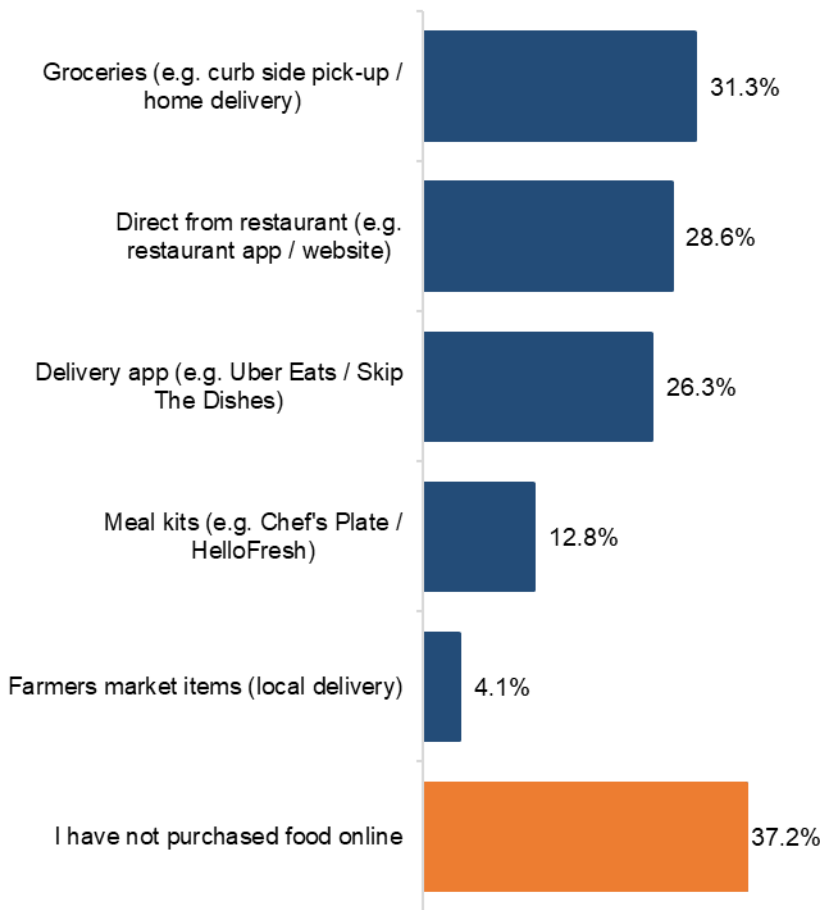


New report suggests almost half of all Canadians intend to order food online at least once a week after the pandemic

HALIFAX, NS. (November 12, 2020) – The **Agri-Food Analytics Lab** at **Dalhousie University**, in partnership with **Caddle**, is releasing a study on e-commerce in food industry. The report is called “The impact of COVID-19 on the food industry and e-commerce”. Online services have improved significantly across the country as Canadians have now more options online than ever. In the last 6 months, several companies have made commitments to invest further in digital distribution projects and e-commerce.

Which of the following ONLINE shopping experiences have you used in the past 6 months? (Please select all that apply)



In Canada, we estimate that over **\$12 billion dollars have been committed** to online interface services in the food industry, for the next 5 years. The report looks at what Canadians are buying online and identifies reasons why Canadians are using online services to get food. It also looks at how much online activity we are expecting after the pandemic. **A total of 7,290 Canadians were surveyed in early November.**

