

skai®

PATH TO
PURCHASE
INSTITUTE

THE STATE OF RETAIL MEDIA REPORT

THE COMPLETE RESULTS

TABLE OF CONTENTS

3	Introduction	36	Channel Management & Opportunities
4	Key Takeaways	37	Cross-channel Coordination
5	Trends	38-39	Channels of Retail Media
6	Commerce Media is Here	40	Paid Social and Paid Search Allocation
7	Respondent Profile	41-44	Offsite Media Challenges
8	Organization Profile: Brands	45-48	CTV Opportunities
9	Organization Profile: Agencies	49	Retail Media Strategy Opportunities
10	Retail Media Outlook & Spending	50	Full-funnel Retail Media Value
11-15	Channel importance	51-52	Platform Consolidation
16	Retail Media Maturity	53	Emerging Non-retailer Networks
17-18	2024 Program Performance	54	Retail Media Measurement
19-21	Program Components	55-61	Incrementality
22-25	2025 Budget Prioritization	62	Technology Solutions & Impact
26-27	Retail Media Budget Allocation	63	AI Maturity
28-29	Investment Accelerators	64-67	Data Clean Rooms
30-32	Investment Decelerators	68	Retailer Appendix
33-35	Keeping the Pace	78	About Skai

INTRODUCTION

WELCOME TO SKAI'S 2025 STATE OF RETAIL MEDIA

If there's one thing that's clear, it's that retail media is no longer just an emerging channel—it's a cornerstone of consumer goods marketing strategies. Over the past year, the conversation around retail media has evolved, shifting from rapid growth and experimentation to scrutiny and optimization. Marketers now face increased expectations to deliver measurable results, prove incremental value, and align strategies across various tactics and technologies.

The good news? Retail media continues to hold its ground as the most important marketing channel for 92% of consumer goods marketers in our study. With social advertising at 91% importance and full-funnel strategies emerging as a key focus, the opportunities remain abundant. However, challenges like ROI concerns, gaps in incrementality measurement, and integration hurdles with tech adoption underscore the growing complexity of the space.

Now in its fourth year, the State of Retail Media study explores how brands navigate this dynamic landscape. From investment trends to tactical innovations, this edition's findings offer actionable insights to help marketers not only adapt but thrive in the ever-evolving world of retail media.

THIS YEAR'S STUDY TOPICS:

Retail media's growing role in the marketing mix

Key factors driving budget allocation in retail media

The rising importance of incrementality measurement

Accelerators and roadblocks in adopting advanced tactics

Social commerce as a growing pillar in retail media strategies

Technology maturity and adoption trends in retail media

Expanding channel capabilities to enhance efficiency

KEY TAKEAWAYS FROM THE SURVEY

RETAIL MEDIA DOMINATES BUDGETS BUT FACES ROI SCRUTINY

Retail media remains the leading marketing channel for consumer goods organizations, with 92% ranking it as their most important strategy. While budgets continue to grow, challenges around ROI and incrementality are becoming increasingly evident. Smaller budgets face the greatest ROI dissatisfaction, underscoring the critical need for advanced measurement tools and methodologies to justify investments.

FULL-FUNNEL STRATEGIES DRIVE FUTURE VALUE

The full-funnel retail media approach is gaining traction, with 61% of leaders emphasizing its ability to ensure consistent messaging, and 59% say it helps to influence consumers at every stage of the customer journey. Despite its potential, budget constraints and a lack of integration with other digital channels remain significant barriers to adoption. Only 25% of organizations report achieving full-funnel maturity, leaving room for growth in creating cohesive brand experiences.

INCREMENTALITY GAPS HOLD BACK RETAIL MEDIA INVESTMENTS

Incrementality is now the top challenge for retail media marketers, as proving incremental value remains elusive. Limited tools and unclear methodologies hinder confidence in scaling budgets. While 40% of respondents believe improved insights could unlock future investments, only around half (56%) rate their incrementality measurement proficiency as strong—highlighting the need for advancements in this area.

SOCIAL COMMERCE LEADS THE EXPANSION OF RETAIL MEDIA TACTICS

Social commerce is emerging as a critical retail media priority, with 71% of marketers planning to increase budgets in 2025. Bridging discovery and purchase, social commerce has seen significant growth, with 91% of marketers emphasizing its importance—a 23% increase over the previous year. As the second-largest growth area after on-site search, social commerce offers brands a unique opportunity to connect with consumers where they are most engaged.

CONSOLIDATION AND TECHNOLOGY ADOPTION ARE KEY PRIORITIES

Marketers prioritize platform consolidation and improved tech adoption to streamline performance and maximize efficiency. While 57% of leaders rank consolidation as highly important, tools like AI and data clean rooms remain underutilized, with only 2 in 5 reporting high AI maturity. Addressing expertise and legal barriers will be essential to unlocking the full potential of these technologies.



TRENDS

HOW RETAIL MEDIA WILL EVOLVE IN 2025

We'll look back at 2025 as a transformative year for retail media. With record-breaking investments and technological advancements, retail media is no longer an emerging channel—it's an essential pillar of modern marketing strategies. Advertisers and retailers alike are pushing boundaries with new innovations, but challenges around measurement and integration remain at the forefront. As retail media matures, the spotlight is on solving these obstacles to unlock its full potential.

MEASUREMENT WILL NEED TO TAKE A GIANT LEAP FORWARD

Retail media measurement takes center stage in 2025. As ad spend reaches record highs, advertisers will demand transformative advancements in measurement to validate and optimize their investments. Incrementality and ROI will dominate the conversation, with innovative tools and methodologies emerging to address transparency gaps. Retail media networks that deliver robust, actionable insights will solidify their value, while those that fall short risk losing advertiser confidence.

SOCIAL COMMERCE IS SET TO EXPLODE

2025 is the breakthrough year for social commerce. Social media platforms have evolved into dynamic content ecosystems, making them ideal for blending discovery with seamless purchasing. With trusted brands like Amazon and Walmart embedding their functionality into social platforms, consumers will finally feel confident transacting through social channels. This shift will redefine the role of social commerce, making it a central pillar of retail media strategies.

CONNECTED TV FUELED BY RETAIL MEDIA DATA

2025 could be a turning point for Connected TV (CTV) as more retail media marketers explore its potential amid the decline of linear TV. Retail media data—like purchase history and browsing habits—enables personalized, dynamic ad experiences, positioning CTV as a bridge between brand awareness and measurable performance. With platforms like Prime Video now leading ad-supported streaming in audience reach, the synergy between retail media and CTV is growing, though adoption remains in the early stages.

THE RETAIL MEDIA NETWORK GOLD RUSH WILL EVOLVE

The retail media network (RMN) landscape will undergo a significant shakeout in 2025. With over 200 RMNs competing globally, only those that innovate will thrive. Networks that introduce groundbreaking ad experiences, deliver advanced measurement capabilities, and provide unique insights will capture marketer attention. This year will separate the networks that adapt and grow from those unable to keep pace, reshaping the competitive landscape of retail media.

COMMERCE MEDIA IS HERE

In the 2024 report, we predicted that retail media was ushering in a broader concept called commerce media — a more expansive and robust approach that leverages commerce data for media planning & buying both on- and offline.

"Taking a few steps back and connecting the dots on these key growth areas indicates a more expansive and robust transformation for retail media. This new designation refers to any media strategy/buying that ties back to some form of commerce data to facilitate a transaction."

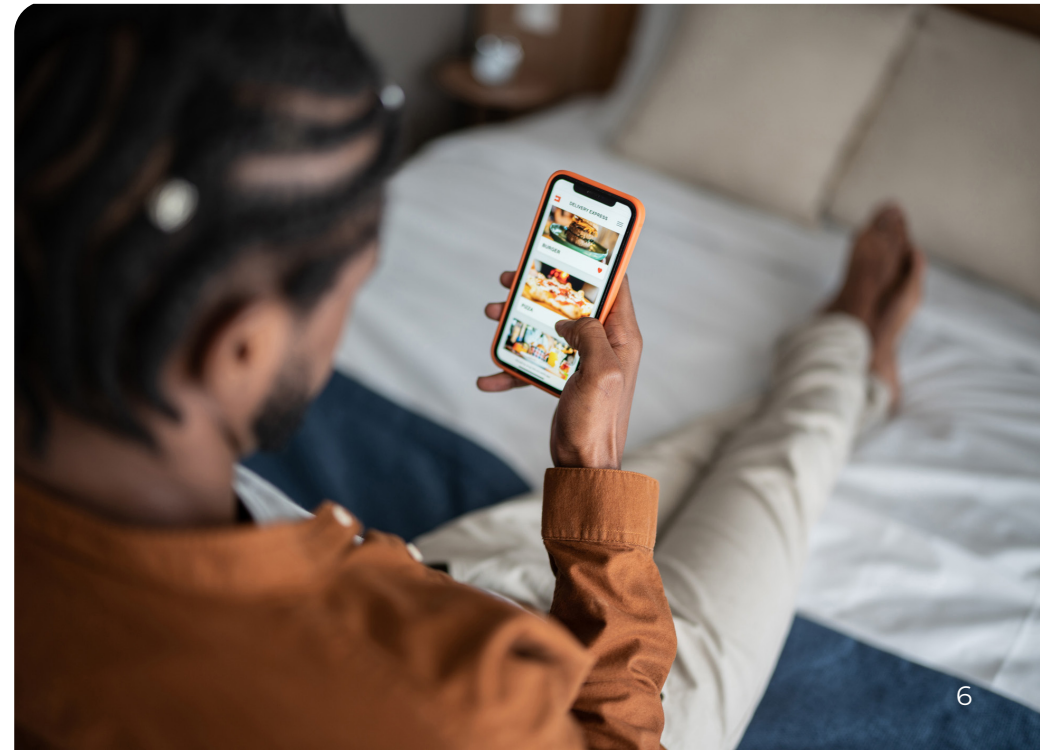
— Skai 2024 State of Retail Media

COMMERCE MEDIA IS NO LONGER JUST A PREDICTION; IT'S THE REALITY OF 2025

Commerce media has emerged as a fully integrated, omnichannel layer that enables marketers to take control and leverage retail media and other channels to address every stage of the consumer journey from discovery to sale. By leveraging commerce data signals — what people purchase, browse, and search — across channels and platforms, brands can deliver seamless and highly targeted experiences at scale with a singular goal of driving sales.

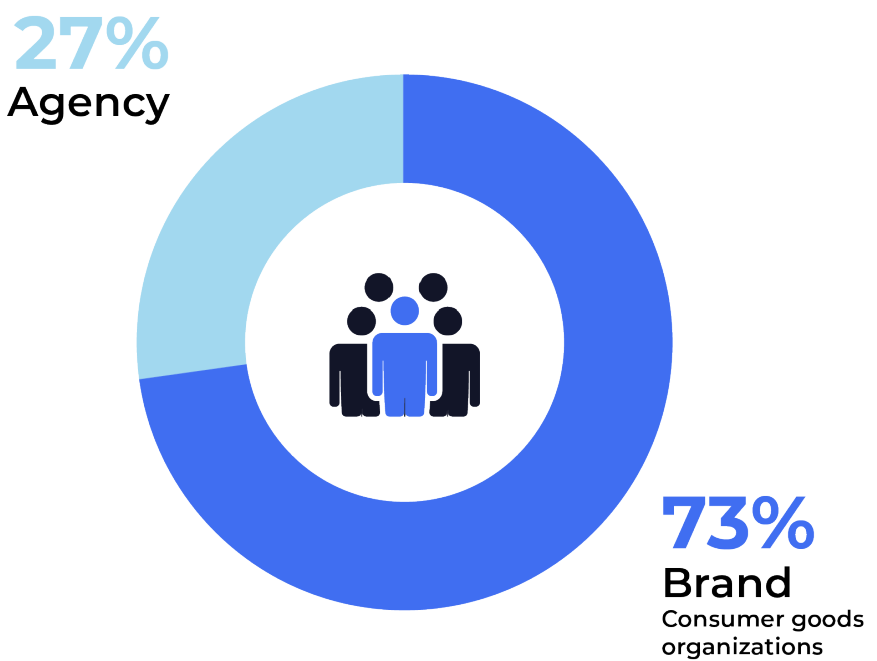
The shift to commerce media has unlocked new opportunities for marketers to maximize retail media but also engage consumers holistically by breaking down the long-standing silos between channels. With commerce data acting as the connective tissue, this new paradigm enables brands to seamlessly reach audiences across traditionally disconnected touchpoints.

In 2025, success in commerce media requires brands to embrace advanced measurement frameworks, optimize data-driven processes, and invest in technology that bridges retail, digital, and social ecosystems. As commerce media solidifies its position as a critical marketing strategy, the focus is on creating cohesive, impactful campaigns that drive measurable outcomes.



RESPONDENT PROFILE

Organization Type



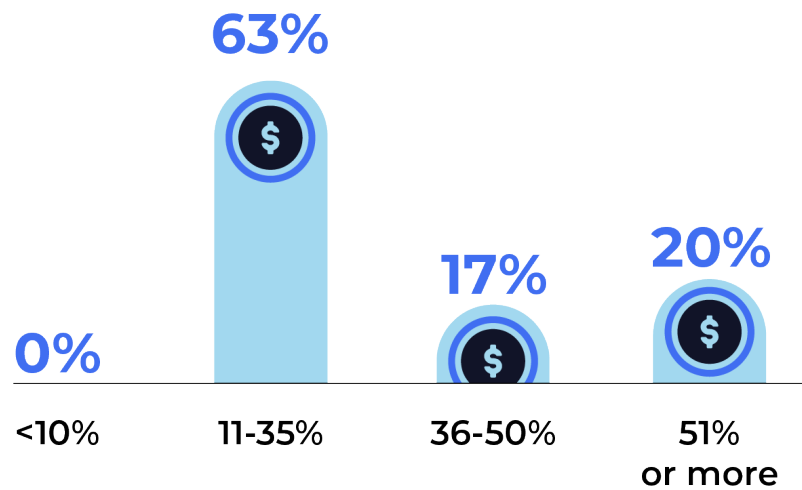
Job Level



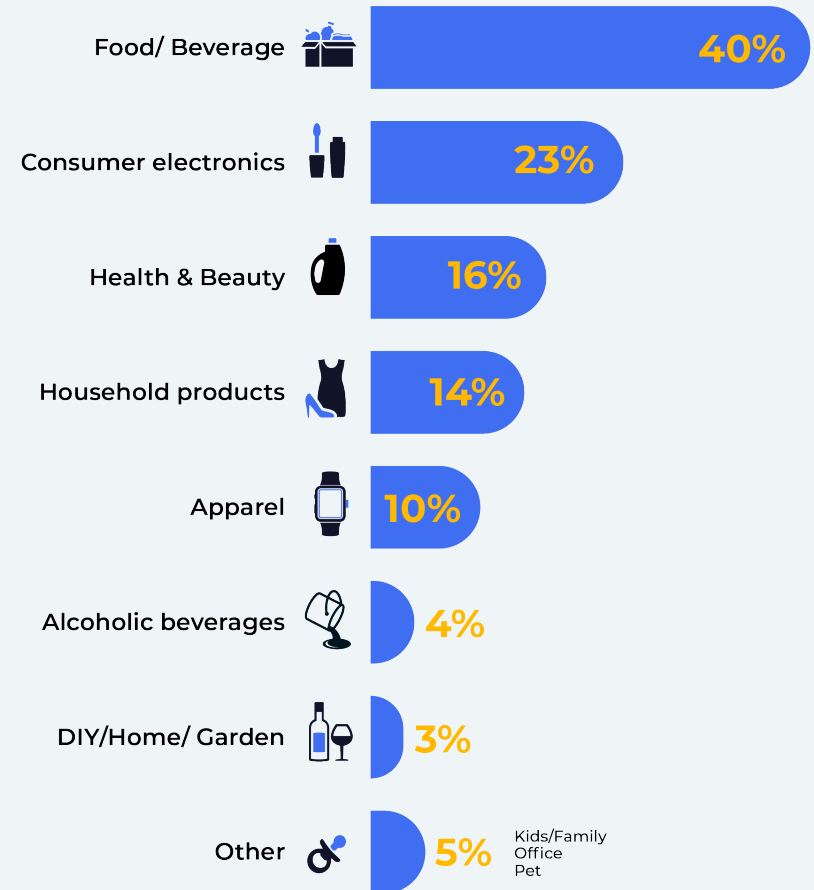
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
S1. What type of organization do you work for? [Base: Total Respondents, n=109]
S4: What does your company manufacture or supply? [Base: Brand Respondents, n=80]
S2. Approximately what percentage of your organization's total marketing budget is allocated to retail media this year? [Base: Brand Respondents, n=80]

ORGANIZATION PROFILE: BRANDS

Budget Allocation to Retail Media[^]
Among Brands



Product Category
Among Brands



[^]Excluded respondents indicating <10% budget allocation to retail media

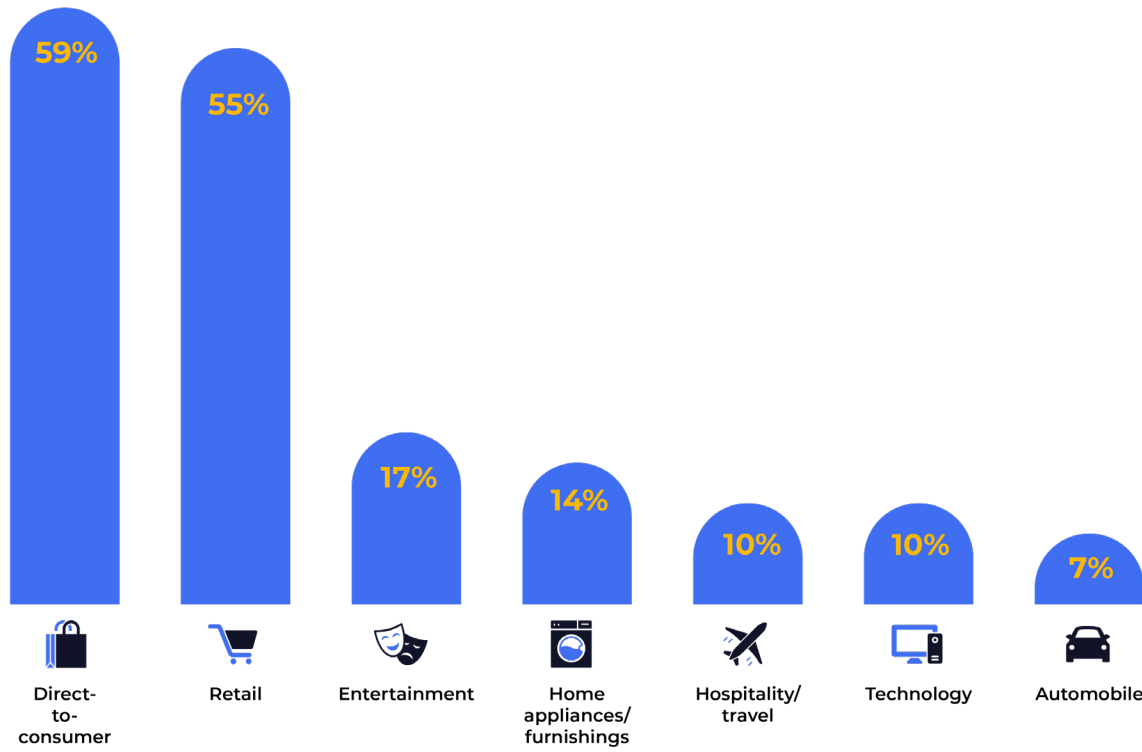
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

S1: What type of organization do you work for? [Base: Total Respondents, n=109]

S5: Which of the following best describes your client focus? [Base: Agency Respondents, n=29*]

ORGANIZATION PROFILE: AGENCIES

Client Focus*
Among Agencies



*Sample size <30, use caution when interpreting results
^All agency respondents were screened for having a CPG client focus
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
S1: What type of organization do you work for? [Base: Total Respondents, n=109]
S5: Which of the following best describes your client focus? [Base: Agency Respondents, n=29*]

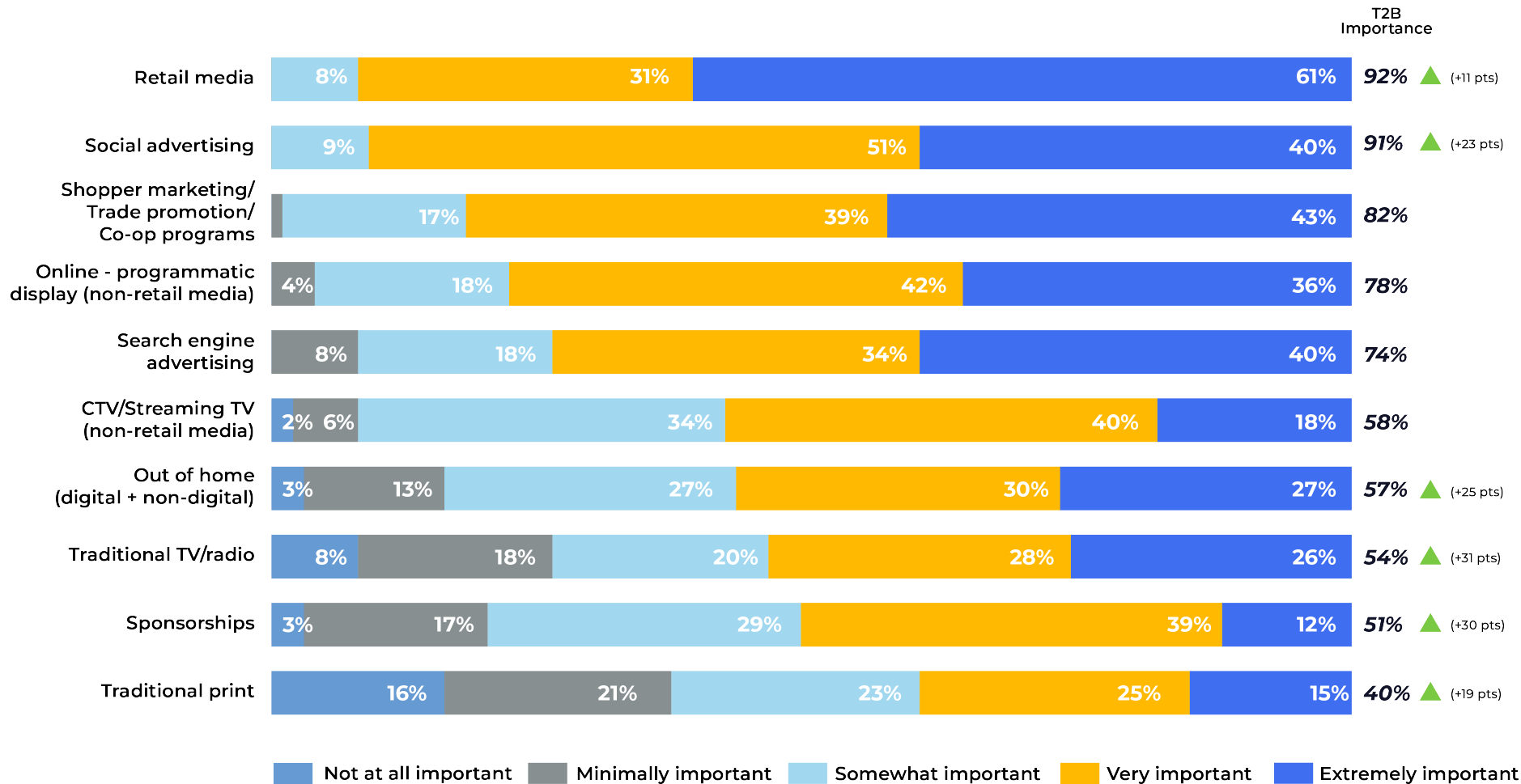


RETAIL MEDIA OUTLOOK & SPENDING



CHANNEL IMPORTANCE

How important are each of the following marketing channels to your organization/clients?

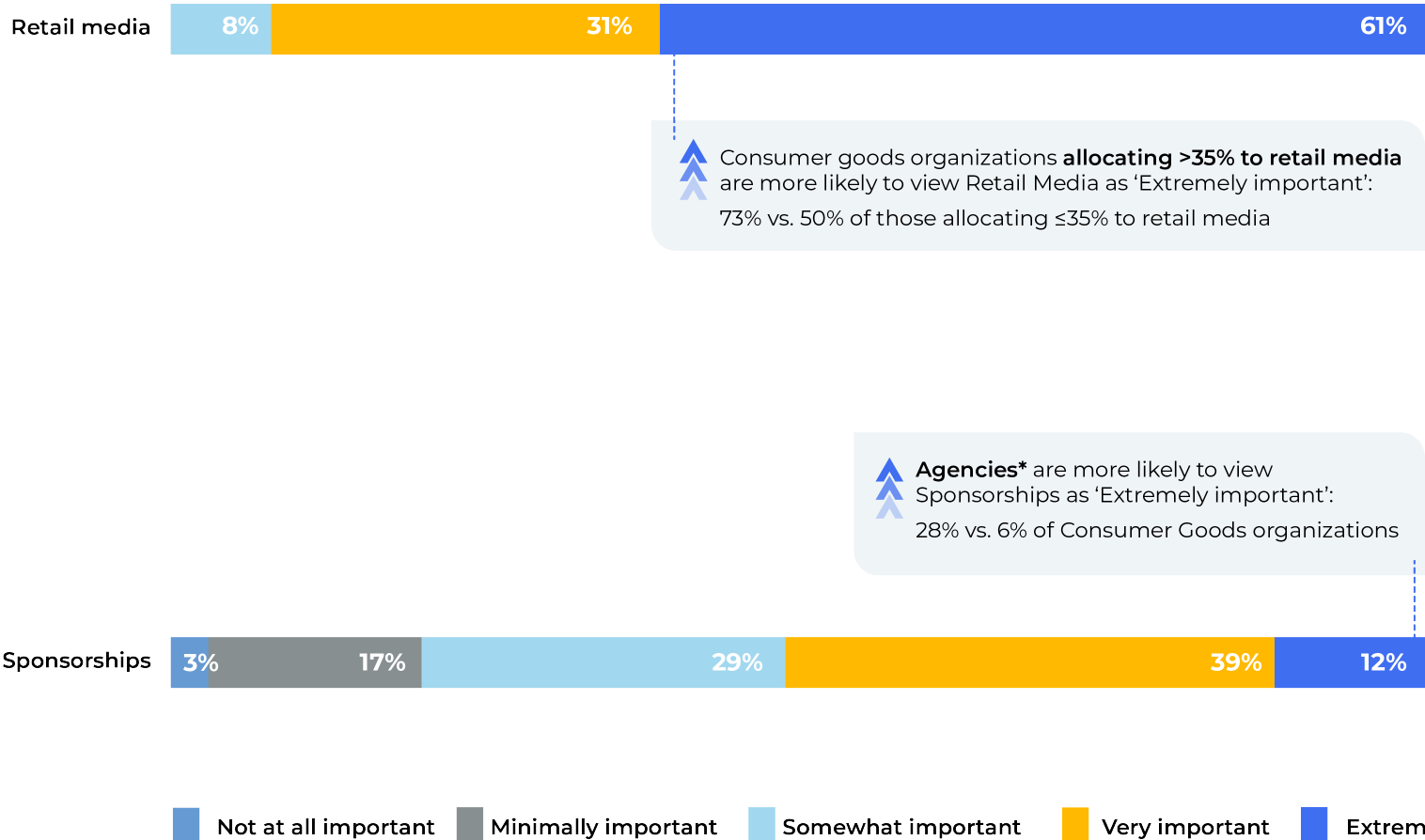


▲ Significant
▼ Change YoY

Retail media and social advertising are the most important marketing channels to consumer goods organizations. These have increased in importance since the previous year, along with a handful of other channels.

CHANNEL IMPORTANCE

How important are each of the following marketing channels to your organization/clients?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

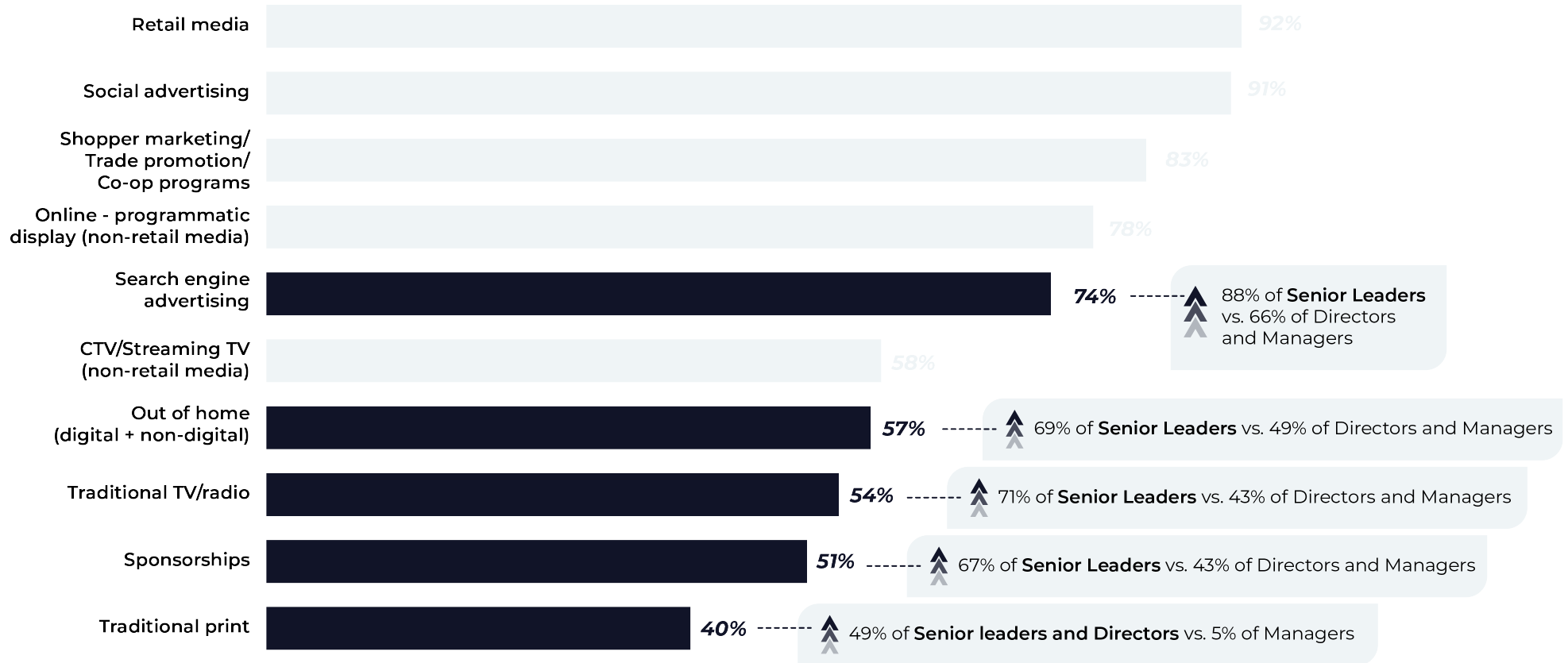
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q1. How important are each of the following marketing channels to your organization/CPG clients?
Base: Total Respondents, n=109

Unsurprisingly, organizations allocating more of their budgets to retail media are more likely to say the channel is extremely important to their businesses. Agencies are more likely than those in consumer goods organizations to say sponsorships are an extremely important channel.

CHANNEL IMPORTANCE

How important are each of the following marketing channels to your organization/clients?

Showing Total % Highly Important ('Very' + 'Extremely')



Arrow indicates significant difference at 95% confidence

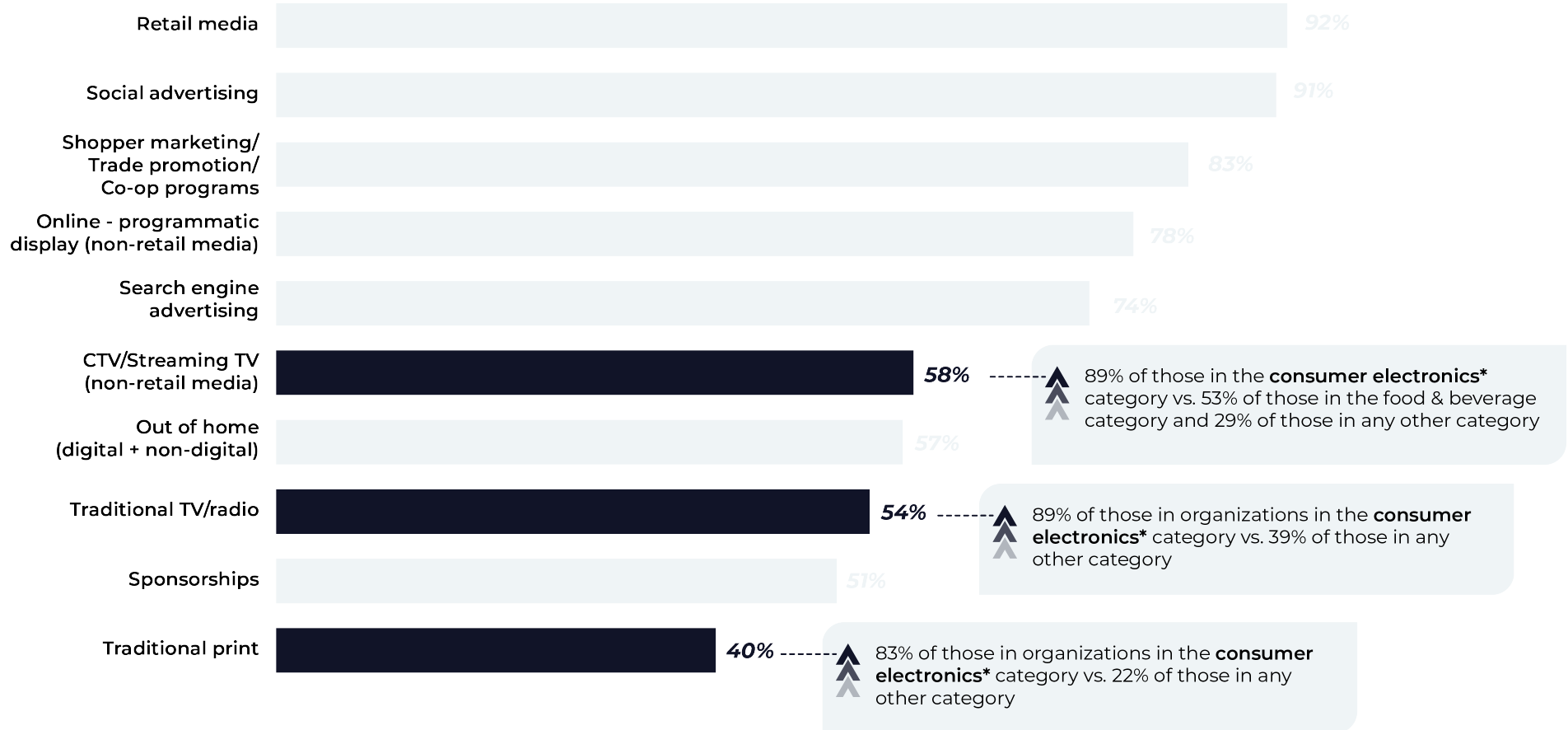
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q1. How important are each of the following marketing channels to your organization/CPG clients?
Base: Total Respondents, n=109

Senior leaders are more likely to say search engine advertising, out of home, traditional TV/radio, and sponsorships are important to their businesses. Both Senior leaders and Directors indicate a greater level of perceived importance for the traditional print channel compared to Managers.

