Retailer Media Networks Research

Summary of Findings

June 2022

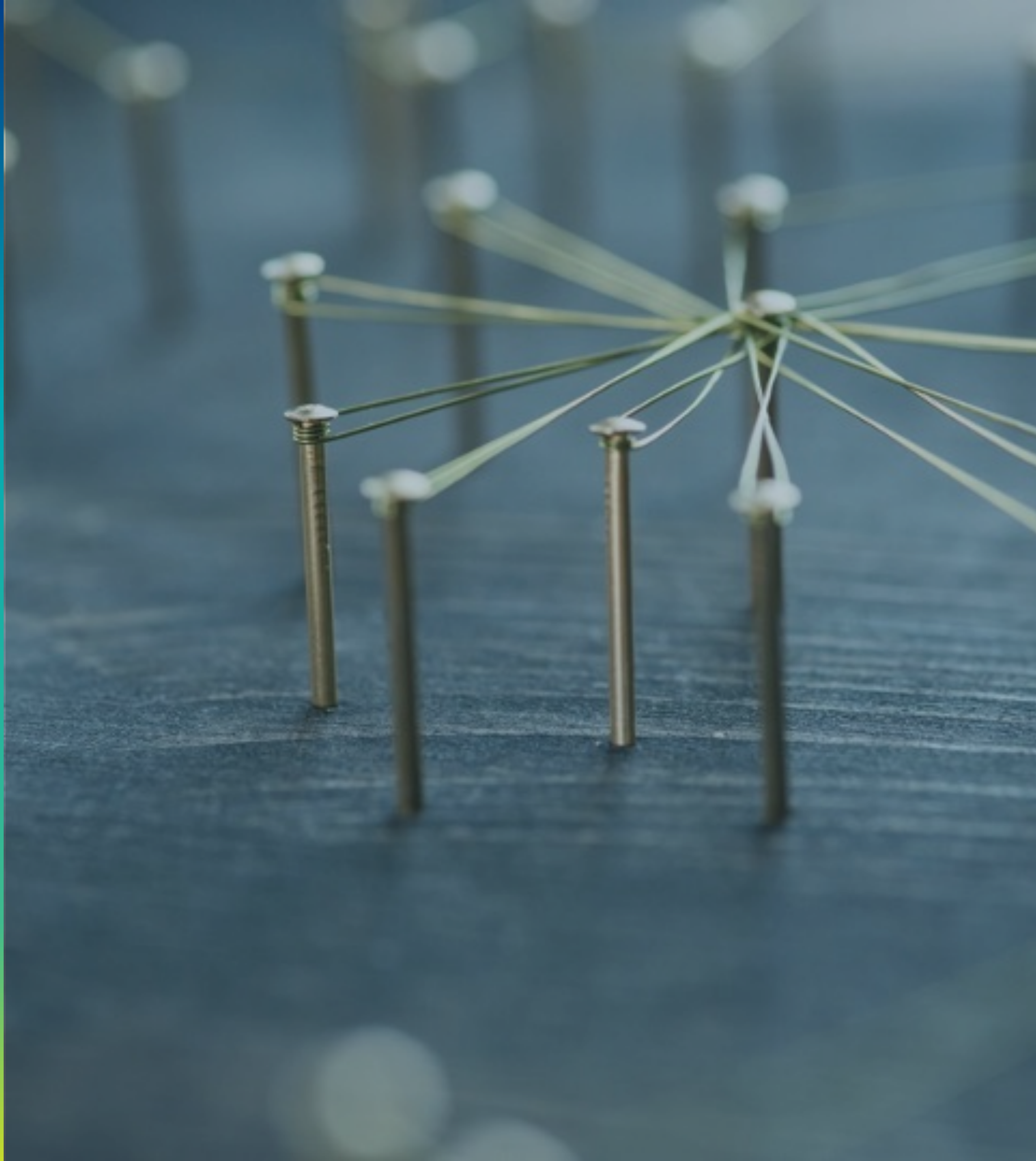
PATH TO PURCHASE INSTITUTE

Research Methodology

P2PI fielded an online survey between May 4 - 24, 2022.

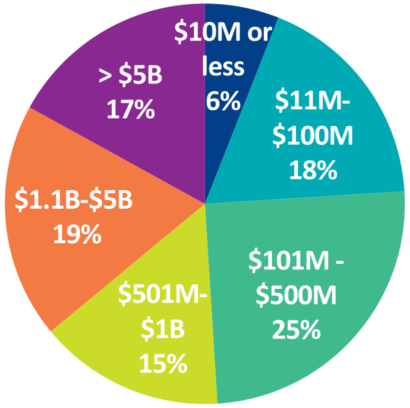
72 professionals leading or working in roles that include branding, marketing, or advertising participated in this survey.

To qualify, participants must have indicated working for a CPG or Durables Brand Manufacturer.

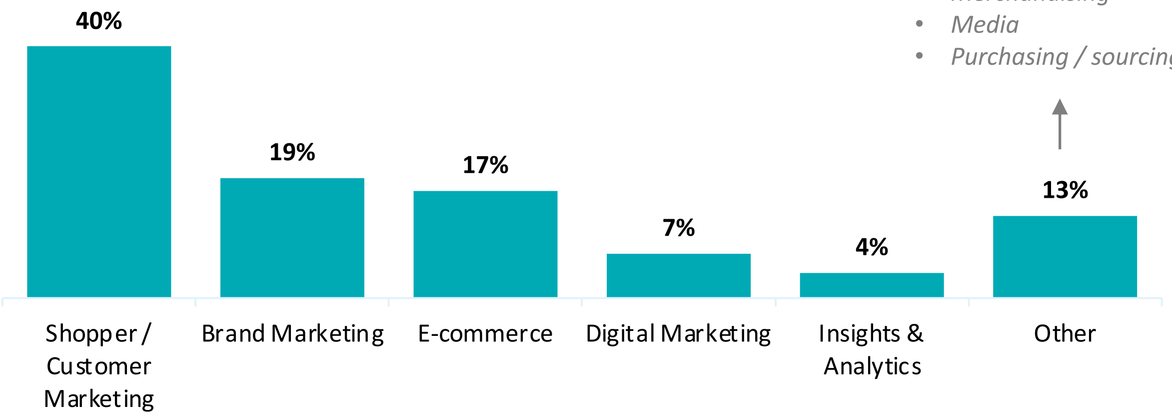


Sample Profile

Company Revenue

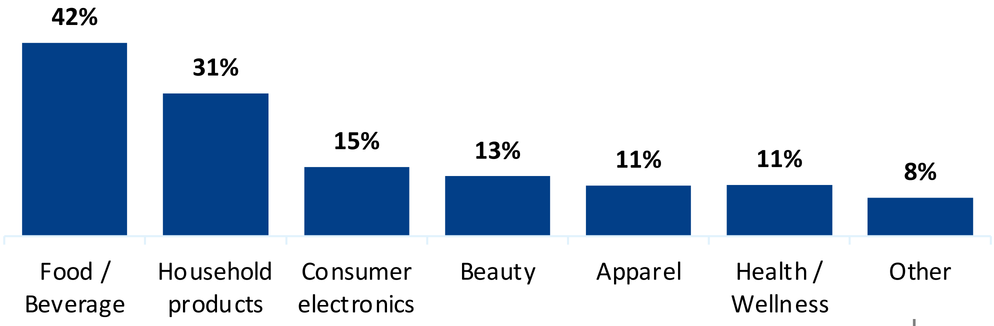


Role



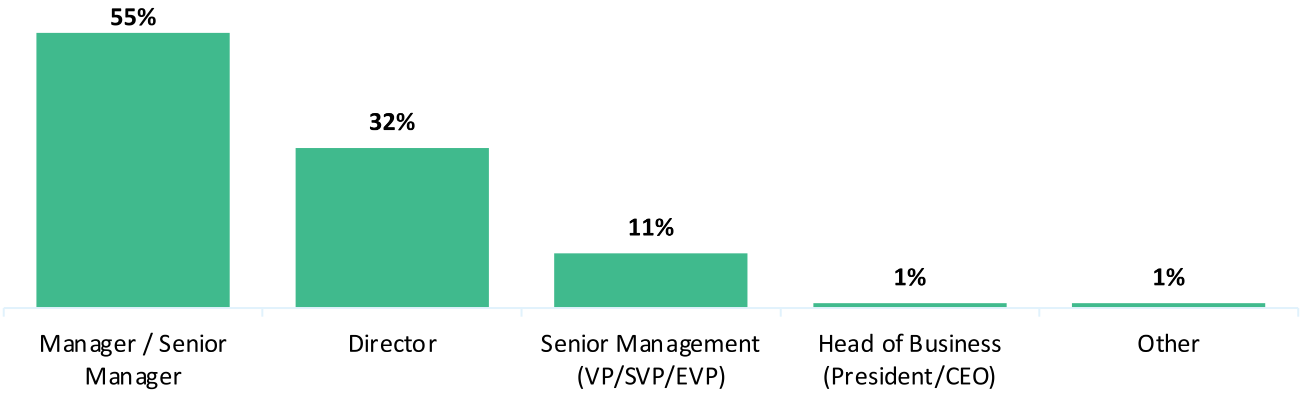
- *Sales / Sales education*
- *Category management*
- *Merchandising*
- *Media*
- *Purchasing / sourcing*

What does your company manufacture or supply?



- *Pet health care*
- *Children's toys*
- *Art materials*
- *Outdoor power equipment*

Title or Responsibility Level



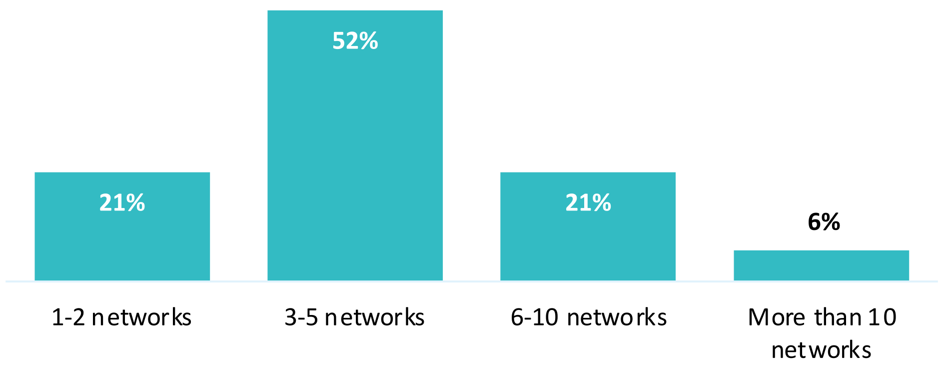
Data Source: Criteo Retailer Media Network Study, May/June 2022
S2. What is your company's approximate annual revenue?
S3. What does your company manufacture or supply?
S4. Which of the following best describes your role?
S5. And which of the following best describes your title or responsibility level?