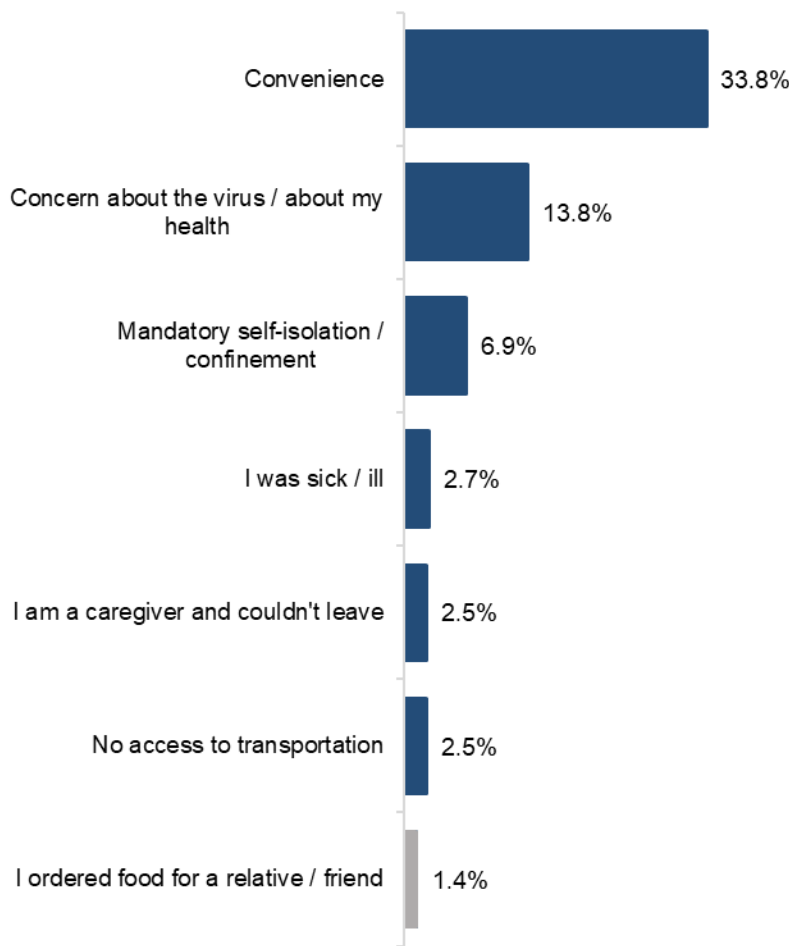
We first looked at what type of services Canadians have used over the last 6 months. **A total of 31.3% of Canadians have used curbside pick-up or home delivery services from grocers over the last 6 months.** While 28.6% have used an online service to get food delivered directly from a restaurant, 26.3% of Canadians have used a **phone application** to get food from a restaurant.

Providers of **meal kits** were also a popular choice, at 12.8%, followed by **Farmers’ markets**, at 4.1%. While 57.1% of **Boomers** have not used any online services in the last 6 months, about a quarter (28.5%) of **Millennials** have also not used any services. In all, 63.8% of Canadians have ordered food online in some capacity over the last 6 months.

The lowest rate of consumers not using any online services to get food is in **British Columbia** (34.3%), followed by **Ontario** (34.7%).

Most popular food types were **fast food** (33.1%), followed by **fruits and vegetables** (22.0%), **dairy products** (21.5%), and **bakery** (20.6%). A total of 8.7% have order **alcoholic beverage** online in the last 6 months. Fast food was the most popular choice in all provinces, except for **New Brunswick** and **Prince Edward Island**. **Non-perishables** were more popular in New Brunswick, while **fruits and vegetables** were more popular in Prince Edward Island.

Which of the following options best describes why you first purchased food online?



Convenience is the most popular reason why Canadians ordered food online (33.8%).

Concerns about the virus (13.8%) were the second most popular reason. **Nova Scotia** is where the highest percentage of people who ordered food online because of concerns related to the virus (20.4%).

Mandatory self-isolation was the reason why 6.9% of Canadians ordered food online.

The survey also asked about online activity before, during and after the pandemic. Before the pandemic 29.6% of Canadians reported to have ordered food online once a week. In the last 6 months that percentage went up to 45.4%.

We estimate that over the last 6 months, 4.2 million more Canadians are ordering food online at least once a week than before the pandemic.