CHANNEL IMPORTANCE

How important are each of the following marketing channels to your organization/clients?

Showing Total % Highly Important ('Very' + 'Extremely')



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

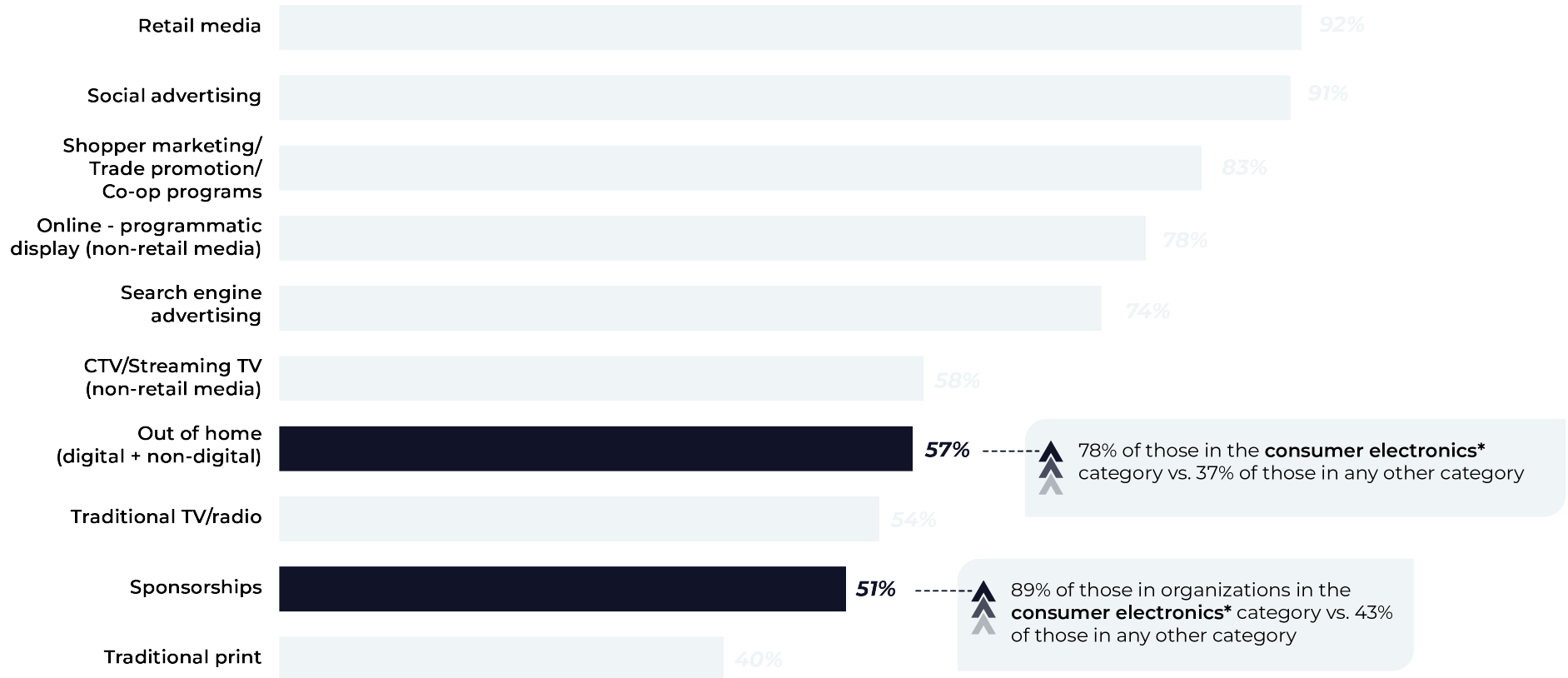
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q1. How important are each of the following marketing channels to your organization/CPG clients?
Base: Total Respondents, n=109

Leaders in organizations in the consumer electronics category are more likely to say traditional TV/radio and print channels are important to their businesses, compared to those in any other category.

CHANNEL IMPORTANCE

How important are each of the following marketing channels to your organization/clients?

Showing Total % Highly Important ('Very' + 'Extremely')



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q1. How important are each of the following marketing channels to your organization/CPG clients?
Base: Total Respondents, n=109

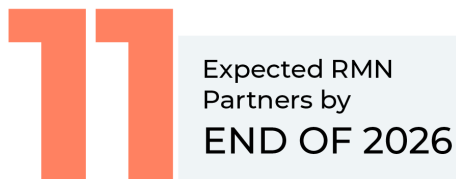
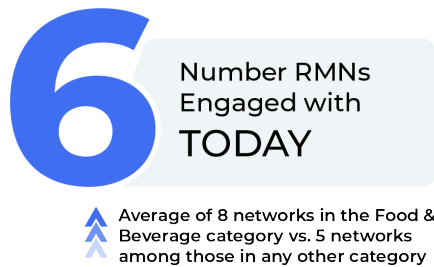
Those in the consumer electronics category are also more likely to say out of home and sponsorships are important to their businesses.

RETAIL MEDIA MATURITY

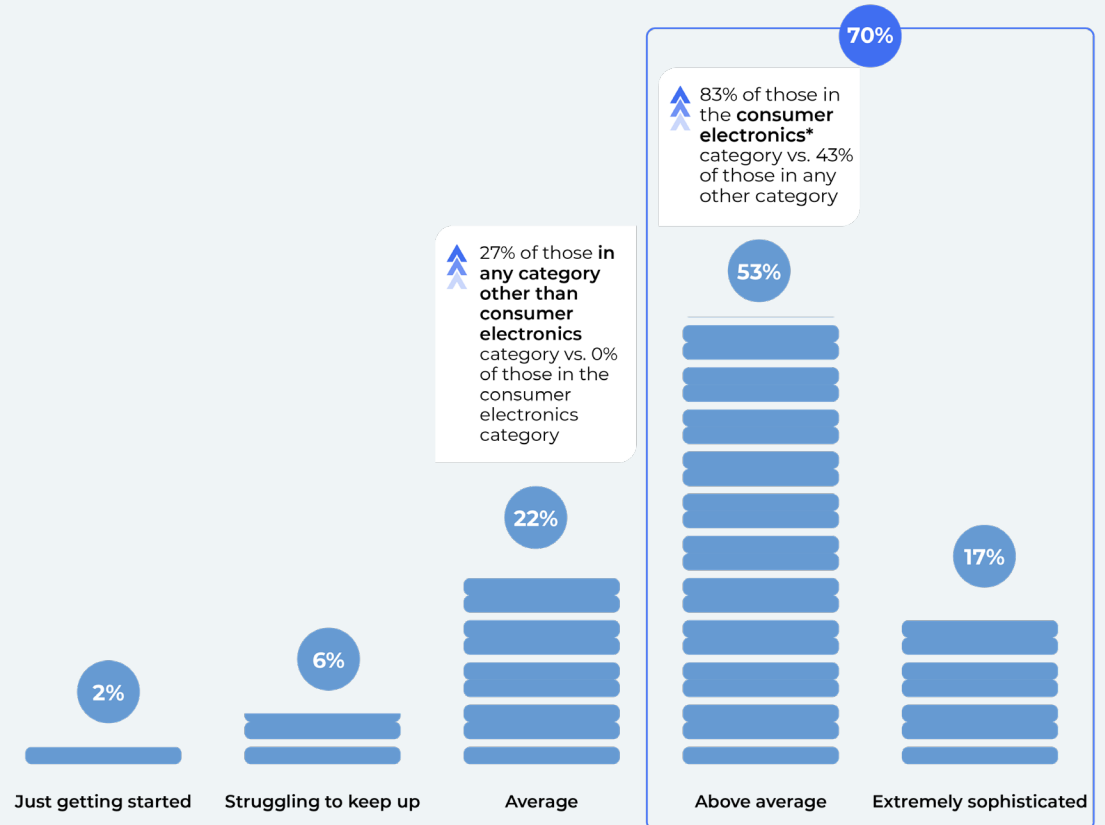
Consumer goods organizations are engaged with an average of six retail media networks today. That is expected to increase to 11 networks by the end of 2026.

How many RMNs do you engage with today?
How many do you expect to engage with in the future?

Showing averages across all respondents



Which of the following best describes your retail media maturity?



More than half of leaders say their organizations are above average in terms of their retail media maturity, while around 1-in-6 classify their organizations as extremely sophisticated.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

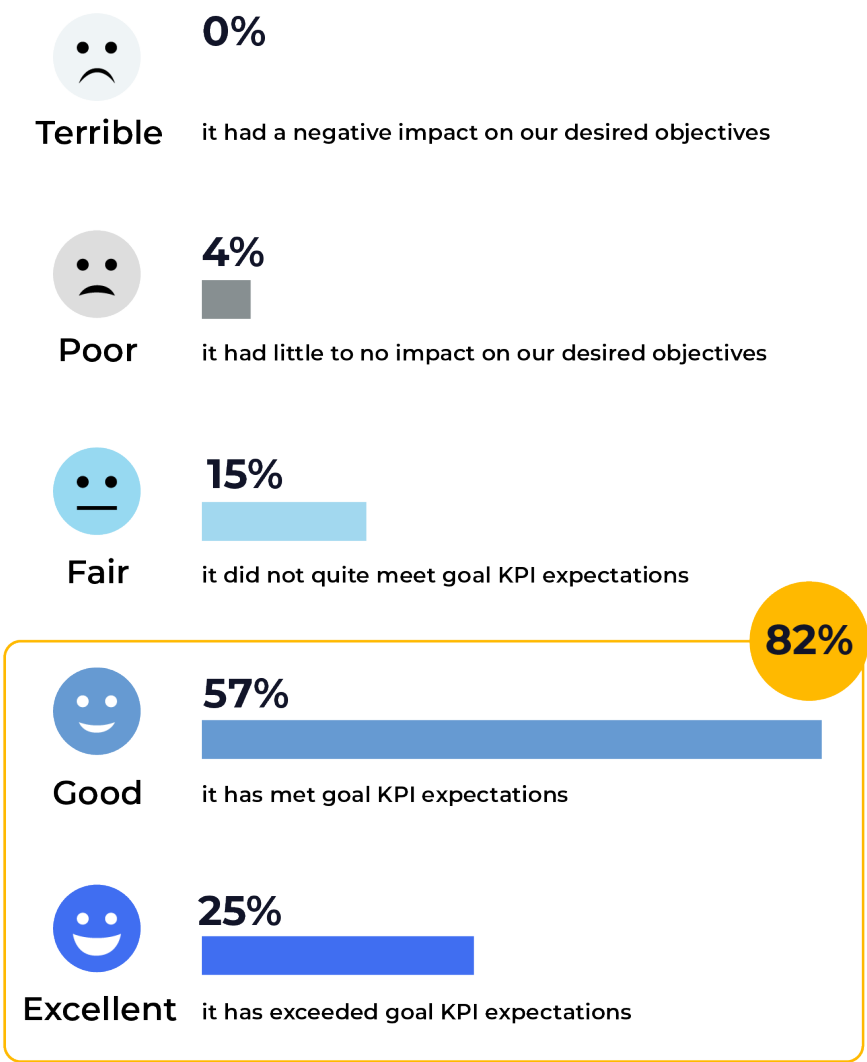
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q5: How many retail media networks (RMNs) is your organization currently working with/do your CPG clients currently work with, on average? How many do you expect to engage with in the future?

Base: Total Respondents, n=105

2024 PROGRAM PERFORMANCE

How would you describe the results retail media has driven for your organization in 2024?

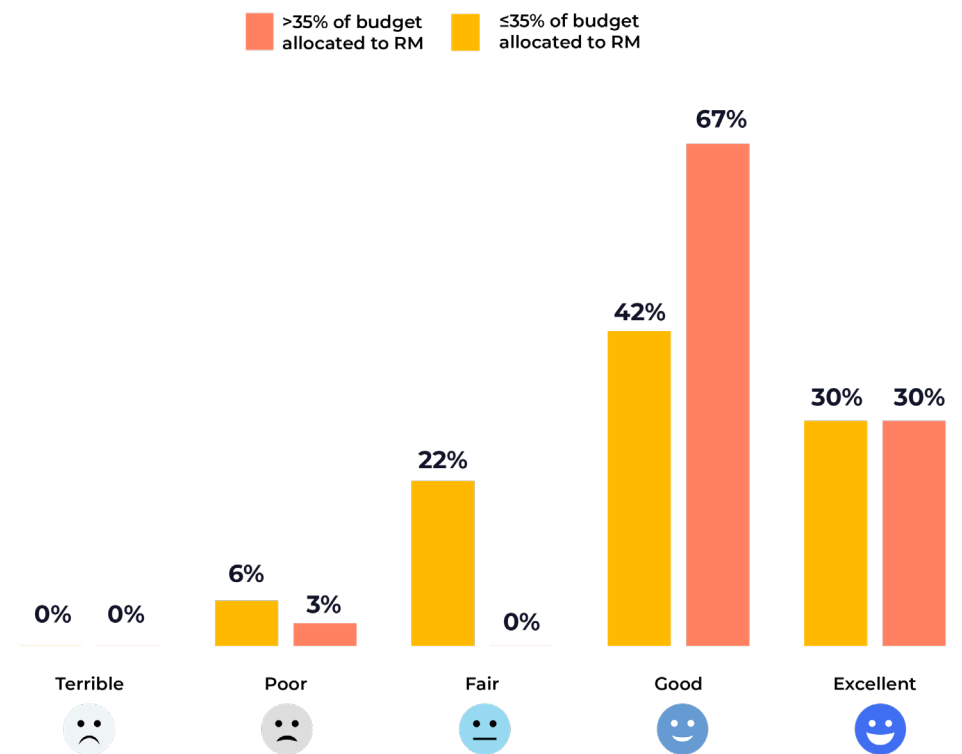
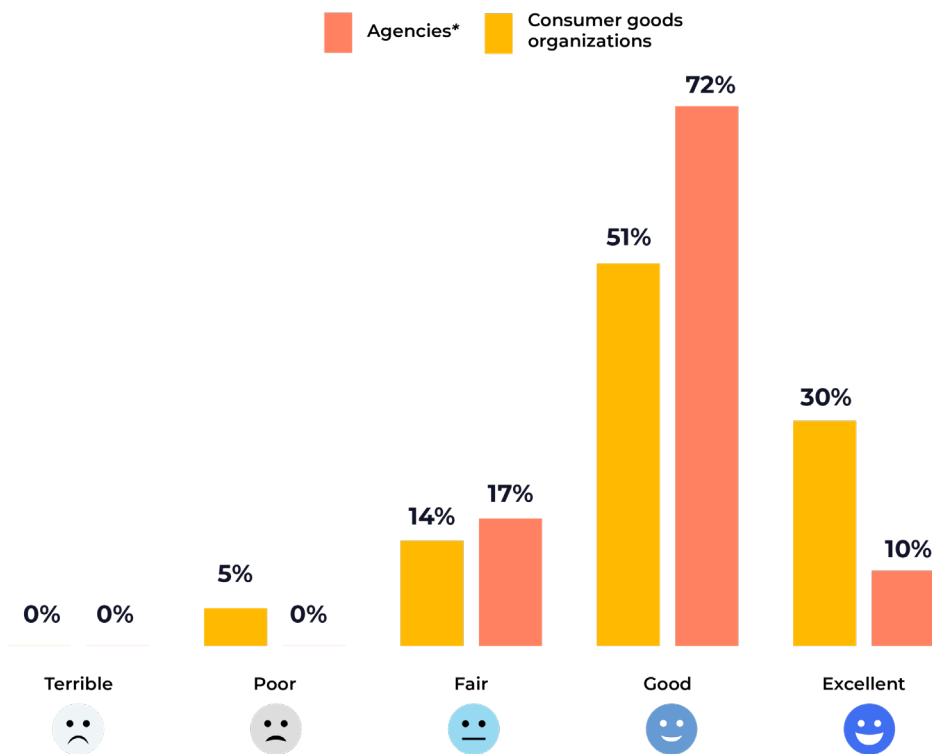


More than 4-in-5 consumer goods organizations say retail media has met or exceeded their KPI goals for the year.

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q2. Overall, how would you describe the results retail media has driven for your organization/your CPG clients this year?
Base: Total Respondents, n=109

2024 PROGRAM PERFORMANCE

How would you describe the results retail media has driven for your organization in 2024?



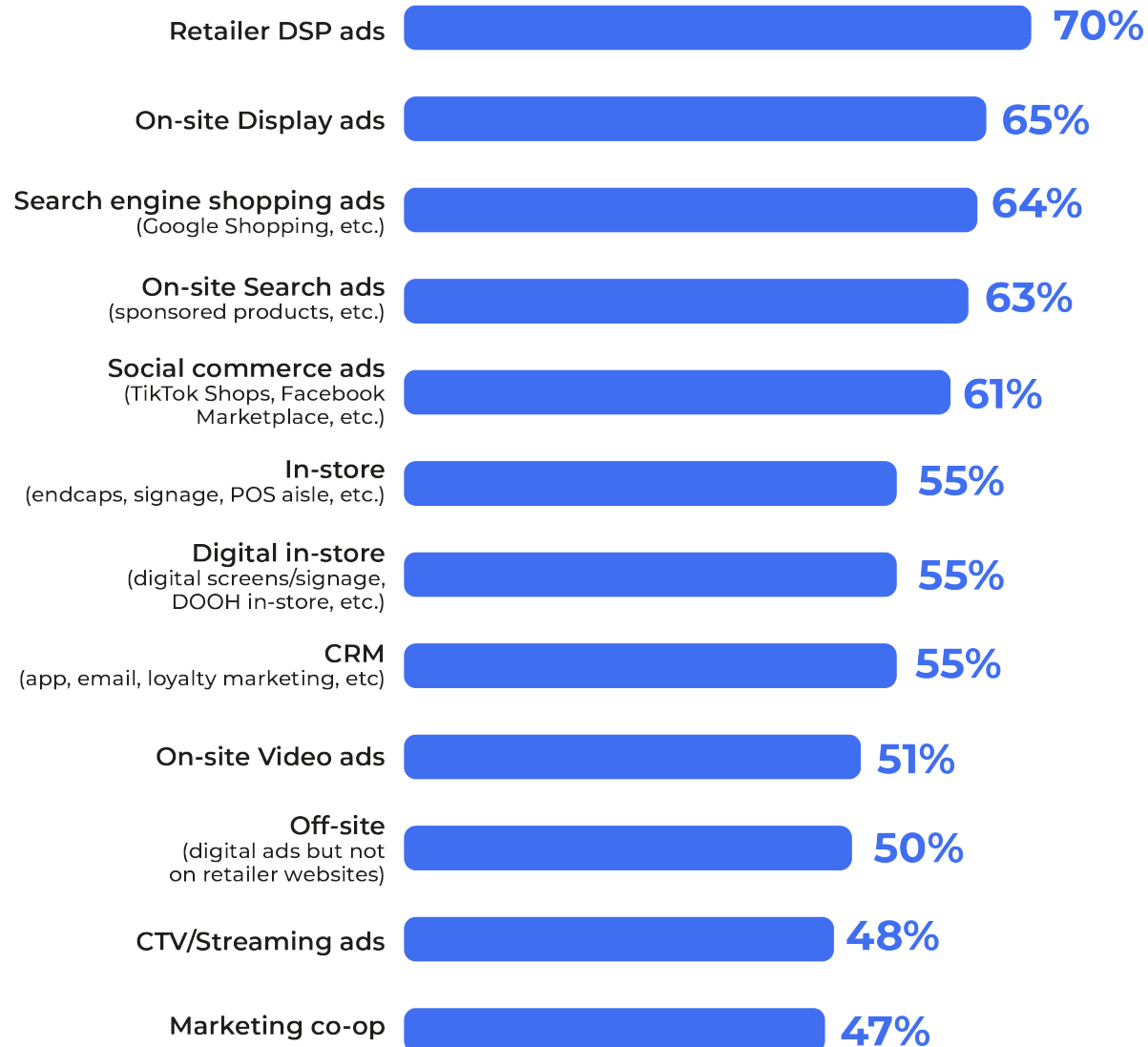
CPG organizations are more likely to say retail media has driven “excellent” results compared to agencies with CPG clients. Those allocating less of their budgets to retail media are more likely to indicate “good” results for their business in 2024.

*Sample size <30, use caution when interpreting results
 Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q2. Overall, how would you describe the results retail media has driven for your organization/your CPG clients this year?
 Base: Total Respondents, n=109

PROGRAM COMPONENTS

Which of the following components are part of your retail media strategy today?



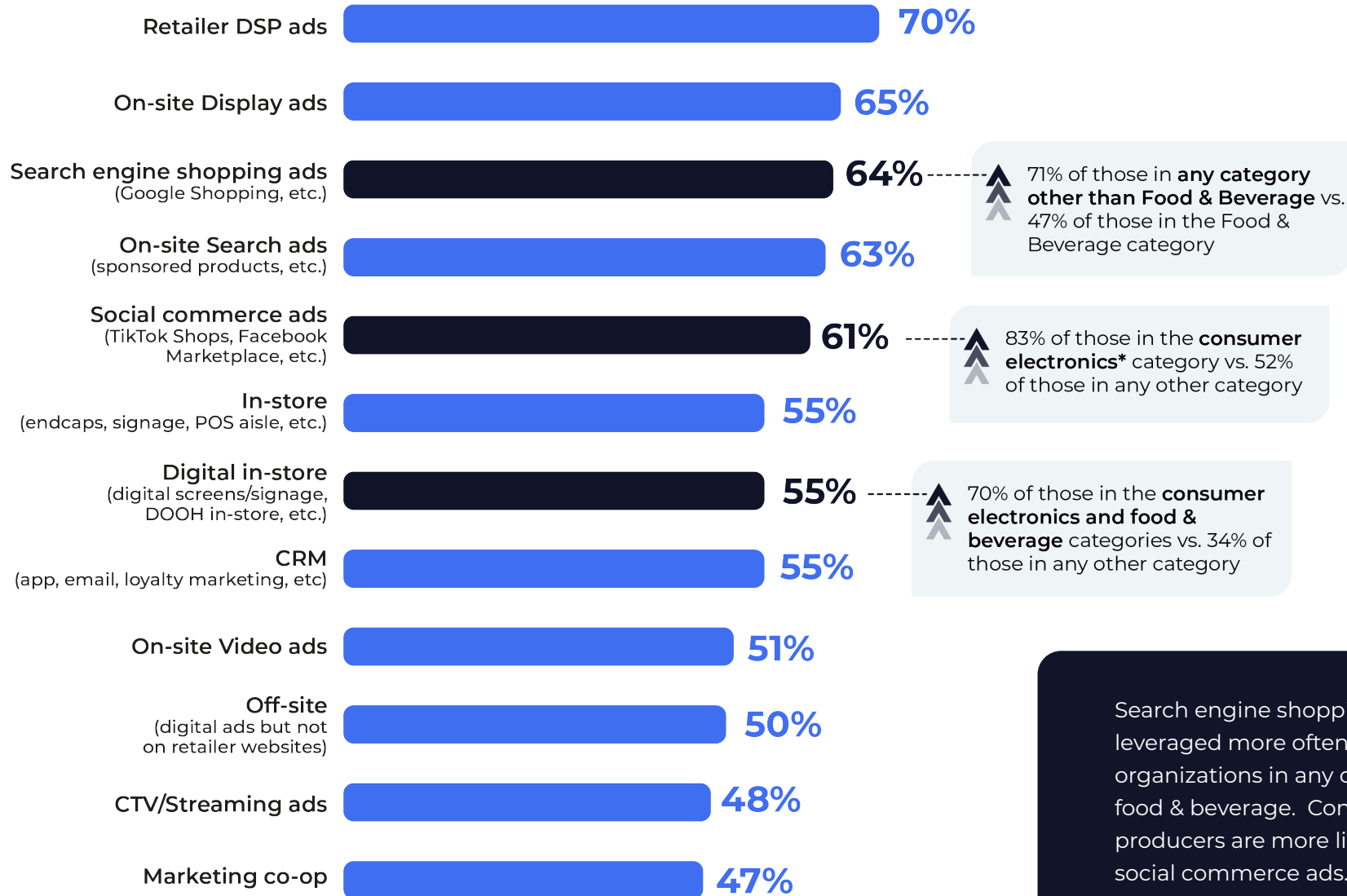
Consumer goods organizations are using an average of **7 tactics** in their retail media strategies



The most often-used retail media tactics are retailer DSP, on-site display, search engine shopping, on-site search, and social commerce ads. On average, consumer goods organizations are leveraging seven tactics in their retail media strategies.

PROGRAM COMPONENTS

Which of the following components are part of your retail media strategy today?



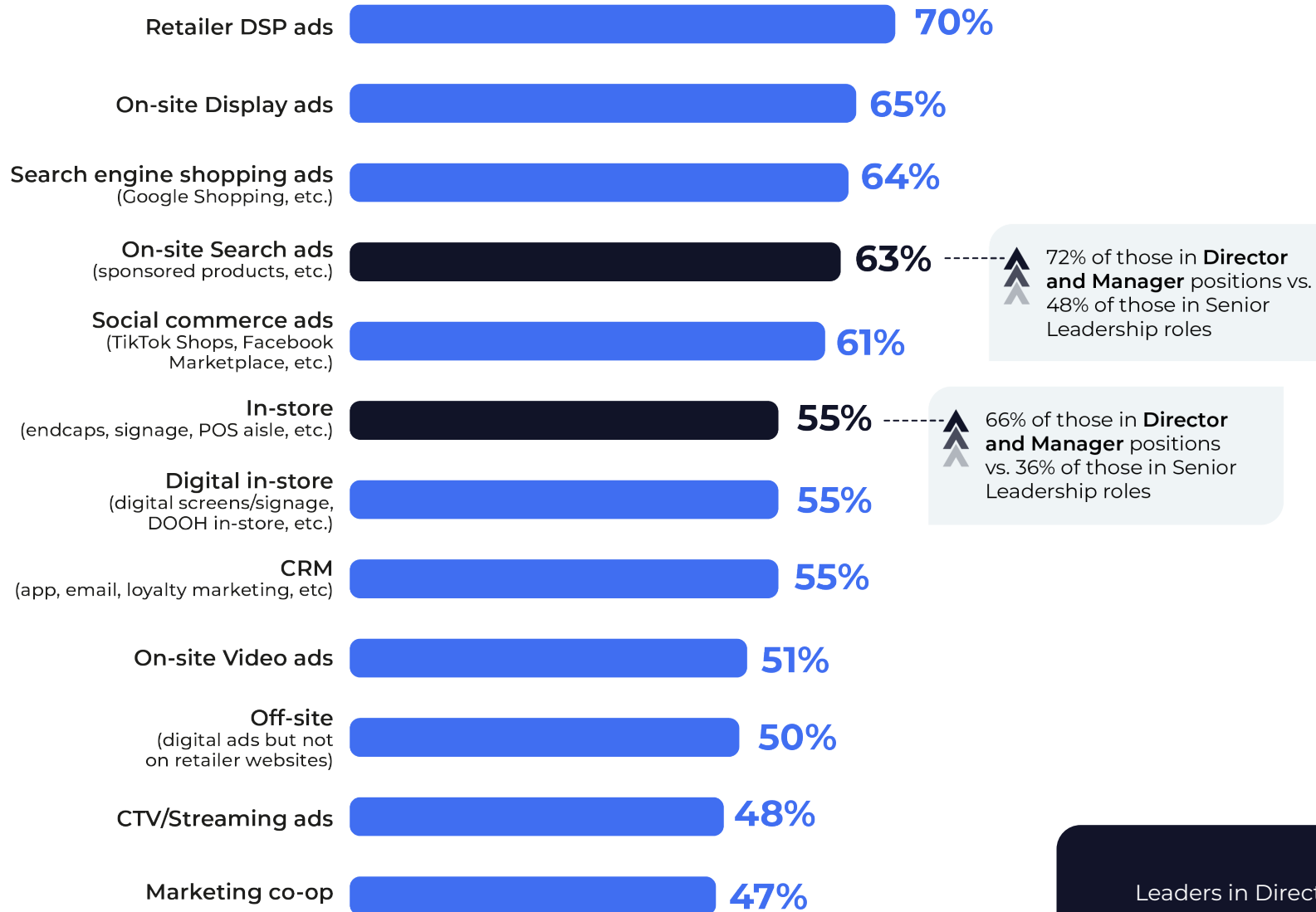
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q3: Which of the following components are part of your organization's/your CPG clients' retail media strategy today?
Base: Total Respondents, n=109

Search engine shopping ads are leveraged more often by consumer goods organizations in any category other than food & beverage. Consumer electronics producers are more likely to leverage social commerce ads. Organizations in both the consumer electronics and food & beverage categories are more likely to leverage digital in-store as part of their retail media strategies.

PROGRAM COMPONENTS

Which of the following components are part of your retail media strategy today?



Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q3: Which of the following components are part of your organization's/your CPG clients' retail media strategy today?
 Base: Total Respondents, n=109

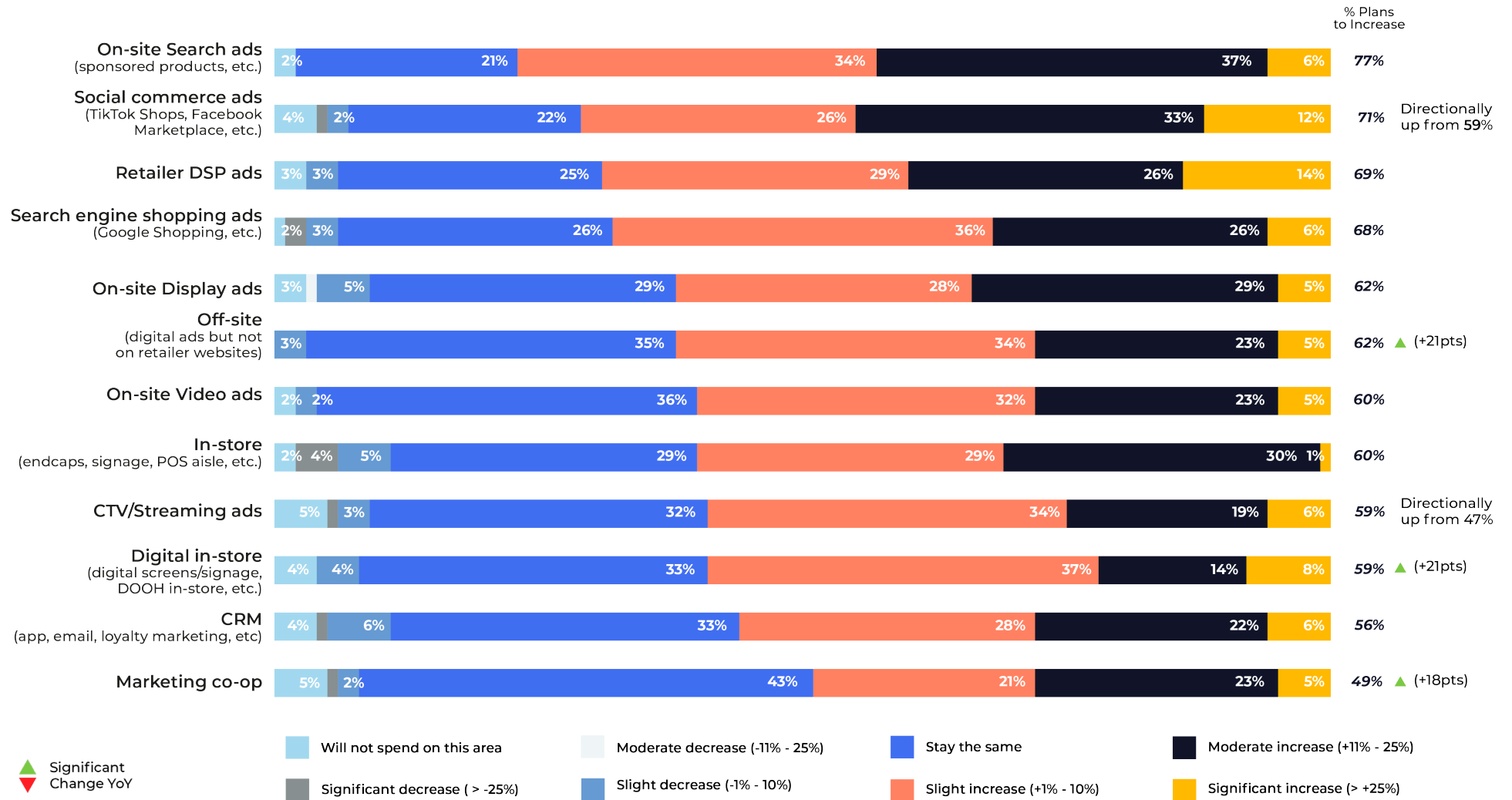
Leaders in Director and Manager positions are more likely to say their organizations are leveraging on-site search and in-store as part of their retail media strategies.

