Instacart Unveils Ads on Its AI-Powered Smart Carts

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Del Monte Foods, Dreyer's Grand Ice Cream, and General Mills Among First Partners to Leverage Ads on Caper Carts, Making Customers' In-Store Experience More Personalized Than Ever Before

Ads on Caper Carts Give CPG Brands a New Way to Advertise In-Store, Will Also Create a New Revenue Opportunity for Retailers like Good Food Holdings

SAN FRANCISCO, Jan. 8, 2024 /PRNewswire/ -- Instacart (Nasdaq: CART), the leading grocery technology company in North America, today announced it is expanding its advertising solutions to Caper Carts, the company's AI-powered smart carts. Instacart will begin piloting ads on Caper Carts at Good Food Holdings banner stores, bringing personalized and dynamic recommendations into the physical aisles of the grocery store. Ads on Caper Carts will soon give customers more customized recommendations and introduce experiences to help them discover new brands and products. This first-of-its-kind advertising opportunity connects brands and retailers with customers directly in the aisles – who, on average, spend more than 30 minutes shopping in-store with a Caper Cart.

For the first time, ads on Caper Carts will bring an entirely new personalized ads experience from Instacart's CPG brand partners to the smart cart screens, with launch partners including Del Monte Foods, Dreyer's Grand Ice Cream, and General Mills. Customers using Caper Carts at participating retailers will soon experience two new features:

- New products and brands, deals, and seasonal promotions to surprise and delight customers at the start of the shopping journey on the Caper Cart home screen. For example, a customer might see a creative banner highlighting limited-edition Chocolate Strawberry Cheerios from General Mills for Valentine's Day.
- Personalized product recommendations based on their real-time shopping behaviors or cart contents. For example, if a customer adds ice cream cones, they might see a complementary item recommendation, like Dreyer's ice cream.

The new ads on Caper Carts offering is launching soon at Good Food Holdings' Bristol Farms stores in Southern California, with additional retail partners rolling out in the months ahead. Instacart expects to have thousands of Caper Carts deployed by the end of 2024.

"Our acquisition of Caper has been a core part of our strategic evolution to support retailers and brands not just online but also in-store. It was one of the first major decisions I made as CEO of the company as we launched our Connected Stores technologies, and today we're excited to introduce the next phase of this work with a new advertising solution that will further enable thousands of CPG brands to connect with high-intent customers with measurable results — in all the ways people choose to shop," said Fidji Simo, CEO and Chair of Instacart. "Today's announcement expands on the success of our advertising solutions *and* smart carts to power a more inspirational, connected in-store shopping experience for customers. We're proud to bring these solutions in-store for the first time for our CPG brand partners, while simultaneously offering new revenue opportunities for our retail partners."

"Since deploying Caper Carts last year, we've been incredibly excited to provide our customers with a greater personalized experience while driving value as they shop," said Neil Stern, Chief Executive Officer of Good Food Holdings. "With the introduction of ads on Caper Carts, we'll soon be able to unlock a new, incremental revenue stream while offering customers valuable suggestions and promotions from our brand partners."

Ads on Caper Carts are a new in-store retail media offering building on Instacart's performant, online advertising solution. The new ad capabilities enable CPG brands to engage with customers in-store in a more personalized way based on past purchase behavior or real-time shopping behavior. Instacart's deep online grocery expertise and insights allow the company to help customers discover their favorite products with its advertising solutions as they shop online, and now, in-store.

Retailers that offer ads on Caper Carts will have the ability to grow their revenue through a revenue share model, in addition to driving increased consumer engagement in-store. Today's announcement builds on Instacart's Carrot Ads technology, which enables retailers like Schnucks, Sprouts, Price Chopper NY, and Tops Markets to establish and grow retail media networks on their owned and operated websites and apps – powered by Instacart Ads technology. With Carrot Ads, retail partners are leveraging the best of Instacart Ads, including the company's industry-leading technology, products, engineering, sales talent, and data insights.

Today's in-store advertising announcement also marks Instacart's continued, off-platform ad capabilities expansion. Over the last year, Instacart has extended its off-platform advertising capabilities to Roku and The Trade Desk, which are all rooted in enhancing CPG brands' advertising with Instacart's retail media data. With more than 5,500 brand partners - from category leaders to emerging brands - Instacart continues to help brands drive growth, prove ROI, and move products off shelves.

Caper Carts are part of Instacart's Connected Stores suite of technologies, built to help grocers bridge the online and in-store shopping experience. By using computer vision and AI, the cart can automatically identify items as they are placed in the basket, allowing customers to bag as they shop and checkout directly from the cart. Customer reception to Caper Carts has been strong with users offering a net promoter score of more than 70. In addition to the new ad capabilities, customers appreciate the ability to link their loyalty accounts to the carts, giving them access to personalized promotions and savings while shopping in-store. Caper Carts appeal to grocers of all sizes – retailers currently using or soon deploying carts include Bristol Farms, Fairway Market, Geissler's, ShopRite, and Sobeys.

