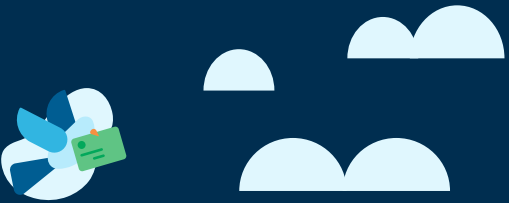


E-commerce in the Nordics

2024
AUTUMN



postnord



Welcome!

It is with great pleasure that we present this year's second report on e-commerce in the Nordics. This report provides a comprehensive overview of the latest trends and developments in the e-commerce sector in our region. Over the past year, we have seen continued strong growth in e-commerce, reflected in increased parcel volumes and changing consumer behaviors.

Among the key findings in this autumn report, we note that Nordic consumers have become more price-driven and competition on e-commerce platforms has intensified. Geopolitical challenges, such as tariffs and supply chain disruptions, have impacted costs and stock shortages. Despite these challenges, forecasts for 2024 show a recovery in the Nordic economies, creating room for new trends and opportunities.

In this edition of the E-commerce in the Nordics report, we get to meet Bank Bergström, CEO of Nordic Nest Group, who shares insights on how his company is expanding into new markets. The report also features an interview with Viktor Rosenqvist, Head of Parcel Lockers at PostNord in Sweden. Viktor shares insights on how PostNord is improving delivery efficiency and customer convenience with innovative solutions.

I trust you will find useful insights in this report to navigate the Nordic e-commerce market. PostNord is here to provide valuable insights and support to help you and e-tailers worldwide gain access to this dynamic region.

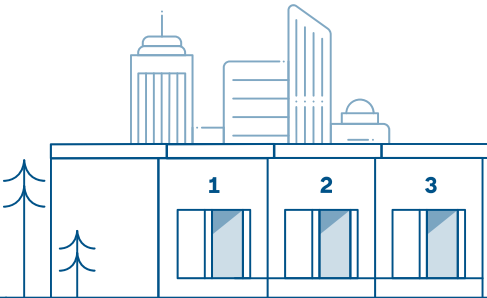


Kind regards,

Annemarie Gardshol
President and Group CEO, PostNord

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About the report

The data presented in this report is based on consumer surveys conducted in Sweden, Norway, Finland and Denmark. The surveys were carried out in September and October 2024, and had 1 000 respondents aged 18-79 in Sweden, Finland, Norway and Denmark respectively.

The data for latest delivery method and preferred delivery option is retrieved from PostNord Brand Tracker. The survey is conducted quarterly and has 2 700 respondents per country.

Optimism returns to Nordic households with low prices leading the way

Central banks are adjusting policies to stimulate growth, while geopolitical tensions are adding complexity to the market. The way people spend, save, and shop is changing in the Nordic region.

The global economy is facing uncertain times, leading central banks to lower interest rates in hope of stimulating growth. These measures are expected to influence housing, consumer spending, and employment. As lower interest rates ease the financial pressure, consumers will regain purchasing power, which in turn will increase consumption and drive growth.

A steady recovery is expected; the Nordic economies are projected to grow around 2 percent by 2025.¹ However, geopolitical challenges, such as tariffs introduced after the US elections, could raise costs for export-driven countries like the Nordics. Supply chain disruptions risk affecting shipping costs and cause stock shortages.

During the recession, the Nordic consumers have turned to budget-friendly options. An increase in cross-border shopping has created a highly price-driven and competitive market for e-commerce platforms. As the Nordic economies start to recover, it is possible

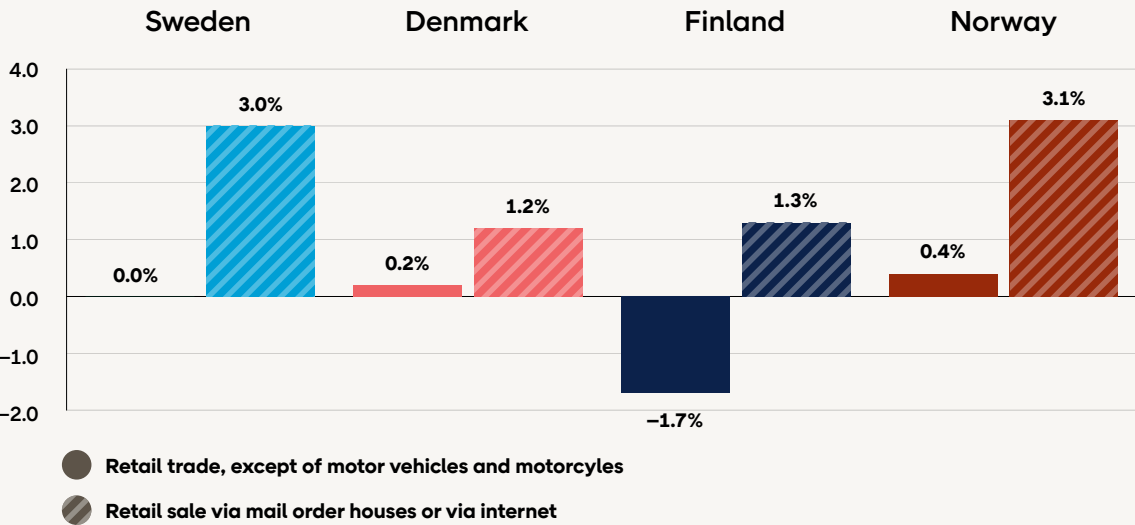
that price sensitivity decreases, creating space for new trends and opportunities.

Data from Q2 2024 shows that while growth in physical stores has been slow, online sales have continued to rise across the Nordic region. As the economy strengthens, both physical and online sales are expected to follow suit, reflecting an overall recovery in consumer spending.



Retail trade growth in 2024 Q2

Volume of sales compared to the same period last year.

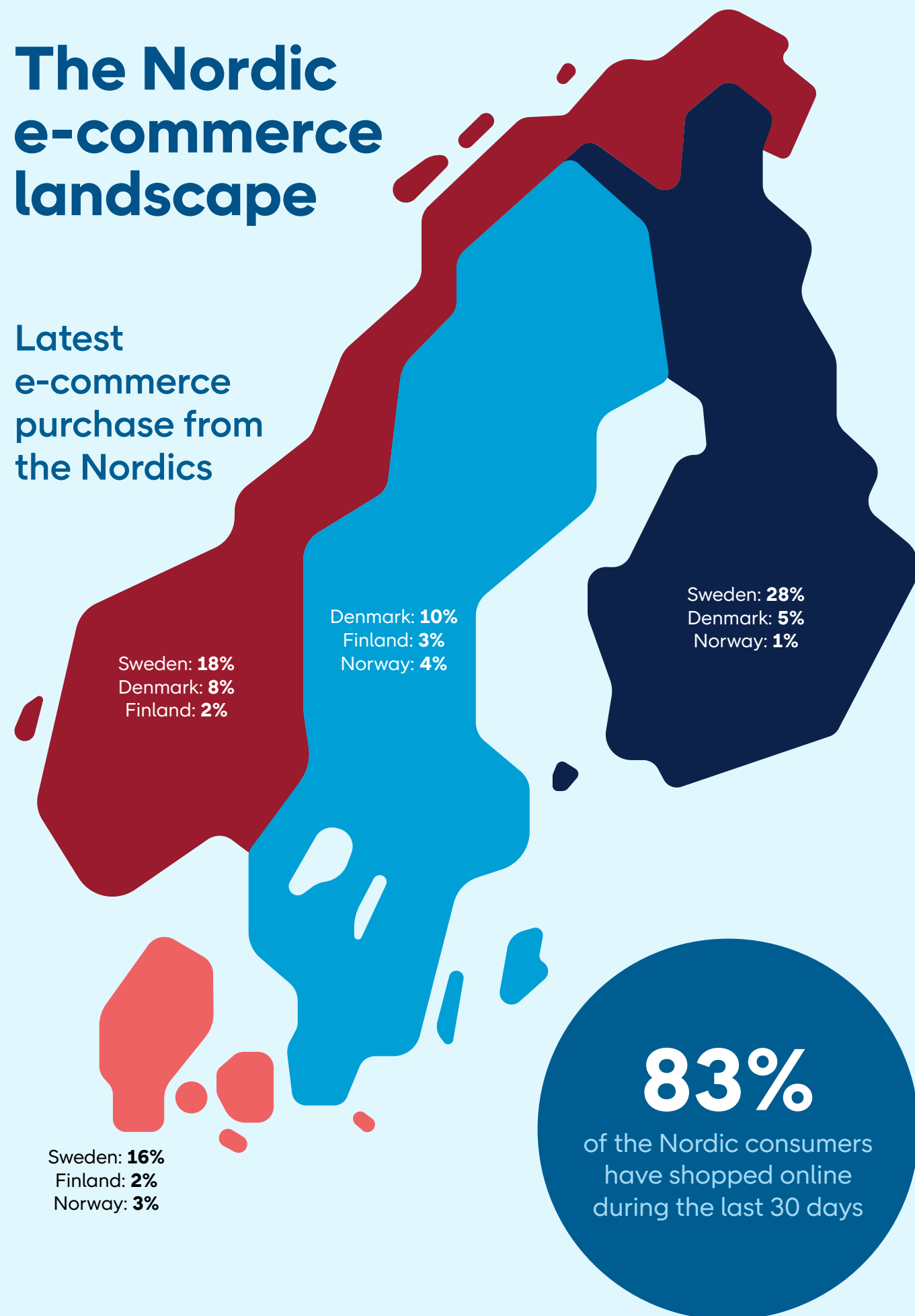


Source: Eurostat & E-barometern Q2 2024

¹ IMF https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/EU/SWE/NOR/FIN/EST/DNK

