

# retail media

## state of the nation

july 2025



# iab australia retail media council

the iab thanks the retail council for their support of this research



**Ben Williams**  
Adobe



**Chloe Sanderson**  
Afterpay



**Ali Khan**  
Amazon



**Uno De Waal**  
Aus Venue Co



**Ben Allman**  
Broadsign



**David Fernandez**  
Cartology



**Lachlan Brahe**  
Epsilon



**Andy Ford**  
Coles 360



**Bec Penn**  
Coles 360



**Guillaume Dupont**  
Criteo



**Nick Smithwick**  
David Jones



**Melissa Polglase**  
David Jones



**Roger Dunn**  
Diageo



**Martyn Raab**  
Endeavour Group



**Raphael Hodes**  
Google



**Simon Porter**  
Hatched



**James O'Driscoll**  
Hearts & Science



**Daniel Hojnik**  
Involved Media



**Cam Porter**  
MarsUnited



**Jen Lotz**  
Monks



**Sarah Minassian**  
Metcash



**John Harvey Faurholt**  
Microsoft



**Jason Bagg**  
Moloco



**Vartika Arora-Patel**  
OMD



**Barry McGhee**  
oOh Media



**Kirsty Heywood**  
Publicis Groupe



**Peter Barry**  
Pubmatic



**Georgia Tomaszewski**  
Scentre Group



**Jonathan Case**  
TechMedia



**Dan Carrapetta**  
TechMedia



**Luca Dalessandro**  
The Trade Desk



**Amy Brooker**  
TWCM Health



**Jason Rickard**  
TWCM Health



**Michael Levine**  
Uber



**Kees DeJong**  
Uncommon People



**Andrea Hill**  
Vudoo



**Paul Blackburn**  
Vudoo



**Kate Pagett**  
WooliesX



**Leah Jackson**  
WPP Media



**Marc Lomas**  
WPP Media



**Kelly Wearmouth**  
Mars United



**Victoria Brennan**  
TikTok



**Dan Richardson**  
Yahoo



**Harrison Bland**  
Zenith



**Hugh Cameron**  
Zitcha



**Kate Marshall**  
Zitcha

# contents

	Page
methodology	4
executive summary	5
usage and opportunities in retail media advertising	6
retail media advertising products	15
objectives of retail media activity	17
metrics and measurement tools	19
development areas	21
potential for impact of new Australian privacy legislation	24
what's ahead	25
further resources	26

# methodology

This survey was conducted to help the industry gain insight into how retail media is being adopted and to identify the needs of marketers in relation to planning, buying and measuring activity.

- The IAB Retail Media Council conducted an industry survey in June 2025 amongst 161 advertising decision makers. The survey was designed for those working in retailers, media agencies, agency trading desks, creative agencies, and advertiser brands.
- 142 respondents were buy-side senior representatives across independent and major holding group agencies and brand-side who make or influence advertising decisions for their company or clients and have experience with retail media advertising (66% from agencies and 34% from advertiser brands).
- Information was also collected from 19 representatives from retailers who have a retail media offering in place.
- This is the third wave of a similar survey conducted in 2023 and 2024 (previous report can be found on the IAB website). There has been increased participation from advertiser brands in our survey this year.
- The insights in this report will help the IAB Retail Media Council understand industry needs and prioritise relevant thought-leadership, education and training.

# executive summary

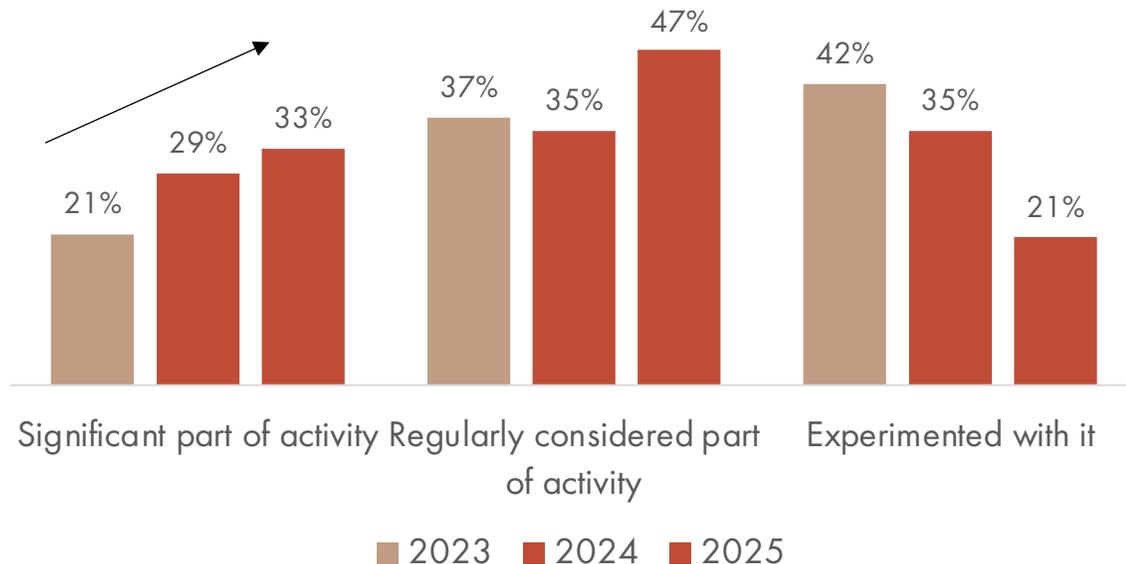
- **Retail media advertising continues its growth trajectory**  
Adoption and investment are rising, with 7 in 10 advertisers and agencies increasing spend over the past year. 77% now work with three or more retail media networks.
- **Retailers are advancing their media offerings**  
While transparency, performance, and measurement remain challenges, retailers are actively enhancing their capabilities—particularly in reporting and product expansion.
- **The point of purchase remains the prime opportunity**  
Reaching consumers at the point of purchase is still key. Agencies and brands also value full-funnel influence, while first-party data access has dropped to third on the priority list, with a strong call for greater data transparency.
- **Retail media is increasingly used alongside above-the-line activity**  
Budgets are being reallocated—often from trade and traditional channels—as retail media becomes a more integrated part of the broader media mix.
- **On-site search and off-site extensions are driving the biggest growth**  
Retailer data-powered formats, particularly on-site search, display, and in-store signage, have seen strong year-on-year growth and remain the most widely used.
- **Sales remains the top objective, despite full-funnel ambitions**  
While interest in full-funnel campaigns is rising, driving sales is still the primary goal. There's strong demand for case studies that showcase ROI, creative impact, and performance across categories.
- **Brands and agencies want more transparency and consistency**  
There's a growing push for better data access, consistent metrics (especially ROAS and incremental sales), and unified frameworks for attribution and performance measurement across retail networks.
- **Privacy law changes will reshape the landscape**  
New privacy legislation and heightened consumer expectations around data use are prompting retailers to offer clearer messaging and a stronger value exchange.

# increasing usage and consideration of retail media advertising

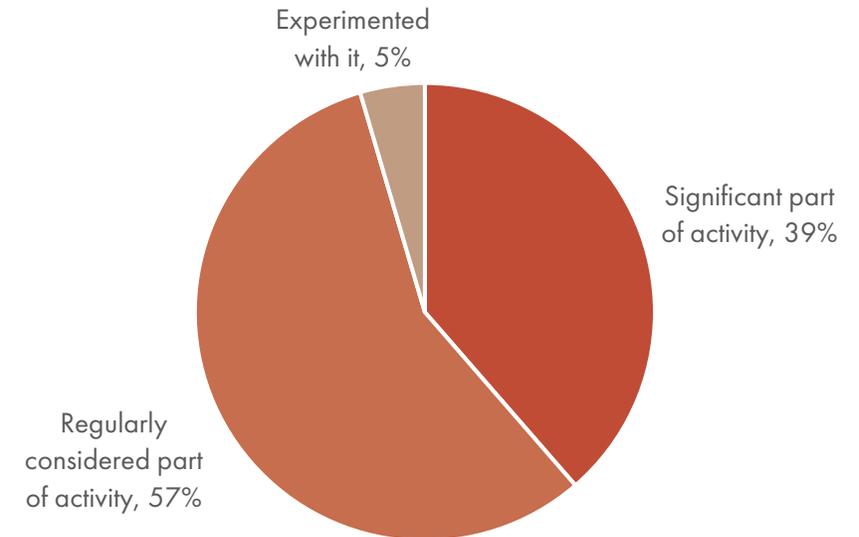
Amongst those using retail media advertising, experience is increasing with 33% of agencies surveyed having it as a significant part of their activity this year. 39% of brand advertisers surveyed have retail media as a significant part of their activity (there are a larger number of brands participating in the survey this year, smaller sample sizes in previous years prevents year on year comparison).

