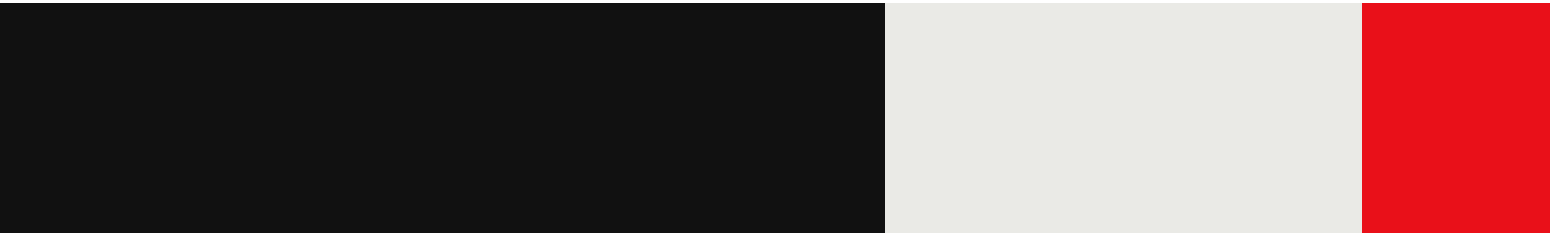



What you need to know about retail media in 5 charts

Article

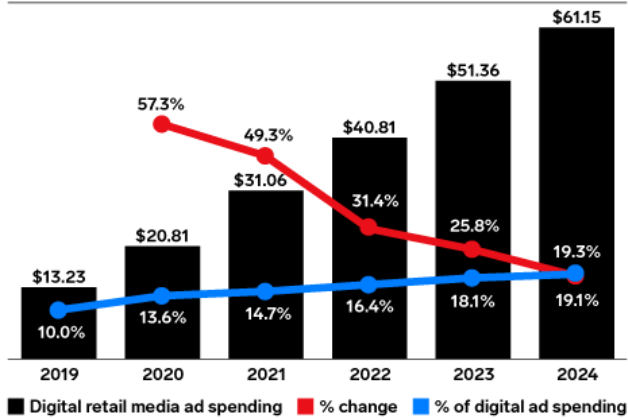


We're predicting that **retail media is the third big wave of digital advertising**, following in the footsteps of search and social. Here's what you need to know about one of this year's biggest topics:

1. Retail media is growing fast.

US Digital Retail Media Ad Spending, 2019-2024

billions, % change, and % of digital ad spending



Note: digital advertising that appears on websites or apps that are primarily engaged in retail ecommerce or is bought through a retailer's media network or demand-side platform (DSP); examples of websites or apps primarily engaged in retail ecommerce include Amazon, Walmart, and eBay; examples of retail media networks include Amazon's DSP and Etsy's Offsite Ads; includes ads purchased through retail media networks that may not appear on ecommerce sites or apps
Source: eMarketer, March 2022

