

GERMAN ONLINE GROCERY REPORT 2022

The World of **Grocery** **Shopping** is Changing

Key Insights and Expert Voices from
the 2022 Online Grocery Report



Spryker × **appinio**





Report from Spryker & Appinio

The German 300 billion euro grocery retail industry is in transition. New online providers have leveraged the pandemic to build massive brand awareness in a short time. In a representative nationwide survey, Appinio asked 2,500 end consumers a range of detailed questions about their experiences of online grocery shopping to date and their opinions regarding it. The result is the largest and most detailed set of data currently available about online food shopping habits in Germany, collated in cooperation with Spryker. These findings reveal how consumers perceive and use brands, and what expectations and wishes they still have from online groceries.

Understanding online grocery potential

How do Germans buy groceries? What are drivers, blockers, and use cases for online groceries? And what will it look like in two years?

These are the hot brands 2022

The brand landscape in German grocery retailing ranges from young disruptors like Gorillas or Flink to long-established retail leaders such as Rewe. But how are they received, and when do customers buy from which brands?

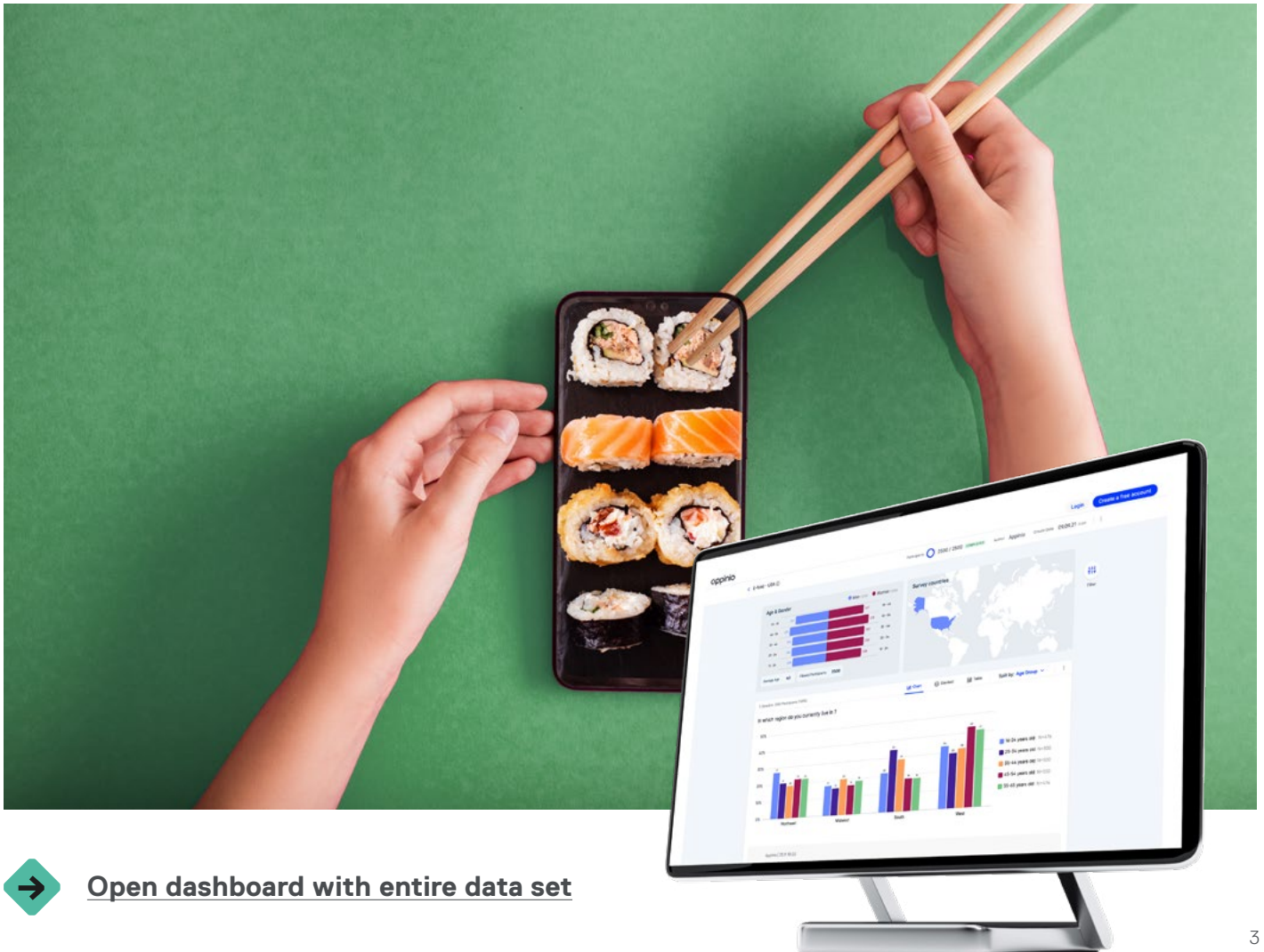
