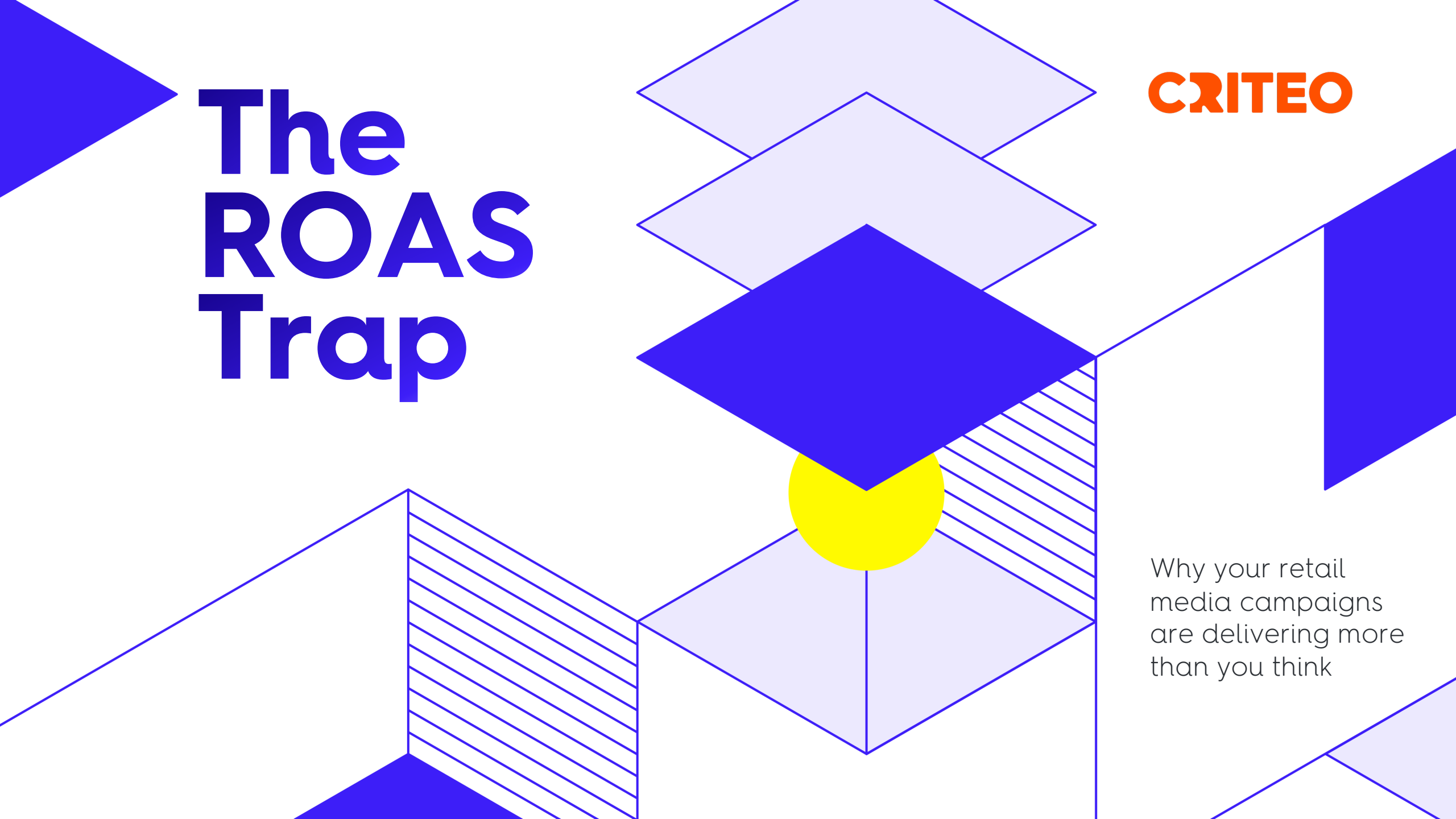


The ROAS Trap

CRITEO

Why your retail
media campaigns
are delivering more
than you think



Rethink how you define retail media success.

You're probably familiar with retail media's ability to significantly boost conversions. But beneath the surface, there's a range of metrics and KPIs that brands can use to understand just how much their spend is paying off throughout the funnel. In short, there's way more to retail media than ROAS.

That's where this guide comes in. We're answering brands' most pressing questions about the value of their investments such as "Am I growing market share?" and "Am I acquiring high-value new customers online and offline?" We explore retail media's comprehensive benefits from the traditional quantifiable metrics you already know and love to the subtler –yet highly impactful–intangible advantages. Backed by exclusive Criteo data from 44,000+ retail media brand campaigns and survey results from brand leaders around the world, let's explore the extensive value of retail media.