Research Findings

Most CPG / Durables Brand Manufacturers work with one or more retailer media networks today, with many indicating working with at least three networks.

78% currently work with one or more retailer media networks

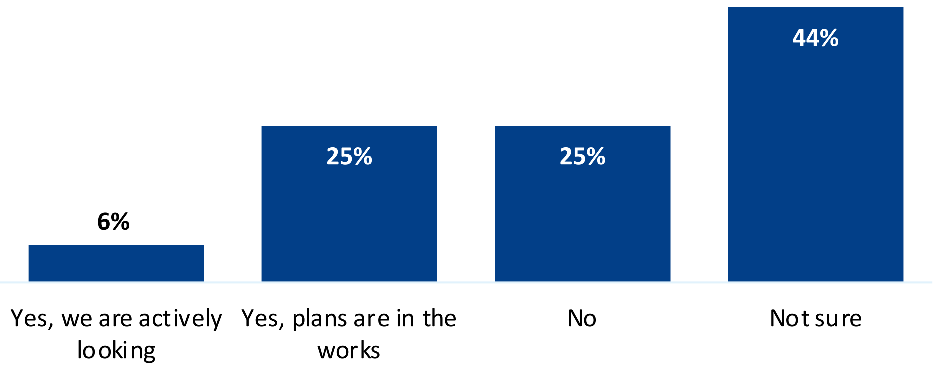
How many retailer media networks does your organization work with?



	Revenue <$500M*	Revenue >$500M*
1-2 networks	22%	21%
3-5 networks	67%	38%
6-10 networks	11%	31%
> 10 networks	0%	10%

22% do not work with any retailer media networks today

Does your company have plans to work with any retailer media networks in the coming year?**

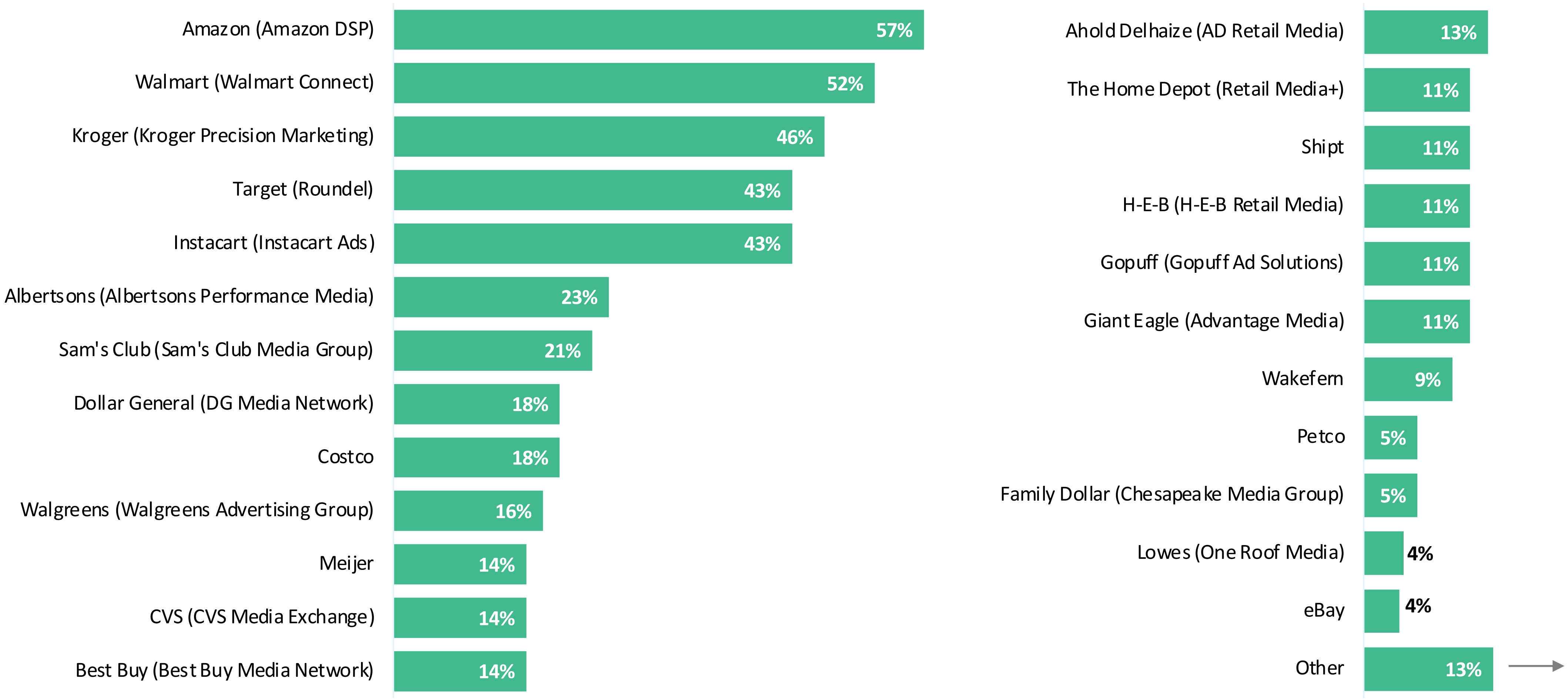


Data Source: Criteo Retailer Media Network Study, May/June 2022
Q1. Do you currently work with any retailer media networks?
Q2. Does your company have plans to work with any retailer media networks in the coming year?
Q3. How many retailer media networks does your organization work with?

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

Amazon, Walmart, Kroger, Target, and Instacart's media networks are the most often mentioned being used by CPG / Durables Brand Manufacturers over the past year.

Which retailer media networks have you worked with within the last year?



- *Ace Hardware*
- *Do-It-Best*
- *Drizly*
- *Hy-Vee*
- *Tractor Supply*
- *Wayfair*
- *Zappos*

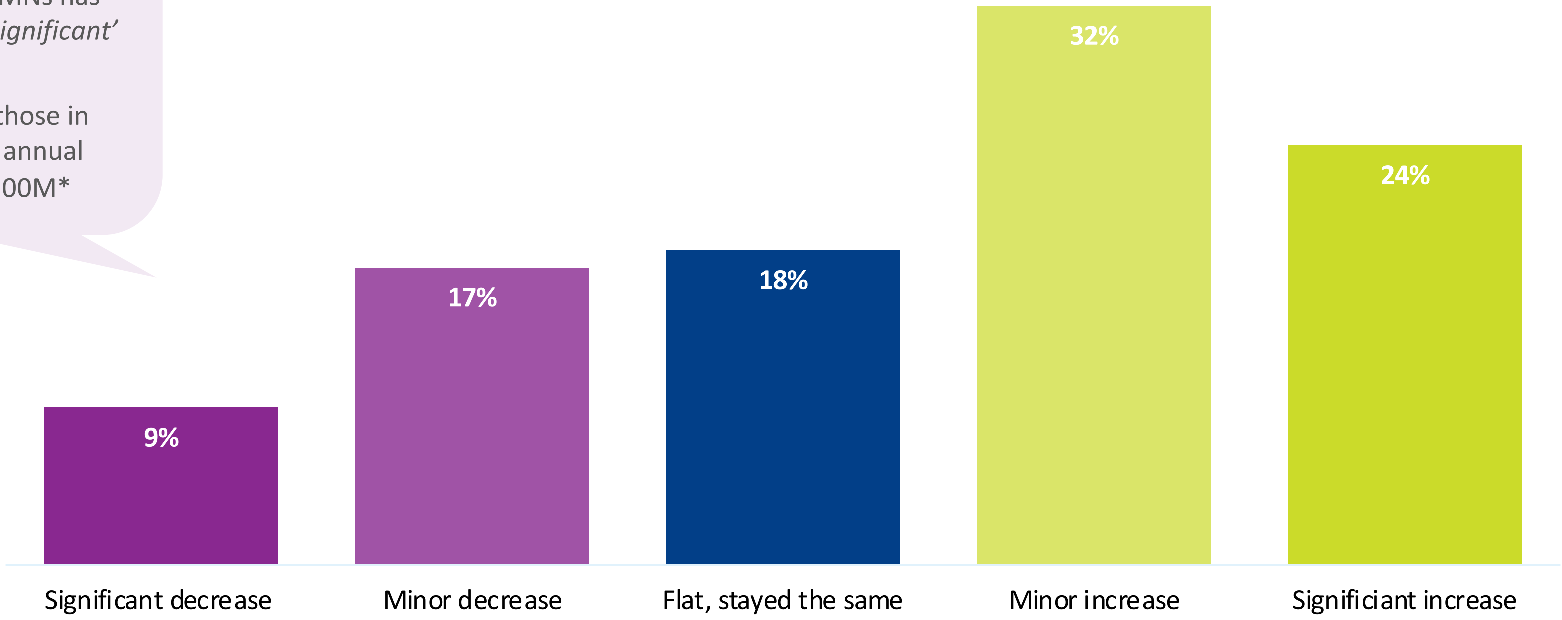
Data Source: Criteo Retailer Media Network Study, May/June 2022
Q4. Which retailer media networks have you worked with within the last year?

Over half of marketing, advertising, and branding leaders say their organization's investment for retailer media networks has increased from last year, particularly among those with annual revenues exceeding $500M.

How has your organization's 2022 investment changed for retailer media networks compared to last year?

Organizations with **<$500M* in annual revenue** more likely to say their investment for RMNs has **decreased** *('minor' or 'significant' decrease)*:

37% vs. 16% among those in organizations whose annual revenue exceeds $500M*



Organizations with **>$500M* in annual revenue** more likely to say their investment for RMNs has **increased** *('minor' or 'significant' increase)*:

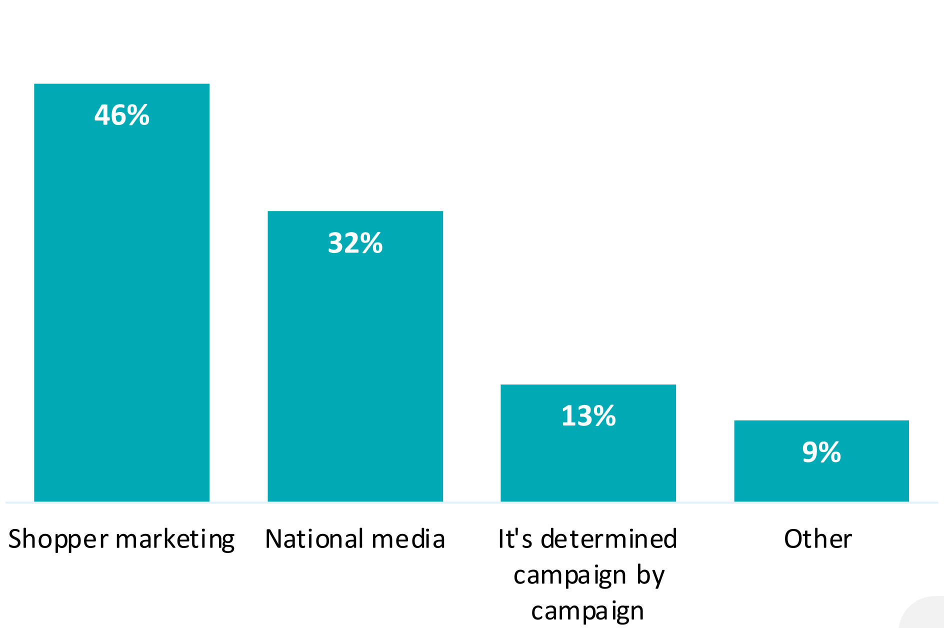
68% vs. 43% among those in organizations whose annual revenue is below $500M*

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q5. How has your organization's 2022 investment (budgetary spend and/or attention) changed for retailer media networks compared to last year?

