

A woman with dark hair tied back, wearing a green cardigan over an orange shirt, is looking down at a smartphone in her hands. She is in a kitchen with white cabinets and a window in the background showing trees. The scene is lit with warm, natural light.

# E-barometer

PostNord in association with HUI Research

2024

ANNUAL REPORT

**postnord**

# About E-barometeren

PostNord monitors the Swedish retail sector's e-commerce development in association with HUI Research. E-barometeren is published once a quarter and is based on four consumer surveys and a survey of companies. E-commerce is defined in E-barometeren as being the online sale of items, with subsequent delivery to the home or a distribution point, or collection by the consumer from a store, warehouse or distribution center. The following are therefore not considered to be e-commerce in E-barometeren:

- In-store purchases that were initially arranged via the internet
- The online sale of services (for example, travel, hotel accommodation and concert tickets)
- Downloading of, for example, music files, movies and applications
- Business-to-business online sales
- Consumer-to-consumer online sales

The E-barometeren Annual Report 2024 is based on information collected from retail companies in January 2025. A total of 106 companies that sell items online participated in the survey. The consumer results are based on 12 monthly surveys with just over 1 200 respondents in each (total of 15 000 respondents).

PostNord also conducted thematic surveys every quarter, with the most recent quarterly survey taking place in December 2024. This consisted of two questionnaires with approximately 3 000 and 2 000 respondents, respectively. All the consumer surveys were conducted using KANTAR's online panel. All surveys are conducted with a representative sample of Sweden's population between the ages of 18–79. The online surveys are representative of the 98 percent of Sweden's population that has internet access. PostNord can be contacted for detailed information about each survey.

# Foreword

**Writing the foreword** for PostNord's E-barometeren is a wonderful privilege. As acting Head of the Parcel and Sales business area, I have accepted the challenge. My background in complex service companies in which I have driven innovation and change comes in handy.

**E-barometeren provides** a summary of an incredibly interesting area and gauges the temperature of society in general. 2024 was an incredibly exciting year, with e-commerce in the black again after two years of decline. E-commerce net sales amounted to SEK 140 billion, an increase of five percent compared to the 2023 full year. We can also see that the gap between sectors is gradually closing. Several e-retailers have expanded their range, and an interesting sectoral shift is emerging.

**It is exciting to** see the outcome for online consumer favorites, as it clearly shows the change taking place in e-commerce, global e-commerce flows and the rise of circular commerce. However, nothing was able to impact the top three companies on the list, which are the same as last year: Apotea, Amazon and Zalando.

**The E-barometeren Annual Report** looks at the factors that affected e-commerce during the year. Along with the aforementioned areas of global and circular e-commerce, it also describes deliveries, the shopping cart and omnichannel. Eight e-retailers sum up the past year and gaze into their crystal balls. We also take a look at some of the trends we think will have an impact on the year, as well as the situation in tech and AI, with Google giving its view on developments.

**The report concludes with** an analysis of three future scenarios that describe Swedish e-commerce growth up until 2027.

Enjoy the read!



**Ylva Staszewski**  
Acting Head of the  
Parcels business area,  
PostNord Sweden

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## Year of recovery

The interest rate peak of 2023 was still being felt in 2024, with many consumers continuing to limit their spending. Moreover, despite a more stable economic situation, many consumers continued to struggle with their reduced spending power, as salaries did not grow at the same pace as inflation. Looking ahead, however, the outlook is more positive due to real salaries rising once again, although average real salaries are still below 2021 levels.<sup>1)</sup>

Economic conditions improved slowly in 2024 – especially in the latter half of the year. The fact that the Riksbank (Swedish central bank) began to cut the policy rate in late spring boosted household and corporate confidence in the future. This, combined with declining inflation figures, gave rise to some optimism by the end of the year.

Looking ahead to 2025, Swedish National Institute of Economic Research forecasts point to a cautious recovery.<sup>2)</sup> The policy rate cut at the end of January<sup>3)</sup> may provide highly indebted households with greater financial leeway in the coming months.

The retail sector also witnessed an easing in 2024, with several sectors showing growth in terms of current prices. However, a recurring challenge for most sectors has been ensuring that sales volumes increased; sales have not increased at the same rate in fixed prices as in current prices.<sup>4)</sup>

Economic recovery is taking place gradually, and more stable growth is expected in both in-store commerce and e-commerce over the coming years.

<sup>1)</sup> Ekonomifakta, real salaries <sup>2)</sup> National Institute of Economic Research, December 2024 <sup>3)</sup> The Riksbank, January 2025 <sup>4)</sup> Retail Outlook report, December 2024

## Positive trend in e-commerce

For the first time in three years, e-commerce is showing positive growth, increasing by five percent for the 2024 full year. Compared with the negative growth figures in 2022 and 2023, this marks an important step towards a more stable trend.

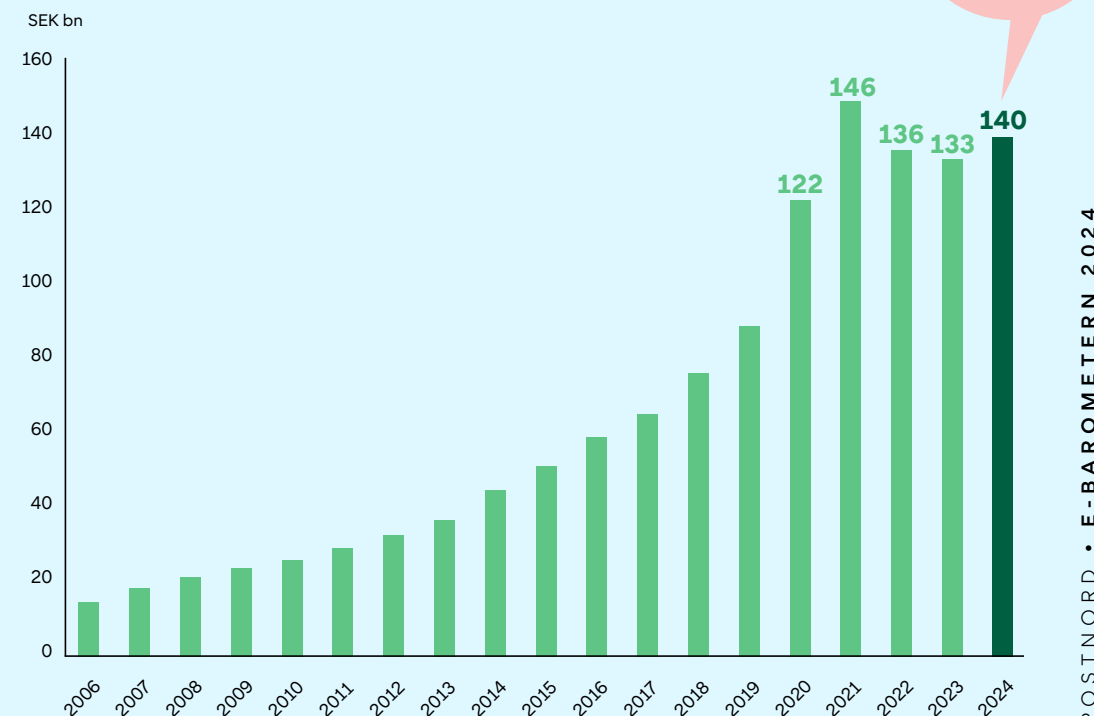
2024 started off cautiously, but the economy gradually improved over the course of the year. A more stable economic situation, combined with reduced pressure in terms of interest rates, helped to give consumers and e-retailers alike greater financial freedom.

One consumer behavior that has become more prominent in recent years, reinforced by the recession, is consumers prioritizing platforms and brands that enable price comparisons. The

economic climate has also boosted the trend of placing more emphasis on demand-driven purchasing, which benefits those market participants able to meet these requirements.

The five-percent increase does not reflect the full reality of e-commerce; the differences in performance between sectors are clear, just like in previous years. Some segments have experienced strong growth while others are struggling to find their footing. Understanding future trends therefore necessitates continued focus on the unique conditions in each sub-sector. With this in mind, it is clear that e-commerce is heading towards a 2025 in which innovation, adaptability and the ability to meet consumer demands will be crucial.

## E-commerce net sales



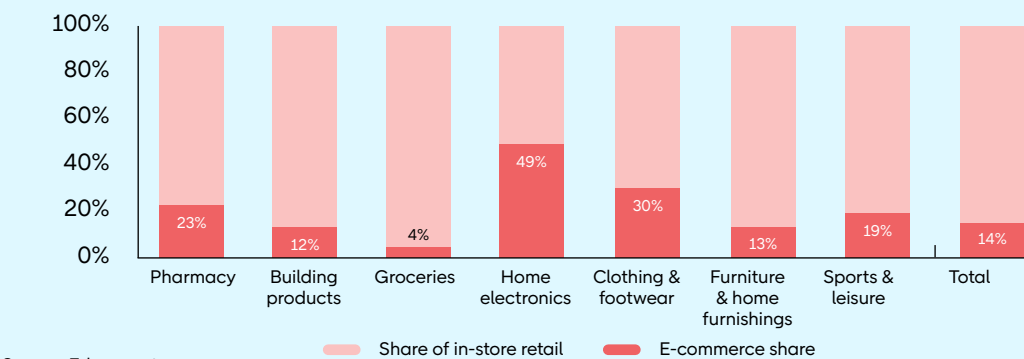
Source: E-barometern

Sales growth and net sales per sub-sector

|                              | Growth rate<br>2024 | Net sales 2024<br>(SEK bn) | E-commerce<br>share 2024 | E-commerce<br>share 2023 |
|------------------------------|---------------------|----------------------------|--------------------------|--------------------------|
| Pharmacy                     | 20%                 | 14.7                       | 23%                      | 21%                      |
| Building products            | -6%                 | 6.1                        | 12%                      | 13%                      |
| Books & media                | 2%                  | 5.4                        | N/A                      | N/A                      |
| Groceries                    | 5%                  | 17                         | 4%                       | 4%                       |
| Home electronics             | -1%                 | 27.2                       | 49%                      | 47%                      |
| Clothing & footwear          | 6%                  | 19.6                       | 30%                      | 28%                      |
| Furniture & home furnishings | 4%                  | 7.9                        | 13%                      | 13%                      |
| Sports & leisure             | -2%                 | 5.2                        | 19%                      | 19%                      |
| Total                        | 5%                  | 139.7                      | 14%                      | 14%                      |

Source: E-barometern

E-commerce shares per sub-sector



Source: E-barometern

2024 finished on a high

The majority of e-commerce sectors performed positively in 2024, and the fragmented picture of e-commerce seen in recent years became more coherent. With each passing quarter, an increasing number of sectors moved into the black.

Although not all sectors are indicating positive trends, they are all pointing to a brighter future. In the second half of 2024, the negative trend slowed in some sectors while growth accelerated in others. The prospects for a successful 2025 thus look promising.

As e-commerce becomes more aggregated, the gap between the different sectors is also narrowing. As in 2023, pharmacy has seen the most growth

over the past year, while the building products sector is having the toughest time online. There is a difference of around 25 percentage points between the sectors in 2024, which is significantly smaller than in 2023, when the difference was 36 percentage points.

The e-commerce shares of several sectors also point to an optimistic future. Overall, the e-commerce share has increased marginally, and sectors that are mature in terms of e-commerce continue to take share from in-store commerce. So, after two years of declining e-commerce shares due to the post-pandemic slowdown, e-commerce is once again growing in importance.

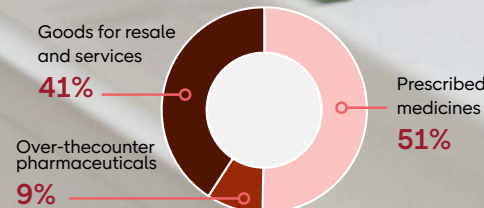
# Online pharmacy sales continue to rocket

The online pharmacy sector continues to grow at full speed, with growth rates still in double digits. Growth in the sector in 2024 amounted to 20 percent. The strong growth of the sector online is reflected not only in good growth figures for the sector as a whole, but also in the significant progress made by several individual companies during the year. For example, Apotea was listed on the stock exchange in December 2024.<sup>1)</sup>

Over the past year, E-barometern has repeatedly highlighted the sector's shift towards beauty. The trend continues, with several market participants including popular Korean beauty products and influencer brands in their ranges, by way of example. The sector shift is turning pharmacy into an increasingly trend-driven sector, focusing on external and internal health. This in turn makes new demands of an sector that has historically been

relatively unaffected by trends and rapid fluctuations in consumer preferences.

Swedish online pharmacies are well developed compared to their counterparts in many other countries. This makes it difficult to predict how big the sector could actually become online. To get an idea of how the sector might grow in the coming years, its development can be compared with that of the home electronics sector. Although the sectors are very different, they are also similar in many ways: they are e-commerce compatible and offer attractive prices online. The e-commerce share in the home electronics sector in 2024 was -1 percent, with the corresponding share in pharmacy being 23 percent. It is therefore highly likely that the e-commerce share in pharmacy will continue to increase over the coming years.



Sales in the outpatient market, e-commerce, 2024

Source: Swedish Pharmacy Association/SA Service AB

## 3 TRENDING GOOGLE SEARCHES\*

1. Wegovy (+110%)
2. Ozempic side effects (+110%)
3. Chloramphenicol (70%)

\*2024 full year compared to 2023 full year

↑ **15**  
billion kronor in  
net sales 2024

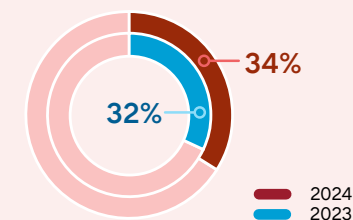
↑ **23%**  
share of  
total sector

**SEK 468**

Start of survey

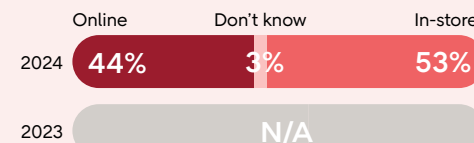
Average amount spent online  
over last 30 days

Basis: Consumer, has shopped online.  
Average January – December



Percentage of e-commerce consumers who made a purchase in the category

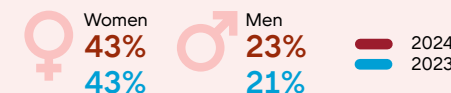
Basis: Consumer, has shopped online.  
Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

# Weak recovery in sight

The online building products sector continued to struggle in the final months of 2024. However, there are signs of a slight improvement on the horizon. The negative trend slowed in the second half of the year, with annual growth landing at minus six percent.

According to the Association of Swedish Building Materials Merchants, sales of less expensive items such as materials for interiors, paint and wood products grew more strongly during the year. This trend was mainly driven by traditional maintenance work, as households are prioritizing renovations that do not require too hefty an investment. By contrast, demand for materials for more capital-intensive projects, especially those related to kitchens and bathrooms, remains weak and is marked by slow recovery.<sup>1)</sup>

Although the housing market has started

to show signs of movement, this has not yet had an impact on sales in the construction sector. However, it has affected expectations for 2025. According to the Retail Outlook report (Detaljhandelns konjunkturrapport), the building products sector is expected to experience medium growth in 2025. However, it is worth noting that the sector is growing from a low base. This means that it still has a long way to go before sales levels reach the same magnitude as during the pandemic years.<sup>2)</sup>

The in-store building products sector is already showing signs of a cautiously positive trend, which can be seen as an initial step towards broader recovery.<sup>3)</sup> As the sector is traditionally strongly anchored in physical stores, it is likely that recovery and growth will start there before gradually spreading to e-commerce.



## 3 TRENDING GOOGLE SEARCHES\*

1. Bolt (∞)
2. Granti (∞)
3. Wood screw (∞)

\*2024 full year compared to 2023 full year

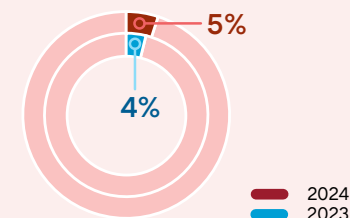
→ **6** billion kronor in net sales in 2024  
12% ↓ share of total sector

**SEK 1 779**

Start of survey

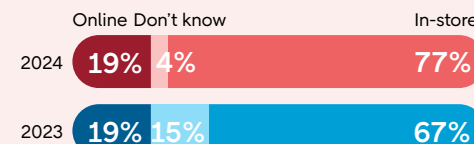
Average amount spent online over last 30 days

Basis: Consumer, has shopped online.  
Average January – December



Percentage of e-commerce consumers who made a purchase in the category

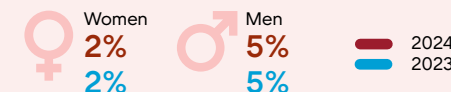
Basis: Consumer, has shopped online.  
Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Association of Swedish Building Materials Merchants, October 2024 <sup>2)</sup> Retail Outlook report, December 2024 <sup>3)</sup> Handelsfakta, Sales in the retail sector

# Broader range in bookstores

The trend in books and media shifted from negative to positive in 2024, with two-percent growth for the full year.

This growth comes at a time when sales of printed books, especially non-fiction, are declining. This indicates that other product categories are playing an increasingly significant role in the business of online bookstores.<sup>1)</sup> The range of products offered by bookstores today goes way beyond books. For example, many market participants sell everything from puzzles and craft supplies to yarn and games.

This shift away from the core business of books means the sector is becoming increasingly driven by trends. Two long-standing trends impacting the sector's offering are painting and crafts. Interest in painting has increased the popularity of coloring books of various kinds. These can include everything from

small circular designs to larger animal motifs, with the coloring books being designed for relaxation when daily life gets stressful. Nearly 190 million hashtags on the TikTok platform show that interest in products that help consumers unwind is strong and enduring.<sup>2)</sup> The craft trend has also been making its mark on the sector for a number of years. Knitting and crocheting are two examples of leisure activities that increasing numbers of Swedes have taken up after the pandemic.

Broadening the product range provides opportunities in the sector, but it also risks increasing competition from foreign market participants in the low-price segment. Books in Swedish are difficult for foreign market participants to compete with, but yarn and coloring books are also available from the international low-price giants. Printed books will therefore continue to play a key role for the sector in the future.