The Nordic e-commerce landscape

Latest e-commerce purchase from the Nordics



Sweden

Population: 10.5 million¹

- Shop online at least monthly, **89%**
- Most common delivery method: service point, **46%**
- Most common payment method: invoice, **25%**
- Have made an online purchase from abroad during the last year, **65%**
- Have bought second hand items online during the last 30 days, **32%**

Finland

Population: 5.5 million¹

- Shop online at least monthly, **80%**
- Most common delivery method: parcel locker, **50%**
- Most common payment method: online bank payment, **32%**
- Have made an online purchase from abroad during the last year, **74%**
- Have bought second hand items online during the last 30 days, **22%**

Denmark

Population: 5.9 million¹

- Shop online at least monthly, **86%**
- Most common delivery method: service point, **44%**
- Most common payment method: credit card, **36%**
- Have made an online purchase from abroad during the last year, **80%**
- Have bought second hand items online during the last 30 days, **26%**

Norway

Population: 5.5 million¹

- Shop online at least monthly, **87%**
- Most common delivery method: service point, **35%**
- Most common payment method: credit card, **36%**
- Have made an online purchase from abroad during the last year, **85%**
- Have bought second hand items online during the last 30 days, **34%**



International shopping

- A significant number of Nordic consumers shop online from abroad. 76 percent of the Northerners have made a non-domestic online purchase during the last year.
- China is the top country from which Nordic e-commerce consumers shop, accounting for 29 percent of the most recent purchases overseas. Germany follows in second place, with 16 percent.
- Clothes and footwear are the most common products to purchase online from abroad. 38 percent of the consumers bought from this category the last time they bought goods online from abroad.

Circular commerce

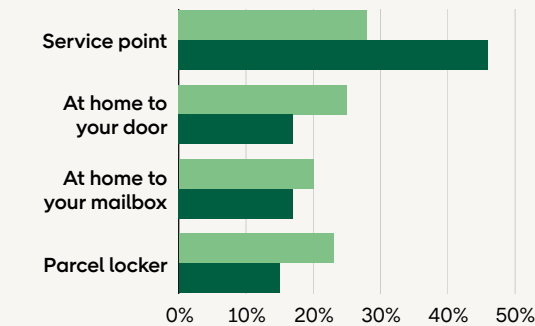
- More than 1 out of 4 Nordic consumers, 29 percent, have bought second hand products online during the last month.
- Clothes and footwear is the most common product category to buy. 47 percent of consumers bought clothes or shoes the last time they purchased second hand products online.
- When Nordic consumers sell second hand products online, the most common way to deliver them is through a service point. 41 percent used this method for their latest online purchase or sale.

¹ Nordic Co-operation <https://www.norden.org/sv/information/fakta-om-de-nordiska-landerna>

Sweden



Used and preferred delivery methods



● Which delivery method do you prefer?
● How was your most recent purchase delivered?

Why the consumer prefers a delivery method



Why consumers have cancelled purchases during checkout

- 1 The delivery price was too high: 33%
- 2 The delivery type did not suit me: 12%
- 3 The delivery time was too long: 10%

Deliveries

Swedish consumers are habitual and strive for effectiveness in their e-commerce journeys. However, the Swedes are sensitive – unsatisfactory checkout solutions can make some cancel their purchases.

Swedish consumers are on one side creatures of habit, and on the other side valuing convenience and flexibility. The most preferred delivery method is to get the parcel to a service point, which is also the most common way of receiving them. However, when asked why a certain delivery method is preferred many consumers state that the flexibility of being able to pick up parcels outside regular hours is a key factor. These aspects are closely correlated to delivery methods such as home deliveries and parcel lockers.

Alongside habit and convenience, the delivery price also comes into account for many Swedish shoppers. One third of consumers that have cancelled a purchase has done so because of the delivery cost, which further underlines the price sensitivity among Swedish consumers.

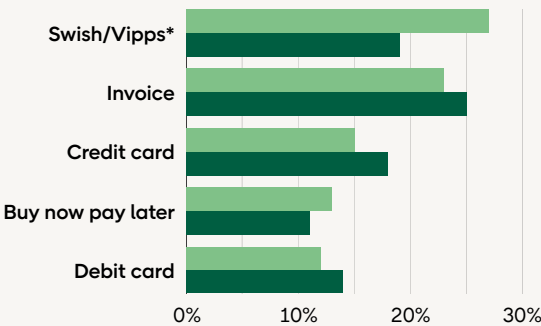
Payments

Swedes prefer secure and simple payment methods. Every other Swede has paid extra for home deliveries as well as faster deliveries, reflecting a desire for both immediacy and comfort.

Swedes are drawn to payment methods that feel safe and simplify the purchasing process. This has led to the widespread use of services like Swish and different invoice solutions, which are the most preferred payment methods in Sweden. Swish creates a feeling of a quick and secure money transfer, making it the preferred choice for those willing to pay immediately. On the other hand, invoice payments provide a sense of security by allowing consumers to receive their products before completing the transaction. This is particularly appealing to consumers who want to make sure they are satisfied with their purchase before committing to a payment.

Many Swedes have chosen to pay for a faster delivery option and delivery to the door, reflecting the desire for immediacy and comfort when receiving products.

Used and preferred payment methods

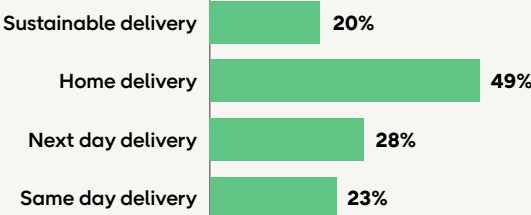


● Which payment method do you prefer?
● What payment method did you use for your last purchase?

Why the consumer prefers a payment method



Consumers who have paid extra for...



* Swish (SE), Vipps (NO) and MobilePay (FI, DK) are app-based mobile payment services

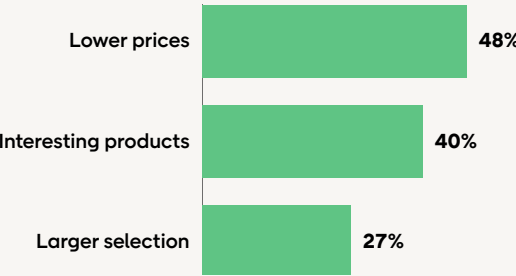
Sweden



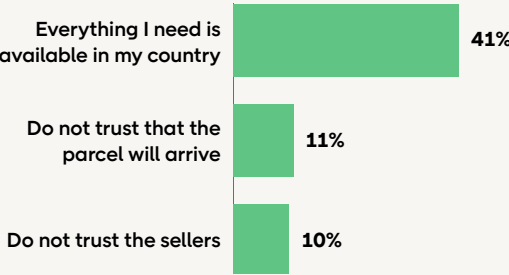
Most popular marketplaces and countries to shop from online

Top 3 marketplaces*		Top 3 countries**	
1. Amazon	36%	China	30%
2. Temu	26%	Germany	17%
3. Zalando	26%	Denmark	10%

Reasons for shopping from abroad



Main reasons to not shop from abroad



Global e-commerce

A wide range of goods and low prices attract Swedish consumers to shop from abroad. China continues to gain attraction, indicating a continuous price-focus among consumers.

In recent years, the popularity of cross border shopping has grown simultaneously as the interest in international low-cost retailers. In the past year, 65 percent of the Swedish consumers have made purchases from abroad. China is emerging as the most favoured country to shop from, with Temu being the second most popular marketplace to shop from worldwide. This trend highlights a growing willingness to explore global markets, driven primarily by buying products at a lower price, and a wider array of interesting products.

Despite the popularity of international shopping, some of the Swedes remain hesitant to make purchases from abroad. A fifth of the consumers express concerns about the reliability of deliveries, fearing that parcels may not arrive or that sellers are not trustworthy.

Circular e-commerce

While most Swedish consumers do not actively consider the environmental impact of online shopping, many still show a sustainable shopping-pattern online.

Many Swedes do not actively take sustainability into account when shopping online, but their behaviour implicates an underlying interest in circular retail. Even though only 14 percent always try to make conscious decisions when shopping online, 4 out of 10 consumers are likely to cancel a purchase due to sustainability-related reasons.

Additionally, a third of the Swedish consumers have shopped second hand online during the past month, illustrating a growing interest in more eco-friendly solutions. Buying goods second hand is also economically beneficial, something that the price-aware Swedes also value highly. Moreover, 14 percent say that they are willing to pay for sustainable deliveries, but 20 percent have paid extra for it. Once again, this shows a sustainable behaviour, even though it might not be intentional.