Supporting Quotes

"Today's omnichannel shopper expects frictionless experiences whether they're shopping online or in-store. In addition to customized Instacart ad

experiences on app, we can now utilize another touchpoint on the shopper journey through in-store Caper Carts ads. The Caper Carts provide an opportunity for us to provide meal inspiration, introduce new products or simply remind the shopper to stock-up on pantry staples, while continuing to deliver a personalized, relevant experience based on past shopping behaviors," said Jen Reiner, Vice President, Omnichannel Marketing, Del Monte Foods, Inc.

"Instacart and Dreyer's Grand Ice Cream have formed a partnership built on the foundation of being consumer and shopper progressive. Our collaborative efforts strive to deepen our understanding of the ever-changing consumer shopping experience, specifically emphasizing the digitally-forward customer. The Caper Cart initiative is a great example of an initiative that seeks to fuse the digital and physical shopping experience into one seamless journey. Having the unique opportunity to feature our ads on the Caper Carts will allow us to engage and inspire customers on the interactive home screen during their shopping trips. The future of our consumer connections will continue to be reshaped by innovative partnerships such as this," said Andy Hill, Head of Sales at Dreyer's Grand Ice Cream.

"We're proud to continue our partnership with Instacart by being one of the first brands to showcase our products on Instacart's AI-powered smart carts," said Raquel Navarrksi, Customer Vice President, General Mills. "We're committed to showing up where our consumers are, no matter how they choose to shop. We're excited to innovate alongside Instacart to help consumers discover and rediscover all their favorite General Mills products as they browse the grocery aisles and shop in-store."

"Late last year, we unveiled our plans to update most of our traditional shopping carts with Instacart's smart carts, aiming to make shopping easier, more personalized, and efficient for customers," said Bob Rybick, President and CEO of Geissler's Supermarkets. "Now, with the introduction of ads on Caper Carts, we'll be able to take that goal a step further – not only enhancing the in-store experience by helping customers discover new products, brands and promotions, but also unlocking a new revenue stream and opportunities to strengthen customer loyalty."

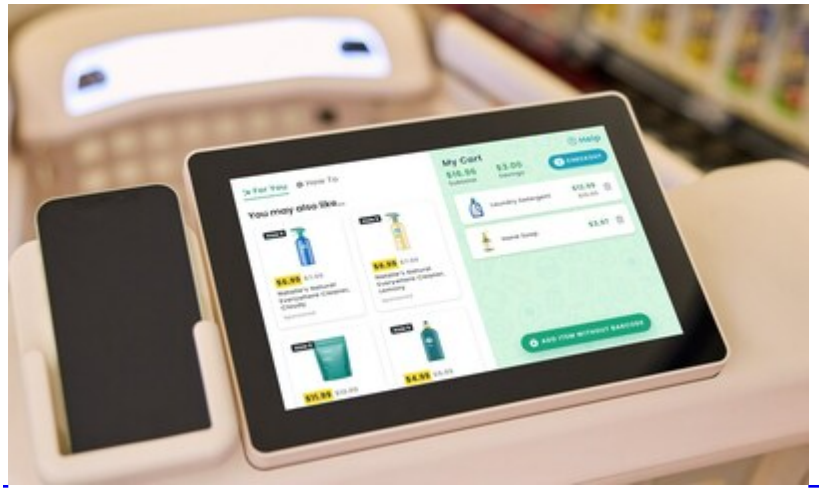
About Instacart
Instacart, the leading grocery technology company in North America, works with grocers and retailers to transform how people shop. The company partners with more than 1,400 national, regional, and local retail banners to facilitate online shopping, delivery and pickup services from more than 80,000 stores across North America on the Instacart Marketplace. Instacart makes it possible for millions of people to get the groceries they need from the retailers they love, and for approximately 600,000 Instacart shoppers to earn by picking, packing and delivering orders on their own flexible schedule. The Instacart Platform offers retailers a suite of enterprise-grade technology products and services to power their e-commerce experiences, fulfill orders, digitize brick-and-mortar stores, provide advertising services, and glean insights. With Instacart Ads, thousands of CPG brands – from category leaders to emerging brands – partner with the company to connect directly with consumers online, right at the point of purchase. With Instacart Health, the company is providing tools to increase nutrition security, make healthy choices easier for consumers, and expand the role that food can play in improving health outcomes.

For more information, visit www.instacart.com/company, and to start shopping, visit www.instacart.com.









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