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Retail Media Network Expansion Strategies

Overcoming advertising sales and management challenges in the retail industry

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As the retail media category continues to grow and offer new, more highly targeted solutions to engage larger audiences, so does the level of sophistication and ROI expectations from brands. While new first-party data, digital out-of-home, and in-store offerings are the starting point for creating new competitive advantages for retail media networks (RMNs), capitalizing on this opportunity means adapting to a more complex selling, operations, insights, and analytics landscape.

For RMNs, attracting brands and full-funnel budget opportunities, requires a deeper investment in internal sales, operations, and finance teams. A major key to success is to empower these teams with a single source of real-time data covering pre-sales to reconciliation and billing. Access to this data can enable smart and timely decision-making that increases ROI for clients.

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The retail media industry challenges

Most RMNs lack the customer reach to provide a single solution to brands. As a result, brands must access a number of RMNs to accomplish their goals. Working with and reporting across these networks can create challenges related to ease of use and standardization. RMNs will need to create more access points through platforms such as Criteo or win by working closely with a select number of brands and catering to their specific needs. In this second case, RMNs that are just selling banner ads at a premium won't be able to compete with the more sophisticated offerings.

CHALLENGE #1:

Expanding the business model

Retailers will need to weigh the pros and cons of different business model approaches, namely hybrid vs. separated, where retail media is operated as a distinct business unit. They need to ensure that the responsibilities between the traditional marketing business and the new retail media business unit are aligned to avoid friction with traditional trade marketing and media on the supplier side.

CHALLENGE #2:

Tracking and reporting

In emerging industries with a growing list of new players, there can be a lack of transparency and standardization as the industry matures. The world of RMNs is no exception. As the sheer number of retailers, ad formats, and reporting metrics grow, brands will need new ways to easily access the benefits. That means RMNs will need deep capabilities in tracking and reporting with the flexibility to address standardized needs.

CHALLENGE #3:

Full-funnel strategies

Brands want their budgets allocated to RMNs to accomplish more than efficiency in scaling sales. In fact, advertisers look to RMNs for both performance marketing and brand building. Retailers are not only expected to use their unique first-party data to identify more targeted audiences, but they also must apply those audiences across ad opportunities spanning the entire top-to-bottom funnel experience.

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The advertising sales and management industry challenges

Retailers are in a unique position to build out and scale their media businesses because of their close customer relationships and first-party data. This is difficult to accomplish without in-house teams and technologies to enable ad sales and management. This requires tech solutions that provide direct sales and operations teams with programmatic-direct capabilities to help them maintain margins and control, with customized ROI reporting.

CHALLENGE #1:

Greater ROI accountability

As the market matures, so does the expectation for greater ROI. The promise of better segmentation, targeting, and full-funnel strategies must outperform ad options outside of RMNs. Retailers need automated workflows to free up time for strategic analysis and decision-making, powered by data-driven dashboards with multi-layered analytics and business intelligence to enable industry-leading ROI.

CHALLENGE #2:

More in-house expertise

As the RMN landscape evolves, the product offerings and corresponding complexities needed to grow a retail business will increase. There will be a shift away from outsourced sales and operations to greater investments in teams and technology. More programmatic-direct capabilities will be brought in-house to ensure greater margins and control over advertising. Hiring and training the right talent on the right tech stack will be a challenge and mandate for success.

CHALLENGE #3:

Single source of data

Optimizing media plans in an omnichannel, full-funnel environment is not easy. Neither is maximizing inventory yield across a growing, diverse set of products. Sellers require assistance beyond aging inventory reports and what they already know; they need readily available perspectives built from historical client purchase and performance data. This will require the ability to bring together siloed data sets, real-time dashboards, and automated recommendations to identify opportunities that expand deal sizes and revenue streams.

Trends

Retail media is a major growth trend, representing **11% of total global ad spending**; this figure is forecast **to grow 60% by 2027**.

RETAIL MEDIA

11%

GLOBAL AD SPENDING

TREND #1:

More RMNs = more competition

No longer will it be good enough to own media inventory around the shopping experience and simply display banner ads for clients. Winning RMNs will step up their game by strategically applying first-party data and extending more targeted audiences to expand reach opportunities across all stages of the purchase funnel. Competitive differentiation will come from hitting both sales performance and brand-building objectives.

TREND #2:

Audience extension partnerships

Marketers on RMNs have typically been limited to on-platform placements on the retailer's owned-and-operated channels along with in-store DOOH opportunities. The emerging trend is to partner with other media owners to expand omnichannel experiences and offer the ability to apply first-party data targeting to a broader, more full-funnel audience. Amazon made the biggest move by investing more than $1 billion a year in the NFL's Thursday Night Football.

TREND #3:

A single source of truth

Retail media teams typically use a lot of technology including CRMs, ad tech (supply-side platforms and data management platforms), planning and billing, customer data platforms, data analytics, and more. The challenge is to avoid creating more data silos as the tech stack expands. With the rapid digitalization of business enabled by the right tech stack, RMNs, like other industries, are facing challenges in providing communication channels and more automated knowledge management solutions to their employees. To run a highly competitive RMN, the solution is a single source of truth, with just one access point to all critical knowledge.

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How Boostr helps the retail media industry

Boostr is a retail ad management platform that helps retailers conquer their media business complexity as they scale. Retailers can capture and manage real-time data across sales and operations. This enables the most informed decision-making and automated workflows in the media industry—from pre-sales to billing. We also offer the industry's only automated RFP response tool with a product and pricing recommendation engine for faster responses, higher margins, and improved win rates.

BENEFIT #1:

Accurate forecasts

Boostr enables the industry's most accurate and timely omnichannel revenue forecasting with no-code, customizable CRM inputs, products, and stages that adapt to future business needs. We offer the easiest-to-use interface for sellers out of the box.

BENEFIT #2:

Higher yield plans

Sales teams often sell what they are most familiar with, not what is most profitable. Boostr helps sellers to more easily search a complex product-mix landscape and identify the products and combinations that drive greater profitability and commissions while fully delivering against the marketer's objectives.

BENEFIT #3:

Greater ROI

Report on virtually anything with the industry's largest collection of data-driven dashboards and multi-layered analytics. Boostr's world-class business intelligence engine can be used for everything from board meeting prep to operational insights, enabling profitable business decision-making and greater ROI for clients.

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> ## " What Boostr has over the competition is the ability to configure their entire system to support anybody's business."

Jessica Boiardi, Vice President of Pricing and Planning at BuzzFeed Inc.

About Boostr

What happens when media industry executives create an ad management platform from scratch?

The most accurate revenue forecasting. The fastest pace of industry innovations. Larger deal sizes with more products sold. RFPs with greater sell-through rates. 50+ automated workflows for sellers + ad ops. Analytics to report on virtually anything. Save 15-20% of team time for more creativity. Sales, ad ops & finance using one set of data.

Boostr is the media industry's most comprehensive and accurate digital transformation technology for managing advertising sales and delivery. Boostr offers CRM, OMS, and automated RFP response technologies designed by media professionals to sell more plans at higher margins. Boostr clients include Macy's, Lowe's, Westwood One, DISH, BuzzFeed, and more.

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