DOORDASH Marketing **group**m

Uncovering Consumer Trends in Retail Media

Exploring CPG marketing and the emerging quick commerce channel

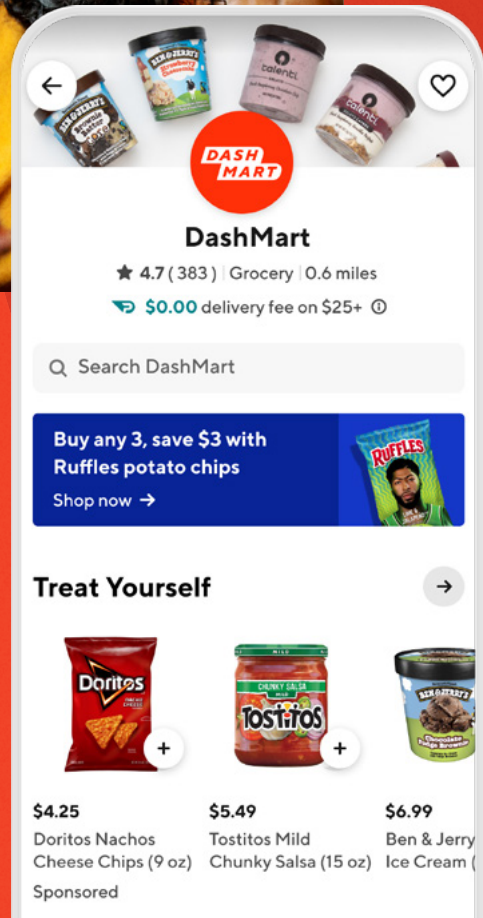
$5.49
Pepsi Mini Soda Can
(7.5 oz x 6ct)
Sponsored

$3.99
Ruffles NBA Edition Lime
& Jalapeno flavor (8oz)
Sponsored

DashMart
★ 4.7 (383) | Grocery | 0.6 miles
🏷 $0.00 delivery fee on $25+ ⓘ

🔍 Search DashMart

Buy any 3, save $3 with
Ruffles potato chips
Shop now →

Treat Yourself →

$6.99
Buy 2, save $3
Ben & Jerry's Half Baked
Ice Cream (1 pt)

$4.25
Doritos Nachos
Cheese Chips (9 oz)
Sponsored

$5.49
Tostitos Mild
Chunky Salsa (15 oz)

$6.99
Ben & Jerry
Ice Cream (

The next era of brand growth through retail media

How do you put your product in front of the right consumer, at the right place and time, for the right amount of relevance that drives sales? It's a question our industry has always worked to address — one that has demanded more powerful and relevant solutions as the pace of technology and consumers' expectations have accelerated. The rising popularity of retail media networks in advertising strategy is one such answer, offering powerful targeting in specialized categories where users are often, by browsing these networks, primed for and interested in new and exciting products that meet their needs and improve their lives.

As you'll read in this report, more consumers have reported shopping for consumables this year, including online grocery delivery, and there have been critical shifts in consumer behavior. These insights make retail media network advertising fertile ground for reaching your target audience with relevant, engaging, non-interruptive advertising to build your brand and drive tangible sales. People are shifting from passive to active roles as viewers. They are more interested in engaging with QR codes, social posts and videos, live-streamed product showcases, and other shoppable ad formats as they discover and buy new products — often within categories they were already searching for — and enjoy a nearly frictionless recommendation and purchasing experience. As consumers have become more conscious of brand ethics and sustainability, these formats have also been great for highlighting eco-friendly and socially responsible products and practices that drive purchase decisions and loyalty.
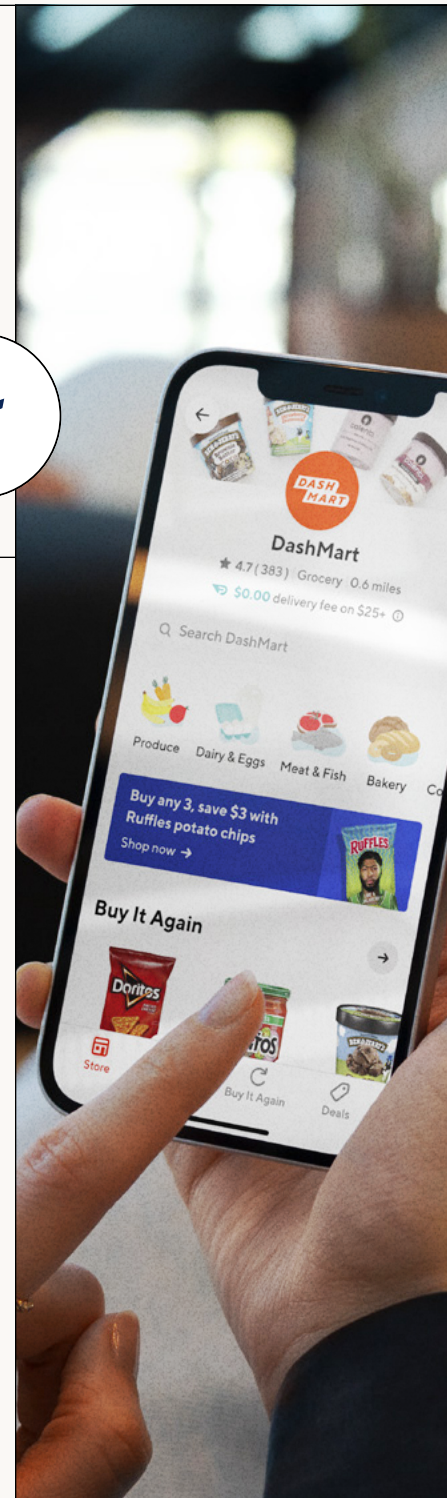
With the media landscape becoming more fragmented, knowing where and how to cut through the noise will be where the battle for attention is won or lost. Retail media network spending is becoming more of a presence in advertising plans and is predicted to continue rising in importance due to its powerful targeting capabilities and rich data sets. Many brands with an eye for the future of advertising and audience engagement are already exploring this space. As part of our commitment to shaping the next era of media, GroupM has worked with several partners in building out their media networks, and we continue to see an upward shift in industry investment in these spaces.
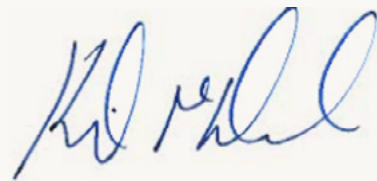
GroupM's global performance marketing division, Nexus, consists of specialists and practitioners across search, social, programmatic, ad ops, addressable content, and more. They are responsible for defining excellence and maintaining GroupM standards and practices across our agencies, as well as providing thought leadership and staying on the cutting edge of trends and technologies. GroupM Nexus supports client-facing teams across Wavemaker and all GroupM agencies.