## experience using retail media advertising

### amongst agencies using retail media advertising



### amongst brands using retail media advertising

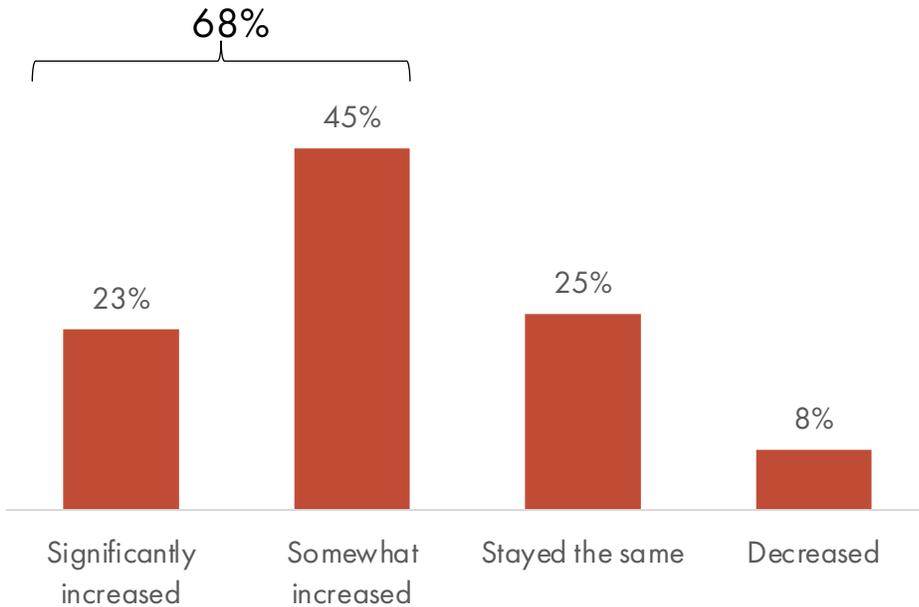


# increasing investment in retail media advertising

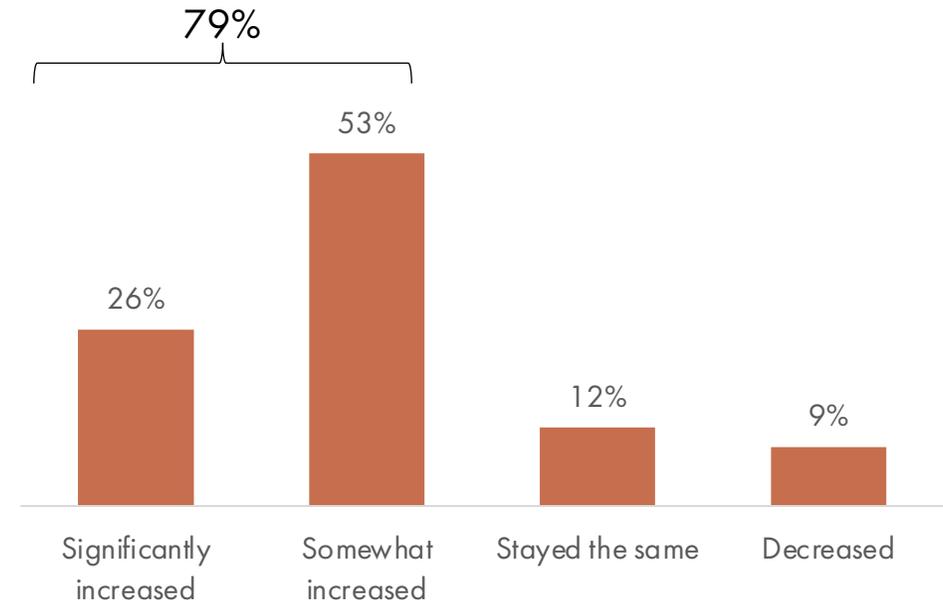
7 in 10 agencies and brands have increased their retail media investment over the past 12 months.

## changes in retail media investment over the past year

### amongst agencies



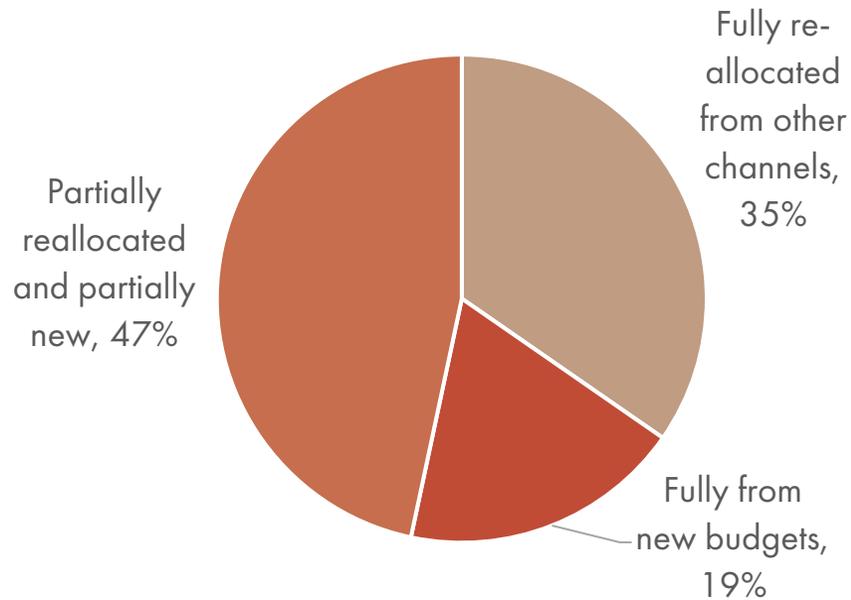
### amongst brand advertisers



# for nearly half, investment for retail media activity is partially reallocated from other channels and partially new

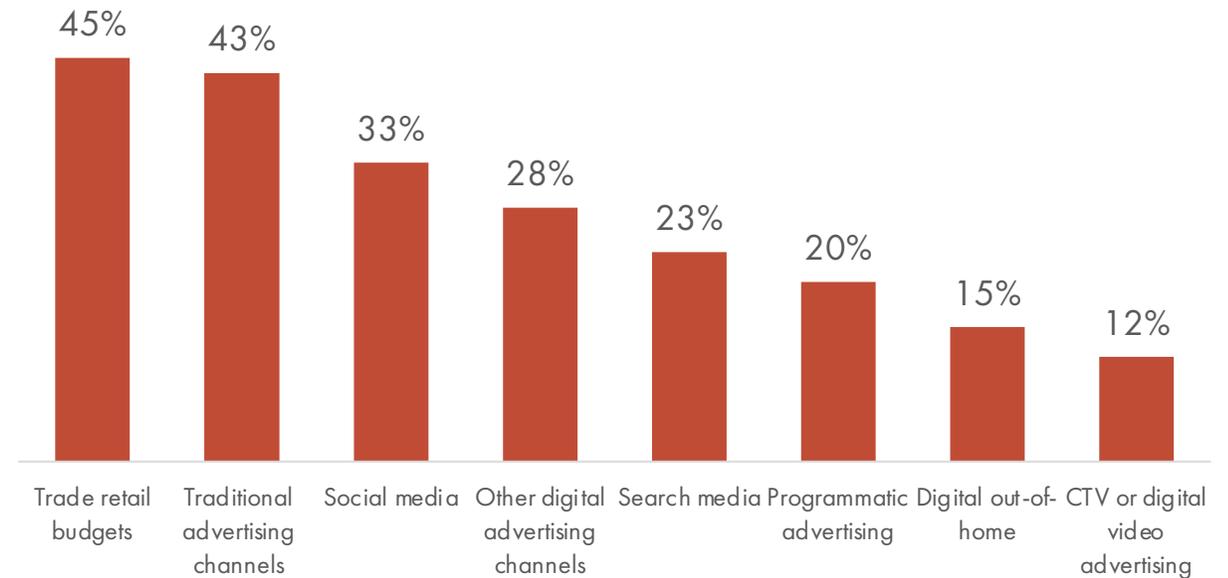
## spend on retail media being shifted from other advertising channels

Amongst both brands and agencies nearly half of investment in retail media is coming from a combination of reallocated and new budget.



## channels ad spend being shifted from to spend on retail media

Brands are more likely shifting spend from trade retail budgets and traditional advertising, whereas agencies are more likely seeing budgets shifted from social media and other digital advertising.



# reaching shoppers at the point of purchase continues to be seen as a key opportunity in retail media

The top 2 opportunities according to agencies are access to retailer first-party data and reaching shoppers at the point of purchase. Brands top 2 opportunities are reaching shoppers at the point of purchase and influencing customers across the entire purchase funnel.

