



# The State of Grocery Retail in 2023

October 2023

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## INTRODUCTION

Scope

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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For more information on this report, further enquiries can be directed via this link [www.euromonitor.com/the-state-of-grocery-retail-in-2023/report](http://www.euromonitor.com/the-state-of-grocery-retail-in-2023/report).