



TBD: To Be Delivered Instacart Edition

September 2021



Make better decisions, faster, with access to rapid insights
at *every stage* of the consumer journey

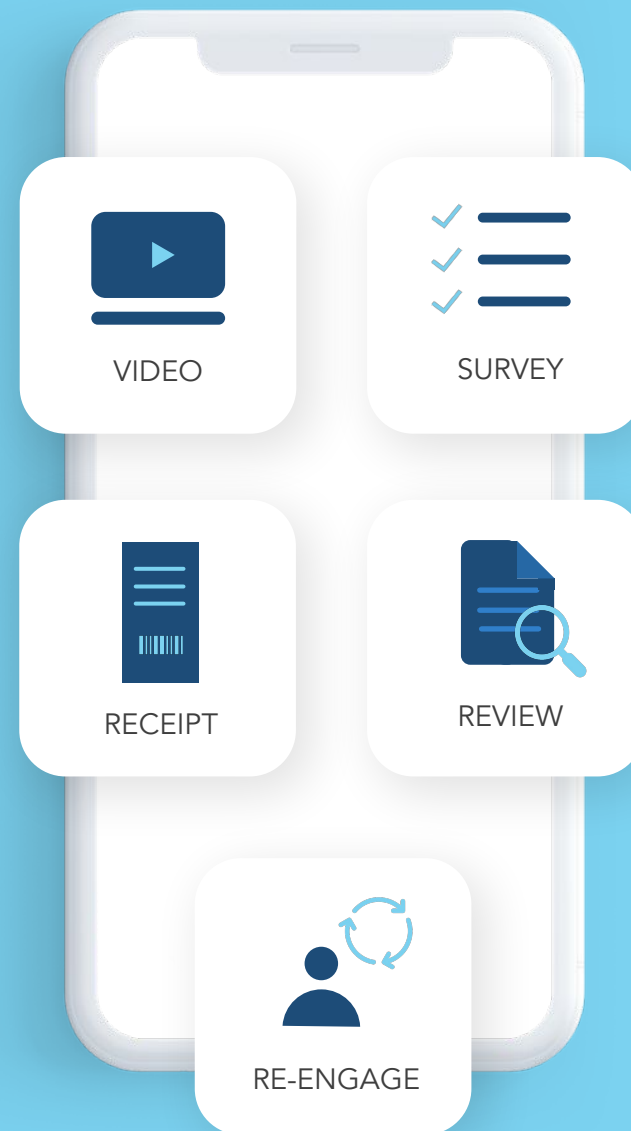
Agenda

- 01 About Caddle®
- 02 Instacart in the Canadian Market
- 03 Which Retailers are Consumers Choosing?
- 04 How Are Canadians Spending on Instacart?
- 05 Paying the Premium: Is it Worth the Price?
- 06 Delivery Wars: Instacart vs. Competitors

How It Works

Capture relevant insights for any challenge or opportunity. Engage seamlessly with shoppers at every stage of the consumer journey by leveraging the Caddle suite of tools.

Caddle rewards panel members for actions ranging from video, survey, receipt capture, reviews, and more.



Largest Canadian Panel In Market

Panel Details



Largest daily active panel in Canada:
10,000+ DAUs and
100,000+ MAUs



Every type of shopper



Canadian representative samples



Holistic understanding across path to purchase



Engaged users rewarded for actions



Dynamic, on-demand reporting dashboard

Macro and niche data verticals including:

- New Moms
- Costco Shopper
- Amazon Prime Members
- Cannabis Consumers
- Health Professional
- Luxury Shoppers
- Shopper Dad
- Repeat Purchasers
- Vegan Buyers
- Pop Consumers
- Environmentalists



What is Instacart?

Instacart is accessible in all 10 Canadian provinces

Instacart is an American company that operates a retail delivery and pick-up service in the United States and Canada. **The company offers its services via a website and mobile app.**

The service allows customers to order groceries from participating retailers with the shopping being done by a personal shopper, and delivered direct to their doorstep.

"We saw five years of growth in a matter of five weeks, says Mehta, a former supply-chain engineer for Amazon. And the growth has continued. We grew over 300% year-on-year."

Forbes



CADDLE

Instacart Survey

Methodology

A representative survey of Canadians was conducted in July 2021. Over 7900 Canadians participated in this survey.

Margin of Error: +/- 1.2%, 19 times out of 20. Any discrepancies in or between totals are due to rounding.

Global Instacart Users

\$1.5B

in revenue in 2020, with
\$35B worth of retail sales

\$10M

During the pandemic,
Instacart hit its first
profitable month (\$10M)

9.6M

active users and over
500,000 shoppers who
pick up the items

\$39B

In March 2021, Instacart
was valued at \$39B



Instacart in Canada



✓ How many Canadians know of Instacart

50%

✓ How many Canadians have used Instacart

11%

✓ Instacart's Net Promoter Score (NPS)

52

Net Promoter Score (NPS) is a trusted research methodology that provides an index to measure the willingness of consumers to recommend a company's products and/or services to others based on their experience.

NPS = % 9-10 ratings minus % 0-6 ratings

NPS: eCommerce Grocery Retailers

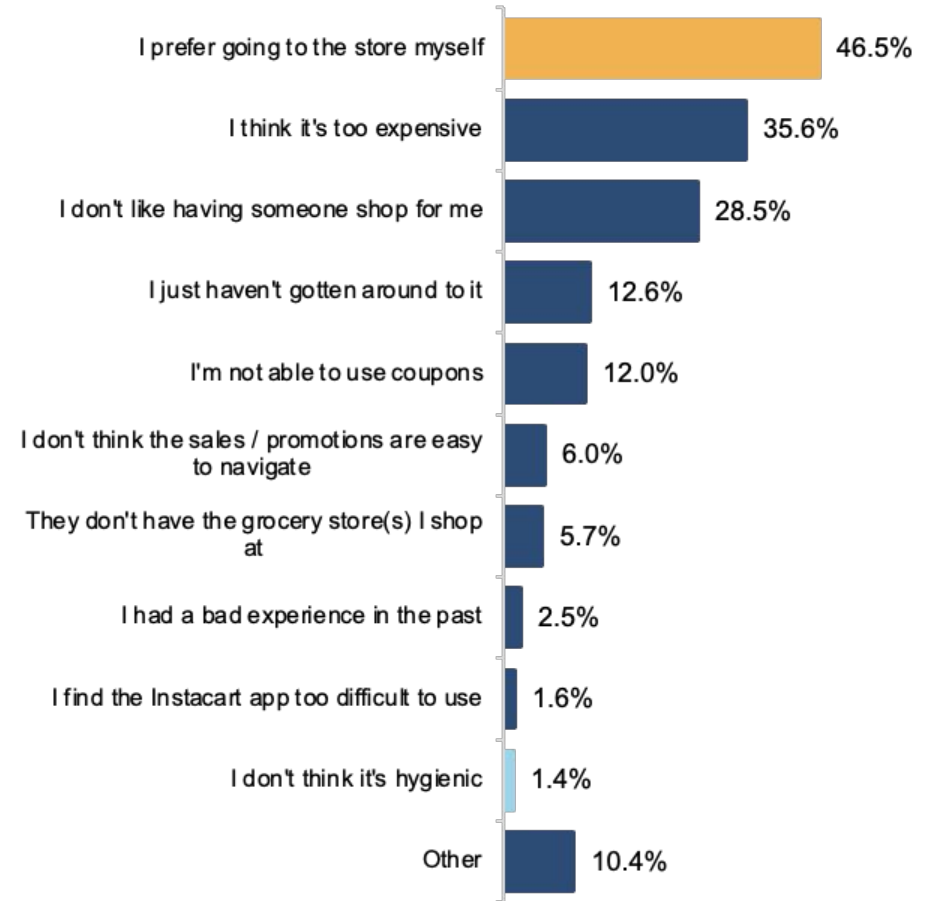
For such a new/young company to come into the market with such a strong NPS is a good sign about their longevity in the marketplace.

Canadian Retailer	NPS
Amazon	70
Saveonfoods.com	70
PCExpress.ca	60
Costco.ca	57
Voila.ca	57
Walmart.ca	55
Instacart	52
Metro.ca	36
IGA.net	26
GroceryGateway.com	16
Safeway.ca	10
Londondrugs.com	8

Top Factors Considered by Canadians

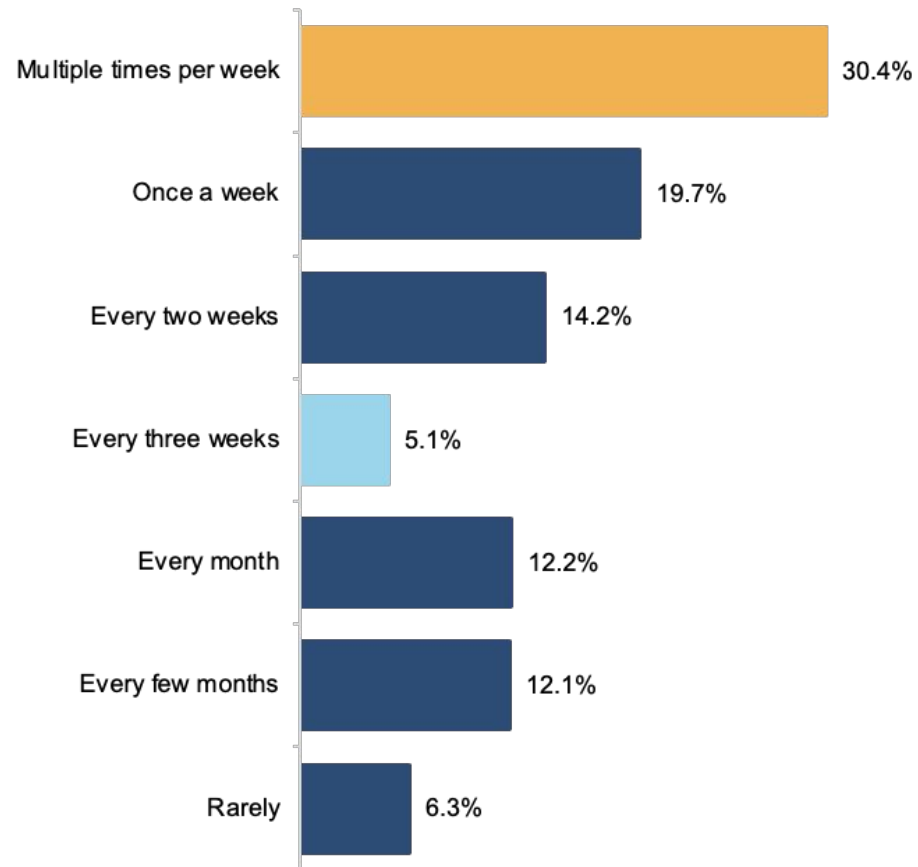
- The preference for going to the store and doing their own shopping as well as the cost for Instacart are the top reasons for not using the delivery app