Throughout this report, you'll see in-depth analysis and insightful survey data on DoorDash users and how they engage with retail media network advertising. As you browse the insights, consider how this exciting channel can deepen your connection with existing customers and delight new ones through the power of data-driven relevance and integrated, relevant product placement. If you're looking to explore or expand your retail media investment and revolutionize your brand strategy, the performance-driven experts at GroupM are ready to partner with you.

We're excited to explore this space with you and see how retail media networks continue to evolve for brands and consumers.

Regards,
Kirk McDonald

Contents

The consumable path-to-purchase is evolving

With changes in user experience and delivery speed, the way people shop is rapidly changing

The emergence of quick commerce opens up new growth opportunities for CPG brands. Today's consumers are open to exploring new products when they shop for household goods and adding impulse buys to their online orders more often than not. 9 in 10 Americans actively shop on their phones. **And the way that people purchase consumables is rapidly changing.**

Exploring what consumers are looking for

To learn more about how consumers shop for consumables post-COVID and with increasing ecommerce options, we surveyed over 1,200 DoorDash customers in the US in August 2023 who made at least one consumable purchase and/or purchased a consumable item through an ad in the last 30 days.

For the purpose of this report, we define **consumables as a category including grocery, household, personal care, pet care, and alcohol products.**

In this report, we'll cover how these changes impact the CPG companies who market to these consumers, tackling:

- What DoorDash consumers want from the online shopping experience
- How the customer purchasing journey is changing
- The growth of quick commerce and what it means for brands
- The power of impulse buying and what influences these decisions
- Current third-party delivery app usage
- CPG advertising data and best practices for brands
- How quick commerce channels are driving incremental sales for CPG brands and how advertisers can capitalize on this trend
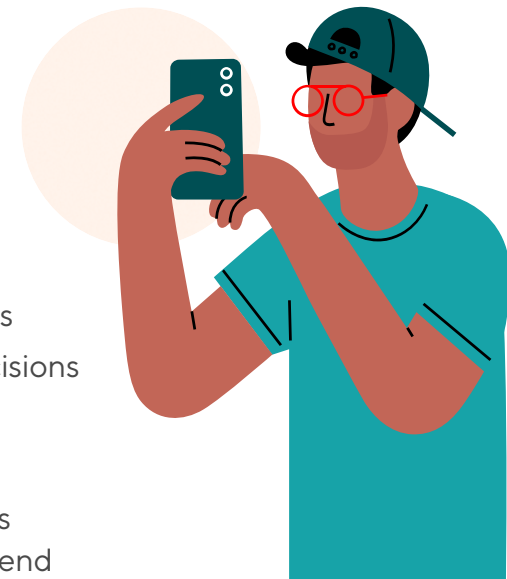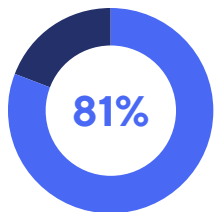
Key findings

Consumable ordering habits
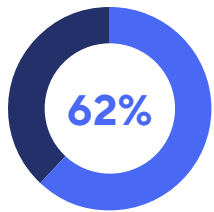
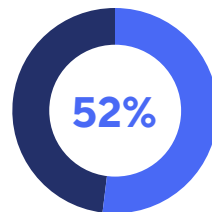**62%** of DoorDash consumers are ordering consumables online more than last year.

Groceries

are the most popular category of consumables to order online through delivery platforms like DoorDash or directly from brands.

81% of shoppers report purchasing consumables via a third-party app/ website like DoorDash or via search engine or review site in the past month.

52% of DoorDash consumers order groceries online through delivery platforms like DoorDash or directly from brands at least once a week.
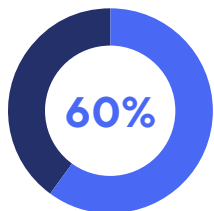
60% of DoorDash consumers surveyed are "somewhat or very likely" to buy new products while browsing online last minute.
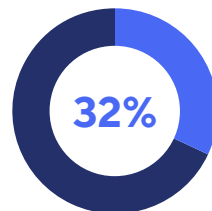
32% of DoorDash consumers order household items online through delivery platforms like DoorDash or directly from brands at least once a week.

Consumer expectations

On-demand delivery consumers seek convenience

74% of respondents who ordered via third-party delivery over ordering directly from the store in the past month ranked convenience as the primary reason.

Consumers are moving online for a better shopping experience

Consumers are shopping online for consumables more than last year. Why? Convenience and an easier shopping experience. Many respondents also mentioned the benefits of having consumables delivered due to being individuals with disabilities, mobility challenges, and a lack of transportation options.

CPG advertisements and promotions

70-90% of consumers on DoorDash are incremental to our grocery and convenience partners, representing a new purchase occasion.
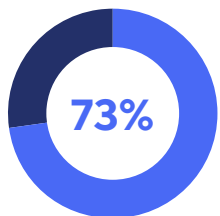
73% of customers who purchased a consumable through an in-app ad or promotion on DoorDash in the past week, when asked if a promoted item in DoorDash felt like an advertisement or promotional product, said no.

DOORDASH Marketing

Your brand — right at the fingertips of high-intent shoppers

Expand your brand's reach across 100K+ non-restaurant stores across Marketplace and Drive, drive incremental sales, and maximize ad dollars with DoorDash CPG advertising and promotions tools. Create ad campaigns then optimize based on ongoing performance.
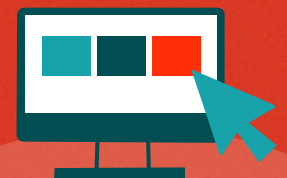
99% of DoorDash consumers have access to grocery, convenience, or alcohol retailers on DoorDash Marketplace.

70% is the average percent of new-to-brand customers driven by Sponsored Product campaigns on DoorDash*

4.1X is the average return on ad spend from Sponsored Product campaigns on DoorDash.*

*DoorDash data from 4/1/23–6/30/23.