Implications for e-commerce

Selling online is easy, creating an exciting online user experience is difficult. We examined the technological details behind the use of e-grocery services, and translated them into strategic business recommendations.

Drawing both on our expertise in online groceries and the most comprehensive market research in Germany currently available, this report provides an overview of the 2022 status quo in online groceries in Germany, offers some recommendations for market participants, and makes essential reading for anyone trying to understand what is happening in this fast-moving sector.



[Download and read the entire 40-page report here](#)



[Open dashboard with entire data set](#)

KEY INSIGHTS

REWE 75%

REWE is Germany's best-known online grocer (75% recognition). On-demand companies like Gorillas and Flink are quickly challenging the status quo.

One-third of consumers in Germany are already doing some food shopping online.

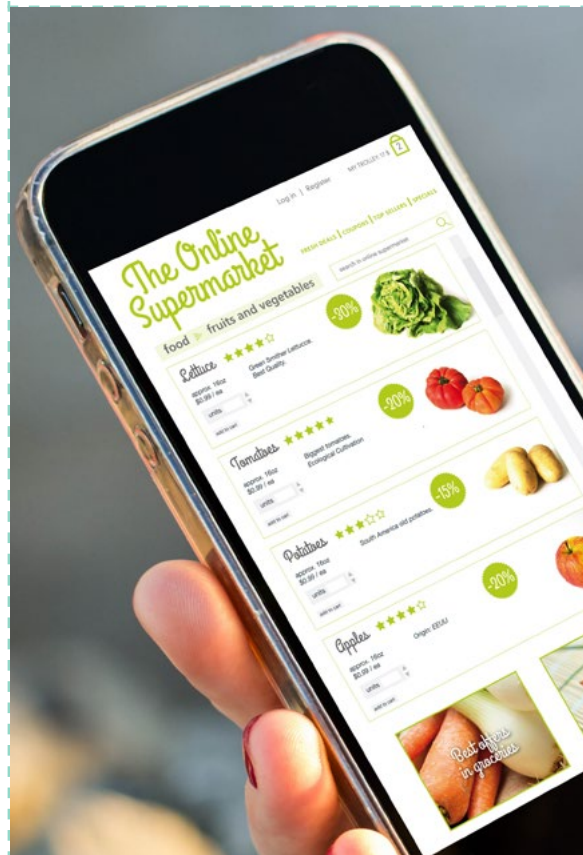


Around 1 in 4 online grocery buyers (22%) do all their weekly groceries online.

In 2 years from now:



around one-fifth of Germans can see themselves buying all or almost all of their groceries online.



60% of German grocery shoppers say they spend between



€20 and €100 weekly buying food online.

