The future of commerce media

Composable, contextual, collaborative and agentic

Capgemini x /LiveRamp

Does it seem like ads are everywhere you look?

That's not just a feeling, it's a fact. Advertising has become ubiquitous, or very close to it.

In the physical world, if there's a digital screen available, be it a traditional TV, grocery store cooler display, or embedded device in a taxi, there's a very good chance that it will be showing ads at least some of the time.

A similar trend is taking place in the digital world, as more and more streaming platforms are creating ad-supported tiers or integrating advertising into previously ad-free tiers. Go to digital e-commerce sites like Amazon.com or open your Uber app and you'll see new ad types and formats.

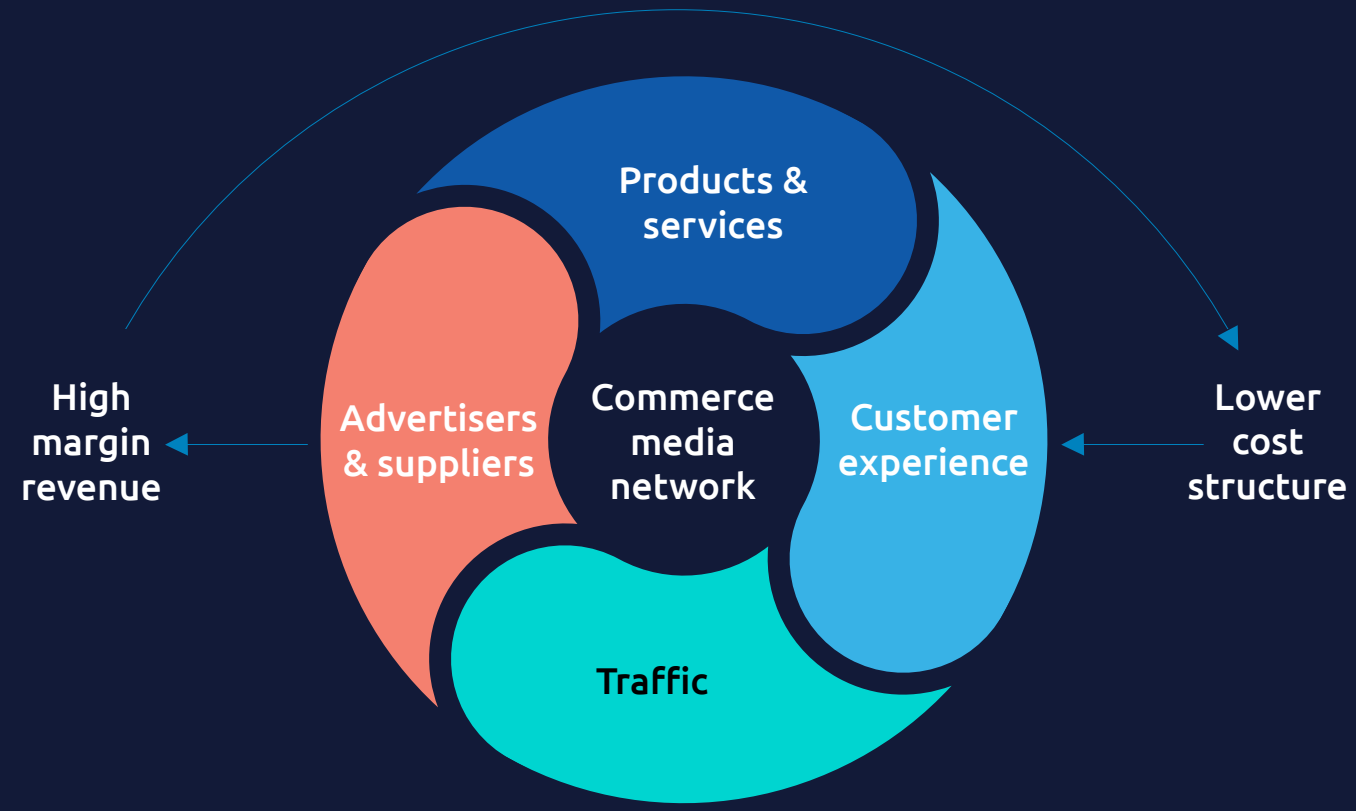
From screens to shelves to streets, the volume of ads is set to surge even further, ushering in a new era of commerce media, where every company can be a potential publisher, data source, or partner.

