

# Chase pioneers targeted in-app advertising with banking customer data

Article

**The news:** Chase's new Media Solutions team will monetize the bank's customer data by letting retailers offer users of its banking app tailored deals, per the bank's press release.

**How it works:** Chase isn't selling customer data to retailers. Instead, it's letting them buy ad space to target its **80 million customers**, based on what the bank knows about their spending

habits.

- Retailers will work with the Media Solutions team to develop relevant deals that drive customer acquisition and sales.
- Customers logging onto the Chase banking app will see retailers' targeted offers. Chase will only charge retailers if customers act on a deal.

**Why Chase wants to be a retail media network:** It's a huge opportunity for issuers to get in on.

- **Retail media ad spending will total \$140.04 billion worldwide in 2024**, according to our forecasts, growing 21.8% YoY.
- Retailers have a narrow view of their customers' spending habits. But **credit card** issuers like Chase sit on troves of first-party data, like customers' spending habits and their implied interests. This gives banks a unique advantage over other **retail media networks**.

Chase Media Solutions will likely be a multibillion-dollar revenue driver over time. And Chase will not only capitalize on ad revenues, but the personalized deals will also encourage greater card spend, bringing in more volume and interchange revenues.

**Can this approach work for Chase competitors?** Customers' reaction to the new user experience will show whether Chase has struck the right balance between discovering new revenue and maintaining customer trust.

The bank's enormous footprint enabled it to pioneer this kind of offering.

- The targeted discounts may further **any of the bank's super-app ambitions**, which could eventually allow customers to access services outside of financial services on a single platform.
- Driving more customers to the same place will expose them to targeted ads—adding even more value for its media solutions customers.

Chase's move uncovers latent revenue streams FIs haven't figured out how to monetize—until now.

- But the quality of a FI's data and its customer volume will determine the value of this kind of partnership for retailers. That means smaller FIs or banks that aren't moving in the direction of

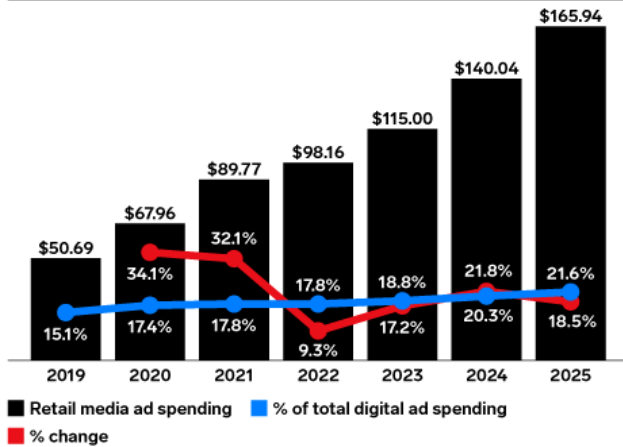
a super app may not be able to compete with Chase.

- And transparency will be key, including a “cookie-like” disclaimer about how data informed ad choices. If its execution is seamless, Chase customers may not question how their data is being used.

**The bigger picture:** More payment providers are pushing data monetization opportunities to diversify revenues.

We'll likely see payment networks and issuers lean more heavily into it as value-added services become more important to their diversification efforts—especially as swipe fee fights and other competitive factors threaten other revenue streams.

**Retail Media Ad Spending Worldwide, 2019-2025**  
billions, % change, and % of total 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

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