital marketplaces like Amazon for years. And now that retailers are expanding offerings and other digital ad formats like social media are waning, it's time to pounce.

## 2. Advertisers have options

**Key stat:** 56% of marketers advertise on five or more retail media networks.

**Analysis:** Amazon is a big player, but it doesn't dominate retail media the same way it does ecommerce because so much of retail media spend comes from CPG. Amazon isn't the biggest player in grocery ecommerce—that's Walmart. Amazon and Walmart Connect are the top two US retail media networks, followed by Target, Kroger, and Instacart.

**Takeaway:** Don't put all your retail media ad dollars in Amazon's basket. Diversify your retail media ad spend, and be discerning. If you don't see returns in one retail media network, move ad spends between networks rather than divesting from retail media altogether.

## 3. Retail media drives conversions

**Key stat:** 75% of marketers say conversion is the most important goal for retail media network campaigns. Eighteen percent say awareness is most important and 5% say it's consideration.

**Analysis:** Retail media's primary value is that it drives sales. That's because retail media ads meet customers near the point of purchase.

**Takeaway:** Retail media networks are a safe ad bet, even during downturns. As budget cuts leave marketers looking to do more with less, keep the focus on retail media networks.

**What are we watching?** Omnichannel is the next big thing for retail media. Marketers, especially from CPG companies, should explore new retail media tech that will drive in-store

shopping sales.

For now, stick with reliable formats. Search ads across Amazon, Walmart, Kroger, Instacart, and other big retailers create conversions.

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