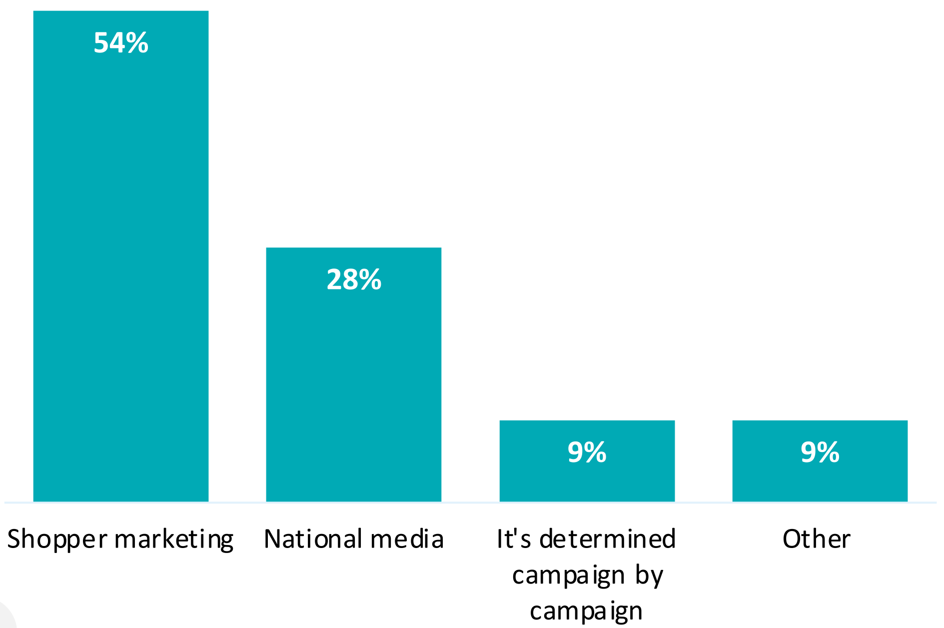
*Small sample size (<50n). Interpret data with caution.

Retailer media network spend is most often allocated to Shopper Marketing budgets, more so when you ask leaders to consider their budgets excluding Amazon spend.

From which budget is your retailer media network spend most often allocated?



What if you exclude Amazon?



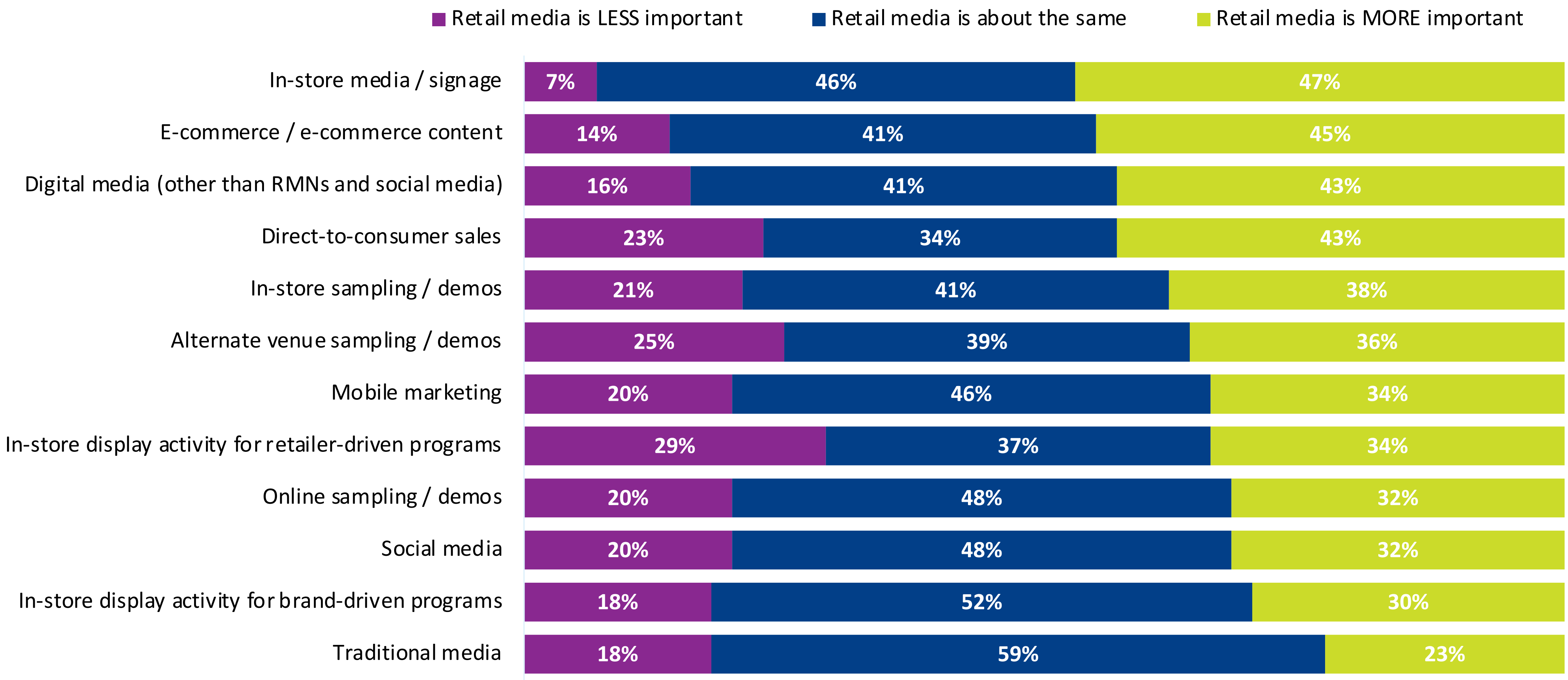
'Other' mentions include:

- *eCommerce*
- *Digital Marketing*
- *Trade*
- *Determined by retailer*

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q7. In your organization, from which budget is your retailer media network spend most often allocated?
Q8. If you exclude Amazon, from which budget is your company's retailer media network spend most often allocated?

Most leaders view retail media as equally or more important than the other marketing strategies and tactics leveraged by their organization.

Compared to these other strategies / tactics, how important is retail media to your organization?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q6. Compared to strategies / tactics such as those listed below, how important is retail media to your organization?

But in some cases, the perceived importance of retail media varies based on the product category or leader's role and/or level in the organization.

Compared to these other strategies / tactics, how important is retail media to your organization?
Showing % 'Retail media is MORE important'

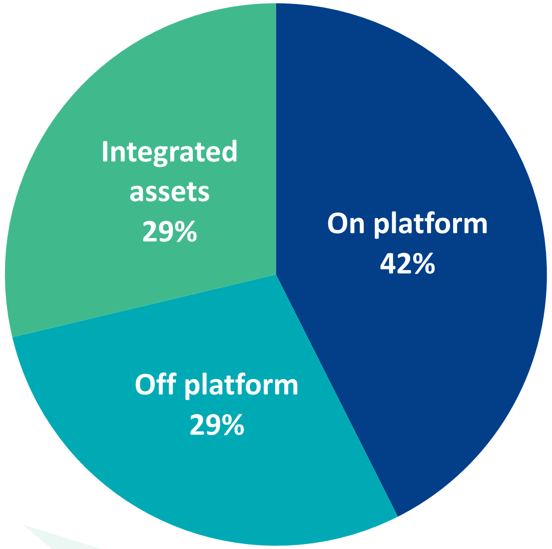
% saying Retail Media is more important than…	Category			Role			Level	
	Food & Beverage*	Household products**	Other*	Shopper / Customer Marketing**	E-commerce / Digital Mkg / Brand Mkg*	Other*	Manager / Sr. Manager*	Director or Above**
In-store media / signage	46%	69%	46%	29%	62%	59%	52%	42%
E-commerce / e-commerce content	46%	50%	46%	46%	46%	44%	52%	33%
Digital media (other than RMNs and social media)	46%	50%	39%	50%	35%	38%	45%	42%
Direct-to-consumer sales	46%	56%	46%	33%	58%	50%	36%	50%
In-store sampling / demos	35%	38%	46%	46%	31%	31%	32%	46%
Alternate venue sampling / demos	35%	44%	36%	42%	31%	31%	29%	46%
Mobile marketing	27%	44%	36%	25%	38%	41%	32%	38%
In-store display activity for retailer-driven programs	38%	31%	36%	38%	31%	31%	42%	21%
Online sampling / demos	27%	38%	32%	29%	31%	34%	29%	38%
Social media	27%	38%	43%	25%	42%	38%	42%	21%
In-store display activity for brand-driven programs	35%	38%	32%	21%	35%	38%	32%	29%
Traditional media	23%	25%	32%	33%	19%	16%	23%	21%

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q6. Compared to strategies / tactics such as those listed below, how important is retail media to your organization?

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

On platform assets are viewed as most valuable to marketing goals by 2-in-5 leaders, while nearly one-third say either off platform or integrated assets are the most valuable.

