

PLAYBOOK

Measuring What Matters: How Retail Media Is Redefining Performance

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Introduction

Retail media has moved from a promising channel to a crucial component of modern media investment. With its rapid expansion across platforms, formats, and surfaces, brands are bringing sharper scrutiny to the role retail media plays in driving measurable business outcomes.

As the industry advances, advertisers expect clearer visibility into what works. They want consistent, validated measurement, cross-channel comparability, and tools that illuminate the full guest journey — from discovery to conversion to repeat purchase.

Gaining that visibility and ensuring success in a media ad spend strategy does come with challenges. For example, according to the 2025 Retail Industry Outlook by Deloitte,¹ the cost of gaining new customers can be a hurdle for brands looking to engage in omnichannel advertising. But as consumers everywhere blend lines with how and where they shop, finding an engaged online consumer may be worth the investment.

Then there's the issue of measurement. Forbes explains that 62% of retail media buyers say that a lack of measurement standards continues to remain a top challenge for getting the info they need to make decisions, according to the IAB.²

Brands are seeking clearer visibility into what drives performance and where media is creating meaningful impact. That need has shaped a broader shift in retail media toward more consistent, transparent measurement frameworks that reflect how people actually shop. As the industry evolves, three areas have become especially important for understanding real outcomes: closed-loop attribution, new to brand guest insights, and incrementality. Together, these pillars create a more comprehensive picture of performance and set the foundation for more confident decision-making in 2026 and beyond.

Advancing Attribution: The Power of True Closed-Loop Measurement

Consider the multi-brand retailer Target and its approach to brand–guest relationships. Target’s guests move fluidly between discovery, browsing, and buying, often engaging with multiple platforms before making a purchase. Understanding these behaviors is essential to measuring true performance because it reflects how real shoppers encounter brands and make decisions across the full Target ecosystem.

For example, 92% of Target guests watch videos on YouTube, which is 24% higher than the general U.S. population.³ This makes YouTube a powerful channel for reaching the Target guest, while underscoring the need to understand whether those exposures translate into meaningful outcomes. Closed-loop measurement helps answer that question by linking the content guests engage with to the purchases they ultimately make.

But how can brands know whether their ad dollars are actually driving impact — not just reach, but real purchase behavior?





This is where flexibility and adaptability of measurement solutions becomes essential. By capturing how guests move across platforms and placements, and tying those exposures to verified sales outcomes, enhanced measurement offers a more complete view of what's driving results. It reveals which channels are contributing meaningfully to conversion, where cross-platform influence is happening, and how upper-funnel impressions support lower-funnel action.

Here are the key components of a comprehensive closed-loop measurement framework that support accurate, reliable performance insight across the Target ecosystem. Together, they provide a complete view of performance and reflect the continued evolution of Roundel's capabilities, including expanded visibility across major social platforms.

1) More complete multi-channel attribution coverage including Meta, YouTube, TikTok, programmatic, and Google Search.

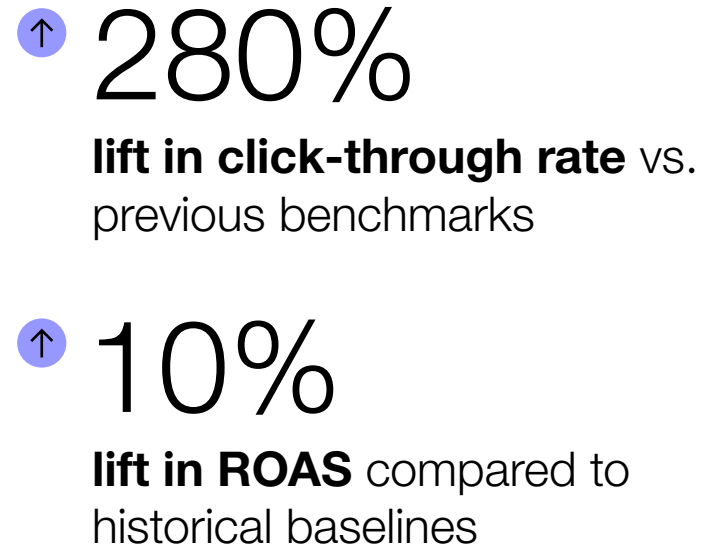
Closed-loop measurement clarifies how exposure across channels contributes to conversion by connecting media touchpoints to verified sales outcomes. For example, if a shopper sees an ad, watches a YouTube video, and later makes a purchase, enhanced attribution reveals how each interaction influenced the final sale.