- 
- ROAS
 - INCREMENTALITY
 - NEW TO BRAND
 - AVERAGE ORDER VALUE
 - SHARE OF SALES
 - OMNICHANNEL
 - COST PER ACQUISITION
 - REPEAT RATE
 - IMPRESSIONS
 - SOCIAL PROOF
 - INSIGHTS
 - PARTNER VALUE

ROAS

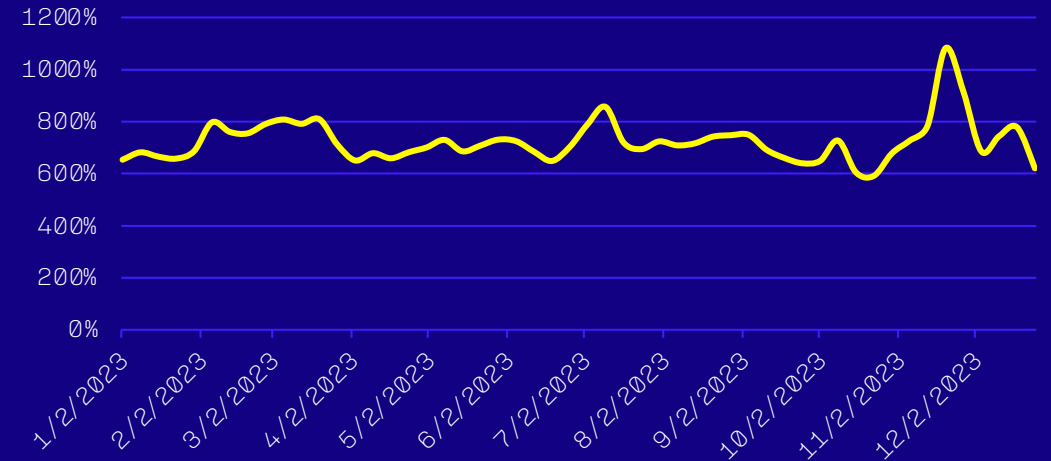
It's retail media's bread and butter.

Return on ad spend has been the go-to metric for measuring profitability, for good reason. Retail media consistently drives tremendous ROAS, deeming it a critical metric to track.

Criteo's global data shows that over the course of one year, brands that advertised with retail media saw consistently high ROAS, with significant spikes during peak shopping seasons.

**But don't fall into the ROAS trap!
There's a whole world of other ways to measure success.**

Brands' retail media ROAS throughout the year



Source: Criteo Retail Media Data Across US, EMEA, APAC, 2023. 30 Day Post Click, 1 Day Post View Attribution Window

8 in 10

brands and agencies say that retail media spend is somewhat or much more effective when it comes to sales impact compared to other channels.

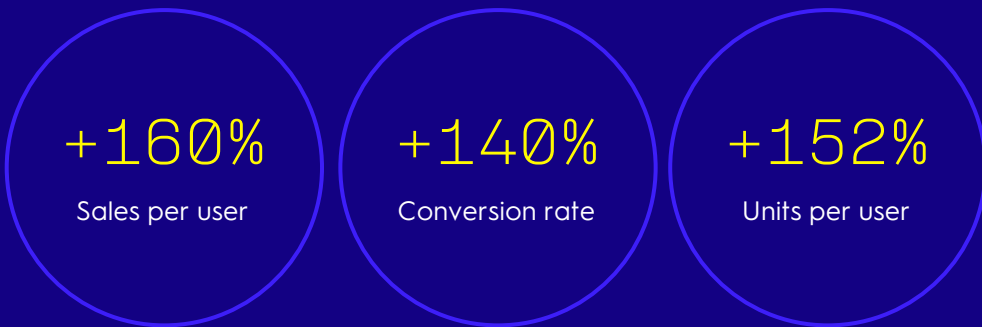
Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=372

In the US, brands that run sponsored product ads drive:



Source: US Retail Media Sponsored Product Incrementality Tests, 2021-2023, Aggregate results from 27 household name brands

In EMEA, brands that run onsite display ads drive:



Source: EMEA Retail Media Onsite Display Incrementality Tests, February to December 2023, Aggregate results from 1,656 brands

INCREMENTALITY

Campaigns are incremental without a doubt.

Brands often grapple with the question: Would consumers still buy from us if we don't advertise? Criteo data shows that retail media is a sure-fire way to consistently deliver strong incrementality results.

In incrementality tests, US brands that ran sponsored product ads saw a remarkable **+428%** incremental return on investment. EMEA brands that ran onsite display ads saw a bump of **+160%** sales per user.



Retail media delivers more than brand sales maintenance. When planned and executed properly, retail media is the fastest route to incrementality, reaching new consumers at a crucial consideration point in the journey with a seamless path to conversion.

