



Key Partnerships

Instacart uses the words '**Retail Partners**' to describe its relationship with grocers, indicating they work together rather than simply viewing the relationship as a 'client' relationship.

This leaves the door open to experimentation with new revenue models going forward.

They drive a large % of revenue from Ads, giving '**Brand Partners**' a new 'omni-channel' marketing opportunity



Key Resources

Brand, Partners, Technology

- "Leading grocery tech co' in N.America
- Partner network creates competitive advantage
- Technology helps create scale, cuts operating costs



Key Activities

Outcompete, Organic Customer Acquisition

- Competition is heavy in this market, must continue to outcompete
- Focus on strategies to build organic customer base



Value Proposition

Instacart is a grocery technology company that provides **B2C grocery delivery + fulfillment services**, and **B2B Ads for CPGs**:

- 7.7 Million 'monthly active orderers' (1H '23) split between members (Instacart+) and non-members
- Partnered with 1,400+ grocery retailers (1H '23), principally across the U.S. market



Customer Relationships

Shoppers, Support

- Instacart 'Shoppers' provide end CX for many users (pick orders, deliver, etc)
- Reviews indicate a large degree of dissatisfaction with the service



Channels

App, Delivery/Pickup

- Customers order through the app
- % of customers order for delivery, orders fulfilled by 'Shoppers.' Other customers pick-up order in store



Customer Segments

Urban/Suburban/Rural

- **Urban** - 38%
- **Suburban** - 44%
- **Rural** - 18%

Annual Income

- > \$80K - 51%
- \$40 - \$80K - 27%
- <\$40K - 22%

Relative to the U.S. market as a whole, Instacart skews more towards urban consumers with above-average income levels.



Cost Structure

Technology (R&D) - 'scaled marketplace,' ML personalization, fulfillment tech, etc. requires \$100s of Millions in investment

Sales & Marketing- top expense item on P&L, principally related to B2C customer acquisition and partner growth

Operations- managing logistics, marketplace, etc.



Revenue Streams

~14% **Commission on blended GTV (Gross Transaction Volume)** split between the consumer and grocers; the price is generally marked up + Instacart takes a cut of grocer margin

Transaction Revenue: ~72.4% of revenue (1H '23)

Advertising & Other: ~27.6% of revenue (1H '23)