Online shopping gains popularity; Consumers still love local stores

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Amanda Radke | Nov 01, 11/1/2017



This summer, Amazon made headlines when it acquired Whole Foods. The new partnership connects Amazon Prime customers to Whole Foods' "house brand" items, and the merger could be a sign that online grocery shopping may soon become the norm and not for the elite few.

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As these changes begin to shape and change the food retail sector, the beef industry will have its fair share of challenges in meeting consumer demands while also ironing out the kinks in fresh and frozen delivery services.

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However, despite the added convenience of online food shopping, which also offers the benefits of using online coupons, budgeting tools, free pickup and delivery, plus time saved, there is going to be one barrier that may be insurmountable — the emotional connection to in-store shopping.

This prediction is from the Hartman Group, which specializes in food and beverage sales strategies.

According to the Hartman Group's 2017 Food Shopping In America report, "The biggest barrier to online grocery shopping is simply enjoying shopping in person — among the 71% of consumers who haven't placed an order online for grocery items in the past three months, almost half (48%) said the main reason was that they enjoy shopping in person more."

Yet, despite this concern, online shopping for food continues to grow. In 2017, 29% of shoppers ordered food online

in the past three months compared to 23% in 2014 and 18% in 2012.

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"While today's consumers are omnichannel shoppers, brick-and-mortar grocery remains the most used channel, with 86% having shopped it in the last 30 days," says the Hartman Group. "Grocery serves as a convenient generalist, but growing use of emerging channels threatens it on both convenience and selection."

The online grocery channel will continue to target its key demographics — parents and younger consumers — but the Hartman Group says the channel will need to work to overcome certain barriers, such as perceptions of poor selection and inconvenience, to attract more online food shoppers.

For decades, the beef industry has worked to present attractive meat cases filled with beautiful cuts of steaks and burgers and ample educational materials such as meat selection, preparation and recipe ideas.

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With this new era of online shopping, the beef industry will not only have to focus on the meat case, but also determine ways to promote beef cuts, labels and various cooking methods through an online platform. Strategically, this might require interactive Q&A sessions with a butcher or video demonstrations of recipes with links on where to buy individual ingredients.

It won't be easy to adapt, particularly for those of us used to shopping in stores; however, we must listen to the pulse of our customers unless we want to lose market share to alternative proteins in the online shopping arena.

The opinions of Amanda Radke are not necessarily those of beefmagazine.com or Farm Progress.