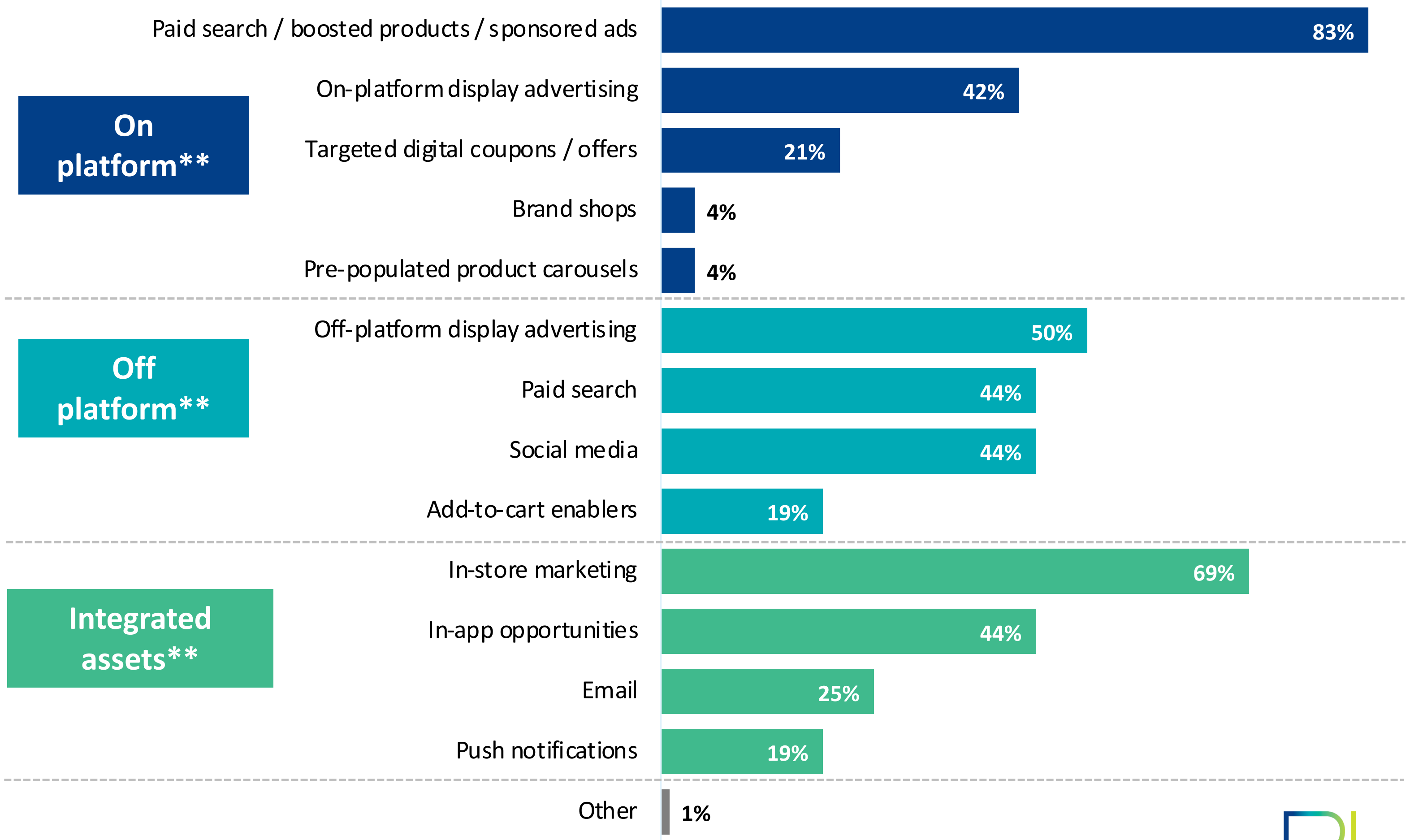
Which retailer media network asset is most valuable to your company's marketing goals?



Food & Beverage* CPGs more likely to say **Integrated Assets** are most valuable:

39% vs. 20% among those manufacturing other products*

Which particular asset(s) deliver the most value?

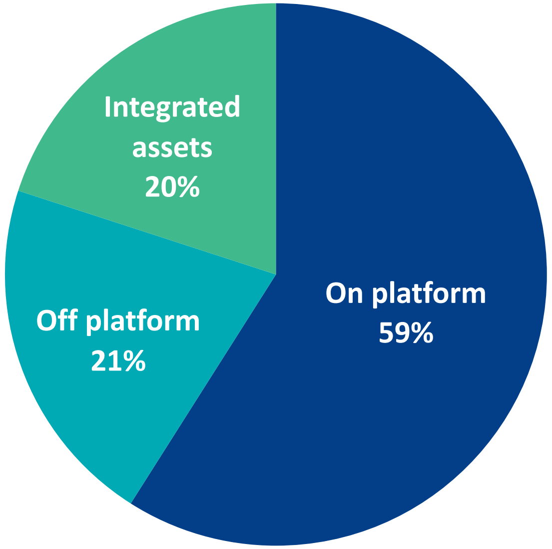


**Very small sample size (<25n). Insights are directional only.

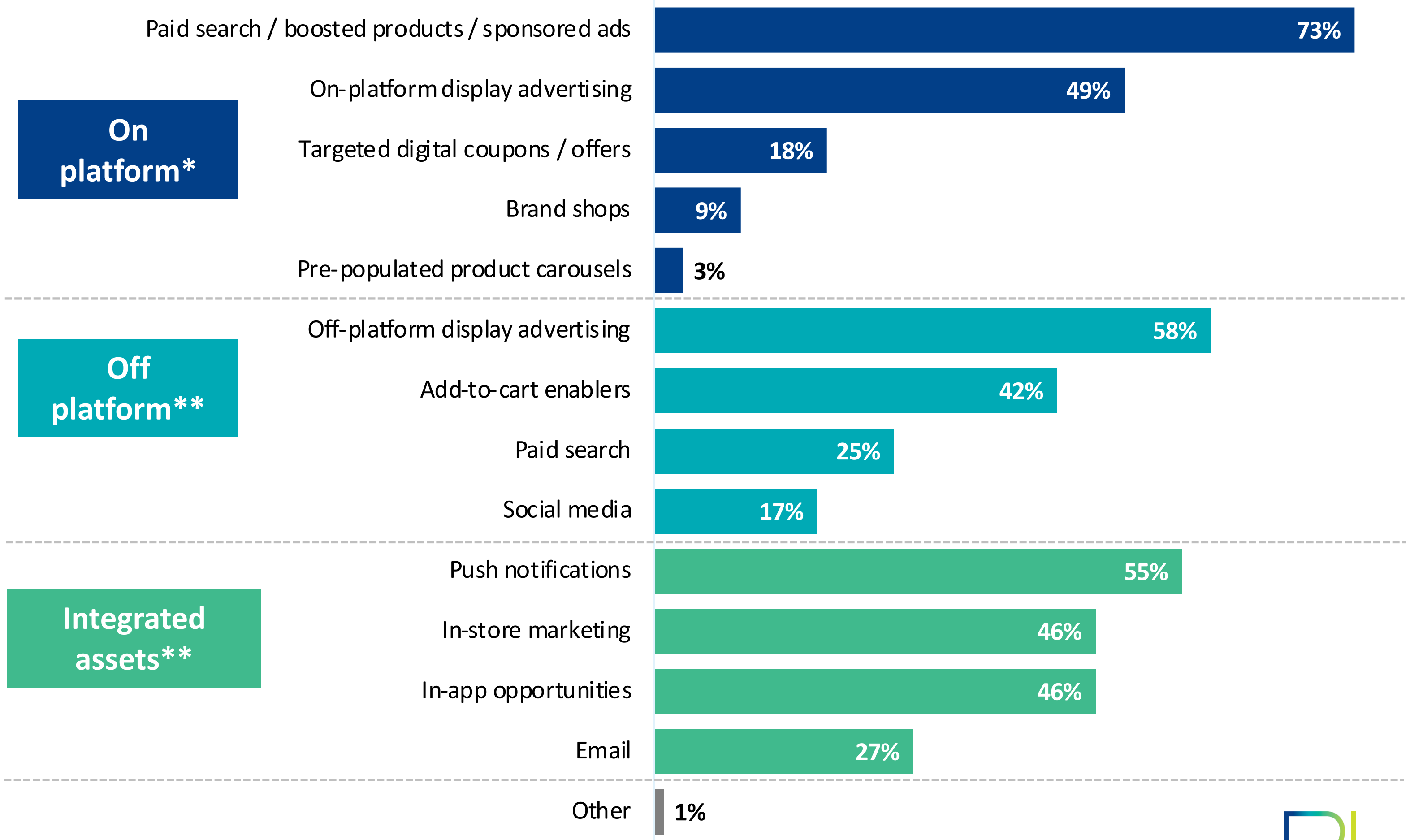
Data Source: Criteo Retailer Media Network Study, May/June 2022
Q9. Which retailer media network asset is most valuable to your company's marketing goals? Which delivers the best ROI?
Q10a. You said that [insert Q9 response] retailer media network assets are most valuable to your company's marketing goals. Which of the following most delivers that value? Please select up to two items from the list below.

When considering which retailer media asset delivers the best ROI, nearly 60% of leaders say on platform assets best deliver.

Which retailer media network asset delivers the best ROI?



Which particular asset(s) deliver that return?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q9. Which retailer media network asset is most valuable to your company's marketing goals? Which delivers the best ROI?
Q10b. You said that [insert Q9 response] retailer media network assets deliver the best ROI. Which of the following most delivers that return? Please select up to two items from the list below.

*Small sample size (<50n). Interpret data with caution.
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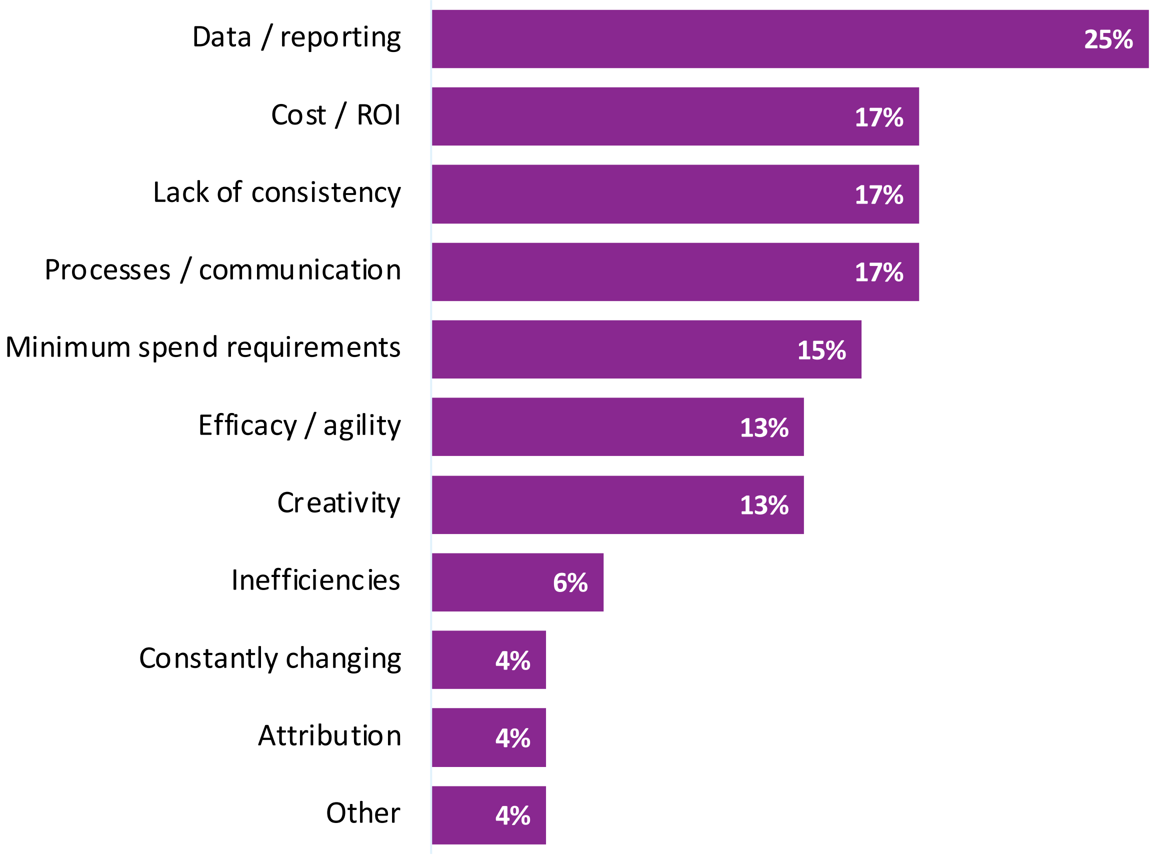
Leaders experience a wide variety of challenges working with retailer media networks. Limited access to data and reporting was the most mentioned challenge, indicated by one quarter of leaders when asked this question unprompted.

