7 Ways to elevate your Retail Media Network

Playbook

FOR **PRODUCT ADS** SUCCESS

Product Ads Are Not Perfect... Yet

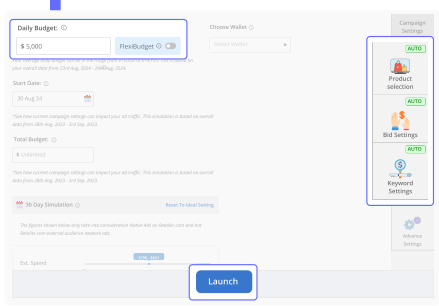
Virtually every retail media network features product ads, and it's easy to see why. These highly effective, context-driven ads integrate perfectly into the shopping experience, capturing customers' attention effortlessly. With their powerful ability to deliver a high return on ad spend (ROAS), product ads consistently perform well, making them a favorite among advertisers looking to maximize impact and drive sales.

Yet, retailers & advertisers both still face few major challenges:

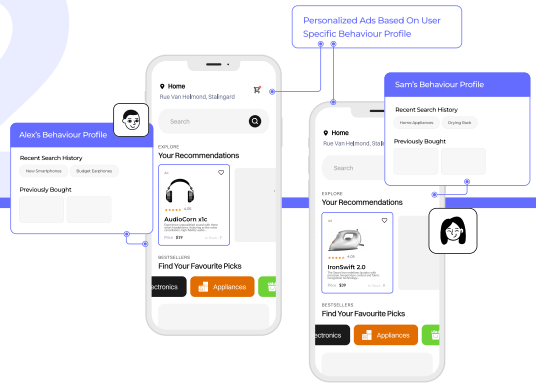
1. Retailers **struggle to engage smaller advertisers** in retail media monetization due to their lack of resources and expertise in managing Product Ad campaigns.
2. Advertisers' reliance on **manually entered keywords limits ad visibility** and ad fill rates, as ads may not align with actual customer search query.
3. Advertisers often face **uncertainty in understanding the revenue potential** and optimal investment for campaigns, making it challenging to decide which retailer's media network to invest in.
4. Promoting products that may be **out of stock leads to wasted ad spend** and operational inefficiencies, resulting in customer frustration and potential damage to the retailer's reputation.
5. Retailers risk **undervaluing high-value categories and keywords** in auctions, as yield threshold control is only available at the program level, ultimately lowering overall program yield.
6. Retail media network often **report only ad clicks and sales, limiting transparency** and leaving gaps in understanding ad effectiveness, which can erode advertiser trust and impact long-term relationships.
7. Advertisers often **underestimate the impact of ads on non-promoted products**, leading to misattributed sales and undervalued ROAS, which requires retailers to invest in detailed reporting to capture the full campaign impact.

To rise to the top of the retail media network market, you must tackle these critical issues head-on and deliver unparalleled solutions for your advertisers. **Here are the seven must-have Product Ad features your retail media network should offer to keep your advertisers satisfied**