Recent circular shopping

32% have shopped second hand online during the last month

39% are likely to cancel an online purchase for sustainability reasons

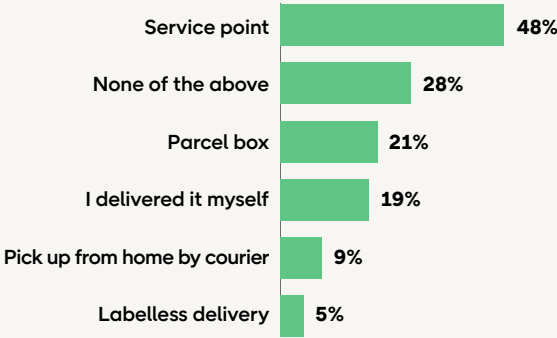
14% always try to make conscious decisions when shopping online

Willingness to pay for sustainable deliveries

14% are willing to pay extra for a sustainable delivery

20% have paid extra for a sustainable delivery

How second hand items are dropped off and delivered

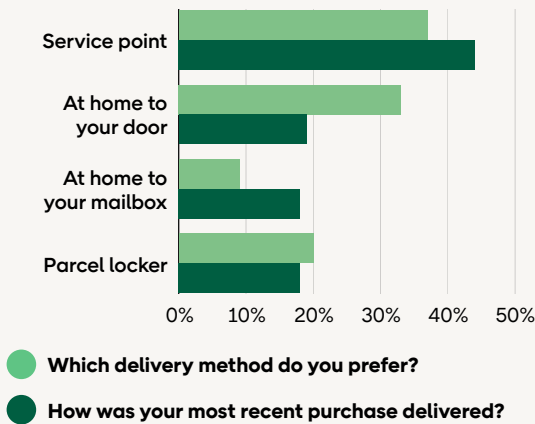


* During the last three months
** Latest purchase from abroad

Denmark



Used and preferred delivery methods



Why the consumer prefers a delivery method



Why consumers have cancelled purchases during checkout

- 1 The delivery price was too high: 25%
- 2 The delivery type did not suit me: 9%
- 3 The return fee was too high: 8%

Deliveries

Danish shoppers enjoy picking up their packages at service points or having them delivered at home. They want flexibility in their daily lives and prefer delivery methods that offer freedom and convenience.

Danish shoppers highly value comfortable delivery solutions such as picking up the parcels at a service point or having them delivered to the front door. They prefer to pick up their parcels outside regular opening hours, which simplifies their daily routine as they can schedule it according to what suits them best.

Almost half of the Danish consumers have abandoned a purchase at checkout due to delivery-related issues. High delivery costs, inconvenient delivery options, and return fees are common reasons for cancellations, highlighting the importance of offering affordable and flexible delivery solutions.

Payments

Most Danes prefer to use efficient and versatile payment solutions. They are not only embracing modern payment methods but are also actively shaping a financial landscape that prioritizes ease and safety.

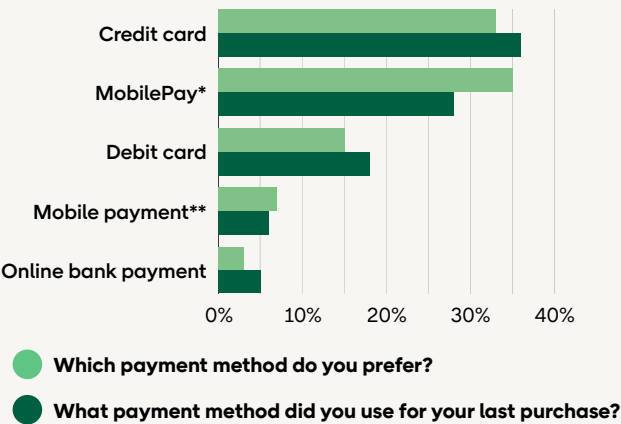
Danish consumers enjoy quick and straightforward payment options. Since Vipps and MobilePay integrated earlier this year, Danes can now send money to Norway and Finland simply using their phones. Many Danes use MobilePay for everything from paying bills to splitting restaurant checks, making them a key part of the country's transition to a cashless society. For smaller purchases, Danes prefer using MobilePay, while credit cards are favoured for larger, more important transactions.

In Denmark, it is common for consumers to pay extra for home delivery, which is the preferred delivery option. This preference further highlights that convenience is important to the Danish consumers. As mentioned earlier, if delivery prices are too high, consumers might cancel the purchase. Therefore, it is important to find the balance between willingness to pay and comfortability.

81%

have purchased a physical good online during the last 30 days

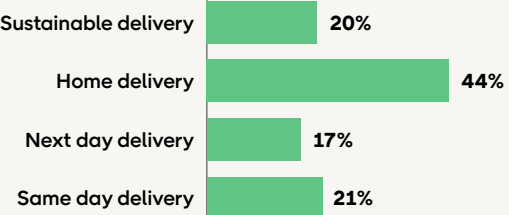
Used and preferred payment methods



Why the consumer prefers a payment method



Consumers who have paid extra for...



*Swish (SE), Vipps (NO) and MobilePay (FI, DK) are app-based mobile payment services
**Examples of mobile payments are Apple Pay, Google Pay and Samsung Pay

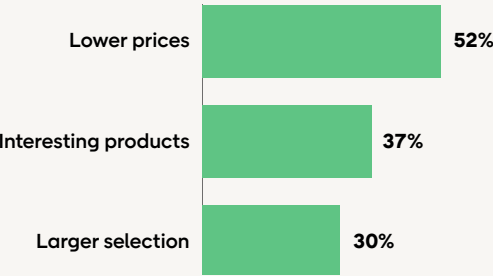
Denmark



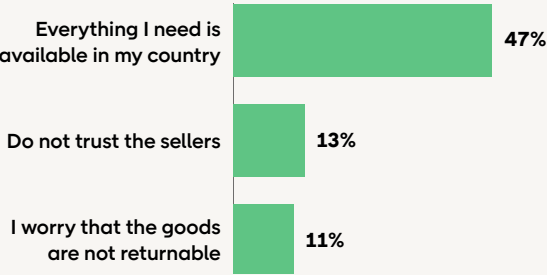
Most popular marketplaces and countries to shop from online

Top 3 marketplaces*		Top 3 countries**	
1. Temu	32%	China	29%
2. Zalando	30%	Germany	21%
3. Amazon	25%	Sweden	16%

Reasons for shopping from abroad



Main reasons to not shop from abroad



Global e-commerce

Price-sensitive consumers continue to prioritize shopping from international marketplaces that offer low prices and a wide array of products. While Danes are price-conscious, they also value the security and assurance that local purchases provide.

Danes show a growing interest for shopping from international marketplaces such as Temu and Zalando. In fact, 80 percent of the Danish consumers have made a purchase from abroad within the past year, with China standing out as the preferred destination. Of the people who ordered clothes and shoes from abroad, 52 percent chose to buy from an international retailer because of the lower prices and 44 percent because of the unique product offerings.

Many consumers still choose to shop locally because they can find what they need and feel more secure buying from trusted sellers. This shows that while people want low prices, they also value convenience and reliability.

Circular e-commerce

While some Danish consumers show an interest in sustainable shopping, only a small percentage actively prioritize environmental factors when making online purchases.

Danish consumers show an interest in circular fashion, with one third saying they have shopped second hand during the past month. This reflects a shift towards more sustainable consumption, as many Danes value reusing and recycling clothing to reduce environmental impact. Additionally, 32 percent of the Danish consumers are likely to cancel an online order due to sustainability concerns. This indicates that they not only look for affordable and unique fashion options but also prioritize sustainability in their shopping.

Only 15 percent of the Danish consumers actively prioritize sustainability when shopping online, showing that while many are aware of sustainable options, only a few consistently choose them. However, 20 percent have paid extra for a sustainable delivery.

80%
have shopped online from abroad during the last year

Recent circular shopping

26%
have shopped second hand online during the last month

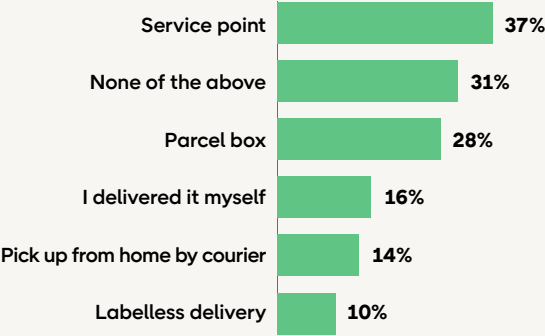
32%
are likely to cancel an online purchase for sustainability reasons

15%
always try to make conscious decisions when shopping online

Willingness to pay for sustainable deliveries



How second hand items are dropped off and delivered

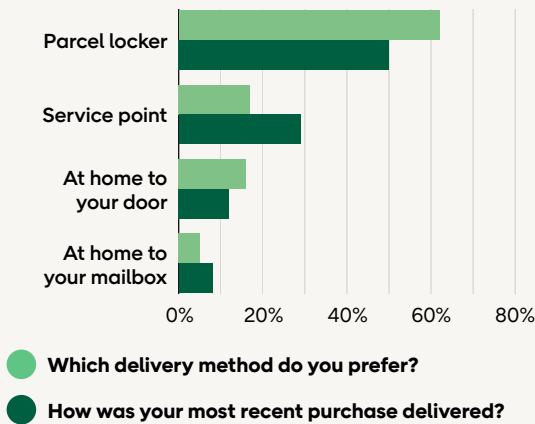


* During the last three months
** Latest purchase from abroad

Finland

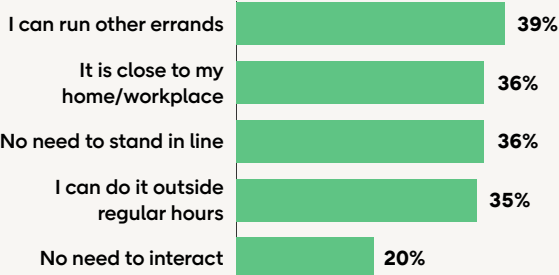


Used and preferred delivery methods



● Which delivery method do you prefer?
● How was your most recent purchase delivered?

