BRAND COMMERCE™ INTEL FOR TODAY'S CMO

RETAIL MEDIA'S RECKONING

Why CPG brands won't scale RMNs without proof—
and how Brand Commerce fixes the trust gap

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01 Retail media is scaling faster than trust

Retail media is no longer an experiment. It is a profit line for retailers, a growth lever for brands and a proving ground for Brand Commerce: the uniting of brand building and sales performance so media can create demand, convert demand and compound long-term brand value.

That promise is becoming harder to manage as the channel scales. Industry forecasts project US retail media ad spending of $69.33B in 2026, up from $58.79B in 2025.[1] The ecosystem is also splitting: Most incremental growth is going to Amazon Ads and Walmart Connect.[2] In our research of 36 CPG marketers, 61% reported investing in Amazon Ads and 56% in Walmart Connect in the past 12 months.

This is the new retail media paradox. Brands keep investing, yet the system remains difficult to compare, explain and govern.

> **RMNs are delivering enough value that brands keep investing, yet the underlying system is difficult to govern.**

The four paradoxes shaping RMNs right now

Results vs. explainability
Brands are under pressure to "prove it" more than ever. Yet many marketers still struggle to identify which RMN tactics are truly incremental, which are simply capturing demand that already existed and whether premium-priced tactics are delivering enough added value to justify their cost.

Scale vs. fragmentation
Retail media is scaling across onsite, offsite and in-store. But the operational reality remains fragmented: separate buying platforms, inconsistent reporting, inconsistent KPI definitions and uneven measurement quality from one RMN to another.

Premium data vs. commodity inventory
Offsite retail media is often positioned as a major growth lever. But it can feel like brands are paying a premium for retailer audience data layered onto inventory that may be obtainable elsewhere, while measurement parity and transparency lag.

Omnichannel ambition vs. org readiness
RMNs are forcing brands to coordinate strategy, commerce, media and analytics. Many teams are still structured for performance media plus ecommerce, not the Brand Commerce orchestration needed to connect fragmented retail media activity to brand and sales growth.

The Takeaway

RMNs are growing fast, but brands need more consistency, transparency and governance before they can scale spend with confidence.

1 EMARKETER
2 EMARKETER

What CPG marketers are doing now: RMNs are moving from tactical to central

02

Retail media's role has evolved beyond "sponsored products." In our research, **44%** said retail media is a core performance channel today, with another **19%** saying it is either a core omnichannel channel or one of their top three channels by importance. Brands expect these numbers to grow.

Survey responses to retail media investment over the next 12 months:

61% Expect investment to increase

28% Expect it to stay the same

11% Expect it to decrease

The objectives tell the same story. The most common primary objectives include driving immediate sales and conversion, acquiring new-to-brand buyers and increasing share within retailers. Brand building is not absent, but the channel is still evaluated primarily through performance metrics, which creates tension as RMNs expand into offsite and in-store formats.

The question is no longer whether brands should invest in retail media. It is how they turn retail media into a disciplined system that grows the brand and the business, not just the attribution report.

The question is no longer whether brands should invest in retail media. It's how they turn retail media into a governed system that grows the brand and the business.

The Takeaway

Retail media has moved from a tactical buy to a core growth channel, raising the need for stronger governance.

03 The trust gap: Measurement is the bottleneck to sustainable growth

If retail media is to earn bigger budgets, it must be held to higher standards. The strongest signal from our survey is not that brands are abandoning RMNs. It is that brands are demanding a more credible measurement foundation that can withstand budget scrutiny.

The black box problem is still real

When asked to rate satisfaction across core RMN experience attributes, respondents were least satisfied with cross-retailer consistency and the ability to connect RMN performance to broader business outcomes. Transparency into fees, costs, targeting and audience logic also lag.

The survey also reveals that while many marketers can use RMN reporting to inform day-to-day decisions, fewer feel confident enough to treat RMN results as a basis for major budget shifts.

In plain terms, brands will keep spending where they must, but they will hesitate to scale where they cannot defend the logic.