1 1-Click Campaign Launch

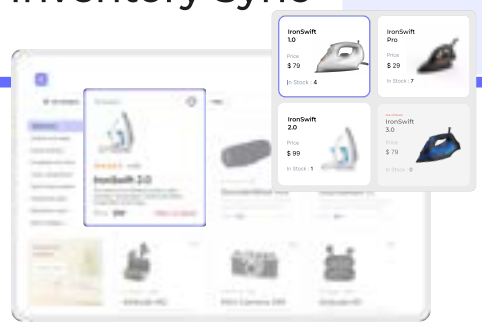


2 AI-Enabled Keyword Targeting

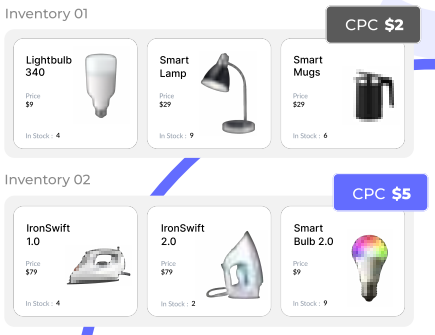


3 Campaign Result Forecaster

4 Real-time Inventory Sync

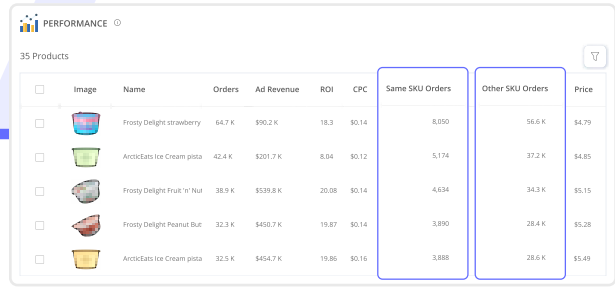


5 Micro-level Yield Control



6 Full Funnel Analytics

7 Brand Halo Measurement



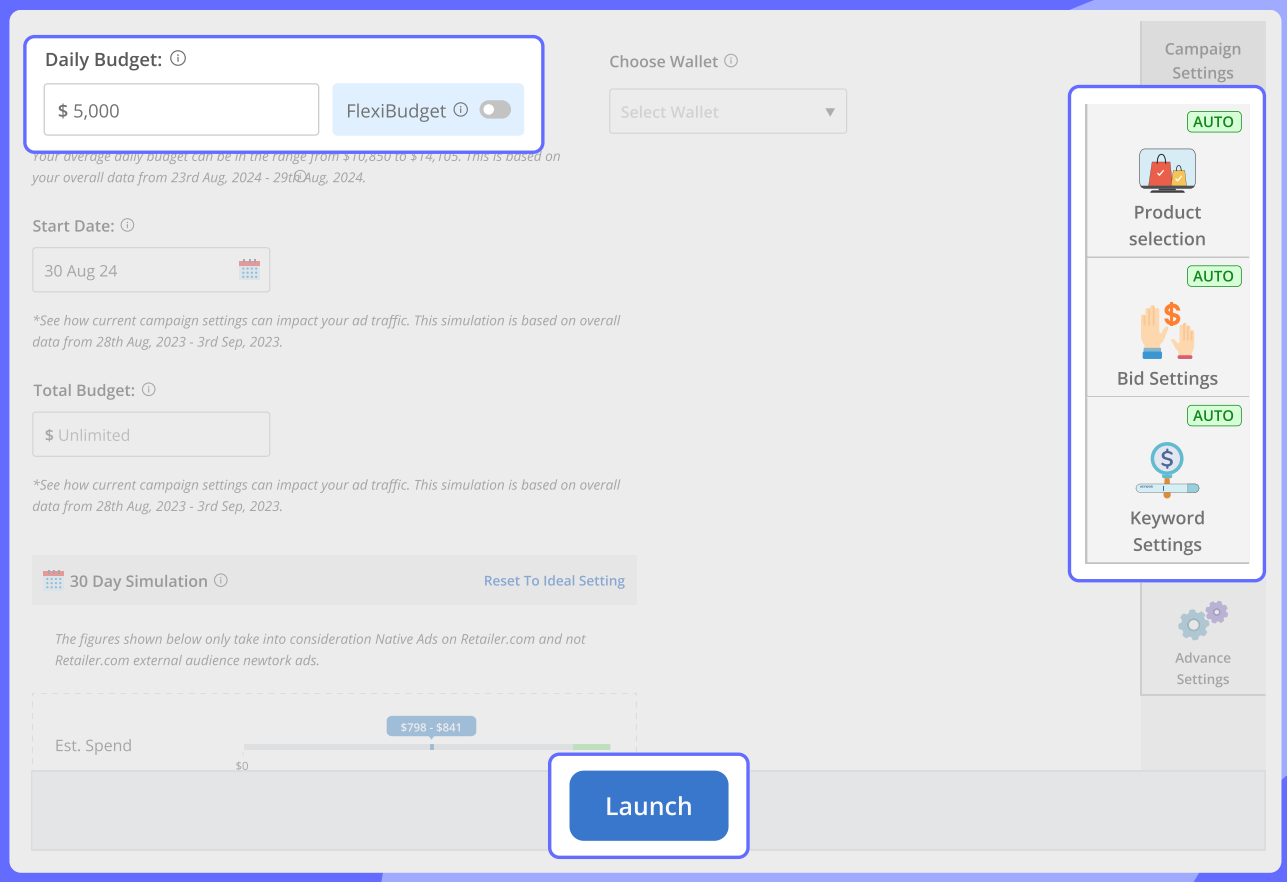
1 1-Click Campaign Launch

Summary

Make it easy for your advertisers to launch campaigns with one click, simplifying the process and lowering the barrier of entry.

