



Growth  
from  
Knowledge

mobiquity

# Uncovering friction in e-Grocery

**Experience as a growth driver**

25 November 2021

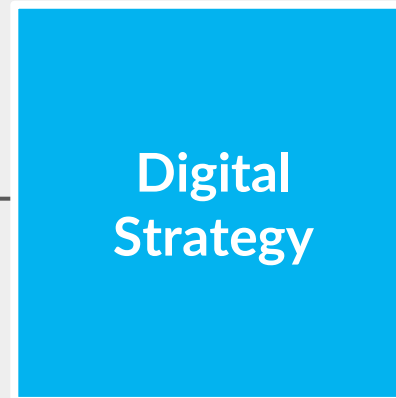




Lenneke Schils  
Global Insights Director



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Strategy Director Europe

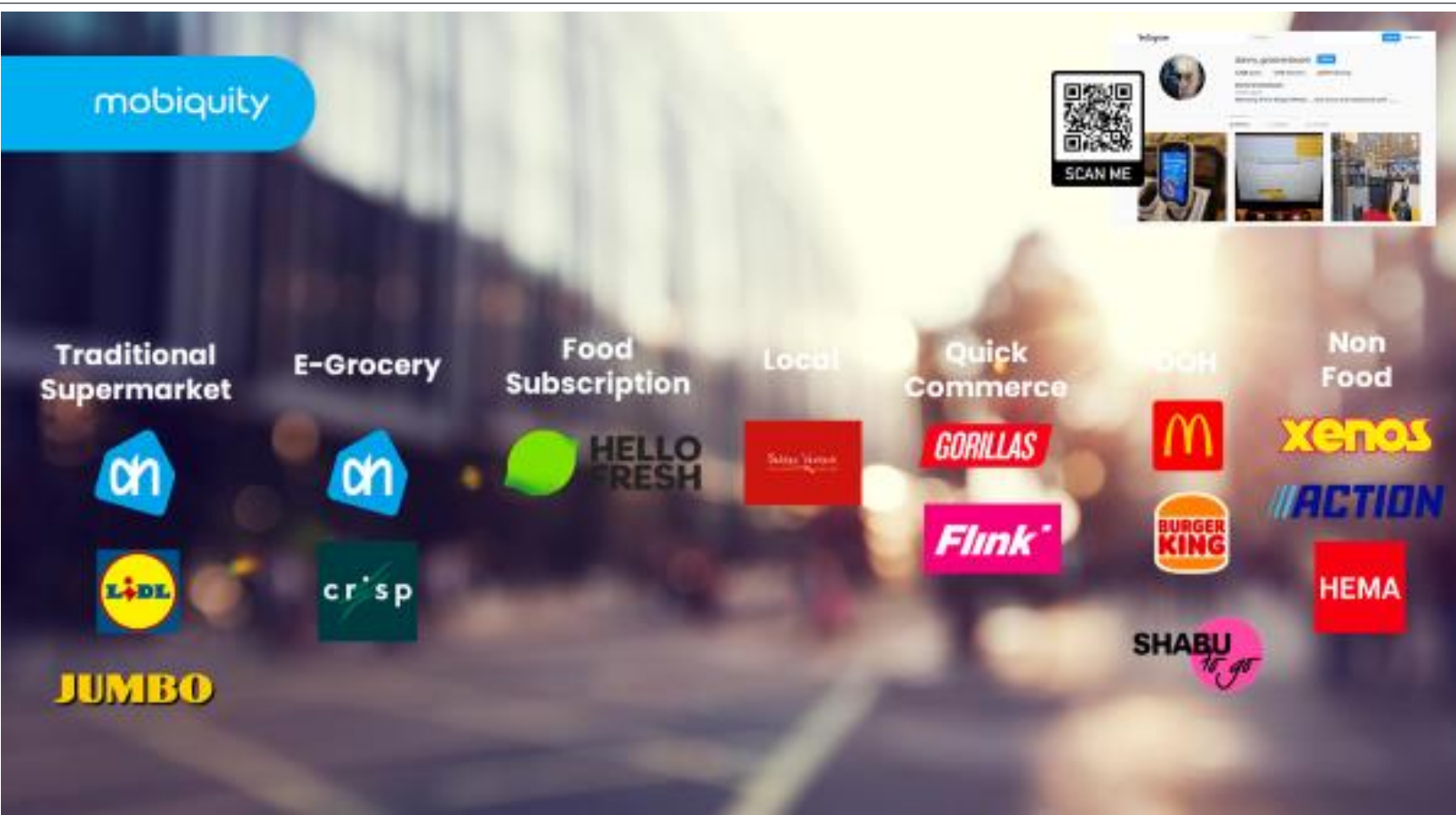




# #BehaviorChange: e-Grocery



## The e-Grocery landscape



Danny's food purchase in the past month

# Agenda



## PART 1: STRATEGIC INSIGHTS

## PART 2: DIGITAL STRATEGY

The e-Grocery landscape



Structure your way from idea to innovation

Non-buyer barriers



Inspiration for innovation based on GfK insights

Channel choices now & next



Tricks & tricks to start tomorrow

Categories & occasions now & next



Satisfaction drivers @ main online retailer



# The e-Grocery landscape

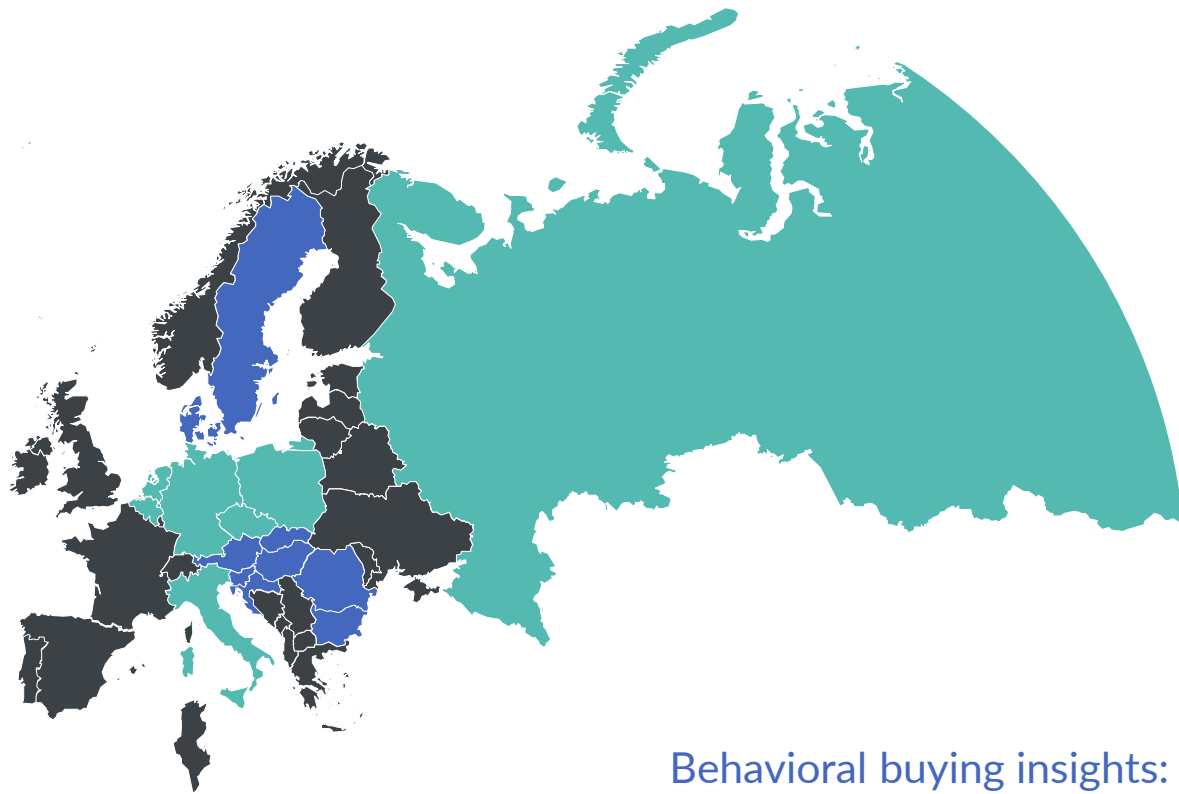


# #BehaviorChange: e-Grocery

## Countries covered



The e-Grocery landscape



Behavioral buying insights: EU-15  
Satisfaction drivers & barriers: EU-8 n=7547

At GfK, we capture and assimilate behavioral data continuously. Be it the scanned FMCG household purchases via our Consumer Panel or the underlying motivations, needs and wants.

**>180 million households**

**EU-15** AT BE BG CZ DE DK HR HU IT NL PL RO RU SE SK

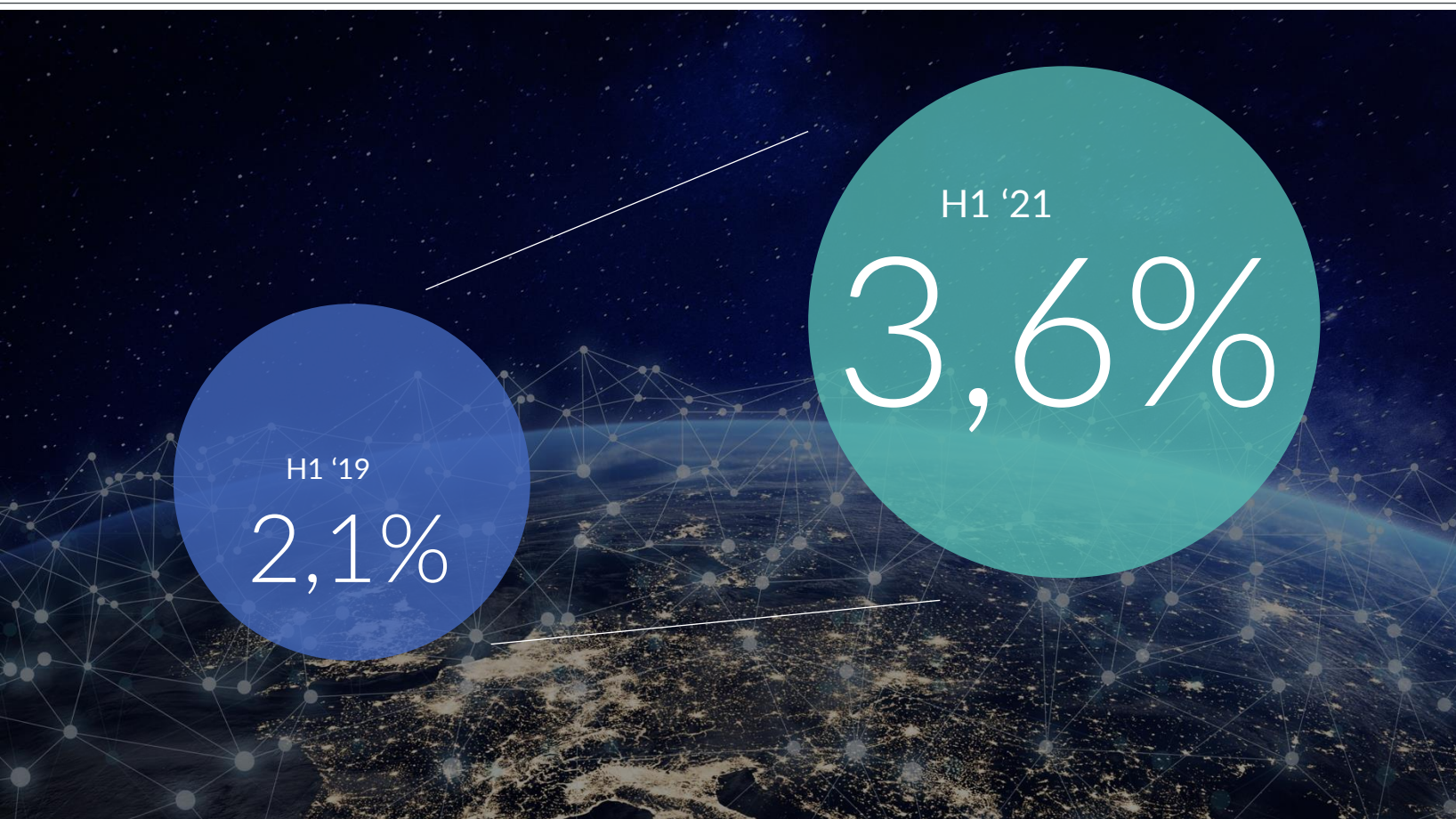
**EU-8** AT BE CZ DE IT NL PL RU

The e-Grocery landscape

The e-grocery landscape is exponentially expanding





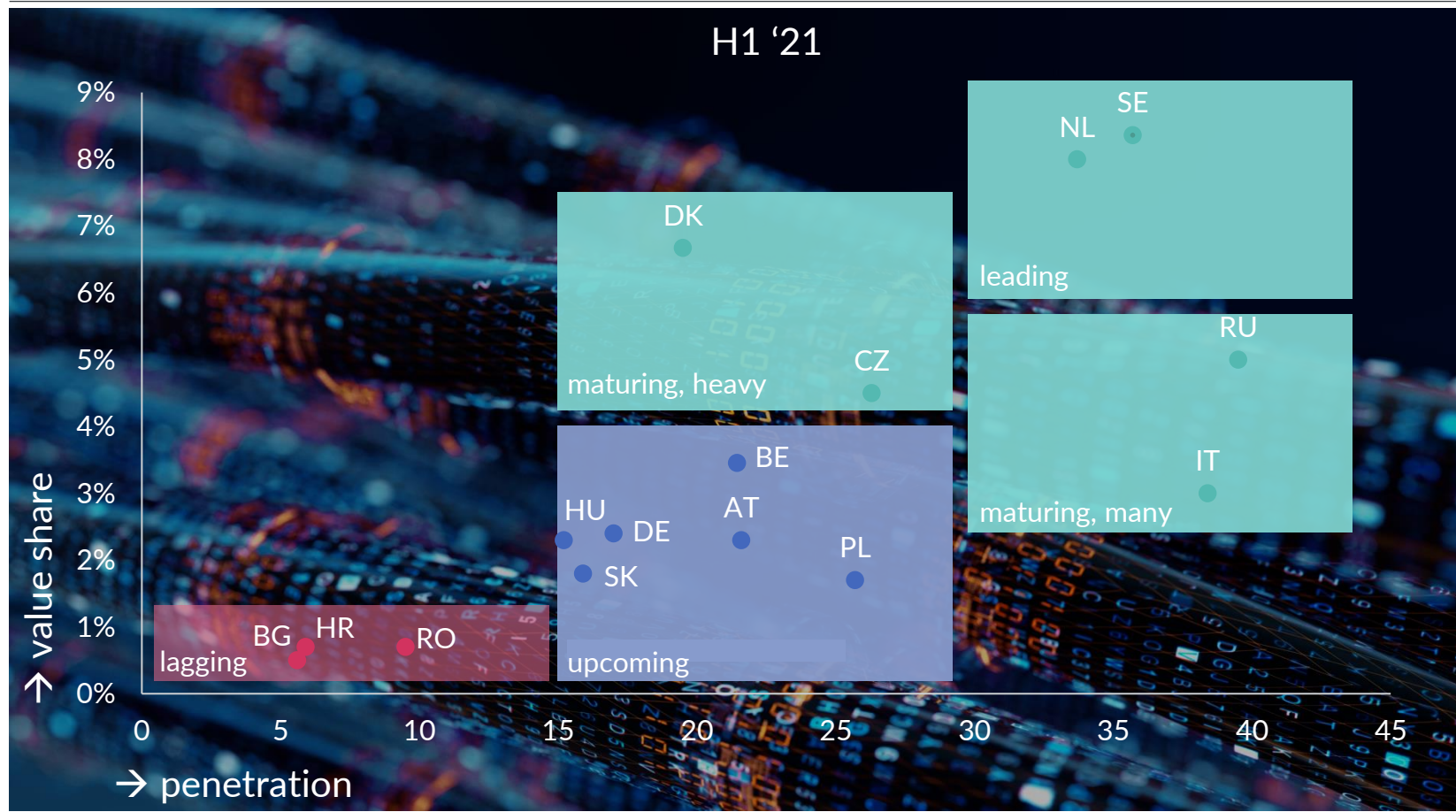
 The e-Grocery landscape

E-grocery value share nearly doubled in 2 years

EU-15

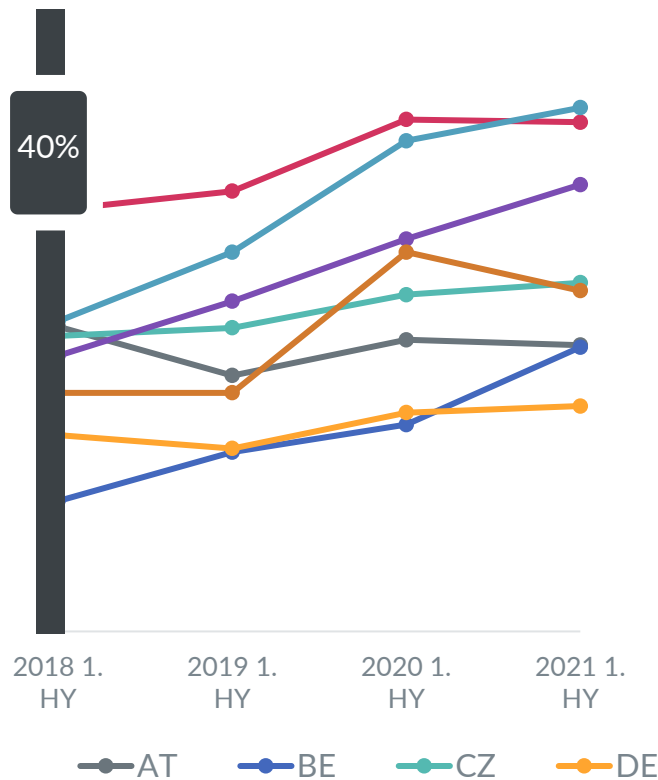
The e-Grocery landscape

Mixed view across Europe. Maturity levels highly differ. SE and NL lead in e-grocery share.