Find out what experts are saying about the future of online groceries



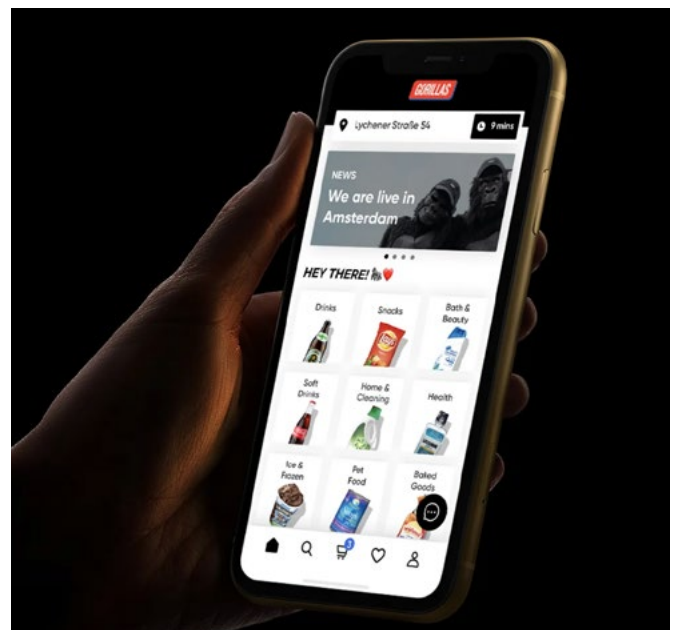
Kağan Sümer, CEO & Founder, Gorillas

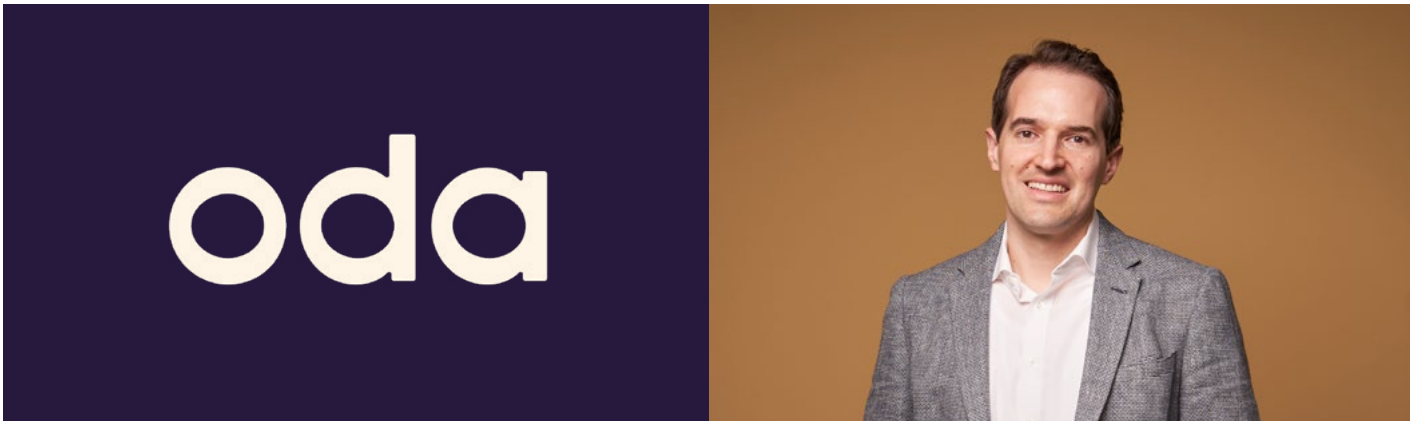
Instant delivery is transforming the grocery industry with lightning speed and moving faster than any other industry. Gorillas' value proposition is perfect convenience—whatever you need, delivered immediately. This is a natural evolution of grocery shopping, and I fundamentally believe this is the model for the future. I expect a fast transition from scheduled delivery to Q-commerce. People will still want the convenience of online shopping, but because they are no longer confined to their homes, they will want a retail model that delivers goods immediately. Once customers start using Gorillas, they rarely go back to traditional supermarkets. Q-commerce has an incredible growth potential in an existing 110 billion market and our journey has just begun.