Explore ad solutions

Quick commerce is growing

Brands need to meet consumers where they're already shopping

In 2019, only 3% of Americans reported buying groceries online once a week. Since then, online grocery sales in the US have grown significantly, reaching a $140B market size in 2022, and a predicted market size of $235B by 2026. Today, according to our survey data, DoorDash consumers are buying groceries online for delivery more than ever before, with 52% of respondents ordering groceries online through delivery platforms like DoorDash or directly from brands at least once a week. And our research revealed that more than half of DoorDash consumers surveyed buy consumables via third-party apps or websites like DoorDash or via search engine or review sites 2-7 times per month.

As consumers increasingly move toward online delivery for groceries and other consumables, their purchase patterns are changing and look different than in-store behaviors. With **quick commerce** — an emerging channel within digital commerce where shoppers can purchase items for on-demand delivery — brands have the opportunity to capitalize on increased consumer demand and these new purchase occasions.

Online shopping for CPGs is booming

The online consumer purchasing journey doesn't look the same for quick commerce as it does for brick and mortar shopping. This year, according to our survey, 62% of DoorDash consumers report shopping for consumables online more than they did at the same time last year. For consumables, people increasingly want to search for specific products, browse digital aisles, and find deals based on time of day, season, and occasion. Brands need to understand the unique consumer path-to-purchase in the digital channel to tailor their strategies, which may look different across retailer and marketplace platforms.

Not only are consumers ordering more consumables online, but third-party app shoppers are online loyalists. **According to our survey data, third-party delivery app shoppers purchase consumables online more frequently than their in-store and direct retailer counterparts.**

How often have you shopped for consumables in-store, online/ on the phone via retailer, or online via third-party delivery app in the past month?

● 1-4 times   ● 5-10 times   ● 11+ times

Shopped in-store

Ordered via store website/app/phone call/text

Ordered via third-party delivery app
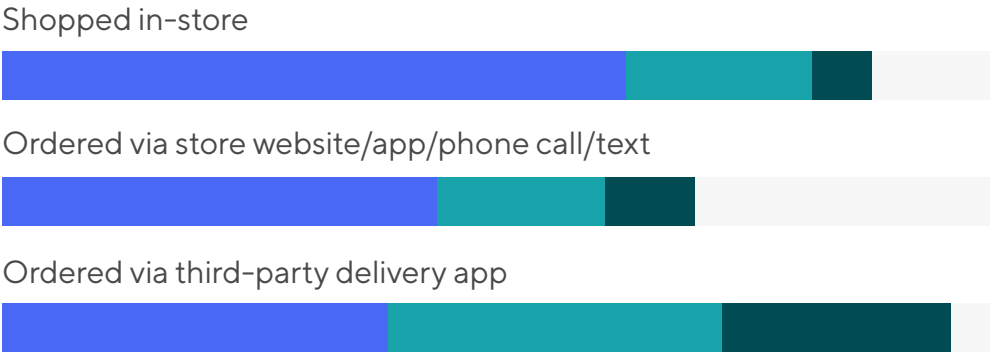
57%

of survey respondents ordered consumables online via third-party app/websites or review sites 5-15+ times in the past month.

When asked **why DoorDash consumers are shopping for consumables online**, some of the top themes that emerged were:

Convenience

Ease of use

Busy schedules

Great customer service

Access to a wider variety of products
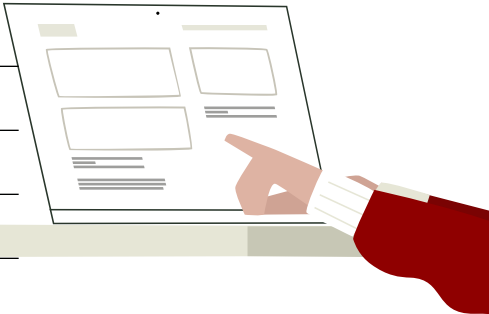
Why do consumers shop via quick commerce?

Here's a look at how people are shopping for consumables online via quick commerce and what they're ordering.

Frequency of ordering consumables online by category

52% of consumers order *groceries* online at least once a week.

32% of DoorDash consumers report ordering *household items* online at least once a week.

27% of DoorDash consumers report ordering *personal care items* online at least once a week.

**14%** of DoorDash consumers report ordering *pet care items* online twice a month.

9% of DoorDash consumers report ordering *alcohol products* online at least once a week.

41% of DoorDash consumers surveyed report placing repeat delivery orders at least once a week in the past month. And 37% of DoorDash consumers report having an urgent situation where they needed to order a consumable item last minute at least once a week over the past month.

Platforms like DoorDash are capitalizing on this shift, making it easier than ever for consumers to get whatever they need, exactly when they need it. Since March 2023, DoorDash has had the highest growth of customers in the industry that are newly placing convenience, grocery, and alcohol orders, based on third-party data.

Existing third-party delivery app users are exploring new ways to find convenience and save time in their daily routines, and they're turning to familiar on-demand delivery platforms they already use multiple times a week or month. For advertisers that want to capture a high-intent audience and acquire new customers, prioritizing high-growth platforms with already engaged audiences can help drive scale and efficiency.
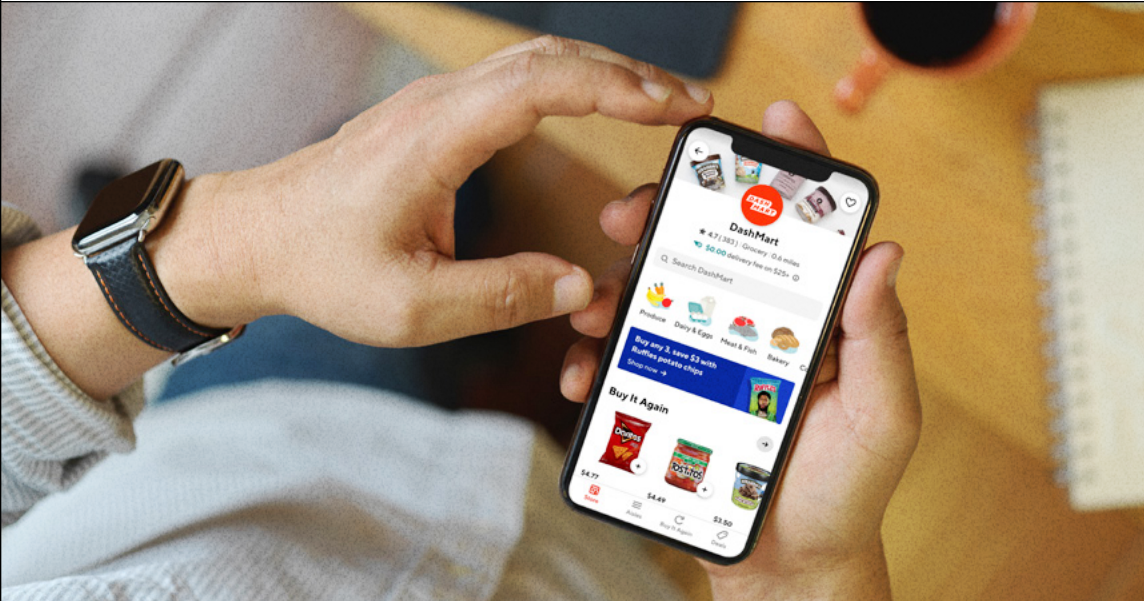
Consumers want convenience and an easy shopping experience

When shopping online for consumables, people value convenience above all else. **Quick commerce**, or on-demand delivery, is rapidly growing in demand and consumers are changing their shopping habits as a result of having nearly any product they need available for delivery within hours.