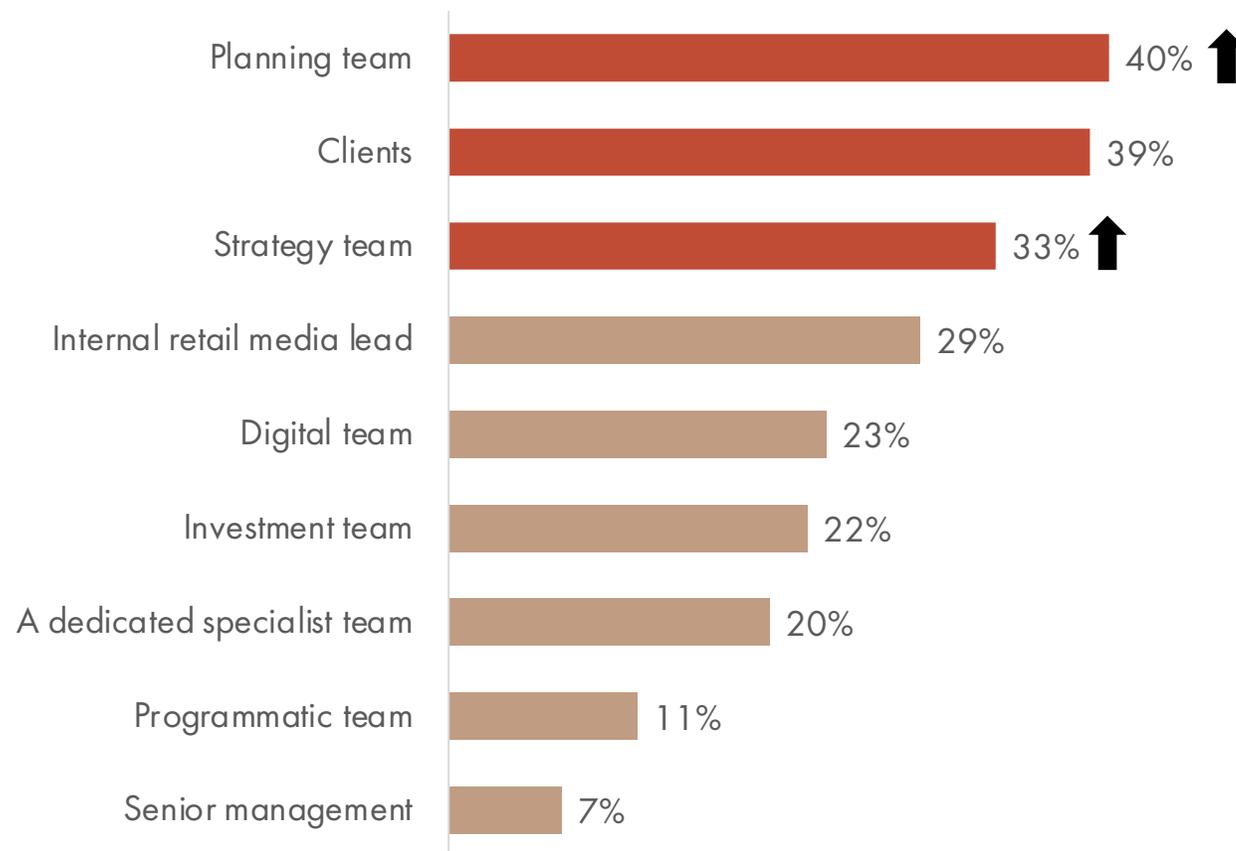
## opportunities in partnering with retailers amongst agencies and brands (selecting top 2)



The #1 opportunity amongst agencies and brands has shifted over previous years. Access to first party data was #1 in 2023 and the #2 opportunity in 2024.

**agency planning  
and strategy  
teams are leaning  
in more heavily  
to influence  
participation in  
retail media this  
year**

### influencers on participation in retail media within agencies

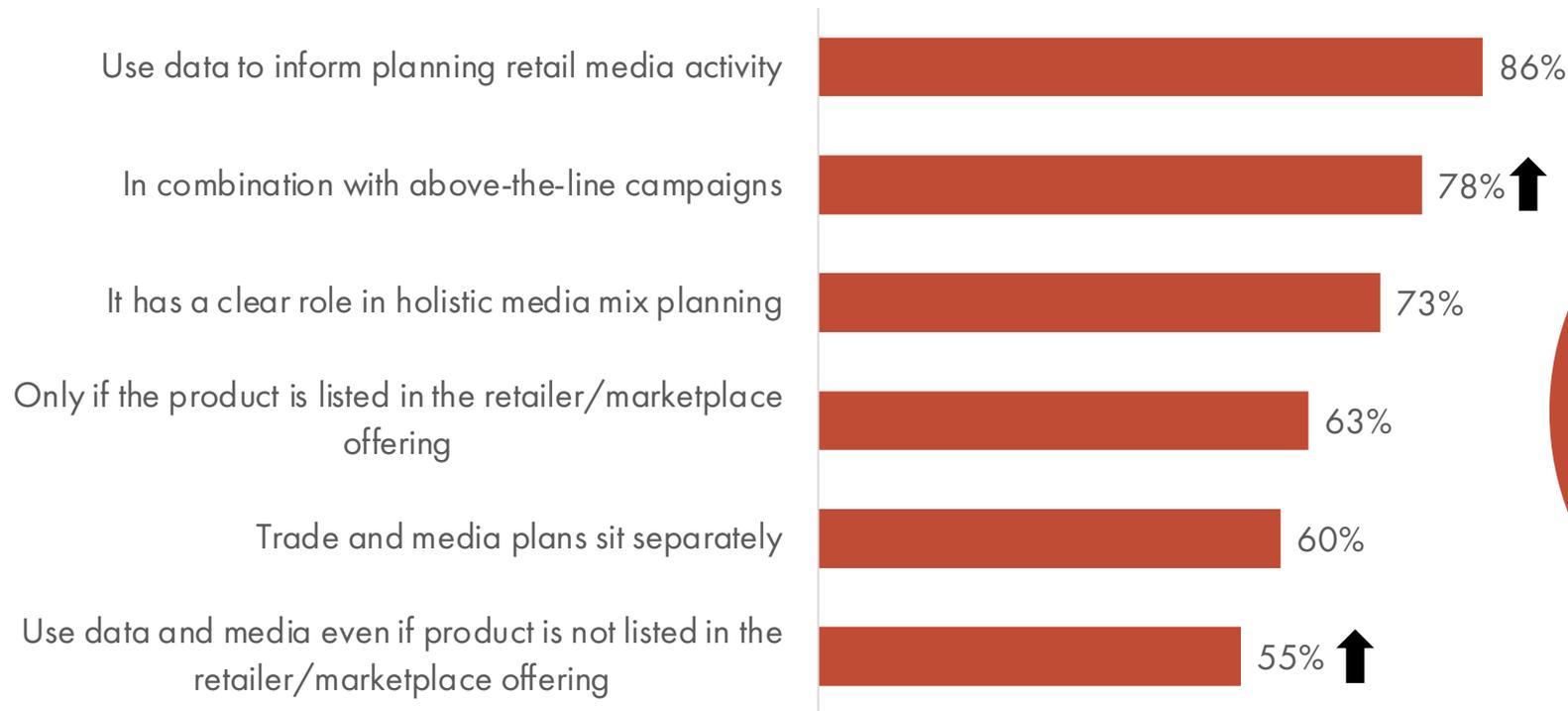


Source; IAB Australia Retail Media State of the Nation 2025 n=94 retail media advertising decision makers and influencers from agencies  
Q - Within your agency, who is having the most influence on participation in retail media? (Please select all that apply)

# 7 in 10 ad buyers consider retail media as part of holistic media mix planning

Compared to last year, considering retail media in combination with above-the-line campaigns has increased 7% points and using data and media even if the product is not listed in the retailer/marketplace offering has increased 8% points. Other considerations remain similar.

## consideration for retail media in media planning amongst agencies and brands

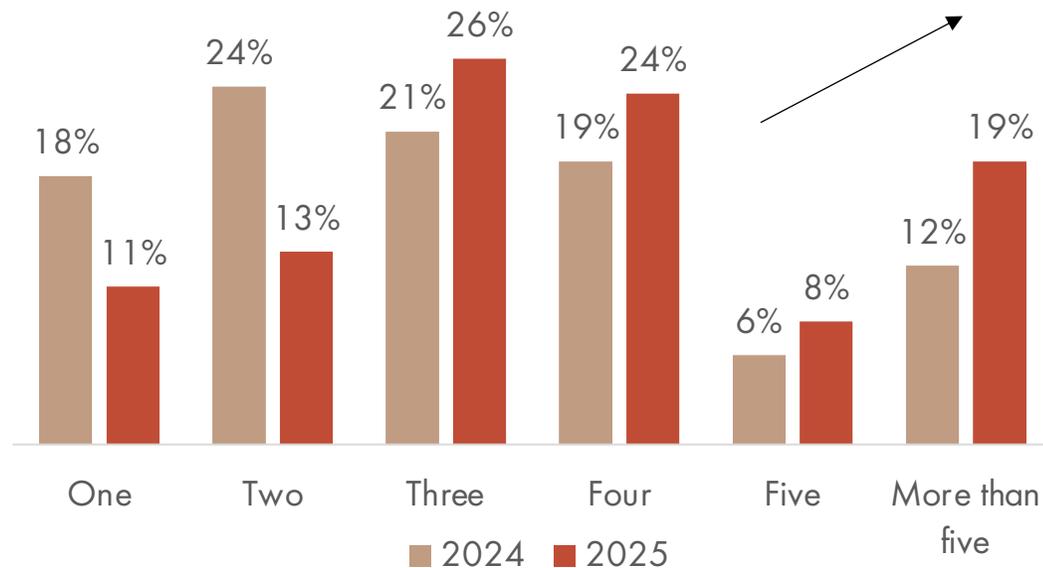


*"There's an exciting opportunity to make brand investment into above the line work harder to ensure visibility and purchase at the point of sale when it matters - but how do we link the investment across the two?"*  
agency respondent

# advertiser and agency experiences are mixed as they experiment and broaden the number of retail media partners

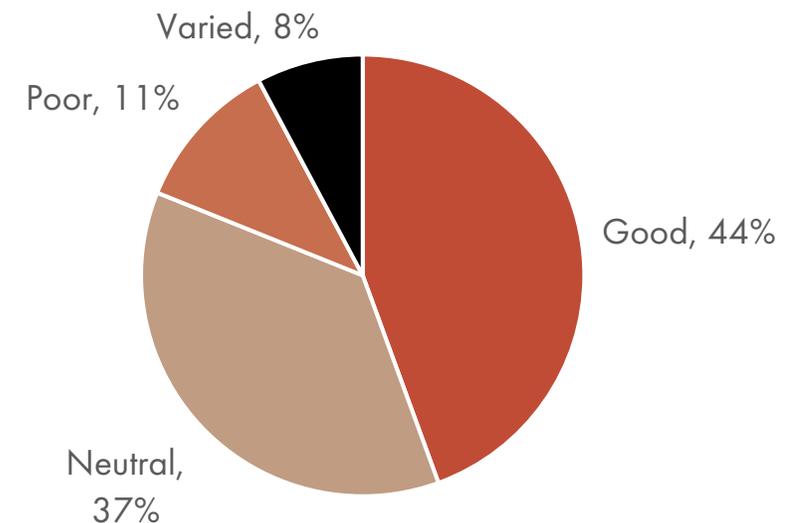
## number of retail media partners working with

77% of advertisers and agencies are working with 3 or more retail media partners (58% last year).



