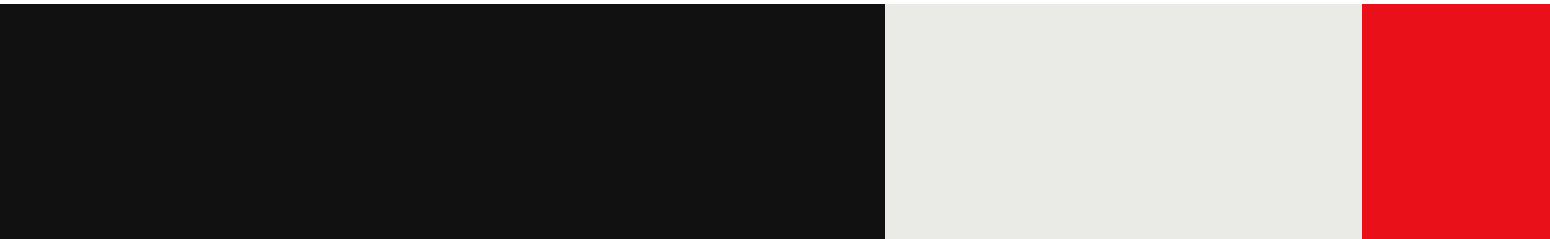



Retail media is dominated by on-site advertisements—for now

Article

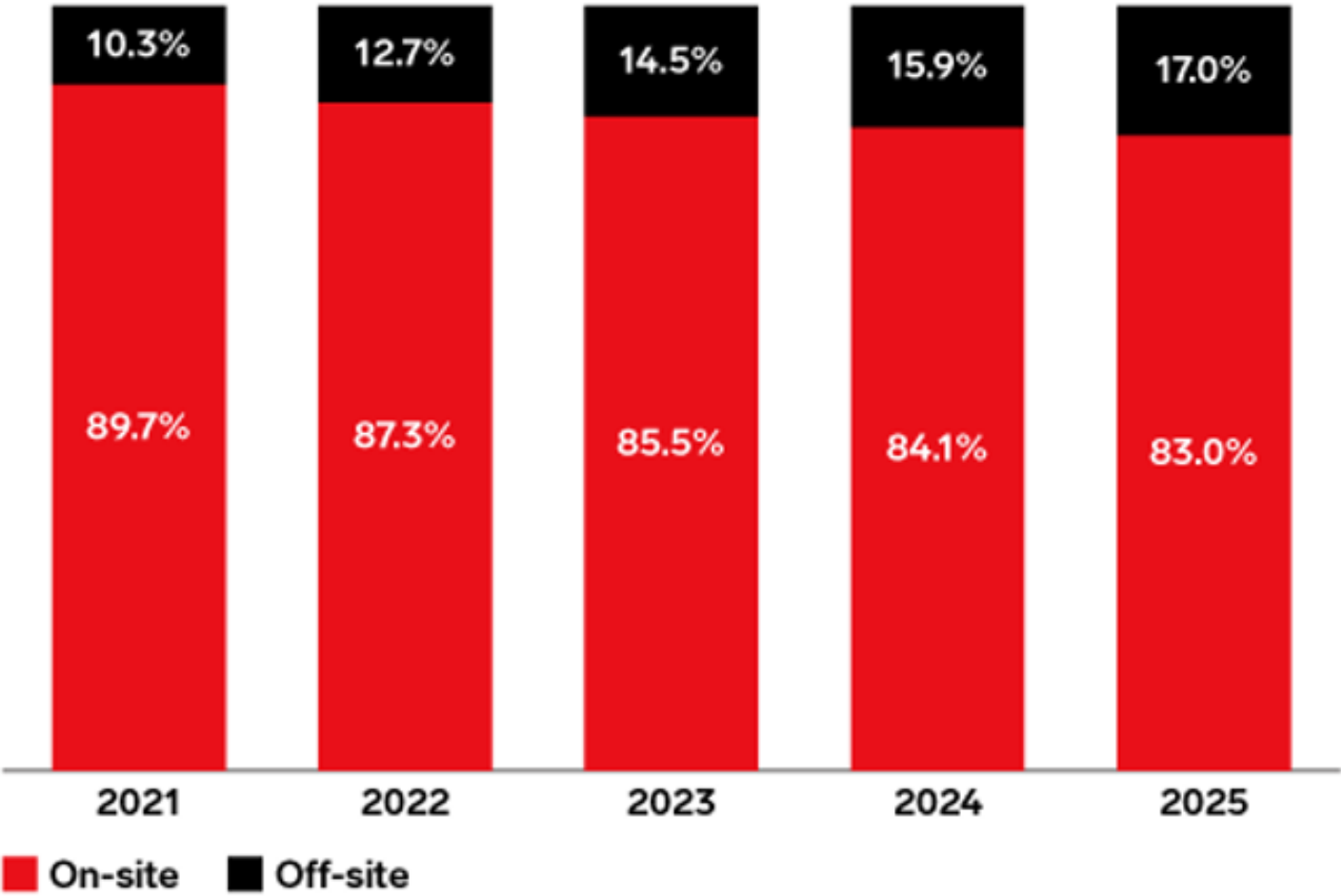


Retailers and the tech firms powering some of their retail media networks (RMNs) are racing to give ad buyers access to more off-site inventory in formats ranging from CTV to digital out-of-home to in-store. But on-site has plenty of headroom left, as this new data from our forecast shows.

- **On-site placements will continue to constitute most of the spending.** In 2023, they will account for 85.5% in 2023 and will remain north of 80% for the next few years (81.3% in 2027). While this represents a meaningful decline from previous highs—retail media ad spending was 94.5% on-site in 2018—it is still an overwhelming majority.
- **Search ads will pace that growth.** In 2023, advertisers will spend almost \$30 billion on retail media search ads. By 2027, that figure will be more than double, rising to \$63.20 billion.
- **But major display growth is also in the foreseeable future.** As brands figure out how to coordinate spend across teams and retailers evolve their properties to accommodate more content, retail media’s display side will soar. In 2023, retail media display ad spending will grow 34.2% in 2023 and will accelerate every year through the end of our forecast period in 2027, when retail media display ad spending will account for \$43.50 billion.

US On-Site vs. Off-Site Retail Media Ad Spending, 2021-2025

% of total



Source: eMarketer, March 2023

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eMarketer | InsiderIntelligence.com

Report by Max Willens Apr 06, 2023

Retail Media Ad Spending Forecast H1 2023

