

wave 4 | july 2026

# retail and commerce media

## state of the nation report

**iab.**  
australia

# thanks to our retail media council



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# methodology

**This survey was conducted to help the industry gain insight into current practices, priorities and needs in relation to planning, buying and measuring commerce and retail media advertising.**

- The IAB Australia Retail Media Council conducted an industry survey in June 2026 amongst 92 advertising decision makers involved with retail and commerce media. The survey was designed for those working in retailers, media agencies, agency trading desks, creative agencies, and advertiser brands.
- 60 respondents were buy-side senior representatives across independent and major holding group agencies and brand-side who make or influence advertising decisions for their company or clients and have experience with retail media advertising (45% from agencies and 55% from advertiser brands).
- 32 respondents were representatives from retailers or commerce media networks.
- This is the fourth wave of a similar survey conducted in 2023, 2024 and 2025 (previous report can be found on the IAB Australia website). There is a greater proportion of brands in the buy-side sample this year than previous years.
- The insights in this report will help the IAB Australia Retail Media Council understand industry needs and prioritise relevant thought-leadership, education and training.

# executive summary

The IAB Australia Retail and Commerce Media State of the Nation survey confirms that retail and commerce media is now an established part of the media mix. **Investment continues to grow**, with many advertisers reallocating spend from other channels, signalling that retail media is increasingly competing for mainstream marketing budgets.

As the ecosystem expands, **advertisers are partnering with a broader range of retail and commerce media networks**. While this has increased complexity, advertiser experience with retail and commerce partners has improved over the past year, reflecting a more mature market.

Display and search remain the most used advertising products with usage of most formats increasing year on year. Over the next year there is **strong intention to increase investment in on-site and off-site channels** with high intention to use sampling, store digital signage, retail out-of-home and video on Connected TV.

Advertisers are increasingly **using retail and commerce media to drive sales and conversions**, making incremental sales and return on ad spend the most sought-after performance metrics. Campaign effectiveness and measurable business outcomes are the primary criteria brands and agencies use to evaluate partners. Future growth will depend on retailers demonstrating incremental impact across both sales and brand objectives, including proving effectiveness for non-endemic advertisers.

**Measurement remains the industry's defining challenge**. Inconsistent metrics across networks, limited incrementality capabilities and difficulties measuring omnichannel outcomes continue to constrain investment confidence. Although retailers are advancing their measurement capabilities, **greater consistency, transparency and standardisation will be essential to unlock further investment and market growth**.

The research also highlights **broader structural challenges, including the disconnect between trade and brand teams** and the need for greater education across the industry. For many on the buy side, trade and brand budgets continue to operate in separate silos, limiting more integrated planning and investment.

**AI will further accelerate the evolution of retail and commerce media** by enhancing audience identification, campaign planning, creative personalisation and real-time optimisation, while reshaping how consumers discover and purchase products.

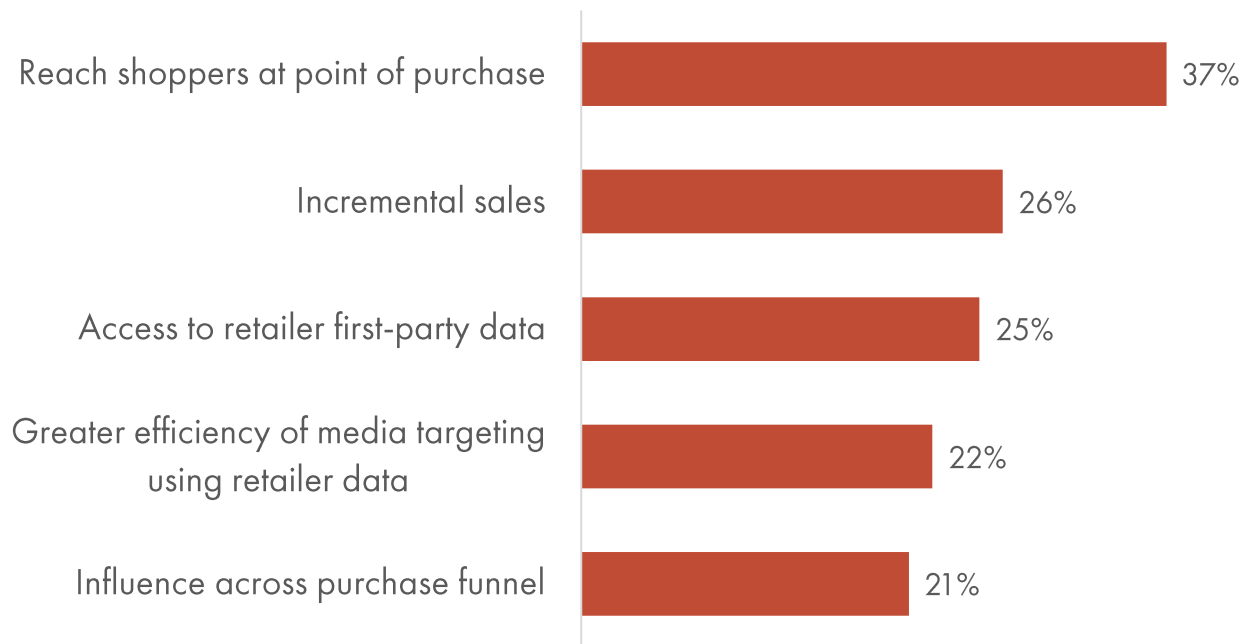
As competition intensifies, retail and commerce media networks will need to differentiate through stronger measurement, scalable capabilities and integrated business strategies. Greater alignment across merchandising, marketing, supplier and store operations, together with demonstrating incremental impact, will be critical to unlocking the next phase of growth.

# the key opportunities for advertisers in retail and commerce media

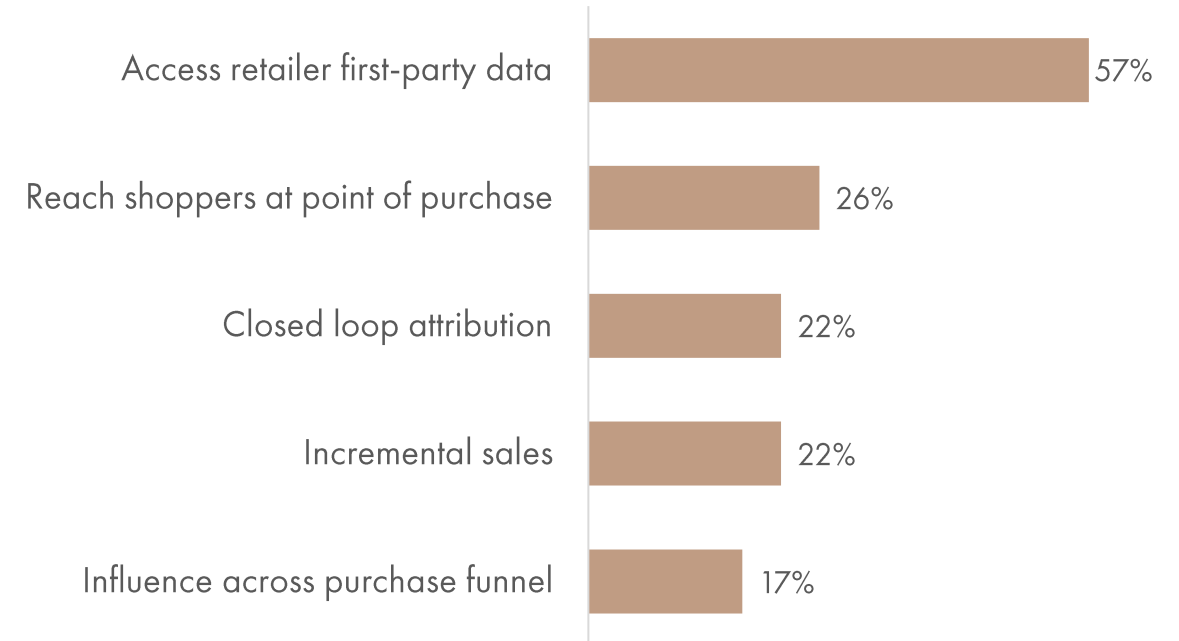
Buy-side and sell-side see slightly different opportunities for advertisers when partnering with retailers and commerce media platforms. Buy-side see the key opportunity as reaching shoppers at the point of purchase, whereas retailers see it as access to data.

## top 2 opportunities for partnering with retailers and other commerce media platforms

amongst brand advertisers and agencies



amongst retailers and commerce media platforms

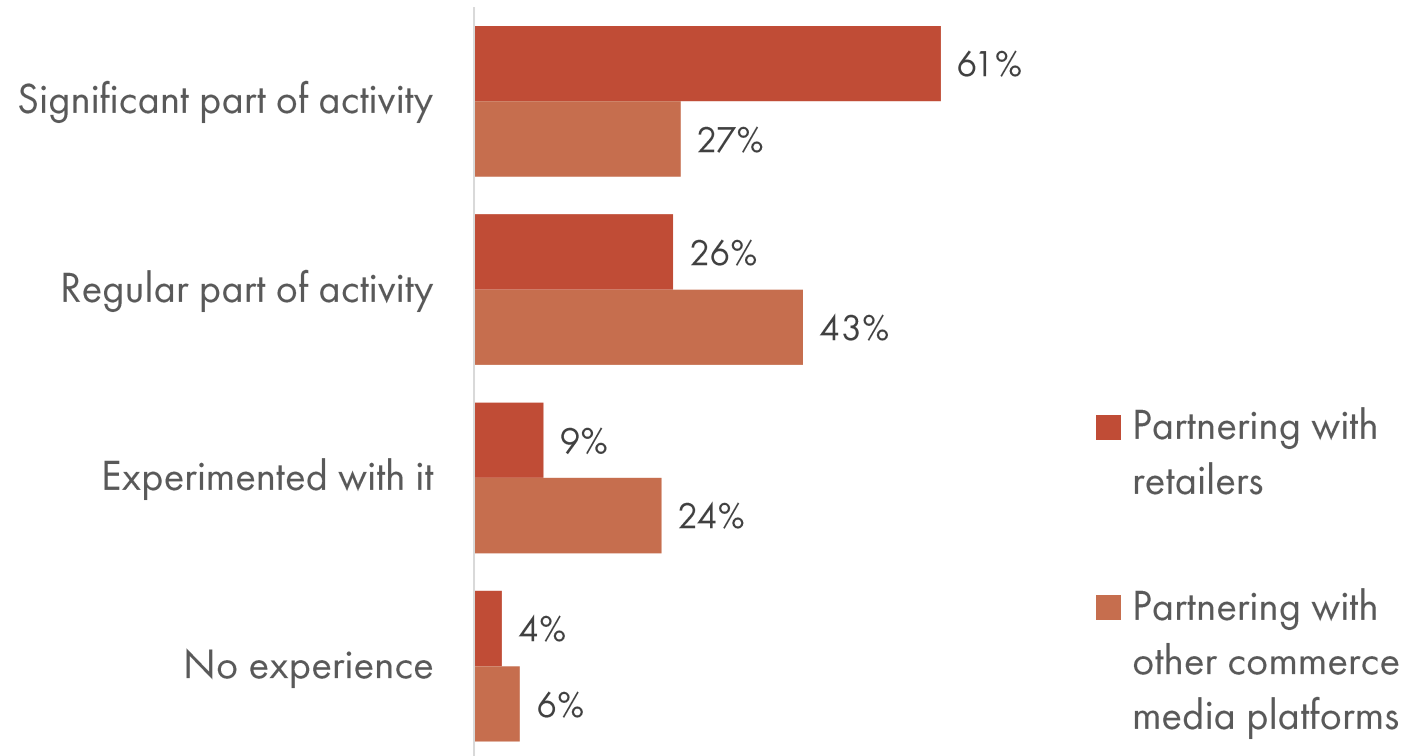


# retail media is the most common partnership

Amongst those using either retail or commerce media advertising, partnering with retailers is a significant part of the activity of 61% of surveyed agencies and brands (87% have retail media as a significant or regular part of their activity).

