

## **For Immediate Release**

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## **U.S. Online Grocery Continues to Set New Records - \$6.6B in Sales for May 2020**

Brick Meets Click/Mercatus survey shows significant gains in household penetration

Barrington, IL, May 28, 2020

As growth continues, online grocery sales set another record in May, increasing 24% over April sales, to reach \$6.6 billion, according to the Brick Meets Click/Mercatus Grocery Survey fielded May 20-22, 2020. The survey is part of Brick Meets Click's monthly monitoring of COVID-19's impact on consumer behavior and is the third wave of research focused on identifying insights and implications for retailers and brands.

"COVID-19 is affecting the way people shop for groceries, and this research helps retailers to better understand where they need to invest in their online and in-store businesses," said David Bishop, partner, Brick Meets Click.

The May Scorecard shows how the key performance metrics related to online grocery delivery and pickup service activity have all grown over the past three months.

The total number of online grocery orders increased 18% on a month-over-month basis from 62.5 million in April to 73.5 million in May. This increase was driven by expanded capacity associated with retailers who reopened their services and others who added more time slots to better meet the surge in demand for these essential shopping services.

Household penetration hit 33% in May (up from 31% in April) as approximately 43 million customers shopped online for groceries during the previous 30-day period. This gain further reflects increased capacity, making it easier for people to secure a time slot for pick up or delivery as they wrestle with concerns about the virus and shopping in-store.

"COVID-19 has accelerated online grocery adoption at a rate the industry hadn't expected to see for years," said Sylvain Perrier, president and CEO, Mercatus. "The online surge may level off slightly as various states strive to return to 'normal.' However, what has changed in shoppers' eyes is the realization of the immediate benefits of online grocery shopping."

May's average monthly purchase frequency climbed 10% versus April, illustrating that online grocery shopping is becoming more established among a broader base of households. In fact,

active households in May placed an average of 1.7 online grocery orders for either delivery or pickup, up from 1.6 online orders in April.

The average order value climbed nearly 6% to \$90 in May, an increase of almost \$5 compared to April. Higher consumer prices starting in April, improvements in product availability, and more customers becoming comfortable with online grocery shopping all contributed to this trend.

Beyond the scorecard metrics, the new research showed a rebound in shopper satisfaction from the March low. In May, 56% of customers were extremely or very likely to shop the same provider again within the next 30 days, compared to 47% in March and 50% in April. Even at 56%, purchase intent is still considerably lower than pre-COVID rates, which were closer to 80% according to previous Brick Meets Click research.

The economic impact triggered by COVID-19 is affecting an increasing number of consumers. The number of U.S. households reporting a dramatic drop in income of 25% or more (versus earlier in 2020) reached almost 50 million for May. To reduce their grocery spending, many consumers are changing what they buy. This research found that on a net basis, 14% of the U.S. households who purchase private label reported that they bought more private label during May compared to prior the COVID-19 crisis.

“COVID-19 has made it clearer than ever that moving forward, trust between the retail brand and its shoppers is core to a healthy and long-term relationship,” explained Perrier. “Shoppers at every income level and demographic will continue to expect an efficient, effective and safe online order and fulfillment experience and will reward grocers who provide this with continued loyalty.”

### **Upcoming Webinar**

Three months in: How COVID-19 is changing online grocery

Tuesday, June 16 at 1:00 pm CT

The Brick Meets Click/Mercatus Grocery Shopping Survey, in combination with other research from Brick Meets Click, documents how COVID-19 is impacting online grocery shopping in the U.S. Learn what these insights mean along with guidance and perspective from Brick Meets Click and Mercatus. Register [here](#).

### **About this consumer research**

Brick Meets Click conducted this online survey on May 20-22, 2020 with 1,724 adults, 18 years and older, who participated in the household's grocery shopping. Results were adjusted based on internet usage among US adults, 18 years and older, according to the Pew Research Center, in order to account for the non-response bias associated with online surveys. Responses were

also weighted by age to reflect the national population of adults, 18 years and older, during each respective year, according to the US Census Bureau.

Brick Meets Click's April and March 2020 research was based on a similar methodology. The April 22-24 survey included a sample of 1,651 adults; the March 23-25 survey included a sample of 1,601 adults.

### **About Brick Meets Click**

Brick Meets Click is a strategic advisory firm that focuses on how digital technology and new competitors are changing food marketing and sales. Founded in 2011, its guidance helps retailers, manufacturers, and suppliers adapt and find new sources of growth by better understanding the shifts in the marketplace and where opportunities exist to grow sales and profits. Visit [brickmeetsclick.com](http://brickmeetsclick.com) to learn more.

### **About Mercatus**

[Mercatus](http://mercatus.com) is the authoritative voice for food retailers who want to strengthen their relationship with shoppers in a digital space. Mercatus helps leading grocers get back in charge of their eCommerce experience, empowering them to deliver exceptional branded omnichannel shopping experiences end-to-end, from store-to-door. Our expansive network of more than 50 integration partners allows grocers to work with their partners of choice, on their terms. Together, we help clients create authentic digital shopping experiences with solutions to drive shopper engagement, grow share of wallet and profitability, and quickly adapt to changes in consumer behavior. The Mercatus Integrated Commerce® platform is used by leading North American retailers, including Weis Markets, Save Mart brands, Brookshire's Grocery Company brands, WinCo Foods, Smart & Final and others. Mercatus is headquartered in Toronto, Canada.