2025 BUDGET PRIORITIZATION

How will your organization's 2025 budget plans differ across these forms of retail media compared to 2024?

Sorted according to total % planning to increase budget

Many leaders expect to increase budgets for several tactics next year, including on-site search, social commerce, retailer DSP, and search engine shopping. Compared to results seen in 2023, consumer goods organizations are more likely to invest more in in-store, CRM, and marketing co-op in the year ahead.



Values of 1% not shown

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

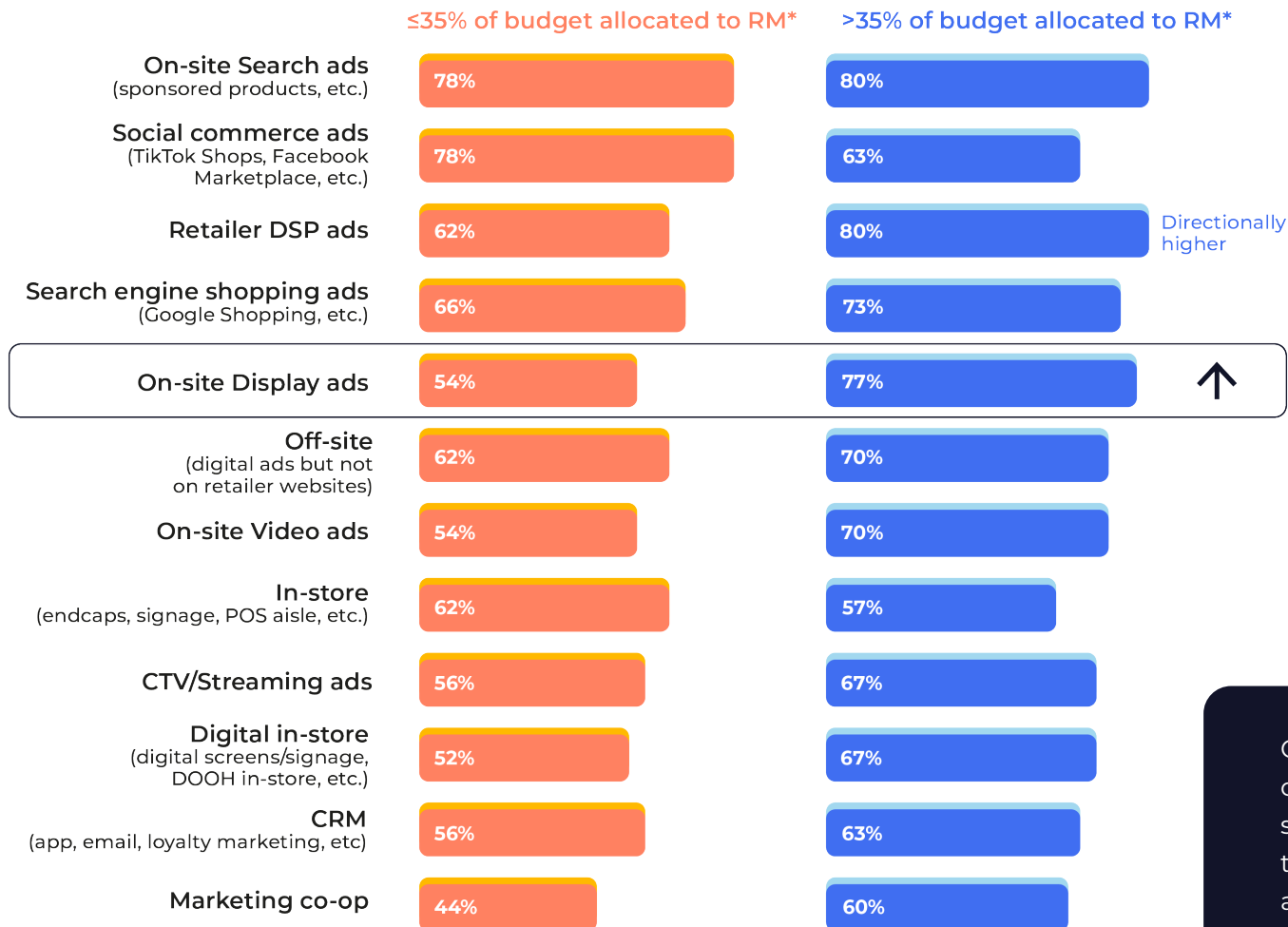
Q4: Looking ahead to 2025, how will your organization's/CPG clients' budget plans differ across these forms of retail media compared to 2024?

Base: Total Respondents, n=109

2025 BUDGET PRIORITIZATION - CATEGORY BREAKOUT

How will your organization's 2025 budget plans differ across these forms of retail media compared to 2024?

Showing Total % Planning to Increase Budget



Consumer goods organizations with more of their budget allocated to retail media are significantly more likely to say they expect to increase their spending for on-site display ads in 2025.

Arrow indicates significant difference at 95% confidence

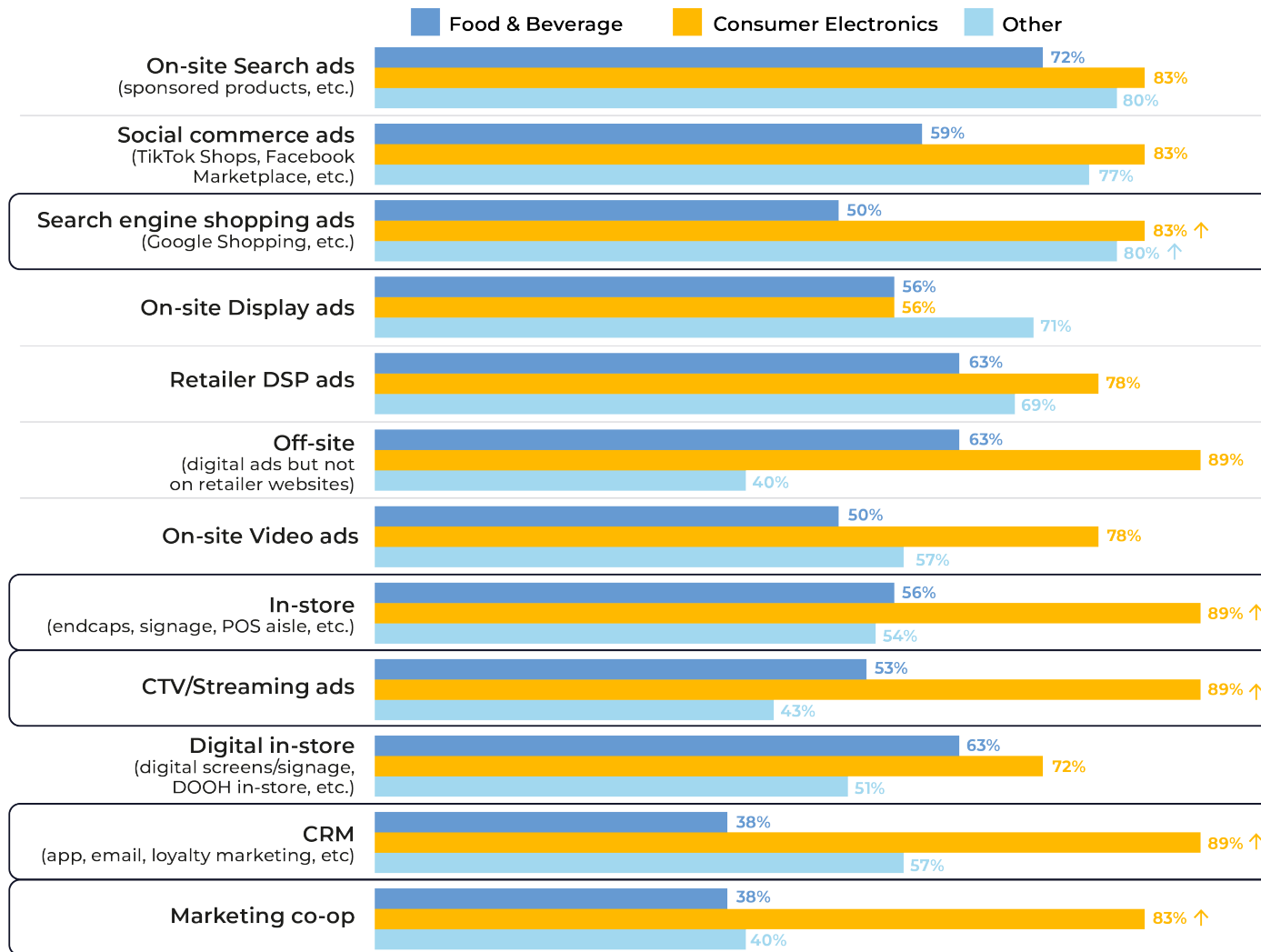
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q4: Looking ahead to 2025, how will your organization's/CPG clients' budget plans differ across these forms of retail media compared to 2024?

Base: Organizations allocating ≤35% of budget to retail media, n=50; Organizations allocating >35% of budget to retail media, n=30

2025 BUDGET PRIORITIZATION - LOW VS HIGH SPENDERS

How will your organization's 2025 budget plans differ across these forms of retail media compared to 2024?
Showing Total % Planning to Increase Budget



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q4: Looking ahead to 2025, how will your organization's/CPG clients' budget plans differ across these forms of retail media compared to 2024?

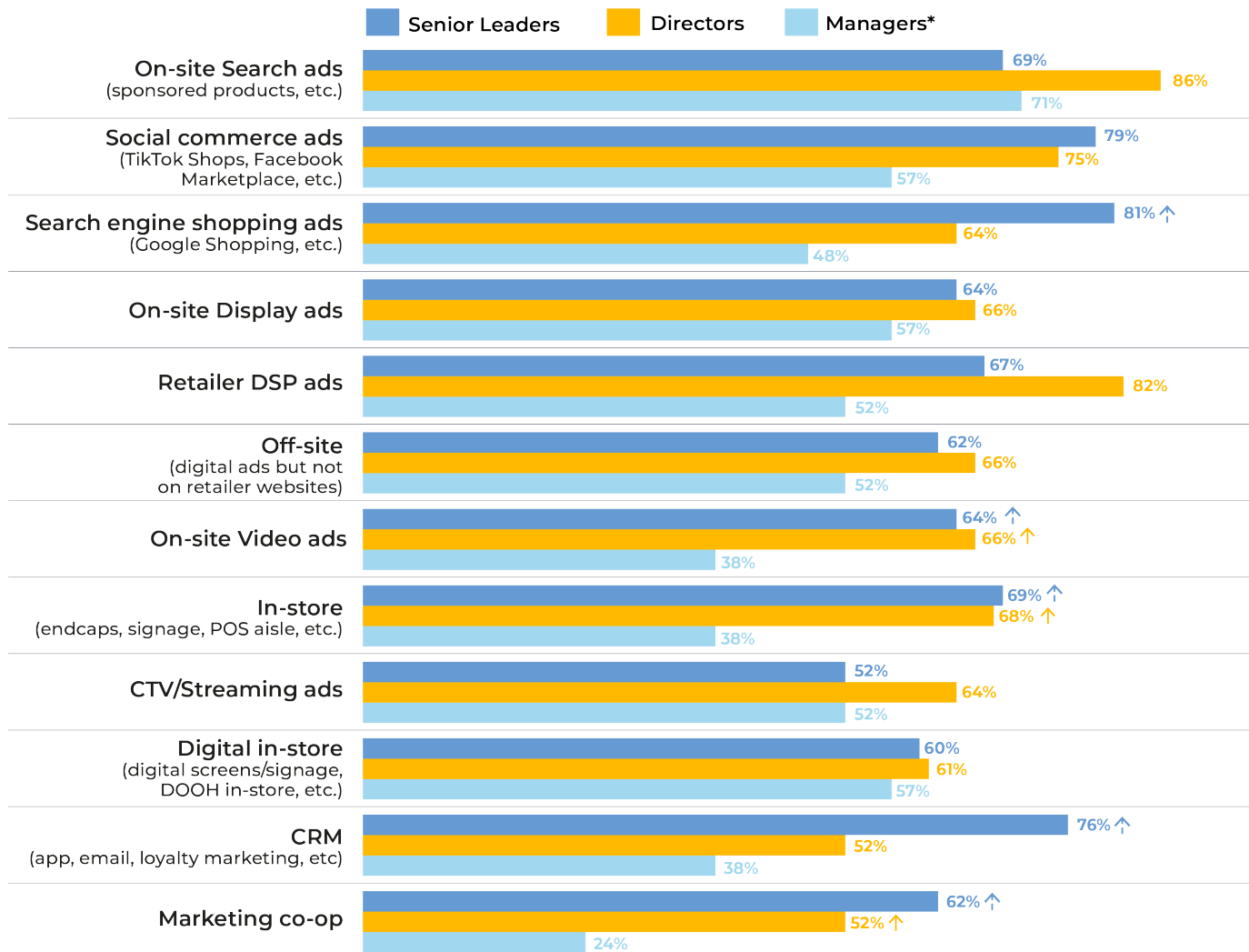
Base: Organizations allocating ≤35% of budget to retail media, n=50; Organizations allocating >35% of budget to retail media, n=30



Organizations in every category other than food & beverage, particularly consumer electronics, are more likely to say they expect to increase spending on a variety of tactics in the year ahead.

2025 BUDGET PRIORITIZATION

How will your organization's 2025 budget plans differ across these forms of retail media compared to 2024?
Showing Total % Planning to Increase Budget



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q4: Looking ahead to 2025, how will your organization's/CPG clients' budget plans differ across these forms of retail media compared to 2024?

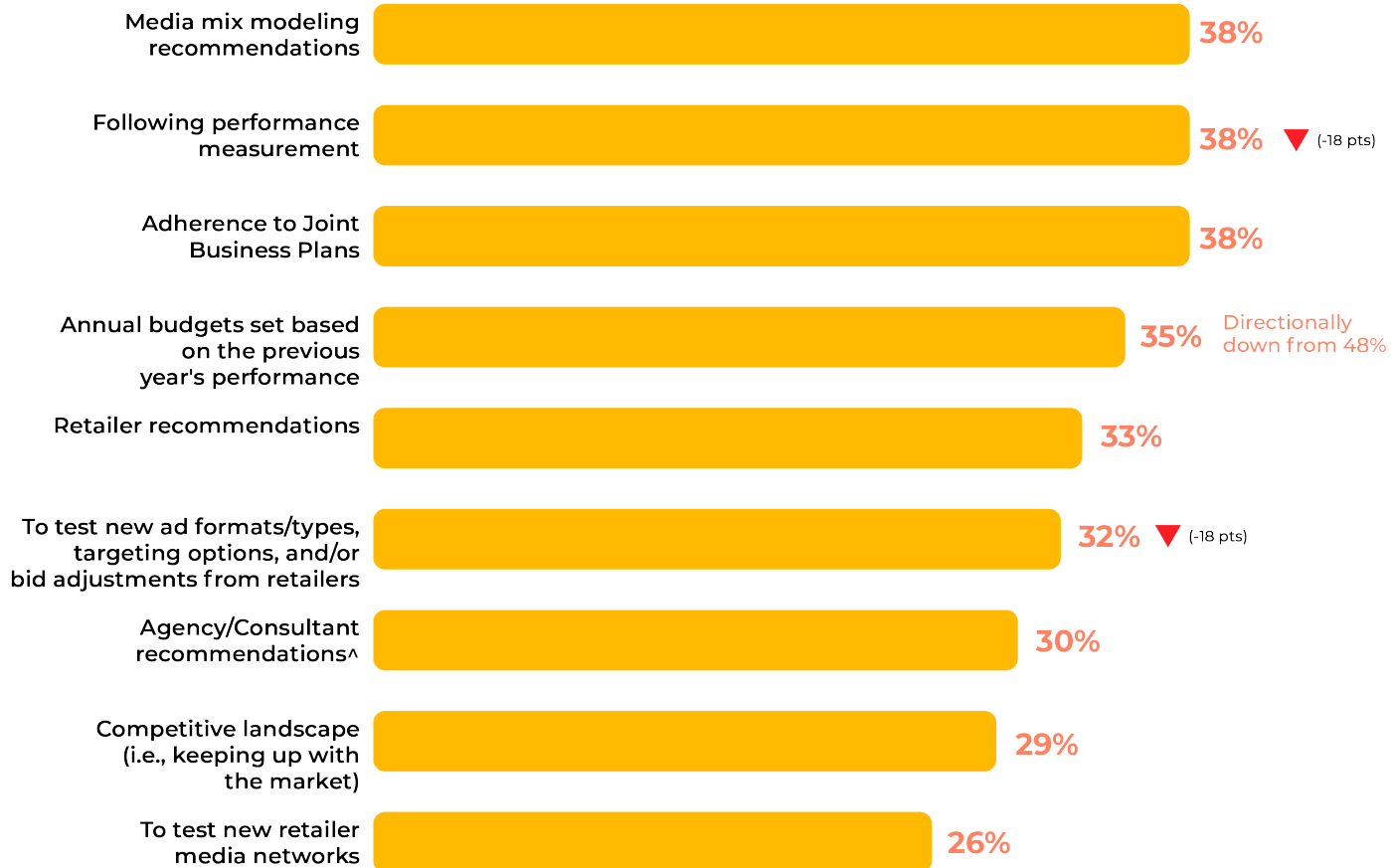
Base: Senior Leaders n=42; Directors n=44; Managers n=21*



Senior leaders and, to a lesser extent, Directors are more likely to say their organizations have plans to increase spending across several retail media tactics in 2025. This may be a result of them being closer to budgeting planning decisions.

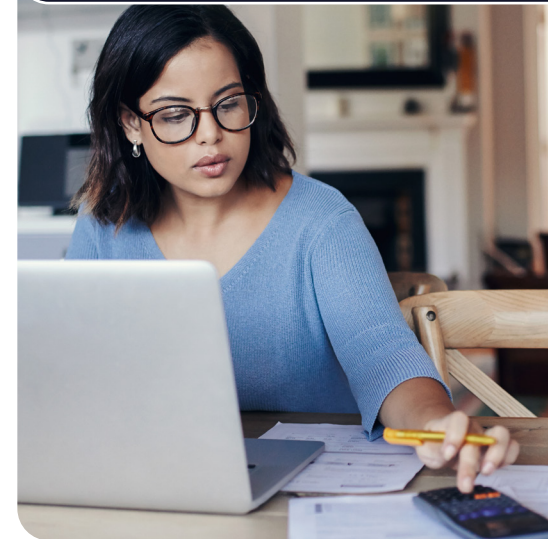
RETAIL MEDIA BUDGET ALLOCATION

Which of the following factors are most important in your budget allocation decisions for retail media?



▲ Significant
▼ Change YoY

When making decisions about retail media budget allocations, media mix modeling, performance measurement, and Joint Business Plans are playing meaningful roles. Following performance measurement and the desire to test new tactics has declined in importance from the previous year.



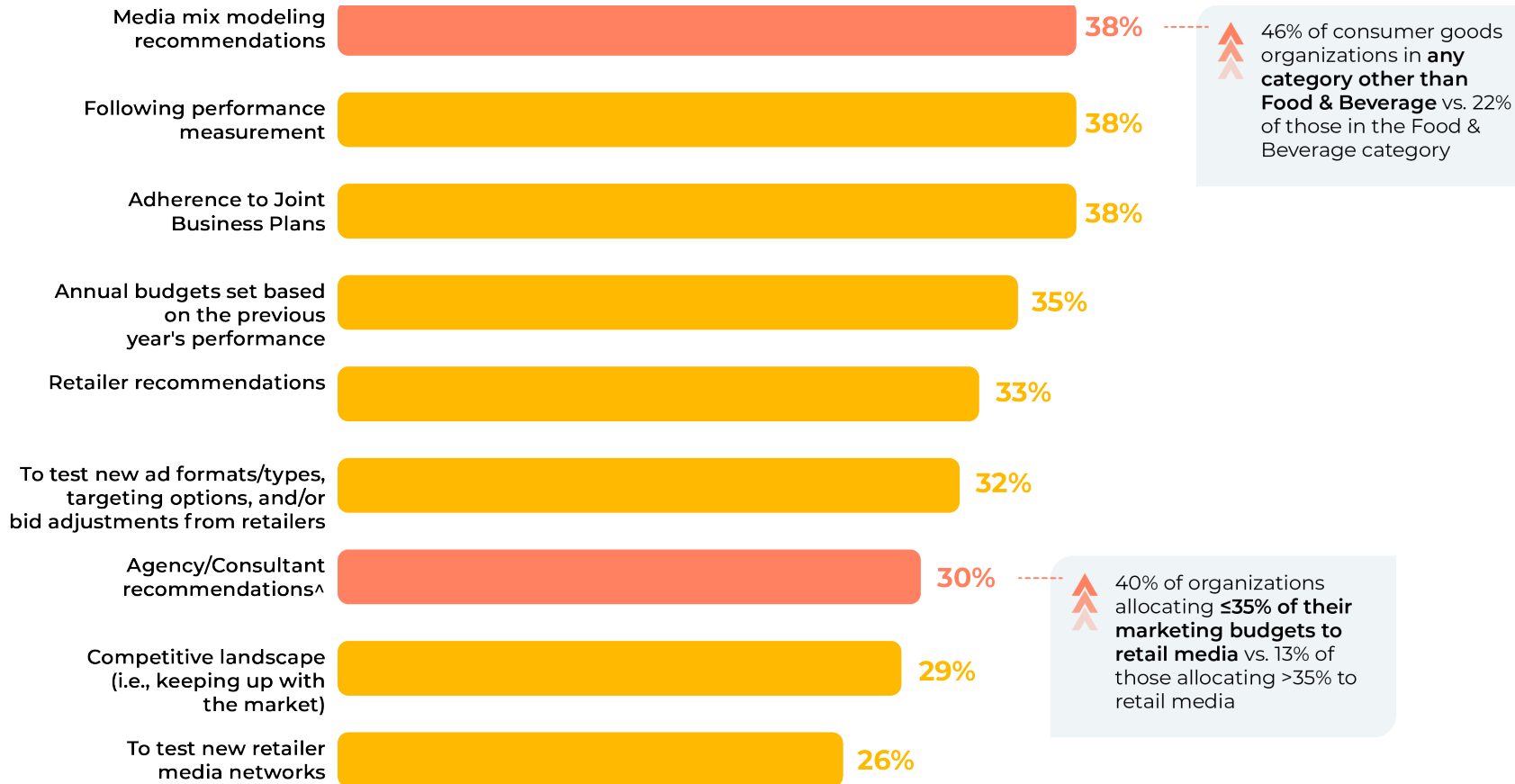
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q7. Which of the following factors are most important in your/your CPG clients' budget allocation decisions for retail media? Please select, up to, the top three areas for your organization.

Base: Total Respondents, n=109

RETAIL MEDIA BUDGET ALLOCATION

Which of the following factors are most important in your budget allocation decisions for retail media?



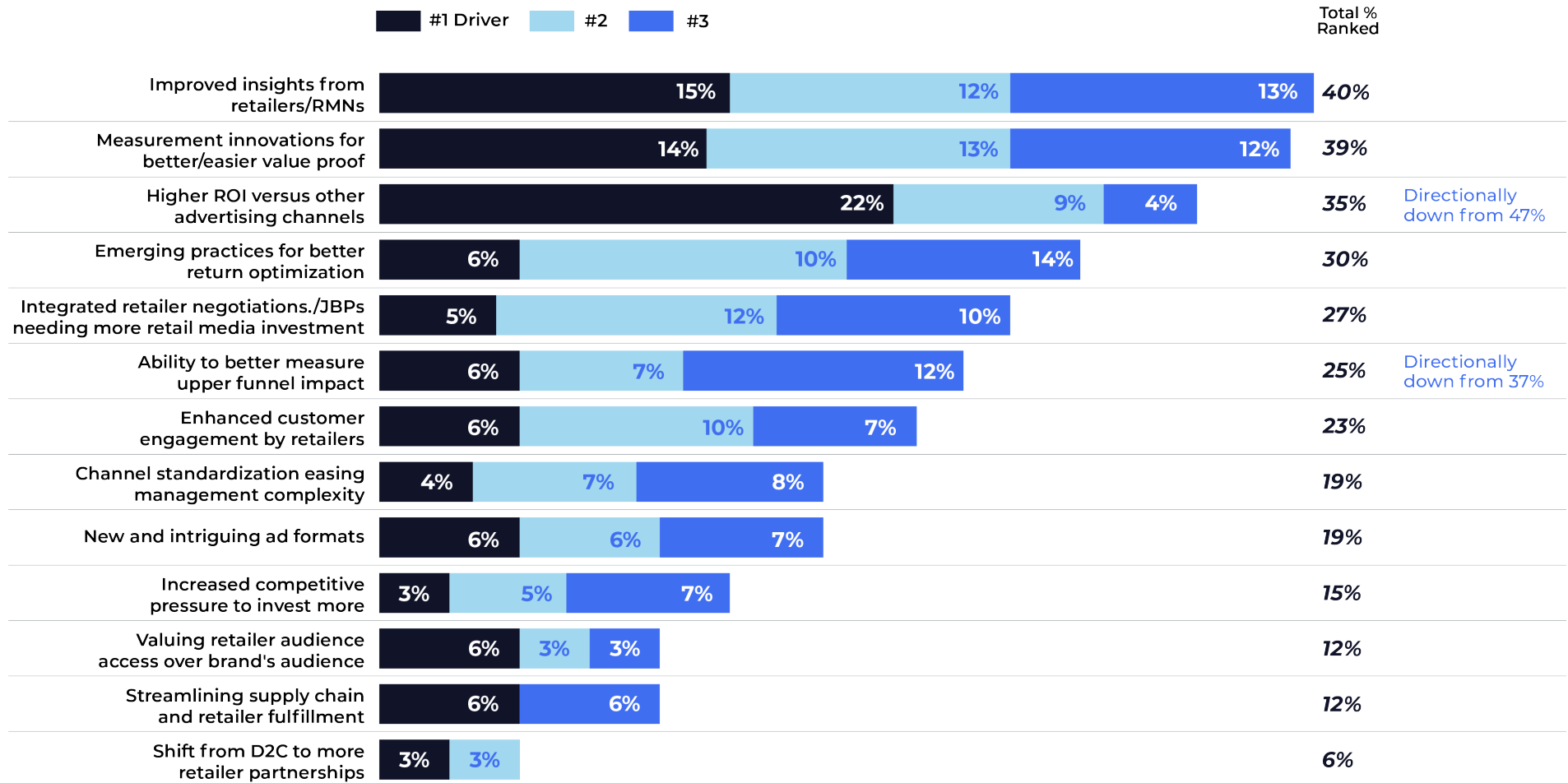
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q7. Which of the following factors are most important in your/your CPG clients' budget allocation decisions for retail media? Please select, up to, the top three areas for your organization.
 Base: Total Respondents, n=109

Media mix modeling recommendations are more important for consumer goods organizations in any category other than food & beverage. Organizations allocating less of their budgets to retail media are more likely to say they are leveraging agency/consultant recommendations when making retail media budget allocation decisions.

INVESTMENT ACCELERATORS

What would accelerate your organization's investment in retail media in the future?

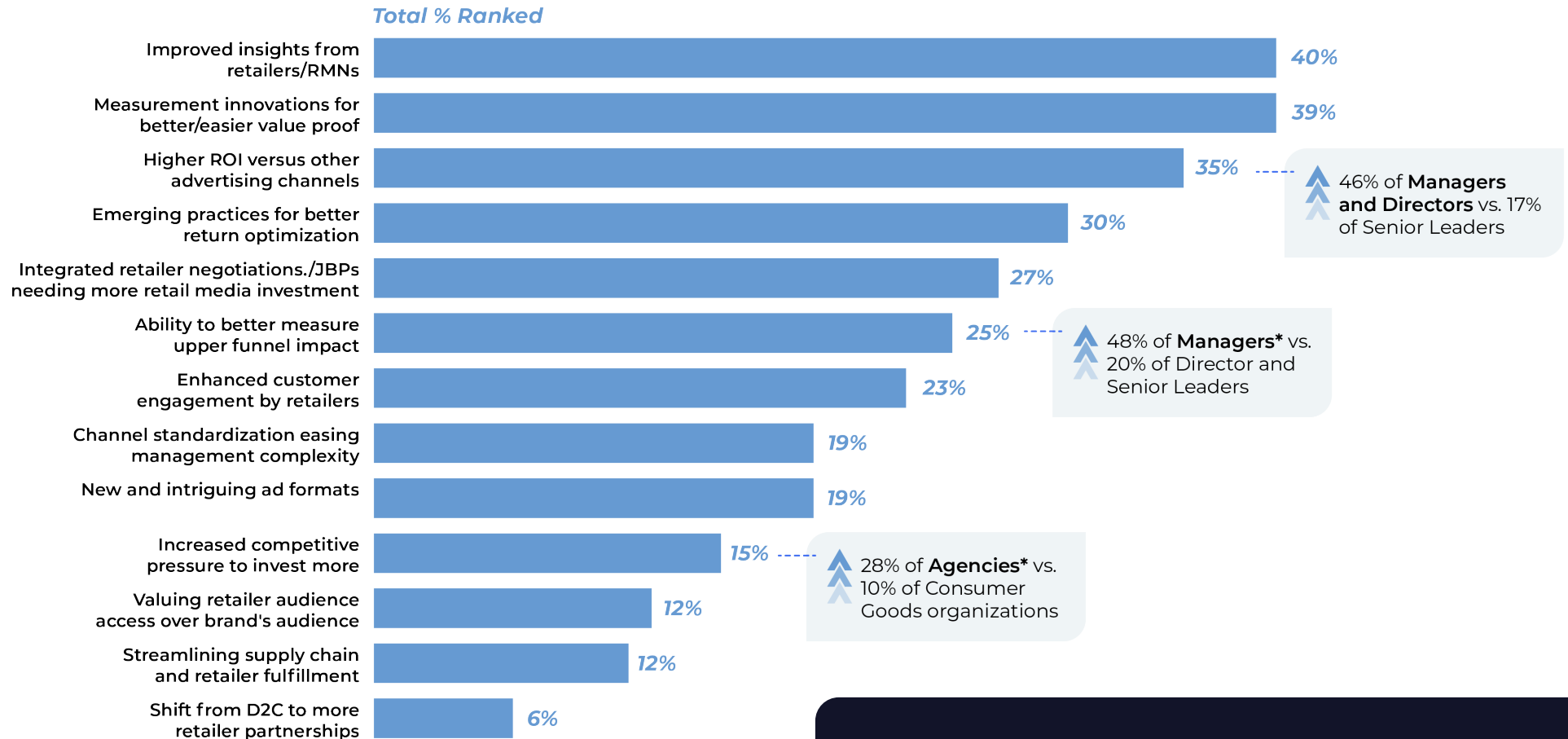


Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q8. What would accelerate your organization's investment/your CPG clients' investments in retail media in the future? Please rank up to the top three things that would drive your organization to invest more in this channel, in order of importance or magnitude.
 Base: Total Respondents, n=109

Access to improved insights, measurement innovations, and a higher ROI would most likely accelerate future retail media investments for leaders.

INVESTMENT ACCELERATORS - KEY CALLOUTS

What would accelerate your organization's investment in retail media in the future?