The Challenge

Retailers struggle to engage tail and torso advertisers in retail media monetization because these advertisers often lack the resources and expertise to run Product Ad campaigns. Key challenges include difficulty in selecting the right products and keywords for ads, setting competitive bids, and determining the optimal ad placement and timing. Without features to address these issues, retailers either can't activate these advertisers or must allocate significant resources to manage low-potential campaigns for them.



What you can do

Launch a smart shopping campaign option - a one-click campaign that manages everything for the advertisers. They will simply need to set a daily budget, and they will be able to launch a campaign with AI-powered features such as:

Automated Product Selection

Analyze signals from shopper profiles and purchase patterns to automatically choose the best products from the advertiser's catalog for the campaign—no manual product selection needed

Automated Bidding Optimization

Adjust bids automatically based on demand to increase the chances of winning the auction, eliminating the need for manual bid setting and ongoing optimization

Automated Keyword Targeting

Oftentimes the shopper mistypes queries when searching for an item. Using NLP models to interpret customer search queries and buying behavior, the campaign will identify the most relevant product ads without requiring advertisers to add specific keywords

AI-Enabled Placements

AI determines the optimal ad placements across various touchpoints, such as home, category, search, checkout, and product detail pages, so advertisers don't need to figure out the best placement themselves

By lowering entry barriers, retailers invite a broader range of advertisers to join their networks. This approach attracts diverse advertising partners while keeping the ad operations team's workload manageable. It opens new revenue streams and enhances the efficiency of advertising campaigns, driving greater success without additional strain on operational resources.