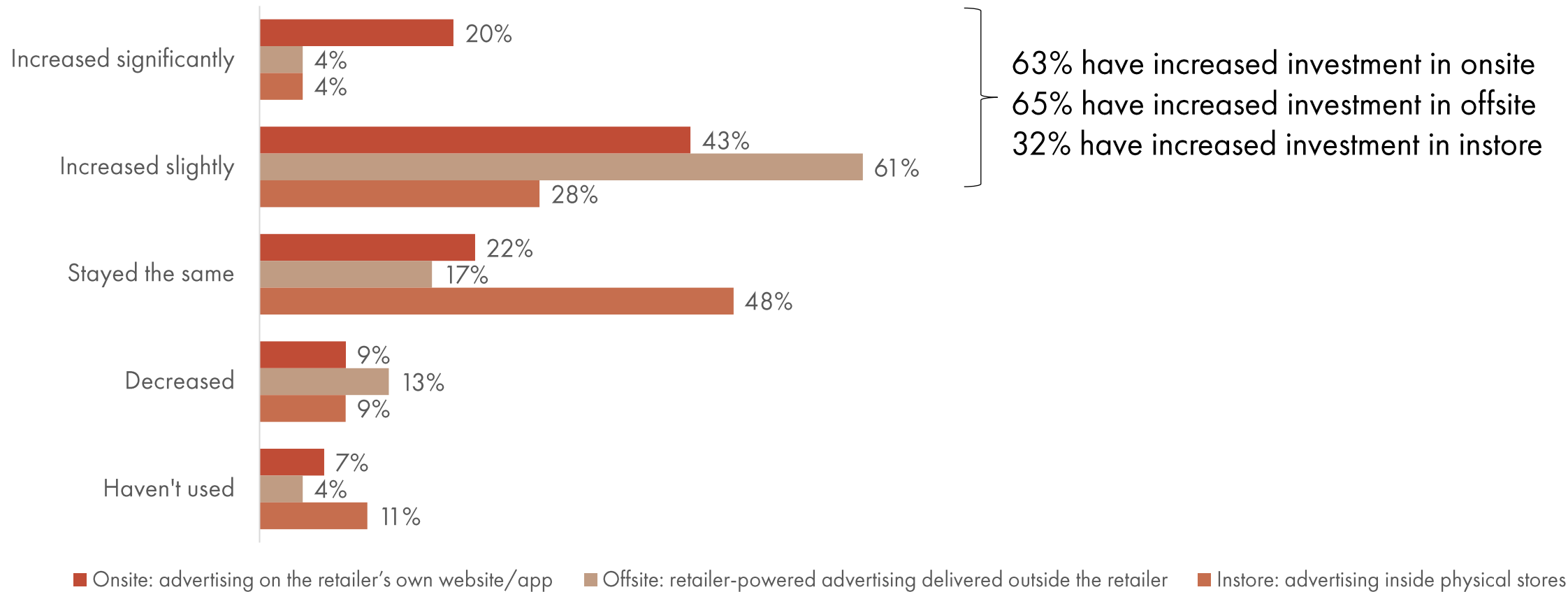
70% of surveyed brands and agencies also have commerce media platforms as a significant or regular part of their activity.

## experience using retail and commerce media advertising (amongst brands and agencies)



# brands and agencies are increasing investment in retail and commerce onsite and offsite channels

## changes in brand and agency ad investment across retail & commerce channels over the past year

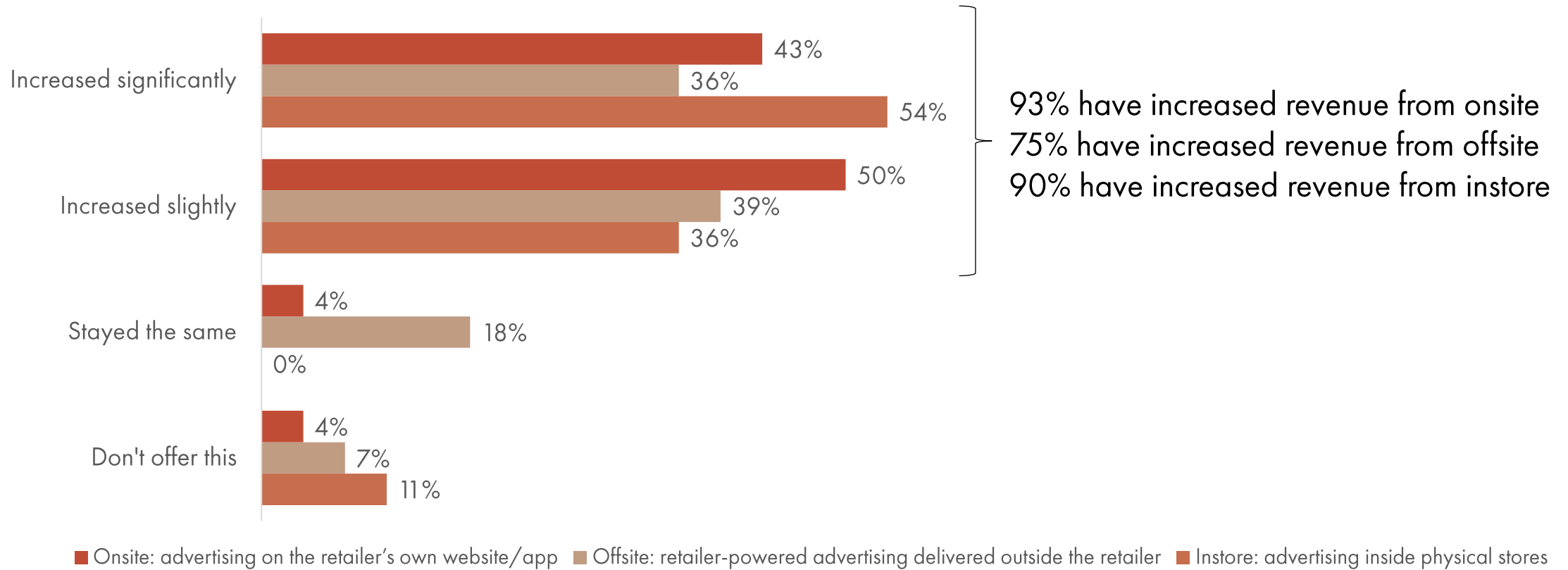


Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

Q - Compared with the previous 12 months, how has your or your clients' total advertising investment across the following commerce and retail media channels changed over the past year? (please select one response in each row)

# retailers and commerce media networks also report increasing advertising revenue

## changes in retailer and commerce media platforms revenue from retail & commerce channels over the past year

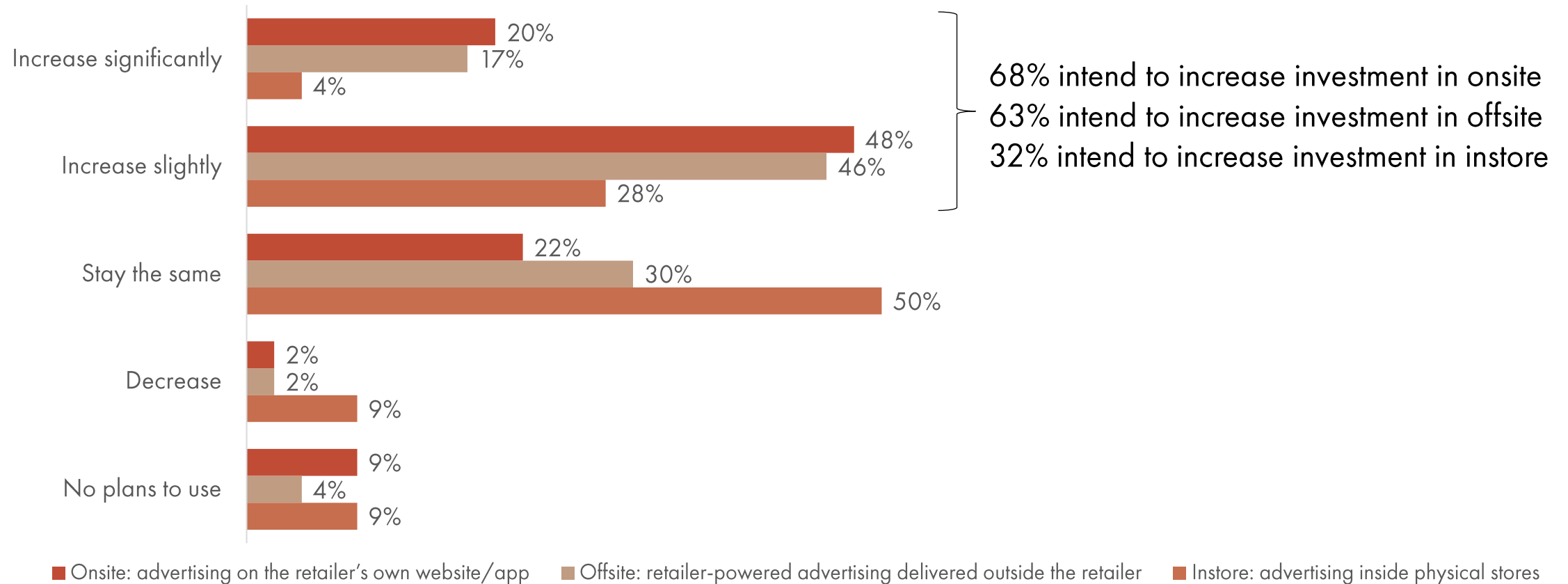


Source; IAB Australia Retail Media State of the Nation 2026 n=32 representatives from retailers or commerce media platforms

Q - Compared with the previous 12 months, how has your organisation's revenue from each of the following commerce and retail media advertising channels changed over the past year?