Commerce media: How it started

Commerce media started when large retailers like Amazon and Walmart decided to monetize their experiences, such as through paid search or sponsored ads. Retailers had access to transaction data and shopper behaviors, which endemic advertisers, that is consumer brands selling products through those retailers, wanted to leverage for marketing purposes.

Retailers were also able to create more sophisticated and relevant experiences based on their consumer data, especially when supported by AI tools. Done well, retailers could offer more serendipitous experiences to their customers by showing them the right brands and products at the right time. Done very well, they could offer products to consumers that they never even knew they wanted but would eventually learn they couldn't live without.

For retailers, the prospect of a virtuous high-margin revenue stream that left all parties better off led to the beginnings of a gold rush. Amazon's success growing from $3 billion in revenue to an estimated $56.21 billion in 2024 further fueled the hype of commerce media.



This wave of success has sparked a rush: Companies across industries now want to build media networks, with travel, hospitality, and financial services leading the charge.

For example, earlier in 2025, JP Morgan Chase and PayPal announced they were launching their own media networks. Meanwhile, TripAdvisor, United, and Marriott are looking to do the same for travel and hospitality.

With a host of new ad publishers entering the market, so begins the expanded age of commerce media.

Chasing the commerce media opportunity

Unfortunately, the reality of achieving the commerce media dream is more complex than meets the eye.

A confluence of events over the past few years has made the regulatory landscape more complex, as restrictions on third-party identifiers like Apple's Identifier for Advertisers (IDFA) and the deprecation of third-party cookies make data sharing between companies and partners more difficult.

Another notable driver of change was the passage of the California Privacy Rights Act (CPRA). This legislation, which closes data-sharing loopholes, is even more restrictive than the EU's General Data Protection Regulation (GDPR) and may foreshadow broader change.

Changing privacy regulations

Shopping shifting to e-commerce

Deprecation of 3rd Party Identifiers

More than half of all advertising spend is now digital

We can argue that evolving sentiments regarding consumer choice is the third factor, but overwhelmingly we see that the balance between privacy and data collaboration is largely predicated on the value exchange of the experience delivered. If you doubt that to be true, go create a brand new Netflix profile and see what content recommendations you receive. Chances are, your experience will fall flat because the algorithm doesn't know you.

At the same time, while privacy regulations and sentiments have risen, they are accompanied by the tension of personalization. Commerce media is no exception to that rule.

Building a media network is hard. The old guard of publishers have had ten years or more to build and innovate their ad tech stack. Transaction volumes easily can expand into terabytes per day and most bidding requests require sub-millisecond responses. Unfortunately, a bid request that can't be processed in time is revenue lost forever. Layer in a few dozen algorithms for personalization, brand safety, and some third-party ad verification API calls and, well…accessing the commerce media opportunity may not be as simple as companies had hoped.