- Jacquelyn Baker, CEO, Omnicom Commerce Group



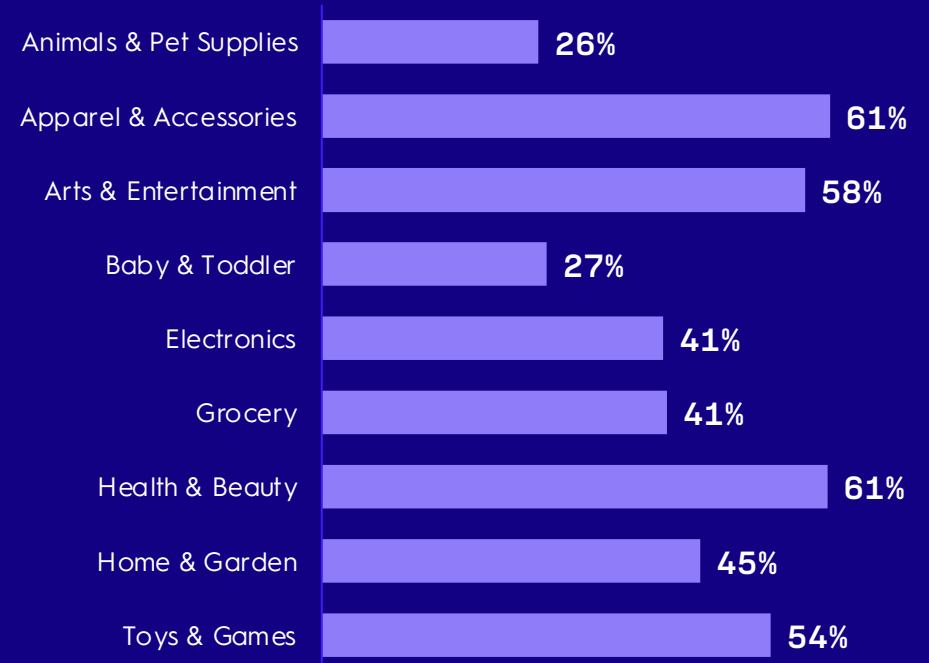
NEW TO BRAND

In with the new.

In a world where new customers are increasingly hard to acquire, retail media proves to be a strong acquisition tool. Our analysis shows that it consistently converts new to brand shoppers.

For Apparel & Accessories, Arts & Entertainment, and Health & Beauty, Criteo data shows that **3 in 5** people who clicked and purchased from a retail media campaign are new to brand* shoppers.

Share of new to brand* shoppers per total vertical sales



*New to brand refers to a shopper who did not previously complete a purchase from a brand within the last six months and then converted on a campaign.

Source: Criteo Retail Media Data, 2023

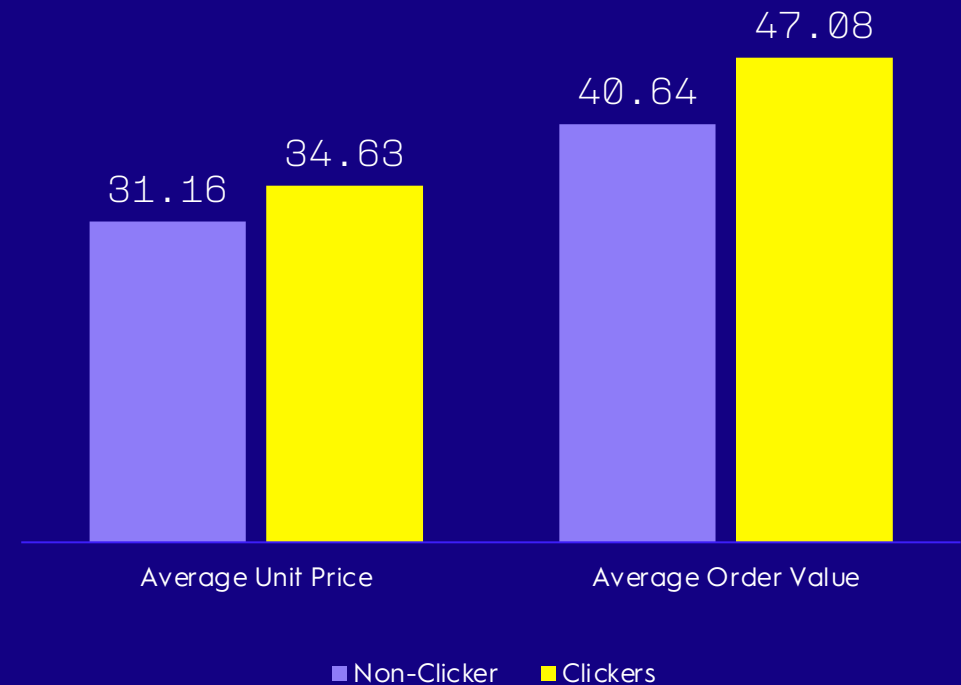
AVERAGE ORDER VALUE

Ad clickers spend more.

Shoppers who actively click on ads have a higher average order value and average unit price.

While ad clickers may have higher purchasing intent to begin with, it's clear that shoppers who encounter an ad and click are more likely to spend more overall. In other words, increasing brand visibility across retail media ad placements to capture as much consumer interest as possible is key.