# brands and agencies intend to increase investment in retail and commerce media over the next year

expected changes in brand and agency ad investment across retail and commerce channels over the next year



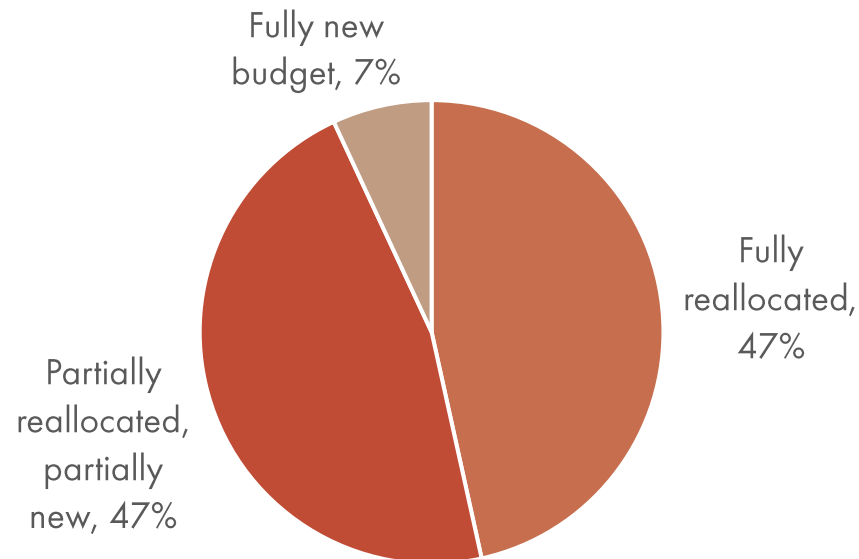
Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

Q - Over the next 12 months, how do you expect your/your clients total advertising investment across these commerce and retail media advertising channels to change? (please select one response in each row)

# for nearly half, investment in retail and commerce media activity is fully reallocated from other channels

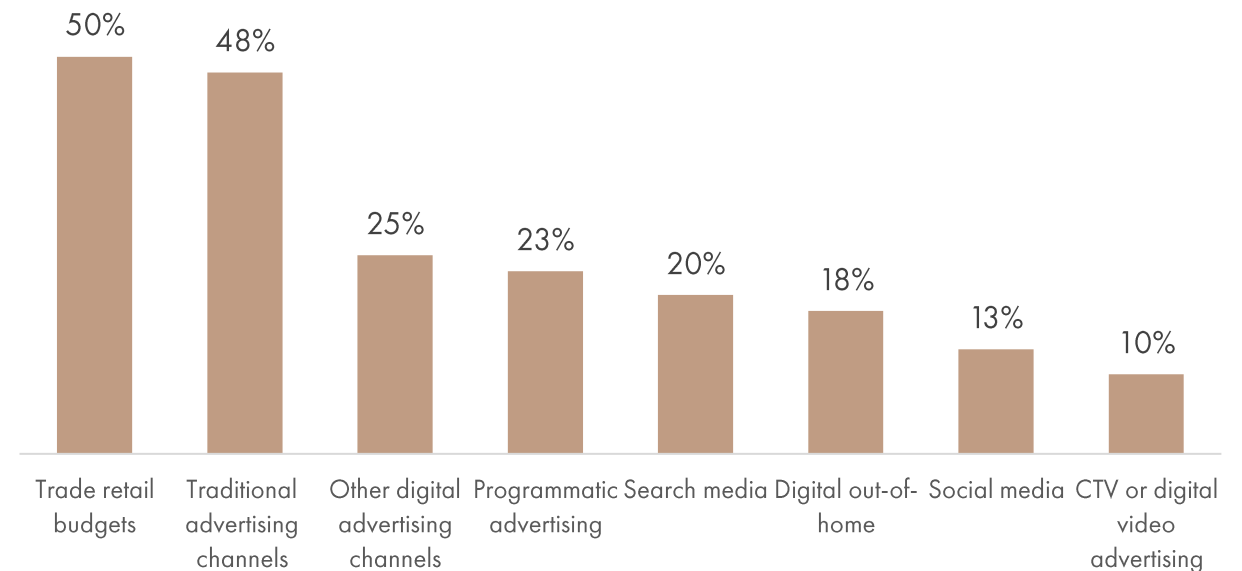
## spend on retail and commerce media being shifted from other advertising channels

Amongst brands and agencies nearly half of investment in retail media is coming from full reallocation from other advertising.



## channels ad spend being shifted from to spend on retail & commerce media

Brands and agencies are more likely shifting spend from trade retail budgets and traditional advertising into retail and commerce media.

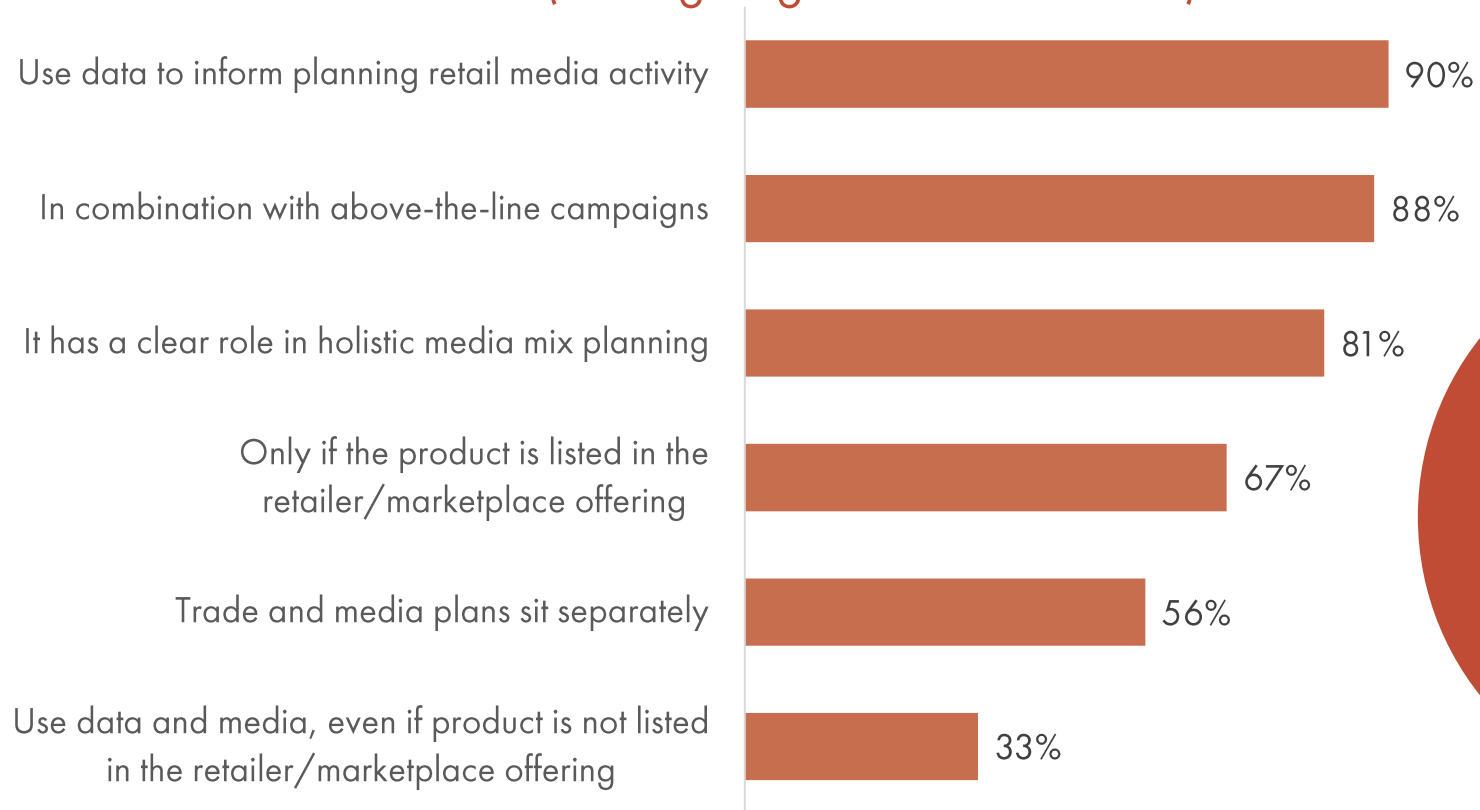


Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

Q - In terms of spending on commerce and retail media advertising, is the expenditure being re-allocated from other channels? Which channels is this spend on commerce and retail media advertising being shifted from?