Why the consumer prefers a delivery method



Why consumers have cancelled purchases during checkout

- 1 The delivery price was too high: 25%
- 2 The delivery type did not suit me: 6%
- 3 The return fee was too high: 5%

Deliveries

Finnish consumers favour parcel lockers when getting parcels delivered, valuing both flexibility and efficiency. While the majority are willing to wait for a sustainable delivery, few are willing to pay extra.

In Finland, the majority of consumers prefer to get their parcels delivered to parcel lockers. They enjoy the flexibility of being able to run errands whilst picking up parcels. Various postal providers have made large investments in the parcel locker networks' scalability and technology, making it easier for consumers to access their parcels. This trend is clearly noticeable in the delivery choices that Finnish consumers make.

Furthermore, many Finnish shoppers are price-sensitive and one third of them have abandoned a purchase because they thought the delivery cost was too high. This indicates that while they value flexibility, they also prioritize affordability as a key factor in their purchasing decisions.

Payments

Finnish consumers are creatures of habit and want to use payment solutions that they trust.

Finnish consumers largely prefer and frequently use online bank payments when shopping online. Of the consumers that prefer this payment solution, 58 percent do so because they are used to it. The familiarity and reliability of online bank payments provide a sense of safety, as consumers can easily track their spending and manage their finances. 54 percent favour it for its speed and convenience, allowing shoppers to complete transactions quickly and securely.

While Finnish consumers often pay for home delivery, they are less willing to pay for faster shipping. Consumers who choose parcel lockers are especially unlikely to pay extra for same day or next day deliveries. This shows that they value the convenience of picking up their parcels more than getting them quickly.

80%

have purchased a physical good online during the last 30 days

Used and preferred payment methods

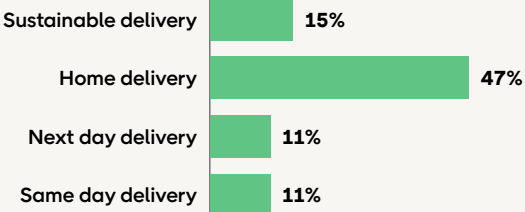


● Which payment method do you prefer?
● What payment method did you use for your last purchase?

Why the consumer prefers a payment method



Consumers who have paid extra for...



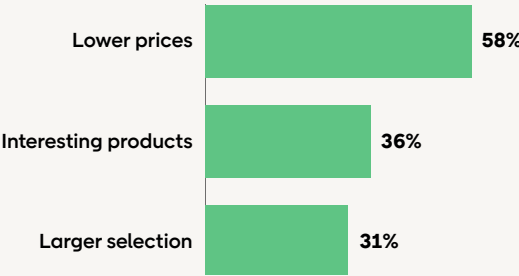
Finland



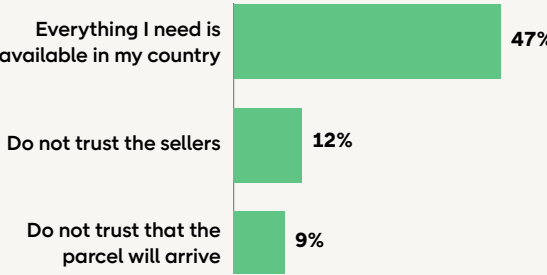
Most popular marketplaces and countries to shop from online

Top 3 marketplaces*		Top 3 countries**	
1. Zalando	27%	Sweden	28%
2. Temu	26%	China	25%
3. Amazon	15%	Germany	19%

Reasons for shopping from abroad



Main reasons to not shop from abroad



Global e-commerce

Finnish consumers look for low prices, leading them to international online marketplaces for their online shopping. However, some consumers do not feel the need to shop from abroad and some hesitate due to security concerns.

Finnish consumers choose international marketplaces because of the low prices to a greater extent than their Nordic neighbours. The most popular countries to order from are Sweden and China, with low prices and an interesting product selection being the two main reasons. In the past three months, Temu has emerged as the top marketplace for those purchasing from China.

Many Finnish consumers do not buy products from abroad because they find most of the items available in Finland. Some also worry about sharing their card details on international websites. This concern ties back to their preference for safe payment methods, showing that security is an important factor when making shopping choices.

Circular e-commerce

Most Finnish consumers do not focus on sustainability when shopping online, but many still buy second hand. This shows that while eco-friendly choices are not their main concern, there is an interest in sustainable habits.

Finland has the lowest share of consumers who have shopped second hand in the past month compared to the other Nordic countries. Additionally, only 16 percent actively consider sustainability when making online purchases. This suggests that although many Finns enjoy online shopping, sustainability concerns are not yet a major factor for most consumers. Finnish shoppers tend to focus more on convenience and price, which could explain why eco-friendly shopping has not caught on as quickly.

Finnish consumers are quite willing to wait for a sustainable delivery, but they are not willing to pay extra for it. This big difference highlights a gap between their interest in sustainable deliveries and their willingness to invest in them. Most of the consumers who are willing to pay for a sustainable delivery are young adults between 18 to 29 years old or people who live in big cities.

74%

have shopped online from abroad during the last year

Recent circular shopping

22%

have shopped second hand online during the last month

30%

are likely to cancel an online purchase for sustainability reasons

16%

always try to make conscious decisions when shopping online

Willingness to pay for sustainable deliveries

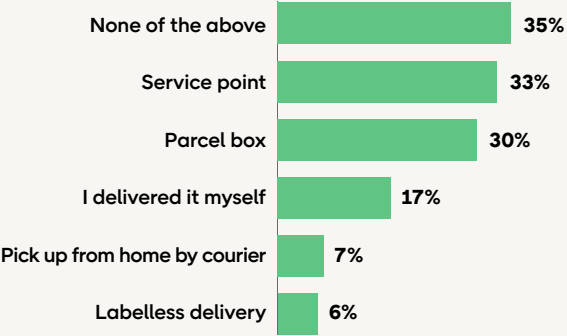
8%

are willing to pay extra for a sustainable delivery

15%

have paid extra for a sustainable delivery

How second hand items are dropped off and delivered

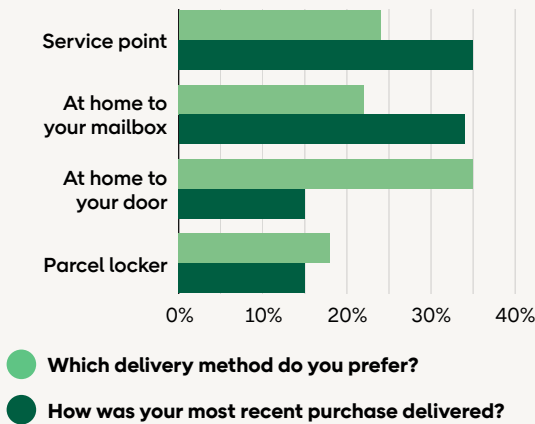


* During the last three months
** Latest purchase from abroad

Norway

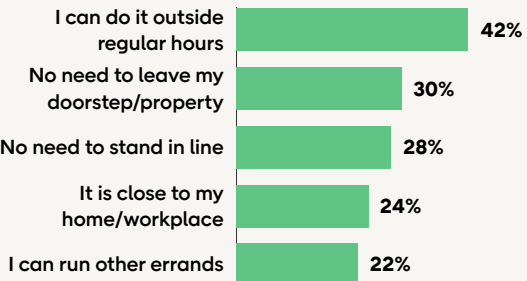


Used and preferred delivery methods



● Which delivery method do you prefer?
● How was your most recent purchase delivered?

Why the consumer prefers a delivery method



Why consumers have cancelled purchases during checkout

- 1 The delivery price was too high: 28%
- 2 The return fee was too high: 10%
- 3 The return process was too complex: 9%

Deliveries

Norwegian shoppers prioritize convenience, preferring parcels delivered directly to their doorstep or mailbox. They are also expressing the highest interest in eco-conscious deliveries in the Nordic region – and they are willing to pay for it.

Norwegian shoppers highly prioritize personal deliveries, with a strong inclination towards receiving deliveries directly to their home rather than to a service point or parcel locker; 35 percent prefer to get the delivery to their door. This allows them to obtain their parcels outside regular business hours while avoiding the need to travel outside the home. This indicates a high level of comfortability amongst Norwegians, with a taste for seamless and simple online shopping.

While the Norwegians have a high willingness to pay, for example regarding sustainable deliveries, they do not enjoy high fees in general. Both high delivery fees and high return fees can make the Norwegians change their minds during checkout.

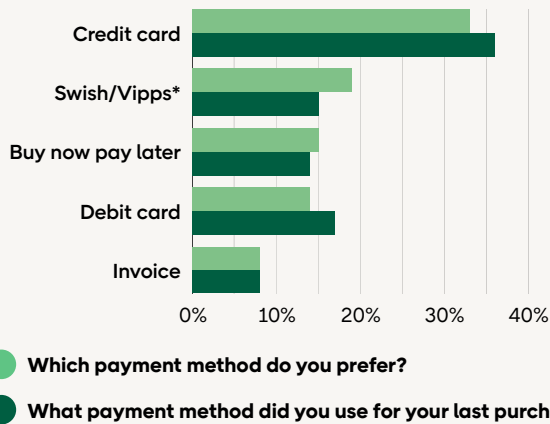
Payments

Norwegian consumers prioritize secure and efficient payment methods, favouring credit cards and Vipps for safety and convenience. They are also the most willing among the Nordic shoppers to pay for faster and sustainable home deliveries.

56 percent of the consumers in Norway place a strong emphasis on payment methods that offer a sense of security while 43 percent want them to be quick and easy. These preferences for safety and efficiency have led to a widespread use of credit cards and Vipps, both popular payment solutions in Norway. A majority used one of these methods for their last online purchase. Credit card is a common and trusted payment method, Vipps on the other hand allows for instant transactions, enabling a smooth shopping experience.