As an additional benefit, we generate data-driven insights through our platform that are extremely valuable to CPG companies, and we can help both global brands and local suppliers gain insights into customer trends and behaviors. We are in a prime position to create new brands and even shape future product assortment. At the same time, our scale opens the door to new revenue streams, such as retail media networks, that are extremely valuable and could therefore enable us to pursue innovative retail partnerships.”

About Kağan Sümer:

Kağan Sümer is the CEO and Founder of Gorillas, the leading European instant on-demand delivery service. It was in the early years of a career in consulting and after a life-changing bike ride, that Kağan envisioned a world where grocery shopping would be radically faster and far more convenient, and so, Gorillas was born in May 2020. In just over a year and a half, Kağan and his team have taken the grocery industry by storm, hiring more than 14,000 employees globally and expanding in 60 cities across 9 countries.





Malte Nousch, Managing Director, Oda Germany

We continue to see significant growth potential in the German online grocery market. The recent demand spurt in Germany shows that customers are ready to try out new offerings for their weekly groceries. We are convinced that thanks to our automated logistics model as well as our intuitive app and web shop, the grocery shopping of tomorrow is much easier, time-efficient, and convenient but above all more sustainable with lower food waste and a lower carbon footprint on the last mile. To give you some concrete examples: With Navegante, Oda has developed its own navigation system that plans routes as effectively as possible for our drivers. This decreases the distances driven and helps protect the environment. Another example: our climate receipt. We show our customers the CO2 emissions of the products we offer and the aggregate impact of their purchases. This is a simple but effective way to inform and encourage our customers to make climate-friendly choices. If we continue to innovate and educate German customers about these advantages of online grocery shopping, I am confident remaining barriers will fall and the online share of grocery sales will markedly increase.

The entire Oda team and I are looking forward to start serving customers in the Ruhr Valley and Berlin later this year. By delivering their weekly groceries to their doorsteps we want to provide more space for life for German customers.

About Malte Nousch:

Malte Nousch is the Managing Director of Oda Germany and a member of Oda’s international management team. Prior to joining Oda, Malte held leadership positions with Kaufland, Tesco and McKinsey. Oda (www.oda.com) is Norway’s largest and most sustainable online grocery business which provides people with same and next-day home deliveries of high-quality groceries, meal-kits, and household items. After establishing itself in Norway, the online supermarket expanded to Finland in early 2022. Currently, the market launch in Germany is being prepared from Berlin - with fulfillment centers in Bochum and Mittenwalde near Berlin for the second half of 2022.





Udo Kießlich, e-commerce and e-food strategist

The results of Spryker's and Appinio's e-food report once again confirm the prevailing winds for e-food for a good 10 years. At the same time, new entrants have taken advantage of the pandemic to build brand awareness in a short period of time.

Based on all the data and insights I see in the market, e-food's market share of total food retailing is around 2-3% nationwide, which is roughly in line with the data of this study. However, it is worth looking at the metropolitan areas, because that is where the growth is concentrated. In large cities (> 500k), 5% is probably already a reality and a medium-term increase to 8-10% is foreseeable. Store space deconstruction thus starts there first.

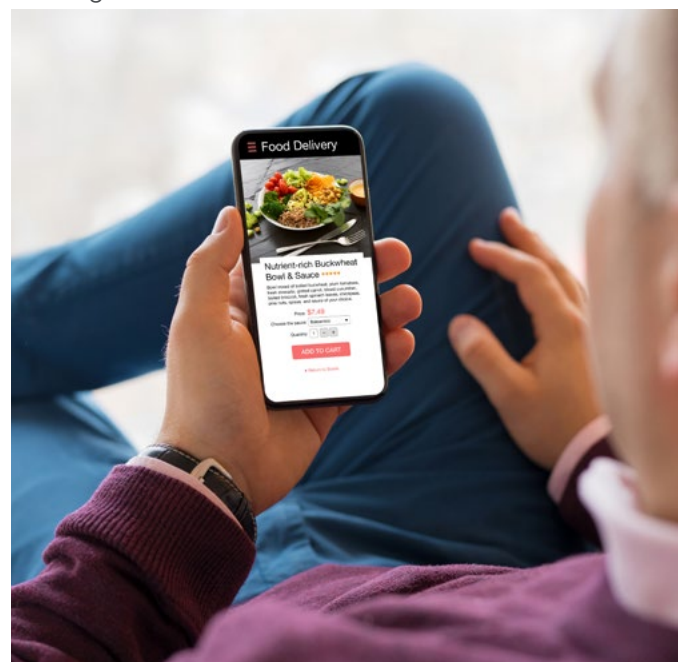
This study also confirms Rewe's leading position in e-food due to the very high awareness of the service. At the same time, newcomers such as Gorillas, Flink, Getir, Wolt and knuspr have scored in a short time. Picnic has achieved outstanding awareness at the federal state level in North Rhine Westphalia with 55%. In 2022, e-food is likely to be characterized by further growth and differentiation with the expansion of knuspr, Getir, Oda, and Yababa, as well as asset-light models such as Bringman and BringGo.

