# US Grocery Benchmark Study:

## Consumer Experiences & Competitive Benchmarks

1.877.329.9621 | www.marketforce.com

February 2023

# Grocery Research Panel Demographics

## PARTICIPANTS

**6,555**

**US CUSTOMERS**

Between November 15, 2022, and January 24, 2023, we surveyed 6,555 US consumers and asked them about their grocery shopping habits including brand preference, customer experience, brand engagement, and brand awareness.

## GENDER

**71%** FEMALE

**28%** MALE

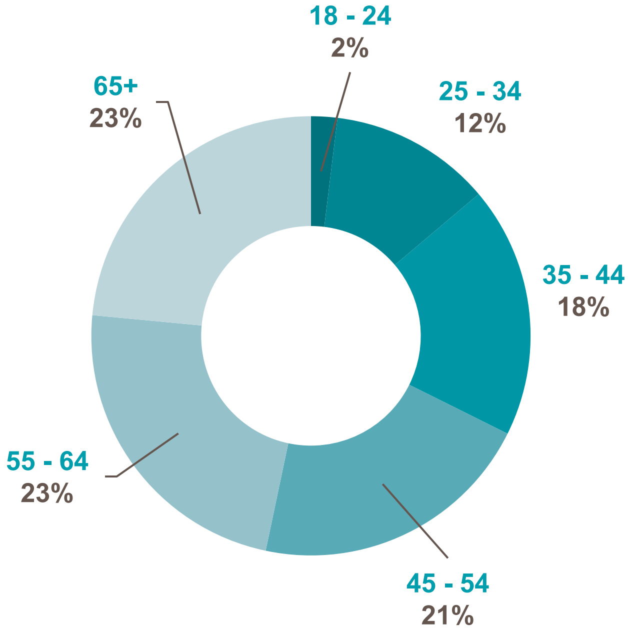
1% other or prefer not to answer

## HOUSEHOLD INCOME

**49%** EARN MORE THAN **$75K**

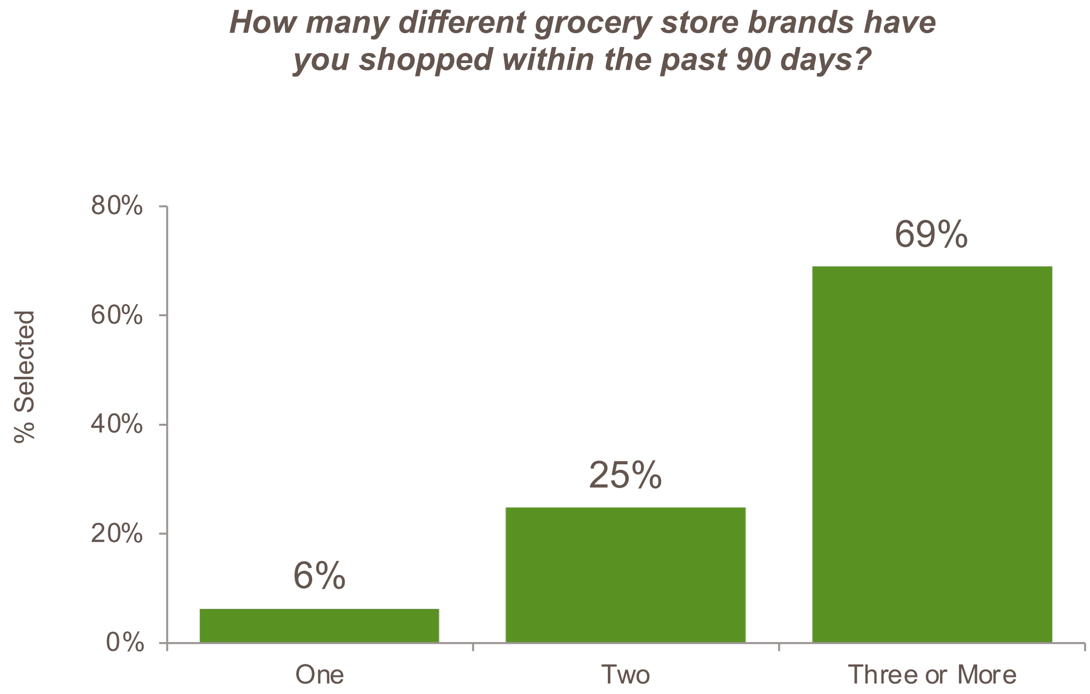
*(Of responders who answered)*

## AGE




*4% did not answer*

# More than 2/3's of customers shop at 3 or more grocery store brands

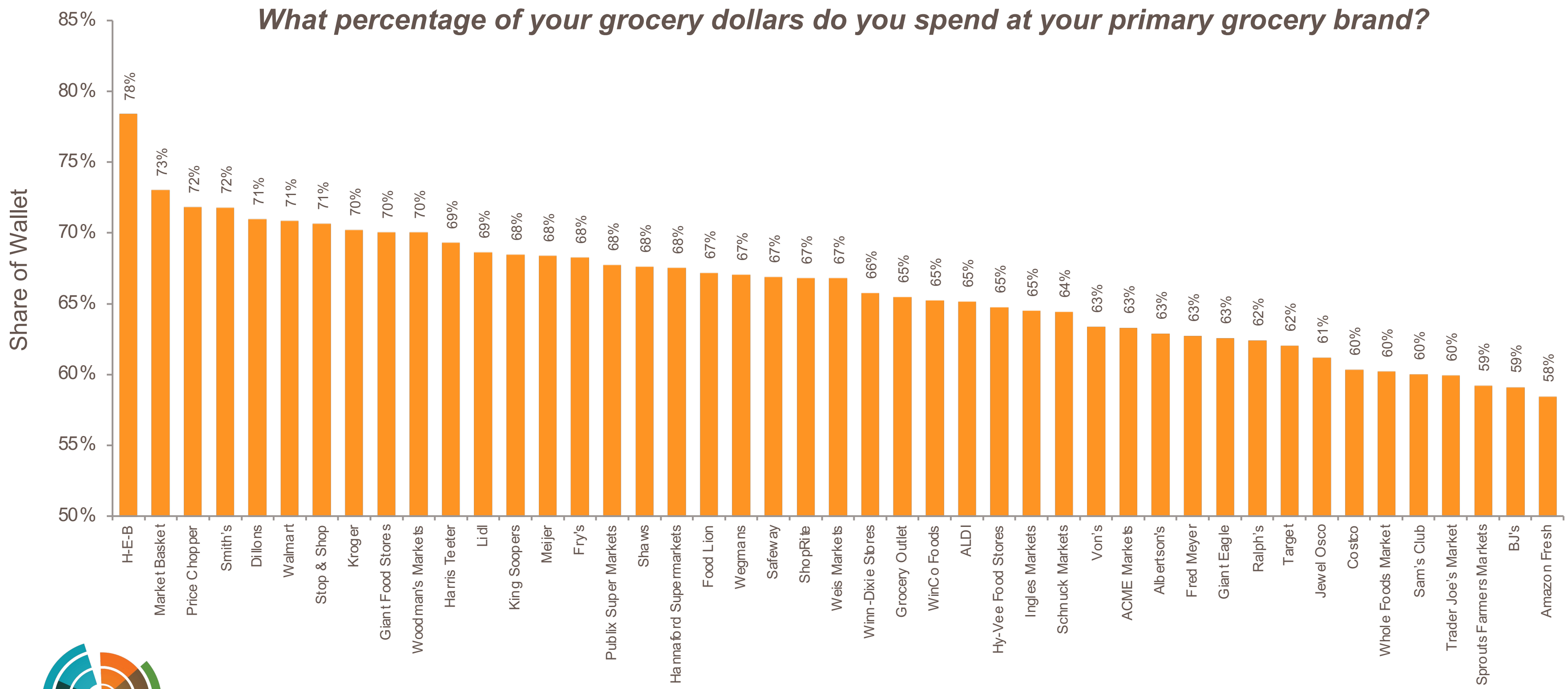


# Walmart and Kroger receive the **most grocery dollars**; representative of a national footprint

***Thinking about the past 90 days and the amount of money you spent on grocery shopping, at which grocery retailer did you spend the MAJORITY of your grocery dollars?***


Brands with 20 or more surveys = 92% of all surveys completed

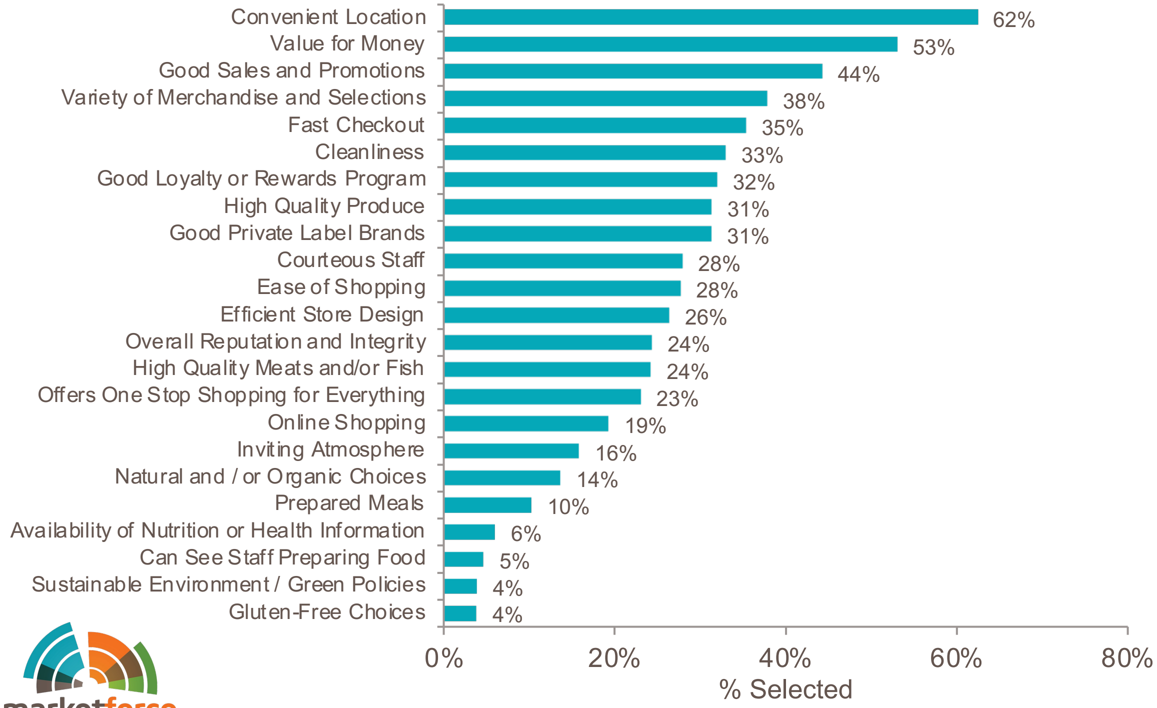
# HEB, Market Basket and Price Choppers received the highest **share of wallet** for primary grocers




Brands with 20 or more surveys = 92% of all surveys completed

# Convenient location, value, and good promotions are top considerations.
## *ALDI leads on Value for Money*

***Why do you choose to spend the majority of your grocery shopping dollars with your primary grocer? Please select all the items where you think this grocer EXCELS:***




| VALUE FOR MONEY | |
|---|---|
| **Brand** | **% Selected** |
| ALDI | 90% |
| Woodman's Markets | 88% |
| WinCo Foods | 87% |
| Lidl | 83% |
| Market Basket | 81% |
| Grocery Outlet | 78% |
| Costco | 75% |
| Sam’s Club | 71% |
| BJ's | 67% |
| Trader Joe’s Market | 63% |
| Fred Meyer | 61% |
| Schnuck Markets | 58% |
| Walmart | 58% |
| ShopRite | 54% |
| Smith’s | 54% |
| Hannaford Supermarkets | 53% |
| H-E-B | 53% |
| Food Lion | 52% |
| Jewel Osco | 50% |
| Sprouts Farmers Markets | 50% |

Top 20 Brands with 20 or more surveys

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# Respondents provided feedback on five broad topics

1 Shopping Experience, Best in Class Grocers

2 Competitive Benchmarks and Switching Grocers

3 Loyalty, Trust and Share of Wallet

4 Prepared Meals and Inflation

5 Technology

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# 1 The Shopping Experience

# Over 1 in 9 were dissatisfied with their last grocery experience; many won't recommend their primary grocer

***Still thinking about your most recent grocery shopping trip at your primary brand, please rate your satisfaction with the overall experience in the store.***

| Not at all Satisfied 1 | 2 | 3 | 4 | Very Satisfied 5 |
|---|---|---|---|---|
| 0% 28 | 1% 77 | 11% 709 | 41% 2,653 | 47% 3,088 |
| 12% | | | 88% | |

***How likely are you to recommend your primary grocer to family and friends?***

| Not at all Likely 1 | 2 | 3 | 4 | Very Likely 5 |
|---|---|---|---|---|
| 1% 88 | 2% 148 | 9% 578 | 20% 1,318 | 68% 4,423 |
| 12% | | | 88% | |

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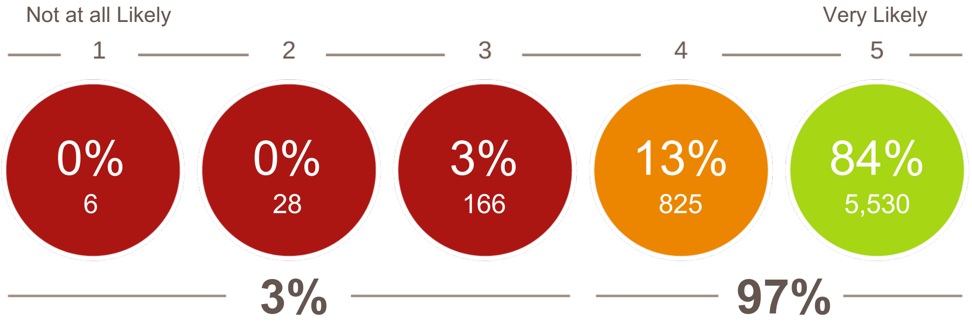
# Vast majority of shoppers plan to return to their primary grocer brand

***Still thinking about your most recent grocery shopping trip at your primary grocer, please rate how likely are you to return to them:***

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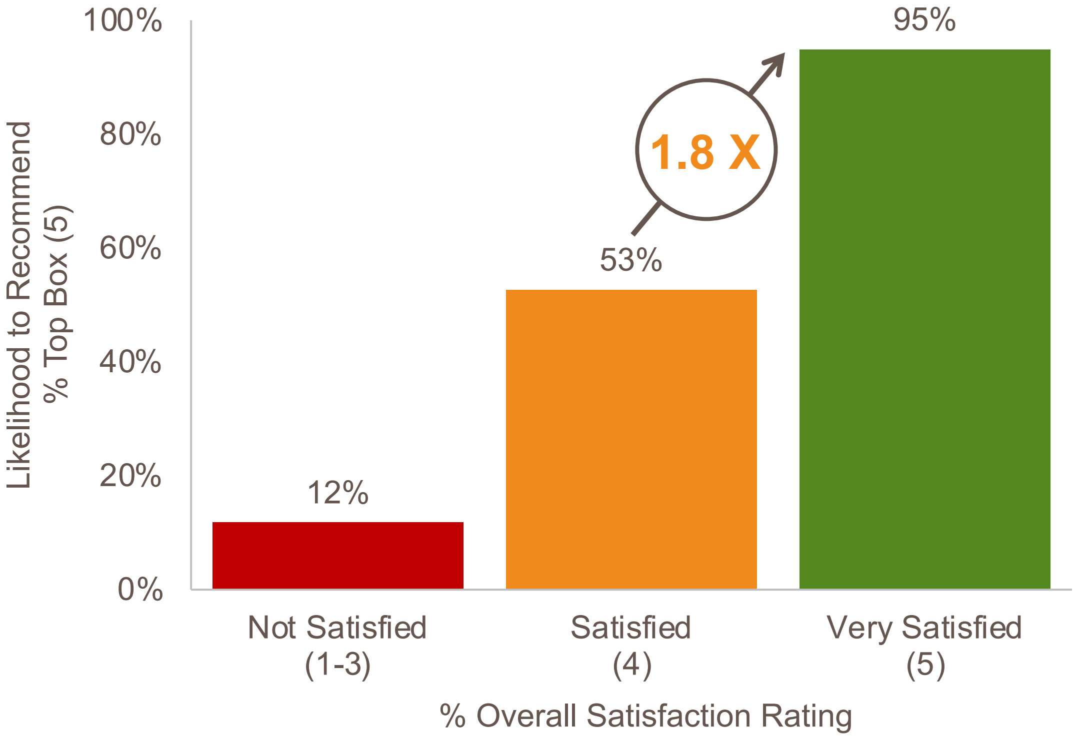
# It’s not OK just to be OK!

“Delighted” customers are **1.8 times** more likely to recommend than those who are “just satisfied”.

