

Albertsons partners with Rokt to boost retail media offerings

Article



The news: Albertsons Media Collective has teamed up with **Rokt**, an AI and ML-based personalization technology provider, to enhance its retail media network. **This collaboration enables Albertsons to include ads from brands that it doesn't sell**—that is, non-endemic advertisers.



- The partnership will see targeted ads and messages delivered to the grocery chain's ecommerce customers across 11 portfolio brands, such as Safeway, ACME Markets, Vons, and Jewel-Osco.
- Moreover, Albertsons will expand its brand messaging across Rokt's network of ecommerce retailers, which includes prominent names like Kohl's, Uber, AMC Theatres, Grubhub, and Ticketmaster.
- The network, launched in November 2021, aims to deliver branded content to shoppers across Albertsons properties and off-site targeted ads. With access to over 100 million consumers nationwide, including more than 2,200 stores and 27 million Just for U loyalty program members, the platform is a significant retail media player.

This comes on the heels of **Walmart Connect** <u>expanding access to non-endemic brands</u> in April.

Why it matters: Worldwide retail media spending is expected to rise 13.7% year over year to \$153.3 billion in 2024, according to a new WARC forecast. In part due to definition differences, our own forecast has it at **\$137.31 billion**. Both forecasts project slowing expansion into 2025, which is why players like Albertsons Media Collective will get creative to keep that growth going.

- With Amazon holding a dominant 77% retail media market share in the US, Albertsons, which has agreed to be bought by Kroger, is undoubtedly playing catch-up.
- Retail media networks are increasingly using shopper data for off-site campaigns on platforms like **TikTok** and connected TV, with programmatic buying becoming a key area of interest. This shift is driving the growth of off-site programmatic retail media, expected to <u>generate over \$20 billion</u> this year.

Our take: Albertsons' collaboration with Rokt is a forward-thinking move that aligns with current industry trends and taps into a new revenue stream.

 The integration of Rokt's technology across Albertsons' portfolio brands ensures that the company can deliver personalized and relevant ads to its customers, fostering greater loyalty and engagement.

Current Retail Media Offerings According to Retailers in Select Regions Worldwide, Q4 2023 % of respondents

Has a retail media offering (on-site ad offering and/or ad offering utilizing first-party data)

	569
	54%
	35%
Exploring adding a retail media offering	
31%	
30%	
26%	
Interested in building out a retail media offering and plan to pursue in near future	
14%	
16%	

39% 🖉 Asia Europe US

Note: n=442; Europe includes France, Germany, and the UK; Asia includes India, Japan, Singapore, and South Korea Source: Criteo, "The Great DeFrag: How commerce media will unite advertising in 2024," Dec 19, 2023

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