ROAS is still dominant, but proving incrementality is the next frontier

Respondents reported using ROAS and sales outcomes broadly, but there is growing demand to evaluate RMNs using incrementality, new-to-brand buyers and outcomes linked to long-term growth.

Incrementality usage remains uneven. Some brands run incrementality testing regularly and use it to guide budget allocation, but many do not. The barriers are familiar: cost, complexity, lack of expertise, retailer limitations and low trust in methodology.

Retail media is approaching a measurement inflection point. Standards bodies and industry groups are moving to formalize RMN measurement guidelines, but adoption across networks and across buying platforms remains uneven.[3]

Standardization is not a nice to have. It is the price of scale.

One of the most consistent strategic barriers is the lack of standardization across RMNs. If KPI definitions, attribution windows and reporting granularity vary widely, brands are forced to treat each RMN as its own system. That increases operational cost, reduces comparability and slows investment decisions.

In other words, fragmentation becomes a hidden tax, while standardization is a scale unlock.

Brands are demanding a more credible measurement foundation from RMNs, one that can withstand budget scrutiny.

The Takeaway

Retail media growth now depends on whether brands can trust the measurement behind it. ROAS may still guide day-to-day decisions, but brands need more transparency, incrementality and standardization before they can confidently defend bigger RMN investments.

3 IAB/MRC

Retailer differences matter: RMNs are not interchangeable

04

RMNs are often discussed as a category. Brands experience them as distinct operating environments with different strengths, limitations and degrees of trust.

In the survey, reported investment over the past 12 months concentrated in the largest networks, with Amazon Ads and Walmart Connect leading. Kroger Precision Marketing and Target Roundel also showed meaningful adoption, while Albertsons Media Collective represented a smaller share among this sample.

This concentration is consistent with broader market forecasts suggesting the largest players are capturing the majority of incremental growth.[4]

The strategic implication is not simply “follow the biggest.” It is that many brands are consolidating spend into networks where measurement, closed-loop capabilities and operational support feel strongest, and treating smaller or less transparent networks as tactical tests.

For brands, this means prioritization must be deliberate. For retailers and RMNs, it means trust and measurement quality are now competitive differentiators, not table stakes.

Reported investment over the past 12 months concentrated in the largest networks, with Amazon Ads and Walmart Connect leading.

The Takeaway

Brands are concentrating RMN spend where measurement, support and closed-loop capabilities are strongest, while treating weaker networks as tactical tests.

4 WALMART CONNECT

05

Offsite retail media: the premium question

Offsite retail media is widely positioned as a growth engine, especially as onsite platforms become more saturated. In the survey, respondents report meaningful use of offsite extension, but their confidence in offsite value is conditional.

The survey language captures the core tension: paying a premium for retailer audiences layered onto offsite inventory. Many brands believe offsite can be worth the premium when it delivers measurable incremental value, but many also believe it is only worth it sometimes, depending on the retailer and the campaign.

> **What would make offsite RMN spend more worthwhile to brands? The most common answers emphasize proof and pricing clarity.**

When asked what would make offsite RMN spend more worthwhile, the most common answers emphasize proof and pricing clarity—clearer evidence of incremental lift versus non-retailer targeting, lower or more transparent fees and better closed-loop measurement to in-store purchase.

This aligns with a broader industry reality. Offsite is where RMNs can expand reach, but it is also where measurement consistency becomes hardest. The farther retail media extends beyond a retailer's owned platforms, the more it must prove its incremental value versus other ways of buying the same inventory.

Offsite's growth opportunity is real, but so is the burden of proof. As investment moves farther from retailer-owned environments, brands will need stronger evidence that they are paying for incremental value, not simply a more expensive path to the same audience.

The Takeaway

Offsite RMNs can unlock reach, but brands need proof that the premium delivers incremental value beyond what they could buy elsewhere.

Pay to play dynamics are shaping the channel, and brands are not blind to it

06

One of the most striking pieces of context from CPG teams is that RMNs can function as a trade currency, not just a media channel. Brands are asked to spend more, sometimes with implicit or explicit linkage to merchandising outcomes, preferred placement or other commercial benefits.