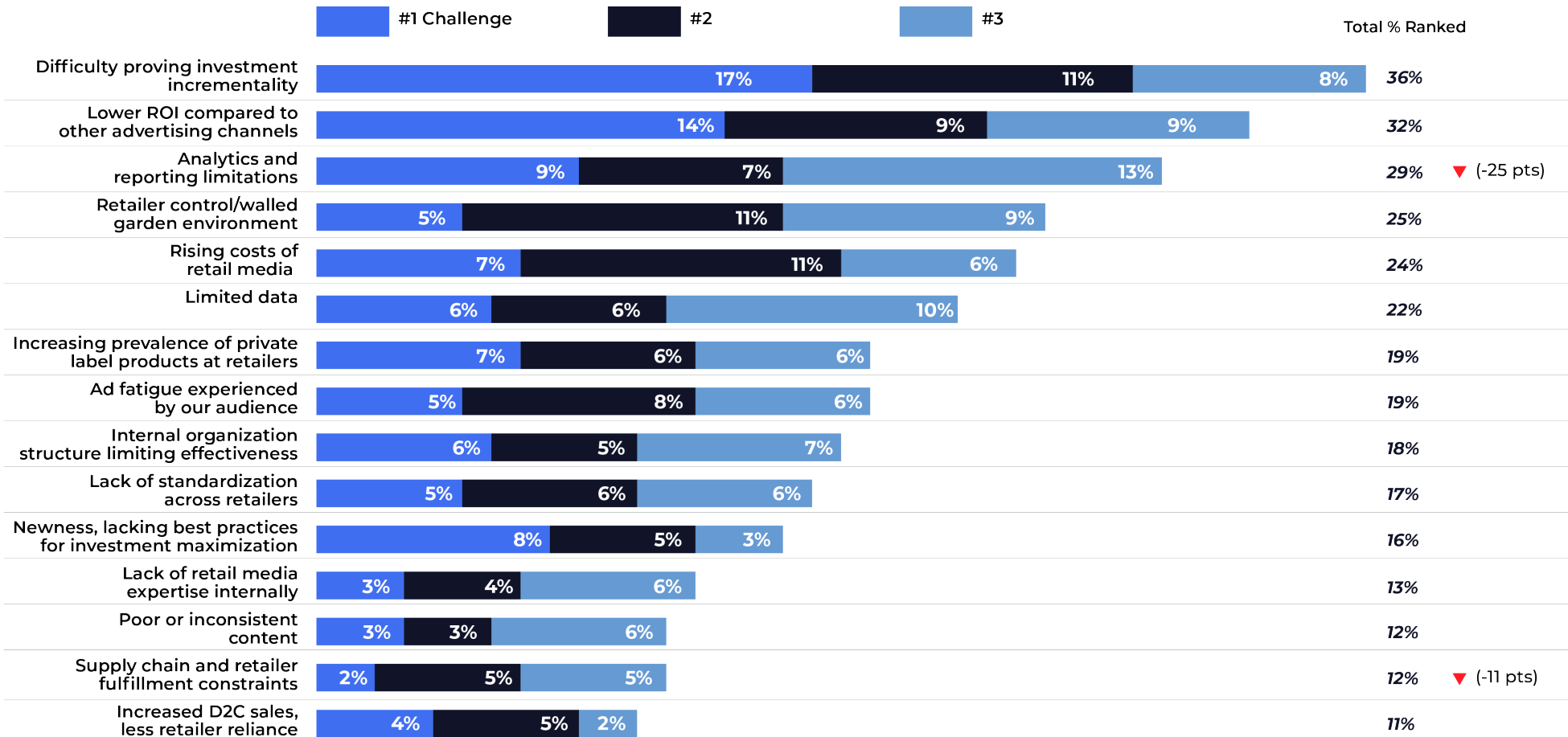
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q8. What would accelerate your organization's investment/your CPG clients' investments in retail media in the future? Please rank up to the top three things that would drive your organization to invest more in this channel, in order of importance or magnitude.
Base: Total Respondents, n=109

Proving a higher ROI than other channels is more likely to move the needle with Managers and Directors. Managers are also more likely to say the ability to better measure upper funnel impact would accelerate their organization's investments. Leaders in agencies are more likely to say increased competitive pressure would positively impact retail media investments by their CPG clients.

INVESTMENT DECELERATORS

What are the critical challenges that might drive your organization to invest less in retail media in the future?

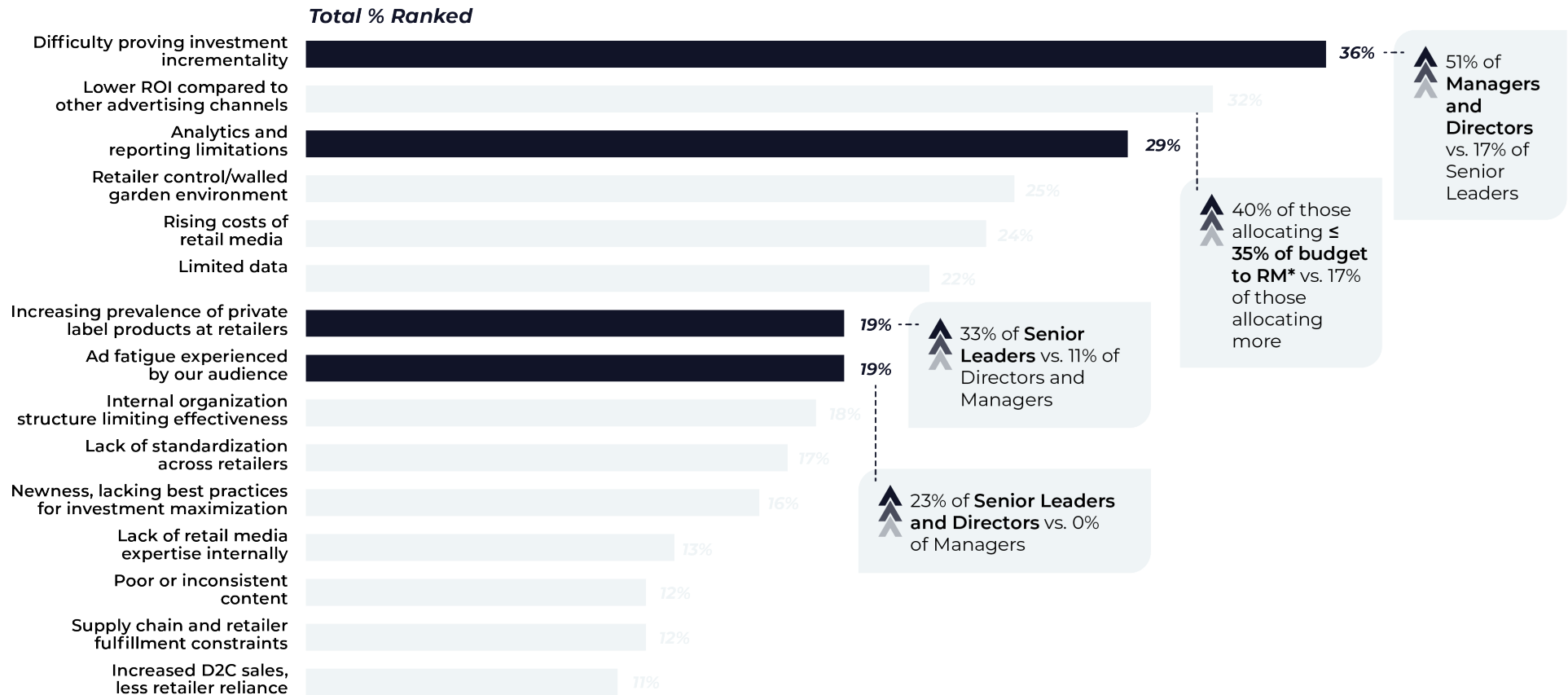


Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q9. What are the critical challenges that might drive your organization/your CPG clients to invest less in retail media in the future? Again, please rank up to the top three areas from the list below or write in your own response, in order of importance or magnitude.
 Base: Total Respondents, n=109

Difficulty proving investment incrementality, lower ROI compared to other channels, and analytical limitations are the biggest challenges that could inhibit future investment in retail media. Analytical and reporting limitations, which was the #1 challenge reported in the previous year's survey, has declined.

INVESTMENT DECELERATORS - KEY CALLOUTS

What are the critical challenges that might drive your organization to invest less in retail media in the future?



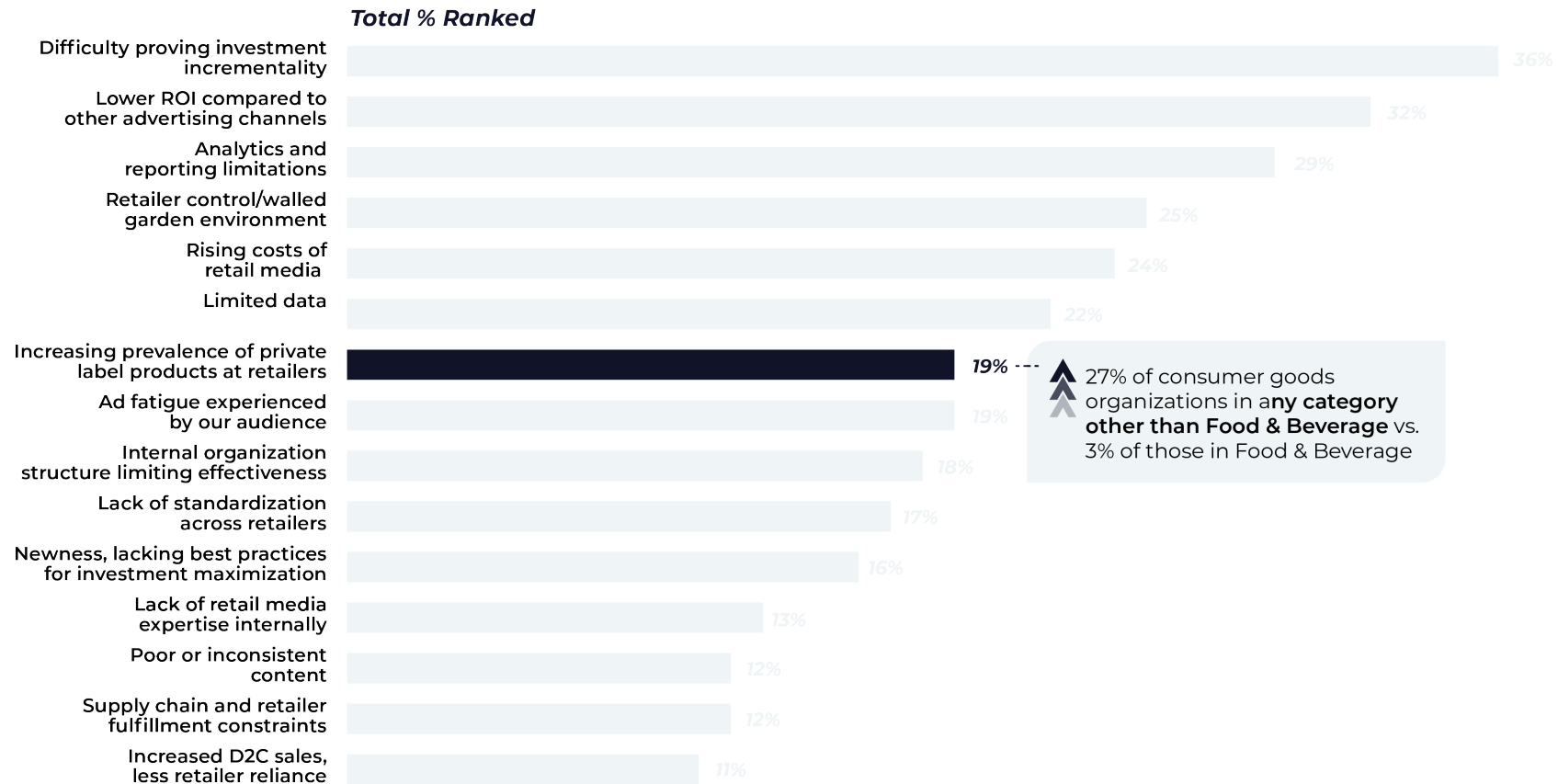
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q9. What are the critical challenges that might drive your organization/your CPG clients to invest less in retail media in the future? Again, please rank up to the top three areas from the list below or write in your own response, in order of importance or magnitude.
 Base: Total Respondents, n=109

Senior leaders are more likely to say the increasing prevalence of private label is a challenge that might drive their organizations to invest less in retail media in the future. Both Senior leaders and Directors mention the challenge of ad fatigue more often than Managers.

INVESTMENT DECELERATORS - KEY CALLOUTS

What are the critical challenges that might drive your organization to invest less in retail media in the future?



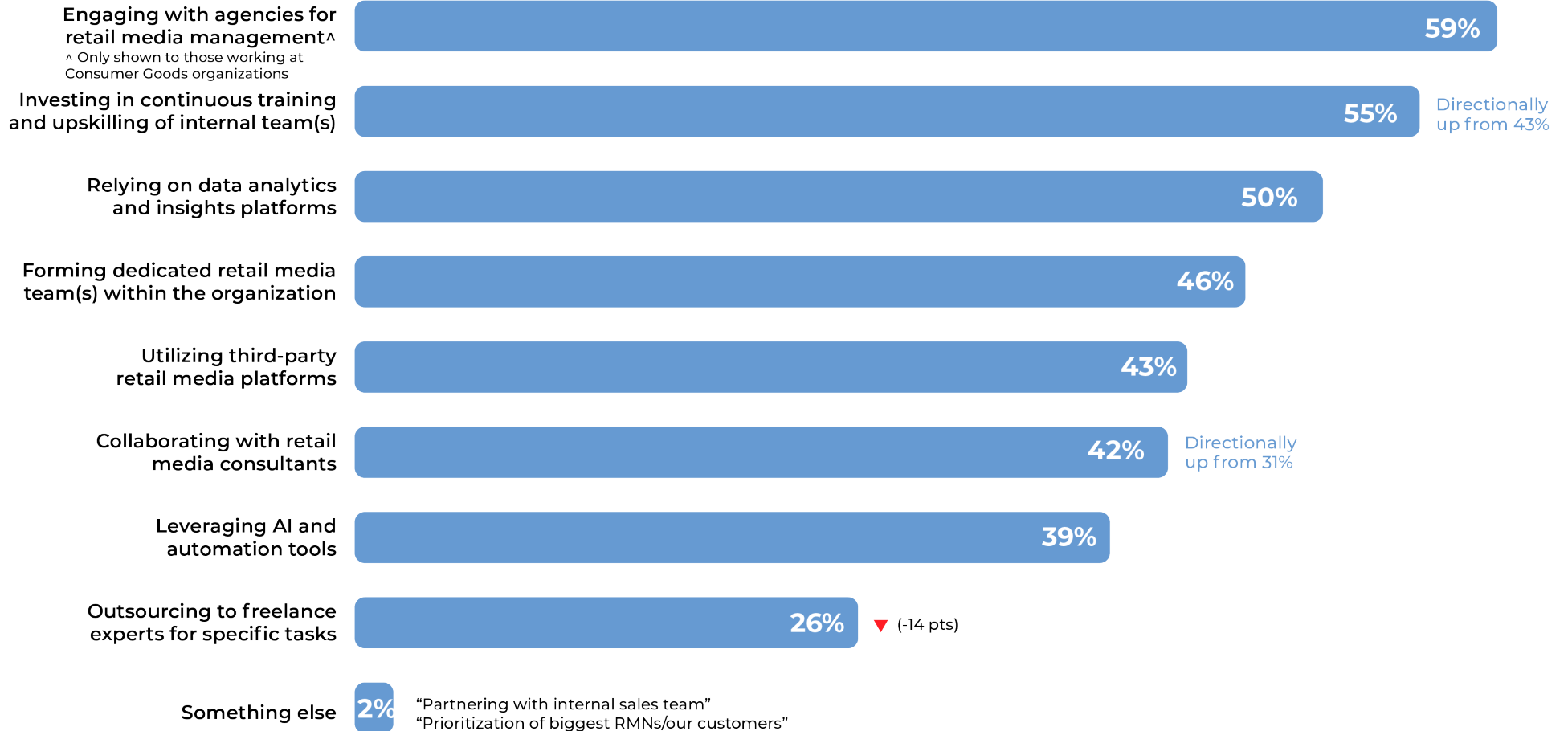
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q9. What are the critical challenges that might drive your organization/your CPG clients to invest less in retail media in the future? Again, please rank up to the top three areas from the list below or write in your own response, in order of importance or magnitude.
 Base: Total Respondents, n=109

The increasing prevalence of private label is a greater challenge for consumer goods organizations in any category other than food & beverage.

KEEPING THE PACE

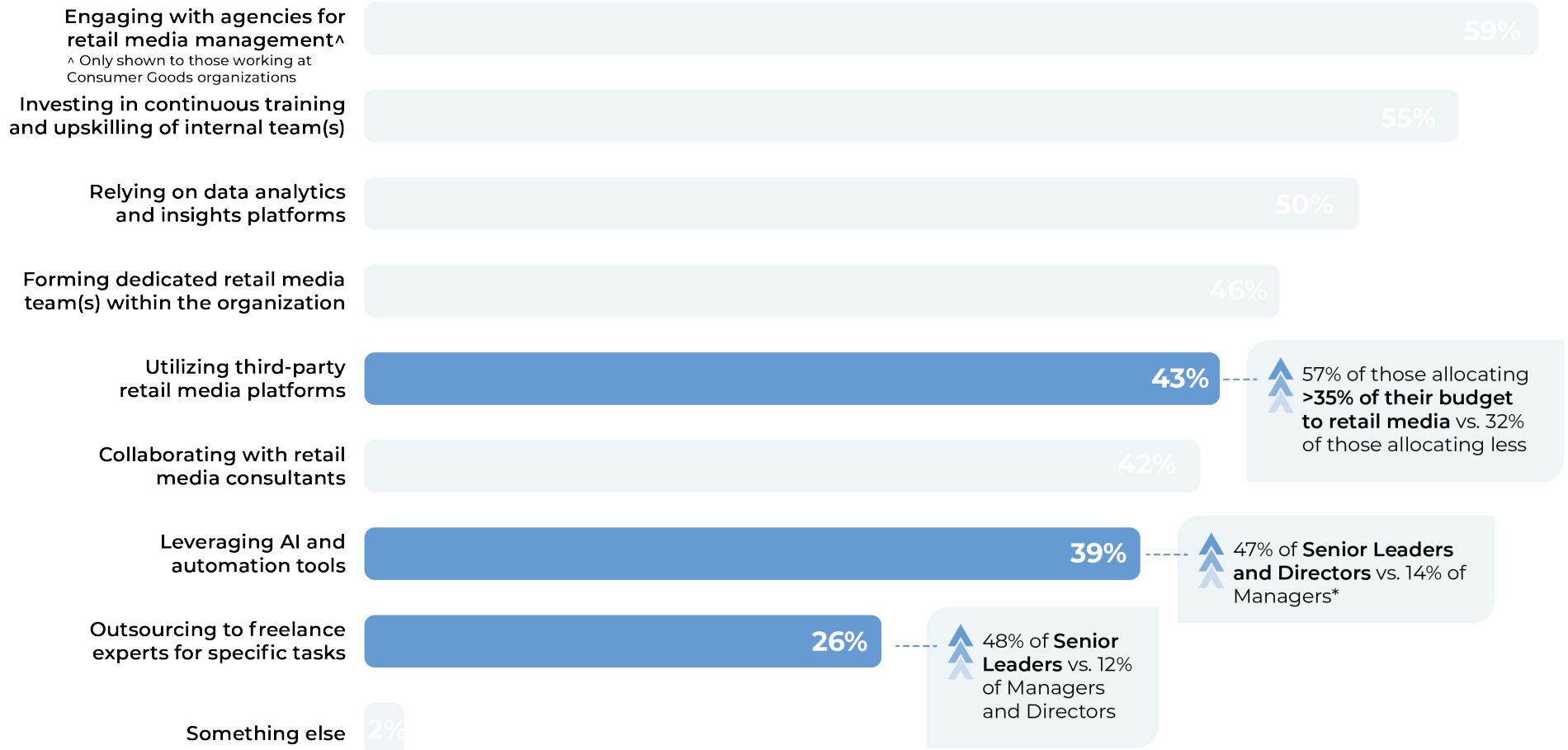
How are you and your organization keeping up with the continued proliferation of retail media networks?



To keep up with the rapid developments in retail media, marketers are looking to external agencies for support. Many are also investing in training and leveraging analytics platforms.

KEEPING THE PACE

How are you and your organization keeping up with the continued proliferation of retail media networks?



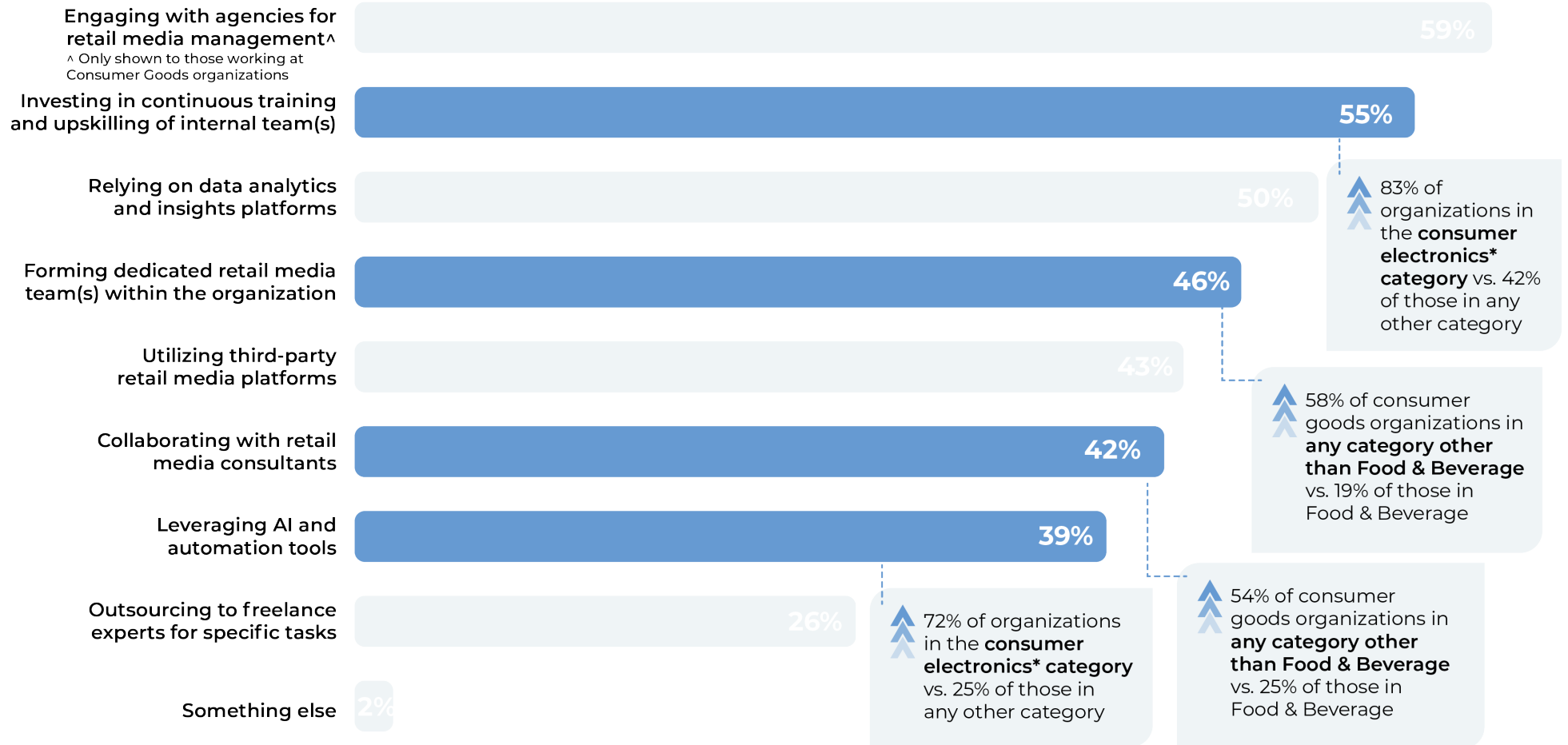
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024 Q10. With only so much human capital, how are you and your organization keeping up with the continued proliferation of retail media networks?
Base: Total Respondents, n=109

Organizations allocating more budget to retail media are more likely to say they are leveraging third-party retail media platforms. Senior leaders and Directors are more likely than Managers to say their organizations are leveraging AI to support their retail media efforts, while Senior leaders are more likely to mention looking for expertise offered by freelancers.

KEEPING THE PACE

How are you and your organization keeping up with the continued proliferation of retail media networks?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024 Q10. With only so much human capital, how are you and your organization keeping up with the continued proliferation of retail media networks?
Base: Total Respondents, n=109

Consumer goods organizations across categories are taking different steps to keep up with the evolution of retail media.

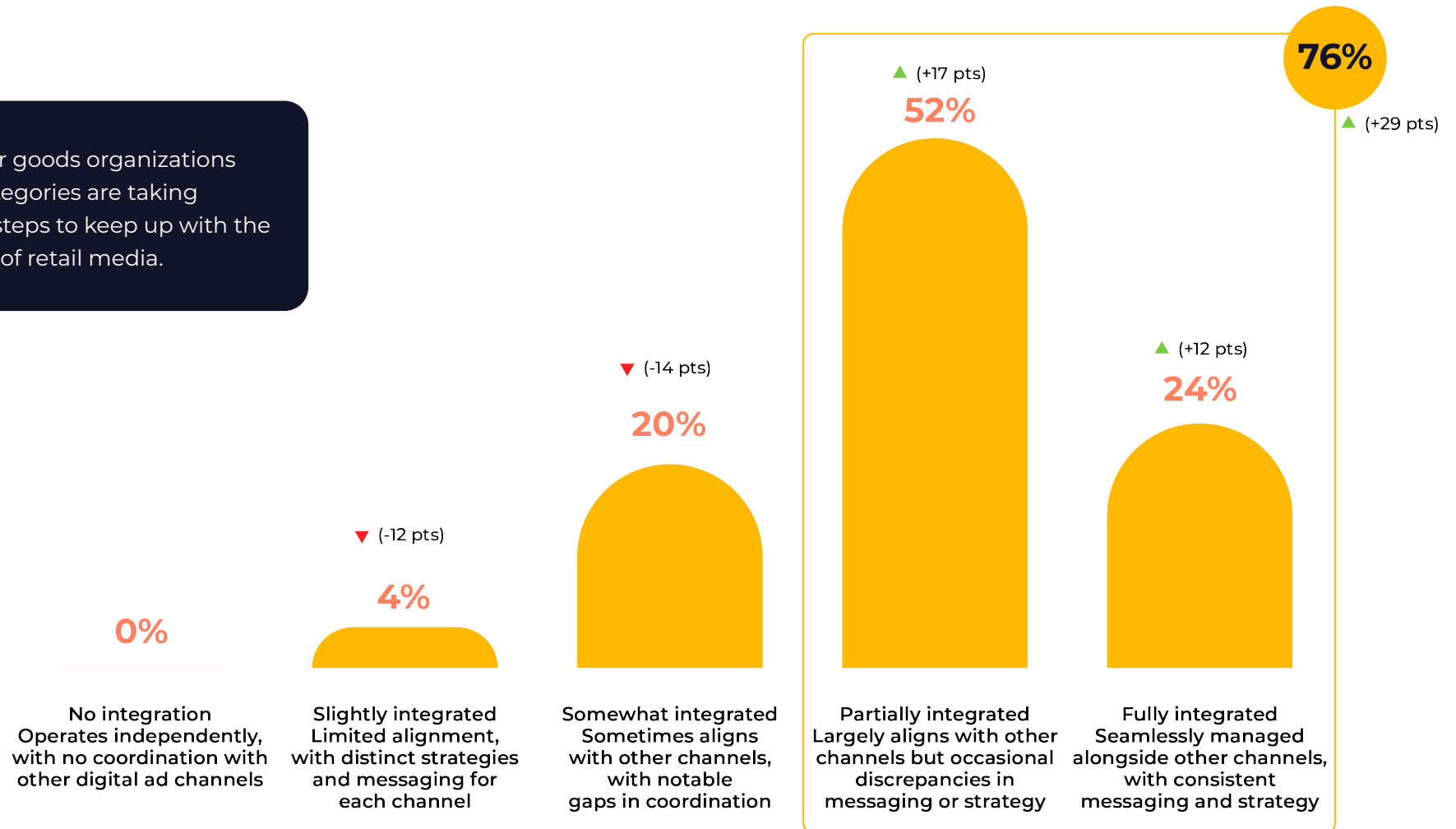
CHANNEL MANAGEMENT & OPPORTUNITIES



CROSS-CHANNEL COORDINATION

How coordinated/integrated is your organization's retail media with other digital ad channels?

Consumer goods organizations across categories are taking different steps to keep up with the evolution of retail media.

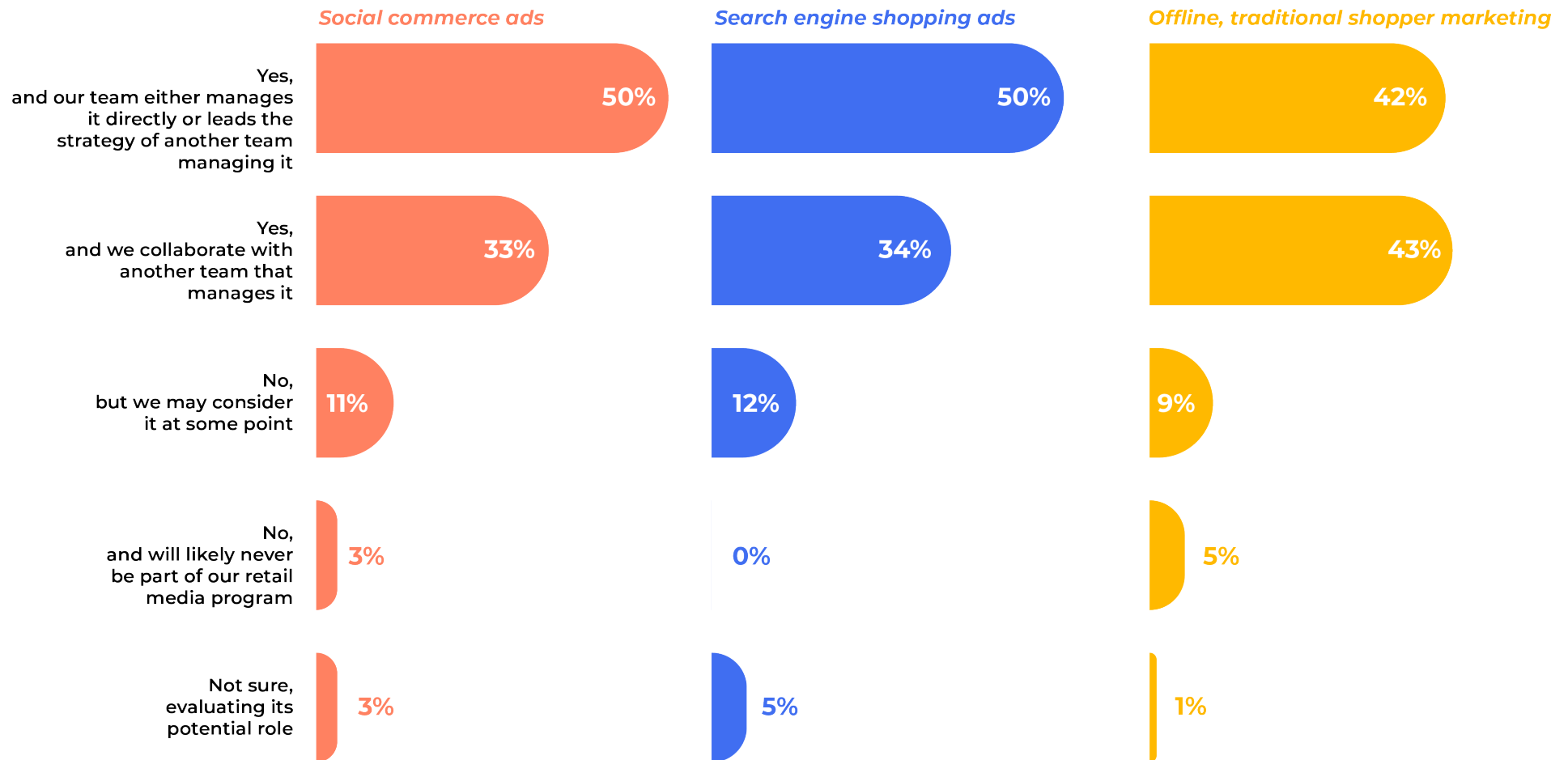


▲ Significant Change YoY

CHANNELS OF RETAIL MEDIA

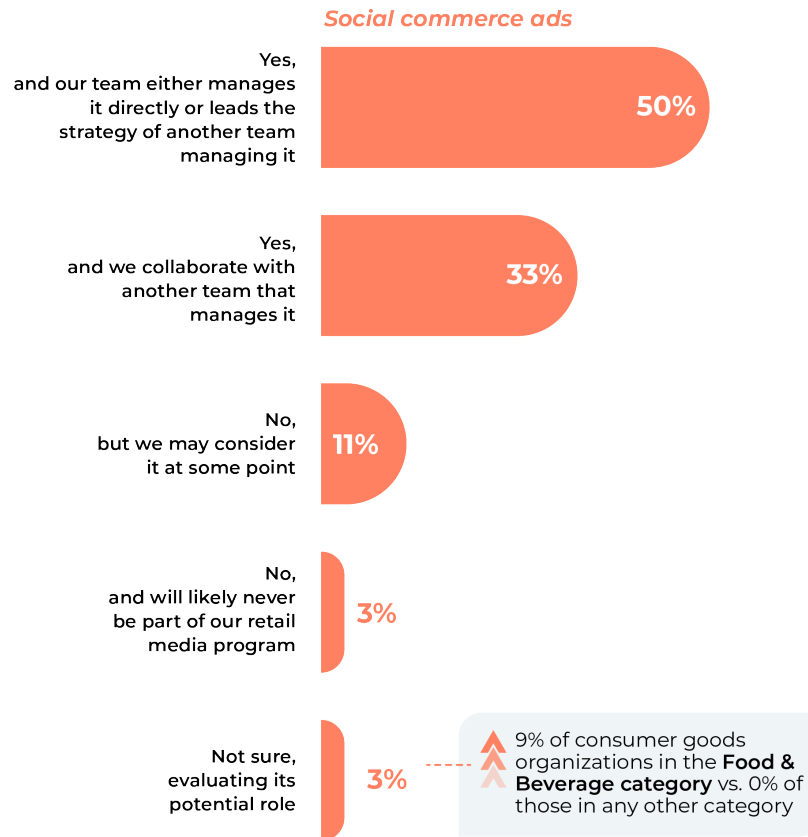
Do you consider any of the following as part of your retail media program?

