IAB Europe Recommendations for Retail Media Measurement Standards
FOR PUBLIC COMMENT UNTIL 29TH MARCH

Introduction

Retailers are in a unique position to directly link ad spend to sales outcomes. This unique promise fueled the initial growth of Retail Media. For the upward trend to continue brands are asking for more. IAB Europe ran a survey which found that 70% of buyers cited the lack of standards for Retail Media as a barrier to investment and media and attribution measurement were noted as the most important areas to address.

In order to address this challenge, IAB Europe brought together 15 retailers from across the region in a two day Workshop to agree on a first set of definitions for industry feedback. These definitions will serve as standard definitions for retail media advertising investments. This foundational work will act as the basis of subsequent work streams that will go beyond the basics and anticipate current and future needs.

IAB Europe Recommendations in the Context of Other Industry Initiatives
IAB Europe recognises the fact that there has already been some progress made on the development of retail media metrics definitions in other markets (e.g. IAB US, BVDW in Germany and ISBA in the UK) and all of this work was used as the basis for discussions within the Workshop.

ISBA has developed a "Responsible Retail Media Framework" for the UK driven by what brands need to invest further in retail media. The Framework addresses what is needed Now, Next and in the Future. In this document, IAB Europe has incorporated most of the elements in the Now and Next section, while we will keep on iterating on the Future with brands and retailers across Europe.

Focus of the Recommendations
The focus of the Workshop was Online Measurement. IAB Europe recognises that Offline Measurement whether In-Store or OOH, is a growing piece of most Digital Retail Media activations and plans on addressing it in future iterations.

For this first version, IAB Europe has provided recommendations for industry comment and feedback. This feedback will help to shape the final set of standards which are due to be released in April. The recommendations cover the following areas:
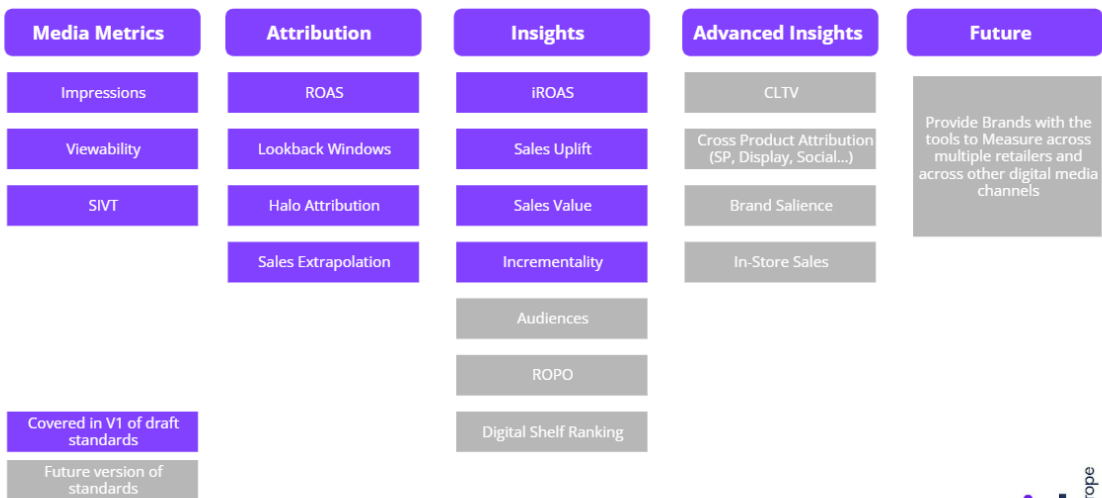- Media Metrics

- [Attribution](#)
- [Insights](#)
- [Future Considerations](#)

What metrics are covered in these recommendations?
The following diagram provides an overview of the metrics covered in the following standards document and the areas that are not yet covered.

IAB Europe Retail Media Measurement Standards - Metrics Covered

Media Metrics	Attribution	Insights	Advanced Insights	Future
Impressions	ROAS	iROAS	CLTV	Provide Brands with the tools to Measure across multiple retailers and across other digital media channels
Viewability	Lookback Windows	Sales Uplift	Cross Product Attribution (SP, Display, Social...)	
SIVT	Halo Attribution	Sales Value	Brand Salience	
	Sales Extrapolation	Incrementality	In-Store Sales	
		Audiences		
		ROPO		
		Digital Shelf Ranking		

Covered in V1 of draft standards

Future version of standards

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1. <u>Media Metrics</u>

1.1 Ad Impression
The IAB/MRC definition of an ad impression refers to an ad that has been successfully delivered to a user's device and has begun to render on the web page or app. This metric, however, does not necessarily mean that the ad was seen by the user. For example, the ad might have been loaded on a part of the web page that the user never scrolled to.

