

Retail media networks as revenue *growth engines*

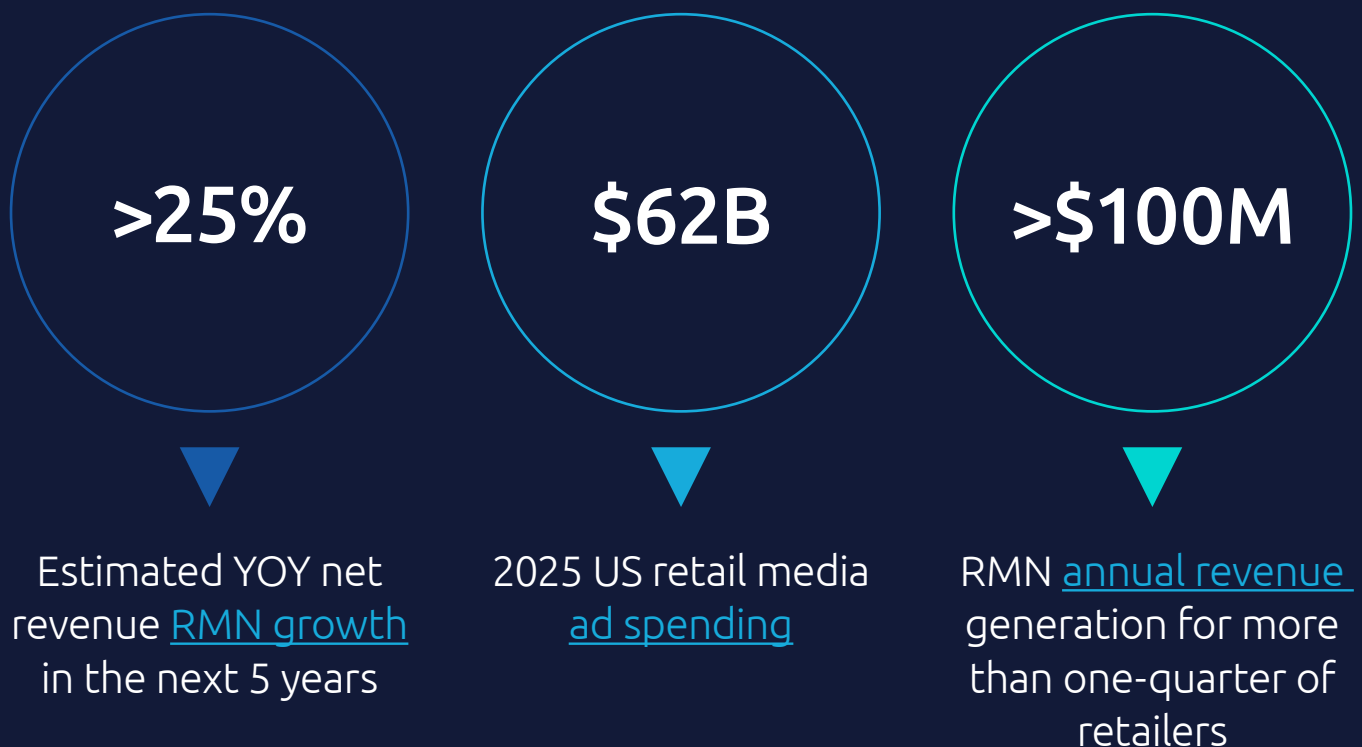
Driving the next generation of
retail experiences with RMN
data and insights

Retail media is surging. RMN ad spending in the U.S. alone hit [\\$62 billion](#) in 2025. Over the next five years, net revenues are projected to grow 25% year-over-year, reaching a total market value of [\\$300 billion](#).

But here's the catch: Ad sales are only scratching the surface. The true opportunity isn't just selling ads, monetizing impressions, or even moving products, it's harnessing RMN insights to reshape the entire shopper experience.

For advanced retailers, RMNs are evolving from ad platforms to value generators, driving purchases today, and capturing the data to influence discovery, deepen engagement, and optimize the journey tomorrow.

In this landscape, the question is no longer whether RMNs can deliver ad revenue, it's how retailers can unlock their full potential as experience and insight platforms.