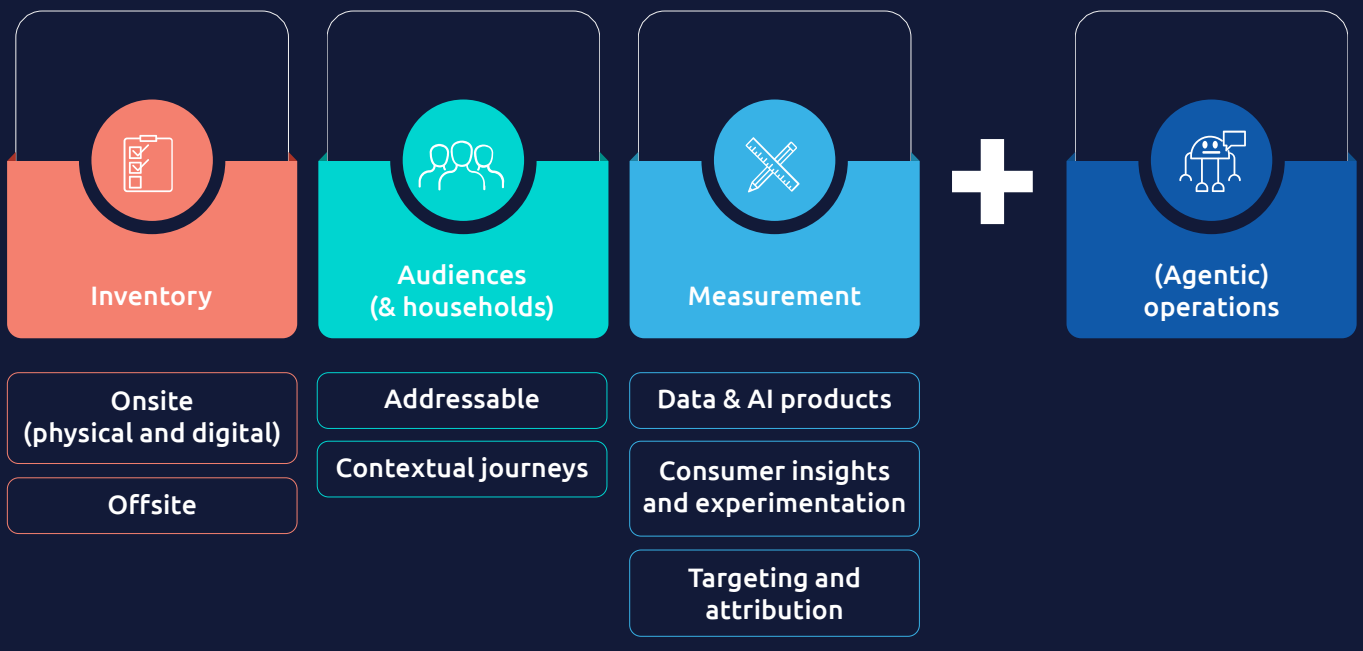
Cashing in: How to tap the commerce media opportunity

The question facing companies today is: How can they create a commerce media network without having to go through the pain of building a media network?

While original options were largely limited to white-glove and fully managed service providers, these left little room for customization. They also took substantial cuts of the revenue. Ultimately, these options provided very little lift for retailers. Dollars came in and little work was needed to support the run.

Luckily, the progression towards composable and headless ecosystems also applies to marketing and advertising technology. For those looking to build a modern commerce media network, there are now more options to develop a platform. On the other hand, for those that have an existing media network, the bigger issues are redesigning and modernizing what is already in place to improve revenue and margins.

Regardless of your current state, we recommend starting with the three pillars of a modern commerce media network: Inventory, audience, and measurement.



1. Inventory

Inventory refers to the ad units being monetized. On-site inventory is that which resides on owned properties (e.g., websites, mobile apps, video screens/TVs in physical locations). The trade-off for onsite inventory is on customer experiences.

The challenge for companies is to introduce new ad units while also maintaining positive experiences and without diminishing their own business outcomes, like basket size.

Ad tech solutions provide the capabilities for firms to host onsite inventory without having to build all the supporting functionality of an ad network, such as ad serving or managing auctions.

Increasingly, providers allow firms to choose which pieces of an ad network they select to support their onsite strategy. This allows companies to slowly expand their capabilities without being tied up in long-term commitments. The downside is such solutions require more engineering support and a dedicated ad-sales team.

Offsite inventory refers to external ad units that exist on other publishers' sites that the commerce media network (CMN) monetizes by providing audience data to the publishers.

The theory is the commerce media provider has transactional information on customers that are relevant audiences for brands, and by sharing that data with a publisher, a brand could provide relevant messaging to the right customers.

The challenge is how to get customer consent to share this data in order to get the customer transaction information or audience attributes to publishers while also minimizing or removing the need to transfer or share personally identifiable information (PII).

2. Audience

Audience data is the critical differentiator for a media network and what makes commerce media so valuable. Going beyond demographics and providing data on what types of products and brands a consumer has purchased allows advertisers to more accurately target customers and high-propensity prospects. Layering in capabilities such as predictive lifetime value or propensity to switch brands further provides actionable insights that can result in higher margins. This is critical because brands are more willing to pay for audiences based on those behaviors.

