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Over 5 million Australians consider buying groceries online

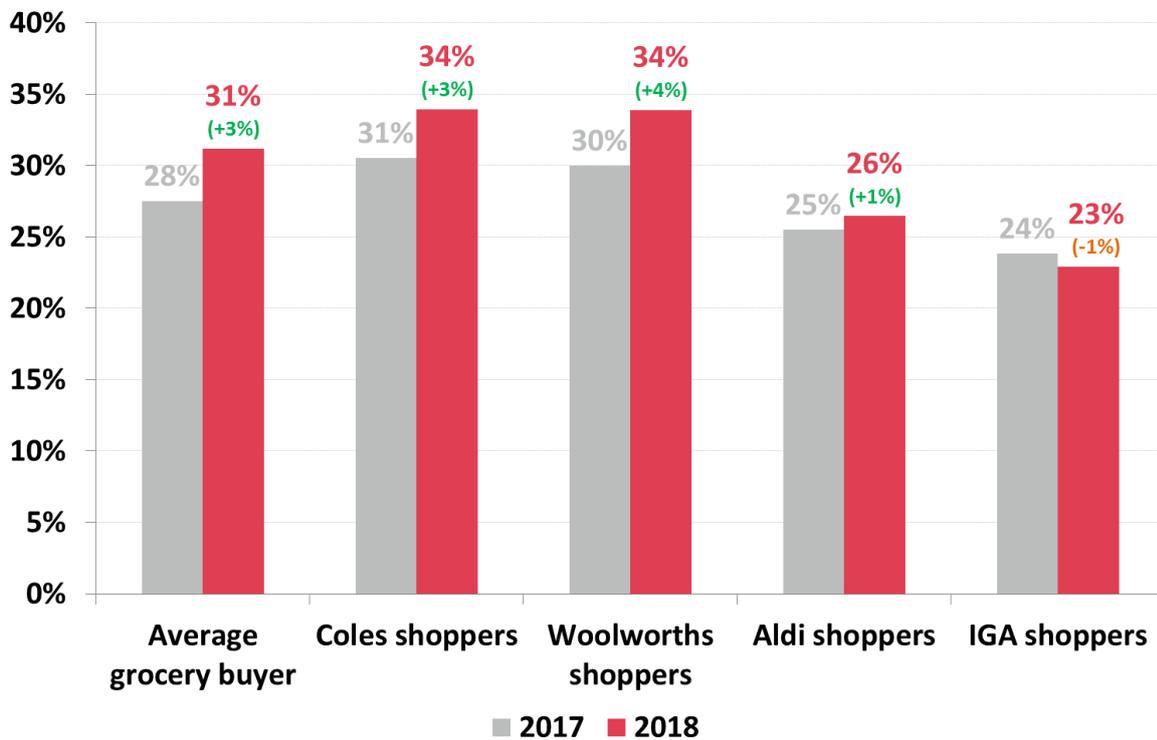
Over 5 million Australian grocery buyers (31% of grocery buyers) would consider buying groceries online in the next year, up over 800,000 from a year ago the latest Roy Morgan research conducted in the year to December 2018 shows.

Australians who shop at the big two supermarkets of Coles and Woolworths are keenest on buying groceries online. Over a third of Coles shoppers (34%) and Woolworths shoppers (34%) would consider buying groceries online in the next year.

Customers of the smaller supermarket chains Aldi and IGA are less likely to consider buying groceries online. Just over a quarter of Aldi customers (26%) and just under a quarter of IGA customers (23%) would consider buying groceries online in the next year.

Although millions of respondents profess an interest in buying groceries online only a small proportion of customers currently do online grocery shopping. In an average month just 5% of Woolworths customers and only 4% of Coles customers buy groceries online.

Supermarket customers considering buying groceries online in the next year



Source: Roy Morgan Single Source (Australia), January - December 2017, n=12,657 and January - December 2018, n=12,629. **Base:** Australian grocery buyers 14+.

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Michele Levine, CEO, Roy Morgan, says the online retail revolution has yet to really make a dent in Australian grocery purchasing but the arrival of Amazon in Australia in 2017 and the impending entrance of Kaufland to the Australian grocery market are changing the market:

“Despite the online revolution shaking up the face of retail in recent years the grocery and fresh food market has stubbornly resisted the convenience and value for money proposition that online retailing has used to disrupt many other retail categories.

“This is not because consumers aren’t interested. Over 5 million Australians would now consider buying groceries online in the next 12 months – just under a third of Australian grocery shoppers.

“The market is there for the taking however thus far consumers haven’t been convinced by the online grocery services on offer. Just 4% of grocery shoppers buy their groceries online in an average month equivalent to about 600,000 Australians.

“Although the gap between interest in online grocery shopping and the follow through remains significant, and has persisted for several years, there have been significant developments in the Australian grocery and food markets in recent months and there are more coming.

“Amazon launched its online Australian food delivery service late in 2018 and German supermarket giant Kaufland is set to begin opening new supermarkets in Australia later this year. Kaufland also offers an online fresh food service in overseas markets. The marketing power and reach of Amazon is particularly important in driving this disruption as we have seen for over two decades.

“Amazon’s decision to acquire American fresh food retailer Whole Foods and launch the new Amazon Fresh grocery brand in the United States using a hybrid model of shop/home delivery online and shop/pick up in store is a new way to think of grocery shopping for many.

“The rollout of Amazon Fresh (which has yet to launch in Australia) could well in hindsight represent a ‘tipping point’ in convincing shoppers who may have been skeptical of online grocery shopping in the past to sample the experience for the first time.

“The [Roy Morgan Supermarket and Fresh Food Currency Report](#) provides a comprehensive deep-dive analysis into the trends shaping Australia’s supermarket and fresh food markets, who the main players are and how Australia’s shopping patterns are evolving in the overall market and within submarkets including Fresh Food, Fresh Bread, Fresh Fruit & Veg, Fresh Seafood and more.”

“Roy Morgan’s in-depth understanding of the Australian groceries and fresh food market is based on interviews with over 50,000 Australians each year as part of the Roy Morgan Single Source survey with quantitative and qualitative analysis of Australia’s grocery shoppers available for those businesses looking to gain the edge on rivals in an increasingly competitive market.

For comments or more information about Roy Morgan’s supermarket, fresh food and consumer product and retail data, please contact:

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Related research findings

Browse our Online Store for an extensive range of profiles on Coles, Woolworths, Aldi, IGA and other supermarkets and retailers.

Compiled with data from Roy Morgan’s Single Source survey (the largest of its kind in the world, with 50,000 respondents p.a), these ready-made profiles provide a broad understanding of the target

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years' experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
50,000	±0.4	±0.4	±0.3	±0.2