3 key steps to overcome the RMN revenue plateau

The value of RMNs is clear: A staggering one in four retailers generate more than \$100 million in revenues from [RMNs](#) yearly. The downside? Most networks plateau in the \$100–200 million range.

While leaders like Walmart and Kroger have shown it's possible to achieve “hockey stick” growth, many retailers are nearing the limits of their current RMN models. Unlocking the next wave of value requires rethinking the role of the network, not just as an ad sales engine, but as a powerful data collection and insight generation platform that fuels the entire shopper experience.

With this in mind, retailers need to craft an RMN strategy that simultaneously maximizes the direct revenue potential while unlocking the broader experience opportunity. This process hinges on three pillars:

Next-gen RMN: Three strategic pillars to create direct revenue and redefine experience



Revenue and margin growth:

Optimize the ad mix, scale high-margin channels, and capture greater share of wallet from brand partners.



Operational scalability:

Leverage automation, AI, and streamlined workflows to achieve gains without adding massive headcount and increasing operations costs.



Experience reinvention:

Integrate RMN ads more seamlessly into the shopper journey and leverage RMN insights to refine experiences.

Pillar 1: Revenue and margin growth

There are two key components to every RMN strategy: offsite and onsite.

Most companies begin with offsite advertising. Though easier to scale, these channels typically return 10–30% of recognized revenue after exchanges, commissions, and intermediary fees. No matter how companies adapt the strategy or streamline processes, growth potential and profitability are limited to that range.

Onsite advertising, on the other hand, offers far higher margins. These ads, which are placed directly on the retailer's own platforms typically operate with a margin of 50–70% or even up to 80–90% for leaders. However, it demands greater investment in technology, operations, and human capital.



To capture a larger share of revenue and boost margins, companies must shift the mix toward onsite channels. But this shift requires more than copying existing tactics—it demands a reimagined strategy that aligns with customer preferences, operational realities, and partner expectations.

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The real RMN opportunity lies beyond monetizing impressions—it's using insights to enhance experiences.

Mark Ruston, Global Retail Lead, Capgemini

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Three differentiated components in an onsite RMN strategy

1. **Audience contextualization:** Enable granular and addressable targeting to optimize the ad experience.
2. **Inventory integration:** Connect inventory to ad experiences to reflect both shopper and business needs.
3. **Measurement:** Leverage advanced technologies to track and quantify value for the business and its partners.

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Strong data and AI capabilities are the cornerstone of RMN success.

Manish Agrawal, Sr Director, Consumer Products & Retail, Capgemini

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Shopper spotlight: Why contextualization matters

The more granular and addressable the targeting of an audience is, the more effective the ad will be.

Unlike personalization, contextualization goes beyond static attributes like age or income to consider real-time signals, like what a shopper just watched, what they're doing online, how they might be feeling, or what their plans are tomorrow.

For example, a retailer may surface ads for energy drinks and snacks to a household on a road trip, but offer the same family ads for weekday meal components when they return.