More than 4-in-5 say social commerce, search engine shopping, and traditional offline shopper marketing are considered part of their retail media programs.

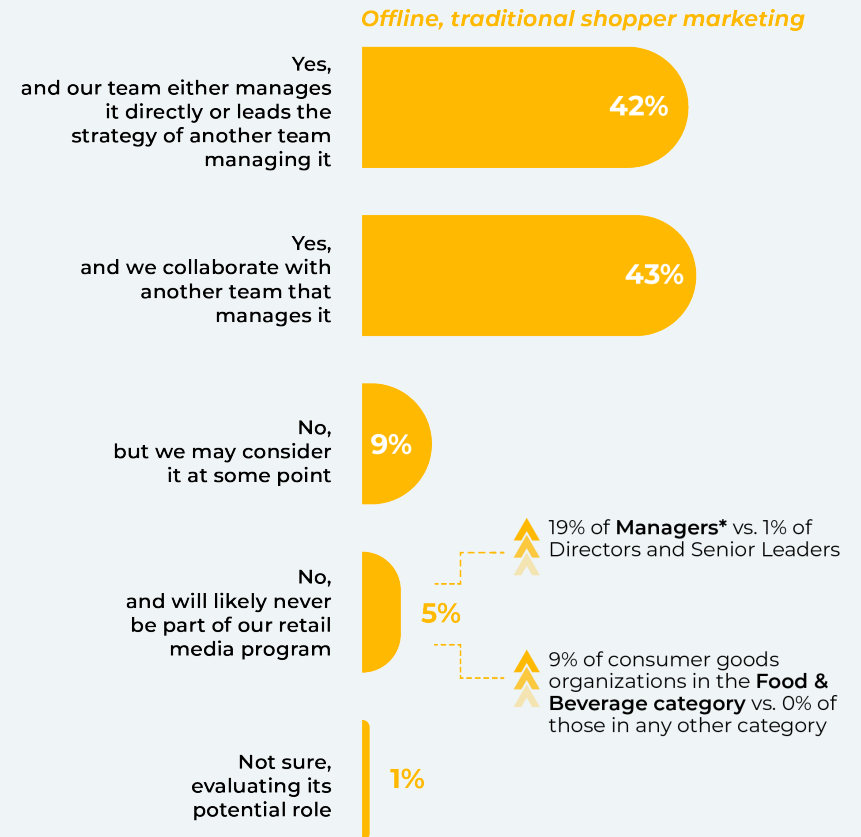


CHANNELS OF RETAIL MEDIA

Do you consider any of the following as part of your retail media program?



Around three-quarters say social commerce, search engine shopping, and traditional offline shopper marketing are considered part of their retail media programs.



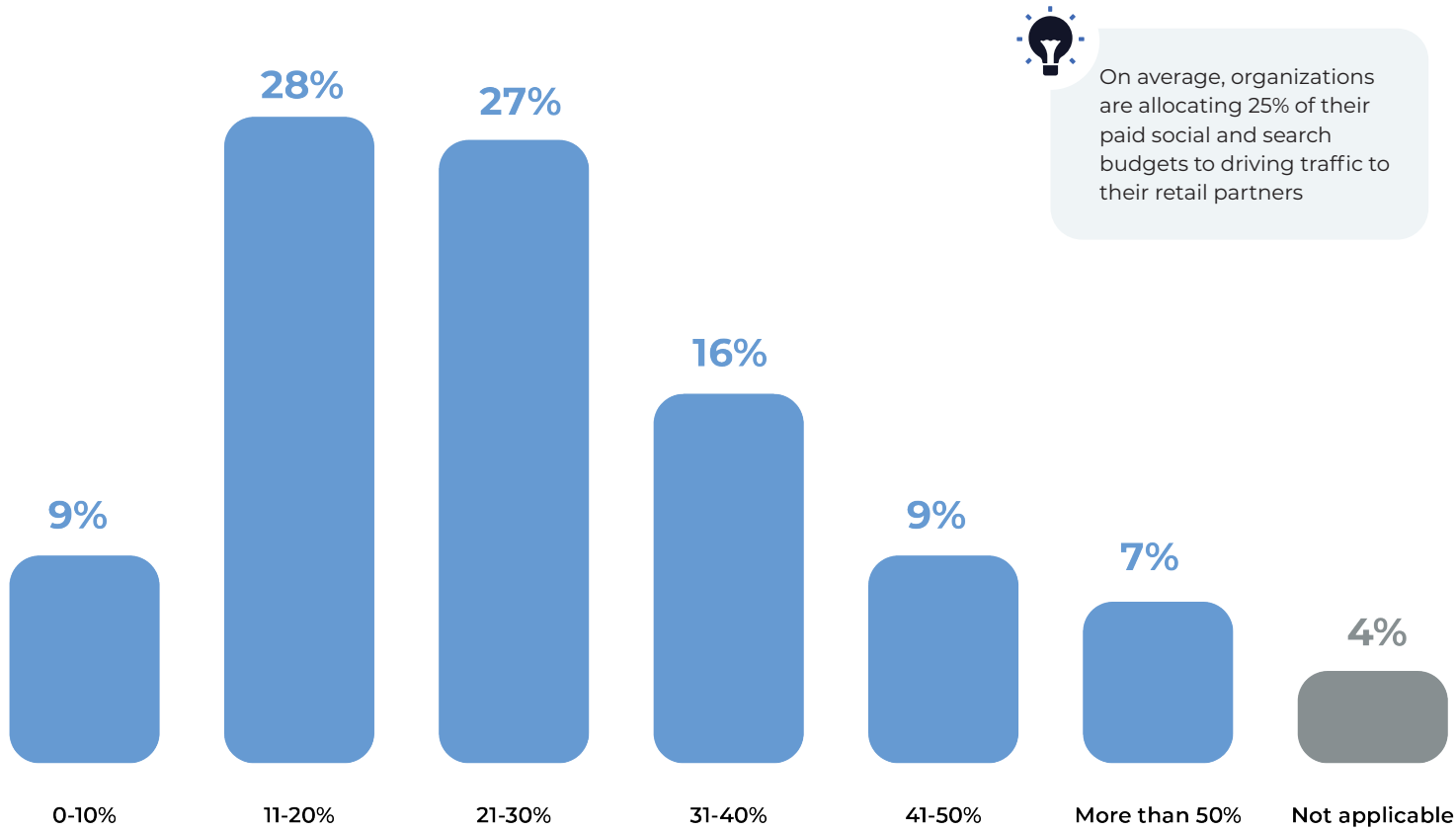
Managers and those in organizations producing food & beverage goods are more likely to say that offline, traditional shopper marketing will likely never be a part of their retail media programs.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q15. Does your organization/Do your CPG clients consider any of the following as part of your/their retail media program?
Base: Total Respondents, n=109

PAID SOCIAL AND PAID SEARCH ALLOCATION

What proportion of your paid social and paid search budget is allocated toward driving traffic to retailer partners?

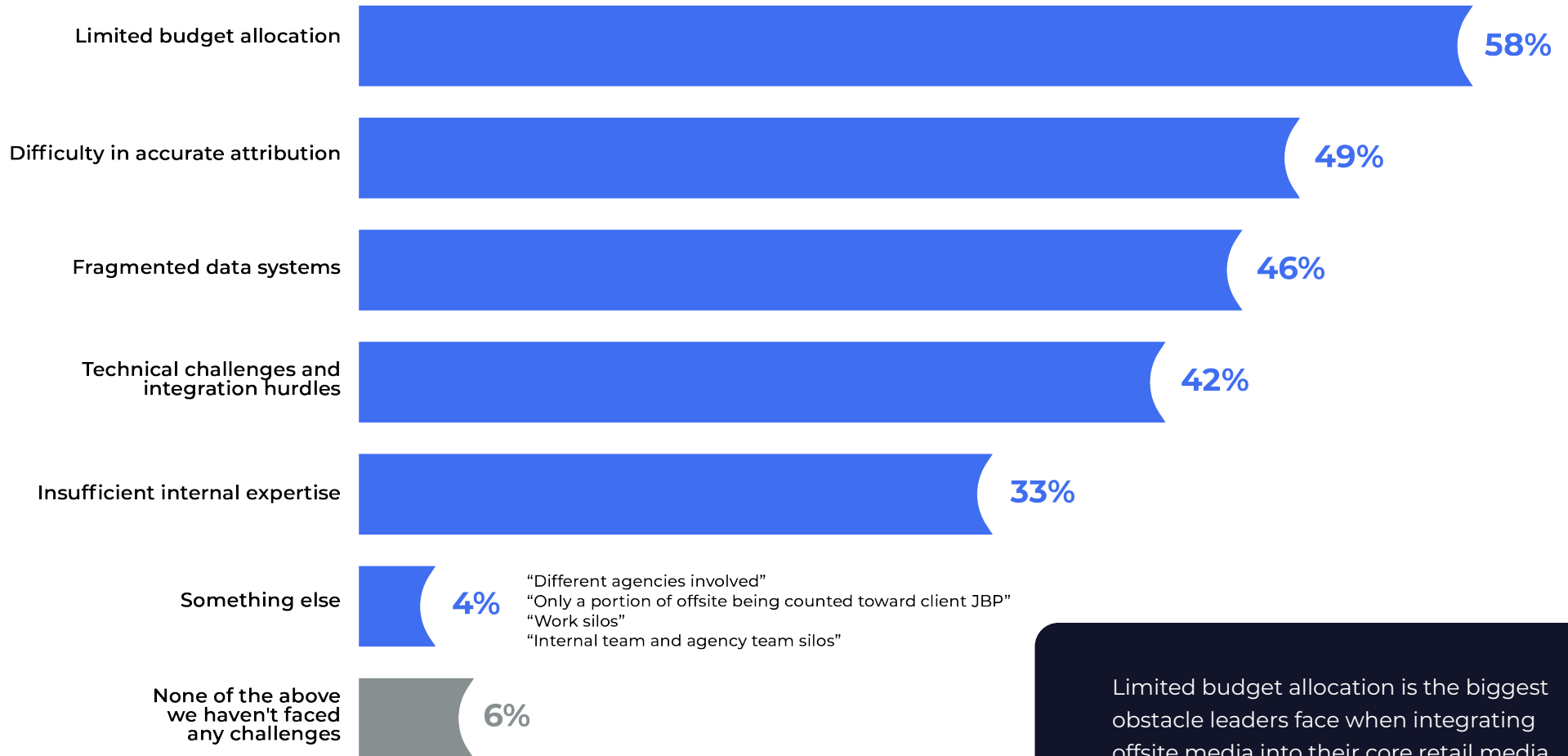


The allocation of paid social and search budgets to drive traffic to retail partners varies widely across organizations, with an average allocation of 25%.

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q16. Approximately what percentage of your/your CPG clients' paid social and paid search budget is allocated toward driving traffic to retailer partners?
Base: Total Respondents, n=109

OFFSITE MEDIA CHALLENGES

What obstacles have you encountered when integrating offsite media into your core retail media strategy?



Limited budget allocation is the biggest obstacle leaders face when integrating offsite media into their core retail media strategies. Difficulties with attribution, fragmented data systems, and technical challenges are also obstacles for many consumer goods organizations.

OFFSITE MEDIA CHALLENGES

What obstacles have you encountered when integrating offsite media into your core retail media strategy?



Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

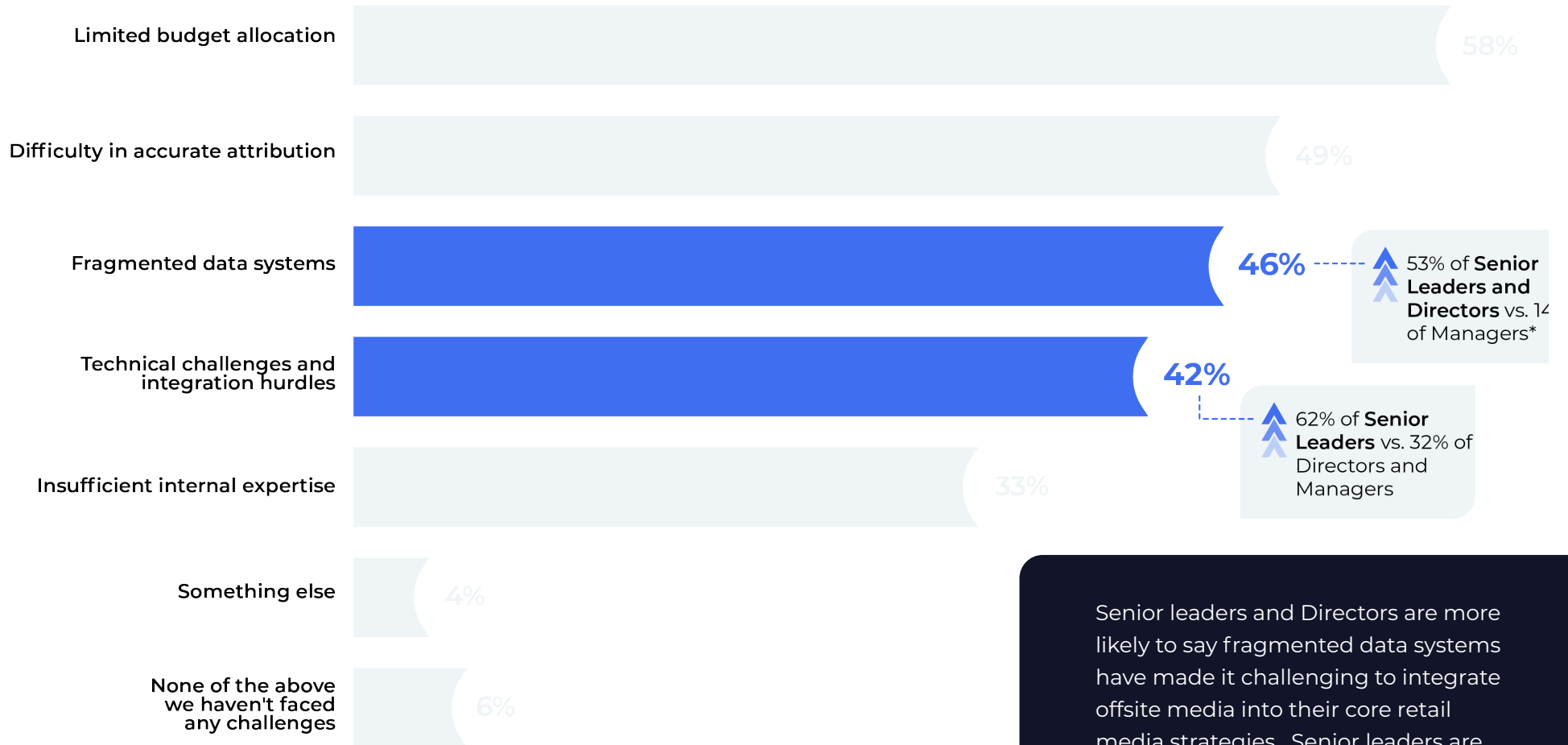
Q12. What obstacles have you encountered when integrating offsite media into your /your CPG clients' core retail media strategy, if any?

Base: Total Respondents, n=109

Limited budget allocation is particularly challenging for those currently allocating less of their marketing budgets to retail media.

OFFSITE MEDIA CHALLENGES

What obstacles have you encountered when integrating offsite media into your core retail media strategy?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q12. What obstacles have you encountered when integrating offsite media into your /your CPG clients' core retail media strategy, if any?
Base: Total Respondents, n=109

Senior leaders and Directors are more likely to say fragmented data systems have made it challenging to integrate offsite media into their core retail media strategies. Senior leaders are also more likely than their Director and Manager counterparts to say they are facing technical challenges and integration hurdles.

OFFSITE MEDIA CHALLENGES

What obstacles have you encountered when integrating offsite media into your core retail media strategy?

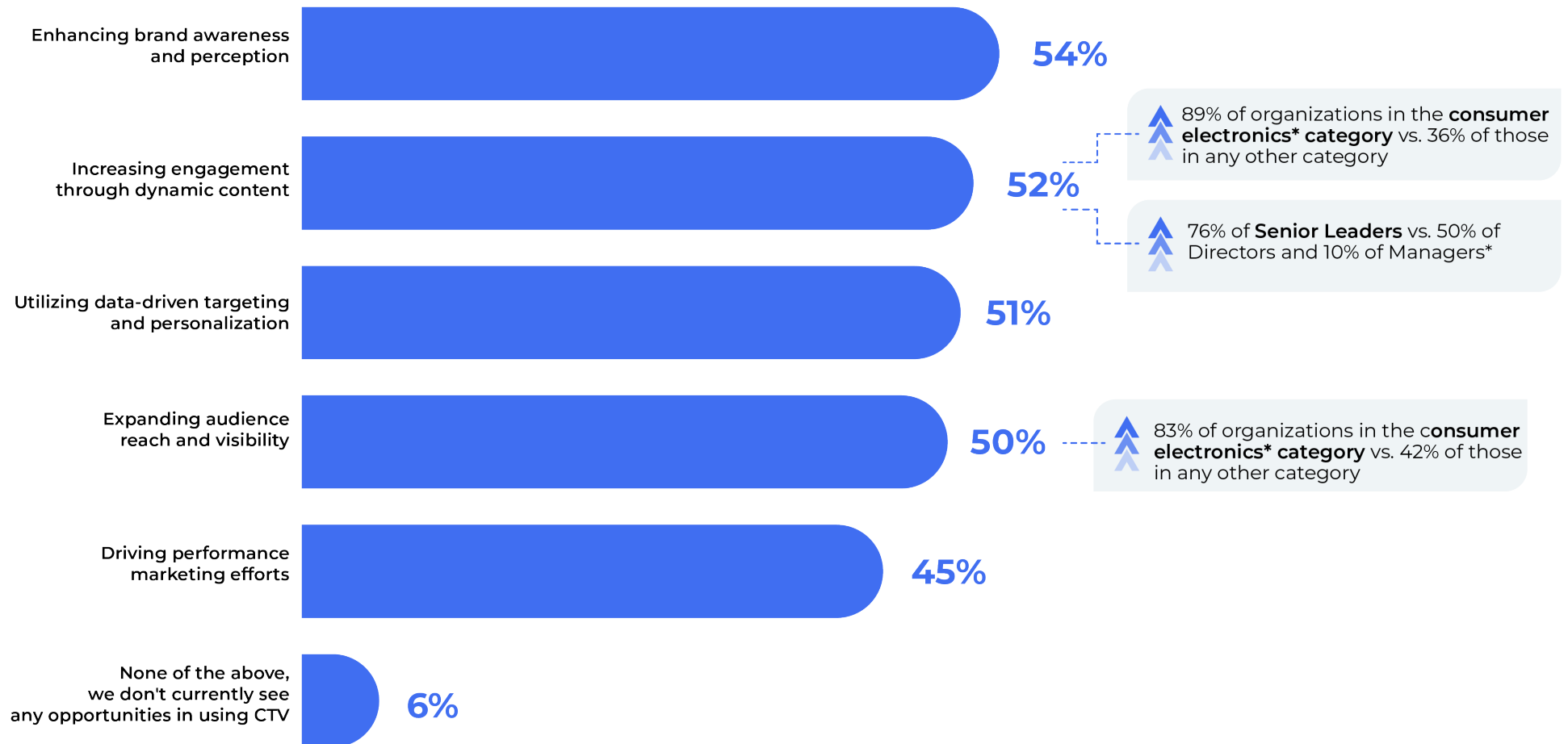


Nearly 30% of leaders in organizations in the consumer electronics category say they haven't faced any challenges with integrating offsite media into their core retail media strategies, compared to just 1% of those in any other category.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q12. What obstacles have you encountered when integrating offsite media into your /your CPG clients' core retail media strategy, if any?
Base: Total Respondents, n=109

CTV OPPORTUNITIES

What have you identified as the most significant opportunities in using CTV within retail media?



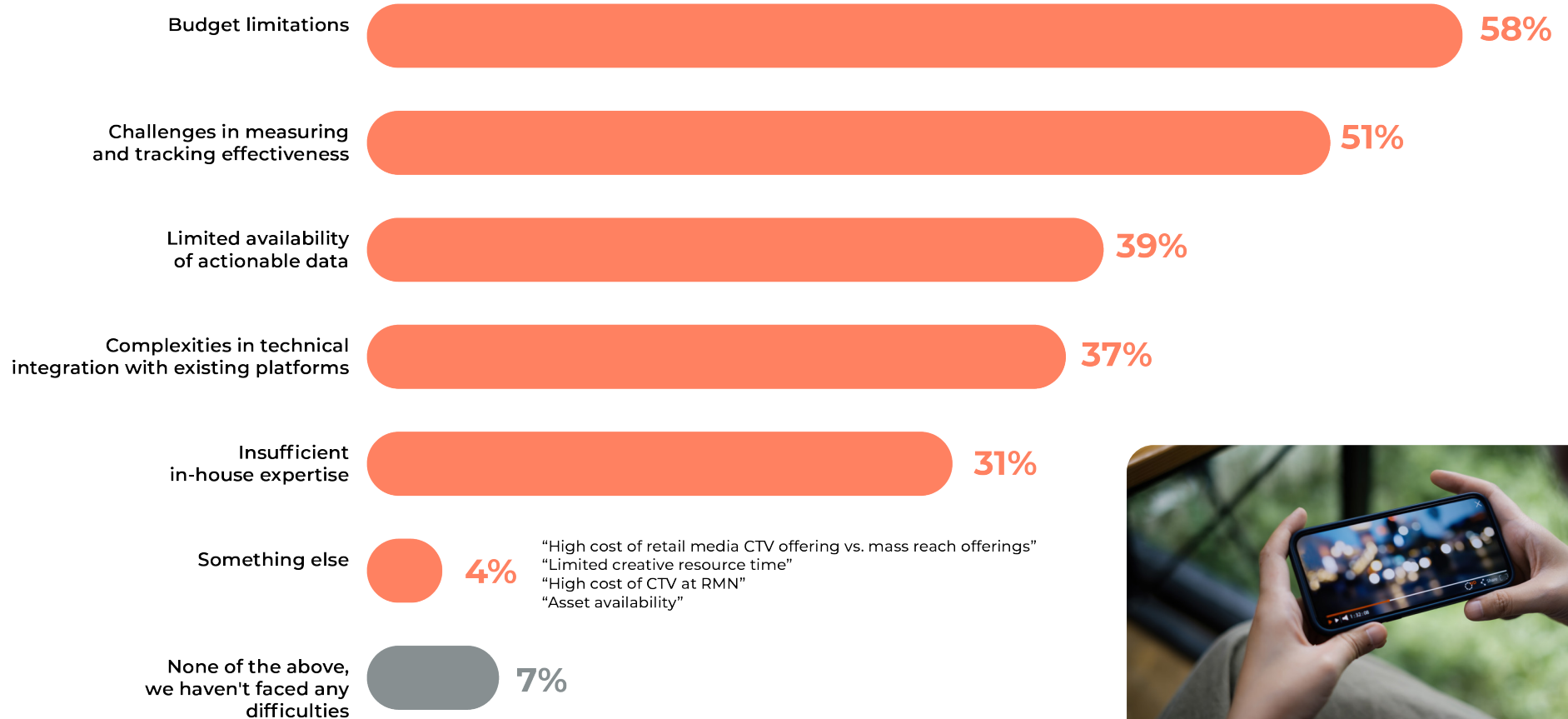
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q13. Which of the following, if any, has your organization/have your CPG clients identified as the most significant opportunities in using Connected TV (CTV) within retail media?
Base: Total Respondents, n=109

Leaders see a variety of opportunities in using CTV within retail media.

CTV CHALLENGES

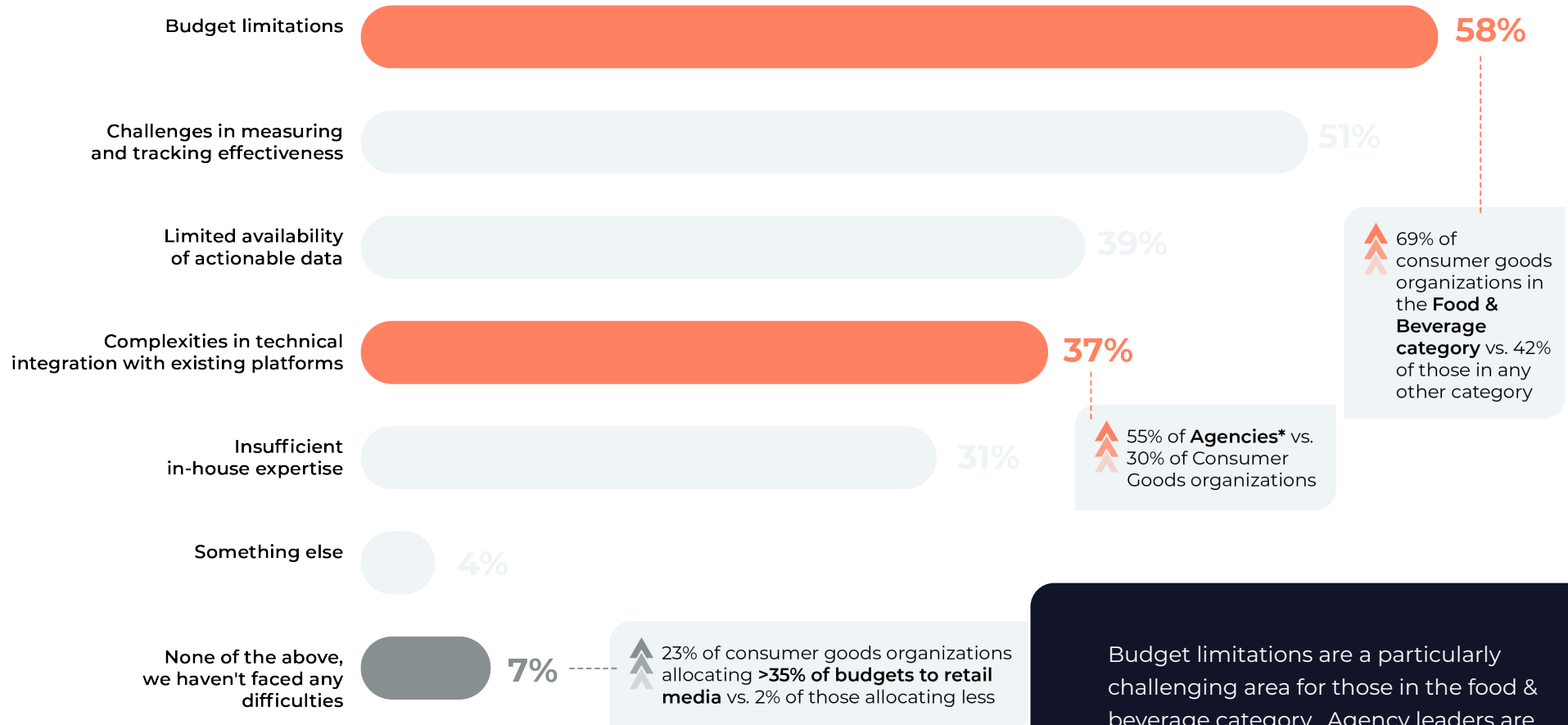
What difficulties have you faced when it comes to incorporating CTV into your retail media mix?



However, budget limitations and measurement challenges are significant obstacles to incorporating CTV into organizations' retail media strategies.

CTV CHALLENGES

What difficulties have you faced when it comes to incorporating CTV into your retail media mix?



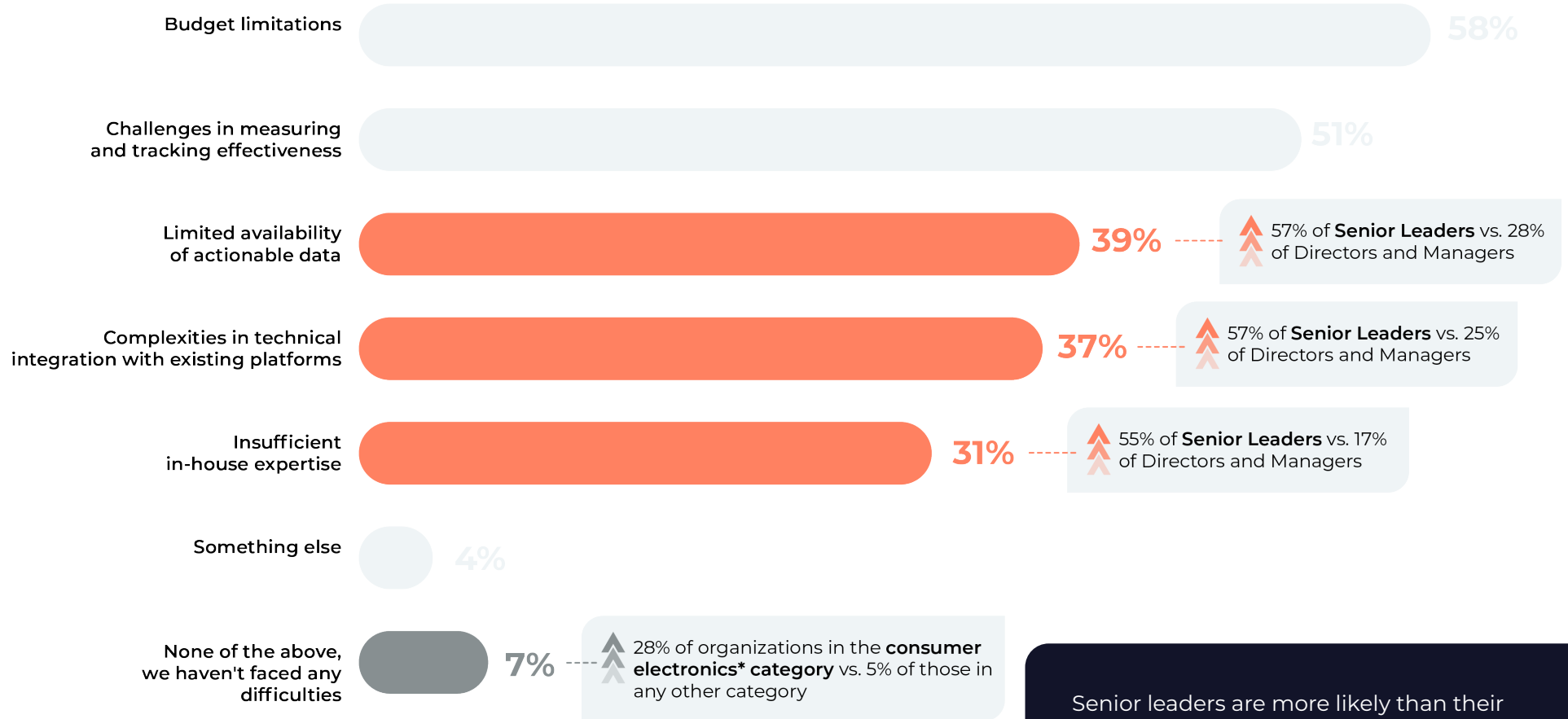
Budget limitations are a particularly challenging area for those in the food & beverage category. Agency leaders are more likely to say their CPG clients face difficulties with technical integrations. Those in organizations allocating more budget to retail media are more likely to say they haven't faced any challenges with incorporating CTV.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q14. Which of the following difficulties has your organization/your CPG clients faced when considering incorporating, or working to incorporate, CTV into your/their retail media mix?
Base: Total Respondents, n=109

CTV CHALLENGES

What difficulties have you faced when it comes to incorporating CTV into your retail media mix?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q14. Which of the following difficulties has your organization/your CPG clients faced when considering incorporating, or working to incorporate, CTV into your/their retail media mix?
Base: Total Respondents, n=109

Senior leaders are more likely than their counterparts in Director and Manager positions to say limited availability of actionable data, technical integration complexities, and a lack of in-house expertise have created challenges for their organizations as they work to incorporate CTV into their retail media mix.