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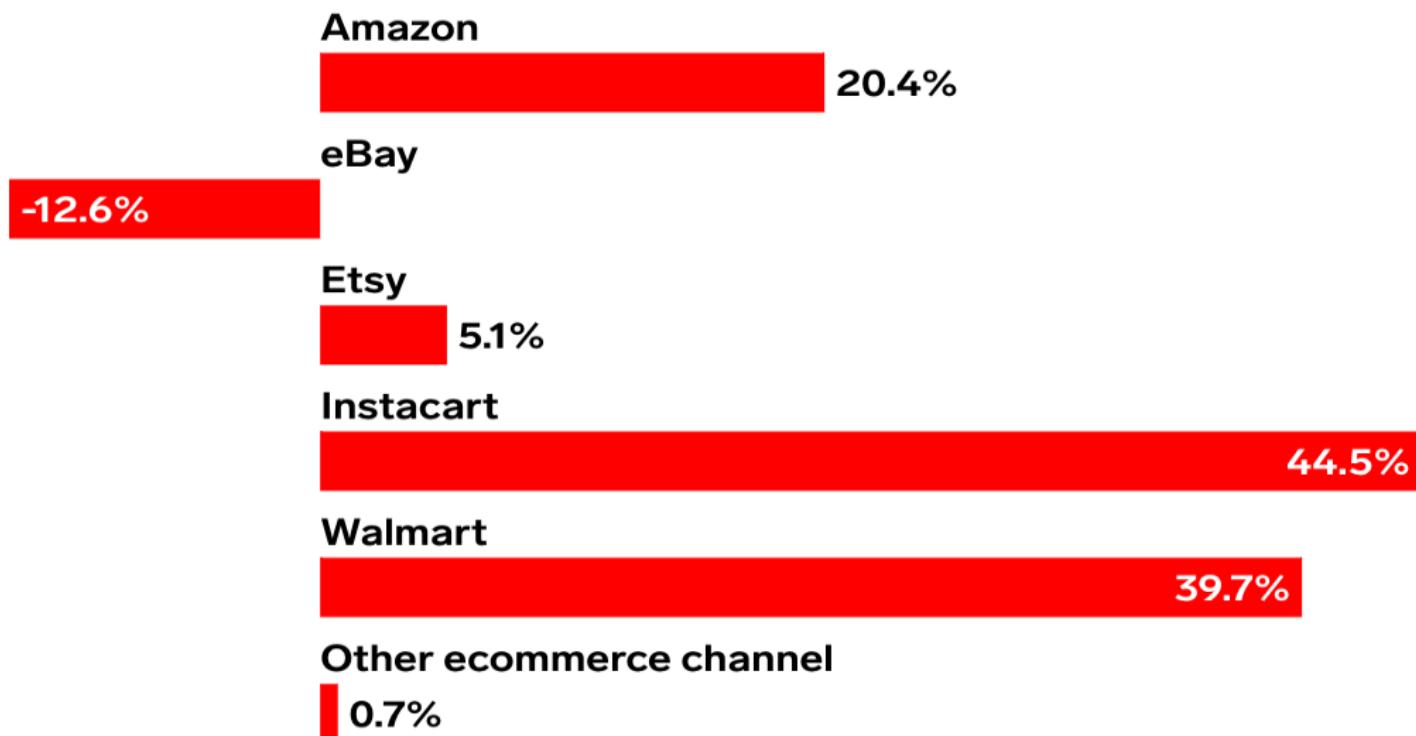
eMarketer | InsiderIntelligence.com

According to our forecast, **US digital retail media ad spending** will grow 31.4% to reach \$40.81 billion this year. By 2024, the total will grow to \$61.15 billion, making up nearly 20% of digital ad spending.