***Excellence makes a difference!***

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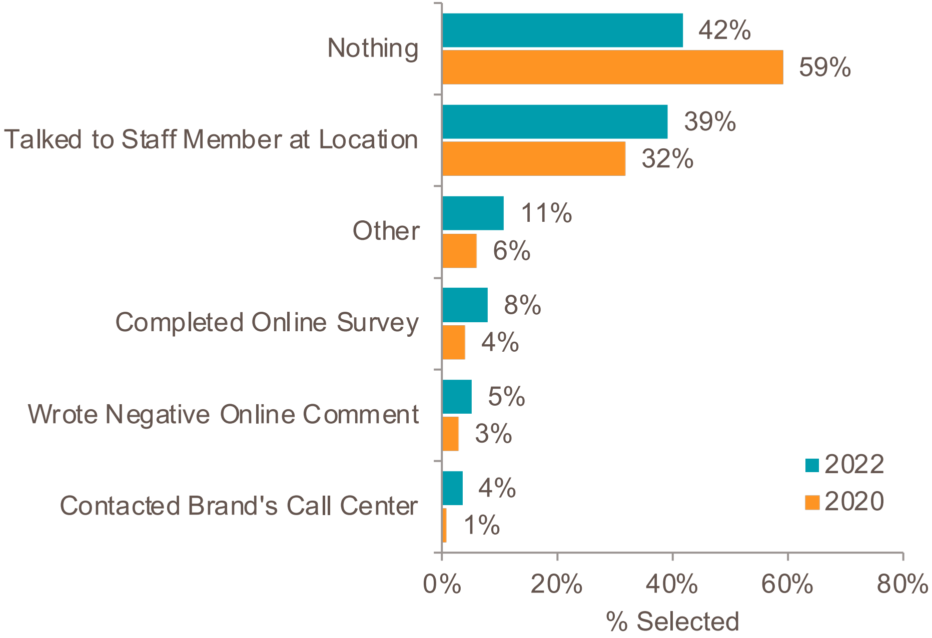
# About 1 in 12 experienced a problem; Over half never mention it to anyone at the location

***During your most recent grocery shopping experience at your primary grocer, did you experience any problems?***


2020 = **15%**
2018 = **6%**
2017 = **6%**

***Which of the following did you do to address your problem? Please check all that apply:***

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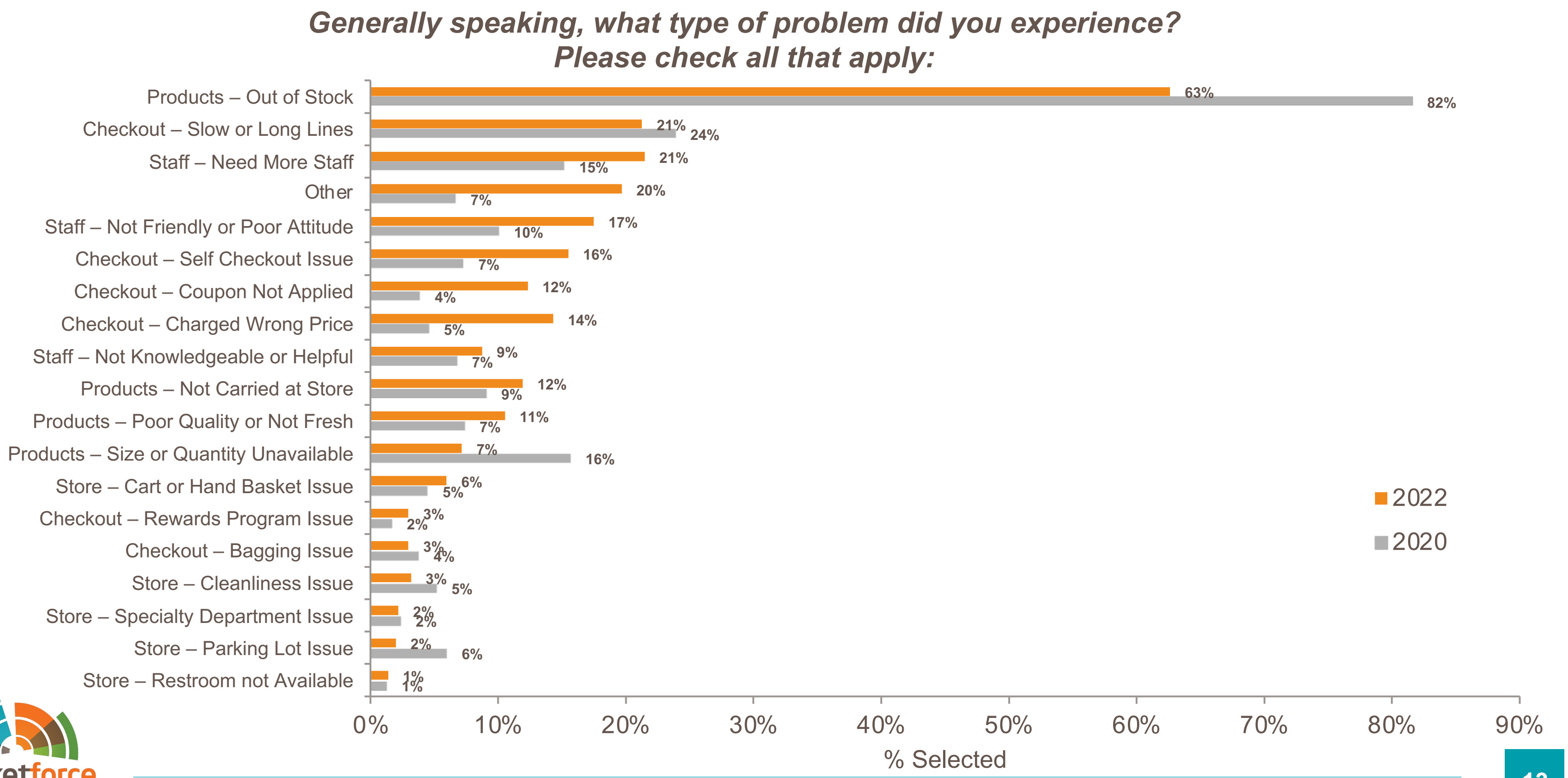
# Even with COVID subsiding, staffing still cited as a problem
# Out of stock products continues to be mentioned most frequently

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# Problems dramatically increase the risk of losing customers. Encourage problem reporting to maintain customer base.

***During your most recent grocery shopping experience at your primary grocer, did you experience any problems?***

8% Yes
TB OSat = 15%

92% No
TB OSat = 50%

***Was the problem you experienced resolved to your satisfaction?***

Resolved = 62%
TB OSat = 28%

Not Resolved = 38%
TB OSat = 4%

**Additional 11pt loss in TB Osat when not resolved**

***Will you stop shopping at this location because of the problem you experienced?***

5% Yes

25% Yes

**Some problems are not addressable—customers will leave.**

# Smith's, Trader Joes, Winn-Dixie had less than 2% problem experiences

| Primary Grocer | Experienced a Problem (# Yes) | Experienced a Problem (% Yes) |
|---|---|---|
| **Smith's** | 0 | 0.0% |
| **Trader Joe's Market** | 1 | 1.3% |
| **Winn-Dixie Stores** | 1 | 1.6% |
| Wegmans | 1 | 2.4% |
| Grocery Outlet | 1 | 2.4% |
| Ralph's | 2 | 3.3% |
| Costco | 13 | 3.4% |
| ALDI | 27 | 4.0% |
| Giant Eagle | 2 | 4.2% |
| H-E-B | 9 | 4.4% |
| WinCo Foods | 4 | 4.6% |
| Fry's | 3 | 4.8% |
| Market Basket | 2 | 4.8% |
| Whole Foods Market | 2 | 4.8% |
| Sam's Club | 9 | 5.3% |
| Stop & Shop | 4 | 5.6% |
| Publix Super Markets | 20 | 5.6% |
| Price Chopper | 2 | 5.7% |
| BJ's | 3 | 6.5% |
| Harris Teeter | 6 | 7.4% |

Top 20 Brands with 30 or more surveys

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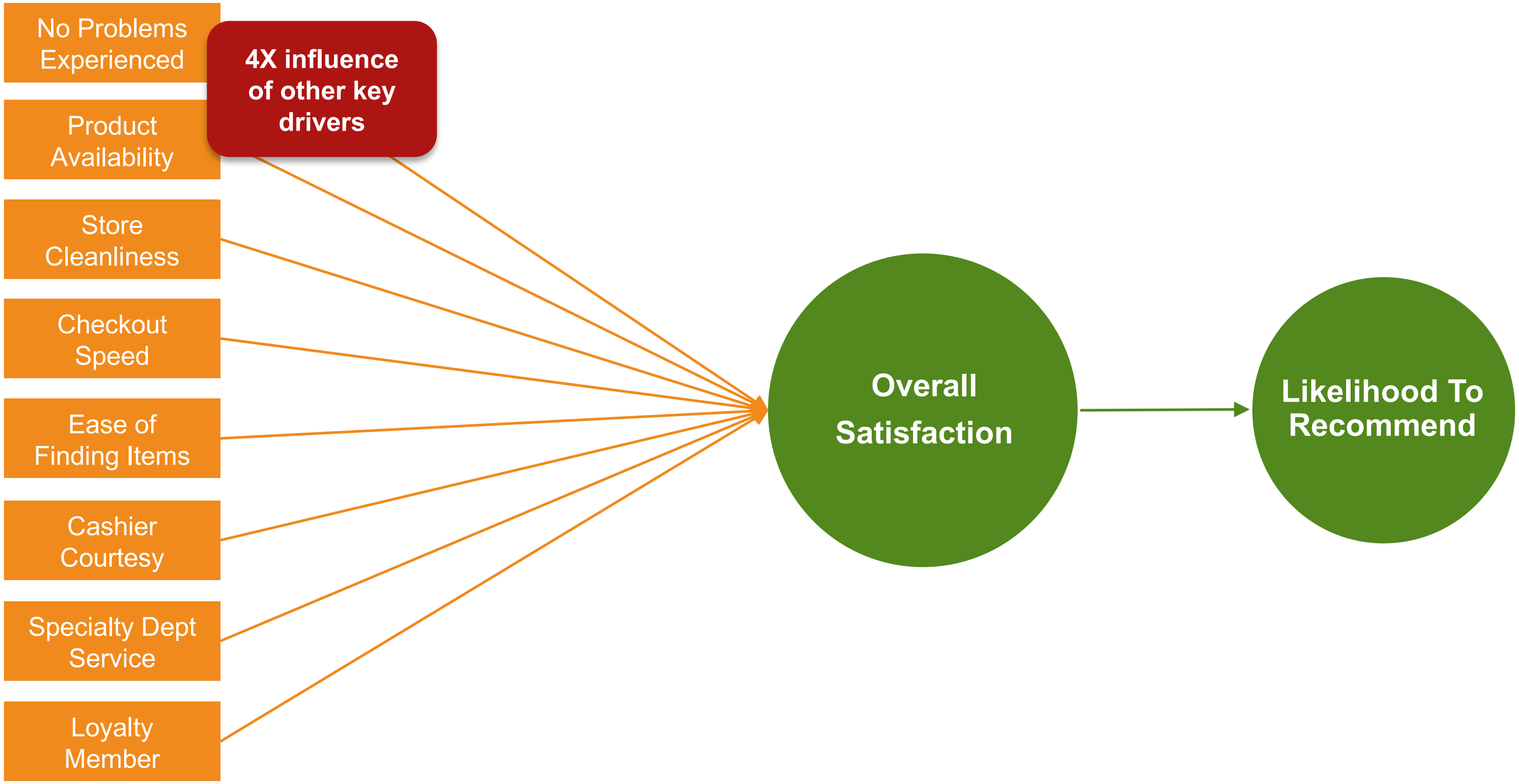
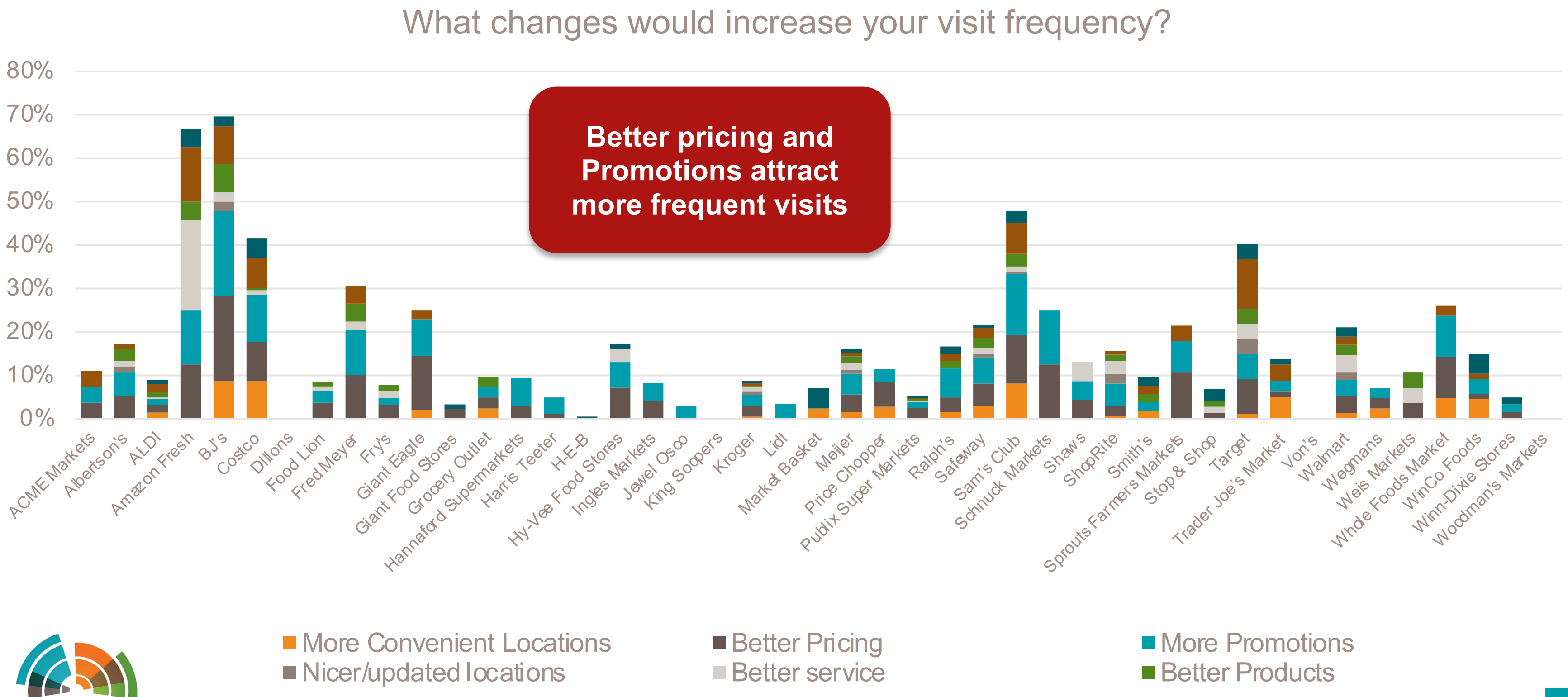
# What drives grocery shopping satisfaction? It’s a problem free experience in a clean, well-organized store.




SmartPLS | Overall Satisfaction $R^2$ = 0.556 | In order of importance from top to bottom

# Amazon Fresh, BJ's, Costco, Sam's Club and Target have more levers to pull to increase visit frequency

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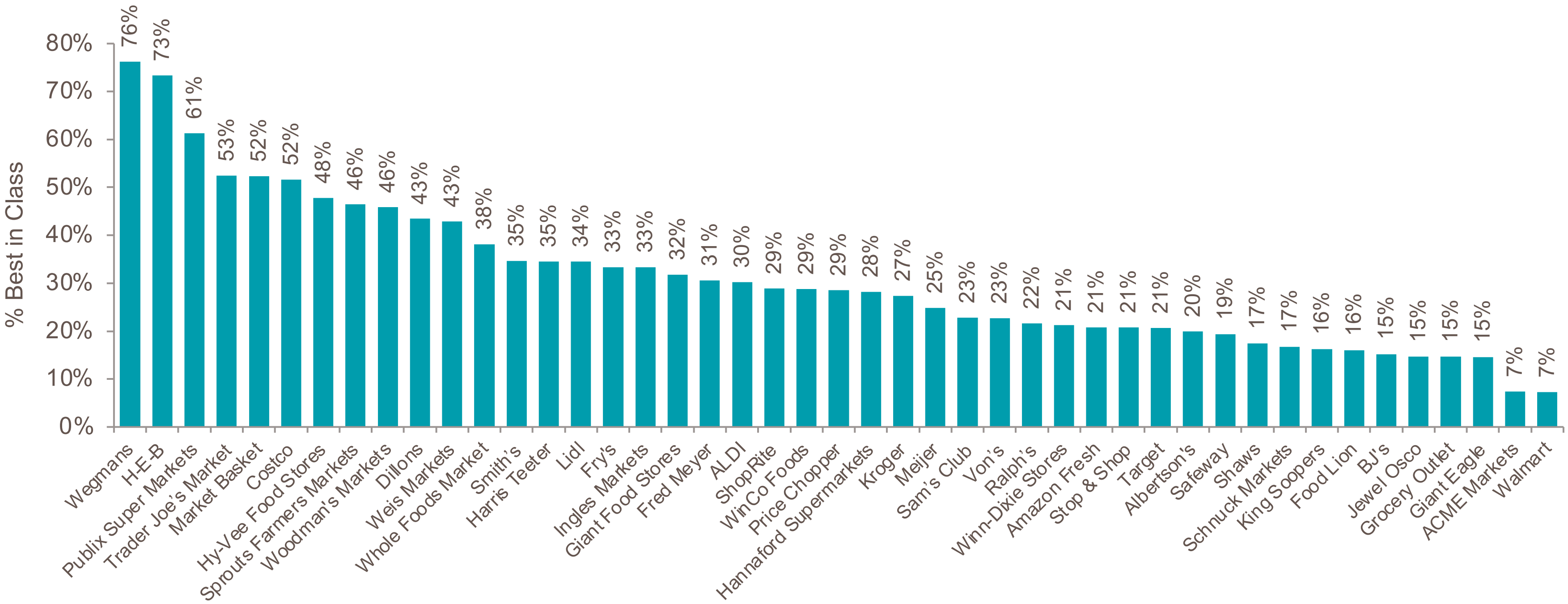
# Best In Class Grocers

# Wegmans, H-E-B, and Publix are most often considered "Best in Class" when customers compare brands

*How does your primary brand compare to other grocery brands overall?*

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# What “Best in Class” factors drive grocery shopping satisfaction? It’s much more than just price!


