



2024

Guide to

Retail Media

Using relevant sponsored placements
as a new revenue stream

E-commerce professionals like yourself are facing an extraordinary level of competition. A tough economy with rising cost of goods sold and inflation only brings fuel to the fire.

It's no wonder that you're forced to make tough prioritizations, focusing on increasing profitability and creating new revenue streams.

Retail media is a powerful tool that can directly address these challenges. When done right, it can help you create a highly relevant shopping experience for your users, while creating a new, high-margin revenue stream for your business.

In this white paper, we'll discuss what there is to gain for multi-brand retailers like yourself. We'll end by showing you how easy Relewise Retail Media is to implement, a tool that gets you started with minimal resources.

I hope you enjoy your read!

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**Why is retail
media important
for e-commerce?**

A saturated market makes it increasingly difficult for e-commerce businesses to capture and retain customer attention, often leading to shrinking margins.

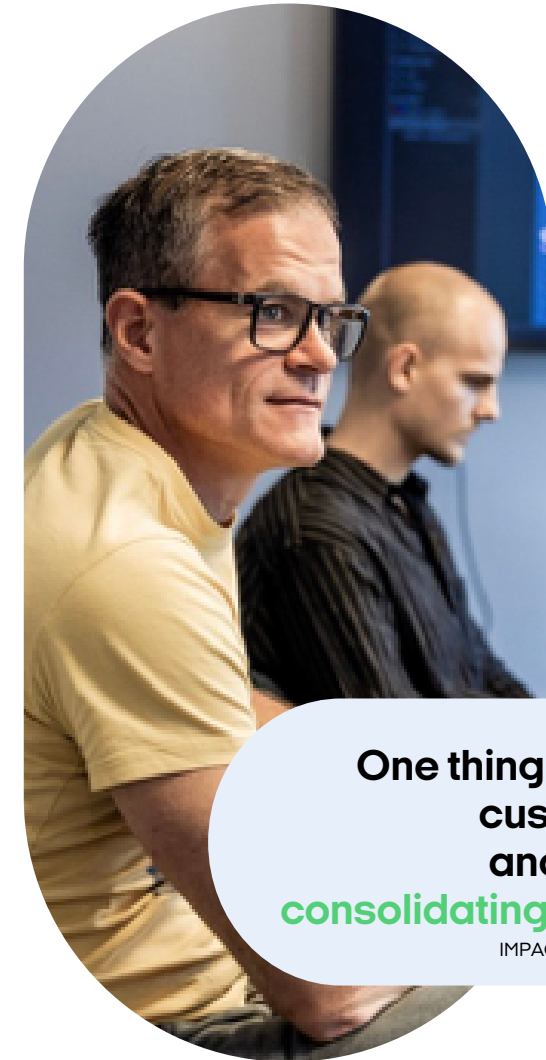
The impending death of third-party cookies makes capturing intent and delivering the right message at the right time even more complicated. This only worsens the problem.

It leads to a crucial necessity for retailers and suppliers to focus on two key areas respectively:

- For the **retailer**, a need to create meaningful experience for customers.
- For the **supplier**, a need to optimize marketing efforts in a way that isn't too resource intensive

Relewise Retail Media gives you, as a multi-brand retailer, the opportunity to offer your suppliers premium placements in search results and product listing pages (PLP's). This allows them to pay for **visibility** at the exact moment users are searching for certain products.

The result is a **personalized marketing effort that increases conversion rates** and essentially allows you to earn more for a product that you might've sold either way.



**One thing is collecting
customer data -
another thing is
consolidating and using it**

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One to remember



Findability is critical for e-commerce conversion rates.

Having relevant items easy to find for users **when they need it** will make them much more likely to complete a purchase

*Baymard Institute

Previously, retail media was primarily accessible for the largest, most well-funded companies that had abundant resources to manage the complexity, hire the tech talent, and implement the necessary organizational changes.

Now, with Relewise Retail Media, this technology is **available to most multi-brand retailers**. You no longer need to be the size of Amazon or the likes of it to capitalize on retail media.



What is the difference between retail media and regular merchandising?

While retail media focuses on **advertising within the site** itself, merchandising deals with the strategic **planning and presentation of products** to enhance the shopping experience.

Ideally, **both retail media and merchandising rules should be working together** on your site. They complement each other, ensuring a personalized experience throughout the buyer's journey.

The table below summarizes the key differences between retail media and merchandising for you, as a multi-brand retailer.

	Retail Media	Merchandising
Definition	Monetizing your data and digital shelf by selling ad space to brands and suppliers	Planning and optimizing your product presentation and placements
Focus	Creating targeted advertising	Focusing on product display, arrangement, promotion etc.
Goal	Generating high-margin revenue through ads	Maximising product visibility and customer engagement
Strategy	Having a personalized, timely advertising when customers are searching for a product	Proper product categorization, visual merchandising etc.
Key players	External stakeholders, ie. your suppliers decide what they wish to be advertised	Your internal stakeholders decide what is promoted according to business needs
Metrics	CTR, conversion rates, ad-generated revenue, etc.	Conversion rates, inventory turn-over rates, average order value, etc.
Impact on revenue	Additional revenue beyond product sales	Direct product sales





**How will it work
on my site?**

An important aspect of Relewise Retail Media is **relevance**.

The ads shown to users must be **highly relevant based on their behavior**. A prerequisite for using Relewise Retail Media is that you're already using Relewise Search & Personalization engine.

