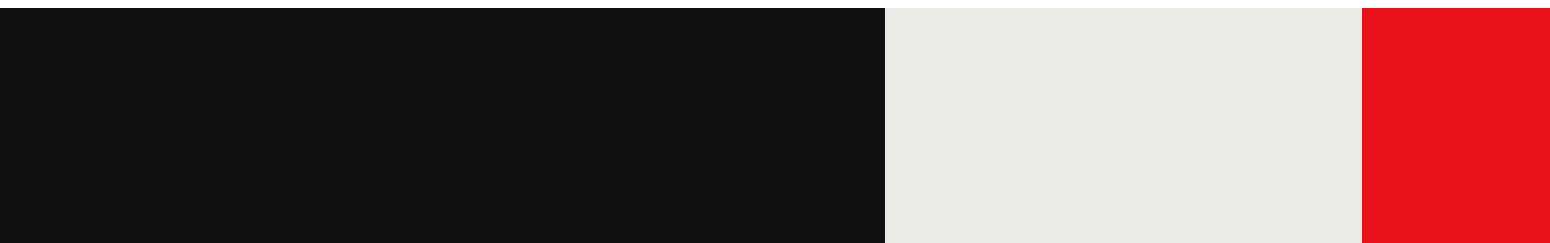



# What retailers can learn from Instacart, DoorDash, and Gopuff

Article



Grocery sales from delivery intermediaries like Instacart and DoorDash will reach \$55.94 billion in the US this year, per our forecast. This represents over a quarter (27.3%) of total US grocery ecommerce sales and 4.6% of total **US retail ecommerce sales**.

While intermediaries' share of ecommerce sales (grocery or otherwise) will remain relatively flat for the next couple of years, they're still a long-term threat to traditional retail. But there's

an opportunity for retailers to use intermediaries' strategies against them.

Here are three recent moves from Instacart, DoorDash, and Gopuff, and what retailers can learn from them.

## 1. Instacart experiments with shoppable ads

**The move:** [Instacart expanded its partnership with Google Shopping Ads](#) to YouTube, enabling ad partners like Clorox and Publicis to run shoppable ads via the platform.

- Advertisers will be able to use Instacart's first-party data to enhance [targeting and measurement](#) capabilities.
- This follows Instacart's partnership with The New York Times to make the publication's Cooking recipes shoppable.

**The takeaway:** Retailers can partner with media platforms to deliver more contextually relevant shoppable ads where consumers are already spending time.

- 34% of US brands and agencies will be somewhat more or significantly more focused on shoppable ads this year, according to a November 2023 survey from the Interactive Advertising Bureau (IAB).
- Consumers are most receptive to shoppable media on social media: Twenty percent of US adults have made a purchase via shoppable media on [social media](#), versus 8% on a retail website, 8% on [connected TV](#), and 2% through a news media website, according to our April 2024 survey.

## 2. DoorDash taps into alcohol

**The move:** DoorDash added a suite of new [retail media](#) solutions for its alcohol brand advertiser partners.

- Sponsored product ads help brands convert high-intent customers, while occasion-branded campaigns enable advertisers to reach consumers during key moments like the Super Bowl, St. Patrick's Day, and Cinco de Mayo.
- DoorDash has also partnered with Symbiosys.AI to use what the brands call advanced targeting and optimization algorithms to reach audiences off-site across search, social, and

display.

**The takeaway:** Consumer packaged goods brands are often considered the core of retail media success, but there are opportunities with other categories.

- Retail sales of off-premise alcohol will rise 3.5% to reach \$206.21 billion in the US this year, per our forecast. Ecommerce sales will grow even faster at 7.5%.
- Low and non-alcoholic brands are seeing lots of popularity among **Gen Z** consumers, over a quarter (27%) of those aged 21 to 24 say they never drink alcoholic beverages, according to a July 2023 CivicScience survey.

### 3. Gopuff goes big on private label

**The move:** Gopuff launched Basically Premium, a private label line of food and beverage products and introduced new products and subcategories under its flagship Basically private label brand, including puppy pads, paper plates, and cookie bites.

- Introduced in 2022, Basically sales have increased 70% YoY, according to Gopuff.
- Nearly 20% of Gopuff orders contain at least one product from Basically, said the company.

**The takeaway:** Retailers may consider [adding or expanding private label lines](#) to appeal to value-seeking consumers.

- 17% of US digital shoppers are buying more private label brands to combat rising shopping costs, according to a December 2023 survey from Intelligence Node.
- Over half (53%) of US retailers expect private labels to be their No. 1 growth driver in 2024, according to an October 2023 survey from NIQ and Advantage Solutions.

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