In the past month, why did you order consumables online via a third-party platform like DoorDash versus ordering directly from the store?
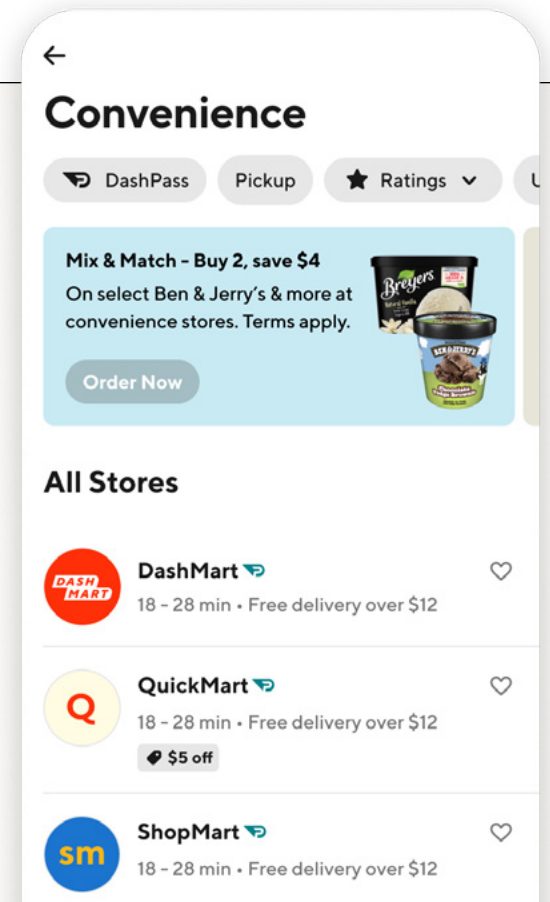
Convenience

74%

Ease of use

48%

Speed

46%

Familiarity

19%

Price

17%

Customer

16%

Quality

6%
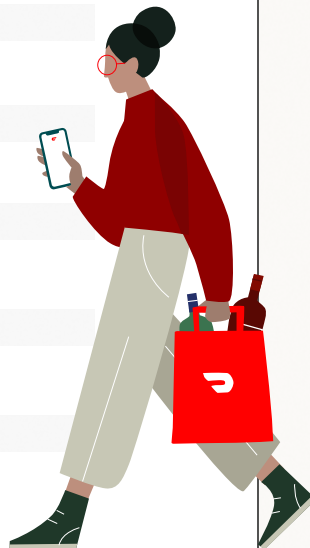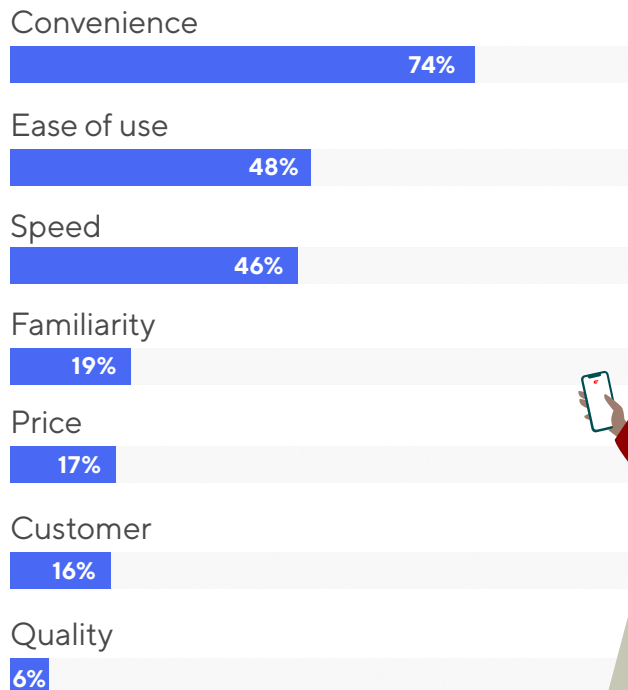
DoorDash has expanded their product offerings and feature capabilities to meet the consumer demand for quick commerce by:

1 Building a marketplace for last-mile delivery of over 100,000 non-restaurant stores across Marketplace and Drive.

2 Redesigning the app navigation to better support our consumers' on-demand shopping needs. DoorDash now highlights grocery and convenience stores prominently on the homepage, has made it easier for consumers to order additional items along with restaurant orders via DoubleDash, and improved searchability for items and consumable categories.

DoorDash's average on-demand delivery time is around 33 minutes.

As a quick commerce partner, DoorDash is uniquely positioned to help support efficient last-mile delivery with our network of over 2M monthly active Dashers.

← **Convenience**

🔲 DashPass   Pickup   ⭐ Ratings ⌄   U

Mix & Match - Buy 2, save $4
On select Ben & Jerry's & more at convenience stores. Terms apply.

