Building a Responsible Retail Media Framework

An industry collaboration, facilitated by ISBA in partnership with OMG

OMG
OmnicomMediaGroup

ISBA

Framework Ambition

- The Responsible Retail Media Framework in this deck is a guide for the industry intended to identify the key components which allow brands to measure media effectiveness across digital retail media, plus provide guidance on best practice.
- This Framework is UK-centric, reflecting the UK GDPR principles governing the acquisition, use, management and sharing of consumer data, and mindful of the range and diverse maturity of the tech platforms deployed by individual retailers.

ISBA Focus

Positioning:	**ISBA is the only body that represents brand owners advertising in the UK. We empower them to understand the industry and shape its future because we bring together a powerful community of marketers with common interests; lead decision-making with knowledge and insight; and give a single voice to advocacy for the improvement of the industry.**
Purpose:	To create an advertising environment that is transparent, responsible and accountable; one that can be trusted by the public, by advertisers and by legislators.
Strategic principles:	Empower media, agency and digital supply chain relationships that deliver value for advertisers transparently and sustainably. → **Transparency** Lead the industry in creating an inclusive and sustainable advertising environment that delivers positive societal and economic impact. → **Transformation & Tech** Deliver thought leadership and actionable learning, advice and guidance, working with our community of members and with partners. → **Talent**

Retail Media: The wider ambition

Our Mission:	**Encourage positive action towards responsible Retail Media investment**
Objective:	Champion the creation of an open and consistent landscape, where brands know what to ask for and retailers know what to aspire to.
By addressing key challenges within:	**Transparency** · **Transformation & Tech** · **Talent**
To improve our ability to understand:	How investment contributes to business outcomes ↓ How investment contributes to output goals ↓ How we know what we're buying and how to optimise it

Executive Summary:

Retail media is experiencing rapid growth and evolution, resulting in a fragmented landscape with significant variations in the maturity of retailers operating within the space. This expansion is further blurring the boundaries between retail media and broader digital channels. Simultaneously, the mounting pressure on brands to demonstrate the effectiveness of their media investments requires the need for retailers to develop retail media propositions that effectively addresses brand challenges.

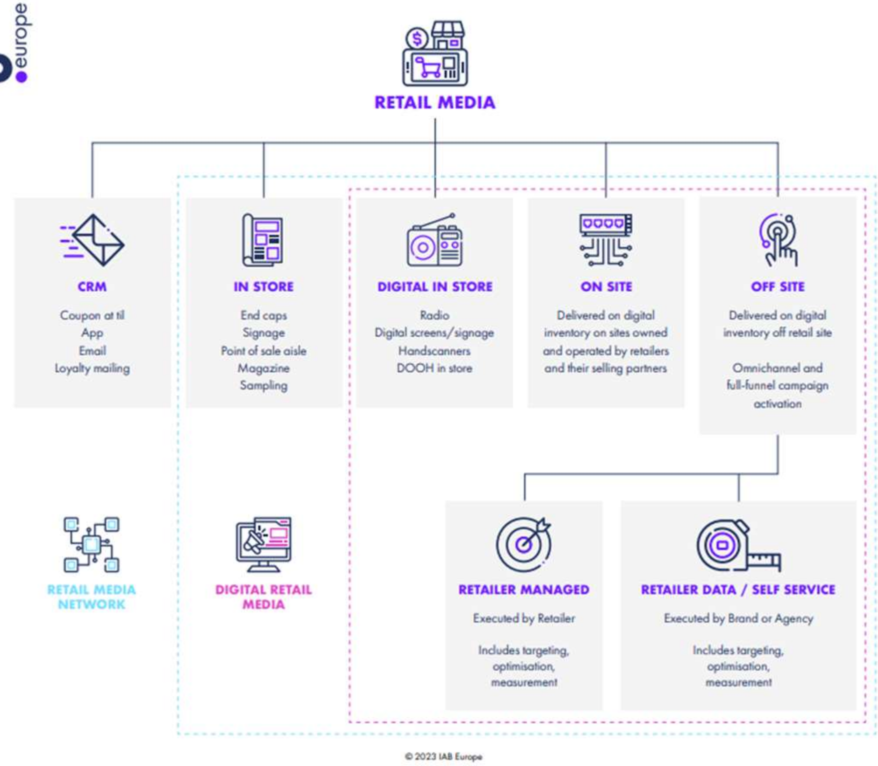
Retail media encompasses a multitude of channels and formats, and owing to its anticipated growth and increasing complexity, this framework is specifically tailored to address the digital aspect of retail media challenges. These identified challenges align with three overarching themes, in line with ISBA's strategic pillars:

