

# Colorado Food Insights: Online Shopping Trends

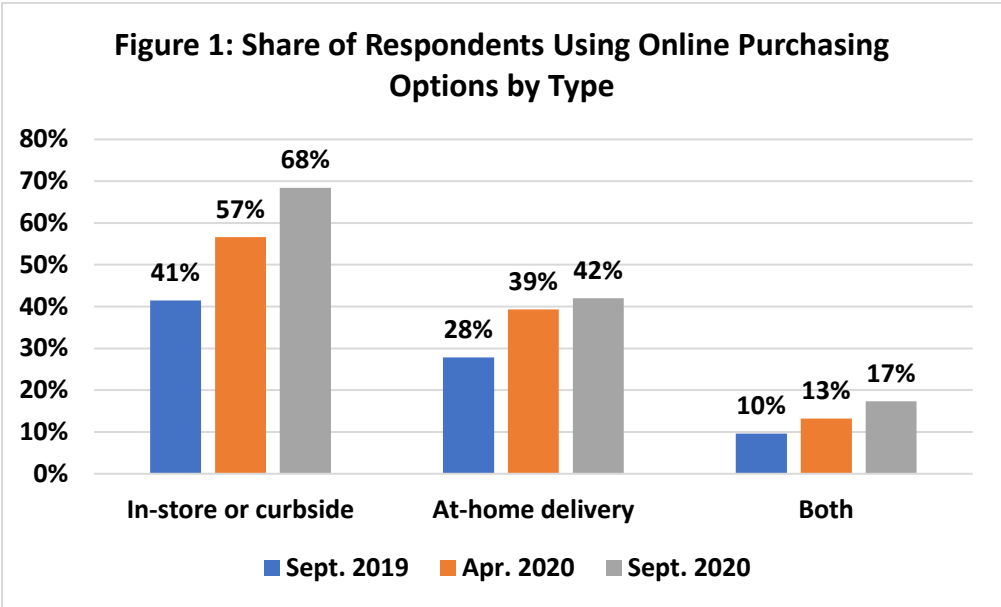
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August 30, 2021

## Online Shopping Trends

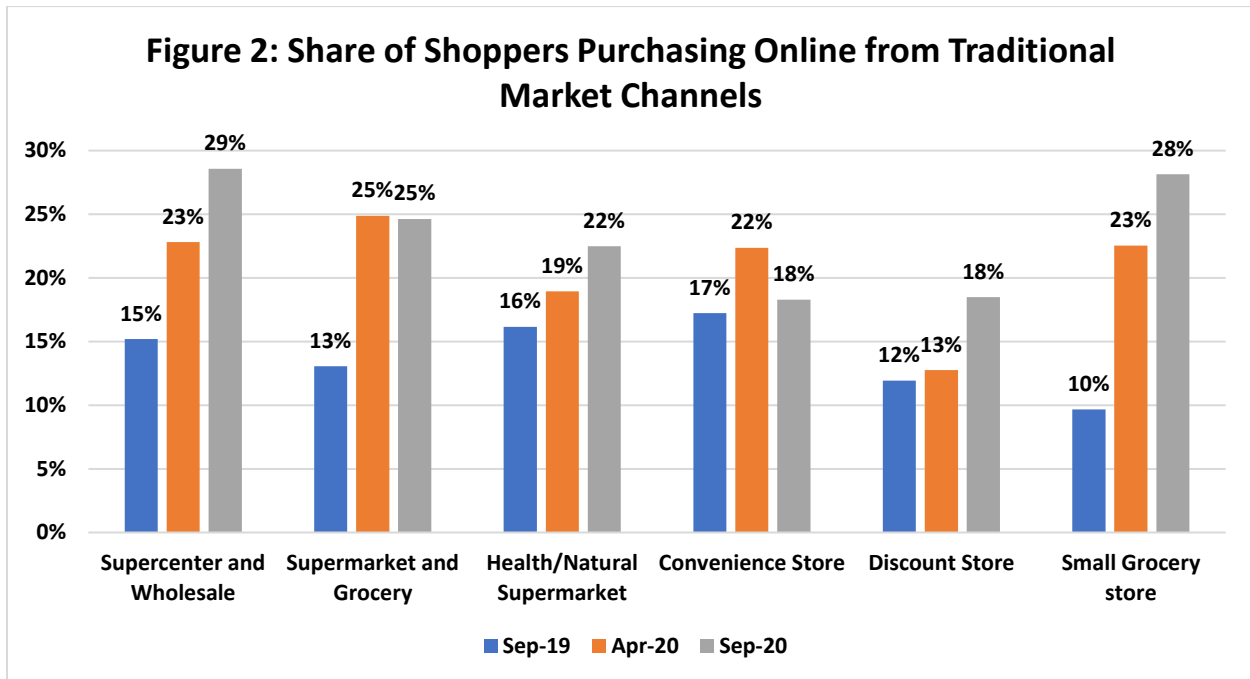
At the onset of the pandemic, many businesses scrambled to find ways to make consumers feel safe to continue to shop at their business. Many food businesses adapted by offering online purchasing options. As consumers became more familiar with online options, usage of these platforms increased dramatically. In the national sample, 49% of respondents reported shopping for food online in September 2020. In Colorado, we see even more dramatic results; 87% of the Colorado respondents reported using an online platform to purchase food in September 2020.

