# Grocery trends for 2025: Shifting practices in retail



The Institute of Grocery Distribution (IGD) has published a report outlining notable grocery trends anticipated for 2025, placing particular emphasis on evolving business practices within the retail sector in response to shifting consumer preferences and technological advancements.

The report highlights six key trends that reflect a renewed focus on fundamental retail strategies, exploring new revenue opportunities, and increasing demand for health and sustainability initiatives.

Firstly, the IGD underscores the optimisation of retail fundamentals as a critical strategy for success. The report indicates that UK and European retailers are committed to enhancing core retail sectors such as stock availability, pricing strategies, and promotional activities. Innovations, especially in technology, play a pivotal role. The implementation of shelf-edge cameras and AI-driven stock management systems are noted to enhance these foundational aspects, leading towards a “seamless shopping experience” for consumers.

Secondly, as operating costs continue to escalate, there is a marked shift toward diversifying revenue sources. UK retailers are increasingly utilising ecommerce technologies, data monetisation, and B2B services as alternative income streams. Notable examples include Tesco's introduction of Transcend, a platform that allows other grocery retailers access to its sophisticated fulfilment tools, signifying a growing interest in non-traditional retail income avenues.

The report also addresses the adaptation of store formats, noting that retailers are designing more flexible and responsive store environments. This evolution involves modular designs that can accommodate seasonal trends and consumer behaviours, with event spaces being a noteworthy addition in emerging store layouts, particularly within Europe.

The development of seamless connected commerce is another central theme identified by the IGD. Retailers are enhancing the integration of physical and digital outlets, striving to create cohesive omni-channel experiences. This includes advanced loyalty programmes and smart checkout solutions, aimed at improving customer satisfaction and engagement.

Furthermore, health and wellness are driving significant changes in product offerings, with a growing number of retailers in the UK and Europe introducing functional foods and health-oriented products. The IGD report highlights a notable trend towards blending wellness with convenience, thus providing consumers with an expanded selection of healthy and sustainable options.

Lastly, sustainability commitments are accelerating among retailers. The report identifies a focused effort to reduce food waste, minimise plastic packaging, and lower energy consumption. This move is not merely aligned with consumer demand but is becoming a strategic priority for retailers aiming to cultivate a responsible corporate image.

Stewart Samuel, director of Retail Futures at IGD, elaborated on the importance of balancing foundational practices with modern advancements. “Retailers must build on the foundation of global trends while ensuring they stay agile to rapidly evolving consumer demands. Focusing on the basics—stock availability, pricing, and promotions—remains critical to success. But at the same time, leveraging new revenue streams, embracing technological innovation, and championing health and sustainability are no longer optional; they are essential to staying competitive.”

The report underscores that retailers who effectively integrate these trends will not only future-proof their businesses but also strengthen their connections with an increasingly conscientious and discerning customer base. As the retail landscape continues to evolve, these insights aim to guide sector players in navigating the complexities of contemporary consumer expectations.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

* <https://www.hrc.co.uk/igd-industry-reports> - This link supports the IGD's forecasts and trends in the grocery retail sector, including the optimization of retail fundamentals, health and wellness initiatives, and sustainability commitments.
* <https://www.hrc.co.uk/igd-industry-reports> - This link corroborates the focus on enhancing core retail sectors such as stock availability, pricing strategies, and promotional activities, as well as the use of technological innovations like shelf-edge cameras and AI-driven stock management.
* <https://www.retaildive.com/spons/the-future-of-shopping-3-trends-that-will-define-2025/736225/> - This link supports the trend of seamless connected commerce and the integration of physical and digital outlets to create cohesive omni-channel experiences, including advanced loyalty programs and smart checkout solutions.
* <https://www.retaildive.com/spons/the-future-of-shopping-3-trends-that-will-define-2025/736225/> - This link highlights the importance of omnichannel experiences, hyper-personalization, and experiential retail, aligning with the IGD's emphasis on adapting store formats and enhancing customer engagement.
* <https://www.slrmag.co.uk/igd-highlights-six-key-trends-shaping-grocery-retail/> - This link provides insights into the six key trends shaping grocery retail, including the optimization of retail fundamentals, diversifying revenue sources, and the focus on health and sustainability initiatives.
* <https://www.slrmag.co.uk/igd-highlights-six-key-trends-shaping-grocery-retail/> - This link corroborates the IGD's report on the adaptation of store formats to include more flexible and responsive environments, such as modular designs and event spaces.
* <https://www.hyper-trade.com/retail-experts/2025-roadmap-for-retail-success/> - This link supports the strategy of optimizing costs and exploring new revenue streams, including the use of ecommerce technologies, data monetisation, and B2B services.
* <https://www.hyper-trade.com/retail-experts/2025-roadmap-for-retail-success/> - This link highlights the importance of automation, process improvements, and effective inventory management, which align with the IGD's emphasis on enhancing core retail sectors.
* <https://www.hrc.co.uk/igd-industry-reports> - This link underscores the growing focus on health and wellness, with retailers introducing functional foods and health-oriented products, blending wellness with convenience.
* <https://www.hrc.co.uk/igd-industry-reports> - This link supports the acceleration of sustainability commitments among retailers, including efforts to reduce food waste, minimize plastic packaging, and lower energy consumption.
* <https://www.slrmag.co.uk/igd-highlights-six-key-trends-shaping-grocery-retail/> - This link emphasizes the importance of balancing foundational practices with modern advancements, as highlighted by Stewart Samuel, director of Retail Futures at IGD.
* <https://foodmanagement.today/retailers-must-build-on-global-trends-says-igd/> - Please view link - unable to able to access data