Attributes on transactions and demographics are increasingly par for the course to start monetization of a CMN. The next frontier of audience data will hinge on providing or linking audience attributes to contextual information.

Providing contextual signals, which vary from firm to firm and industry to industry, further enhances audience data by enabling brands to more accurately time their communications.

For example, in retail, convenience store chains will have traditional brand signals, but could also incorporate new sources, like geo-location signals, which could be valuable to quick-serve restaurants, gas stations, and brands that want to target customers in transit and adapt their messaging based on where those people are going.

For example, imagine being on a road trip, stopping at a convenience store and getting a coupon for an energy drink through the store's loyalty app. This would only happen if both the brand and the retailer know you're on the road and that you're more likely to consume an energy drink, as opposed to a soft drink or bottled water.

In travel and hospitality, knowing where the customer is in their journey is also extremely valuable in providing relevant messaging. For example, a customer who's looking at multiple different locations for a given date range is likely planning a holiday. If those locations are all warm weather resorts, the company could use that information to contextualize onsite and offsite ad inventory or partner offers.

For example, if it's a beach vacation, a casual sandal and swimwear company may want to advertise flip-flops or swim trunks during the booking process. Having contextual attributes around someone traveling to a warm weather location near a pool or beach and a time frame (e.g., 30, 60, 90 days out from the trip) would allow brands to better target the right person at the right time. It would also make it easier for their brand and agency teams to send the right type of campaign (e.g., a video campaign for brand awareness further out vs. a bottom-funnel sponsored ad on amazon.com closer to departure).

In financial services, the wealth of customer data offers a significant opportunity to provide unique and holistic contextual signals to both augment commerce media networks and provide unique and holistic insights capabilities that no one retailer or commerce provider could deliver alone. This allows financial services firms to both enable their own ad inventory with contextual signals and provide unique analytics and measurement capabilities to other CMNs.

> For example, knowing that someone has pre-qualified for a mortgage and is in the market for a home could be highly valuable to merchants who want to promote their offers. It could also allow the firm to monetize that service through merchant offers or ads within a banking or credit card app.

3. Measurement

Measurement is the third critical pillar of commerce media networks as linking ad spending to financial outcomes helps drive demand for the media network.

Media networks with robust measurement capabilities get 40-70% higher CPMs from advertisers that use their analytics the most. We've found that ratio remains steady as more and more advertisers leverage measurement and analytics products of CMNs.