2

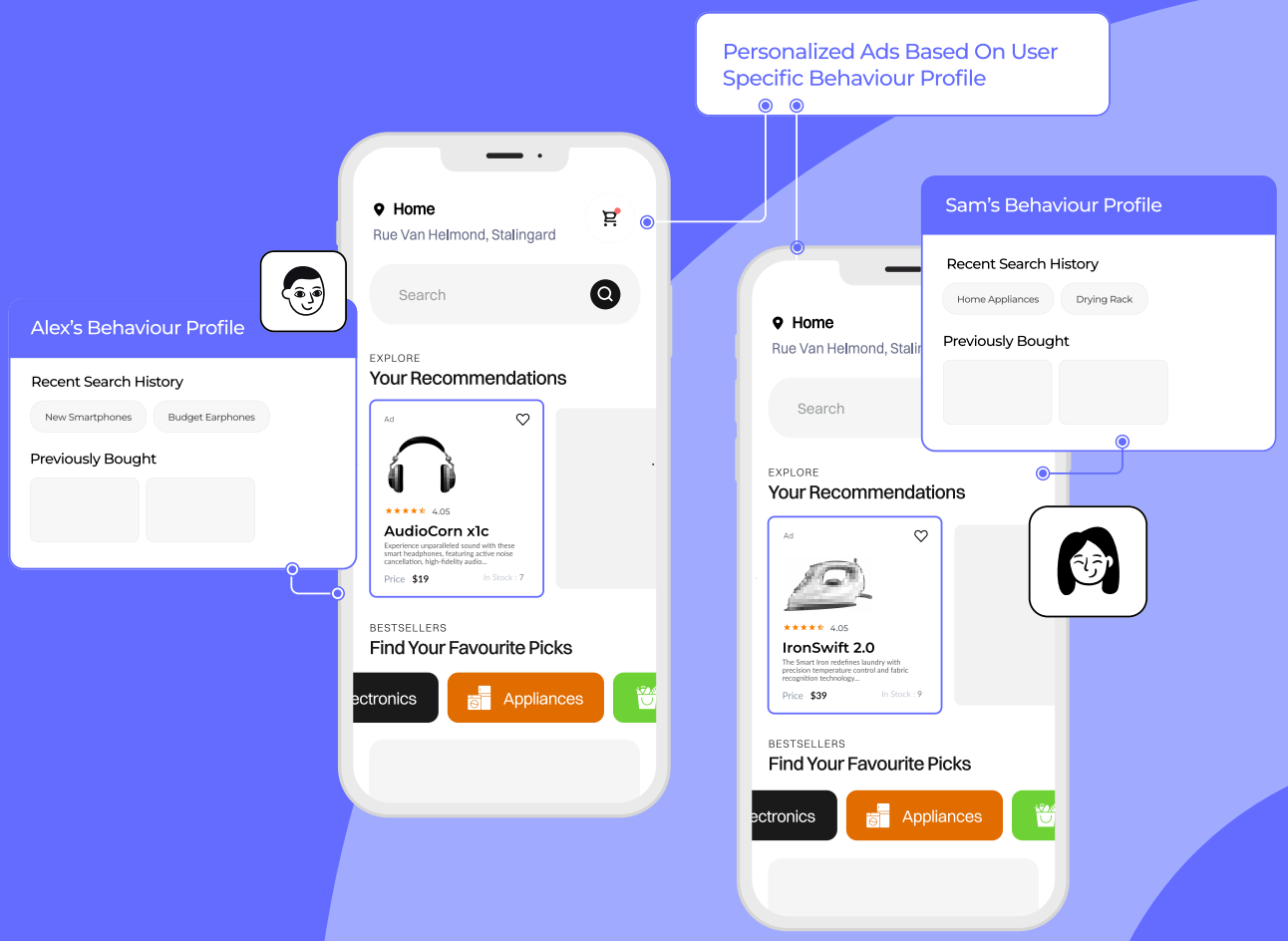
AI-Enabled Keyword Targeting

Summary

Use algorithms to analyze customer intent and behavior for dynamic ad targeting, eliminating the need for advertisers to provide keywords manually. This boosts ad relevance, fill rates, and CTRs.

The Challenge

Typically, advertisers must provide a list of keywords for targeting, and their product ads are only shown for these specific keywords. Since there is a limit to how many keywords advertisers can manually enter, their ads may not appear in relevant searches if the exact keywords used by customers aren't included in the list. Even when product ads are displayed, the click-through rates (CTRs) are often low because the ads don't consider the user's intent, such as their affinity for a particular advertiser, the types of products they usually browse, or their willingness to pay.



What you can do

Set up a contextual relevance algorithm - allowing advertisers to reach shoppers without the need for manual keyword input by:

Intent-Based Targeting

Use NLP to understand customer search queries, eliminating the need for manual keyword and query mapping. The algorithm should handle variations in language, misspellings, and alternative product names effectively

Nearest Similar Category Search

The algorithm should continuously learn and refine its associations between keywords and relevant categories, enabling it to respond with increasingly relevant product recommendations

Following Search Context

Ensure that even after a consumer leaves the search page and navigates to other sections of the site, the previously searched content is displayed on relevant pages, maintaining the context of their search history until a significant action is taken

By leveraging algorithms that focus on user intent rather than rigid keyword constraints, advertisers can achieve higher fill rates. Ad slots that previously went unfilled due to limited keyword-product matching are now effectively utilized, opening up new opportunities. Additionally, with ads tailored to customers' preferences, price sensitivities, and buying behaviors, retailers can enhance CTRs. When customers encounter ads that genuinely resonate with their interests, the likelihood of engagement skyrockets, maximizing both ad impact and revenue.