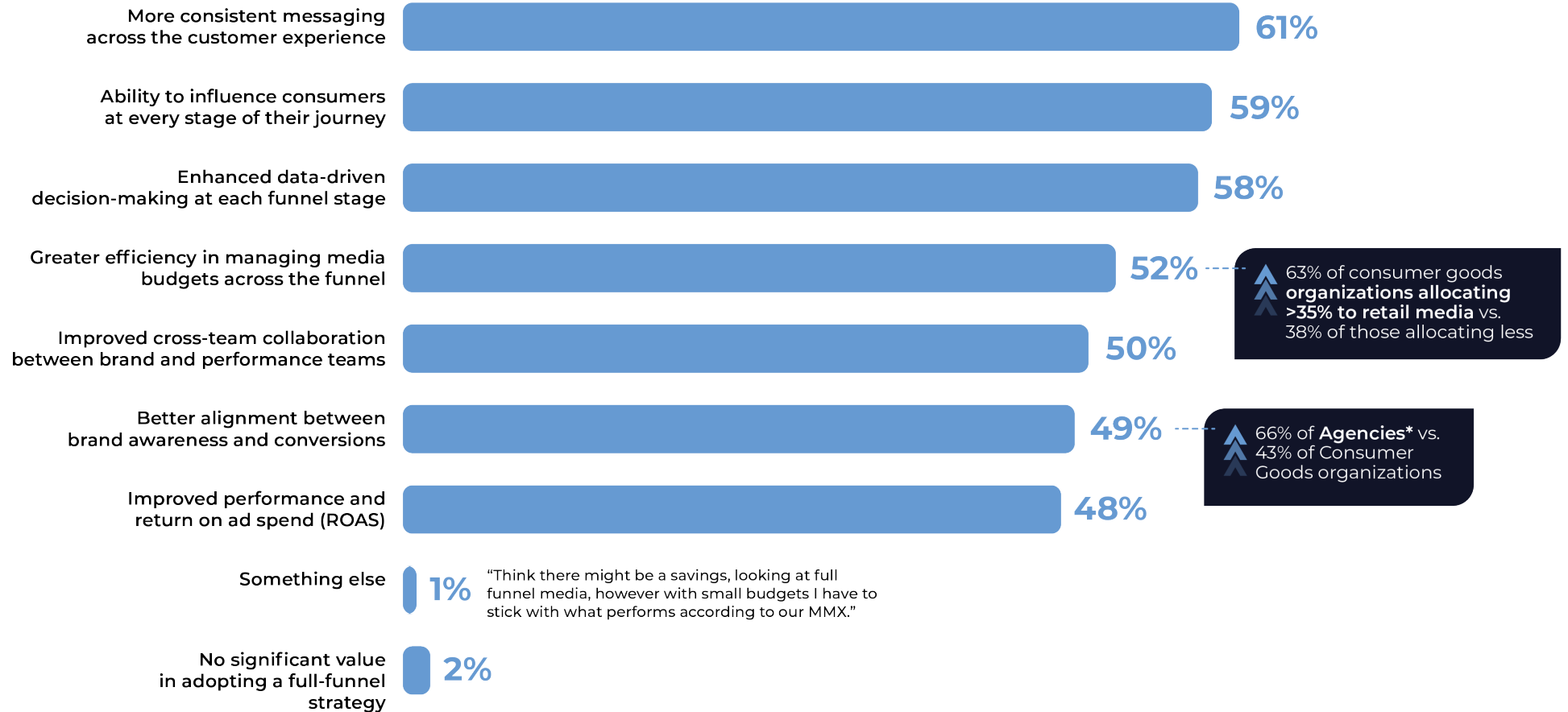
RETAIL MEDIA STRATEGY OPPORTUNITIES



FULL-FUNNEL RETAIL MEDIA VALUE

Marketers see a great deal of value in adopting a full-funnel retail media strategy.

What do you believe is the value of adopting a full-funnel retail media strategy?

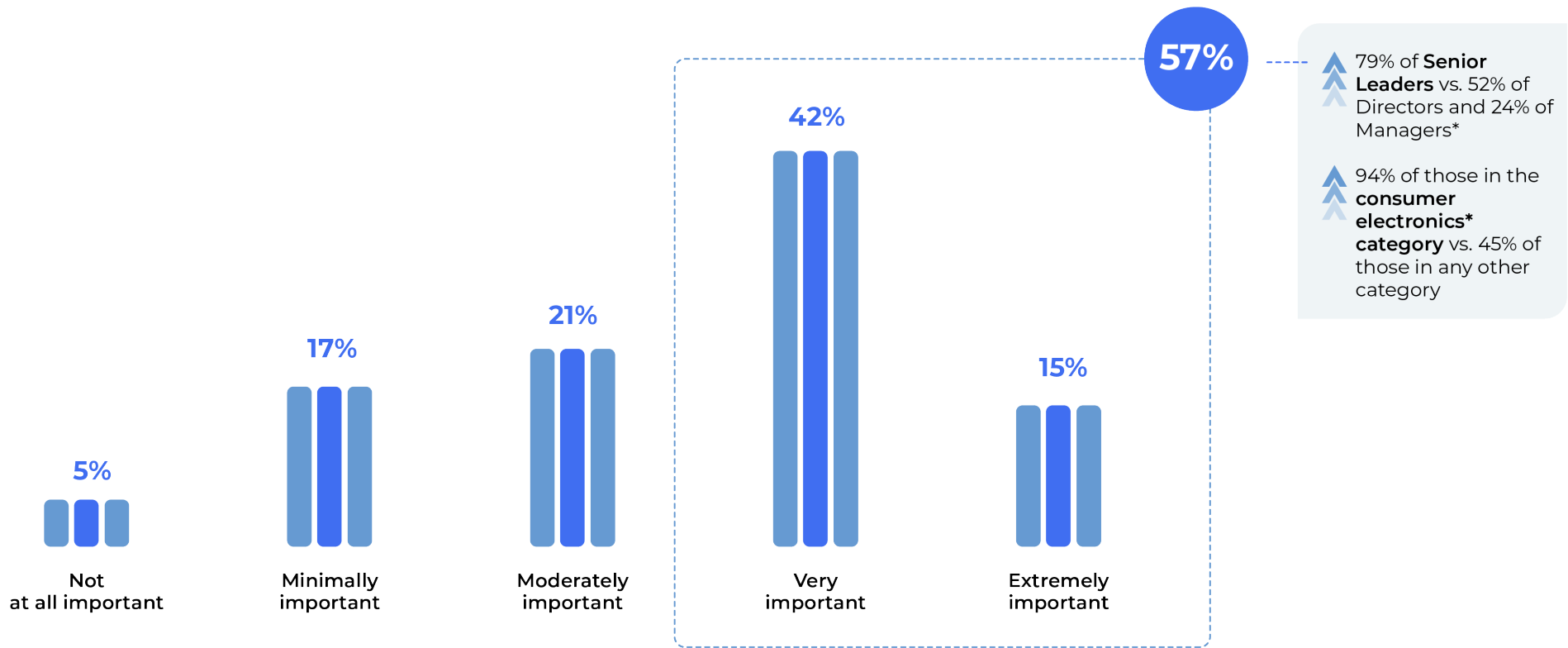


*Sample size <30, use caution when interpreting results
 Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q19. Some organizations are adopting a full-funnel retail media strategy, in which they strategically address each part of the funnel with tailored efforts. What do you believe is the value of adopting a full-funnel retail media strategy, if any?
 Base: Total Respondents, n=109

PLATFORM CONSOLIDATION - IMPORTANCE

To what extent is it important to consolidate all of your retail media programs into a single management platform?



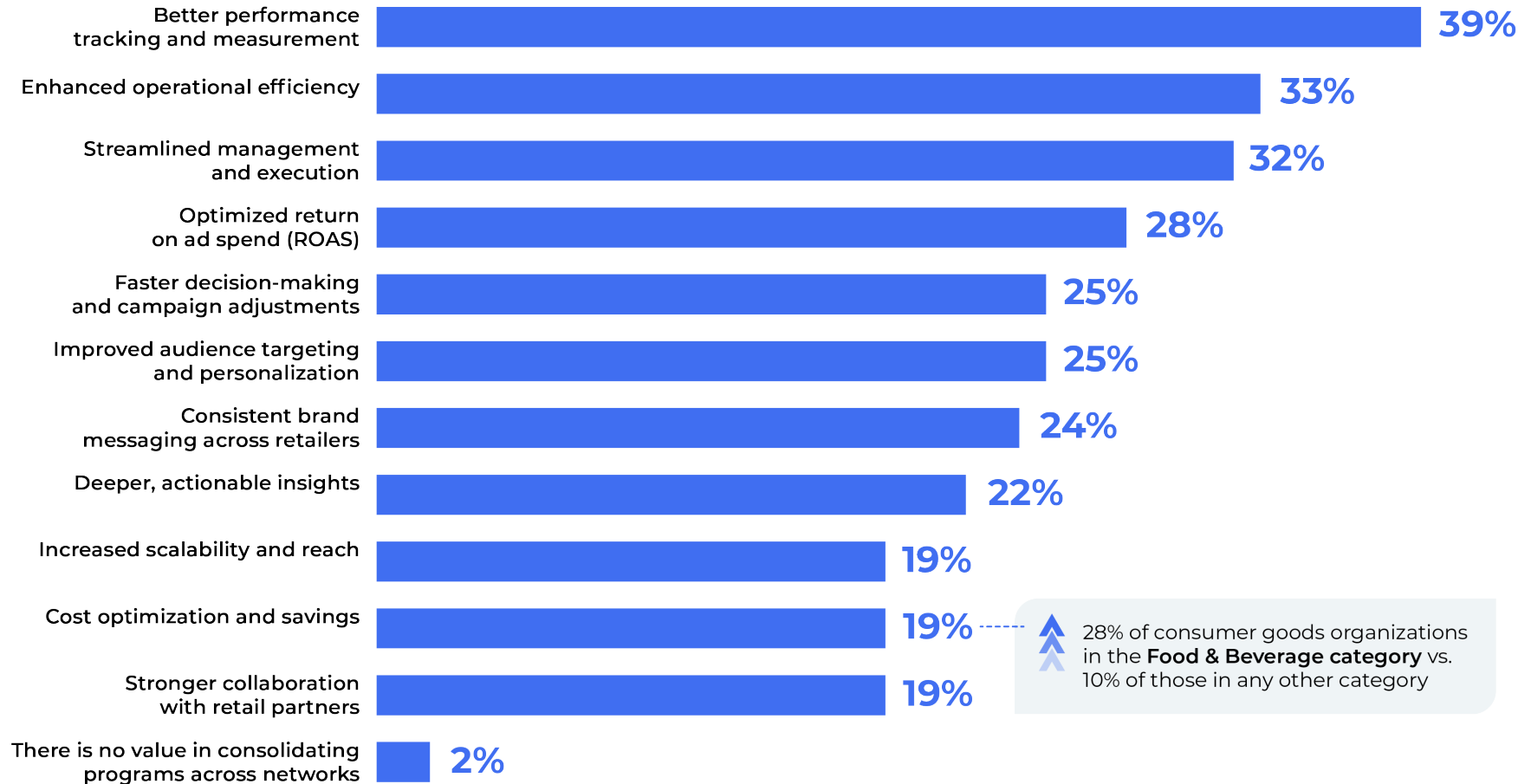
*Sample size <30, use caution when interpreting results
 Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q20. To what extent is it important to your organization/CPG clients to consolidate all of its retail media programs into a single management platform?
 Base: Total Respondents, n=109

Nearly 3-in-5 leaders think it is important they consolidate their retail programs into a single platform. This is driven by Senior leaders and those in the consumer electronics category.

PLATFORM CONSOLIDATION - GOALS

What would you aim to achieve by consolidating retail media programs in a single management platform?



Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q21. Which of the following does, or would, your organization/CPG clients aim to achieve by consolidating all of its retail media programs into a single management platform?
 Base: Total Respondents, n=109

The primary goal of consolidating their retail media tactics into a single platform would be to better track performance. It would also enhance operational efficiencies and streamline efforts.

EMERGING NON-RETAILER NETWORKS

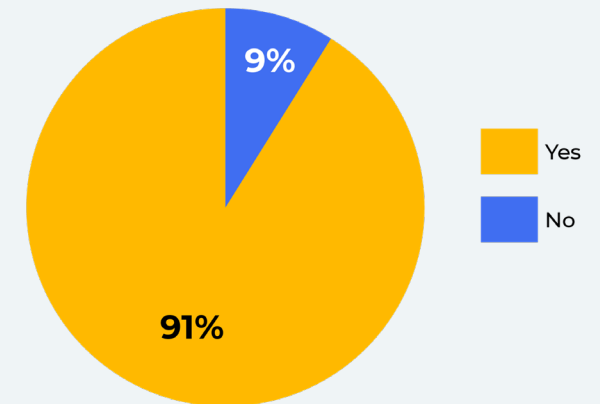
To what extent are you interested in advertising on non-retailer media networks?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q17. To what extent is your organization/are your CPG clients interested in advertising on non-retailer media networks, such as Chase, T-Mobile, American Airlines, or Hilton? [Base: Total Respondents, n=109]
Q18. Is your organization/are any of your CPG clients actively exploring advertising opportunities on non-retailer media networks, such as (but not limited to) Chase, T-Mobile, American Airlines, or Hilton? [Base: Respondents moderately or highly interested in exploring these opportunities, n=64]

Are you actively exploring non-retailer media opportunities?



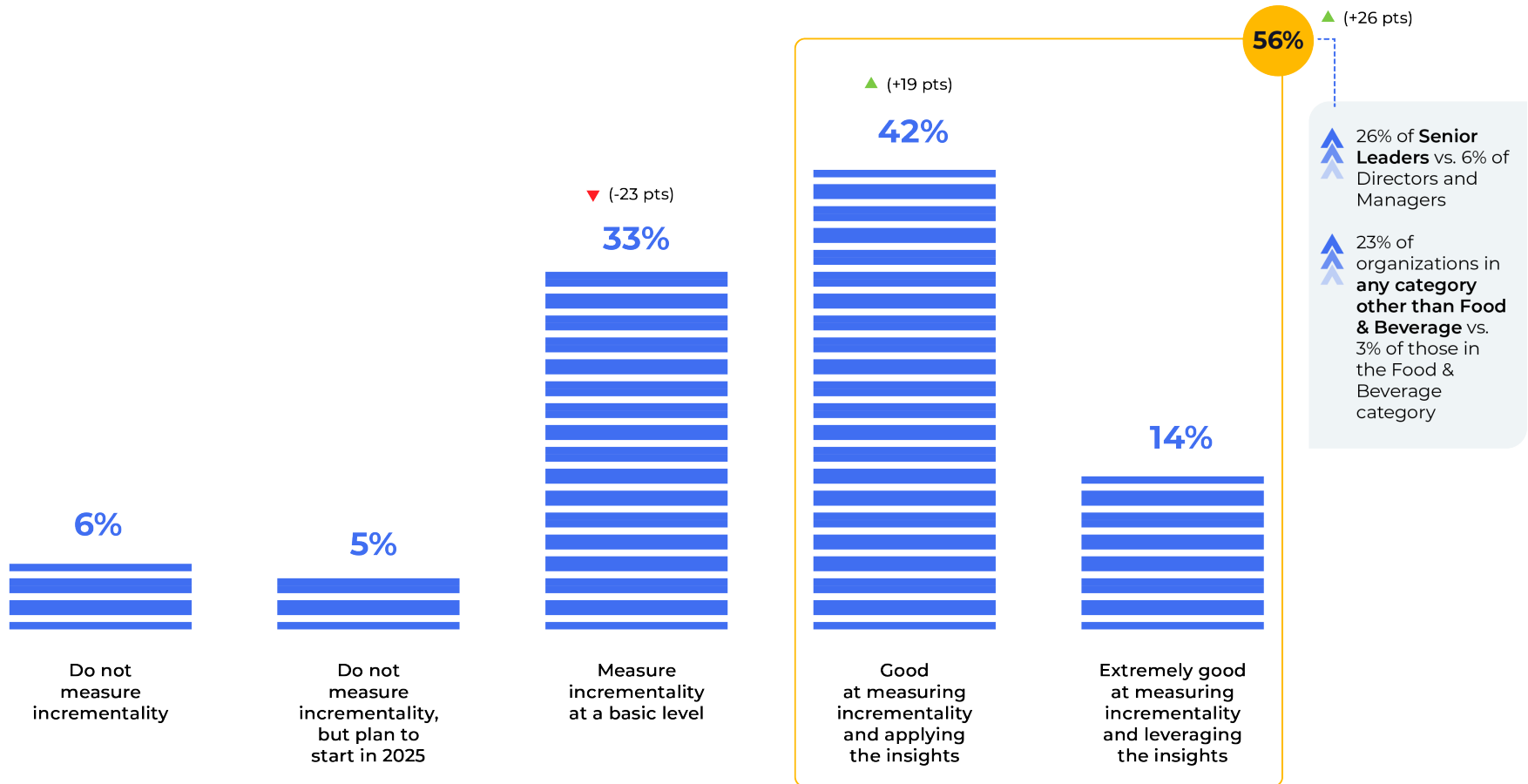
Nearly 3-in-5 leaders are interested in advertising with non-retailer media networks. Among those, most are actively exploring these opportunities, driven by Senior leadership and those in the consumer electronics category.

RETAIL MEDIA MEASUREMENT



INCREMENTALITY - PROFICIENCY

Which of the following best describes your organization's proficiency in incrementality measurement for retail media?



▲ Significant Change YoY

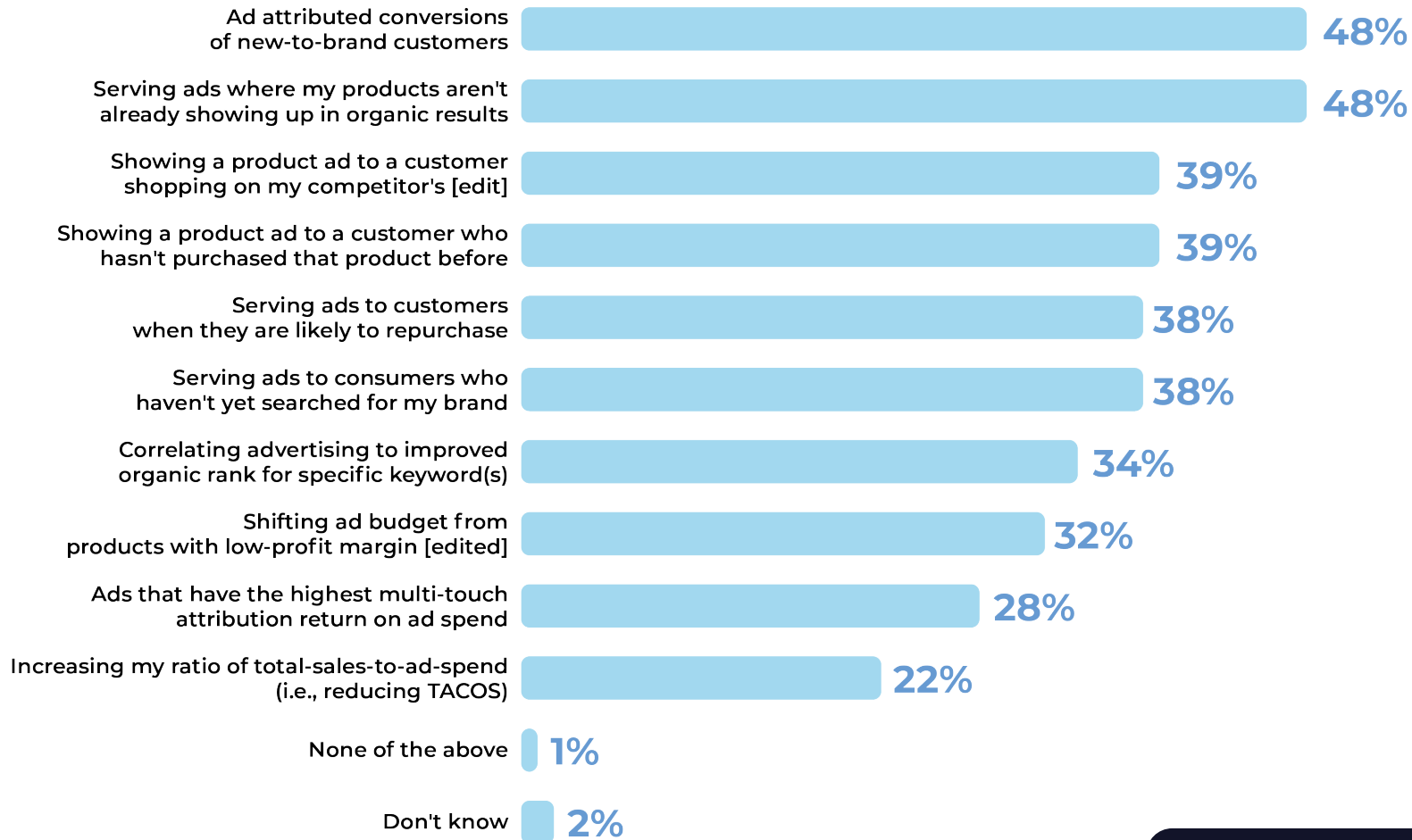
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q23: Which of the following best describes your organization's/CPG clients' proficiency in incrementality measurement for retail media?
 Base: Total Respondents, n=109

Over half of organizations say they are proficient in measuring incrementality for retail media, up significantly from the previous year.

INCREMENTALITY - DEFINITION

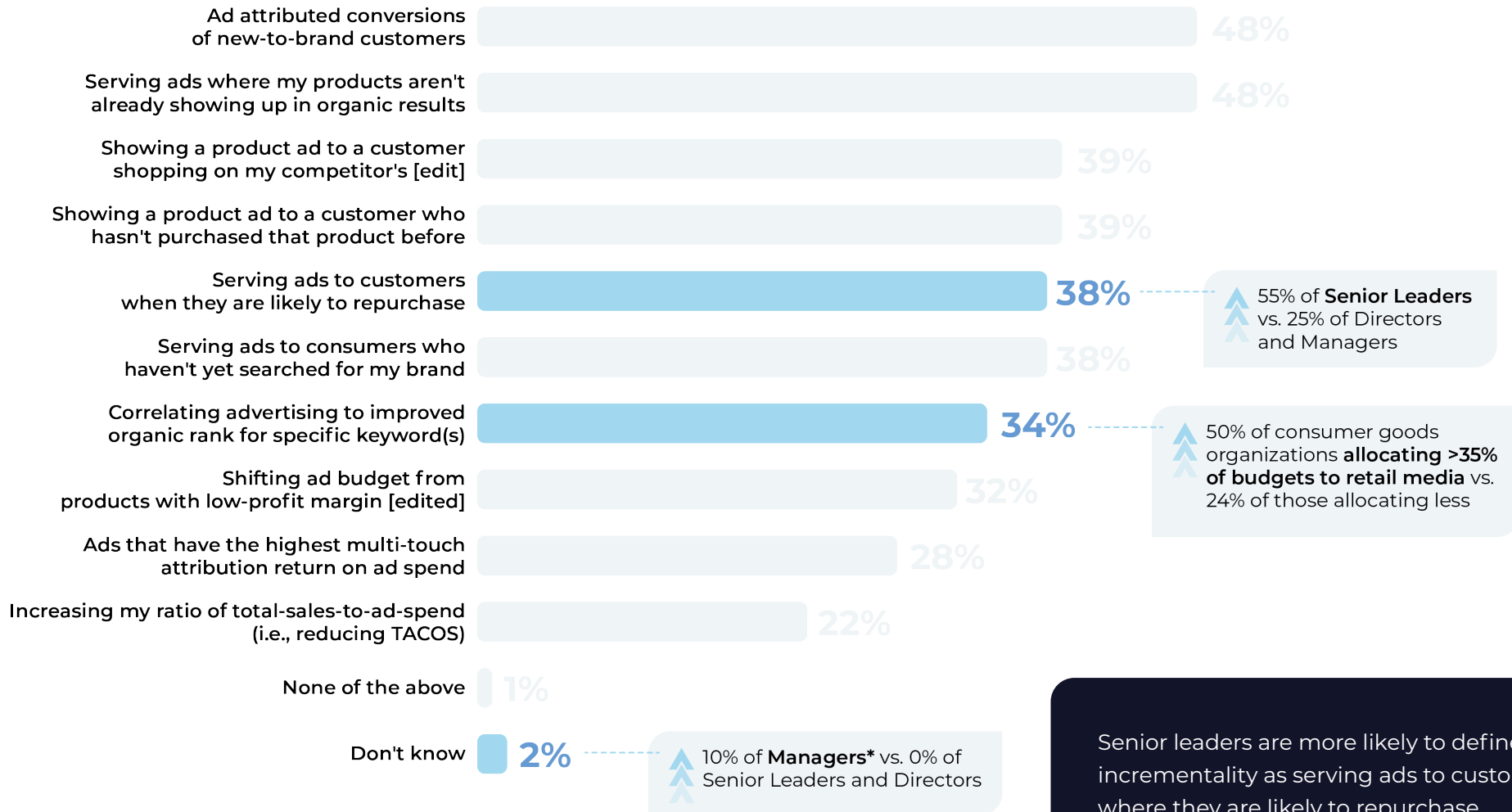
How does your organization define incrementality in retail media?



Incrementality continues to be defined in several different ways by marketing leaders. The most common definitions are ad attributed conversions of new-to-brand customers and serving ads where products aren't already showing in organic results.

INCREMENTALITY - DEFINITION

How does your organization define incrementality in retail media?



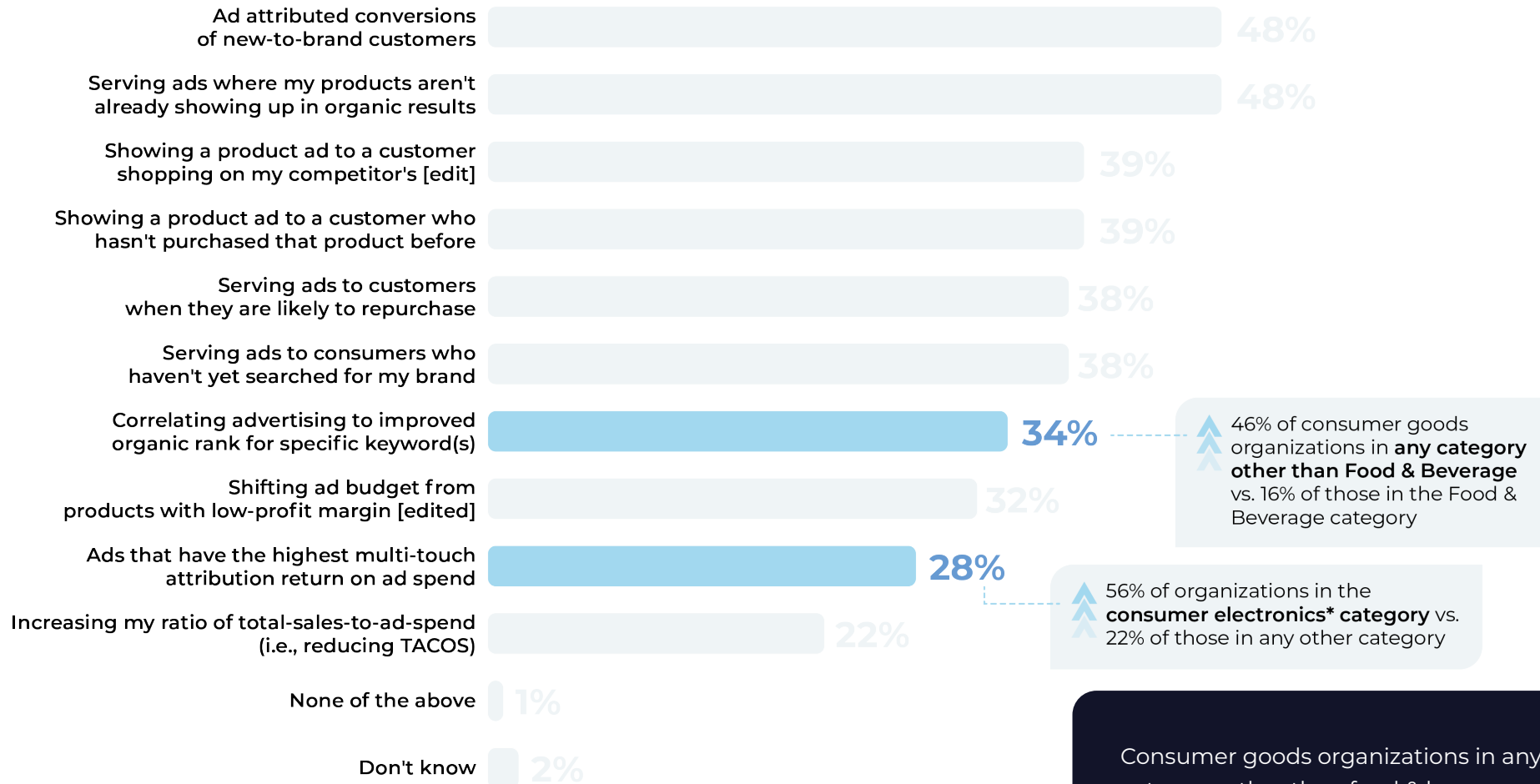
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q22. Below are several ways organizations may define incrementality in retail media. Which, if any, are most relevant to your organization/CPG clients? Please select all that apply.
Base: Total Respondents, n=109

Senior leaders are more likely to define incrementality as serving ads to customers where they are likely to repurchase. Organizations allocating more of their budgets to retail media more often say they define incrementality by correlating advertising to improve organic rank for specific keywords.

INCREMENTALITY - DEFINITION

How does your organization define incrementality in retail media?



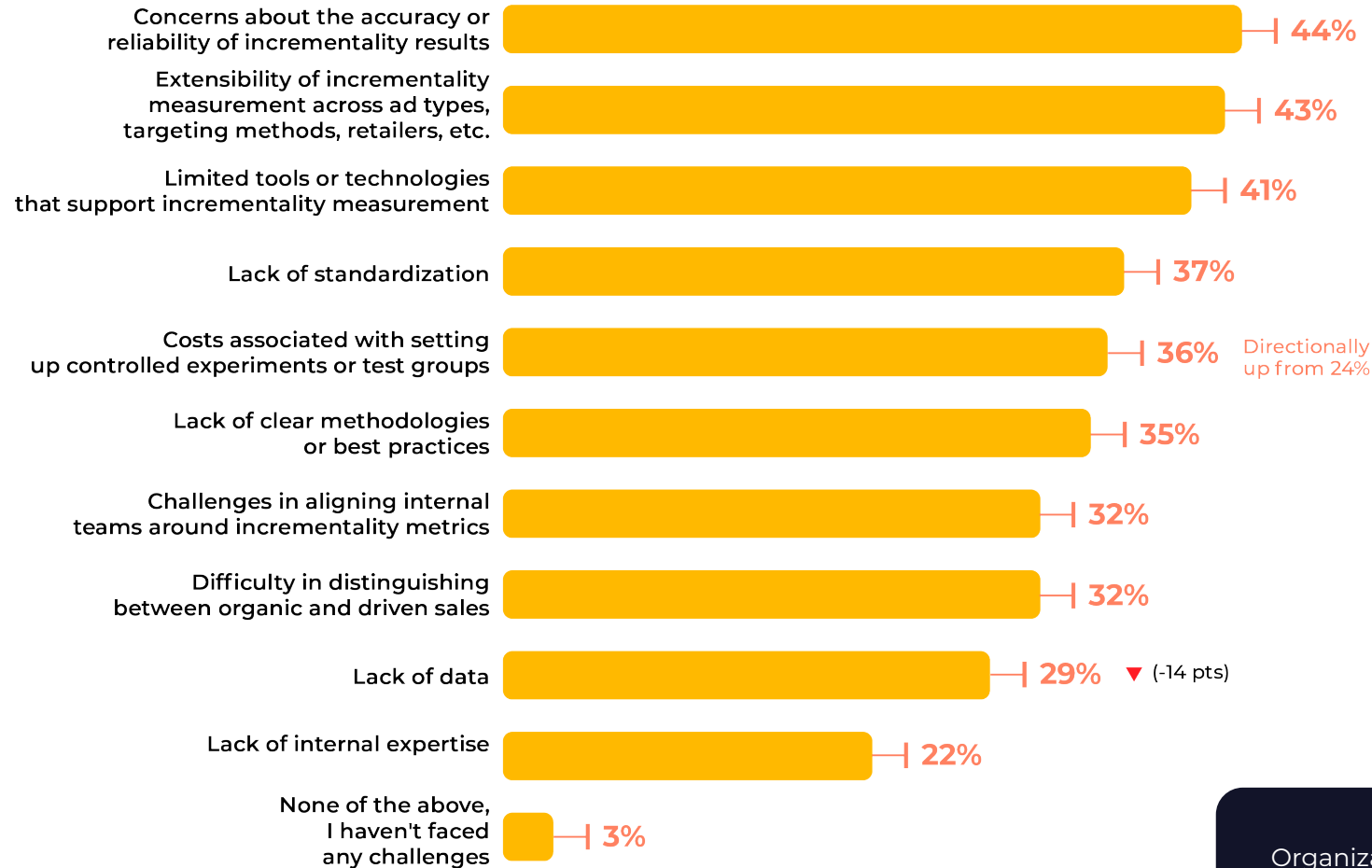
*Sample size <30, use caution when interpreting results
 Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
 Q22. Below are several ways organizations may define incrementality in retail media. Which, if any, are most relevant to your organization/CPG clients? Please select all that apply.
 Base: Total Respondents, n=109

Consumer goods organizations in any category other than food & beverage are more likely to define incrementality by correlating advertising to improved organic rank for specific keywords, while those in the consumer electronics category more often look at ads that have the highest multi-touch attribution return on ad spend.