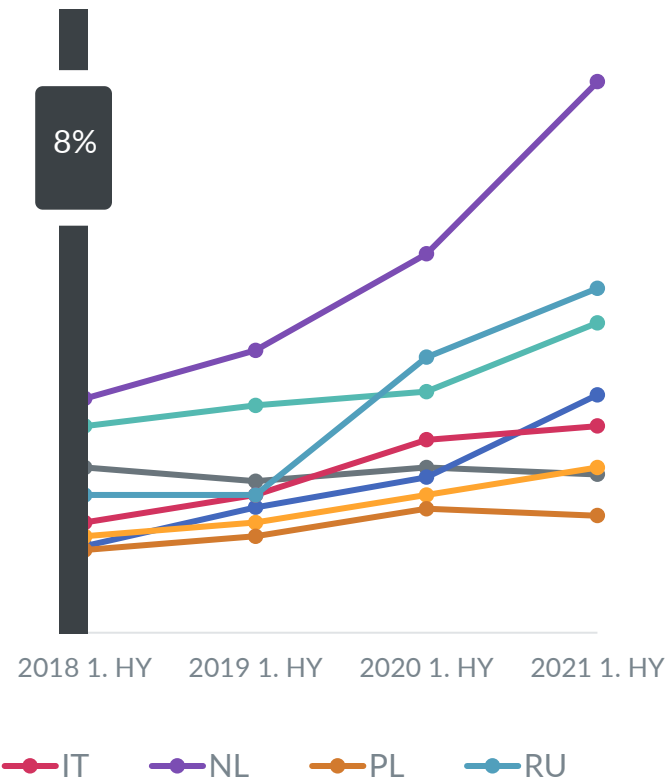


The e-Grocery landscape

e-grocery penetration



e-grocery value share

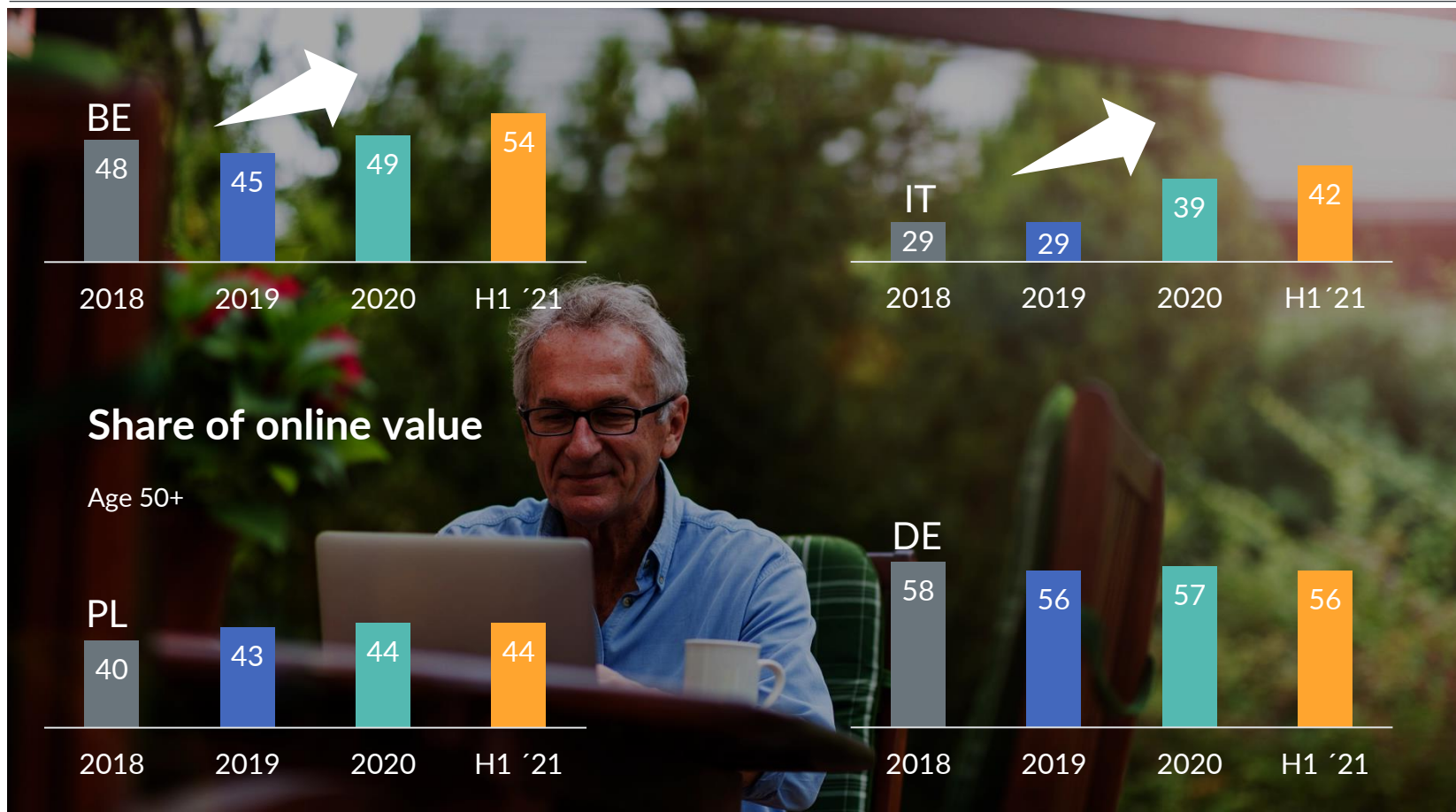


Pandemic e-grocery boost not equally strong nor equally sticky across the Europe



 The e-Grocery landscape

E-grocery  
 'maturing' as it is  
 increasingly  
 attracting  
 valuable shoppers  
 aged 50+

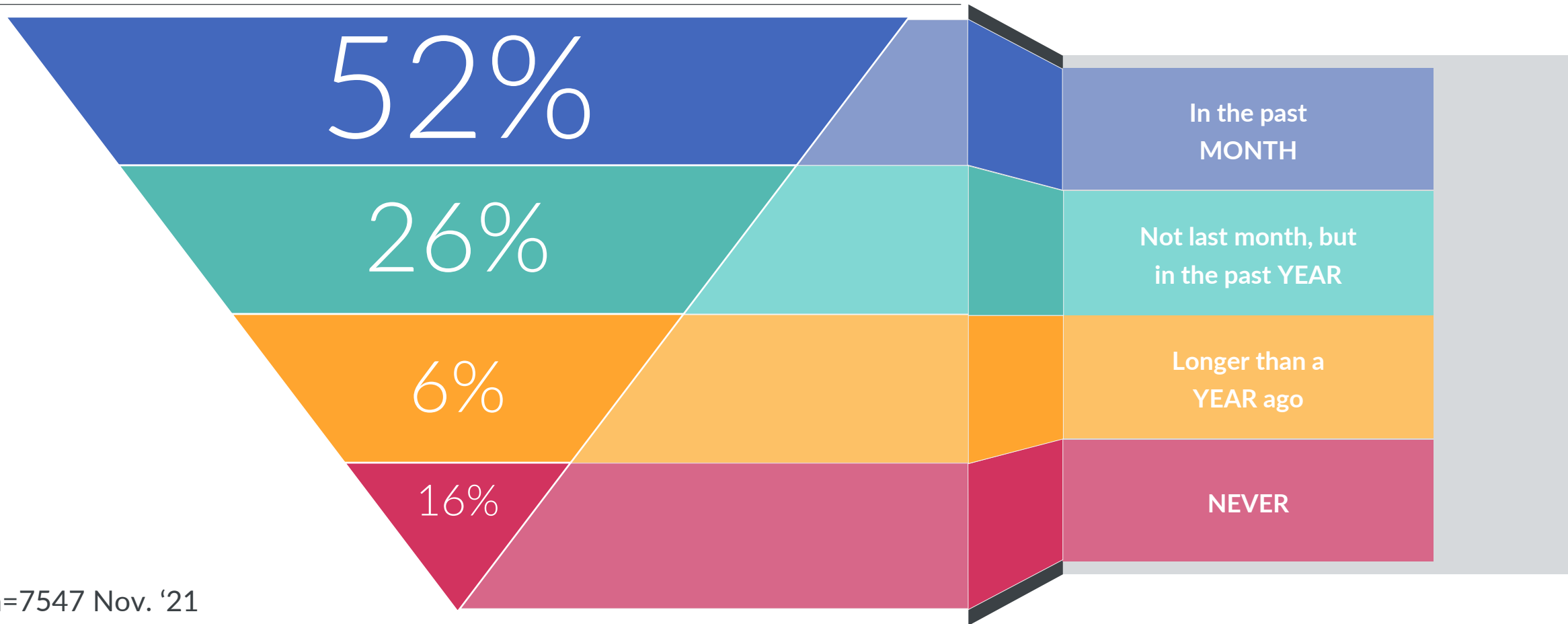


# However....

## Buying EVERYDAY GOODS online undeniable part of daily life



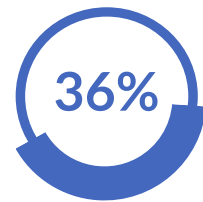
### The e-Grocery landscape



EU-8 n=7547 Nov. '21

As shoppers mature, ux increasingly a driver for retailer choice

Top 5 reasons to start



1  
Attractive pricing & promotions



2  
Attractive / no delivery fees



3  
I can find everything I need



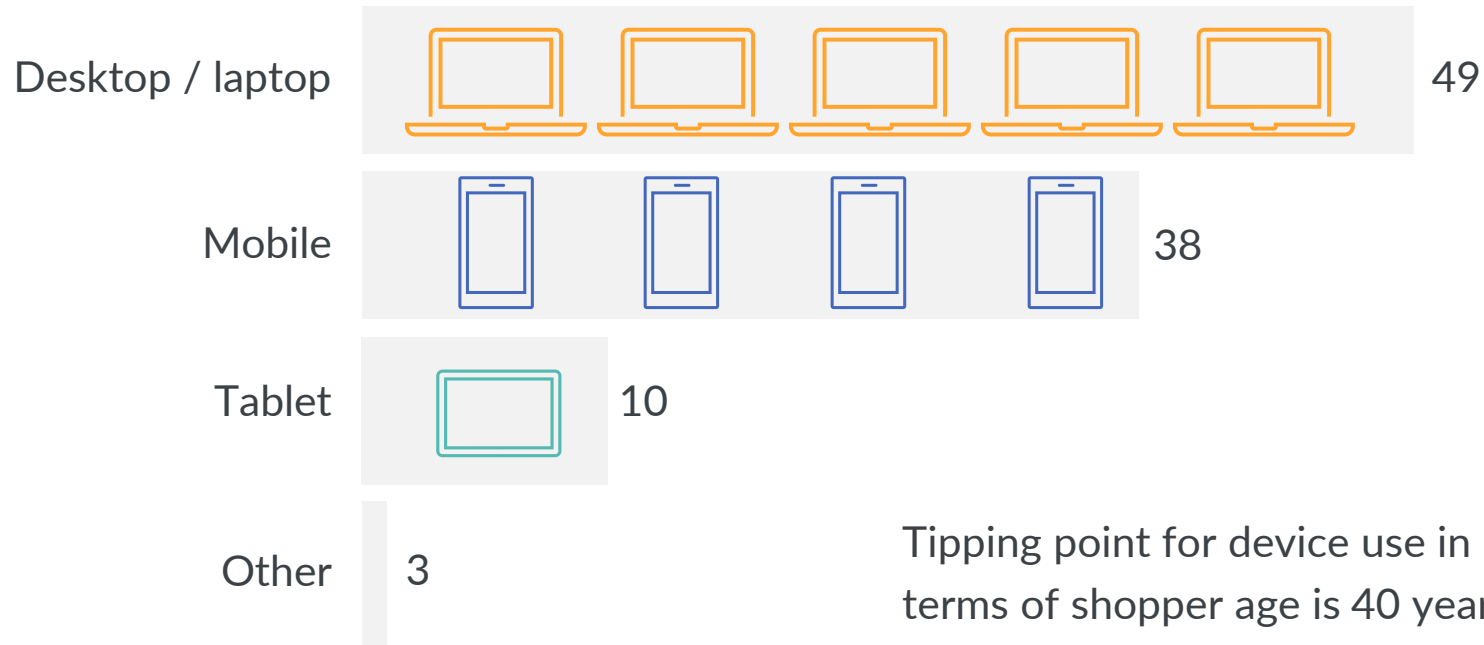
4  
User friendly website / app

Heavy buyers  
Index 164



5  
Recommended to me

☰ The e-Grocery landscape



Tipping point for device use in terms of shopper age is 40 years. Below 40 smartphone is the main device.

Desktop/laptop most used to buy. App only strategy omits large buyer base.

Attribution of 100 points to devices used to BUY

# Non-buyer barriers





# Preferring physical is emotional

(Social) experience most important barrier

## Non-buyer barriers

Appreciate the experience of going to the store



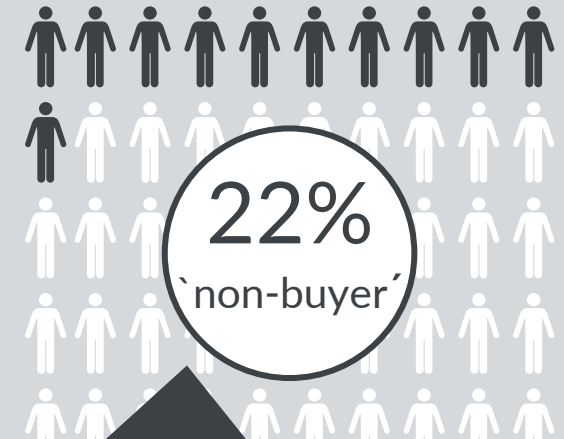
I cannot judge the quality of products

I want to have social contact

I can't buy all products online

Does not offer me any advantage

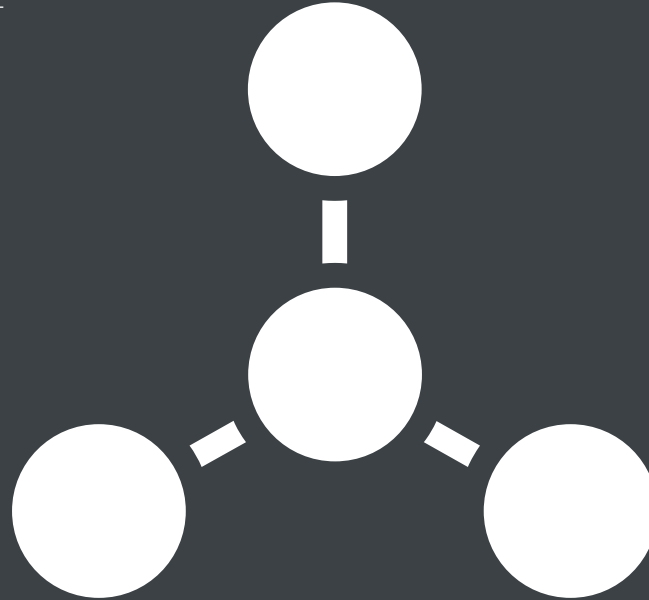
Products not immediately available



Of whom:  
 16% 'services not available'  
 17% 'don't know about those services'  
 15% 'too difficult for me'

MaxDiff Analysis 20 statements Non-Buyers n=2789

# Channel choices now & next











# E-supermarkets and specialists most used

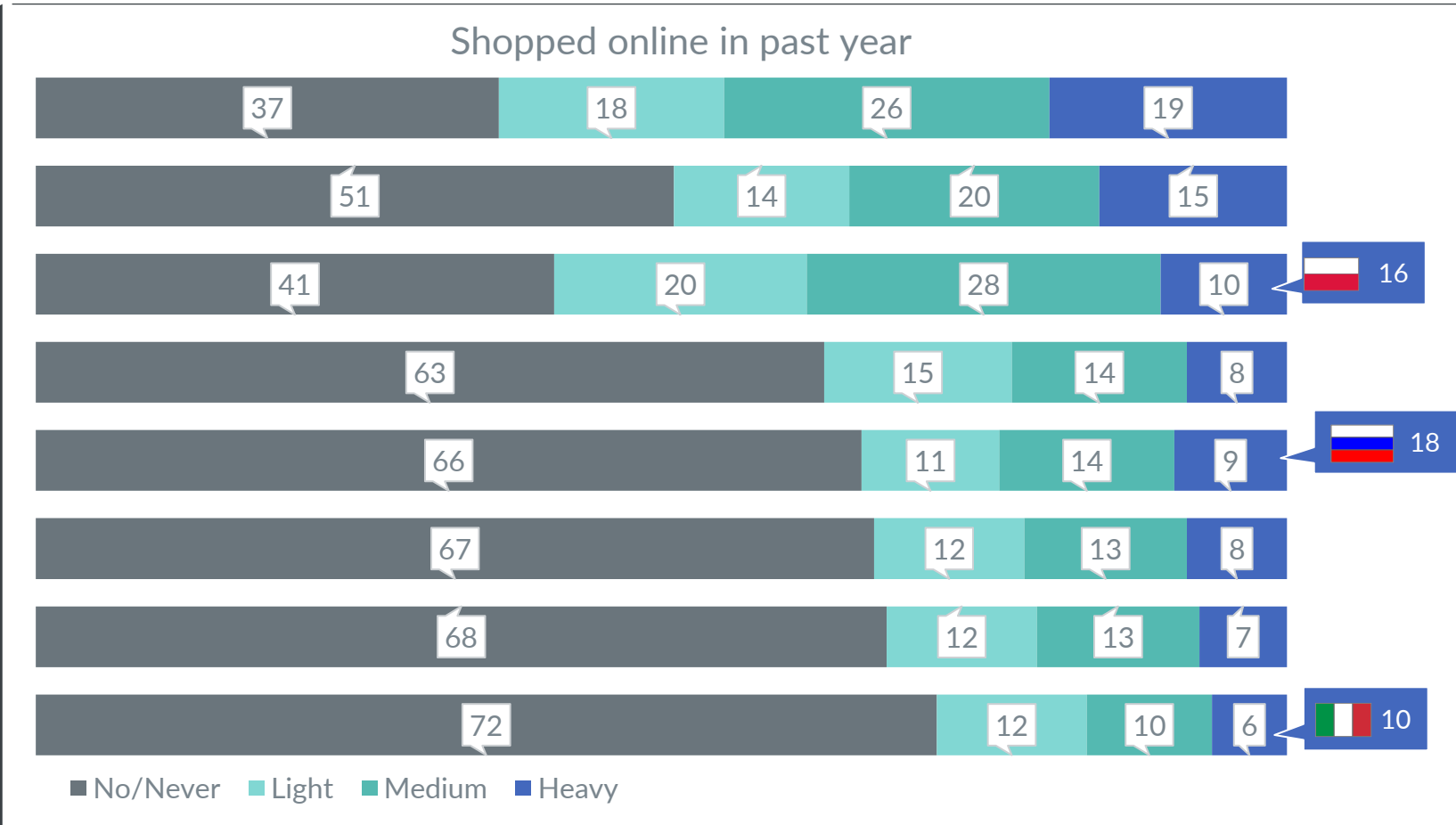


## Live commerce and flash delivery reach about 30%

### Channel choices now & next



-  e-supermarket
-  platforms
-  category specialist
-  D2C
-  flash delivery
-  meal box
-  product subscriptions
-  live/social commerce