Norwegians are willing to pay to get deliveries the way they want them. They have the highest willingness to enhance their online shopping experience by paying for faster deliveries to their homes. They also have the highest interest in paying for sustainable deliveries. But the delivery cost cannot be too high; 28 percent of the Norwegians that have cancelled a purchase has done so because of the delivery cost.

Used and preferred payment methods

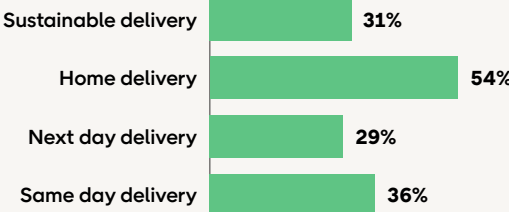


● Which payment method do you prefer?
● What payment method did you use for your last purchase?

Why the consumer prefers a payment method



Consumers who have paid extra for...



* Swish (SE), Vipps (NO) and MobilePay (FI, DK) are app-based mobile payment services

Norway



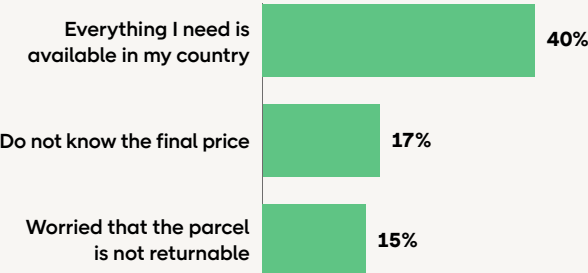
Most popular marketplaces and countries to shop from online

Top 3 marketplaces*		Top 3 countries**	
1. Temu	42%	China	31%
2. Zalando	34%	Sweden	18%
3. Amazon	29%	USA	11%

Reasons for shopping from abroad



Main reasons to not shop from abroad



Global e-commerce

While international shopping becomes increasingly popular in Norway, with Temu and Zalando leading the way, some customers remain hesitant due to concerns about unclear costs and difficulties with returning items.

Online marketplaces have a lot of traction in Norway, with Temu emerging as the leading platform, followed by Zalando. In the past year, 85 percent of the Norwegian consumers have shopped online from abroad, with China as the top choice, followed by Sweden. This reflects a consumer behaviour driven by the appeal of lower prices and a broader selection of unique products, which are the most important reasons for almost half of their latest international purchases.

While the popularity of international shopping grows, some Norwegians remain reluctant to buy products from foreign sellers. 17 percent express an uncertainty about the final costs associated with their orders, and 15 percent are worried that the products will be difficult to return if they change their mind about the purchase.

Circular e-commerce

Most Norwegian consumers do not actively consider the environmental impact of their online shopping. However, a significant share would cancel an order for sustainability reasons and shop second hand items online. This suggests an underlying interest in more eco-conscious alternatives, even if this is not always reflected in the purchasing habits.

A significant share of Norwegians demonstrate a commitment to sustainability, since 33 percent indicate that they would be likely to cancel an order if sustainability issues arose. 34 percent of the consumers have chosen to buy second hand in the past month, reflecting a growing interest in more eco-friendly alternatives. Even though few express that they make conscious decisions while shopping online, almost a third of the Norwegians have paid extra for a more sustainable delivery.

The Norwegians value flexibility in the logistics process, both when shopping and when selling goods second hand. The most preferred method is to drop the goods off at a service point. This is followed by home collection of parcels and delivery through parcel lockers.

85%

have shopped online from abroad during the last year

Recent circular shopping

34%

have shopped second hand online during the last month

33%

are likely to cancel an online purchase for sustainability reasons

13%

always try to make conscious decisions when shopping online

Willingness to pay for sustainable deliveries

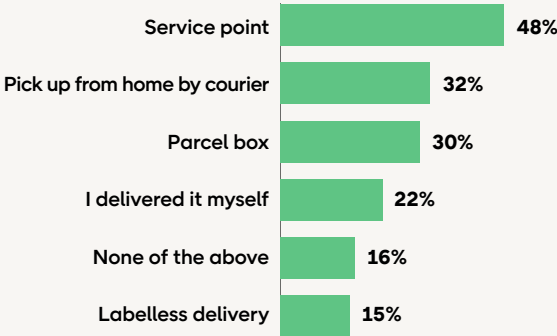
20%

are willing to pay extra for a sustainable delivery

31%

have paid extra for a sustainable delivery

How second hand items are dropped off and delivered



* During the last three months
** Latest purchase from abroad

Consumers' interest in delivery to parcel lockers is increasing

The global e-commerce market has witnessed exponential growth over the past decade, reshaping the way consumers shop and receive goods. Amidst this digital transformation, parcel lockers have emerged as a crucial innovation, addressing key challenges such as security, sustainability, and logistical efficiency. "We have decided to invest heavily in parcel lockers", says Viktor Rosenqvist, Head of parcel lockers in PostNord Sweden.

Just over three years ago, PostNord made the decision to invest in the parcel locker market. This was done as a consequence of seeing movements in the end-consumer market. A competitor had been deploying parcel lockers for a few years, mainly in metropolitan areas. PostNord was able to ascertain that their own service points, who were located near the competitor's parcel lockers, began to lose volumes.

We then decided to do a pilot by placing 100 parcel lockers in the Stockholm area, which turned out very well. They quickly got volumes in the lockers and appreciation from both customers and end recipients. "That outcome made us decide to invest in parcel lockers and start building a completely new distribution channel", says Viktor.

It was a little slower to get volumes to the parcel lockers than expected from the beginning. But it turned out that it was all about reaching a critical mass. "When we got up to 2000 lockers after approximately one year, things started to happen quickly", says Viktor.

Today, after about three years, PostNord has around 6 000 parcel lockers in the Nordics, with a total over 200 000 compartments in its network. Compared to the volumes that was distributed via the lockers during last year, a doubling is expected this year.

Building an extensive network of Parcel lockers involves large investments. Therefore, it is imperative to constantly have an ear to the ground in order to increase the profitability of the network.

"Every day, we work to optimize and streamline our growing network"



Viktor Rosenqvist,
Head of
parcel
lockers,
PostNord
Sweden

PostNord has implemented a strategy they call "Head and Tail", where they optimize the placement of lockers based on volume data. "Every day, we work to optimize and streamline our growing network. We have reduced last mile costs significantly by moving lockers to areas with high and growing volumes", says Viktor.

PostNord has chosen to place 90% of its lockers outdoors to

maximize accessibility. This is a strategic move to differentiate from competitors who place their lockers indoors where they are not accessible around the clock. PostNord has also developed a geospatial tool, which divides Sweden into Hexagons of 250x250 meters, to help them place lockers in optimal locations based on parameters such as population, volumes, and distance to competitors. PostNord's goal is to reach a 50 percent market share in the Swedish parcel locker market. In order to reach this goal, it is planned to increase the number of compartments significantly by the year 2027.

This extension of the parcel locker network is also ongoing in PostNord's operations in Denmark, Norway, and Finland. Those responsible for the networks in each country meet regularly to discuss strategies and exchange experiences.

PostNord has also opened up for return handling via parcel lockers and are working on developing a label-less concept to make it easier for users. "We also see an increase in the C2C flow and are working on making it easier to drop off parcels in the lockers", says Viktor.

Large amounts of customer feedback are also used to improve services. "We receive approximately 5000 comments a week which are analyzed with machine learning which we use to identify areas for improvement. One such example is that the recipients want to be able to choose at what height their compartment in the parcel locker should be", says Viktor.



Low prices and a wide range of products are what Nordic consumers associate with their favourite countries to shop from outside the Nordics

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USA

Top list of what Nordic consumers associate with e-commerce from the US

- 1. Low prices, **48%**
- 2. Wide range of products, **33%**
- 3. Unique products, **28%**

United Kingdom

Top list of what Nordic consumers associate with e-commerce from the UK

- 1. Wide range of products, **40%**
- 2. Low prices, **37%**
- 3. Unique products, **29%**

Germany

Top list of what Nordic consumers associate with e-commerce from Germany

- 1. Low prices, **62%**
- 2. Wide range of products, **40%**
- 3. Relevant delivery options, **18%**

China

Top list of what Nordic consumers associate with e-commerce from China

- 1. Low prices, **85%**
- 2. Wide range of products, **40%**
- 3. Unique products, **15%**

The perception of Chinese e-commerce is strongly influenced by a few online retailers

Nordic consumers shop extensively both within and outside the Nordic region. Low prices and a wide product range are what the consumers mainly associate with the countries they prefer shopping from. However, consumers are much more aligned in how they view certain countries compared to others. For instance, the US and China share the top three characteristics, but views on Chinese e-commerce are much more unanimous; 85 percent of the consumers associate China with low prices while 48 percent of them associate the US with low prices.

What makes China unique is the presence of a few key companies that dominate online shopping from the Nordics and account for a significant portion of the purchases. As a result, the consumer perception of Chinese e-commerce is largely shaped by these players. In contrast, when consumers shop from other countries, there is often a greater variety of providers. This means that the image of the country is not as heavily shaped by one or two major players.

1 out of 4 purchases from abroad is from another Nordic country

Nordic consumers are highly international in their online shopping, and more than 3 out of 4 have shopped online from abroad during the last year. Consumers frequently shop across borders within the region. 25 percent made their most recent international purchase from another Nordic country. However, the Nordic countries all have their unique reasons for attracting international consumers.

