

Instacart delivers a host of Al-powered updates

Article



The news: At roughly the same time that **Instacart** is reportedly preparing to set a price range for its IPO, the online delivery company is rolling out a slew of AI-powered upgrades to its Instacart Storefront platform.

The specifics:

The company is adding conversational search that enables consumers to ask open-ended questions such as "What do I need to make fish tacos?" or "What's a nutritious lunch for my kids?" directly in the search bar on retailers' storefronts.

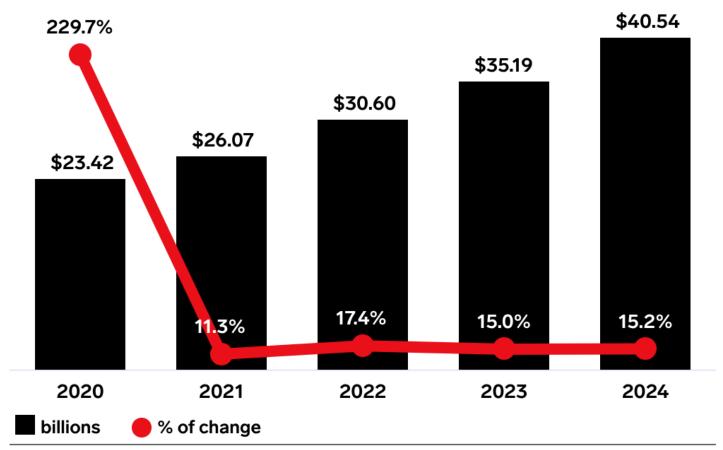




- It is introducing an in-store mode that turns retailers' apps into companions for customers in the store. Shoppers can see what's in stock, view important details about items on their list such as whether they're EBT SNAP-eligible, and access in-store promotions and discounts.
 - It also rolled out several updates to its <u>Caper Carts</u>—Al-powered smart carts used by retailers such as **Bristol Farms**, **Schnucks**, **ShopRite**, and **Fairway Market**.
- It now offers in-store rewards functionality that enables retailers to offer customers points, coupons, or badges for completing actions like logging into a loyalty account, adding certain items to the cart, or trying a Caper Cart for the first time.
- It also added the ability to order made-to-order items like deli sandwiches or custom cakes directly from the carts.
 - The big takeaway: Instacart is seeking to convince investors that it is a technology and advertising company that also plays in online delivery.
- That's gaining importance as consumers' growing price sensitivity drives them to pull back on delivery.

Instacart Grocery Sales

US, 2020-2024



Note: sales of grocery products ordered via Instacart's site/app; excludes taxes and tips;

includes pickup and delivery

Source: Insider Intelligence | eMarketer, February 2023

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