AlixPartners

Young Parents and Gen Alpha

The coming generational disruption

A special report from the Grocery Shopper Perspectives series

Want to understand how Gen Alpha will buy groceries? Start with the people teaching them how to shop — today's young parents.

Contents

Introduction

Young parents—under 45 with kids under 18—shop differently than everyone else.

They're frequent online shoppers. They're more intentional pre-shop. They rely more on prepared foods. They have distinct views on pricing. They're not the customer for which traditional grocers have fine-tuned operations for the last two decades.

The next 10 years will bring a massive generational shift, with many in the one-stop-shop generation aging out, and many in Gen Z entering their prime earning and family-building years, with Gen Alpha soon to follow.

This is an inflection point of the same magnitude as the rise of Millennials 20 years ago, and right now, most grocers are not prepared for it.

No one can say with absolute certainty how people will shop a decade from now, but grocers can be confident that the shifts taking shape will only intensify, and the best way to prepare for them is to study young parents.

The shopping habits of these consumers—a group that includes both Millennial and Gen Z parents—will be Gen Alpha's baseline. They're the best signals right now of the future of grocery.

This report examines key areas in which young parents differ from others and shows how those differences vary by region. This report also includes insight from our expert team on how grocers should begin to evolve their business models with the next generation in mind.

How young parents change the game

They shop online more frequently

They're more intentional pre-shop

They use different store formats for different missions

They value prepared foods differently

They're tougher critics on everyday prices

How grocers need to change their game

1
Acknowledge that capturing full shops can't be the goal anymore

2
Double down on your strongest departments and attributes

3
Get creative about loyalty to drive traffic

4
Rightsize or drop categories that don't differentiate you

5
Be intentional about change management both internally and externally

We know your time is valuable. Thank you for considering the research contained in the following pages, and we look forward to continuing the conversation.

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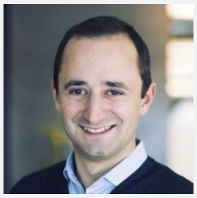

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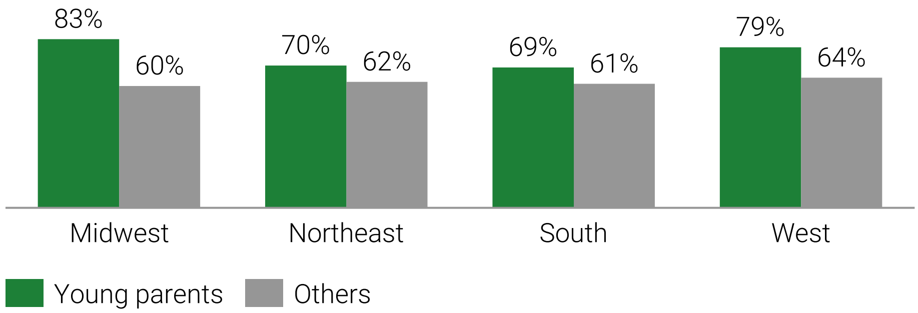
End of the primary store

Traditional grocers have long optimized operations with the goal of winning the "full shop," but prioritizing full shops ignores how the vast majority of the population buys today.

Only 13% of young parents and 17% of others shopped a single channel in 2025 — and even those consumers likely shopped different stores within the channel.

Percentage who shopped 3+ channels in 2025[1]



On the flip side, 74% of young parents shopped at least three channels in 2025, along with 61% of others. The magnitude of disruption coming from each channel — how much more it's being shopped by young parents — varies meaningfully by region. For example, in the Midwest, young parents are more likely to use big box retailers (72% versus 58%), but the reverse is true in the South (48% of young parents versus 59% of others).

Channels shopped — Percentage point difference between young parents and others by region (Gap (pps))

1. All data referenced in this report is from the 2026 Grocery Shopper Perspectives consumer survey conducted in October 2025.

John Clear
Partner

Not so long ago, consumers perceived it a huge hassle to split their grocery shopping between multiple stores.

Today, if you asked a shopper to name her go-to grocery store, she'd be just as likely to respond with a clarifying question — "For what?" — as to name a single retailer.

It's no wonder that many traditional grocers find themselves struggling to grow sales despite leveraging every trick of the trade that has worked in the past.

