grocery doppio

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2024 Digital Grocery: Year in Review

In partnership with

wynshop

Doppio 5:
Takeaways from 2024

1

State of Digital Grocery: 2024 Digital Performance.

Digital Grocery Growth Spurs Larger Baskets, Marks Shift to Omnichannel.

Overall grocery sales increased in 2024.

$941 billion

total grocery sales in 2024 (+1.7% over 2023)

$126 billion

digital grocery sales in 2024 (+4.2% over 2023)

13.4%

of all grocery sales were digital

Shoppers' trips and spending consolidated.

67%

of shoppers said they spent more with their preferred digital grocer in 2024 compared to 2023

39%

of shoppers reduced the number of digital orders they placed in 2024 compared to 2023

-7%

reduction in organic traffic to digital channels compared to 2023

Basket sizes rose, larger retailers did better.

$169.7

average digital basket size (+.8% over 2023)

$180

average digital basket size for a larger grocer (+3.5% over 2023)

Third party growth slowed, Instacart reigned/led .

14.2%

of digital sales were through third party platforms

-10.4%

reduction in third party platform sales in 2024 compared to 2023

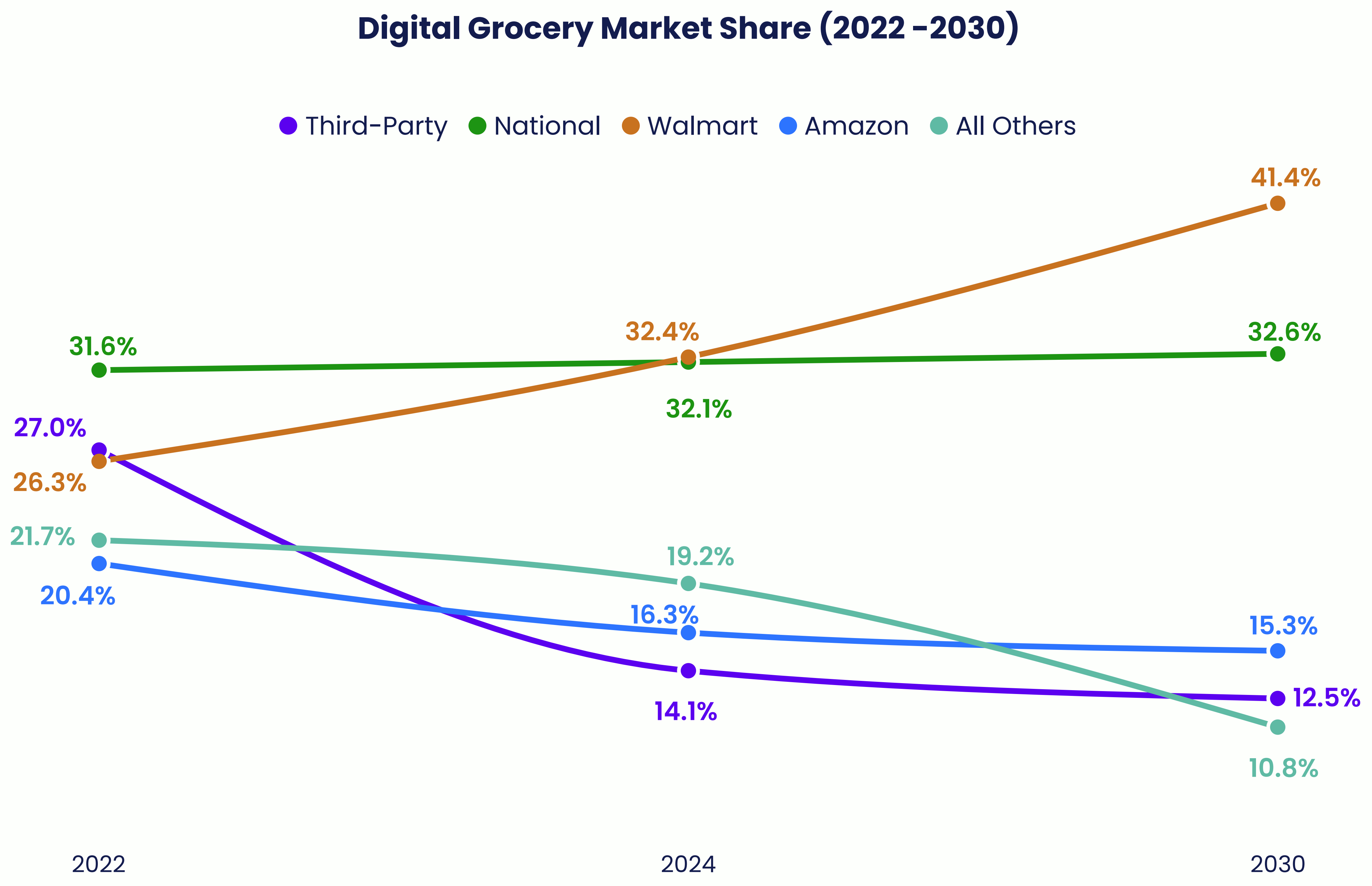
77%

of digital shoppers that used third party platforms in 2024 rated Instacart as their platform of choice

2

Walmart leads digital and has increased market share.

Medium and small grocers stand to lose $29 billion in sales by 2030 to Walmart.



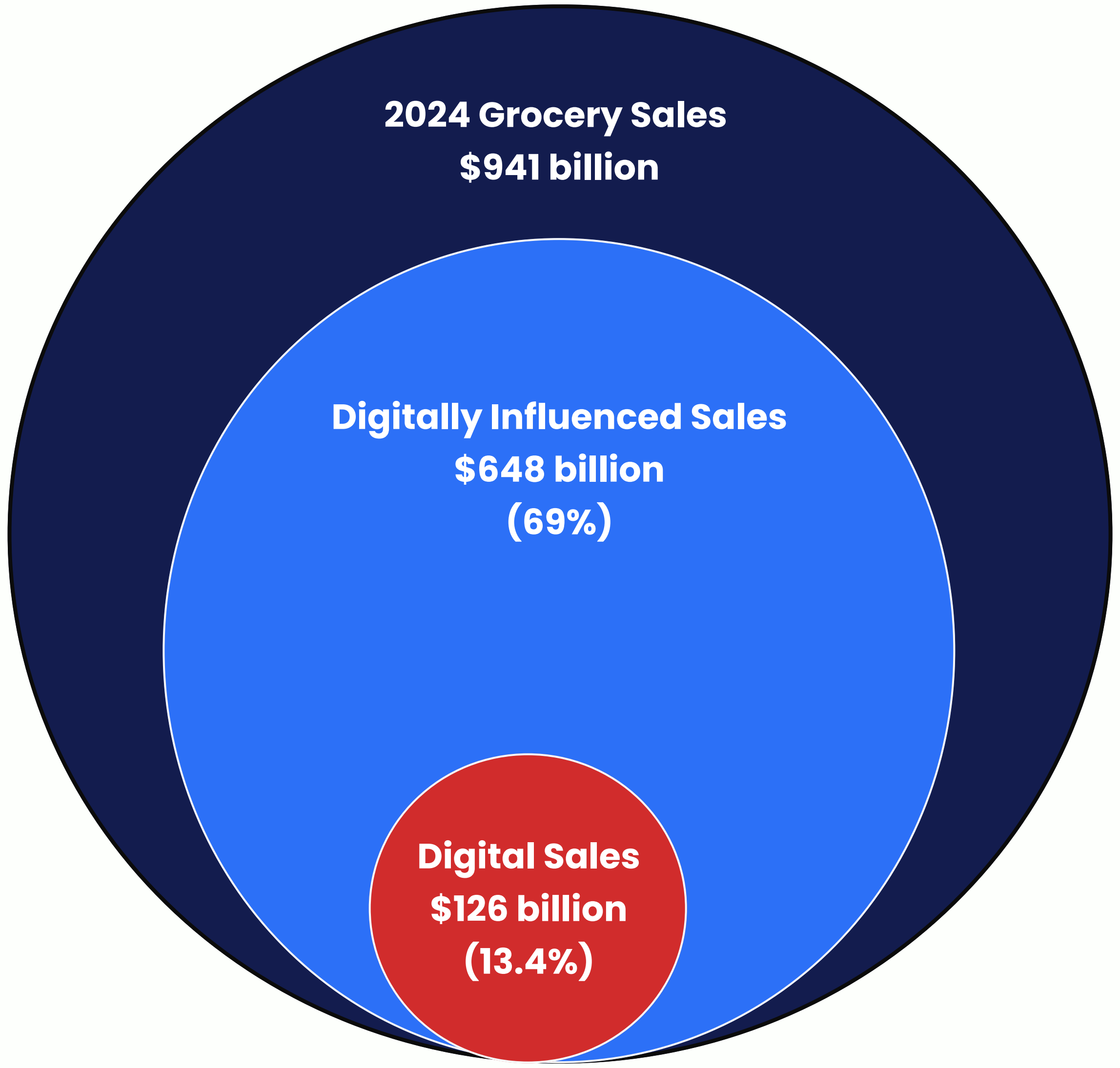
Note: Numbers will not add up to 100% since third-party sales volumes are reflected in grocer sales estimates