Reasons for Not Using Instacart

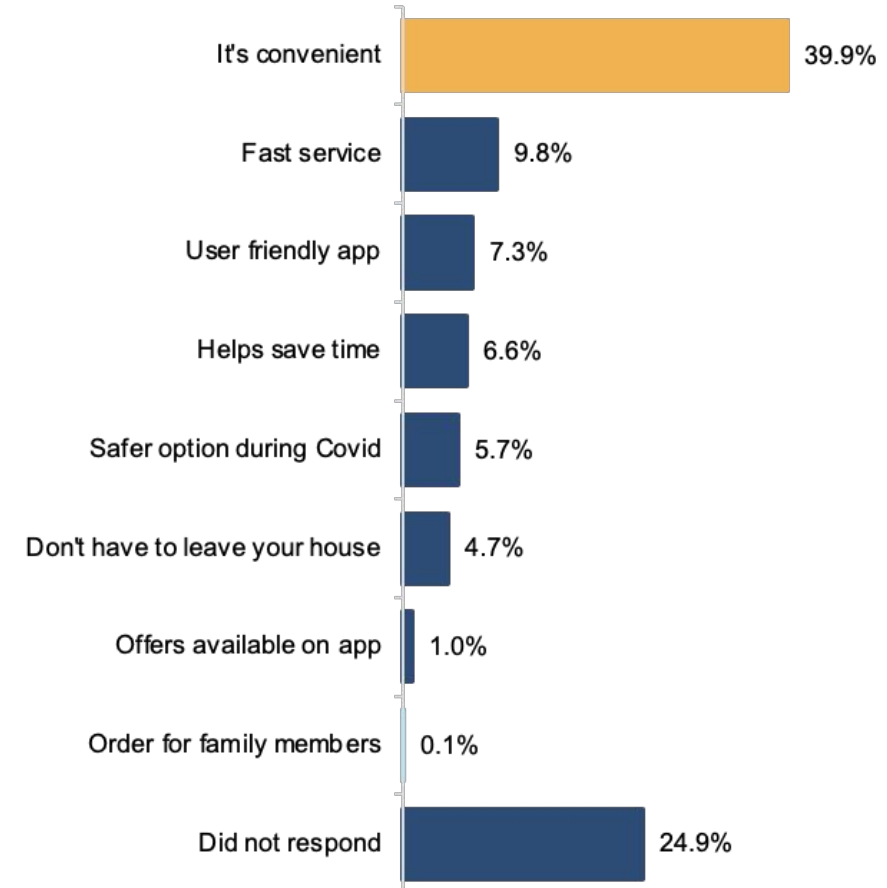


50% of users use Instacart at least once a week, mainly for its convenience and fast service

Frequency of Instacart Use



Reasons for Using Instacart



Who is the Instacart User?

Users are more likely to be younger (Millennials and Gen Z), male (60%), and Walmart or traditional grocery store shoppers

Users

60% Males | 40% Females

Greatest Generation (1900-1945)	0.0%
Baby Boomers (1946-1965)	18.8%
Gen X (1965-1980)	26.7%
Millennials (1982-1996)	38.4%
Gen Z (1997-2005)	16.1%

Who Has Yet to Discover Instacart?

Non-Users aware of the app are more likely to be slightly older (Millennials and Gen X) and shop at grocery stores (traditional and discount)











Those unaware of the Instacart are more likely to be older (Boomers) and shop at grocery stores (traditional and discount).

Non-Users

46% Males | 54% Females

Unaware

55% Males | 45% Females

Greatest Generation (1900-1945)	 3.4%	 4.3%
Baby Boomers (1946-1965)	 24.9%	 39.0%
Gen X (1965-1980)	 31.6%	 28.8%
Millennials (1982-1996)	 32.9%	 21.0%
Gen Z (1997-2005)	 7.2%	 6.9%

Where Do You Primarily Shop for Groceries?

Instacart Users

Non-Users

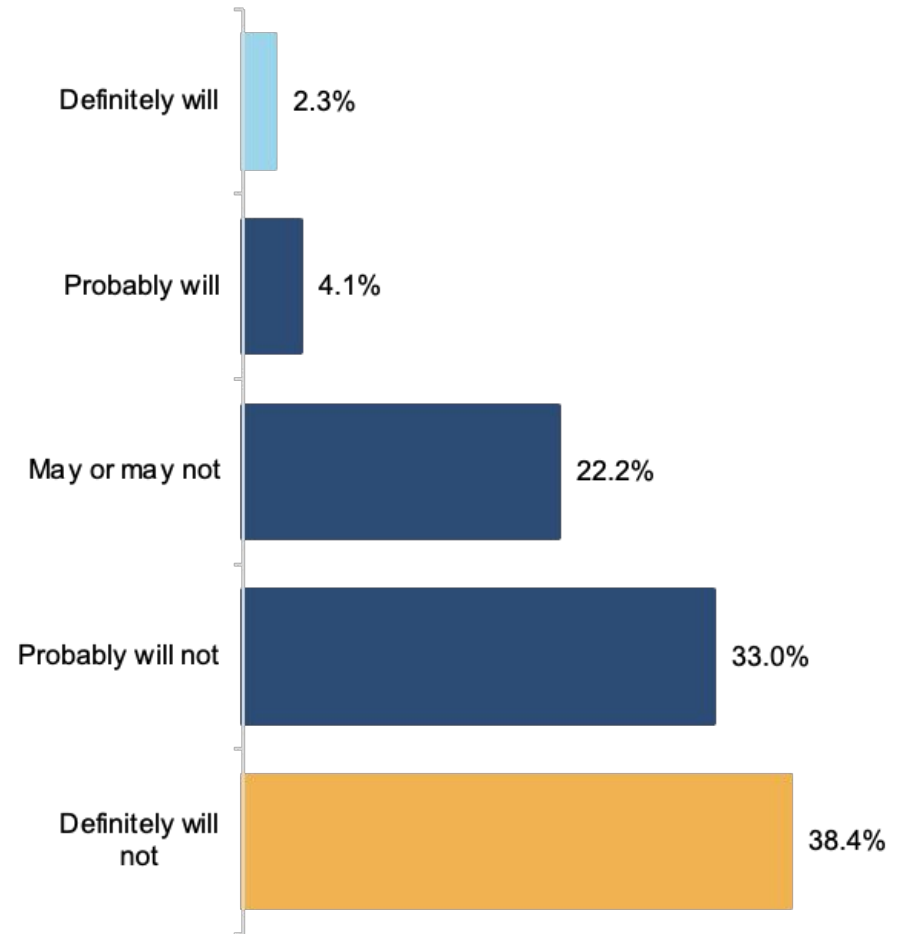
Where Do You Primarily Shop for Groceries?	Instacart Users	Non-Users
Traditional Grocery Store	41%	64%
Discount Grocery Store	20%	36%
Costco	23%	27%
Walmart	45%	26%

Instacart users shop almost 2X as much at Walmart than non users of the app. Walmart offers in-store pricing via the app, whereas Costco charges a premium. Non users are more likely to be found at traditional grocery stores.

So Can Instacart Convert the Non-Users?

