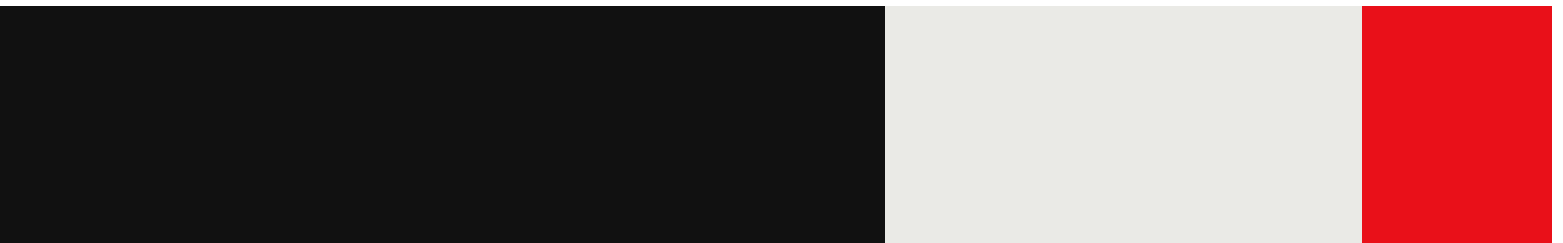


How brands can grow digital grocery sales in 5 charts

Article



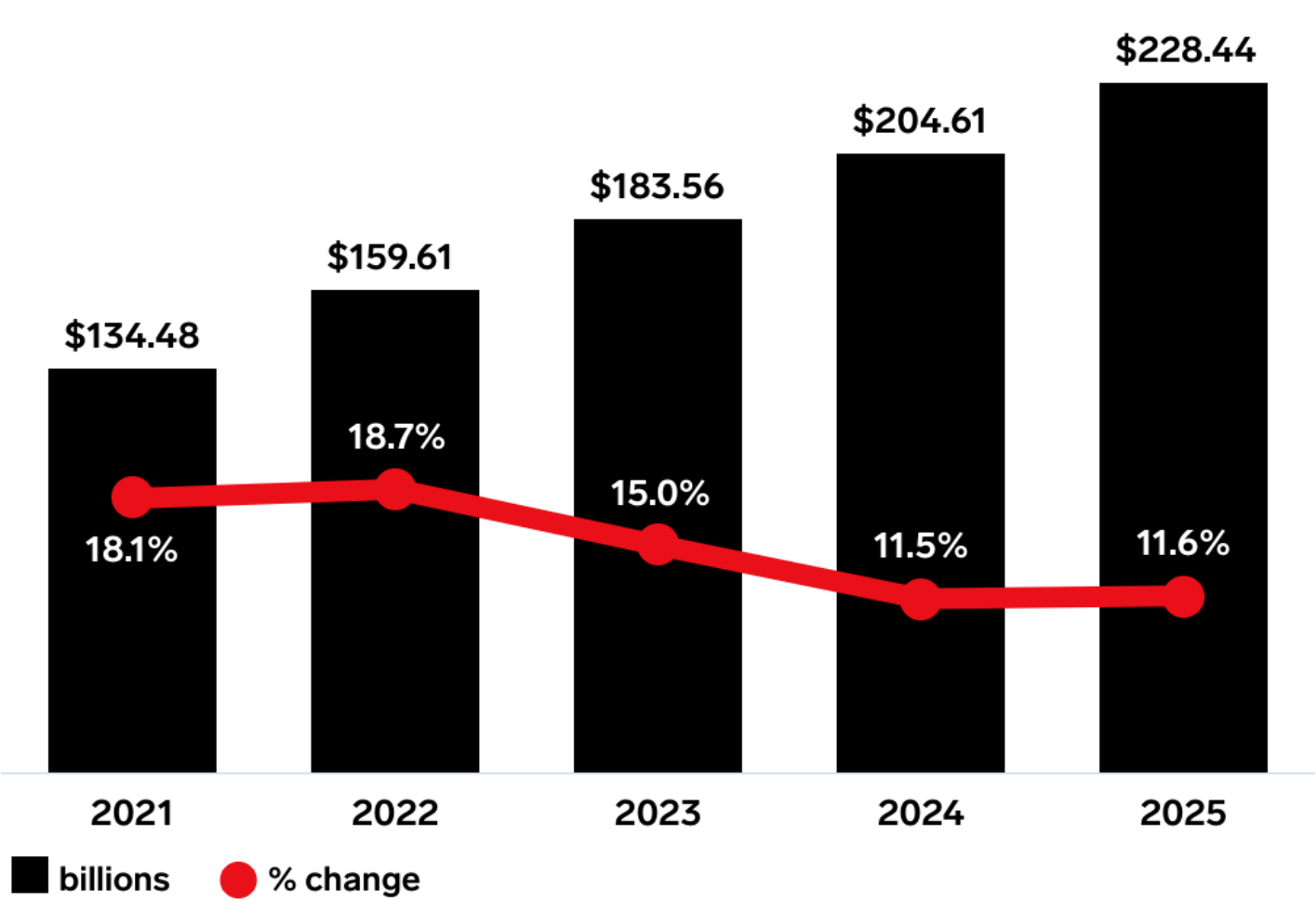
[Digital grocery](#) will become the largest ecommerce category by 2026, according to our [US Digital Grocery 2024](#) report. To grow their share of digital grocery sales, brands need to understand what motivates consumers to buy groceries online, how the digital grocery experience can be improved, and where growth opportunities lie.