3

Omnichannel shoppers drive growth and profits.

Omnishoppers spend 1.5x more than single channel shoppers

FY 2024



Shopper Cohort	% of Shoppers	Average Monthly Spend	Average Margin %
Online only	1%	$659	-1.7%
Majority online	8%	$857	14.3%
Omnichannel Shoppers	**19%**	**$1043**	**25.6%**
Majority in-store	45%	$839	35.1%
In-Store only	27%	$669	50.8%

4

GLP-1 adoption changed baskets and assortments.

63% of grocers plan to change 2025 assortments due to the impact of GLP-1

#1 GLP-1 adoption shrunk basket size.

97%

reduced their grocery spending after taking GLP-1

-11%

average grocery spending after taking GLP-1.

Q. Has spending on household groceries changed after taking GLP-1
Q. By how much has spending on household groceries changed after taking GLP-1

#2 Biggest losers are snacks and soda.

1	Snacks and Confectionary	- 52%
2	Prepared baked goods	- 47%
3	Soda / Sugary Beverages	- 28%
4	Alcoholic Beverage	- 17%
5	Processed food	- 13%

Q. By how much has spending on the following categories changed after taking GLP-1

#3 Biggest winners are healthy alternatives.

1	Lean protein (seafood, lean meat and eggs)	+ 27%
2	Meal replacements	+ 19%
3	Healthy snack alternatives (lower sugar, dried fruit etc.)	+ 17%
4	Whole fruits and vegetables	+ 13%
5	Sports and Energy Drinks	+ 7%

Q. By how much has spending on the following categories changed after taking GLP-1

#4 Grocers have to innovate across dimensions .

