



## New Study Shows Instacart Spurs Job Growth and Revenue Increases Across the U.S. Grocery Industry

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*NERA Research Shows Instacart is Directly Responsible for Driving 186,000 Incremental Grocery Jobs, \$6.4 Billion in Additional Revenue for Grocers*

**SAN FRANCISCO, CA** – September 23, 2021 – New research released today shows the unique and significant positive economic impact Instacart, the leading online grocery platform in North America, has had on the U.S. grocery industry. This new comprehensive analysis by Dr. Robert Kulick of NERA Economic Consulting quantifies for the first time ever the increases in U.S. grocery jobs and revenue directly linked to Instacart since the company started to scale its operations.

The study finds that Instacart created approximately 186,000 additional jobs in the U.S. grocery industry and increased total grocery revenue by \$6.4 billion from 2013 through the second quarter of 2020. That includes approximately 116,000 jobs in the U.S. grocery industry—representing 70% of net grocery job creation—and \$2.9 billion in additional grocery revenue before the pandemic began (between 2013 and 2019).

“Instacart has been a catalyst for the U.S. grocery industry both before and during the pandemic,” said Dr. Robert Kulick, Associate Director, NERA Economic Consulting. “This analysis shows that, from its inception, Instacart has driven significant increases in U.S. grocery employment and revenue, and that during the COVID-19 pandemic, these effects have become even more pronounced. This ‘Instacart Effect’—the causal relationship between Instacart’s growth and the growth of the grocery industry—is a national phenomenon benefitting retailers, workers, consumers, and local economies.”

Instacart’s impact during the COVID-19 pandemic has been even more profound, the study shows. During the early months of the pandemic (Q1-Q2 2020), Instacart increased retail grocery employment by approximately 70,000 jobs—accounting for 92% of new grocery job creation during the height of the pandemic—at a time when many retail segments were ailing. During that same period, Instacart generated \$3.5 billion in additional revenue for grocers.

“Instacart is proud to serve as the leading retail enablement platform for brick-and-mortar grocers across North America. Our job is to ensure retailers can serve their customers online, reach new customers, grow their businesses, and expand the incredibly important impact they make in the communities they serve,” said Carolyn Everson, President of Instacart. “This new study confirms what we hear every day from our retail partners—that Instacart gives them a distinct edge in this new era of accelerated e-commerce adoption and competition. The grocery industry plays such a vital role in all our lives, and we’re committed to continuing to help retailers of all sizes create jobs and unlock new growth opportunities for many years to come.”

Using rigorous statistical methods and analyzing data from across all 50 states and Washington D.C., the study demonstrates a robust relationship between Instacart adoption in local markets and grocery employment and revenue growth in the grocery industry. As more grocers turn to Instacart to help them compete, the results show, Instacart helps bolster retailer growth, create jobs, and enhance the ability of the industry to respond to rapid changes in demand.

Key findings of the study include:

- **Instacart Benefits the U.S. Grocery Industry and its Workers:** As online grocery grows, so does the revenue it drives across the grocery industry. Instacart increased incremental grocery revenue in the U.S. by over **\$6.4 billion** from Q1 2013 to Q2 2020. Over this same period, Instacart created over **186,000 grocery jobs**. These are retail grocery jobs that would not have existed in the absence of Instacart and include jobs such as cashiers, stocking associates, and deli counter clerks, among others.
- **Instacart has Fueled Economic Growth in the U.S. Grocery Industry:** While many brick-and-mortar retail sectors have stagnated in recent years amid the rise of e-commerce and the COVID-19 pandemic, as cited in the study, the grocery industry has experienced robust economic growth. Instacart played a central role in this trend, accounting for **70% of net job creation** in the grocery industry from 2013 to 2019 and **92% of net grocery job creation** during the peak months of the COVID-19 pandemic (Q1-Q2 2020).

“As our online grocery business has grown, Instacart has helped us better meet our customers’ needs where they are and according to their preferences,” said Erik Katenkamp, Vice President of Omnichannel for Publix. “We constantly strive to provide stellar service to our customers, which includes high quality products and services. As we continue to evolve our online business to meet the changing expectations of our customers, we know Instacart will continue to provide us with the support and collaboration we, and our customers, have come to expect and enjoy.”

Today, Instacart partners with more than 600 national, regional and local retailers, including unique brand names, to deliver from nearly 55,000 stores across more than 5,500 cities in the U.S.—including all 50 states—and Canada. Instacart’s platform is available to over 85% of U.S. households and 80% of Canadian households.

This study follows a smaller-scale report Dr. Kulick [released last year](#) that examined the impact of Instacart in four markets in 2019 – in California, New York, Illinois, and Washington. That analysis similarly showed that Instacart boosted U.S. retail grocery employment in those four states by over 23,000 jobs – representing a 4 percent growth in employment – and increased revenue by a total of over \$620 million.

To read the full U.S. study, click [here](#).

### **Methodology**

The study, conducted by Dr. Robert Kulick of NERA Economic Consulting, applies rigorous statistical methods to evaluate whether there is evidence of a causal relationship between Instacart adoption and economic outcomes in the U.S. grocery industry. The findings are supported by the application of multiple statistical techniques used to rule out alternative explanations for the observed relationships. The consistency of the empirical results across models and statistical control strategies provides strong evidence of a causal relationship between Instacart adoption and economic growth in the U.S. grocery industry.

### **About Dr. Robert Kulick**

Dr. Robert Kulick is an Associate Director at NERA Economic Consulting, specializing in the economic analysis of competition, regulatory, intellectual property, and labor and employment issues. Much of his work involves the use of econometric analysis to evaluate the effects of technological innovation, entrepreneurship, entry of new firms, and competition on labor market outcomes, including employment, wages, and productivity. Dr. Kulick holds a PhD in economics from the University of Maryland, College Park, and a BA in economics with high honors from Princeton University.

### **About NERA**

NERA Economic Consulting is a global firm of experts dedicated to applying economic, finance, and quantitative principles to complex business and legal challenges. For 60 years, NERA's economists have been creating strategies, studies, reports, expert testimony, and policy recommendations for government authorities and the world's leading law firms and corporations. NERA serves clients from more than 25 offices across North America, Europe, and Asia Pacific.

### **About Instacart**

Instacart is the leading online grocery platform in North America. Instacart shoppers offer same-day delivery and pickup services to bring fresh groceries and everyday essentials to busy people and families across the U.S. and Canada. Instacart has partnered with more than 600 beloved national, regional and local retailers, including unique brand names, to deliver from nearly 55,000 stores across more than 5,500 cities in North America. Instacart's platform is available to over 85% of U.S. households and 80% of Canadian households. The company's cutting-edge enterprise technology also powers the ecommerce platforms of some of the world's biggest retail players, supporting their white-label websites, applications and delivery solutions. Instacart offers an Instacart Express membership that includes reduced service fees and unlimited free delivery on orders over \$35. For more information, visit [www.instacart.com](http://www.instacart.com). For anyone interested in becoming an Instacart shopper, visit <https://shoppers.instacart.com>.

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