Comparison of Ad Clickers vs. Non-Clickers:
Average Unit Price and Order Value



Source: US, EMEA, APAC Retail Media Data, Sponsored Ads: Commerce Display and Sponsored Products, 2023, Aggregate results from 92,243 distinct users. The influence of ad spend on incremental ROAS is further demonstrated through aggregate test results on Page 4.



We see retail media as another way to enhance the customer experience—weaving moments of inspiration, ease, and savings throughout their shopping journey. Our user data backs this up: Customers who engage with Shipt Media ads increase their purchasing frequency, shop across more stores from our multi-retailer marketplace, and have greater affinity and brand loyalty to our advertising partners.

- Dave Young, VP, Shipt Media



SHARE OF SALES

More spotlight, more market share.

More visibility on the digital shelf allows brands to expand their sales and rise above market competition, a top priority for every brand.

Within just 14 days of advertising on top retailers, thousands of brands saw significant impact on their portion of total sales within the category—also known as share of sales. On average, they earned a **+59%** change in organic share of sales within this period. Achieving a similar increase in-store would take far more time and investment.

+59%

Share of sales growth
with retail media

Source: US & EMEA Retail Media Data, 2023,
Aggregate results from 2,420 brands

85%

**of brands around the world that
advertise with retail media are
somewhat or extremely satisfied
with their share of shelf results.**

Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=371



We look at our investments across the entire ecosystem to deliver against our ultimate objective: incremental volume and sales growth. We use retail media to maintain, and more importantly grow, online and in-store incremental sales. This is crucial since a huge portion of our sales is still completed in-store, while a huge portion is digitally influenced.

- Steve McGowan, Head of Shopper Activation & Strategic Partnerships, Mondelez



OMNICHANNEL

Online pays off offline.

Within the shopper journey, online and offline touchpoints don't operate in silos, and their metrics shouldn't either. Investing more in online advertising to enhance a brand's digital presence directly influences the world of offline too. Global retailer data shows that the more brands increase their online investment, the more their offline sales rise.

Looking at omnichannel sales also offers a full view of ROAS across touchpoints. When expanding campaign analysis to include offline attribution, campaigns saw a **+42%** average ROAS increase compared to campaigns that only looked at online attribution.

Average ROAS

Online-only attribution

3.44

Online and offline attribution

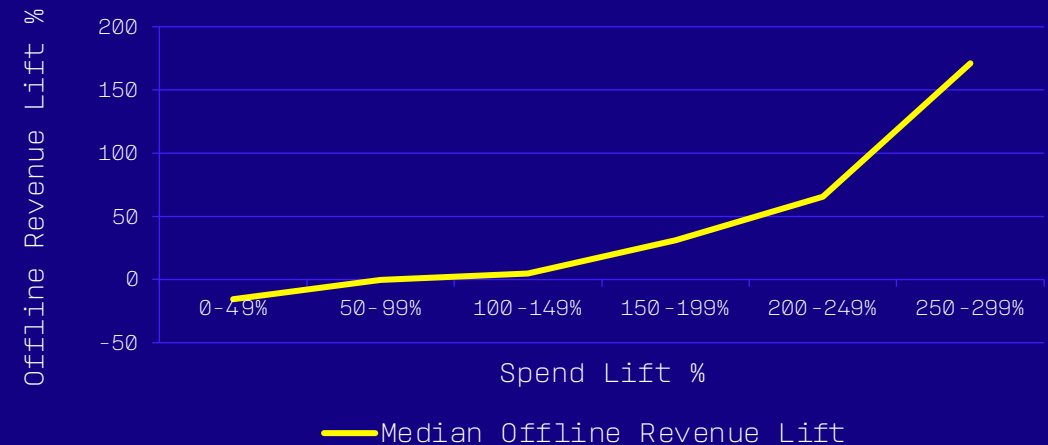
4.90

+42%

Average ROAS increase with offline attribution

Source: US Retailers, 2023, Aggregate results from 296 campaigns (online), Aggregate results from 2,010 campaigns (online and offline)

Offline Revenue Lift vs. Spend Increase



Source: US Retailers, August 1, 2023-October 31, 2024, Aggregate results from 422 brands. The influence of ad spend on incremental ROAS is further demonstrated through aggregate test results on Page 4.