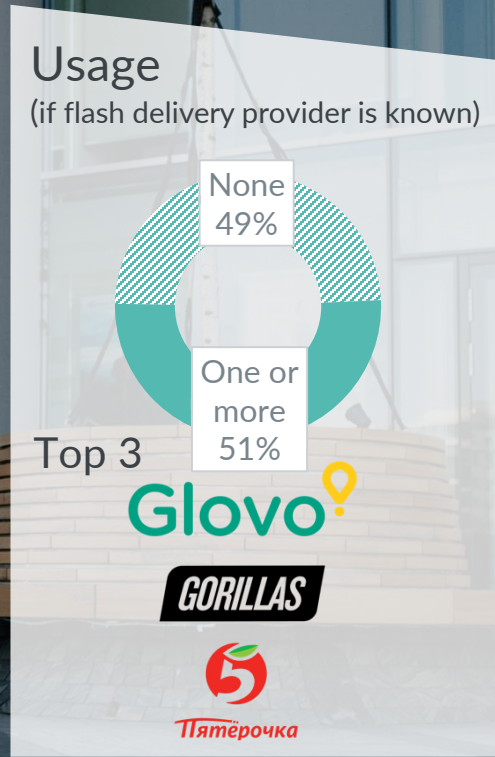
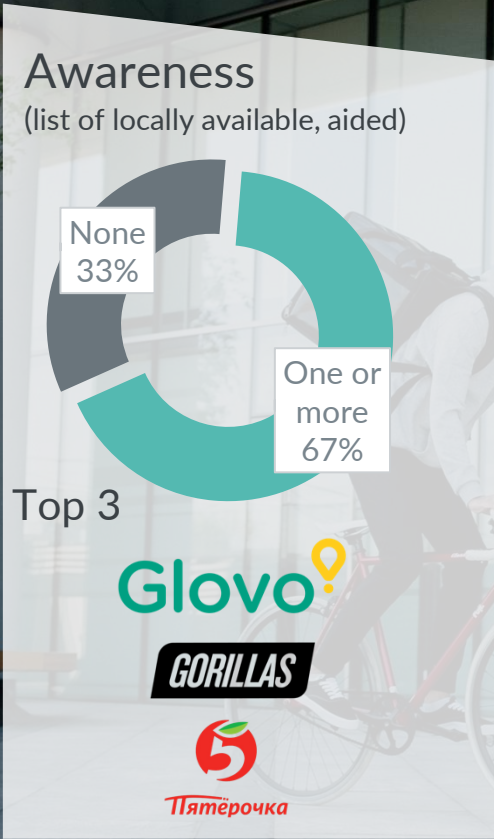
Flash delivery ex. CZ

Source: GfK e-grocery ad hoc study n=7547 November '21

# Two-thirds knows a flash provider

## Half of them have used it, mainly for instant gratification

### Channel choices now & next



### Occasion

(if flash delivery provider is used)

Food / drink for now	36%
Special occasion / party	32%
Small trip for few days	27%
Food / drink for later	25%
Stock up trip	22%
Big trip for few days	21%
Urgent forgotten item	15%

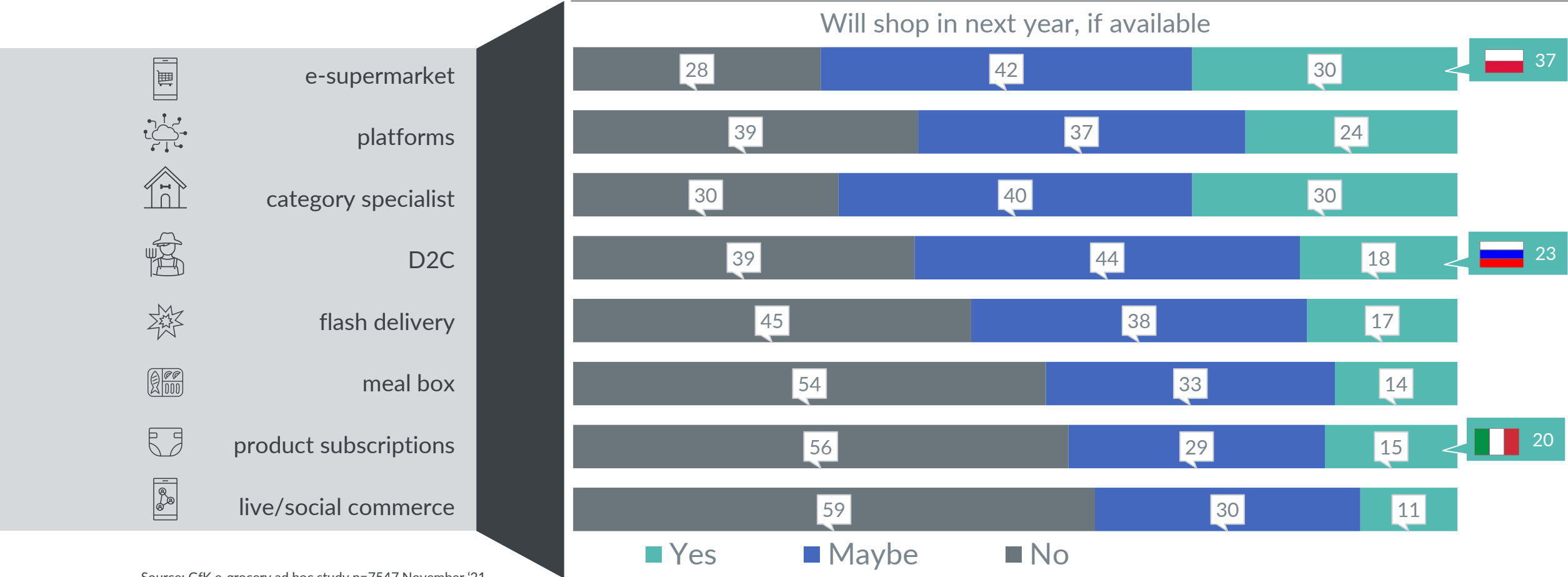
EU-7 data NA for Czech Republic

# Future services



## D2C & flash delivery stand to gain most new buyers

### Channel choices now & next



Source: GfK e-grocery ad hoc study n=7547 November '21

# Categories & occasions now & next



 Categories & occasions now & next

**37%** of light buyers has not shopped for weekly groceries incl. Fresh food

Vs.

**13%** of heavy buyers has not shopped for weekly groceries incl. Fresh food

### Top 3 most frequent occasions

- No. 1 stock up of heavy items / nonperishables
- No. 2 stock up of special product promotions
- No. 3 special one off offer trip

# 14% of all say they will not buy anything



## Categories & occasions now & next

Only 2 categories have reached >50% of online shoppers



Categories most likely to be bought – all shoppers

- No.1 Cosmetics 51%
- No.2 Household cleaners 49%
- No. 3 Household items 42%

Categories most likely to be bought – non buyers

- No. 1 Cosmetics (35%)
- No. 2 Household cleaners (29%)
- No. 3 Pet supplies (26%)

# 14%

## won't buy anything

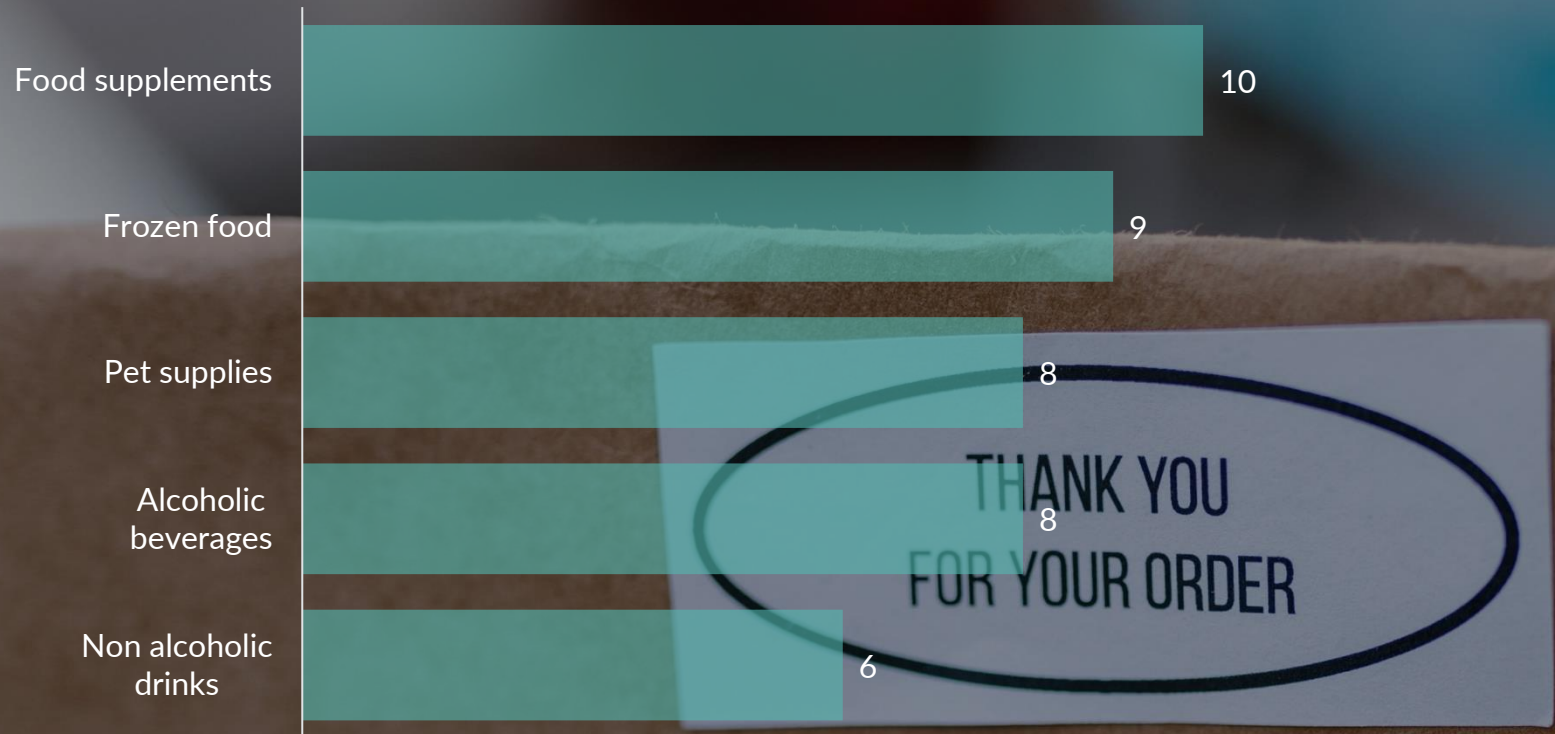
- 33% of non buyers
- 4% of light buyers
- 1% of heavy buyers



Categories & occasions now & next

Heavy buyers extend to supplements, drinks & frozen foods

Top 5 online categories, based on future growth in % buyers, heavy buyers

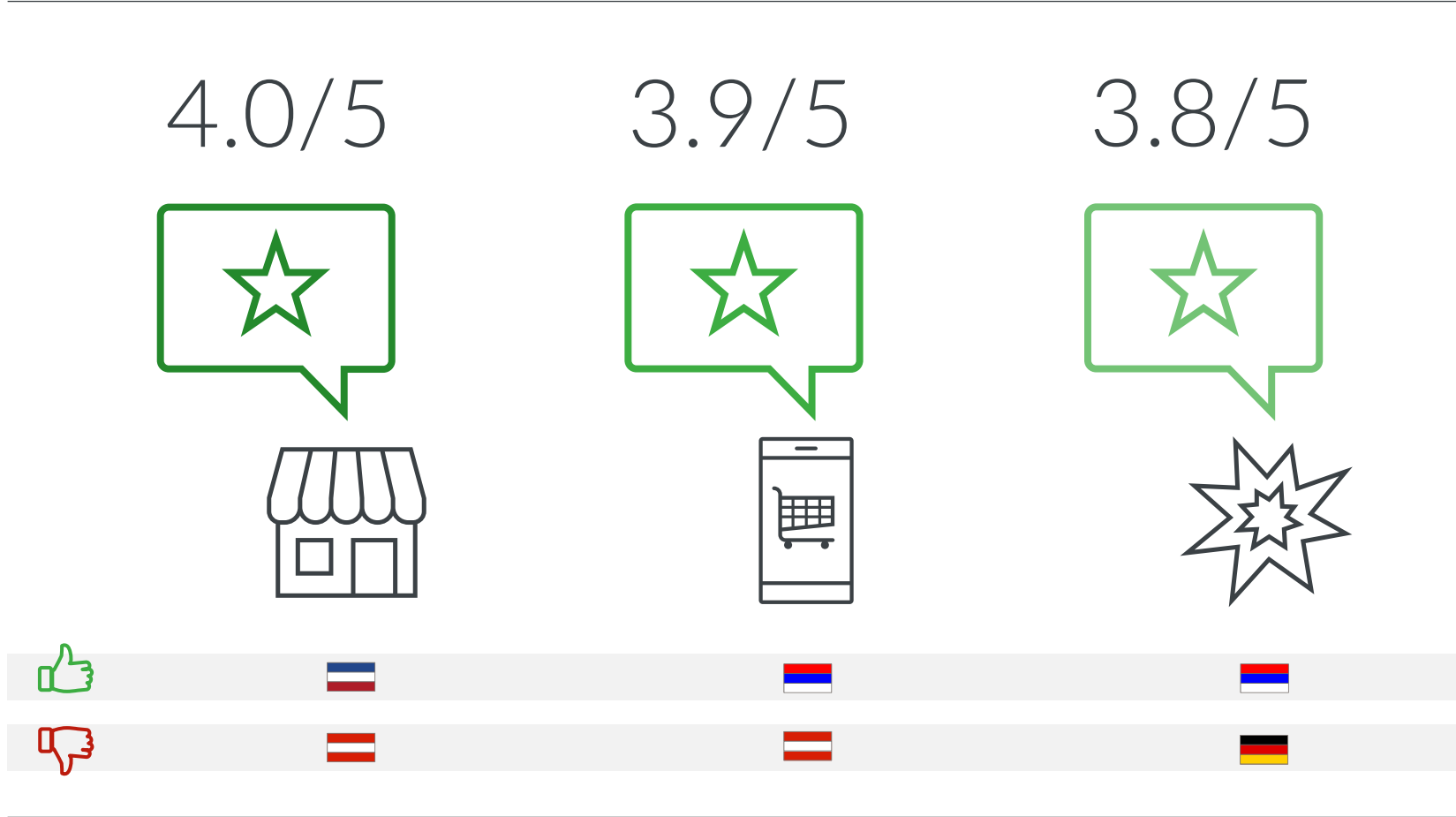


# Satisfaction drivers @ main online retailer



Satisfaction drivers @ main online retailer

Offline satisfaction still triumphs, except in Russia



Satisfaction drivers @ main online retailer

Online retailer



More people plan to stick than switch, but heavy buyers at risk


# Satisfaction scale tips toward offline

## Austrian shoppers least excited about online experience




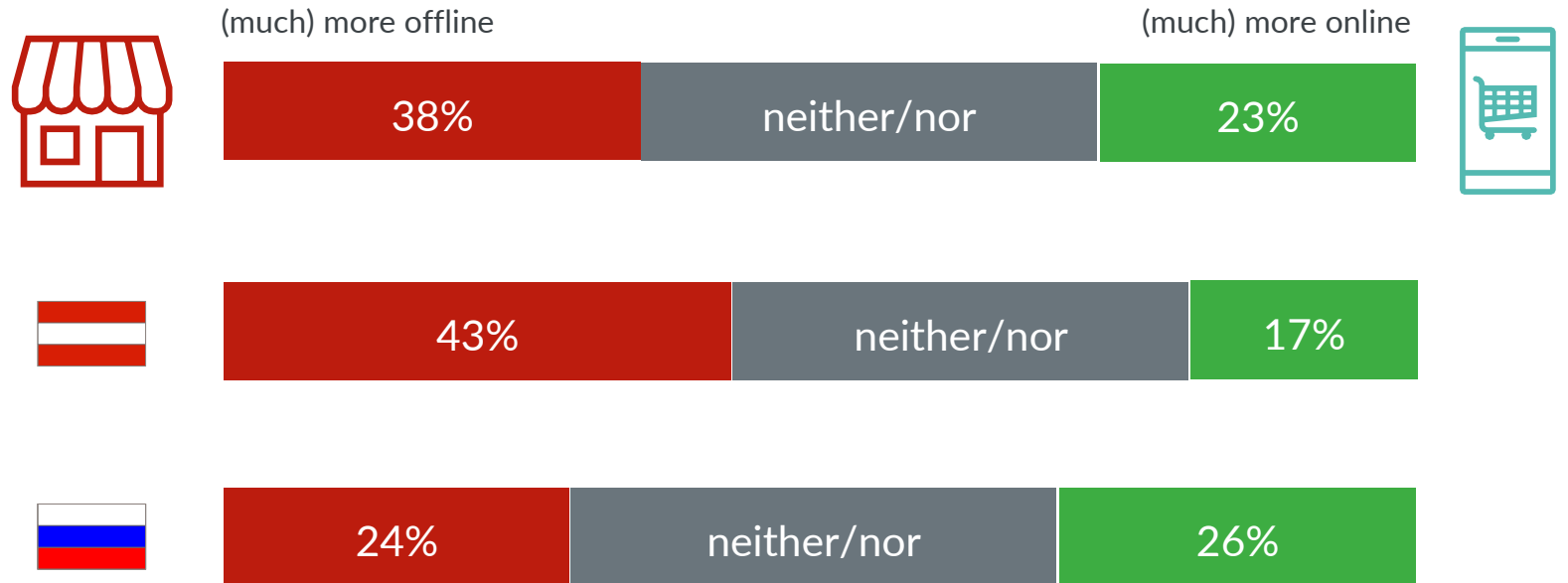
### Satisfaction drivers @ main online retailer

