



The State of Grocery Retail in 2023

October 2023

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Key findings

THE STATE OF GROCERY RETAIL IN 2023

The global grocery retail industry stands at a crucial juncture

Global grocery retail spending has gone into reverse

With value and convenience paramount, spending is shifting across grocery retail channels

Low unit prices and middle-class cachet is a winning combination for warehouse clubs

BRIDGING THE PHYSICAL-DIGITAL DIVIDE IN GROCERY

Being omnichannel is no longer a choice for chained grocery retailers

Grocery operators rethink their approach to e-commerce fulfilment

Three retailers demonstrate the regional divergence in the fortunes of quick commerce

Walmart leads the way in global grocery e-commerce

Changes in consumer behaviour make life more difficult for DTC food and beverage players

Grocers make retail media networks an integral component of their businesses

KEY CHALLENGES AND OPPORTUNITIES

Grocery retail is growing more complex

Cost: Controlling costs remains grocery retailers' single biggest challenge

Cost: Grocers seek to grow private label sales to increase profitability

User Experience: Grocery retailers are on a quest to improve the quality of their service

User Experience: Generative AI is grocers' newest tool to improve the customer journey

Supply Chain Optimisation: E-commerce's rise makes logistics more important than ever

Supply Chain Optimisation: Digitalisation transforms small local grocers' supply chains

Scale: In the global grocery retail space, the big fish increasingly eat the little ones

Scale: A proposed merger between Kroger and Albertsons rocks US grocery retail

REGIONAL INSIGHTS

Asia Pacific: Regional overview

Asia Pacific: Key developments

North America: Regional overview

North America: Key developments

Western Europe: Regional overview

Western Europe: Key developments

Middle East and Africa: Regional overview

Middle East and Africa: Key developments

Latin America: Regional overview

Latin America: Key developments

Eastern Europe: Regional overview

Eastern Europe: Key developments

Australasia: Regional overview

Australasia: Key developments

CONCLUSION

Although the outlook for the global grocery sector appears mixed, a repeat of 2022 is unlikely

What's next for grocery retail?

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