Grocery Retailing: In-store and Online - US - 2023

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This report looks at the following areas:

- **The evolution of the omnichannel grocery shopping experience**
- **The impact of inflation and economic pressures on the grocery market**
- **Where consumers do their shopping and what they look for in their primary grocer**
- **Consumers' shopping behaviors and attitudes toward grocery shopping**
- **Consumer interest in shopping concepts and loyalty program benefits**

The grocery landscape has undergone a major evolution, driven by shifts in the market caused by both the pandemic and ongoing economic uncertainty. While the store remains the preferred channel, the rapid, wide-scale adoption of ecommerce has permanently altered how consumers shop for groceries, resulting in more omnichannel shopping routines. With inflation at a 40-year high, rising food costs have become a growing source of frustration. More than three quarters of consumers feel that grocers could do more to combat rising food prices as they remain focused on ways to find savings. This means that grocery retailers are highly focused on retention and loyalty at a time when consumers are shifting more to private label and value-based retailers, increasing competition from mass retailers, discount chains and dollar stores.

Despite the focus on savings, consumers still emphasize a quality grocery experience. While price is top of mind, they don't want to sacrifice important factors such as freshness, nutrition or sustainability. Grocers that can deliver a compelling overall value proposition ¬ including convenience, quality and premium options – will resonate with shoppers looking to get the most out of their experience.

"The grocery landscape is still in the midst of an evolution after the pandemic accelerated ecommerce and omnichannel shopping routines. Currently, savings are top of mind amid inflationary pressures and consumers are adapting by shifting toward more budget-conscious behaviors."
– Brittany Steiger, Senior Analyst, Retail & eCommerce

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