This way, you can be sure that Relewise gathers the necessary behavioral data to ensure the high relevance crucial for the efficiency of the ads displayed on your site.



Defining the placements

First, you need to decide **where** you want the sponsored product placements to appear and **how many** you wish to make available. Typically, placements will be on PLP's or search results on your site, but can also be in an app, e-mails, and more.

You also need to make sure that your **retail media content displays correctly** on the chosen placements on your different channels. Typically, this is a task for your agency or solution provider. They'll only need to develop it once, and it shouldn't be too time-consuming.



We highly recommend **limiting the amount of sponsored placements available for mobile**, so that it won't occupy the entire screen.

This is also important as to **avoid ad fatigue or banner blindness**.

In general, carefully consider your retail media strategy to ensure the best possible user experience.

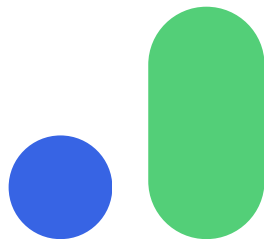


Collaborate with your advertisers to create **strong campaigns**

One strength of Relewise Retail Media, and retail media in general, is that it becomes a gateway to **foster more strategic partnerships** with your advertisers.

It's vital to the overall ongoing success of your retail media program that you have healthy, long-term relationships with them.

Working closely together with your advertisers when creating campaigns is the best way to ensure that **all parties involved gain exceptional value** - both you, your partners and the customers.



A good place to start the dialogue is through asking the following questions:

- 1 CPM-Price:** *What is the maximum bid the advertiser is willing to pay for 1000 impressions?*
- 2 Budget:** *How much are they willing to spend overall?*
- 3 Duration of the campaign:** *For how long should the campaign be active? When should it start and end?*

There **isn't any limit** to how many advertisers [i.e., your suppliers] and campaigns you can set up in Relewise Retail Media.

Because it is a bidding framework, the advertiser that wins the sponsored placement is the one who bids the highest CPM price.





Stronger negotiations

Offering Relewise Retail Media on your platform goes beyond providing sponsored placements on your channels. It allows you to create leverage and value in negotiations with suppliers.



Flexible agreements

For example, a supplier might want to promote a high-margin product and is willing to give you a discount for purchasing these products. To show goodwill and help advance the supplier's products and your sales, you might offer sponsored placements as part of the agreement.



Unique collaborations

Like fingerprints, no two collaborations with your suppliers will be the same. What constitutes a mutually advantageous agreement with one may differ from another.



Makes sense!



When the campaign **reaches its start date, it will automatically launch.**

The campaign will also **automatically stop** at its designated end date.

However, if the entire **budget is spent** before that date, the campaign will end prematurely.



So, what happens when **we're live**?

Every time one of your users visits your site or app, whether they're making a search or browsing a PLP, **Relewise will check if there are any active campaigns** that match the user's behavior.

If there are one or more active campaigns with **products highly relevant** to the user, products from campaigns with the highest bid will be shown in configured sponsored placements, all **in real-time** when searched for.

As previously mentioned, no two campaign agreements between you and your suppliers will be the same. Billing is not set to automatically occur at, say, a fixed monthly schedule, but depends on the specific agreement. Relewise Retail Media calculates the **actual ad spend** on an **on-going basis**, allowing you and your suppliers to agree on the terms of billing.





You also have the option to **pull a report on performance before, during, and after the campaign** for your own evaluation of the effect.

In the case of **significant interest** in sponsored placements from your suppliers, you can always choose to **create additional sponsored placements** further down the PLP or search results page at a later time.

Some users engage in thorough research, scrolling through numerous products before making a purchase. These placements could help capture these users' attention.





**Why should
I get it?**

The main reason for you, as a multi-brand retailer, to get retail media on-site is the adoption of a **new revenue stream** with an **exceptionally high margin** – up to 90%, according to a commerce media survey by Boston Consulting Group.

90%

margins are what you can obtain as a multi-brand store adopting retail media.

Monetize your data

Retail media offers a new revenue stream by **monetizing your data**, allowing advertisers to access **valuable insights** – all while simultaneously driving **more sales**.





Due to the flexibility of which you can create agreements that make the most sense for both you and your suppliers, Relewise Retail Media not only becomes **an appealing revenue source** for you, but also becomes a **valuable tool for your suppliers**.

The strong focus on **mutual commercial benefits** and shared values **enhances the appeal** for both suppliers and brands. Ultimately, this boosts your revenue potential.

Win-win-win:

Creating better customer experience

Relevant ads have the power of introducing products to customers they might not have discovered otherwise. But the **relevancy is key** – the ads must be **carefully curated and targeted** with the **right timing**. This enhances the overall shopping experience and satisfaction.





**From knowledge
to action**

Book a **strategy meeting**

You've reached the end – thank you for reading along!

This white paper has covered the key benefits of Relewise Retail Media for multi-brand stores like yours.

It's an effective way to increase revenue by giving your brands and suppliers the opportunity to gain more product visibility at the exact time customers are looking for it.

But how would it look like for you?

I'd like to invite you to an online retail media strategy meeting with our experts – completely non-binding.

During the meeting we will:

- 1 **Asses** your current setup and identify personalization opportunities
- 2 **Evaluate** how Retail Media could look on your site and its potential for success
- 3 Give you **tailored recommendations** based on our insights and best practices
- 4 **Answer any questions you may have about Relewise Retail Media**

[Book a meeting](#)



Brian and the team are looking forward to seeing you





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Don't be shy. Get in touch