

# Retail media networks bring brands closer to consumers; driving ROI

By [Odette van Wyk](#)

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Onsite performance-based advertising has proved itself a game-changing strategy for retailers looking to drive sales of branded goods sold on their platform. This data-driven approach that delivers measurable results, is capturing the hearts, minds, and budgets of brands trying to maximise their sales on the Takealot platform.



Image by [Preis\\_King](#) from [Pixabay](#)

It's here that savvy advertisers are poised to get their brands in front of shoppers with greater ease to boost their sales.

A retail media network is a media offering where a retailer sells advertising space on their onsite channels, and facilitates off-platform advertising, giving third-party sellers and brands the opportunity to advertise to consumers in a walled garden.

The growth trajectory for retail media networks over the next few years is anticipated to be astronomical.

According to McKinsey's projections, retail media networks are set to double the share of advertising spend they attract from the current \$45bn in the United States to more than \$100bn by 2026. But the most significant observation from these numbers is the impending paradigm shift in digital advertising – one that hasn't been seen since the initial rise of programmatic.



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## Central to marketing strategies

It's clear that retail media networks are no longer just peripheral players – they're poised to become a central consideration in marketing strategies and the allocation of advertising budgets.

McKinsey is already forecasting that retail media networks could account for 10-15% of total media spend for brands as the realisation dawns that targeting shoppers with advertising nearer to the point of purchase yields significant conversions.

It's about reaching online consumers and serving them what they're interested in while they're in shopping mode.

### Brands benefit from the 'shopping mode' mindset

The success of retail media networks lies in their ability to effectively curate the customer journey, allowing brands to benefit from the 'shopping mode' mindset when customers login to an e-commerce site or app.

Retail media networks have offerings throughout the funnel from awareness all the way to conversion assets. The approach not only supports marketers with elevated insights, but also attribution analytics to optimise return on ad spend (ROAS), while streamlining and enhancing the customer journey.

### But what does it take to be a frontrunner as a retail media network?

Firstly, performance marketing needs to remain the pace-setter that gives marketers the platform and tools to advertise at the right moment, in the right product category, to the right consumer.

This allows retail media networks to offer products directly to shoppers when they are adjacent to the moment of truth, which occurs when they're looking for something specific, or open to buying something suggested to them.

A second reason for the adoption of advertising on these e-commerce platforms sits in the granular insights provided by RMNs, giving advertisers a view of campaign performance at a deeper level.

This active data-driven approach makes every aspect of the customer's journey clear - from clicks to conversions to attributed revenue - by facilitating the nuanced calibration of keyword strategies, targeting, and campaign effectiveness.

The evolution of on-site performance marketing is developing further with the integration of sponsored display and video to follow. A platform that not only offers visual references in search listings, provides retailers with a holistic understanding of customer interactions, from the awareness stage to conversion but also fine-grained audience targeting and deep post-campaign insights.

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Moreover, as the digital advertising landscape faces the challenge of a cookie-less future, retail media networks are stepping in to offer innovative solutions, including clean room environments that facilitate secure data collaboration and audience analysis.

Above all, retail media gives entire marketing teams a grasp on the marketing continuum in real time. This makes it an exciting time to be a marketer because as these networks of innovation continue to develop next level efficiencies for the industry, performance marketing will live up to its name: with performance that's actualised.

## ABOUT THE AUTHOR

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