# 8 in 10 ad buyers consider retail or commerce media as part of holistic media mix planning

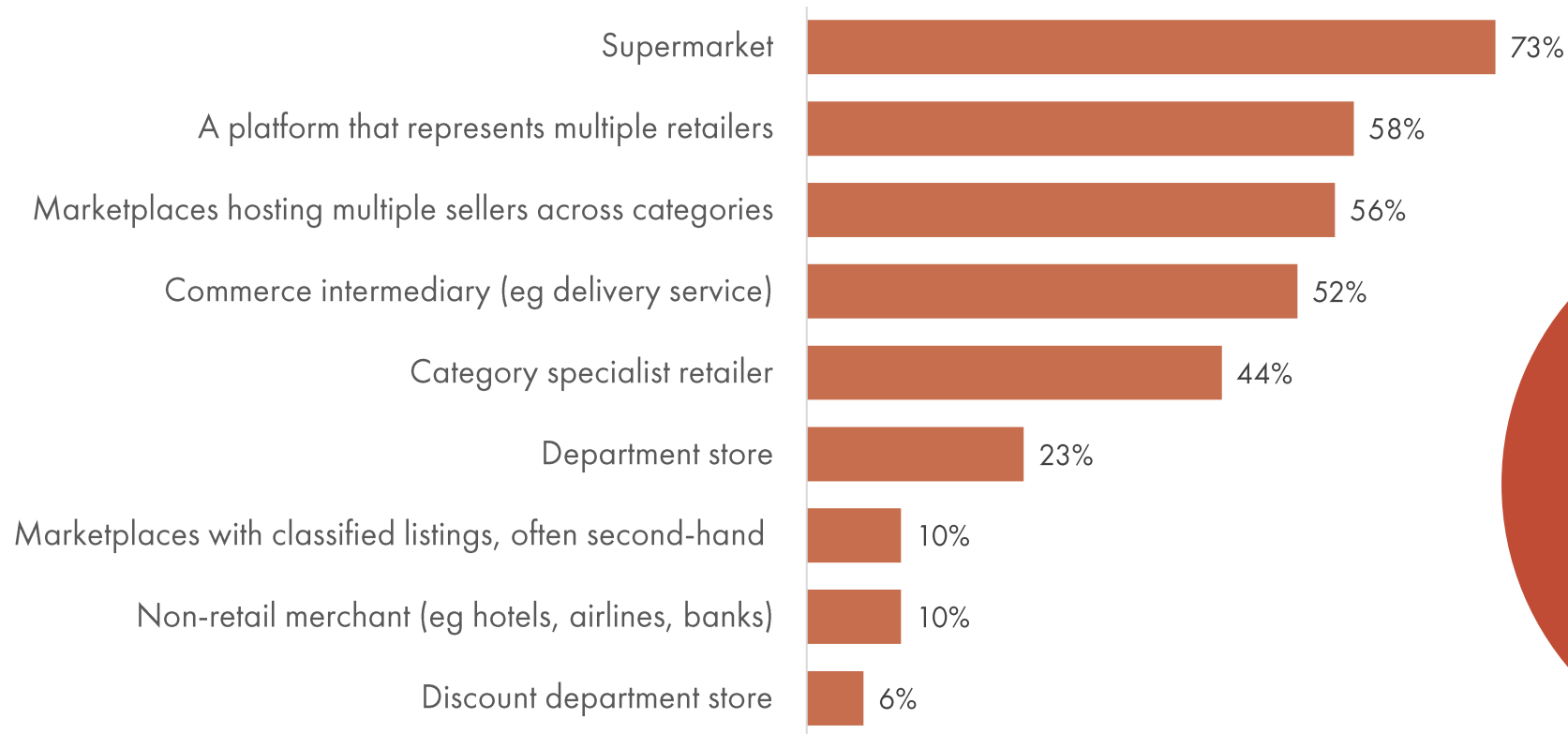
## retail and commerce media in media planning (amongst agencies and brands)



*"the hardest sell to clients is how retail media adds to the existing media mix, including the incremental sales it adds"*  
- agency respondent

# there are many **types of retail or commerce media advertising** platforms being used for advertising

## types of retailers' agencies and brands have partnered with for retail media activities

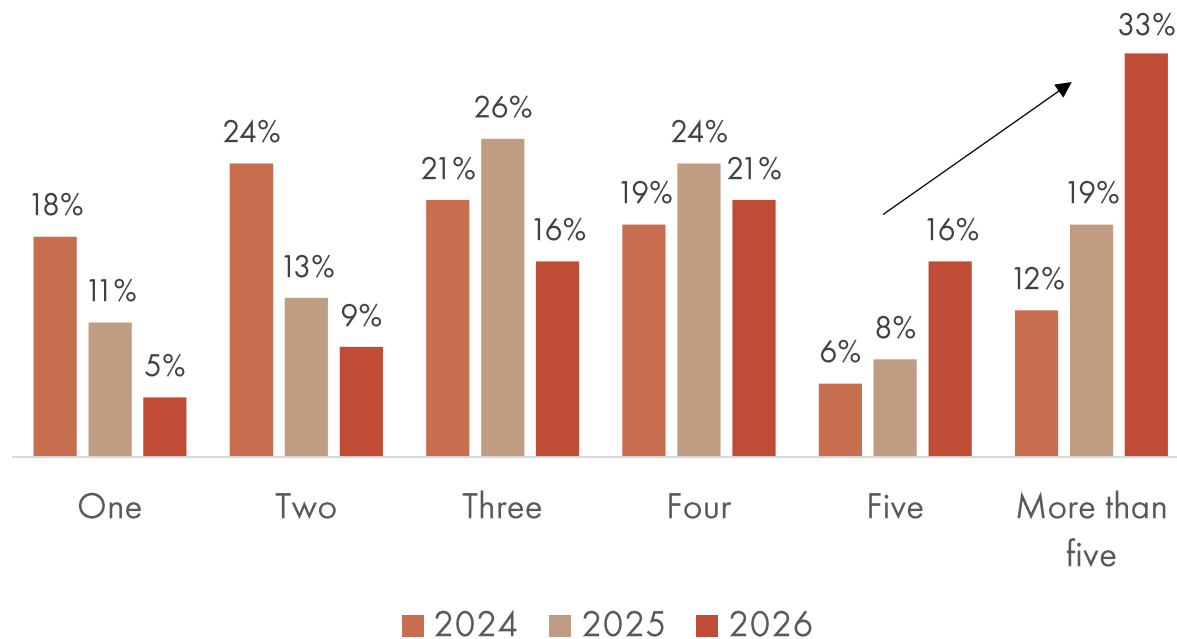


*"A useful thing the industry could provide to help understand commerce and retail media is a ready reckoner of who looks after what and their key selling points/ differentiators, including target audiences, etc.*  
- agency respondent

# advertiser and agency experiences have improved as the number of retail or commerce media partners increases

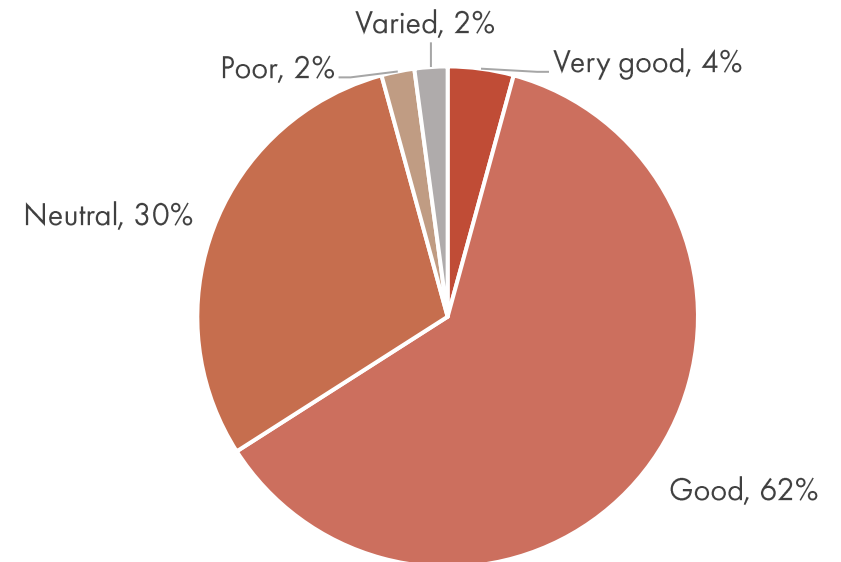
## number of retail or commerce media partners working with

86% of advertisers and agencies are working with 3 or more retail media partners (up from 77% last year).



## experience working with retail media partners

66% of advertisers and agencies rate their experience working with retail media partners as good (up from 44% last year).



Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

Q - How many different retail or commerce media partners are you actively working with? (please select one); Rate your experience working with Retail Media partners so far? (Please select one)

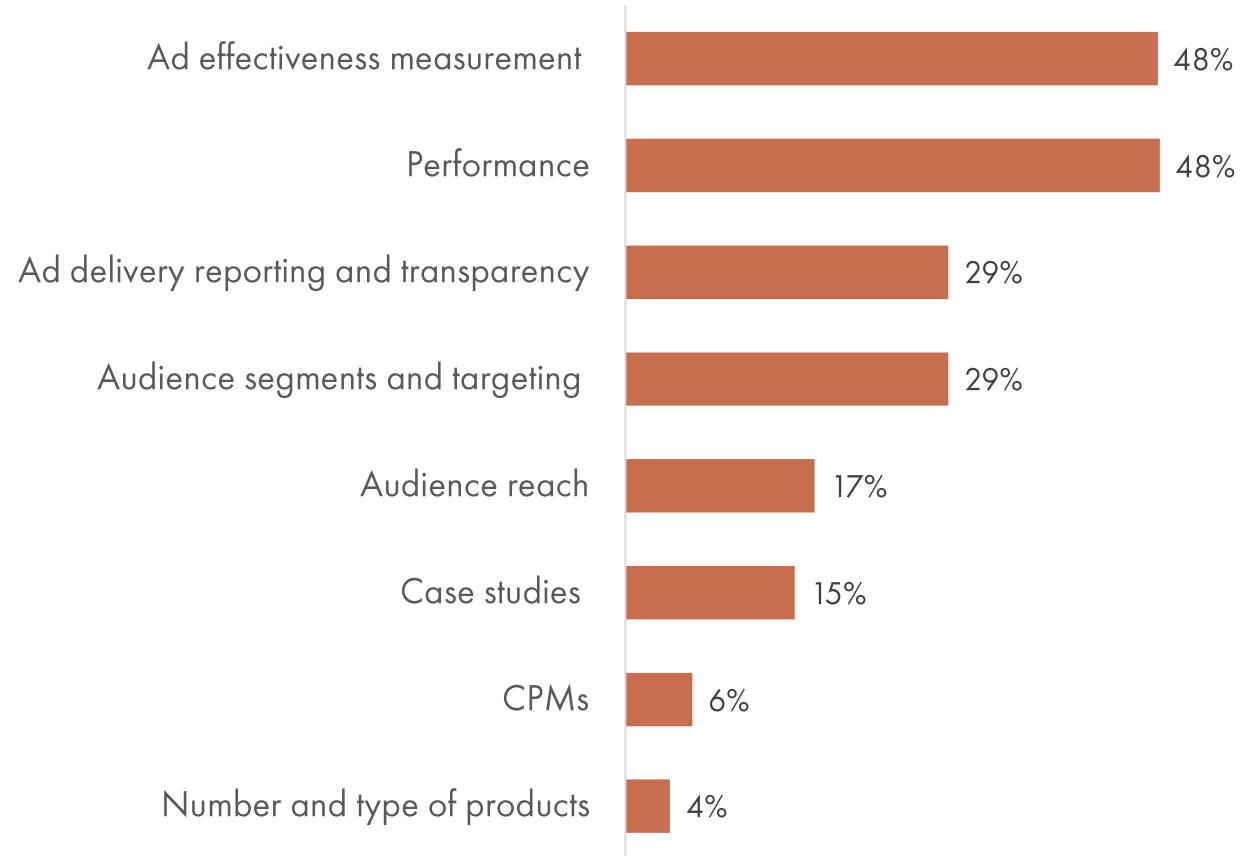
# measurement and performance key in evaluating retail media partners