- ### 3 TRENDING GOOGLE SEARCHES\*
- 1. The book *Stay Iconic* (∞)
  - 2. The book *Clean* (∞)
  - 3. The book *The Housemaid* (∞)

\*2024 full year compared to 2023 full year

→ 5 billion kronor in net sales in 2024

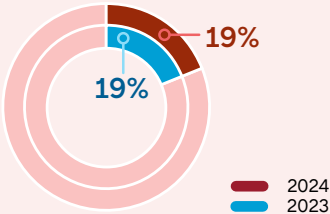
N/A share of total sector

SEK 582

SEK +24 since last year

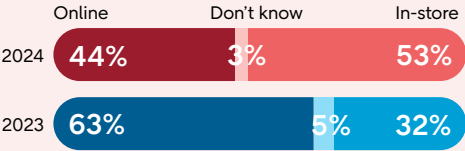
Average amount spent online over last 30 days

Basis: Consumer, has shopped online. Average January – December



Percentage of e-commerce consumers who made a purchase in the category

Basis: Consumer, has shopped online. Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Swedish Publishers' Association and Swedish Booksellers' Association, October 2024 <sup>2)</sup> TikTok, January 2025

# Grocery retailers seeking recipe for profitability

Grocery retail is a sector being shaped by pressure on margins and challenges in achieving profitability online. Nevertheless growth in the sector amounted to five percent in 2024, driven by greater interest in home delivery and Click & Collect solutions. There has been particularly strong interest in Click & Collect, which grew by over seven percent during the year.<sup>1)</sup>

Market participants in the grocery sector are investing in innovative solutions to increase the attractiveness of the sector online. One example of this is various kinds of subscription services. The more traditional market participants offering meal kits have long had it tough, but there is renewed interest in other forms of subscriptions. For example, Foodora Pro offers customers free or discounted delivery and exclusive offers. Use of the service increased by over 150 percent during the summer months in 2024, showing that there is demand for convenient and efficient food deliveries.<sup>2)</sup>

Wolt also offers a similar service and is currently investing in a major advertising campaign to expand its customer base.<sup>3)</sup> What is known as the Q-commerce segment\* is thus continuing to find new solutions that make it possible to compete for consumers' food budgets.

Many e-commerce market participants have been working on improving efficiency and increasing their profitability over the past year. Axfood's acquisition of supermarket chain City Gross is one of the most talked-about events in summaries of 2024. According to Axfood, the acquisition aims to create opportunities to improve cost efficiency and strengthen the logistics chain.<sup>4)</sup> At the same time, Costco is continuing to invest in Sweden and plans to open its second store in the spring of 2025. There are also plans to launch e-commerce operations. Details are not yet available, but the initiative may have an impact on the growth of online grocery shopping.<sup>5)</sup>



## 5%

e-commerce growth  
2024

## 3 TRENDING GOOGLE SEARCHES\*

1. Air fryer (∞)
2. Lidl flyer (∞)
3. Sponge cake (∞)

\*2024 full year compared to 2023 full year

↑ 17  
billion kronor in  
net sales in 2024

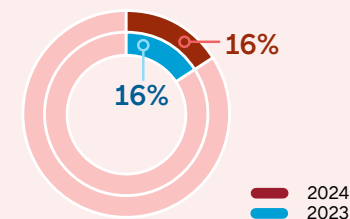
4% →  
share of total sector

## SEK 1 452

SEK -237 since last year

Average amount spent online  
over last 30 days

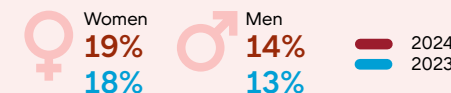
Basis: Consumer, has shopped online.  
Average January – December



Percentage of  
e-commerce consumers who  
made a purchase in the category

Basis: Consumer, has shopped online.  
Average January – December

Percentage of women and men  
that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Swedish Food Retail Index Annual Report 2024 <sup>2)</sup> Foodora, August 2024 <sup>3)</sup> Wolt, January 2024 <sup>4)</sup> Axfood, June 2024 <sup>5)</sup> E-handelse, March 2024

\*Quick Commerce, market participants offering delivery within a very short time frame using bicycle and moped couriers, for example.

# The hunt for low-price items in the home electronics sector

Home electronics sector faced challenges in 2024. The year started with zero growth, subsequently turning into negative figures once again. 2024 marks the third consecutive year of negative growth figures, with full-year growth totaling minus one percent.

During the recent recession, the capital-intensive home electronics sector has been one of the sectors worst hit. Sales have declined in both physical and digital channels in recent years, putting pressure on already low margins in the sector.<sup>1)</sup>

Last year, consumers attempted to find more affordable home electronics products. On the one hand, this has included great interest in 'dupes', i.e. products inspired by branded products. In late 2024, home improvement chain Rusta released a 'Dyson Dupe' that garnered a great deal of attention on social media, leading to queues outside the chain's physical stores.<sup>2)</sup> On the other hand, there is a strong interest in purchasing

home electronics from foreign market participants in the low-price segment. According to E-barometern in Q1 2024, home electronics items were the second most common category to buy from China.

The campaign periods that make up the last quarter of the year are important for home electronics retailers. Items in the sector are often capital intensive, so many of the purchases made during Black Friday week are carefully planned. According to several sources, sales during the week exceeded expectations. Home electronics and white goods chain Elon reports that during Black Friday week 2024, they sold a record number of television sets <sup>3)</sup>, Elgiganten (operating in the same sector) sold an unexpected number of robotic vacuums, and white goods experienced a boost compared to previous years.<sup>4)</sup> This is a sign that consumers have a need to upgrade their electronic equipment, which provides hope for 2025.



### 3 TRENDING GOOGLE SEARCHES\*

- 1. Samsung A55 (+3 800%)
- 2. Garmin Fenix 8 (+750%)
- 3. Garmin Vivoactive 5 (+400%)

\*2024 full year compared to 2023 full year

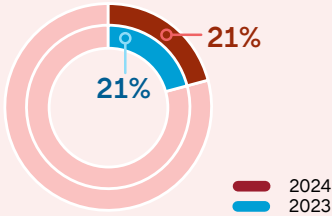
↓ 27 billion kronor in net sales in 2024  
49% ↑ share of total sector

SEK 2 234

SEK +106 since last year

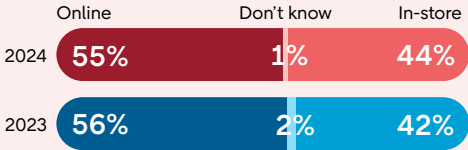
Average amount spent online over last 30 days

Basis: Consumer, has shopped online. Average January – December



Percentage of e-commerce consumers who made a purchase in the category

Basis: Consumer, has shopped online. Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Market.se, December 2024 <sup>2)</sup> Aftonbladet, November 2024 <sup>3)</sup> Dagens Logistik, December 2024 <sup>4)</sup> Dagens Industri, December 2024

## Parallel trends in fashion sector

The trend in the clothing and footwear sector was generally positive in 2024, with growth for the year reaching six percent. According to the Svensk Handel Style Index, clothing sales continue to drive the trend, while the footwear segment is having a much tougher time.<sup>1)</sup>

The two parallel, and somewhat contradictory, e-commerce trends of 2024 are particularly significant for the clothing and footwear sector. The first trend is Chinese discount retail. Consumer interest in these market participants is very high and continues to grow. For example, Temu's app was the most downloaded app on the Apple App Store in 2024, and according to the commerce sector trade association and employer organization Svensk Handel, one in five people planned to buy Christmas gifts from Temu or Shein.<sup>2)</sup>

At the same time, Chinese market

participants have been heavily criticized for their marketing strategies, factory conditions and unsustainable business models, among other things.<sup>3),4)</sup> The debate surrounding Chinese discount retail will continue to shape the sector in 2025, as will consumer interest in shopping for fashion at a low price.

The second trend is the interest in second-hand and circular commerce. Clothing and footwear is the sector in which most consumers buy second hand, and traditional fashion retailers are investing in identifying new business models for circular commerce. The latest example is Bubbleroom, which launched a C2C platform on its online store in partnership with Revive Retail in November 2024. On the platform, customers can buy and sell clothing among themselves, without Bubbleroom having to handle the garments.<sup>5)</sup>



# 6%

e-commerce growth  
2024

### 3 TRENDING GOOGLE SEARCHES\*

1. Adidas Campus (+300%)
2. Adidas Campus 00s (+300%)
3. Ray Ban Boyfriend (+250%)

\*2024 full year compared to 2023 full year

↑ 20

billion kronor in net  
sales in 2024

30% ↑

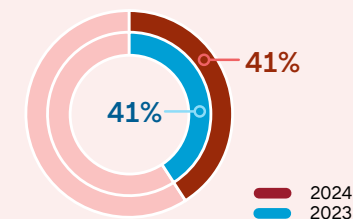
share of total sector

## SEK 1 273

SEK -36 since last year

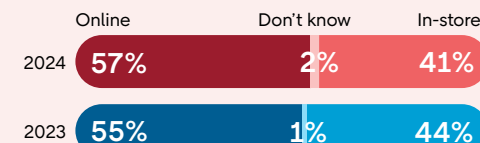
Average amount spent online  
over last 30 days

Basis: Consumer, has shopped online.  
Average January – December



Percentage of  
e-commerce consumers who  
made a purchase in the category

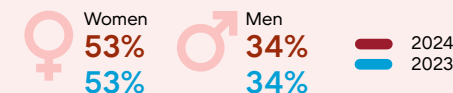
Basis: Consumer, has shopped online.  
Average January – December



Percentage who made their most  
recent purchase in the category online  
and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men  
that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Svensk Handel Style Index, December 2024 <sup>2)</sup> Resumé, December 2024 <sup>3)</sup> Market.se, December 2024 <sup>4)</sup> Aftonbladet, January 2025 <sup>5)</sup> Market.se, November 2024

# Physical stores as a complement to e-commerce

The home furnishings sector is one of the sectors in which growth has varied from quarter to quarter. However, the year ended on a high note, as evidenced by the 2024 growth rate of four percent.

According to the Retail Outlook report, there is cautious optimism regarding growth in the home-related sectors in 2025 and 2026.<sup>1)</sup> In 2025, it is hoped that the housing market will continue to see increased activity, which in the long run can give the furniture and home furnishings sector a much-needed boost.<sup>2)</sup> Until then, consumers are expected to continue to spend more money in the home furnishings sector than in the furniture sector.<sup>3)</sup>

Furniture and home furnishings is one of the sectors in which developing an omnichannel offering can offer particularly sizeable benefits. When it comes to capital-intensive and bulky items, consumers

appreciate being able to examine them in-store and carefully consider whether they want to make a purchase.

Many of the market participants in the sector have showrooms to assist consumers with their purchasing decisions. One example is Svenssons, which has three showrooms in Sweden.<sup>4)</sup> Another is Melimeli, which primarily sells its products online, but also has a flagship store in Stockholm. A final example is the e-commerce company Sofacompany, which has three small stores in Sweden but aims to open more.<sup>5)</sup> IKEA is also working to supplement its department stores and e-commerce with smaller physical stores. Consumers unable to take their items home with them from the store in the Gallerian mall in Stockholm can have them delivered to their home on the same day.<sup>6)</sup>



## 4%

e-commerce growth 2024

### 3 TRENDING GOOGLE SEARCHES\*

1. Dusty Deco (80%)
2. Flowerpot lamp (50%)
3. Wrought iron Advent candle holder (40%)

\*2024 full year compared to 2023 full year

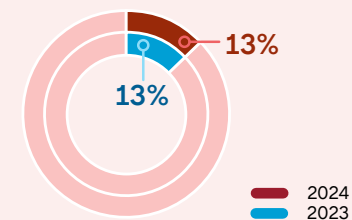
→ **8** billion kronor in net sales in 2024  
**13%** → share of total sector

## SEK 1 760

SEK +49 since last year

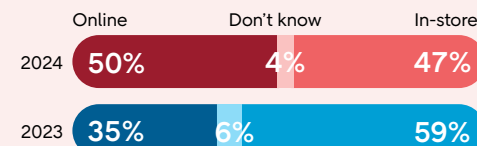
Average amount spent online over last 30 days

Basis: Consumer, has shopped online.  
Average January – December



Percentage of e-commerce consumers who made a purchase in the category

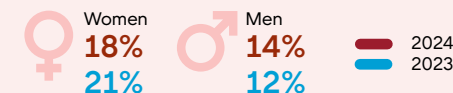
Basis: Consumer, has shopped online.  
Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Retail Outlook report, December 2024 <sup>2)</sup> Dagens Nyheter, December 2024 <sup>3)</sup> Retail Outlook report, December 2024

<sup>4)</sup> Svenssons <sup>5)</sup> E-handel.se, January 2023 <sup>6)</sup> Gallerian/IKEA

# Mild winter affects sports retail

Despite a strong conclusion to the year, sports retail was one of the sectors that performed negatively in 2024. The sector, which has been struggling with declining demand since the pandemic, posted a full-year performance of minus two percent. However, sales of table tennis-related products increased sharply and were almost 90 percent higher in December 2024 than in December 2023.<sup>1)</sup>

Sports retail is a weather-dependent sector. If it snows in the final months of the year, sales of winter equipment increase and if the summer is pleasant, more people want to go out and play sports. At the end of 2024, the winter was mild in large parts of Sweden, resulting in very few sales.

Winters have generally been very mild in recent years. For example, the highest

December temperatures in over 70 years were recorded in several locations across the country in 2024.<sup>2)</sup> This is a challenge for seasonal sectors in general and sports retail in particular, as winter sports are associated with capital-intensive purchases such as outerwear, skis and other equipment. The unpredictable weather also demands a great deal from retailers in terms of purchasing and inventory.

However, according to the sector organization Svenskt Sportforum, expectations for 2025 are predominantly positive. In the supply chain, i.e. the B2B segment, sales increased in the final months of 2024. According to retailers, i.e. the market participants responsible for sales to consumers, the view is more divided. These market participants continue to face challenges in the form of high inventory levels and low margins.<sup>3)</sup>

-2%

e-commerce growth 2024

## 3 TRENDING GOOGLE SEARCHES\*

1. Adidas Gazelle (∞)
2. Bicycle tools (∞)
3. Olympic Games (∞)

\*2024 full year compared to 2023 full year

→ 5 billion kronor in net sales in 2024

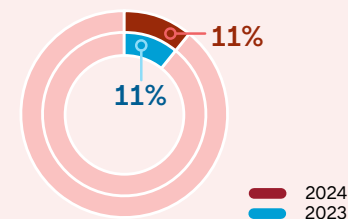
19% → share of total sector

SEK 1 340

SEK +23 since last year

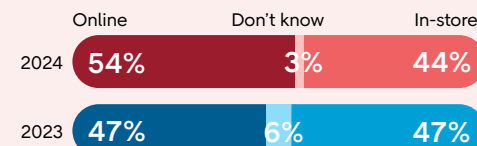
Average amount spent online over last 30 days

Basis: Consumer, has shopped online.  
Average January – December



Percentage of e-commerce consumers who made a purchase in the category

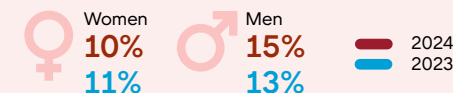
Basis: Consumer, has shopped online.  
Average January – December



Percentage who made their most recent purchase in the category online and in-store, respectively

Basis: Consumer, has shopped online

Percentage of women and men that have shopped online (Q4)



Basis: Consumer, has shopped online

<sup>1)</sup> Svenskt Sportforum, January 2025 <sup>2)</sup> Swedish Meteorological and Hydrological Institute, December 2024 <sup>3)</sup> Market.se, December 2024



**Apohem**  
Gustav Hasselgren, CEO



**Byggmax**  
Karl Sandlund, CEO



**Inet**  
Erik Wickman, CEO



**Kappahl**  
Elisabeth Peregi, CEO



**Outnorth**  
Ville Kangasmuukko  
Nordström, CEO



**Adlibris**  
Jonas Karlén, CEO



**Linas Matkasse**  
Walker Kinman,  
CEO, Cheffelo



**Bagaren och Kocken**  
Charlotta Svarvfar, President and  
CEO, Egmont LivingNordic

## Eight e-retailers on sector development in 2024 – and their thoughts on 2025



## Apohem

Gustav Hasselgren, CEO

### What factors had the biggest impact on your sector's development in 2024?

"In 2024 customers continued to flock to the online pharmacy market, which once again grew the fastest out of all categories. For many years, increasing numbers of people have discovered the convenience of buying medicines online, but customers also come to online pharmacies to purchase items in other categories, especially beauty and health."

### What trends and challenges do you think will shape your sector in 2025?

"We think that the online pharmacy category will continue to grow. The big chains are already strong in prescription medicines but are continuing to develop their e-commerce offerings in other categories as well. Pure-play

online pharmacies continue to gain market share in the pharmaceuticals category, but this probably even more the case in the category of goods for resale. The EU Distance Selling Directive will pose a challenge for online pharmacies starting from this fall, and it's important to find ways to ensure the smooth delivery of medicines, especially outside the big cities."

### Do you think that the 2025 sales figures for apohem.se will be better than, worse than or the same as in 2024?

"Apohem will continue to grow rapidly in 2025. The year started strongly, and with our new logistics center in Kallhäll, just outside Stockholm, we're expanding capacity while expanding our range, which is a long-awaited development."

**"The year started strongly, and with our new logistics center in Kallhäll, we're expanding capacity while expanding our range, which is a long-awaited development."**



## Byggmax

Karl Sandlund, CEO

### What factors had the biggest impact on your sector's development in 2024?

"Interest rates and the low level of activity in the housing market made their mark on 2024, leading to more restrained consumers, especially when it comes to major renovation projects. At the same time, interest in smaller projects, such as gardening and simple home renovations, has persisted. When there is economic uncertainty, many people opt to do more of the work themselves, and low prices become an even more important factor for consumers."

### What trends and challenges do you think will shape your sector in 2025?

"The low-price trend of recent years is expected to continue, and the home will remain a key priority for our customers. Historically, factors such as falling interest rates, lower inflation and increased sales in the housing market have contributed to a higher rate of renovation. At the same time, the need for affordable and flexible solutions remains, with

**"Combined with a robust position in the low-price segment, we're well equipped..."**

customers wishing to combine an in-store experience with online purchases. To meet this need, Byggmax is continuing to develop its e-commerce offering, focusing on flexibility, range optimization and a larger number of customized products. Combined with a robust position in the low-price segment, we're well equipped to help customers realize their projects – regardless of market conditions."

### Do you think sales for byggmax.se in 2025 will be better, worse or the same compared to 2024?

"We don't make forecasts, but lower interest rates, rising real salaries and a larger number of housing transactions lay the foundations for greater activity in the market, where we are fully prepared to meet customers' needs."