- Most non-users are unlikely to use Instacart in the next 6 months

Likelihood to Use Instacart in the Next 6 Months



Instacart Retail Stars

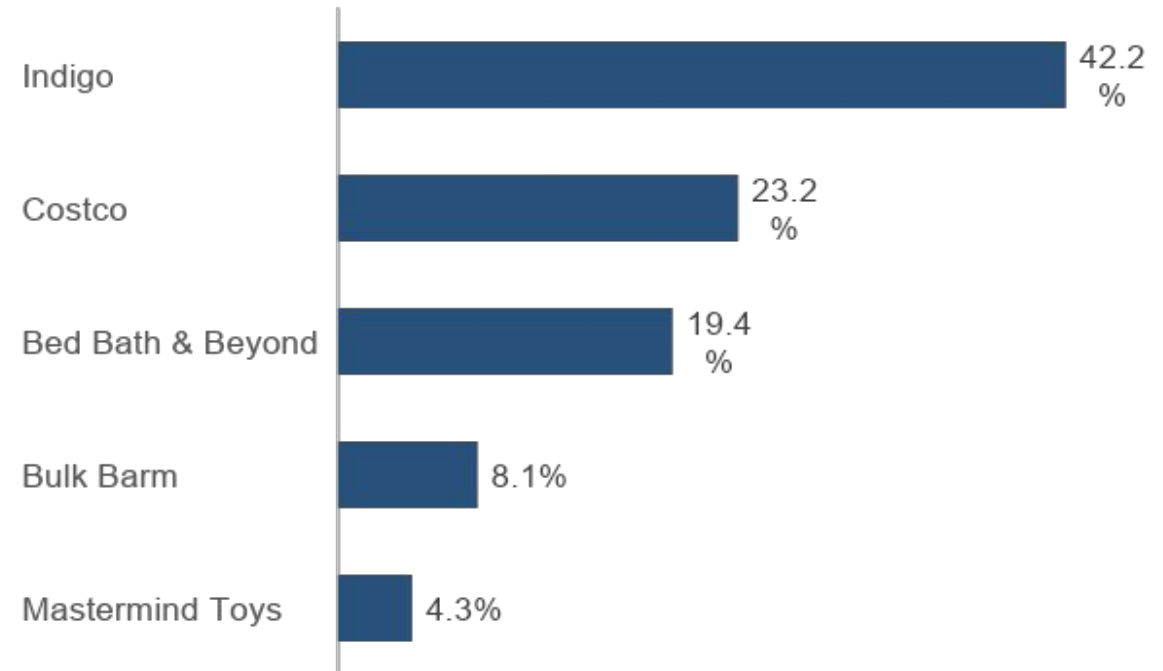


✓ Instacart Shoppers Are Trying New Stores for the First Time

60%

of Instacart users shopped at new store for the first time on Instacart

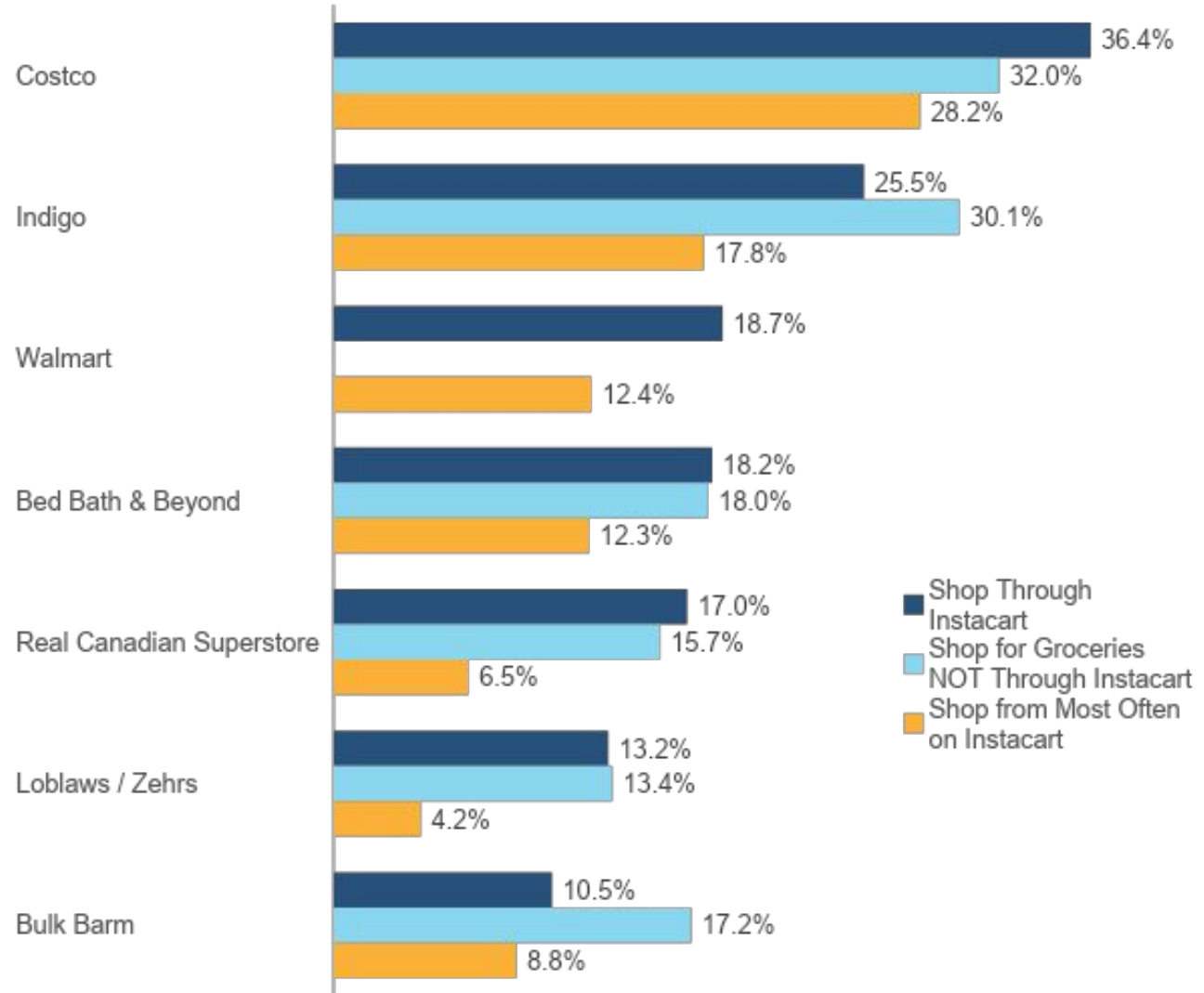
✓ New Stores Shopped at on Instacart



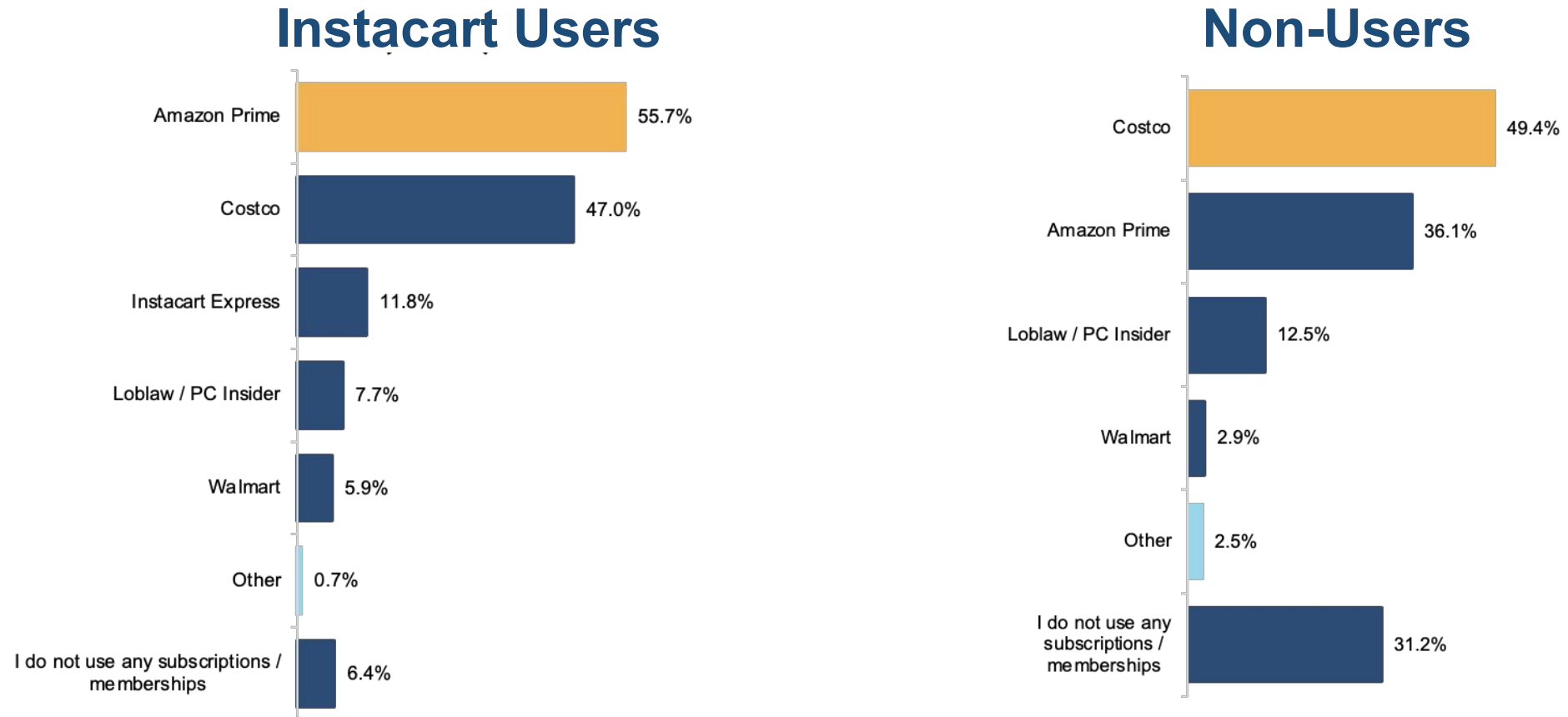
So,

Where Do Instacart Users Shop for Groceries?

Where are Instacart users shopping?



Instacart users are likely to have other grocery related subscriptions / memberships

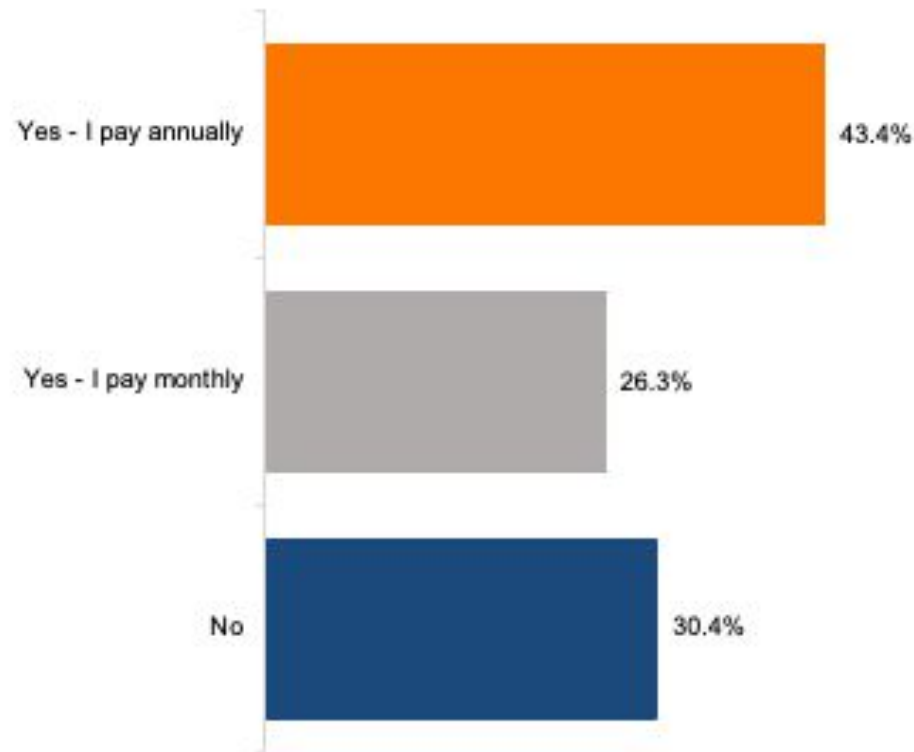


While Amazon Prime and Costco memberships were the most common among both users and non-users, Amazon Prime was more common among Instacart users

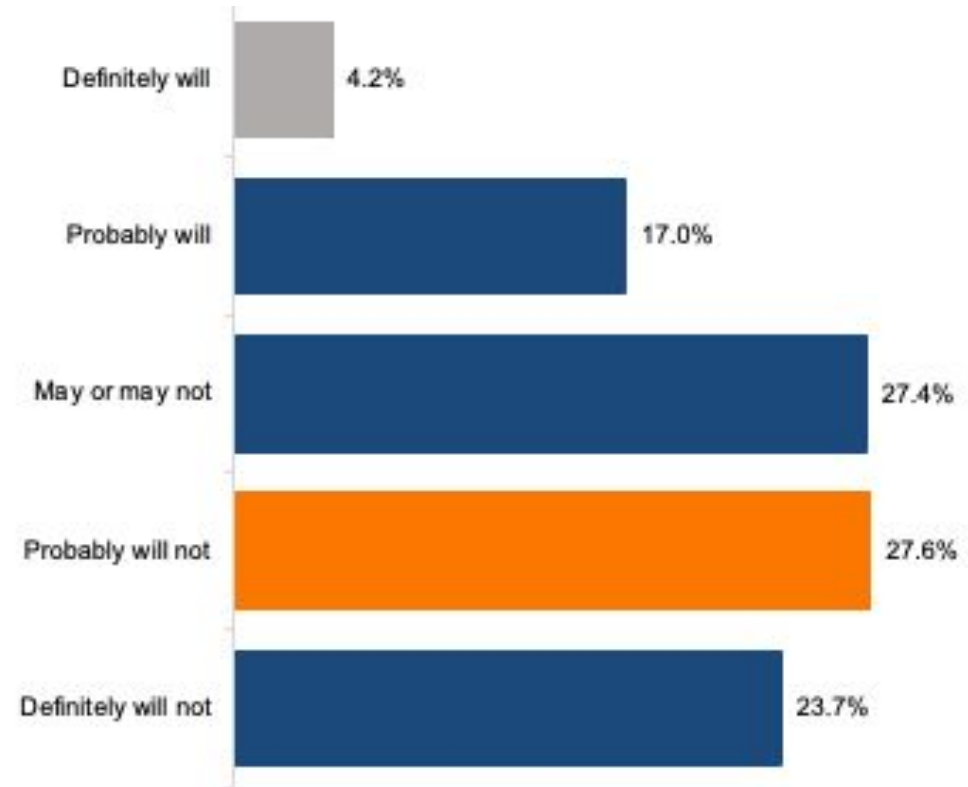
~70% of Instacart users pay for a subscription

Of those that don't subscribe right now, ~21% are likely to subscribe

Are you a member?