Agencies and brands are focused on effectiveness when evaluating retail and commerce networks -

*“Being able to clearly articulate the ROI and incremental sales that commerce and retail media advertising delivers would be the single most influential thing in unlocking incremental budget.”*

*“CASE STUDIES, there simply aren't enough to provide confidence yet.”*

## top 2 most important criteria when agencies and brands evaluate retail and commerce media networks/partners



Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

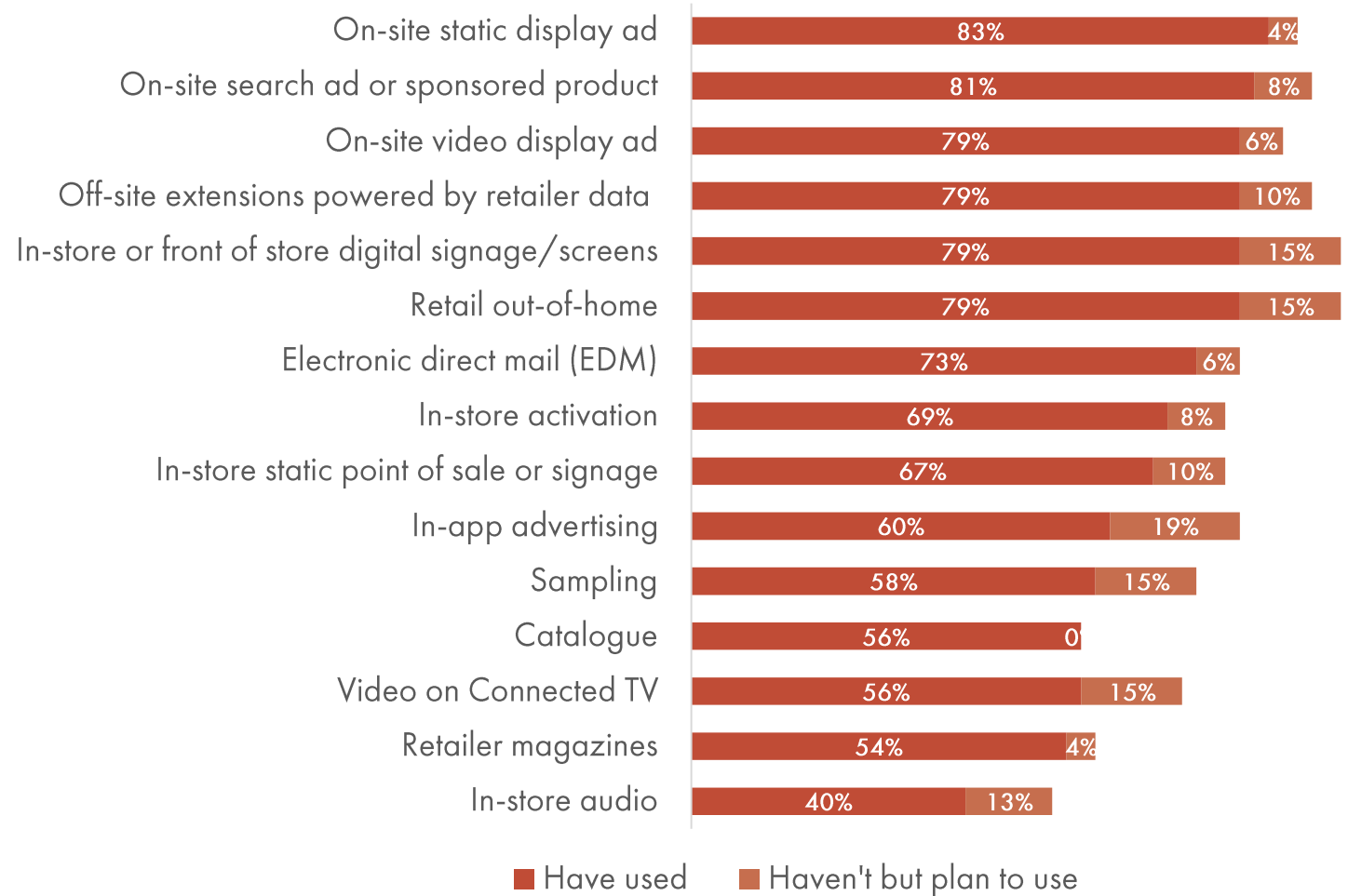
Q - Which of the following elements are most important when evaluating a retail or commerce media network partner in the same retail/commerce category? (please select top 2)

# display and search remain the most used retail media advertising products

Most formats have had year on year growth in usage (with exception of on-site search which has been maintained at high usage levels and in-app which has high intentions for use in the next year).

Over the next year there is also high intention to use sampling, store digital signage, retail out-of-home and video on Connected TV.

## retail and commerce media advertising products agencies and brands have used or plan to use in next 12 months

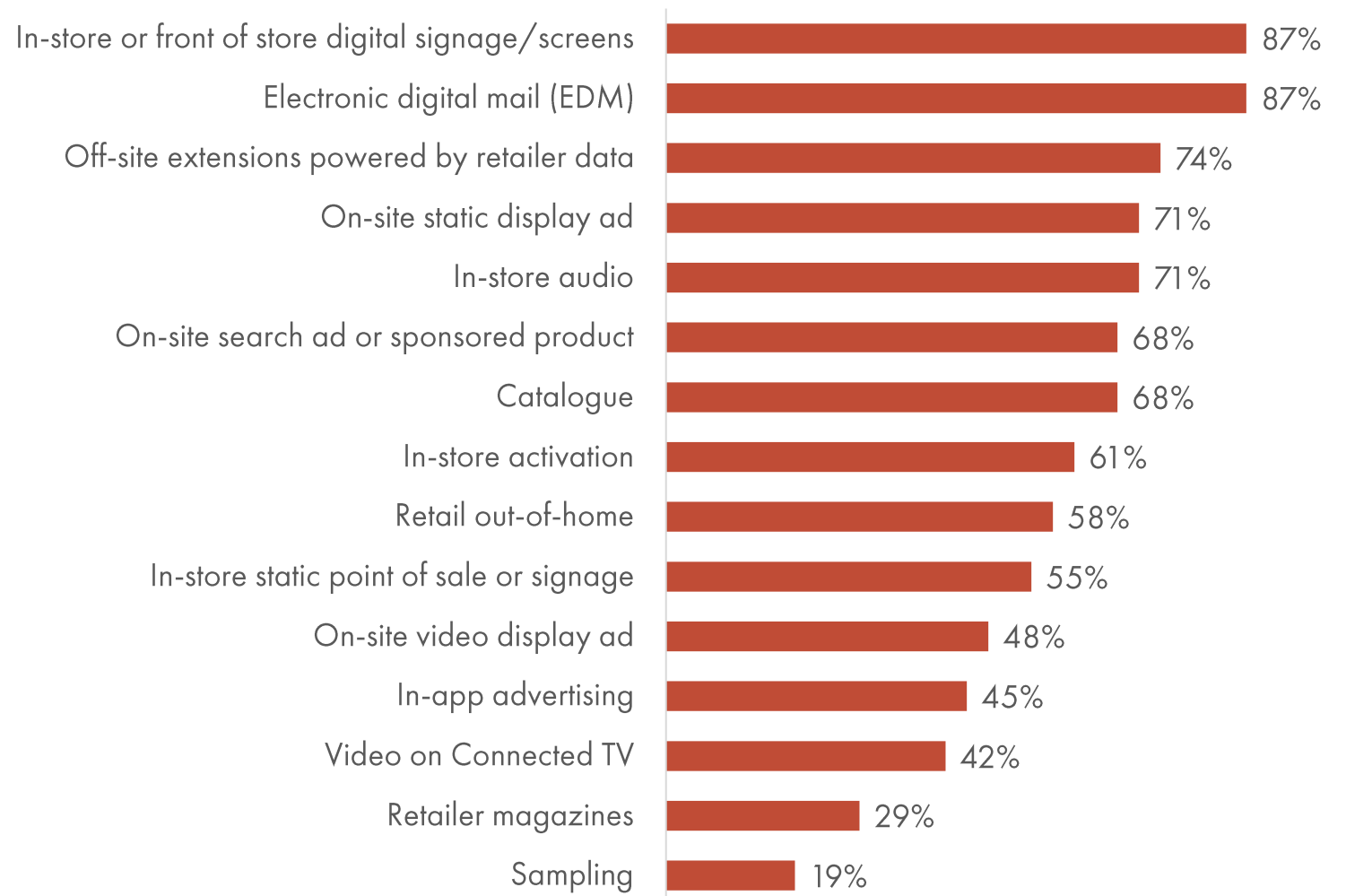


# in-store digital signage and EDM are the most offered ad products by retail and commerce media networks

In-store audio is a popular ad product offered by 71% of retailers and commerce media networks surveyed, however it is the lowest used ad product amongst advertisers and agencies.

Amongst brands and agencies there is high usage and future plans to use video on CTV advertising and sampling, however lower numbers of retailers and commerce media networks are offering these ad products.

