

# Delivery faces off with click and collect for grocery ecommerce market share

Article

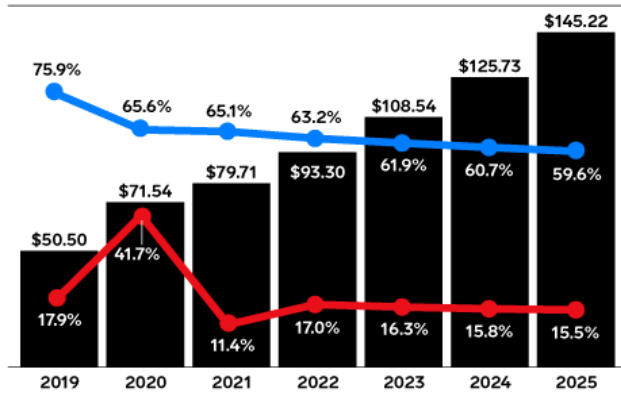


The forecast: US grocery delivery ecommerce sales will grow by **11.4%** this year to reach **\$79.71 billion**. This marks a deceleration from 2020, which saw a **41.7%** increase in online sales

of grocery products fulfilled via delivery.

### US Grocery Delivery Ecommerce Sales, 2019-2025

billions, % change, and % of total grocery ecommerce sales



■ Grocery delivery ecommerce sales  
■ % change ■ % of total grocery ecommerce sales

Note: sales of grocery products ordered using the Internet for home delivery; includes sales from traditional grocers, warehouse clubs, digital-only retailers (i.e., Amazon), grocery delivery companies (i.e., Fresh Direct, Peapod), third-party delivery services (i.e., Instacart, DoorDash, Uber), and meal-kit companies (i.e., Blue Apron, Hello Fresh); excludes restaurant sales

Source: eMarketer, Aug 2021

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eMarketer | InsiderIntelligence.com

### Dive deeper:

- Online grocery delivery sales represent a declining share of the grocery ecommerce market, but they will nonetheless make up the majority of online grocery sales through the end of our forecast period in 2025.
- As consumer demand for same-day service rises, retailers are rethinking how they execute delivery, with some choosing to fulfill via stores and build out their own logistics. But not all retailers can justify investing in what are often capital-intensive in-house solutions.
- Due to last year's sudden increase in online shopping, couriers and grocers struggled to meet demand and faced capacity restraints. Many supermarkets and retailers thus began to outsource delivery to third-party services like **Instacart**.
- While delivery intermediaries do eat into retailers' margins and take over their customer relationships, such partnerships enable grocers to provide same-day service without a great deal of investment and grant them access to large customer bases.
- Last year, grocery sales through third-party delivery services rose by more than **215%**, per our estimates, accounting for nearly **39%** of grocery delivery ecommerce sales.

**Looking ahead:** Even as home delivery loses market share to other fulfillment methods like click and collect, US grocery delivery ecommerce sales will continue to grow for the next several years, reaching **\$145.22 billion** in 2025.