Online Grocery Market Size to Hit $1.74 Trillion by 2031 as Same-Day Delivery Reshape Retail - Mordor Intelligence

The online grocery market is projected to grow at a 10.47% CAGR during 2026-2031, with Asia-Pacific leading growth at 20.95% CAGR through 2031.

HYDERABAD, TELANGANA, INDIA, August 14, 2026 /EINPresswire.com/ -- According to Mordor Intelligence, the global online grocery market size is growing from USD 1.06 trillion in 2026 to USD 1.74 trillion by 2031, registering a CAGR of 10.47% during the forecast period (2026-2031). The market is undergoing a structural shift as grocery shopping moves from an additional digital channel toward a core component of modern retail strategy. The rapid expansion of dark stores and micro-fulfillment centers, AI-driven inventory and picking systems, and growing consumer preference for same-day and instant delivery are accelerating this transition. At the same time, subscription-based loyalty programs and proprietary retail applications are strengthening customer relationships while enabling retailers to expand private-label offerings and personalize purchasing experiences.

Online Grocery Market Key Growth Factors

Dark Stores and Micro-Fulfillment Centers Reshape Delivery Economics

The expansion of dark stores and micro-fulfillment centers is becoming central to the online grocery market as retailers seek to reduce delivery times while improving order economics. These facilities position inventory closer to high-density consumer clusters, enabling retailers to process online orders without relying entirely on conventional supermarket infrastructure.

The model is particularly relevant in densely populated urban markets, where consumers increasingly expect groceries to arrive within hours rather than days. Proximity-based fulfillment also enables retailers to manage delivery routes more efficiently and respond to localized purchasing patterns, strengthening the commercial case for online grocery operations.

AI-Powered Inventory and Picking Improve Operational Efficiency

Artificial intelligence is increasingly being integrated into online grocery operations to improve demand forecasting, inventory allocation, order picking, and fulfillment. Grocery retailers face particularly complex inventory challenges because a considerable proportion of their product portfolios consist of fresh and perishable goods with limited shelf lives.

AI-enabled systems can help retailers better anticipate local demand, reduce stockouts, optimize inventory placement, and improve picking efficiency. As online order volumes increase, these technologies are becoming increasingly important for maintaining service levels without proportionally increasing operational costs.

Same-Day and Instant Delivery Strengthen Consumer Adoption

Speed has emerged as a major competitive differentiator within online grocery retail. Consumers increasingly expect flexible delivery options that allow them to receive essential products on the same day or within a much shorter window than traditional e-commerce purchases.

The expansion of instant and same-day delivery models is particularly important in urban markets, where dense populations and proximity-based fulfillment infrastructure make rapid delivery commercially viable. As consumers become accustomed to faster service, retailers are increasingly competing on fulfillment speed alongside assortment, pricing, and convenience.

Subscription Programs and Private Labels Deepen Customer Relationships

Subscription-based loyalty programs enable online grocery retailers to encourage repeat purchase while providing consumers with additional convenience and value. Recurring delivery benefits, membership discounts, and personalized promotions can increase customer retention and create more predictable purchasing patterns.

At the same time, proprietary grocery applications provide retailers with greater control over customer interactions and opportunities to expand private-label portfolios. First-party purchasing data allows retailers to better understand consumer preferences, personalize recommendations, and develop targeted promotions, strengthening the strategic importance of owned digital channels.

"As global food safety mandates and functional beverage demand reshape pH control requirements, our structural analysis maps shifting demand across synthetic and bio-based sourcing. Built on direct supply-chain auditing and objective volume tracking, this report equips commercial leaders with a verified, defensible foundation for strategic procurement and investment," says Bhavesh-Narasinha Varute, Senior Research Manager.

Online Grocery Market Recent Industry Developments

2026 – Online grocery retailers continued investing in dark stores, micro-fulfillment infrastructure, and automated order processing to support faster delivery while improving fulfillment efficiency in densely populated markets.

2025 – Major grocery platforms continued expanding AI-enabled inventory management and picking technologies as retailers sought to reduce stockouts, improve availability of fresh products, and manage the operational complexity associated with growing online order volumes.

Online Grocery Market Segment Insights

By Product Category

Fresh and Perishable Goods

Pantry Staples and Cooking Essentials

Other Product Categories

By Delivery Model

Instant Delivery

Same-Day Delivery

Scheduled Delivery

Other Models

By Platform Type

Own Website/App

Aggregator Platforms

Others

Online Grocery Market Regional Insights

North America and Europe remain important online grocery markets, supported by high digital adoption, established e-commerce infrastructure, and strong consumer familiarity with app-based grocery ordering. Retailers across these regions are increasingly focused on improving fulfillment economics, integrating automation, and expanding loyalty ecosystems as competition shifts toward convenience and customer retention.