SmartPLS | $R^2$ = 0.150 | In order of importance from top to bottom

# Best in class brands are challenged in specific areas, but demonstrate high performance on most experience elements

60%

| Checkout | |
|---|---|
| Brand | % Best in Class |
| Trader Joe’s Market | 87.0% |
| Target | 80.0% |
| Smith’s | 79.2% |
| Publix Super Markets | 79.1% |
| Sam’s Club | 78.2% |
| Weis Markets | 76.9% |
| Dillons | 76.2% |
| Amazon Fresh | 76.2% |
| Ingles Markets | 73.9% |
| Giant Food Stores | 71.4% |
| Wegmans | 71.1% |
| Fry's | 70.9% |
| H-E-B | 70.7% |
| Stop & Shop | 70.0% |
| ALDI | 70.0% |
| Schnuck Markets | 68.2% |
| Hannaford Supermarkets | 66.7% |
| BJ's | 66.7% |
| Harris Teeter | 66.2% |
| Safeway | 66.1% |

65%

| Dairy | |
|---|---|
| Brand | % Best in Class |
| Von’s | 88.9% |
| Wegmans | 86.8% |
| Publix Super Markets | 86.5% |
| H-E-B | 83.4% |
| Dillons | 81.8% |
| Woodman's Markets | 81.8% |
| Fred Meyer | 80.4% |
| Giant Food Stores | 80.3% |
| Hannaford Supermarkets | 80.0% |
| Weis Markets | 78.6% |
| Schnuck Markets | 78.3% |
| Smith’s | 77.6% |
| Winn-Dixie Stores | 77.2% |
| ShopRite | 77.0% |
| Market Basket | 76.9% |
| Hy-Vee Food Stores | 76.6% |
| Price Chopper | 75.9% |
| Harris Teeter | 75.7% |
| King Soopers | 75.4% |
| Lidl | 75.0% |

54%

| Fresh Produce | |
|---|---|
| Brand | % Best in Class |
| Dillons | 95.2% |
| Whole Foods Market | 89.7% |
| H-E-B | 88.2% |
| Sprouts Farmers Markets | 88.0% |
| Wegmans | 86.8% |
| Publix Super Markets | 80.8% |
| Schnuck Markets | 77.3% |
| Hannaford Supermarkets | 73.3% |
| Meijer | 71.9% |
| Smith’s | 69.4% |
| Weis Markets | 67.9% |
| Price Chopper | 67.7% |
| Fred Meyer | 67.4% |
| King Soopers | 67.2% |
| Ralph’s | 66.7% |
| Hy-Vee Food Stores | 66.2% |
| Lidl | 64.3% |
| ShopRite | 64.0% |
| Woodman's Markets | 63.6% |
| Jewel Osco | 63.3% |

Top 20 Brands with 20 or more surveys

# Whole Foods in top three in 3 of 6 key areas

54%

| Meat | |
|---|---|
| Brand | % Best in Class |
| H-E-B | 86.1% |
| Ingles Markets | 85.0% |
| Wegmans | 82.9% |
| Hannaford Supermarkets | 82.8% |
| Whole Foods Market | 80.6% |
| Dillons | 80.0% |
| Harris Teeter | 80.0% |
| Winn-Dixie Stores | 77.4% |
| Costco | 76.1% |
| Price Chopper | 75.9% |
| Market Basket | 73.7% |
| Publix Super Markets | 72.7% |
| Safeway | 72.6% |
| Shaws | 71.4% |
| Sprouts Farmers Markets | 70.8% |
| Weis Markets | 70.4% |
| Hy-Vee Food Stores | 70.3% |
| Jewel Osco | 70.0% |
| Stop & Shop | 69.1% |
| Giant Eagle | 69.1% |

53%

| Fish / Seafood | |
|---|---|
| Brand | % Best in Class |
| Dillons | 100.0% |
| Whole Foods Market | 94.4% |
| H-E-B | 93.0% |
| Hy-Vee Food Stores | 84.0% |
| Schnuck Markets | 83.3% |
| Wegmans | 81.3% |
| Ingles Markets | 81.0% |
| Publix Super Markets | 79.8% |
| Albertson's | 77.4% |
| Harris Teeter | 75.0% |
| Costco | 73.2% |
| ShopRite | 72.6% |
| Hannaford Supermarkets | 72.4% |
| Ralph's | 70.0% |
| Smith's | 70.0% |
| Weis Markets | 69.6% |
| King Soopers | 69.2% |
| Shaws | 68.4% |
| Winn-Dixie Stores | 68.1% |
| Lidl | 68.0% |

48%

| Prepared Foods | |
|---|---|
| Brand | % Best in Class |
| Ingles Markets | 95.0% |
| Whole Foods Market | 94.4% |
| H-E-B | 86.1% |
| Wegmans | 82.9% |
| Publix Super Markets | 82.1% |
| Hy-Vee Food Stores | 80.8% |
| Market Basket | 75.7% |
| Dillons | 73.7% |
| Costco | 73.4% |
| Price Chopper | 70.8% |
| Harris Teeter | 70.6% |
| Meijer | 67.7% |
| Giant Eagle | 66.7% |
| Von's | 64.7% |
| ShopRite | 63.0% |
| Hannaford Supermarkets | 63.0% |
| Giant Food Stores | 62.9% |
| Sprouts Farmers Markets | 60.9% |
| Safeway | 60.8% |
| Fry's | 59.5% |

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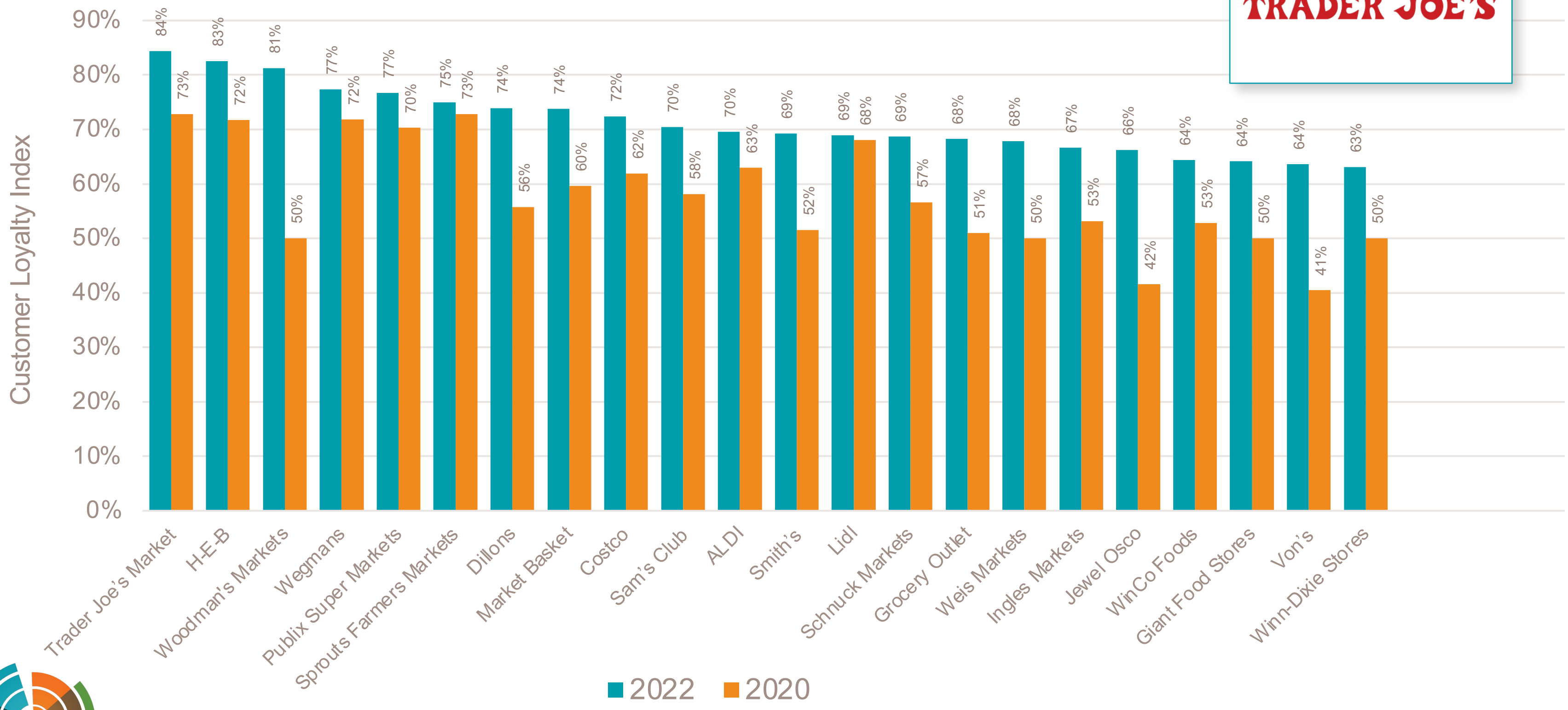
Top 20 Brands with 20 or more surveys

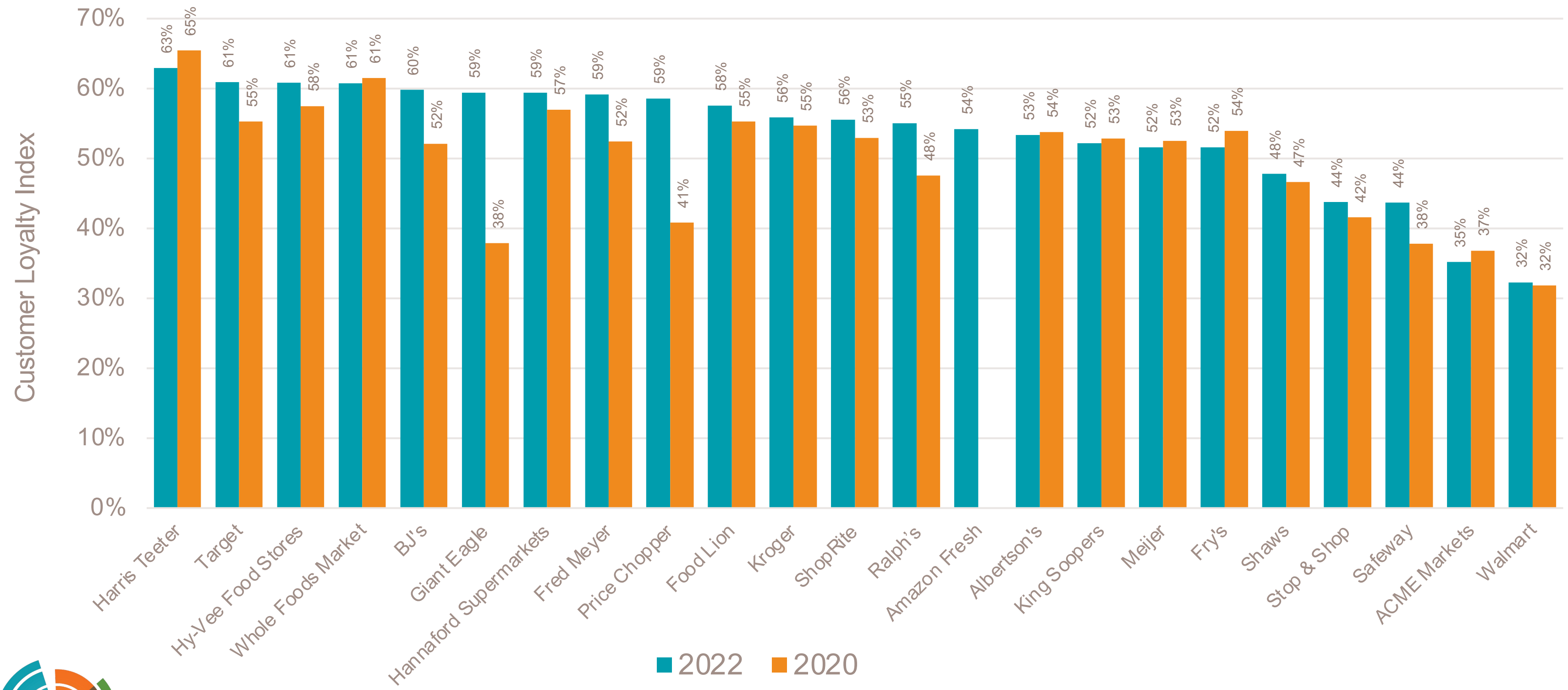
# 2 Competitive Benchmarks

# Customer Loyalty Index (CLI) improved for all the top performing brands from 2020 to 2022



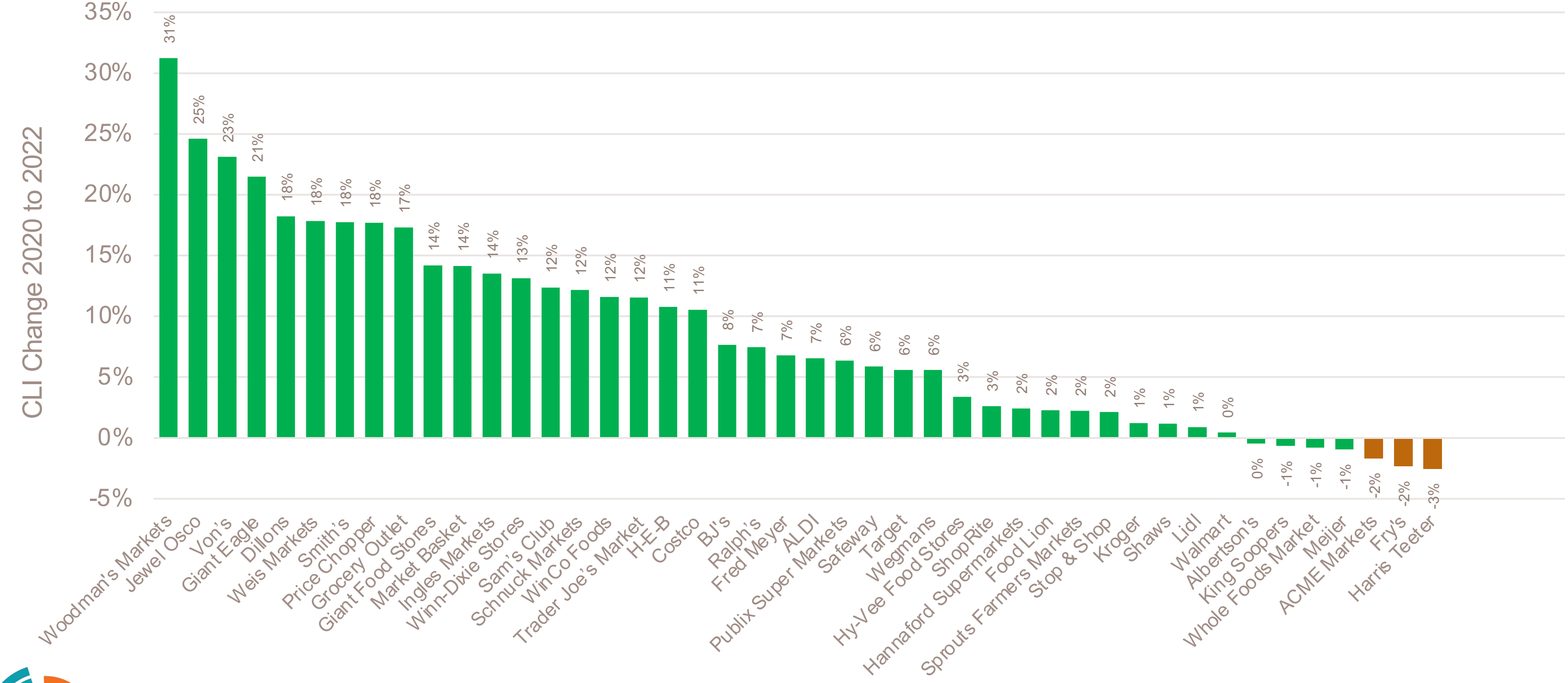

Brands with 20 or more surveys

# CLI decreased for a number of brands from 2020 to 2022 – Including Harris Teeter, Fry's and ACME Markets



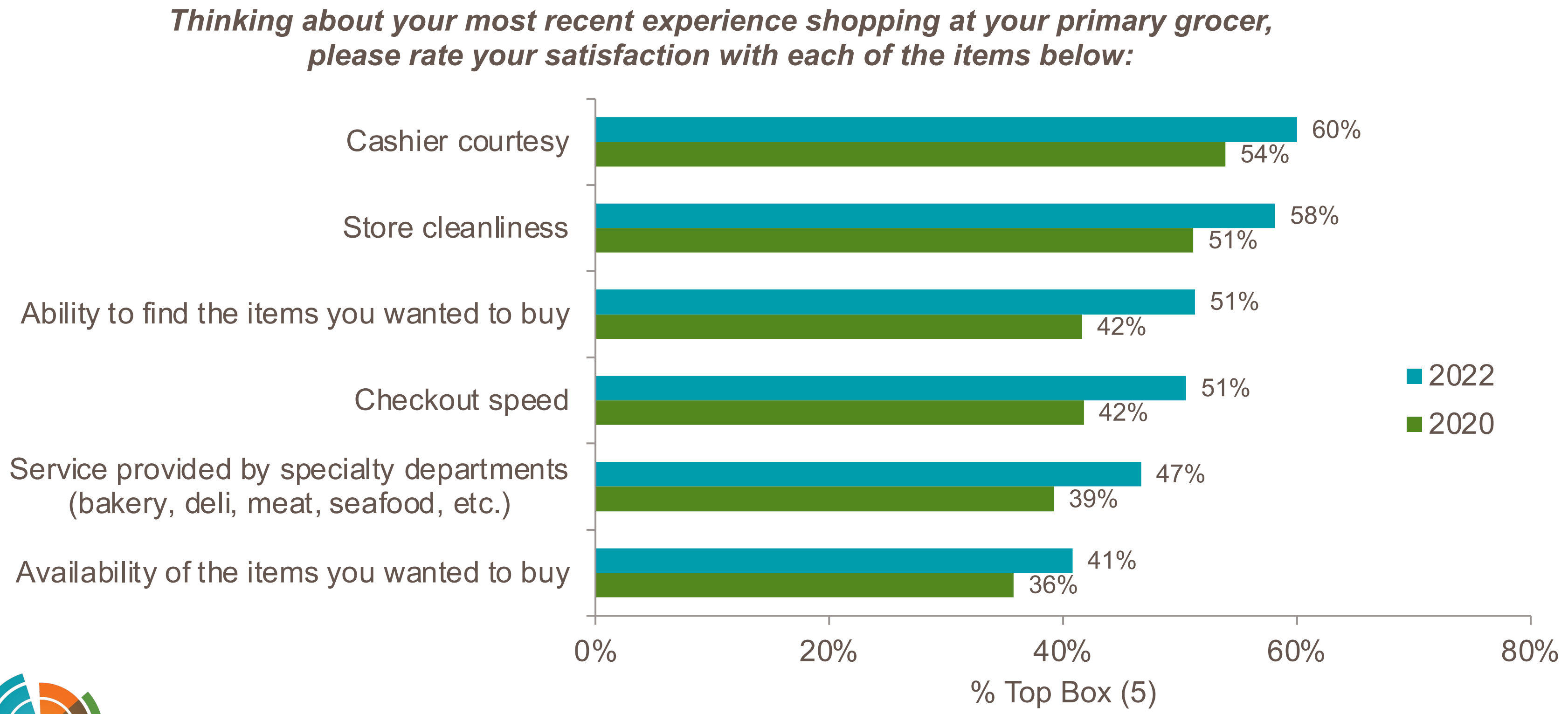

Brands with 20 or more surveys

# Largest CLI gainers 2020 to 2022 include Woodman's Markets, Jewel Osco, Von's and Giant Eagle




Brands with 20 or more surveys

# Satisfaction improved across all experience elements in 2022

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# Best in Class brands do well on most measures of customer experience