Here are five charts to help navigate the digital grocery landscape.

1. Digital grocery has room to grow

Grocery Retail Ecommerce Sales

US, 2021-2025



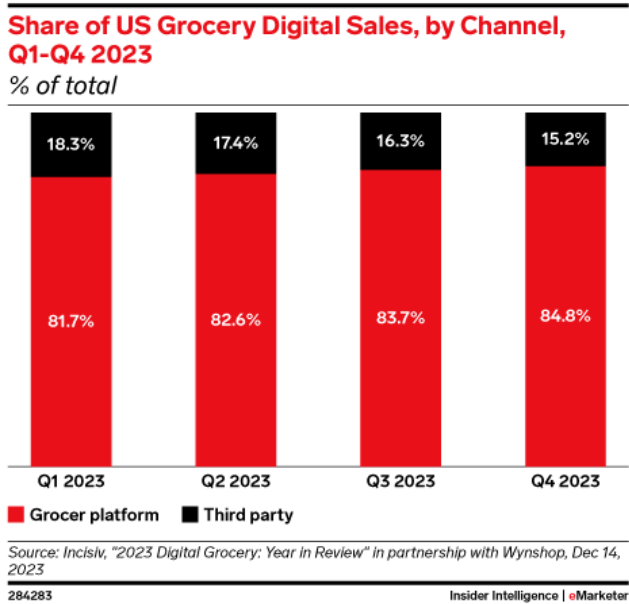
Note: includes food and nonfood grocery products ordered using the internet, regardless of method of payment or fulfillment; grocery items are products that people regularly buy from a grocery store, including food and beverages, pet food, household cleaning products, personal care products, and other household consumables; excludes restaurant sales

Source: EMARKETER Forecast, February 2024

US digital grocery sales will grow 11.5% to reach \$204.61 billion this year, according to our forecast. And there's still a lot of room for growth, as digital grocery will represent just 13.0% of total grocery retail sales in 2024.

Food and beverage is the primary driver of digital grocery gains, but subcategories like pet food, household cleaning products, and personal care products are also contributing to growth, per our US Digital Grocery 2024 report.

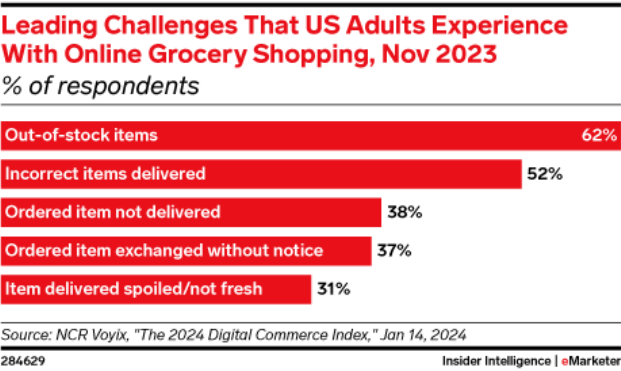
2. Grocer platforms dominate over third-party delivery intermediaries



Third-party grocery intermediaries lost share to grocer platforms in 2023, securing 15.2% of US digital grocery sales in Q4, down from 18.3% in Q1, according to December 2023 data from Incisiv and Wynshop.

If third-party intermediaries want to gain back share, they need to focus on making the shopping experience as seamless as possible, whether it's through search improvements, product recommendations, and/or simplifying the payment process. But they'll continue to face challenges from retailers building their own tools.