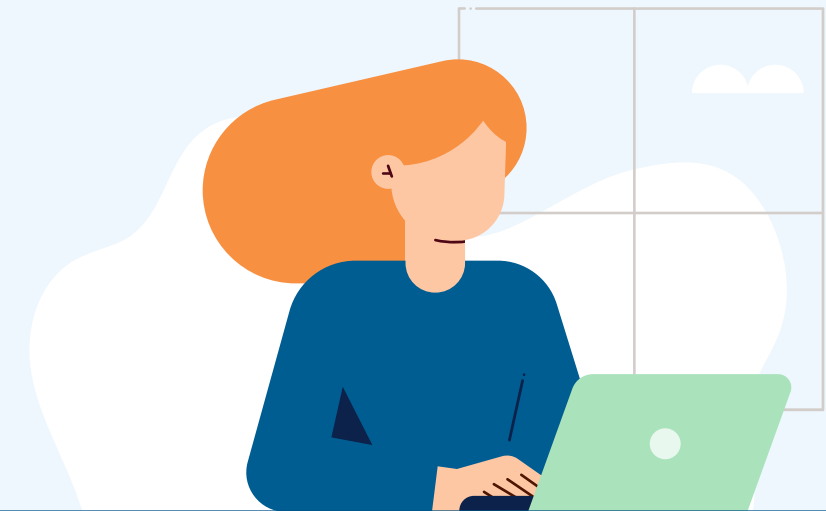
 **Sweden is the** most popular country for other Nordic consumers to shop from online, mainly because the prices are lower than in the other Nordic countries. Low prices are also what other Northerners associate the most with Swedish e-commerce. This is most likely driven by a currency effect, and time will tell if this will continue to be the unique selling point for Swedish e-commerce, if/when the Swedish crown strengthens.

 **Denmark is the** second most popular country within the Nordics for other nordic consumers to shop from, and the Danish e-commerce retailers seem to have an appealing selection of goods. Two of the top three reasons for Nordic consumers to shop from Denmark instead of their home country is related to interesting products and unique items.

The broad Danish selection of goods is partly reflected in what consumers have bought from Denmark. The category “other”, which contains everything from pet accessories to crafting essentials, is the third most common category.

 **Finland ties with** Norway as the third most popular Nordic country for online shopping. Nordic consumers are drawn to the Finnish online stores as a source of inspiration. Finland is the only country where home electronics is not the second most popular category. Instead, books and media as well as furniture and interior decor are in second place. Several popular home decor brands that have seen a renewed interest lately are Finnish, for example Marimekko and Iittala.

 **Norway's e-commerce offers** a wide variety of goods that attract Nordic consumers. They are drawn to the Norwegian market because it offers more interesting products than those available in their own countries. Consumers buy a wide range of products from Norway, with four different categories sharing the third spot in popularity, ranging from beauty to building materials. What really sets Norwegian e-commerce apart from the rest of the Nordics is the standout customer service, which is the top trait people associate with shopping from Norway. In contrast, e-commerce in the other Nordic countries is most often linked to low prices.



How Nordic consumers view the e-commerce in their neighbouring countries

Sweden

- **16%** of the Nordic consumers made their last e-commerce purchase from abroad from Sweden.
- **What the Nordic consumers shop online from Sweden:**
 - Clothes and footwear, **39%**
 - Home electronics, **21%**
 - Health, beauty, and pharmacy, **9%**
- **Why the Nordic consumers shop from Sweden instead of their own country:**
 - Lower prices, **41%**
 - There were more interesting products, **41%**
 - The products were not available in my country, **26%**
- **What the Nordic consumers associate with Swedish e-commerce:**
 - Low prices, **49%**
 - Wide range of products, **26%**
 - Available customer service, **21%**

Denmark

- **6%** of the Nordic consumers made their last e-commerce purchase from abroad from Denmark.
- **What the Nordic consumers shop online from Denmark:**
 - Clothes and footwear, **40%**
 - Home electronics, **21%**
 - Other, **9%**
- **Why the Nordic consumers shop from Denmark instead of their own country:**
 - There were more interesting products, **40%**
 - Lower prices, **38%**
 - The products were not available in my country, **26%**
- **What the Nordic consumers associate with Danish e-commerce:**
 - Low prices, **45%**
 - Available customer service, **24%**
 - Inspiring online stores, **20%**

Finland

- **2%** of the Nordic consumers made their last e-commerce purchase from abroad from Finland.
- **What the Nordic consumers shop online from Finland:**
 - Clothes and footwear, **32%**
 - Books and media/Furniture and interior décor, **15%**
 - Home electronics, **13%**
- **Why the Nordic consumers shop from Finland instead of their own country:**
 - The products were not available in my country, **40%**
 - There were more interesting products, **34%**
 - Lower prices/I received an offer to buy the product/Larger selection, **25%**
- **What the Nordic consumers associate with Finnish e-commerce:**
 - Low prices, **28%**
 - Inspiring online stores/Personalized service, **25%**
 - Relevant delivery options, **21%**

Norway

- **2%** of the Nordic consumers made their last e-commerce purchase from abroad from Norway.
- **What the Nordic consumers shop online from Norway:**
 - Clothes and footwear, **36%**
 - Home electronics, **34%**
 - Health, beauty, and pharmacy/Books and media/Building materials/Sport and leisure, **5%**
- **Why the Nordic consumers shop from Norway instead of their own country:**
 - There were more interesting products, **54%**
 - I received an offer to buy the product, **26%**
 - Lower prices, **20%**
- **What the Nordic consumers associate with Norwegian e-commerce:**
 - Available customer service, **38%**
 - Low prices, **26%**
 - Wide range of products, **23%**

Young consumers in the Nordics – pushing e-commerce forward

While Nordic consumers of all ages shop online, young consumers are the primary drivers of the development of e-commerce. They have high expectations, and value different factors depending on the shopping context. Understanding their behaviour is crucial for shaping the e-commerce of tomorrow.

Older consumers shop online less frequently than younger consumers. However, Norwegians aged 30 to 49 stand out. They are the most active online shoppers in the Nordics, and they also shop avidly from abroad. The only group that shops online as often is the Danish 18- to 29-year-olds.

Among the Nordic countries, Sweden and Denmark have the largest share of 65- to 79-year-olds who shop weekly. Older consumers in these countries are twice as likely to shop online weekly. However, this only applies to domestic shopping; there is no significant difference when it comes to online purchases from abroad.

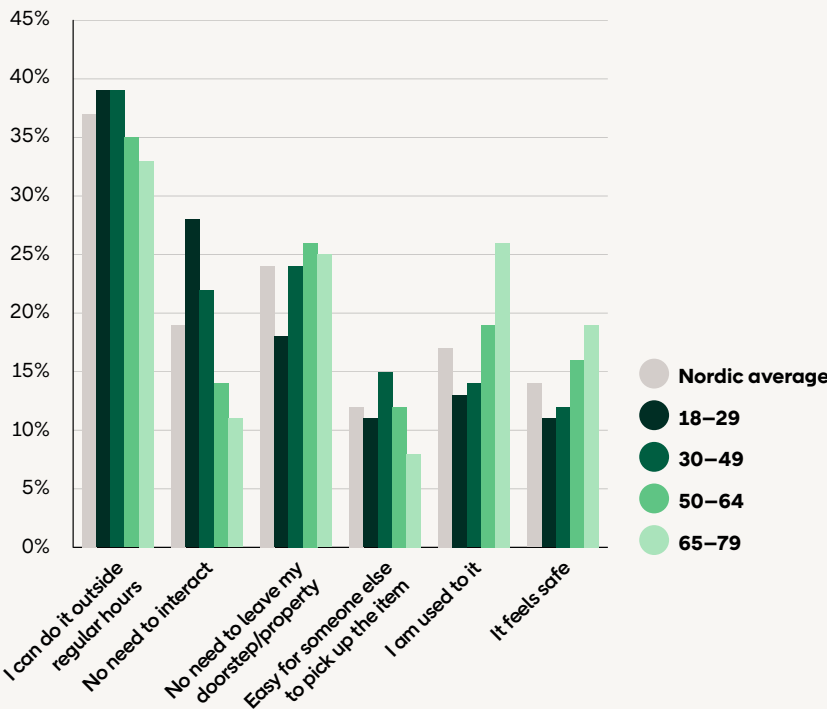
The share of consumers that shop online at least weekly drops rather significantly after age 50. Moreover, the pattern for Swedish consumers differs significantly when compared to the Nordic average. The difference in how common it is to shop at least weekly is less dependent on age in Sweden than in the other Nordic countries.