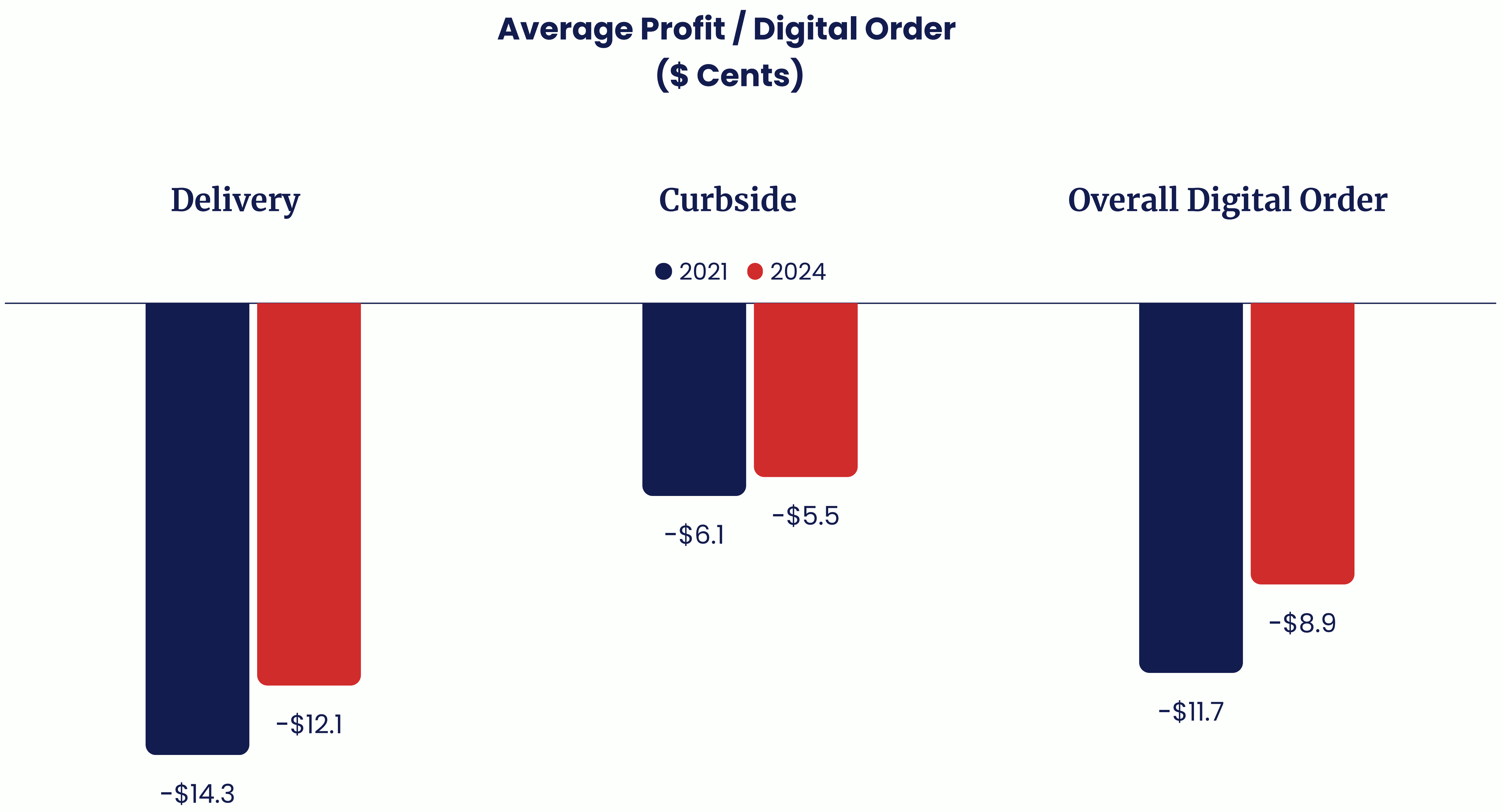
1	Expand and deepen assortment (Including more portion-control sizing and packaging)	77%
2	Increase digital marketing efforts on health and 'food as medicine'	71%
3	Provide in-store nutrition education	43%
4	Incorporate health into the loyalty programs	17%
5	Build a new private brand	13%

Q. What are the strategies you plan to use to address the change in shopper behavior due to GLP-1

5

e-Commerce unit economics are still negative.

83% of grocers are dissatisfied with their online profitability



$11 million

margin loss per $1 billion in sales because of change in store-online revenue mix (2025)

51%

of grocery retailers **lose money or make less than 10% average margin per online order**

Digital Performance Summary: Key Facts

Key Performance Numbers: FY 2024 (P).

$ Billion	2023	2024 (P)	% of total sales (2024)	Y-o-Y Growth
Total Sales	$926.0	$941.3		+1.7%
Store Sales	$804.8	$815	86.6%	+1.3%
Digital Sales	$121.2	$126.3	13.4%	+4.2%

$ Billion	2023	2024 (P)	% of digital sales (2024)	Y-o-Y Growth
Digital Sales	$121.2	$126.3	-	4.2%
Grocer Owned	$101.2	$108.4	85.8%	+7.1%
Third Party	$20	$17.9	14.2%	-10.4%