- **Transparency:** Fostering transparent and sustainable relationships across the media, agency, and digital supply chain to deliver tangible value for advertisers.
- **Transformation & Tech:** Taking a leadership role in shaping an inclusive and sustainable advertising environment that contributes positively to society and the economy.
- **Talent:** Providing thought leadership, actionable learning, advice, and guidance, while actively collaborating with our community of members and partners.

Given the intricate nature of the retail media landscape, this framework serves as an essential foundational step towards enhancing transparency. It offers a series of solutions aimed at addressing the critical need for consistency and transparency within retail media, with a specific focus on data availability, defining impressions, and developing a standardised methodology for new customer measurement and attribution.

By addressing the challenges highlighted in this audit, and framework, the retail media industry can move towards a standardised and transparent approach, benefitting retailers and brands.

Retail Media encompasses a vast array of solutions. For the purposes of the framework our focus is on digital solutions only



Retail Media refers to the digital advertising space, data assets and in-store opportunities a retailer or marketplace owns which is then made available to brands for the execution of advertising campaigns. Campaign goals include (but are not limited to) brand awareness, driving sales and new product discovery. Retail Media includes an increasing range of digital opportunities which can be segmented into Offsite, Onsite and in-store environments. Retail Media also includes the targeting, optimisation and measurement elements of digital campaigns.

IAB Definition 31st May 2023

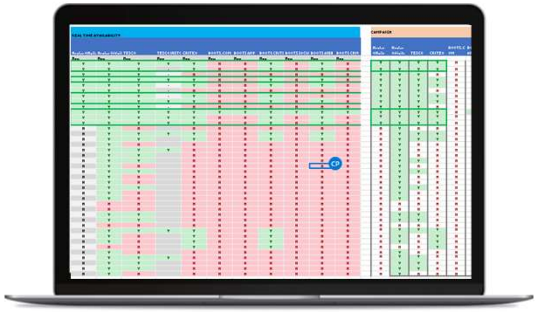
How did we get here?

1. Industry audit & discovery

The audit aimed to get a consistent measure of data availability and capability across UK retailers' current media offerings. This analysed retail media networks, managed buys and offsite propositions and reviewed ad formats, channels, metric availability and definitions across 4 of the main UK retailers.

We followed up the findings with 2 rounds of retailer feedback sessions to understand the blockers and limitations for progressing change. This allowed us to set out realistic steps in accelerating positive change across the outlined pillars.

The audit reviewed:



- Availability of data points
- Granularity of data points
- Definitions across common metrics
- Technology & Retailer Blockers to standardise
- Retailer tech capabilities and Innovation Roadmaps

2. Designing the frameworks

This framework aims to build out realistic roadmaps based on the capabilities of platforms whilst also setting out an agreed ambition on the key next steps to be prioritised in future developments to drive improvement across UK retail media.

We suggest looking at three steps to cover both short- and long-term actions:

1 Now

The suggested first actions that retailers and RMN's can take. These are achievable and realistic based on current capabilities of large portion of industry. Expectations aim to answer brand concerns on current limitations by addressing at least one focus area.

2 Next

The "Next" outlines the suggested next steps which should be prioritised within any future technological, product development or commercial roadmaps.