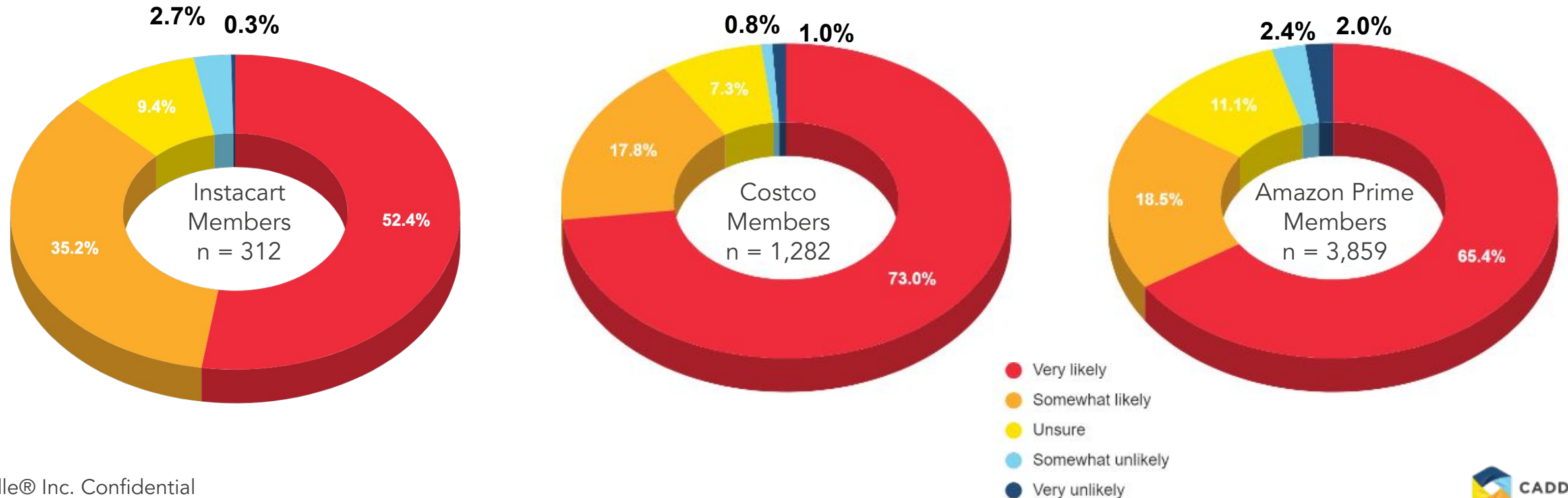
How likely are you to become a member in the next 6 months?



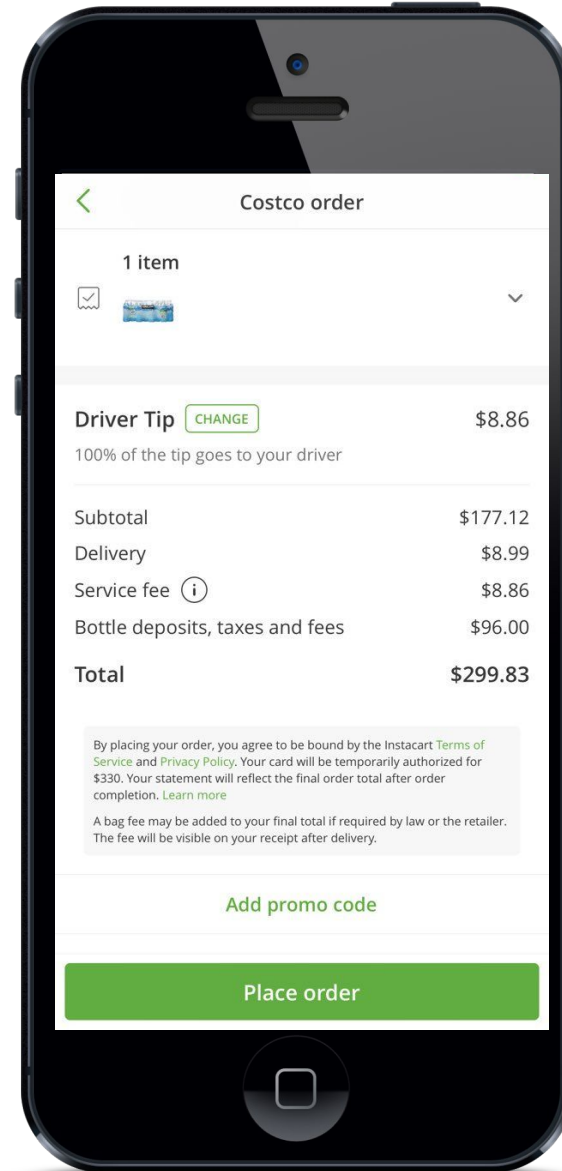
Instacart member loyalty almost as sticky

Instacart member loyalty comparable to other membership programs as 88% of Instacart users currently paying a membership fee are likely to renew when the time comes, compared to 91% of Costco members and 84% of Prime members

How likely are you to renew your membership?

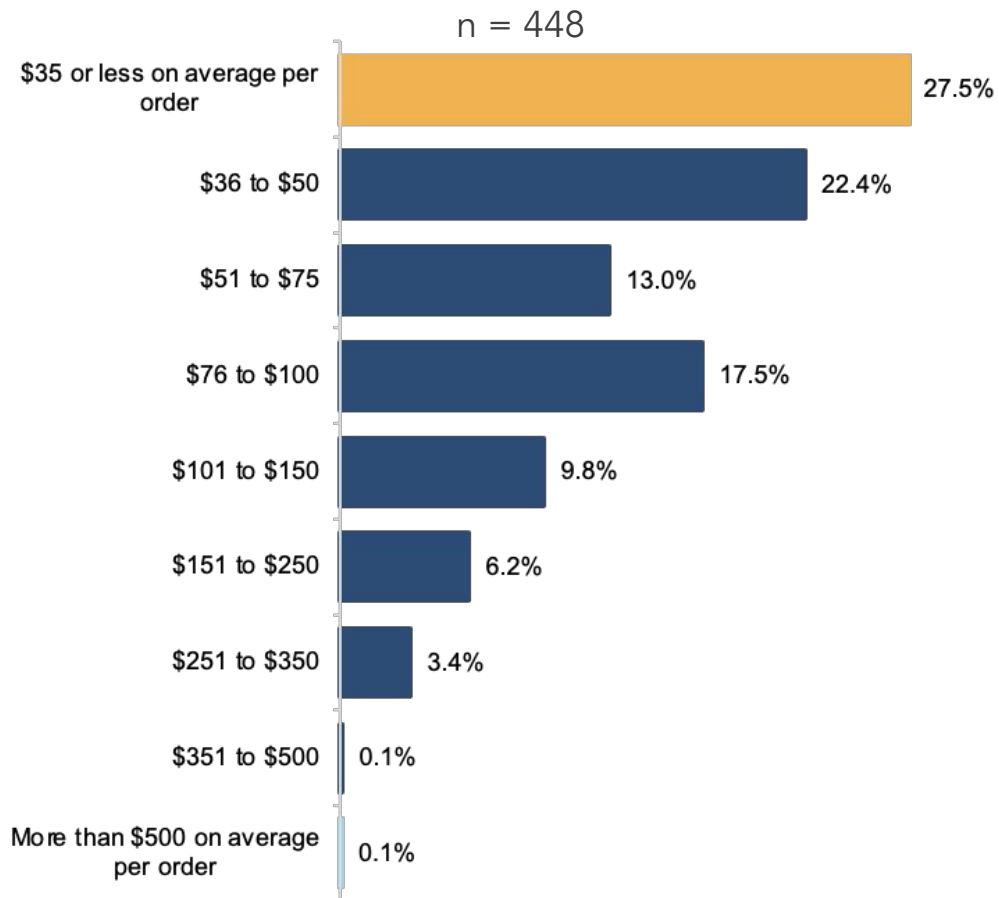


How are Canadians Spending on Instacart?