## Adlibris

Jonas Karlén, CEO

### What factors have had the biggest impact on your sector's development in 2024?

"We've seen greater price awareness due to economic uncertainty and a growing interest in second-hand items. Fiction, which offers respite from reality in troubled times, has grown strongly, as reflected in our bestsellers.

The reading crisis has risen to the top of the social agenda, raising awareness of the importance of reading and resulting in specific policy initiatives in schools and kindergartens.

Competition for consumer attention is increasing, and media and consumption habits are changing. Book streaming continues to grow, while physical books and in particular course books and non-fiction are losing ground."

### What trends and challenges do you think will shape your sector in 2025?

"There'll be a greater focus on reducing screen time and even more discussions about this, with a greater need to read, create and learn – which

is reflected in our product strategy. Policymakers are focusing even more on reading.

Social media, such as #BookTok, provides inspiration for many readers and lies behind the books that sell best. The bookstore continues to be crucial as a location where readers and literature meet.

The pressure on personal finances favors less expensive options such as streaming services and paperbacks. We'll see an ever-broader use of AI in all parts of the ecosystem, providing new opportunities but also reshaping how we absorb knowledge and information."

### Do you think that sales for adlibris.se in 2025 will be better, worse or the same as in 2024?

"We expect to grow in 2025, driven by fiction, books in English and our non-book range. Contributions to Swedish schools will increase during the year, and we'll also continue to invest in stores and the circular economy."



## Linas Matkasse

Walker Kinman, CEO of Cheffelo

### What factors have had the biggest impact on your sector's development in 2024?

"The greater demand for profitability has shaped the entire sector and will continue to do so in the future. Where meal kits are concerned, this led to a certain amount of consolidation from which we have benefited in several of our markets.

Macroeconomic factors such as interest rates and consumer prices for energy, fuel and food also had a distinct impact on consumer purchasing behavior. In view of this, we're very pleased to have grown profitably in 2024."

### What trends and challenges do you think will shape your sector in 2025?

"The meal kit service is based on four megatrends:

- the focus on e-commerce; we still see potential for growth in Sweden
- interest in health and food; consumers want to eat healthy food with their families
- time pressure means many people want simple solutions – without compromising

- sustainability; consumers want to reduce their climate impact but don't always know how to.

We provide solutions for the challenges our customers are faced with arising from these megatrends: how to cook good food from scratch without having to stress about planning and shopping, and with minimal food waste."

### Do you think that sales for linas-matkasse.se in 2025 will be better, worse or the same as in 2024?

"We've improved the product and the customer journey, as well as strengthening our commercial organization, so we're naturally aiming for them to be better!

We're heading into the year focusing sharply on attracting profitable customers in a cost-effective manner while also retaining them by providing an epic customer experience. We also hope the market will be boosted by upcoming interest rate cuts, which should have a positive impact on consumer purchasing power."





## Inet

Erik Wickman, CEO

### What factors had the biggest impact on your sector's development in 2024?

"Our products are relatively dependent on household purchasing power. The late cuts in interest rates in 2024 helped make it a relatively weak year for us, with net sales at the same level as in 2023. Also, there weren't many new and interesting hardware launches, meaning that customers held off on purchases unless they were absolutely necessary."

**"The year has gotten off to a positive start with the launch of new graphics cards from Nvidia and new processors going on sale in the first quarter."**

### What trends and challenges do you think will shape your sector in 2025?

"The year has gotten off to a positive start with the launch of new graphics cards from Nvidia and new processors going on sale in the first quarter. We believe this will drive sales of other products throughout the year.

Also, several games are expected to be launched during the year, which also tends to boost sales. Last year's cuts in interest rates are now starting to impact consumer finances, and combined with some tax cuts, we're seeing our customers become more willing to buy."

### Do you think that sales for inet.se in 2025 will be better, worse or the same compared to 2024?

"We hope to return to growth and surpass the 2021 record in terms of net sales. We're also at the end of the 2020/2021 product cycle, which means that many customers will soon need to upgrade what they purchased during the record years of 2020/2021."



## Kappahl Group

Elisabeth Peregi, CEO

### What factors have had the biggest impact on your sector's development in 2024?

"Consumer purchasing power, high inflation and a persistently uncertain world have affected purchasing behavior. Competition from ultra-fast fashion on the one hand and increased customer awareness and demands for accountability and sustainability on the other, also had a major impact on the fashion sector. We've also prepared for the new rules and legal requirements that are in the pipeline in the textile sector."

### What trends and challenges do you think will shape your sector in 2025?

"I think we'll see the breakthrough of circular business in 2025 – it's been about to explode for a while, and now it's time. I also think we'll see greater demands from customers when it comes to companies' behavior regarding sustainability issues, particularly when it comes to corporate social responsibility, for example in manufacturing countries. At the same time, the trend of ultra-fast fashion

**"We launched a brand new website and an app in 2024, both of which were very well received by our customers."**

and its impact on competition will continue."

### Do you think that sales for kappahl.se in 2025 will be better, worse or the same compared to 2024?

"We launched a brand new website and an app in 2024, both of which were very well received by our customers. They've not only improved the customer experience and simplified the customer journey – they've also helped to make Kappahl more distinct as a brand. I can see that this will continue to strengthen our online business this year, too, so I believe our e-commerce operations will continue on their upward trajectory."





## Bagaren och Kocken

Charlotta Svarfvar, President  
and CEO, Egmont LivingNordic

### What factors have had the greatest impact on the development of the sector in 2024?

"2024 was a very good year for us in terms of sales and profitability, despite a challenging market with purchasing power weakened by the situation in the economy. We can see that consumers are prioritizing sustainable products and want to feel they've made a good choice. The sector has become better at taking responsibility for the entire product life cycle and communicating this. There's still some way to go, but we've made great strides over the past year."

### What trends and challenges do you think will shape your sector in 2025?

"We're optimistic about 2025, particularly considering that many forecasts predict increased purchasing power and positive changes in the economy. At the same time, the world is unstable, and if there's one thing we've learned from 2020 onwards, it's that the global economy can rapidly affect us all. In terms of purchasing behavior and trends, we're seeing consumers making increasingly informed choices – and not only when choosing a coated or uncoated frying pan. We believe that people will

want to invest in high-quality products. The era of disposable consumption is over."

### Do you think that sales for bagaren och kocken.se in 2025 will be better, worse or the same as in 2024?

"We remain committed to growing and gaining market share – but profitably. We've come a long way in terms of working systematically using a data-driven approach, which allows us to nurture our margins while increasing the profitability of each order. Another key factor for success has been, and will continue to be, enhancing our position as an expert in the Kitchen category. We're working hard to create the best possible customer experience, content production, live material and campaigns providing guidance to customers. The aim of all this work is to consolidate our position and realize our vision of helping our customers succeed in the kitchen. We work closely with many key suppliers who like what we do, laying the foundations for further growth. We also see advantages in now being part of a larger group – Egmont LivingNordic – which will offer synergies in the future."



## Outnorth

Ville Kangasmuukko Nordström, CEO

### What factors have had the biggest impact on your sector's development in 2024?

"The most obvious one: the weather. When I joined Outnorth last year, I was told that the weather has a bigger impact on demand than the economy. I'm willing to agree to some extent!

Then there are the external factors that have led to strained household finances and changes in customer behavior."

### What trends and challenges do you think will shape your sector in 2025?

"Apart from the weather, which we can't influence, I hope that household finances will get a boost during the year through lower interest rates, rising real salaries and, hopefully, falling unemployment. However, I'd like to make the disclaimer that the world is still in a state of geopolitical flux, and there is great uncertainty about the economy going forward. I've noticed that more influencers have stopped showing off their luxurious lifestyles and started heading out into nature instead to find inner peace and boost their mental

state. This is a trend that I personally welcome while also noting that Outnorth is well positioned for it. The final trend is ultra-lightweight hiking, for which we're seeing greater demand."

### Do you think that sales for outnorth.se in 2025 will be better, worse or the same compared to 2024?

"Better. In 2024 we've transformed from an e-commerce company into a destination in the outdoor segment, guiding and inspiring customers ahead of their next outdoor adventure. Our strong team has also optimized our product range, customer offering and customer experience for 2025, so expectations are accordingly high."

**"I've noticed that more influencers have stopped showing off their luxurious lifestyles and started heading out into nature instead..."**



## 2024 from an e-commerce perspective

In this chapter, E-barometern looks back at 2024 and e-commerce during the past year. This includes analysis of consumers' favorite websites, the importance of the omnichannel offering, the function of the shopping cart and the trends that shaped the year – foreign discount retail and circular e-commerce.

# Foreign discount retail has become a favorite

When it comes to Swedes' favorite e-retailers, the year has been shaped by both stability and change. Like last year, the big players Apotea, Amazon and Zalando top the list of consumers' favorite websites. What these market participants have in common is a wide range of products, competitive prices and well-developed e-commerce solutions. Moreover, the top three have been stable over time, proving that those companies that have found solid and viable e-commerce concepts remain strong. Those who are no longer on the list are mainly traditional retail companies: Ica, Elgiganten, NetOnNet and Ellos.

The consumer trends that shaped 2024 are also reflected in the list of top companies. The first is the second-hand trend. For the first time, three second-hand platforms are on the top 20 list.

For example, Sellpy has climbed from tenth to fourth place, and Vinted is new on the list in 17th place.

In parallel with the second-hand trend, the popularity of the Chinese low-price giants is becoming apparent. Temu and Shein are on the list for the first time, with Temu going straight into the top half. However, this is not the first time a major Chinese marketplace has been included. Wish was already a consumer favorite back in 2019. Since then, discount retail from China has grown in popularity and has also been normalized. Shopping from marketplaces such as Temu and Shein is now popular among all age groups. It is particularly popular among the over 50s, with Temu ranking as the fourth most popular e-commerce website in this group.

# Consumers' online favorites 2024

The arrows show how the companies' rankings changed compared to the previous year.

| Ranking | Company  | (2023)  | Ranking | Company   | (2023)  |
|---------|----------|---------|---------|-----------|---------|
| 1       | Apotea   | (1) →   | 11      | Lyko      | (12) ↗  |
| 2       | Amazon   | (2) →   | 12      | Inet      | (11) ↘  |
| 3       | Zalando  | (3) →   | 13      | Webhallen | (13) →  |
| 4       | Sellpy   | (10) ↗  | 14      | Åhléns    | (New) ↗ |
| 5       | H&M      | (4) ↘   | 15      | Matsmart  | (15) →  |
| 6       | Adlibris | (6) →   | 16      | CDON      | (9) ↘   |
| 7       | Tradera  | (5) ↘   | 17      | Vinted    | (New) ↗ |
| 8       | Temu     | (New) ↗ | 18      | Bokus     | (14) ↘  |
| 9       | Boozt    | (8) ↘   | 19      | Shein     | (New) ↗ |
| 10      | Apoteket | (7) ↘   | 20      | Kicks     | (19) ↘  |

↗ Increased   ↘ Unchanged   → Decreased

Basis: Consumer, has shopped online

## High demands placed on e-commerce

Several hygiene factor requirements must be met for a company to be popular with consumers. The cornerstones of an attractive e-commerce website are usually good prices and a relevant range – if these two basic requirements are not met, consumers will turn elsewhere. However, several other features of the online store's design can also be crucial.

Over 94 percent, i.e. almost all consumers, think that good, clear product information, an easy-to-navigate website and efficient search functions are absolute musts for e-commerce websites. Many of consumers' favorite market participants are actively working to meet consumer demands. Apotea, Amazon and Zalando are online stores with competitive prices and a sizeable and wide range of products, making it particularly important

that their stores are easy to navigate. For example, in recent years, Zalando has been working to ensure that the search process on its e-commerce website is more natural. They work on the basis of the motto "to see is to understand", which means that consumers should be guided visually among their products.<sup>1)</sup>

However, there is evidence that consumers have different requirements for different types of online stores. Temu, one of Swedes' favorite e-retailers, requires customers to register before making purchases, which seems contradictory in view of the fact that seven of ten consumers think it is important to avoid having to register. So it is not always necessary to meet all hygiene factor requirements; the picture is more complex than that.

## Percentage of consumers who consider the following features important when selecting an online store

|                                                            |     |
|------------------------------------------------------------|-----|
| Good, clear information about products                     | 97% |
| Easy to navigate the website                               | 95% |
| Good search function on the website                        | 94% |
| Being able to choose how my item is delivered              | 91% |
| Contact options for customer service are clearly indicated | 86% |
| Clear information about procedures for returns             | 86% |
| Good, clear information about the company                  | 85% |
| That it is a company/brand I recognize                     | 78% |
| The opportunity to read reviews of the online store        | 72% |
| Not having to register/become a member                     | 71% |

Basis: Consumer, has shopped online

<sup>1)</sup> Zalando, July 2023

# Consumers satisfied with their e-commerce experience

Consumers have become increasingly satisfied with their e-commerce experience in recent years. Compared to when the survey started in 2019, they generally have fewer things on their wish list of what they want online stores to work on more.

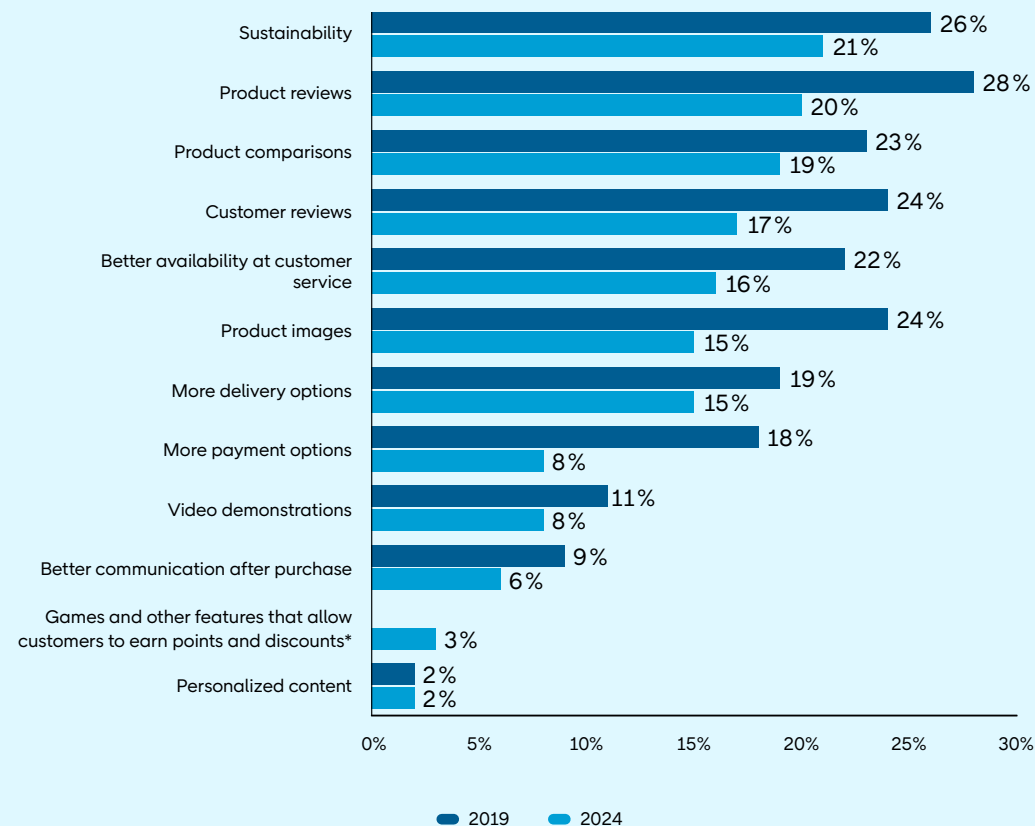
However, there is still room for improvement. On the one hand, consumers want companies to work more on sustainability, and on the other, they want features that make the purchasing decision easier. Five years ago, sustainability was the second most important aspect consumers wanted companies to work on, but in 2024 it tops the list. The fact that consumers appreciate sustainable business models is evidenced by Sellpy, Tradera and Vinted all being among Swedes' favorite online market participants. Product reviews, product comparisons

and customer testimonials are features that consumers are demanding to help them in their purchasing decisions. There are several examples of how e-retailers are working on these. One is Lyko's platform Lyko Social, where members can share ratings and reviews.<sup>1)</sup> Another example is Inet, which launched a feature in 2024 that allows customers to compare six products at a time.<sup>2)</sup>

As regards e-retailers, it is important for them to continue working on meeting consumer expectations. A smoother purchase journey and simpler purchasing decisions lead to more consumers making the right purchases from the start – which ultimately increases customer satisfaction and reduces the number of returns.

<sup>1)</sup> Lyko <sup>2)</sup> Inet

## Features consumers want online stores to work on more



Basis: Consumer, has shopped online

\*New option in 2023

# In-store and e-commerce once again neck and neck

In the final quarter of the year, which includes the intense Black Friday week period when many consumers actively choose to make online purchases, the balance between in-store and e-commerce has changed over time. During the pandemic, when restrictions limited visits to physical stores and drove consumers towards digital options, the two channels were level with each other. After the pandemic, many people returned to physical stores, but there has once again been a shift.

One reason why more consumers are choosing to make purchases online is that they have been particularly price-conscious during the recession. Two thirds of consumers have saved money by making purchases online instead of in-store during the recession.<sup>1)</sup> E-commerce often offers competitive prices, making it an attractive choice for many, while online prices are easy to compare.

However, where the consumer chooses to make their purchase is influenced by the category of product they are purchasing. Categories such as books and media, home electronics, and clothing and footwear have already established themselves as being compatible with e-commerce. These sectors have integrated efficient logistics solutions, and consumers have become accustomed to purchasing these products online.

There is reason to believe that the percentage of people making purchases online will continue to grow, even when the economy begins to recover. E-commerce continues to take sales share from in-store commerce, and there are examples of how market participants in sectors with lower levels of e-commerce maturity are investing in omnichannel solutions. For example, Beijer Byggmaterial offers the possibility of ordering online and collecting in stores outside of regular store hours.<sup>2)</sup>

In which type of store did you make your most recent purchase?



# Thoughtful purchases made through multiple channels

The importance of omnichannel in e-commerce has increased in parallel with technological and retail progress. The consumer experience should be consistent, coherent and seamless across different channels, whether consumers make their purchases in physical stores or via digital platforms.