The timescale of achieving these steps will depend on several factors outlined in the framework considerations pre-reads.

3 Long Term Goals

Sets out the required actions to resolve issues around standardisation and brings transparency and consistency across all focus areas.

From our audit we identified 4 areas with opportunity to improve:

- Availability of Data & Insights
- Impression Definitions
- “New” Data Methodology
- Transparent Attribution Methodology

Availability of Data & Insights

Availability of Data & Insights

Our Ambition

Measuring the effectiveness of retail media campaigns is essential for brands to determine their success. Going beyond standard media metrics allows brands to fully measure the effectiveness of their campaigns on retail media signals and optimise against their customers, not channel performance.

To drive consistency in the metrics available to brands across digital retail media channel selection, we need consistent reporting and extractable formats that allow brands to cross-compare data over time and between campaigns.

The driver of progress for retailers across this pillar is the range of data points that brands have access to, as well as the accessibility of the data in-flight and post-campaign. Accompanying retail data alongside media data brings transparency into the profitability and incremental value of media investment, and product roadmaps should prioritise these metrics.

Data Availability Audit: Similarities in availability of common metrics, but advanced data points varied widely

	R1 Onsite	R1 Offsite	R2 Onsite	R2 Offsite	R3 Onsite	R3 Offsite	R4
Basic Media Metrics: See notes	Available	Available	Available	Available	On Roadmap	On Roadmap	On Roadmap
Add to Basket	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable
Ad Frequency	Unavailable	Available	Available	On Roadmap	Available	Available	Unavailable
Unique Impressions/Click	Unavailable	Available	Available	Unavailable	On Roadmap	On Roadmap	Unavailable
New to brand: Impression/Click/Conversions/sales	Unavailable	Available	Available	On Roadmap	Unavailable	Unavailable	Unavailable
New to category: Impressions/click/conversion/sales	Unavailable	Available	On Roadmap	Unavailable	Unavailable	Unavailable	Unavailable
Brand and category benchmarks	Unavailable	Available	Available	Unavailable	Unavailable	Unavailable	Unavailable
Brand Halo Sales / Brand Category sales	Unavailable	Available	Available	Unavailable	Available	Available	Available
Clicked Item vs. bought item	Unavailable	Available	Unavailable	Unavailable	Available	Available	Available
Attribution contribution across formats	Unavailable	Available	Unavailable	Unavailable	Available	Available	Available
Cap out reports a view of when campaigns go dark	Unavailable	Available	Unavailable	Unavailable	Available	Available	Available
LTV/Frequency of purchase measured over time	Unavailable	Available	Available	Unavailable	Unavailable	Unavailable	Unavailable
Contribution to overall online sales	Unavailable	Available	Available	Unavailable	Unavailable	Unavailable	Unavailable
Impact on overall category growth	Unavailable	Available	Unavailable	Unavailable	Unavailable	Unavailable	Unavailable

Available | On Roadmap | Unavailable

Basic media metrics: Spend, Impr, ClicKs, Cnvs, Sales, CTR, CVR, CPC, CPM, CPA, ROAS

Summary of Findings

Technology & CRM Maturity:
The amount of customer and loyalty data collected varies across the UK retail industry, and retail and customer metrics are often inconsistent, partly due to the penetration of CRM programs. To get consistent metrics beyond the basics, retailers need to invest in technology solutions that can link online and offline customer data using a consistent method.

Additional Skill & Expertise Requirements:
Retail insights may require a degree of data manipulation, more complex computation, or analyst selection and validation. Where this happens, we encourage a standardised methodology to be used over time for brands to identify trends.

The Framework sets the ambition across 3 focus areas to drive improvement of data availability

01

Expansion of Basic & Advanced Media Metrics

Goal:
Media metrics should aim to be consistent with the channel reporting of the wider digital space.

Basic media metrics:
Should aim to follow the guiding principles of the MRC outcomes and quality control standards which looks to drive consistency across all digital media channels.