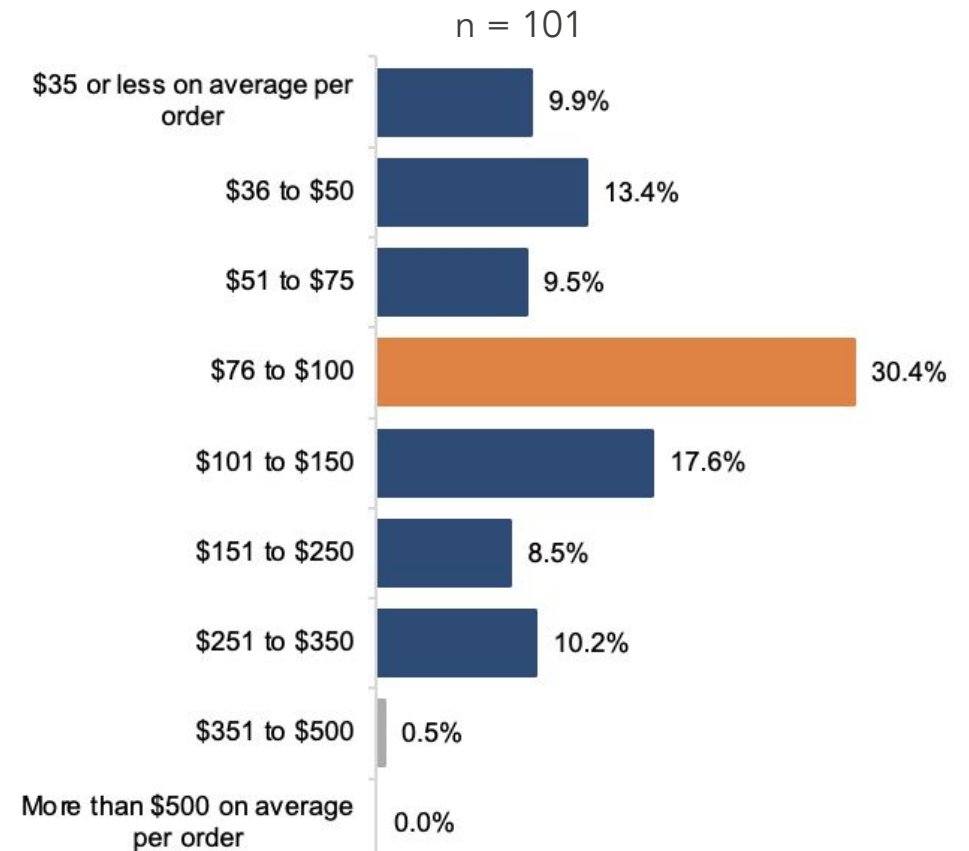


Most spend \$100 or less per order. Higher spend per order for Costco frequenters

Average Spend per Grocery Order on Instacart



Average Spend per Grocery Order for those who Primarily shop at Costco

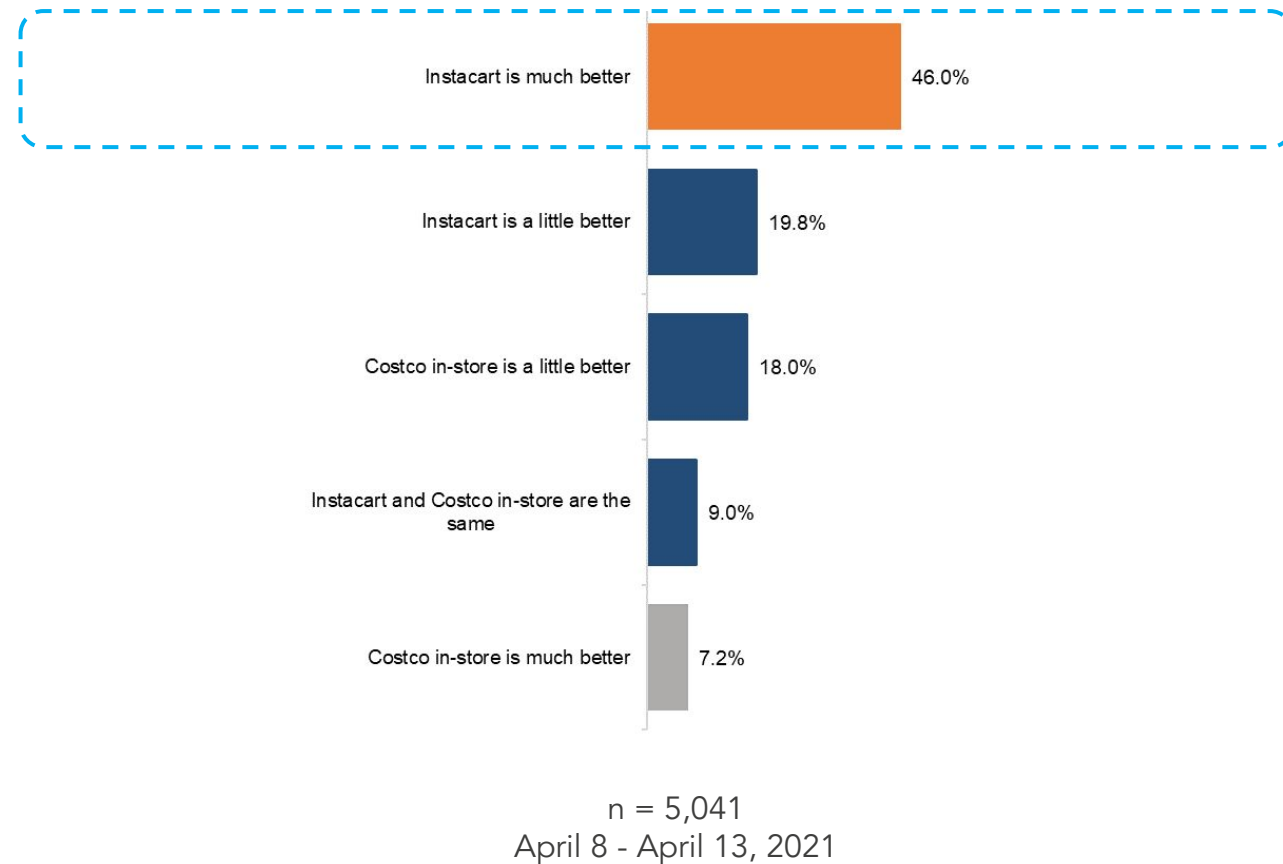


More Than 1 In 4 Costco Members Have Used

Launched on July 31, 2020

- 50% of Canadians are aware of the Instacart app and website.
- 73% of consumers that have tried Instacart say they spend more on that platform than in-store.
- 57% of Canadian Instacart users will definitely continue (T1B) to use Instacart for Costco purchases post-pandemic.

How would you rate your experience at Costco through Instacart vs. shopping in store?





Deep Dive

44%

say they spend much more (T1B) on Instacart for Costco shopping than in-store Costco shopping

87%

of consumers are aware of the fact that items are priced at premium when shopping at Costco through Instacart

33.9%

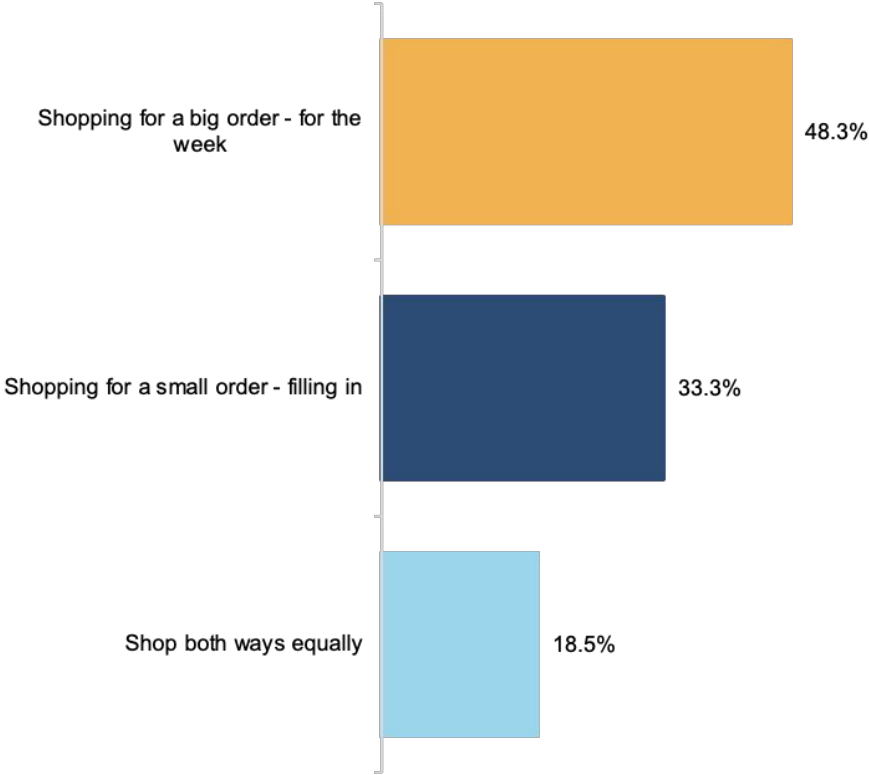
Spend between over \$100 per Costco order via Instacart

Canadians spend much more on Instacart for Costco shopping and most will continue to do so post-pandemic.

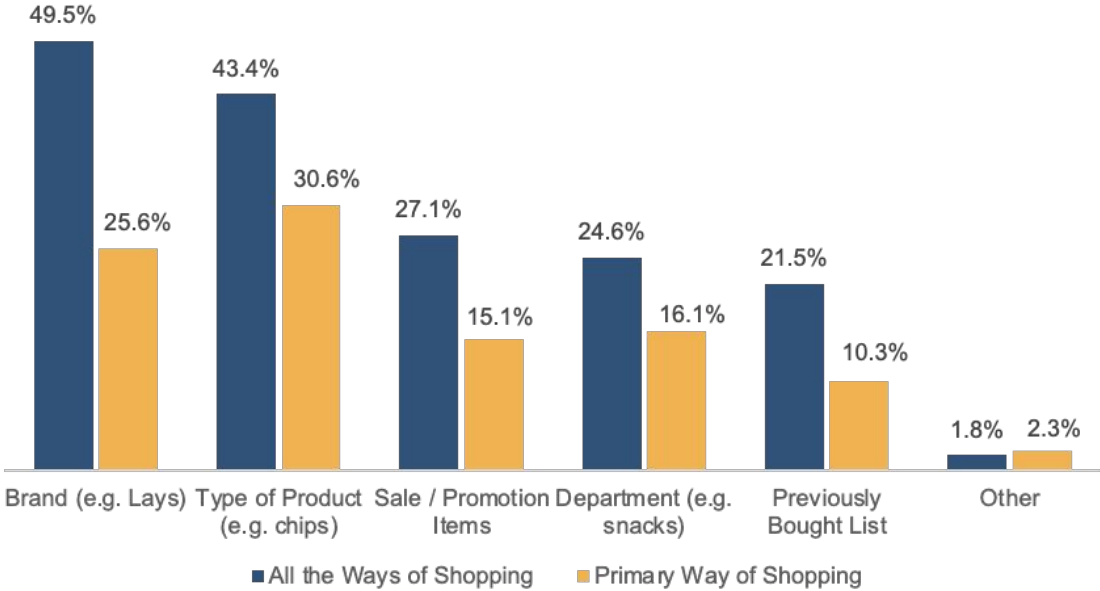
Instacart is used more for bigger orders for the week over small, fill-in orders

'Shopping by Brand' and 'Type of Product' are the most common methods by which users shop on Instacart

When using Instacart, are you:



Ways of shopping using the app:



Dollarama Joins Instacart - GTA Pilot

Potentially shifting the order value to lower spend trips.

