

The Instacart Effect: A National Economic Analysis



Early Summary of New Report: Embargoed until Sept. 15, 2021 at 9:00 a.m. ET

As the North American leader in online grocery, Instacart's many benefits for families, shoppers, retailers, and brands have been well documented. However, the company's impact on the broader U.S. grocery industry, job creation, and the American economy has been more difficult to quantify—until now.

A new study (scheduled publication: September 2021) reveals the uniquely and overwhelmingly positive impact Instacart has had on the U.S. grocery industry and the American economy both before and during the COVID-19 pandemic. What follows are some of the key findings from the soon-to-be-released study.



2013-2019 | PRE-PANDEMIC

From 2013 to 2019, Instacart was directly responsible for:

- Creating approximately 116,000 jobs in the U.S. grocery industry, representing approximately 70% of net grocery job creation
- Increasing U.S. grocers' revenue by approximately \$2.9 billion

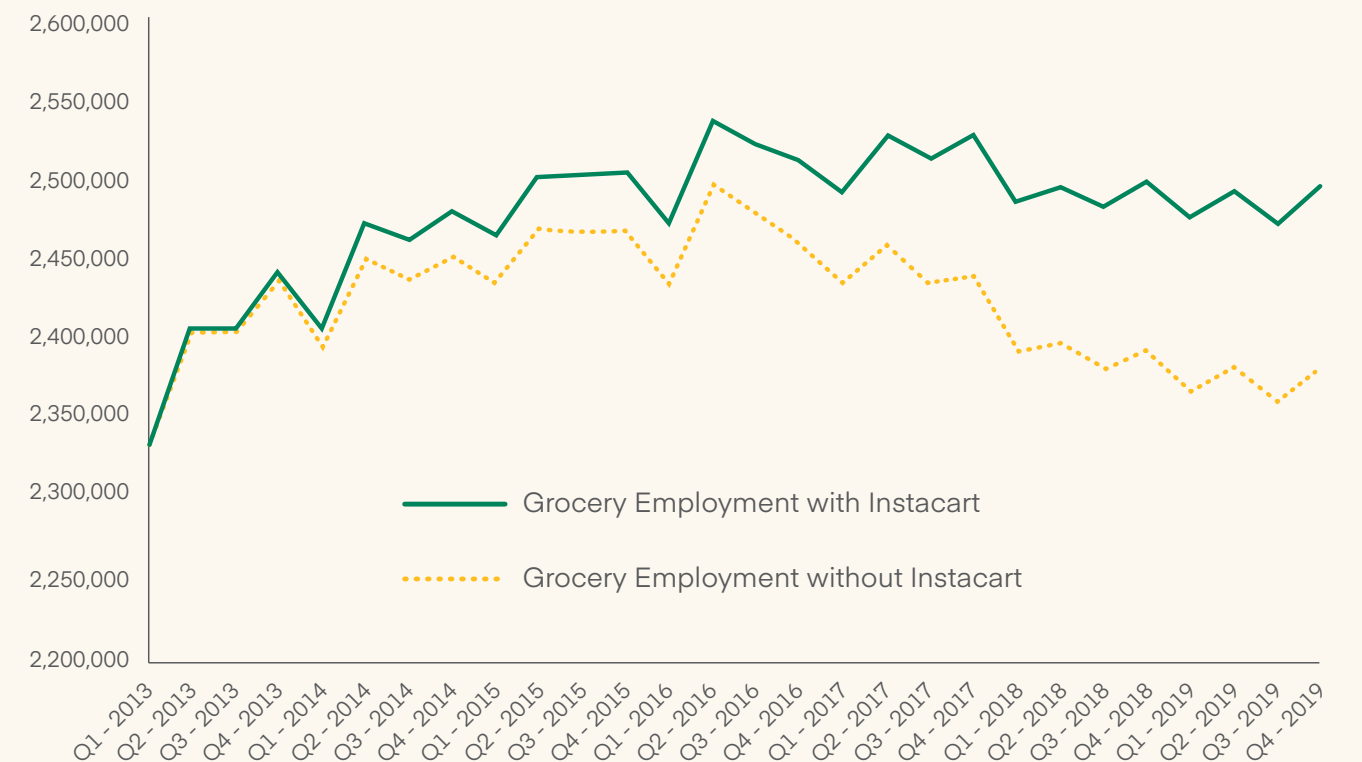
THE RESEARCH

The study was conducted by Dr. Robert Kulick of NERA Economic Consulting. The analysis 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 frequently used by economists to determine causality in leading peer-reviewed academic journals. The results demonstrate that Instacart directly increases grocery employment, output, and wages.