## advertising products retailers and commerce media networks are offering



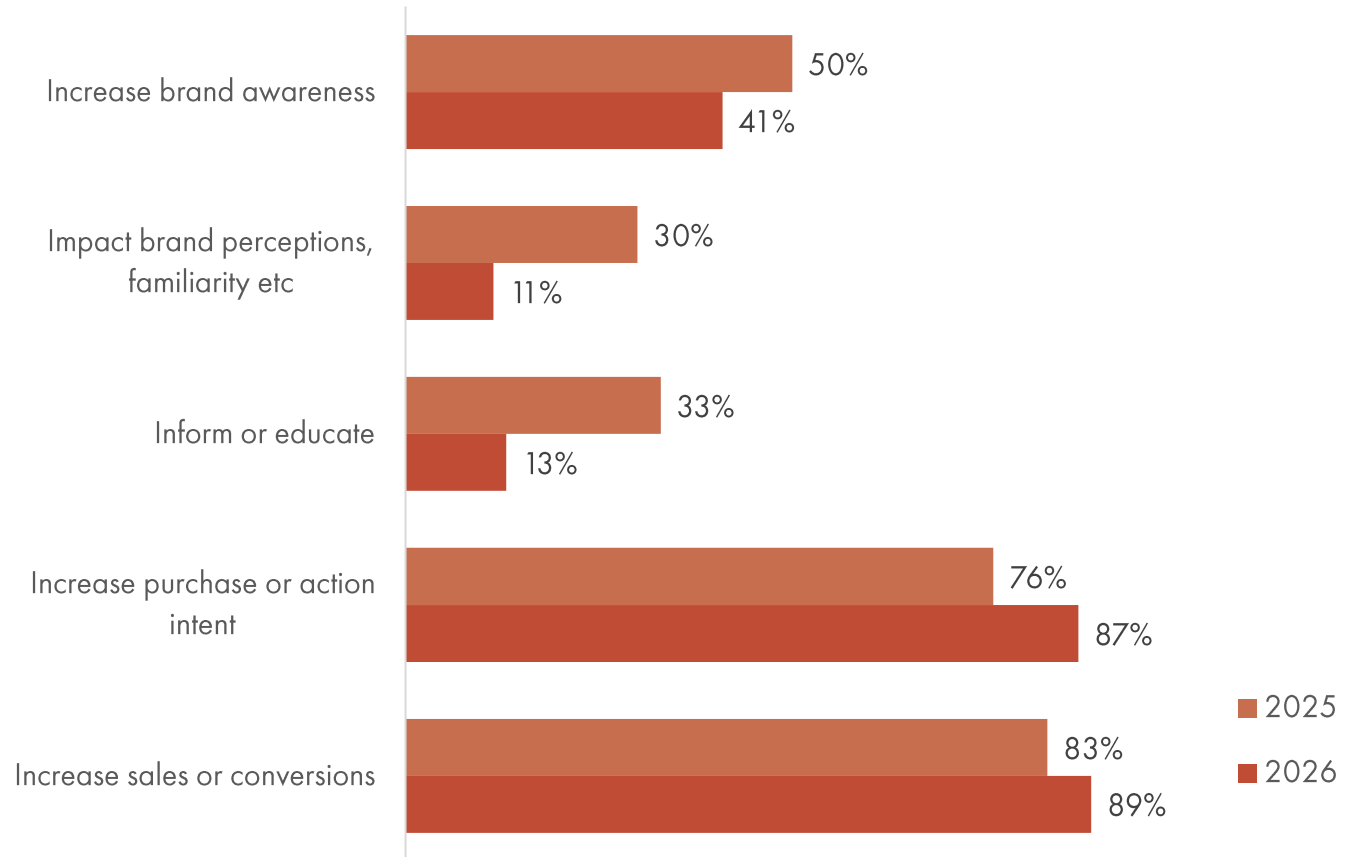
# increasing sales is the dominant objective of retail media activities

Increasing sales or conversions has continued to be the dominant objective for retail and commerce media campaigns.

The usage of retail and commerce media campaigns for lower funnel objectives has intensified this year with brand building objectives decreasing year on year.

One retailer surveyed observes misalignment of objective and creative messaging – *“Ad buyers want sales lift but send brand awareness creative, then blame the channel. Align the brief to the budget, and retail media can do its job.”* - retailer

## objectives of retail and commerce media activities (amongst agencies and advertisers)

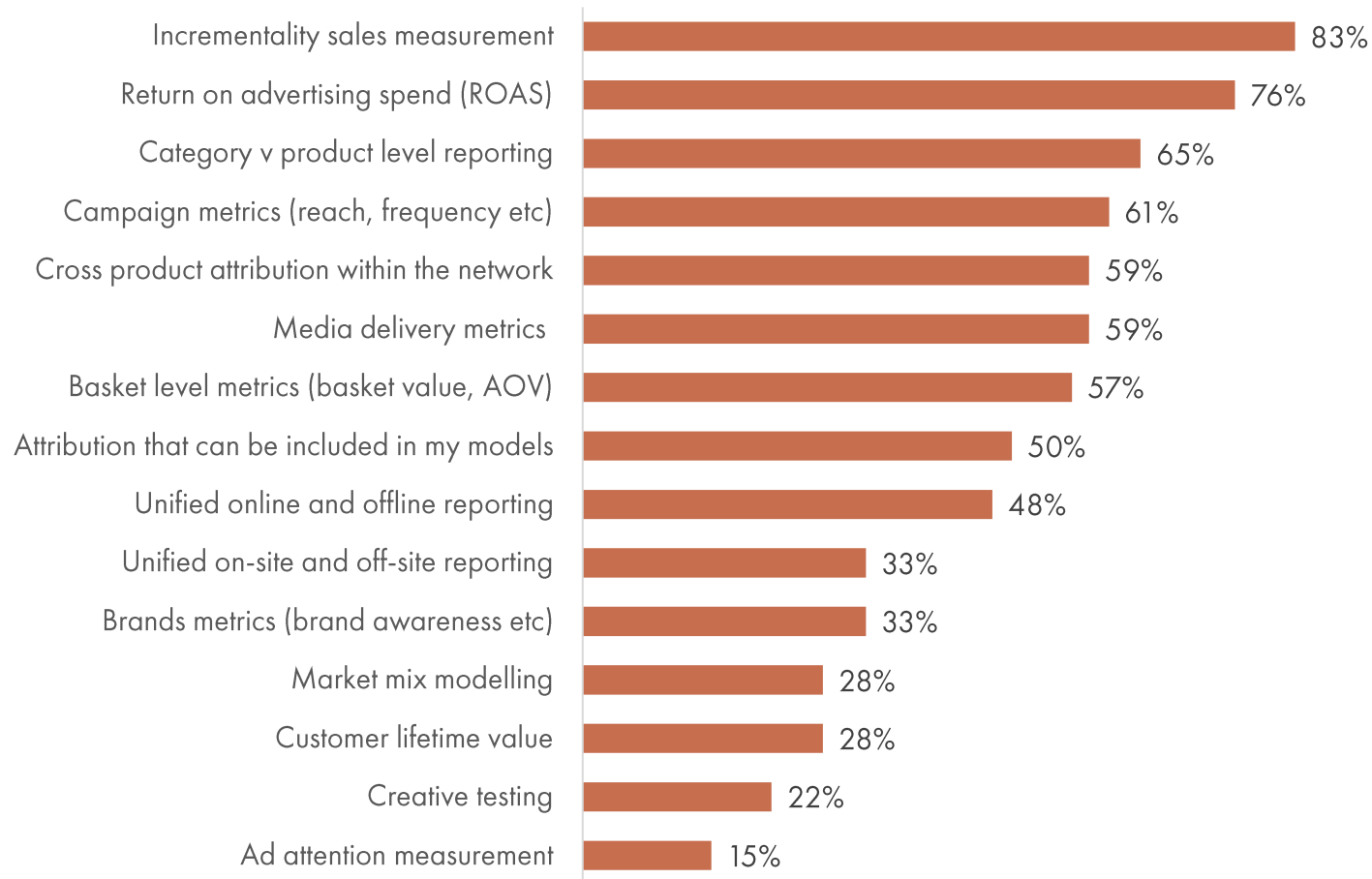


# incremental sales and ROAS are the most important metrics for agencies and brands

## Top measurement challenges:

1. Inconsistent metrics and definitions used across networks (73%)
2. Measuring ROI or ROAS (59%)
3. Measuring brand lift across omnichannel retail media activities (52%)
3. Constraints on robust measurement of incremental sales (52%)

## metrics and measurement tools agencies and brands are looking for from retail media partnerships



Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands

Q - Which of the following measurement and metrics options are you looking for from your commerce and retail media networks/partners?

Q -Which (if any) of the following measurement aspects have presented a challenge for assessing the effectiveness of commerce and retail media activities?

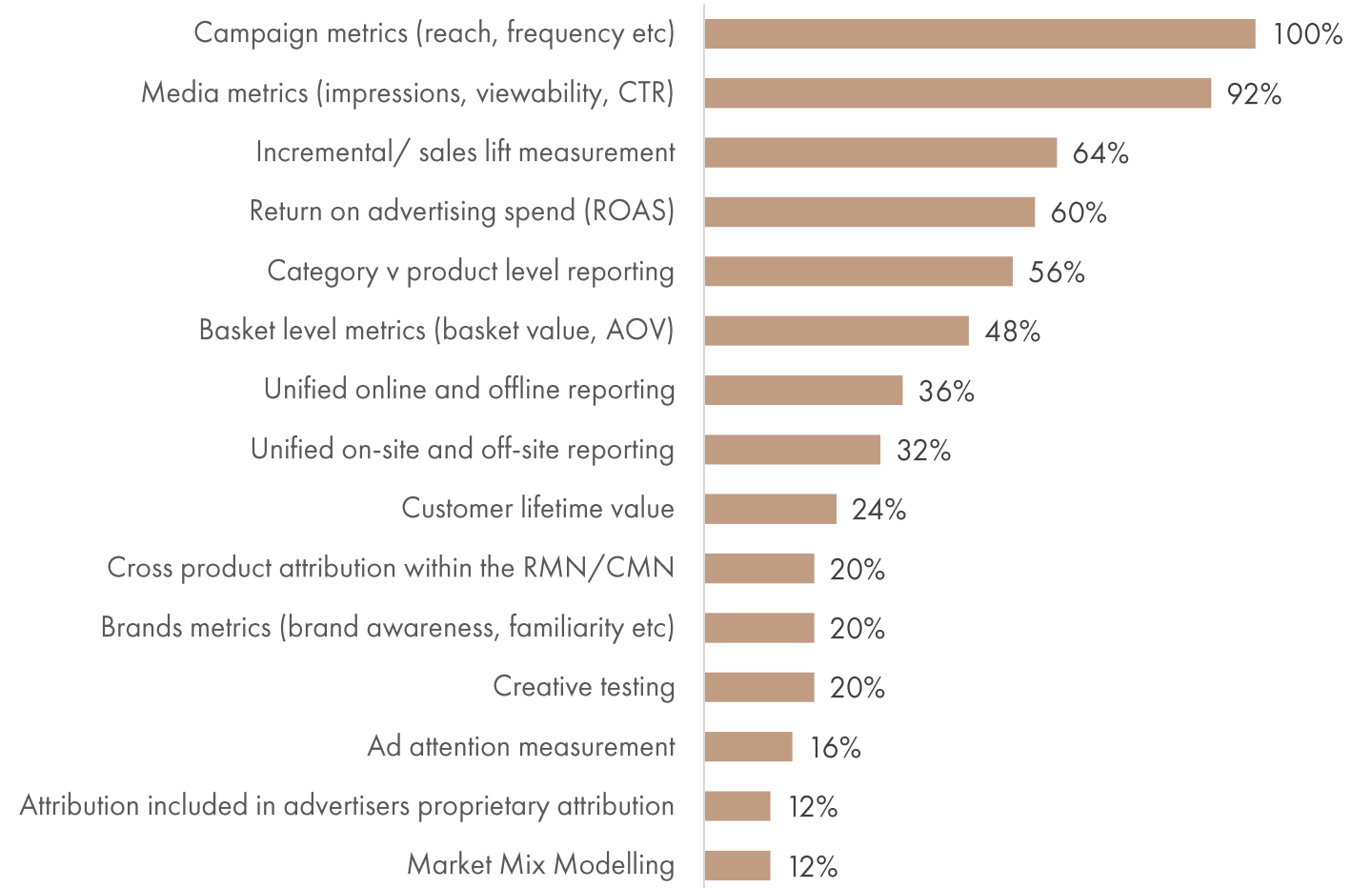
# measurement solutions are developing

Most retailers and commerce media platforms are offering reporting on campaign and media metrics however the inconsistent metrics and definitions used by networks challenge advertisers.