Order Now

All Stores

DashMart 🔲
18 - 28 min · Free delivery over $12

QuickMart 🔲
18 - 28 min · Free delivery over $12
🏷 $5 off

ShopMart 🔲
18 - 28 min · Free delivery over $12

Successful brands are embracing changing consumer preferences

According to recent [Deloitte research on consumer product brands](#), the CPG brands with profitable growth are standing apart from the competition by embracing the changing consumer and creatively transforming. 93% of "profitable growers" they analyzed are scaling investment to keep up with changing consumer demands, and 86% are investing in more personalized consumer experiences. Today, that means investing in a strong presence on quick commerce apps.
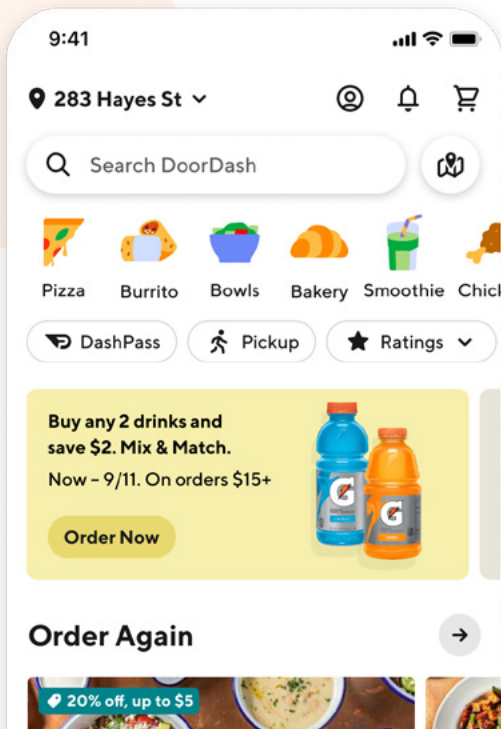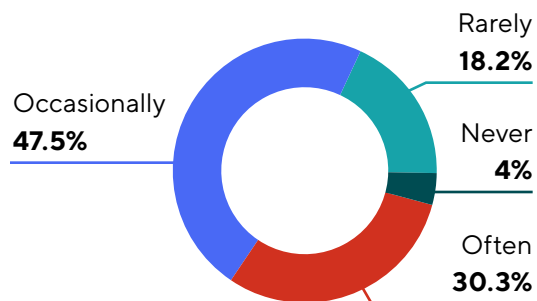
The power of impulse buying + how to harness it

As consumers shop online, they're influenced by the in-app experience, much like they are IRL. Where in-person they may be inspired to grab extra items while waiting in line at the register, online they may see another item within the category they're browsing and remember they've been meaning to stock up on it, or discover a new brand via curated merchandising or a strong advertising placement.

The most common items that respondents order last-minute are groceries, followed by personal care items, household items, pet care items, and alcohol. And the top reasons why DoorDash consumers are influenced to make impulse buys are remembering they needed something last minute, wanting to treat themselves, and the price or picture of the item grabbing their attention. CPG marketers can ensure they're at the forefront of capitalizing on these moments of impulse by supporting strong brand presence in key placements across the digital path-to-purchase, such as sponsored product ads, item-level promotions, or in-app banners.

How often do you add something to an existing online order that you weren't intending to buy?

Rarely
18.2%

Never
4%

Occasionally
47.5%

Often
30.3%
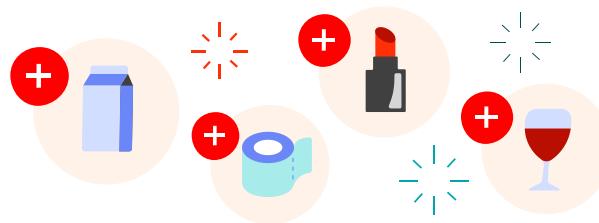
What influences you to add something to your order that you weren't originally intending to?

I remember I needed something last minute

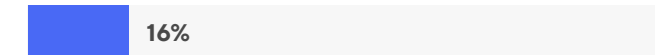**56%**

I feel like treating myself
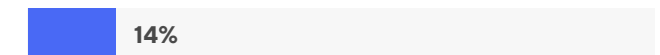
46%

The price of the item grabs my attention

45%

The picture of the item grabs my attention

36%

The reviews of the item grabs my attention

16%

I get bored ordering the same things

14%

How to engage impulse buyers at the point of purchase

60% of DoorDash consumers surveyed are "somewhat or very likely" to buy new products while browsing online last minute, which underscores the opportunity brands have to capture consumer interest. Specifically, 20% of respondents are very likely to buy new products while shopping online last minute. Last-minute online shopping compares closely to in-person purchases — 63% of DoorDash consumers are "somewhat or very likely" to buy new items in-store last minute.

When we asked DoorDash consumers who recently shopped online for consumables what made them want to purchase, the #1 answer was "It's one of my favorite brands" (46%) followed by "It was something that I needed" (30%).

"The more that brands can learn what their audience wants, how they're shopping, and optimize their advertising strategy to meet them at the point of purchase, the more successful their overall growth will be."

Lindsay Farrell
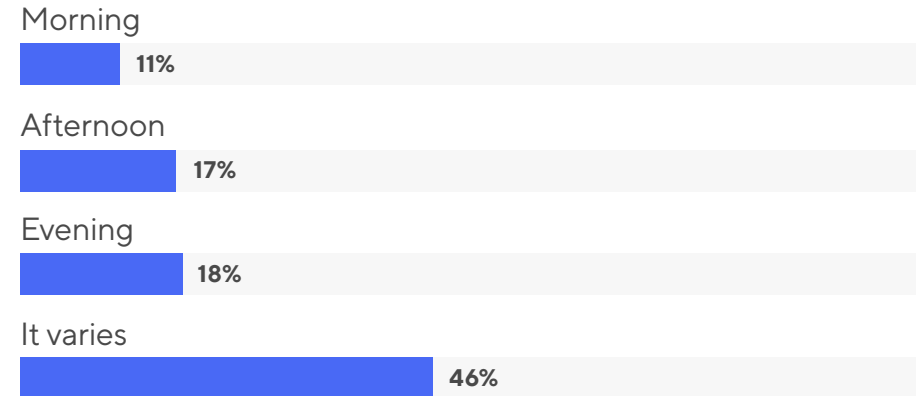CPG Ads & Promotions, DoorDash

Consumers want to shop online when it's convenient for them, with no clear preference for day of week, which means CPG brands need to maintain a strong multichannel strategy to capitalize on varied consumer demand and quick-commerce usage occasions. With DoorDash Marketing, brands can activate campaigns in-app and maintain a strong online brand presence when consumers are most active — whether that's a late-night ice cream craving or early-morning "we just ran out of diapers" emergency.

What day of the week do you normally shop online for consumables?

