

Inside the Mind of an Australian Grocery Shopper



Introduction

Grocery shopping has never been harder in Australia. From the current cost-of-living crisis to the overwhelming always-on volume of advertisements and marketing messages, mostly on social media, grocery shoppers are spoilt for choice when it comes to brands and reevaluating what value means to them, how they plan their shopping and who they trust to help with these decisions.

However, there is significantly less choice when it comes to where consumers choose to shop. According to the recent Australian Competition & Consumer Commission (ACCC) supermarkets inquiry, the two major retailers, Coles and Woolworths, account for approximately 67% share of supply in the country's supermarket retailing industry. Due to this structure, the two competitors have limited incentive to compete vigorously on price.

In this report, we combine new Vypr data about Australian grocery shopping behaviour with recent industry trends, to help brands understand how consumers actually make decisions. This research doesn't focus solely on what happens in stores – we've delved into the three crucial stages of the customer journey: pre-purchase, instore and post-purchase.

According to the results, winning the grocery basket is not only about setting strategic pricing, but about showing up at the right moments along the customer journey, which increasingly starts before a list is even written and continues long after a shopper has left the store or clicked 'pay for purchase'.

With margins tighter than ever and little room for error, it has never been more important for brands and retailers to make the right calls. This report is a guide on how brands, retailers, and retail marketers can break through this noise.





Executive Summary

Australian Bureau of Statistics (ABS) reported a 3% increase in the cost of food and non-alcoholic beverages over the 12 months to June 2025. Nearly half of shoppers (48%) said they were heavily influenced by price, and there has been a positive attitude shift towards own-label brands, with more than two in five (42%) of consumers directly referencing price, value or cost of living pressures as the reason for their shift. Promotions remain extraordinarily powerful and can change behaviour: nine in 10 (90%) shoppers have bought a product because it was on promotion, and over four in 10 (43%) have even gone out of their way to access a promotional deal.

Price is top of mind. This is understandable given the

While the Australian grocery shopping experience is evolving, consumer behaviour remains rooted in habit and value, and brands and retailers need a holistic approach to ensure they remain top of mind. Three themes dominated the Shop! ANZ & Vypr data.

There is a clear shift towards **more planned shopping.** The days of browsing to be inspired – at least for grocery shopping – are nearly behind us as most purchases skew toward full shops or essential top ups, not discovery. Nearly half of shoppers (49%) said they planned more now than they did in 2020. They tend to use more planning support tools like online lists, instore signage, pre-packed bundles and clear, fast navigation. This basically means that if a product is not on the list, it's much harder for it to make it into the trolley or basket.

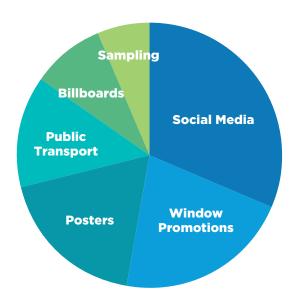
Marketing influence doesn't end at checkout, with social media leading the charge and often being the spark for instore conversion. Nearly half (48%) of shoppers said an advertising and marketing influenced their decision to buy a product instore, with social media being the biggest driver. More crucially, more than two in five (43%) said they noticed marketing and advertising more after buying a product.

It's clear that winning the first purchase is only the beginning for brands and retailers - reinforcing this with the right content and at the right moments outside the actual shopping activity leads to long term impact.

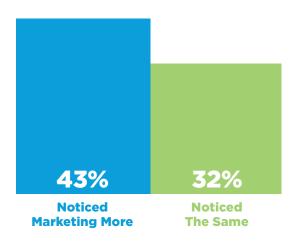




Key Highlights



87.6% of grocery purchases are instore









Affordability is the number one driver behind consumers' growing trust in own-label products, with more than two in five (42%) of shoppers directly referencing price, value or cost of living pressures as the reason for their shift.



Physical touchpoints still matter, but digital reach is stronger. Among those influenced by ads, more than half (56%) mention social media as the most influential format, well ahead of physical formats like promotions on windows (38%) and posters outside stores (33%). Traditional billboards (24%) and public transport ads (16%) trail behind, while sampling or ambassadors near the entrance influenced only 11%.



At 87.6%, instore remains the dominant channel for grocery purchases. Despite the growth of e-commerce in other sectors, online grocery adoption remains limited.



Grocery browsing opportunities are limited, as nearly half of shoppers (49%) said they planned more now than they did in 2020. One in three (32%) shoppers do full shops and 29% are topping up essentials. Only 7% go to try new things, and 4% seek inspiration.