Digtal Sales Split	2023	2024 (P)
Delivery	48.6%	52.1%
Pickup	51.4%	47.9%

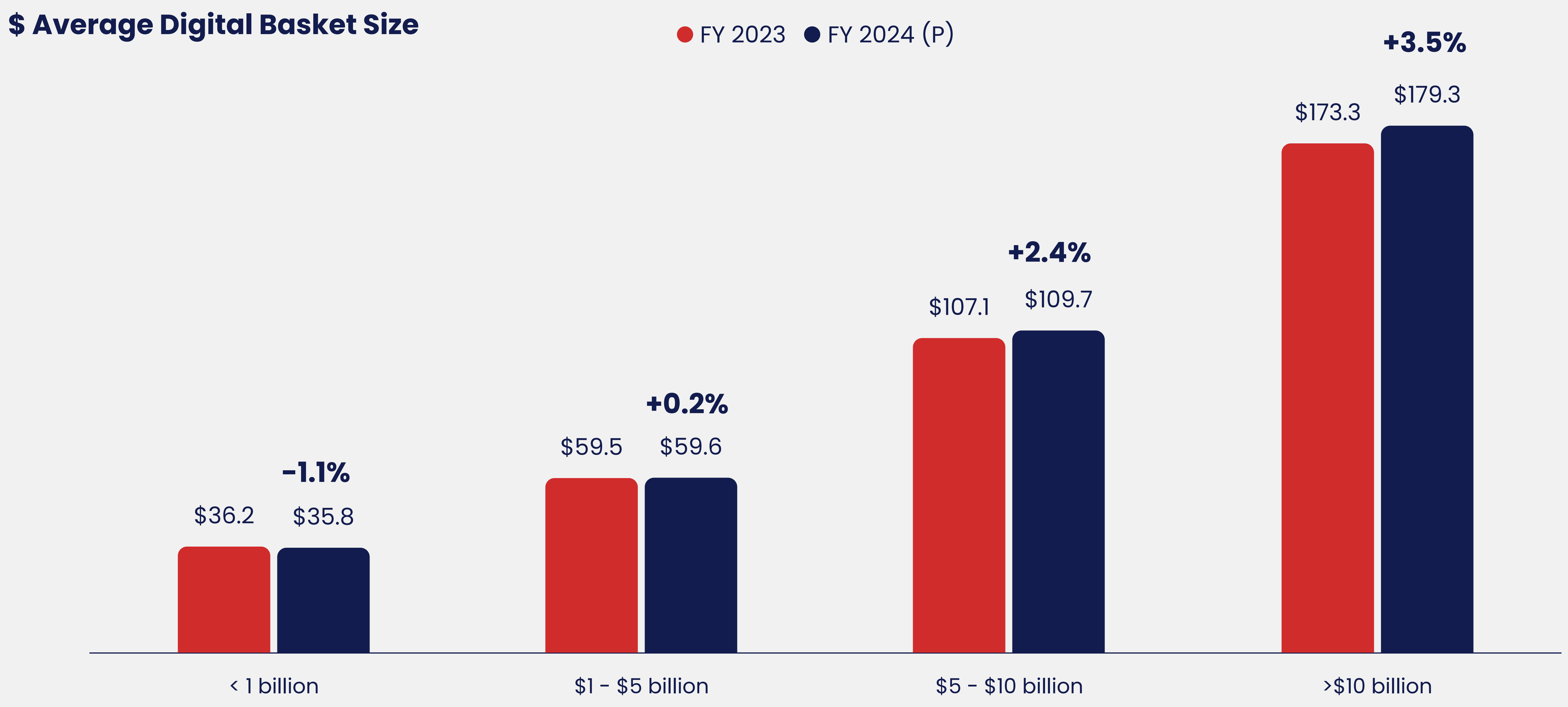
Note: (P) means projections

Key Numbers by Grocery Size: FY 2024 (P).

