

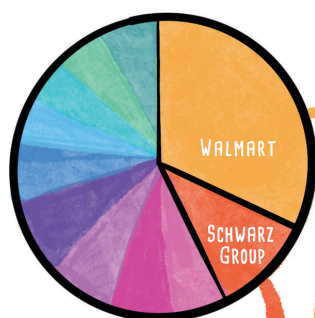
Grocery retail



– IN A NUTSHELL –

Companies in the **Grocery Retail** sector sell perishable and non-perishable foods (“edible grocery”) to consumers via retail outlets (including membership-only retail stores or online). The world’s largest grocery retailers sell both non-food products (“non-edible grocery”) and food. According to retail industry analyst Edge by Ascential, worldwide consumer spending on retail food and beverage totaled US\$8,271 billion (US\$8.3 trillion) in 2020.

TOP 10



RANK

% MARKET
SHARE

COMPANY
(HEADQUARTERS)

EDIBLE GROCERY SALES 2020
US \$ MILLIONS

1
2
3
4
5
6
7
8
9
10

1	29.70 %	WALMART (USA)	\$ 271,937
2	13.21 %	SCHWARZ GROUP (GERMANY)	\$ 121,155
3	8.9 %	KROGER (USA)	\$ 81,497
4	8.7 %	COSTCO (USA)	\$ 79,910
5	6.9 %	CARREFOUR (FRANCE)	\$ 63,205
6	6.8 %	ALDI SÜD (GERMANY)	\$ 62,164
7	6.6 %	TESCO (UK)	\$ 60,389
8	6.6 %	SEVEN & I HOLDINGS (JAPAN)	\$ 60,374
9	6.4 %	AHOLD DELHAIZE (NETHERLANDS)	\$ 58,669
10	6.3 %	REWE GROUP (GERMANY)	\$ 57,477

TOTAL GLOBAL
CONSUMER SPENDING
ON GROCERY, 2020

\$8,270,580
MILLION

SALES OF LEADING GROCERY RETAILERS, 2020

Highlights from the full report:

Even with the surge in online grocery shopping due to the pandemic, supermarkets and neighbourhood stores still dominate worldwide food and beverage sales, accounting for about 40% of the total. That dominance is predicted to diminish going forward, with e-commerce seeing the highest growth among retail channels.

While the world's biggest online retailers, Alibaba and Amazon, aren't among the Top 10 grocery sellers, their e-expertise gave them an edge when the pandemic hit. Everyone else played catch-up.

Chew on this

The world's largest asset management firms – Blackrock, Vanguard, State Street, etc. – are among the largest institutional shareholders in grocery retailing giants Walmart (USA), Kroger (USA), Costco (USA), Ahold Delhaize (Germany), Carrefour (France) and Tesco (UK). High levels of horizontal shareholding – investing in rival companies within a market sector – flies below the radar and dilutes competition.

In India's national grocery retail sector, Tata Group acquired a majority stake (64.3%) in BigBasket, the country's biggest e-grocery player, buying out Alibaba's 30% stake; Facebook invested US\$5.7 billion in Jio Platforms in 2020, focusing on JioMart-WhatsApp interoperability for grocery e-commerce; and Google and Reliance are backing Dunzo, the country's newest ultra-fast grocery delivery darling.

In China, the pandemic spurred major grocery investment as Alibaba bought a controlling stake (72%) in big box/supermarket chain Sun Art for US\$3.6 billion; Meituan, China's leading food delivery app, launched its grocery group-buying app in mid-2020. Pinduoduo, which incorporates gaming to attract users (it's "both Costco and Disneyland," according to its founder and CEO) and gets almost all of its revenue from ad sales (sellers on the platform buy ads to attract buyers), raised US\$6 billion in 2020 for grocery operations.

In late 2020, China's antitrust regulator began investigating the country's big tech companies for potential harms to competition, consumers and workers, resulting in fines totaling billions of dollars with Meituan paying US\$530 million in fines.