Asia-Pacific represents a major growth opportunity such as urbanization, rising digital adoption, and expanding middle-class populations to accelerate online grocery penetration. The region's diverse retail landscape is encouraging retailers and technology platforms to develop localized fulfillment models, including dark stores, instant delivery networks, and proprietary mobile applications.

Emerging markets across Latin America, the Middle East, and Africa are also gaining relevance as smartphone adoption, organized retail development, and digital payment infrastructure to improve. Increasing urban density is particularly supportive of proximity-based delivery models, creating opportunities for retailers to establish more flexible and responsive online grocery networks.

The Online Grocery Market report is also available in the following languages:

Japanese: https://www.mordorintelligence.com/ja/industry-reports/online-grocery-market?utm_source=einpr

French: https://www.mordorintelligence.com/fr/industry-reports/online-grocery-market?utm_source=einpr

German: https://www.mordorintelligence.com/de/industry-reports/online-grocery-market?utm_source=einpr

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Portuguese: https://www.mordorintelligence.com/pt/industry-reports/online-grocery-market?utm_source=einpr

Competitive Landscape

The online grocery market is increasingly shaped by competition around fulfillment speed, technology integration, assortment, pricing, and customer retention rather than simply digital storefront availability. Major platforms are investing in automation, proximity-based fulfillment, artificial intelligence, and proprietary applications to improve the economics of online grocery operations while creating differentiated consumer experiences.

Amazon Fresh, Walmart Grocery, and Big Basket illustrate the growing integration of technology with grocery retail, using automation and localized fulfillment capabilities to address the demands of digital-first consumers. Subscription programs, private-label expansion, personalized recommendations, and increasingly sophisticated inventory systems are becoming important tools for strengthening customer relationships and increasing purchase frequency.

Key Companies in the Online Grocery Market

Nestlé S.A.

Unilever PLC

The Kraft Heinz Company

General Mills, Inc.

PepsiCo, Inc.

Discover the latest trends, growth opportunities, and competitive developments in the Online Grocery Market: https://www.mordorintelligence.com/industry-reports/online-grocery-market?utm_source=einpr

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Kefir Market: The global kefir market is projected to reach USD 3.01 billion by 2031, growing at an 8.63% CAGR from its 2026 valuation of USD 1.99 billion. Demand is propelled by clinical validation demonstrating superior gut microbiota benefits compared with traditional probiotic supplements, along with favorable regulatory health-claim decisions for fermented dairy. While conventional milk kefir maintains volume dominance, food processors are seeing rapid growth across organic, plant-based, and water-kefir variants to serve lactose-intolerant and clean-label demographics.

Dry Shampoo Market Size: The global dry shampoo market is expected to expand from USD 3.17 billion in 2026 to USD 4.44 billion by 2031, registering a 6.96% CAGR. Market expansion is driven by fast-paced urban lifestyles, extended wash cycles, and the penetration of digital retail in emerging economies. To comply with evolving VOC aerosol restrictions in major Western districts, hair care manufacturers are prioritizing propellant-free powder formats and integrating peptide-based biotechnology to deliver low-residue performance.

Read Full Report: https://www.mordorintelligence.com/industry-reports/dry-shampoo-market?utm_source=einpr

Laundry Detergents Market Share: The global laundry detergents market size is set to grow from USD 107.52 million in 2026 to USD 134.42 million by 2031, advancing at a 4.56% CAGR. In a maturing global landscape, FMCG brands are transitioning from volume-driven expansion toward high-efficiency cold-water formulations, bio-based surfactant systems, and concentrated liquid formats. Simultaneously, regulatory bans on microplastics and phosphates are accelerating portfolio reformulations, favoring scale manufacturers with dedicated R&D infrastructure.

About Mordor Intelligence:

Mordor Intelligence is a trusted partner for businesses seeking comprehensive and actionable market intelligence. Our global reach, expert team, and tailored solutions empower organizations and individuals to make informed decisions, navigate complex markets, and achieve their strategic goals.

With a team of over 550 domain experts and on-the-ground specialists spanning 150+ countries, Mordor Intelligence possesses a unique understanding of the global business landscape. This expertise translates into comprehensive syndicated and custom research reports covering a wide spectrum of industries, including aerospace & defense, agriculture, animal nutrition and wellness, automation, automotive, chemicals & materials, consumer goods & services, electronics, energy & power, financial services, food & beverages, healthcare, hospitality & tourism, information & communications technology, investment opportunities, and logistics.

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