This visibility is especially valuable as guests move fluidly across platforms. In one example, a pet care brand sold at Target used multi-channel attribution to understand how offsite platforms influenced purchase behavior. Guests who saw the brand's content on Pinterest later completed purchases either on Target.com or in-store.

With visibility into this full journey, the brand optimized its tactics and saw meaningful improvements including:

- +280% lift in click-through rate vs. previous benchmarks
- +10% lift in ROAS compared to historical baselines

These insights helped the brand understand how cross-channel exposures were influencing outcomes and where to reinvest to drive stronger performance.





2) Measurement of both digital and in-store sales, reflecting the full Target shopping experience.

“We know that 76% of our guests are on their mobile device while shopping in-store. That means when guests move from their phone into our aisles, the experience is curated to be consistent, relevant, and inspiring,” says Sr. Director, Roundel Performance & Insights, Shawn McGahee. This omnichannel view helps advertisers see the full impact of their campaigns across the entire ecosystem, including how tactics influence digital and in-store sales differently.

3) Improved crediting models that fairly assign value across impressions, clicks, and exposure points.

Enhanced attribution provides greater transparency into how sales influence is assigned across touchpoints, giving advertisers a clearer understanding of how upper-, mid-, and lower-funnel exposures work together to drive conversion.

4) Enhanced optimization signals that improve attribution accuracy for harder-to-observe behaviors.

Through deeper data integrations, such as the work powering Precision Plus, optimization signals now flow directly into partner algorithms at the product level, strengthening attribution quality where traditional signals are harder to capture. *“This level of alignment means our optimization signals flow directly into partner platforms at the TCIN level, improving both accuracy and performance,”* says VP of Roundel Product, Guthrie Collin.





5) Richer platform-level insights that help brands understand which channels deliver meaningful outcomes.

While platform-level performance insights are standard, the real value comes from understanding how each channel contributes to the Target guest's discovery and decision-making process. By connecting exposure data to verified sales across the ecosystem, attribution surfaces how channels work together, including where guests are inspired, where they explore, and where they ultimately convert. This helps advertisers plan more intentionally across touchpoints and design campaigns that align with how the guest actually shops.

"She's [the guest] blending logic and emotion — moving between planned lists and real-time discovery," says Shawn McGahee.
"Understanding how channels support those moments helps brands plan with more intention."

New Guest Measurement: Understanding How Brands Reach New Shoppers

Target's environment is inherently discovery-driven — inviting guests to explore new products, categories, and brands as they move across social platforms, the Target app, Target.com, and in-store experiences. This creates ongoing opportunities for advertisers to reach shoppers who may be engaging with their brand for the first time. Because of the scale and richness of Target's guest insights, brands need more granular visibility into how these discovery moments translate into new shopper acquisition.