The modern consumer — young parents and those coming after them — doesn't subscribe to a winner-takes-all approach to grocery.

In the one-stop shop world of 20 years ago, every category could compete for its fair share. Continuing to operate as if that world still exists creates a slew of issues: out-of-touch pricing, overweight categories, excess inventory, and high shrink, among others.

The new reality means that grocers need to revisit their operational defaults.

- If a category doesn't drive traffic, it doesn't need a loss leader.
- If a category isn't frequently purchased, it only needs a few SKUs.
- If a category isn't differentiating, it doesn't warrant the same merchandising and marketing resources as categories that are.

Matt Hamory
Partner & Managing Director

Traditional grocers have no choice but to concede certain trips. For every-penny-counts shoppers, the stock-up trip is going to Walmart. Clubs will capture such trips from consumers who can buy in bulk.

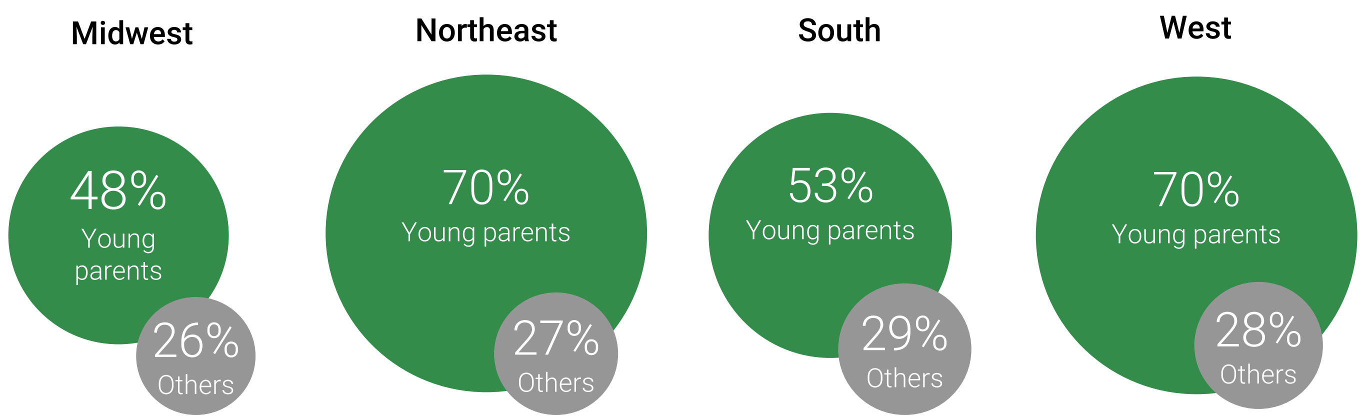
Instead of trying to be everything to everyone, grocers need to focus their energy on the areas where they have the best shot to win. **They need to become multi-specialists, solid across the board but absolutely compelling in a few disciplines narrow enough to master.** Fresh is too broad; prepared meals for young families, for example, meets a clearly defined need for a desirable consumer group.

The new convenience

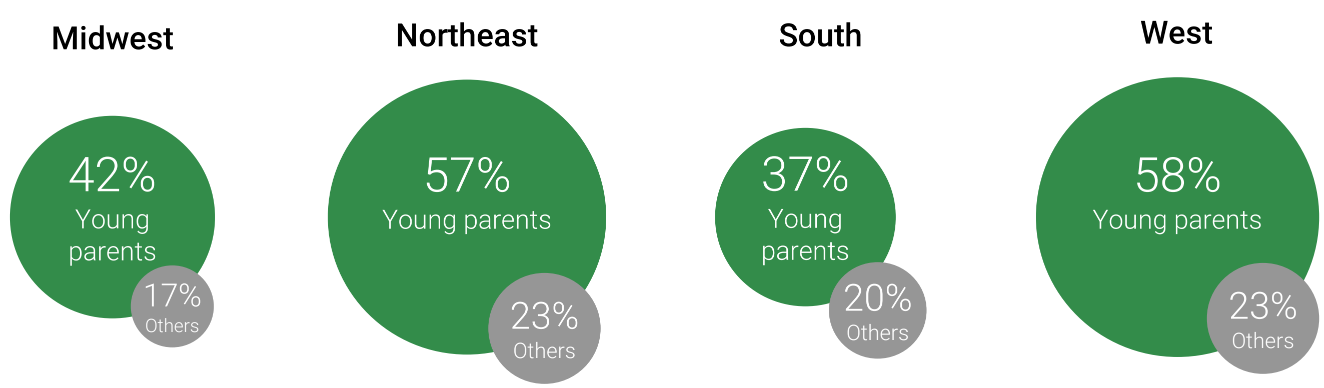
Legacy pillars of convenience include the one-stop shop and physical proximity to a store, but today's young parents are leaning into online shopping and prepared foods.