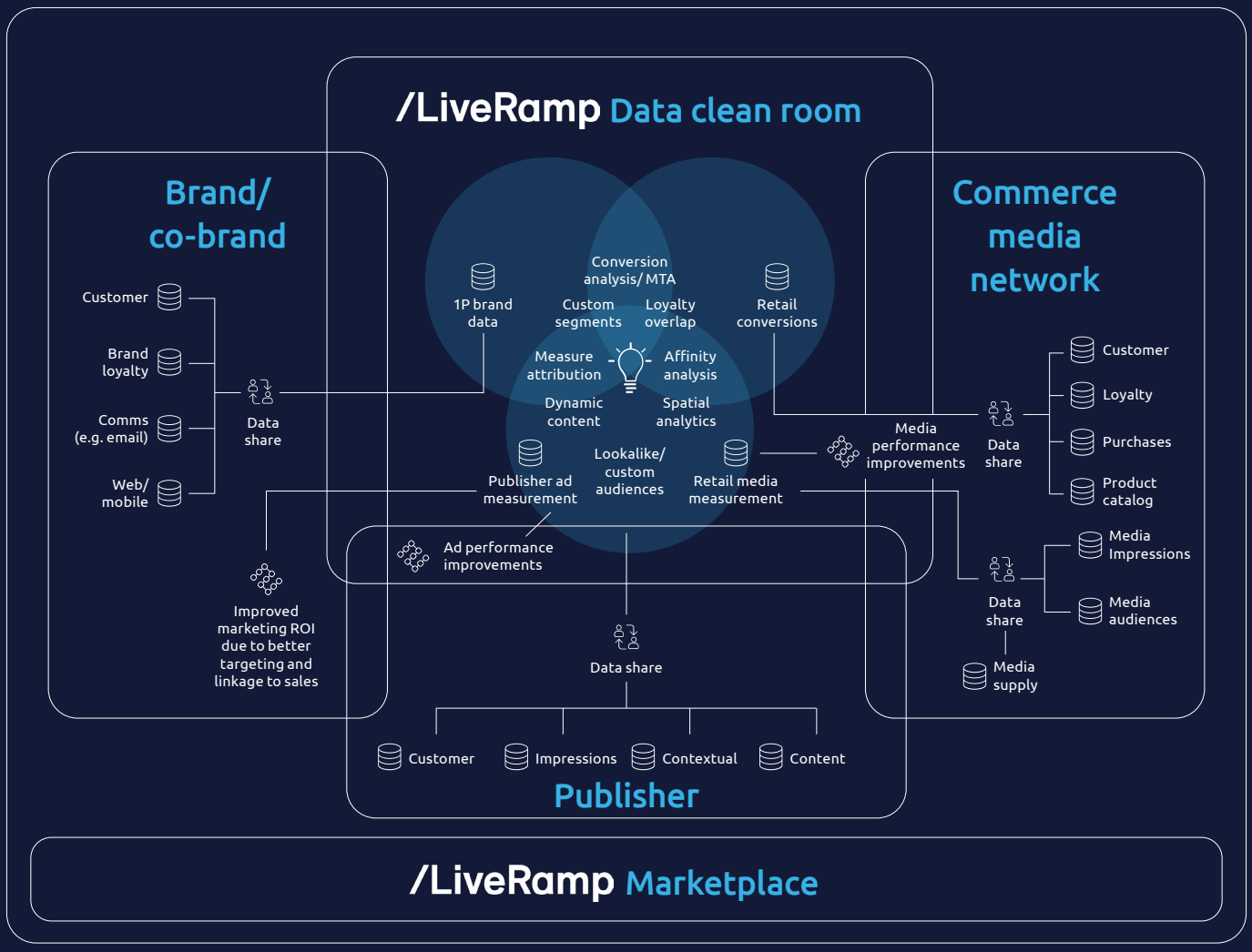
For example, for one large CMN, a 10X increase in advertisers that leveraged analytics products all showed a consistent (40-70%) increase in average CPM paid. Importantly, analytics and measurement to link to financial outcomes drives higher revenue and margin for media networks that does not get diluted as the network scales.

Collaboration is critical to CMN measurement solutions and data clean rooms are one key way to drive connection between different stakeholders.

Not every media network can do what Amazon did (start a streaming service and make its own TVs) or what Walmart did (acquire a company that makes TVs). For firms that have access to transaction data, such as retailers, hotel chains or financial services companies, collaboration solutions help to widen and expand the universe that their data can be activated against through partnerships with other large publishers while maintaining the ability to measure outcomes effectively.

Collaboration also allows these firms to expand the world of non-endemic advertisers that would find their inventory and audiences valuable. An example of this is financial services companies that want to target customers on a CMN for a credit card or loan application, even though the transaction information sits with them. Likewise, travel and hospitality firms may want to link advertising spend on CMNs to actual bookings as well as total spend on property.

Intuitively this all makes sense: Link business value to advertising outcomes.



So why do we need data clean rooms? Why can't we use traditional approaches to marketing measurement? Simple: privacy and fidelity. The evolving regulatory landscape requires additional measures to build trust and prevent data misuse.

Clean rooms provide a secure environment for collaboration while ensuring each party's privacy and governance controls are respected.

