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US Collection



Online Grocery Shopping: United States

October 2018



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About This Report

Scope

This report forecasts US online grocery retail sales and total grocery retail sales in US dollars for 2019-2023. To illustrate historical trends, online and total grocery retail sales are provided in annual series from 2011 to 2018.

Online grocery retail sales for 2018 are segmented by retailer category in terms of:

- grocery stores and supermarkets (e.g., Kroger, Safeway, and ALDI)
- mass merchandisers (e.g., Walmart and Target) and warehouse clubs (e.g., Costco, Sam's Club, and BJ's)
- farmers markets, co-ops, and other store-based grocery providers
- online-based stores (e.g., Amazon and Peapod)
- third-party pack-and-deliver companies that use their own workforce to purchase groceries at various stores and deliver them to customers

Online grocery retail sales for 2018 are also segmented by product category in terms of:

- canned and pantry foods
- snacks
- beverages
- meats and seafood
- fresh produce
- frozen foods
- dairy and eggs
- bakery items

Furthermore, online grocery retail sales market share for 2018 is provided by delivery style:

- delivery from online-based grocer
- delivery from store-based grocer
- pickup/curbside
- other

This report provides information about online retail sales of food and beverages to consumers. Online sales that are ordered via a website or an app, delivered to a customer, picked up in-store, or received via curbside pickup are all included. Sales of meal-kits and deli items ordered from online grocery stores are included. Subscription delivery boxes of groceries are also included, given that they are not marketed as meal-kits.

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Excluded from the scope of this report are:

- food and beverage products that consumers physically select in a store for purchase
- items bought by mail or fax order
- meal-kits ordered from meal-kit companies such as Blue Apron and Hello Fresh that supply only such products
- items such as household cleaning products, pet food and toys, tobacco products, beauty products, kitchenware, and other such items that tend to be sold by grocers and mass merchandisers

Freedonia quantifies trends in various measures of growth and volatility. Growth (or decline) expressed as an average annual growth rate (AAGR) is the least squares growth rate, which takes into account all available datapoints over a period. The volatility of datapoints around a least squares growth trend over time is expressed via the coefficient of determination, or r^2 . The most stable data series relative to the trend carries an r^2 value of 1.0; the most volatile – 0.0. Growth calculated as a compound annual growth rate (CAGR) employs, by definition, only the first and last datapoints over a period. The CAGR is used to describe forecast growth, defined as the expected trend beginning in the base year and ending in the forecast year. Readers are encouraged to consider historical volatility when assessing particular annual values along the forecast trend, including in the forecast year.

A full outline of report items by page is available in the Table of Contents.

Sources

Online Grocery Shopping: United States (FF90054) is based on [Online Grocery Shopping in the U.S.](#), a comprehensive industry study published by Packaged Facts. That report used two primary data sources to define the online grocery market in the US. The first is Packaged Facts' own National Consumer Survey conducted in August and September of 2018. The second is the Simmons Profile Report from Simmons Research LLC. These data are supplemented with data concerning online and traditional food and beverage sales from the US Census Bureau, the US Bureau of Labor Statistics, and the US Bureau of Economic Analysis. Packaged Facts' primary research also includes interviews with online grocery market experts; on-site examination of retail and service provider venues; and internet canvassing of websites, blogs, and other social media.

The report is also based upon data collected from field surveys of food retailers in various channels and a wide range of industry sources, including company websites; trade publications; business newspapers and magazines; consumer blogs; annual reports, 10-Ks, and other releases from public companies; and information culled from Packaged Facts' extensive food and beverage market research database and report collection.

The analysis of demographic trends primarily relies on the consumer survey data compiled by Packaged Facts. The Packaged Facts National Consumer Surveys use a panel of 2,000 US

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adults (age 18+) balanced to the national population on the primary demographic measures of gender, age bracket, race/ethnicity, geographic region, marital status, presence or absence of children in the household, and household income.

Simmons' data are also used. On an ongoing basis, Simmons Research LLC conducts booklet-based surveys of a large and random sample of consumers (approximately 25,000 for each 12-month survey compilation) who in aggregate represent a statistically accurate cross-section of the US population.

Specific sources and additional resources are listed in the Resources section of this publication for reference and to facilitate further research.

Industry Codes

Table 7 | NAICS & SIC Codes Related to Online Grocery Shopping

NAICS/SCIAN 2007		SIC	
North American Industry Classification System		Standard Industrial Classification	
445110	Supermarkets and Other Grocery (except Convenience) Stores	4215	Courier Services, Except by Air
454111	Electronic Shopping	5411	Grocery Stores
492210	Local Messengers and Local Delivery	5961	Catalog and Mail-Order Houses

Source: US Census Bureau

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Resources

Packaged Facts

Online Grocery Shopping in the U.S., October 2018

The Freedonia Group

Freedonia Industry Studies

Produce Packaging Market in the US, June 2018

Commercial Refrigeration Equipment in the US, April 2018

Food Safety Products in the US, April 2018

Labels Market in the US, November 2017

Protective Packaging Market in the US, November 2017

Retail E-Commerce Packaging Market in the US, November 2016

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Canned Foods: United States

Demographics: United States

E-Commerce: United States

Fresh Produce Retail: United States

Frozen Foods Retail: United States

Macroeconomy: United States

Processed Food: United States

Software: United States

Freedonia Custom Research

Trade Publications

Food Dive

Food Navigator-USA

Internet Retailer

Progressive Grocer

Supermarket News

Agencies & Associations

Food Marketing Institute

Grocery Manufacturers Association

National Frozen & Refrigerated Foods Association

Private Label Manufacturers Association

United States Bureau of Economic Analysis

United States Bureau of Labor Statistics

United States Census Bureau