The survey directly tested this dynamic. Many respondents agreed that retail media spend is increasingly tied to merchandising advantages such as placement, end caps and displays. Respondents were also asked whether this pay-to-play dynamic increases or decreases their confidence in RMN ROI.

THE IMPLICATION:
When media becomes intertwined with trade and merchandising leverage, it complicates performance evaluation. Media ROI and commercial leverage are both real, but they are not the same thing. If brands do not separate those value streams, retail media measurement becomes even harder to defend under scrutiny.

Brands are not rejecting these dynamics, but they deserve stronger governance around them. If a portion of RMN spend is effectively a cost of doing business, then it should be treated with clarity, not forced into a performance narrative that it cannot truly bear out.

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The Takeaway

When RMN spend is tied to merchandising leverage, brands need to separate media performance from commercial value so each can be measured honestly.

07 In-store is the biggest prize and the hardest scaling problem

In-store retail media is high on marketers' wish lists but slow to scale due to infrastructure, operational and silo challenges.

Retail media is moving in-store for a simple reason: Most retail sales still happen in physical stores. In Q2 2025, in-store sales represented 84.5% of total US retail sales and totaled $1.59 trillion.[5] For retail media to become a true omnichannel growth engine, it needs an in-store play that is measurable, operationally scalable and shopper safe.

The survey results reflect this. Many respondents see in-store retail media as valuable over the next two years, but they also identify significant barriers to scaling it. The biggest barriers include lack of standardized measurement, difficulty proving incrementality, challenges planning and buying at scale, and concerns about shopper experience.

This aligns with broader industry analysis that in-store retail media is high on marketers' wish lists but slow to scale due to infrastructure, operational and silo challenges.[6]

In-store retail media will not scale simply because it reaches shoppers in the store. It will scale only when brands and retailers can show that it improves the shopping experience, can be executed consistently and can be measured well enough to justify the investment.

The Takeaway

In-store may be retail media's biggest omnichannel opportunity, but it will only scale if it is measurable, operationally repeatable and shopper-safe.

5 CAPITAL ONE SHOPPING
6 EMARKETER

RMNs expose weak agency models and brands move on fast

08

Shortfalls in agency operating models are a limiting factor for many brands, especially as RMNs move beyond onsite into offsite, in-store and incrementality-driven accountability.

While most respondents report having the right agency partner to leverage RMNs, a substantial minority—nearly one in five—do not believe their current partner's operating model is the right fit. That matters because **RMNs punish weak execution. If a brand's partner can't bring retail-specific platform expertise, measurement fluency and cross-retailer governance, the brand doesn't just lose efficiency. It loses the ability to scale with confidence.**

That view is reinforced by what brands say they're missing. 36% cite agency inexperience as one of their biggest RMN capability gaps. 42% cite partner management as a gap, a signal that RMN success increasingly depends on coordinated governance across retailers, teams and measurement approaches, not just activation. And when asked what would increase RMN investment over the next 12 months, 36% say stronger agency capabilities would unlock more spend. In other words, partner quality isn't a nice to have. For many brands, it is a gating factor on growth.

Why this matters now

Brands are not waiting for agencies to catch up. When support falls short, they are closing the gap in other ways.

In the next 12 months:

- **50%** plan to **increase retailer-managed service**
- **44%** plan to **train internal team members**
- **28%** plan to **find a more capable agency**

The agency gap shows up most sharply where retail media is headed. In-store is widely viewed as the next frontier, but 22% cite lack of in-store experience from agency partners as a barrier to scaling. As RMNs expand into more complex environments, the performance ceiling created by shallow expertise becomes more consequential.

What it indicates

Agencies are not the only problem. Retailer constraints, transparency gaps, measurement complexity and lack of standardization still materially shape outcomes. But the survey supports a clear conclusion: Many legacy agency models weren't built for the level of retail-specific orchestration, governance, and measurement RMNs now require.