#### EU-8 satisfaction online compared to offline

 digital natives  
heavy buyers  
big cities



 18-24 years old  
light buyers  
tech challengers



# Flexibility is top rated, data safety lowest

## Light shoppers least satisfied about fresh offer

### Satisfaction drivers @ main online retailer



Satisfaction comparing main online vs main offline retailer



Top 5

Bottom 5



# Drivers of ONLINE satisfaction



Satisfaction drivers @ main online retailer

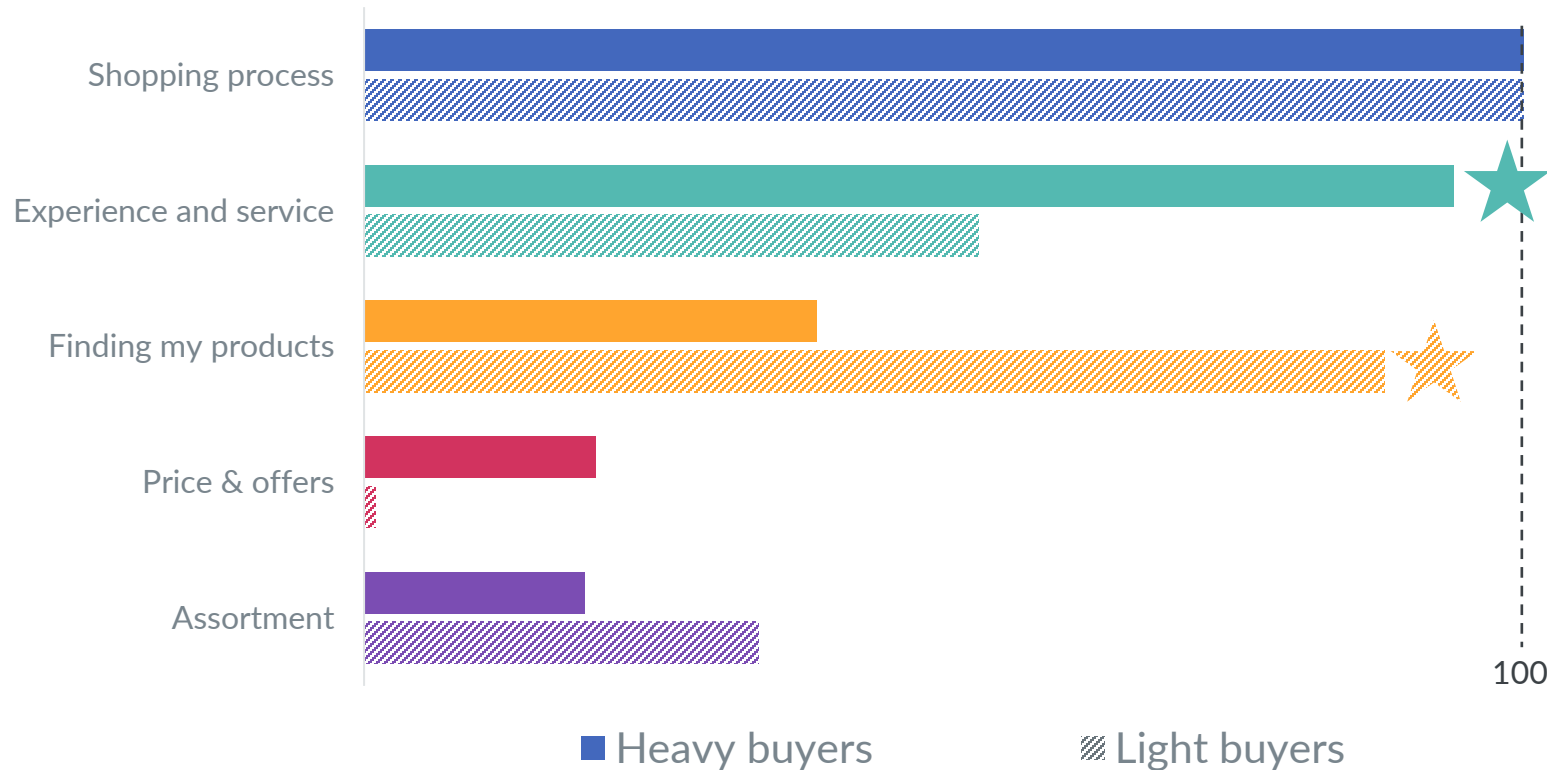


# Findability priority for light buyers



☰ Satisfaction drivers @ main online retailer

### Online satisfaction driver analysis heavy vs. light buyers



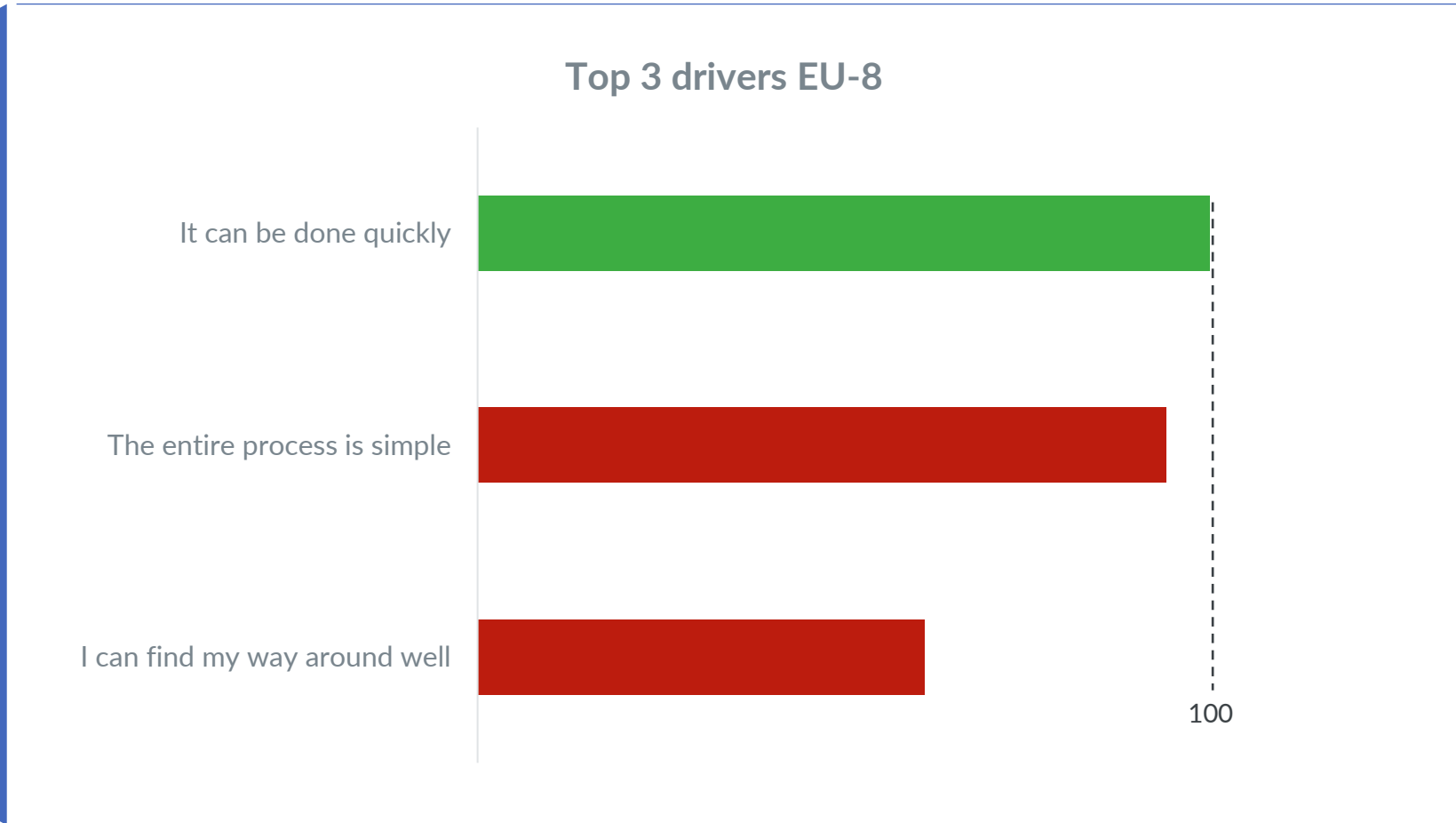
Experience  
decisive later  
on in the  
shopping  
curve



# In the shopping process, simplicity and findability are key drivers for (dis)satisfaction



**Satisfaction drivers @ main online retailer**



# Basics need to get fixed first



## Satisfaction drivers @ main online retailer

In Germany and the Netherlands, the top drivers are underperforming with e-grocery shoppers

			
I can do the shopping quickly	100	The entire purchasing process is rather simple	100
I can easily work through my shopping list	59	I find my way around well	86
I can flexibly integrate shopping into my everyday life	52	The products are delivered directly to me	66



# Light buyers overall less satisfied

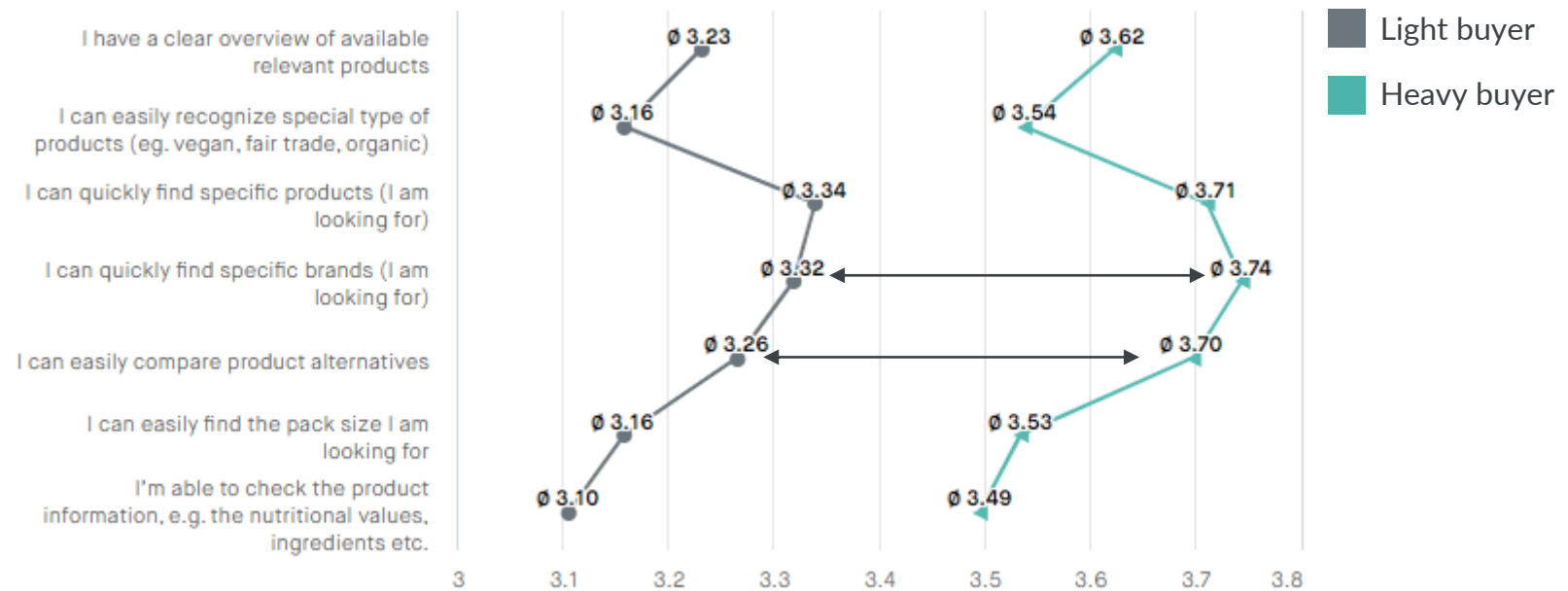
Finding brands and comparing alternatives are differentiators



## Satisfaction drivers @ main online retailer

Finding my products

Satisfaction scores online compared to offline

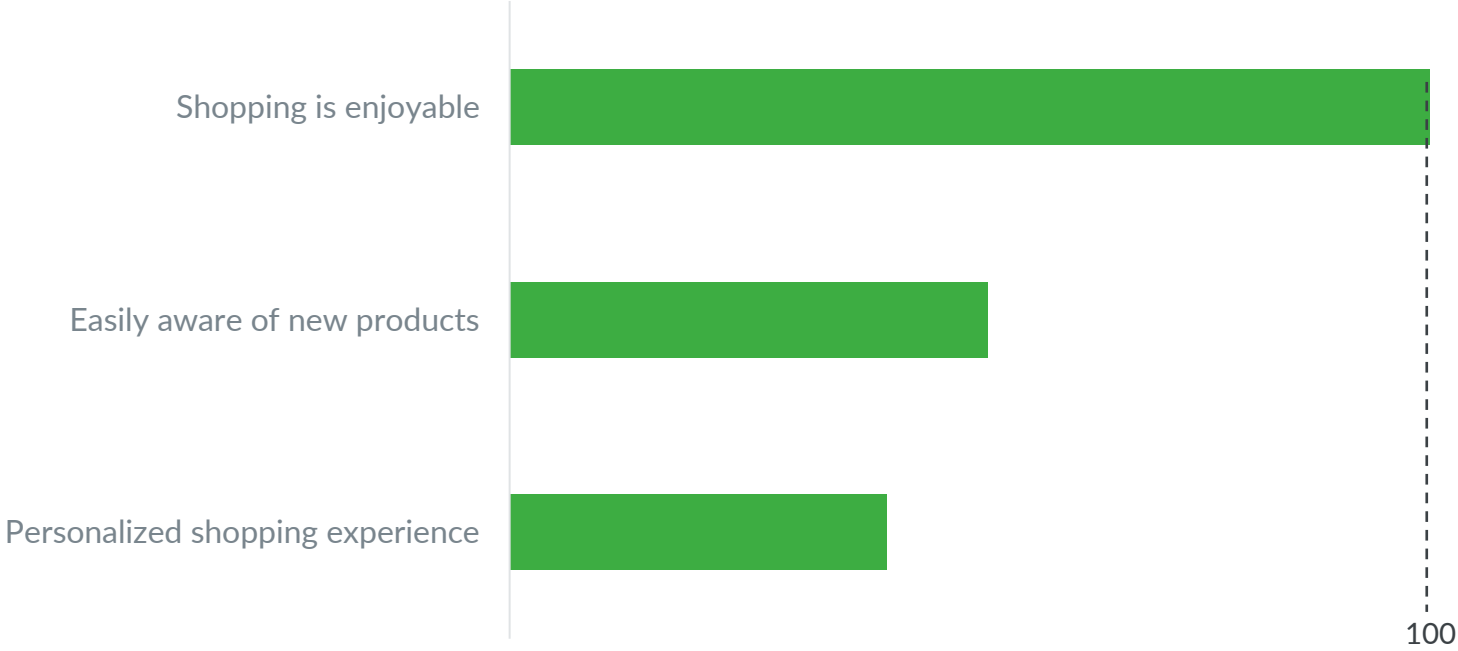


# Enjoyment by far the major driver, followed by new product awareness and personalization



☰ Satisfaction drivers @ main online retailer

Top 3 drivers EU-8



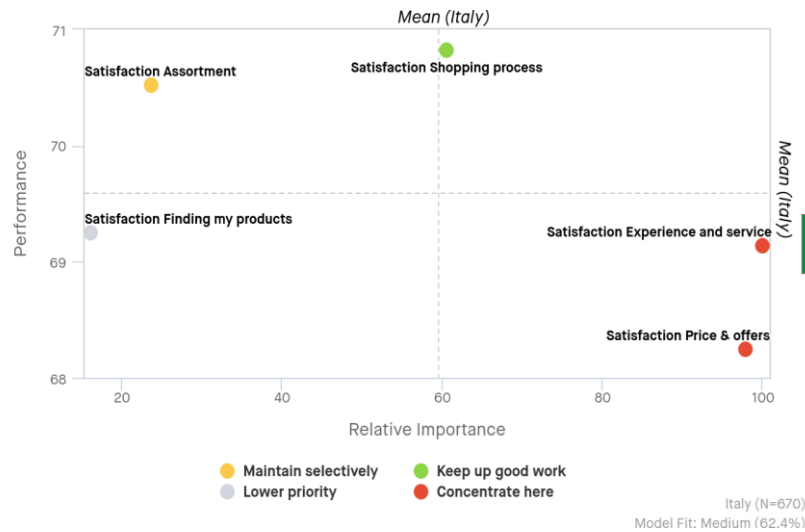
# Experience falls behind in Italy



Rewarding loyal customers is a common problem

## Satisfaction drivers @ main online retailer

Experience & service



- 1 Shopping is enjoyable
- 2 I get product suggestions
- 3 I feel rewarded as a loyal customer

I get a personalized shopping experience

I feel rewarded as a loyal customer

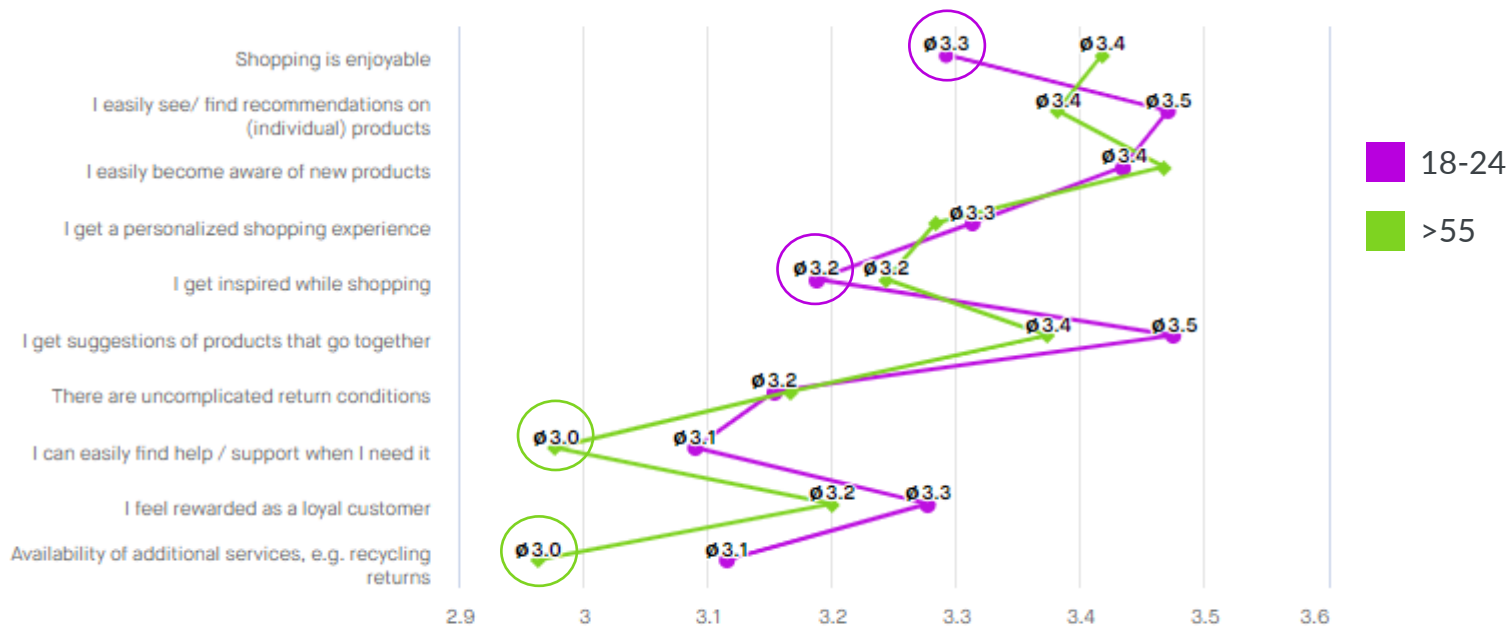
# Experience 'needs' vary

## Service and support versus fun and inspiration



### Satisfaction drivers @ main online retailer

Satisfaction scores online compared to offline





Non-Buyer



Light Shopper



Heavy Shopper

Simplicity  
Findability  
Experience



# Key take outs



## Simplicity

- Instant gratification
- Onboarding
- One-to-many shopping content
- Dare to ask - opt-ins
- Data sharing - what's in it for me?
- App & web strategy

## Findability

- One-to-one virtual shopping assistance
- Get your CPT straight
- Predictability feedback loop
- Zoom out for comparability
- Product info as filter and on demand labels

## Experience

- Balance between technology and humanity
- Meaningful connection
- Customer loyalty and personalization
- Accessible, social, functional
- Clienteling tools, WebAR – think post conversion
- The power of community





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Our objective for today ...