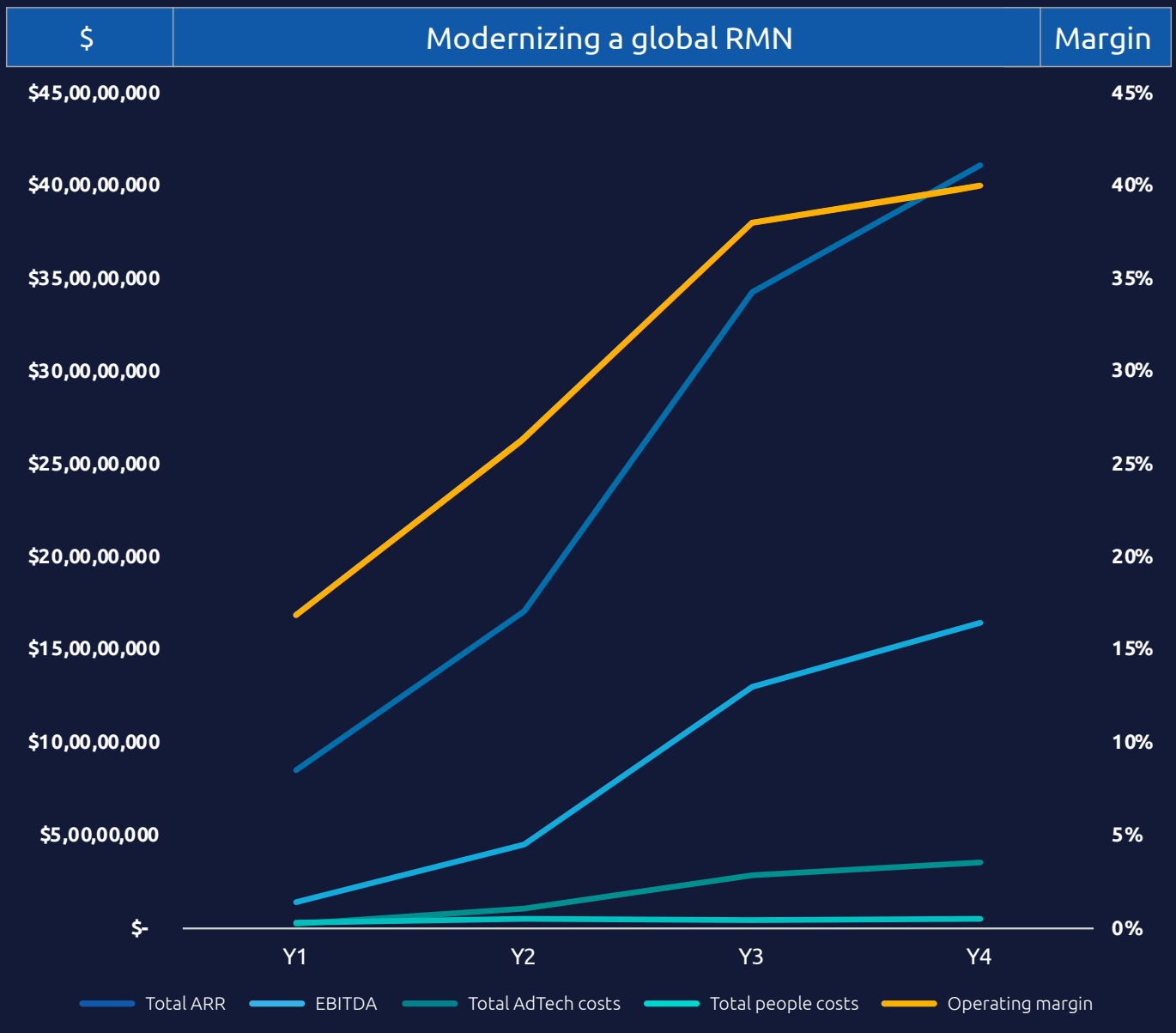
Fidelity becomes critical as companies want to increasingly link spend on marketing activities to actual business outcomes.

While traditional CAPI-based frameworks were easy to set up, they were rife with errors. CAPIs only take a point-in-time signal (e.g., customer checked out with item, or booked a room), but have significant limitations on updating that state. So if the customer returns a purchased product or cancels the booking, it gets viewed as a conversion for the brand, overstating the financial performance. Furthermore, CAPIs across digital marketing platforms are not often coordinated or de-duped, and companies typically run into scenarios with a 3:1 ratio between platforms taking credit for conversions versus actual sales.

However, adoption of measurement and analytics solutions is a challenge. In fact, it is possibly the single biggest challenge that CMNs face. Commerce media networks are big data ecosystems. Most marketers didn't enter the profession because they were math and tech whiz kids. And that is the current pickle.