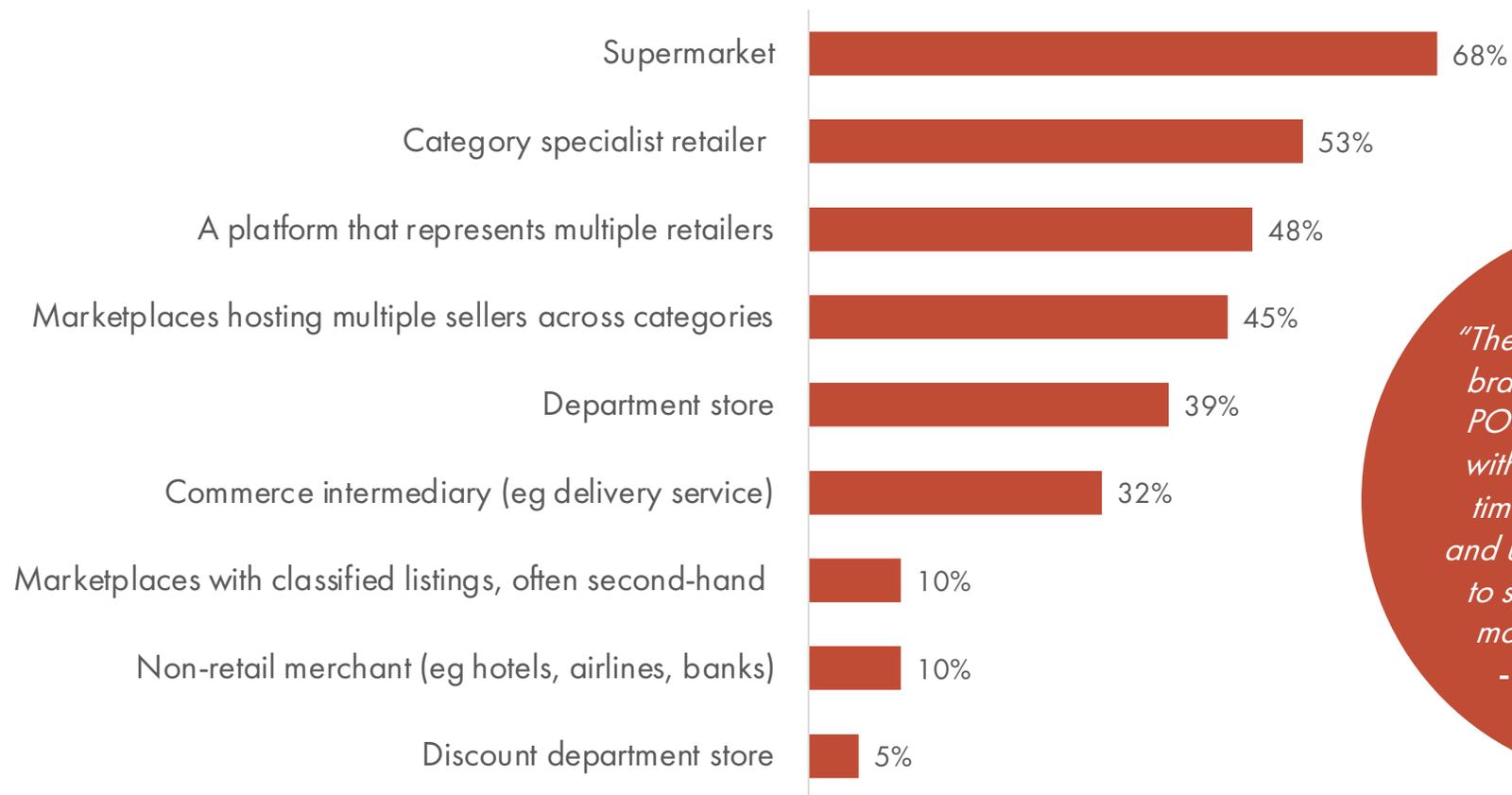
## experience working with retail media partners

44% of advertisers and agencies rate their experience working with retail media partners as good (down from 66% last year).



# supermarkets are currently the most used type of retailer for retail media advertising partnerships

types of retailers' agencies and brands have partnered with for retail media activities



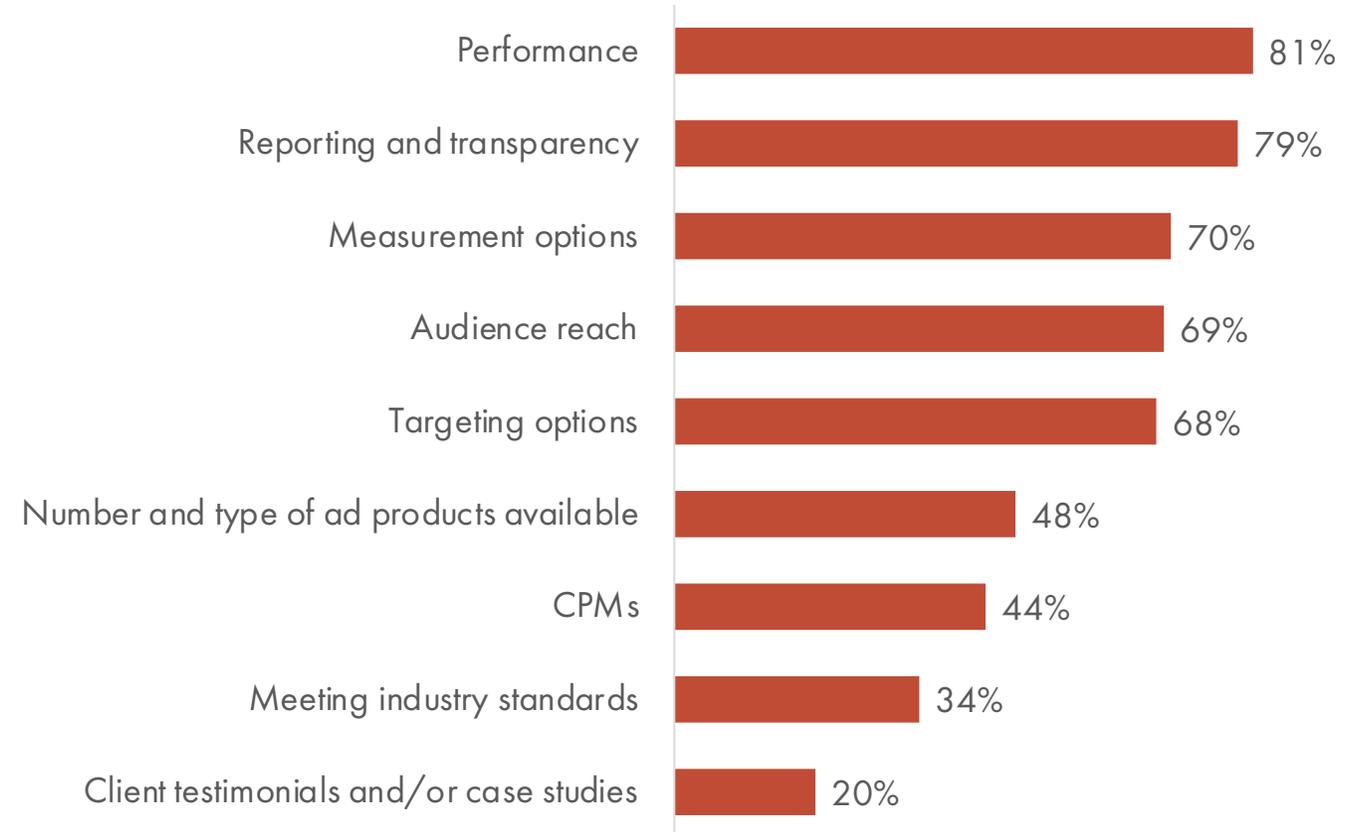
*"The exciting opportunity for brands is being so close to POS, providing consumers with inspiration at a pivotal time in the purchase cycle and using RMN location data to speak to consumers in a more personalised way."*  
- agency respondent

# performance, reporting and transparency key in evaluating retail media partners

Other things important to agencies and brands when evaluating a retail media network/partner in the same retail category include:

- Self service ad platform
- Ability to measure and cap reach & frequency across total media plan
- Competitive/industry rates
- Ability to optimise media in flight
- Integration of creative versioning
- Brand safety
- Open-source data