Structured way from IDEA to DIGITAL product

Based on GfK insights inspiration for new digital innovations

Tips & Tricks to start tomorrow in your own organization

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How to convert these GfK insights into tangible digital products?



**Simplicity**



**Findability**



**Experience**

How to convert these GfK insights into tangible digital products?



Non-Buyer



Light Shopper



Heavy Shopper

Simplicity



Findability



Experience



Enjoyable

Inspiration

Personalization

How to convert these GfK insights into exponential growth?



Heavy Shopper

### Experience

Enjoyable

Inspiration

Personalization



# Our Methodology

# Digital Traction lets us orchestrate all competences & their deliverables

Representing customer, business and technology needs throughout the entire methodology from innovation and ideation to the development, distribution and marketing of digital products and their experiences.

Mobiquity's  
Digital Traction  
Methodology



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## Key Principles for Innovation

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# DIGITAL TRACTION

Based on 5 principles

#1

**Human centric**

#2

**Industrialised  
process**

#3

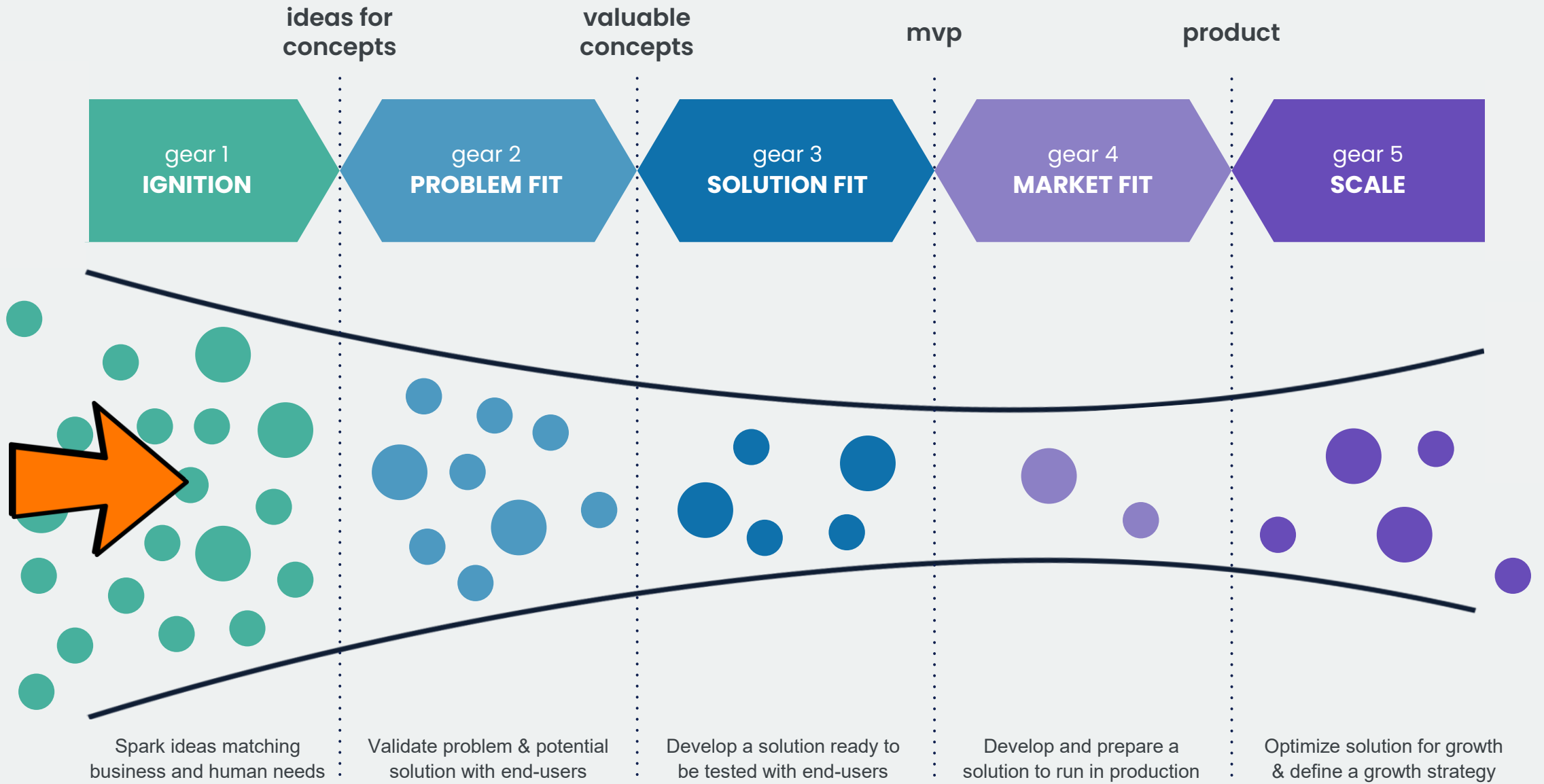
**Hyper-  
collaborative  
team**

#4

**Controlled  
investment**

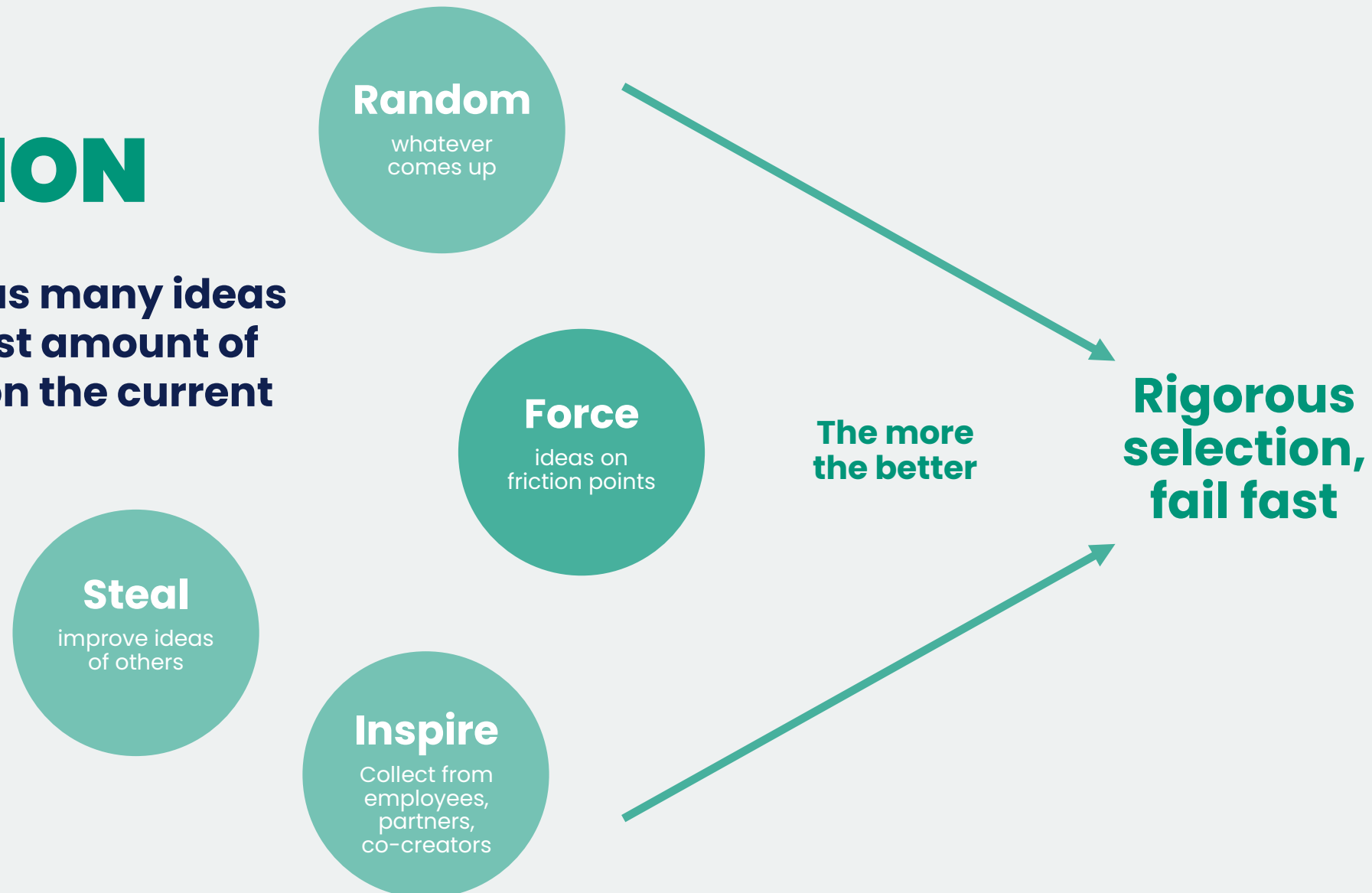
#5

**Only build what  
has value**



# IGNITION

To discover as many ideas in the shortest amount of time based on the current knowledge.





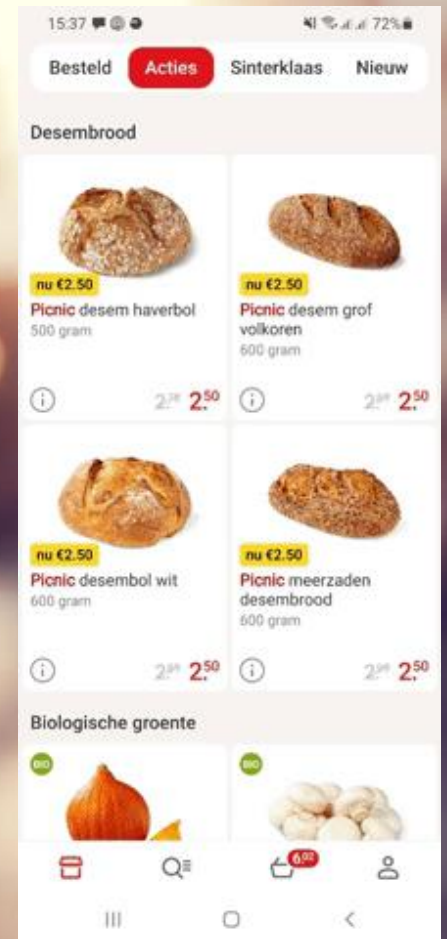
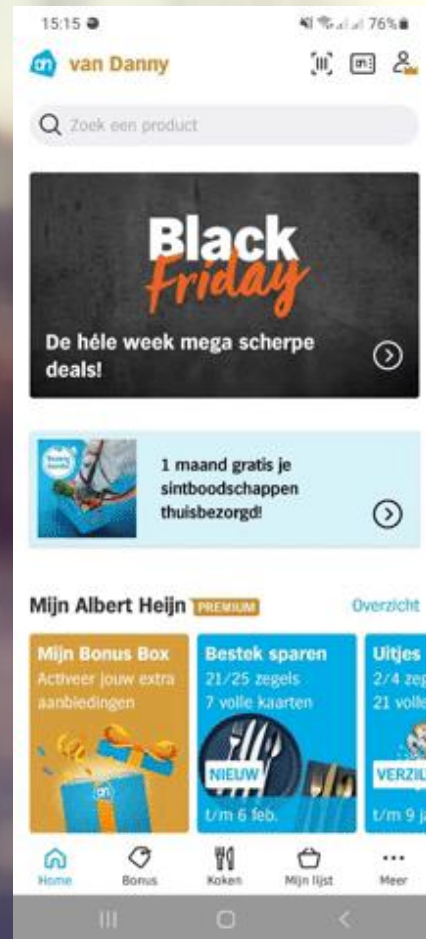
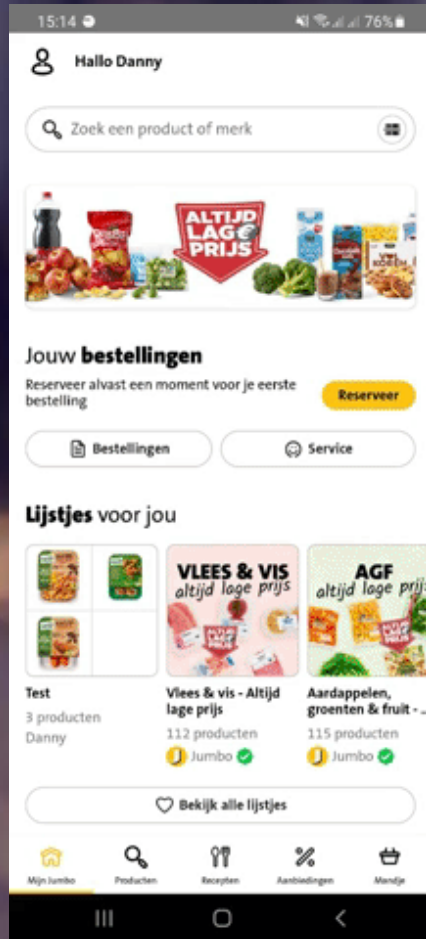
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Hypothesis for the heavy buyers ...

Creating a more **inspirational,**  
**personal** and **fun** online grocery  
shopping experience trip will create  
exponential growth

# What are the retailers currently doing?

JUMBO

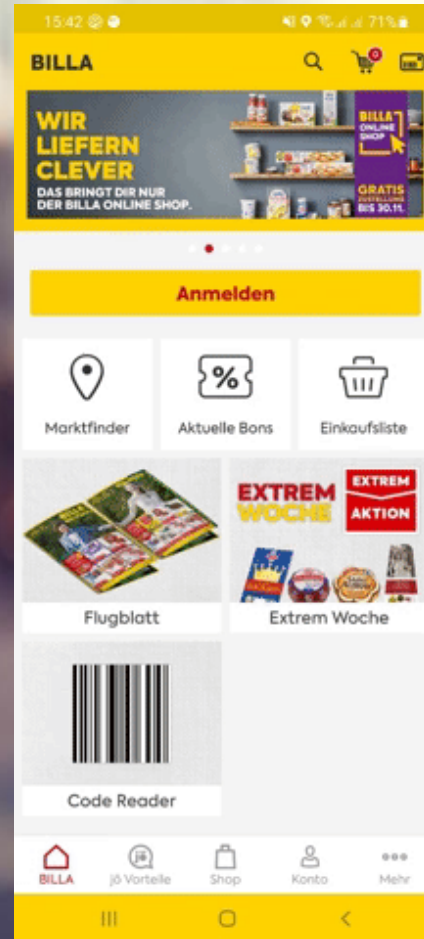


What are the retailers currently doing?

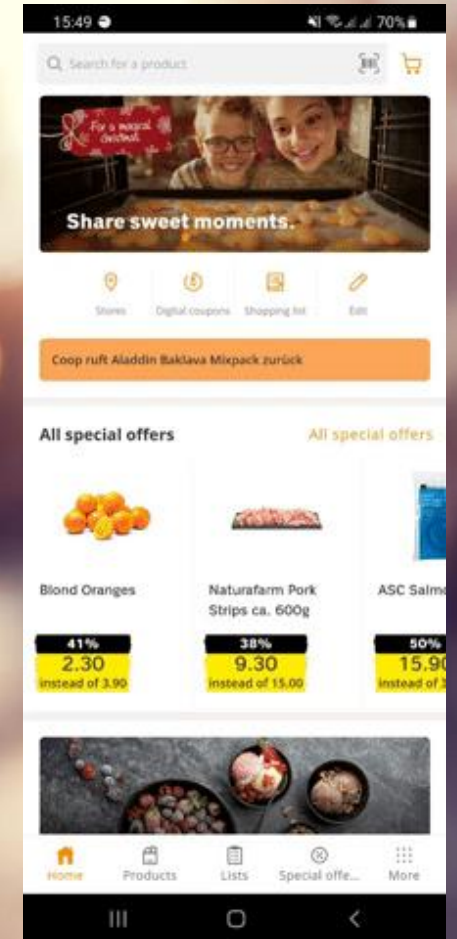
**REWE**



**BILLA**



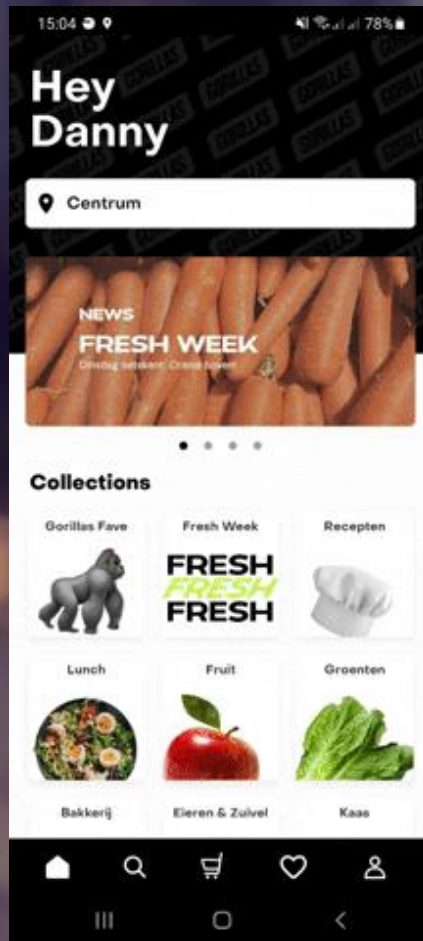
**coop**



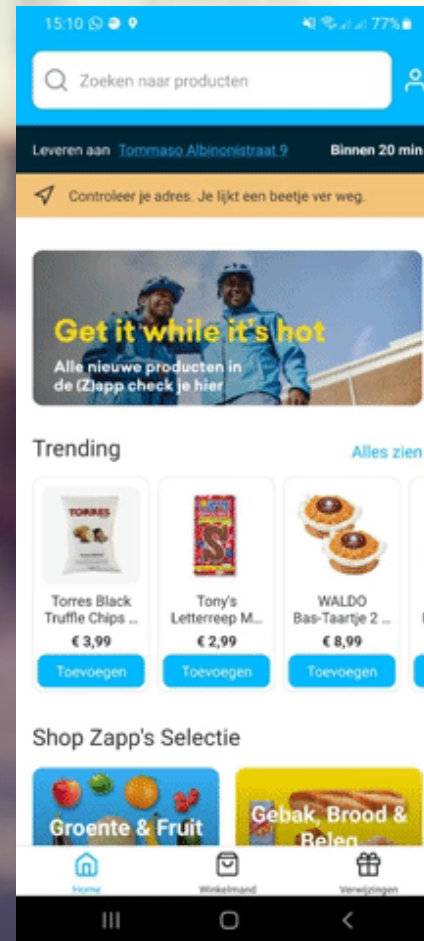
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What are the retailers currently doing?