People are more attuned to a product once they've engaged with it. More than two in five (43%) said they noticed marketing more after buying a product.



Vypr is a global product intelligence and consumer insights platform that helps brands make informed product decisions quickly and confidently. Our approach combines mobile-first research tools with engaged consumer communities, delivering insights that are accurate, actionable and agile.

The findings in this report are based on research conducted between June and August 2025 with a sample of 200 Australian consumers, weighted to the latest population data across age and gender. Vypr's methodology is rooted in behavioural science and captures instinctive, System 1 responses through short, targeted, mobile-optimised questions.

To provide a rounded view of consumer attitudes and behaviours, we combined structured survey data with open-ended feedback, analysed using both traditional quantitative methods and Al-driven sentiment analysis. This approach offers a balanced perspective on consumer preferences, behaviours and the motivations behind them.





The Customer Journey

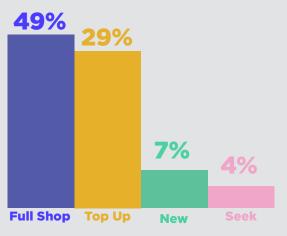
The customer journey from awareness to purchase to advocacy is rarely linear, and grocery shopping is no exception. Australian grocery shoppers are making decisions at multiple touchpoints, and by breaking the journey into three clear stages - pre-purchase, instore and post-purchase - we can better understand not only how shoppers think and act, but also how brands and retailers can show up at the right time with the right message.





Pre-purchase

Brand visibility starts way before shoppers even make it to the aisle or website, and the pre-purchase stage is about earning the right to be considered. If you're not on the list, you're almost never in the trolley or basket.





As shoppers become more digitally connected, online influence, especially via social media, continues to shape purchase intent. We found that social media was well ahead of physical formats like promotions on windows, posters outside stores, traditional billboards, public transport ads, and near store sampling, when it comes to brand awareness.

Among those influenced by marketing and ads, more than half (56%) mentioned social media as the main influencer. This isn't surprising given, according to Meltwater's Digital 2025: Australia report, more than nine in 10 (95%) internet users over the age of 16 are on social networks and more than one in four (26%) mentioned finding inspiration for things to do and buy as a main reason for using social media. Brands have caught onto this – in 2024, social accounted for 29% of all digital ad spend in Australia, a 5% increase year on year, and influencer ad spend reached \$520 million, up 13% year on year.

All this daily scrolling, recipe and weekly haul video saving, and product screenshotting doesn't go to waste. The Shop! ANZ and Vypr data shows that most shoppers have shifted towards more planned grocery shops, with nearly half (49%) planning more now than they did in 2020.

In addition, one in three (32%) shoppers primarily do full shops and 29% are topping up essentials. Only 7% go to try new things, and 4% seek inspiration. This means the art of browsing has taken a hit. Instead, consumers use more planning support tools like online lists, instore signage, pre-packed bundles and clear, fast navigation. But this doesn't mean that there is no room for discovery. It just needs to be positioned smartly within a planned mindset.

Retailer eco-systems help set the tone here: Woolworths' Everyday Rewards and Coles' Flybuys programs, for example, continuously alert consumers of saving opportunities that help in their planning. The ACCC supermarkets inquiry also revealed Coles and Woolworths' sophisticated promotional and loyalty programs have a substantial impact on the shopping behaviour of their customers, providing the two retailers with a wealth of consumer and transaction data, driving sales and profitability, influencing some members' short and long-term shopping behaviour, and encouraging long term loyalty.







The instore experience is the make or break moment in the customer journey.
Here, brands fight for visibility during whatever short windows shoppers have, trying to get them

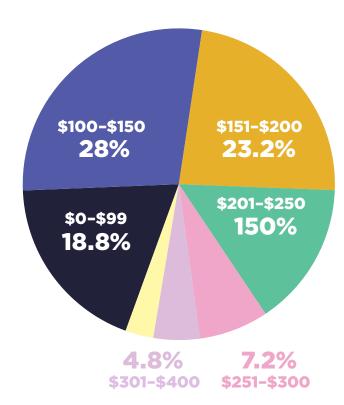


to see past their lists through

price, placement, and packaging.

home brand is cheaper





The biggest driver of this planned behaviour change is price. We've seen a clear hierarchy of influence, with price and affordability sitting right at the top, which makes sense given the Australian Bureau of Statistics put food and non-alcoholic beverage inflation at 3% from June 2024 to June 2025. This increase is a substantial hit to weekly budgets, so anything that makes money go further earns attention.

