

Food and Beverage Ecommerce Sales Continue to Rise, but Shoppers Still Wary of Certain Categories

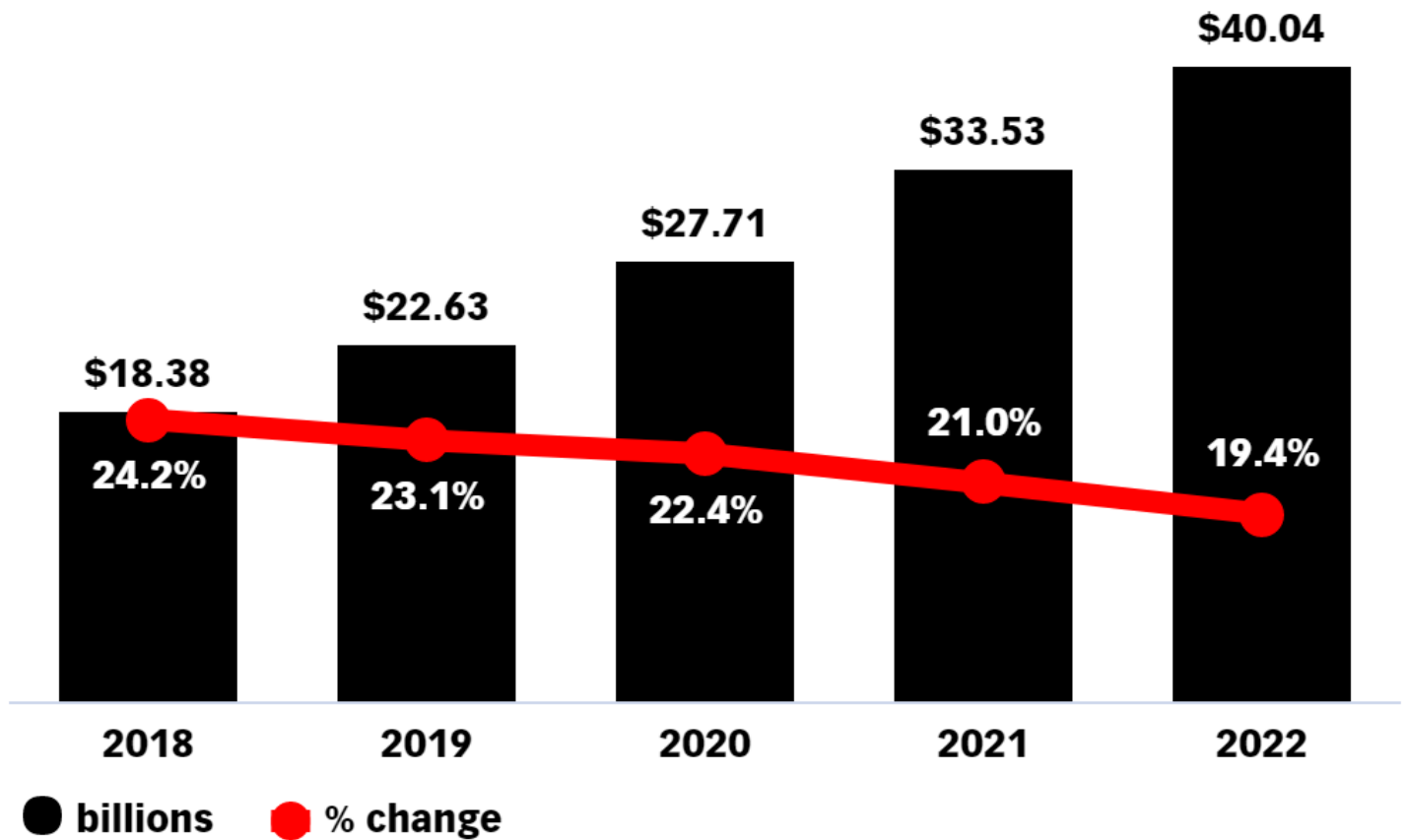
Article

Food and beverage is the fastest-growing segment of the US ecommerce industry, but consumers are still reluctant to purchase key categories—including fresh and frozen foods—online.