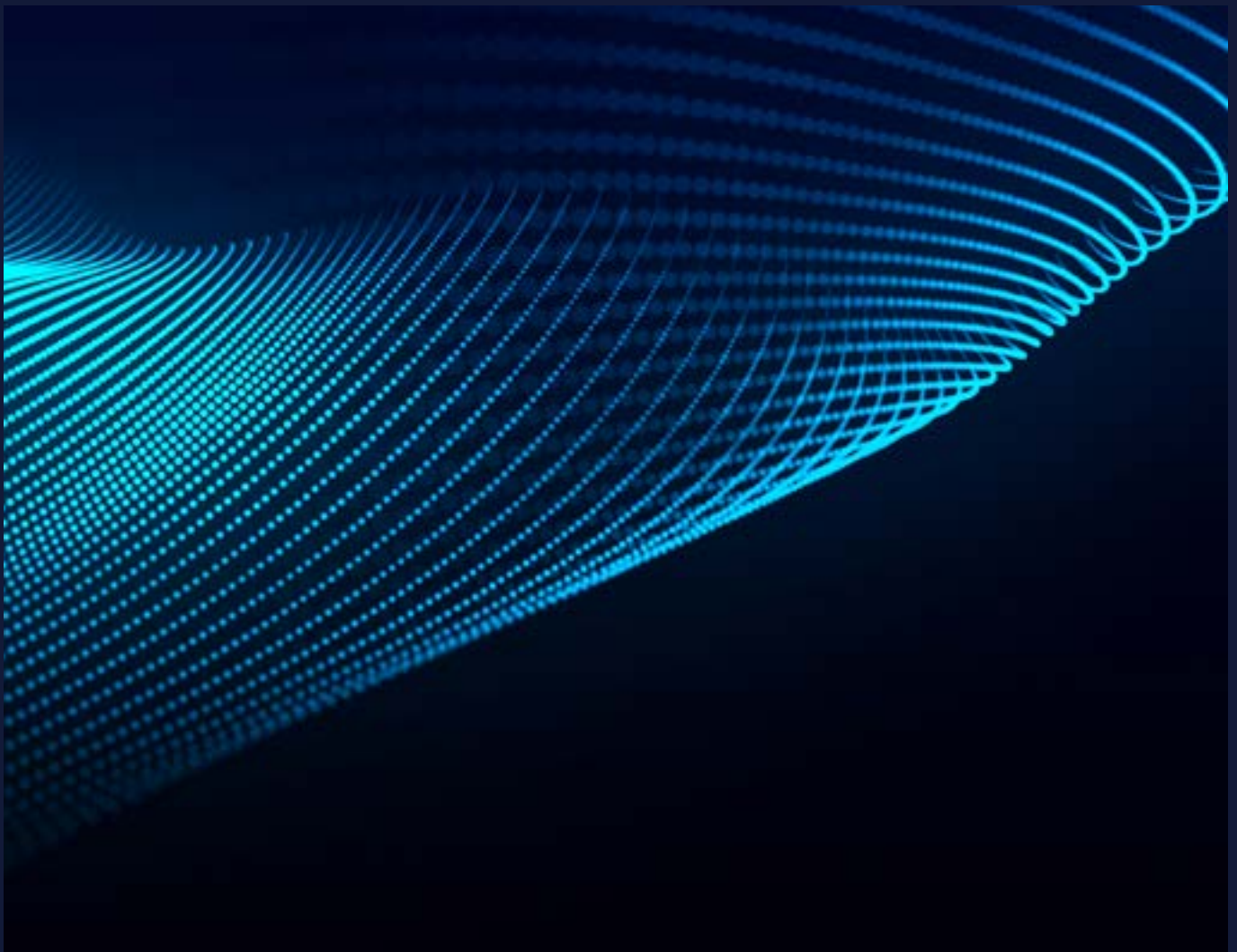
This shift toward enriched, contextualized audiences elevates both the quality and demand for a retailer's media inventory, driving stronger revenue and margin growth.

Pillar 2: Operational scalability

The monetization challenge for RMNs isn't just to increase revenue through network growth. It's to preserve margins as the network scales.

Traditional approaches often require hundreds of people to handle measurement, ad sales, and operations. These operational costs can steadily erode margins, even if more revenue is created.

To maximize the revenue potential of the RMN, retailers need to lean into an agentic AI-enabled model to accelerate key tasks within the retail media workflow. With these tools, retailers can achieve the same revenue outcomes with 40–60% fewer staff, driving profitability by limiting operational overhead.



Redefining RMN workflows with AI retail

Before: Traditional RMN process	After: Agentic AI-enabled RMN process
<ul style="list-style-type: none">• Supplier requests campaign targeting a specific audience.• Humans run SQL queries to validate audience size and availability.• Teams adjust targeting manually, create a brief, and send to agency.• Creative produced, then manually adapted for segments or events.• Campaign launched; measurement and optimization done in separate cycles.	<ul style="list-style-type: none">• Supplier request triggers AI agents to instantly validate audience size and availability.• Agents suggest targeting adjustments and auto-generate campaign briefs.• Creative assets tailored automatically for segments, locations, or live events.• Campaign launches faster, with real-time AI-driven measurement and in-flight optimizations.

30-70%

efficiency gains as a result of AI-enabled RMN processes

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AI is a catalyst, it brings new means and opens new opportunities.

Orlando Gutierrez, Global Head, Marketing Operations Services,
Capgemini

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Pillar 3: Experience reinvention

Beyond operation of the network, the core challenge for retailers is designing retail media ads in a way that augments rather than disrupts the core shopping journey, especially as it relates to onsite ads.