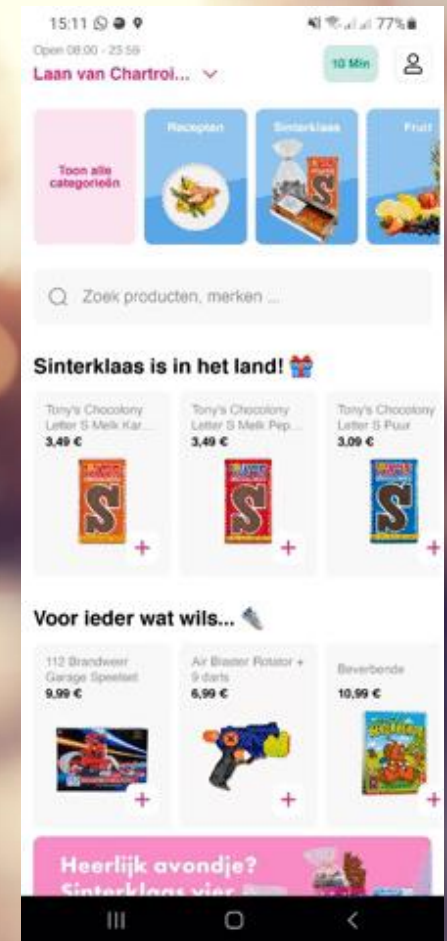
**GORILLAS**



**Zapp**



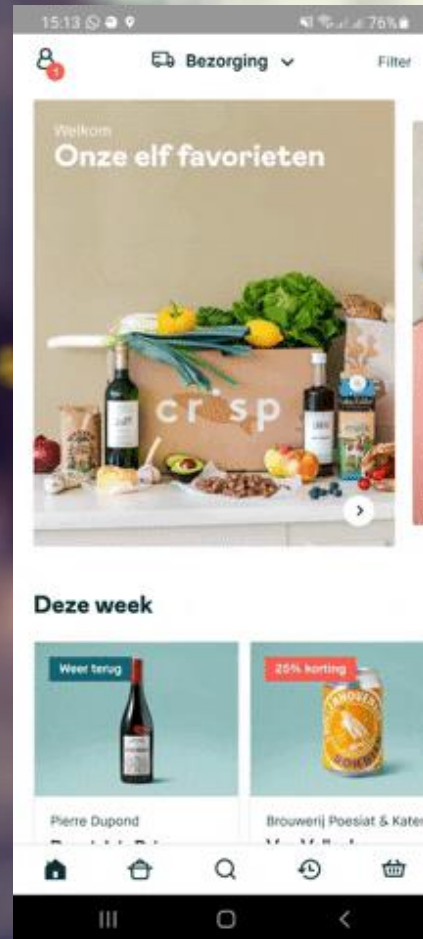
**Flink**



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What are the retailers currently doing?

crisp



zooplus




What do app ratings actually say?

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FRICION REPORT

## Grocery Shopping Apps

Are traditional supermarkets still ahead in the online marketplace versus the new challengers?



SCAN ME



GET YOUR OWN TAILOR-MADE FRICION REPORT, CLICK HERE



Despite the same app rating, challengers offer far better customer experience than traditional players

	Traditional ~16K Reviews Dec 2020 - May 2021	Challenger ~5K Reviews Dec 2020 - May 2021
<b>App Rating</b>	<b>4.5</b>	<b>4.5</b>
<b>Feature Rating</b>	<b>3.2</b>	<b>4.1</b>
Reviews citing satisfaction	34%	46%
Reviews citing bugs	16%	8%
<b>Customer support</b>	4.0 ★★★★★	4.2 ★★★★★
<b>Design &amp; UX</b>	4.0 ★★★★★	3.8 ★★★★★
<b>Delivery</b>	3.5 ★★★★★	3.9 ★★★★★
<b>Price</b>	3.3 ★★★★★	3.8 ★★★★★
<b>Order</b>	2.6 ★★★★★	3.2 ★★★★★
<b>Payments</b>	2.4 ★★★★★	2.6 ★★★★★
<b>Onboarding</b>	1.8 ★★★★★	1.9 ★★★★★
<b>Reliability</b>	1.7 ★★★★★	1.8 ★★★★★

First conclusions ...

**Most apps look the same. Mostly UX differs.**

**Top ones: Better UX, Content, Semi-Personalized, Recipes & Loyalty program.**

**New challengers less app friction.**

**Pure lack of fun & experiences during the in-app journey. Too much focus on conversion only.**

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Gear 1 **IGNITION**: Spark ideas matching the needs of HEAVY buyers

Bring it to live

Live Food  
Commerce

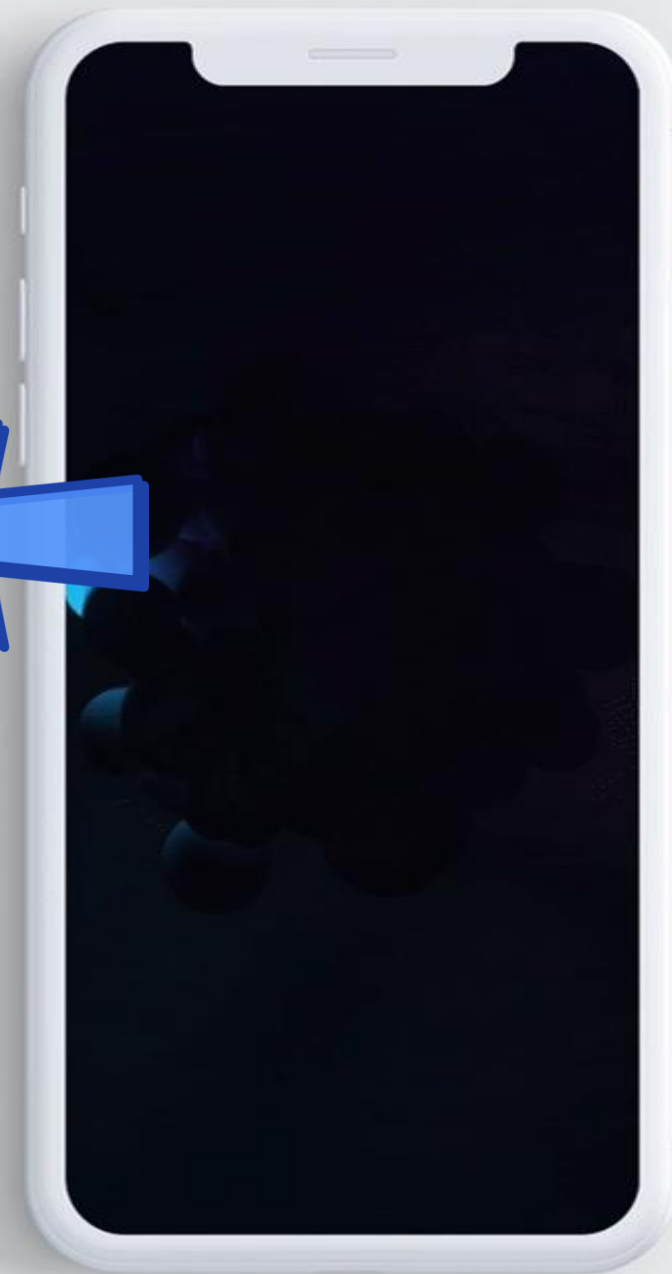
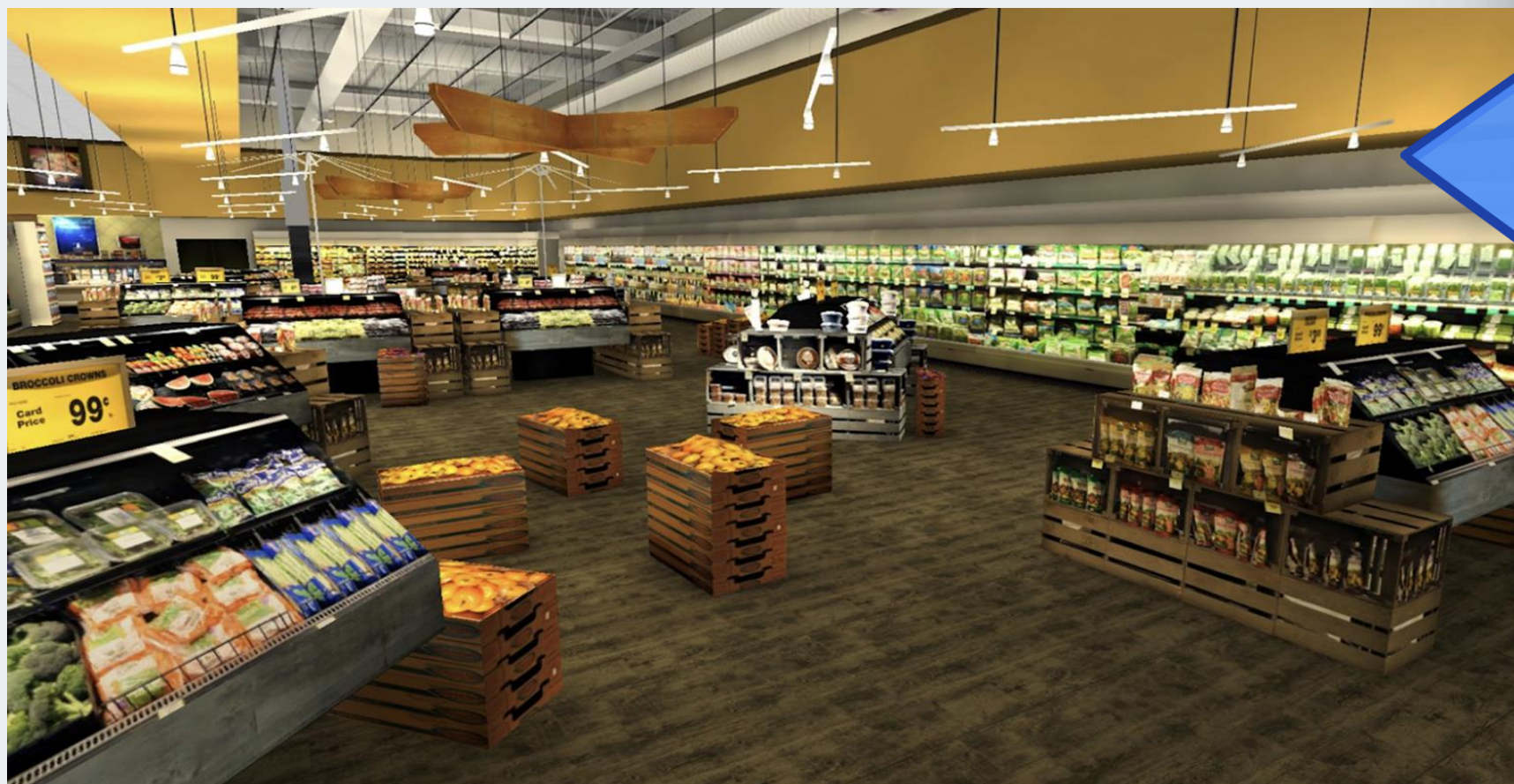
Sharing is caring

Tell me what to  
make



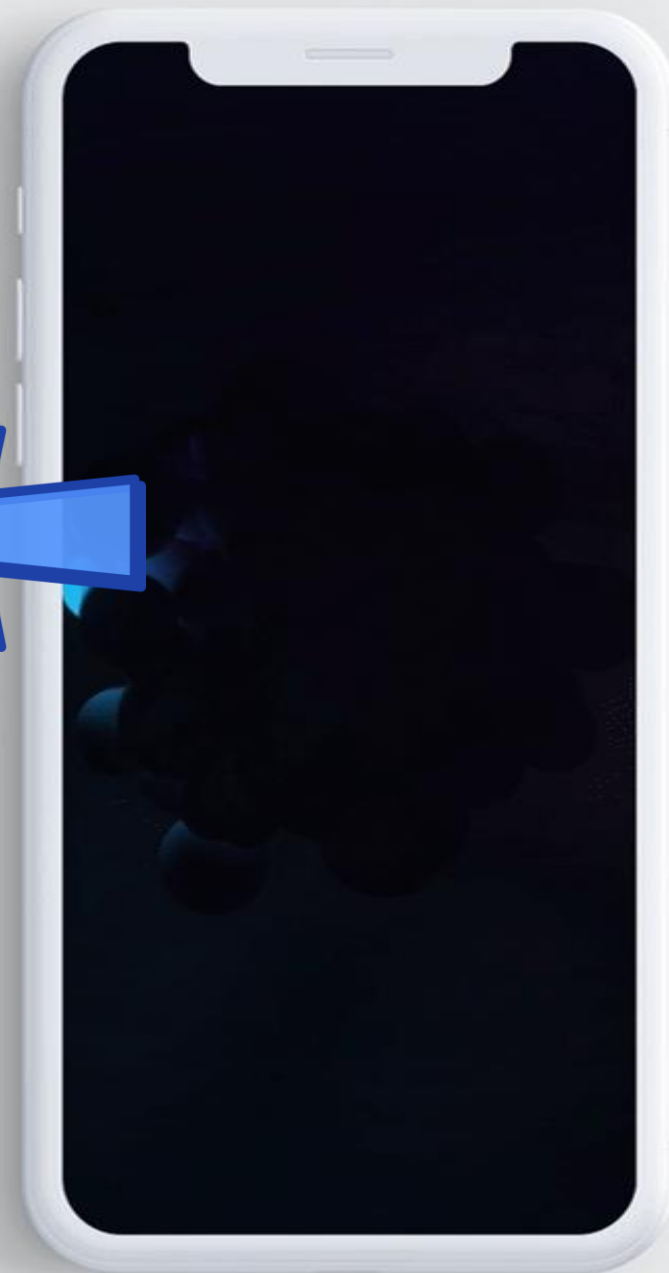
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Gear 1 **IGNITION**: BRING IT TO LIVE



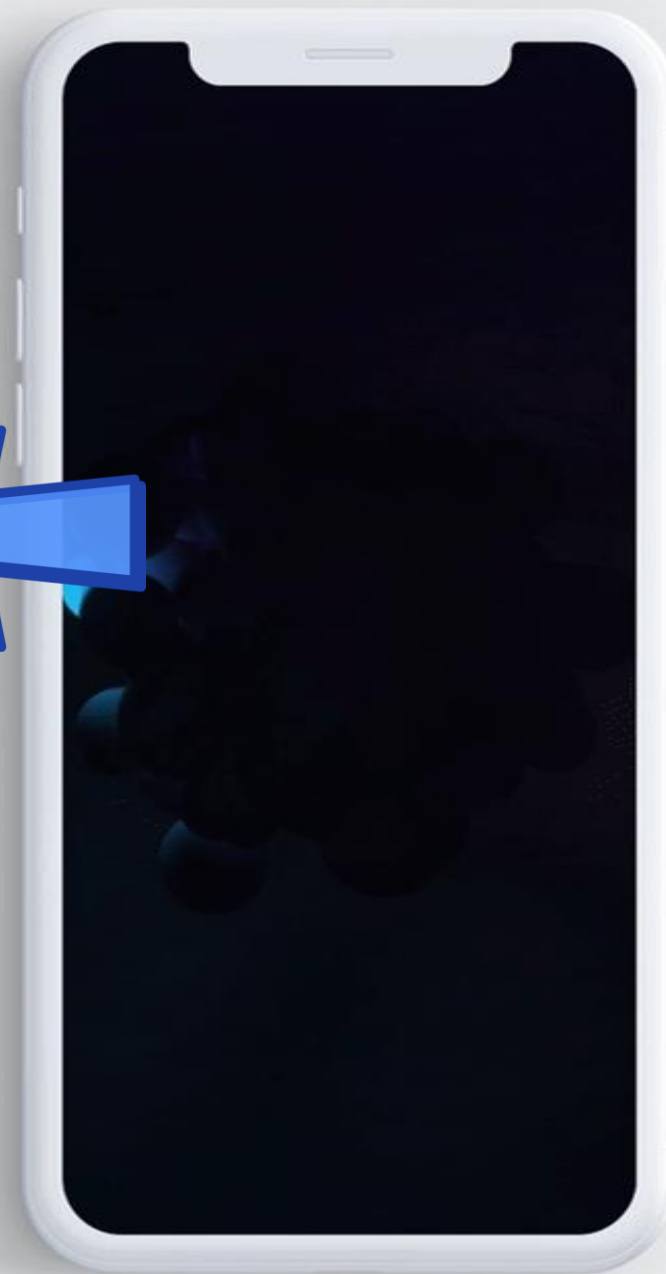
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Gear 1 **IGNITION**: BRING IT TO LIVE



