

# Amazon vs. Walmart: Who's Really Winning Online Grocery?

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**C**onsumer adoption of online grocery—led primarily by Amazon and Walmart—[saw hockey-stick growth last year](#). As these two Goliaths vie for market control, conflicting reports have made it difficult to determine who has the momentum, and where consumers prefer to shop.

Amazon currently holds the largest market share of online grocery. We estimate that Amazon's US food and beverage sales amounted to \$6.13 billion in 2019, or 23.7% of total US food and beverage ecommerce sales. However, a September 2019 survey conducted by [The Retail Feedback Group](#) found that 37% of US digital shoppers most recently purchased groceries from Walmart, compared with 29% who used Amazon.

**Most Recent Digital Grocery Store or Service Used by US Digital Shoppers, Sep 2019**

% of respondents



Note: in the past 30 days  
Source: The Retail Feedback Group, "US Online Grocery Shopper Study," Dec 11, 2019

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But not all consumer data shows the same results. According to a survey conducted by CPG analytics firm **TABS Analytics** and Caravan Engine, 36% of US internet users said they bought groceries online from Amazon in 2019, vs. 29% who shopped at Walmart.

**Where Do US Internet Users Buy Groceries Online?**

% of respondents, 2015-2019

	2015	2016	2017	2018	2019
Amazon	14%	16%	25%	24%	36%
Walmart	12%	12%	14%	15%	29%
Target	7%	5%	9%	9%	16%
Grocery banner	16%	11%	7%	9%	10%
Jet	-	1%	5%	2%	3%
Peapod	2%	1%	2%	2%	2%
Netgrocer	0%	0%	2%	1%	1%
FreshDirect	2%	2%	2%	1%	2%
Other	2%	0%	1%	2%	2%
None	66%	69%	65%	62%	44%

Note: ages 18+  
Source: TABS Analytics, "7th Annual Consumer Value Study: Food & Beverages (Consumables)" conducted by Caravan Engine, Sep 11, 2019

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And while Amazon still held a significant lead in 2019 vs. the year prior, the survey also found that the number of respondents buying online groceries via Walmart nearly doubled from 2018.

Both surveys were conducted in September 2019, but the wording differed slightly. The TABS Analytics survey, which favors Amazon, asked respondents where they've purchased groceries online but didn't specify a timeframe. This includes infrequent online grocery shoppers

who might purchase packaged food or beverages from Amazon throughout the year, but aren't regular users of Amazon's grocery services like AmazonFresh, Prime Now or Prime Pantry.

The Retail Feedback Group's survey, on the other hand, asked respondents which grocery service they used most recently in the last 30 days. The fact that this question resulted in more favorable results for Walmart is indicative of the momentum its online grocery business gained in 2019. The retail giant has leveraged its brick-and-mortar footprint to drive online shopping via click-and-collect options, where they've made significant investments. According to [recent reporting from Bloomberg](#), this option is now available at 3,000 stores, but it was only offered at about 400 in 2016.

Amazon and Walmart will continue to lead online grocery in 2020, with both playing to the key strengths that their competitors don't have. Walmart seems poised to continue leveraging its brick-and-mortar footprint and has [already generated buzz](#) by unveiling an automated warehouse that uses robots to make its grocery pickup service faster.

While Walmart might have the momentum right now, Amazon will continue playing to its strengths: free, fast shipping with fewer price restrictions. The company recently [eliminated the \\$14.99 monthly fee](#) for AmazonFresh and now offers the service to Prime members at no additional charge. At the end of last year, AmazonFresh [expanded for the third time](#), making the service available in most major US markets.