In Figure 1 below, it shows the largest participation rates were observed for the in-store or curbside pickup online purchasing options. After the onset of the pandemic in April 2020, the majority of Colorado respondents (57%) were utilizing the pickup option, and this percentage continued to increase as consumers adapted to the “new normal” pandemic circumstances (68% in September 2020). The at-home delivery option experienced an 11% increase from September 2019 to April 2020, but then participation only increased slightly (by 3%) in September 2020.

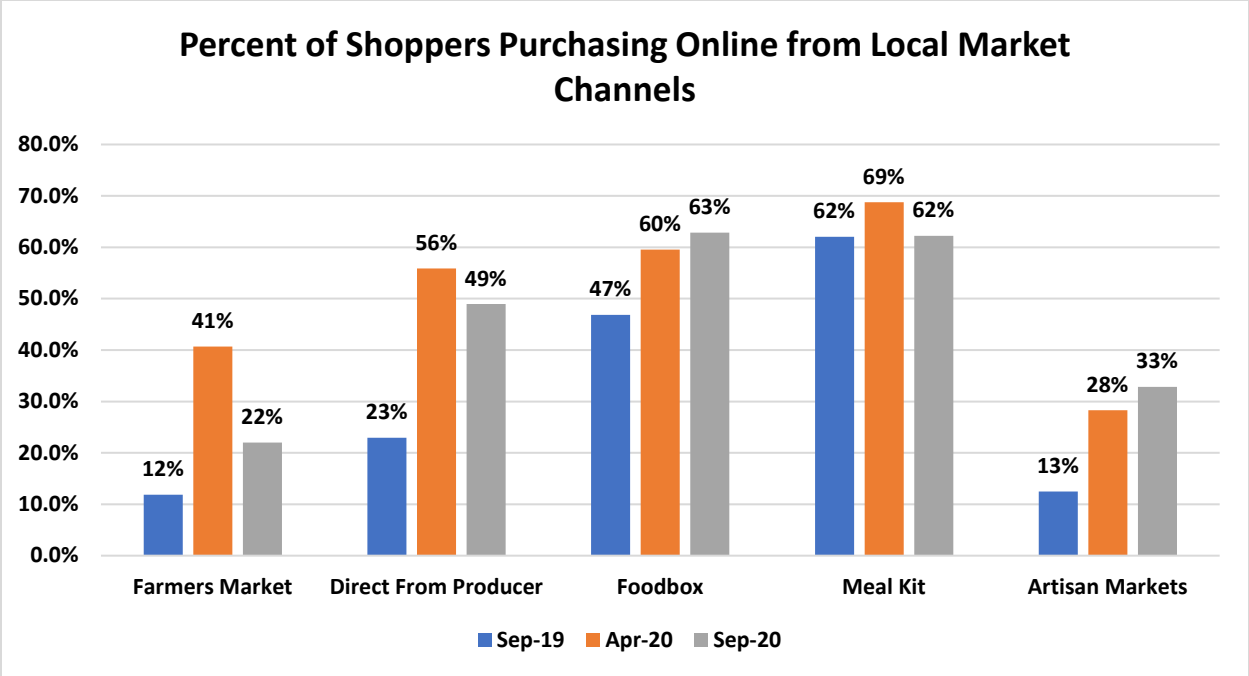


Across types of food market channels, we see a lot of variation in online platform usage. As was mentioned in the *Market Channel Choices* fact sheet, analyzing usage behavior of traditional and local market channels separately allows the nuanced motivation driving shopping behaviors to be observed more clearly. Figure 2 illustrates usage variation observed in traditional market channels. For these channels, we see that small grocery stores experienced the largest increase of shoppers utilizing online platforms, increasing from 10% in September 2019 to 28% in September 2020 (figure 2). At 29%, supercenters/wholesale retailers experienced the highest percentage of online shoppers during this “new normal” pandemic era. With the exception of