## important criteria when agencies and brands evaluate retail media networks/partners

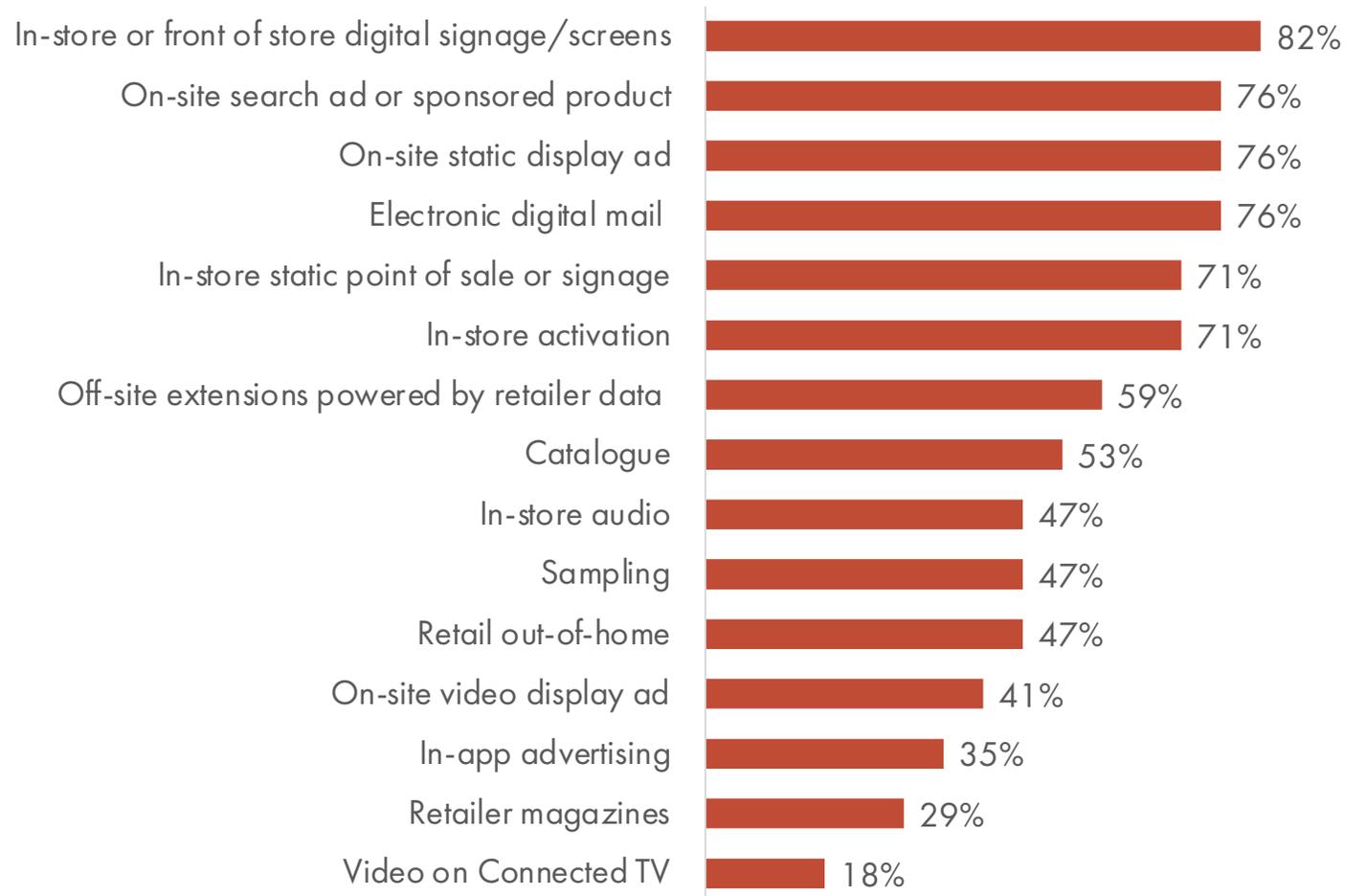


# in-store digital signage is the most common retail media product offered by retailers

*“Along with demonstration of full-funnel opportunities in retail media, education is also needed that not all retail media networks are the same and there are major differences across categories”*

- Retailer respondent

## retail media advertising products offered by retailers

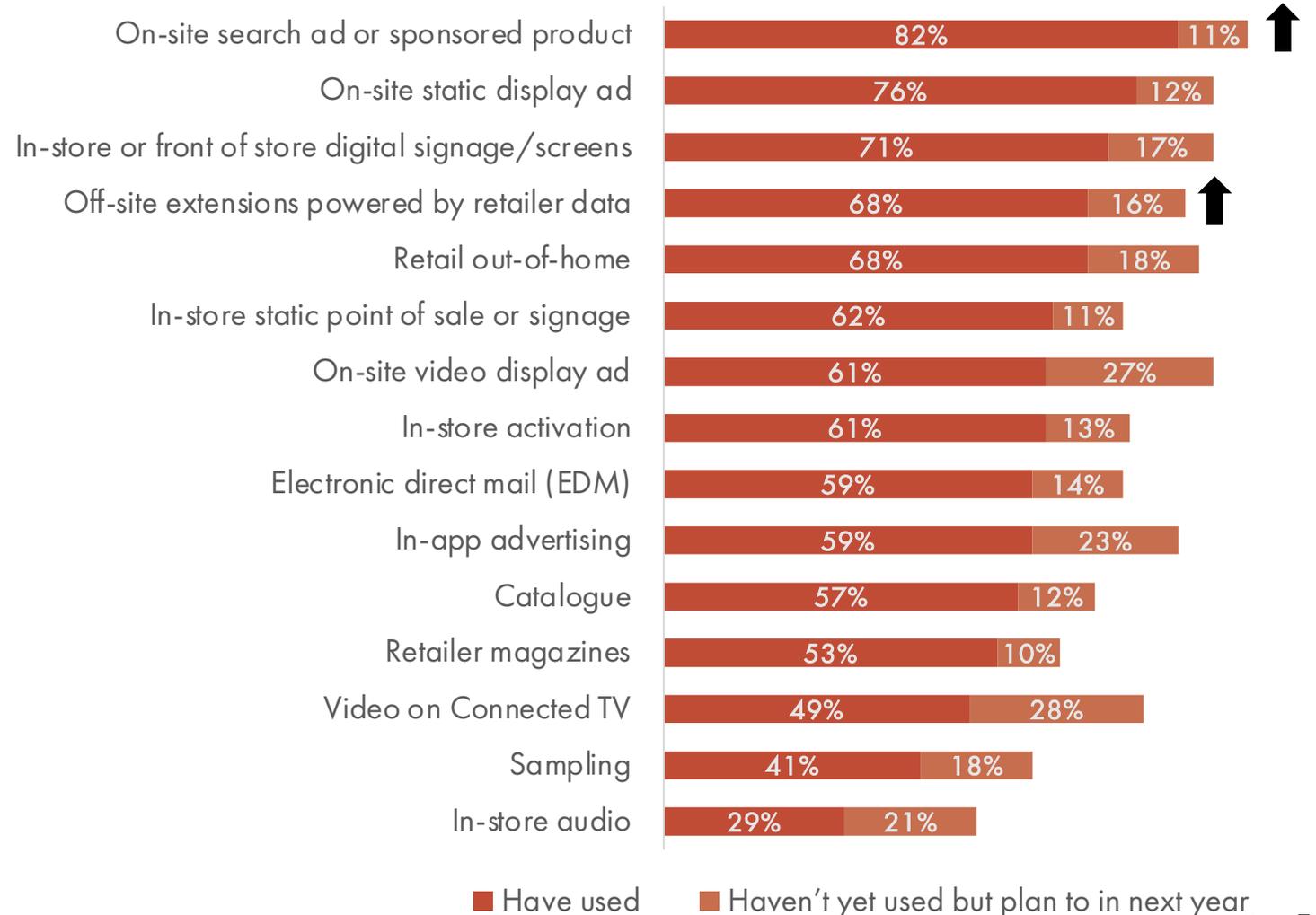


# search, display and in-store digital signage remain the most used retail media advertising products

All formats have had year on year growth in usage. The highest growth is in usage of on-site search ads or sponsored products up 21% pts, and off-site extensions powered by retailer data (e.g. YouTube, Meta, open web) up 19% pts.

Over the next year there is high intention to use video formats and in-app advertising amongst those who have not already used these formats.

## retail media advertising products agencies and brands have used or plan to use



Source; IAB Australia Retail Media State of the Nation 2025 n=142 retail media advertising decision makers and influencers from agencies and brands