Grocer Size	Digital Grocery as % of Overall Sales	% Delivery Sales	% Pickup Sales	Average Basket Size
< 1 billion	0.4%	86%	14%	$35.3
$1 - $5 billion	3.6%	42%	58%	$58.51
$5 - $10 billion	8.6%	41%	59%	$111.2
>$10 billion	14.3%	54%	46%	$179.8
Overall	13.4%	52%	48%	$169.7

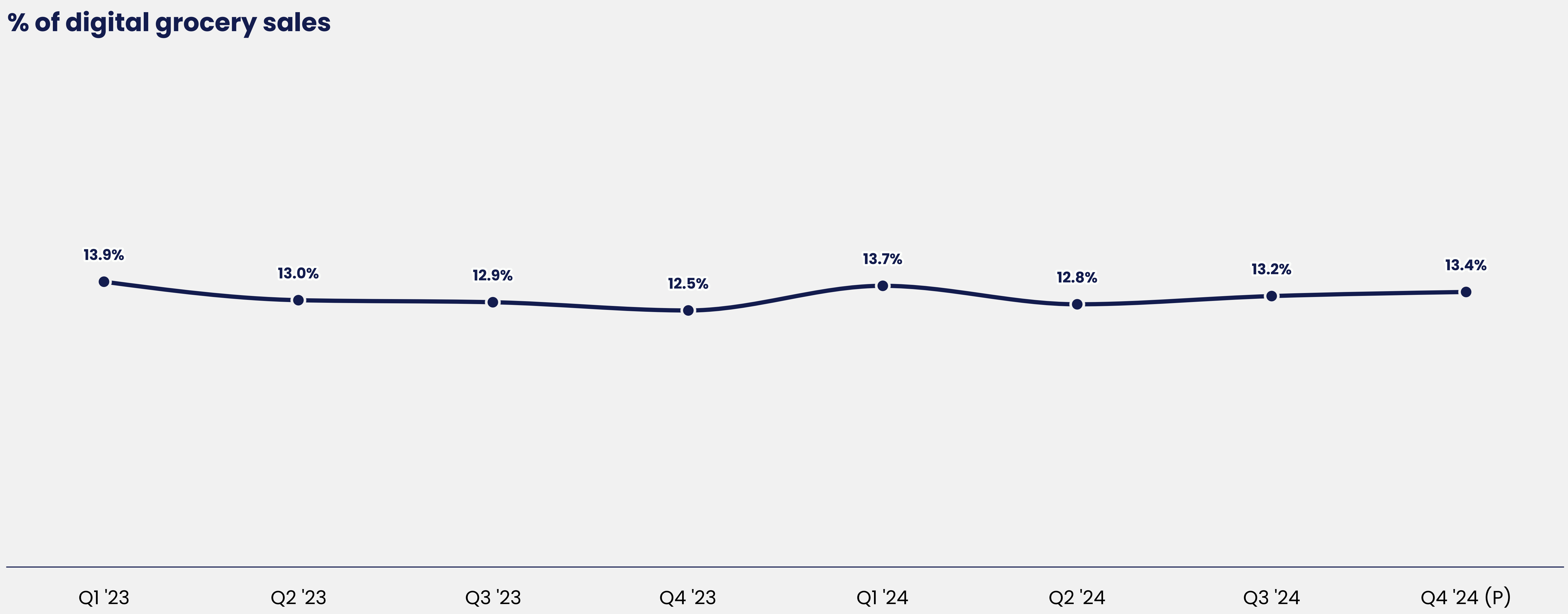
Note: (P) means projections

Large grocers increased basket size.