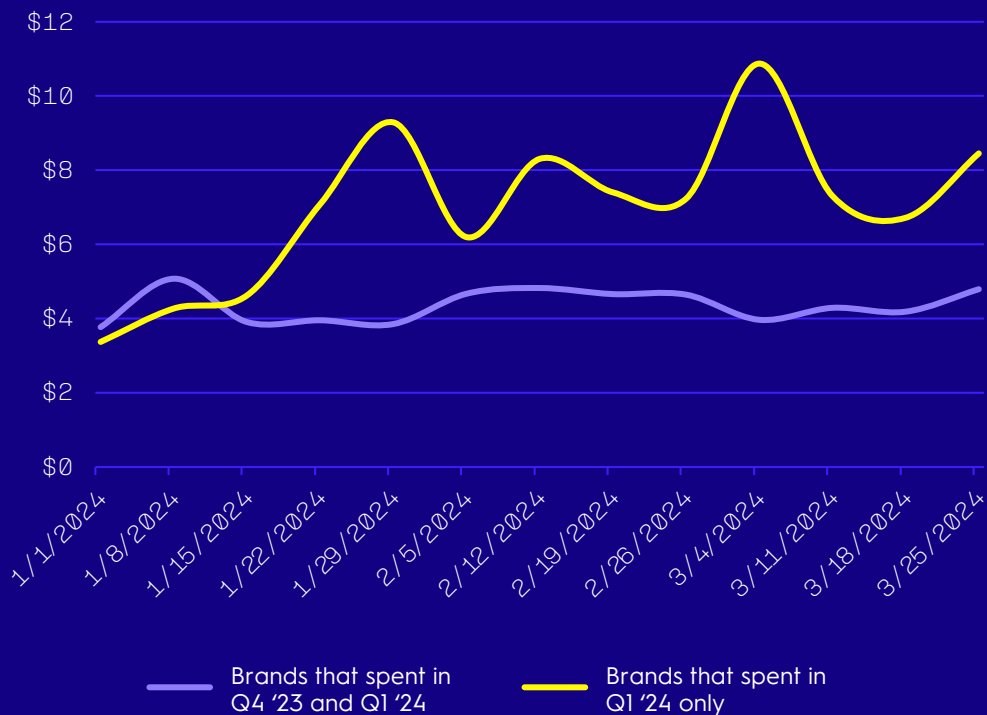


Advertisers who only focus on onsite retail media and last touch attribution miss out on their full potential. Creating the right mix of onsite and offsite retail media touchpoints is key to unlocking enhanced sales opportunities for your brand.

- Tim Nedden, Managing Director & Co-Founder, Front Row



CPA by duration of brand spend



Source: Criteo Retail Media Data, 2023-2024, Aggregate results from 361 brands that spent in Q1 '24 only and 500 brands that spent in both Q4 '23 and Q1 '24

COST PER ACQUISITION

The longer you spend, the more you save.

Retail media drives cost efficiencies that often go unseen. Brands that consistently advertise see lower cost per acquisition, allowing them to stretch their budget further.

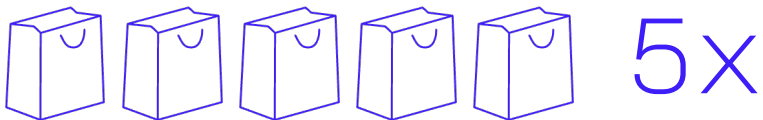
When comparing the CPA of two groups, brands that advertised for two consecutive quarters showed a significantly lower CPA than brands that advertised during only one quarter.

REPEAT RATE

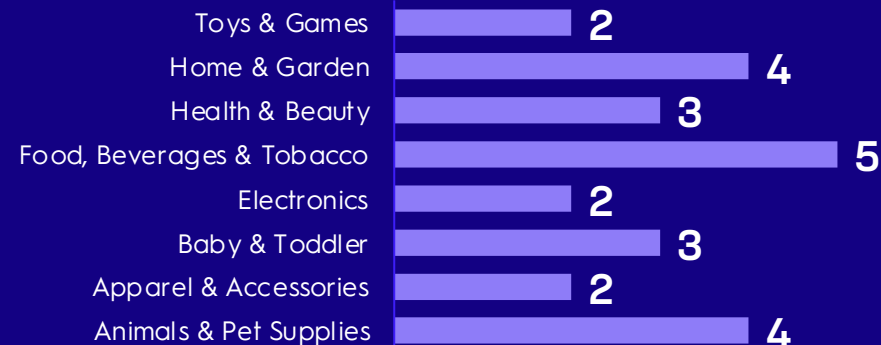
Shoppers with staying power.

So you've acquired some new shoppers—now what? Retail media helps transform newcomers into repeat brand buyers, a powerful benefit that isn't typically illuminated through metrics like ROAS.

Users who engage with ads show higher repeat rates than those who don't. On average, shoppers who made an attributed sale continued to buy from a brand **five more times within a span of 6 months**—a repeat rate that's hard to find elsewhere.



Recurring brand purchases by vertical



Source: Retail Media Data, Users who made a purchase in July 2023 and how many times they purchased the brand in the next 6 months on the same retailer, Aggregate results from 66,974 users

While the rate of recurring purchases can vary across verticals, all categories see strong levels of repeat brand buyers.

51%
of brands globally
see improved shopper
loyalty from their retail
media campaigns.

Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=261

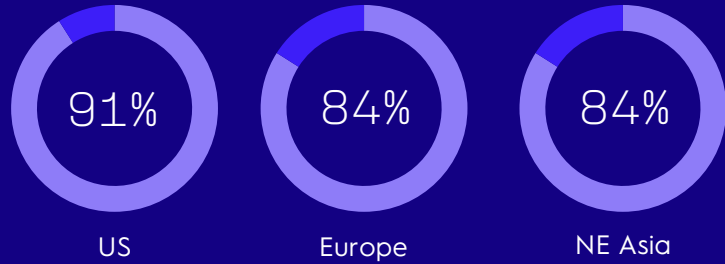


Through strategic investment in retail media advertising, we've seen a significant uplift in customer lifetime value. Precise targeting and personalized messaging help us foster sustained connections with shoppers, driving both immediate conversions and long-term brand loyalty.

- Valeria Camponovo, Channel Marketing Specialist, Sony Europe

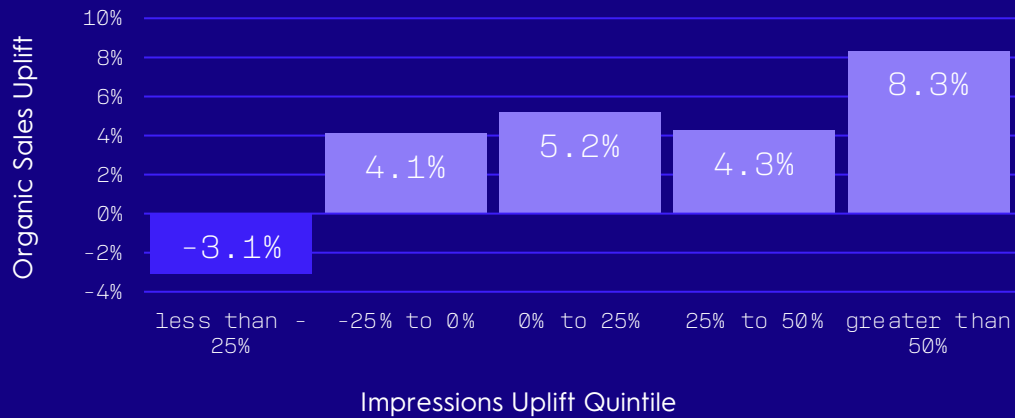


Share of brands that say retail media's ability to drive brand awareness is growing stronger:



Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=262

Quarter over quarter change in impressions vs. organic sales (Sponsored Products, Display, and Offsite)



Source: US, EMEA, APAC Retail Media Data, Q3 2023 vs. Q2 2023, Aggregate results from 7,710 brands

IMPRESSIONS

Brand awareness goes a long way.

As the retail media space matures, brands are evolving their campaign goals beyond the typical sales metrics. However, the relationship between upper-funnel campaigns and lower-funnel results isn't always crystal clear.

Criteo data shows that an increase in impressions across retail media solutions was associated with greater sales growth. Meanwhile, brands that saw a drop in impressions also lost sales.



Retail media plays a pivotal role in our ability to drive brand awareness. It's not just about being present; it's about being relevant and top-of-mind when shoppers are searching for a product like ours. Being able to trace that influence back to a transaction has been essential for our growth.

- Kathy Maurella, CMO, Waterloo Sparkling Water



SOCIAL PROOF

The power of shopper satisfaction.

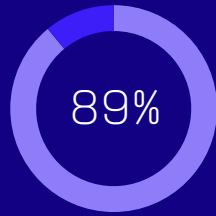
Retail media has the power to shape positive conversations online through targeted messaging, real-time engagement, loyalty programs, and more. These strategies motivate shoppers to organically share their positive experiences through product reviews and social media, reinforcing a brand's social proof and influencing other shoppers' purchasing decisions.

52%

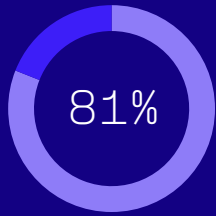
of brands globally see improved consumer product reviews from their retail media spend.

Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=261

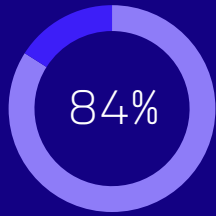




US



Europe



NE Asia

of brands say product and category insights are influential for their marketing plans.

About **half** of brands globally say better analytics/reporting will shape the growth of retail media over the next 2-3 years.

Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=261

INSIGHTS

Goodbye, guesswork.

Unlike other advertising channels, retail media leverages direct access to consumer transactions—enabling advertisers to unlock insights and closed-loop reporting to optimize campaigns with data-driven decisions.

Criteo research shows that the overwhelming majority of brands, **8 in 10** in Europe and Northeast Asia and **9 in 10** in the US, agree that actionable insights are key to their marketing plans.



The rise of retail media within the digital landscape has reshaped our approach to media partners. We now prioritize collaborations with partners boasting robust retail data and advanced sales measurement capabilities. This shift underscores our commitment to leveraging data-driven insights to gauge the incremental impact of our paid media efforts.