What has been the most challenging aspect of working with retailer media networks?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q11. What has been the most challenging aspect of working with retailer media networks? [Open-ended, responses may total >100%]

What has been the most challenging aspect of working with retailer media networks?

Data / Reporting

"Getting access to the right data and segmentation for targeting."

"Lack of data on impact of retail media."

"Lack of metrics and a consistent way to measure retail media across retailers."

"It is not possible to determine whether the shopping group is valuable."

"Lack of data tying back to overall effectiveness."

Cost / ROI

"Calculating a true ROI versus other channels."

"Truly getting a ROI."

Lack of consistency

"Understanding the full breadth of capabilities across each network."

"Lack of consistency in measurement across platforms; inability to compare apples to apples."

"It's a new medium and constantly evolving yet quickly ramping up, so you have to stay on your toes. Also, each platform has different capabilities and requirements, and it can be difficult to keep track of it."

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q11. What has been the most challenging aspect of working with retailer media networks? [Open-ended, responses may total >100%]

What has been the most challenging aspect of working with retailer media networks?

Processes / Communication

"Working with the right people to make things go smoothly."

"Lead time and having a key contact to work with."

"Lack of organization or clear communication to buyers."

"Learning the software or coordinating with a category manager."

Minimum spend requirements

"The ever-growing minimum investments that these retailer partners are asking for."

"Meeting minimum spend requirements."

Efficacy / Agility

"While the first party data from a retailer is very compelling, it doesn't seem like the retail media networks are able to fully deliver on the targeting and reach that they claim. The execution is still lacking. Aside from sponsored search, none of the tactics have utilized the data to the level that retail partners proport they will."

"Securing the optimal timing for our messaging. Standing out from the competitors who use the same media."

"Lack of agility as it relates to having to pivot strategy or product focus due to market conditions, updated creative assets, etc."

"Having confidence that media plans are suggested based on efficacy."

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q11. What has been the most challenging aspect of working with retailer media networks? [Open-ended, responses may total >100%]

What has been the most challenging aspect of working with retailer media networks?

Creativity

"Their 'templated' creative has many guardrails restricting messaging and how creative assets are leveraged."

"Advertising creativity is not outstanding, and the planning copy is not novel."

"Working within their creative constraints."

"Understanding their creative development process – select retail media networks want to handle creative development while others expect brands to bring developed creative to the network."

Inefficiencies

"Being locked in at times to only work with the retailer media network for specific tactics."

"Piece meal solutions."

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q11. What has been the most challenging aspect of working with retailer media networks? [Open-ended, responses may total >100%]

Over three quarters of CPG / Durables Brand Manufacturers work with media inventory aggregators: nearly half say they work with Criteo, while around 2-in-5 work with Quotient or CitrusAd.

Does your organization currently work with any media inventory aggregators?

On average, organizations say they work with **two** media inventory aggregators

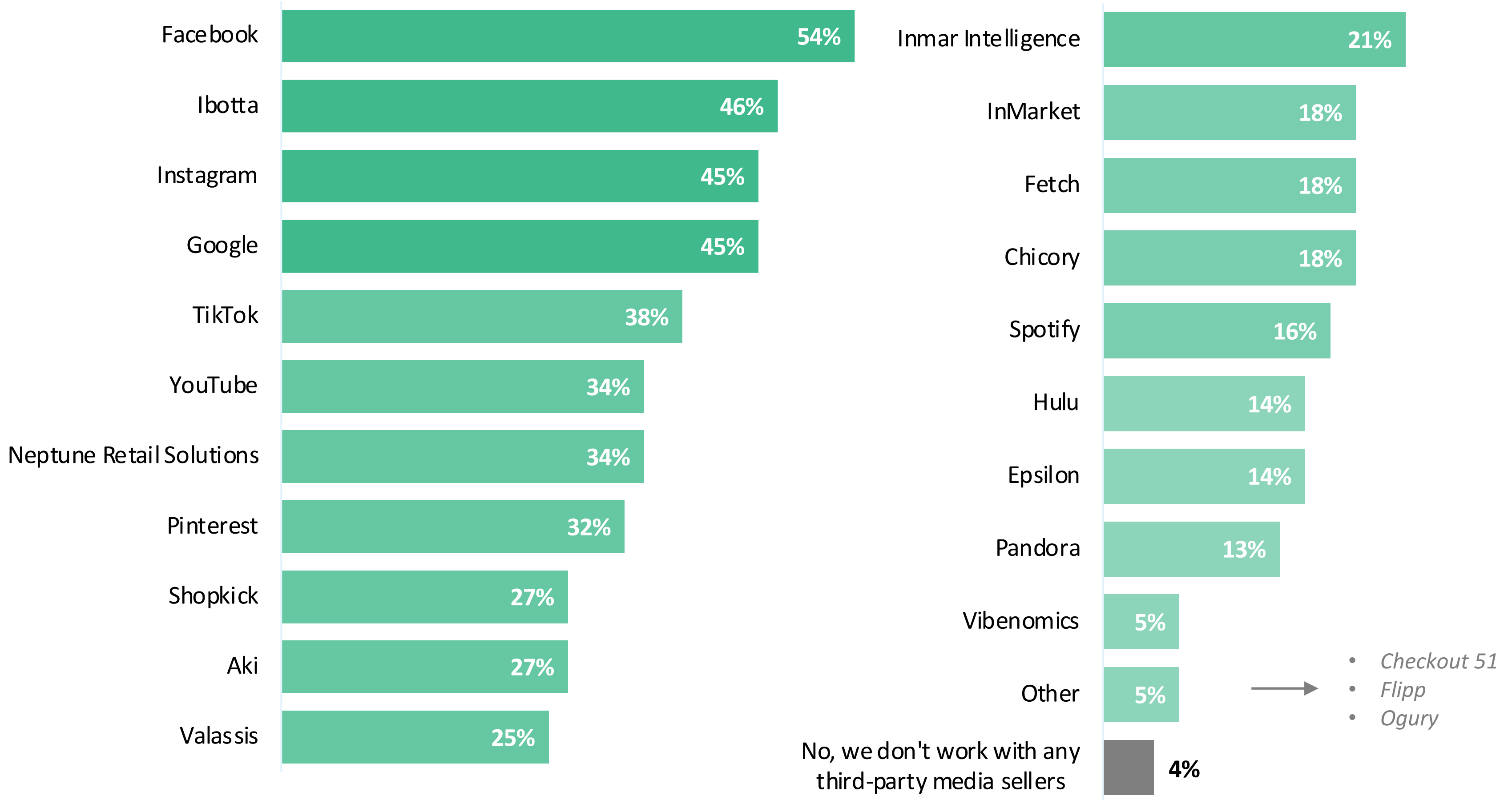
	TOTAL	Annual Revenue		Category		
		<$500M*	>$500M*	Food & Beverage*	Household Products**	Other*
Criteo	46%	30%	62%	39%	44%	50%
Quotient	39%	22%	55%	46%	50%	25%
CitrusAd	38%	37%	38%	35%	38%	39%
PromoteIQ	29%	11%	45%	27%	38%	25%
No, we don't work with any media inventory aggregators	23%	33%	14%	23%	19%	18%

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q12. Does your organization currently work with any media inventory aggregators (a single point of contact that buys inventory from multiple retailer platforms for the purposes of reselling)? If so, which one(s)?

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

Facebook, Ibotta, Instagram, and Google are the most often cited third-party media sellers that organizations are working with today.

Does your organization currently work with any third-party media sellers?



On average, organizations say they work with **six** third-party media sellers

Organizations with revenues **exceeding $500M*** more likely to work with:

Ibotta: 76% vs. 15%
Pinterest: 48% vs. 15%
Shopkick: 52% vs. 0%
Aki: 38% vs. 15%
Valassis: 48% vs. 0%
InMarket and **Fetch**: 28% vs. 7%
Epsilon: 28% vs. 0%