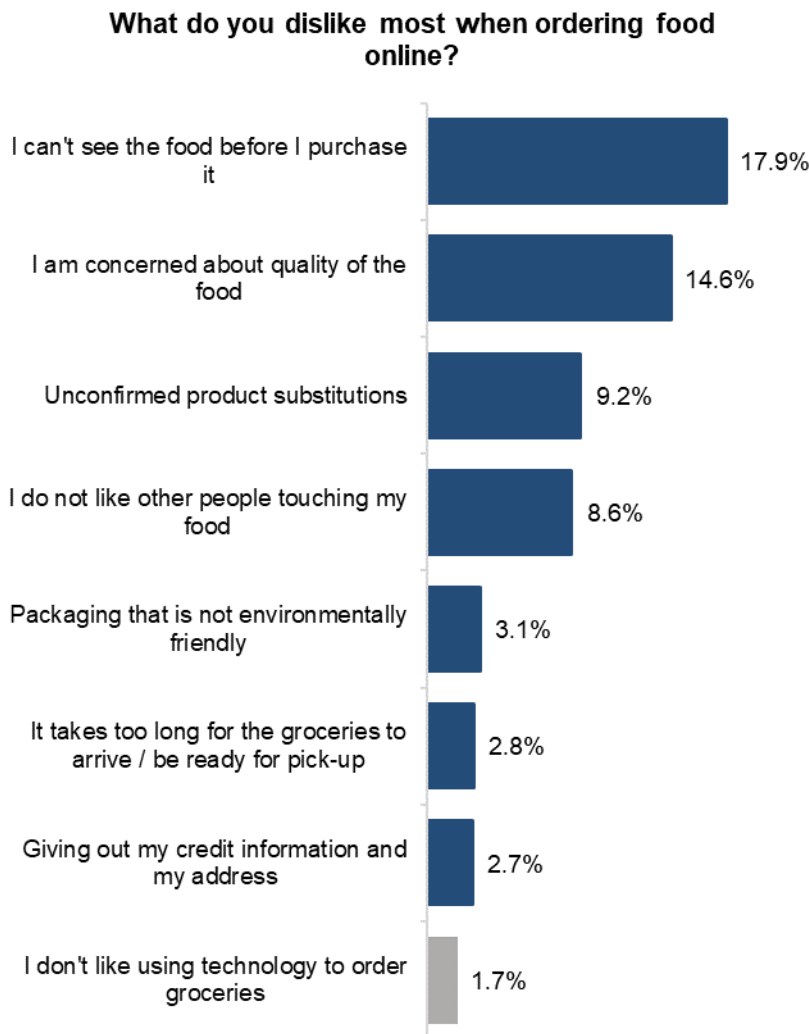
When asked if Canadians intend to order food online at

least once a week after the pandemic, 49.4% intend to do so. **That is almost half of Canadians surveyed.**

Before the pandemic, online sales in the food industry (retail) were estimated at approximately 1.7%, according to Nielsen. Due to COVID-19, online sales could triple by the end of 2020.¹

This may suggest that the pandemic could compel many consumers and households to adopt long-lasting habits.

Sylvain Charlebois, Director of the Agri-Food Analytics Lab, was not surprised by the results. *“Due to COVID-19, e-commerce is clearly becoming an option for a growing number of food shoppers”*, said Charlebois. *“Based on the data we now have, and given the investments made by industry, we believe Canadians will continue to appreciate the convenience of food online shopping, beyond the pandemic.”*



Delivery and service fees are a big barrier for many Canadians when using online services.

While 45.7% of Canadians are not willing to pay any fee, 32.4% are willing to pay a fee of up to 5%. Monthly subscriptions are not very popular as 58.7% of Canadians would not pay a subscription to only use one service. However, 24.2% of Canadians would be willing to pay a subscription for an online food delivery service, if given the opportunity.

The survey also asked about likes and dislikes about ordering take out or groceries online. For food service, quality and packaging are main concerns mentioned by Canadians.

¹ <https://www.cbc.ca/news/canada/british-columbia/online-grocery-delivery-grow-dramatically-1.5451428>

As for grocery stores, main dislikes were not seeing food before purchasing it, quality, unconsented substitutions, and allowing other people to touch the food purchased. Surprisingly, **packaging** did not appear to be an issue for most Canadians.

End of report.

Full report here: <https://www.dal.ca/sites/agri-food.html>

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Methodology: A representative survey of Canadians was conducted from November 4 to 5, 2020, in partnership with Caddle. The survey was conducted online. 7,290 valid responses were collected.

Margin of Error: +/- 1.6%, 19 times out of 20. Any discrepancies in or between totals are due to rounding.

Research Ethics Certificate: No. 2020-5215.

Disclosure: Funding for this survey was provided by **Caddle** and **Dalhousie University**.