INCREMENTALITY - CHALLENGES

What challenges have you faced when trying to implement incrementality measurement in your retail media strategy?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

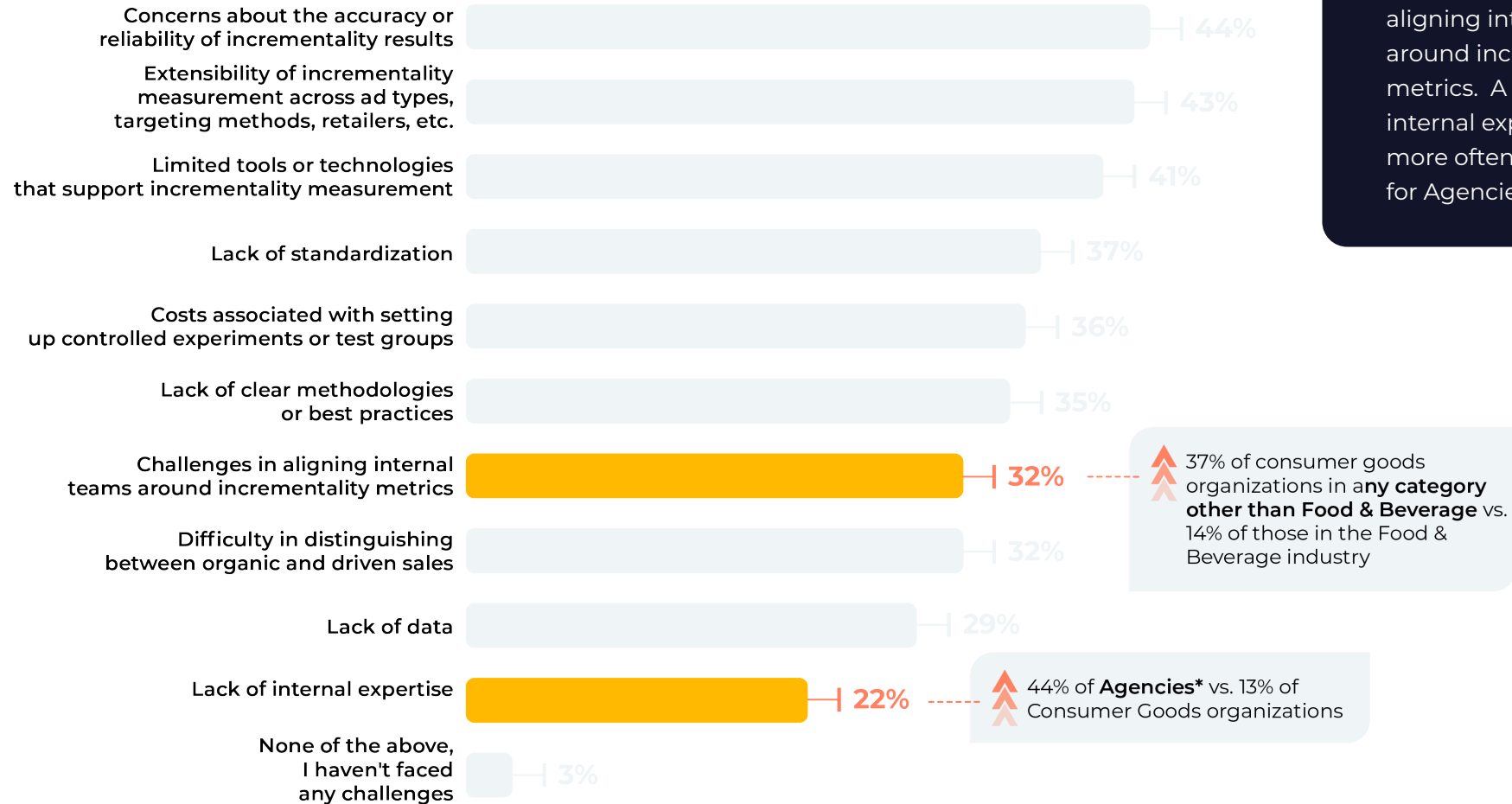
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q22. Below are several ways organizations may define incrementality in retail media. Which, if any, are most relevant to your organization/CPG clients? Please select all that apply.
Base: Total Respondents, n=109



Organizations face several challenges when trying to implement incrementality measurement, including concerns about accuracy, its extensibility, and limited tools or tech to support it. A lack of data has declined considerably as a challenge from the previous year's survey results.

INCREMENTALITY - CHALLENGES

What challenges have you faced when trying to implement incrementality measurement in your retail media strategy?



Organizations in any category other than food & beverage are more likely to say they face challenges in aligning internal teams around incrementality metrics. A lack of internal expertise is more often a challenge for Agencies.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

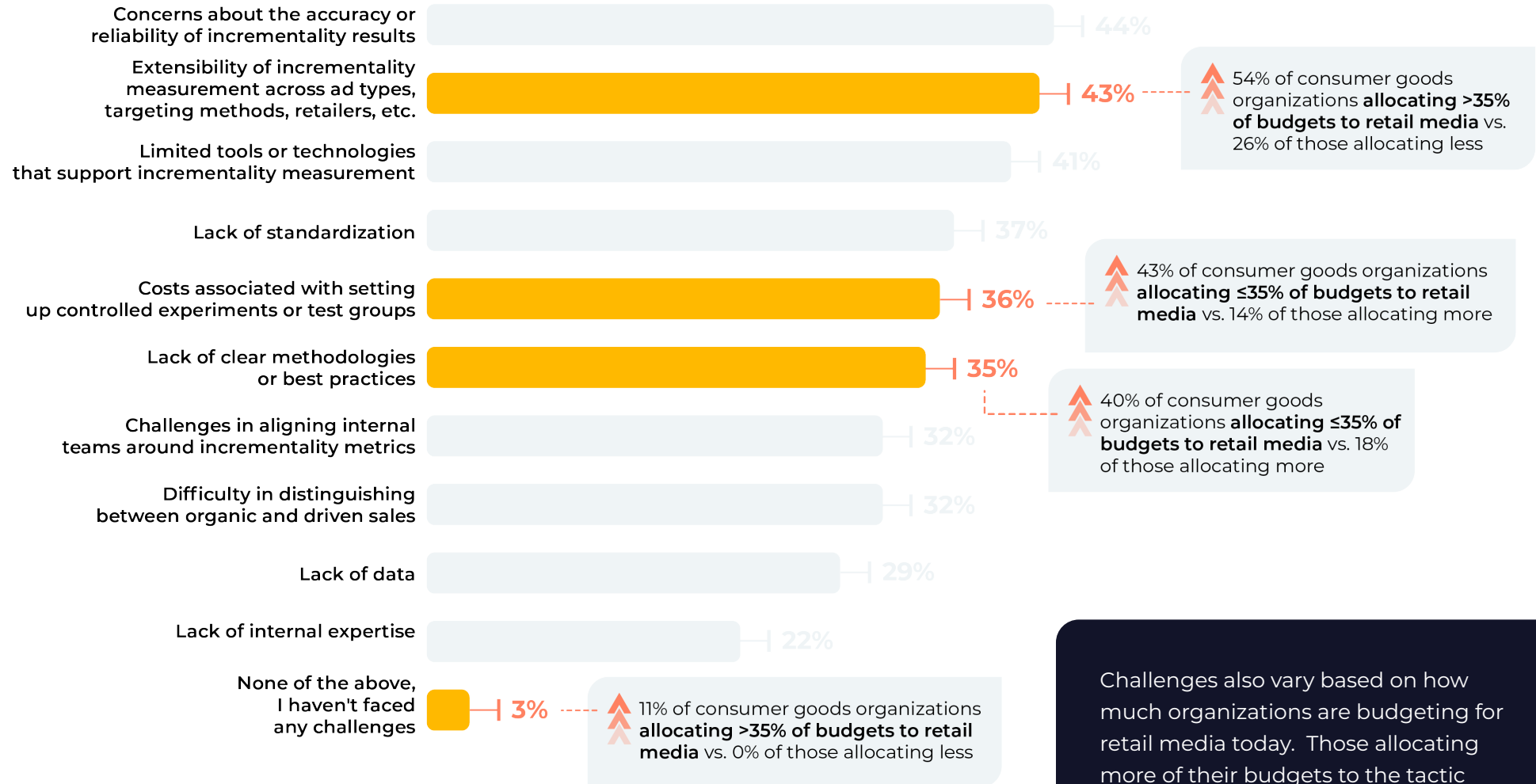
Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q24: What challenges have you faced, if any, when trying to implement incrementality measurement in your/CPG clients' retail media strategy?

Base: Those who are measuring incrementality for retail media, n=97

INCREMENTALITY - CHALLENGES

What challenges have you faced when trying to implement incrementality measurement in your retail media strategy?



*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024

Q24: What challenges have you faced, if any, when trying to implement incrementality measurement in your/CPG clients' retail media strategy?

Base: Those who are measuring incrementality for retail media, n=97

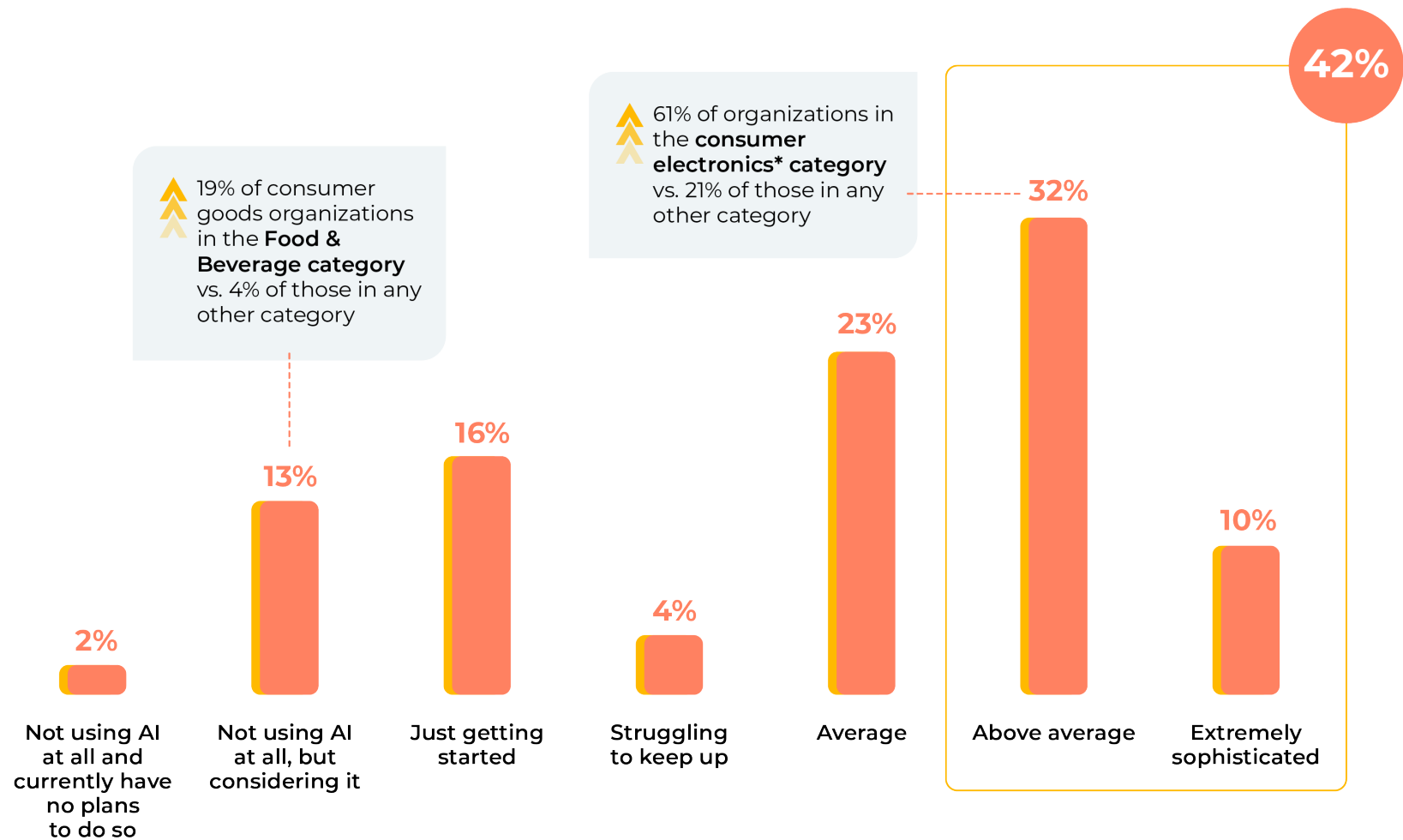
Challenges also vary based on how much organizations are budgeting for retail media today. Those allocating more of their budgets to the tactic are more likely to say the extensibility of incrementality measurement is a challenge, while those allocating less more often mention the costs and lack of clear methodologies or best practices.

TECHNOLOGY SOLUTIONS & IMPACT



AI MATURITY

Which of the following best describes your organization's maturity in using AI within your retail media program?



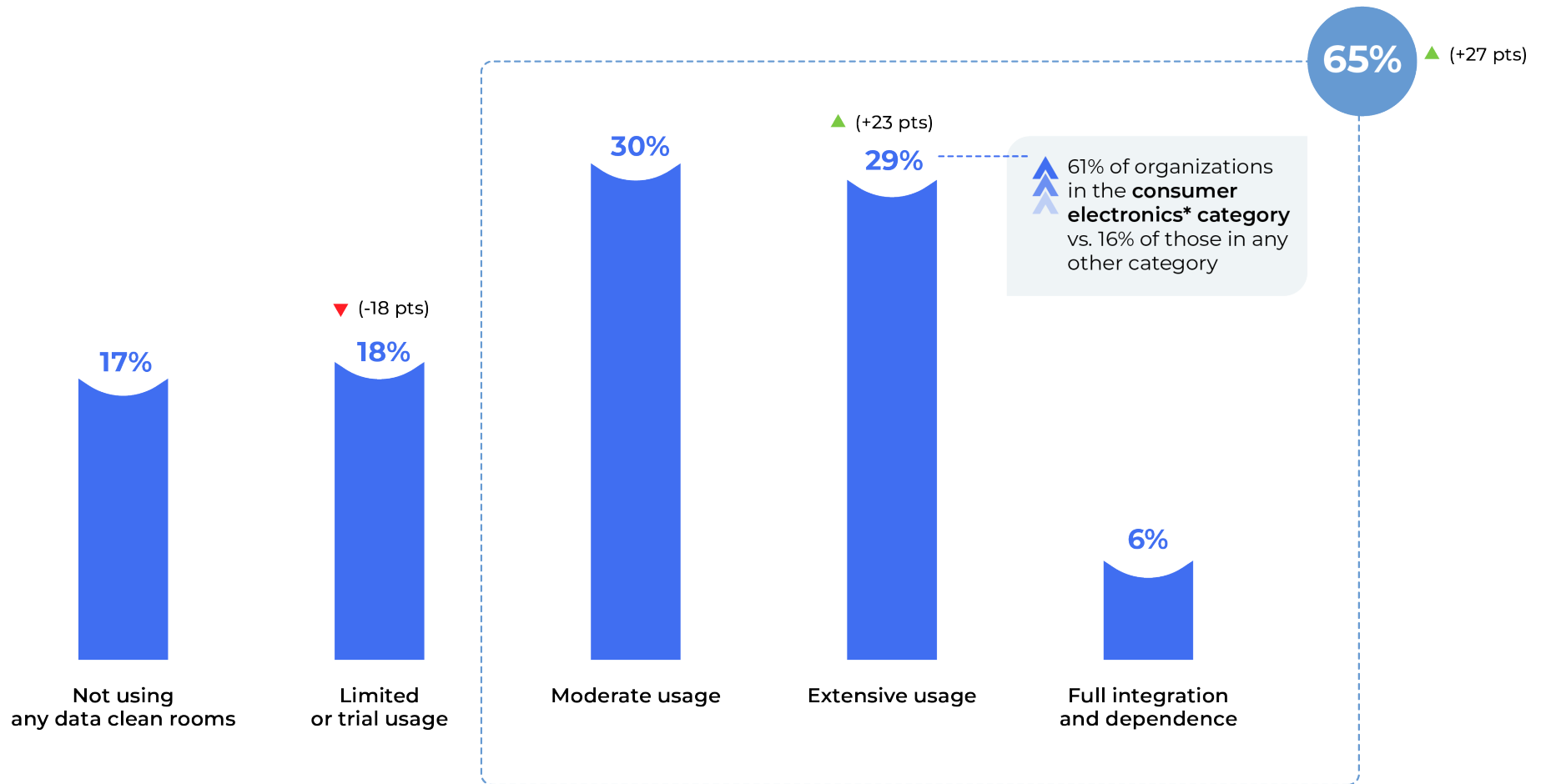
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q25. How would you describe your team's/CPG clients' maturity in using AI within your retail media program/their retail media programs?
Base: Total Respondents, n=109

2-in-5 marketers surveyed feel their organizations are highly mature in their use of AI within their retail media programs.

DATA CLEAN ROOMS - USAGE

How would you describe your organization's current usage of data clean rooms?



▲ Significant
▼ Change YoY

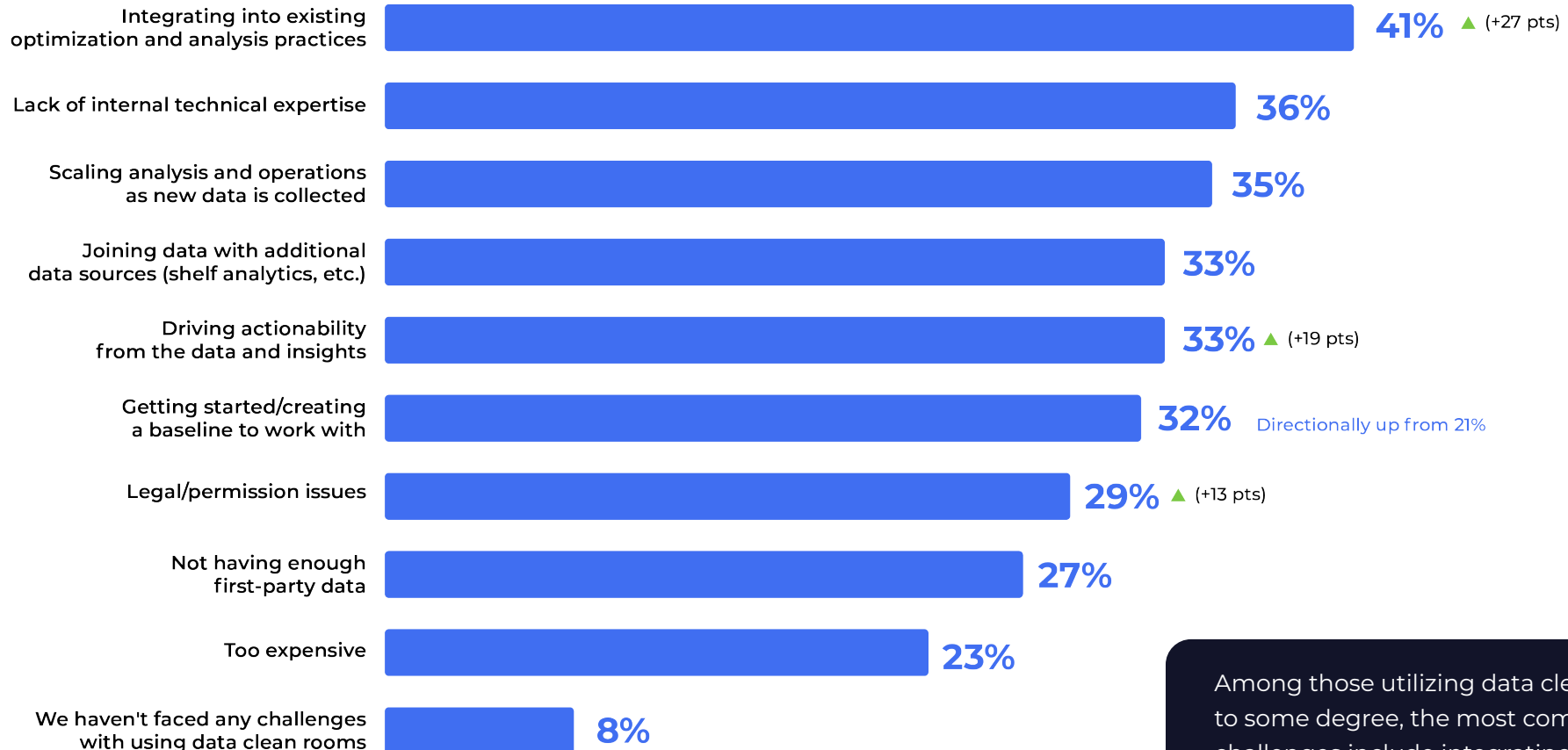
*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q26. How would you describe your organization's/CPG clients' current usage of data clean rooms?
Base: Total Respondents, n=109

Nearly two-thirds are using data clean rooms today, up significantly from what was reported in the previous year.

DATA CLEAN ROOMS - CHALLENGES

What challenges have you faced with data clean rooms?

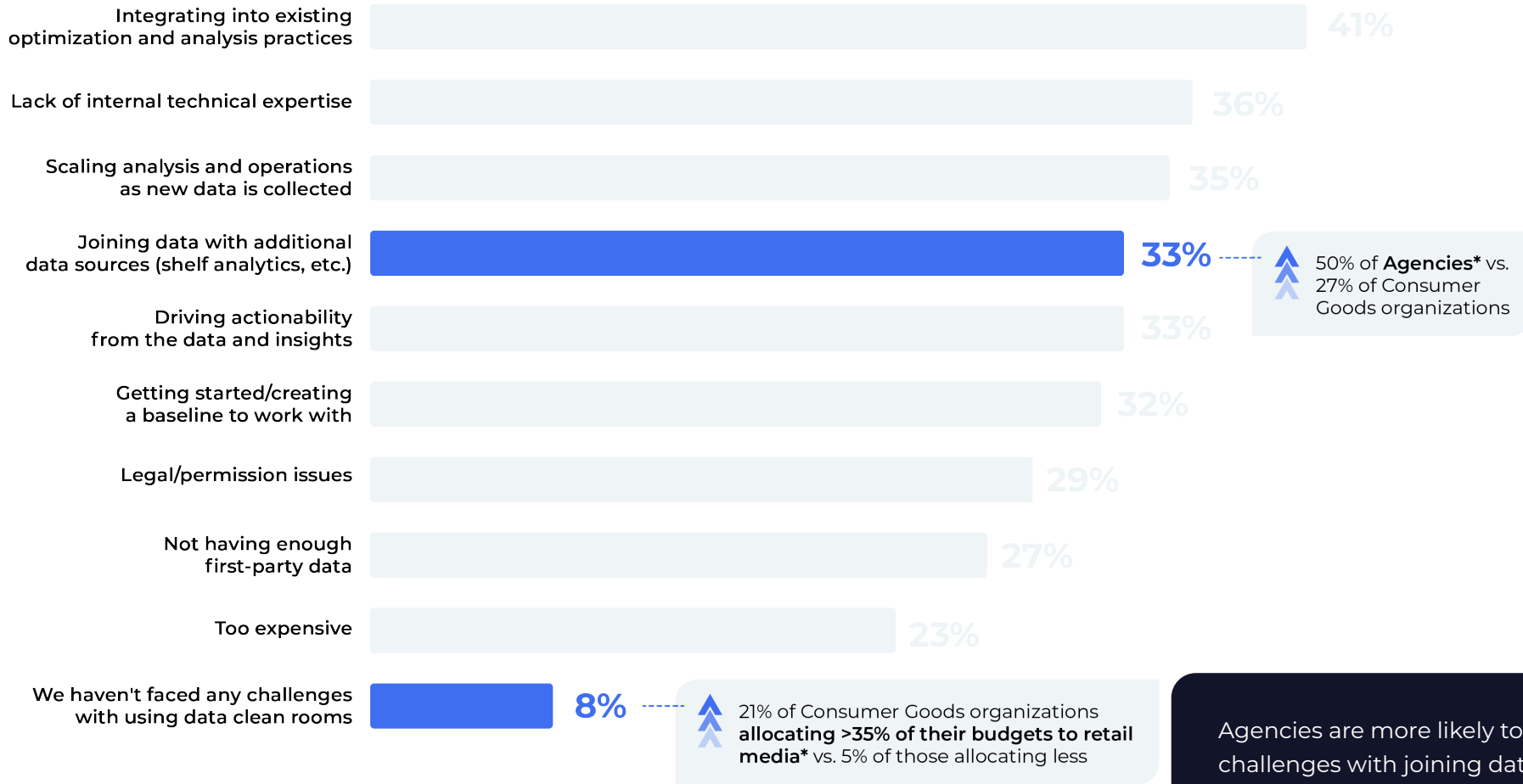


Among those utilizing data clean rooms to some degree, the most common challenges include integrating with other practices (up significantly from the previous year), a lack of internal expertise, and scaling as new data is collected. Additionally, challenges with driving action and legal/permission issues are up from the previous year.



DATA CLEAN ROOMS - CHALLENGES

What challenges have you faced with data clean rooms?



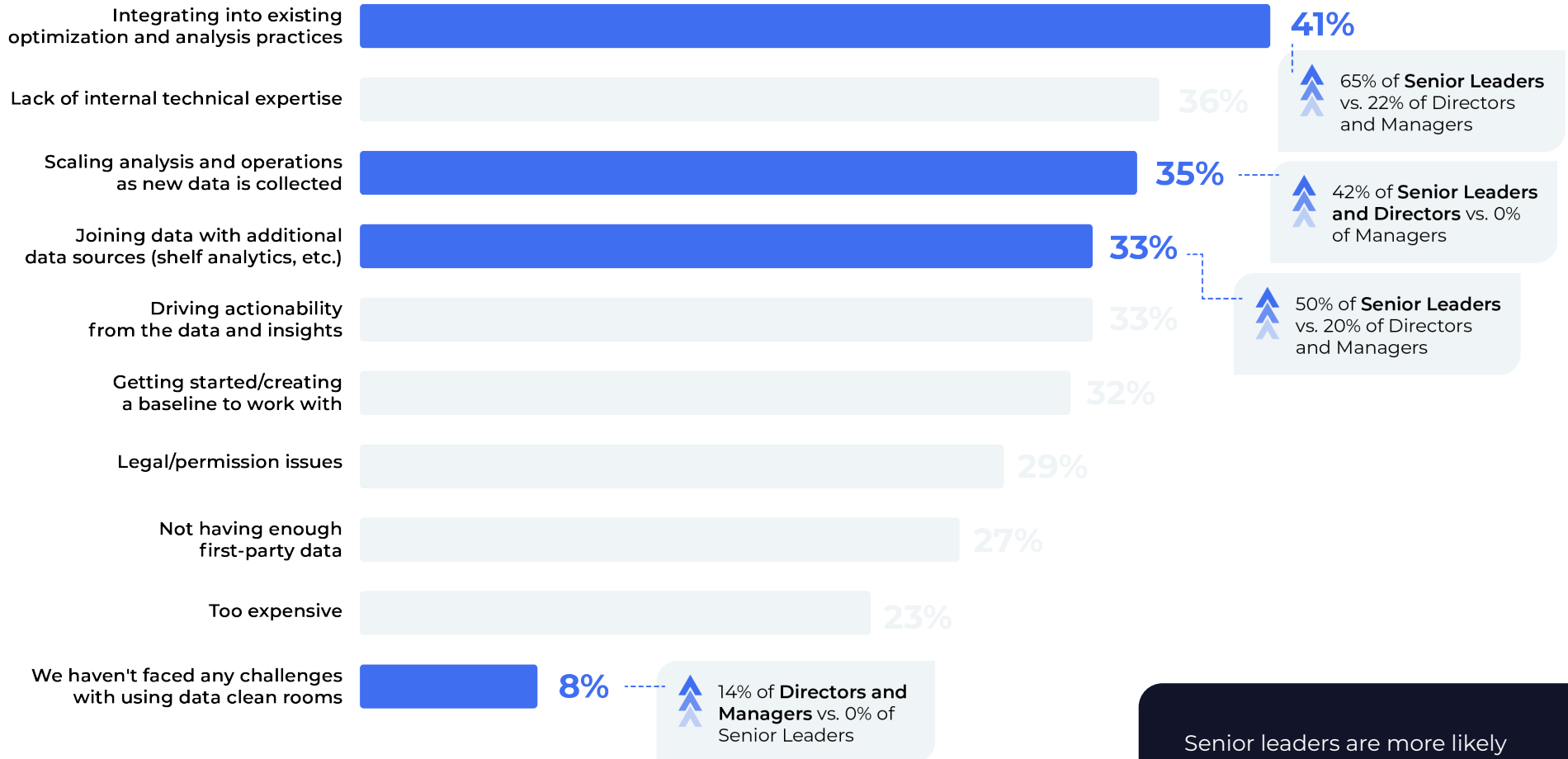
Agencies are more likely to report challenges with joining data to additional data sources. One-fifth of consumer goods organizations allocating more of their budget to retail media say they haven't faced any challenges with data clean rooms compared to just 5% of those allocating less.

*Sample size <30, use caution when interpreting results
Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q27. What challenges, if any, have you/your CPG clients faced with data clean rooms?
Base: Those who are using data clean rooms, n=91

DATA CLEAN ROOMS - CHALLENGES

What challenges have you faced with data clean rooms?



Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Brand Perspective Study, December 2024
Q27. What challenges, if any, have you/your CPG clients faced with data clean rooms?
Base: Those who are using data clean rooms, n=91

Senior leaders are more likely to mention challenges with integrating data clean rooms in existing practices and joining data with other sources. Senior leaders and Directors are also more likely to say scaling is a challenge as new data is collected.

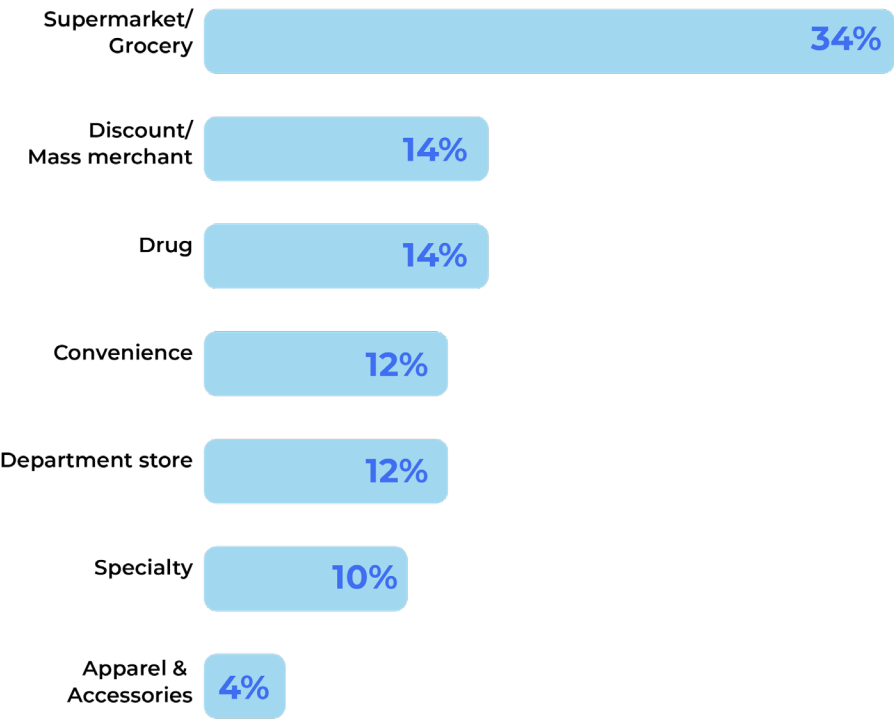
RETAILER APPENDIX - INTRODUCTION

This appendix includes insights from our separate survey of retailers operating within this space to provide a fuller picture of the retail media landscape. These perspectives complement the marketer-focused data in the main report, offering additional context on how retailers approach key challenges and opportunities and what that might mean for marketers. The findings presented here come from a dedicated survey of retail media professionals conducted in parallel with the marketer survey, ensuring a well-rounded view of the industry.



ORGANIZATION PROFILE

Primary Industry



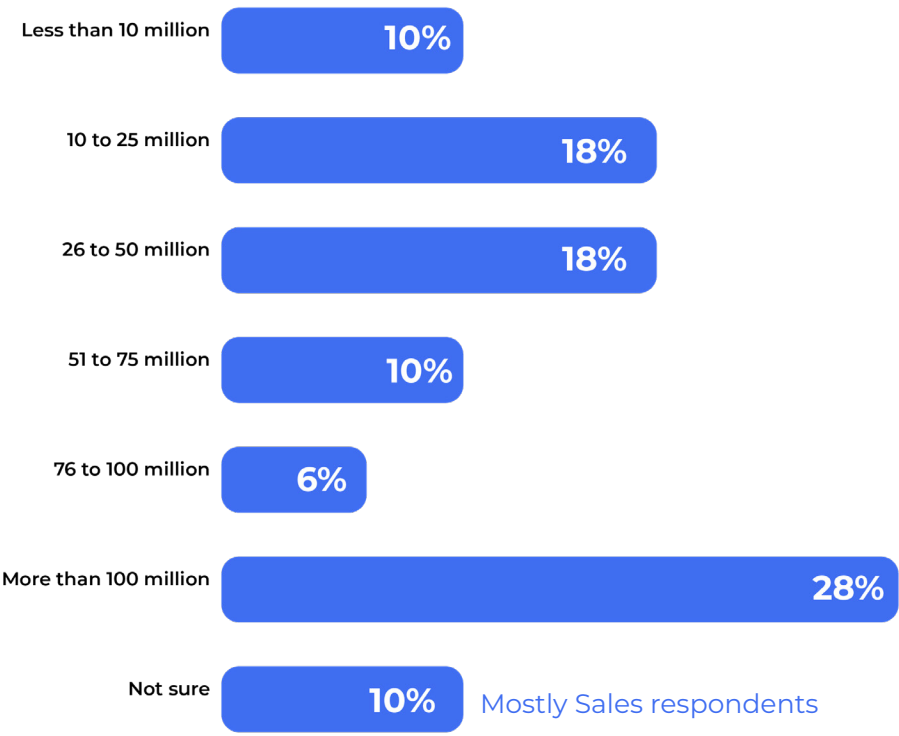
Organizations Represented[^]

7-Eleven	Meijer
Ahold Delhaize	Metro Inc.
Albertsons	Nordstrom
BJ's Wholesale Club	Petco
Casey's	Sam's Club
Costco	Sephora
CVS	Sobey's Inc.
Dick's Sporting Goods	Southeastern Grocers
Dollar General	Target
Family Dollar	Ulta
Foodland	Wakefern
Giant Eagle	Walgreens
Kroger	Wawa
Loblaw	WHSmith

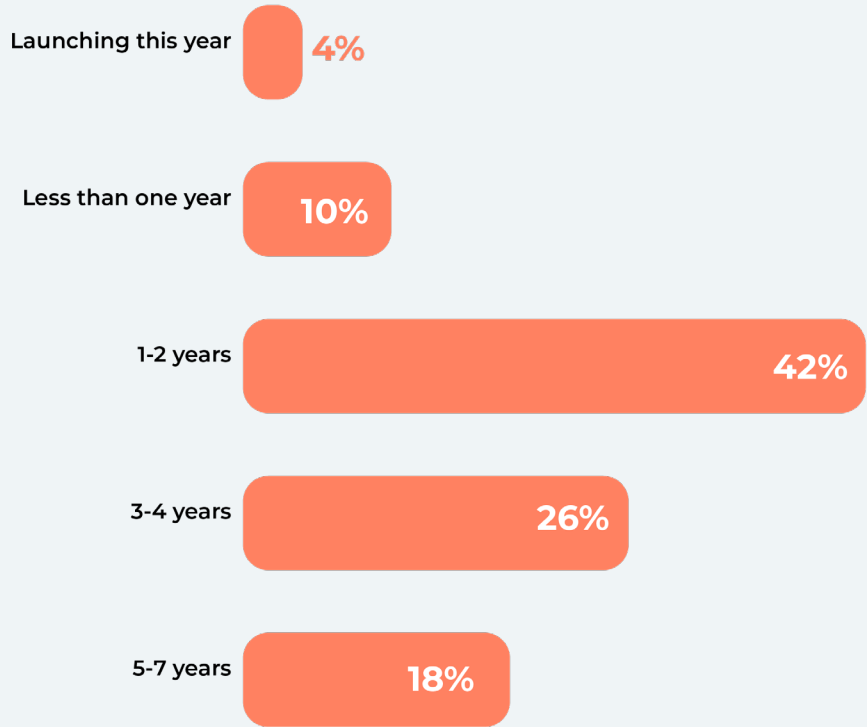
Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
S3. What is your company's primary industry?
S9. Please choose the name of your parent organization from the list below. ([^]Excluded employees of Amazon, Instacart, and Walmart)
Base: Total Respondents, n=50

ORGANIZATION PROFILE (CONT.)

