

Kroger's Boost Bonus Days sale leans into value, growing its membership program

Article



The news: Kroger kicked off its two-week Boost Bonus Days sale on July 10.

- The event enables subscribers to the grocer's <u>Boost</u> membership program to receive free items, extra savings opportunities, and 50% off the membership fee.
- The program offers shoppers benefits such as free delivery on orders of \$35 or more, exclusive offers and free items, and double fuel points.

Timing is everything: The promotion comes at a pivotal moment for the grocer given that a federal court will begin considering whether to grant the US Federal Trade Commission (FTC)'s request to <u>block Kroger's merger with rival Albertsons</u>.

- The FTC and a group of states sued in February to block the massive \$24.6 billion merger between supermarket giants, arguing the deal would be anticompetitive.
- Kroger insists it would benefit from an expanded network of suppliers, stores, and fulfillment centers, enabling it to lower prices and offer consumers more choice.

The sale's launch dovetailed with the retailer releasing the locations of the 579 Kroger- and Albertsons-owned stores it plans to sell to **C&S Wholesale Grocers** to allay antitrust concerns.

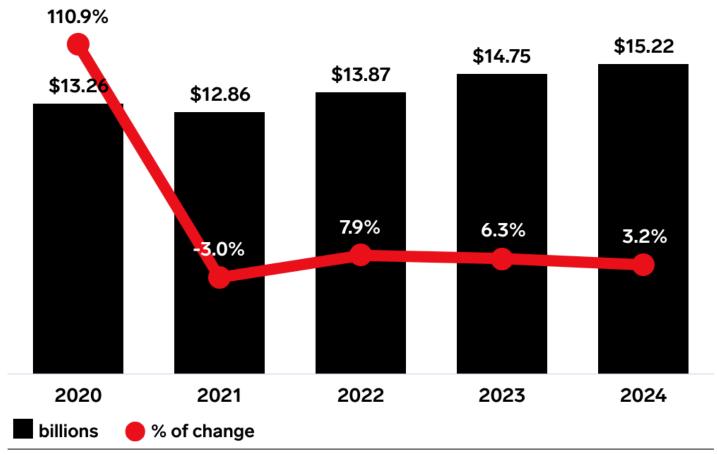
The big takeaway: While grocery prices are nearly flat, shoppers are increasingly focused on value. That provided an opportunity for <u>Aldi, Walmart</u>, and others to steal share from Kroger.

Kroger aims to use Boost Bonus Days to demonstrate to consumers (and to a lesser extent, the court) that it is focused on saving consumers money while, at the same, seeking to convince shoppers they can cut costs by enrolling in its membership program.



The Kroger Co. Grocery Ecommerce Sales

US, 2020-2024



Note: represents the gross value of grocery products sold online (browser or app) from all banners under The Kroger Inc., regardless of the method of payment or fulfillment; includes delivery and pickup, and sales from third-party delivery services; excludes fuel Source: EMARKETER Forecast, November 2023

