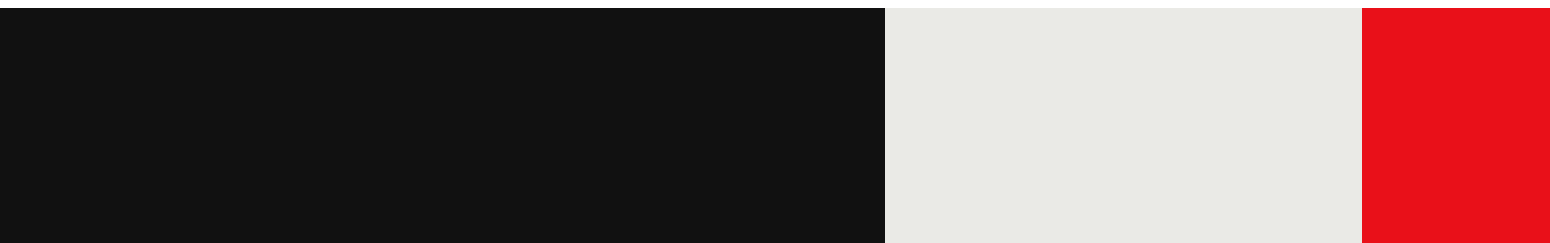



Grocery, in-store, and international: Where Amazon isn't on top

Article



Amazon is the top dog of US retail, accounting for 37.6% of all US ecommerce sales this year for a total of \$431.11 billion dollars, according to our forecast. While the giant has a successful stronghold in many US industries, Amazon isn't dominant everywhere.

Grocery: Amazon will account for 22.0% of US grocery ecommerce sales this year, according to our forecast.

- Walmart has the retailer beat, at 28.4% of US grocery ecommerce sales.
- Instacart is also a contender, with 21.9% of US grocery ecommerce sales.

Amazon hasn't shied away from the category since starting its limited-service grocery delivery service, Fresh, in 2007 and acquiring Whole Foods Market in 2017, and for good reason: The retail media potential is massive. But Walmart will continue to have Amazon beat until the tech company successfully expands its brick-and-mortar footprint, either through acquiring another grocer or building out its own locations.

In-store: Amazon's in-store challenges are directly tied to grocery. Its **Amazon Go locations** haven't caught on, resulting in closures. Amazon could be a behemoth of in-store if it expands its footprint and convinces consumers to adopt its payments tech.

- **Amazon's in-store tech** is well ahead of competitors, with Just Walk Out, Dash Carts that scan items as they're added, and Amazon One biometric payments. But consumers aren't yet comfortable with that level of surveillance.
- With so much consumer data, Amazon's in-store retail media potential is huge, with the potential for personalized ads on shopping carts, cooler screens, and at the ends of aisles.

Fast fashion: Amazon is still in pretty good shape in this category, accounting for 31.7% of all US ecommerce apparel and accessories sales, according to our forecast. But China-based fast-fashion giants like Shein and Temu could challenge the retailer.

Some 44% of **Gen Z adults view Shein favorably**, according to Morning Consult, which explains why Shein hauls are all over TikTok. Gen Z's increased spending power and adherence to micro-trend fashion cycles could challenge Amazon's fast-fashion business.

International: Alibaba saw nearly two times more ecommerce sales (\$1.228 trillion) than Amazon (\$657.02 billion) last year, according to our forecast. China, where Alibaba is dominant, accounts for over 50% of ecommerce retail sales worldwide, while the US represents around 18%. Interestingly, both retailers aim to expand via physical grocery and retail media, according to our "**Global Marketplace Titans**" report.

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