60%

**Cashier Courtesy**

| Brand | % Top Box |
|---|---|
| Trader Joe’s Market | 93% |
| Publix Super Markets | 83% |
| Sprouts Farmers Markets | 81% |
| Amazon Fresh | 80% |
| Wegmans | 79% |
| H-E-B | 77% |
| Grocery Outlet | 76% |
| Smith’s | 73% |
| Target | 73% |
| ALDI | 72% |
| Hy-Vee Food Stores | 72% |
| Hannaford Supermarkets | 71% |
| Weis Markets | 71% |
| Jewel Osco | 70% |
| Von’s | 70% |
| Woodman's Markets | 68% |
| Schnuck Markets | 68% |
| Giant Food Stores | 68% |
| Ralph’s | 67% |
| Costco | 66% |

58%

**Store Cleanliness**

| Brand | % Top Box |
|---|---|
| Sprouts Farmers Markets | 89% |
| Wegmans | 88% |
| Publix Super Markets | 88% |
| Trader Joe’s Market | 83% |
| Whole Foods Market | 80% |
| H-E-B | 80% |
| Hy-Vee Food Stores | 79% |
| Hannaford Supermarkets | 77% |
| Von’s | 77% |
| Harris Teeter | 77% |
| Market Basket | 76% |
| Costco | 76% |
| Lidl | 76% |
| Amazon Fresh | 73% |
| Weis Markets | 71% |
| Schnuck Markets | 71% |
| Target | 70% |
| Dillons | 70% |
| Winn-Dixie Stores | 67% |
| Sam’s Club | 67% |

51%

**Ability to Find Items**

| Brand | % Top Box |
|---|---|
| Weis Markets | 79% |
| Wegmans | 71% |
| Publix Super Markets | 69% |
| Jewel Osco | 68% |
| Trader Joe’s Market | 65% |
| WinCo Foods | 64% |
| Ingles Markets | 63% |
| Lidl | 62% |
| Food Lion | 61% |
| Giant Eagle | 60% |
| Von’s | 59% |
| Woodman's Markets | 58% |
| H-E-B | 58% |
| Ralph’s | 58% |
| ALDI | 57% |
| Smith’s | 57% |
| Giant Food Stores | 56% |
| BJ's | 54% |
| ShopRite | 54% |
| Sam’s Club | 54% |

Top 20 Brands with 20 or more surveys

# Best in Class brands do well on most measures of customer experience

51%

| Checkout Speed | |
|---|---|
| Brand | % Top Box |
| Amazon Fresh | 85% |
| Trader Joe's Market | 83% |
| Sam's Club | 76% |
| Weis Markets | 74% |
| Smith's | 71% |
| Von's | 68% |
| Wegmans | 67% |
| ALDI | 65% |
| Grocery Outlet | 63% |
| Publix Super Markets | 63% |
| Dillons | 61% |
| Target | 61% |
| H-E-B | 60% |
| BJ's | 59% |
| Price Chopper | 56% |
| Food Lion | 56% |
| Jewel Osco | 55% |
| Hy-Vee Food Stores | 55% |
| Winn-Dixie Stores | 54% |
| Giant Food Stores | 54% |

47%

| Specialty Department Service | |
|---|---|
| Brand | % Top Box |
| Wegmans | 87% |
| H-E-B | 78% |
| Publix Super Markets | 76% |
| Market Basket | 70% |
| Harris Teeter | 65% |
| Schnuck Markets | 65% |
| Dillons | 65% |
| Lidl | 65% |
| Price Chopper | 63% |
| Hy-Vee Food Stores | 62% |
| Giant Eagle | 59% |
| King Soopers | 58% |
| Fred Meyer | 57% |
| Weis Markets | 57% |
| Ingles Markets | 57% |
| Sam's Club | 56% |
| Whole Foods Market | 56% |
| Ralph's | 55% |
| Albertson's | 55% |
| Costco | 53% |

41%

| Availability of Items | |
|---|---|
| Brand | % Top Box |
| Woodman's Markets | 83% |
| Smith's | 63% |
| Publix Super Markets | 63% |
| Ingles Markets | 63% |
| Wegmans | 62% |
| Giant Eagle | 60% |
| Harris Teeter | 59% |
| H-E-B | 56% |
| Weis Markets | 54% |
| WinCo Foods | 53% |
| Market Basket | 50% |
| Dillons | 50% |
| Ralph's | 50% |
| Fred Meyer | 49% |
| ShopRite | 49% |
| Giant Food Stores | 48% |
| Winn-Dixie Stores | 48% |
| Sprouts Farmers Markets | 46% |
| Lidl | 45% |
| Hy-Vee Food Stores | 44% |

Top 20 Brands with 20 or more surveys

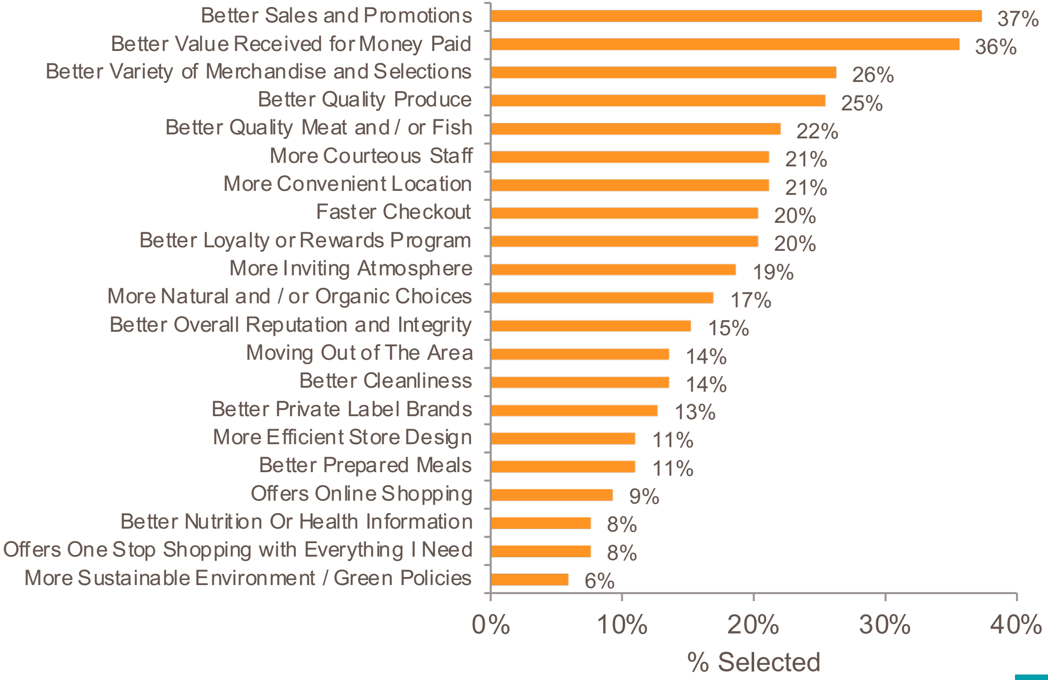
# Switching Primary Grocers

# Better sales and promotions, better value and better variety of products are most common reasons for switching

***Within the next 90 days, do you plan to completely switch from your primary grocer to another grocery store brand?***


2020 = **5%**
2018 = **5%**
2017 = **5%**

***Why do you plan to switch to another primary grocer brand? Mark all that apply:***

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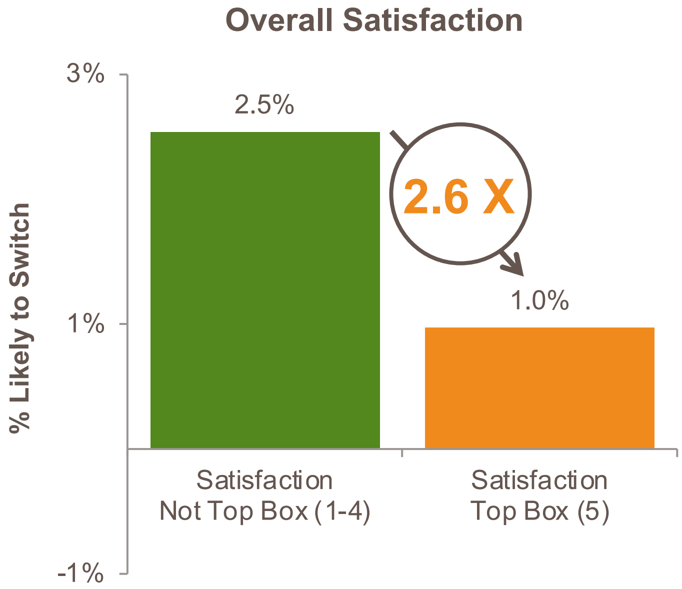
# Highly satisfied customers are over 2 times less likely to switch primary grocers

***Within the next 90 days, do you plan on switching to another primary grocer?***

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# Grocers whose customers are least likely to switch (0%) tend to have higher overall levels of satisfaction

| Primary Grocer | Likely to Switch (# Yes) | Likely to Switch (% Yes) | Overall Satisfaction (% TB) |
|---|---|---|---|
| Meijer | 0 | 0.0% | 42% |
| Giant Food Stores | 0 | 0.0% | 55% |
| Harris Teeter | 0 | 0.0% | 57% |
| Trader Joe's Market | 0 | 0.0% | 76% |
| Stop & Shop | 0 | 0.0% | 35% |
| Smith's | 0 | 0.0% | 63% |
| Giant Eagle | 0 | 0.0% | 50% |
| Market Basket | 0 | 0.0% | 62% |
| Wegmans | 0 | 0.0% | 76% |
| Grocery Outlet | 0 | 0.0% | 56% |
| Price Chopper | 0 | 0.0% | 51% |
| Jewel Osco | 0 | 0.0% | 59% |
| Hannaford Supermarkets | 0 | 0.0% | 38% |
| ALDI | 6 | 0.9% | 53% |
| Food Lion | 1 | 0.9% | 52% |
| H-E-B | 2 | 1.0% | 76% |
| Costco | 4 | 1.1% | 60% |
| WinCo Foods | 1 | 1.2% | 49% |
| Kroger | 10 | 1.3% | 45% |
| King Soopers | 1 | 1.5% | 38% |

Top 20 brands with 30 or more surveys

# A little over half of shoppers belong to their primary grocer's loyalty program. Almost 80% are happy with it

***Are you a member of your primary grocery brand's loyalty or rewards program?***


***How satisfied are you with your primary grocery brand's loyalty or rewards program?***

| Not at all Satisfied 1 | 2 | 3 | 4 | Very Satisfied 5 |
| --- | --- | --- | --- | --- |
| 1% | 4% | 17% | 34% | 45% |
| 45 | 143 | 621 | 1,261 | 1,667 |
| 21% | | | 79% | |

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# Key Findings

| Which brand ranks supreme? | What drives satisfaction? | How many customers were not satisfied | Which brands drive awareness? |
|---|---|---|---|
| TRADER JOE'S<br>**84.4%**<br>CLI Score<br>H-E-B takes 2nd place with a CLI score of 82.5%<br>Wegmans, H-E-B and Publix rated "Best in Class" | **Problem Free Experience**<br>**Product availability**<br>**Store cleanliness**<br>**Checkout speed**<br>**Ease of finding items**<br>**Cashier courtesy** | **12%**<br>Gave a 1-3 OSat Rating<br>**8%**<br>Experienced a Problem<br>**42%**<br>Did nothing to address the problem<br>**2%**<br>Plan Switching | **Exclusive Website/ Mobile App Use**<br>Smith's<br>**38%**<br>**Online Ordering for Pick-Up**<br>Ralph's<br>**50%**<br>**Private Label Use**<br>Trader Joes<br>**60%** |

# 3 Loyalty, Trust and Share of Wallet

## Loyalty

- **Loyalty** is based on transactional experience
- **Loyalty** is subject to change based on disconfirming experience

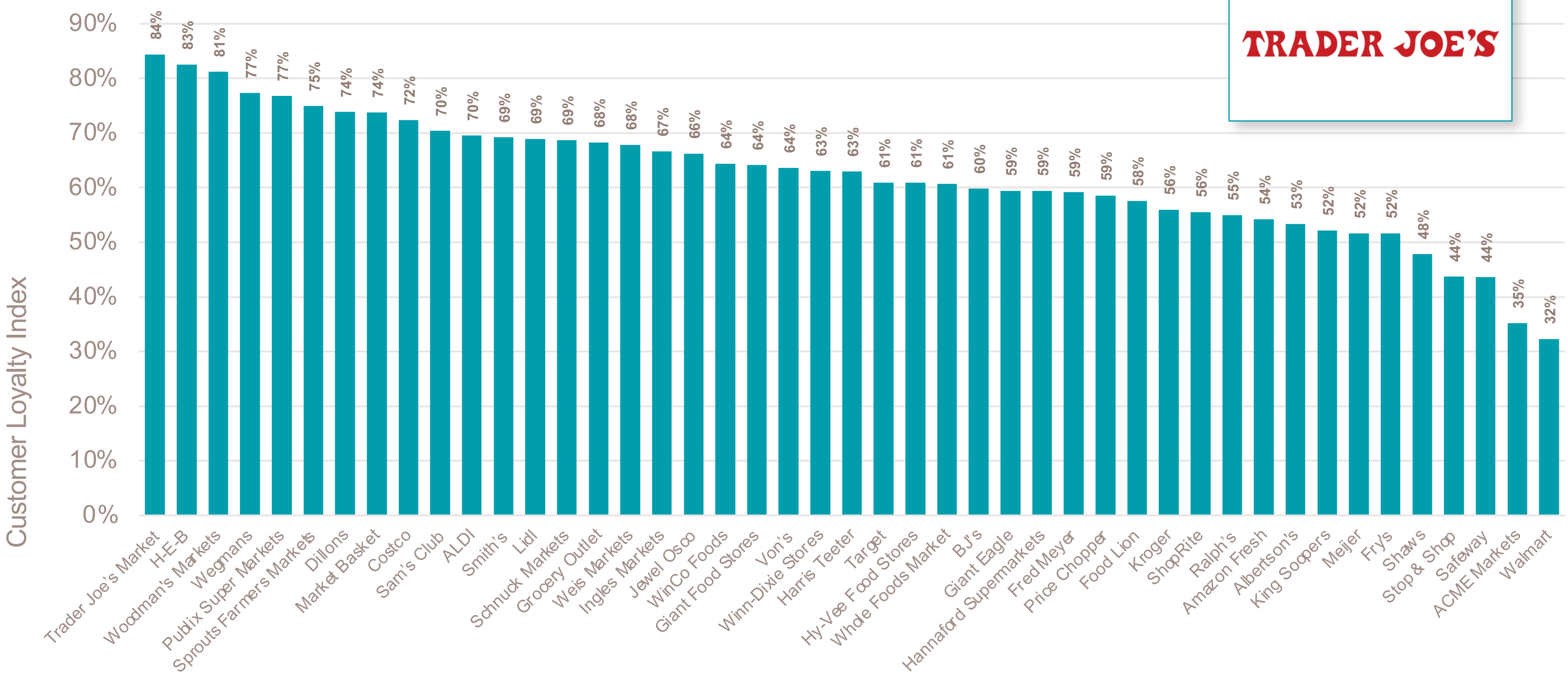
## Trust

- **Trust** can be characterized as persistent loyalty
- **High brand trust** suggests long-term matching of brand and customer values
- **High brand trust** suggests value alignment and multiple positive experiences, combining over time to create customer “credits” for the brand
- **Brand trust** credits are utilized when a bad experience happens – to blunt the customer impact (churn)