61%	48%	10%
buy groceries online at least once a week **(vs. 27% of others)**	purchase prepared foods every week **(vs. 21% of others)**	list convenient location as a key driver of store choice[1] **(vs. 24% of others)**

Percentage who buy groceries online at least weekly



Percentage who buy prepared foods weekly



1. Among respondents (83% of total) who select their primary store for a reason other than lowest-in-market everyday prices

It's not surprising that young parents tend to buy prepared foods more frequently than others; the alternatives to which they compare prepared foods tend to cost significantly more. For young parents, prepared foods represent value — and meal occasions grocers can win.

Young parents are more likely than others to view prepared foods as a replacement for takeout (59%) and dine-in (45%) but half as likely (32% versus 60%) to view prepared foods as a home-cooked meal replacement.

Adam Goodliss
Partner & Managing Director

What these numbers suggest is that, for consumers who are not young parents, the decision is whether to buy back their time. **For young parents, buying back their time is already part of the normal pattern, and the decision is simply from whom they will buy it.**

A place to double down

It's much easier for regional and independent grocers to differentiate themselves on prepared foods than it is for Walmart, Costco or Aldi. The massive scale of the industry giants makes both ideation and execution of these programs significantly more complex. Regionals can invest their own labor into production and employ commissaries as they scale, and they can refresh their menus regularly based on local trends, seasonality, customer mix and more.

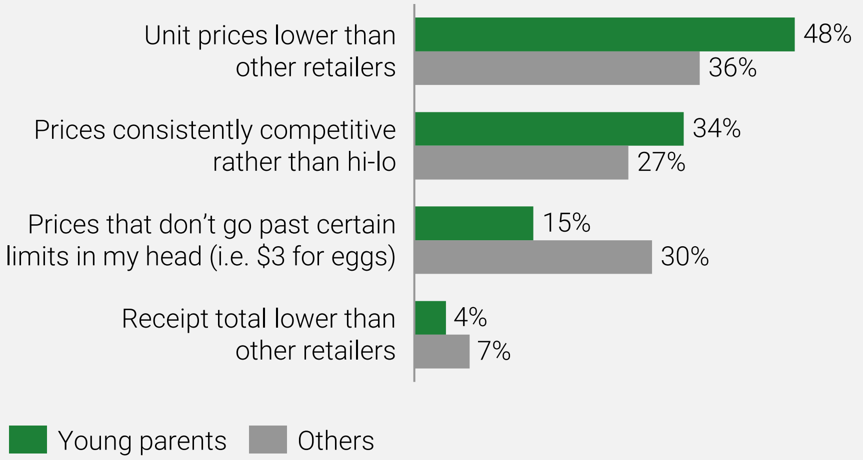
David Ritter
Partner & Managing Director

Grocers don't always think about comparing their offerings to foodservice, but consumers do. Grocers need to understand the full landscape of competition for the occasions that consumers satisfy with prepared foods. Only then can they market those offerings effectively. If they do so, they can capture dollars that would otherwise go to out-of-home consumption.

Value strategy

Young parents differ in how they prepare to shop; how they decide if a store has good prices; and how they perceive prices at their primary store. Young parents are also distinct from others in how they have changed their grocery shopping due to inflation or other financial pressure, and those differences are unique to each region.