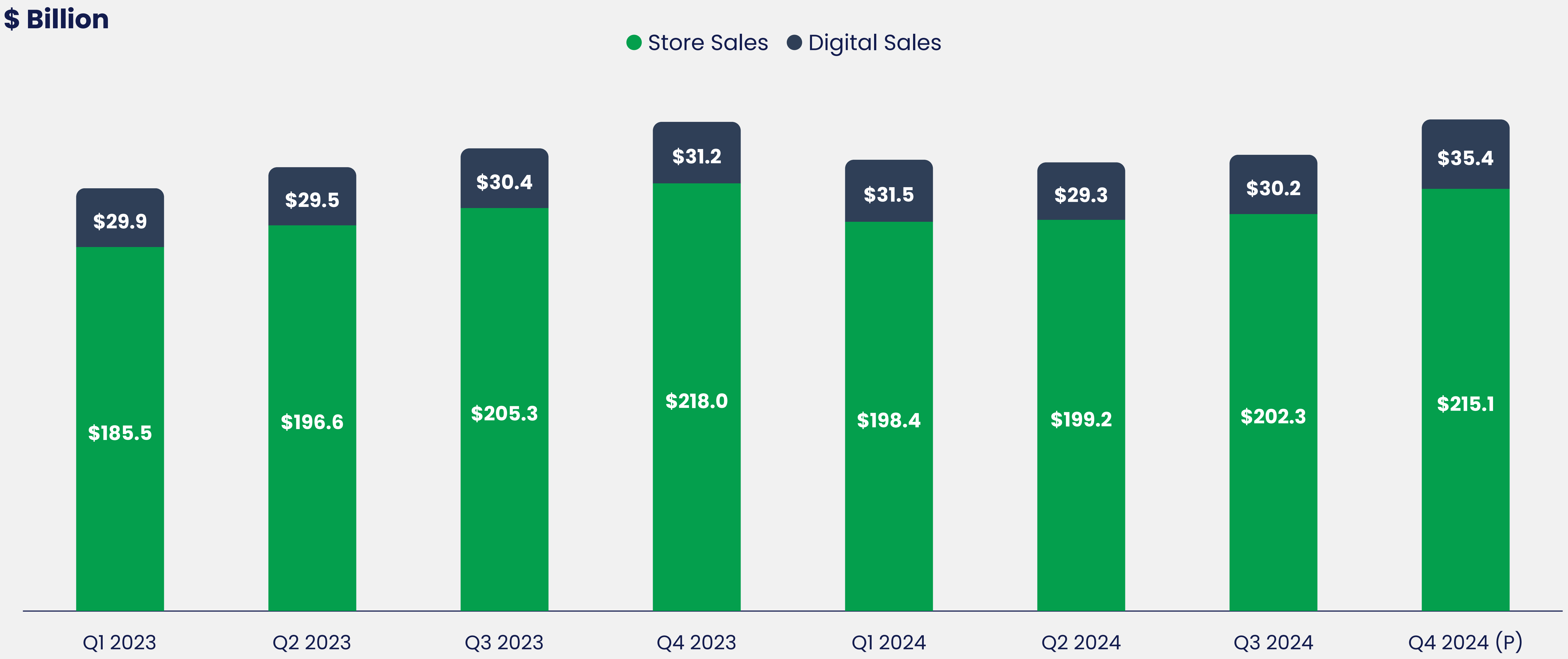
Note: (P) means projections

Digital's share of overall sales (Q1 '23 - Q4'24).



Note: (P) means projections

US Grocery Sales (Q1 '23 - Q4'24).



Note: (P) means projections

Methodology

~3 million	US shopper orders analyzed from January 1, 2022 - Nov 30, 2024
55,670	US shoppers surveyed from January 1, 2022 - Dec 2, 2024 2022: 23,910 2023: 18,357 2024: 13,503
5,564	US grocery executives surveyed from January 1, 2022 - Dec 2, 2024 2022: 2390 2023: 1691 2024: 1483
250+	attributes used for the forecast model
Monthly	review and calibration of the forecast model

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ABOUT GROCERY DOPPIO

Grocers have experienced a generational shift in eCommerce adoption within a condensed period of time, giving rise to both - new growth opportunities and unfamiliar threats.

Grocery Doppio is an independent source of insights and inspiration designed to help grocers jumpstart, accelerate and sustain growth in this dynamic new environment.

www.grocerydoppio.com

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ABOUT INCISIV

Incisiv is a peer-to-peer executive network and industry insights firm for consumer industry executives navigating digital disruption.

Incisiv offers curated executive learning, digital maturity benchmarks and prescriptive transformation insights to clients across the consumer and technology industry spectrum.

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ABOUT WYNSHOP

Wynshop is an ambitious team of digital innovators helping grocers and other local store-based retailers grow wildly successful online businesses. Wynshop’s easy-to-use digital commerce platform enables efficient in-house picking, reduces fulfillment costs, and uses advanced AI to help retailers personalize the entire digital shopping experience and remain profitable.

www.wynshop.com.

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