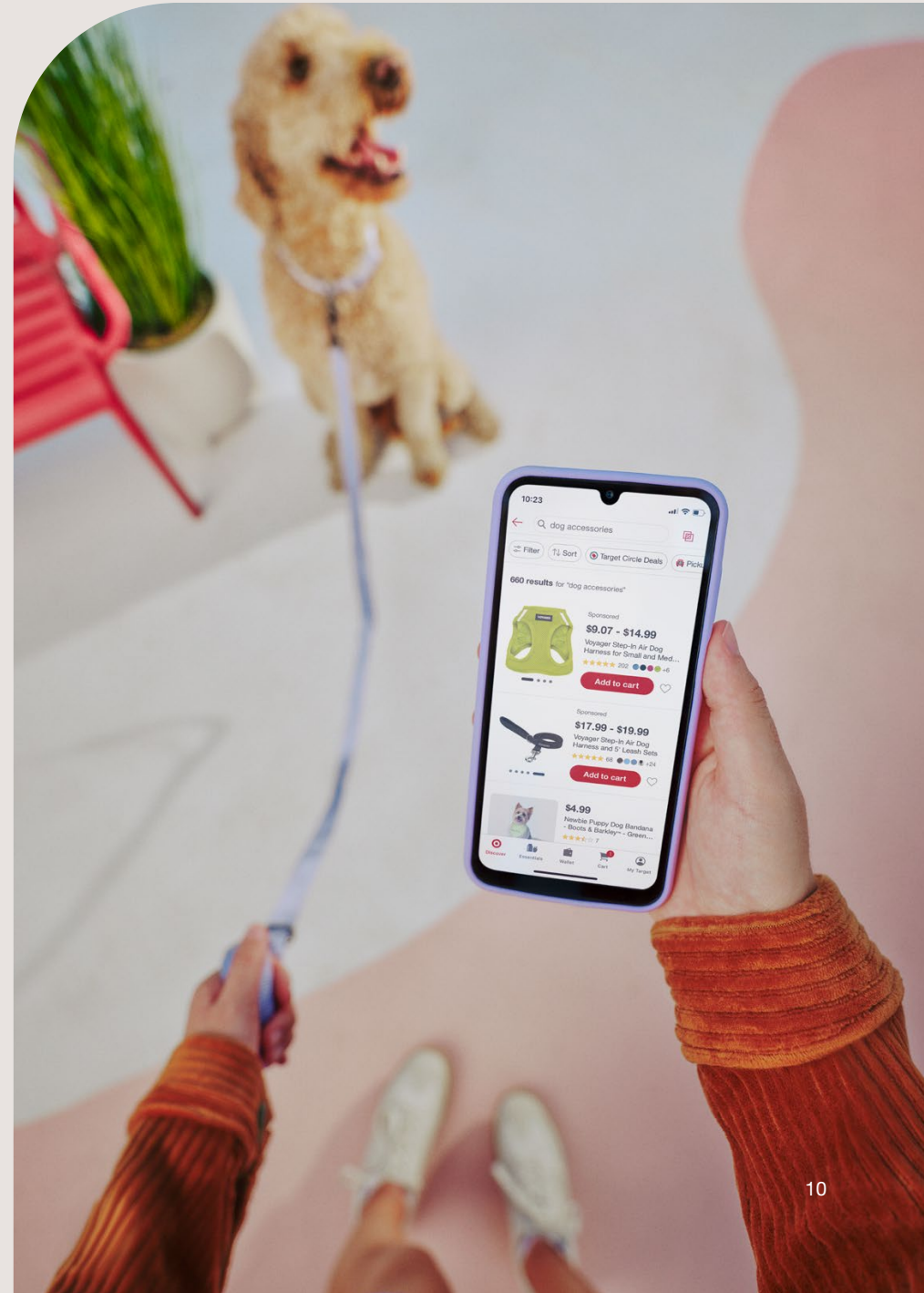
As discovery becomes a central part of how guests shop, advertisers want to understand which placements and channels are most effective in reaching new shoppers. Target guests tend to balance loyalty with curiosity, continuing to shop brands they trust while also trying new ones that catch their attention. This dynamic is even more pronounced among Target Circle and Circle 360 members. As McGahee explains, *"On average, Target Circle members spend 3x more than non-members, and Circle 360 members spend 7x more. That's the power of loyalty at scale."* These behaviors highlight why visibility into where new guests enter, and which touchpoints support early discovery, is increasingly important for advertisers.

This emphasis on intentional, guest-aligned experiences is reflected in how shoppers respond to relevant media. In fact, McGahee explains that *"59% of surveyed Target guests say that digital ads introduce them to new products they want to try, and 71% agree that digital ads make them more aware of brands they might not have known otherwise. That means advertising isn't just tolerated — it's welcomed when done in the right way."*

Rather than stopping at simply identifying new guests, new guest measurements help clarify *where* new shoppers are coming from, *how* they influenced performance, and *which* tactics can be optimized moving forward. These advancements reflect the work done throughout 2025 to strengthen visibility into acquisition pathways and support more consultative, insight-led planning. Together, they help ensure their strategies stay aligned with new guests' needs and behaviors in real time.

New guest acquisition by platform, giving brands a clearer view of where new shoppers are entering.

With platform-level visibility, advertisers can now see whether new guests entered through paid social, onsite placements, the Target app, or off-platform media partners like Google, Meta, Bullseye Marketplace, or Pinterest. This matters because discovery looks different across environments. A guest may watch a creator's review on TikTok, browse related items on the Target app, and complete their purchase in-store later that week. Platform-level new guest reporting reflects this behavior by showing which channels are driving first-time buyers.





