

Grocery Category Winners: What's Driving Omni Growth?

In a competitive and shrinking grocery space, growing categories realize their consumers are Omni shoppers and have developed In-Store and Online strategies for capturing consumers.

Grocery units are down

-0.5%

in L52W in Total Omni Channel.

The number of Grocery UPCs selling in brick & mortar stores fell

-4.4%

in L52W.

In-Store occasions still outnumber online

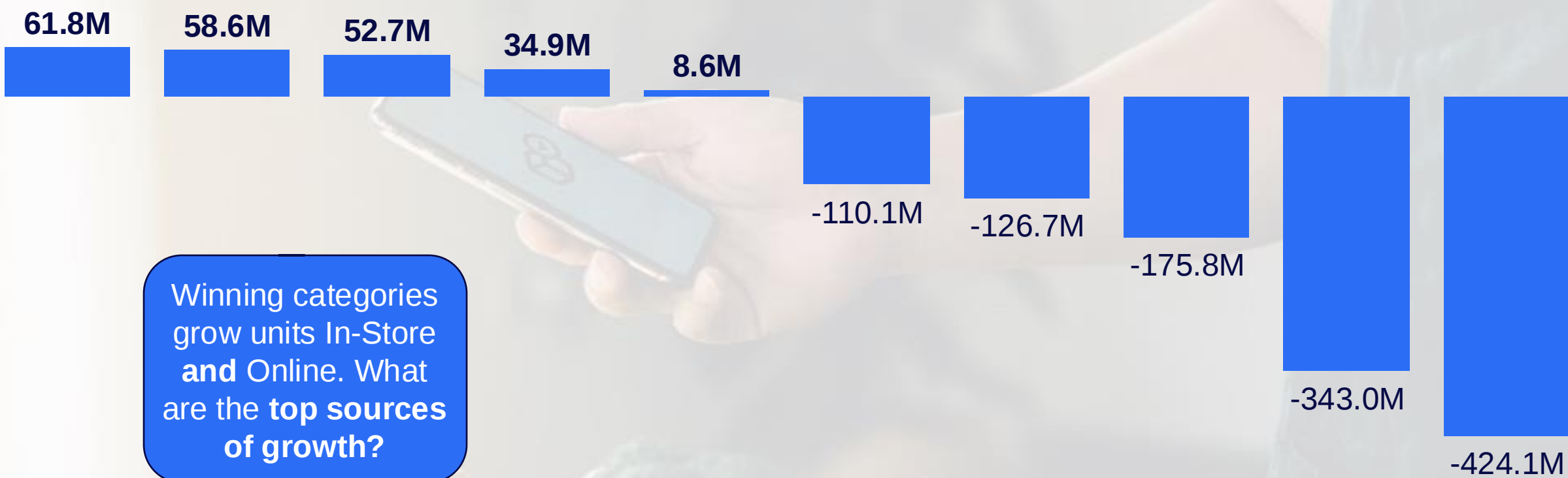
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But online occasions are increasing

+20%

An Omni approach to growth wins: develop a strategy Online and In-Store

Pasta / Rice / Grains, Condiments, Baking Staples, Wraps & Tortillas and Sauce / Gravy / Marinade all realize Omni growth by growing units in both channels



Winning categories grow units In-Store and Online. What are the top sources of growth?

Abs Unit Chg	Pasta / Rice / Grains	Condiments	Baking Staples	Wraps & Tortillas	Sauce / Gravy / Marinade	Cookies & Crackers	Cereal & Granola	Salty Snacks	Prepared Foods	Candy / Gum / Mints
In-Store	▲	▲	▲	▲	▲	▼	▼	▼	▼	▼
Online	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲

Winning categories get retained buyers to buy more In-Store; new buying households and retained buyers are top sources of Online growth

Entice retained buyers to buy more In-Store through impulse buys; subscriptions can increase online purchases

1. Top sources of In-Store growth

Baking Staples

Retained Buying Households: 63%

Wraps & Tortillas

Retained Buying Households: 75%

Sauce / Gravy / Marinade

Retained Buying Households: 71%

2. Top sources of Online growth

New Buying Households: 33%

New Buying Households: 25%

Retained Buying Households: 80%

Grocery buyers are

45%

more likely to impulse buy In-Store than Online. Drive retained buyers to buy more In-Store through encouraging impulse buys.

Top Grocery categories are more likely to be ordered on subscription

124 Index*

Entice new buyers and retained buyers Online through subscriptions.

*Index = Top growing Grocery categories / Largest declining Grocery categories

Key Takeaways

- Grocery units are declining in Total Omni and UPCs selling are down in Brick & Mortar stores. Competition is high, and the growing categories prove that an Omni approach to growth wins. Developing a strategy for growth both Online and In-Store is crucial to succeeding in the beverage category.
- Sources of growth In-Store vs. Online differ for the winning categories. In-Store growth is driven mainly by retained households buying more, while Online growth is driven by both retained households and attracting new buying households. While it's important to keep an eye on shifting dynamics between categories and risk from category interaction, the winners grow via incremental volume to the category.
- In order to align with the In-Store and Online growth of the winning categories, center store grocery manufacturers should consider strategies for enticing consumers to purchase in both channels. One way to get retained buyers buying more In-Store is through encouraging impulse purchases. Retained and new buyers alike can be enticed to purchase online through offerings like subscriptions.

Reach out to your NIQ representative to hear more about our Omnishopper, Omnisales, and Omnichannel Shopping Fundamentals solutions.



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