There has been a positive attitude shift towards own-label brands because of this. Over four in 10 (42%) shoppers to our survey explicitly cited price, value and cost of living pressures as the reason for their shift, with comments like "home brand is cheaper" and "cost of living has forced me to do this" appearing frequently. It shouldn't come as a shock, then, that Aldi's messaging around a consistent price gap is resonating with consumers. The own-label leader recently announced Australians could save about \$3,000 a year shopping at its grocery stores over Woolworths, Coles and IGA. In this climate, a compelling own-label proposition feels not like a smart trade-off, rather than the trade down it may once have been.

If own-label brands continue to innovate, focus on health credentials, or mimic premium branding, we expect them to continue to increase their marketshare, meaning other brands can't afford to ignore them any longer.

As financial pressures persist, mid-tier budgets remain dominant, with few households spending at the top end. Most (28%) shoppers spend \$100-\$150 per week, with the majority falling under the \$200 mark. This is driven primarily by two-person households. Spending over \$300 typically involves shopping for 3-4 people, with 60% of those spending \$301-\$400 buying for three, and 33.33% of those spending over \$400 catering for 5+ people. There is a clear spend-to-household size alignment. As more singles and couples dominate lower-spend bands, expect increased interest in small format convenience and price sensitive promotions. Brands targeting smaller baskets or efficient value packs will likely see greater traction.





of shoppers see 1-5 pieces of marketing instore



The best place for these price wars, which may surprise some, is actually instore. We found that despite the growth of e-commerce in other sectors in Australia, online grocery adoption remains limited, mainly because of stock issues and delivery costs – two key ingredients for a successful online shopping experience.

Until retailers offer smarter inventory visibility, clearer product details and affordable or free delivery options, the overwhelming majority of consumers (88%) will continue to do their grocery shopping instore. They still prefer to see their groceries, make assessments and substitutions, and be able to immediately purchase products.

This shows the continued importance of physical retail presence for supermarkets and brands. This is where well placed physical signage and store front activation play a critical role in converting foot traffic, particularly for impulse or last minute decisions.

It's not just about the signage though - a key consumer need across the data was clarity. As mentioned, price is a major purchase factor - almost half (48%) of shoppers said it influences them "a lot". Shoppers want to know exactly what it is they're potentially buying, how it will benefit them, what it costs and how much they could be saving. So, it's important for brands and retailers to keep any advertising and labelling as simple as possible. Consumers don't want to have to do the maths themselves, especially if they're time poor.

There's a visibility sweet spot for instore marketing, with too much or too little leading to lower recall. Most shoppers are exposed to a manageable volume of marketing and ads, which can be optimised with standout creative.

Almost six in 10 (57%) see between one and five pieces of marketing instore, and six in 10 (60%) bought something after seeing instore marketing. Displays (80%) far outrank all other forms of advertising as the most seen and noticed, and the most effective. Aisle fins (25.12%), end caps (19.32%) and floor decals (13.53%) trailed behind.







While secondary placements work to sway the consumer, core shelving still dominates. The majority (57%) of shoppers pick up products from regular shelves, and it's visually bold and relevant designs that set brands up to compete. Nearly 75% of shoppers said packaging had at least a little influence on their purchase decisions. But, while an eye catching design is a great way to get shoppers to see your product, it shouldn't overshadow what they really need: clear product information was listed as the most important packaging feature, even ahead of visual appeal.

Promotions take this up a notch, sitting among the strongest behavioural nudges in grocery shopping. A massive nine out of 10 (90%) of shoppers bought a product simply because it was on promotion, and over four in 10 (43%) have even gone out of their way to access a promotional deal. This confirms the conversion power of instore promotions. Although this trend holds across age groups, it is especially strong among 35-44-year-olds and those aged 65 years and over.

of shoppers said packaging had at least a little influence on their purchase decisions



bought something because it was on promotion

With most shoppers going instore to shop due to the want or need to see the physical products and being able to purchase on the day, sampling campaigns are a great way to get shoppers to interact with new products. This is especially true for food and beverage. Six in 10 (60%) shoppers said they tried samples because they were free and convenient, and more than half (59%) bought the product immediately or later.

