

Good news for CPG marketers: People are buying more household essentials online

Article

More consumers are shopping online for household essentials, including food and beverages and health, personal care, and beauty products. The two categories are expected to see the

most growth in their share of ecommerce sales from now until the end of our forecast period in 2028, per our [US Ecommerce by Category 2024 report](#).

“There's such a high penetration of consumers who can get cheap, everyday essentials shipped to their house very seamlessly,” our analyst Blake Droesch said. That would include the nearly three-quarters (73.7%) of US internet users who are [Amazon](#) Prime users, per our February 2024 forecast. That helps the overall category, especially since the experience of buying health and personal care items in-store can be inconvenient in comparison, he said.

Essentials boom: This year, food and beverage and health, personal care, and beauty categories will account for 20.9% of ecommerce sales. That figure will grow 2.7 percentage points by 2028, as categories that once dominated—including home furnishings and electronics—lose share.

Even apparel, footwear, and accessories, the biggest ecommerce sales category, is expected to lose ground to [grocery](#) when combining food and beverage with personal care, cleaning, pet, and baby products.

Digital transformation: Health, personal care, and beauty will undergo the biggest digital shift among categories. By 2028, 29.5% of its sales will come from ecommerce, up from 20.1% in 2024.

Pet products, which will see an even bigger digital takeover, are included in this category. By 2028, nearly half (49.7%) of pet product purchases will come from ecommerce channels.

“The sky's the limit for how big this category can get,” Droesch said. “That has a lot of implications on the advertising industry because you'll have big CPG [consumer packaged goods] companies such as Unilever and P&G spending more on [retail media](#), for example.”

[CPG was the second-highest spender in US digital advertising](#), following retail in 2023. In 2024, CPG's digital ad spend growth will be at its highest in three years, reaching \$48.79 billion, before growth slows in 2025, per our December 2023 forecast.

These bright signs come after a few shaky years for CPG, when inflation, recession fears, and a move toward spending on experiences led to more cautious ad spend.

Building the cart: Last year, ecommerce growth (8.1%) was at its slowest pace since 2009. This year, we expect a small boost, rising 8.2% YoY, according to our February 2024 forecast.

“The tremors of the pandemic are going to be relevant for a while,” Droesch said. “Now, a lot more spending is going toward services, restaurants, and travel.”

These experiences, and the backlog of special events such as weddings, are also bolstering spending in apparel, footwear, and accessories.

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