We forecast that retail ecommerce sales of food and beverage products in the US will surpass \$22 billion this year, growing more than 20% annually through 2021. While this emerging segment of ecommerce has a long way to go before generating the sales figures of established categories like apparel and consumer electronics, it's growing significantly faster than any other ecommerce product category tracked by eMarketer.

Food & Beverage Retail Ecommerce Sales

US, 2018-2022



Source: eMarketer, May 2019

www.eMarketer.com

Despite the substantial growth of this sector, consumers are still less likely to purchase food and beverage products than other digital grocery items. According to an August 2018 survey conducted by retail technology platform **Inmar**, 51.4% of female digital grocery shoppers purchased food and beverage items online in the three months prior to polling, compared with 74.1% who had purchased non-food items like personal care and household supplies. Among male digital shoppers, 47.2% had purchased food and beverage products, while 79.3% said the same about non-food items.

The Inmar study also found that the majority of digital grocery shoppers (e.g., those who shopped for groceries online in the past three months) refrained from regularly purchasing many common food items online.

When asked about the products they typically purchase but would never or rarely buy online, 66.5% of females and 64.0% of males said they refrained from buying meat and/or seafood purchases digitally. The findings were similar for produce (62.5% of females and 60.9% of males) and deli or bakery items (53.9% and 51.4%, respectively). More than half of total digital shoppers were reluctant to purchase frozen foods, dairy and other refrigerated items, including 54.0% of females and 51.2% of males.

So what food and beverage products are consumers buying online? Mostly packaged goods and pantry items, according to an April 2019 survey from **Bizrate Insights** and eMarketer. More than half of US digital food shoppers who had purchased food and beverages online in the past month said they bought packaged snack foods like chips, cookies and candy in the past month. And more than one-third purchased dry/baking goods like cereal, flour and pasta.

Which Food and Beverage Products Have US Digital Food Buyers Purchased Digitally in the Past Month?

% of respondents, by demographic, April 2019

	Gender		Age			Total
	Male	Female	18-34	35-54	55-64	
Packaged snack foods (chips, cookies, candy, etc.)	45%	65%	64%	56%	43%	56%
Dry/baking goods (cereals, flour, sugar, pasta, mixes, etc.)	28%	45%	44%	40%	23%	37%
Nonalcoholic beverages (soft drinks, juice, etc.)	34%	36%	40%	36%	27%	35%
Canned/jarred goods (vegetables, spaghetti sauce, etc.)	25%	35%	36%	33%	18%	31%
Prepared foods	35%	24%	33%	31%	18%	29%
Frozen foods	20%	28%	32%	23%	16%	25%
Fresh fruit or vegetables (not frozen)	16%	30%	29%	27%	11%	24%
Bread or baked goods (sandwich bread, bagels, etc.)	16%	27%	29%	24%	9%	23%
Eggs or dairy	19%	26%	32%	23%	9%	23%
Fresh meat and poultry (not frozen)	16%	19%	29%	15%	5%	18%
Alcoholic beverages	14%	14%	19%	15%	2%	14%
Fresh fish or seafood (not frozen)	9%	7%	12%	9%	0%	8%
Ice	2%	2%	4%	1%	0%	2%
Other	22%	14%	14%	15%	27%	17%

Note: among those who made a digital food or beverage purchase in the past month/30 days

Source: "The eMarketer Ecommerce Survey" conducted in April 2019 by Bizrate Insights, April 9, 2019

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The survey, which was conducted among a smaller subset of digital food buyers compared with the larger base of digital grocery shoppers in the Inmar survey, still found relatively low purchase rates for frozen and perishable categories. Products like fresh fruit and vegetables, bread and baked goods, eggs and dairy, meat, poultry and seafood were purchased by fewer than one-quarter of digital food buyers.