## Share of Wallet

- **Share of Wallet** is the expression of transactional loyalty, over time, with a brand with which the customer is well matched on Trust
- **Share of Wallet** reflects how often a customer will return to a brand in the near-term future

# Customer Loyalty Index (CLI) reflects satisfaction with recent experiences and likelihood to recommend the brand




TRADER JOE'S

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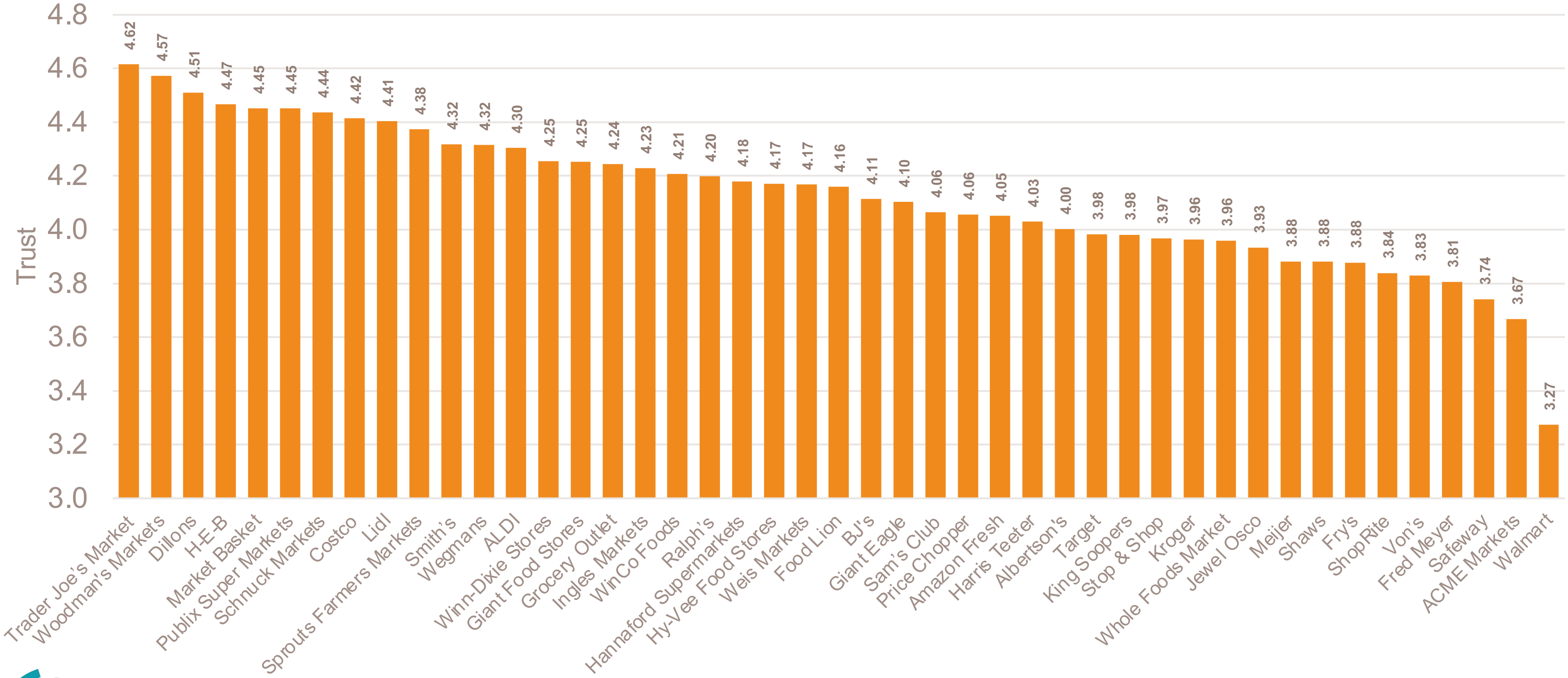
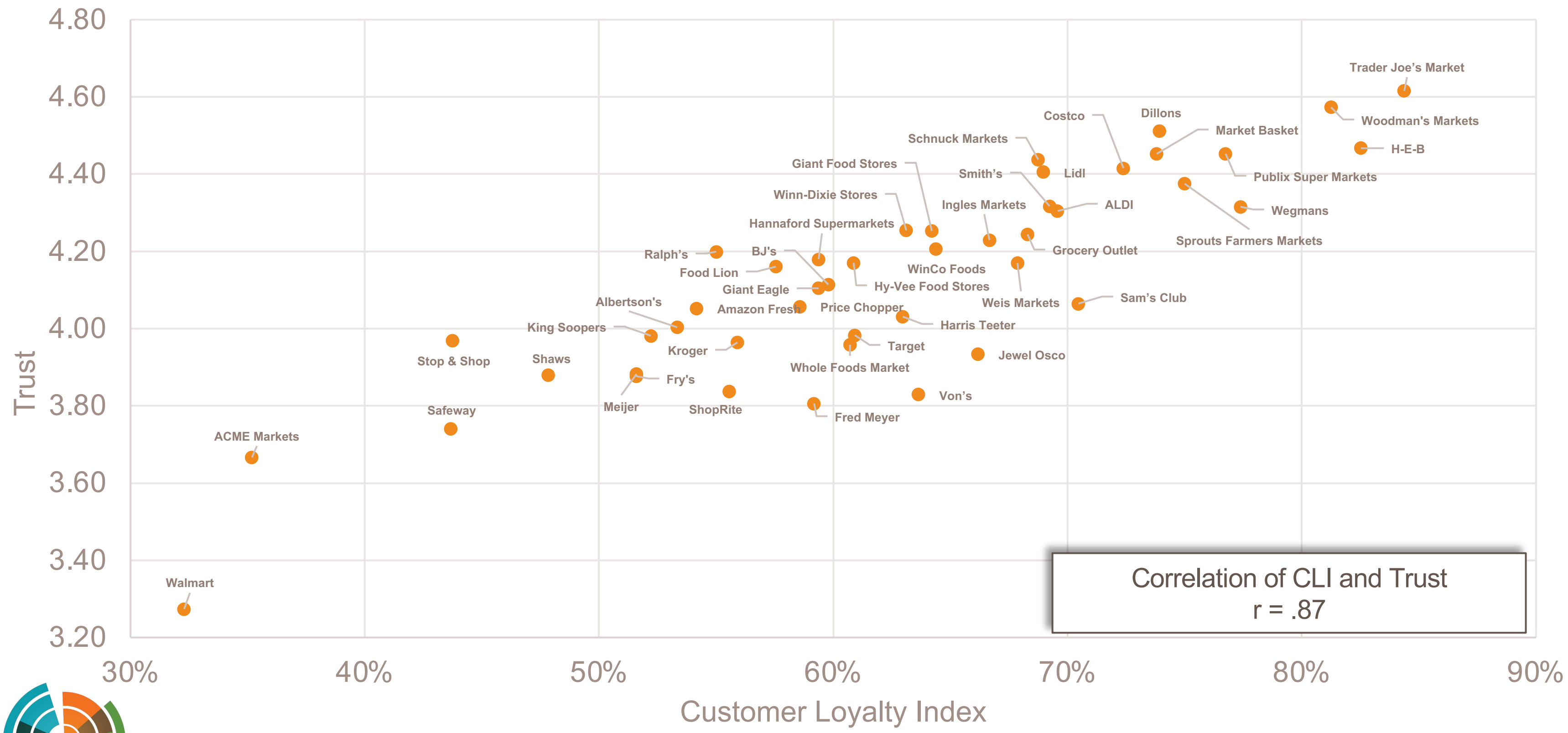
# Trust is persistent loyalty, built over time, across visits and matching customer values



# Customer Loyalty Index (CLI) is strongly related to Trust

## *Trader Joe's, H-E-B and Woodman's Market drive both Trust and Loyalty*

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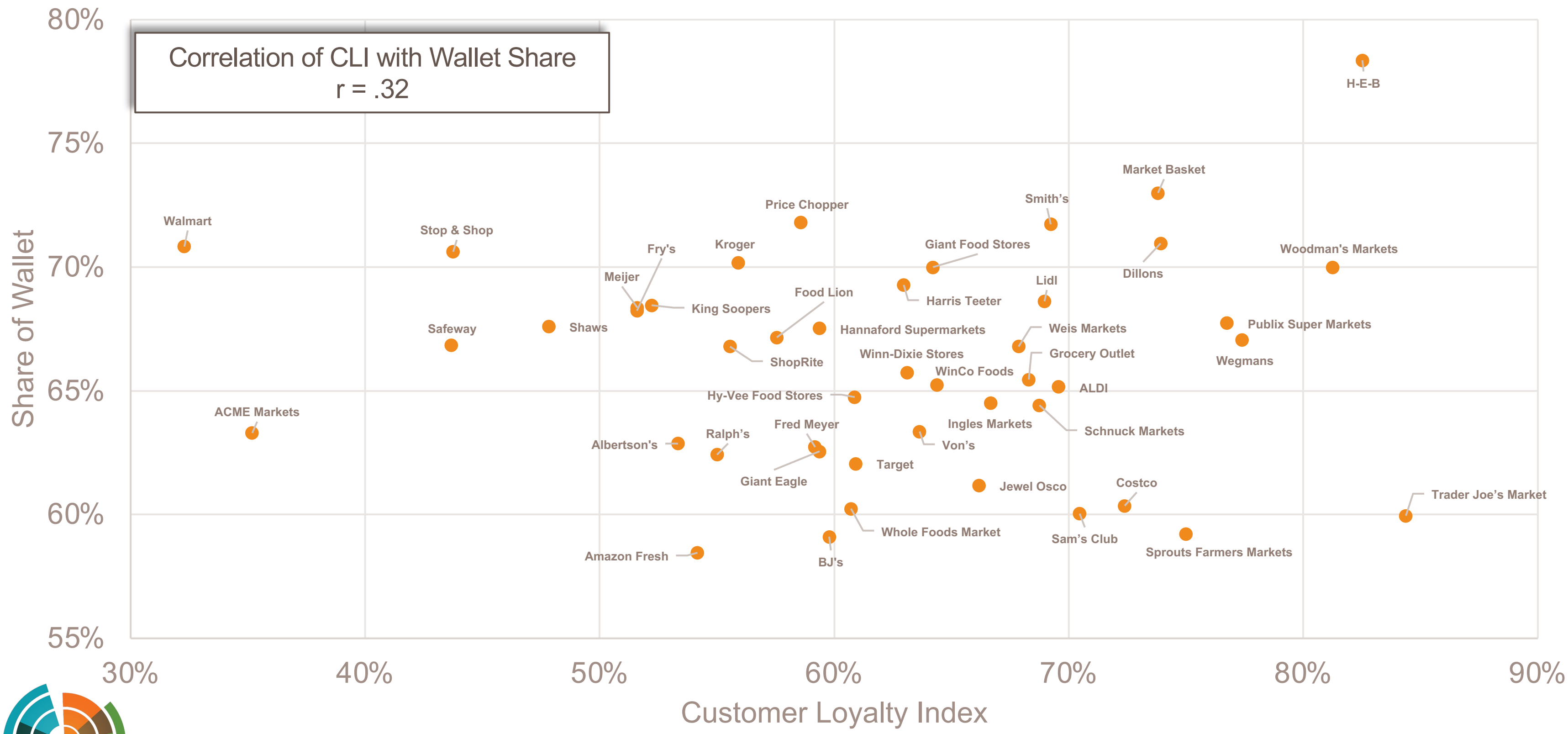
# Customer Loyalty Index and Share of Wallet are correlated
## *HEB drives share of wallet most effectively*

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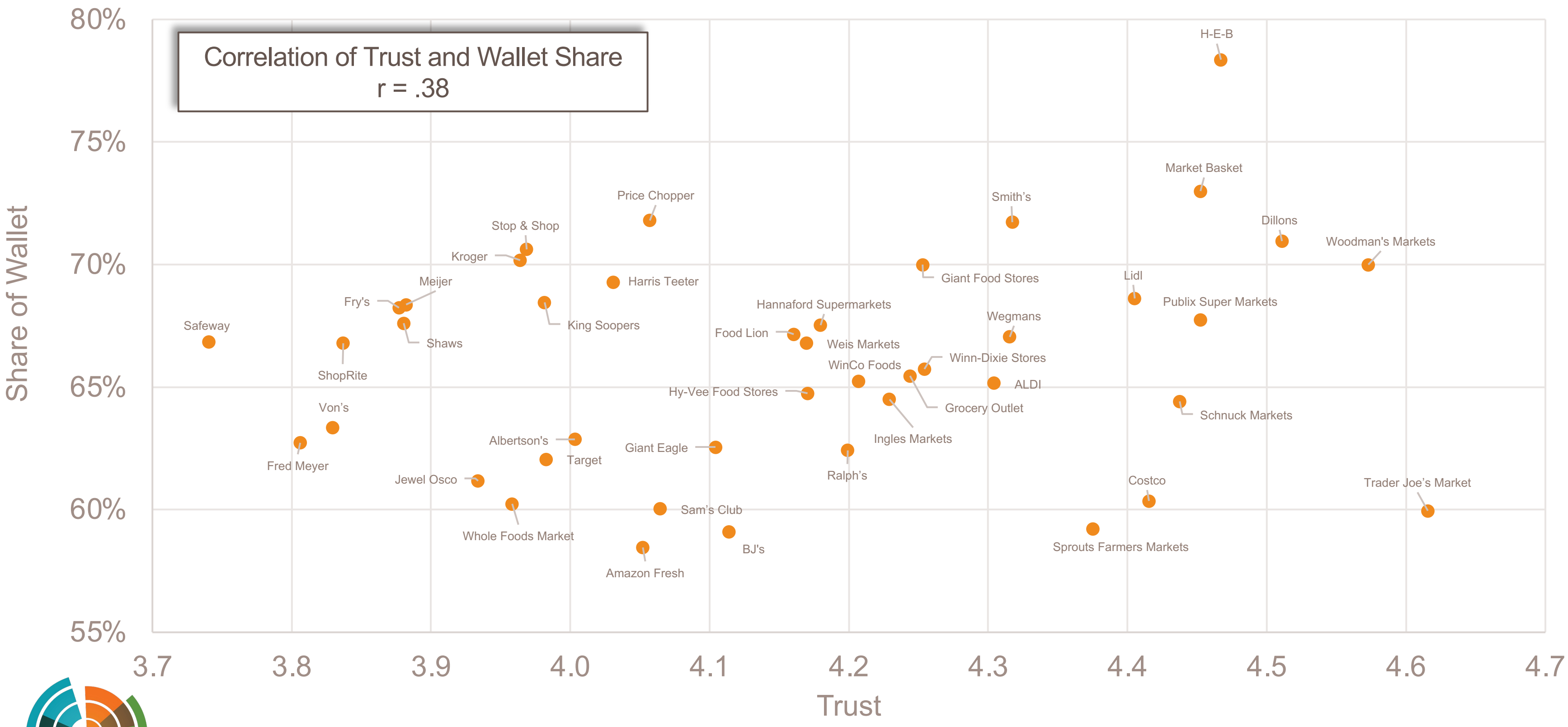
# Trust and Share of Wallet are correlated
## *HEB drives share of wallet most effectively*

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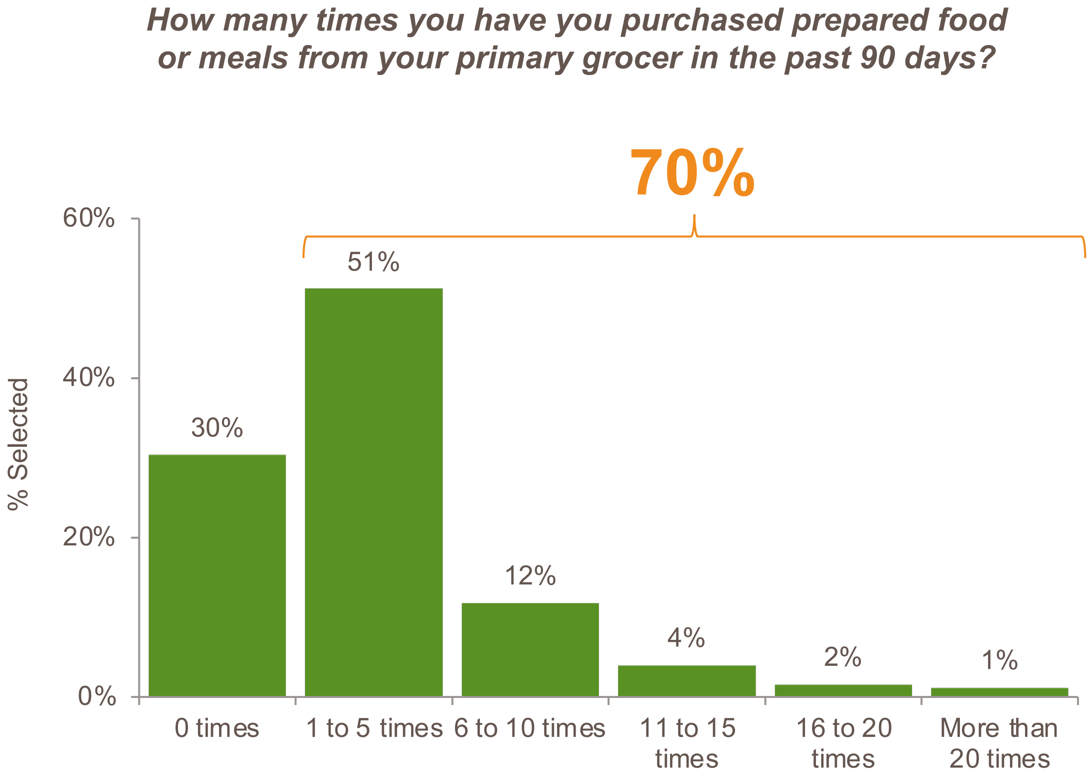
# 3 Prepared Meals