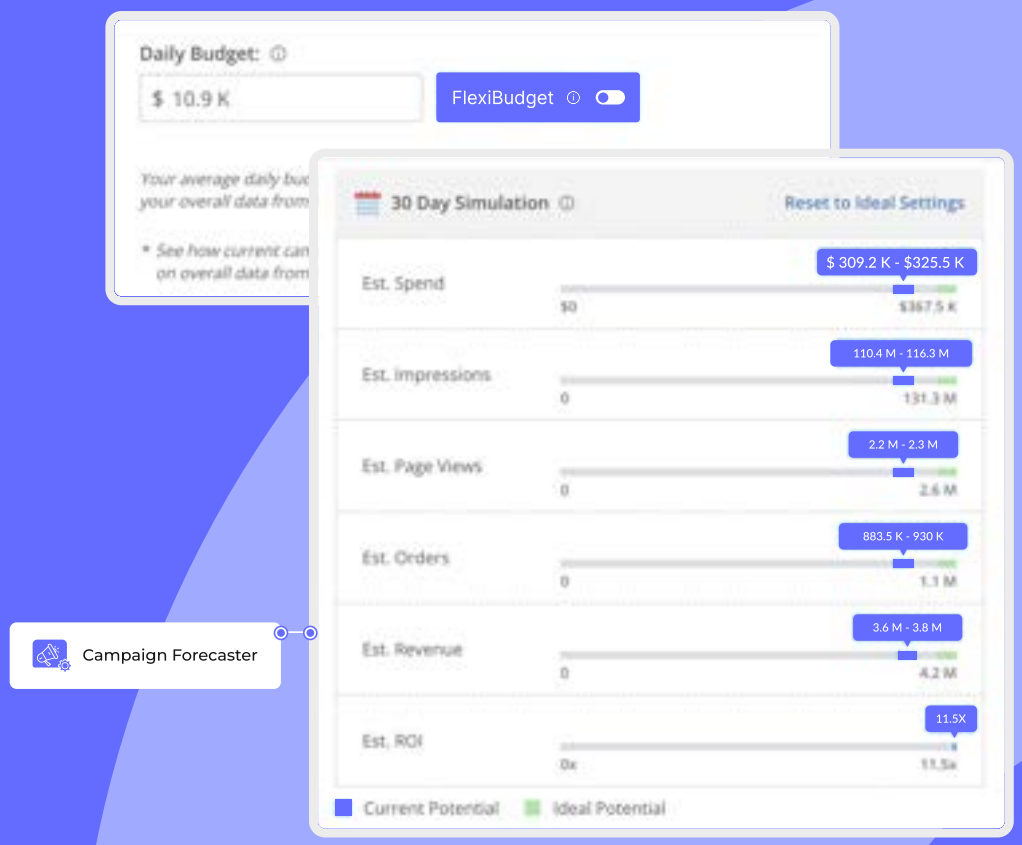
3 Campaign Result Forecaster

Summary

Offer full funnel forecasts from impression to ROAS, to help advertisers optimize their campaigns and build trust in your platform.

The Challenge

Advertisers often face challenges in understanding the potential revenue impact of their campaigns and determining the optimal investment needed to achieve the best ROAS. This uncertainty creates a barrier to entering a retailer's media network, as advertisers are unsure why investing in one retailer's network might be more beneficial than another. Additionally, tail and torso advertisers are often unclear about how much they should initially invest, further complicating their decision-making process.



What you can do

Provide a campaign forecast table that gives advertisers a quick overview of estimated results of the campaign. This includes:

Thorough Campaign Forecasting

Provide a detailed forecast of results for each campaign, including key metrics like spend, impressions, pageviews, orders, revenue, and ROAS, offering advertisers a comprehensive view of expected campaign performance

Real-Time Impact Analysis

Display the potential impact of adjustments to campaign settings—such as changes in product selection or daily spending—in real time, enabling advertisers to make informed decisions and optimize their campaigns dynamically based on current data

Optimal Daily Budget Recommendations

Recommend an optimal range for the daily budget to maximize return on ad spend (ROAS), helping advertisers achieve the best possible results from their campaigns while ensuring efficient resource use

Retailers can elevate their credibility by offering a crystal-clear view of the anticipated campaign impact, and their reputation soars even higher when actual results closely match those forecasts. As advertisers weigh their options, they're drawn to retailers who can precisely quantify the potential impact of their ads, making these retailers the top choice for investment. This transparency builds trust as well as simplifies the process for tail and torso advertisers with little to no media planning experience, allowing them to dive in with ease and confidence.