How shoppers decide whether a store has good prices

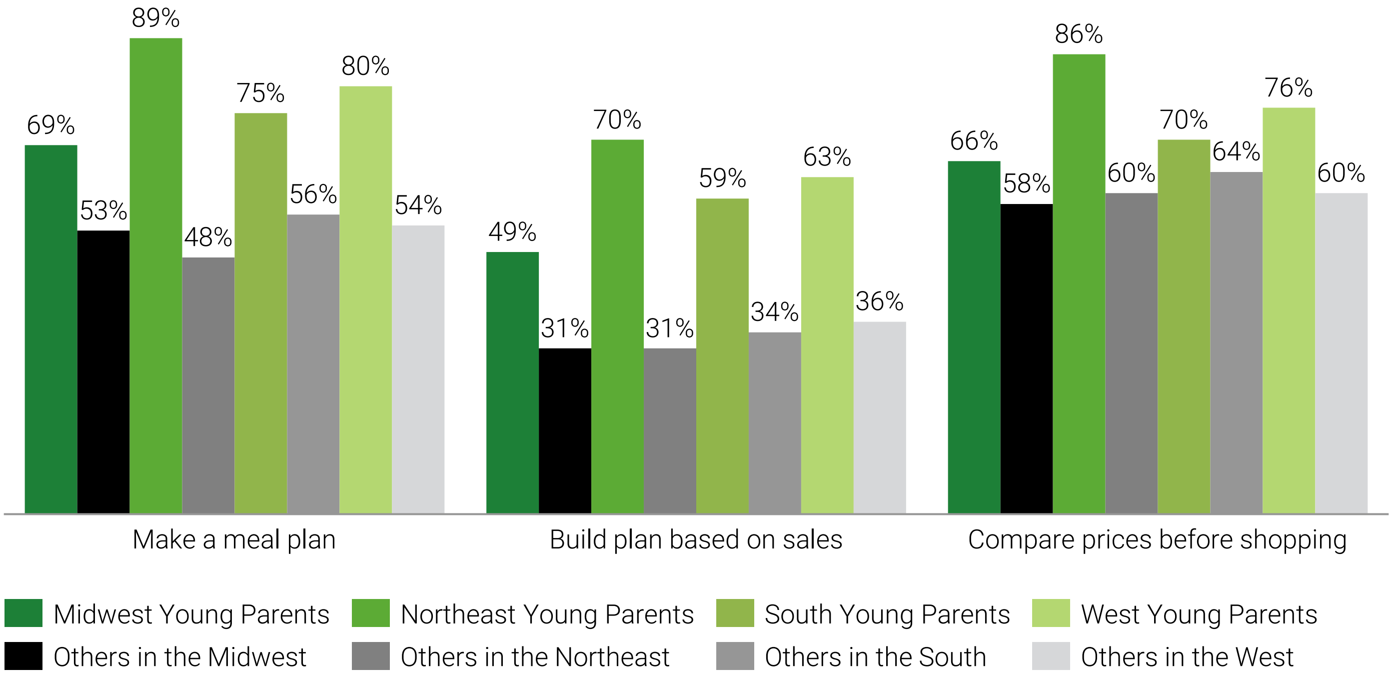


38%

of young parents say everyday prices at their primary store are high compared to other stores.

Only **20%** of others say the same.

Pre-shop behaviors

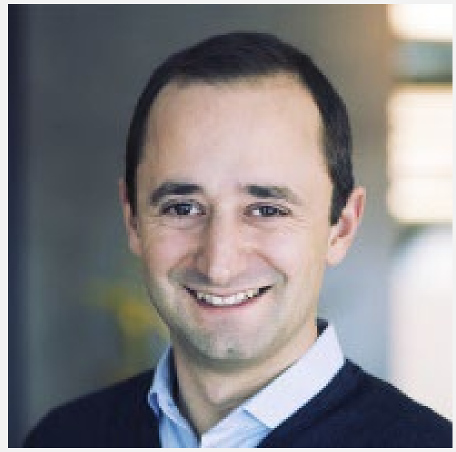


The evolving definition of value demands that grocers rethink loyalty

A discount card does not a loyalty program make. While companies in other industries offer real perks that drive repeat engagement — think the Companion Pass from Southwest Airlines or free nights from Marriott — too often in grocery, the loyalty card is just a hoop through which consumers must jump to access competitive prices. Grocers can and should do better.

Traditionally, loyalty programs have done much more for grocers than they have for customers, first and foremost enabling the collection of invaluable first-party data. In addition, these programs often incentivize purchases that the grocer and its vendors want rather than acknowledging and rewarding shoppers for returning to the grocer time and time again specifically for certain items and categories.