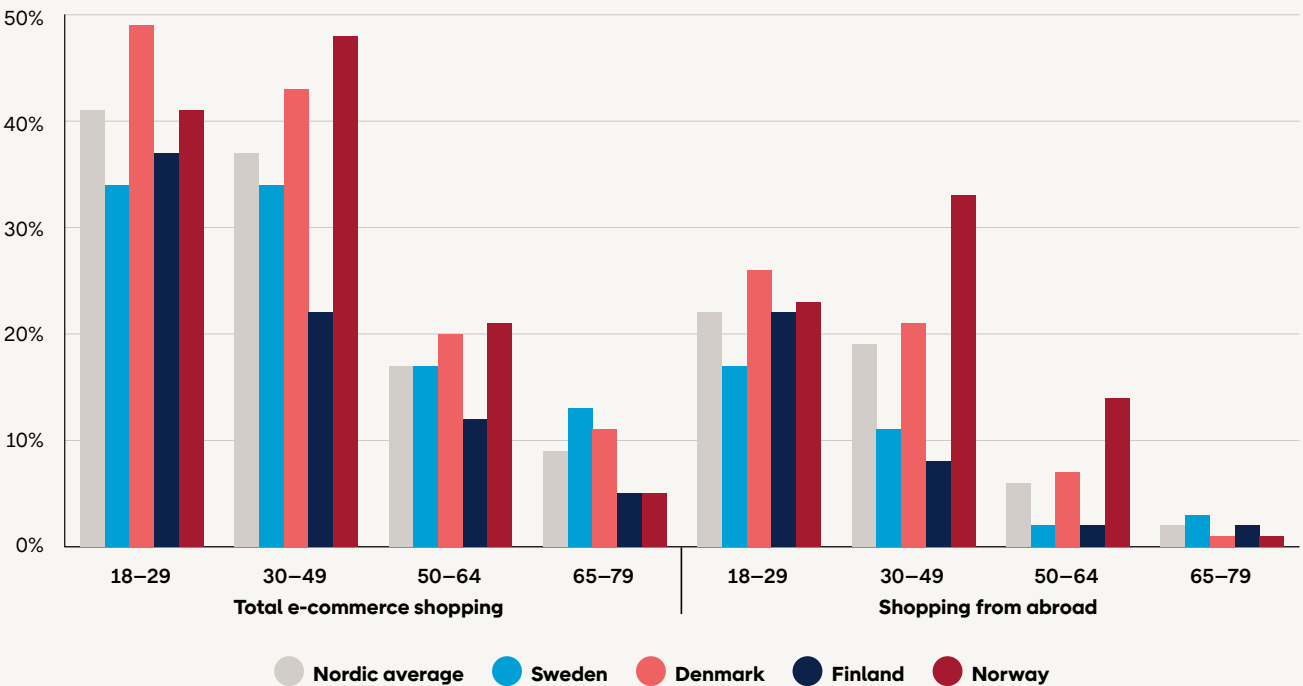
Younger consumers have a higher curiosity towards newer delivery methods, whereas older consumers are more driven by habit and familiarity. Young consumers highly prioritize two things when picking up parcels; flexibility and avoiding interaction. Additionally, they are driven very little by habit, which makes them more willing to try new concepts such as parcel lockers.

Older consumers care less about flexibility and avoiding interaction. They value familiarity and safety to a significantly higher degree than others. Hence, the oldest generation prefers established methods the most, such as service points and home deliveries.

Why consumers consider a delivery method their favourite



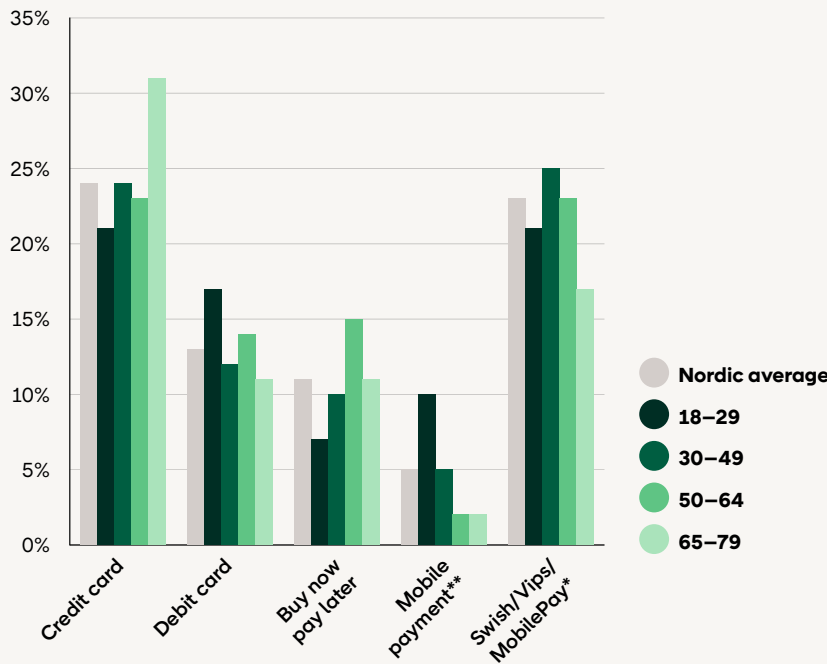
Consumers shopping online at least weekly



Preferences regarding payment methods vary, but the youngest generation is more prone to use their phone for payments than other age groups. Younger consumers tend to prefer direct payments over postponed ones. A contributing reason for this is the popularity of instant payment methods like Swish, Vipps, and MobilePay.

Something that also points to the young consumers' tendency to drive e-commerce forward is that many of them prefer mobile payments (e.g., Apple Pay, Google Pay). The share that prefers this method is twice as high among young consumers as among Nordic consumers in general.

Preferred payment method



* Swish (SE), Vipps (NO) and MobilePay (FI, DK) are app-based mobile payment services
** Examples of mobile payments are Apple Pay, Google Pay, and Samsung Pay

City size impacts the online shopping behaviour among Nordic consumers

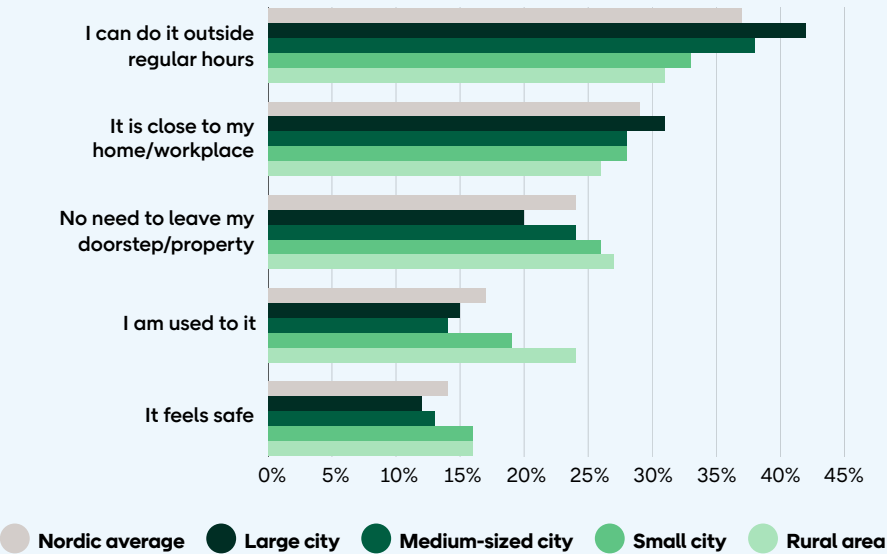
Regardless of the size of the city where the Nordic consumer lives, consumers value flexibility. There are a few key differences between consumers living in bigger cities and smaller societies. People living in sparsely populated areas are much more driven by habit and they want their parcels to be delivered to the door. These preferences can largely be explained by the physical distances associated with rural life, as well as the often more limited range of delivery options available in smaller societies.

In larger cities, flexibility is prioritized to a larger extent. However, the flexibility of being able to retrieve parcels at any time of day is the most important factor for all city types, indicating that flexibility trumps all other aspects of the delivery.

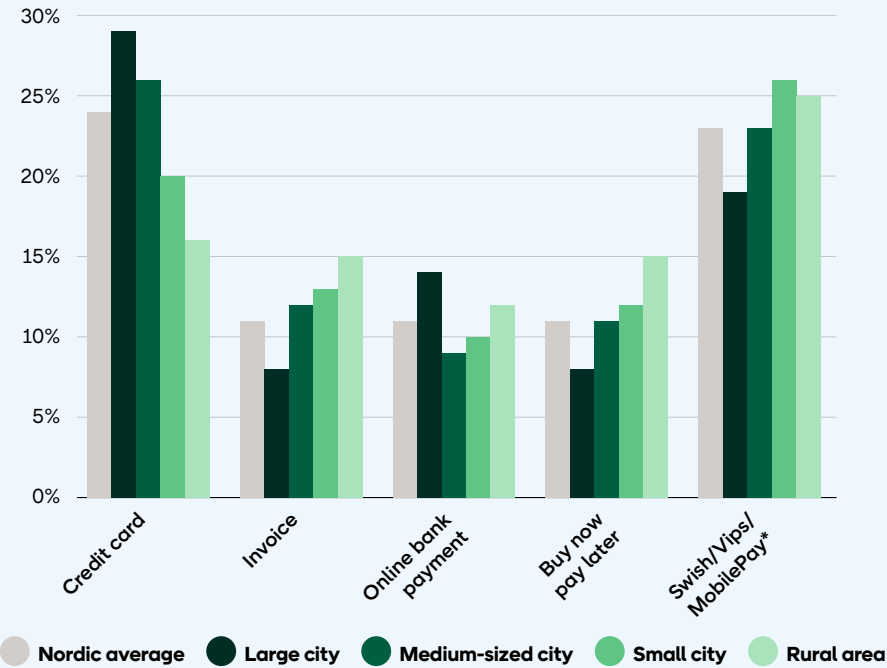
Credit card in bigger cities, Swish/ Vipps and MobilePay in smaller ones. In large and medium-sized cities, credit card is the preferred payment method, whereas Swish/ Vipps/MobilePay is the firsthand choice in small cities and rural areas. However, both payment methods are the top two choices in all city types.

The popularity of Buy now pay later and invoice declines as the size of the city increases. This is partly explained by the different views on credit cards, which are way more popular in larger cities. Paying with a credit card in order to postpone the payment is much more common in large cities than in small ones.

