

3 2024 retail misconceptions: Retail media, QR codes, and microcommunities

Article

Brands and [retailers](#) got a lot right in 2024. Commerce media expanded further into non-retail channels like payments and travel. Brands found their own voices on [TikTok](#). And in-person

events helped drive traffic to stores. But the year also came with a number of lessons for retail.

Here are three misconceptions retail experts noticed in 2024, and how brands can get them right in the 12 months ahead.

1. Misconception: Retail media advertising is almost entirely lower-funnel and on-site

Reality: [Retail media](#) advertising is moving up the [funnel](#) and increasingly off-site, as inventory leveraging retail media data increases in channels like [connected TV](#) and out-of-home.

“Over the past few years, retail media activations have largely focused on sponsored product campaigns, with marketers prioritizing the point of purchase,” said Melanie Zimmermann, general manager of global retail media at Criteo. More recently, these campaigns have moved up the marketing funnel.

“This evolution extends beyond sponsored ads to include on-site display and off-site ads across the open internet. Leading retailers are now offering brands and agencies advanced full-funnel solutions that feature closed-loop [measurement](#) capabilities,” Zimmermann said.

Off-site spend will account for 1 in 5 US retail media ad dollars in 2025, or a total of \$13.06 billion. The format will grow by 42.1% YoY, per our November 2024 forecast. Advertisers need to make sure they’re treating retail media like any other media channel and investing in retail media ads across the funnel.

2. Misconception: QR codes need a high volume of interactions to drive sales

Reality: People who do scan QR codes are likely to convert, meaning it’s about quality, not quantity.

“QR codes are not about volume but about engagement—not everyone is going to scan the code but those that do are highly engaged and more likely to convert,” said Lucy Markowitz, senior vice president and general manager of US marketplace at Vistar Media.

Low scan rates don’t mean low success rates for QR codes. Some 38.0% of people in the US scan QR codes at least once per year, showing there are over 100 million people willing to scan QR codes, per our February 2024 forecast. Brands and retailers leveraging QR codes in

stores and advertising don't need to get a lot of people to scan QR codes, but they do need to make sure they're targeting the engaged few who are likely to convert.

3. Misconception: Brands should be casting a wide net when marketing

Reality: Niche microcommunities are on the rise, and brands are underutilizing them because they underestimate their value.

“While brands have traditionally focused on wide-scale reach, smaller, highly engaged communities have proven to drive deeper loyalty and conversions,” said Scott Fisher, founder of Select Management Group, adding that this approach is underutilized in most campaigns.

Brands and retailers have a missed opportunity in engaging in niche communities both online and in-store. Throwing in-store events for these smaller communities or working with [creators](#) who are members of the communities can engage enthusiastic customers without casting a wide, expensive net.

This approach hinges on a relationship, rather than a single campaign, which means retailers and brands shouldn't expect to see an immediate return.

“I feel the ROI for the time and effort that needs to be invested in closed communities to work is misunderstood because it's not an instant 'viral' moment garnering massive reach, but instead a long-term play that pays dividends over time,” said Ivy Everitt, social strategist at VML.

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