Even features designed to help the shopper, like the "Buy Again" list, cease to be useful if the system can't detect emerging life stage or lifestyle changes and so continues to suggest items the customer hasn't purchased in months — and doesn't include new essentials. Evaluating features from a customer lens is a critical part of evolving these programs.



Marco Di Marino
Partner & Managing Director

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This is an area in which grocers need to get creative. Instead of limiting loyalty to targeted promotions and product suggestions, they could give program members a special 20% or 30% price sticker once a month to apply to any eligible item of their choosing. They could develop identity-based memberships (Health Junkies, Young Parents, Early Adopters, etc.) that include curated experiences, resources and discounts. Grocers could offer exclusive meal prep and cooking classes to program members.

They could have member-only checkout lines or a fast-track system for issues raised by participants in the program. Loyalty is an undervalued opportunity, ripe for innovation.

Regional profiles

Young parents aren't homogenous, so overall comparisons between them and the rest of the population obscure important nuances.

By instead comparing young parents in each region with others in the same region, grocers get a clearer picture of where disruption is happening—and where it's most pronounced—in their specific trade area.

Midwest

Young parents in the Midwest differ significantly from others in the region when it comes to channels shopped in 2025. Eighty-three percent shop at least three channels versus 60% of others.

Channels shopped — young parents vs. others in the Midwest

	Young parents	Others	
Traditional grocery	75%	79%	↓ 4 pps
Big box retailers	72%	58%	↑ 14 pps
Club stores	57%	40%	↑ 17 pps
Discount stores	69%	42%	↑ 27 pps
Convenience stores	53%	31%	↑ 22 pps
Natural stores	36%	16%	↑ 20 pps
Ethnic/specialty	18%	6%	↑ 12 pps
Drug stores	40%	36%	↑ 4 pps
Online retailers	30%	18%	↑ 12 pps

Young parents in the Midwest are also unique compared to their peers in other regions when it comes to their use of both big box retailers and discount stores.

Percentage of young parents who shopped big box and discount

	Midwest	Northeast	South	West
Big box retailers	72%	46%	48%	49%
Discount stores	69%	35%	47%	41%

Midwest cont'd

Young parents differ from others in the region beyond their use of more and different channels. Also unique to them is the prevalence of using prepared foods as takeout replacement; a greater willingness to go to different stores to seek value; and importance of everyday prices in fresh.

Pricing priorities

Young parents in the Midwest are more likely to say **fresh is the part of the store where everyday prices matter most**

(67%, +9 compared to others in the region).

Inflation response

Young parents in the Midwest are more likely to change how they shop due to inflation **by going to different stores**

(44%, +10 compared to others in the region).

Prepared foods

Young parents in the Midwest are more likely than others in the region (and other young parents) to **use prepared foods as a replacement for takeout**

(71%, + 25 compared to others in the region).

What prepared foods replace for young parents and others in the Midwest

	Young parents	Others	
Replaces takeout meal	71%	47%	↑ 26 pps
Replaces sit-down restaurant	45%	31%	↑ 14 pps
Replaces frozen meal	43%	27%	↑ 16 pps
Replaces meal prepared at home	40%	58%	↓ 18 pps

Northeast

Seventy percent of young parents in the Northeast shopped at least three channels in 2025 versus 62% of others in the region. Young parents in the Northeast are most distinct in their use of traditional grocery stores, natural stores, and drug stores.

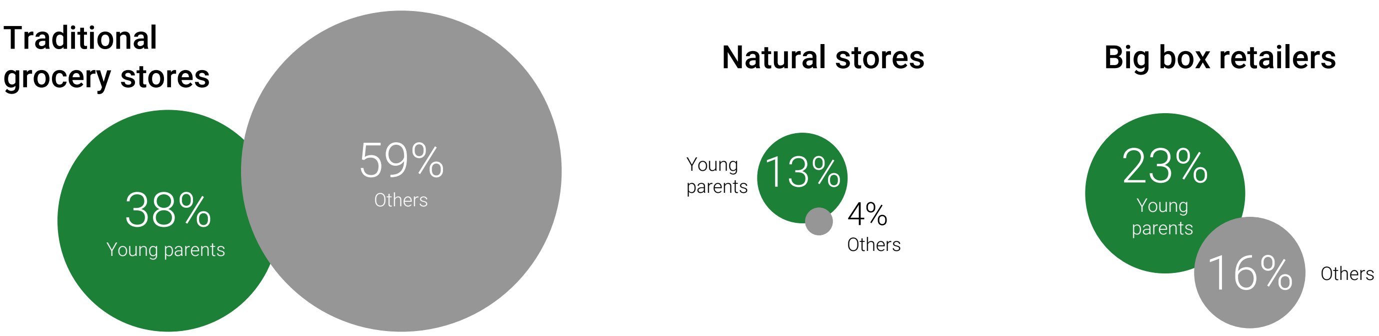
Channels shopped — young parents vs. others in the Northeast