65%

are willing to pay a premium for access to Dollarama on Instacart

89%

of Dollarama consumers who frequent weekly or more are willing to pay a premium for access to Dollarama on Instacart

66%

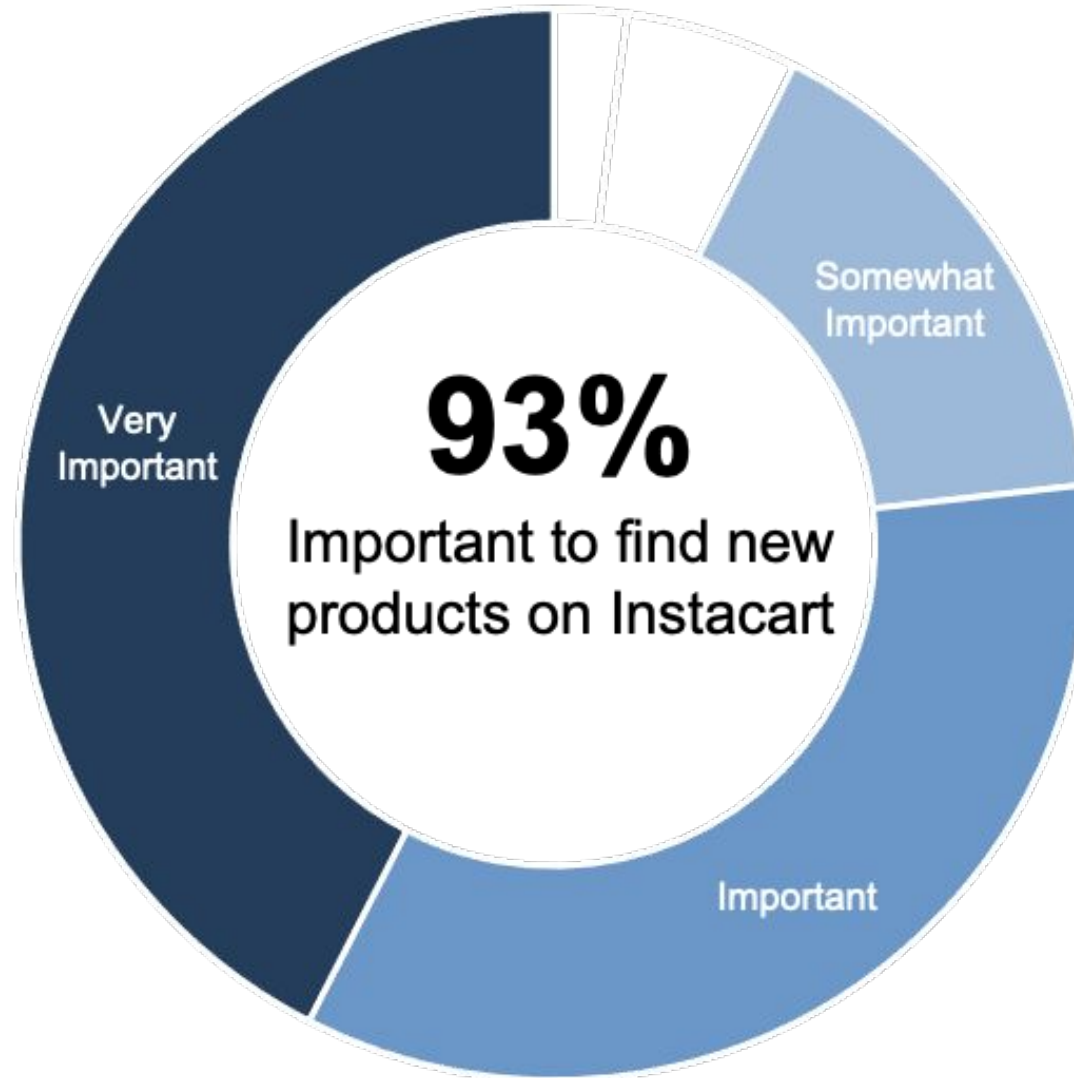
are likely to shop Dollarama using Instacart

Convenience trumps price as avid
Dollarama consumers convert to Instacart

n = 872
08/15/2021

Instacart meets the desire of most users to be able to easily find new products on the app

How important is finding new products on Instacart?

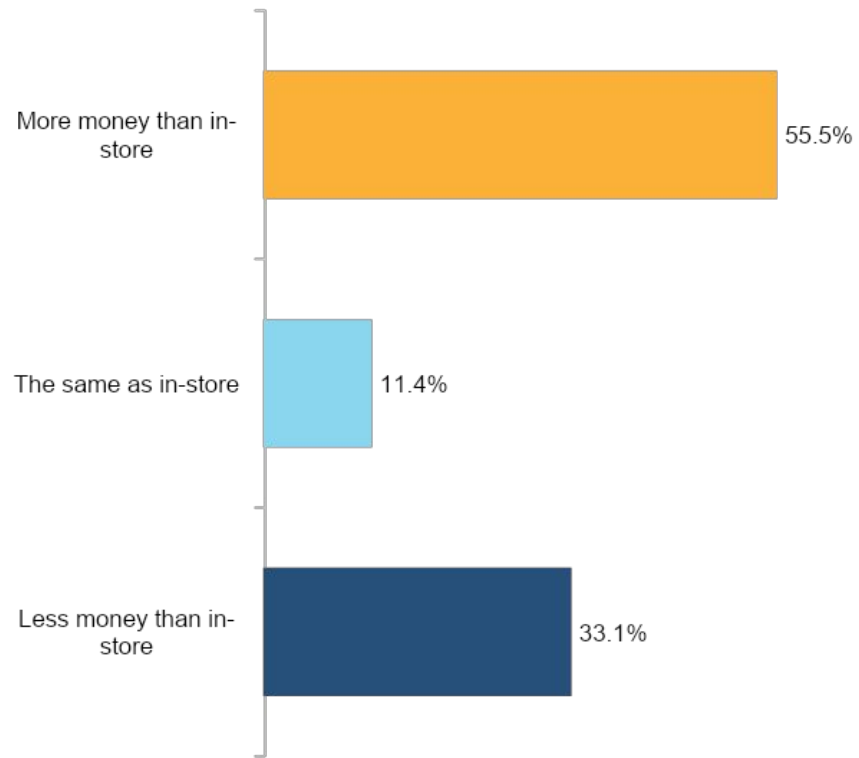


Paying the
Premium:
Is it Worth
the Price?

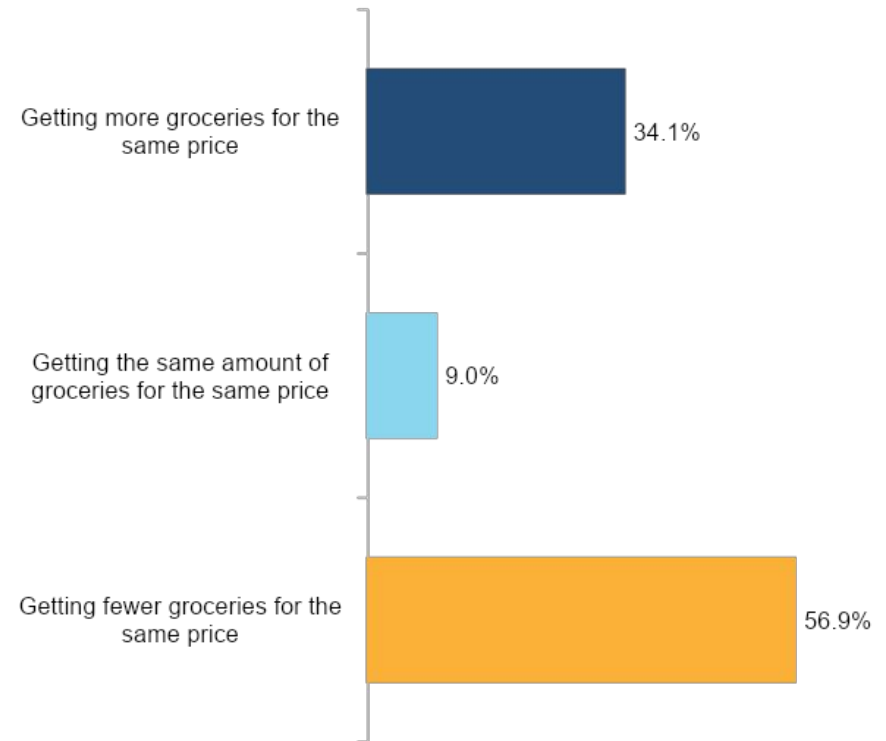


50%+ believe they are spending more money through Instacart than in-store... and getting fewer groceries for the same price

By shopping on Instacart, do you believe you are spending:



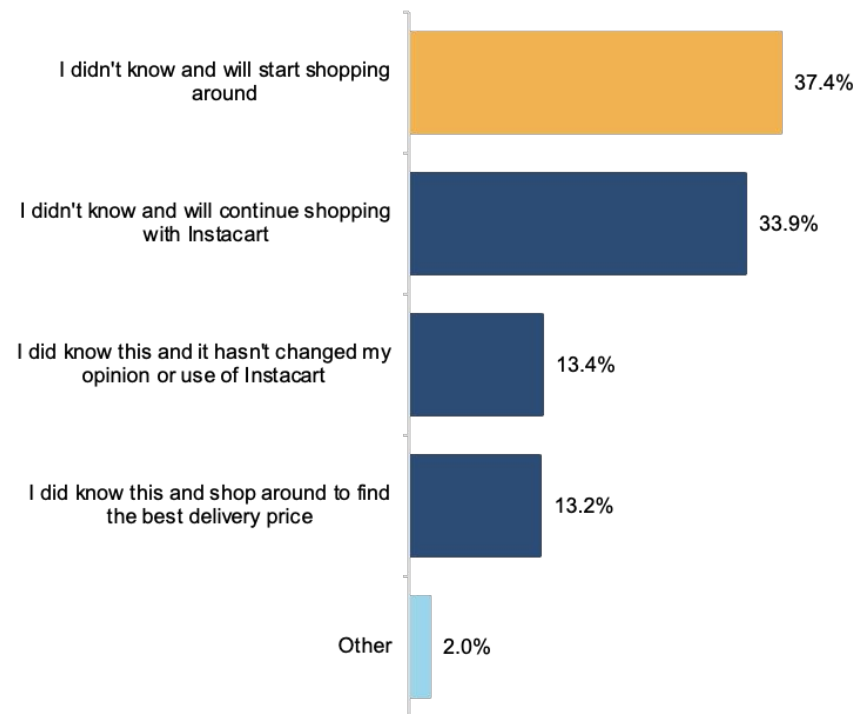
For the money you are spending on Instacart, do you believe you are:



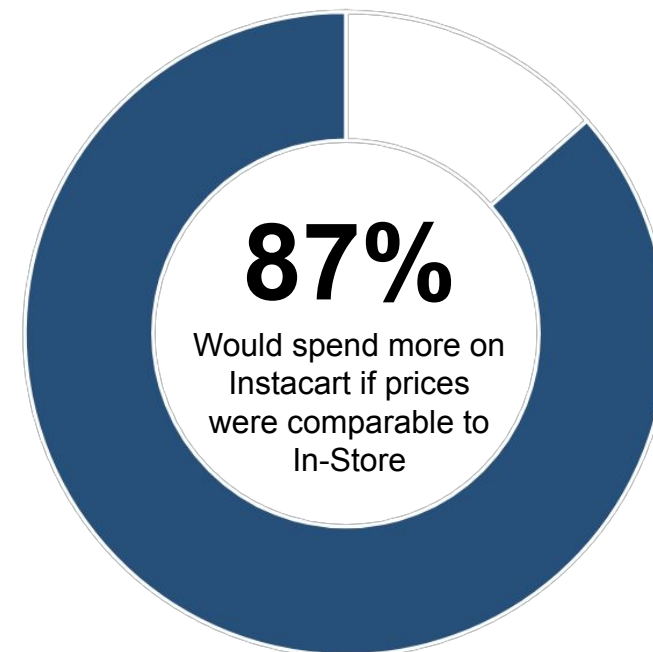
How can Instacart, up the cart?