New Guest ROAS and New Guest Sales, giving visibility into the revenue generated by new-to-brand buyers, helping advertisers understand how effectively their campaigns are acquiring first-time shoppers.

These dedicated KPIs isolate the performance and revenue contribution of new-to-brand guests, helping brands distinguish between tactics that drive existing customer engagement and those that are successfully expanding their shopper base.

Roundel's expanded New Guest metrics provide more granularity than traditional ROAS alone, offering channel-level insight rather than summary-level reporting. This allows advertisers to understand whether they are bringing in new guests in addition to which channels and campaign elements are contributing most to that growth.

To support different category purchase cycles and campaign needs, reporting is available across both 13-week and 13-month windows, allowing brands to match insights to how their shoppers naturally buy. This helps advertisers understand short-term momentum as well as longer-term shifts in new guest behavior and acquisition effectiveness.

Connecting new guest insights to specific tactics for smarter optimization.

Discovery unfolds across signals, placements, and moments that influence behavior differently. With enhanced New Guest Measurement, advertisers gain more visibility into which placements and campaign touchpoints are most associated with attracting new shoppers. These insights help identify patterns in where new guests are entering and support post-campaign evaluation, informing future decisions around channel mix and overall acquisition strategy.



Incrementality: Learn How To Pinpoint Where Media Truly Affects Change

While New Guest Measurement helps brands understand *who* they're reaching for the first time, advertisers also want to understand *why* performance shifts, and which tactics are actually causing meaningful impact. Incrementality provides that clarity by distinguishing natural demand from the sales that were truly driven by media.

As expectations for transparency rise and budgets face greater scrutiny, incrementality has become an essential part of understanding true media impact. It provides the causal insight needed to separate natural demand from sales driven specifically by advertising.

But what specific measurements can retail media strategies take to identify which campaigns are truly working? Roundel's incrementality framework answers this expectation with rigor.

According to McKinsey, "A comprehensive marketing technology stack requires thorough measurement to facilitate ongoing optimization and improvement. To validate the ROI of personalization efforts, rigorous incrementality testing, standardized performance metrics, and measurement playbooks are essential."⁴

A rigorous incrementality framework, like Roundel's, leverages one or more of the following methodologies, selected in partnership with advertisers, to best answer their most important business questions.



- **Synthetic Control Testing:** Post-campaign (non-holdout) experiment where test and control groups are established (based on similar purchasing characteristics) to measure lift between those who were and were not exposed to media.
- **Match Market Testing:** A rigorous geo-based holdout test that isolates and measures the true impact of media investment by establishing test markets where media is shown and control markets where media is withheld.
- **Platform Randomized Controlled Trial (RCT):** Pre-campaign platform specific user-level holdout where targeted guests are identified and a test and control group is established through random selection.

This multi-method approach provides the flexibility needed to design incrementality testing that fits campaign objectives.

Of course, transparency is key: showing *how* results are derived, and providing confidence scores allow advertisers to make the most informed decisions. McGahee explains: *“Beyond the above testing and results, we deliver clear, actionable steps that advertisers can use to harness the information and make for more effective campaigns.”*

Set Out On A More Confident Path

The next era of retail media will be defined by transparency, validated impact, and measurement approaches that shine a light on what truly drives connection between brands and the Target guest. As shopper behavior grows more complex and expectations for clarity rise, Roundel is committed to leading this evolution, giving brands the tools to navigate with confidence and invest with certainty.

By strengthening closed-loop measurement to provide a more complete view of how media influences the guest journey, enhancing visibility into the moments and channels where new guests enter brands, and expanding incrementality approaches to isolate true causal impact, Roundel delivers a clearer, more actionable understanding of how media drives real business outcomes.



Roundel™

Media designed by 

Roundel™ creates media experiences and solutions that are designed to connect 165M+ Target guests to the brands they love. Through tailored partnerships and data-driven strategies, we deliver impactful results that elevate your brand, maximize reach, and drive growth. Together, we ensure your brand is not just present in the right moments, but central to helping Target guests discover the joy of everyday life.