The two largest untapped market segments in online groceries are a) discount supermarkets -

where there is not yet a full-line e-food provider; and b) a pure-play organic full-line. It will be exciting to see whether a new or established player closes this gap first.

About Udo Kießlich:

Udo is an e-commerce expert, advisor and BA. As former CEO (Allyouneed Fresh; kollex) he advises start-ups, investors and manufacturers with a focus on e-food and e-commerce. He is a podcast guest on Kassenzonen, K5-TV and digital kompakt. Udo holds a master's degree in business administration from WHU - Otto Beisheim School of Management.





Yara Molthan, Director Business Consulting, Spryker

Our series of online grocery reports in collaboration with Appinio is about taking the pulse of the market from those leading the most rapid change: the consumers. The results show that German supermarket chains risk losing out on higher spending customers if they ignore the growing demand for online channels, especially considering that consumers expect their online shopping to double over the next two years. The oligopoly of the existing players will be subject to heavy disruption from new competitors taking advantage of their lack of speed and flexibility.

Big players like REWE have already responded and are being rewarded with high levels of brand recognition, and now it's up to discounters to catch up with the online ordering trend. The report revealed that brands like ALDI and Lidl have a golden opportunity to take advantage of the pent-up demand in the German market for online groceries at lower price points.

The offline supermarket experience is not going away anytime soon, however, so retailers need to invest in technology infrastructure that is able to link on- and offline channels without any friction. The customers of tomorrow will expect a seamless experience where they have the power to choose where and how they want to shop for their groceries. Composable commerce is the only choice for retailers looking to keep pace with the modern consumer's expectations, allowing 360-degree

flexibility through best-of-breed services and rapid integration.

About Yara Molthan:

As Director Business Consulting at Spryker, Yara is our expert for business models behind the technology. Previously, she operated as senior manager at the digital consultancy Etribes and was significantly involved in building and scaling three digital startups in China and Germany. Her core competencies and consulting focuses include the design and implementation of comprehensive digital projects, the acquisition and connection of new digital distribution channels in Germany and abroad, and their operational management.





About Appinio

Appinio is the global market research platform which enables companies to source thousands of opinions from specific target audiences worldwide - in just a few minutes. For the first time, everyone can validate decisions and ideas in real-time with representative results from consumers. As the fastest solution for market research, Appinio delivers feedback from 90+ markets to more than 1000 companies from all industries. Customers include VW, Unilever, Netflix, Gorillas, Jägermeister, and Red Bull.



Spryker

About Spryker

Spryker enables companies to build sophisticated transactional business models in unified commerce including B2B, B2C, D2C, and Enterprise Marketplaces - out of one stack. Spryker customers extend their sales reach and grow revenue with a system that allows them to increase operational efficiency, lower the total cost of ownership, and expand to new markets and business models faster than ever before.

Gartner® recognized Spryker as a Visionary in the 2021 Magic Quadrant for Digital Commerce, and our solutions have empowered 150+ companies to manage transactions in more than 200 countries worldwide. Customers include Aldi, Toyota, Siemens, Ricoh, and Hilti.

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