Most users were unaware that stores charged them more for shopping through Instacart, and this would cause about ½ of users to shop around for the best price

How do you feel about the fact that some stores charge more for items via Instacart?

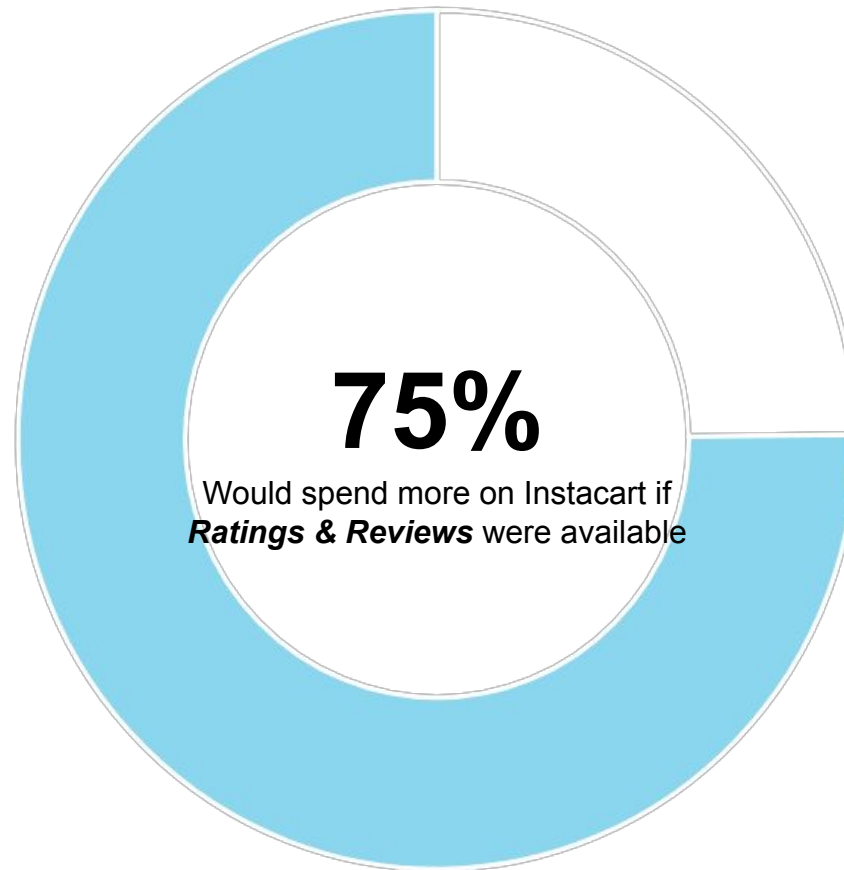


What if prices were comparable to in-store?

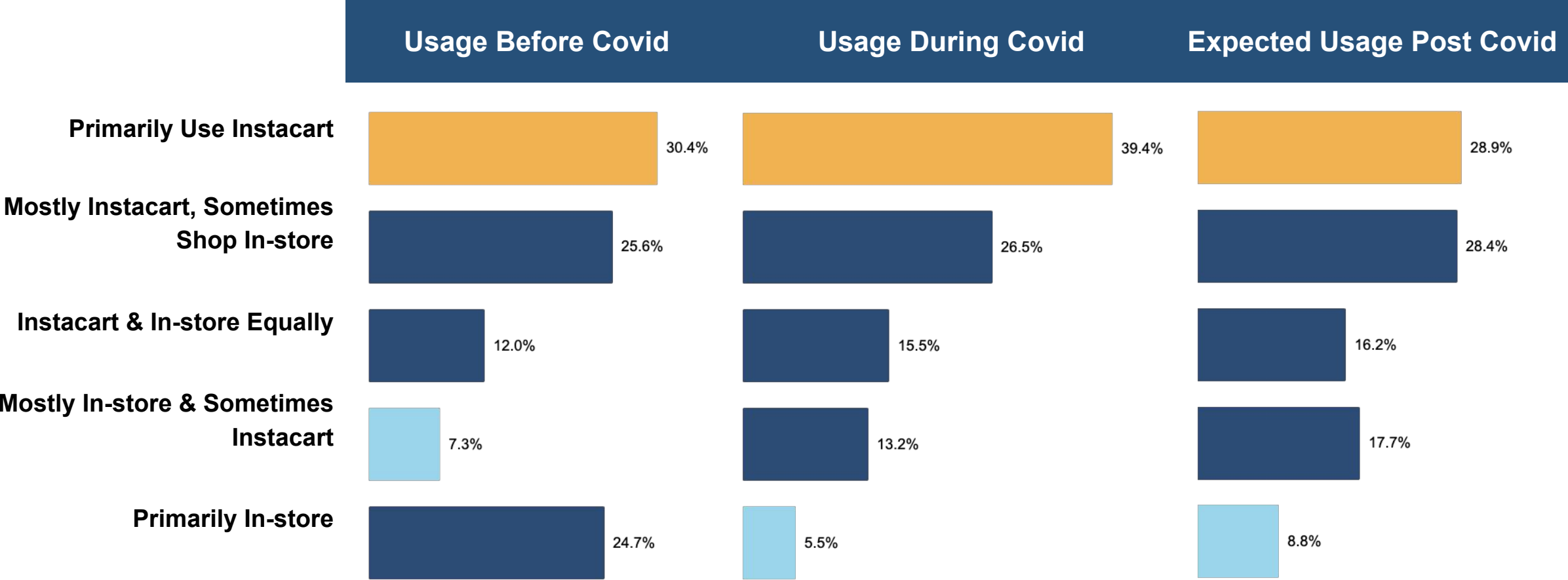


What would make Instacart users spend even more?

Ratings &
Reviews
Motivator to
Increase
Spend via
Instacart



COVID-19 led to increased usage of Instacart

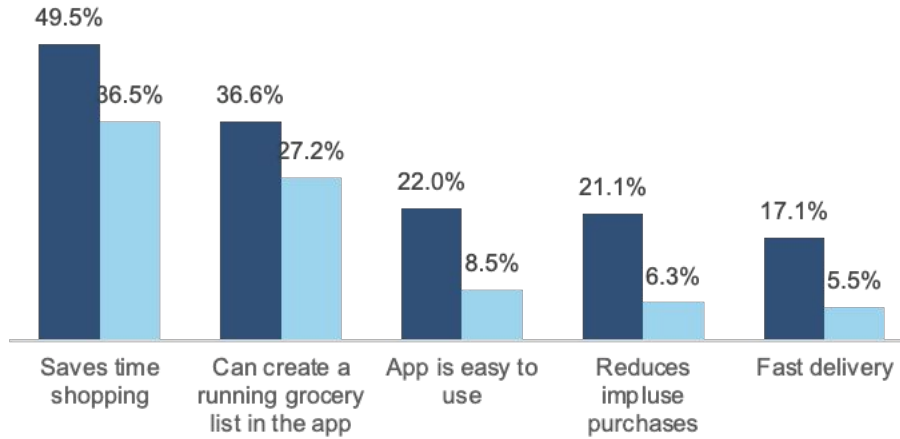


The Likes & Dislikes of Instacart



Canadians enjoy the conveniences Instacart affords, but not the price hike

LIKES



■ What Users LIKE About Instacart (Select All)

■ Favorite Thing About Instacart (Choose One)

