

INTRODUCTION TO RETAIL MEDIA IN MENA - PART 2 OF 2

Introduction

In this 2-part series on Retail Media in MENA, we aim to shed a light on what it is in reality, what opportunities exist in MENA today, the challenges of implementation and some practical advice for advertisers, agencies and retail brands. We will hear from a cross section of the market, providing different perspectives.

In [Part 1](#) we covered the basics: 'What it is, what types there are and why it's such a big opportunity'. In Part 2, we look a little deeper into the benefits for retailers, the impact on consumer behaviours and how retail media can be used for different verticals in the post-cookie environment.

How does retail media impact consumer shopping behaviour?



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Brands, agencies, and retailers around the world are leveraging retail media to drive outcomes across the customer journey. The strong return on these efforts is driving them to increase their investment in strategies that go beyond sponsored products in 2024. As more businesses invest in retail media to get their products in front of more shoppers, mastering both onsite and offsite advertising is crucial. The two channels powerfully reinforce one another – onsite enables brands to influence shoppers at the point of purchase, while offsite expands reach, helping consumers discover new brands and find product inspiration. Advertisers are just discovering the benefits of offsite, while onsite is now an essential advertising practice. Onsite advertising has been fundamental in the last few years during the evolution of retail media influenced by the changed perception of retail websites by consumers. Retail sites are where shoppers do the most product research and are the most-visited pre-shop touchpoint for online buyers. Retail sites have become a trusted source in purchase decisions. 1 in 3 shoppers say retailer and brand websites have become more influential in their purchase decisions over the last two years. 42% of respondents say they can find all the information they need about a product on a retailer website making them the go-to destination for shoppers in their product search journey. They claim that they discover new brands and products through sponsored ads but get attracted to offers via offsite ads. (Criteo Shopper Story, Aug 2023, N=1055) According to recent global data, shoppers who are exposed to both onsite and offsite ads are 5X more likely to convert on the retailer's site, compared to those who only saw a sponsored ad. (2024_ The Great Defrag report)

How does Retail Media's access to first-party data improve campaign performance?



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The move to a cookie-free world in an evolving digital environment marks a major shift in how advertisers approach targeted and personalized content. This puts Retail Media in an important position as a result of access to rich first-party data. Unlike third-party cookies, which track user activity on websites, first-party information is collected directly from the customer's interaction with the retailer's platforms and affects purchase history, browsing behaviour, and customer preferences, making it a goldmine of insights.

For advertisers, this shift to data-first use via Retail Media offers several key benefits that can dramatically enhance campaign performance. It ensures data accuracy and high relevance. Since the data comes directly from interactions between the buyer and the seller, it is more accurate and reliable for developing targeted marketing strategies. Retail Media gives advertisers the ability to directly measure the impact of their campaigns on actual sales, closing the gap between advertising efforts and resulting purchases. This is crucial for optimizing marketing strategies, allowing advertisers to fine-tune their strategy based on what's realistic to make conversions in the future world of cookieless targeting.

Which verticals can benefit most from including retail media in their campaign plans?



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Retail Media is adapting to align with the consumer journey across onsite, off-site, and in-store experiences, significantly impacting decision-making. This evolution drives demand for both Brand and performance marketing. However, the absence of standardized measurement poses a challenge for the C-suite in evaluating efficacy. Successful partnerships between retailers and non-endemic brands hinge on finding common ground, despite consumers' inability to directly purchase non-endemic products. Essential components include decoupled insights, audience understanding, asset selection, and alternative success metrics. In the age of addressability, first-party data emerges as a crucial resource, offering new revenue streams across various commerce-led verticals. This shift distinguishes 'commerce media' from traditional retail media, with brands and agencies planning substantial investments. Nearly half of them aim to explore non-retail verticals with similar data-driven features to meet their 2024 objectives.

Verticals poised to benefit most from integrating retail media into their marketing mix include Financial Services, Healthcare, Travel, and Automotive.