

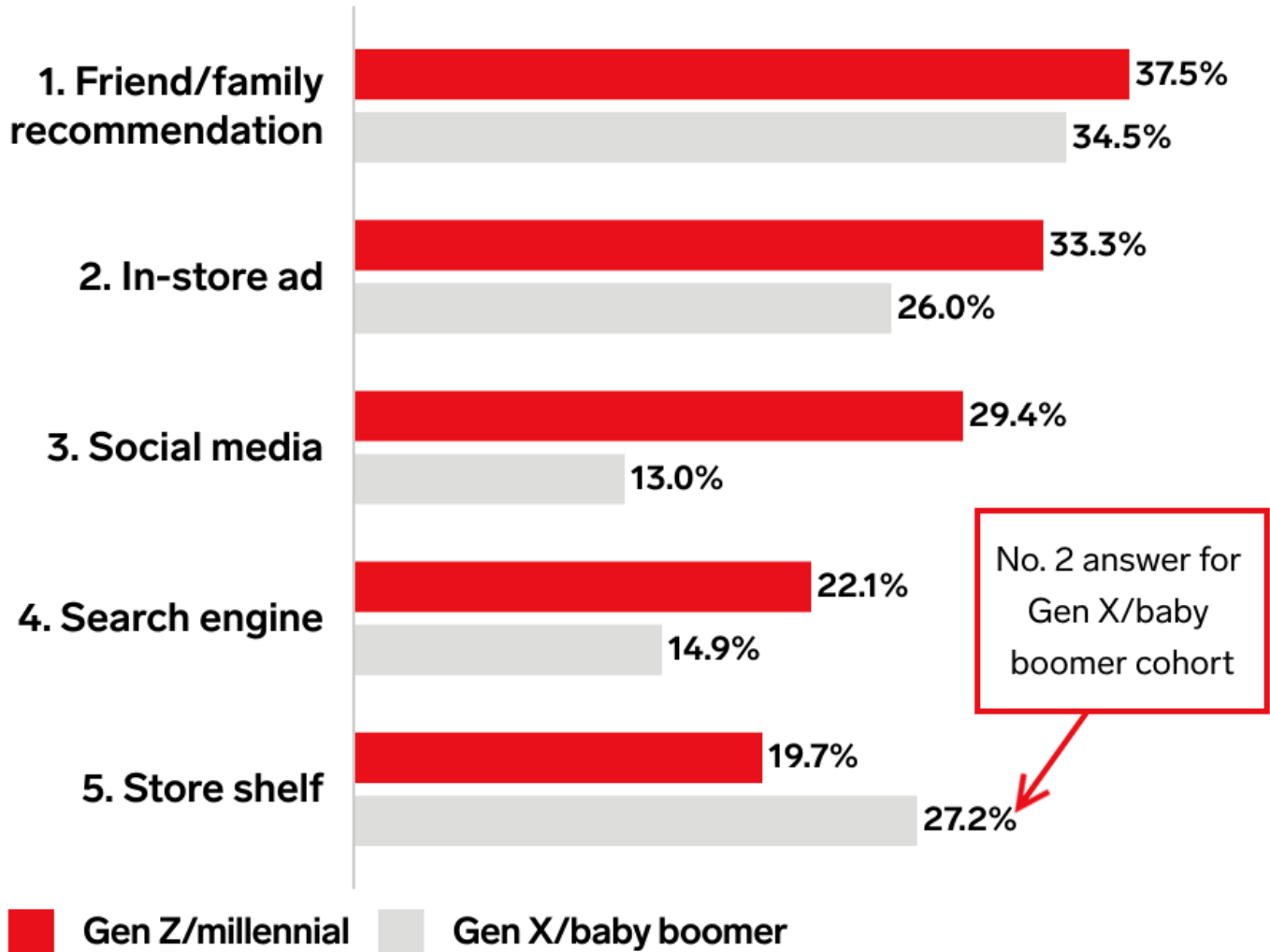
Digital is influencing awareness and early consideration for Gen Z and millennial grocery buyers

Article

- **Younger generations are more likely to discover new grocery products via social media and search engines.** Friend and family recommendations and in-store ads are the most popular sources among all generations, but digital activities play a prominent role for millennials and Gen Zers. By comparison, digital activity of any kind is not among the top drivers of discovery for Gen Xers and baby boomers, even among digital grocery buyers.

Top 5 Ways Gen Zers and Millennials Discover New Grocery Products

% US digital grocery buyers



Note: responses to question, "Think of a few of the grocery products (including food, beverages, cleaning, health, beauty, or pet products) that you discovered in the past 12 months and now purchase regularly. How did you first come across them? (Select all that apply)"; Gen Z (18-26); millennial (27-42); Gen X (43-58); baby boomer (59-77)
Source: Insider Intelligence | eMarketer, May 2023

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Insider Intelligence | eMarketer

- Discovery is happening before entering the store or clicking on a retailer's site. A consumer may learn about a new product as they scroll past it on a social media feed or find it via search