DISLIKES

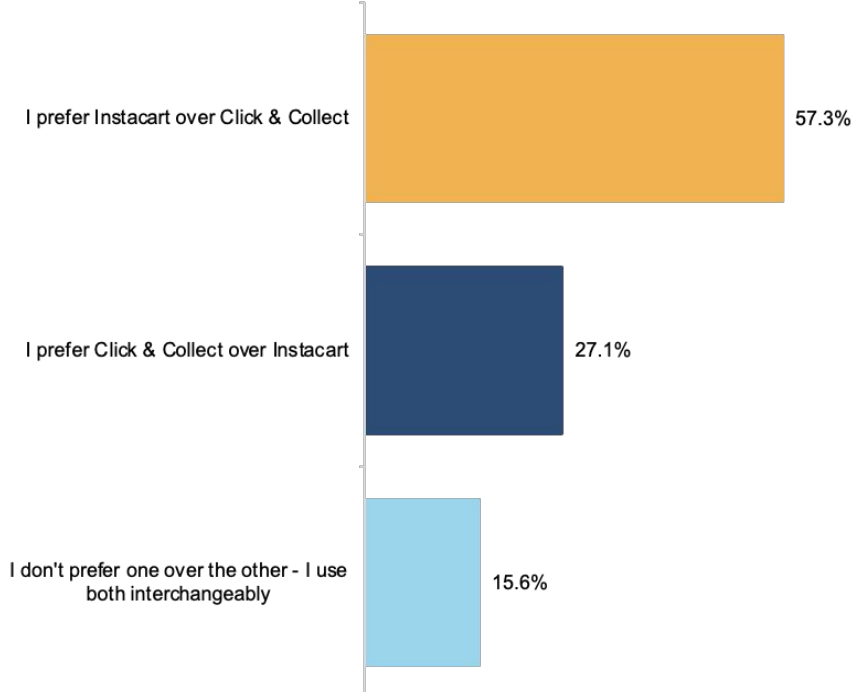


■ What Users DISLIKE About Instacart

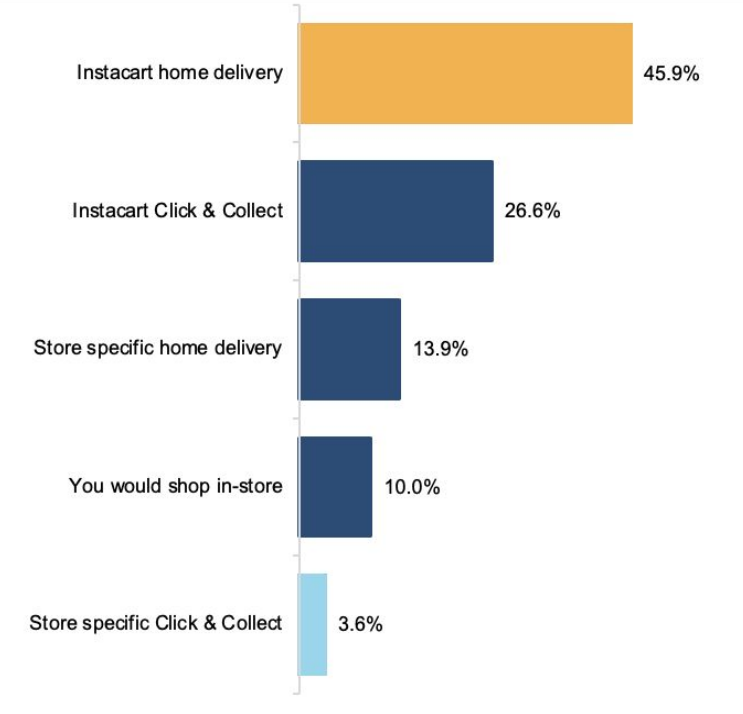
■ Least Favorite Thing About Instacart

Most users are loyal to Instacart vs Click & Collect

How does Instacart compare to other click & collect options?

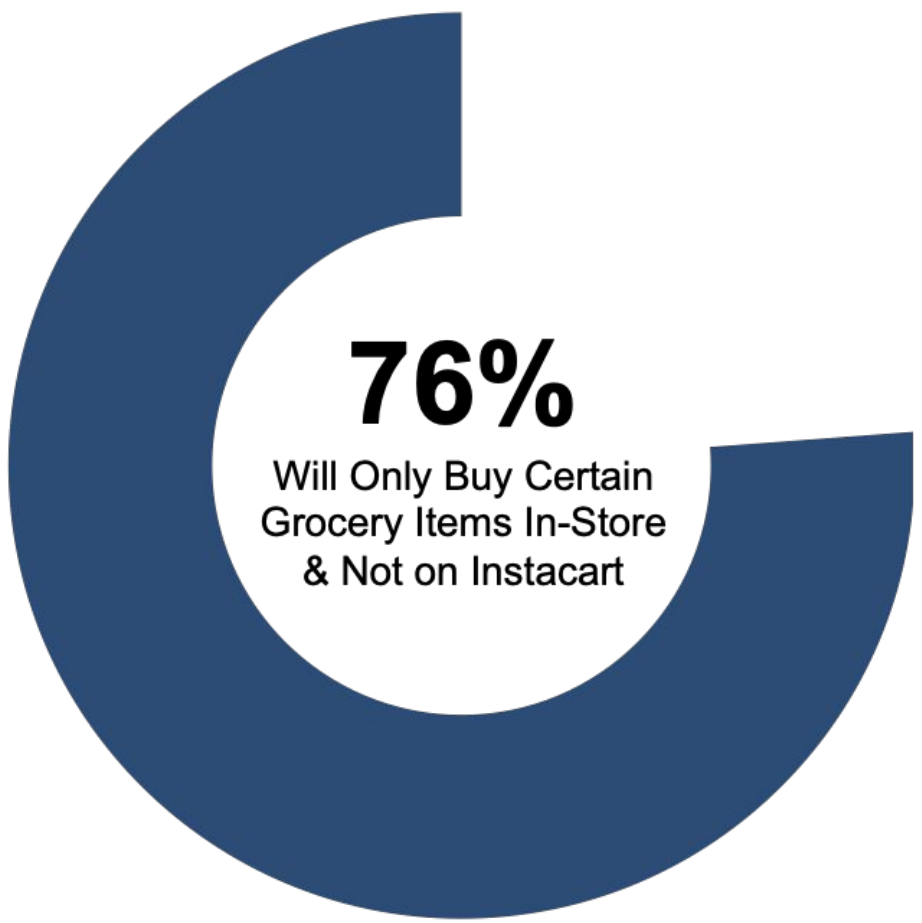


If users could only get groceries one way, it would be:

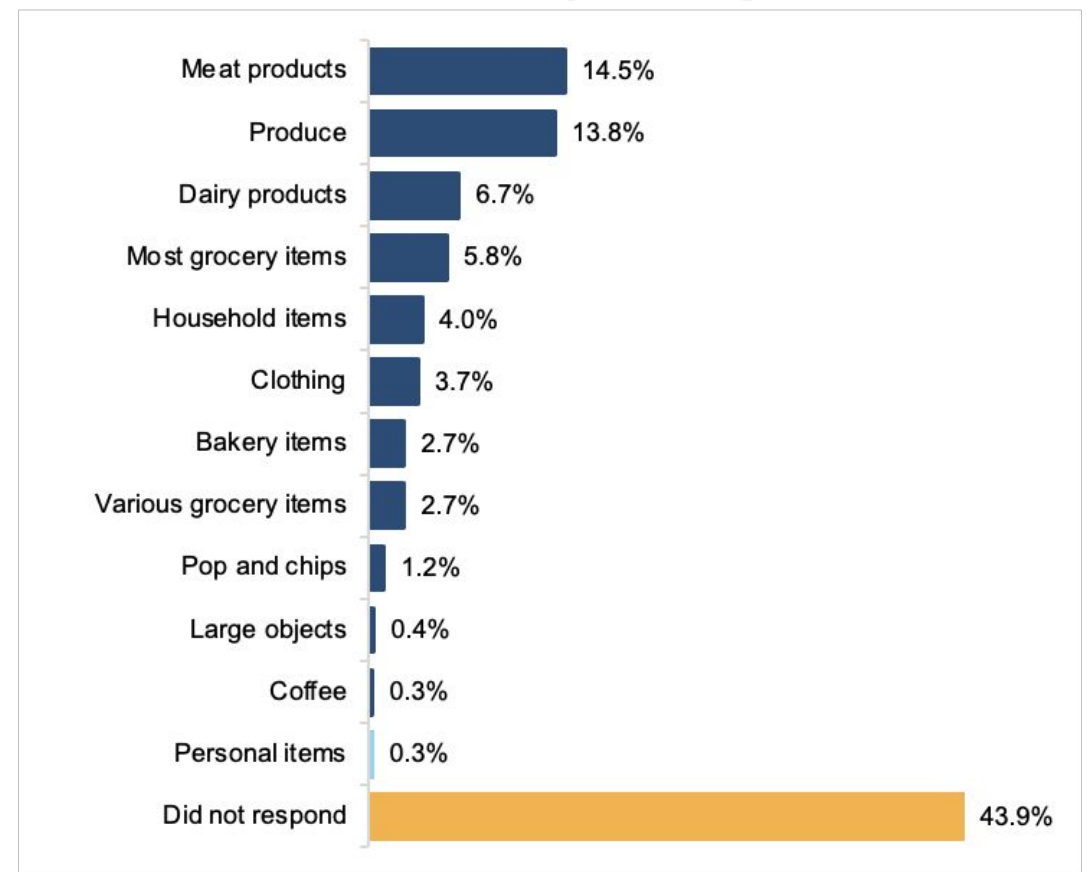


Instacart: A compliment to in-store shopping

3 in 4 Users have products they will not purchase through Instacart and will only purchase in-store, such as meats, produce and dairy



What Won't Users Buy Through Instacart?



Delivery
Wars:
Instacart vs.
Competitors



Most Used Grocery Delivery Services are Walmart.ca & PC Express

Do you use ___ delivery service?

Instacart	Walmart.ca	Amazon	Costco.ca	PC Express
12%	22%	19%	14%	22%

Instacart still yet to be widely adopted by Canadians, and lagging behind the grocery banners owned services.

Instacart Usage

Do you order on ___ app weekly or more frequently?

Instacart	Walmart.ca	Amazon	Costco.ca	PC Express
44.8%	35.2%	29.5%	36.5%	45.3%

Average spend varied, except Amazon which had the lowest average. The peak range for Walmart and Costco were highest.

	Walmart.ca	Amazon	Costco	PC Express	Instacart
\$35 or less	20.4%	44.9%	16.4%	20.3%	27.5%
\$36 to \$50	21.7%	27.2%	13.7%	17.8%	22.4%
\$51 to \$75	22.7%	12.3%	15.7%	16.3%	13.0%
\$76 to \$100	16.5%	9.4%	20.1%	16.8%	17.5%
\$101 to \$150	11.7%	4.9%	18.7%	17.1%	9.8%
\$151 to \$250	5.8%	0.6%	11.7%	8.8%	6.2%
\$251 to \$350	0.9%	0.2%	2.5%	2.1%	3.4%
\$351 to \$500	0.2%	0.3%	0.7%	0.7%	0.1%
More than \$500	0.1%	0.2%	0.5%	0.2%	0.1%

Likelihood to Recommend

Based on your experience, how likely are you to recommend __ to family and friends?

Instacart	Walmart.ca	Amazon	Costco.ca	PC Express
+73.8%	+71.8%	+78.5%	+84.4%	+69.8%

The majority of users of each grocery delivery service are likely to recommend it, but willingness was highest among Costco users, followed by Amazon, then Instacart

Key Takeaways

- **Instacart is Here to Stay** – as an integral and valued channel for many Canadian grocery shoppers. Outside of grocery, as penetration increases, it will become stickier as it grows.
- **If You Don't Use It, You'll Lose It** - if you're not leveraging Instacart, you'll lose share as Canadians as the service gains traction with new store, users and products at staggering rates.
- **Get in the Friend Zone** - understand Instacart shopper behaviour to land in shopper baskets. This is critical to driving repeat, as Instacart prompts and encourages repetitive or like orders.
- **The Treasure Hunt is Real** - grocery shoppers love to be able to discover new products on Instacart, and feel they're able to do so quite easily, lending to more frictionless innovation trial.
- **In-Store Pricing is Important** - Canadians love value, and although many aren't aware of the premiums, it's only a matter of time - and as COVID settles, in-app premium pricing will limit user growth and share gains.

WHY CHOOSE US

- Largest and most active panel in Canada
- Get rapid insights in 72 hours
- Trusted by fortune 500 brands and major research firms
- Short and long term studies
- Rich, in depth customer data, including purchase
- Mass to specific niche audiences
- Flexible options customized to suit your brand





Let's talk insights.

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