02

Expansion of Retail Data Points

Goal:
Increase delivery of retail data points which allow brands to see incrementality driven and profitability of investment.

Retail metrics:
Accompanying retail insights should aim to provide brands with transparency to the profitability and incremental uplift driven from their investment, prioritising a deeper view of customer data and advancing attribution methodologies.

03

Accessibility of Data & Insights

Goal:
Extractable and consistent formats of reporting that allow for better analysis to identify trends.

Extractable:
Data provided in consistent, templated formats across all reports. This should look to evolve from excels in the long term to API and cloud-based software solutions.

Consistency:
Short-term focus should aim to deliver a consistent view of a brands data across reports and be transparent in the data points available and definitions used.

Framework to drive consistency in data availability

	Now	Next	Future
Ambition	**Allow brands to have a consistent view of data and be able to cross compare between campaigns through extractable formats.**	**To allow brands to better understand incremental value of spend through advanced analytical data – prioritising metrics such as ‘new customers’ and sales uplift methodologies.**	**Brands can manipulate the data in their own way to see customer journeys across media touchpoints with supporting retail data and insights.**
Component 1: Basic Media Data Expansion	• Data in an extractable pre-templated format, such as excel / CSV and available across all campaigns. • Data shared post-campaign within a reasonable period after the attribution window closes.	• Basic data available in-flight and in a templated extractable format, such as dashboards or through API solutions.	• All data points are available in open API or through cloud-based software solutions.
Component 2: Advanced Media Data Accessibility		• Advanced data available in-flight and in a templated extractable format, such as dashboards or through API solutions. May be made available through 3P technology suppliers.	
Component 3: Retail Data & Insights Accessibility		• Advanced data and insights should aim to be provided or supported in consistent extractable formats such as excel or CSV within a reasonable period post-campaign.	
Component 4: Transparency	• Provide a glossary of metrics available across all report types. • Provide definitions alongside all metrics.		

Aligning media data points with brand priorities

Brand Priorities	Basic Media Data	Advanced Media Data
Awareness / Penetration	Impressions	Unique Impressions | Viewable Impressions
Consideration	Click data | CTR VTR | VCR	DPVR (PDP) Unique clicks data Ad frequency data
Conversion	Sales | Spend Buying Mechanic CPC / CPM etc. CPA | ROAS	Share of search | Impression share Budget cap out reports
Loyalty		

Aligning retail data points with brand priorities

Brand Priorities	Retail Data Points	Retail Insights
Awareness / Penetration	New to brand | New to category data	Category Benchmarks | Peer brand benchmarks
Consideration	Add to Basket | Basket abandonment Clicked item vs. bought item	Brand search uplift pre / post campaign
Conversion	Conversion: Brand Halo Advanced Attribution: Multi Touch | Time Decay | Contribution across formats	Sales Uplift: Contribution to overall sales | Cat / Market share | Brand Uplift Reports
Loyalty	LTV | measured over time Frequency of purchase measured over time	

Defining Impressions

Defining Impressions

Our Ambition

Retail media encompasses both Onsite and Offsite digital channels. Currently, the absence of industry-wide standards results in variations in impression definitions, leading to inconsistencies not only across the sector but even within individual retailer media portfolios.

In the short term, the framework aims to offer brands a clear understanding of what constitutes an impression in reporting across all media channels provided by retailers. In the long term, the objective is to align retail media practices with broader performance marketing benchmarks and adhere to IAB media guidelines.