64% offer incremental sales lift, 60% offer ROAS and 12% offer MMM. While MMM ownership typically sits with the brand, there is an opportunity for retailers to help facilitate MMM and reduce the difficulties being encountered measuring ROI or ROAS.

Advertisers also find measuring brand lift across omnichannel retail media activities a challenge, and only 20% of retailers surveyed offering brand metrics.

## measurement opportunities retailers and commerce media networks offer their advertising clients



Source; IAB Australia Retail Media State of the Nation 2026 n=32 retailers or commerce media networks

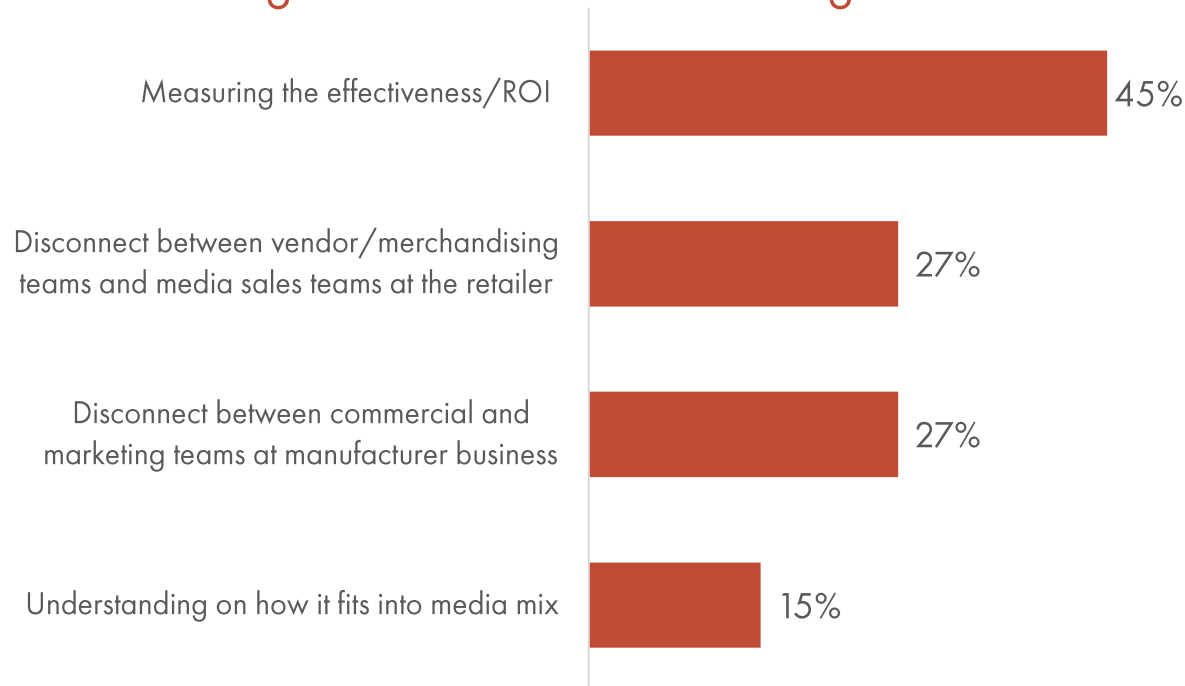
Q - Which measurement opportunities do you offer, or actively facilitate with clients or measurement vendors? (please select all that apply)

# the key barriers for advertisers in retail and commerce media

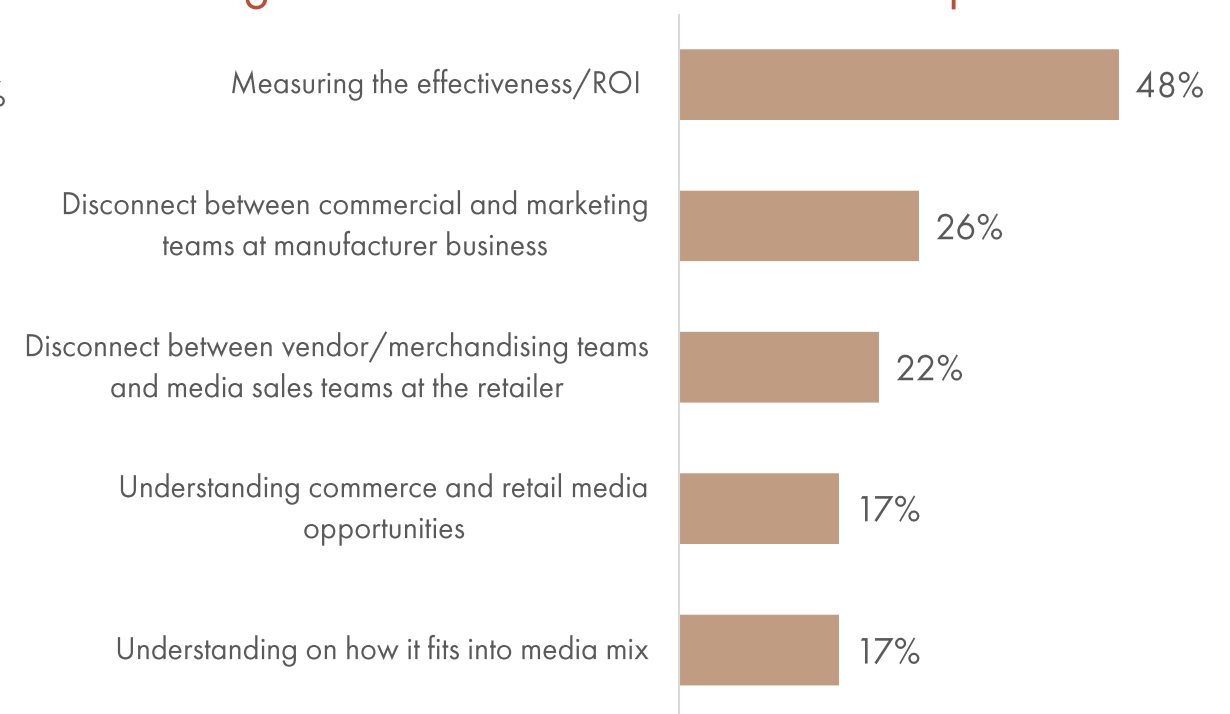
Buy-side and sell-side see the barriers to brands partnering with retailers and commerce media platforms very similarly. Measurement, along with disconnects between teams are the seen as the key barriers.

## top 2 barriers for partnering with retailers and other commerce media platforms

### amongst brand advertisers and agencies



### amongst retailers and commerce media platforms



# what could help ad buyers further understand retail media ...

## standardised measurement

“Every retailer has their own dashboard, their own metrics, their own definition of success and none of it lines up. Come together to align.” – **brand**

“The industry should provide a single, universal rulebook for measuring success. Right now, every retail network counts everything differently. A simple, shared standard would help us easily compare different platforms and media channels and see which ads are actually driving real sales.” - **brand**

“Create a clear taxonomy of retail media channels with agreed definitions, this will enable standardise measurement frameworks and reporting metrics across each segment similar to traditional media - resulting in better comparability, clearer value, and more confident investment decisions by advertisers.” – **agency**

“A trusted, industry-wide measurement standard would accelerate confidence, investment and innovation across the entire retail media ecosystem.” – **agency**

## education / certification

“A retail media certification eg from IAB up skilling marketers on planning, measurement and buying - to close the literacy gap” - **brand**

“Develop industry-recognised certifications or micro-credentials for retail media and marketplace professionals. This would help validate expertise, establish best practices, and give practitioners greater confidence when implementing and recommending strategies in this field.” – **agency**

## bridge the trade-brand divide

“A brand-side playbook on how to actually use retail media. The disconnect between trade and brand teams is costing everyone. Ad buyers want sales lift but send brand awareness creative, then blame the channel. Get the right people in the room, align the brief to the budget, and retail media can do its job.” - **agency**

“Helping bridge the divide between trade and brand media budgets will help drive further Retail Media adoption - the consumer is trade/brand agnostic! “ - **CMN**

## AI enabled tools

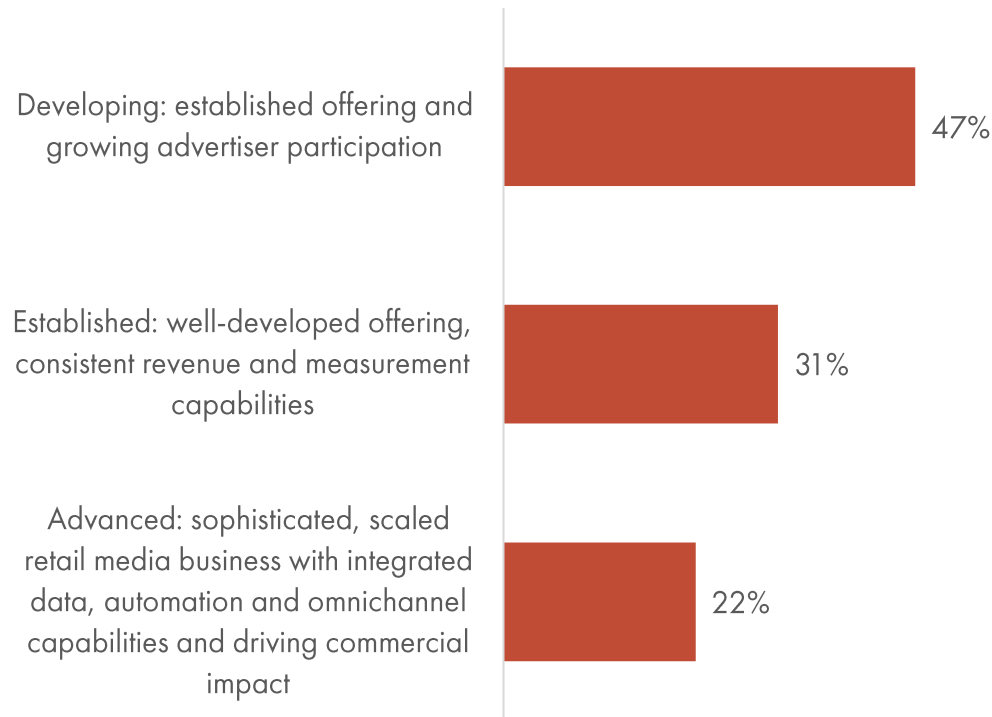
“A unified, AI-driven retail media operating system that connects retailer data, MMM, and incrementality testing in real time – enabling predictive optimisation and shifting the industry from siloed reporting to always-on, decision intelligence across brand and commerce investment.” - **brand**