Monthly Network Reach
(U.S. Households Shopping)



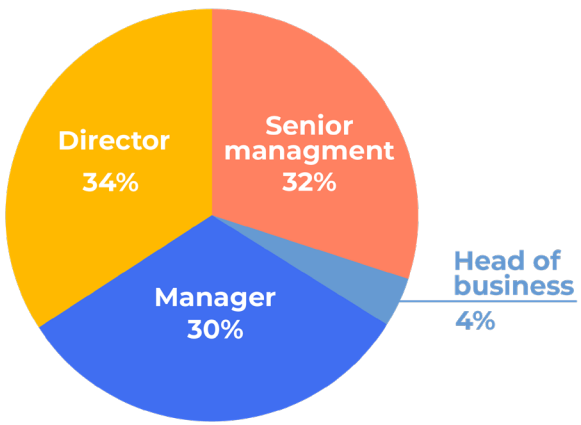
Age of Network



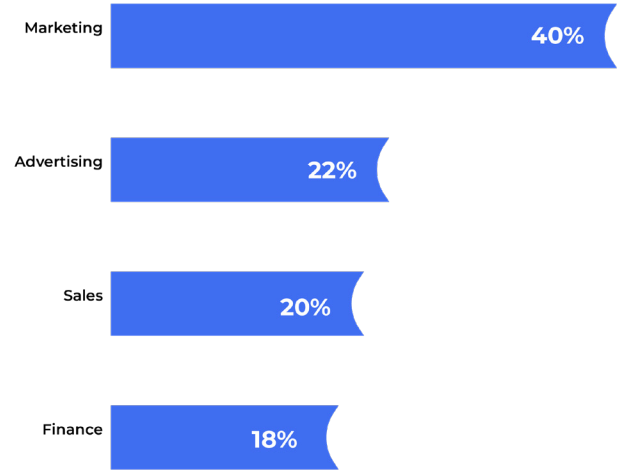
Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
S11. What is your retail media network's reach of U.S. households shopping on a monthly basis?
Q1. How long has your retail media network been live?
Base: Total Respondents, n=50

PARTICIPANT PROFILE

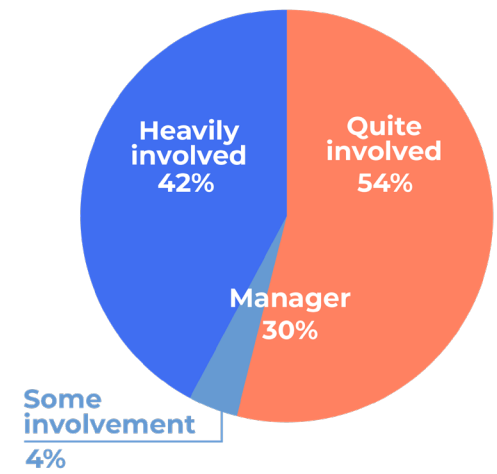
Job Level



Job Function^



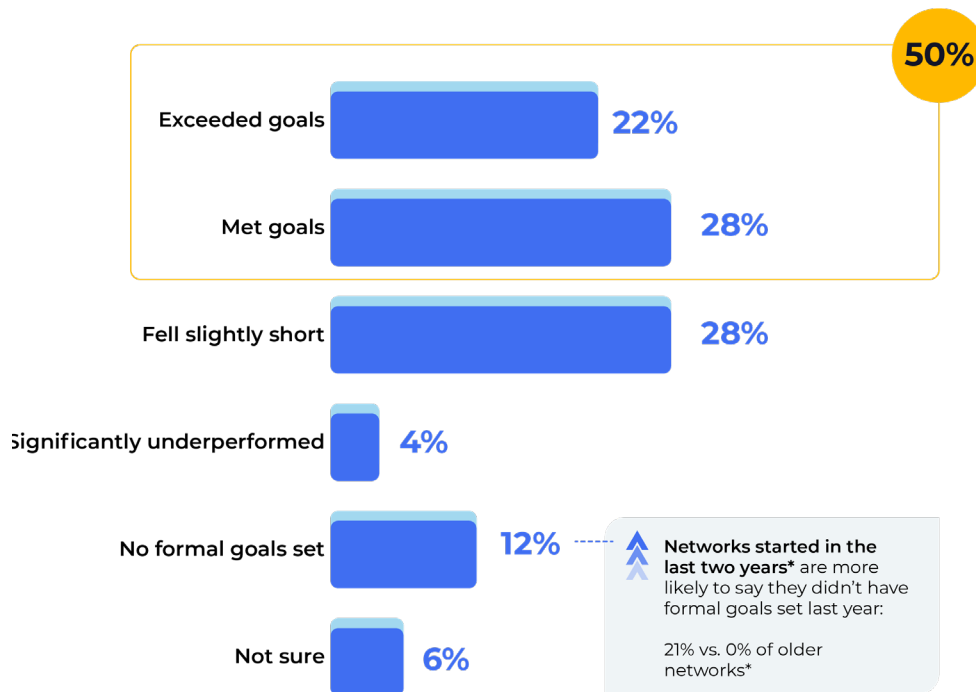
Role in Retail Media^^



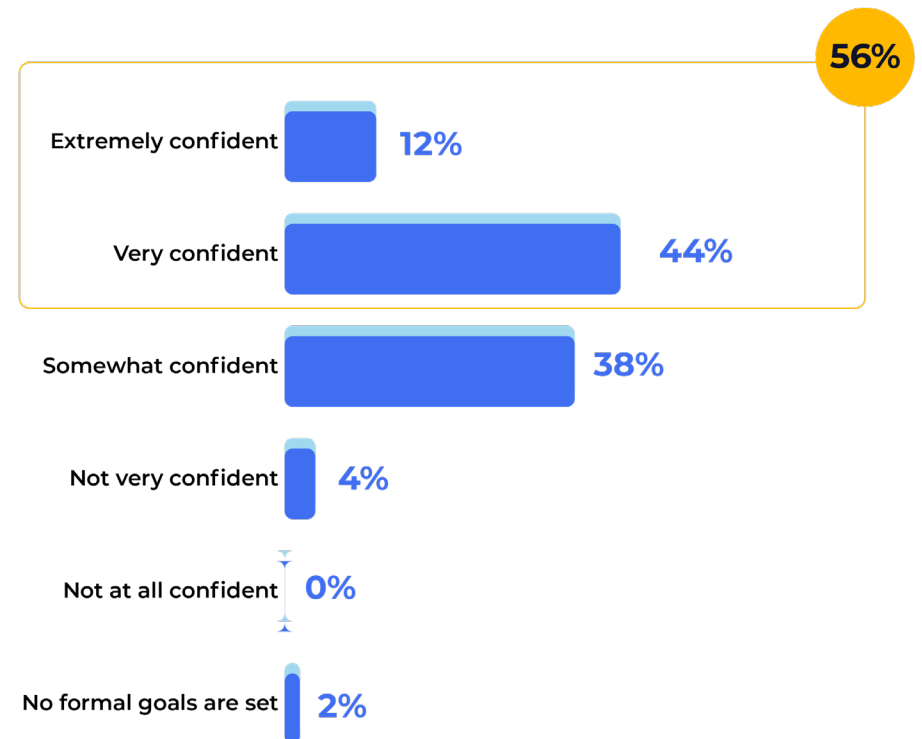
Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
 S6: Which of the following best describes your job level?
 S5: Which of the following best describes the department in which you work. (^Targeted these job functions only)
 S8: To what extent do you lead or work in a role that includes engaging with your brand partners on retail media (strategy, content, analytics, etc.)? (^^Targeted those with at least some involvement)
 Base: Total Respondents, n=50

While advertisers report strong retail media results, only 50% of retail leaders met goals last year. Innovative RMNs may seek more advertiser feedback on how to garner budgets, creating opportunities for marketers to influence new capabilities and priorities.

Did your network meet its goals last year?



How confident are you that your network will meet its goals this year?



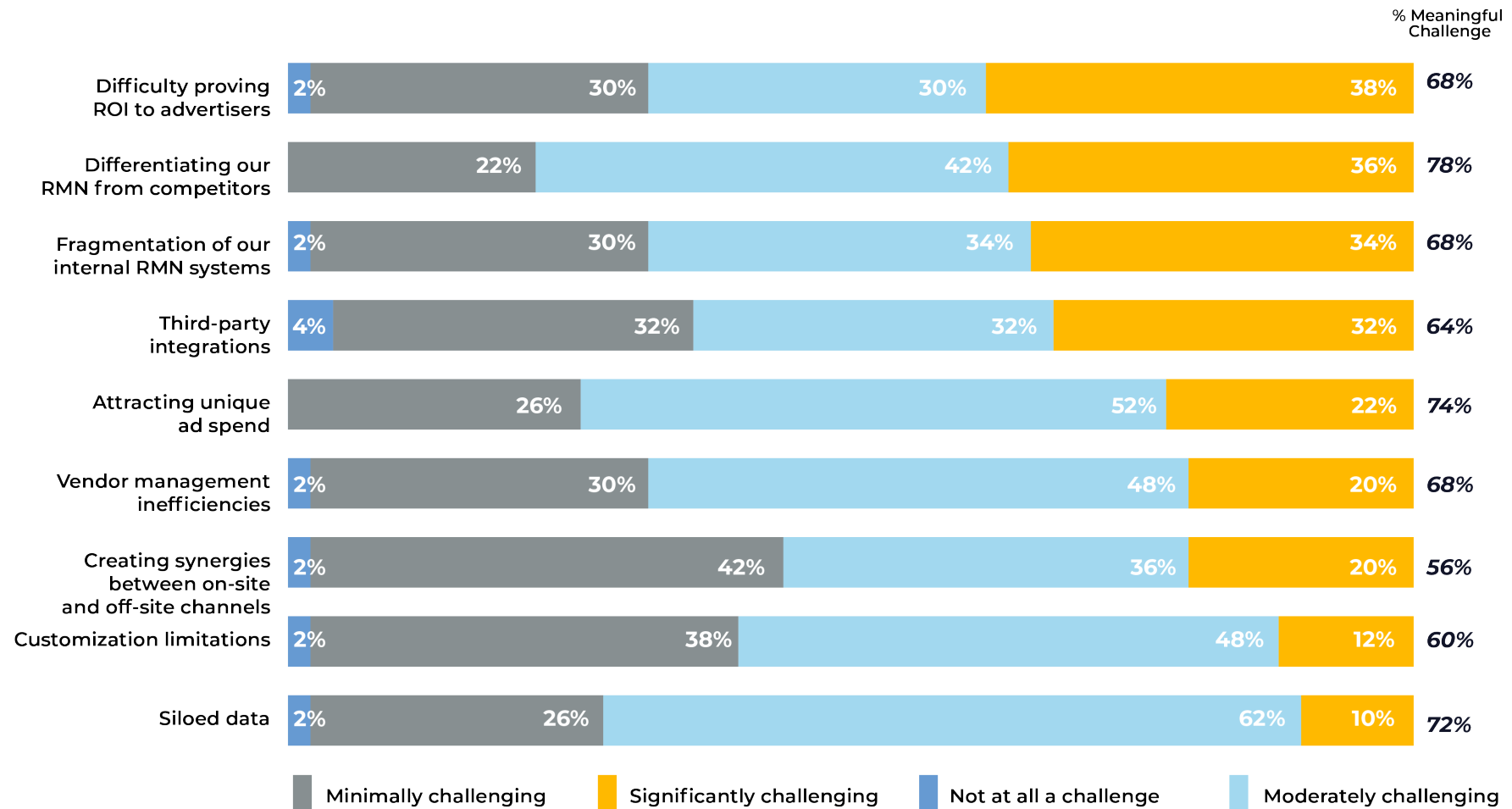
*Sample size <30, use caution when interpreting results
 Arrow indicates significant difference at 95% confidence

Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
 Q6: Overall, did your retail media network meet its goals last year (2023)?
 Q7: How confident are you that your retail media network will meet its goals for this year?
 Base: Total Respondents, n=50

To what extent are each of the following challenges for your retail media network?

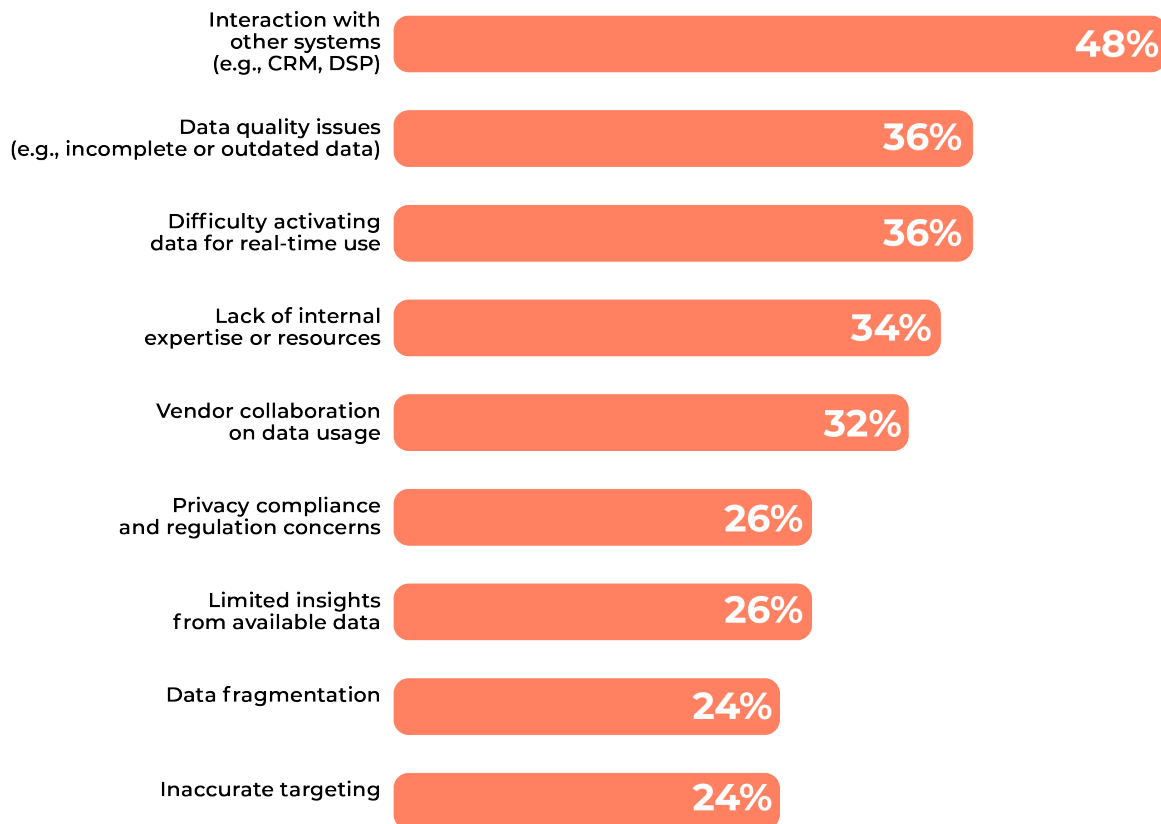
Sorted according to % 'Significantly challenging'

Retailers report that proving ROI to their advertisers is a significant challenge, with 38% considering it highly challenging. Brands face similar struggles in demonstrating the effectiveness of their retail media investments. This shared difficulty in ROI measurement suggests an opportunity for both parties to collaborate on creating clearer, more standardized measurement frameworks that can more effectively showcase the impact of retail media campaigns.



Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
 Q10. To what extent are each of the following challenges for your retail media network, if at all?
 Base: Total Respondents, n=50

Does your organization face any of the following challenges when it comes to fully leveraging its first-party data for audience targeting?

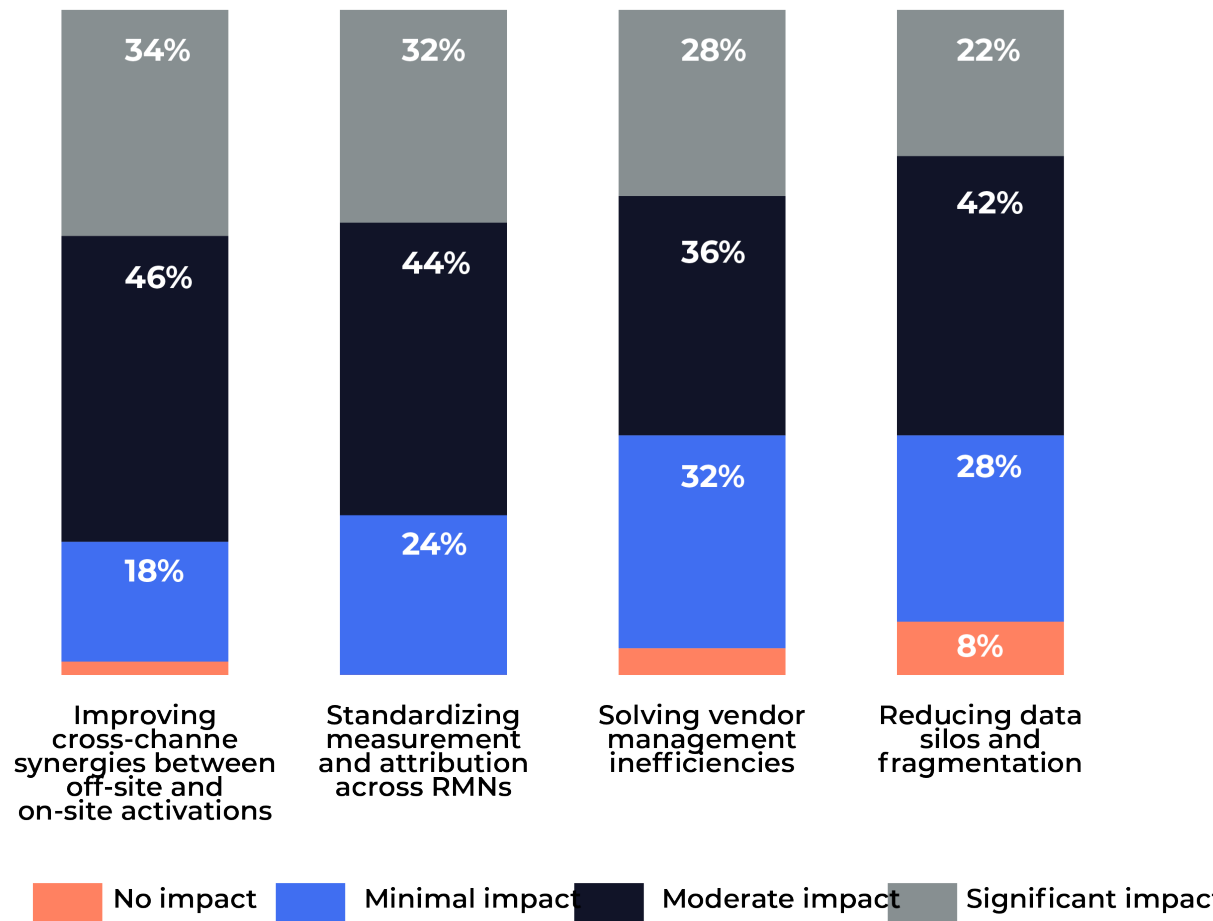


With 48% of RMNs citing system integration challenges as the leading barrier to fully leveraging first-party data for audience targeting, marketers seeking enhanced targeting options can expect more robust offerings from retailers in the near future as these systems evolve.

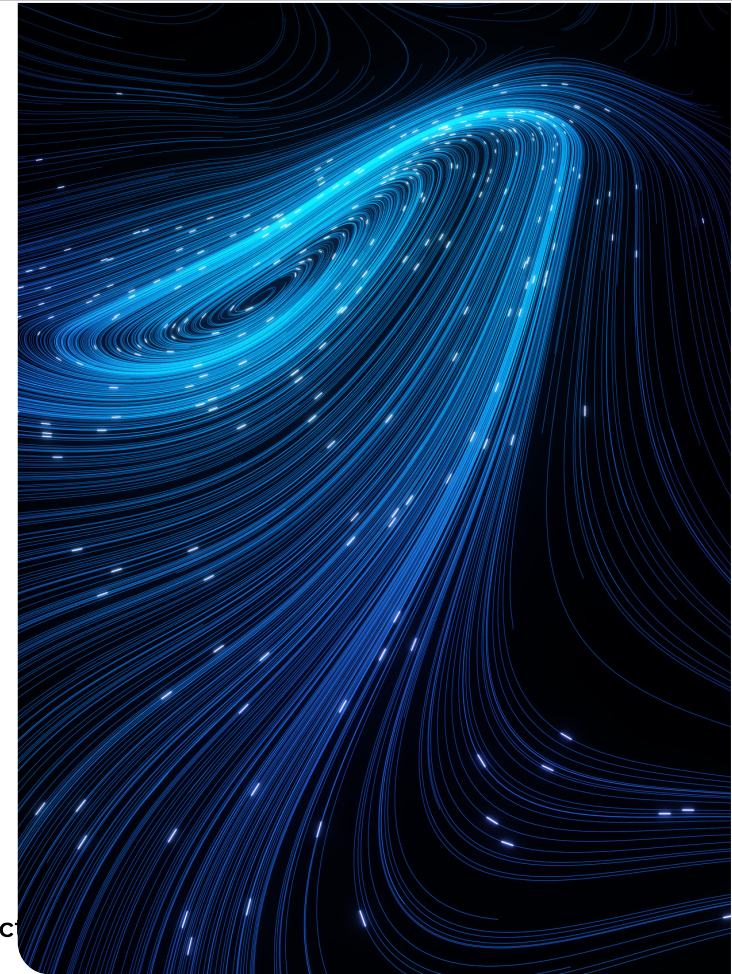


Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024
 Q20. Does your organization face any of the following challenges when it comes to fully leveraging its first-party data for audience targeting? Please select the three biggest challenges for your RMN.
 Base: Total Respondents, n=50

If your RMN was able to solve each of the following, how impactful do you think it would be on its revenue growth and advertising performance?



74% of RMNs cite improved on-site/off-site synergy as the most meaningful impact to revenue growth. Marketers should share their cross-channel activation needs with RMNs as they plan the evolution of their systems. This collaboration can help facilitate the development of these capabilities to enhance future advertising effectiveness.

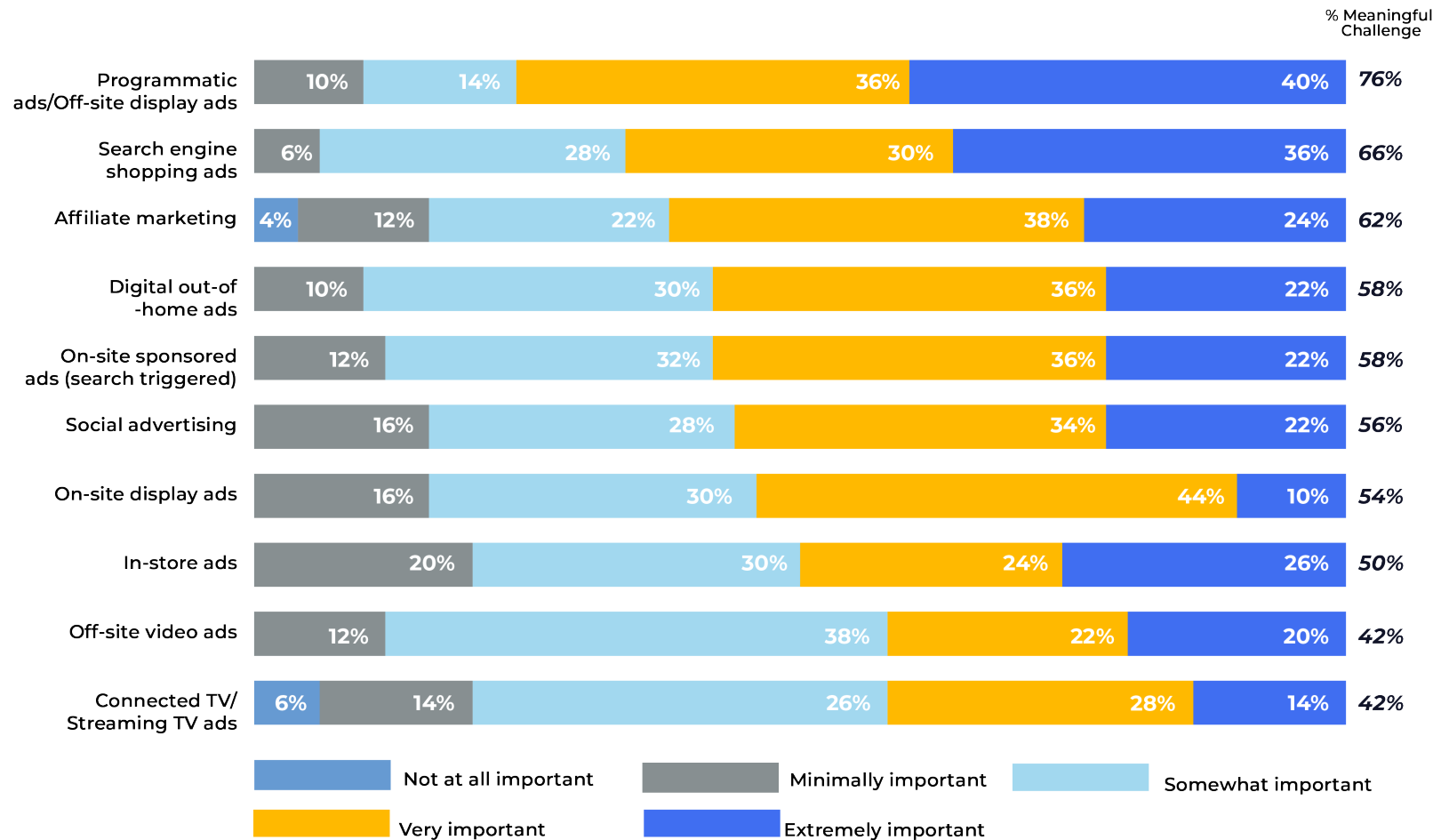


Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024

Q11. If your RMN was able to solve each of the following, how impactful do you think it would be on its revenue growth and advertising performance?

Base: Total Respondents, n=50

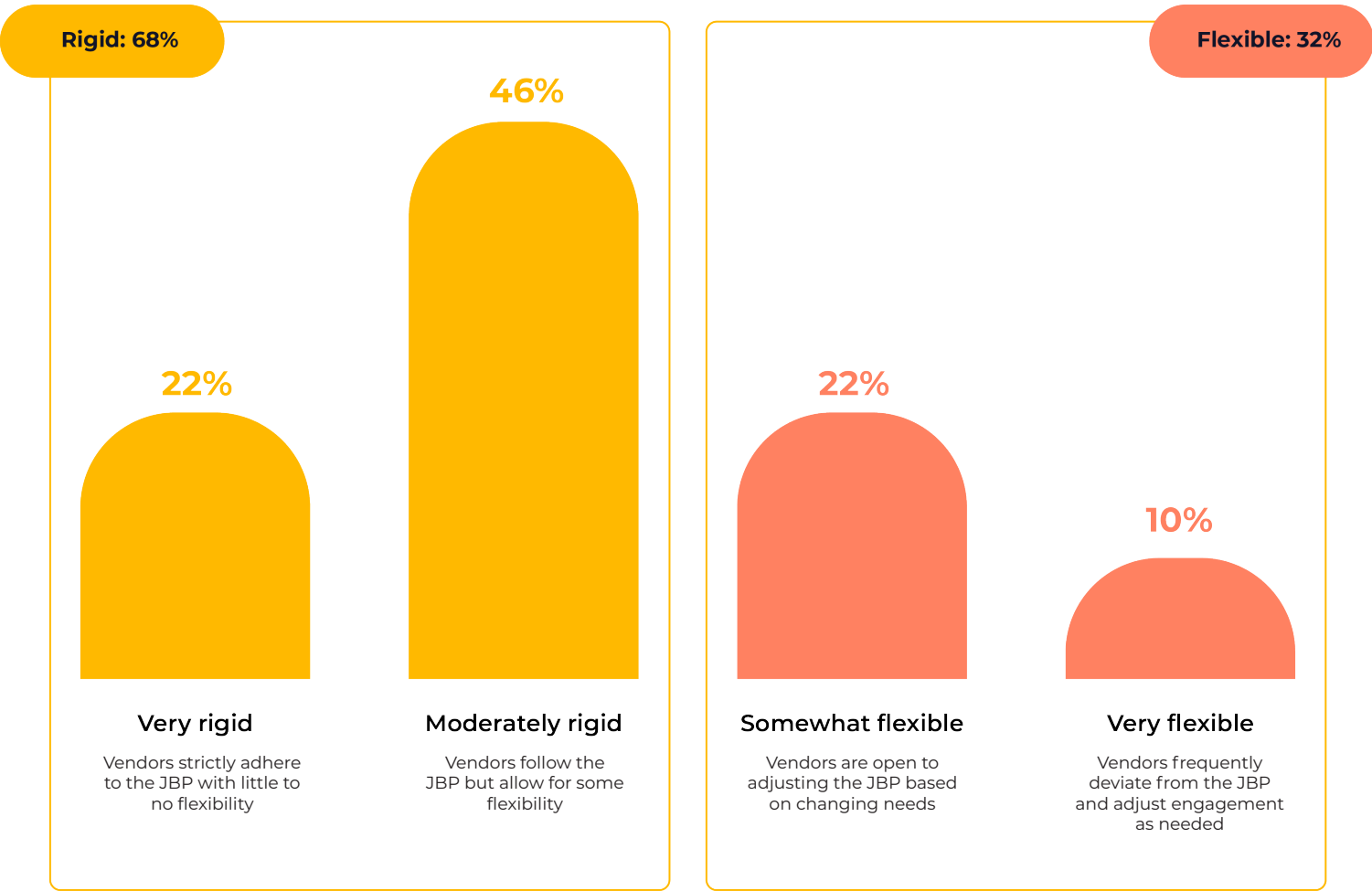
How important are each of the following for your retail media network today?



Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024 Q13. How important are each of the following for your retail media network today?
Base: Total Respondents, n=50

Preferred over on-site sponsored ads, in-store ads, and CTV, programmatic/off-site display ads are seen as the most important channel by 76% of RMNs. The takeaway for marketers is that these ads will likely be prioritized by retailers, presenting a bigger opportunity as more innovation and investment are directed towards enhancing these formats in the near future.

How rigid do your vendors treat their JBP in terms of retail media engagement with your RMN?



Data Source: Skai x P2PI State of Retail Media, Retailer Perspective Study, December 2024 Q23. How rigid do your vendors treat their JBP (Joint Business Plan) in terms of retail media engagement with your RMN?
Base: Total Respondents, n=50

With 68% of RMNs reporting that advertisers adhere rigidly to Joint Business Plans, marketers who feel confined by these agreements might be able to negotiate more flexibility—especially if RMNs think easing contract limitations could unlock additional advertiser investments.

ABOUT SKAI

Skai is an omnichannel advertising platform, uniquely enabling brands and agencies to run data-driven programs across commerce media. It empowers both media leaders and activation teams to drive impactful results from their advertising program with AI-powered decisioning, activation and optimization solutions. Its partners include Google, Amazon Ads, Microsoft, Walmart Connect, Apple Search Ads, Instacart, Criteo, TikTok, Snap, Pinterest, Meta and more.

For over a decade, Skai has earned trust from notable brands such as HP, DoorDash, Sony, Philips, and L'Oreal. Renowned for innovation and a values-driven culture, Skai is headquartered in San Francisco and has eight international locations.

Visit skai.io for more information.