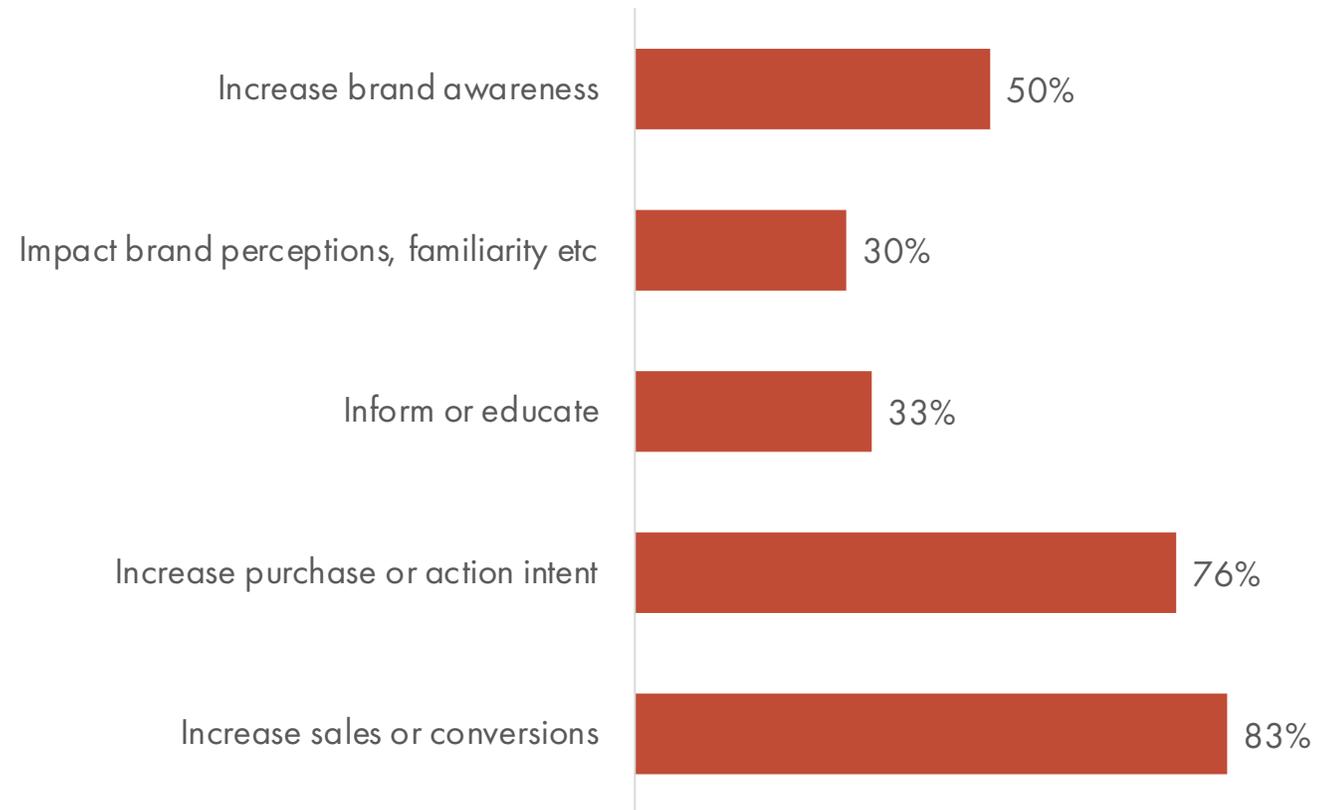
Q - Which of the following Retail Media advertising products have you used?

# increasing sales is the dominant objective of retail media activities

Agencies and brands are aligned that increasing sales or conversions has been the dominant objective for retail media campaigns over the last year.

The retailers surveyed see the #1 opportunity as influencing customers across the entire purchase funnel (based on 19 retailers with retail media offerings surveyed). Half of agencies and brands have used retail media to drive brand awareness over the last year.

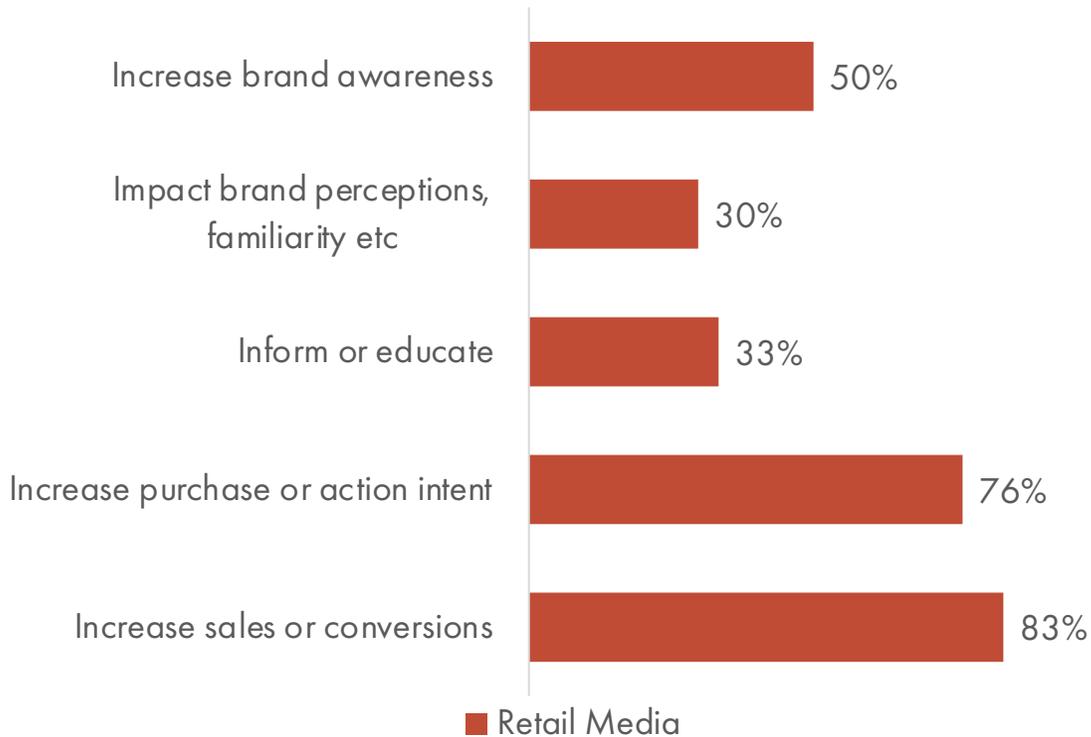
## objectives of retail media activities amongst agencies and advertisers



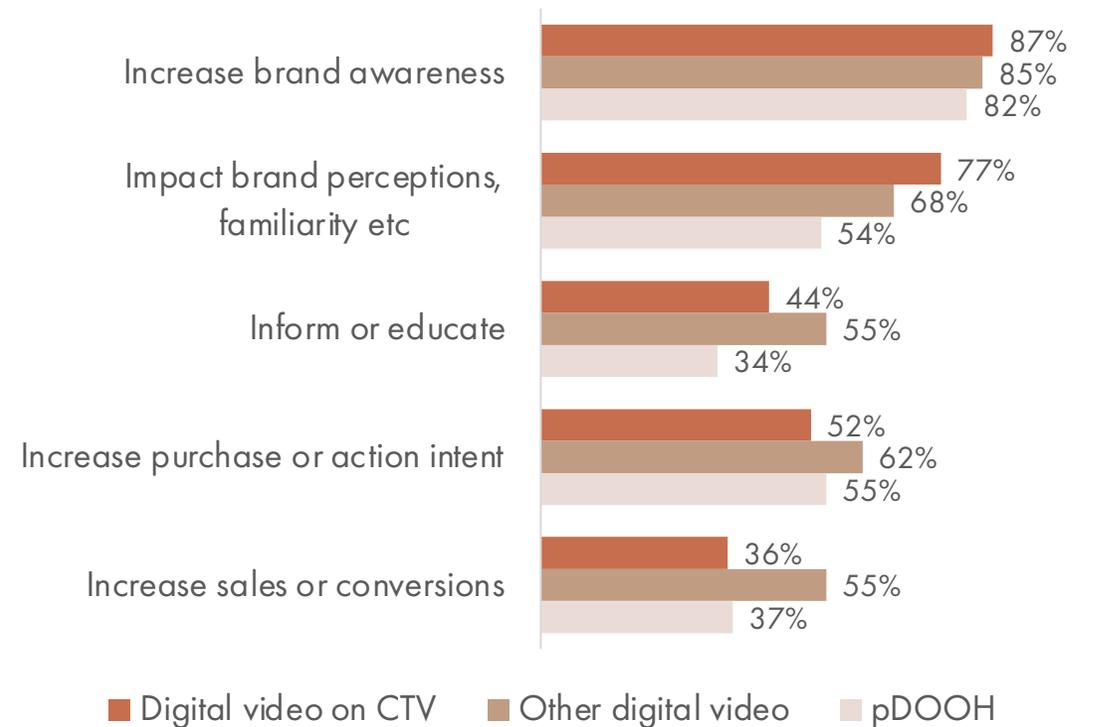
# increasing sales is the dominant objective for retail media

Compared to the objectives of other digital advertising formats (collected via IAB State of the Nation industry surveys), Retail Media is being used more predominantly for lower funnel objectives and significantly less for brand building or impacting brand measures.

## objectives of retail media activities



## objectives of PDOOH and digital video\*



Source; IAB Australia Retail Media State of the Nation 2025 n=142 retail media advertising decision makers and influencers from agencies and brands

Q - What have been the objectives of the Retail Media activities you've been involved with over the past year? (Please select all that apply)