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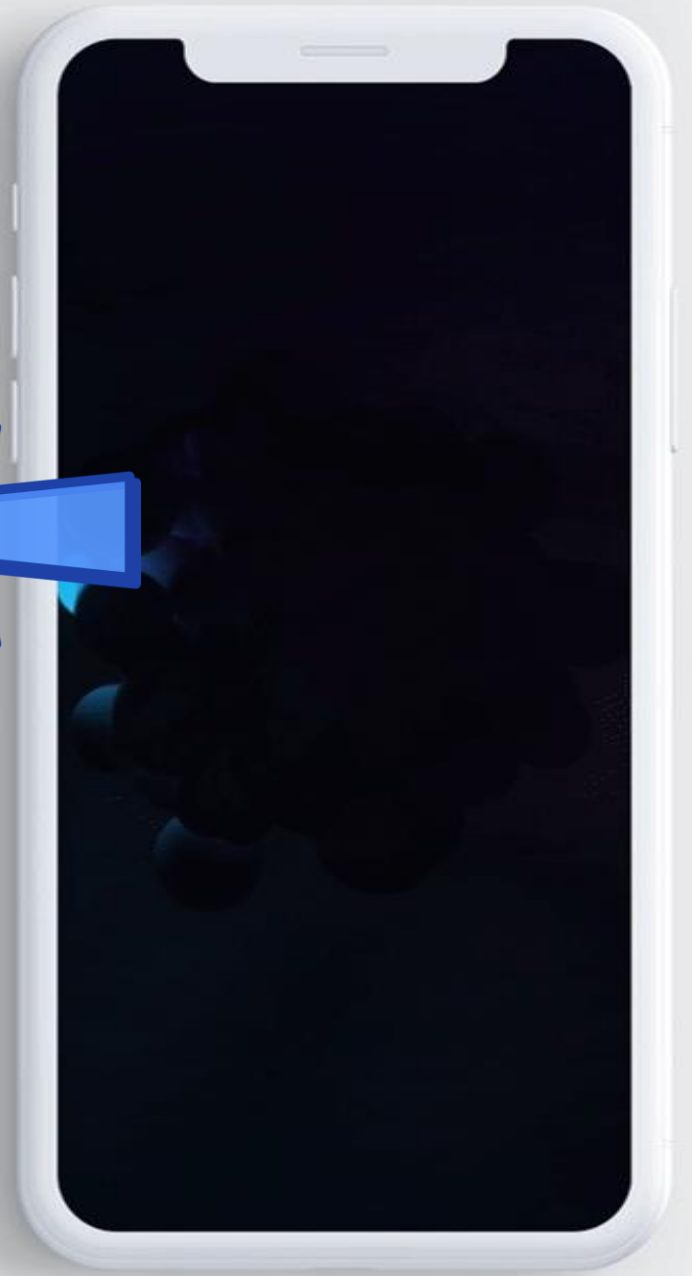
Gear 1 **IGNITION**: BRING IT TO LIVE



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# Gear 1 **IGNITION**: LIVE FOOD COMMERCE



amazon.com/live

amazon Deliver to Netherlands

amazon live Shoppable livestreams

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1.1K LIVE

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<b>Featured now</b> iRobot Roomba 692 Robot Vacuum-Wi-Fi... \$199.99 <del>\$299.99</del>	iRobot Roomba i6+ (6550) Robot Vacuum... \$549.99 <del>\$799.99</del>	Etekcity Food Kitchen Scale, Digital Grams a... \$9.99 <del>\$13.99</del>
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More Livestreams

- LIVE EARLY BLACK FRIDAY DEALS
- LIVE ARRY'S FAVS AMAZON MUST-HAVES
- 10 minutes ago TREBLAB DEAL
- 22 hours ago Early Black Friday Deals

Perfect to replace my tv that has a vacuum

PCTechnoGeek 1:4d 0d • 3 mins  
3 HDMI's is a rare option for \$100.

Angela Humphreys started following

PCTechnoGeek 1:4d 0d • 1 min  
Welcome Angela!!

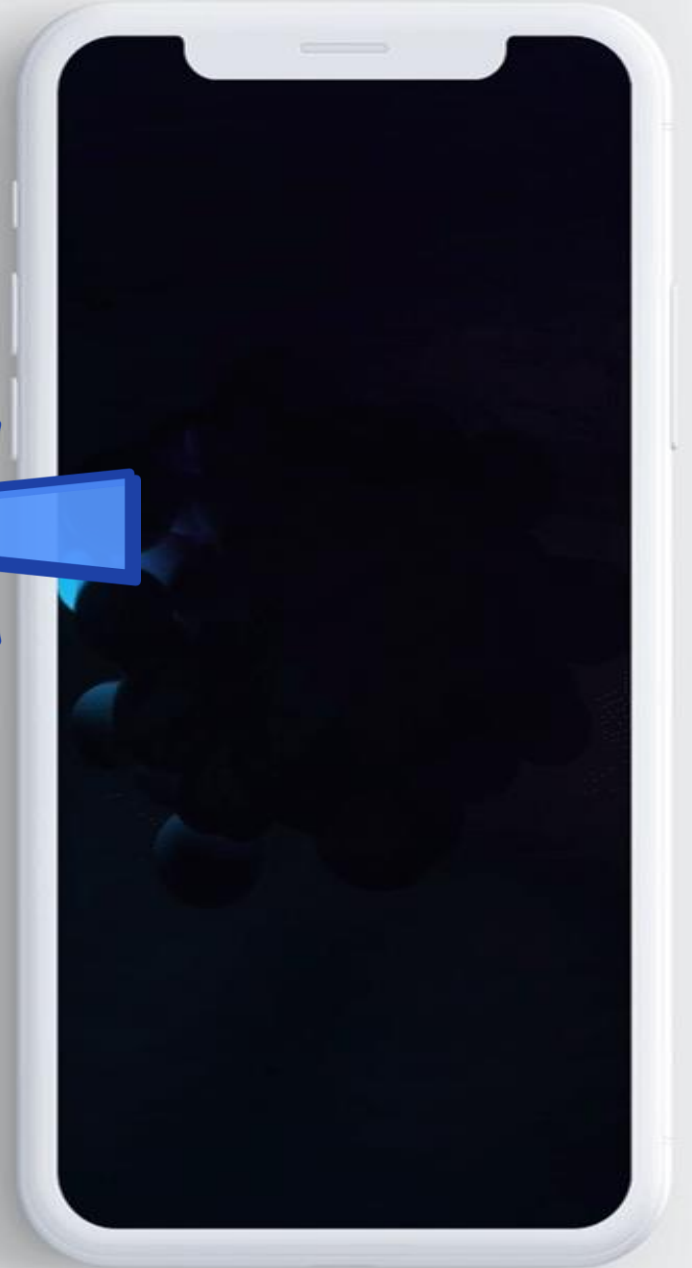
PCTechnoGeek 1:4d 0d • Just now  
Digital David KNOWS his robovac's! Feel free to ask ANY question!!!

You must be signed in to chat Sign in

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# Gear 1 **IGNITION**: LIVE FOOD COMMERCE

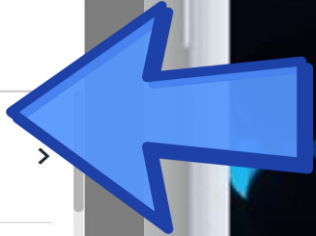
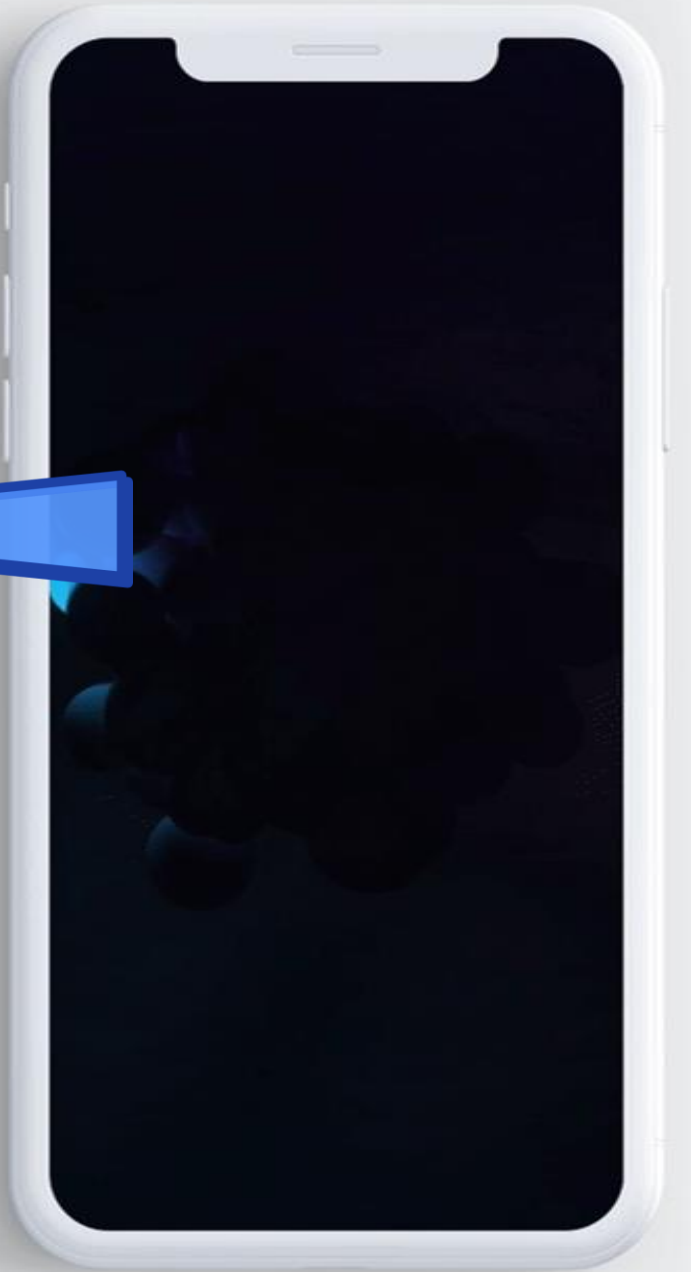


A screenshot of the Sephora Facebook page. The page header shows the URL 'facebook.com/sephora'. The profile picture is a black circle with a white leaf-like shape. The name 'SEPHORA' is followed by a verified badge and the handle '@sephora'. A navigation menu on the left includes Home, Events, Posts, Reviews, Photos, Shop, Stores, Community, Videos, About, and Pinterest. The main content area features a post from SEPHORA dated 1 November at 13:16. The post text reads: 'Now's your chance to shop the NEW, limited-edition holiday collection from Charlotte Tilbury 🎁 Join us for a Facebook Live shopping event hosted by Sephora Beauty Director Melinda on Thursday, November 11, at 10am PT. https://fb.me/e/1YLuWhC0I'. Below the text is a green banner with a shopping bag icon and the text 'LIVE SHOPPING WITH SEPHORA' and 'Join Us to Shop Charlotte Tilbury Holiday Faves—Only at Sephora'. The event details below the banner state 'THU, 11 NOV Shop Charlotte Tilbury Holiday Faves—Only at Sephora Online event 218 people interested'. The post has 141 likes and 29 comments. The right-hand sidebar contains information about the page: 'SEPHORA Health/Beauty' with a 1.9 star rating, 19,496,761 likes, and 19,619,354 followers. It also lists contact information: '+1 877-737-4672', 'Contact SEPHORA on Messenger', and 'www.sephora.com'. A 'Page transparency' section notes that SEPHORA USA, INC. is responsible for the page. At the bottom of the sidebar, it shows '19,496,761 likes' and '2,868 visits'.

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# Gear 1 **IGNITION**: LIVE FOOD COMMERCE



← → ↻ 📄 ⚙️ 📱 👤

bambuser.com/customers/peach

CHAT

RECORDED

SHOP

- NELL TOP Peach
- SEAMLESS STRAPPY BRA Peach
- FAUX SHERPA TOTE Peach
- ASADO SWEATER Peach
- GLENWOOD LEGGING Peach
- WINTER WARMER SET Peach

Taylor, Peach Welcome Peach Insiders! Get ready for early access to our Winter 2020 Collection.

Amy The zipper is great for working with boots

Elaine can we order tonight can we order

Taylor, Peach Of course! Click the item images on the left of the screen and start adding to your cart without having to leave the event!

Ann Blatecky Remember your CREDIT Insiders!!! \$\$\$

00:20 / 00:37

peach

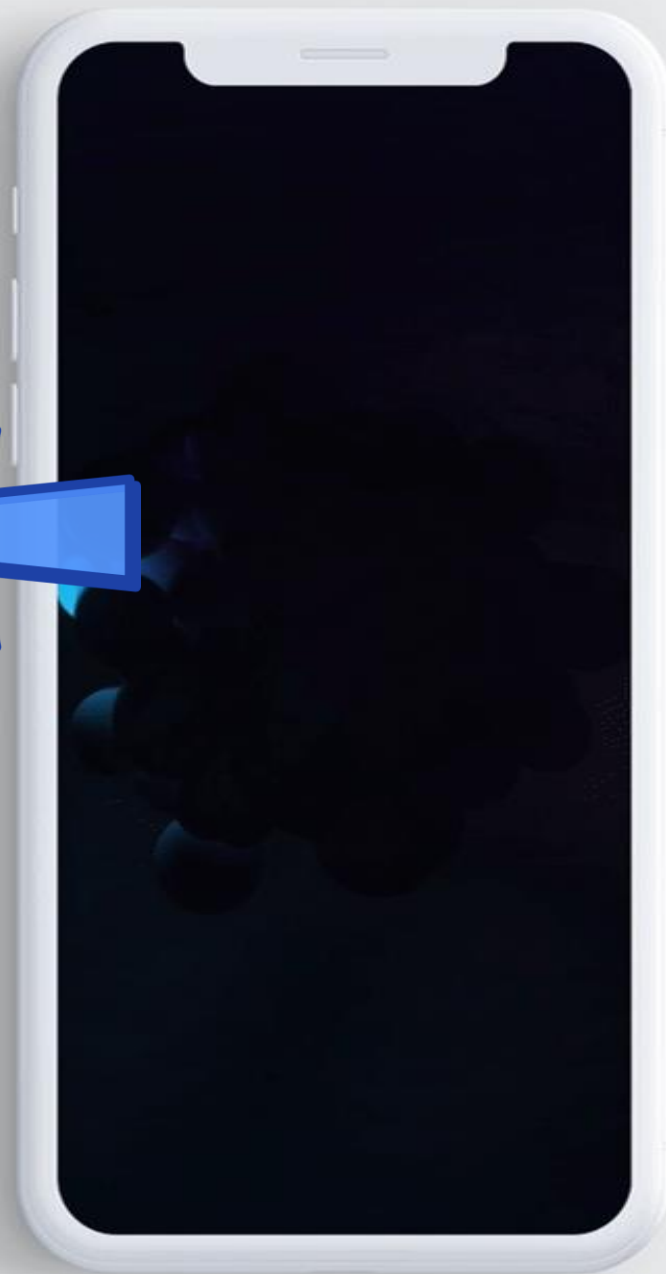
Privacy

mobiquity



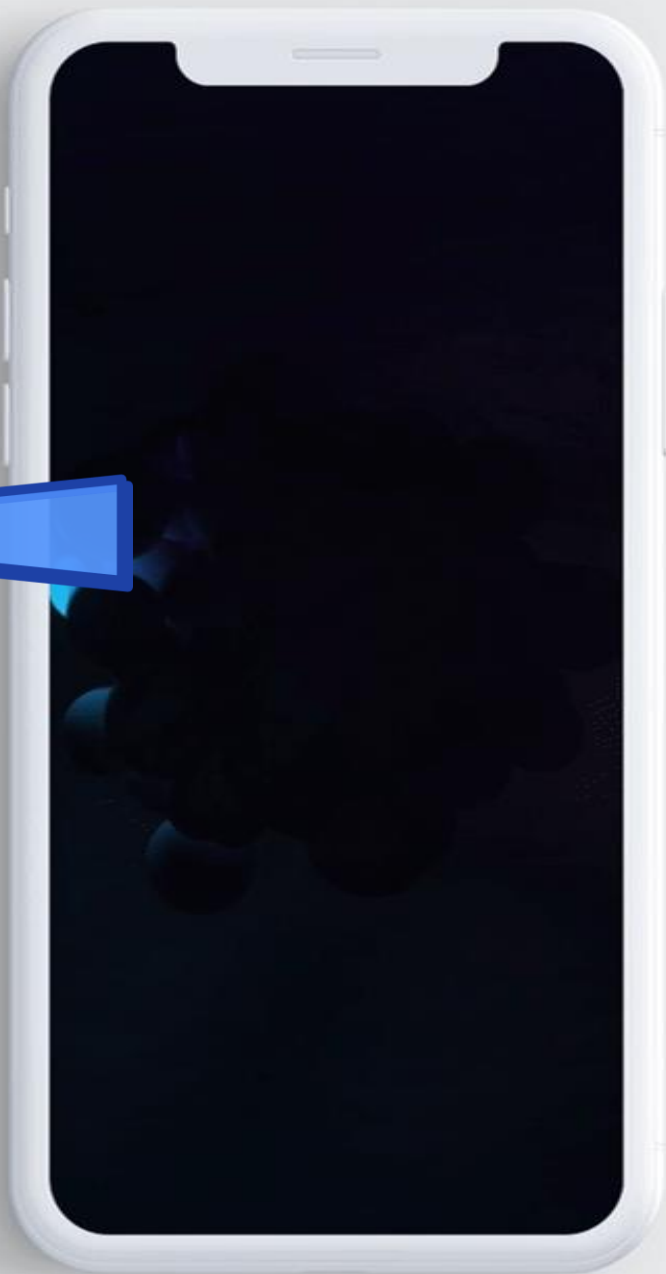
## Gear 1 **IGNITION**: LIVE FOOD COMMERCE

A screenshot of the whatnot.com website. The browser address bar shows 'whatnot.com'. The website header includes the 'whatnot' logo, navigation links for 'About', 'Careers', a search icon, and 'Account'. The main content area features the headline 'Buy, Sell, Go Live!' with buttons for 'Apple' and 'Android'. Below this is a collage of mobile app screens showing various trading card listings, including a Charizard card, and a live auction interface with a bid of \$108. A 'Help' button is visible in the bottom right corner of the screenshot.



