

Online Grocery Buyers Skew Younger, More Affluent

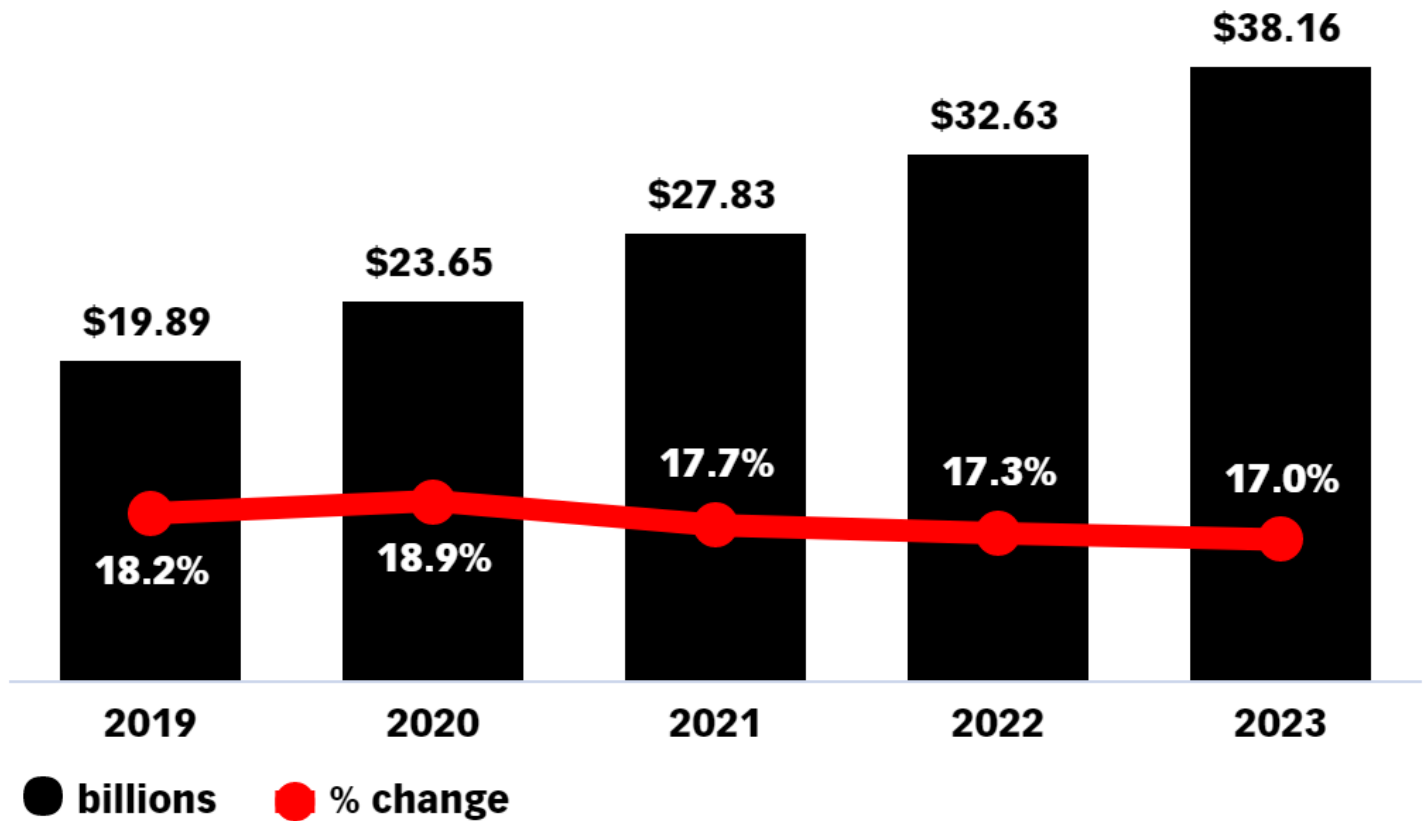
Article



Online grocery is a massive and fast-growing market. We estimate that grocery ecommerce in the US—specifically online food and beverage sales—will grow 18.2% to \$19.89 billion in 2019 and will rank as the fastest-growing online product category.

Food & Beverage Retail Ecommerce Sales

US, 2019-2023



Source: eMarketer, February 2019

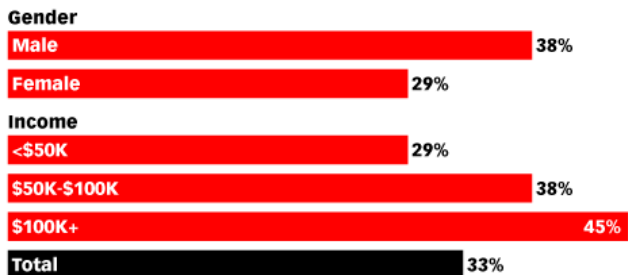
www.eMarketer.com

The average online grocery buyer skews younger, according to research from IRI. More than half (55%) of 25- to 34-year-olds considered themselves very or somewhat likely to purchase groceries online, according to IRI. That's higher than the 45% of 35- to-44-year-olds and 35% of 45- to 54-year-olds, who said they were very or somewhat likely.

Males (38%) were more likely than females (29%) to have purchased groceries online, as were more affluent households, with 45% of households earning at least \$100,000 annually having done so, according to research from Morning Consult.

US Internet Users Who Have Ever Purchased Food and Beverage Products Digitally, by Demographic, May 2018

% of respondents in each group



Note: ages 18+

Source: Morning Consult, "Consumer Trends in the Food and Beverage Industry," May 21, 2018

238462

www.eMarketer.com

Although many consumers have tested the waters, online grocery shopping is far from routine. "It's a pretty small fraction of the population that has developed any sort of habit around it," said Stephen Caine, partner and head of the retail practice at Bain & Co. "[There's] a good degree of trial, but the problem is frequency."

He added that even for those who would be considered heavy online grocery users, ecommerce still accounts for a minority of their overall shopping trips. "For them, it is still once—maybe twice—a month. Whereas, we know the average number of shopping trips for any typical household is closer to 10 to 12 per month."

Caine's observations comport with research from a 2018 shopper survey from Mercatus, which found that over a three-month period, only 13% of shoppers had ordered their groceries online at least three times, and just 7% had done so more than six times.