

RETAIL MEDIA

OFF-SITE ADVERTISING

What is Off-Site Retail Media

Off-Site Retail Media refers to the use of retailer first-party data to buy advertising sold on inventory outside of retailers online (web and app) shopping platforms.

It is an opportunity for marketers to use real purchase and intent data signals to reach their next customer or existing customer across a large number of channels and formats.

In the context of third-party cookie deprecation, the importance of activating retailer first-party purchase data across the web is becoming paramount. In most cases off-site retail media ads are enabled through biddable activity, powered by customer audiences.

Off-Site Formats

- Display
- Social
- DOOH
- Advanced TV (AVOD, BVOD, SVOD)
- Digital Video (in-stream, out-stream)

Measurement Options

Media Metrics:

Reach, Viewable Impressions, Brand Safety, IVT/Fraud, Video Completion Rate, CTR, VTR Interaction-Rate

Sales Metrics:

Detail Page View, Units sold, Return on Ad Spend (ROAS), New to brand, Repeat Purchase Rate.

Current Benefits

- **Audience Relevance:** Marketers can leverage actual purchase data from consumers to determine consumer's plans to buy something and significant life events (i.e. moving house, having a baby, etc.) so that they can tailor their messaging to be incredibly pertinent and timely.
- **Audience Scale:** Off-site Retail Media can tap into a vast audience by targeting consumers who shop in-store and participate in loyalty programs. Since a significant portion of retail transactions still occur offline, especially in sectors like groceries and personal care, access to this audience allows advertisers to reach consumers who might not be as active online but are frequent in-store shoppers.
- **Closed Loop Measurement:** thanks to retailer transaction data (on- and off-site), brands can track the effectiveness of their advertising by identifying consumers who saw an ad and then made a purchase, hence closing the loop in order to measure ROI and optimise future advertising efforts.
- **Retailer Revenue Opportunity:** Off-site ads enable retailers to scale their ad revenues beyond the confines of their own site-traffic.
- **Integration with Other Media:** We have seen many new and exciting Retail Media and CTV integrations over the past couple of years. This is a huge opportunity for off-site Retail Media to scale and integrate with the rest of the media ecosystem.

Current Challenges

- **Measurement Across the Media Mix:** Measuring the effectiveness of on and off-site campaigns is currently difficult to do. Beyond this, measurement of Retail Media campaigns as part of the overall media mix is also a challenge for the buy-side.
- **Identity and Connectivity:** In order to reach consumers across media platforms, a resolved identity infrastructure for both on and off-site would need to exist.
- **Achieving a Holistic go-to Market Strategy:** Retailers need to ensure that their overall Retail Media strategy operates as a whole. In practice this means considerations like how to differentiate between on-site and off-site, and then again vs in-store. It is important for retailers to have a clear strategy of what "advertiser problem" is solved by each part of their Retail Media mix, and ensure no channel conflict. Doing this ensures real incrementality and the application of Retail Media over and above bottom of funnel performance.

Best Practices

1. **Full Funnel Retail Media Strategy:** Expand upon a bottom of funnel ecommerce focus and leverage Retail Media across the marketing funnel off-site. Drive awareness and relevant users adeptly through to intent and purchase. This creates incremental revenue and margin for retailers and new media opportunities for brands and agencies.
2. **Monitor Performance and Optimise Often:** Set appropriate KPIs for each part of the cross-funnel Retail Media strategy. Measure performance against those program KPIs regularly. Adjust and optimise campaigns, as necessary.
3. **Consider the Media and Audience:** Retail Media opportunities include various formats to reach customers along their buying journey. Retail Media also offers the opportunity for brands to test with certain creatives and audiences and learn along the way. Leverage first party data and to identify and target the most relevant audience for each campaign, aligned with the campaign needs and objectives.

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