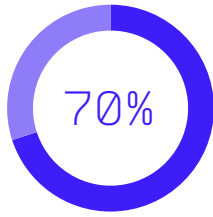
- Wieger Holvoet, Technical Lead, Global Addressable Media, Dentsu



PARTNER VALUE

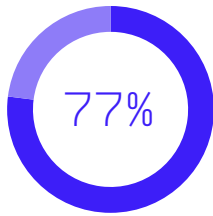
Better together.

Advertisers that join forces with retailers and publishers know that stronger collaboration helps all ecosystem players benefit.



of brands globally say forming new partnerships will be more important for their objectives in 2024.

This is 10x the share of brands who say forming new partnerships will be less important.



have increased collaborations with partners to expand their reach and capabilities.

1/2

of brands globally say their retail media investment has improved their relationships with retailer partners.

Source: Criteo, Commerce Media Ecosystem Survey, Q4 2023, N=261



Retail media offers our clients the opportunity to effectively implement a unified commerce strategy. It enables us to provide customers with an innovative, personalized advertising experience. Through data-driven methods, we achieve seamless brand integration across brick-and-mortar and digital storefronts, facilitating sustainable revenue growth.

- Carina Müller, General Manager Marketplaces and Retail Media, Plan.Net Group



Retail media can deliver far more than ROAS.

Here are four more reasons to broaden your measurement approach:

1 Optimization opportunities

Retail media can achieve goals across diverse channels, spanning brand awareness, acquisition, and loyalty. Diverse measurement helps advertisers pinpoint underperforming areas and readjust accordingly, ensuring effective budget allocation.

2 Comprehensive insights

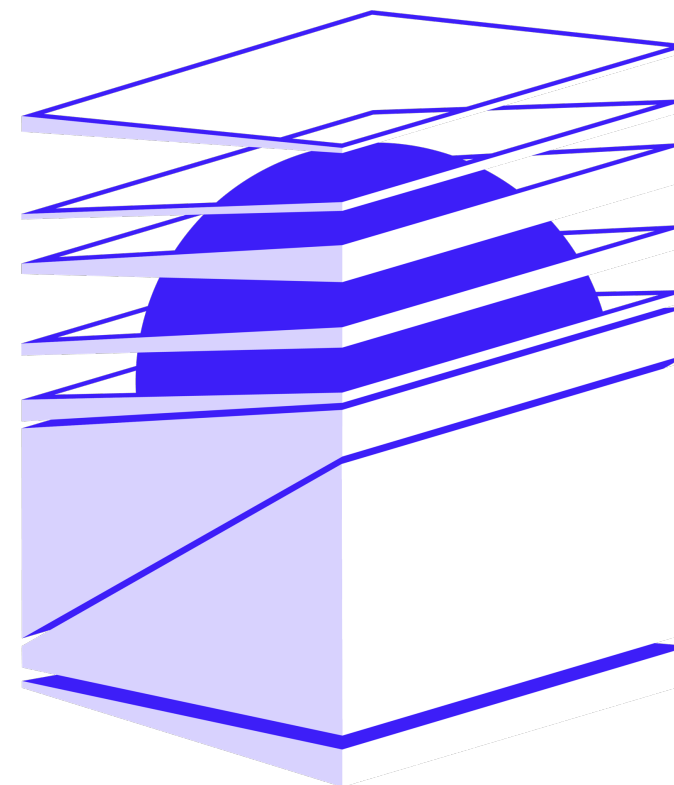
Focusing solely on ROAS and sales provides a narrow view of campaign success. By considering full-funnel metrics such as impressions, cost per acquisition, and repeat rate, brands gain a more holistic understanding of their campaign effectiveness.

3 Better customer experiences

Understanding customer behavior and preferences enables advertisers to tailor their messaging, targeting, and product offerings more effectively—leading to better customer experiences and satisfaction.

4 Sustainable growth

Sales-focused strategies may prioritize short-term gains at the expense of long-term growth. Metrics such as social proof and share of sales help advertisers cultivate positive brand sentiments and enduring customer relationships.



Want more?

This report offers just a glimpse into the expansive world of retail media benefits. To dig deeper into each of the KPIs and metrics we uncovered, [talk to an expert](#).

Looking for a retail media solution?