A large Retail Media Network had outsourced its operations between Agency Partners and Legacy AdTech (e.g., Criteo, Citrus) and was facing stagnation on growth and margins. By helping them implement a composable and agentic-forward transformation we helped to drive significant improvements in revenue (See: figure 1) and margin leveraging LiveRamp's data collaboration and identity solutions.

Figure 1: Case study - modernizing a global RMN to increase margins from 17% to 40%

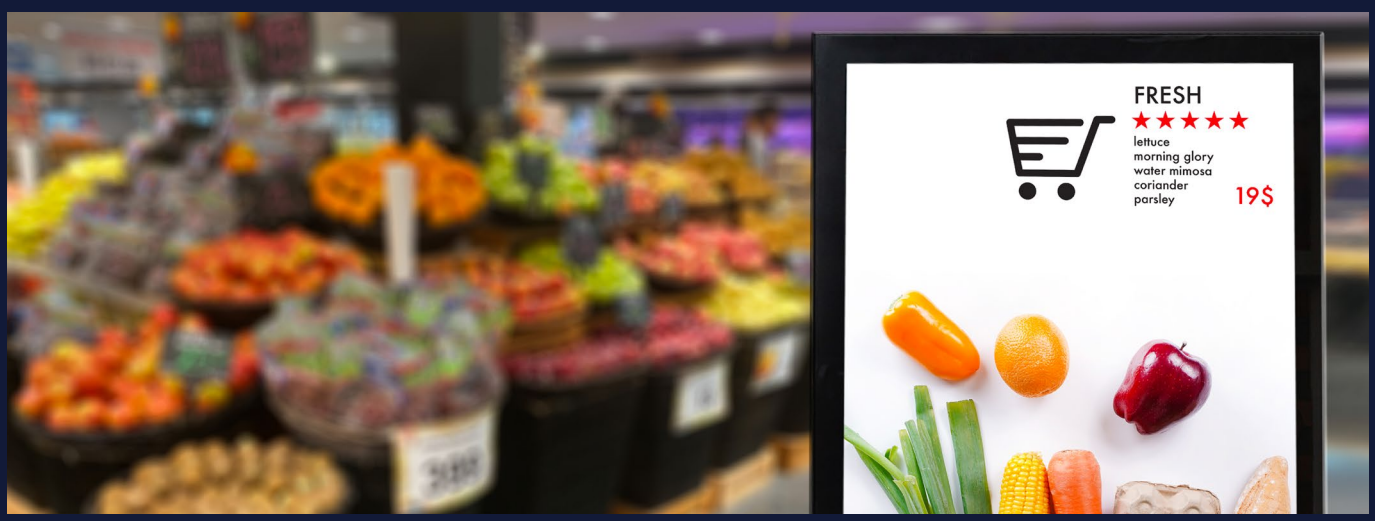


Building and designing CMNs to make the measurement side of the equation easier is critical to driving adoption and scale. Essentially, CMNs need to build data and analytics "products" that make it easier for suppliers and advertisers to gain insights and understand the impact of their spend. As a CMN grows, managing data and measurement solutions becomes increasingly complex.