Audit Findings: Definitions of impressions meet IAB standards in only 12% of formats

Meet wider digital advertising standards

0%	**Onsite impressions** adhere to IAB standards and 100% are counted when "an ad renders on the page"	12%	**Offsite impressions** adhere to IAB standards for digital media

Transparency

100%	Of retailers provide the ability to provide impression definitions either in reporting or as a glossary link	55%	of impressions can be tracked using third party verification for Offsite formats, only when served through a DSP

Reporting flexibility

0%	Of retailers provide commercial models based on viewable impressions	0%	Offer reporting flexibility to breakdown frequency of impressions and provide more accurate view of touchpoint

Summary of Findings

IAB Standard Adherence Onsite Formats: For onsite formats retailers have defined an impression, in most instances, as 'ad rendering on the page' without any element of viewability. To meet wider digital standards, retailers will need to prepare for change with how data passes back to ad tech platforms, currently data signals are notified of "loading" of ads and not "viewing" which leads to discrepancy in methodology.

IAB Standard Adherence Offsite Formats: Adherence to IAB definitions is more widely available across offsite formats where 3P tagging is more commonly permitted.

Transparency: Definitions are made available but aren't necessarily explicit in all reports, and brands have flagged they are unaware of all discrepancies in definitions. It's recommended to provide definitions and glossaries in all reports to remove ambiguity.

The Framework sets the ambition across 3 focus areas to deliver a consistent definition of Impressions

01

Meet wider digital advertising standards

Goal:

To meet the same standard of definition as the wider digital advertising industry. Prioritising consistency in offsite media where technology is more readily available, and onsite in the longer term.

We suggest therefore using the guidelines set out by the IAB:

IAB Digital Media Standard Thresholds of Ad Impression:

Display: At least 50% of an ad visible for a minimum of 1 second on all Onsite and Offsite media formats.

Video: At least 100% of an ad visible for a minimum of 2 seconds in all media formats.

02

Improve Transparency & Verification methods

Goal:

Reports should explicitly disclose all metric definitions so differences between formats are easily identifiable. Longer term focus should be to have the definition verifiable by an independent body.

3P Verification:

Increasing the availability of external verification allows brands to have full transparency of adherence to fraud prevention and brand safety agreements. For onsite formats this is of equal importance for brands to verify ad placement deliverables.

03

Reporting Flexibility

Goal:

Deeper data insights to widen the reporting metrics which are available to brands to include frequency of impression, and viewable impressions across all formats.

Framework to drive consistent impression definitions

Due to the disparity in technology infrastructure, progression steps have been tailored to consider achievable and realistic actions across onsite and offsite formats.

	Now	Next	Future
Ambition	**Impression definitions should be included in all reporting provided to brands in all campaign reporting.**	**All formats are measured in alignment to wider digital marketing standards meeting the minimum IAB standard to allow for cross channel and format consistency.**	**Focus on verification by a 3rd party, giving brands better transparency of ad fraud risk, and media performance against industry guidance.**
Component 1: Onsite Retail Media	• Onsite formats should aim to be transparent and consistent in impression definition across all placement types.	• Onsite formats should aim to be use a consistent definition aligned with the IAB minimum standard thresholds.	• 3p verification made available across all media formats.
Component 2: Offsite Retail Media	• Offsite formats should aim to be use a consistent definition aligned with the IAB minimum standard thresholds.	• 3p verification made available across all media formats.	
Component 3: Transparency & Verification	• Explicitly disclose all metric definitions so differences between formats are easily identifiable.		• Reporting flexibility provided to brands demonstrating viewability standards, placement breakdowns and further data frequency of impressions.

Definitions:
New to brand / category

“New Customer” Data

Our Ambition

As retail media investment increases, brands are becoming more determined to measure and understand the incrementality of sales driven. This is leading them to focus on data points that help them understand where growth is coming from.

However, new customer metrics are complex, and retailers must consider category nuances and brand behaviour when defining "new“, as well as the incorporation of CRM data which defines omnichannel reporting.

In the short term, the goal is to increase transparency of definitions by making it clear how data is calculated being made clear within all reports. In the long term, advanced technology solutions would be required to deliver a consistent data source to enable comparison of data.