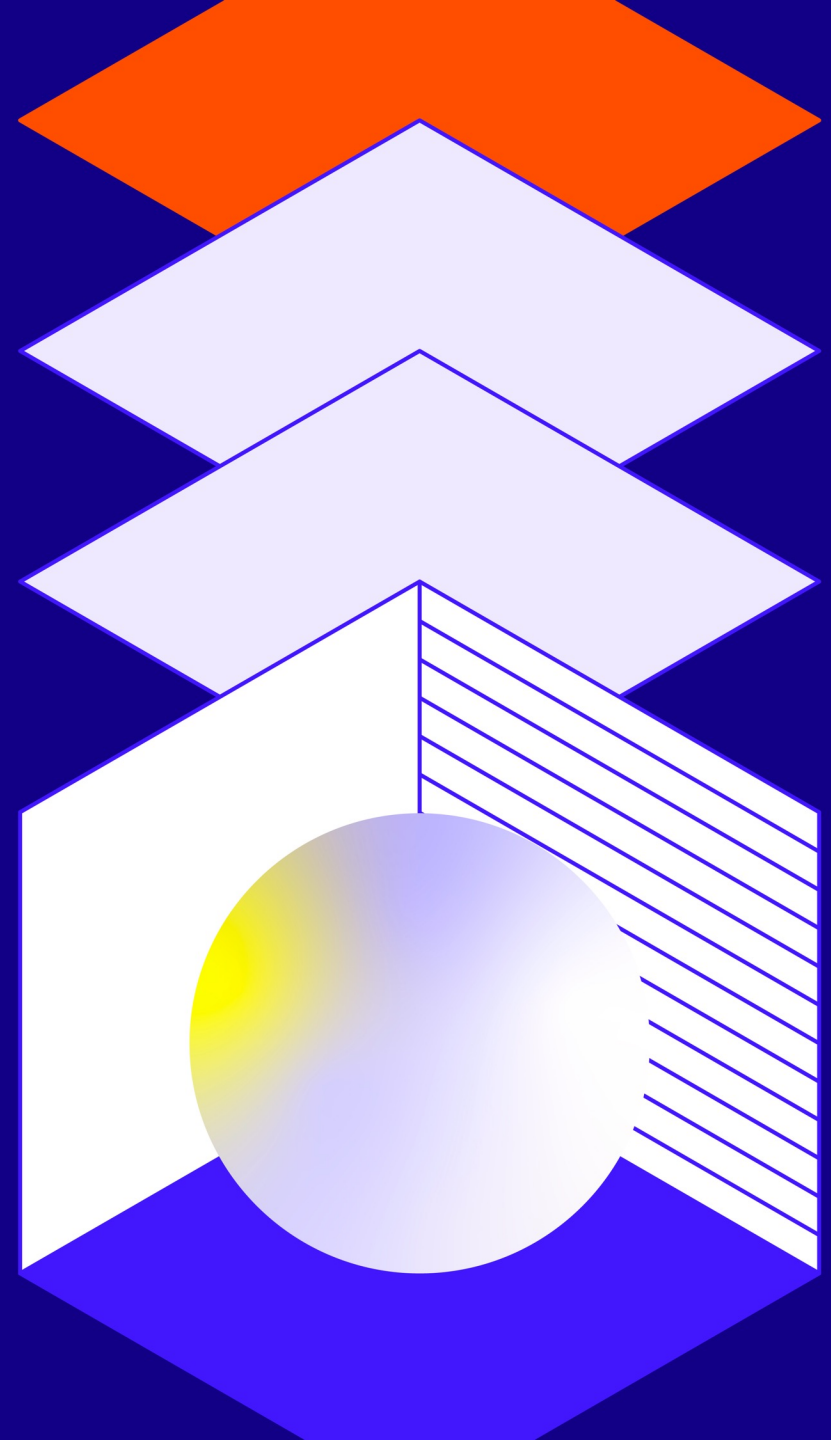
Commerce Max is an all-in-one, self-service retail media platform that unifies the shopper journey while empowering advertisers to understand the true impact of their retail media investments. [Learn more](#).



About Criteo

Criteo (NASDAQ: CRTO) is the global commerce media company that enables marketers and media owners to drive better commerce outcomes. Its industry leading Commerce Media Platform connects 22,000 marketers and thousands of media owners to deliver richer consumer experiences from product discovery to purchase. By powering trusted and impactful advertising, Criteo supports an open internet that encourages discovery, innovation, and choice. **For more information, visit [criteo.com](https://www.criteo.com).**

CRITEO



Methodology

We analyzed exclusive Criteo data from thousands of brand campaigns to understand retail media's full-funnel impact...

Aggregate retail media data from Criteo campaigns and organic client data:

Total sample size: 44,000+ Campaigns and 66,000+ Brands on 132 Retailers

Regions: AMER, EMEA, APAC

Timeframe: Q1 2023-Q1 2024

Strong correlations observed from over a hundred retailers, thousands of brands, and millions of shoppers aren't all demonstrations of causality, but provide meaningful confirmations to incrementality test results, such as the one featured on Page 4.

...and surveyed leaders from brands and agencies globally to uncover the full opportunity of the commerce ecosystem.

Criteo survey respondents:

Total sample size: 1,004

Countries: US, UK, France, Germany, Japan, South Korea, Brazil, Singapore, India

Audience: 282 brands, 116 agencies

Timeframe: Q4 2023



Interested in more survey findings? Read [The Great Defrag: How commerce media will unite advertising in 2024](#) for global insights from brands, agencies, retailers, and publishers fully embracing ad tech's hottest opportunity.