	Young parents	Others	
Traditional grocery	75%	84%	↓ 9 pps
Big box retailers	46%	45%	↑ 1 pps
Club stores	44%	37%	↑ 7 pps
Discount stores	35%	41%	↓ 6 pps
Convenience stores	37%	31%	↑ 6 pps
Natural stores	39%	25%	↑ 14 pps
Ethnic/specialty	18%	12%	↑ 6 pps
Drug stores	20%	35%	↓ 15 pps
Online retailers	30%	24%	↑ 6 pps

While differences between young parents and others are less pronounced in the Northeast when it comes to channels shopped, there are areas of notable variation when it comes to **primary channel.**

Primary channel differences — young parents vs. others in the Northeast

Percentage spending most of grocery budget here



Northeast cont'd

Young parents in the Northeast also differ from others in the region in their use of prepared foods and in how they have changed their shopping due to inflation or other financial pressure.

Pre-shop

Young parents in the Northeast are more intentional pre-shop than others in the region:

- 89% make a meal plan (+40)
- 70% build that plan around sales at their go-to store (+39)
- 86% compare prices or look at ads before shopping (+26)

Inflation response

One area in which young parents in the Northeast diverge from others in the region is how they have changed how they shop due to inflation or other financial pressure.

- 69% **plan** their meals more (+11)
- 18% use **coupons** more (-17)
- 24% use sales to **stock up** (-17)
- 19% buy **fewer items** overall (-17)

Promotion priorities

Young parents in the Northeast are more likely than others in the region to say promotions matter most in **prepared foods (17%, +9)** and less likely to say promotions matter most in **fresh (46%, -9).**

Price perception

Young parents in the Northeast pull no punches on their perspective of everyday prices at their primary store; **only 6.1% describe prices as low compared to other stores.**

Prepared foods

Fifty-seven percent of young parents in the Northeast **buy prepared foods every week**, more than double the number (23%) among others in the region.

What prepared foods replace for young parents and others in the Northeast

	Young parents	Others	
Replaces takeout meal	62%	45%	↑ 17 pps
Replaces sit-down restaurant	42%	34%	↑ 8 pps
Replaces frozen meal	27%	31%	↓ 4 pps
Replaces meal prepared at home	24%	59%	↓ 35 pps