Sunday
3%

Monday
5%

Tuesday
2%

Wednesday
5%

Thursday
4%

Friday
5%

Saturday
2%

It varies
73%
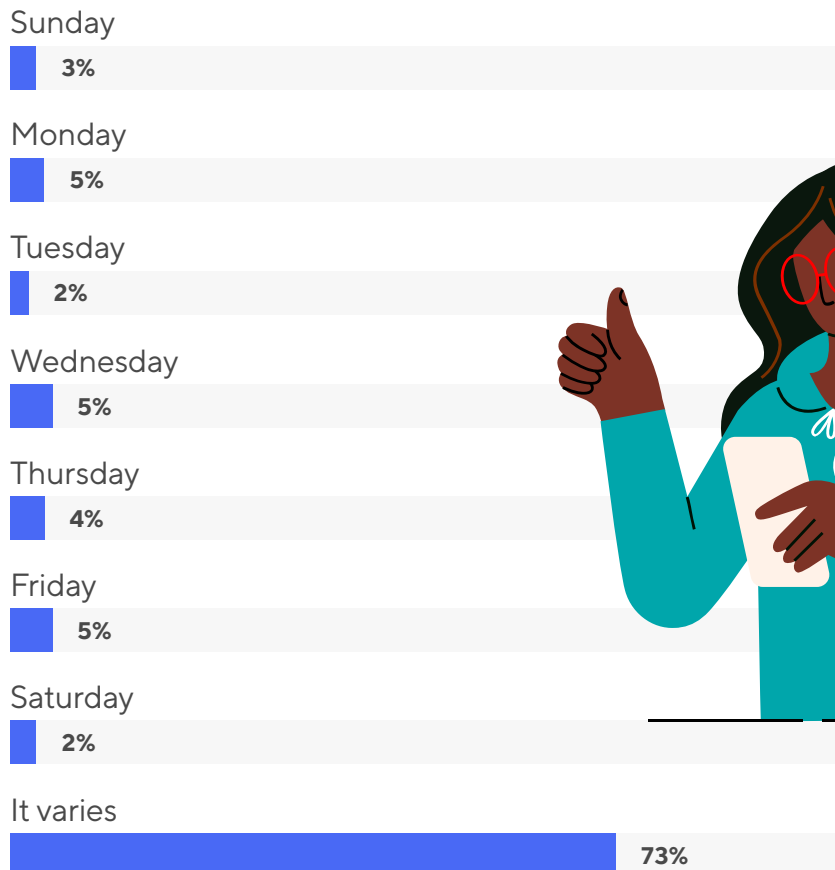
What time of day do you normally shop online for consumables?

Morning
11%

Afternoon
17%

Evening
18%

It varies
46%

To help consumers discover products — explore proven ways to engage shoppers. DoorDash Marketing ads help brands take advantage of the impulse occasion.

"We focus on exceeding consumer expectations — making DoorDash faster, better, and cheaper every day — so that our advertisers can reach their goals. By meeting our over 32M monthly active consumers where they are, we inspire them to discover and fall in love with new brands."

Toby Espinosa
VP of Ads and Growth Services, DoorDash

Third-party delivery app use has evolved — so CPG advertising is changing, too

When shopping for consumables, shoppers care most about saving time, efficiency, and price. They're open to finding new brands through advertisements and promotions and they love the idea of doing all their shopping in one place — with a third-party delivery app like DoorDash, they get the most variety of retailers and can get groceries, household items, personal care essentials, pet care products, and alcohol — all in one order. DoorDash also has over 15M active DashPass members, who order more often and benefit from $0 delivery fees and reduced service fees. The DashPass marketplace provides variety across categories and maximum value for the cost of membership.

56% of respondents go to a third-party app or website like DoorDash to decide where to order products from online, and this is the most popular way to browse for consumables.

How do you decide where to order products from online?

Go to a third-party app or website
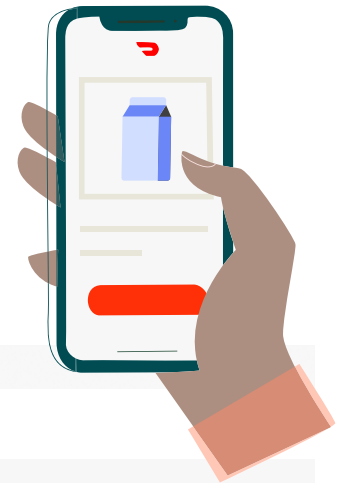
56%

Do an online search to see options (i.e. Google)

39%

Think about stores near me

31%

See available third-party platforms on the store's app or website

24%

Go to the brick and mortar store directly

9%

What influences your decision to use a new online delivery platform for consumables?
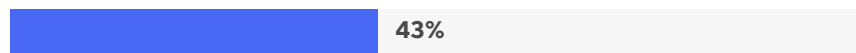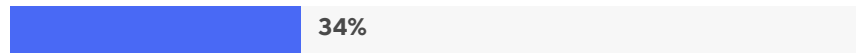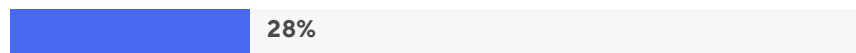
Item pricing

72%

Promotions and discounts

71%

Item selection

59%

Customer reviews

43%

Friend and family recommendations

34%

The store's website or app
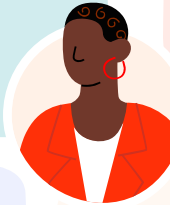
28%

Item photos

22%
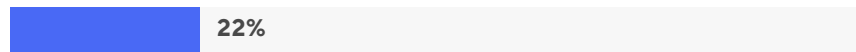
Social media influencers

14%

How do you decide where to order products from online?

"Usually discount coupons and specials advertised through the app. If I get a notice on a discount for an item I planned on buying, I'll make the purchase sooner."

"I usually order from places I trust."

"I look for promotions to try something new."

"I check the price of delivery and think about how many items I need."

"I check prices across vendors."

DoorDash consumers are interested in trying new platforms to buy consumables to find great prices, promotions and discounts, and a wider variety of products. But they're also influenced by reviews, recommendations from family and friends, and additional store marketing initiatives. To leverage these points, CPG brands should ensure strong digital shelf presence via optimized content for e-commerce, along with developing a tailored promotions strategy to drive larger basket sizes or encourage trial of new products.

Did you know?

Brands can run direct product advertisements with DoorDash via our self-serve Ads Manager platform or with our API partners Pacvue and Flywheel.

The evolution of the DoorDash user

Today, 44% of surveyed consumers who purchased an item on DoorDash recently had an item they wanted to purchase in mind before they opened the DoorDash app. 28% decided to purchase an item while they were choosing items to order from a store, and 13% made the decision while browsing for a store to order from on the DoorDash homepage. 11% were using the search function on DoorDash to find a specific item they needed. Despite this appetite for discovery, consumers won't endlessly scroll below the fold on apps – ensuring your brands are boosted towards the top of key category and search pages is critical, as is running compelling promotions to entice and reward buyers.