2. But not all growth is equal.

Retail Media Ad Spending Growth, by Company

US, 2022, % change



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites

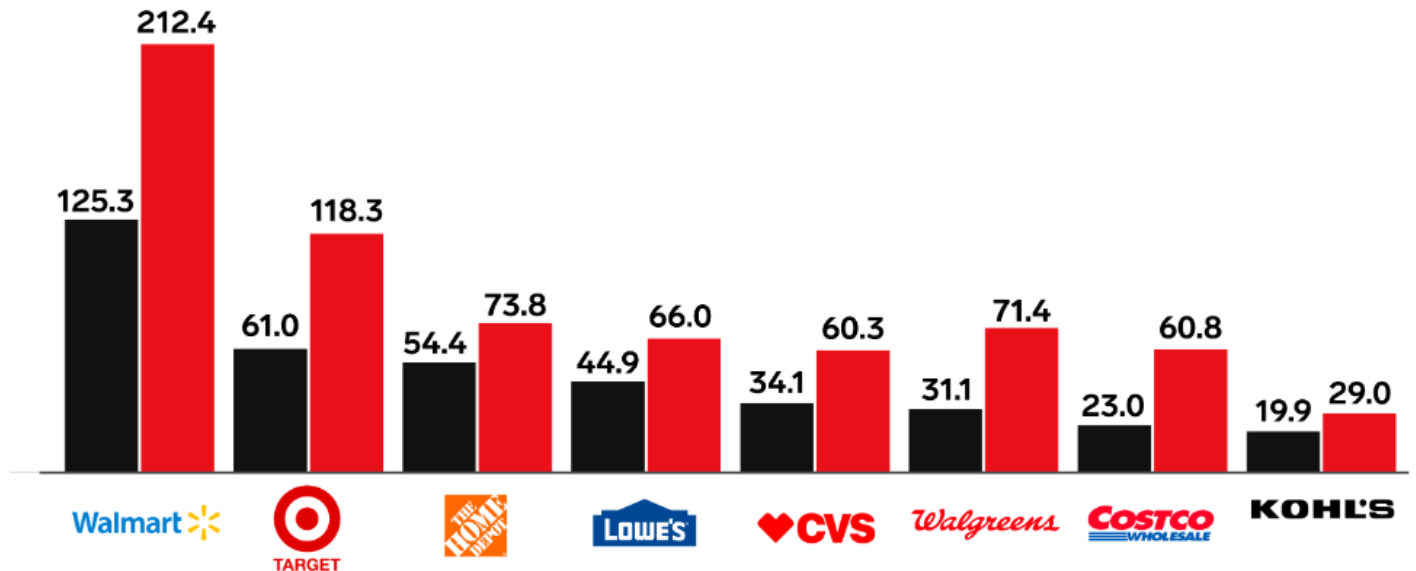
Source: eMarketer, October 2022

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Instacart will experience the largest **boost in retail media ad spending** this year, growing by 44.5%. Walmart, Amazon, and Etsy will also see positive growth, while eBay's retail media ad spending will decline 12.6%. To keep that edge, Instacart, Walmart, and Amazon have all made investments in their ad business this year.

3. Don't discount in-store.

US Monthly Audience Reach millions



Digital source: Comscore,
June 2022, US

■ Digital audience ■ In-store audience

In-store source: Placer.ai,
June 2022, US

The top three retailers by **US monthly audience reach** (both in-store and digital) are Walmart, Target, and The Home Depot. The number of in-store shoppers exceeds digital shoppers at each retailer, indicating that in-store media has a bigger reach. But it also means digital has more room for growth.

4. A variety of retail categories are getting in on the game.

US Advertisers Who Anticipate an Increase in Spending Levels with Retail Media Networks, by Product Category, March 2022

% of respondents



Note: in the next year; *includes food, beverage, and household products
Source: McKinsey & Company, "Busted! Five myths about retail media," June 7, 2022

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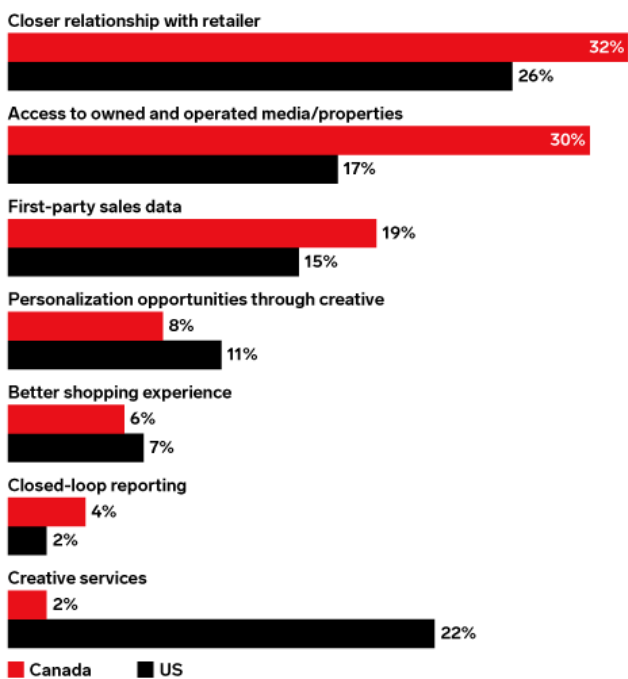
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Eighty-two percent of US advertisers plan to **increase their spending levels** with retail media networks this year, with jewelry and luxury, consumer electronics, beauty, and consumer packaged goods brands leading the charge. Just about everyone wants in, so it's smart to get started now.

5. The benefits are plentiful.

Most Important Benefit That Retail Media Networks Offer According to Retailers/Brands in Canada and the US, Aug 2022

% of respondents



Note: numbers may not add up to 100% due to rounding
Source: Merkle, "2022 Retail Media Research Report," Oct 12, 2022

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The most **important benefit that retail media offers** brands is a closer relationship with retailers, followed by creative services, access to owned and operated media/properties, first-party sales data, and personalization opportunities through creative. For retailers, media networks offer a new revenue source and the opportunity to gather data on customers.

This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).