In a heavily digital world, traditional media, such as catalogues and flyers, still matter and continue to drive traffic. Print isn't dead, especially for older shoppers. The Shop! ANZ & Vypr data shows that store magazines are widely picked up with only one in four (25%) of shoppers saying they never do.

This is evidenced in Roy Morgan's Australian Magazine Readership report for the 12 months to June 2025. With a print readership of 4,995,000 and 4,477,000 respectively, the two most widely read (free) magazines are Coles Magazine and Woolworths' Fresh Ideas. These, as well as catalogues, can be a valuable content and promotional tool, as we found that most price-led triggers, such as "buy one, get one free" and multibuys, are found out via catalogues, instore signage or apps. It's important to note that older demographics of 55-64 and 65+ are over represented among regular readers of print.



59% of shopper who sampled purchased





When to shop?

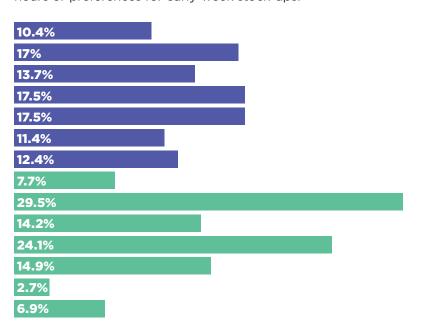
Now that we know what shoppers look for while instore, we need to also understand when they actually make it there. Our data shows that shopping tends to cluster around standard daylight hours. Morning remains the most popular time, with 37% of consumers preferring the 9am-12pm window. As work patterns continue to shift post-pandemic, the afternoon may even become an even more dominant slot for flexible or hybrid workers.

There's also a heavy preference for mid-week shopping as Wednesday and Thursday tied – at 33% each – as the most common shopping days. This mid-week shop popularity may reflect a strategy to avoid weekend crowds or access fresher stock, presenting a strong opportunity for retailers to promote offers or product launches during this period.

This is probably why all the major retailer deals start around Wednesday. Coles and Woolworths release their new catalogues with weekly specials every Wednesday morning, with a sneak peek available online on Monday evenings. While Aldi's timing can vary, its weekly specials are usually updated on Wednesdays as well.

Saturday is not far behind – 32% of people said they did their shopping then. However, at 20%, Sunday doesn't have the same appeal as its weekend counterpart. It remains the least favoured, likely due to shorter trading hours or preferences for early-week stock-ups.

Sunday
Saturday
Friday
Thursday
Wednesday
Tuesday
Monday
Before 9am
9am-12pm
12pm-2pm
2pm-5pm
5pm-7pm
After 7pm
It varies







Post-purchase



shoppers said they noticed marketing more after buying a product.

Often overlooked, the post-purchase stage is a key growth multiplier. By delivering great experiences and subsequently encouraging advocacy, brands can turn one grocery purchase into many.

Our data reveals a consistent cognitive bias: the post-purchase awareness effect. More than four in 10 (43%) shoppers said they noticed marketing more after buying a product. It may be simple human nature to notice what is relevant to us, but it can be a growth opportunity for brands who think strategically across multiple touchpoints outside the shop.

Reinforcing a customer's choice through frequent moments of repeat exposure, such as easy recipe reels, simple 'did you know this also does this' videos and other how-tos, helps shoppers feel that they made a worthwhile purchase and keep that product and/or brand top of mind for the next shop.

Eventually, because of this above expectation experience, shoppers can turn into advocates. Word of mouth is still powerful, especially in everyday categories like food and drink, household items and personal care. Brands that deliver strong value, quality and consistency have the best chance of being shared organically. In our research, six in 10 (60%) consumers said they recommended products at least once a month, and almost seven in 10 (69%) said the person they recommended a product to went on to buy it. The most common reasons for recommendations were value for money (54%), positive personal experience (52%) and better quality (27%).

60% of consumers recommend products

69% of consumers buy post a personal recommendation

54% value for money

52% positive personal experience

27% better quality

In other words, a strong post-purchase experience spawns real life user-generated sharing through several very personal channels that are much harder to tap into and measure, but more likely to lead to a long-term purchaser than any other tactic. Mumpower's Australian Mums Today 2025 report supports this – for over 6 million mums in Australia in charge of over 80% of household spending, word of mouth is a major reason they open their wallets.

We also found that part of the aboveexpectation experience that leads to advocacy sometimes includes a smooth return process. Brands with seamless return and refund processes are more likely to retain shoppers long term.