This is where the Brand Commerce operating model becomes a competitive advantage. When strategy, media execution and analytics are integrated—supported by rigorous measurement and cross-retailer governance—brands can move faster, invest with confidence and scale RMNs without relying on attribution alone.

> **Many legacy agency models weren't built for the level of retail-specific orchestration, governance, and measurement RMNs now require.**

The Takeaway

Retail media is raising the bar for agency partners. Brands are no longer waiting for agencies to catch up; they are training internal teams, leaning on retailers and moving on from partners that cannot deliver the expertise, measurement and governance RMNs now require.

09 AI is accelerating retail media but only under guardrails

AI is already influencing RMN execution. Respondents report usage in areas such as bidding and optimization, audience creation, forecasting and measurement insights.

But our research also tested comfort from a brand safety, privacy and compliance standpoint. Respondents are more comfortable with AI supporting optimization and insights under human oversight than with AI making fully automated budget shifts or high stakes decisions without explainability.

When asked what guardrails are required to scale AI usage, respondents emphasized transparency, the ability to override and set constraints, clear measurement that reflects incrementality rather than only ROAS, privacy protections, audit trails and dedicated human oversight.

AI widens the gap between leaders and laggards by magnifying whatever operating system sits beneath it, for better or worse.

AI AMPLIFIES THE OPERATING MODEL

AI will widen the gap between leaders and laggards by magnifying whatever operating system sits beneath it. For example, AI may optimize toward placements with the highest ROAS because that is the signal it sees most clearly, even if those placements are mostly capturing existing demand rather than driving incremental growth.

For laggards, shaky measurement and unclear governance get compounded, and AI scales the wrong signals faster and farther. For leaders, clear definitions of success, disciplined measurement and firm guardrails get supercharged, and AI becomes a force multiplier that can accelerate growth and performance.

The Takeaway

AI will amplify whatever operating system sits beneath it, compounding weakness for laggards and accelerating advantage for leaders.

10 What to do next: a 90-day Brand Commerce plan for RMNs

This is the practical path to turning RMN investment into an accountable system.

DAYS
01–30

DIAGNOSE

Define proof

Align stakeholders on what retail media is meant to deliver. Establish a KPI hierarchy that separates short-term performance from incrementality, new-to-brand growth, share gains and broader business outcomes.

Audit current investment

Map current RMN spend by retailer, tactic and objective. Identify where investment is performance-driven, where it supports commercial leverage and where measurement gaps make the value difficult to defend.

DAYS
31–60

GOVERN

Build the RMN scorecard

Score priority RMNs on credibility, transparency, closed-loop measurement, operational effort, offsite value and omnichannel readiness. Use the scorecard to set investment tiers and reduce reactive budget decisions.

Set scaling rules

Make pay-to-play dynamics explicit and define when offsite is allowed to scale. Media performance, commercial leverage and audience premiums may all matter, but each needs its own standard of proof.

DAYS
61–90

PILOT & SCALE

Run one test with a measurement minimum

Select one retailer and one or two in-store or offsite formats. Define shopper principles, success criteria, incrementality plan and decision rules before the campaign launches.

Create the repeatable blueprint

Use the pilot to build a model that can scale beyond one campaign. Assess whether current agency, retailer and specialist partners can support the strategy, analytics and governance RMNs now require.

ONGOING

Operationalize Brand Commerce across the business

Clarify ownership, reduce silos and embed a repeatable system for proof, governance and orchestration across retailers and platforms. RMNs scale when the operating model scales.

Ready to win in retail media?

Contact Blue Chip for a complimentary Brand Commerce audit of your retail media strategy, measurement and operating model.

About Blue Chip

We're an independent, full-service Brand Commerce™ agency. We bring change for our clients by uniting brand building and sales performance. We build brands over time and sales overnight.

About the Report

In March 2026, Blue Chip conducted qualitative research with a cohort of 36 CPG brand marketers to understand how brands are investing in retail media networks, where they're running into friction and what it will take to scale RMNs with confidence.

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