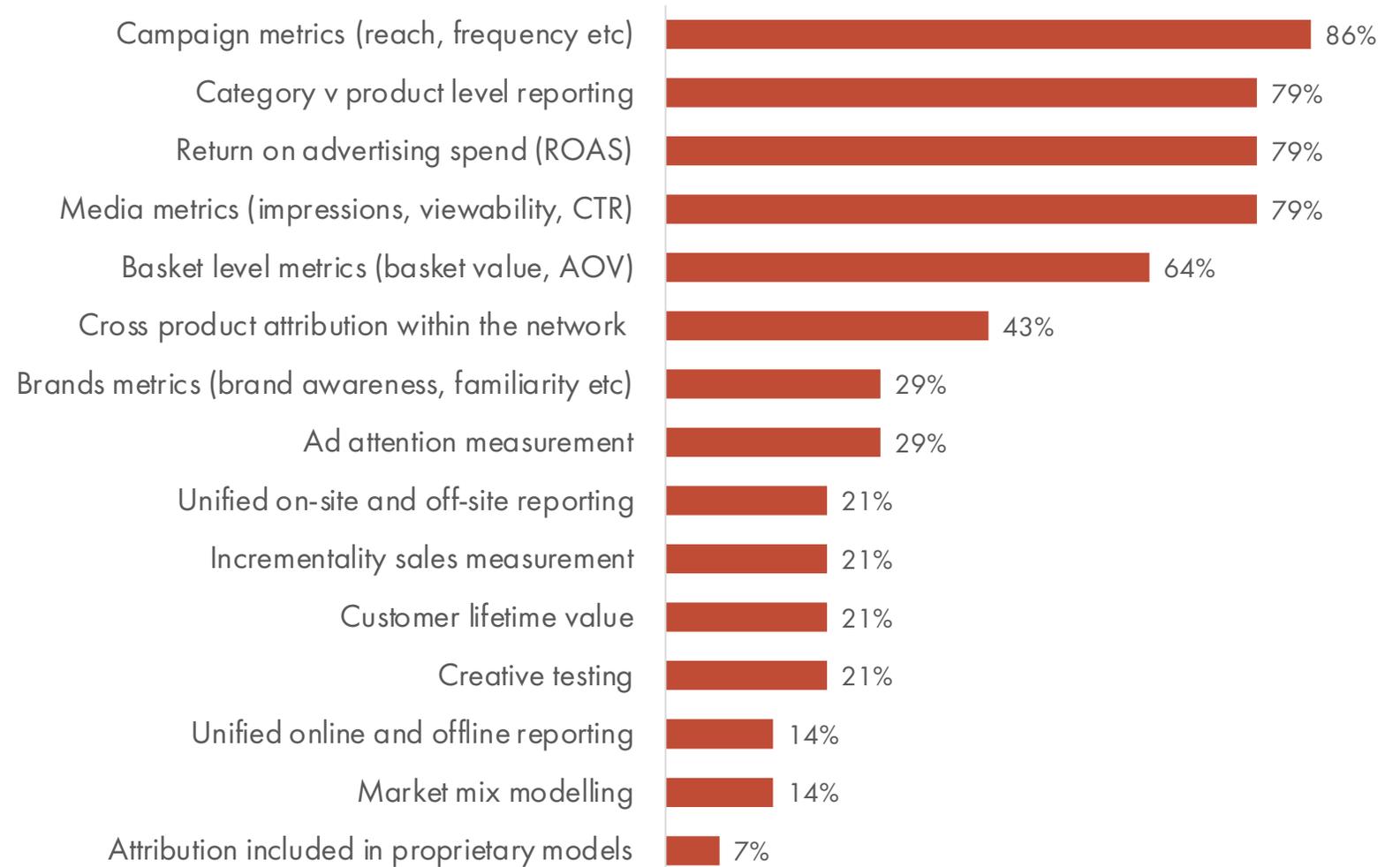
\* IAB Australia Video Advertising State of the Nation 2025 n=76; IAB Australia Attitudes to Programmatic Digital OOH Report 2024 n=226

# campaign metrics are the most common amongst a range of metrics and measurement tools offered by retailers

*"A clear, standardised framework of Retail Media KPIs, attribution models, and use cases across verticals backed by real-world benchmarks would help the industry understand its performance potential and guide smarter strategy decisions."*

- Retailer respondent

## measurement metrics and tools offered by retailers

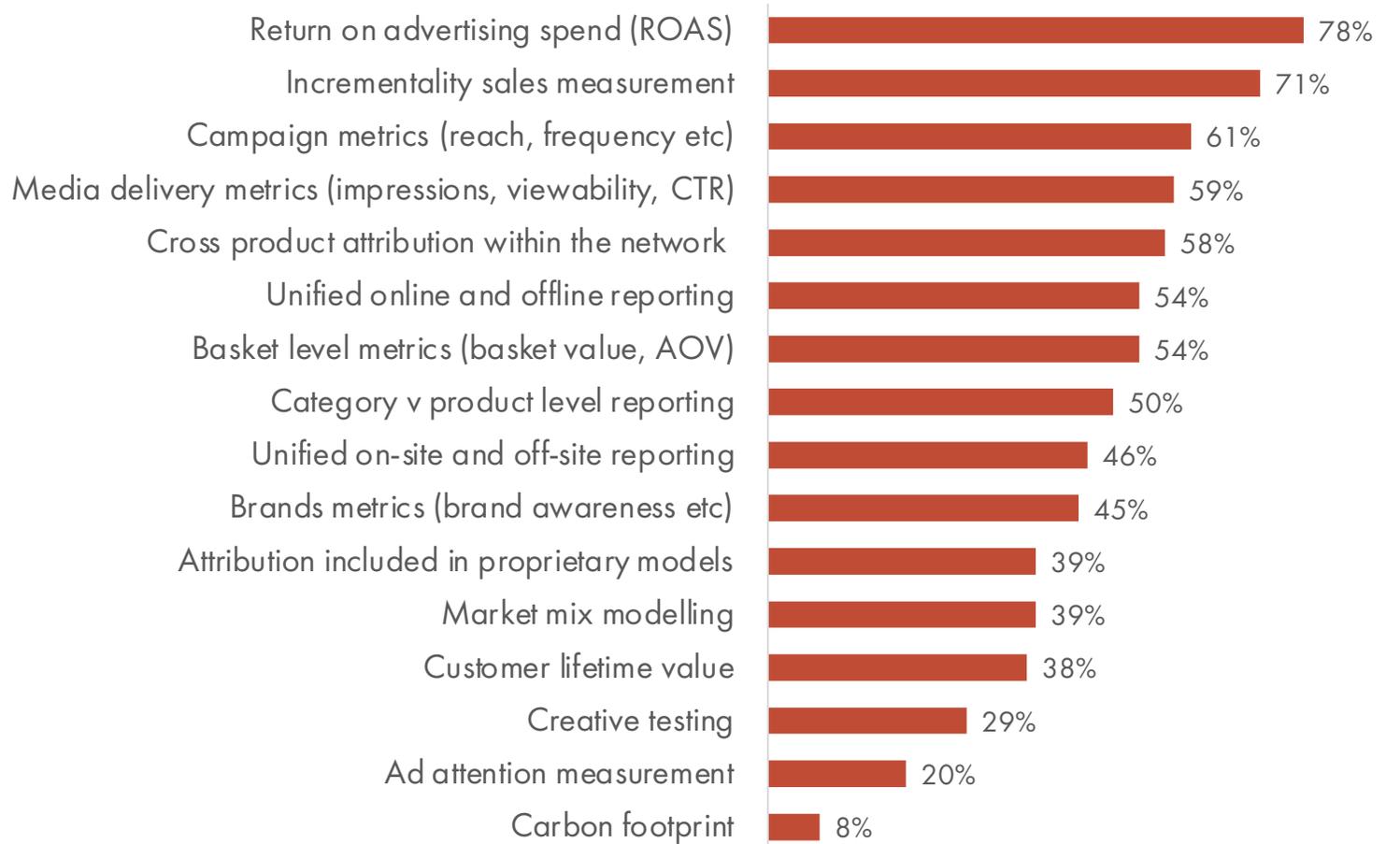


# ROAS and incremental sales are the most important metrics for agencies and brands

Brand advertisers are slightly more likely than agencies to be looking for a range of metrics and tools, with the exceptions of creative testing and ad attention measurement which are more highly sought by agencies.

*“an industry-led framework for retail media transparency, standardised metrics, shared definitions, and consistent reporting is needed. This would empower brands to compare, plan, and prove impact with confidence. Without a common language, we’re guessing.”*  
- brand respondent

## metrics measurement tools agencies and brands are looking for from retail media partnerships



# addressing challenges in measurement and managing relationships are needed to drive further investment in retail media

## top barriers to partnering with retailers for retail media activities

### amongst agencies



### amongst brand advertisers



# what could help ad buyers further understand retail media ...

## proof of effectiveness

*"Clear, accessible case studies showing retail media's impact—ROI, targeting, creative best practices—plus simple explanations of how it fits into broader marketing. This would help clarify a space that often feels confusing, especially when deciding how best to allocate and optimise ad spend."*

- **brand respondent**

*"Demonstrate the impact retail media has on long term brand equity"*

- **brand respondent**

*"real-world case studies to demonstrate how retail media can be integrated into the marketing mix, with detail on how it performs across categories, creative types, and spend levels"*

- **agency respondent**

## measurement and metrics

*"How to measure the incremental effect of Retail Media on key measures i.e. ROI, Brand Awareness"*

- **agency respondent**

*"All RMNS should have reporting platforms. All RMNS in the UK have platforms which report on ROI and it would be frowned upon to not share this level of data with brands. It will also ensure brands can unlock incremental budget and in turn drive better outcomes for retailers, agencies and suppliers."*

- **agency respondent**

*"The most useful thing would be standardised, granular, and anonymised sales attribution data across ALL retail media networks."*

- **agency respondent**

## transparency and standardisation

*"The industry needs a unified, independent platform combining live campaign data, cross-retailer benchmarks, and transparent ROI insights."*

- **agency respondent**

*"Uniformity in the way retailers are measuring retail media success beyond ROAS and providing further data integration"*

- **agency respondent**

*"Access to better data and more transparency. ANZ retailers are so cagey compared to overseas players (like Tesco), which makes it harder to show clients the true value of Retail Media."*

- **agency respondent**

## creative inspiration and best practice

*"Creative commerce inspiration for sales and brand teams that show how retail media is worth the same levels of brand consideration to also be able to do fun and exciting retail work."*

- **agency respondent**

*"It would be incredibly useful to have a centralised hub with information on retail media opportunities by platform—highlighting targeting capabilities, creative best practices, case studies, and performance benchmarks."*

- **agency respondent**

*"Brand building and creative commerce is an opportunity. More consideration of message in the moment, while also making it easier to convert"*

- **agency respondent**

## education

*"A clear, concise guide that explains how retail media works, its key players, targeting capabilities, measurement methods, and case studies, giving practical real-world context to its impact on brand performance and customer engagement."*