4 Real-time Inventory Sync

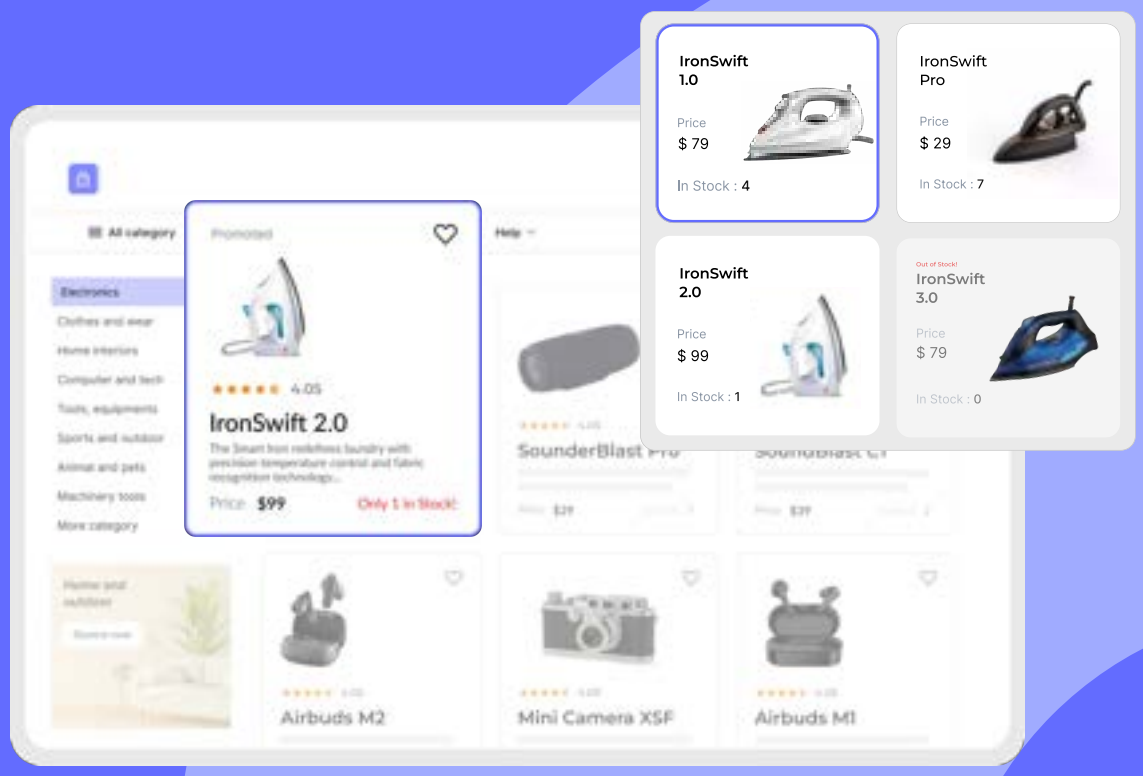
Summary

Synchronize store inventory data with the ad server in real time to dynamically adjust campaigns, avoid wasted impressions on promoting out-of-stock products.

The Challenge

Promoting products that might be out of stock poses significant risks to the advertisers- It leads to wasted ad spend and operational inefficiencies, as the misalignment between advertising and inventory levels creates missed opportunities. Not only does this result in unnecessary expenditure, but it also negatively impacts customer satisfaction.

Consumers who encounter out-of-stock items after responding to ads may feel frustrated, harming the retailer's reputation and reducing repeat business. Ensuring ads align with real-time inventory data is crucial to avoid these issues and maintain customer trust.



What you can do

Automatically stop serving ads of out-of-stock products. Alternatively if there are any changes made to product pricing, reflect changes in ads instantly. Here's how this solution can be effectively implemented:

Real-Time Data Integration

Implement technology that connects inventory management systems with the ad server. This integration ensures that any changes in stock levels are immediately reflected in the advertising platform

Dynamic Ad Adjustments

Use real-time inventory data to automatically adjust ad content. If there are any changes to the product pricing made by the advertiser in their system, the change should reflect in the ads directly. This spares advertisers from managing pricing in multiple systems

Implementing these measures will help to minimize inefficiencies, reduce wasted ad spend, and maintain customer satisfaction by ensuring that advertising efforts are closely aligned with current inventory levels.