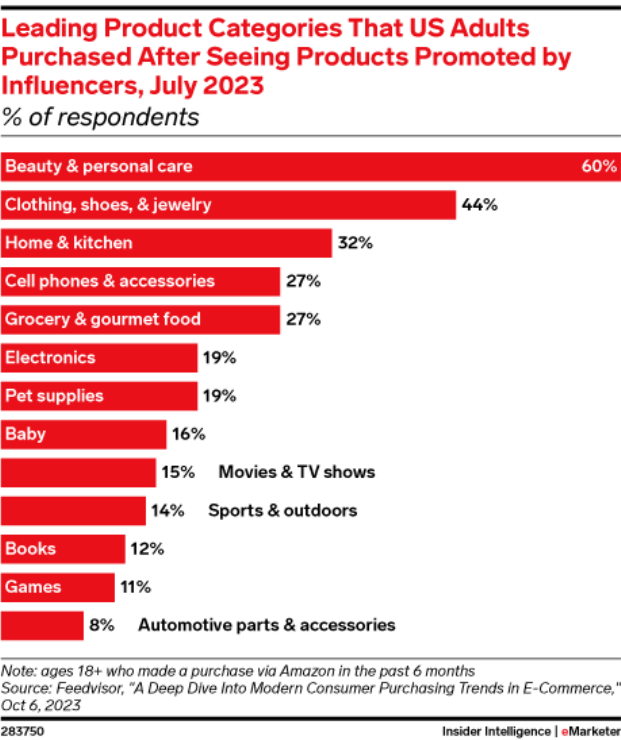
3. Consumers cite out-of-stocks, incorrect delivery orders as top challenges



Out-of-stocks are the No. 1 challenge US adults experience while online shopping, according to November 2023 data from NCR Voyix. To help prevent out-of-stocks, many retailers are turning to AI to help them analyze data in real time and make more informed decisions about inventory.

The rest of the challenges with online shopping all revolve around the delivery process, suggesting that retailers may want to bolster the training they give to employees picking and making deliveries.

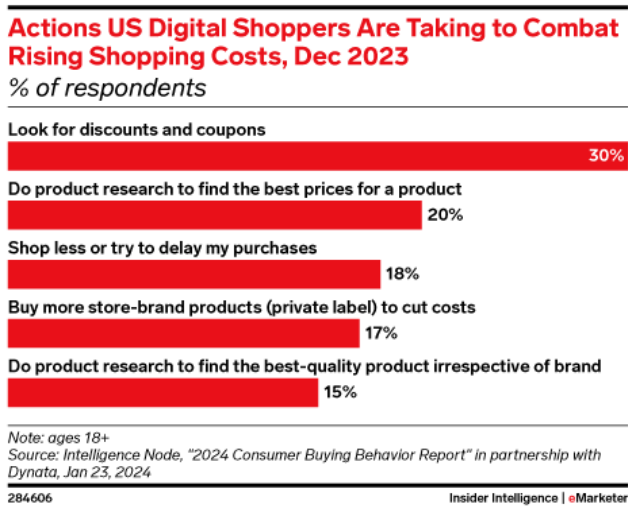
4. Influencers don’t have as much sway in digital grocery



While influencers are major drivers of beauty, personal care, and apparel purchases among US adults, they have less influence over grocery or gourmet food products, according to a July 2023 survey by Feedvisor.

However, among social media users worldwide who watch [influencer](#) content, 51% report that they typically [watch cooking recipes](#), more than those that watch tutorials (42%) or product reviews (41%), according to a February 2024 report from Snap Inc. and IPG Magna. This suggests consumers are more interested in seeing how products can fit into their everyday lives rather than hearing a list of product attributes.

5. Coupons are key for courting consumers and advertisers alike



To combat rising shopping costs, 30% of US digital shoppers said they were looking for more discounts and coupons, according to a December 2023 survey from Intelligence Node in partnership with Dynata.

But coupons aren’t just important to consumers. Two-thirds (67%) of US consumer packaged goods (CPG) brands expect digital or physical coupons to be a part of [retail media network](#) offerings, according to an August 2023 survey from Coresight Research in partnership with NielsenIQ.

Though [retail media](#) encompasses categories across the retail landscape, grocery remains at its core, with four out of five largest US retail media networks being connected to CPG or grocery sales of some kind, per our forecast.

This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).