- **agency respondent**

*"education on the consumer experience such as an immersion day in-store of a retailer with established network to understand consumer and how the media is seen."*

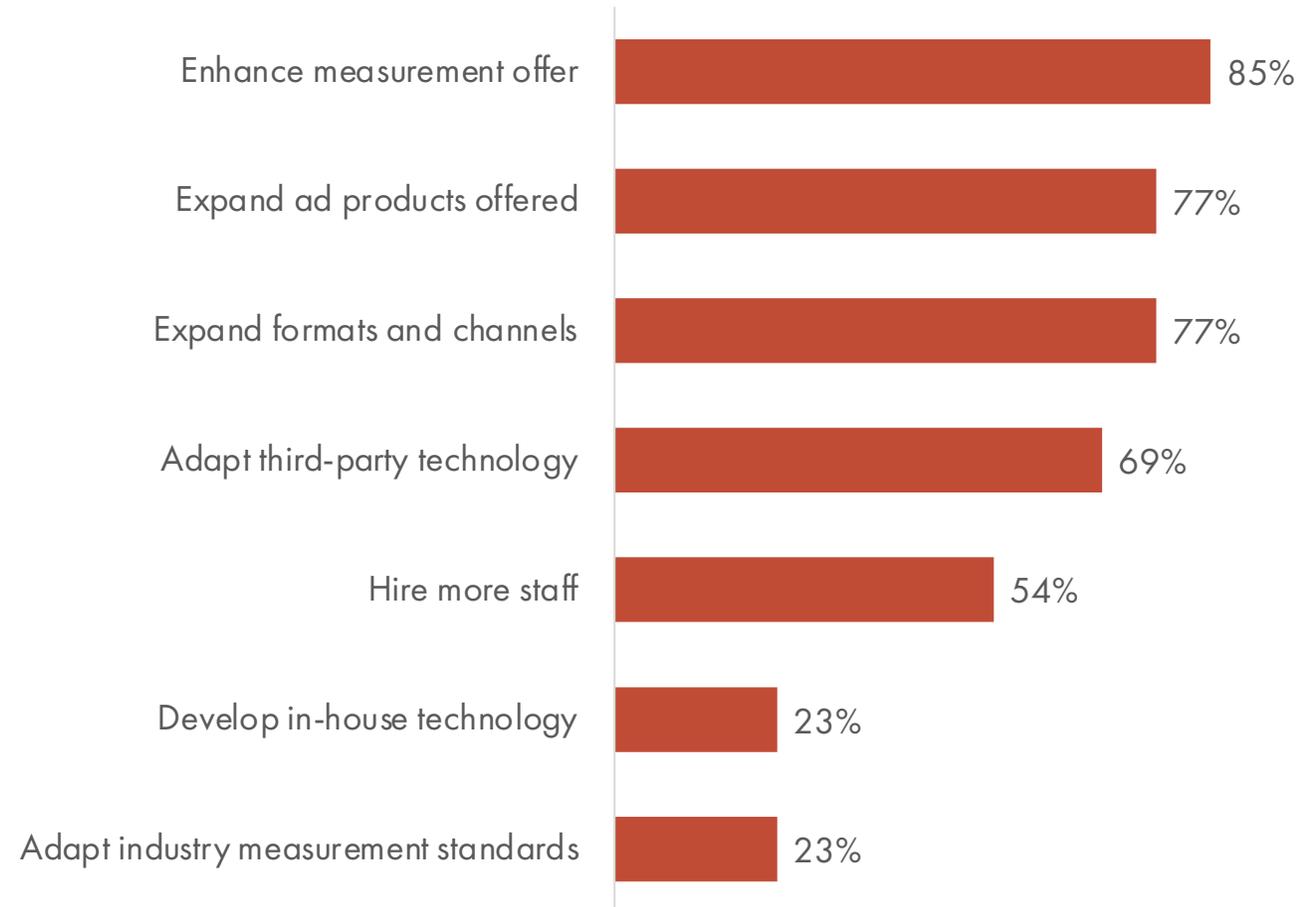
- **agency respondent**

# retailers have plans to develop their retail media propositions across key areas of measurement, ad products and formats

*“Retail Media provides brands the opportunity to tap into real-time, high-intent shopper data; right at the point of purchase. It’s not just ads. It’s precision targeting, closed-loop attribution, and full-funnel influence all inside the buying journey.”*

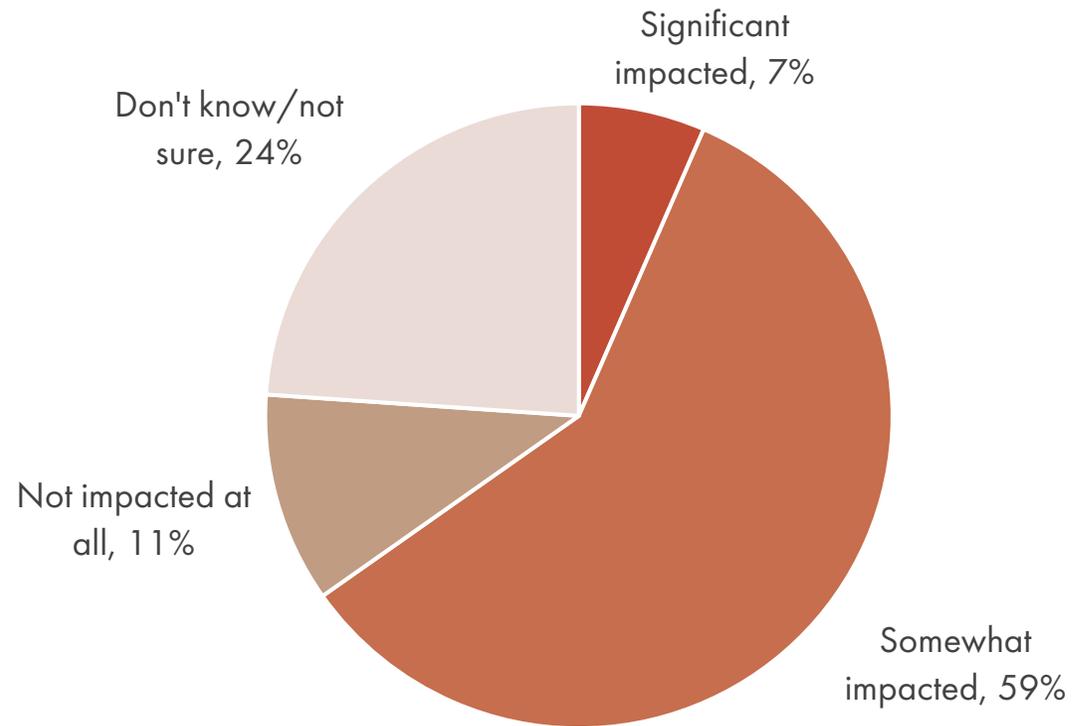
- Retailer respondent

## areas retailers are planning to develop their retail media propositions over the next 12 months



**66% think retail media advertising opportunities will be impacted by new Australian privacy legislation**

perception of the degree of impact on retail media advertising opportunities from new Australian privacy legislation



Source; IAB Australia Retail Media State of the Nation 2025 n=161 retail media advertising decision makers and influencers from agencies, brands and retailers  
Q - How much do you think Retail Media advertising opportunities will be impacted by the impending new Australian privacy legislation?

# looking at the next phase of retail media evolution..

The next chapter of Retail Media will be defined by performance, standardisation, interoperability and strategic alignment with the broader advertising ecosystem.

Retailers are responding to brands need for cross-retailer, standardised and transparent measurement, formats and definitions to justify continued increased investment

- Retailers are investing in measurement capabilities. Ask your Retail Media partner about their roadmap to enhance performance metrics.
- The IAB 'Australian Retail Media Measurement Principles and Guidance', is an actionable guide offering key strategies and best practices.
- Industry collaboration on standardised metrics, common taxonomy and agreed definitions is needed to drive ad buyer confidence into the future.

Technology will continue to shape the Retail Media landscape

- Retailers indicated further investment in technology. Ensuring technology interoperability will benefit the ecosystem and investment.
- AI will disrupt traditional search and how consumers interact with systems for shopping decisions. Retailer mapping of customer journeys is key to understanding the ways customers are engaging across touchpoints.
- The next phase of commerce evolution will likely involve streamlined, more accessible self-service tools.

Restructuring teams to integrate retail media

- Agency planning and strategy teams are leaning in more heavily and retailers are hiring additional resources. Stakeholders need to focus on removing any disconnects within teams and work towards common goals.

Case studies are needed to support omnichannel Retail Media and increased integration into the broader media mix

- Agencies and brands are increasingly leveraging multiple retail media touchpoints. Brands and agencies are calling for case studies to enhance their understanding of how retail media fits in the mix. Proof of brand impact will be needed to support full-funnel propositions.

Enthusiasm for creative flexibility, immersive experiences will drive experimentation with new formats and environments

- Retailers are investing in expanding ad products and formats and will need to demonstrate and communicate creative best practice to agencies and brands and encourage testing of emerging formats.

Retail Media stakeholders will make the adjustments required under new privacy legislation

- IAB Australia will be working with our members to ensure they have clarity on the information covered by the first and any future tranches of reforms.

# other resources



[IAB Australia and Pureprofile Commerce Report 2025](#)



[Foundations of Retail Media Online Training](#)



[Retail Media Measurement Principles and Guidelines](#)



[Retail Media Glossary of Terms](#)