New Customer Audit Findings: Data Availability and Methodologies vary considerably due to technology capabilities

Data Availability

29%	Available in an extractable format such as CSV/Excel to allow data analysis	**10%**	Available mid and post campaign within a reasonable timeframe for analysis

Transparency

10%	Of retailers offer breakdown of what is considered in a new customer audience including time since last purchase	**0%**	Provide additional insights into brand buying and purchase cycle insight alongside

Advanced Measurement

0%	Report “new” data across all channels offered by the retailer	**0%**	Offer cloud based new customer data through APIs allowing comparison with owned data sets

Summary of Findings

Methodologies: Depending on how a shopper engages with in-store and online formats and CRM data penetration across both touchpoints can dictate accuracy of this data point and advanced technology systems would need to be in place industry wide to deliver consistency in this space.

Data Availability: Data is often made available post-campaign and can be tied to spend thresholds due to additional analyst resource needed to facilitate data matching. Where data is available, definitions aren’t always explicitly referenced with supporting rationale on why definition is being used.

Standardisation Expectations: Advanced technology, which enables omnichannel data matching through cloud-based solutions, may be the long-term solution to drive consistency across new customer data.

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The framework sets the ambition across 3 Focus Areas to deliver improved delivery of 'New customer' Data

01 Improve Transparency

Goal:
Explicitly calling out rationale behind methodologies used will allow brands to confirm the accuracy and relevance of the data points being provided.

Definition Considerations:
Omnichannel: How data is mapped across online and offline channels and how shoppers engage across touchpoints.

Shopper / Category Behaviour: Modelling considers behaviour of shoppers across brand peer sets and relevant categories.

02 Increase Data Availability

Goal:
Increase access to data where possible so insights can be used by brands within campaign to better optimise performance.

Extractable and Consistent Formats:
Providing data in pre-templated formats allow brands to cross-compare insights and identify trends over times.

Insight Availability:
Supporting brands with insights on new and existing customer penetration guides audience targeting within campaigns, and where links to campaign data can be made available should be shared within flight to improve optimisations.

03 Advanced Solutions

Goal:
Considering various nuances across verticals, retailers should aim to create and provide methodologies which are insight-based and relevant to brand and category behaviour.

Advanced technology:
Which enables omnichannel data matching through cloud-based solutions, may be the long-term solution to drive consistency across new customer data.

Framework to drive consistent methodologies of defining 'new'

Investment into technology solutions is required to advance methodologies and improve data availability and whilst 'next' actions should be prioritised within product roadmaps they should be considered as long-term actions.

	Now	Next	Future
Ambition	**To drive better transparency within current reporting as to how 'new customers' are being measured.**	**Focus on increasing availability of data to be seen in-flight, and advance methodologies by accompanying insights on buying cycles to verify accuracy of measurement set by retailer.**	**Total measurement flexibility aligned to brand asks with data manipulable across format, channel and visible with changes over time.**
Component 1: Improve Transparency of Methodology	• Open and transparent definitions across media being used explicitly calling out rationale behind methodologies and considerations against omnichannel touchpoints, and shopper category behaviour (if they have been taken).		
Component 2: Improve Availability of Data	• Data shared post campaign in a templated extractable format, such as excel / CSV so data can be cross compared over time periods.	• Data available mid-campaign and post campaign and in a templated extractable format such as excel / CSV.	• Brands have access to data through cloud-based software where they can see NTB data across multi-format, multi-channel analysis against benchmarks and changes over time.
Component 3: Advanced Measurement Modelling		• Methodologies are based on insights of category and brand buying cycles to validate accurate measurement definitions.	• Full data flexibility enabled through reporting, so brands have control of how 'new customer' data parameters are set.

Transparent Attribution Methodologies

Transparent Attribution Methodologies

Our Ambition

As retail media networks have increased in volume, as have the amount of attribution methodologies. This leads to brands being unable to compare data across industry and be able to truly understand the value of their investment.