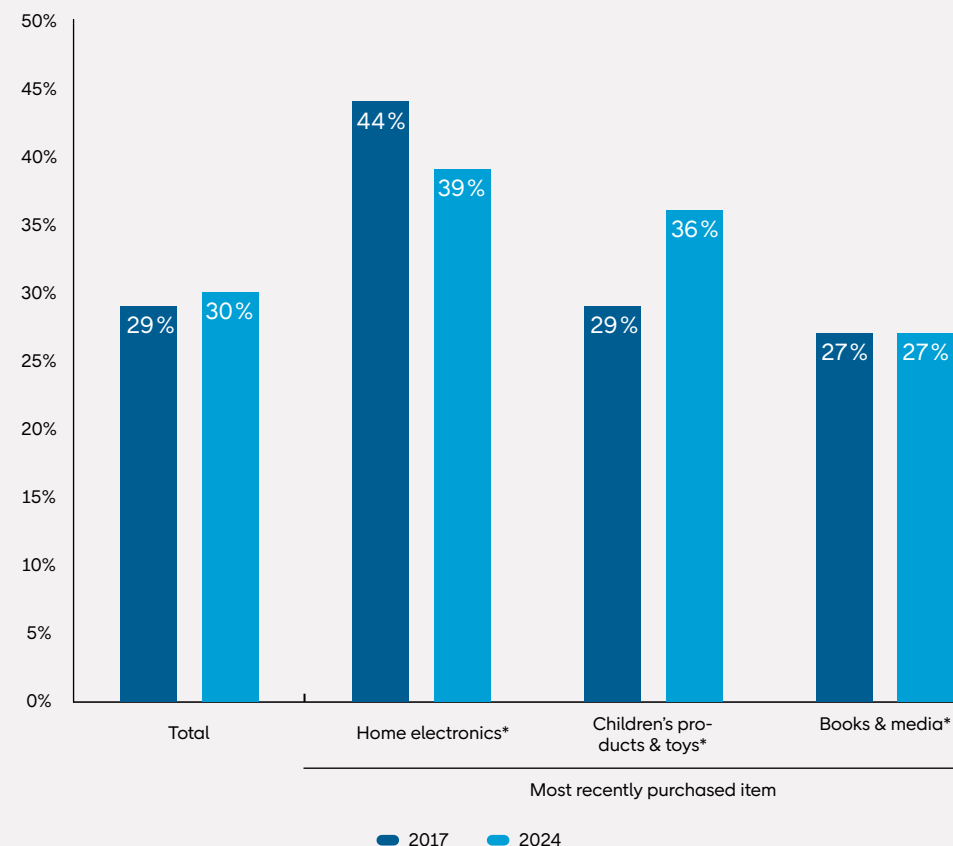
One third of all consumers often make purchases through multiple channels. This means, for example, doing research on their cell phone, trying out items in-store and ordering online, or other combinations. However, it is clear that behavior differs depending on the sector in which the purchase is made.

Home electronics is a product category in which many consumers combine channels prior to purchase, as they often want to compare technical specifications and prices. For example, it is common to want to try out a television

in store to experience the quality and then read reviews online. A similar trend can be seen in products for children, with parents of young children combining online exploration with visits to physical stores to make thoughtful and informed purchases for their children. Books and media, on the other hand, is a product category in which fewer people make purchases through multiple channels. This is often a more immediate purchasing process that does not require as much thought.

So a seamless experience is particularly important in certain product categories. Multi-channel purchases are often characterized by more conscious and thoughtful purchasing decisions. This type of cross-channel purchase journey requires that the experience and information is coherent and accessible – no matter where the consumer is.

## Percentage of consumers who frequently purchase items via multiple channels



Basis: Consumer, has shopped online

\*Most recently purchased item

## Simplicity sets e-commerce apart

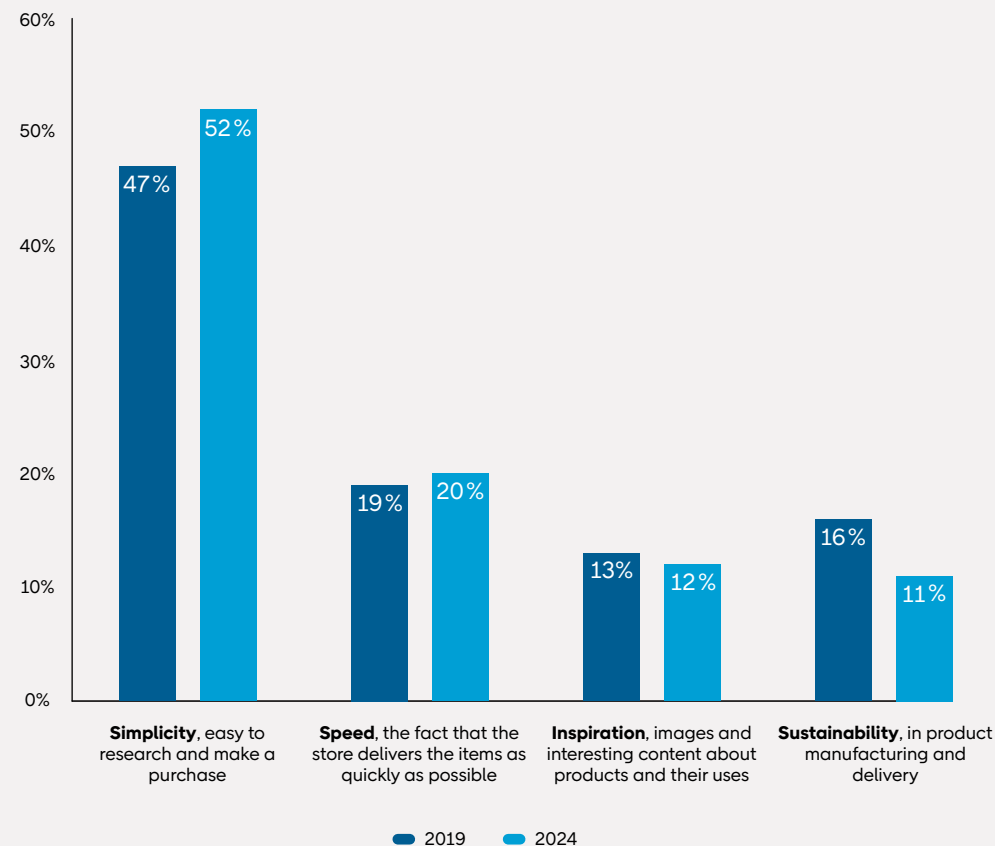
On the whole, consumer views on what they most want online stores to prioritize have not changed in recent years. **Simplicity** is key throughout the purchase journey. More than half of consumers want a user-friendly and convenient shopping experience. They want the process, from searching for information to making a purchase, to be simple and frictionless. Simplicity is key to attracting and retaining customers and is often the reason why many people choose online stores over physical ones.

Apart from simplicity, **speed** is the most important parameter. Although it cannot be compared to the speed of shopping in a physical store, it is important to be able to deliver the item to the customer in an efficient way. E-retailers need well-functioning logistics processes and the ability to ensure that items are ready for delivery in a short space of time if they are to attract customers from in-store commerce.

Providing good product images, engaging videos and relevant content are also factors that add value for consumers. Although a smaller percentage of them would like online stores to focus primarily on this, **inspirational material** can give e-commerce an edge over physical stores. By making the purchase experience more appealing, e-commerce can provide a more attractive and efficient shopping experience.

Few consumers think that online stores should focus primarily on **sustainability**. The percentage has also fallen since the start of the survey in 2019. However, there will soon be greater demands from other quarters. The European Commission has presented a large number of legislative proposals in the field of sustainability, and these are expected to gradually enter into force between 2025 and 2030.<sup>1)</sup>

## What consumers want online stores to prioritize



Basis: Consumer, has shopped online

# Tailor-made purchase journey an advantage online

The broad range and competitive prices are the main reasons for consumers choosing to make purchases online. The convenience of being able to shop anytime and anywhere, whether in the middle of the night or during a quiet moment at work, is also one of e-commerce's greatest strengths.

Despite the success of e-commerce, there are many situations in which physical stores have a clear advantage. Many consumers appreciate the opportunity to examine, touch and try out products before deciding on a purchase. This is particularly important when it comes to items such as clothing, footwear and sports equipment, where fit, quality and feel play a crucial role.

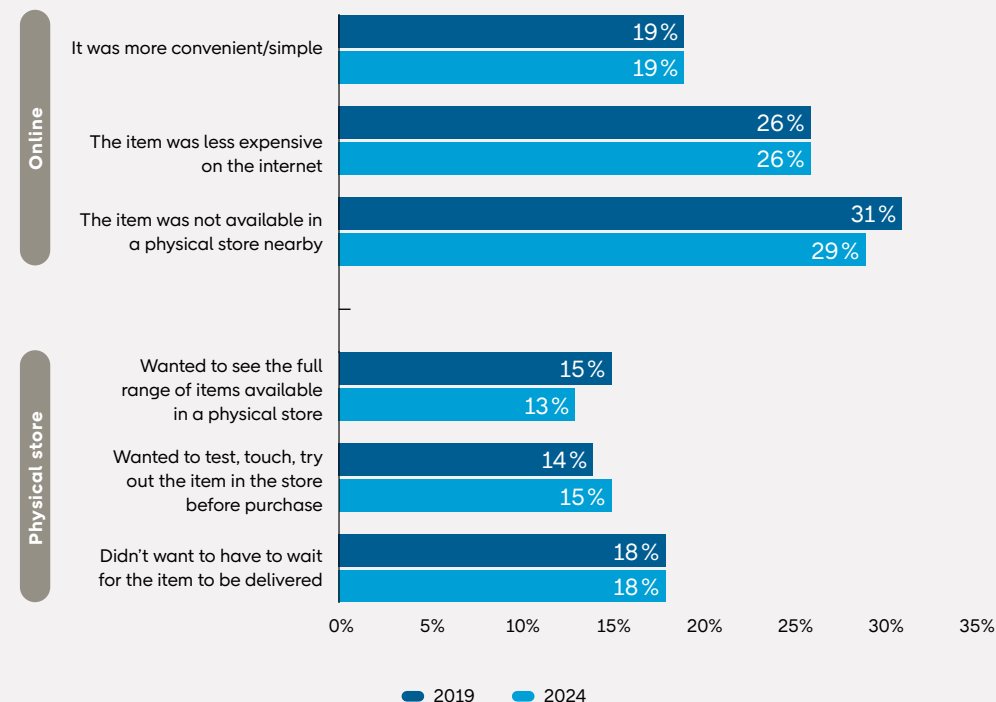
Another strength of physical stores is the immediate availability of items, something e-commerce cannot match.

However, speedy delivery and flexible delivery options can give e-retailers a significant advantage. In order to meet consumer expectations, it is crucial that e-retailers are able to offer efficient logistics processes that enable short delivery times. A successful example of this is Lyko which, due to redesigning its new warehouse and logistics solution, is able to ship an order in just 20 minutes.<sup>1)</sup>

E-commerce is not always able to match all aspects of the in-store purchase experience, but success lies in leveraging its strengths. These include the online store's ability to customize what it offers to the needs of the consumer. One example of this is offering home delivery to older consumers. Home delivery is one of the more common reasons why consumers aged 60–79 choose to make purchases online rather than in-store.<sup>1)</sup>

<sup>1)</sup> Dagens industri, March 2023

## Main reason for shopping online versus in-store



Basis: Consumer, has shopped online



# How Kicks is building the beauty destination of the future



In an sector with rapid trends and fierce competition, Kicks is reinforcing its position in the Nordic region. With its clear omnichannel strategy, focus on social media and greater emphasis on skincare, the company has ambitious plans for the future.

“Our long-term plan is to become a one-stop-shop for everything in beauty and well-being,” says Carola Lundell, CEO of Kicks.

**Kicks is one** of the largest beauty chains in the Nordic region, with 230 stores spread across Sweden (128), Norway (70) and Finland (32) and growing e-commerce operations. The chain offers a wide range of makeup, fragrances, skincare products and hair care items, investing in recent years in strengthening its e-commerce business and creating a seamless customer experience spanning in-store and e-commerce.

Carola Lundell joined the company during the 2020 pandemic as Head of Marketing. After the company was sold to the Danish Matas Group in 2023, she progressed to the position of CEO.

“Kicks is an amazing brand with great potential,” says Carola Lundell. “Together with Matas, we’ve become the biggest market participant in the Nordic beauty sector by far, opening up new opportunities to develop our offering and provide an even stronger customer experience.”

**The combination of** stores and e-commerce is a crucial part of Kicks’ success. Physical stores not only act as sales channels, but also as part of the logistics solution.

“We believe very strongly in being an omnichannel player,” says Carola Lundell. “We can see that when we open new stores, e-commerce





**“We believe very strongly in being an omnichannel player. We can see that when we open new stores, e-commerce penetration also increases in the same area.”**

penetration also increases in the same area. There’s a clear halo effect.”

An important part of Kicks’ omnichannel strategy is the successful Click & Collect initiative, allowing customers to order online and pick up in store within four hours.

During campaign periods such as Black Friday week and Christmas shopping, the percentage of Click & Collect orders increases. When new popular products are released, such as the annual beauty products Advent calendar, they are quickly reserved online and then collected in store.

“Almost 20 percent of our e-commerce orders are collected via Click & Collect,” says Carola Lundell. “It’s a good way to provide customers with flexibility and at the same time make use of our store network and reduce the number of individual parcel shipments.”

Kicks offers largely the same range in-store as online, but the e-commerce range is wider because it has no physical limitations.

“We start online when expanding

our range, and we can try out new products without having to remove anything else from the range. If we see that they’re working well, we can decide to bring them into stores,” says Carola Lundell.

**Kicks Club** is one of the company’s key competitive advantages, accounting for over 80 percent of net sales. With just under four million members, the Kicks loyalty club provides access to invaluable insights into customer behavior.

“Our loyalty club forms the basis for much of what we do,” says Carola Lundell. “We have a broad target group, but we can see that we recruit new customers most rapidly among younger people, the goal naturally being for them to become loyal to us and stay with us over time.”

Kicks has also seen an increase in male members.

“When I started working at Kicks in 2020, 92 percent of our members were women,” she continues. “Today, that

figure is 84 percent, despite the fact that we’ve increased our membership by more than a million customers. This shows the potential we have among men.”

Kicks has developed several features related to its shopping cart to make the customer journey more convenient and drive upselling. Like and list functions, available in logged-in mode, are particularly popular ahead of major campaigns.

“Customers use these features to plan their shopping,” says Carola Lundell. “We’re seeing that they go onto the website in advance and like products for Black Friday week or Christmas shopping, for example. It helps them with their preparations, and it’s valuable for us to see which products are most in demand.”

**Sharing lists** is also something Kicks is focusing on. The company has partnered with GoWish, an external app allowing customers to make a wish list of products from different stores, during the past two Christmas periods.

“Young people in particular use the app to create a joint wish list including us and other brands, which means they can share it with friends and family,” says Carola Lundell. “This is



a feature that appeals to younger target groups.”

Going forward, Kicks is planning to develop its e-commerce platform and launch a Kicks app to further improve the customer experience.

“This will provide us with additional new opportunities to personalize the customer experience, which will become increasingly important in e-commerce in the future,” says Carola Lundell.

**At the same time, Kicks** is currently consciously focusing on skincare, a category that has traditionally been an upselling category for the company. The acquisition of Skincity, now integrated in Kicks and sold as ‘Pro Skin by Skincity’, has boosted the skincare offering.

“We want to make skincare a destination category,” says Carola Lundell. “This means we’re actively developing our range and offering expertise in our stores and online.”

She also highlights that categories such as hair care and dermatological products are growth areas for Kicks.

“Our long-term plan is to become a one-stop shop for everything in beauty, and eventually also well-being,” says Carola Lundell. “Our customers view beauty in a holistic way – it’s not just about appearance or the

## “Our long-term plan is to become a one-stop shop for everything in beauty, and eventually also well-being.”

face. So health in a broader sense is an important part of that.”

The beauty sector never stands still, and competition has increased across the board in recent years. More market participants outside the traditional beauty sector have started offering makeup, skincare and fragrances. Pharmacies in particular have broadened their beauty ranges.

“Competition in beauty has definitely intensified,” says Carola Lundell. “Pharmacies have long been increasing their focus on beauty products.” By way of example she mentions Apotea, which now has a net sales of around one billion Swedish kronor in the beauty segment.

The sectoral shift goes both ways – as pharmacies focus on make-up and fragrances, Kicks is looking in the opposite direction.

“Pharmacies are traditionally associated with skincare and dermatological products, and we’re seeing that our customers are interested in finding these types of products at Kicks,” says Carola Lundell. “So we’ve launched a dermatological skincare range with

brands such as La Roche-Posay and Vichy, and we recently became the first market participant in Sweden to sell ACO products outside the pharmacy channel.”

At the same time, competition will come not only from pharmacies, but also from other sectors.

“Many market participants want to enter the beauty market, and we’ve seen companies such as Zalando, Boozt and H&M Beauty focus more on this area,” says Carola Lundell. However, competition from foreign market participants in the low-price segment, such as Temu, is limited due to the prevalence of high brand loyalty in the beauty segment. “Building a beauty destination is not just about selling products – it requires expertise, advice, inspiration and a sense of uniqueness,” says Carola Lundell.

Social media has changed the game for the beauty sector, and no platform has had greater impact than TikTok. There, influencers compete for users’ attention with product tips, tutorials and viral beauty hacks.

