

How Amazon will transform the advertising industry in 2023 and other highly specific retail predictions

Article

We all know that 2023 will be the **year of retail media**, social commerce, and lingering economic uncertainty. But here are some more targeted possibilities for the year ahead.

1. 2023 will be the year that Amazon revolutionizes advertising

The ecommerce giant will do this with three focused moves.

First, it will bring the promise of targeted advertising and closed-loop measurement to premium TV with its NFL Thursday Night Football games.

“Last year, it really focused on traditional TV buys,” said our analyst Andrew Lipsman on a recent “**Behind the Numbers: The Daily**” podcast, “but I think this year [Amazon] will start to get more targeted and more measurable.”

And don't be surprised if it goes after other major sports rights when they come up, Lipsman added.

Second, as it aggressively expands its Amazon Fresh footprint, Amazon will introduce more in-store retail media formats, including in-store digital signage, smoke screen overlays on cooler doors, and experimenting with other surfaces.

Third, Lipsman thinks Amazon will bring back its Prime Samples program, which allowed brands to market products via samples before being **discontinued in 2019**. This change will be particularly appealing to consumer packaged goods companies.

No one knows why it went away, but Lipsman said that Amazon could be optimizing the program behind the scenes.

“It's too powerful a mechanism [to go away for good],” he said. “To be able to market a product and then actually put that product into people's homes, put the product in their hands, and then you can see whether people become repeat buyers and understand lifetime value? That's a powerful marketing program.”

2. Instacart will go public—and prove itself as a competitor in the ad space

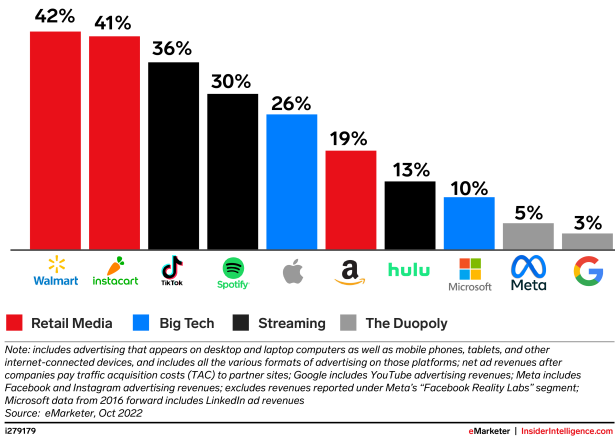
Despite the fact that everyone expects the markets to struggle in the first half of the year, Lipsman predicts Instacart will file its IPO.

Once it does, expect some big wins for the company. Specifically? The delivery company could try to solidify its ad business by partnering with NBCUniversal and Shopify. (The latter

feels extremely probable—Instacart’s CEO, Fidji Simo, sits on Shopify’s board of directors.)

“People will see that they are an advertising company, not a grocery delivery company,” said Lipsman. “That’s the source of their value, the high-margin ad business that they are growing strongly.”

US Digital Ad Revenue Growth, by Company, 2023
% change



3. Walmart will partner with Paramount+ to power its connected TV ads

Last year, Walmart added Paramount+ to its Walmart+ offerings. Lipsman thinks the two will expand their partnership to enhance Walmart Connect’s inventory.

“The footprint that Paramount+ has is pretty strong and it just seems like a natural partnership,” he noted.

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