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Gear 1 **IGNITION**: SHARING IS CARING



**拼多多**  
3亿人都在拼的购物App  
新人专享  
888元红包

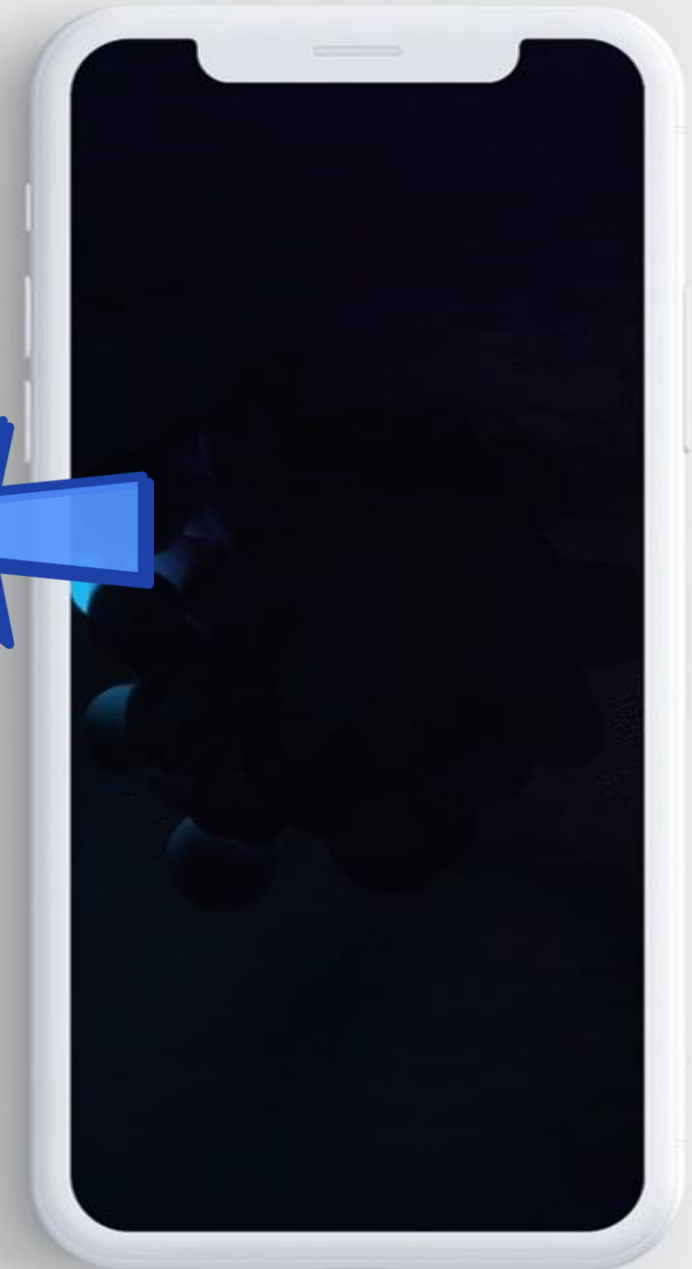
— 折扣专区 —  
**九块九特卖**

— 限时秒杀 —  
**限量1元起**

— 抢到手软 —  
**冬季上新**

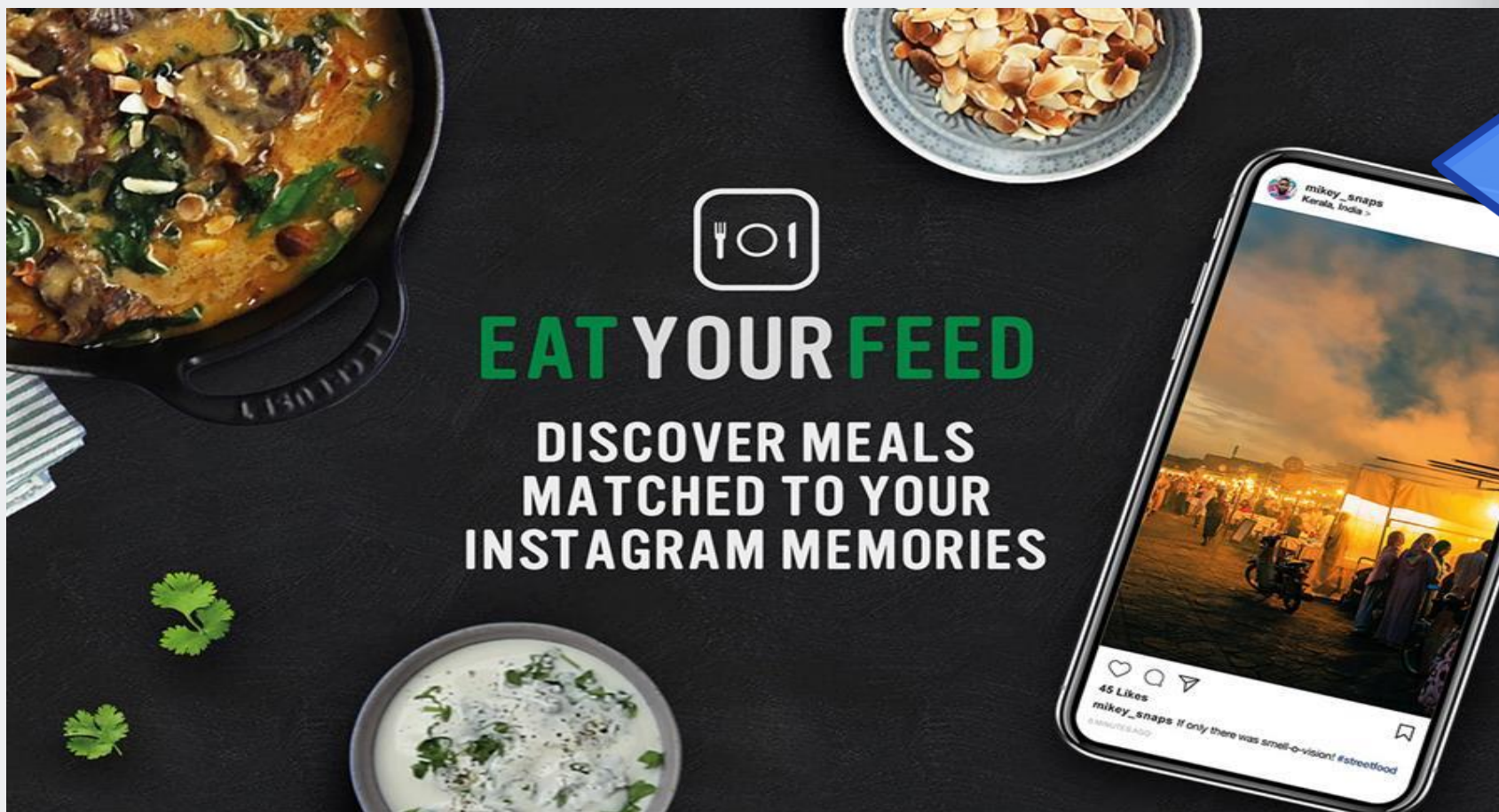



Gear 1 **IGNITION**: SHARING IS CARING



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Gear 1 **IGNITION**: TELL ME WHAT TO MAKE





**EAT YOUR FEED**

DISCOVER MEALS  
MATCHED TO YOUR  
INSTAGRAM MEMORIES



mikey\_snaps  
Kerala, India

45 Likes  
mikey\_snaps If only there was smell-o-vision! #streetfood

5 MINUTES AGO



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# Gear 1 **IGNITION**: TELL ME WHAT TO MAKE

**PixFood**™

**PixFood just found a recipe suggestion for you!**






By using advanced photo recognition and complex machine learning, PixFood gives you tailored suggestions on what to cook next.

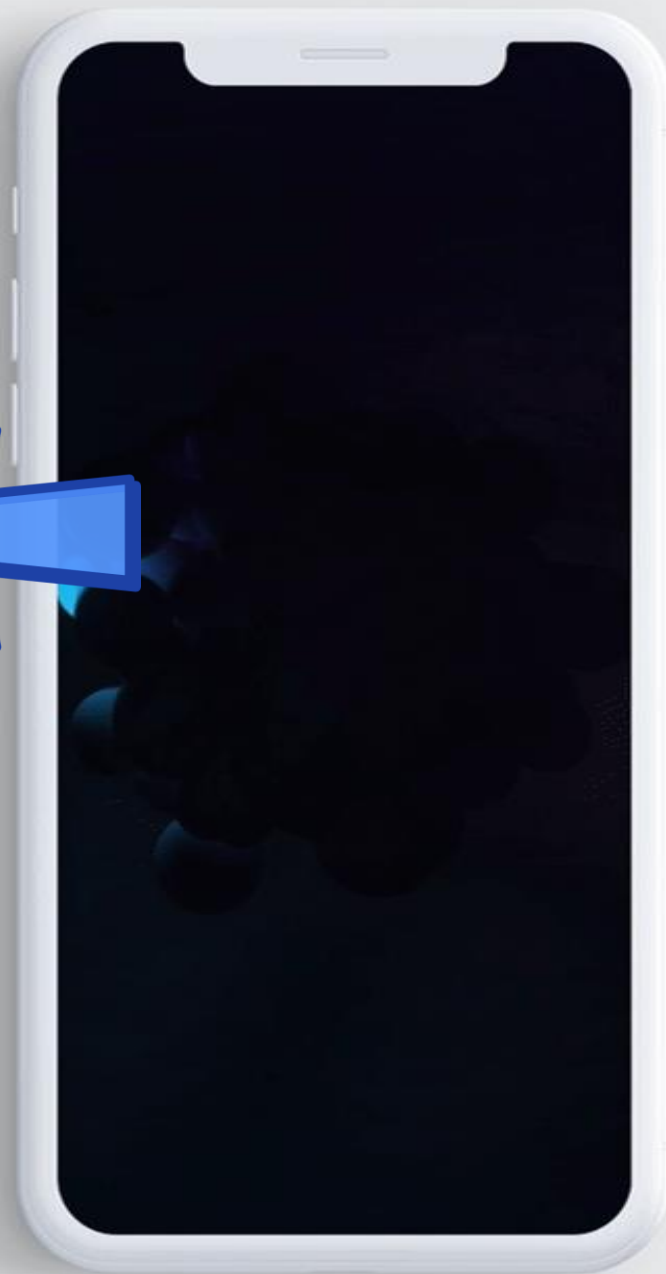
Add allergies and diet preferences, to get even more tailored results. The more you use the app, the better suggestions you get!

**GET OUR APP**  

Copyright © PixFood 2017

Privacy Policy Terms & Conditions



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Let's look again at the hypothesis for the heavy buyers ...

Creating a more **inspirational,**  
**personal** and **fun** online grocery  
shopping experience trip will create  
exponential growth

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Our **theoretic** assumption is ...

Let all HEAVY buyers buy 1 extra product [EUR 2] per trip

8 core countries: BE, NL, DE, IT, RU, CZ & PL

Based on  calculations

**+ EUR 1.052.000.000 py**

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What IF you want to start tomorrow?



**People**



**Process**



**Platform**

What IF you want to start tomorrow?

Mobiquity's  
Digital Traction  
Methodology



Process



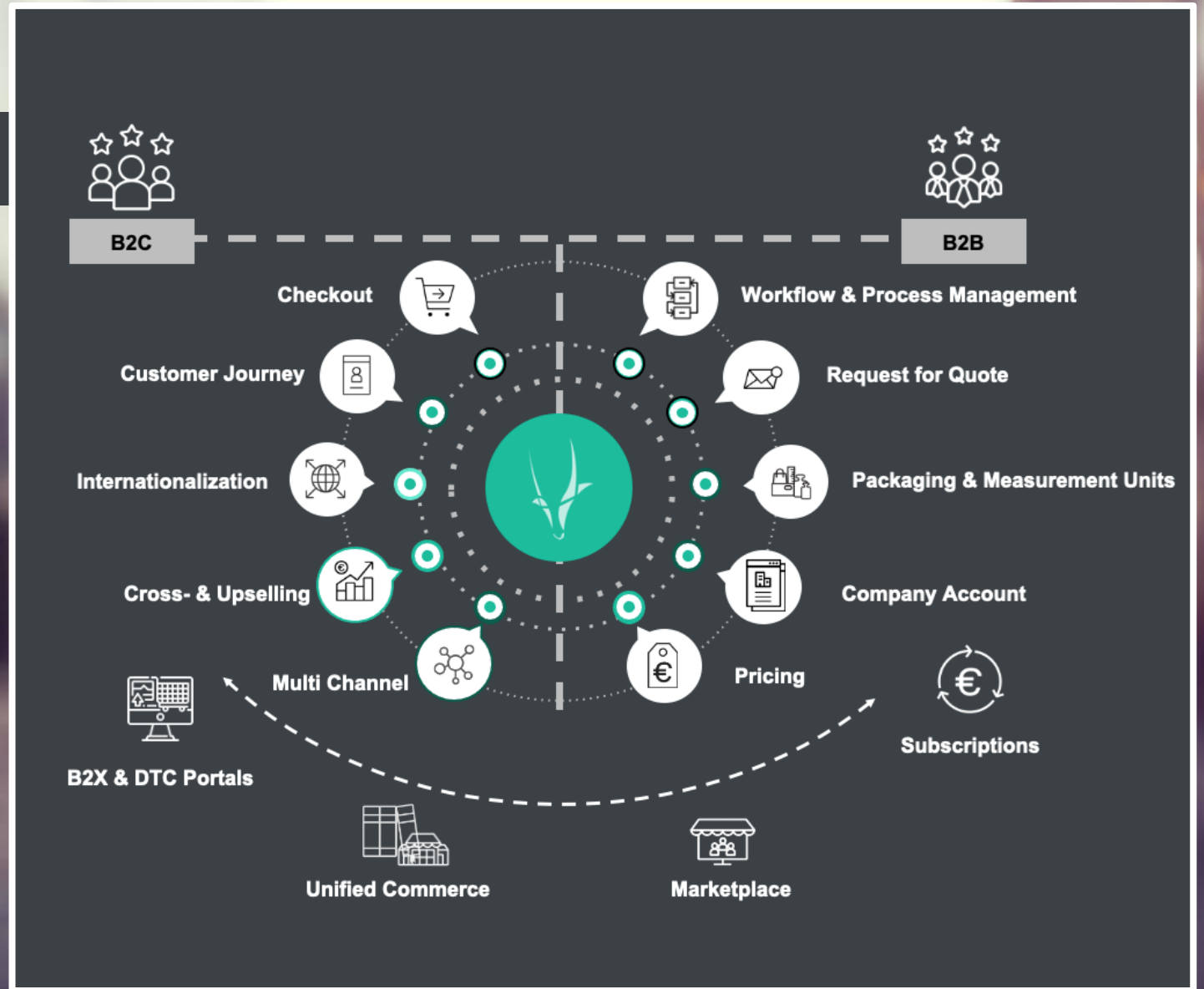
mobiquity

What IF you want to start tomorrow?



Platform

Composable  
Commerce



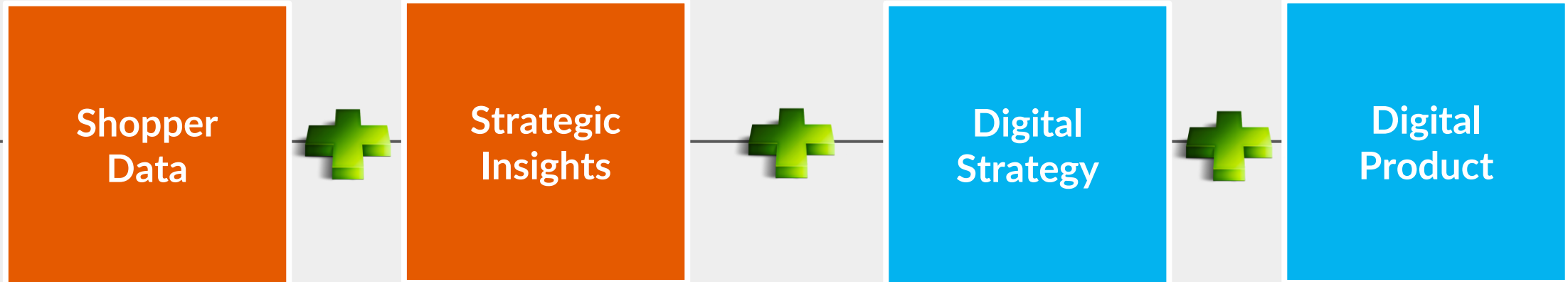




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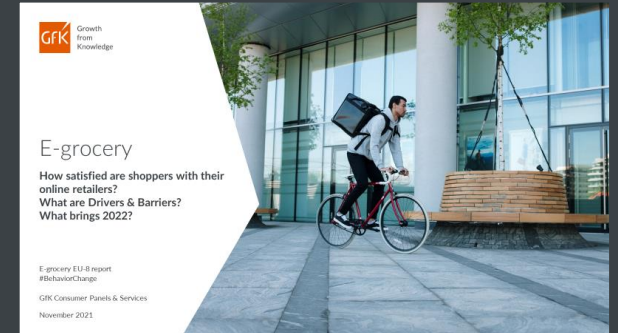


E-grocery report available 1/12!

# The new GfK E-grocery EU-8 report delivers answers with a special focus on the online shopping experience!



- Who shops online, who doesn't – and why?
- What channels and models are preferred?
- What categories are bought?
- For what occasions are groceries bought online?
- How satisfied are shoppers with their main online retailer?
- What drives shoppers (dis)satisfaction when shopping groceries online?
- What are barriers for e-refusers?
- What are specific differences towards stationary shopping?
- Who is already using flash delivery and where is it heading?
- What is wanted next and how will e-grocery behaviour change in 2022?








#BehaviorChange

# Study Design



## GfK E-grocery report EU-8 November'21

 SCOPE (EU-8)	<b>Austria (n=916), Belgium (n=949), Czech Republic (n=981), Germany (n=942), Italy (n=967), Netherlands (n=929), Poland (n=923), Russia (n=940)</b>
 SURVEY	Online, access panel LOI: up to 15 minutes Field: November 2021
 TARGET GROUP	Age 18+ yrs, (partly) responsible for the purchase of everyday products, n=7.547 <ul style="list-style-type: none"><li>• Online buyer (&lt;12 months)</li><li>• Non online buyer (&gt;12 months, never)</li></ul>
 METHOD	<ul style="list-style-type: none"><li>• Satisfaction analysis via Key Driver Analysis (KDA)</li><li>• Barrier analysis via MaxDiff-Scaling</li></ul>
 OUTPUT	<ul style="list-style-type: none"><li>• Power Point Report</li><li>• Access to GfK's insight hub for the detailed answers</li></ul>