39% of DoorDash users that recently purchased an item did so because it was in a similar category to what they were originally looking for.

When we asked DoorDash consumers why they chose to order consumables via a third-party delivery app, one respondent shared –

"Grocery stores, pet stores, drug stores, all the variety I need located within one app, plus the DoubleDash feature saves money and time. I have in years past ordered direct, but apps like this make it easier to place all orders needed quickly and easily."

The importance of incorporating ads at the point of purchase

73% of DoorDash users who recently purchased an item through an ad on the app didn't feel like their purchase was an "advertisement or promotional product" — the friendly UX and relevant deal felt useful to them and appropriate for the time and place.

"Investing in our platform, which combines a high intent audience with a consumer experience that integrates ads seamlessly into the experience, provides strong engagement for brands."

Katie Daleo
GM of CPG Ads, DoorDash

While web ads may reach those who are just doing research or who don't have the right intent, in-app ads reach more active, in-market shoppers directly at the point of sale.

How to increase market share and drive incremental sales with DoorDash marketing

85% of profitable CPG brands from Deloitte's recent survey shared that they're planning to increase their market share in 2023, versus only 49% of other CPG brands. To do so, they're increasing investments in marketing, advertising, and promotions.

To grow through advertising, brands need to prove ROI and business impact. With DoorDash Marketing, Sponsored Product campaigns drive an average of approximately 70% new-to-brand customers*. By investing in ads on DoorDash, brands can feel confident they're tapping into new customers – 70-90% of customers acquired via DoorDash are incremental to our grocery and convenience partners' businesses.

Ads on DoorDash can help capture additional market share through competitive, on-demand purchases.

*Based on DoorDash data from 4/1/23-6/30/23.

Tracking ad success

Brands need to account for every dollar spent from their ad budget and they want to ensure that every campaign drives results and provides insights so they can get smarter with every activation.

Ad tools can help brands uncover exactly which products, promotions, and audiences are the best fit — then point them in the right direction for an even more impactful next campaign.

70-90%

of customers acquired via DoorDash are incremental to our grocery and convenience partners' businesses.

The benefits of CPG advertising on third-party delivery platforms

Sponsored Product campaigns on DoorDash drive approximately 70% new-to-brand customers* for advertisers. The third-party delivery app audience has a high intent to purchase but is open to being influenced on what to buy — there's a ripe opportunity here for brands that want to drive new customer acquisition and increase category share vs. competitors.

Advertising via third-party delivery platforms offers a competitive return on ad spend (ROAS), allows marketing teams to effectively drive ad spend, and gives brands the potential to bring in new loyal shoppers. DoorDash Sponsored Product campaigns generate an average of 4.1X ROAS*.

\$
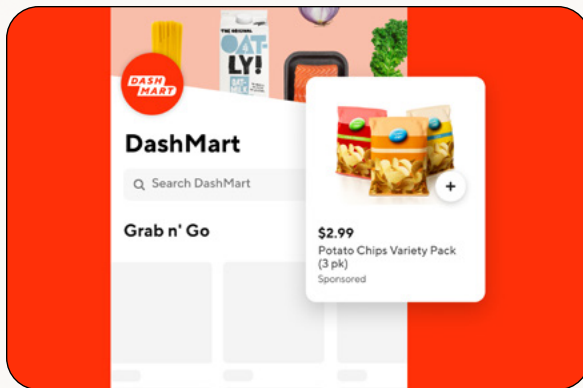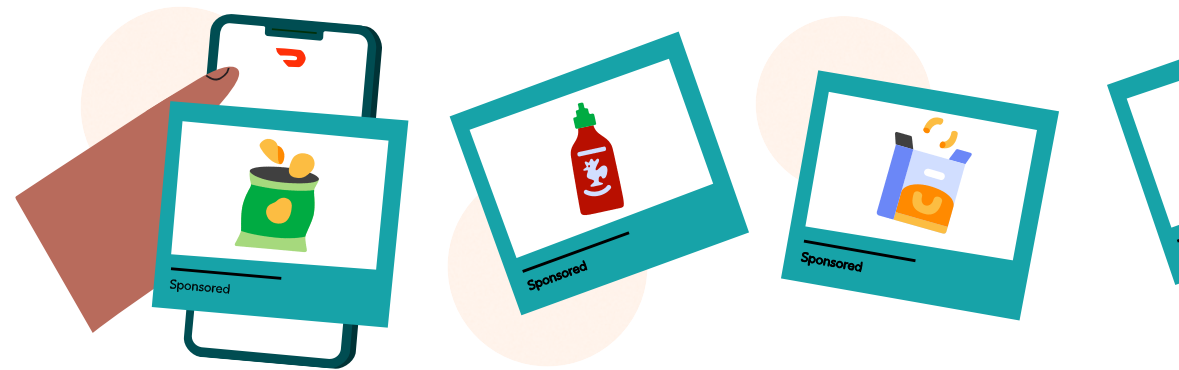
4.1X

average ROAS for DoorDash Sponsored Product ads

*Based on DoorDash data from 4/1/23–6/30/23.

How CPG brands are advertising with DoorDash

Brands [advertising on DoorDash](#) can test relevant product campaigns through high-visibility placements on the DoorDash app.

Sponsored Products

Product-specific ads that increase visibility and capture demand at the point of sale. Advertisers only pay for clicks and can measure directly attributed sales.
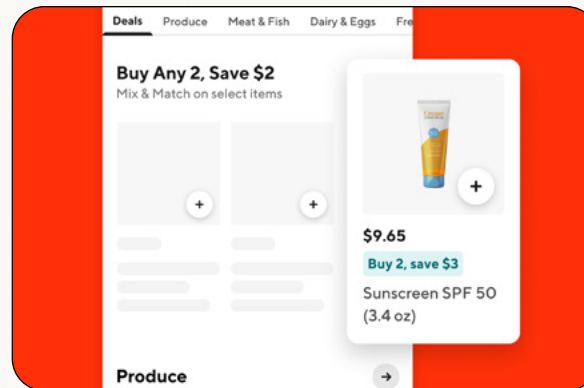
Promotions

Item-level offers, such as "Buy Two, Save $5" help brands incentivize conversions, drive trials, and build consumers' baskets.
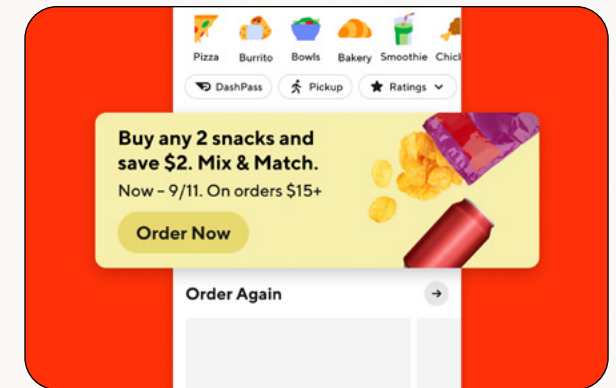
Banners

Activate brand campaigns in-app, drive awareness or highlight promotions at relevant points throughout the consumer's digital shopping experience.