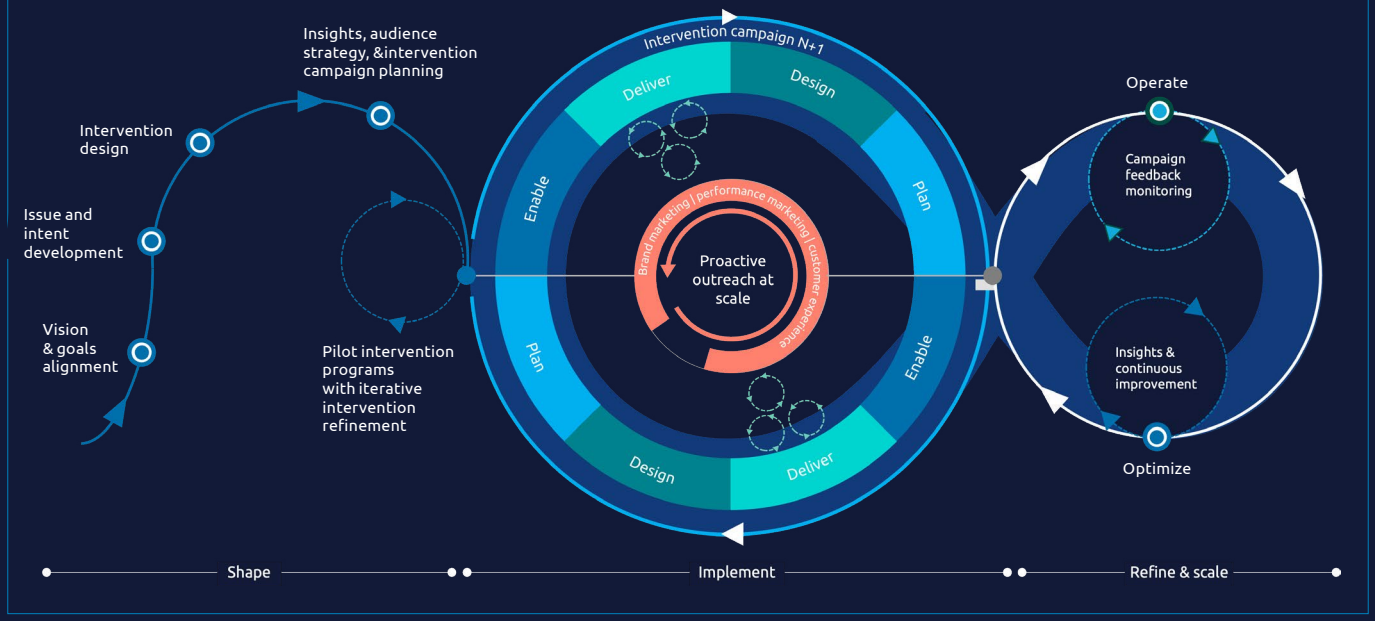
The challenge: the data engineering and data science talent needed to build and support these programs traditionally does not lie with marketing teams or their agency partners. Additionally, at scale, these programs could require dozens if not hundreds of engineering specialists. This was often a daunting skill set to ramp up for commerce organizations.

Over the past three years, generative and agentic AI are helping solve this challenge. Thoughtful agentic solutions designed around CMN measurement and analytics use cases dramatically reduce the effort and time needed to build data and analytics products. They also make it easier for marketers and agency partners to extract value and insights.

These agentic systems can autonomously parse through terabytes of advertising data, identify patterns, and generate actionable recommendations without constant human oversight. For example, an agentic AI system could continuously monitor campaign performance across channels, automatically adjust bidding strategies based on real-time data, and provide natural language explanations of complex metrics to marketing teams. It could also proactively identify opportunities for cross-selling or audience expansion that humans might miss in the vast sea of data.



How can CMNs benefit marketing and branding teams



For CMNs specifically, agentic AI can transform how measurement is conducted and communicated. Instead of requiring marketers to navigate complex dashboards and run custom queries, an AI agent could handle conversational requests like “Show me which audience segments drove the highest ROI last quarter” or “Compare performance of similar campaigns across different platforms.” The AI can then gather relevant data, perform the necessary analysis, and present insights in formats tailored to different stakeholders.

While this doesn’t eliminate the need for data and AI talent, it means the next generation of CMNs won’t need the same level of talent or effort to drive to scale as did Amazon, Walmart, and Kroger. Agentic AI serves as a force multiplier, allowing smaller teams to achieve results that previously required massive, specialized workforces.

As these systems continue to evolve, we can expect them to take on increasingly complex tasks across the commerce media ecosystem, from audience segmentation to creative optimization to automated reporting. The companies that embrace this agentic approach today will be positioned to build commerce media networks that are not just composable, contextual, and collaborative, but truly intelligent and semi-autonomous.

Leading the future of commerce media

As ads become woven into every surface and screen, the winners won't just be those who sell more impressions, but those who build intelligent commerce media networks that deliver incredible experiences to both customers and partners.

To learn more about how your organization can master the three pillars of modern commerce media and leverage advanced technologies like generative and agentic AI to establish and scale a modern media network, reach out to our expert team.

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