# About 70% of customers purchased prepared foods, with over half purchasing them 1 - 5 times in the recent past

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# 25% of shoppers find prepared food to be important

***How important to you are prepared food or meals (rotisserie chicken, hot soup, deli sandwiches, etc.)?***

Not at all Important — Very Important

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| 20% | 24% | 32% | 17% | 8% |
| 1,283 | 1,539 | 2,075 | 1,128 | 530 |

**75%** **25%**

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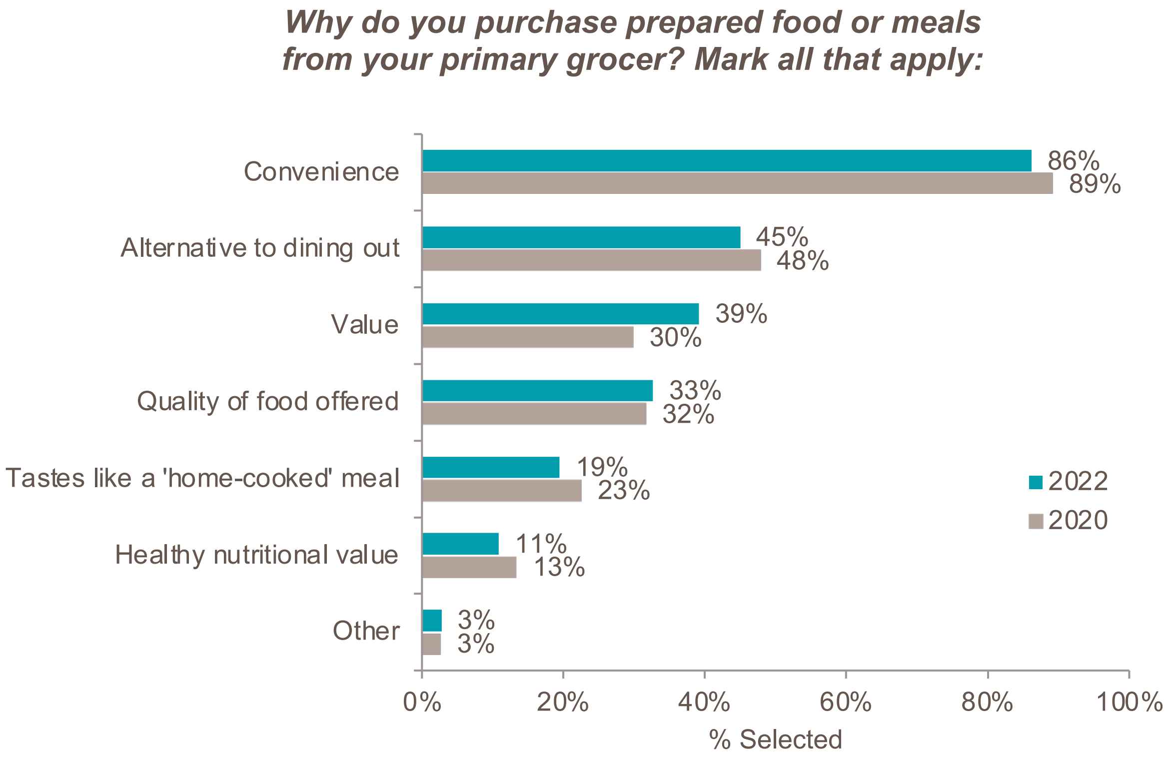
# Convenience is king when purchasing prepared meals; but they don't taste "home-cooked" and are not perceived as healthy

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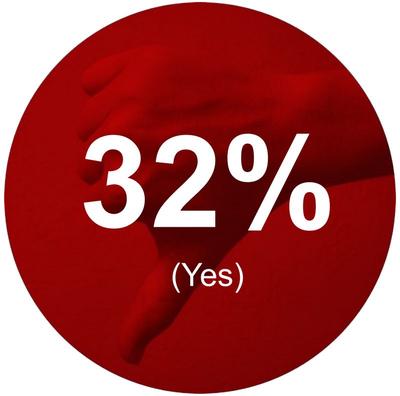
# Inflation, Store Brands and Organic

# Over half of shoppers changing their grocery shopping habits because of inflation, nearly 1 in 3 changing holiday shopping habits

***Have recent price increases for groceries caused you to change your grocery shopping habits in any way?***


***Did recent price increases for groceries change your holiday grocery shopping plans this year?***

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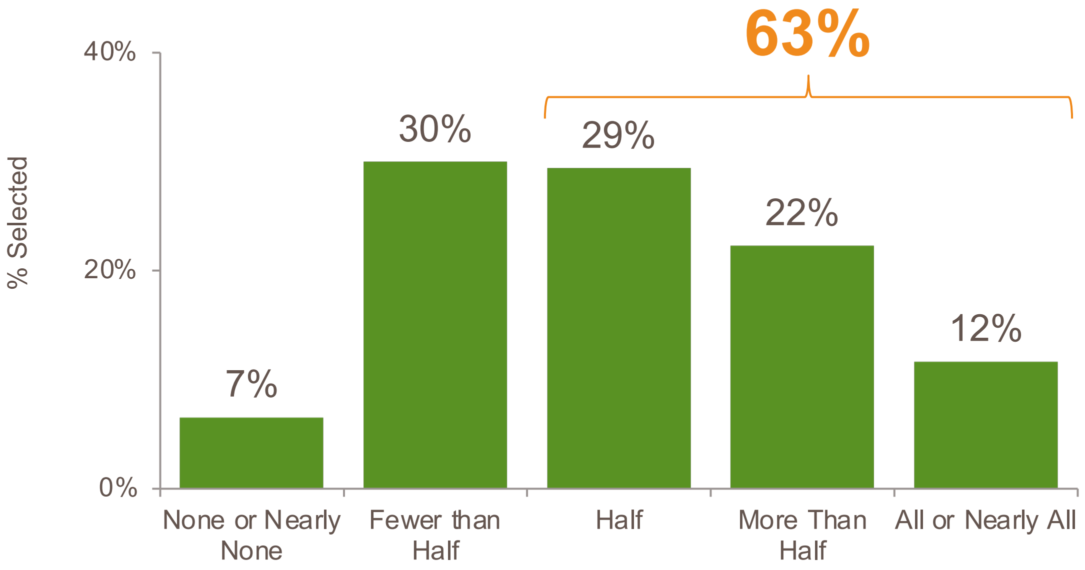
# Over 6 in 10 of customers' purchase store brand or generic products half or more of the time

***How many of your grocery purchases at your primary grocery are store brands or generic (not a nationally recognized, commercial brand)?***



# More than 20% find organic products to be important. But, seldom do purchases contain more than half organic products

***How important to you are organic products?***

| Not at all Important 1 | 2 | 3 | 4 | Very Important 5 |
|---|---|---|---|---|
| 30% 1,934 | 19% 1,270 | 29% 1,866 | 13% 860 | 10% 625 |
| 77% | | | 23% | |

***How many of your grocery purchases from your primary grocer are organic products?***

| None / Nearly None 1 | Less Than Half 2 | About Half 3 | More Than Half 4 | All / Nearly All 5 |
|---|---|---|---|---|
| 48% 3,124 | 34% 2,211 | 12% 755 | 5% 318 | 2% 147 |
| 93% | | | 7% | |

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# 5 Technology

# Almost 25% of customers have ordered groceries for pick-up recently. 90% of those experiences were satisfying

***Within the past 90 days, have you ordered groceries from your primary grocer that were brought out to your vehicle?***


2020 – **16%**
2018 – **9%**
2017 – **5%**
2016 – **2%**

***How satisfied were you with your most recent pickup experience at your primary grocer?***

| Not at all Satisfied 1 | 2 | 3 | 4 | Very Satisfied 5 |
|---|---|---|---|---|
| 2% | 2% | 6% | 22% | 68% |
| 36 | 30 | 95 | 325 | 1,022 |

**10%** (1–3) | **90%** (4–5)

2020 %TB OSat = 54%
2018 %TB OSat = 54%
2017 %TB OSat = 51%
2016 %TB OSat = 44%

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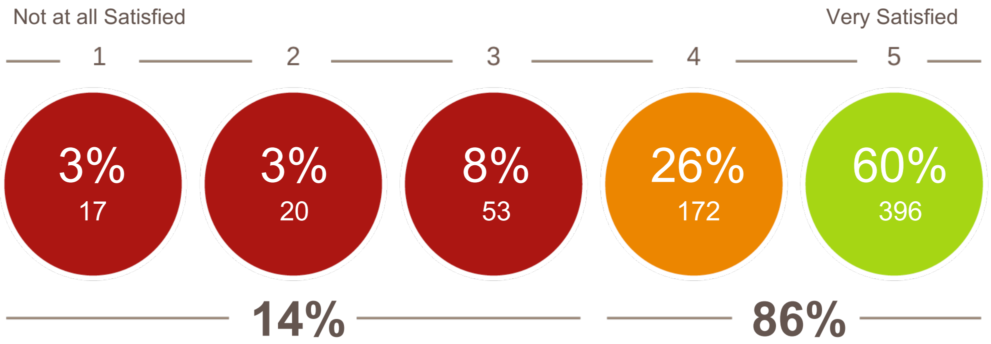
# About 1 in 10 shoppers have ordered groceries for delivery in past 90 days with over 6 in 10 experiences being very satisfying

***Within the past 90 days, have you had groceries delivered to you from your primary grocer?***


2020 – **27%**
2018 – **15%**
2017 – **9%**
2016 – **4%**

***How satisfied were you with your most recent grocery delivery experience from your primary grocer?***




2020 %TB OSat = 54%
2018 %TB OSat = 49%
2017 %TB OSat = 49%
2016 %TB OSat = 48%

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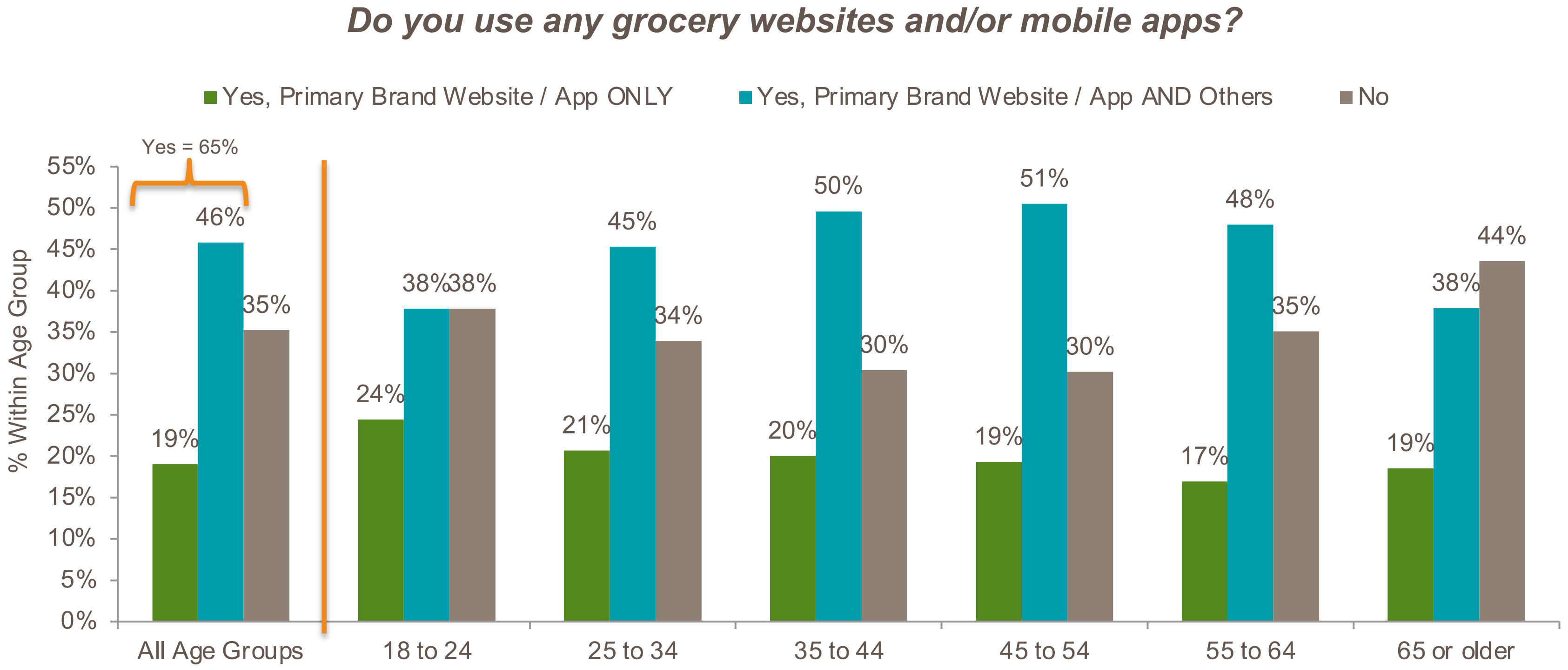
# Almost 2 in 3 use a grocery website or app

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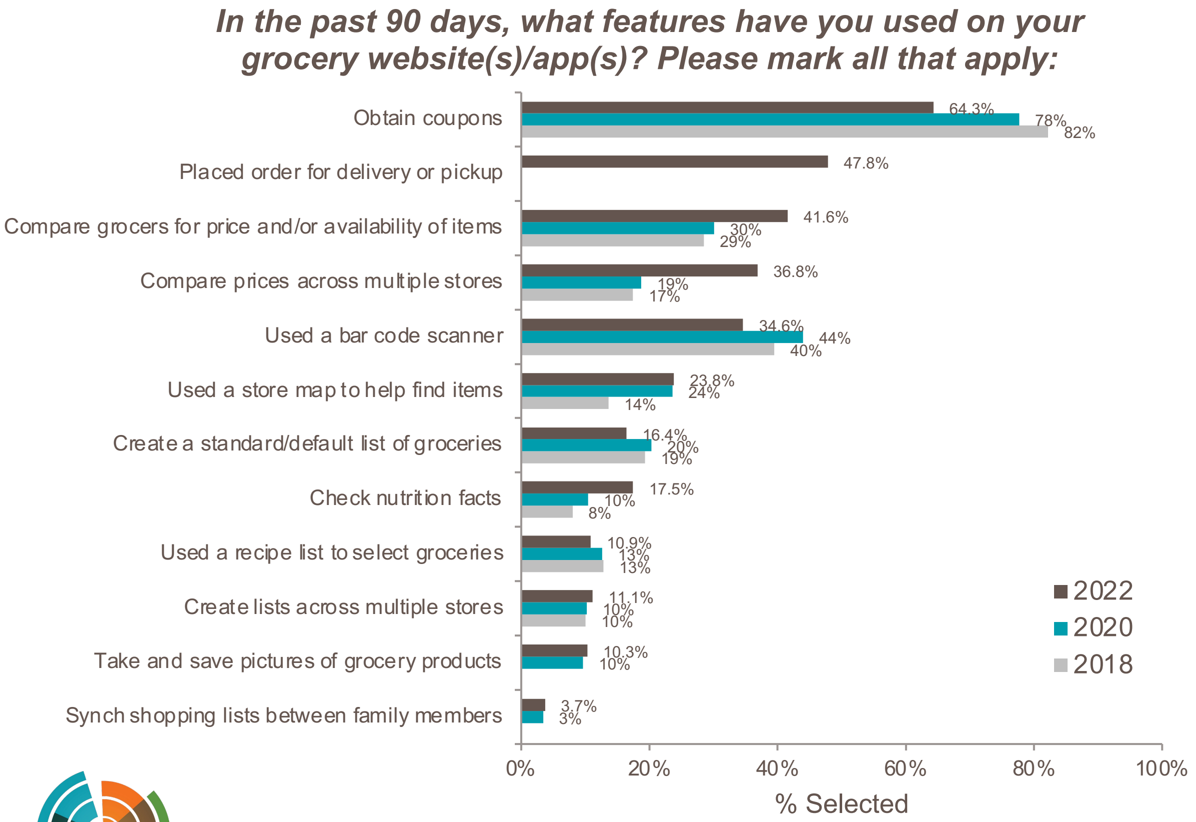
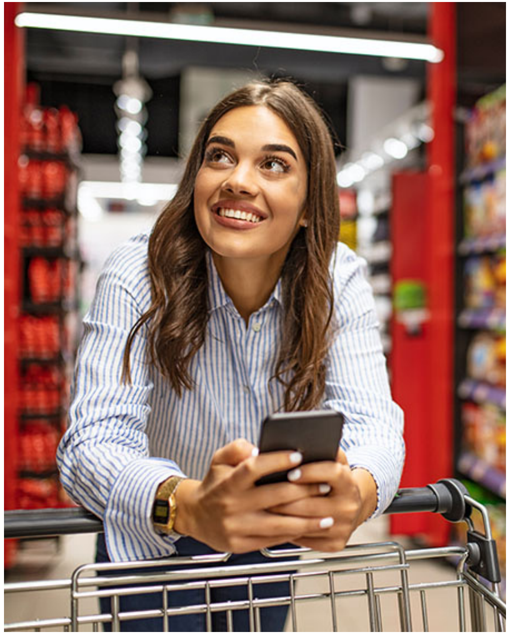
# Customers use apps mainly for cost savings



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# Key Takeaways

# Key Takeaways

1

***Grocery store brands must be vigilant about their customers switching to another brand.*** Although only about 2% of shoppers have plans to completely switch brands in the next 90 days, the typical grocery shopper shops multiple grocery store brands (94%) and spends only about two-thirds of their grocery dollars (67%) at their primary grocery brands. With the onset of high inflation, brands should note the most frequently cited reasons for switching are price and value oriented - better sales and promotions, better value, better variety of merchandise higher quality produce.  Adding to the value mix, primary grocery brands also are conveniently located for the consumer.

