Online Grocery Now Accounts for Over 6% of U.S. Grocery Spending

Consumer demand grows as online grocery shopping becomes even more attractive and satisfying

Barrington, IL, September 12, 2019

Online grocery sales have grown during 2019 over 15% on a year-over-year basis and now account for 6.3% of total grocery-related spending by households in the US, according to Brick Meets Click’s just released analysis on the state of the US eGrocery market.

Several factors are driving the growth of the US online grocery market in 2019:

- Household penetration, based on past-month shopping activity, has risen more than five percentage points over the last year to nearly 25% of all US households. This gain is largely the result of aggressive expansion of home delivery and pickup services available at brick-and-mortar stores, which collectively are now accessible to 90% of all the households in the US – up from 81% in 2018.
- Average order values, encompassing ship-to-home, home delivery, and pickup orders, have climbed over 6% to $70 in 2019. When only analyzing home delivery and pickup orders across various retail trade channels, the average order value grew 13% to just over $100.
- Online purchase frequency for groceries remains relatively unchanged versus last year, averaging two orders during the past month for active online grocery customers. Ship-to-home orders accounts for 50% of all online grocery orders while pickup captures 28% and home delivery 22% of the orders respectively.

“There’s still a fair amount of purchase trial - occurring as consumers search for acceptable online shopping alternatives,” said David Bishop, Partner at Brick Meets Click. “For example, we found that approximately one-third of the active households’ most recent online order was the first time they used the service.”

According to the analysis, online providers are improving the shopping experience as the likelihood to use a specific service again jumped from 69% in 2018 to 81% this year. Improving the ability to find the products that a customer wants to purchase is a key factor and the percentage of customers who found everything they wanted to buy rose to 90% in 2019, a twelve percentage points gain versus last year.

Brick Meets Click will share additional insights into how the US eGrocery market is evolving, including across various retail channels, in a public webinar being held on Tuesday, October 10 at 1:00 pm Central Time. Click here to register for the event.

Brick Meets Click is also publishing a report that includes the top-line and channel-level analysis and examines the US market in two other ways: a comparison of the top-ten metro markets and a closer look at how Amazon, Walmart, and Target are performing. To get more information about this report, please contact David Bishop at david.bishop@brickmeetsclick.com.

About the research

Brick Meets Click conducted an online survey with 2,485 adults, 18 years and older, who participated in the household’s grocery shopping. Results were adjusted based internet usage amongst US adults, 18 years and older, according to the Pew Research Center, in order to account for the non-response bias associated with an online survey. Responses were weighted by region and age to reflect the national population sample of adults, 18 years and older, during each respective year. The prior-year comparison was based on earlier Brick Meets Click surveys following a similar approach.
About Brick Meets Click

Brick Meets Click is a strategic advisory firm focused specifically 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 growth by better understanding the shifts in the marketplace and where opportunities exist to grow sales and profits. Visit www.brickmeetsclick.com to learn more.