“Give us an AI sandbox where we can test campaigns and our instincts side by side”. – **brand**

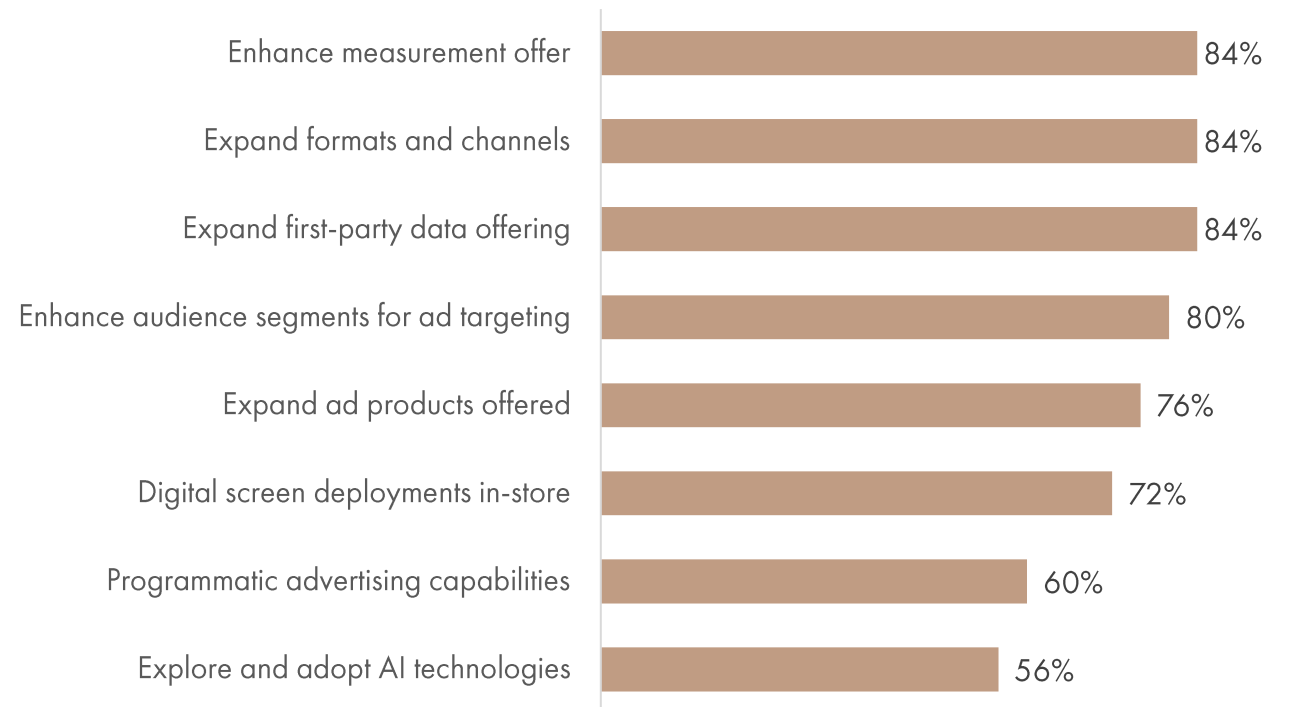
# retail and commerce media is still developing structurally

Most retail and commerce media platforms see their organisations maturity in retail and commerce media as developing or established, rather than advanced. Retailers are working on enhancing measurement, expanding ad formats as well as data and targeting.

## current maturity of retail and commerce media offerings



## areas retailers and commercial media networks are planning to develop over the next 12 months



Source; IAB Australia Retail Media State of the Nation 2026 n=32 retailers or commerce media networks

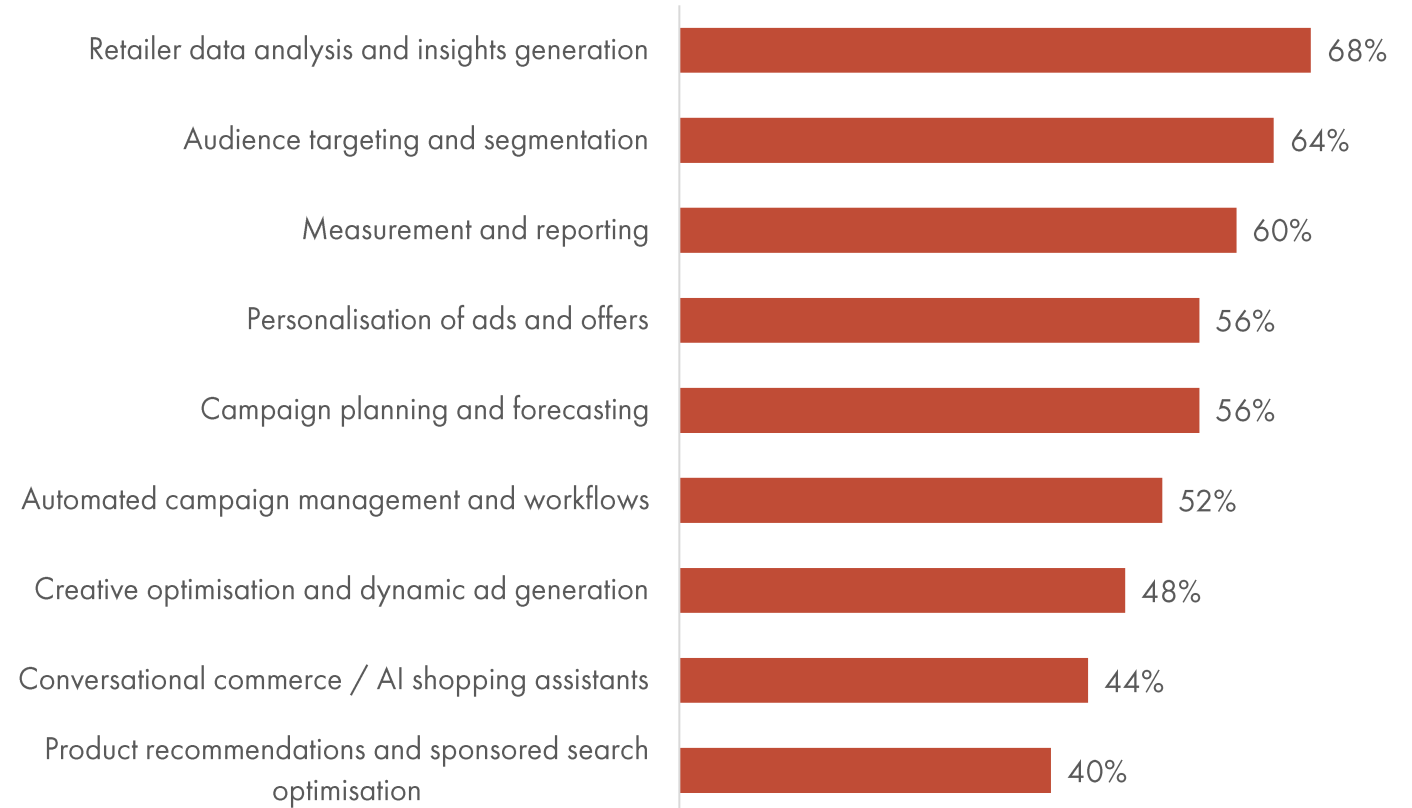
Q - How would you describe the current maturity of your organisation's commerce or retail media offering?, How do you plan to develop your retail media proposition over the next 12 months? (please select all that apply)

# retailers and commerce media networks see AI as an opportunity to help solve measurement challenges

56% of retailers surveyed plan to explore and adopt AI technologies in the next 12 months.

One brand respondent identified AI powered tools as an opportunity to improve the industry – *“A unified, AI-driven retail media operating system that connects retailer data, MMM, and incrementality testing in real time — enabling predictive optimisation and shifting the industry from siloed reporting to always-on, decision intelligence across brand and commerce investment.”* - brand

## greatest opportunities for AI within commerce & retail media networks (amongst retailers or commerce media networks)



Source; IAB Australia Retail Media State of the Nation 2026 n=32 retailers or commerce media networks

Q - Which of the following do you see as the greatest opportunities for AI within commerce or retail media networks? (please select all that apply)

# industry resources

The work ahead is less about proving retail media's relevance, which is now settled, than about giving the market the shared infrastructure to invest with confidence.

## measurement will direct budgets

In early 2026, IAB Australia and IAB Europe launched an Australian Retail Media Certification Program which allows retailers to undertake an independent audit of their retail media measurement practices. The program is designed to promote a level playing field by aligning measurement practices to a common, independently verified standard. **80% of surveyed brands and agencies said a retailer's IAB certification status would increase their willingness to work with them as a retail media partner\***. [Find out more.](#)

## prepare for an AI future

AI is changing how people discover and buy products, creating new opportunities for brands to influence consumers throughout the path to purchase. On the advertising and media front it will improve how audiences are identified, campaigns are planned, creative is personalised, and performance is optimised in real time. [IAB Australia AI Hub.](#)

## commerce media networks need to differentiate and scale to compete

Commerce media is still a fast-growing category, but an increasing number of Retail and Commerce Media Networks compete for tightened advertiser budgets, often without clear differentiation. IAB US [Building a More Competitive Commerce Media Ecosystem](#) outlines key guidelines and six potential strategic paths for Retail and Commerce Media Networks to consider.

\* Source; IAB Australia Retail Media State of the Nation 2026 n=60 retail or commerce media advertising decision makers and influencers from agencies and brands  
Q - To what extent would a retailer's IAB certification status impact your willingness to work with them as a retail media partner? (please select one)

# industry resources



[IAB Australia and Pureprofile Commerce and Discovery Report](#)



[Foundations of Retail Media Online Training](#)



[Retail Media Measurement Principles and Guidelines](#)



[Audience Segmentation in Retail Media](#)