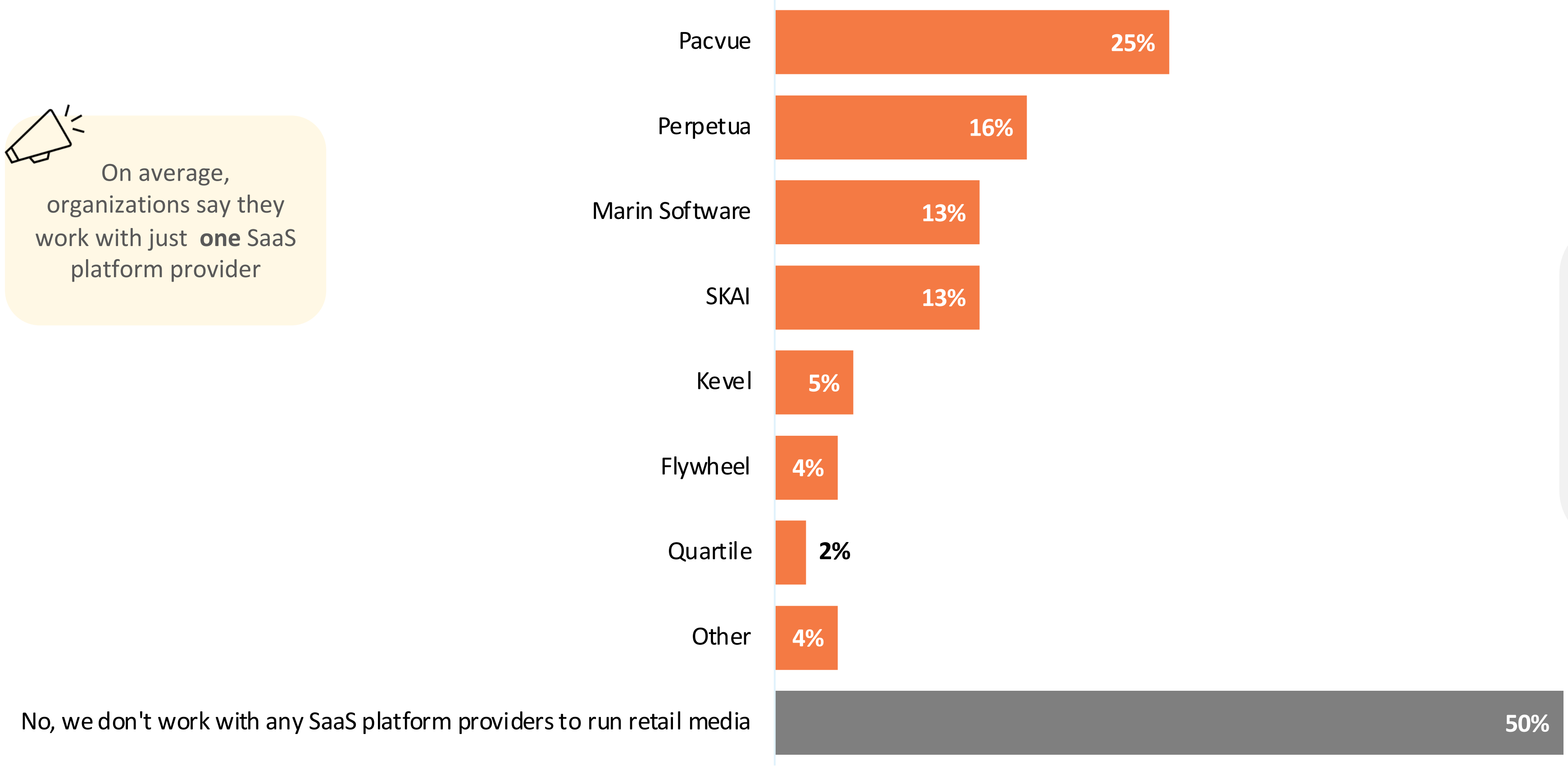
Data Source: Criteo Retailer Media Network Study, May/June 2022
Q13. Does your organization currently work with any third-party media sellers (a media provider who is not part of the retailer's media network and does not have access to the retailer's first-party data)? If so, which one(s)?

*Small sample size (<50n). Interpret data with caution.

Half of leaders say their organizations do not work with any SaaS platform providers to run retail media today. Among those who do currently work with a SaaS platform provider, Pacvue seems to be the most popular.

Does your organization currently work with any SaaS platform providers to run retail media?

On average, organizations say they work with just **one** SaaS platform provider



Food & Beverage* CPGs more likely to say they **don't work with any SaaS platform providers** to run retail media:

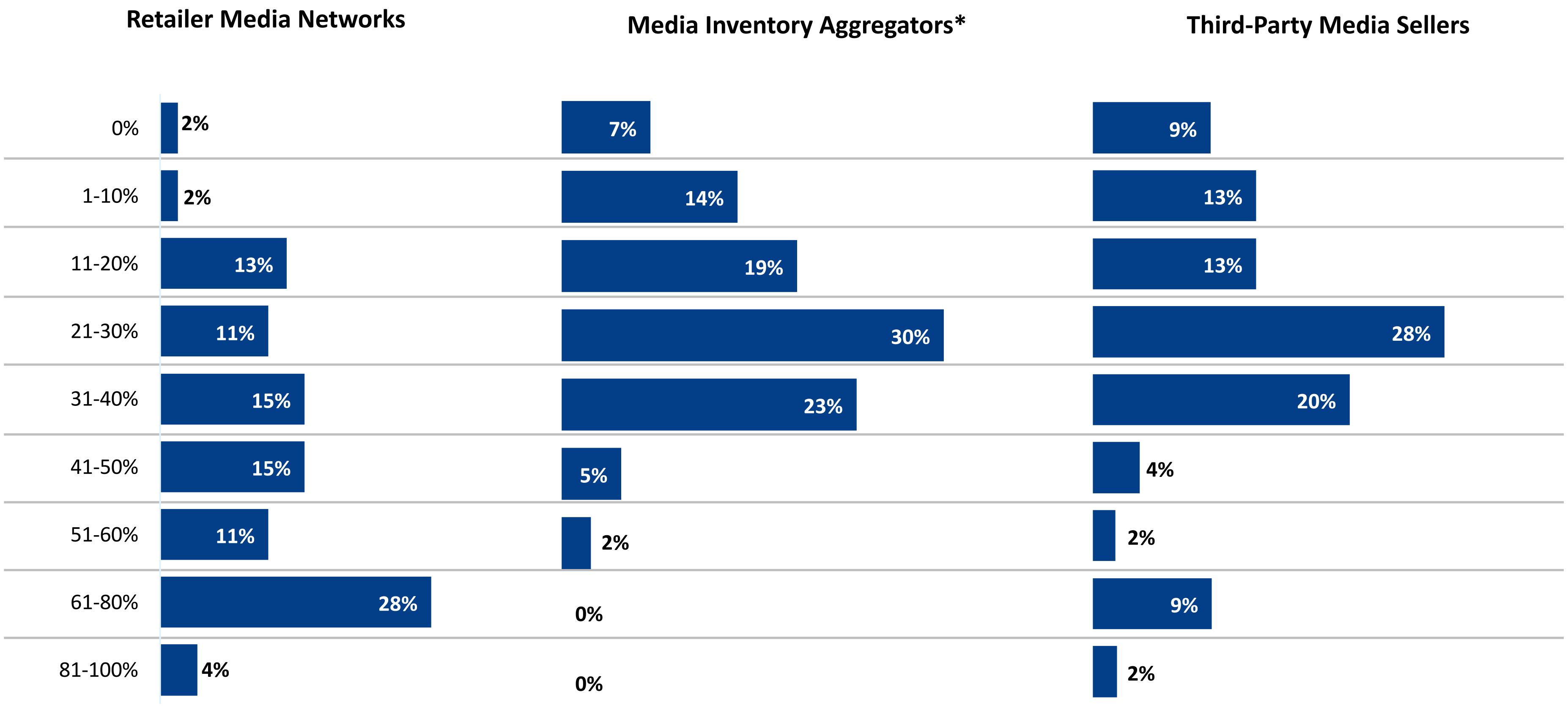
69% vs. 33% of CPGs manufacturing other product categories*

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q16. Do you work with any SaaS platform providers to run retail media?

*Small sample size (<50n). Interpret data with caution.

On average, CPG and durables brand manufacturers say about half of their retail media budget goes to retailer media networks, while the other half is split nearly equally between media inventory aggregators and third-party media sellers.

How much of your retail media budget goes to each of the following?



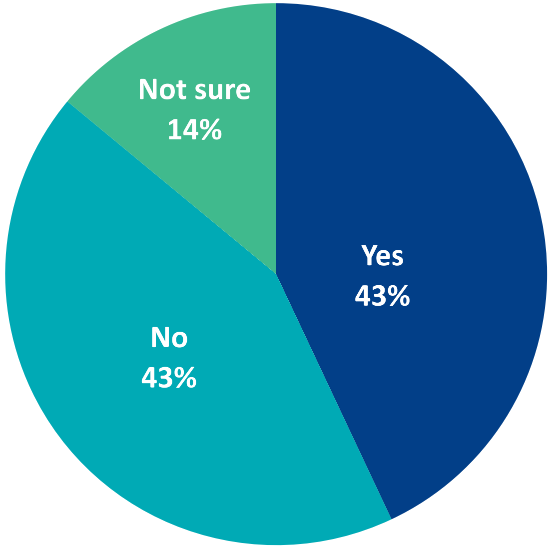
Average Proportion of Budget		
RMNs: 49%	*Aggregators: 26%*	*Third Party Sellers: 31%*

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q14. How much of your retail media budget goes to each of the following? Please enter a whole number for each of the items below representing the proportion of budget that is allocated to each. The total should equal 100%.

*Small sample size (<50n). Interpret data with caution.

Some leaders believe relative to sales potential, their spend is over indexing on retailer media networks versus inventory aggregators – particularly among those in Shopper / Customer Marketing roles and whose organizations use 6+ retailer media networks today.

Do you feel your spend is over-indexing on retailer media networks versus inventory aggregators relative to sales potential?



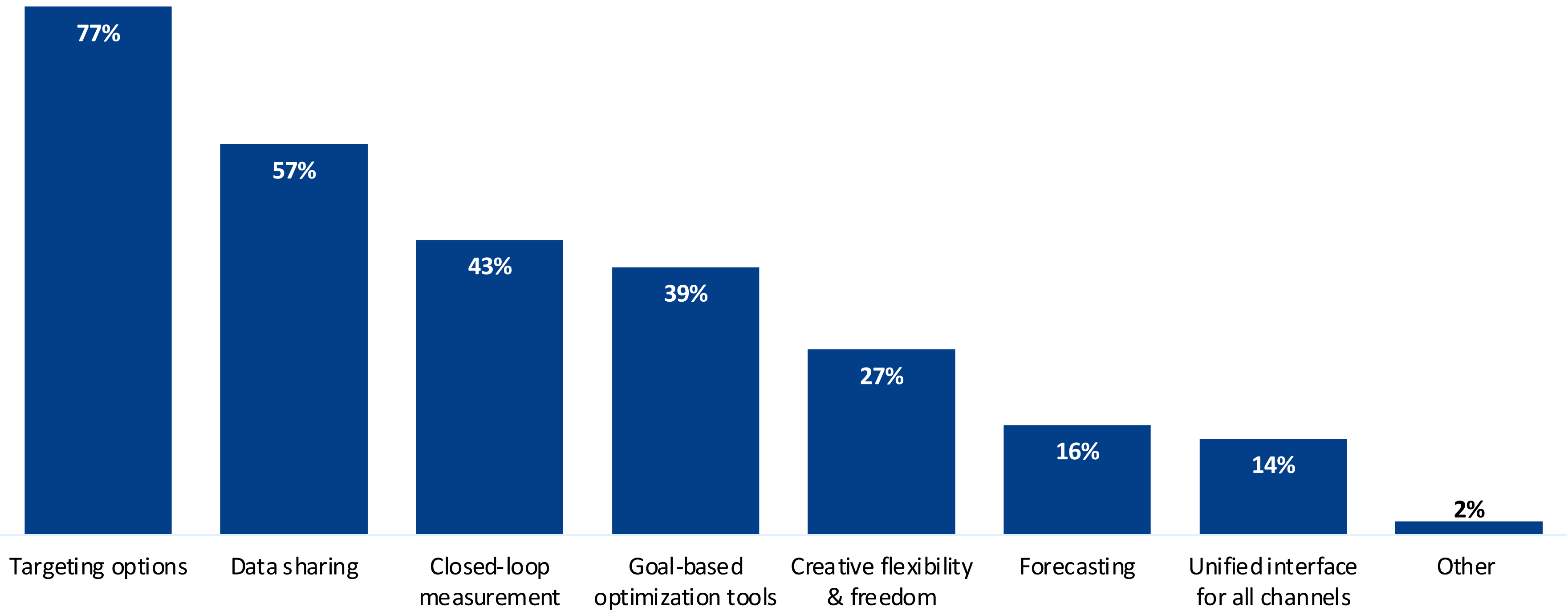
	Role			No. RMNs	
	Shopper / Customer Marketing**	E-commerce / Digital Mkg / Brand Mkg*	Other*	1-5 networks*	6+ networks**
Yes	54%	39%	34%	32%	73%
No	33%	50%	50%	51%	20%
Not sure	13%	11%	16%	17%	7%

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q15. Do you feel like your spend is over-indexing on retailer media networks versus inventory aggregators relative to sales potential?