In an ideal state, ads appear only where they add value. For example, serving a sponsored power tool ad to someone in the process of renovating. But in reality, many placements are still generic or intrusive. This creates a tradeoff:



Most retailers haven't yet mastered this balance between incremental ad revenue and cart conversion. RMNs often optimize for short-term ad revenue, prioritizing volume of impressions over contextual fit. This can dilute customer experience and hurt core sales conversion.

The long-term challenge is to design **experience-led monetization**: ads that generate meaningful incremental revenue without cannibalizing the primary goal of purchases.



This is done by:

- Connecting high-margin ads with relevant audiences to enhance the experience.
- Serving ads and experiences that deliver value to the shopper, such as personalized promotions, tailored recommendations, or meaningful rewards.
- Designing for loyalty, fusing retail media precision with hyper-relevant experiences that strengthen both brand objectives and consumer trust.
- Leveraging RMN data to continuously refine the shopper profile and reach new levels of contextualization and personalization in the shopper journey.

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Done right, media doesn't distract—it elevates.

Neerav Vyas, Vice President, Customer First Data & AI, Capgemini

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6 key takeaways to enhance RMN revenue and margins

As RMNs mature, success will hinge on driving revenue growth and margin expansion—and unlocking the broader experience opportunity. To capture full value, retailers should prioritize the following actions:



Increasing revenues

1. **Treat data as a product:** Invest in advanced data, AI, and measurement capabilities to maximize CPMs and annual recurring revenue.
2. **Scale via partnerships:** Build strategic ecosystem alliances to expand demand, content reach, and audience addressability.



Improving margins

3. **Automate operations:** Deploy generative and agentic AI operations to reduce manual effort, cut costs, and sustain higher margins.
4. **Adopt composable platforms:** Shift to modular, flexible solutions that accelerate implementation and minimize revenue leakage.



Influencing experiences

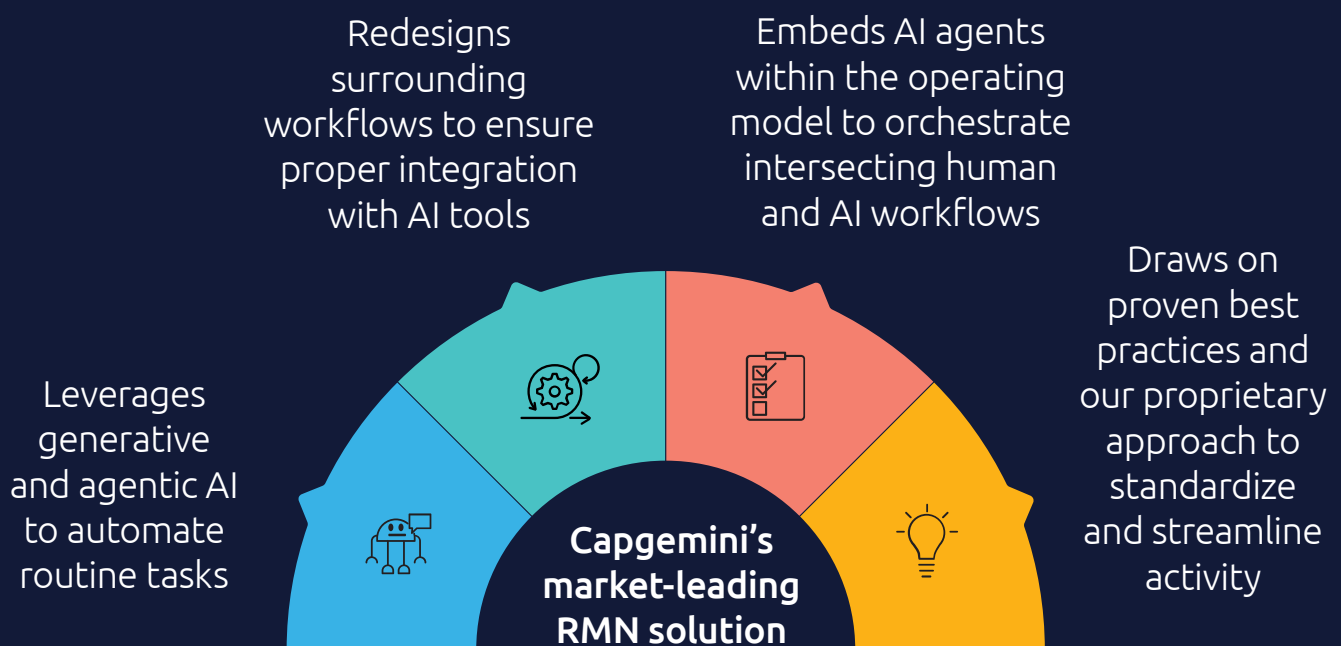
5. **Unlock shopper insights:** Leverage RMN data to fuel personalized, contextualized experiences.
6. **Feed the feedback loop:** Capture data from every interaction to continuously refine merchandising, marketing, and loyalty strategies.