“Many young people find their



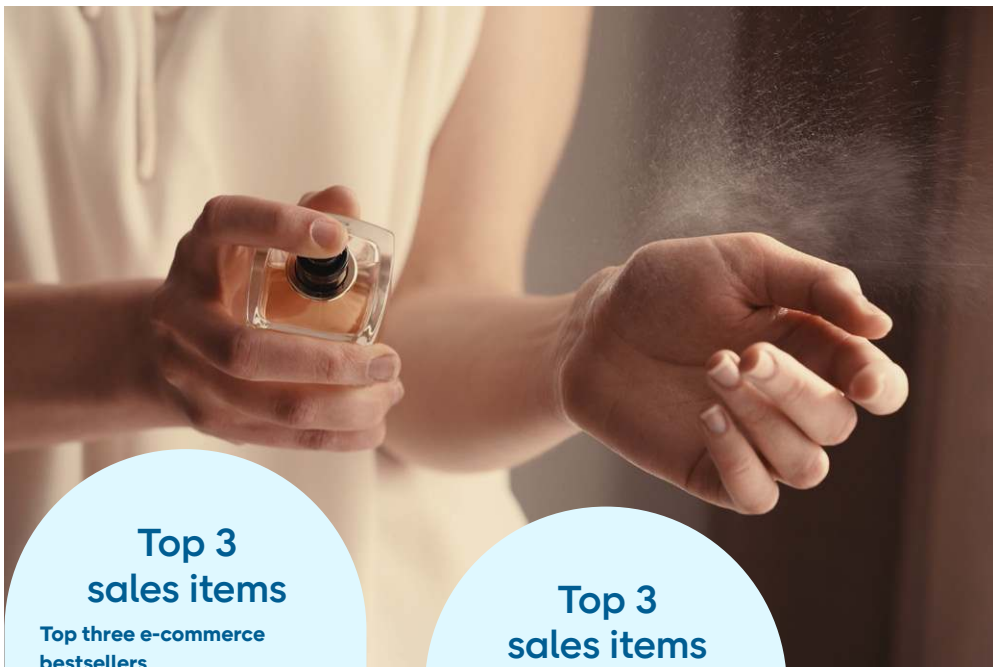
### Kicks in brief

- Owned by the Danish Matas Group since 2023.
- Operating in Sweden, Norway and Finland, with a total of 230 stores.
- Broad target group aged 16 and upwards, with 84 percent of the 3.9 million members of its loyalty club being women.
- Over 80 percent of e-commerce purchases are made by loyalty club members.
- Click & Collect, where the item can be picked up in store within four hours, accounts for 20 percent of e-commerce orders.

favorite products there, and a viral trend can sell out a product in just a few hours,” says Carola Lundell. “Predicting this is a challenge, but it’s a great opportunity if we act quickly. Fragrances are now a big trend, especially among young men, with unisex perfume being named Christmas gift of the year in 2024.”

**Kicks has adapted its** strategy to leverage the strength of the platform by producing a lot of its own content, but also by collaborating with strong





### Top 3 sales items

#### Top three e-commerce bestsellers

- 1) Urban Decay All Nighter Setting Spray
- 2) Paula's Choice Skin Perfecting 2% BHA Liquid Exfoliant
- 3) Kiehl's Ultra Facial Cream

#### Top three best-selling e-commerce categories

- 1) Makeup
- 2) Face
- 3) Fragrances

### Top 3 sales items

#### Top three bestsellers in store

- 1) Urban Decay All Nighter Setting Spray
- 2) Biotherm Deo Pure
- 3) Biotherm Lait Corporel

#### Top three best-selling categories in store

- 1) Makeup
- 2) Fragrance
- 3) Face

profiles. To succeed, it has an in-house team of content creators, pharmacists and skin therapists.

One of Kicks' most successful initiatives has been the reality series "Sweden's Next Makeup Star", developed for TikTok and adapted for use on additional social media platforms.

"We've invested a great deal in content and video material based on what works on social media," says Carola Lundell. "It's about storytelling, providing inspiration and being relevant in the moment, with a mix of paid and organic content."

Digitalization and social media have meant that not all customers discover and buy products in the same way as before, meaning that companies like Kicks need to personalize their content to a greater extent and work more on new ways to engage with customers in their online lives.

"The fragmentation of purchasing behavior is one of the major changes we can see," says Carola Lundell. "Customers no longer search for products on Google alone, but use multiple platforms to find inspiration and information. This affects the entire discovery phase and means that we need to understand how and where we should be seen to be relevant."

Keyword marketing has traditionally served as a crucial tool for e-retailers,

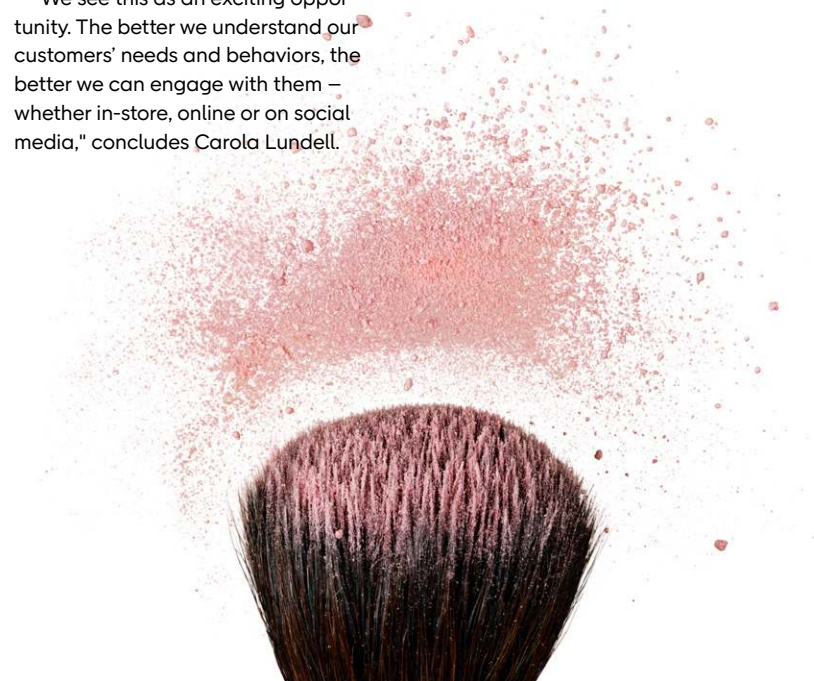
but as the customer journey changes, they need to update their strategies.

"Google Shopping is still very important, but focusing solely on that is not enough nowadays," says Carola Lundell. "Customers find new products on TikTok and other social media platforms, through AI-driven recommendations or other avenues. That's why we need to work on engaging with customers on more fronts."

Understanding and adapting to changing purchasing behavior is important if Kicks is to continue to be successful.

"We see this as an exciting opportunity. The better we understand our customers' needs and behaviors, the better we can engage with them – whether in-store, online or on social media," concludes Carola Lundell.

**"We've invested a great deal in content and video material based on what works on social media. It's about storytelling, providing inspiration and being relevant in the moment."**



# Important information to be found in the shopping cart

Every month, seven of ten consumers abandon a shopping cart purchase at some point. This share is stable over time, but more people frequently abandon purchases today than was the case five years ago. The abandoned shopping cart reveals the consumer's preferences and planned purchases. The information in the shopping cart is very valuable to the e-retailer, and so it is important to take advantage of it.

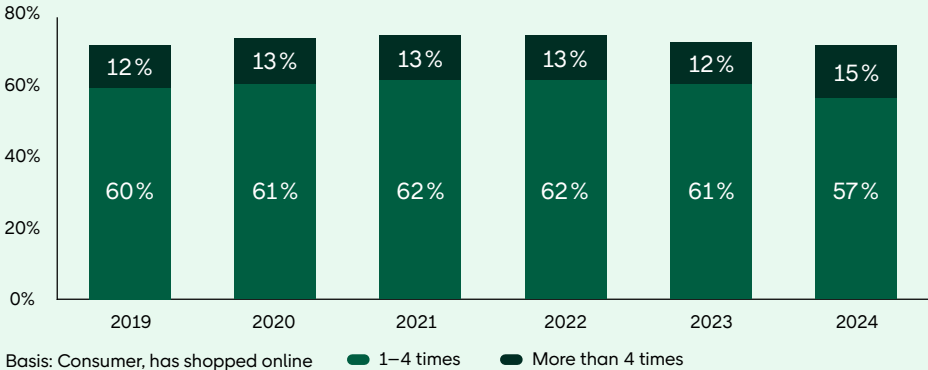
There are several ways to deal with an abandoned shopping cart. The most common strategy among e-retailers is to leave the product in the shopping cart until the consumer returns to the website. After that, the contents are removed if no purchase is made. The second most common strategy is to send a reminder email, and the third most common is to

remove the content immediately when the consumer leaves the online store. To exploit the full potential of the shopping cart, the e-retailer needs to be able to reach the consumer, which is possible through membership and registration requirements. Login and membership also allow companies to understand consumers better, making it easier to meet their needs.

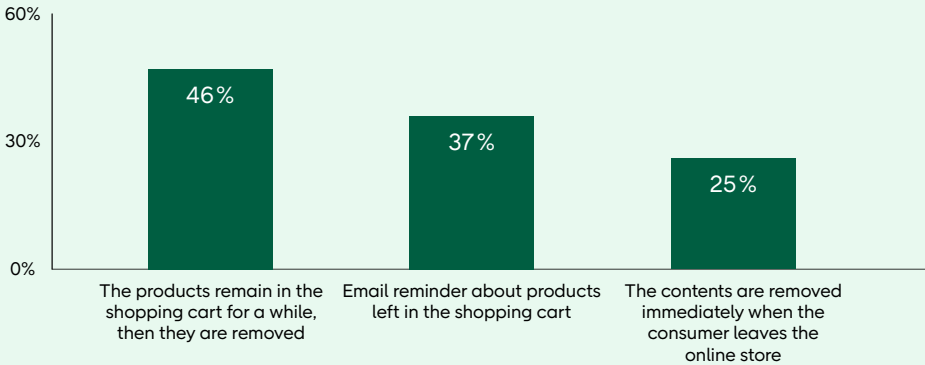
However, seven of ten consumers say that not having to register or become a member is important in terms of them viewing an online store as convenient. This entails a balancing act for e-retailers, where they have to find ways to entice customers to become members without compromising the online purchase experience.

72%  
of consumers  
abandon a purchase in  
a shopping cart  
each month\*

Percentage of shopping carts abandoned in the last month



E-commerce companies' most common ways of dealing with customers with items left in their shopping cart



\*Basis: Consumer, has shopped online

# The shopping cart is a shopping list

In the eyes of the consumer, abandoning a shopping cart does not necessarily mean the same thing as canceling a purchase. In addition to being a step closer to checkout, the shopping cart also serves another function – it is a shopping list.

There are several reasons why the shopping cart is used as a shopping list. One reason is that consumers often make purchases across different online stores – at different times, in different locations and even on different devices. Another is that there is a lot of choice online, and it can take time to compare products, prices and online stores.

There are three types of online shopping lists that serve to jog people's memories: shopping carts, favorites and saved lists. Consumers value these features highly – six of ten women consumers consider it important that the shopping cart is saved even if they leave the online store, one of five younger consumers use the shopping cart as a reminder and one

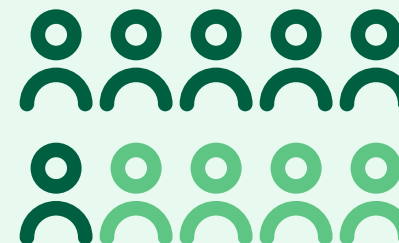
third of consumers think it is important to be able to favorite items. Several e-retailers have come some way towards making the purchase journey more convenient by offering the option to tag favorites in various ways.<sup>1)</sup>

The shopping cart and favorites lists also serve a social function. Several e-retailers allow consumers to share their favorites or shopping carts with others. One example is Amazon's Wish List, where consumers with an account can send the lists they have saved to others on the platform, making sharing easier and increasing the chances of people getting the gifts they want.<sup>2)</sup> Another example is IKEA, where shopping carts and lists can also be shared, either via the app or through the browser.<sup>3)</sup>

At present, shopping carts and lists serving as reminders are multifunctional tools. Young consumers are the most frequent users of these tools, with this habit likely to become more common and spread to other age groups.

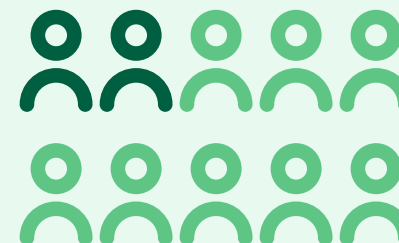
## 57%

of women consumers think it is **important that the shopping cart is saved** even if they leave the online store\*



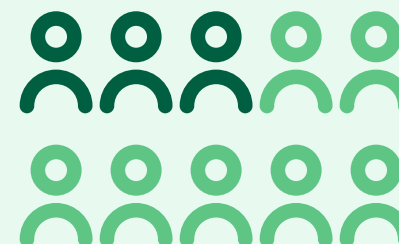
## 17%

of consumers aged 18–29 use the **shopping cart as a reminder\*\***



## 32%

of consumers think it is **important to be able to favorite products\***

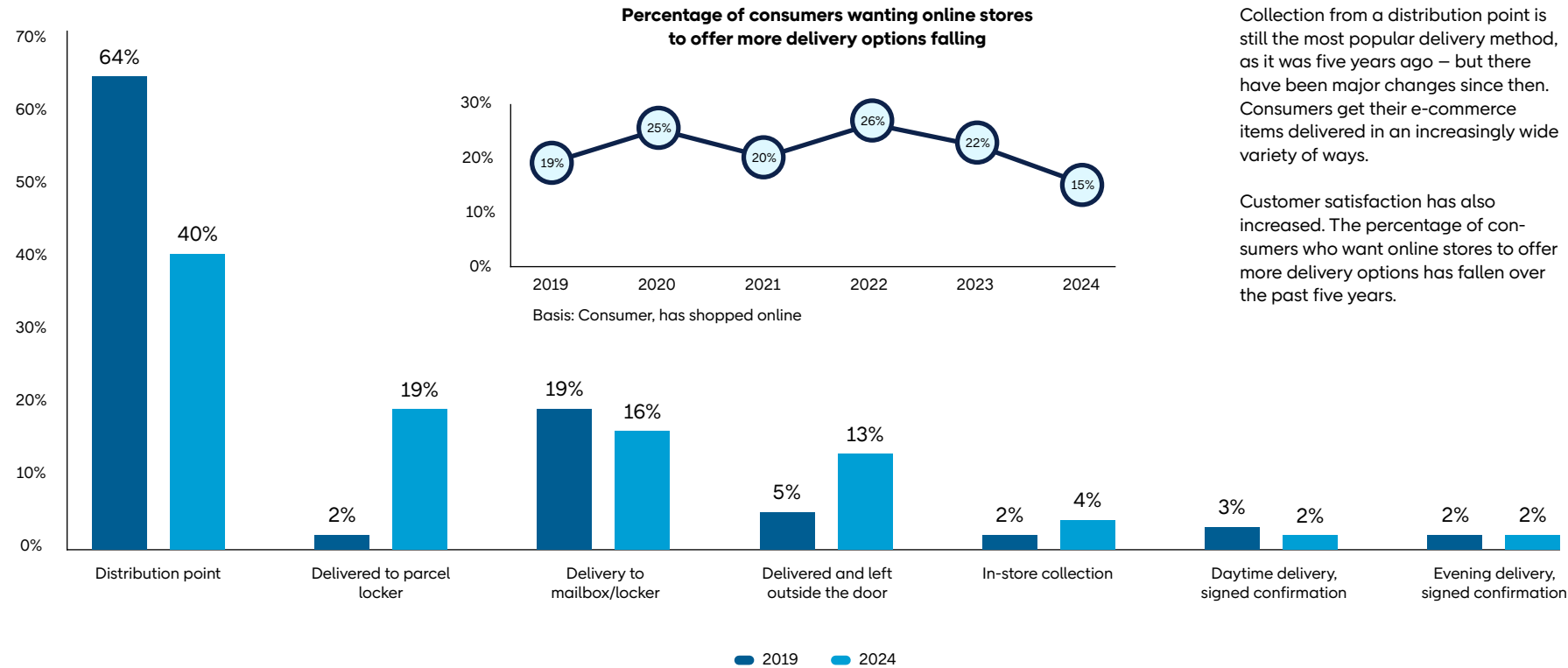


\*Basis: Consumer, has made online purchases

\*\*Basis: Consumer, has abandoned a purchase

<sup>1)</sup> Zarko.se, April 2024 <sup>2)</sup> Amazon, November 2024 <sup>3)</sup> IKEA

# How consumers' most recent e-commerce purchases were delivered



Basis: Consumer, has shopped online

# Satisfied consumers – but younger ones more demanding

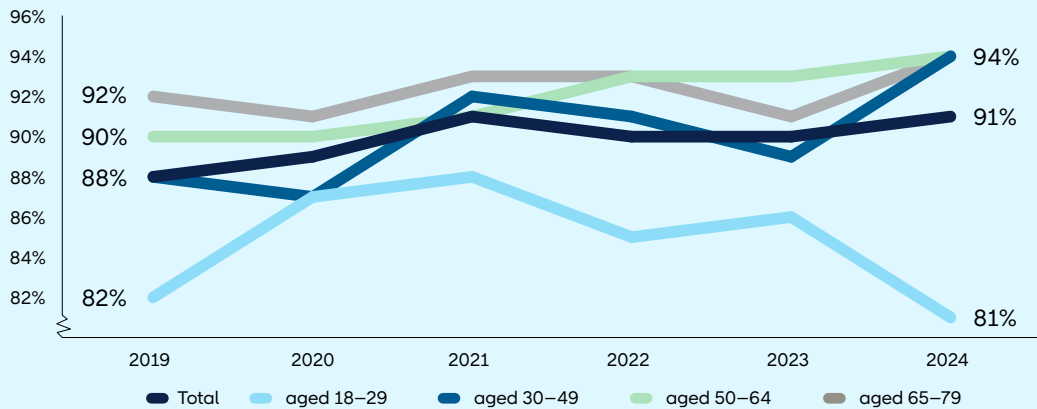
E-retailers are largely succeeding in meeting consumer expectations when it comes to information on deliveries. Ninety-one percent consider the information they received about their most recent delivery to be fairly or very good – a percentage that has remained stable over time. This means that most e-commerce companies have succeeded in creating a positive experience by offering clear and easily accessible information on deliveries.

Despite the overall satisfaction, it is clear that the youngest consumers have greater demands when it comes to information on deliveries. Although the 18–29 age group is generally satisfied, they are less satisfied than consumers in other age groups. This can be explained by the fact that younger generations

have higher expectations, as they are generally e-commerce mature and impatient. They are therefore more likely to demand even more precise and immediate communication regarding their deliveries.