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

In order to deliver an effective campaign, marketing leaders say targeting options are the most important capability for retailer media networks to offer. Data sharing capabilities are also important.

Which of these capabilities are most important for retailer media networks to offer in order to deliver an effective campaign?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q17. Which of these capabilities are most important for retailer media networks to offer in order to deliver an effective campaign? Please select your top three.

Targeting options are particularly important for organizations with revenues exceeding $500M. Shopper / Customer Marketing leaders also are more likely to say both targeting options and data sharing capabilities are important to deliver an effective campaign.

Which of these capabilities are most important for retailer media networks to offer in order to deliver an effective campaign?

	Annual Revenue		Role		
	<$500M*	>$500M*	Shopper / Customer Marketing**	E-commerce / Digital Mkg / Brand Mkg*	Other*
Targeting options	63%	90%	96%	65%	63%
Data sharing	56%	59%	71%	46%	47%
Closed-loop measurement	22%	62%	58%	27%	31%
Goal-based optimization tools	59%	21%	33%	46%	44%
Creative flexibility & freedom	33%	21%	25%	27%	28%
Forecasting	22%	10%	4%	31%	25%
Unified interface for all channels	7%	21%	4%	23%	22%

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q17. Which of these capabilities are most important for retailer media networks to offer in order to deliver an effective campaign? Please select your top three.

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

When considering the outcomes that are most important for retail media tactics, marketing leaders agree that ROI and Sales growth are critical.

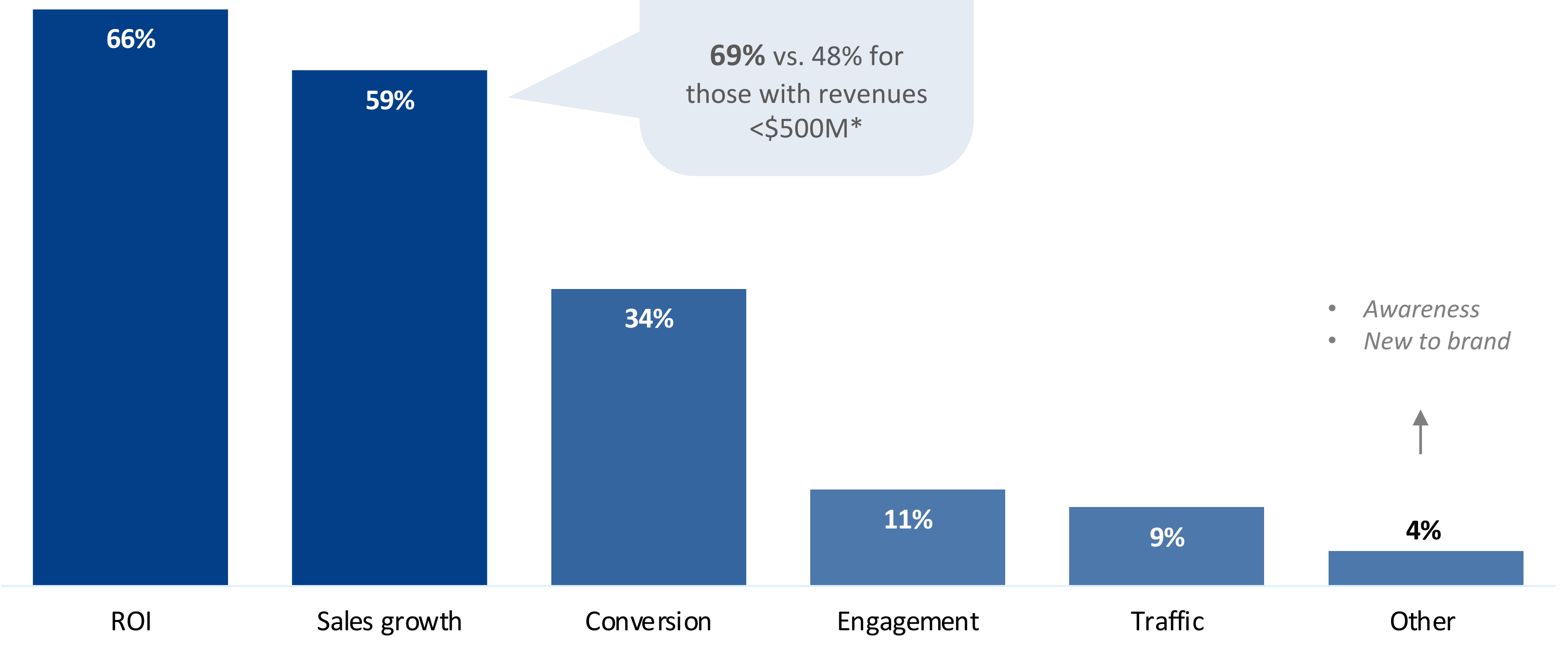
What outcomes are most important for your retail media tactics?

ROI is more important for organizations with revenues **<$500M*:**

74% vs. 59% for those with revenues >$500M*

Sales growth is more important for organizations with revenues **>$500M*:**

69% vs. 48% for those with revenues <$500M*

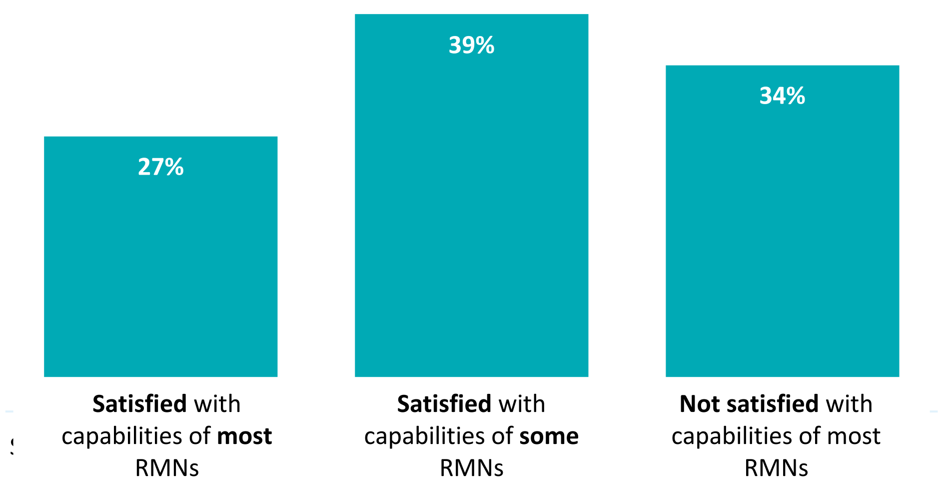


Data Source: Criteo Retailer Media Network Study, May/June 2022
Q18. What outcomes are most important for your retail media tactics? Please select up to two items from the list below.

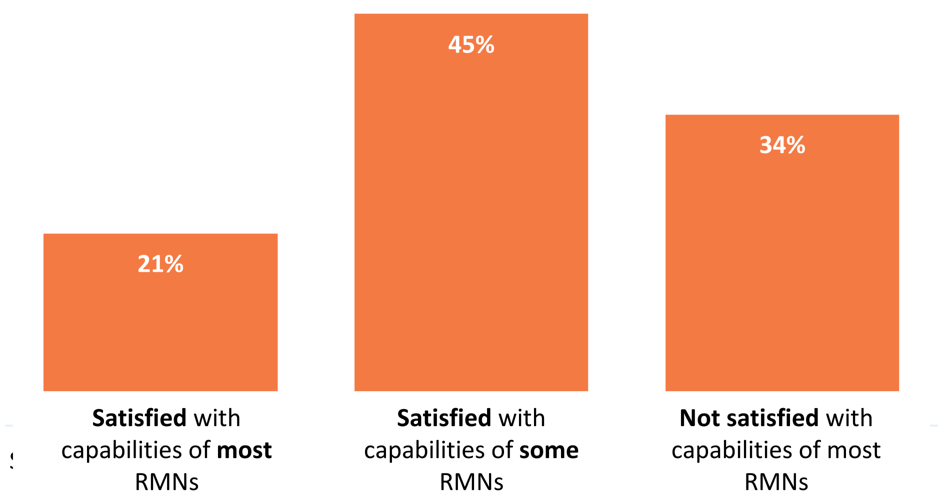
*Small sample size (<50n). Interpret data with caution.

Organizations are not particularly satisfied with the measurement and data sharing capabilities of retailer media networks today. In fact, one-third say they are not satisfied with most retailer media networks when considering either capability.

How satisfied are you with the measurement capabilities of retailer media networks?