Unlocking an AI-orchestrated RMN with Capgemini

Executing experience-driven RMNs that unlock revenues while preserving margins requires at-scale, strategic use of advanced technologies including generative and agentic AI.

Capgemini's answer: Digital orchestration agents

Digital orchestration agents are AI-powered tools embedded within the operating model that automate manual campaign steps, dramatically accelerating time-to-market for ad placements.

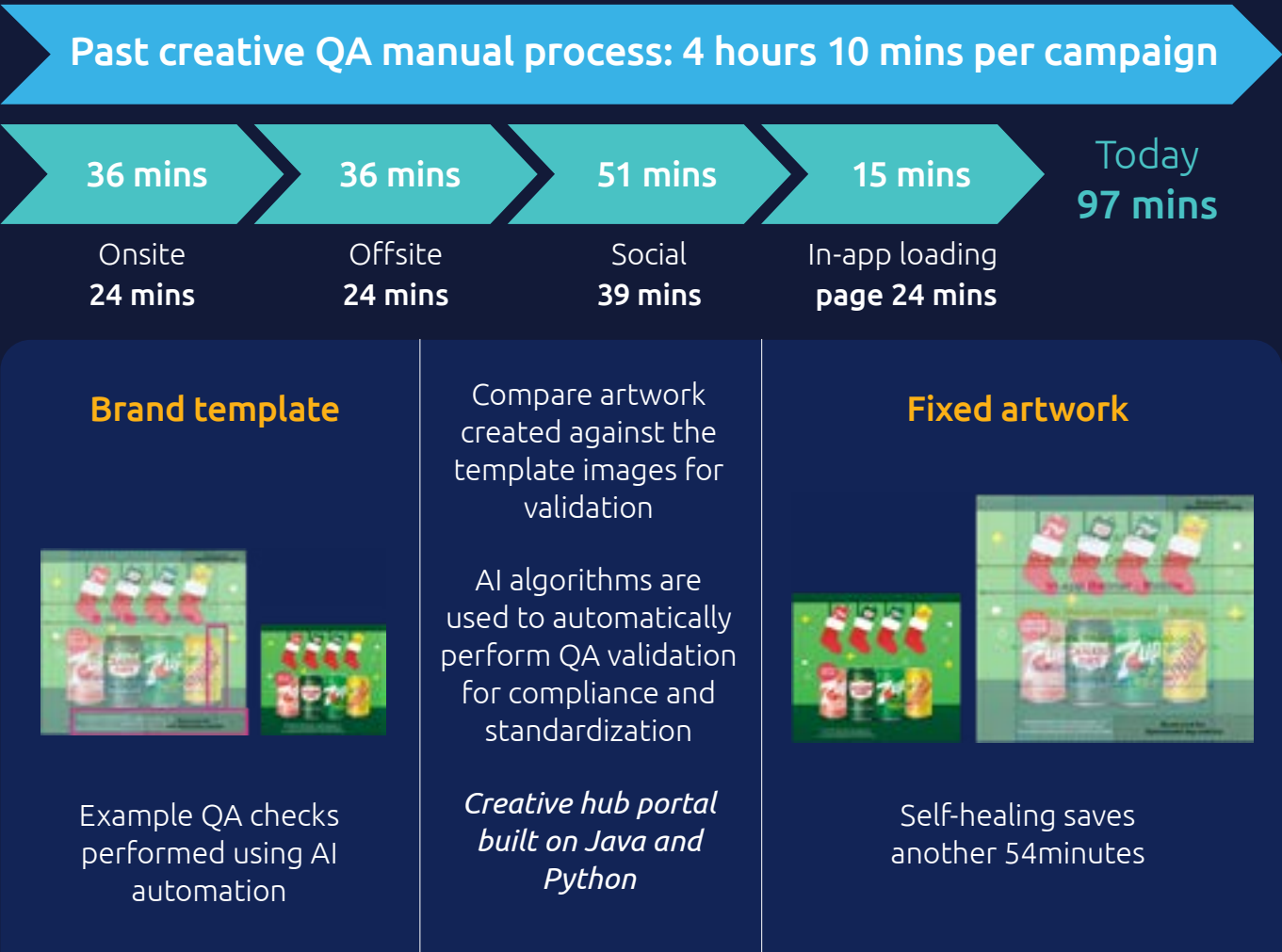


In addition to building these orchestration agents, our team can also redesign surrounding workflows, mapping where automation, agentic AI, and human expertise intersect. This experience-led approach ensures solutions are grounded in the realities of marketing, ad ops, and consumer engagement.

Enabling the 10-day ad launch cycle through AI orchestration

Today, the process from receiving creative assets from a CPG client to delivering finalized, QA-tested campaign materials can take 3-5 business days. This is a significant period within the standard 30-day launch cycle.

With digital agents automating asset processing, audience targeting, creative adaptation, and quality checks, that turnaround could drop to a few hours. Thereby helping retailers hit an aggressive goal of 10 days from request to launch.



For leading Commerce Media Network the process to evaluate creative content from their brand and advertising partners took over 4 hours. Our Generative and Agentic AI solution reduces the effort needed by 61% with additional improvements yet to come.

Value delivered: Explore Capgemini's proven RMN track record

6X

Improvement in RMN supplier monetization

Through media revenue in the 18 months following the launch of their AI & Analytics and measurement capabilities

40–70%

Higher CPMs

Through media revenue in the 18 months following the launch of their AI & Analytics and measurement capabilities

440%

Increase in media budgets

12 months following clients that leveraged their “white glove” analytics

170–220%

Improvements in match rates

Using crosswalk and identity partners vs using just HEM

570%

Higher adoption of analytics and measurement services

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Retail media networks are the key to delivering richer, more personalized experiences that bring brands, retailers, and consumers closer together.

Riday Banerji, Principal, Strategic Accounts, Capgemini NA