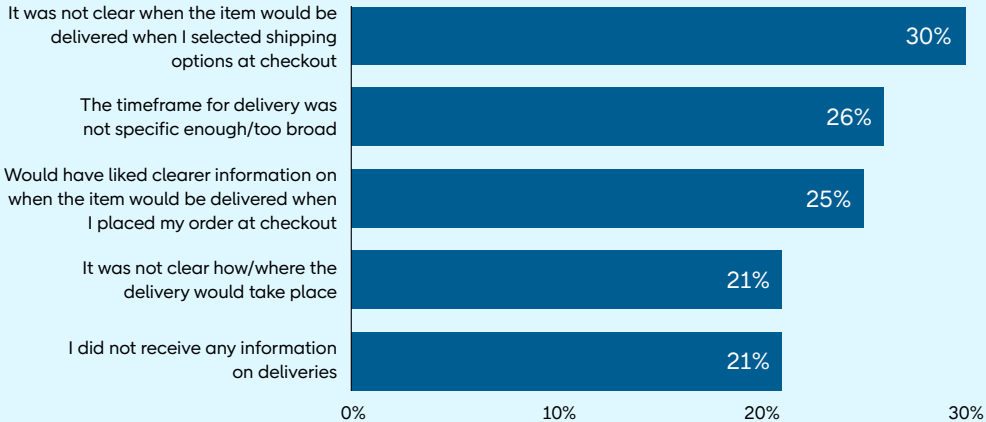
When consumers are dissatisfied, it is mainly because they lack details regarding when their items will be delivered. Many people want a specific timeframe, not an unspecified period ranging from two to seven days. Clarity is crucial for consumers, as shown by [E-barometer in Q2 2023](#), in which almost one of three consumers considered a specified delivery date to be one of the most important elements of an e-commerce delivery. A clear delivery date gives customers a sense of control and reliability in the purchase experience.

Percentage who felt that the information about their most recent delivery was good



Basis: Consumer, has shopped online. Percentage of consumers who thought the information was fairly or very good

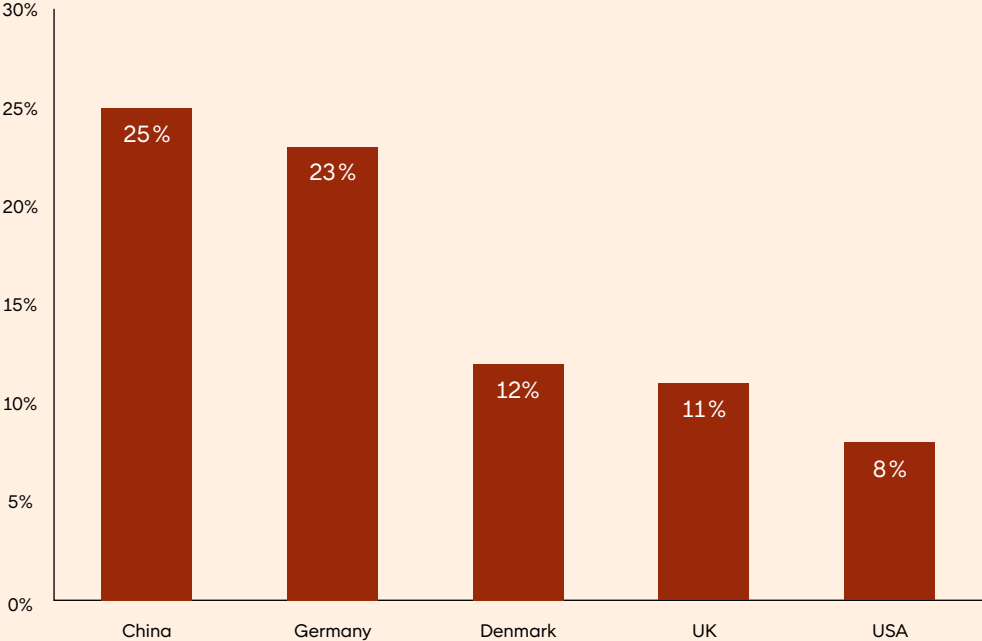
## What in the information surrounding the delivery did you think worked badly?



Basis: Consumer, if perceived delivery information to be poor

# Sharp increase in purchases from China

The countries from which consumers have made the most online purchases in the last thirty days

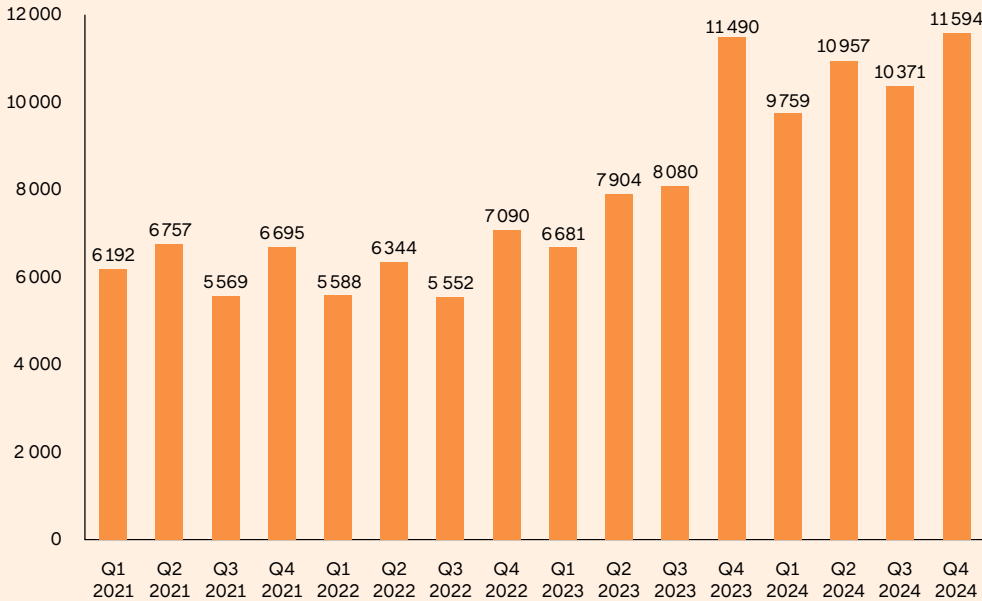


Source: Parcel index Q4 and 2024 full year

<sup>1)</sup> Parcel Index Q4 2024

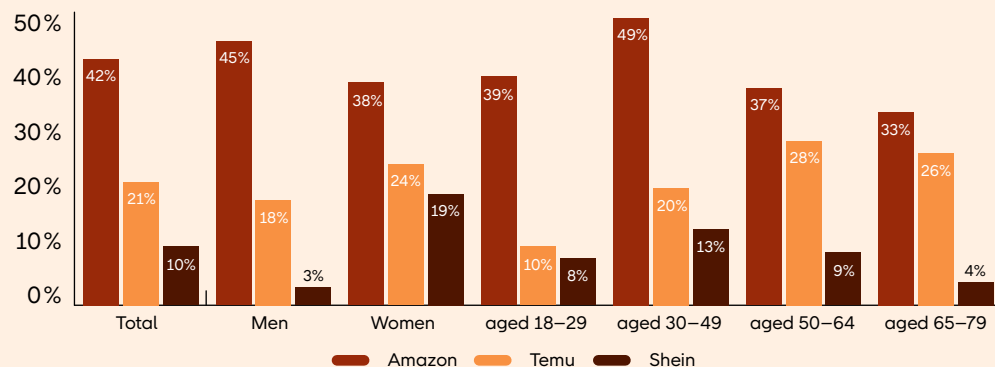
The number of items purchased from China has skyrocketed in 2024. A full 25 percent of Swedish consumers have purchased items from China in the past month. According to statistics from the Parcel Index, the number of parcels from abroad increased by 25 percent in 2024, largely due to foreign discount retail.<sup>1)</sup>

## Parcels purchased online from abroad



Source: Parcel index Q4 2024 and 2024 full year

## International marketplaces consumers purchased from in the last month



Basis: Consumer, has purchased items from foreign online stores

**25%**

of Swedish consumers  
have purchased items  
from China in the  
last month\*

**1 of 5**

consumers say **they**  
have purchased items  
from Temu in the  
past month\*\*

**1 of 3**

women between 50  
and 64 have purchased  
items from Temu  
once a month\*\*

\*Basis: Consumer, has made online purchases from abroad in the last thirty days

\*\*Basis: Consumer, has purchased items from foreign online stores

## E-commerce from China tops list in 2024

Almost half of Swedish e-commerce consumers have purchased items from abroad in the past year, with China being the top country to purchase from. [The E-barometern 2023 Annual Report](#) touched upon up-and-coming Chinese companies, and based on the past year, it is clear that e-commerce giants Temu and Shein have been the center of attention in international e-commerce.

Temu has attracted the most Swedish consumers out of the Chinese market participants in the low-price segment, now ranking eighth of twenty on the list of consumers' favorite e-commerce websites. The biggest target group is women between 50 and 64 years old, with one of three purchasing items from Temu once a month. What attracts consumers is low prices, low shipping costs and the pleasure of shopping.

To share in the success of discount retail, other e-commerce market participants

have started to adopt similar concepts. Amazon launched its own equivalent to Temu and Shein in the US in November 2024, called Amazon Haul.<sup>1)</sup> Haul also offers low prices, with no item costing more than USD 20.<sup>2)</sup> The company also vouches for the products being approved in relation to safety requirements, something that distinguishes Amazon Haul from its Chinese competitors.

The controversial international trade from China has faced criticism during the year. This has included Svensk Handel, along with some sixty other organizations, criticizing the fact that market participants are avoiding producer responsibility and establishing unhealthy competition.<sup>3)</sup> At present, no decision has been made on how to manage Chinese market participants in the low-price segment, with these discussions likely to continue in 2025.

<sup>1)</sup> Digital Commerce 360, November 2024 <sup>2)</sup> PCMag UK, November 2024 <sup>3)</sup> Svensk Handel, September 2024

# Economy and changing attitudes driving second-hand sector forward

Sofia Hagelin, Head of Communications at Tradera summarizes the sector's development in 2024 and her thoughts about 2025.



### What factors have had the biggest impact on your sector's development in 2024?

Two main factors have driven the second-hand sector forward in 2024. One is the economy. Sweden is in a prolonged recession, with Swedes under greater financial pressure, and this is generating more interest in second-hand commerce. At the same time, attitudes in society are changing, with more and more people starting to become aware of the down-sides of consuming newly manufactured products. Second-hand shopping has become trendy and often preferable, especially among younger people.

### What trends and challenges do you think will shape your sector in 2025?

Consumers are becoming increasingly aware of sustainability, and interest in the second-hand segment continues to grow. Increasing numbers of brands are also looking to engage in circular business models. The EU is tightening up sustainability requirements, affecting

e-commerce and the second-hand market. Companies need to adapt to new legislation regarding aspects such as transparency, product passports and producer responsibility

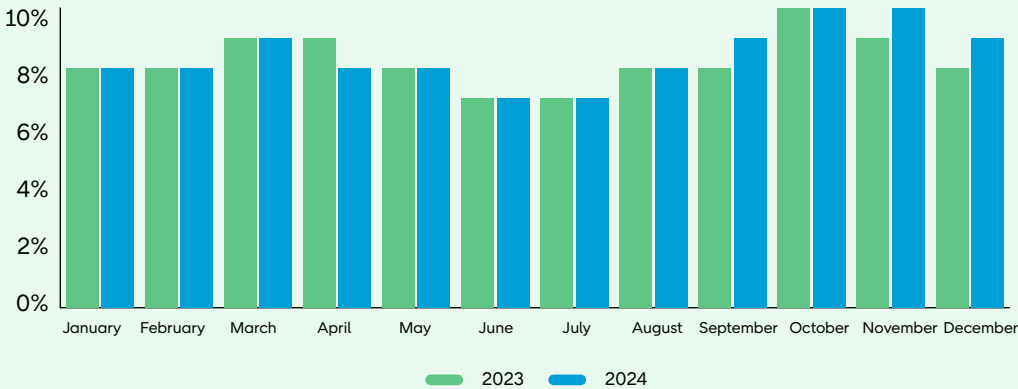
– I think this will drive companies

to develop their circular business. AI and automation are opening up new opportunities for smarter pricing, better matching between buyers and sellers, and more secure transactions, making it easier for more people to buy second-hand. Our biggest challenge is that despite the growing interest in second hand, buying items new is still a strong norm. Making second-hand people's first choice requires inspiration and clear incentives – something we at Tradera are working on every day.

### Do you think that sales for tradera.se in 2025 will be better, worse or the same compared to 2024?

We expect continued growth, driven by increased interest in circular consumption, improved technologies, strong sustainability trends and new regulations promoting reuse. More consumers and brands are embracing the second-hand segment, boosting this market further.

Distribution of GMV by month



Source: Tradera. Gross merchandise value, gross sales

### Trending categories in 2024

- |                          |      |
|--------------------------|------|
| 1. CDs                   | +43% |
| 2. Perfume and fragrance | +36% |
| 3. Collector images      | +36% |
| 4. Fiction               | +36% |
| 5. Household appliances  | +35% |
| 6. Bicycle               | +34% |
| 7. Cameras               | +33% |
| 8. Cassette tapes        | +26% |
| 9. Antiques              | +26% |
| 10. Barbie               | +25% |

Increased most in terms of number of auctions completed for consumers, Jan 1 – Dec 31, 2024 compared to 2023.

### Largest categories in 2024

- |                                   |      |
|-----------------------------------|------|
| 1. Collectors' items              | (3)  |
| 2. Antiques and design            | (2)  |
| 3. Clothing                       | (1)  |
| 4. Music                          | (5)  |
| 5. Books and newspapers           | (8)  |
| 6. Children's clothing            | (4)  |
| 7. Hobby                          | (6)  |
| 8. Children's toys                | (7)  |
| 9. Video games and computer games | (11) |
| 10. Stamps                        | (9)  |

Measured in number of products sold Jan 1 – Dec 31, 2024 (last year's ranking in brackets).

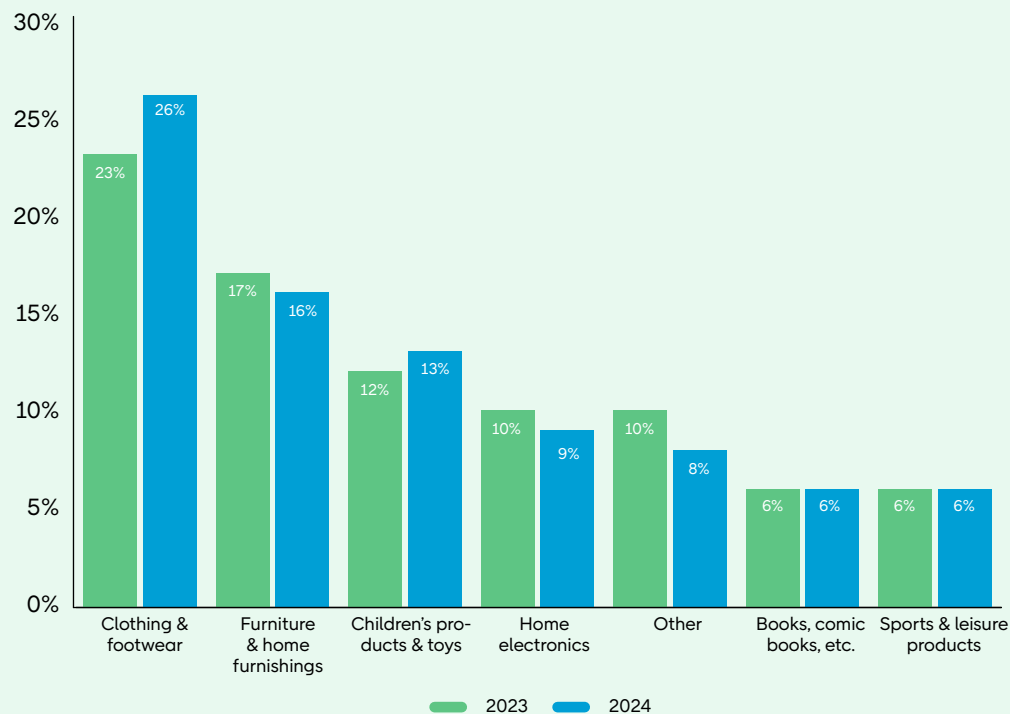
**32%**

of consumers have  
bought second-hand  
items in the  
last month\*

**SEK 1 149**

is the average amount  
spent on second-hand  
purchases in the  
last 30 days\*\*

### Top products purchased online in the last month



Basis: Consumer, has shopped online

\*Basis: Consumer, has made online purchases \*\*Basis: Consumer, has purchased second-hand items online

## The year of circular e-commerce

Consumers want to act sustainably and purchase inexpensive items. According to [E-barometern in Q1 2024](#), almost half of consumers buy second-hand because it is inexpensive, and a quarter do so because it is sustainable.

Compared to last year, more consumers purchased second-hand items by five percentage points, and purchased such items more often. Just under a quarter purchase second-hand items online once or twice a month. At the same time, the average amount spent on second-hand items decreased by around SEK 300 per month. A larger number of purchases and lower amounts indicate that more purchases are made in categories with small or inexpensive items, such as clothing and footwear.

[E-barometern in Q1 2024](#) also found that the majority of second-hand commerce takes place directly between

consumers (C2C) via various platforms, such as Tradera, Blocket and Vinted. Traditional retailers face a challenge in identifying profitable business models, as second-hand sales are often accompanied by challenges and costly manual labor. For example, Sellpy, a leader in second-hand e-commerce, is reporting challenges in terms of time, costs and warehouse space as their business grows.<sup>1)</sup>

The challenge is therefore to be able to offer second-hand items at a good price. In a recent study, a full 85 percent of consumers say they are interested in purchasing sustainable products, but not at the prices companies charge. For many consumers, sustainability seems to be a given, and since givens are not considered added value, it is difficult to justify a higher price for sustainable options.<sup>2)</sup>

<sup>1)</sup> Breakit 2024 <sup>2)</sup> Aktuell Hållbarhet, December 2024

# Extended campaign periods and reduced discounts

The 2024 Black Friday week and Christmas shopping season can be described in terms of two themes: long campaign periods and reduced discounts.