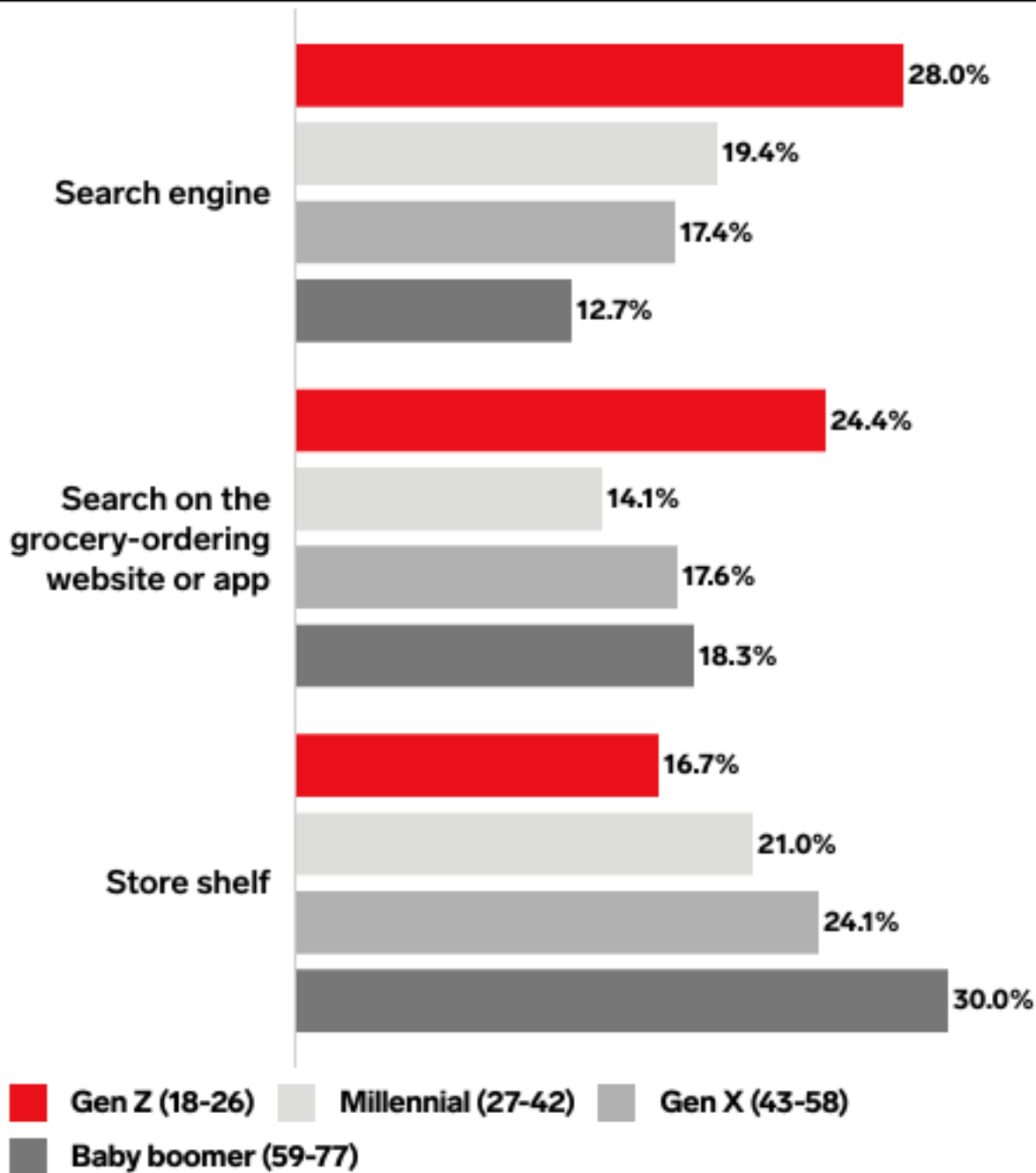
during the early consideration stage. In both cases, they are likely further from conversion compared with shoppers who discover products on store shelves, particularly among younger generations, who are still more prone to trying new products when shopping in-store.

A closer look at social and search reveals a significant generational shift.

- **Social is the new TV for CPG brand awareness.** After in-store ads, social is the top media format driving discovery for Gen Zers and millennials. For Gen Xers and baby boomers, TV ads are the top driver. Even though both social and TV drive awareness while consumers aren't actively shopping for groceries, they're still significant drivers of discovery.
- **Gen Z signals an even more drastic shift away from traditional product discovery.** The cohort is the first that's more likely to discover new products by searching online compared with browsing store shelves. It's also important to note that Gen Z consumers are more likely to discover new products via search engines than retail search—which means they're looking for grocery and CPG products in various scenarios, not exclusively when they're filling a shopping cart.

Gen Z Is More Likely to Discover Grocery Products Browsing Search Than Store Shelves

% US digital grocery buyers



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Key takeaway: Gen Zers and millennials are still more likely to try new products when shopping in-store, but there's a good chance they first discovered that product when browsing online. This gives marketers the opportunity to reach millennial and Gen Z consumers before they actively begin shopping for groceries. But there's also a risk of losing that potential customer between awareness and conversion, which is now an inherently longer period. The key is to link digital behavior with the in-store experience—through in-store ads or other formats that will keep the consumer engaged and interested in trying new products.

Report by Blake Droesch Aug 21, 2023

CPG and Grocery Product Discovery 2023