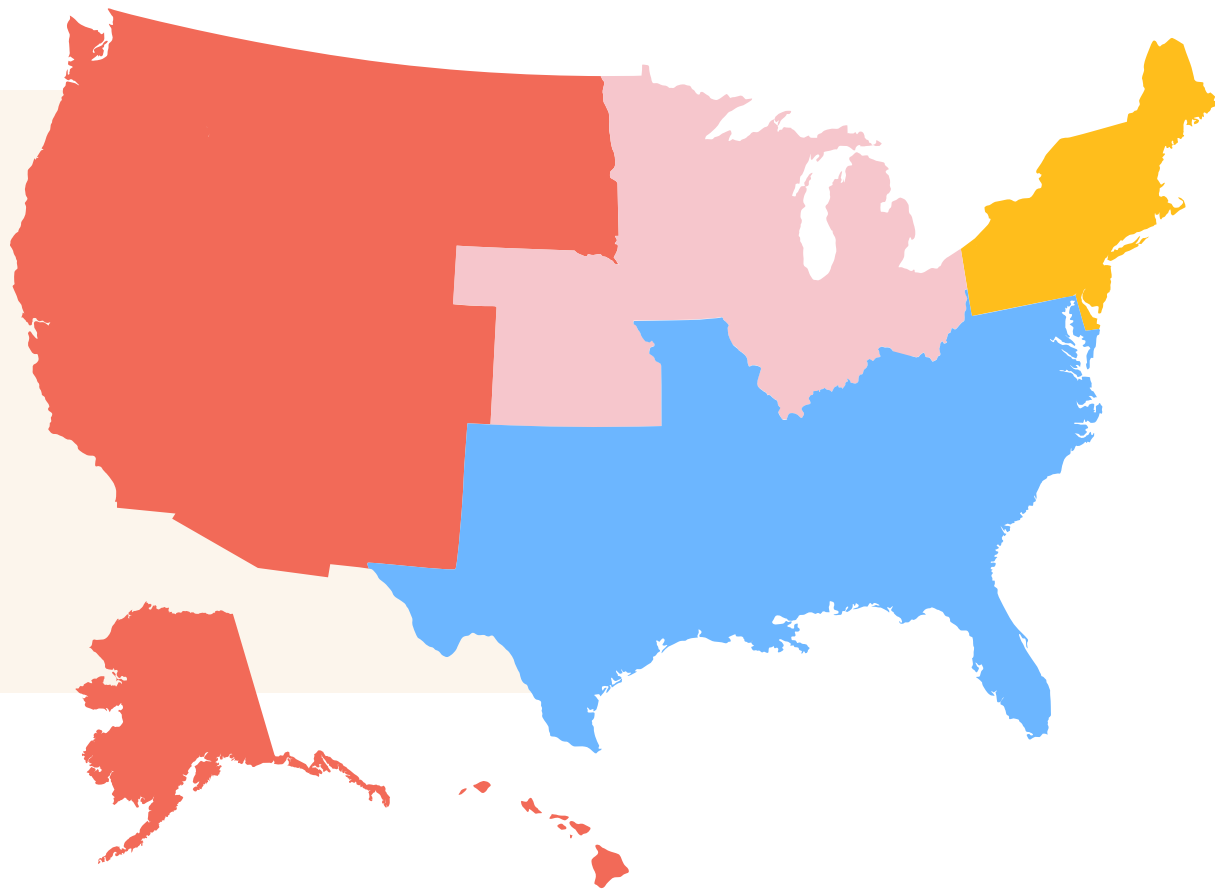
Full methodology to be outlined in the final report released in September.

GROCERY EMPLOYMENT WITH AND WITHOUT INSTACART

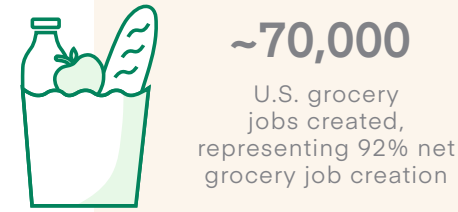


The “Instacart Effect” isn’t limited to one area of the country. By 2019, Instacart was responsible for approximately:

- 27,750 grocery jobs** and **\$684 million** in grocer revenue in the Eastern¹ U.S.
- 17,106 grocery jobs** and **\$377 million** in grocer revenue in the Midwestern² U.S.
- 42,577 grocery jobs** and **\$997 million** in grocer revenue in the Southern³ U.S.
- 28,880 grocery jobs** and **\$839 million** in grocer revenue in the Western⁴ U.S.



1. The East is defined as CT, MA, ME, NY, VT, DE, NH, NJ, RI, PA
2. The Midwest is defined as IA, IL, IN, KS, MI, MN, OH, WI, NE
3. The South is defined as AL, AR, FL, GA, KY, LA, MD, MO, MS, NC, OK, SC, TN, TX, VA, WV, DC
4. The West is defined as AZ, CA, CO, ID, MT, NM, NV, OR, UT, WA, ND, SD, WY, AK, HI



2020 | THE PANDEMIC

During the height of the pandemic (Q2 2020), while most other retail segments were decimated, Instacart created jobs, increased wages for grocery workers, and increased revenue for grocers. More specifically, from April to June in 2020, Instacart:

- Created approximately 70,000 jobs in the U.S. grocery industry, representing approximately 92% of net grocery job creation
- Increased U.S. grocers' revenue by approximately \$3.5 billion
- Increased grocery workers' weekly wages by more than \$22

CONCLUSION

In total, from 2013 through the beginning of the pandemic in 2020, Instacart has created approximately 186,000 total jobs in the U.S. grocery industry and increased total annual grocery revenue by \$6.4 billion.

“The results demonstrate that the Instacart Effect—the causal relationship between economic outcomes in the grocery industry and Instacart adoption—is a national phenomenon creating significant gains in grocery employment and revenue throughout the United States.”

— DR. ROBERT KULICK
Associate Director, NERA Economic Consulting

We're deeply proud of the contributions we've made to the grocery industry, and we look forward to continuing to partner with beloved retailers to drive job creation and economic growth in communities across North America.