1.2 Click-Through
The IAB / MRC definition of "Click" or "Click-Through" as a user-initiated action on advertisement, including directing to a Brand, Product or Cart Page

1.3 Viewability for Display and Video Ads
The recommended standard is to report on viewability for on and off-site display ads as well as Video ads against the IAB / MRC standard:
- Display: At least 50% of the ad's pixels must be visible on the user's screen for a minimum of one continuous second
- Video: At least 50% of the ad's pixels must be visible on the screen for a minimum of two continuous seconds

Access the IAB / MRC Viewable Ad Impression Measurement Guidelines here

1.4 Video Completion Rate
The recommended standard is for retailers to report on Video Completion Rate against the IAB / MRC standard:
- Video completion rate calculates the percentage of video ads that are viewed to completion (i.e., played until the end)

1.5 Viewability for Sponsored Products Ads
Viewability for sponsored product ads will be addressed in 12 months time as this is typically sold on a CPC basis. It is worth noting that viewability will impact ROAS.

1.6 SIVT

Quality control, analysis, and filtration is paramount in identifying and addressing invalid activity, across media types. Retailers have agreed to adopt SIVT filtration in accordance with MRC/IAB guidelines. Outcome measures that don't incorporate SIVT filtration can still be reported, but should be properly labeled, reported separately, and should include clear disclaimers. If a retailer is not in position to report on SIVT filtration they should make that clear.

Access the MRC Invalid Traffic and Filtration Detection Guidelines here

2. Attribution

2.1 ROAS
Outcomes that can be attributed to a click (to a PDP or an Add to Cart) and or viewable ad based on the standards set out in this document, associated to specific SKUs included within the creative or directly determined by the brand partner.Retailers should be able to differentiate between Click Based and View Based ROAs in the reporting.

2.2 Lookback Windows
It is recommended that a 30 day post view and post click lookback window is used as standard for endemic on and off-site (excluding video/ CTV) with retailers also able to provide flexible windows.

2.3 Same SKU and Halo Attribution
Same SKU (parent SKU) attribution should be provided for all sponsored product ads. For example if a shirt was clicked on all size and colour variations of that shirt should be included in Same SKU attribution

Halo attribution can be provided for all formats. Standard definition for Halo is: Same Brand, Same Category (Category as defined by the retailer catalogue).

In future iterations of the standards, brands should be able to determine their own definition of Halo with the retailer in an automated way.

2.4 Sales Extrapolation
Extrapolation can be defined as a set of rules used to estimate the impact of media on non-identified users or behaviours by leveraging the media impact of a set (or all) identified users consumers. Retailers should disclose the following:
Which metrics the extrapolation is done through. For example, a retailer could assume that sales per impression are the same for non-identified users as identified users.

3. <u>Insights</u>

3.1 New to Brand/Repeat Shoppers
A shopper who has not purchased any products from specified brands within a defined time frame are "New to Brand". Inversely if they have purchased within the below time frames, they can be considered "Repeat Customers". The time frame will vary per product purchase cycle, 3 timeframes will be adopted to account for that nuance:

Regularly purchased (e.g. shampoo, banana, diaper, milk..)	6 weeks
Semi-Regular purchased (e.g. jeans, mascara, cartridges..)	26 weeks
Infrequent (e.g. TVs, vacuum, winter coat, sofa)	12 months

3.2 Sales Uplift
Sales Uplift determines overall Sales lift for a brand during a set amount of time by undertaking an AB test using an exposed vs non-exposed group. The exact methodology for the AB test will vary by Retailer / Retail Media Network. IAB Europe will explore harmonisation of these methodologies in future versions of the standards.

3.3 iROAS (Incremental ROAS)
iROAS determines the incremental impact of ad spend on sales, by measuring sales lift divided by the total advertising spend. It requires undertaking an AB test using an exposed vs non-exposed group. The exact methodology for the AB testing will vary by Retailer / Retail Media Network. IAB Europe will explore harmonisation of these methodologies in future versions of the standards.

3.4 Sales Value
Sales Value can be defined as the growth or decline of number of customers, spend per customer or the combination of both.

4. __Future Considerations__

Other topics addressed in the Workshop include Audience Measurement, Creative Ad Format Standardisation, Digital Shelf Ranking and Brand Salience metrics. They all remain a priority and will be addressed in future iterations of this Standards document. On Creative Formats, it was agreed that Retail Media has needs [beyond standard IAB formats](#) and that brands would benefit from buying uniform formats both from an operational and reporting standpoint. This will be addressed in future sessions and in coordination with other IAB bodies in Europe and Globally, including the US.

Retailers in the workshop all recognised the importance of Third-Party Verification, particularly as this is already standard practice across programmatic advertising, and are open to considering this in the future for on-site advertising investments.

We also had a knowledge sharing session around data availability and dashboards. Retailers all agree that data should be available in near real time where possible. For performance led products, such as Sponsored Products, that should be table stakes. However, for brand awareness campaigns, it is not yet agreed upon how best to report and automation remains a challenge. IAB Europe will continue to work with the industry to help this work advance,

5. **How to Provide Feedback**

The public comment period is open from Thursday 29th February until Friday 29th March. You can submit your feedback to: retailmediastandards@iabeurope.eu