2

**Grocery brands with the highest customer loyalty are Trader Joes, H-E-B, Woodman's Market and Wegmans.** H-E-B, Wegmans and Publix are noted as "best in class" among shoppers who regularly visit multiple brands. These brands also score well with consumers on our CLI, Trust and Share of Wallet measures, making them well positioned in the competitive landscape.

# Key Takeaways

3

***The primary drivers of shopper satisfaction are a problem free experience, having a variety of products available, a clean store and a fast checkout.*** Low stock and slow or long check out lines are the problems most frequently cited by consumers. As one might surmise from our take on CLI, standout brands with few reported problems include Trader Joe's, Smiths, and Wegmans. Given the leverage associated with problem free experience, these brands stand to gain share of wallet with improved consumer Trust that comes with problem free experience over time. Today's winners on Trust are those best-in-class standouts: H-E-B, Publix, as well as Trader Joe's – given its almost cult-like status with customers.

4

**With COVID waning, we see a slowing in the growth of customers having groceries delivered with percentage decreasing over the past couple of years from 27% to 10%.** However, we also note an increasing percentage of grocery shoppers order their groceries online or with an app, combined with curbside pick up. This fulfillment method is increasing from 16% to 23% over the past couple of years. Over two-thirds of these customers (68%) are very satisfied with these pick-up experiences. As technology continues to be applied to the grocery shopping experience, combining with the advent of alternate fulfillment, read that as quasi-DIY methods, we forecast continued significant growth in these non-traditional channels of grocery buying and fulfillment.

# Thank you!

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# Appendix

Vertical Sentiment Trend

# Panel Survey Methodology Overview

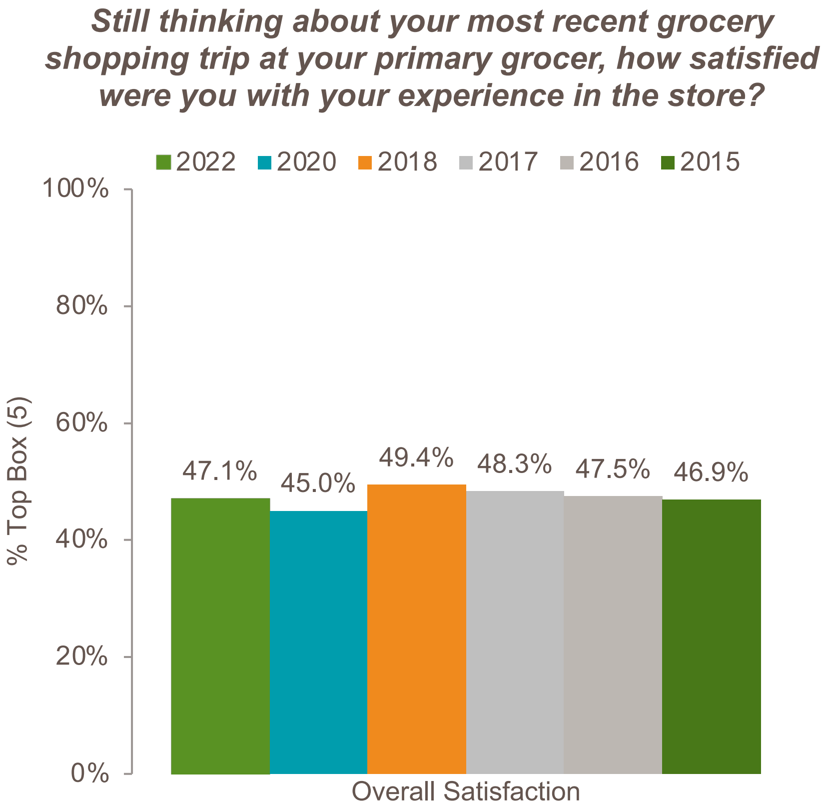
## Data Collection

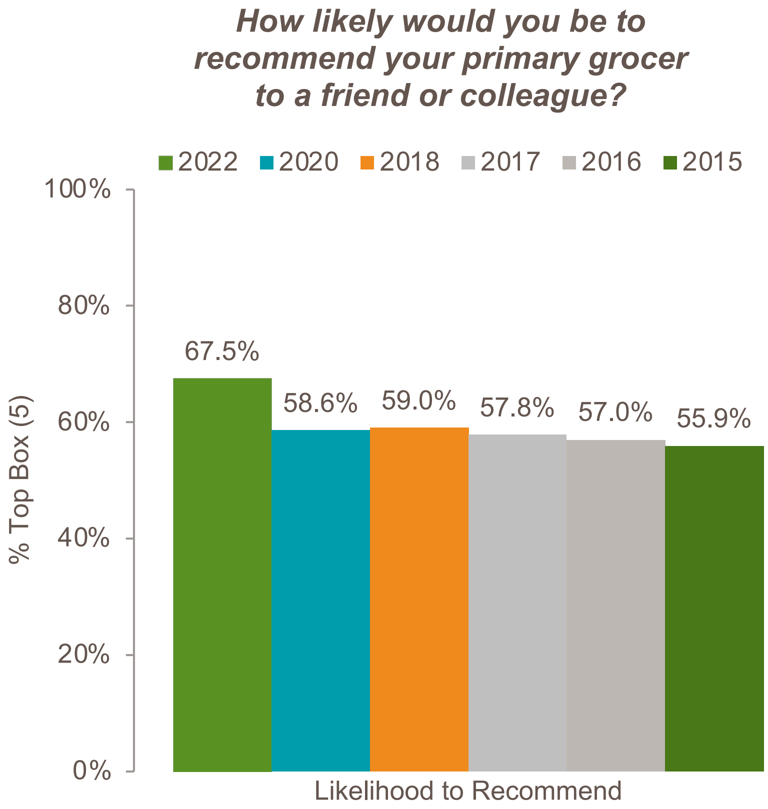
- Survey invitation link is emailed to current MFI panelists
- Survey link is active on average of 10 – 14 days
- Only completed surveys are retained
- Respondents may only participate once per survey
- Incentive is generally multiple prizes for completed surveys chosen at random
- Brand lists reflect national and large regional multi-location retailers

## Data Analysis

- Only brands with 20+ reviews are showcased
- Average scores represent all brands that received votes in the survey
- Top Box scores represent the percentage of “5” ratings on a 1-5 scale unless otherwise noted
- Composite Loyalty Index is the average of percent top box Recommend and percent top box Satisfaction at the brand level
- Driver model is performed using SmartPLS software for structural equation modeling (SEM) using the partial least squares (PLS) path modeling method

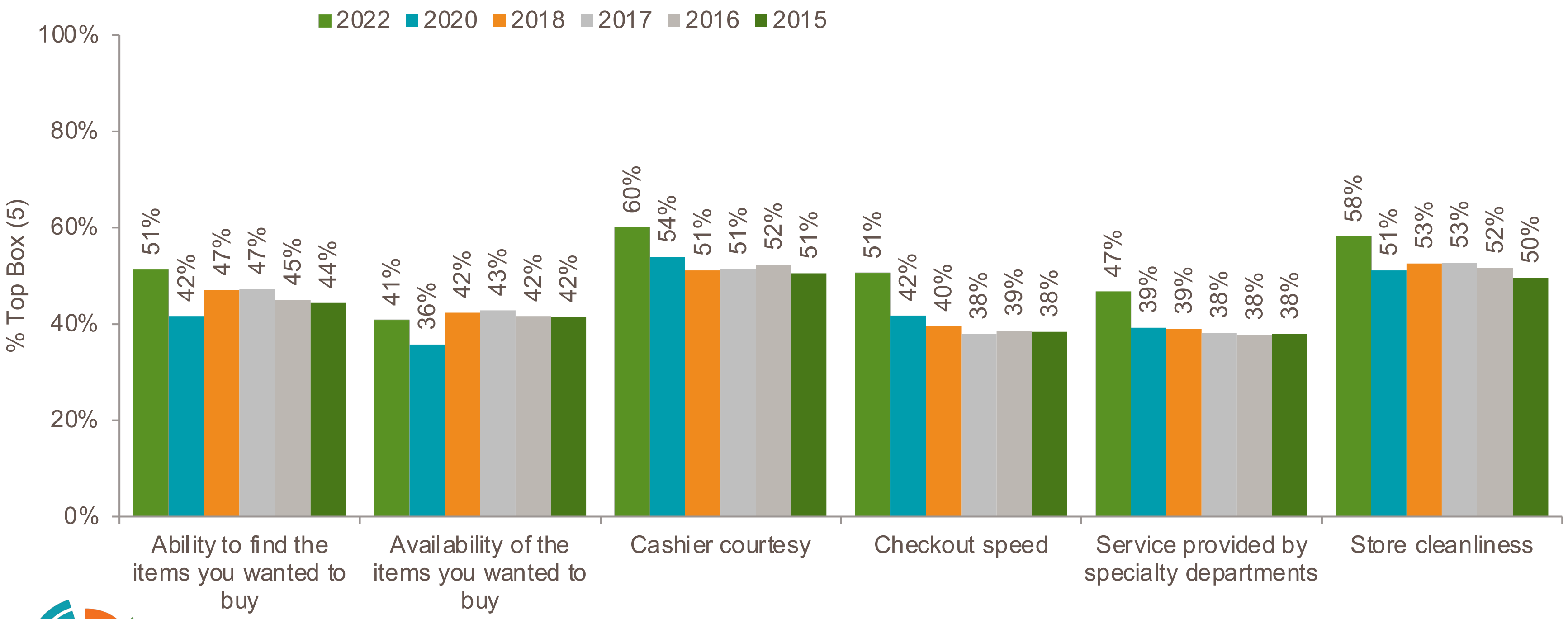
# Satisfaction and Recommend



# Attribute Trend

***Thinking about your most recent experience shopping at your primary grocer, please rate your satisfaction with each of the items below, where 1 = Not at all satisfied and 5 = Very satisfied:***

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# Appendix

Details by Brand

# **Value for Money** – All 45 Brands with 20 or More Surveys

| VALUE FOR MONEY | |
|---|---|
| **Brand** | **% Selected** |
| ALDI | 88.9% |
| Woodman's Markets | 87.5% |
| WinCo Foods | 87.4% |
| Lidl | 82.8% |
| Market Basket | 81.0% |
| Grocery Outlet | 78.1% |
| Costco | 74.6% |
| Sam’s Club | 71.4% |
| BJ's | 67.4% |
| Trader Joe’s Market | 62.5% |
| Fred Meyer | 61.2% |
| Schnuck Markets | 58.3% |
| Walmart | 58.2% |
| ShopRite | 54.1% |
| Smith’s | 53.9% |
| Hannaford Supermarkets | 53.1% |
| H-E-B | 52.9% |
| Food Lion | 51.9% |
| Jewel Osco | 50.0% |
| Sprouts Farmers Markets | 50.0% |
| King Soopers | 47.1% |
| Ralph’s | 45.0% |

| VALUE FOR MONEY | |
|---|---|
| **Brand** | **% Selected** |
| Dillons | 43.5% |
| Kroger | 41.9% |
| Price Chopper | 40.0% |
| Giant Food Stores | 39.8% |
| Fry's | 39.7% |
| Ingles Markets | 37.5% |
| Von’s | 36.4% |
| Winn-Dixie Stores | 36.1% |
| Shaws | 34.8% |
| Target | 34.5% |
| Meijer | 34.4% |
| Amazon Fresh | 33.3% |
| Wegmans | 33.3% |
| Weis Markets | 32.1% |
| Harris Teeter | 32.1% |
| Safeway | 30.6% |
| Stop & Shop | 30.6% |
| Hy-Vee Food Stores | 30.4% |
| Albertson's | 29.3% |
| ACME Markets | 22.2% |
| Publix Super Markets | 21.9% |
| Giant Eagle | 18.8% |
| Whole Foods Market | 11.9% |

Brands with 20 or more surveys

# Problem Experience – All 34 Brands with 30 or More Surveys

| Primary Grocer | Experienced a Problem (# Yes) | Experienced a Problem (% Yes) |
|---|---|---|
| Smith's | 0 | 0.0% |
| Trader Joe's Market | 1 | 1.3% |
| Winn-Dixie Stores | 1 | 1.6% |
| Wegmans | 1 | 2.4% |
| Grocery Outlet | 1 | 2.4% |
| Ralph's | 2 | 3.3% |
| Costco | 13 | 3.4% |
| ALDI | 27 | 4.0% |
| Giant Eagle | 2 | 4.2% |
| H-E-B | 9 | 4.4% |
| WinCo Foods | 4 | 4.6% |
| Fry's | 3 | 4.8% |
| Market Basket | 2 | 4.8% |
| Whole Foods Market | 2 | 4.8% |
| Sam's Club | 9 | 5.3% |
| Stop & Shop | 4 | 5.6% |
| Publix Super Markets | 20 | 5.6% |

| Primary Grocer | Experienced a Problem (# Yes) | Experienced a Problem (% Yes) |
|---|---|---|
| Price Chopper | 2 | 5.7% |
| BJ's | 3 | 6.5% |
| Harris Teeter | 6 | 7.4% |
| Fred Meyer | 4 | 8.2% |
| Kroger | 64 | 8.5% |
| Hy-Vee Food Stores | 6 | 8.7% |
| King Soopers | 6 | 8.8% |
| Jewel Osco | 3 | 8.8% |
| Albertson's | 7 | 9.3% |
| ShopRite | 15 | 11.1% |
| Meijer | 14 | 11.2% |
| Food Lion | 12 | 11.3% |
| Giant Food Stores | 10 | 11.4% |
| Target | 10 | 11.5% |
| Hannaford Supermarkets | 4 | 12.5% |
| Safeway | 17 | 12.7% |
| Walmart | 177 | 13.1% |