Black Friday week is estimated to have grown compared to last year. According to the product and price comparison website Prisjakt and Svea Bank, net sales during Black Friday week were higher in 2024 than in 2023. At the same time, sales during Black Friday are reported to have decreased compared to previous years – a consequence of the increasingly prolonged campaigns.<sup>1)</sup>

However, despite being slightly less busy in 2024, Black Friday remains the day on which most e-commerce orders are placed (2). For example, the beauty company Lyko reported a purchase peak of over two orders per second between 8 pm and 11 pm on the Friday.<sup>3)</sup>

The Christmas shopping period was also a period of increased e-commerce activity in December.<sup>4)</sup> For example, Swedish home improvement chain and mail-order firm

Clas Ohlson had one of its best Christmas shopping periods ever<sup>5)</sup>, and according to Svensk Handel's Style Index Christmas special, sales of clothing increased in the first few weeks of December.<sup>6)</sup>

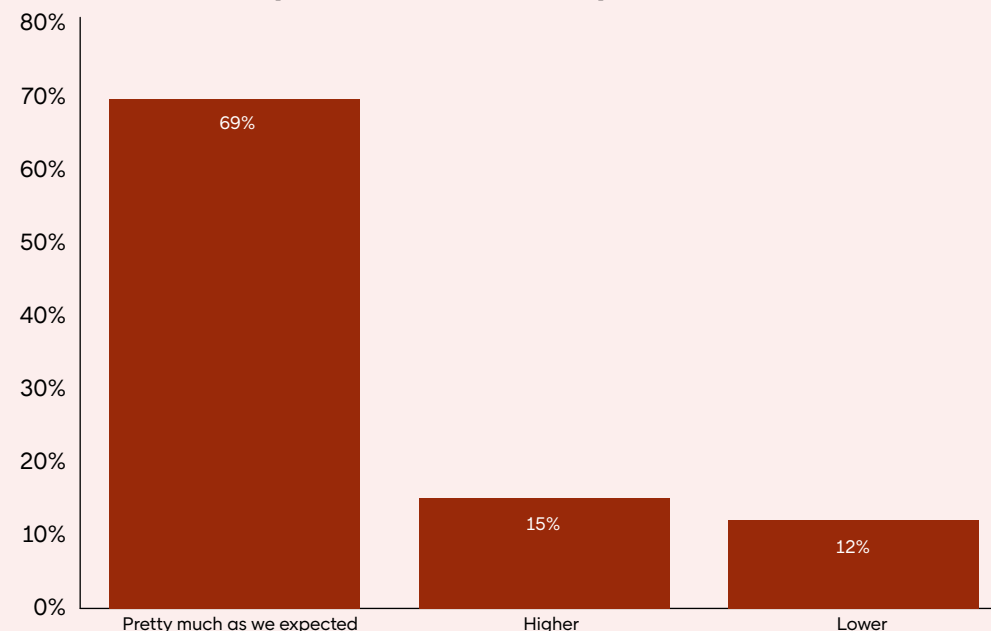
The frequent and prolonged campaign periods, which nowadays run from October to the end of December, demand a great deal in terms of e-retailers' campaign offers. Among other things, it is a challenge for e-retailers to maintain profitability while offering discounts over a long period. This is something that was noticeable during the sales between Christmas and New Year, with reduced discounts compared to last year.<sup>7)</sup>

Another challenge is that Black Friday week and Christmas shopping continue to merge into each other to a greater extent. Christmas shopping accounted for almost 40 percent of online sales during Black Friday week, showing that consumers are planning ahead more than ever. Logistics and inventory need to be planned, while offers need to be competitive during the final months of the year.

## 37%

of Black Friday week online sales were Christmas gifts\* (+3 percentage points compared to 2023)

## E-retailers' Black Friday week sales compared to their expectations



Basis: All e-retailers

\*Basis: Consumer, has shopped online. Percentage calculated by dividing the average amount spent on Christmas presents during Black Friday week by the average total amount spent during Black Friday week

<sup>1)</sup> Prisjakt and Svea Bank, November 2024 <sup>2)</sup> Ingrid, 2024 <sup>3)</sup> Ehandel.se, November 2024 <sup>4)</sup> Aktiespararna, January 2025 <sup>5)</sup> Ehandel.se, January 2025

<sup>6)</sup> Svensk Handel <sup>7)</sup> Ehandel.se, December 2024

# E-commerce trends 2025

Last year, E-barometern presented three trends to particularly keep an eye on in 2024: AI, loyalty and low price. These trends are expected to continue to shape e-commerce, but there are further things to watch out for. This year too, three trends are being presented, along with how they are expected to affect e-commerce in 2025. Key areas to watch out for are presented in partnership with Google.

## RECOVERY AND UNCERTAINTY

The Swedish economy is expected to rally, and e-commerce is on the rise. However, Swedish consumers are still showing uncertainty and restraint. Some have their sights set on making more purchases online in the coming years. Page 42–44

## TECHNOLOGICAL DEVELOPMENT AND AI

In last year's annual report, AI development was already one of the most important future trends – and it is expected to remain so in 2025. The pace of innovation is high, with e-retailers and consumers continuing to use new technological solutions to streamline the purchase journey. Page 45–47

## MARKETING

In the age of social media, personalized content and AI, attracting consumers' attention is becoming increasingly challenging. Relevant content, targeted ads and a considered choice of channels are some of the factors that will influence marketing in 2025. Page 48–50



## Recovery in sight according to consumers

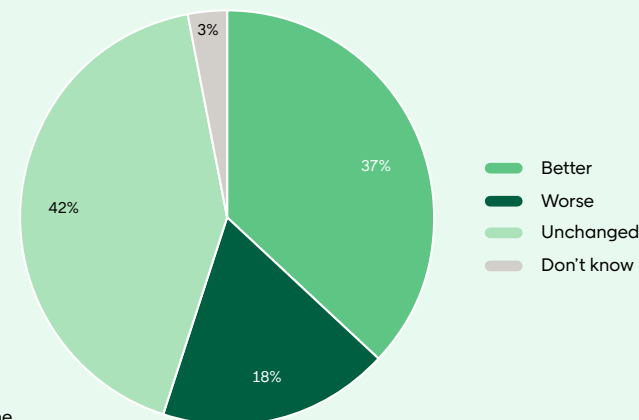
E-commerce is entering 2025 with two difficult years behind it, but the tide seems to have turned. For example, Sweden's GDP forecast is once again looking positive going forward, and consumers will soon have more money in their pockets.<sup>1)</sup> How people view their personal finances is also positive. More than twice as many consumers think their finances will improve compared to the number who think they will get worse.

More money in pockets usually means higher consumption. However, consumers often underestimate their consumption<sup>2)</sup> and it is difficult for them to predict what purchases they will make. This may explain why it is actually only in pharmacy that more people think they will

make more purchases in the coming year than in the previous one. Particularly in capital-intensive sectors, such as furniture, home furnishings and home electronics, consumers remain cautious. Among those who think they will make more purchases in these sectors, many have recently moved or plan to do so in the coming years.

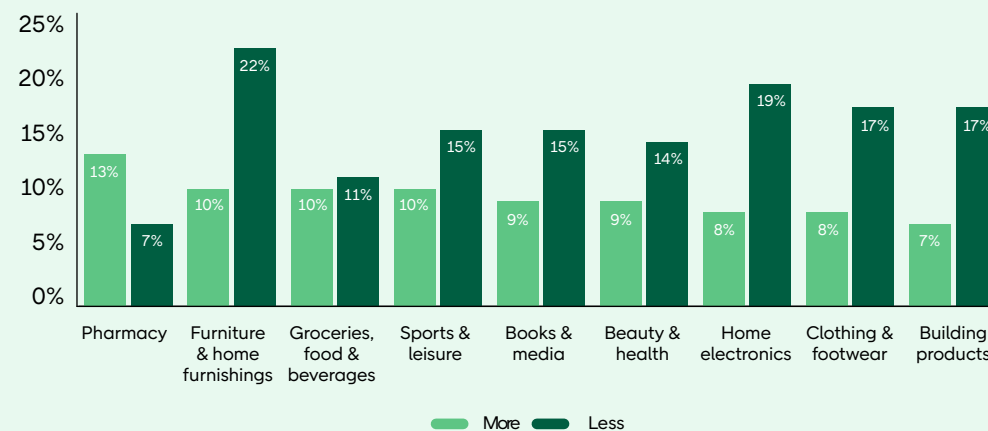
During the recession, many consumers have been forced to use their savings<sup>3)</sup> and are therefore planning to replenish their piggy banks, which goes a long way towards explaining their reluctance to consume. The final outcome is likely to be that both saving and shopping will see an upswing in 2025.

## Consumer expectations for their finances in 2025 compared to 2024



Basis: Consumers, have shopped online

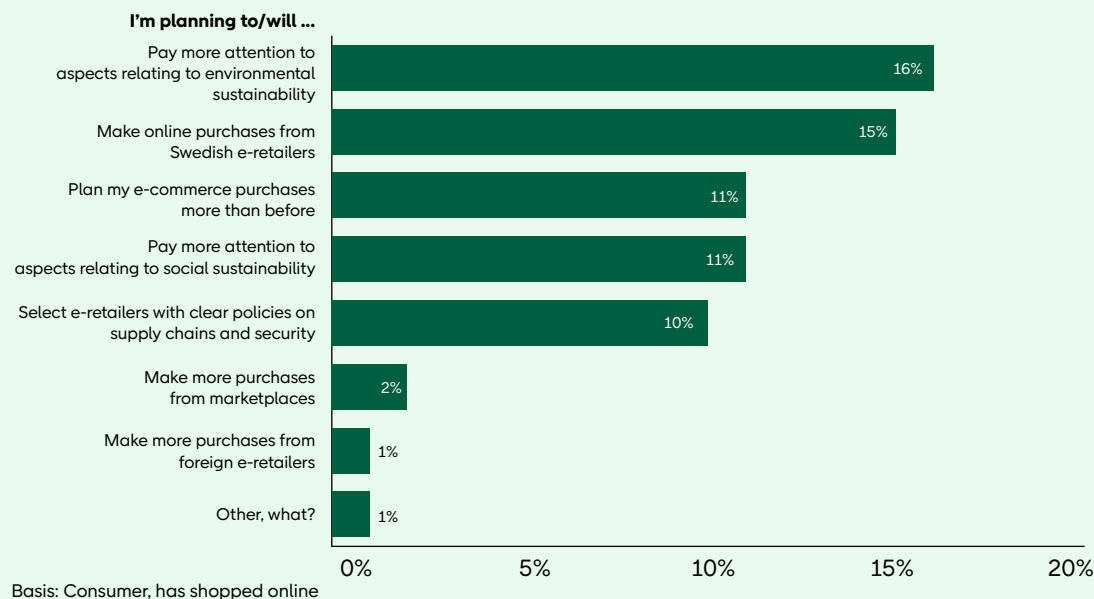
## Sectors in which consumers think they will make more or less purchases in 2025



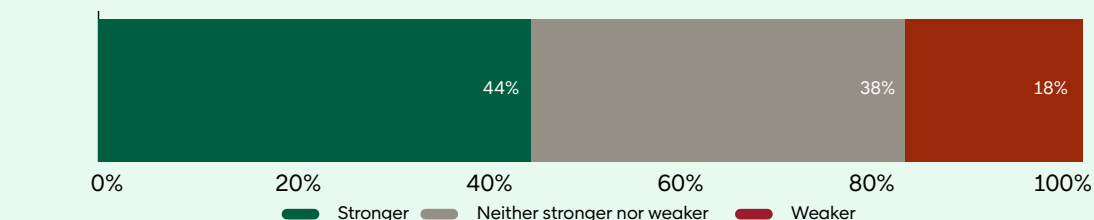
Basis: Consumer, has shopped online

<sup>1)</sup> Retail Outlook report, December 2024 <sup>2)</sup> Forskning.se, December 2018 <sup>3)</sup> Retail Outlook report, June 2024

## How the situation in the world affects consumer e-commerce



## How e-retailers expect sales to develop in 2025 compared to 2024



# The situation in the world affects how consumers make online purchases

Although the economy is recovering, there are many uncertainties – for the economy and for consumers. More than two-thirds of consumers believe that the situation in the world in the coming year will affect the way they make online purchases.

Concerns about tariffs and trade barriers are evident when consumers are asked how they think the situation in the world will affect the way they make online purchases. One of five consumers plans to avoid purchasing items affected by high tariffs and duties in the coming year.

Today, commerce and its value chains are global, which means that everything from geopolitics to developments in the global economy and the security situation affects Swedish e-commerce and Swedish consumers. One example of an external factor that can make consumers restrictive in terms of e-commerce is global trade barriers. In recent weeks, for example, US President Donald Trump has announced that a tougher import tariff policy may come into force.<sup>1)</sup>

E-barometern in Q2 2023 found that it is important for consumers to know when an item will be delivered. Fifteen percent of consumers are planning to make more online purchases from Swedish market participants in 2025, with one of ten consumers planning to try to choose e-retailers with clear policies on supply chains and security. It will be particularly important for e-commerce to safeguard supply chains in the coming years to meet the consumer's need for security.

<sup>1)</sup> Retail Outlook report, December 2024

# Older people increasingly want to make more online purchases in 2025

Understanding the motivations of consumers planning to make more purchases is important if e-retailers are to meet consumer expectations. Two reasons why consumers believe they will make more online purchases – but which are largely beyond the control of e-retailers – are an expected improvement in personal finances and changing lifestyle needs\*. The younger the consumers are, the more frequently these reasons are cited.

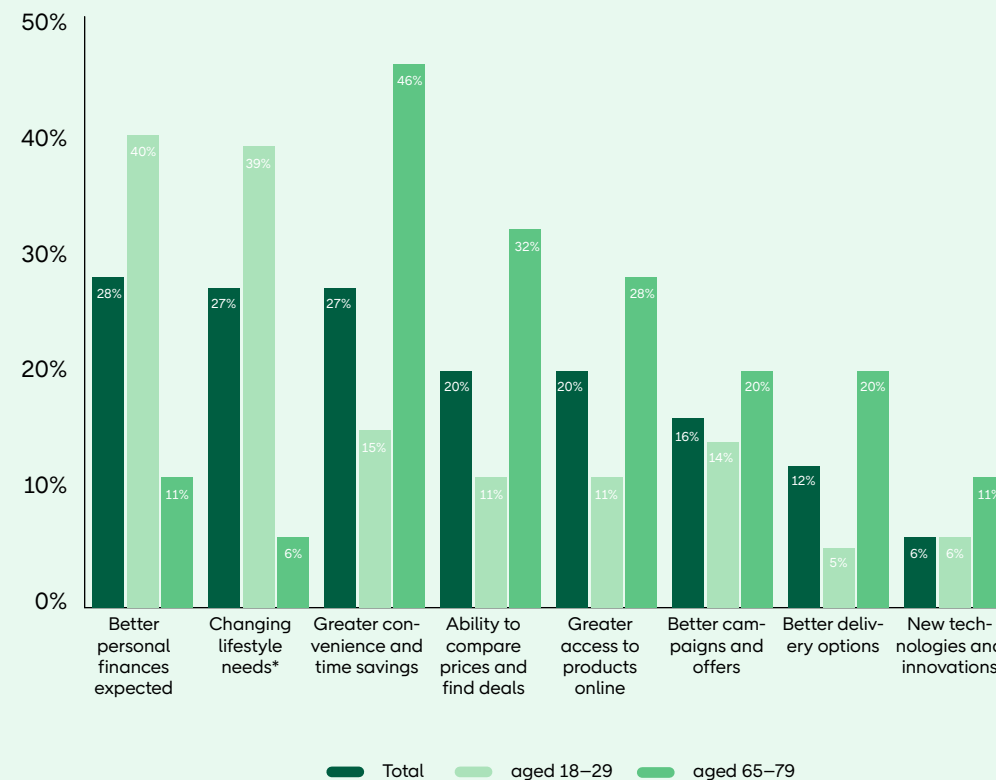
Greater convenience and time savings, price comparisons and more choice are three other common reasons why consumers want to make more online purchases – reasons that are also within the control of e-commerce. These characteristics are also some

of e-commerce's greatest strengths, and their importance increases with the age of the consumer. The older generation seems to have caught on to what makes e-commerce special – and they want to explore it more. This can be seen in the fact that almost one of two people aged 65–79 thinks they will make more purchases online because it is simple and convenient.

As the ageing population expands, it is important to improve the accessibility of online stores. Such adaptations include working on making websites more user-friendly, offering relevant home deliveries and various types of customer service. This will make it possible to entice new target groups online.

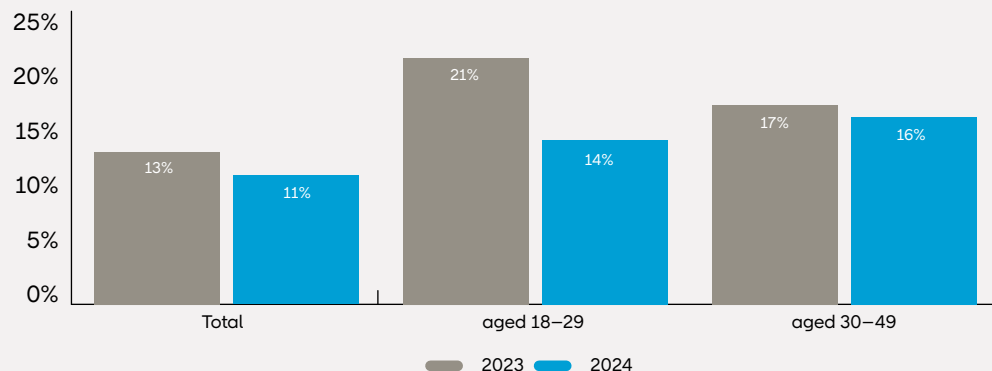
\*For example, change in housing or family situation

## Why consumers think they will make more online purchases in certain product categories in 2025 than in 2024



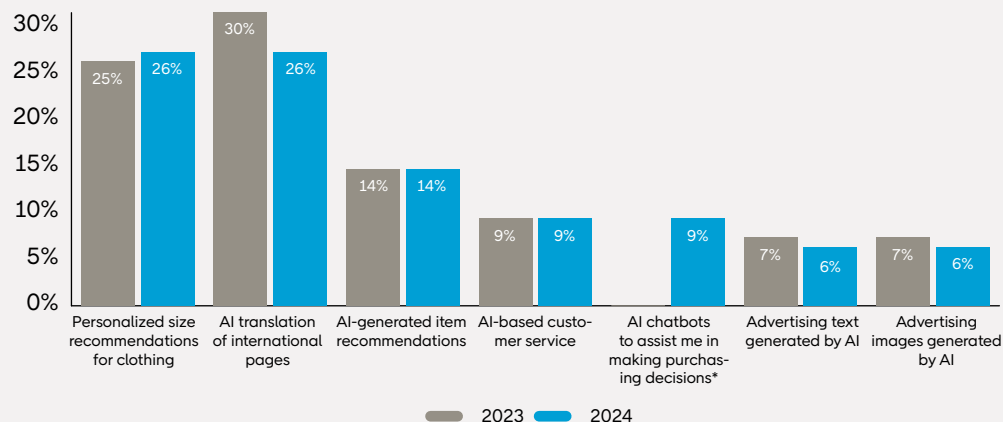
Basis: Consumer, planning to make more purchases in any product category

## Percentage with a positive attitude towards AI solutions in e-commerce



Basis: Consumer, has shopped online. Percentage of consumers with a positive attitude, responded 4-5 on a 5-point scale

## Percentage of consumers with a positive attitude towards different AI concepts



Basis: Consumer, has shopped online. Percentage of consumers with a positive attitude, responded 4-5 on a 5-point scale

\*"AI chatbots to assist me in making purchasing decisions" is a new option in 2024

## Young people increasingly skeptical towards AI

Between 2023 and 2024, attitudes towards AI-based solutions in e-commerce have become more negative. In particular, attitudes among the youngest consumers have deteriorated; 14 percent were in favor of AI solutions in e-commerce in 2024 compared to 21 percent in 2023. A contributing factor is that young people have an increased awareness of their 'digital footprint'.<sup>1)</sup> Many young people simply want to share less data to protect their privacy.<sup>2)</sup> As a result, the 30-49 age group is the most positive towards the technology being implemented in commerce.

