

CONSUMER PERSPECTIVE: GROCERY

WHAT'S NEXT FOR THE GROCERY SECTOR



The grocery industry has entered a new era with shoppers purchasing online at never-before-seen rates

The digital grocery boom has continued to gain traction, but is it more than a passing trend? While many grocers are hoping to benefit from the dramatic acceleration in online grocery growth, many questions remain:

- Is grocery eCommerce here to stay post-pandemic?
- What is the best way to gain grocery shopper loyalty?
- What do shoppers expect from their online shopping experiences?

Logate surveyed 1,500 US consumers to learn their new expectations for grocery shopping and define their point of view on today's digital experiences. Here, we highlight some of the key findings and practices that brands can leverage as they shape the future of the grocery sector.



1

Convenience is the #1 reason for shopping online

While online grocery has gained popularity since the pandemic, only 13% of respondents solely buy groceries online.

The reason? 75% of shoppers would prefer to pick out their own items. But not everyone is that particular. 39% of online grocery shoppers prefer the ease and convenience that comes with choosing online delivery.

Other online shoppers enjoy the greater selection (20%) and quality (17%) that online grocers provide. With COVID still a concern for 24% of shoppers, consumers need brands to make the online shopping experience as easy, fast, and worthwhile as possible.



TIP: Ensure your customers experience the least possible friction by streamlining their online or mobile grocery checkout experience. This can be as simple as requiring fewer form fields and offering quicker address data entry via an address autocomplete solution.

2

Shoppers want personalized offers and discounts

When it comes to attracting shoppers, nothing works better than giving them an offer that they cannot resist.

We all have our favorite stores—25% of shoppers prefer to buy online at the same places they go in-store—but 23% of grocery shoppers will base their online shopping plans around who has the best discounts or lowest prices.

Whether through email or direct mail offers, social media promotions, or word of mouth, ensuring that the right offer reaches the right person at the right time is key to a successful marketing strategy.



TIP: Filling your customer databases with accurate, verified data such as email addresses, phone numbers, home addresses, and zip codes can improve both the efficiency of your services and the deliverability of your communications and offers.

3

Grocery shoppers value loyalty programs

Loyalty begins with making customers feel special. Sharing perks like gift cards and member-only promotion codes is a welcome show of appreciation and a great marketing strategy for most.

Our survey shows that 88% of respondents consider loyalty programs important when choosing where to purchase groceries. Consider giving preferential treatment to your most valuable customers to foster lifetime loyalty.

Maintaining engagement with the people in your loyalty programs can be done through a variety of channels. Try practices like direct mail and SMS push notifications to grab the attention of customers who are weary of email communications.



TIP: Tools like email validation and phone validation can help retailers improve the overall accuracy of their customer data while creating a single view of the customer to support further customization of loyalty program offerings.

4

Shoppers hate low-quality items and late deliveries

No one likes experiencing delivery issues, but when food and perishable items enter the mix, the margin for delivery error gets even smaller.

Of those shopping majorly in-person, 14% list concern about delivery time or delivery issues as the main reason. Although most online grocery or meal service shoppers do not experience any delivery issues (31%), 16% have experienced late deliveries, while 11% have had their orders misdelivered.

With 61% of US consumers saying they would be reluctant to use the retailer again if their grocery order arrived late, [fixing failed deliveries](#) should sit high on the list of priorities.



TIP: Stop delivery failures at the root by weeding out inaccurate, duplicate, or invalid customer contact data before it even enters your customer database. Accurate addresses at the point of capture lead to successful deliveries and happier customers.

Loqate optimizes your online grocery checkout

Grocery retailers have, more than ever before, turned their attention to creating a winning digital customer experience. To succeed, understanding and accommodating the needs of your consumers is key.

Loqate offers a full suite of solutions that enable you to gather data-driven insights on customers, engage shoppers on multiple channels, and deliver a seamless online or mobile experience.

Click [here](#) to learn more about how we can help your business perfect the online customer journey.



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Address Capture

Capture the most accurate address data in as little as 3 keystrokes the moment a customer starts inputting their address on your website or app.



Address Verify

Parse, standardize, cleanse, enhance and format address data within a single, easy-to-integrate API across hundreds of global locations.



Data Maintenance

Personalize and enhance your customer experiences by correcting, suppressing, or appending US customer data.



Cameo

Gain insight into traveler habits, develop an advanced understanding of audience segments, and build stronger customer relationships with geodemographic segmentation datasets.