Standardisation in this area however isn't simple, every brand and category will consist of shoppers with different buying behaviours, so the same methodologies cannot be applied across verticals. Similarly, media touch points can't be fairly measured in the same way as we know there will be higher performing channels which sit closer to the point of purchase.

The ambition is therefore not focused around defining a one size fits all methodology, but instead aims to drive a standardised approach which allows brands to have transparency on the models which are being used and longer-term flexibility in the types of reporting they see which gives them the power to determine how they define success in campaigns.

Attribution Methodology Audit Findings:

Data Availability

71%	Of retailers can provide data in an extractable format such as CSV/Excel to allow data analysis	**57%**	Of retailers can provide data through a closed API directly into 3p tech or brand dashboards

Transparency

100%	Of retailers provide definitions of what attribution window has been used on brand request	**0%**	Allow for verification of media through third party tagging such as Moat or DV

Advanced Measurement

28%	Offer consistent attribution windows across formats e.g. search and display	**15%**	Offer flexibility into attribution window, enabling brands to pick between 7,14 & 30 day windows

Summary of Findings

Tech Capabilities: Availability of attribution data is currently inconsistent due to some media buys still being available direct and across tenancy placements. These formats, which are considered more traditional and bought by trade teams, aren't supported by ad tech platforms which offer easily extractable data. It's recommended for these types of buys the first priority is to invest into technology solutions which enable this at scale.

Consistency: Buying windows differ based on retailer environment and type of product, and retailer insights don't define methodology instead RMNs define attribution windows. It's recommended to offer limited flexibility to provide brands more relevant models to their shoppers.

Verification: 3P Verification & Audit Rights risks a retailer's exposure to data and compliance regulations and is therefore not deemed feasible. Instead, in the short term we encourage transparency with clear attribution definitions included within all reporting.

The framework proposes the ambition across 3 Focus Areas to deliver consistent definitions of Impressions

01

Increase Availability of Data

Goal:
Ensure extractable and consistent formats of all reporting that allow for better analysis to identify trends.

Improvement of Trade Banners:
These formats are typically not supported by ad tech platforms and data integrations are more limited. It's recommended to focus initial improvements on making data more widely available with longer term investments into technology solutions which provide robust measurement methodologies.

02

Increase Flexibility of Reporting

Goal:
Considering nuances across verticals, retailers should aim to provide brands with flexibility of methodology used within a pre-determined set of windows to ensure relevance to brands.

Flexibility should aim to be offered across the below:

Time decay: Recommended lookback window of 7 / 14 / 30 days.

Touchpoint: Recommended across Clicked or viewed impression.

03

Advanced Measurement

Long term ambition:
To enable brands to understand customer journeys across different touchpoints through advanced measurement solutions in cloud-based solutions.

Robust Measurement Methodology:
Methodologies should aim to show customer data engagement across touchpoints and over time so brands can optimise across the entire journey.

Framework to drive improvement of methodologies of defining attribution models

Increasing availability of data and flexibility of attribution methodology will drive the greatest improvement by providing brands with a more relevant model to their shoppers buying cycles.

	Now	Next	Future
Ambition	**Transparent definitions shared across all media with data being shared in extractable and templated formats to allow brands to collect and cross compare data over time.**	**Increase availability and flexibility of data and where possible provide data in-flight given brands more transparency and control over methodology used.**	**Provide total flexibility in attribution and measurement models with format, channel and time decay data available. Data should also aim to be made available in real time through open API or cloud-based software solutions.**
Component 1: Increase Availability of Data	• Data in an extractable pre-templated format, such as excel / CSV. • Data shared post-campaign within a pre-agreed period after the attribution window closes.	• Sales data available in-flight and in a templated extractable format, such as dashboards or API solutions.	• Real time data available in open API or through cloud-based software solutions.
Component 2: Advancing Measurement Modelling: Increasing Flexibility		• Flexibility provided with predetermined selection of attribution windows (7, 14, 30 days) and touchpoints.	• Total flexibility across time decay, touchpoints, and channel engagement.

Thank You