Brands with 20 or more surveys

# Best in Class – by Grocery Brand Department / Attribute

| | Overall | Departments | | | | | | | | | | Other Brand Attributes | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Brand** | **Overall** | **Meats** | **Fish / Seafood** | **Fresh Produce** | **Deli** | **Prepared Foods** | **Bakery** | **Pharmacy** | **Florist** | **Frozen** | **Dairy** | **Grocery Aisles** | **Non-Food** | **Checkout** | **Price Compete** | **Value for Dollar** |
| Wegmans | 76% | 83% | 81% | 87% | 81% | 83% | 78% | 75% | 74% | 51% | 87% | 87% | 31% | 71% | 24% | 32% |
| H-E-B | 73% | 86% | 93% | 88% | 86% | 86% | 79% | 76% | 81% | 69% | 83% | 85% | 42% | 71% | 70% | 73% |
| Publix Super Markets | 61% | 73% | 80% | 81% | 95% | 82% | 86% | 78% | 79% | 61% | 86% | 87% | 28% | 79% | 27% | 29% |
| Trader Joe’s Market | 53% | 50% | 39% | 57% | 20% | 32% | 39% | 0% | 89% | 81% | 56% | 58% | 14% | 87% | 52% | 56% |
| Market Basket | 52% | 74% | 57% | 63% | 63% | 76% | 74% | 17% | 42% | 61% | 77% | 79% | 47% | 45% | 83% | 85% |
| Costco | 52% | 76% | 73% | 48% | 27% | 73% | 58% | 63% | 51% | 81% | 51% | 52% | 72% | 49% | 71% | 80% |
| Hy-Vee Food Stores | 48% | 70% | 84% | 66% | 80% | 81% | 71% | 74% | 80% | 67% | 77% | 78% | 35% | 59% | 28% | 29% |
| Sprouts Farmers Mark | 46% | 71% | 67% | 88% | 61% | 61% | 43% | 12% | 6% | 46% | 50% | 48% | 23% | 65% | 42% | 58% |
| Woodman's Markets | 46% | 33% | 53% | 64% | 30% | 24% | 55% | 0% | 22% | 86% | 82% | 86% | 57% | 62% | 73% | 68% |
| Dillons | 43% | 80% | 100% | 95% | 94% | 74% | 73% | 85% | 92% | 64% | 82% | 82% | 33% | 76% | 52% | 45% |
| Weis Markets | 43% | 70% | 70% | 68% | 58% | 48% | 60% | 79% | 86% | 50% | 79% | 79% | 35% | 77% | 50% | 50% |
| Whole Foods Market | 38% | 81% | 94% | 90% | 64% | 94% | 87% | 7% | 53% | 26% | 49% | 50% | 6% | 54% | 12% | 14% |
| Smith’s | 35% | 61% | 70% | 69% | 62% | 53% | 67% | 71% | 67% | 69% | 78% | 79% | 43% | 79% | 51% | 63% |
| Harris Teeter | 35% | 80% | 75% | 62% | 88% | 71% | 57% | 71% | 64% | 62% | 76% | 77% | 29% | 66% | 28% | 30% |
| Lidl | 34% | 60% | 68% | 64% | 14% | 10% | 72% | 0% | 18% | 46% | 75% | 75% | 24% | 54% | 93% | 93% |
| Fry's | 33% | 56% | 56% | 61% | 65% | 60% | 54% | 69% | 77% | 62% | 73% | 74% | 33% | 71% | 64% | 58% |
| Ingles Markets | 33% | 85% | 81% | 61% | 87% | 95% | 83% | 71% | 79% | 82% | 65% | 65% | 65% | 74% | 36% | 29% |
| Giant Food Stores | 32% | 48% | 47% | 55% | 71% | 63% | 53% | 65% | 59% | 63% | 80% | 83% | 38% | 71% | 55% | 49% |
| Fred Meyer | 31% | 48% | 53% | 67% | 50% | 33% | 45% | 75% | 36% | 38% | 80% | 82% | 57% | 60% | 63% | 63% |
| ALDI | 30% | 39% | 32% | 57% | 12% | 6% | 12% | 1% | 8% | 50% | 64% | 64% | 21% | 70% | 94% | 96% |
| ShopRite | 29% | 68% | 73% | 64% | 69% | 63% | 67% | 59% | 67% | 61% | 77% | 79% | 55% | 53% | 55% | 56% |
| WinCo Foods | 29% | 51% | 53% | 63% | 53% | 33% | 33% | 2% | 4% | 67% | 70% | 72% | 37% | 45% | 91% | 84% |
| Price Chopper | 29% | 76% | 59% | 68% | 70% | 71% | 74% | 33% | 74% | 52% | 76% | 73% | 44% | 63% | 45% | 45% |
| Hannaford Supermark | 28% | 83% | 72% | 73% | 80% | 63% | 54% | 70% | 50% | 54% | 80% | 80% | 52% | 67% | 43% | 40% |
| Kroger | 27% | 60% | 60% | 61% | 68% | 54% | 55% | 63% | 72% | 63% | 65% | 66% | 36% | 57% | 51% | 51% |
| Meijer | 25% | 67% | 55% | 72% | 74% | 68% | 51% | 75% | 37% | 73% | 74% | 75% | 54% | 59% | 39% | 39% |
| Sam’s Club | 23% | 66% | 54% | 39% | 20% | 55% | 55% | 34% | 35% | 74% | 51% | 52% | 66% | 78% | 69% | 79% |
| Von’s | 23% | 59% | 64% | 44% | 87% | 65% | 76% | 71% | 73% | 50% | 89% | 89% | 29% | 61% | 59% | 44% |
| Ralph’s | 22% | 65% | 70% | 67% | 72% | 56% | 60% | 48% | 58% | 57% | 70% | 74% | 39% | 64% | 48% | 46% |
| Winn-Dixie Stores | 21% | 77% | 68% | 51% | 55% | 55% | 57% | 43% | 51% | 65% | 77% | 77% | 22% | 61% | 49% | 50% |
| Amazon Fresh | 21% | 32% | 17% | 50% | 25% | 24% | 11% | 10% | 13% | 36% | 14% | 14% | 23% | 76% | 52% | 23% |
| Stop & Shop | 21% | 69% | 60% | 59% | 82% | 56% | 67% | 63% | 57% | 74% | 64% | 62% | 41% | 70% | 45% | 44% |
| Target | 21% | 21% | 17% | 28% | 15% | 21% | 18% | 72% | 11% | 54% | 66% | 66% | 87% | 80% | 51% | 45% |
| Albertson's | 20% | 68% | 77% | 58% | 69% | 59% | 46% | 70% | 67% | 44% | 65% | 72% | 19% | 54% | 30% | 27% |
| Safeway | 19% | 73% | 65% | 54% | 65% | 61% | 65% | 65% | 64% | 54% | 67% | 69% | 34% | 66% | 37% | 41% |
| Shaws | 17% | 71% | 68% | 57% | 48% | 42% | 67% | 31% | 69% | 63% | 67% | 67% | 47% | 62% | 50% | 43% |
| Schnuck Markets | 17% | 68% | 83% | 77% | 89% | 57% | 75% | 58% | 89% | 62% | 78% | 82% | 22% | 68% | 36% | 22% |
| King Soopers | 16% | 60% | 69% | 67% | 63% | 50% | 57% | 71% | 88% | 63% | 75% | 77% | 29% | 65% | 67% | 55% |
| Food Lion | 16% | 53% | 41% | 45% | 40% | 34% | 39% | 2% | 25% | 57% | 74% | 73% | 33% | 64% | 58% | 54% |
| BJ's | 15% | 59% | 46% | 37% | 45% | 39% | 46% | 0% | 17% | 80% | 51% | 49% | 69% | 67% | 74% | 76% |
| Jewel Osco | 15% | 70% | 54% | 63% | 71% | 46% | 54% | 73% | 62% | 48% | 52% | 52% | 22% | 55% | 40% | 48% |
| Grocery Outlet | 15% | 32% | 27% | 21% | 6% | 6% | 12% | 8% | 0% | 61% | 61% | 64% | 47% | 63% | 92% | 89% |
| Giant Eagle | 15% | 69% | 68% | 48% | 72% | 67% | 83% | 85% | 84% | 50% | 60% | 60% | 33% | 42% | 9% | 14% |
| ACME Markets | 7% | 57% | 50% | 48% | 60% | 58% | 39% | 44% | 60% | 55% | 58% | 61% | 35% | 58% | 29% | 26% |
| Walmart | 7% | 23% | 22% | 27% | 35% | 34% | 36% | 66% | 22% | 66% | 56% | 57% | 86% | 43% | 73% | 72% |

45 Brands with 20 or more surveys

# 6 Satisfaction Factors– by Grocery Brand

| Brand | Cashier Courtesey | Store Cleanliness | Ability to Find Items | Checkout Speed | Specialty Dept Services | Availability of Items |
|---|---|---|---|---|---|---|
| ACME Markets | 59% | 52% | 41% | 48% | 25% | 33% |
| Albertson's | 62% | 59% | 53% | 48% | 55% | 40% |
| ALDI | 72% | 61% | 57% | 65% | 27% | 31% |
| Amazon Fresh | 80% | 73% | 30% | 85% | 40% | 26% |
| BJ's | 61% | 64% | 54% | 59% | 29% | 43% |
| Costco | 66% | 76% | 48% | 44% | 53% | 43% |
| Dillons | 56% | 70% | 52% | 61% | 65% | 50% |
| Food Lion | 64% | 64% | 61% | 56% | 43% | 42% |
| Fred Meyer | 59% | 52% | 48% | 50% | 57% | 49% |
| Fry's | 49% | 52% | 40% | 44% | 50% | 35% |
| Giant Eagle | 65% | 63% | 60% | 52% | 59% | 60% |
| Giant Food Stores | 68% | 60% | 56% | 54% | 51% | 48% |
| Grocery Outlet | 76% | 63% | 49% | 63% | 32% | 17% |
| Hannaford Supermarkets | 71% | 77% | 50% | 50% | 52% | 25% |
| Harris Teeter | 63% | 77% | 53% | 53% | 65% | 59% |
| H-E-B | 77% | 80% | 58% | 60% | 78% | 56% |
| Hy-Vee Food Stores | 72% | 79% | 44% | 55% | 62% | 44% |
| Ingles Markets | 63% | 67% | 63% | 50% | 57% | 63% |
| Jewel Osco | 70% | 48% | 68% | 55% | 48% | 38% |
| King Soopers | 59% | 45% | 46% | 43% | 58% | 40% |
| Kroger | 57% | 53% | 53% | 47% | 44% | 44% |
| Lidl | 56% | 76% | 62% | 52% | 65% | 45% |
| Market Basket | 60% | 76% | 50% | 45% | 70% | 50% |
| Meijer | 45% | 57% | 45% | 48% | 43% | 32% |
| Price Chopper | 56% | 59% | 44% | 56% | 63% | 37% |
| Publix Super Markets | 83% | 88% | 69% | 63% | 76% | 63% |
| Ralph’s | 67% | 64% | 58% | 47% | 55% | 50% |
| Safeway | 57% | 56% | 43% | 47% | 40% | 34% |
| Sam’s Club | 62% | 67% | 54% | 76% | 56% | 44% |
| Schnuck Markets | 68% | 71% | 50% | 50% | 65% | 42% |
| Shaws | 63% | 61% | 48% | 48% | 50% | 22% |
| ShopRite | 46% | 54% | 54% | 43% | 49% | 49% |
| Smith’s | 73% | 61% | 57% | 71% | 49% | 63% |
| Sprouts Farmers Markets | 81% | 89% | 50% | 50% | 48% | 46% |
| Stop & Shop | 59% | 50% | 47% | 49% | 36% | 38% |
| Target | 73% | 70% | 48% | 61% | 38% | 33% |
| Trader Joe’s Market | 93% | 83% | 65% | 83% | 48% | 40% |
| Von’s | 70% | 77% | 59% | 68% | 50% | 36% |
| Walmart | 31% | 30% | 37% | 34% | 25% | 29% |
| Wegmans | 79% | 88% | 71% | 67% | 87% | 62% |
| Weis Markets | 71% | 71% | 79% | 74% | 57% | 54% |
| Whole Foods Market | 59% | 80% | 41% | 51% | 56% | 36% |
| WinCo Foods | 57% | 60% | 64% | 43% | 35% | 53% |
| Winn-Dixie Stores | 62% | 67% | 49% | 54% | 43% | 48% |
| Woodman's Markets | 68% | 63% | 58% | 50% | 50% | 83% |

45 Brands with 20 or more surveys

# Likely to Switch Grocery Brands – All 34 Brands with 30 or More Surveys

| Primary Grocer | Likely to Switch (# Yes) | Likely to Switch (% Yes) | Overall Satisfaction (% TB) |
|---|---|---|---|
| Meijer | 0 | 0.0% | 42% |
| Giant Food Stores | 0 | 0.0% | 55% |
| Harris Teeter | 0 | 0.0% | 57% |
| Trader Joe’s Market | 0 | 0.0% | 76% |
| Stop & Shop | 0 | 0.0% | 35% |
| Smith’s | 0 | 0.0% | 63% |
| Giant Eagle | 0 | 0.0% | 50% |
| Market Basket | 0 | 0.0% | 62% |
| Wegmans | 0 | 0.0% | 76% |
| Grocery Outlet | 0 | 0.0% | 56% |
| Price Chopper | 0 | 0.0% | 51% |
| Jewel Osco | 0 | 0.0% | 59% |
| Hannaford Supermarkets | 0 | 0.0% | 38% |
| ALDI | 6 | 0.9% | 53% |
| Food Lion | 1 | 0.9% | 52% |
| H-E-B | 2 | 1.0% | 76% |
| Costco | 4 | 1.1% | 60% |

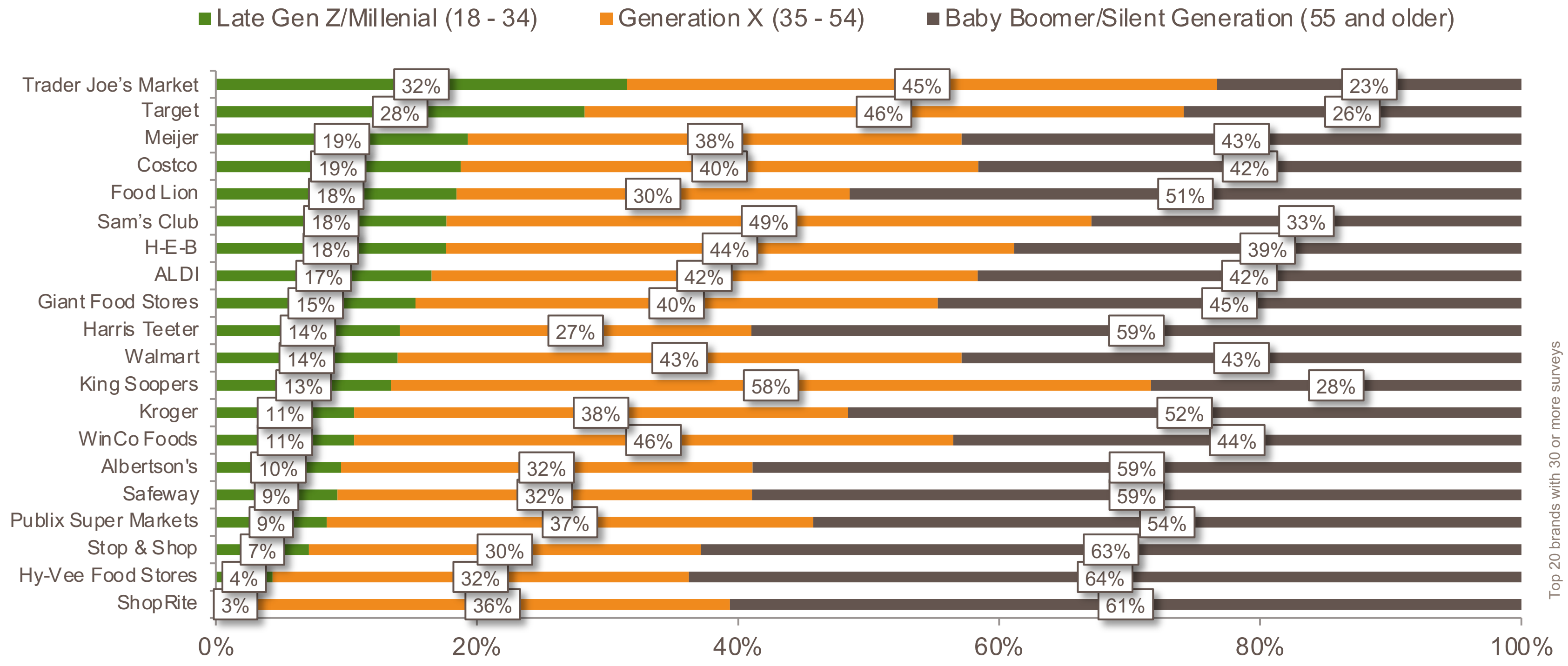
| Primary Grocer | Likely to Switch (# Yes) | Likely to Switch (% Yes) | Overall Satisfaction (% TB) |
|---|---|---|---|
| WinCo Foods | 1 | 1.2% | 49% |
| Kroger | 10 | 1.3% | 45% |
| King Soopers | 1 | 1.5% | 38% |
| Publix Super Markets | 8 | 2.2% | 71% |
| Whole Foods Market | 1 | 2.4% | 52% |
| Walmart | 35 | 2.6% | 23% |
| Albertson's | 2 | 2.7% | 44% |
| Hy-Vee Food Stores | 2 | 2.9% | 54% |
| Fry's | 2 | 3.2% | 44% |
| Winn-Dixie Stores | 2 | 3.3% | 51% |
| Sam’s Club | 6 | 3.5% | 58% |
| ShopRite | 5 | 3.7% | 44% |
| Fred Meyer | 2 | 4.1% | 43% |
| Safeway | 6 | 4.5% | 34% |
| Ralph’s | 3 | 5.0% | 43% |
| Target | 5 | 5.8% | 45% |
| BJ's | 3 | 6.5% | 48% |

marketforce INFORMATION®

Top 20 brands with 30 or more surveys

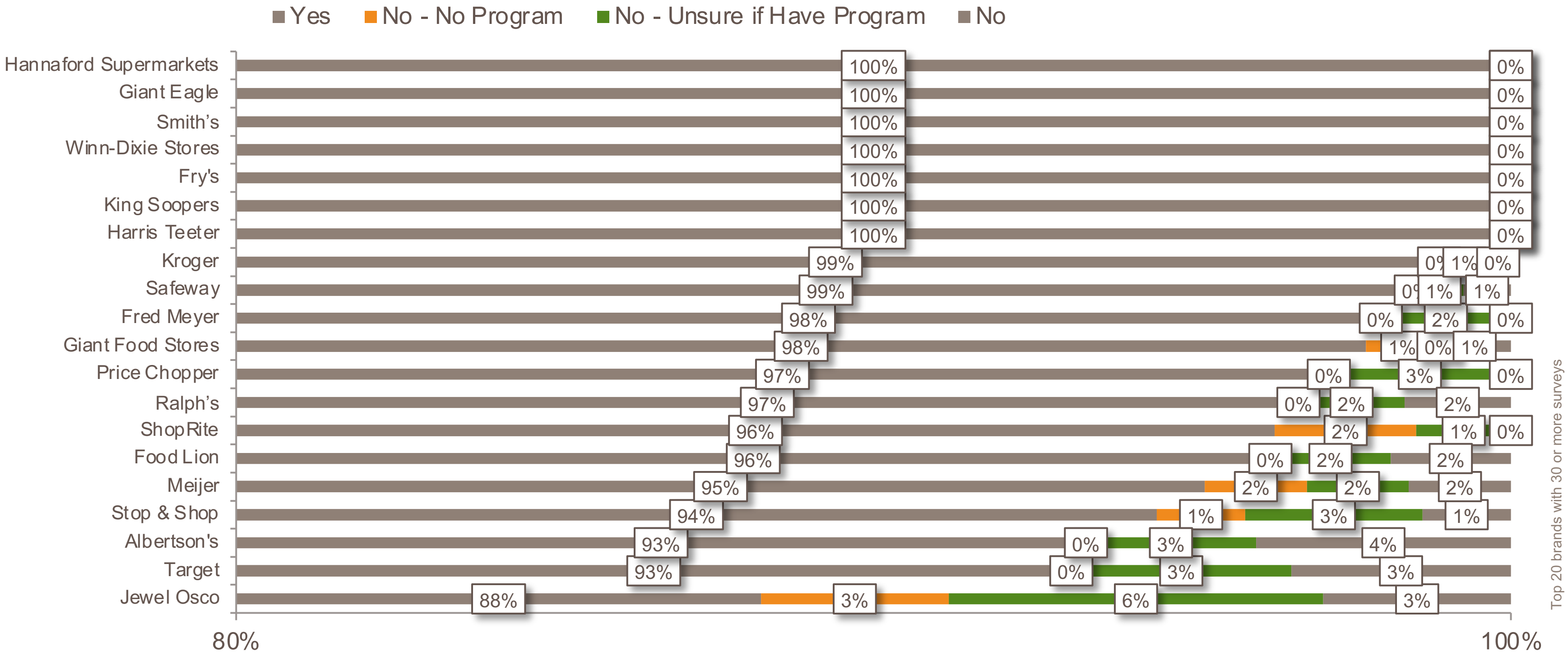
# Primary Grocer By Generation

***Think about the past 30 days and the amount of money you spent on grocery shopping. At which grocery retailer did you spend the majority of your grocery dollars?***



# Loyalty Program or Rewards Program Use By Brand

***Are you a member of your primary grocer's loyalty or rewards program?***




Loyalty/Rewards programs often include fuel points, cash back credit card, free shipping, exclusive coupons for membership, etc.

# Website / Mobile App Use By Brand