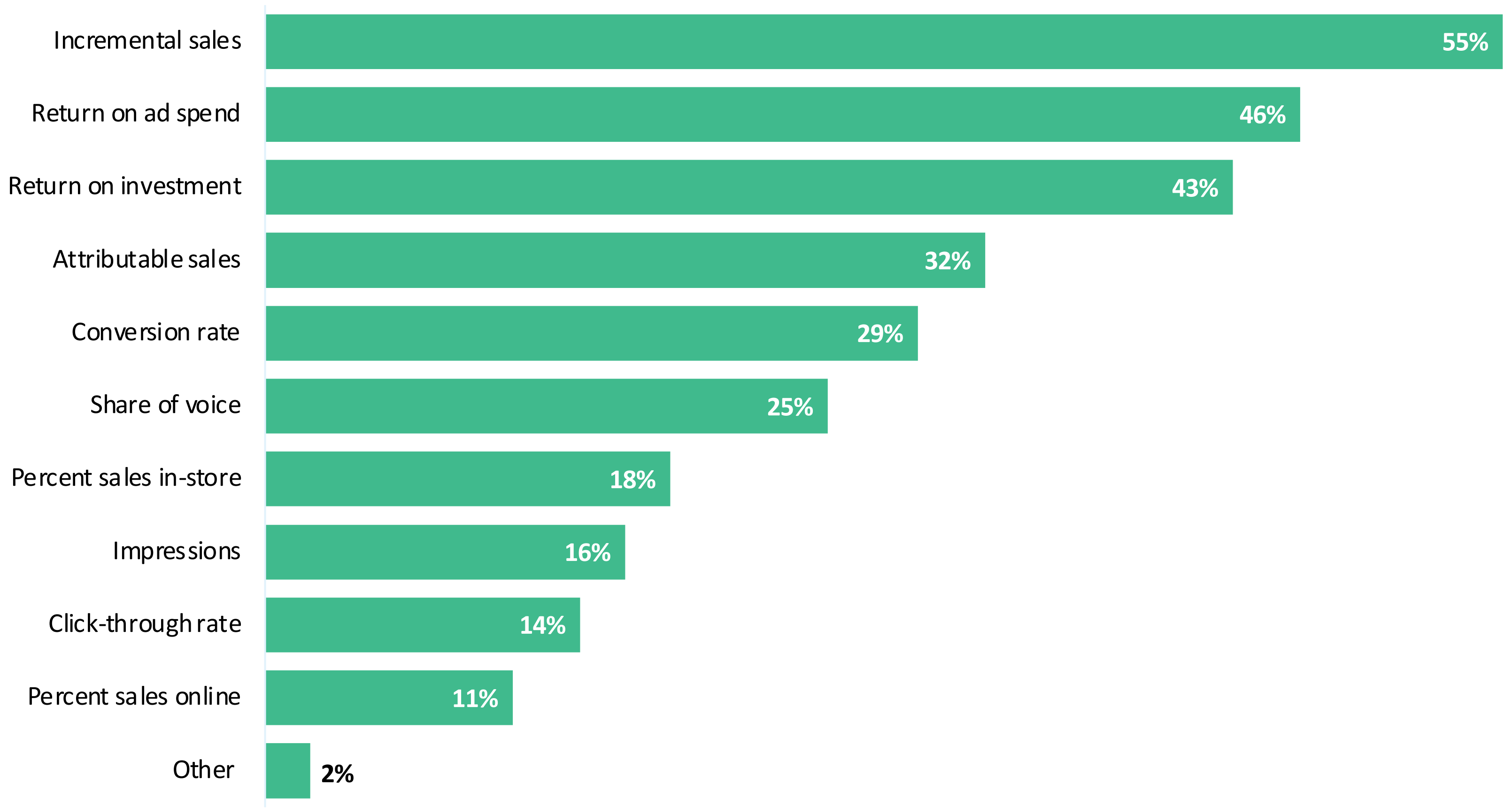
How satisfied are you with the data sharing capabilities of retailer media networks?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q19. In general, how would you rate your satisfaction with the measurement capabilities of retailer media networks?
Q21. In general, how would you rate your satisfaction with the data sharing capabilities of retailer media networks?

When assessing campaign performance on retailer media networks, marketing leaders say incremental sales, return on ad spend, and return on investment are the most valuable metrics to track.

Which metrics are most valuable when assessing campaign performance on retailer media networks?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q20. Which metrics are most valuable to you when assessing campaign performance on retailer media networks? Please select up to three metrics.

Incremental sales is viewed as even more valuable among organizations whose revenue exceeds $500M, produces food & beverage or household products, or uses 6+ retailer media networks today.

Which metrics are most valuable when assessing campaign performance on retailer media networks?

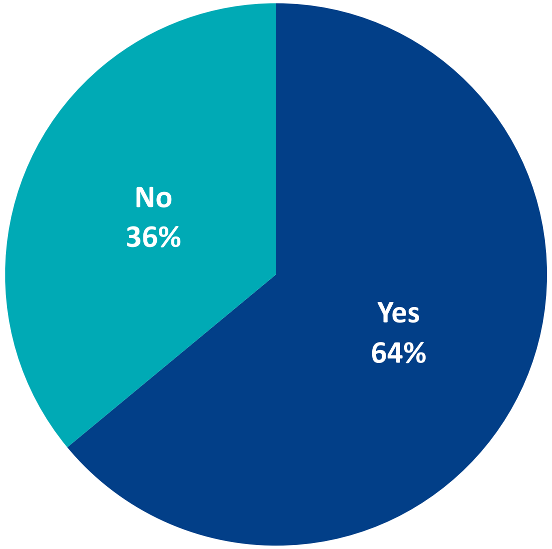
	Annual Revenue		Category(s)			Current No. RMNs	
	<$500M*	>$500M*	Food & Beverage*	Household Products**	Other*	1-5 networks*	6+ networks**
Incremental sales	41%	69%	65%	69%	46%	49%	73%
Return on ad spend	41%	52%	58%	44%	43%	49%	40%
Return on investment	41%	45%	31%	69%	43%	37%	60%
Attributable sales	37%	28%	31%	13%	29%	37%	20%
Conversion rate	30%	28%	42%	19%	14%	29%	27%
Share of voice	19%	31%	4%	31%	36%	27%	20%
Percent sales in-store	19%	17%	19%	19%	21%	12%	33%
Impressions	15%	17%	15%	6%	25%	17%	13%
Click-through rate	22%	7%	12%	13%	21%	17%	7%
Percent sales online	19%	3%	8%	13%	14%	15%	0%

Data Source: Criteo Retailer Media Network Study, May/June 2022
Q20. Which metrics are most valuable to you when assessing campaign performance on retailer media networks? Please select up to three metrics.

*Small sample size (<50n). Interpret data with caution.
**Very small sample size (<25n). Insights are directional only.

Nearly two-thirds of CPG marketing leaders believe retail media is the new slotting fee. An equal proportion say that despite the extra cost, they find the cost of retailer media networks worth it for the value they deliver.

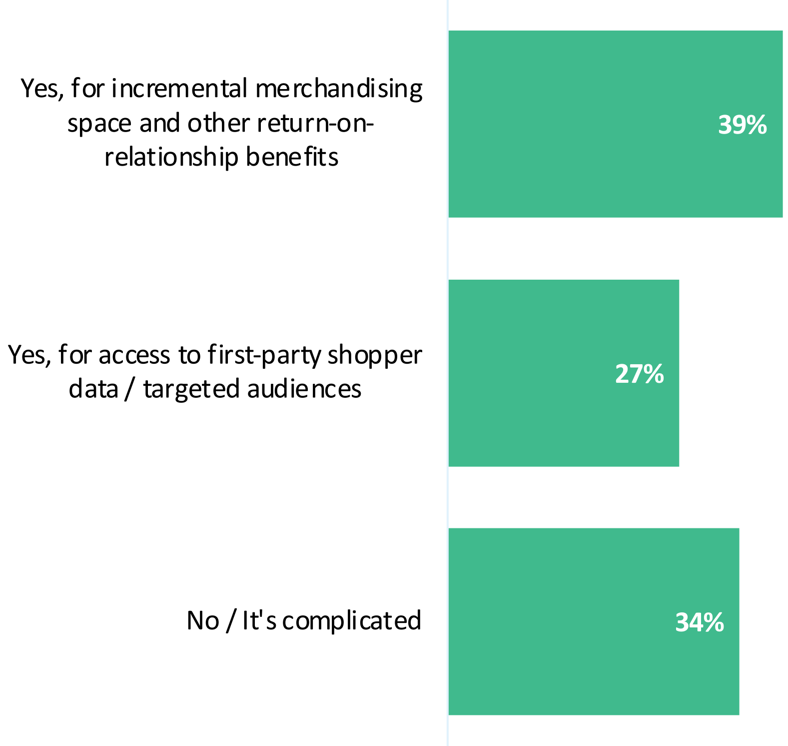
Is retail media the new slotting fee?



Those in **Food & Beverage*** CPG organizations more likely to say **No**:

54% vs. 20% in any other category*

Have you found the extra cost of retailer media networks worth it?

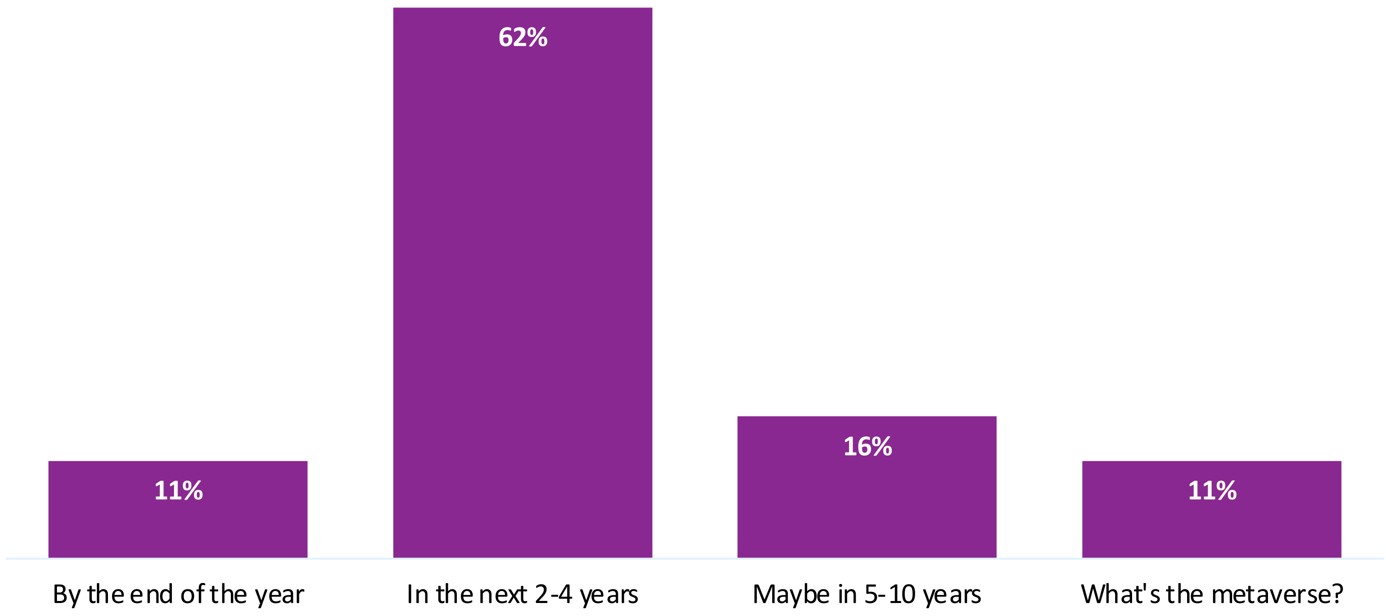


Data Source: Criteo Retailer Media Network Study, May/June 2022
Q22. Is retail media the new slotting fee?
Q23. Retailer media networks typically cost more than other mainstream digital media or third-party media sellers. Have you found the extra cost worth it?

*Small sample size (<50n). Interpret data with caution.

Most marketing leaders surveyed think metaverse buys won’t be part of retail media for at least a couple years, if not longer.

How long until metaverse buys are part of retail media?



Data Source: Criteo Retailer Media Network Study, May/June 2022
Q24. How long do you think it will be until metaverse buys are part of retail media?

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