Unilever and DoorDash teamed up to make Mother's Day sweeter

– and boosted item sales by 37% with DoorDash ads and promotions

Mother's Day + ice cream? It's an unconventional promotion pairing that shows the power of great advertising during a high-traffic, seasonal moment on DoorDash. The Unilever & DoorDash teams worked together to build a plan to leverage DoorDash ads and promotions capabilities to encourage shoppers to treat the mother figures in their lives with something sweet.

In May of 2023, Unilever launched a "Buy 2, Save $4" promotion across convenience stores on DoorDash. Unilever's ice cream brands amplified the campaign via banners, email, and Sponsored Products on DoorDash.

> "Our ad campaign with DoorDash was extremely successful in boosting sales for select brands and increasing basket size. During the campaign, the AOV increased 19%. Baseline item sales continued growing post-promotion (+7% the month following). We'll definitely be running more campaigns like this."
>
> **Alexia Levine**
> DoorDash Partnership Lead, Unilever
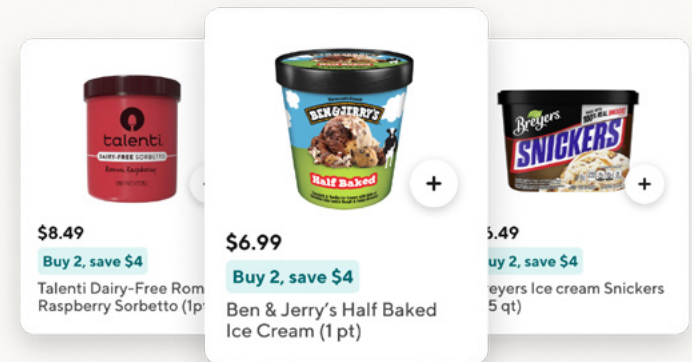
Results from Unilever's Mother's Day ice cream campaign

- 38% increase in units sold during the promotional period

- 37% increase in item sales during the promotional period

- 19% increase in average number of items per order (AOV units) during the promotional period

- 20% increase in attachment rate during the promotional period

- Brought in 23% new-to-merchant customers and 49% new-to-brand customers

- Generated $4.3 in promo ROAS per $1 spent and an overall ROAS for the entire campaign of $5.9

Conclusion

The digital commerce space is changing quickly, and advertisers need to adjust accordingly. Successful marketing depends on strong partnerships. The most innovative brands are building relationships with quick commerce apps to get their brands in front of a new consumer segment of high-intent consumers with targeted ads.

In a crowded retail media space, brands need to prioritize platforms that create new consumer shopping moments, can deliver on a best-in-class quick commerce experience, offer solutions to reach a variety of marketing objectives, and have an engaged and growing consumer base that's open to discovery and impulse.

Methodology

To collect the data for this report, we surveyed DoorDash customers in August 2023 who made at least one consumable purchase in the last 30 days along with those who purchased a consumable item through an ad in the last 30 days. We explored the combined data from 1,200+ US DoorDash consumers who participated.
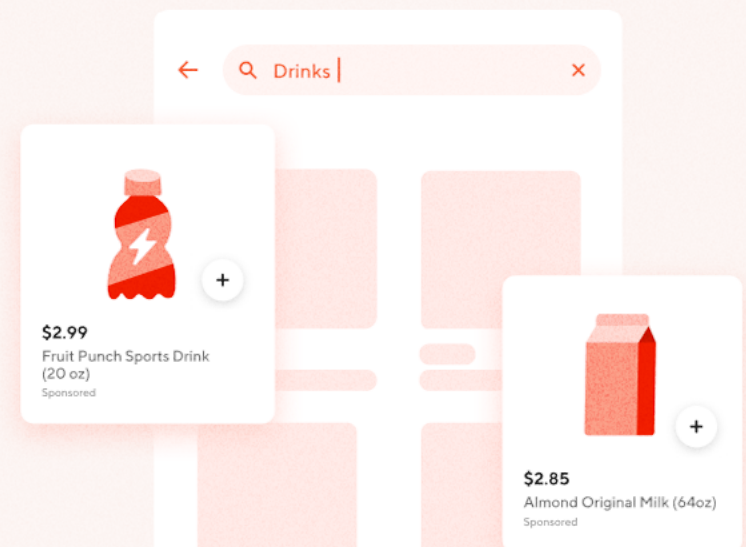
Report created in collaboration with CXD Studio.

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Explore ad solutions

Drinks

$2.99
Fruit Punch Sports Drink
(20 oz)
Sponsored

$2.85
Almond Original Milk (64oz)
Sponsored

DOORDASH Marketing

About DoorDash

DoorDash (NASDAQ: DASH) is a technology company that connects consumers with their favorite local businesses in more than 25 countries across the globe. Founded in 2013, DoorDash builds products and services to help businesses innovate, grow, and reach more customers. DoorDash is building infrastructure for local commerce, enabling merchants to thrive in the convenience economy, giving consumers access to more of their communities, and providing work that empowers. With DoorDash, there is a neighborhood of good in every order. Discover more on about.doordash.com.

About GroupM

GroupM is WPP's media investment group and the world's leading media investment company with a mission to shape the next era of media where advertising works better for people. The company is responsible for more than $60 billion in annual media investment, as measured by the independent research bureau COMvergence. Through its global agencies Mindshare, Wavemaker, EssenceMediacom, and mSix&Partners, and cross-channel performance (GroupM Nexus), data (Choreograph), entertainment (GroupM Motion Entertainment) and investment solutions, GroupM leverages a unique combination of global scale, expertise, and innovation to generate sustained value for clients wherever they do business. Discover more at www.groupm.com.