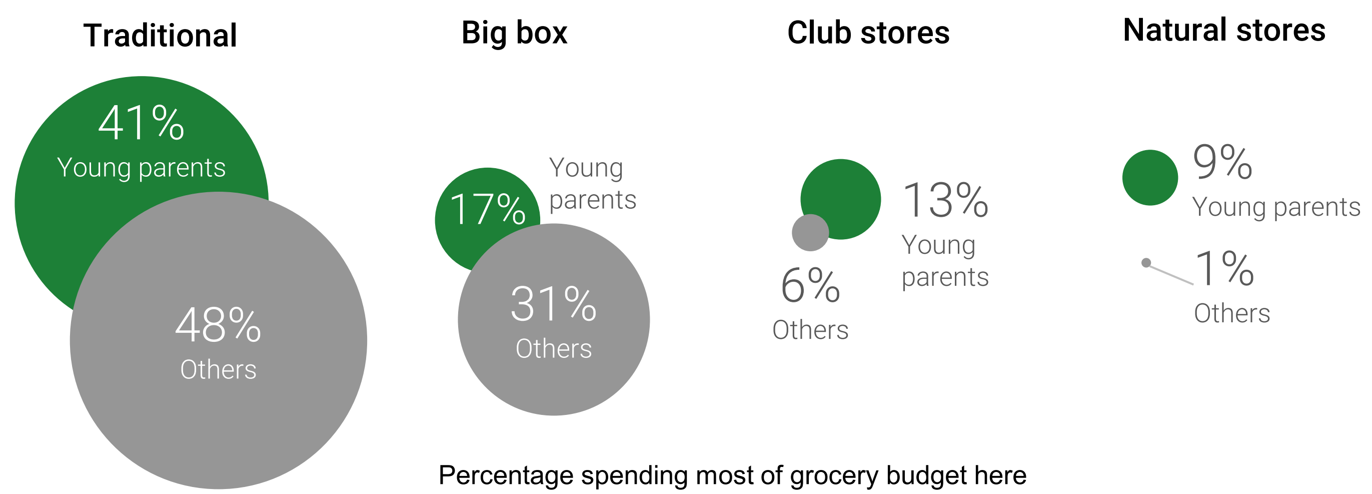
South

Young parents in the South most differ from others in the region when it comes to traditional grocery stores and big box stores — both in likelihood of using those channels as their primary and likelihood of shopping them at all.

Channels shopped — young parents vs. others in the South

	Young parents	Others	
Traditional grocery	75%	81%	↓ 6 pps
Big box retailers	48%	59%	↓ 11 pp
Club stores	39%	37%	↑ 2 pps
Discount stores	47%	42%	↑ 5 pps
Convenience stores	49%	31%	↑ 18 pps
Natural stores	33%	17%	↑ 16 pps
Ethnic/specialty	17%	8%	↑ 9 pps
Drug stores	35%	28%	↑ 7 pps
Online retailers	28%	23%	↑ 5 pps

Primary channel differences — young parents vs. others in the South



Percentage spending most of grocery budget here

South cont'd

Prepared foods

Thirty-seven percent of young parents in the South buy prepared foods every week, nearly double the rate of others in the region. Nearly one-quarter (24%) of young parents use grab-and-go deli meals as a restaurant substitute **specifically as a response to inflation** or other financial pressure — more than others in the South (10%) and more than young parents in other regions.

What prepared foods replace for young parents and others in the South

	Young parents	Others	
Replaces takeout meal	56%	45%	↑ 11 pps
Replaces sit-down restaurant	40%	36%	↑ 4 pps
Replaces frozen meal	38%	26%	↑ 12 pps
Replaces meal prepared at home	34%	59%	↓ 25 pps

Store choice drivers

64%

of young parents in the South who select their primary store for a reason other than lowest-in-market everyday prices say **unique items** are a top reason they consider that store a good value overall (+19 compared to others in the region).

Priorities

Both for everyday prices and for promotions, fresh is first in the minds of shoppers — but less universally than among others in the region.

Where prices and promotions matter most to young parents in the South vs. others in the South

	Price		Promotion	
Fresh	54%	↓ 12	43%	↓ 18
Center store	27%	↑ 5	35%	↑ 11
Prepared foods	12%	↑ 5	12%	↑ 7
Non-food	7%	↑ 2	7%	→

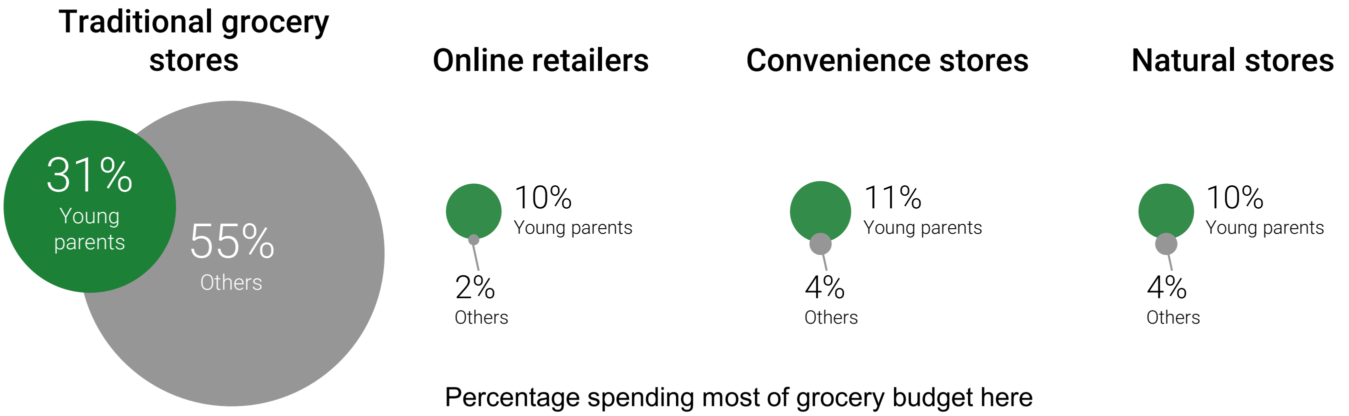
West

The West has the starkest differences between how young parents and others interact with traditional grocery. Only two-thirds of young parents shopped traditional grocery in 2025 (versus 86% of others in the region), and only 31% use it as their primary (versus 55% of others in the region).