Why consumers consider a delivery method their favourite



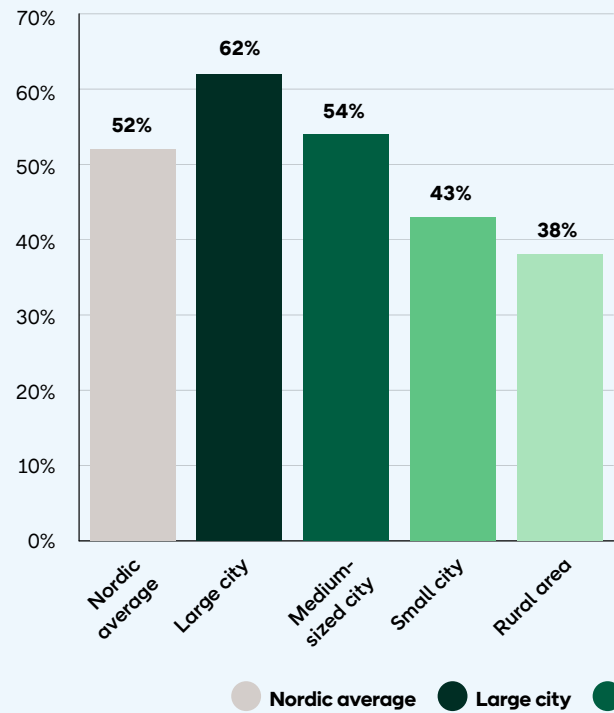
Preferred payment method



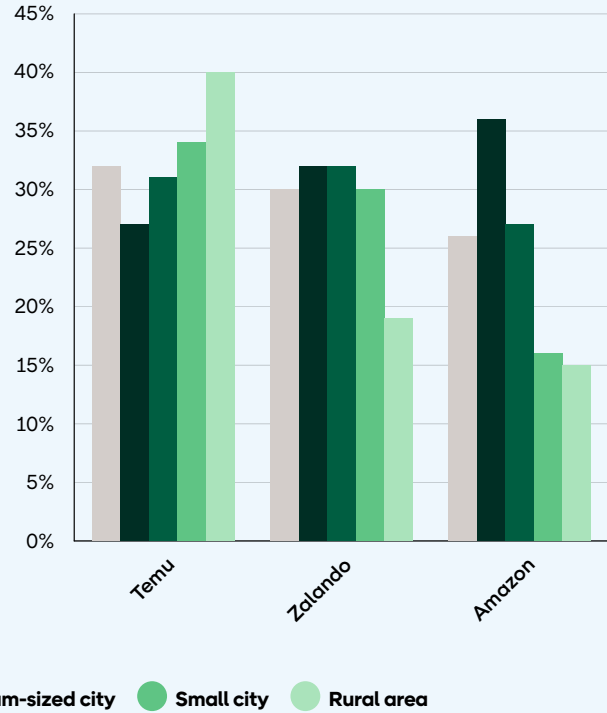
Nordic consumers from all types of cities shop online from abroad. However, the share of consumers that shop from abroad increases with the size of the city. The share that has shopped from abroad during the last month is significantly higher in large cities than in rural areas. One contributing factor is the growing trend of shopping online from abroad; trends often emerge in large cities before spreading to smaller ones.

Most Nordic consumers have made a purchase online from a marketplace during the last three months. However, marketplace preferences seem to vary by city size. For instance, Amazon is popular in the larger cities. One contributing factor is the benefits of fast deliveries that come with a Prime membership; same day deliveries are often available in bigger cities. In contrast, consumers in rural areas shop more from Temu. This could be due to several factors, such as a stronger emphasis on price or a more limited product range in smaller cities, leading consumers to "window shop" on appealing websites instead.

Shop from abroad at least monthly



Has shopped from the most popular marketplaces within the last three months



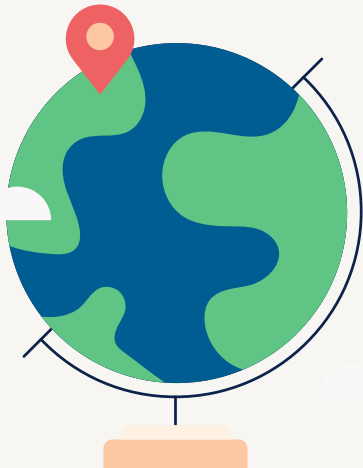
Conscious consumers shop less from marketplaces and abroad

The online shopping behaviour of consumers who prioritize conscious choices differs in many ways from the behaviour of those who care less, but there are also several similarities. The fundamentals are the same regardless of the level of awareness; most consumers like to pay with credit cards and their most recent purchase was made in the clothes and footwear category.

The biggest differences regard shopping from abroad. The more conscious the consumers are, the less likely they are to shop from abroad and from online marketplaces. The conscious consumers state the unsustainability of shopping from abroad as a key reason for avoiding it.

However, many consumers shop from abroad, regardless of their level of consciousness. This is partly because consumers tend to prioritize low prices,

which becomes even more significant during economic downturns. Consumers choose to prioritize low prices over more conscious consumption. As the economy grows stronger, it is possible that the dynamic between price and sustainability changes.



Sustainability consciousness and buying used goods

Overall, consumer consciousness does not significantly influence online second hand shopping. For example, Sweden and Finland have the highest percentages of conscious shoppers, but Finns purchase the fewest used products online, while Swedes come in second in the Nordics.

One reason for this is that there are several motives to shop second hand, and sustainability factors are not necessarily the primary ones. Other common reasons include affordability and the chance to find unique items.



How often consumers try to make conscious choices when shopping online



	Always	Sometimes	Do not really care
Last purchase online	1. Clothes and footwear, 29% 2. Beauty, health, pharmacy, 18% 3. Groceries, 13%	1. Clothes and footwear, 35% 2. Beauty, health, pharmacy, 16% 3. Home electronics, 12%	1. Clothes and footwear, 32% 2. Home electronics, 24% 3. Beauty, health, pharmacy, 13%
Preferred payment method	1. Credit card, 24% 2. Swish/Vipps/MobilePay, 24% 3. Online bank payment, 16%	1. Credit card, 23% 2. Swish/Vipps/MobilePay, 22% 3. Debit card, 14%	1. Credit card, 27% 2. Swish/Vipps/MobilePay, 23% 3. Debit card, 14%
Has purchased a second hand item online during the last month	29%	30%	33%
Shop online from abroad, at least monthly	50%	53%	60%
Has purchased online from abroad during the last year	70%	77%	82%
Has purchased from an online marketplace during the last 3 months	74%	84%	87%



Scandinavian design goes global

The Nordic Nest Group, which sells home furnishings with an emphasis on Scandinavian design, has expanded strongly internationally in the recent years. The company now has websites in 16 different languages and delivers products to customers in over 70 countries from its logistics centre in the town of Kalmar in southeastern Sweden. “We have always had the ambition to work internationally with Scandinavian home furnishings since the start in 2002”, says Bank Bergström, CEO at Nordic Nest Group.

The rapid expansion is also clearly reflected when you look at how the number of employees has increased. In eight years, they have gone from 35 to 550 employees on a year-round basis and up to 800 during peak season.

The company management discuss a lot about leadership philosophy and how important it is to give the staff the right working conditions and mandate to act. They use neuroscience to educate leaders about how the brain works, and how to create an environment that is as free from anxiety and fear as possible. “It’s not only ok to make mistakes, it’s rather expected. If seven out of ten decisions are correct, then you have a good balance between quality and speed. Our project groups are put together based on competence and it is the project manager who makes the decisions, regardless of hierarchical position. It’s important to create an environment where it is acceptable to make mistakes and to focus on opportunities rather than errors, we want that attitude to apply in all our companies”, says Bank.

With 95 000 articles in its offering, the company tries to automate as much as possible. Both internal and Google data are used to analyze customer behaviours and trends.

“It’s not only ok to make mistakes, it’s rather expected”

Bank Bergström, CEO, The Nordic Nest Group

“We prefer to rely on hard data that shows what customers actually do rather than what they say, because there are obvious weaknesses in customer surveys. If you ask whether people are prepared to pay more for fossil-free deliveries, many will claim that they are willing to. However, when they place an order and are going to tick that box, they won’t. Being as sustainable as possible in everything we do is of course very important, and this will become more and more of a basic hygiene factor in e-commerce”, says Bank.

They also analyze which words and concepts work best in order to optimize product texts for search engines, for example if they should use the word blankets instead of a synonym. When it comes to translations, the company uses three different levels: machine

translations only, machine translation with proofreading, and manual translation for more creative or campaign-related texts. Then of course there are other differences in consumer behavior between different markets to consider, such as that Swedish consumers very much like to pay via invoice, while other payment methods are more popular in other countries.

“Global interest in Scandinavian design and home furnishings continue to grow and Nordic Nest Group is uniquely positioned to reach customers worldwide. Continued international expansion is an important part of our company’s journey forward”, Bank concludes.

A tip for expansion into new markets

Start with a website in English. When you feel you have a solid base of customers from a non-English speaking country, it may be time to launch a website in that country’s own language. Then, you can also customize delivery methods, payment options etc, that are popular among consumers in that specific country.



PostNord – a partner for e-commerce

PostNord exists to make everyday life easier. For consumers, this means flexibility, no matter where you are. For e-tailers and other senders from all over the world, we offer a simple and smooth route to the Nordic region and its 24 million consumers.

We prioritize sustainability in our offerings and operations, aiming for fossil-free transportation and operations by 2030. In 2023, PostNord Sweden was the first to achieve Nordic Swan Ecolabel certification for e-commerce logistics, reflecting our dedication to sustainability.

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