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Case study: Creating a \$200M RMN

Capgemini partnered with one of the world's largest retailers to re-design, build, and run their RMN and supporting operations. Through a comprehensive strategy, innovative solutions and advanced technologies, our team helped this organization accelerate time-to-market, unlock meaningful cost efficiencies and grow revenues.

\$200M/year

media spend per year

45%

cost efficiencies by year 3

12,000+

media campaigns per year

10K+

content assets per month

Full media buying & content services



Media and
campaign
planning



Activation



Optimization



Reporting



Content
development

Reimagining the future of retail media

Retail media network momentum shows no signs of slowing. With spending and revenues on a steep upward trajectory, RMNs have already proven their value as powerful monetization engines. But the story doesn't end there.

The real inflection point comes as RMNs move beyond ad placements into engines of insight and experience. By capturing and activating data across the shopper journey, these networks can unlock opportunities not just to drive conversions, but to fuel loyalty, discovery, and long-term growth.

For retailers, the choice is clear. Treat RMNs solely as a short-term ad channel and almost certainly hit the RMN revenue plateau—or reimagine them as an insight generator that can inform and influence every shopper experience.

Do you want to take your RMN to the next level? Capgemini can help. Reach out to our authors to learn more about how our team is helping retailers access the full revenue, margin and experience value opportunity of RMNs.



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Capgemini is an AI-powered global business and technology transformation partner, delivering tangible business value. We imagine the future of organizations and make it real with AI, technology and people. With our strong heritage of nearly 60 years, we are a responsible and diverse group of 420,000 team members in more than 50 countries. We deliver end-to-end services and solutions with our deep industry expertise and strong partner ecosystem, leveraging our capabilities across strategy, technology, design, engineering and business operations. The Group reported 2024 global revenues of €22.1 billion.

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