Channels shopped — young parents vs. others in the West

	Young parents	Others	
Traditional grocery	67%	86%	↓ 19 pps
Big box retailers	49%	52%	↓ 3 pps
Club stores	52%	45%	↑ 7 pps
Discount stores	41%	40%	↑ 1 pp
Convenience stores	47%	29%	↑ 18 pps
Natural stores	40%	28%	↑ 12 pps
Ethnic/specialty	18%	12%	↑ 6 pps
Drug stores	36%	28%	↑ 8 pps
Online retailers	47%	31%	↑ 16 pps

Primary channel differences — young parents vs. others in the West



Percentage spending most of grocery budget here

West cont'd

Prepared foods

Prepared foods play a major role for young parents in the West, with 58% purchasing weekly — versus 23% of others in the region. Prepared foods are also a price and promotion priority for this group.

What prepared foods replace for young parents and others in the West

	Young parents	Others	
Replaces takeout meal	49%	45%	↑ 4 pps
Replaces sit-down restaurant	57%	34%	↑ 23 pps
Replaces frozen meal	34%	24%	↑ 10 pps
Replaces meal prepared at home	31%	65%	↓ 34 pps

Store choice drivers

44%

of young parents in the West say they look for consistently competitive prices rather than ones that are super-low sometimes and high other times (+17 versus others in the region).

Priorities

Young parents in the West also differ from others in the region when it comes to where they believe prices and promotions matter most, with significantly less emphasis on center store and more on prepared foods.

Where prices and promotions matter most to young parents in the West vs. others in the West

	Price		Promotion	
Fresh	55%	↓ 1	52%	↓ 4
Center store	18%	↓ 14	20%	↓ 10
Prepared foods	24%	↑ 17	16%	↑ 9
Non-food	3%	↓ 2	8%	↑ 2

Closing

Grocers have for years relied on backward-looking data to make forward-looking decisions, but we are at an inflection point where the next generation is so different that historical data is becoming ineffective as a predictor of what's coming next.

The industry has been accustomed to much more generational continuity and gradual change by younger cohorts, but the pace of change post-COVID has been unprecedented, and it isn't going to slow down. Between adoption of e-commerce in grocery and the rapid advancement of AI, every "new" primary shopper going forward will be quite unlike the industry's legacy customer. What worked to attract the latter won't compel the former.

What would you be doing differently if you knew you would lose 15% of your loyal shoppers in the next five years?

Because of the generational shift happening, it isn't an inconceivable outcome—**if nothing changes.** Traditional grocers can still put forth an attractive offering, but it can't be the same as it's always been. It's better to lead the change now rather than play catch-up later.

Methodology

Data referenced in "Young Parents and Gen Alpha: The Coming Generational Disruption" report originated from a survey fielded in October 2025, capturing insights from 1,635 consumers. 440 of those consumers fall into the category described in this report as young parents, those under 45 years of age with children under 18 in the home.

In the survey, channel descriptions were as follows:

Big box retailers
Walmart, Target, etc.

Traditional grocery stores
Kroger, Albertsons, H-E-B, Wegmans, local grocers, etc.

Club stores
Costco, Sam's Club, etc.

Discount stores
Aldi, Lidl, Grocery Outlet, etc.

Convenience stores
7-Eleven, Circle K, etc.

Natural stores
Whole Foods, Sprouts, Trader Joe's, etc.

Ethnic/specialty stores
H Mart, Vallarta, Northgate, gourmet food shops, etc.

Drug stores
Walgreens, CVS, etc.

Online retailers
Amazon, Boxed, Thrive Market, GoPuff, etc.

About us

For more than forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges—circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line—a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA—so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.