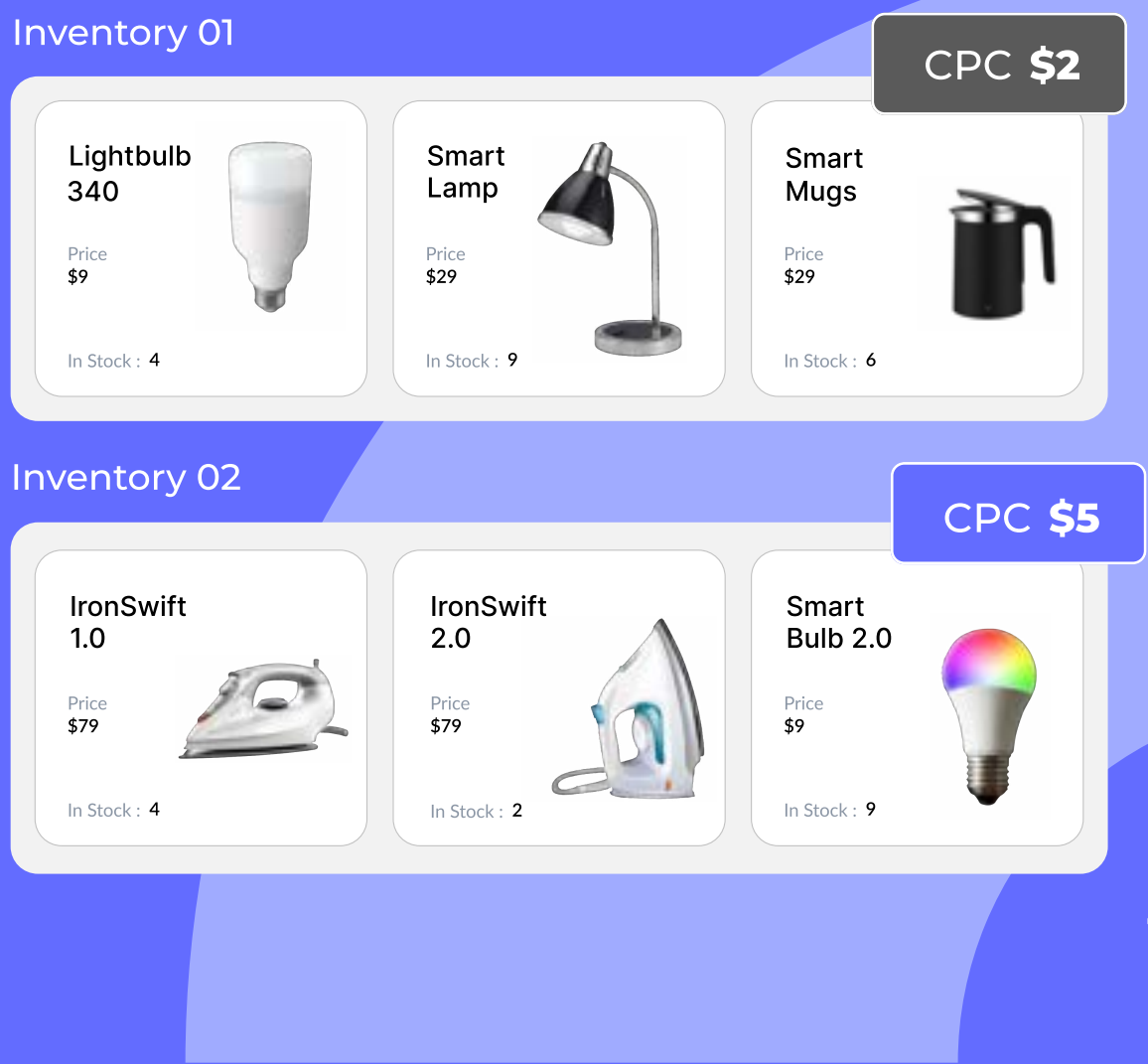
5 Micro-level Yield Control

Summary

Set minimum and maximum CPC rates by category and keyword, enhancing control over ad spend, optimizing auction strategies, and maximizing revenue from premium ad slots.

The Challenge

Retailers face the risk of their high value categories and keywords being auctioned off at undervalued prices due to the limited controls available to them. With the current ad systems, their only control is setting a minimum cost-per-click (CPC) at a program level, which drives down the overall program yield.



What you can do

Have complete control over CPC rates to maximize yield from ad placements with:

Yield Management at Category Level

Set minimum & maximum cost-per-click (CPC) rates at category level to ensure that product ads for popular categories are not being undervalued

Keyword Bid Setting

Set minimum and maximum CPC for your most popular keywords to ensure that your popular search queries are monetized effectively

Instant Threshold Updates

The portal that your team is using to manage the program should be sophisticated enough to enable change in yield threshold instantly

Retailers can supercharge their revenue by setting a premium floor CPC for their most coveted ad slots, ensuring top dollar for the most valuable placements. This flexibility allows them to tailor their approach to maximize revenue and align with their overall strategy, optimizing their ad inventory for maximum profitability.

6

Full Funnel Analytics

Summary

Provide full-funnel analytics and detailed reports to give insights into the entire product sales process, enhance transparency, and build trust with advertisers.