Most shoppers told us they rarely returned items - 50% did so only a few times a year and 28% never returned items. But when they did, they valued speed: more than one in three (34%) received refunds the same day and almost half (49%) within a week. Quick refunds help maintain trust and reduce friction in the purchase cycle.

The main reasons for returns were wrong size/fit (56%), damaged or faulty items (55%) and product misrepresentation (31%). This means retailers should prioritise fit guides, accurate images and quality checks to reduce returns. Instore return options remain essential, and streamlining the return process can help mitigate friction.





Key takeaways

We've put together some key takeaways and recommendations for brands and retailers based on our research.

Value almost always wins

Our data shows that value is a major decisive factor for grocery shoppers in every possible way. With the current cost of living pressures, it's not something brands and retailers can afford to ignore. This is a key driver for consumers' increased trust in and relevance of ownlabel brands. If these brands continue to innovate, focus on health credentials and mimic premium branding, we expect to see further trial and a continued shift in perception. Brands that can counter with superior functionality, credible health benefits or real indulgence can still win share, as long as the premium is easily understood at a glance.

There is also an opportunity for brands and retailers to offer consumers plain and simple discounts – make it easy for them to make sense of whatever discount they're getting. While many decisions are made before shoppers even set foot in store, promotional deals can change behaviour instore. However, the more complex the deal, the more likely you are to miss the moment.

Physical space still dominates

Despite significant online growth in almost every other industry, Australian grocery is still a primarily instore activity for most shoppers. Seeing physical products and being able to immediately purchase products remain strong draws of being in a physical store. This means brands and retailers need to optimise shelf space by investing in strong instore visibility tactics, especially on the midweek (Wednesday and Thursday) and Saturday peak shopping days. Shelf signage needs to answer three key questions: what it is, why it's better and how much it is.

Social media is the king of influence

As the most influential promotional channel, according to our data, social media is key for brands and retailers to have a continued impact beyond the first sale. The days when scrolling through popular platforms like Instagram and TikTok were just for entertainment are long gone. While targeted advertising via owned channels can be effective, brands need to look beyond this and tap into the power and trust consumers have in influencers. Planning for partner influencers' content rollout schedules to align with product availability and accompanying brand content in retailer magazines, such as Coles Magazine or Woolworths' Fresh Ideas, will provide that holistic approach to brand visibility.

Repeat exposure is the best way to create brand loyalty

Our data showed a cognitive bias where people are more attuned to a product once they've engaged with it, with many shoppers noticing advertising more after they buy a product. There is an opportunity for brands to not only offer moments of repeat exposure, but to do so with a consistent message across multiple touchpoints. The same message should thread through social media, retailer and other magazines, and instore promotions and displays. For example, a recipe in Coles Magazine should feature the same product packaging displayed on the end cap instore. The price promise on Instagram should match the instore price during the window specified on your post. Brand lovalty is built when all the dots connect.





Summary

Grocery shopping continues to be part of Australians' weekly routine, and while some aspects of it remain familiar, the way they go about it has changed. It still happens primarily in stores, with the majority of shoppers still pushing their trolleys or carrying their baskets down aisles, responding to the same timeless price, placement and packaging tactics, especially with the cost of living pressures.

Consumers are becoming more intentional and digital marketing heavily influences their planning, as well as the brands and retailers they choose to engage with. From jotting down lists in their notes to scrolling through recipe ideas on social media, the path to purchase starts well before they set foot in a store or jump onto a website. In addition, with brands and retailers all competing heavily for attention, value is scrutinised more closely than ever and consumer trust in own-label brands is steadily rising.

To earn a place on the weekly shopping list, brands and retailers need to show up across the full customer journey – from pre- to post-purchase – with simple, resonant cues that help Australians feel they are making smart, satisfying choices.





About Shop! ANZ

Shop! ANZ (formerly POPAI) is the only global, not for profit industry association exclusively advocating for excellence in shopper marketing and retail experience. With 20 offices covering 45 countries and over 1700 member companies worldwide, Shop! brings global best practice intelligence, resources, recognition and networks and to our members.

About Carla Bridge

Carla Bridge is General Manager of Shop! ANZ and has more than 15 years' experience in the Australian retail and FMCG industries. Prior to Shop! ANZ, she was Head of Media and Communications at the Australian Retailers Association (ARA), and spent 10 years at Octomedia as Managing Editor of leading retail trade news titles, Inside Retail and Inside FMCG.



Contact Shop! ANZ

www.shopassociation.org.au, shop@shopassociation.org.au (02) 9281 2630