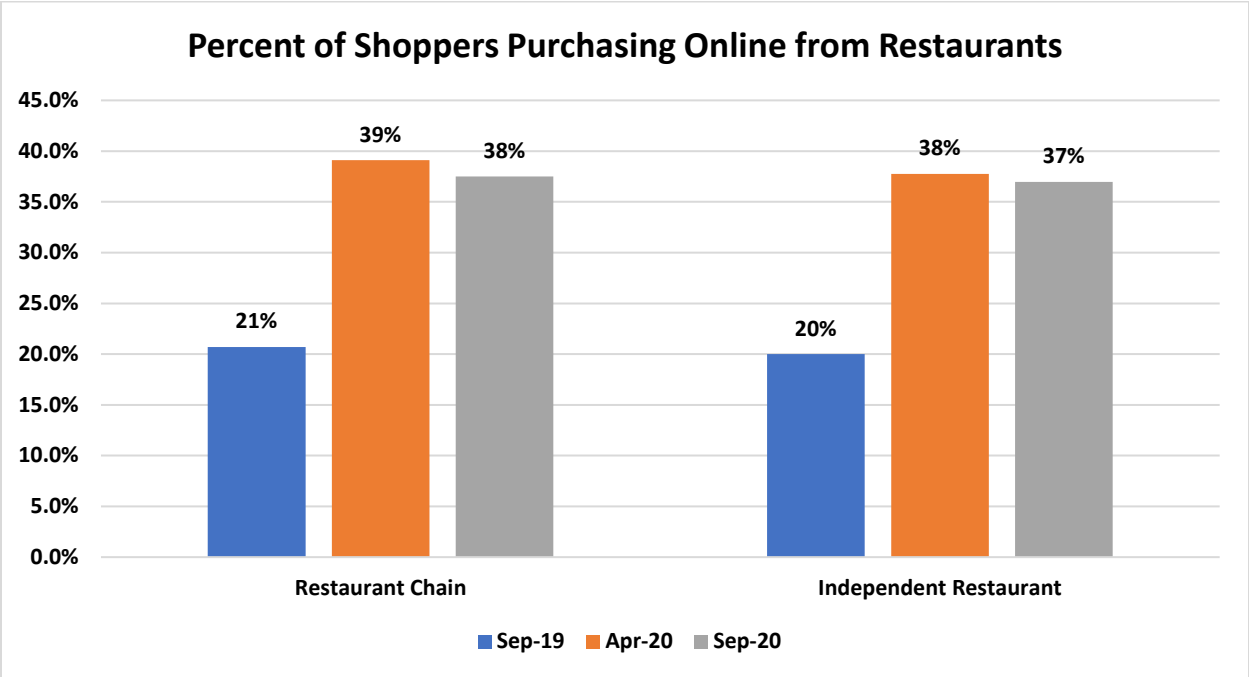
convenience stores, all traditional market channels experienced consistent increases in the percentage of their shoppers utilizing online options.



Shifting to local markets, we find that farmers markets, direct from producer sales, and meal kits all saw a significant increase in online sales in the early days of the pandemic (April 2020) but then experienced a drop in the percentage of their shoppers utilizing online platforms after April 2020. Meanwhile, those marketing food boxes and artisan markets (e.g., bakeries, delis, butchers) experienced a gradual increase of shoppers utilizing online platforms. These results do imply that local market channels were successful in their quick deployment of online options to drive sales during a difficult time for small businesses, but that consumer interest may vary depending on the nature of the local and regional market.



Comparing these findings to the national sample, we see similar trends and shares of online shoppers. One notable difference is that by September 2020, fewer Coloradans were shopping online at farmers markets compared to the national average (22% compared to 48% nationally), perhaps due to the perception that Colorado markets had adopted protocols perceived as safe for their customers.



Lastly, we see that restaurants also experienced an 18% increase in shoppers using online platforms compared to pre-pandemic figures and were almost identical for large restaurant

chains and independent restaurants. Again, this indicates an area in which local and independent channels were able to remain “competitive” with larger chains in their efforts to capture online sales. Compared to the national sample, slightly fewer Coloradans were purchasing online from restaurants both before the pandemic and during the “new normal” pandemic era. While around 20% of this sample utilized restaurants’ online purchasing options before the pandemic, 24% of the national sample did the same.

Funding for this work was provided by the Colorado Blueprint to End Hunger.