The Challenge

Retail media network typically report only on ad clicks and sales, which limits retailers' ability to offer a comprehensive and transparent view of how advertising influences each stage of the purchase funnel. This narrow reporting approach fails to capture the full impact of ads, creating gaps in understanding their true effectiveness. Consequently, advertisers may doubt the accuracy of sales attribution and lose confidence in the retailer’s reporting. This loss of trust can diminish the perceived value of the advertising investment and strain long-term relationships between retailers and advertisers.

What you can do

Provide analysis of the whole process to the advertisers to build credibility with them with features such as:

Comprehensive Funnel Overview

Showcase the impact of ads on the entire purchase process, including metrics like impressions, clicks, product views, add-to-cart actions, orders, and campaign ROAS, helping advertisers understand each stage of customer engagement

Detailed Order Log Generation

Generate detailed order logs for advertisers to analyze the quantity of items per order, offering deeper insights into purchasing patterns and enhancing data-driven decision-making

Accurate attribution is essential for retaining advertisers on your retail media network (RMN). With full-funnel analytics, retailers and advertisers gain valuable insights into product-level dynamics and shopper interactions, enabling them to understand how customers engage with individual products and their buying behavior, rather than being confined to broad campaign-level analytics. This deeper understanding helps retailers build and maintain trust with advertisers, fostering stronger relationships and increasing the likelihood of retaining advertisers and securing additional advertising revenue.

7

Brand Halo Measurement

Summary

Showcase the full impact of campaigns on both promoted and non-promoted products and break down total orders for clearer insights and efficient reporting.

The Challenge

Advertisers often overlook the influence of their ads on products that are not directly promoted, mistakenly attributing all sales of these items to organic sources. Both advertisers and retailers frequently lack insight into how paid campaigns affect the sales of non-promoted products, leading to an underestimation of the return on ad spend (ROAS).

Without detailed analytics, they miss critical information on consumer buying behavior, such as which additional products are purchased. This gap necessitates extra effort from retailers to produce comprehensive reports that justify advertising expenditures and accurately reflect the full impact of their campaigns.

PERFORMANCE

35 Products

Image	Name	Orders	Ad Revenue	ROI	CPC	Same SKU Orders	Other SKU Orders	Price
	Frosty Delight strawberry	64.7 K	$90.2 K	18.3	$0.14	8,050	56.6 K	$4.79
	ArcticEats Ice Cream pista	42.4 K	$201.7 K	8.04	$0.12	5,174	37.2 K	$4.85
	Frosty Delight Fruit 'n' Nut	38.9 K	$539.8 K	20.08	$0.14	4,634	34.3 K	$5.15
	Frosty Delight Peanut But	32.3 K	$450.7 K	19.87	$0.14	3,890	28.4 K	$5.28
	ArcticEats Ice Cream pista	32.5 K	$454.7 K	19.86	$0.16	3,888	28.6 K	$5.49

What you can do

Show how the sale of other non-promoted products were affected by the promoted product ads. Few ways by which you can do this:

Break Down Total Orders

Disaggregate total orders to show the number of orders for promoted SKUs versus other products, clarifying the influence of advertising efforts

Impact on Sales Within and Across Categories

Show how each of the advertiser's products influences the sale of other products in the same category as well as products from different categories.

Retailers can effectively showcase the positive impact of advertising on the total sales of an advertiser's products, extending beyond just the promoted items. They can achieve this by providing comprehensive reports that highlight the broader effects of their campaigns.

Conclusion

In the competitive landscape of retail media, addressing the challenges faced by advertisers is crucial for success. Product ads are powerful, but to truly stand out, platforms must go beyond the basics. By simplifying campaign launches, automating keyword targeting, offering real-time inventory sync, and providing comprehensive analytics, retailers can enhance ad relevance, boost ROAS, and build stronger relationships with advertisers. Delivering these advanced features not only drives better campaign performance but also instills confidence in your platform, making it the go-to choice for advertisers seeking impactful results.

Ready to build your Retail Media Empire?

Launch a powerful, fully-featured retail media network in under 4 weeks. Get in touch with us at marketing@onlinesales.ai to learn more about our flexible solutions:

Turn-key solution

Choose and craft your ideal platform from our suite of 21 apps, strategically designed to cover every aspect of retail media.

Custom-built solution

Collaborate with our experts to build a bespoke platform tailored to your unique needs and goals.

API approach

Integrate our robust APIs into your existing infrastructure for a seamless and scalable solution.

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