Over the past year, it has also become increasingly clear in which parts of the purchase journey consumers actually want to see AI technology implemented. The technological solutions consumers are most positive towards are personalized size recommendations, AI translation

of international pages and AI-generated product recommendations. The ability of AI to create personalized content is one of its major advantages – which will be discussed in more detail on the next page.

Like last year, AI-generated advertising images and texts are facing the most resistance. One explanation is that images that look almost human can feel unpleasant. This phenomenon is known as the 'uncanny valley'.<sup>3)</sup> Another explanation is that it is difficult to form an opinion about the authenticity of a product if the image is AI-generated.

Using AI images and texts can save time and money, but they need to be used in the right place and at the right time. Otherwise, there is a risk that more people will become skeptical.

<sup>1)</sup> Dagens industri, November 2024 <sup>2)</sup> Ungdomsbarometern 2025 <sup>3)</sup> UR, 2025

## Personalization through AI – successful but complex

As noted on the previous page, consumers are generally positive towards personalized content, which now shares the top spot with AI translation of international pages as the most valued feature. Moreover, the personalized content is something that the consumer makes use of. One of five consumers have received personalized product recommendations in the past year. It is therefore something that consumers appreciate and use.

A personalized purchase experience has the potential to increase sales. E-commerce giant Amazon is one market participant that has made significant investments in AI-based product recommendations. The company attributes much of its sales and growth to this technology.<sup>1)</sup>

Consumers can use AI in many different ways when making online purchases. Despite this, almost half of consumers say they have not used any AI solutions

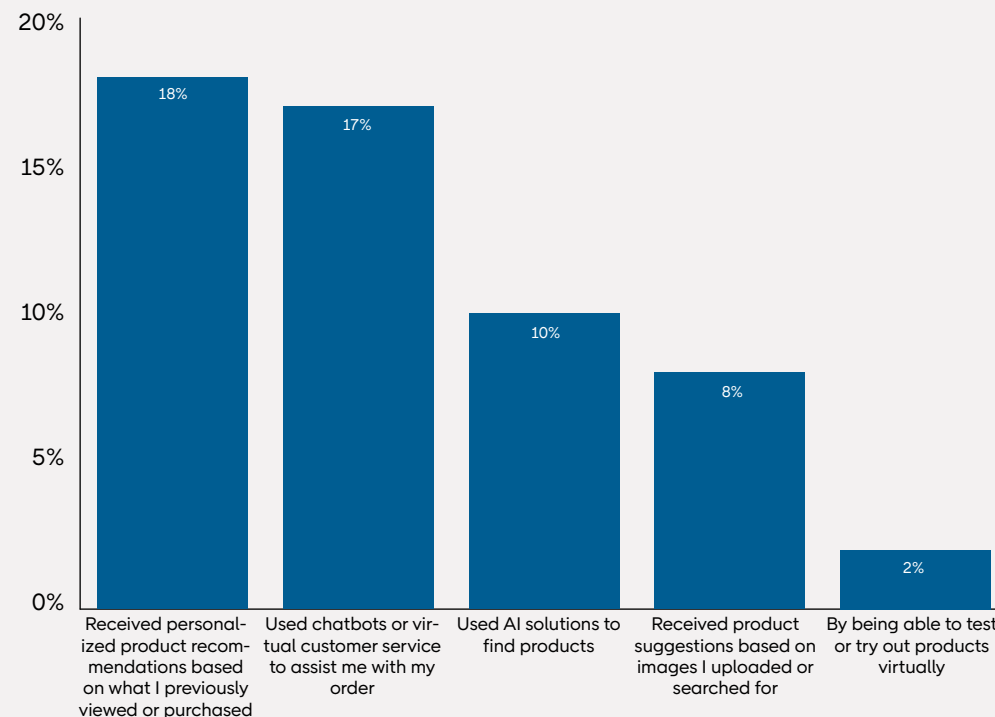
at all over the past year. However, it is not always easy for consumers to know whether they are using AI or not. For example, there are differences between business and consumer perceptions of personalized content. According to a survey, 61 percent of companies think that the purchase experiences they offer are personalized, while 43 percent of consumers feel that content is tailored to their needs.<sup>2)</sup>

The difference shows the importance of understanding what the customer wants and what they perceive as personalized in order to make the content relevant. This takes large amounts of data. For example, the shopping cart and memberships are key sources of relevant personal information about consumers. E-retailers therefore need to balance data collection with the increased privacy consciousness among consumers.

# 46%

of consumers say they **did not use AI when making online purchases** in the past year\*

### AI features/technological solutions that consumers have used in the past year



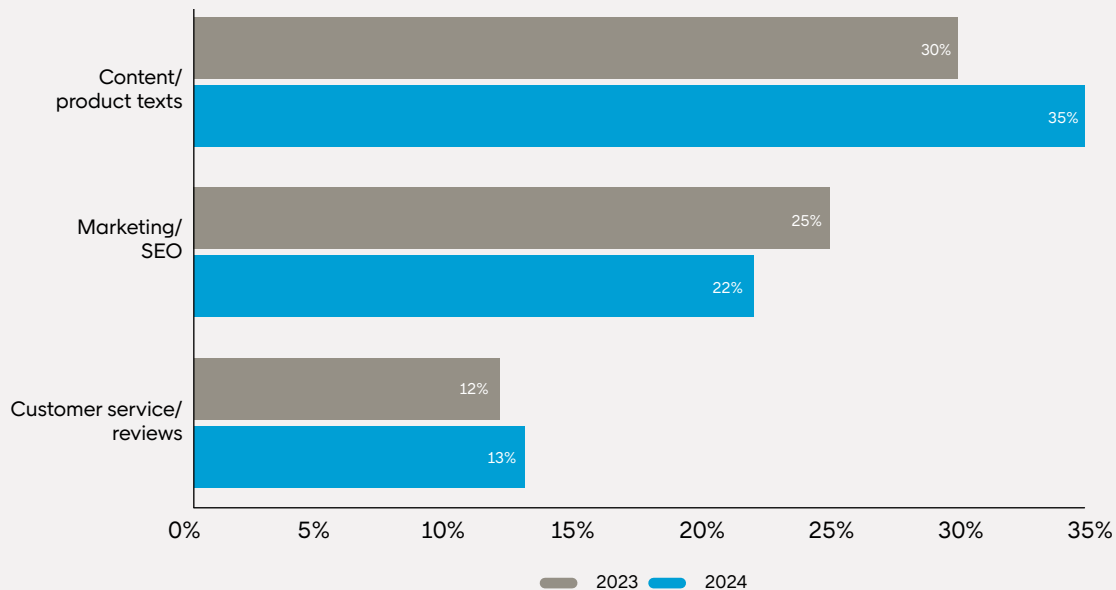
Basis: Consumer, has shopped online

\*Basis: Consumer, has shopped online

30%

of companies have not  
used AI in any area,  
compared to 39 percent  
in 2023\*

### Top three most common ways for companies to implement AI



Basis: E-retailers

\*Basis: E-retailers

## Innovations shaping the future of e-commerce

Technological innovations such as AI can take many forms in commerce. Today, there are several examples of companies that are implementing new functions and investing in technological solutions to streamline their operations.

Augmented reality, also known as AR, is a technology that allows the user to project computer-generated elements onto reality. One company that has long been working in this area is IKEA. IKEA's own app allows customers to visualize furniture in their homes before making a purchase.<sup>1)</sup> Technology thus offers a way to create a completely new experience, providing major added value for consumers. The future also looks promising for the technology, with the AR market predicted to be worth USD 193 billion by 2030.<sup>2)</sup>

Shein is one of the companies using AI to analyze demand and predict trends, enabling an extremely rapid chain from newly discovered trend to the manufacture of new products.<sup>3)</sup>

AI can also be used to optimize flows and inventory levels. For example, Amazon has advanced inventory optimization systems in which AI is used to manage inventory flows and supply chains.<sup>4)</sup>

While warehouse automation, AR and machine learning are already established solutions, other technological innovations, such as generative AI, are still in their infancy. These innovations have the potential not only to improve the shopping experience but also to change the entire e-commerce playing field.

<sup>1)</sup> Ikea <sup>2)</sup> Scayle: Future of Retail in 2030, 2024 <sup>3)</sup> Time, 2024 <sup>4)</sup> About Amazon, 2024

# Conventional advertising gives consumers a sense of control

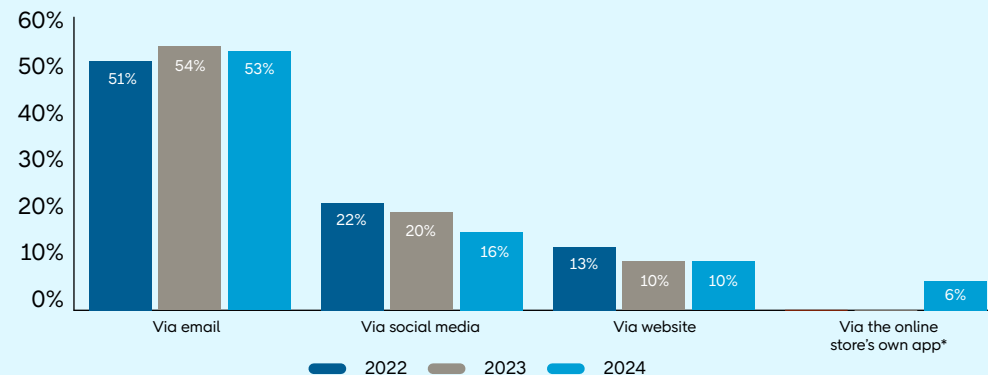
Consumers prefer to receive offers in a relatively traditional way, namely by email. Email has been the most popular method in recent years, with more than half of consumers preferring to be contacted in this way.

According to the 2024 Advertising Report from the Swedish advertising trade association Sveriges Annonssörer, there is a clear reason why consumers prefer some forms of marketing over others. Some give the recipient a sense of control; it is quite simply possible to avoid it if desired.<sup>1)</sup> The fact that consumers can choose to ignore email marketing is clearly exemplified by the fact that over half of consumers prefer to receive offers by email, while only five percent cite email newsletters as the main reason for making a purchase. The percentage of people who prefer to

be informed of offers via social media is relatively low, and has decreased in recent years. There are several reasons why offers on social media are relatively unpopular. On the one hand, there is advertising fatigue in social channels<sup>2)</sup> and on the other hand, it is often difficult to avoid marketing, which can create dissatisfaction.<sup>3)</sup>

Sixteen percent of consumers prefer to be informed of offers via the online store's own website or app. However, 39 percent said they chose to make purchases from a specific online store because they had previous experience with it. This suggests that loyal customers can be effectively reached with information on offers via companies' own channels, while new customers are best reached via other channels.

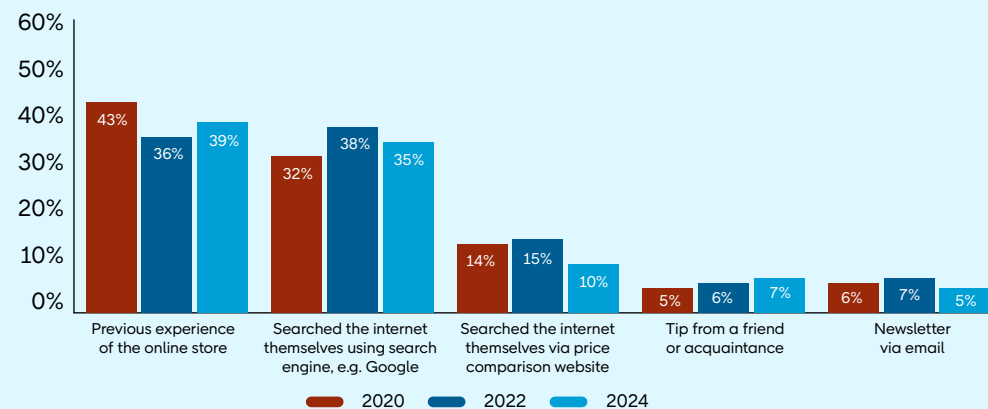
## Consumer's preferred way to receive offers from an online store



Basis: Consumer, has shopped online

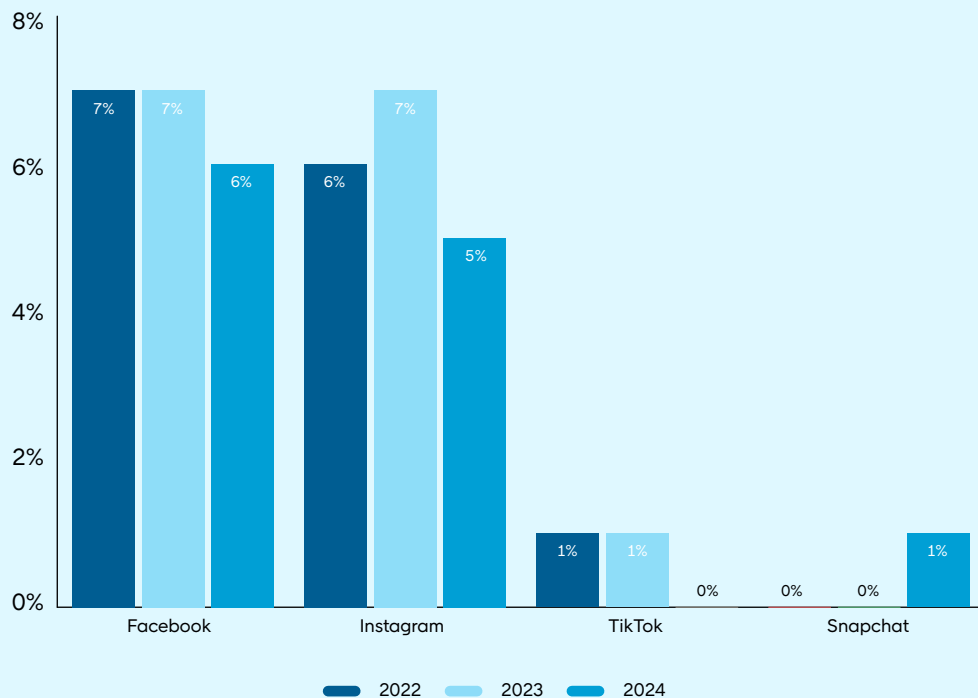
\*"Via the online store's own app" is a new option in 2024

## Main reason why the consumer chose to make a purchase in the online store



Basis: Consumer, has shopped online

## Through which social media channels consumers have made purchases without leaving the app



Basis: Consumer, has shopped online

## Social channels becoming increasingly important

Despite skepticism about advertising on websites such as Instagram and TikTok, social media is an important channel for e-retailers looking to reach new customers. Social media thus continues to play a major role in online marketing, and the social commerce market is expected to grow in the coming years.<sup>1)</sup>

The social media platform used is largely determined by the target group you want to reach. For example, people born before 2000 are most active on Facebook, YouTube and Instagram, while people born later than that have Snapchat, TikTok and Roblox as favorites.<sup>2)</sup>

Shopping directly via social media is still relatively uncommon in Sweden, with this method being more common in other countries. In China, the market share of the Chinese equivalent of TikTok, Douyin, is 15 percent of the total e-commerce market.<sup>3)</sup> TikTok Shop, which is not

currently available in Sweden, aimed to increase its market share in the US in 2024. Although no official statistics are available, several sources estimate that they have succeeded.<sup>4)</sup>

However, the future of TikTok is uncertain. In early 2025, the TikTok platform was banned for 12 hours for the 170 million users in the United States. The Chinese parent company ByteDance has until April to sell off a share of the TikTok platform to an American company.<sup>5)</sup>

It is currently difficult to predict which social channel will play the biggest role in the future. What happens in the United States ultimately affects the market for social channels in the rest of the world, including Sweden. TikTok's competitors, Instagram Reels and Youtube Shorts, are two potential market participants that might play a bigger role. However, these apps do not have shopping features that are equally well developed.<sup>6)</sup>

<sup>1)</sup> McKinsey State of Fashion 2025 <sup>2)</sup> The Swedes and the Internet 2023 <sup>3)</sup> McKinsey State of Fashion 2025 <sup>4)</sup> Reuters, December 2024  
<sup>5)</sup> CNBC, January 2025 <sup>6)</sup> BBC, January 2025

# AI shopping assistance changing the playing field

Attracting the consumer's attention with a relevant and attractive offer is already important early on in the purchase journey – namely in the research phase. Today, six of ten consumers do some form of pre-purchase research. The most common method is to use an online search engine, such as Google or Bing. Social searches have also become increasingly common.

Over the past year, several new technological tools have been introduced to make the purchasing decision easier. Consumer tools such as ChatGPT, Perplexity and Gemini can simplify product and price comparisons and provide information on relevant specifications before a purchase. Simply put, AI can serve as a personal shopper.

In 2024 ten percent of consumers used an AI solution to find products online. However, only one percent of consumers report that an AI solution has actually

led to a purchase. A likely explanation for why consumer AI research has not generated more purchases is that the tools cannot yet do everything that consumers need them to. Moreover, due to the regulations in place in the European market, development in Sweden is relatively slow. For example, American consumers can use Alexa to purchase items from Amazon, but this feature is not available in Sweden.<sup>1)</sup>

If AI assistants become more efficient and accurate, this will have an impact on e-commerce. One effect is that consumers may become less loyal to brands and online stores as they find new ways to search for items – if a shopping assistant can find a perfect item, the consumer does not need to do their own research. As regards e-retailers, it will be important to reward loyalty, for example through product reviews, loyalty clubs and discounted prices for members.

<sup>1)</sup> Amazon.com

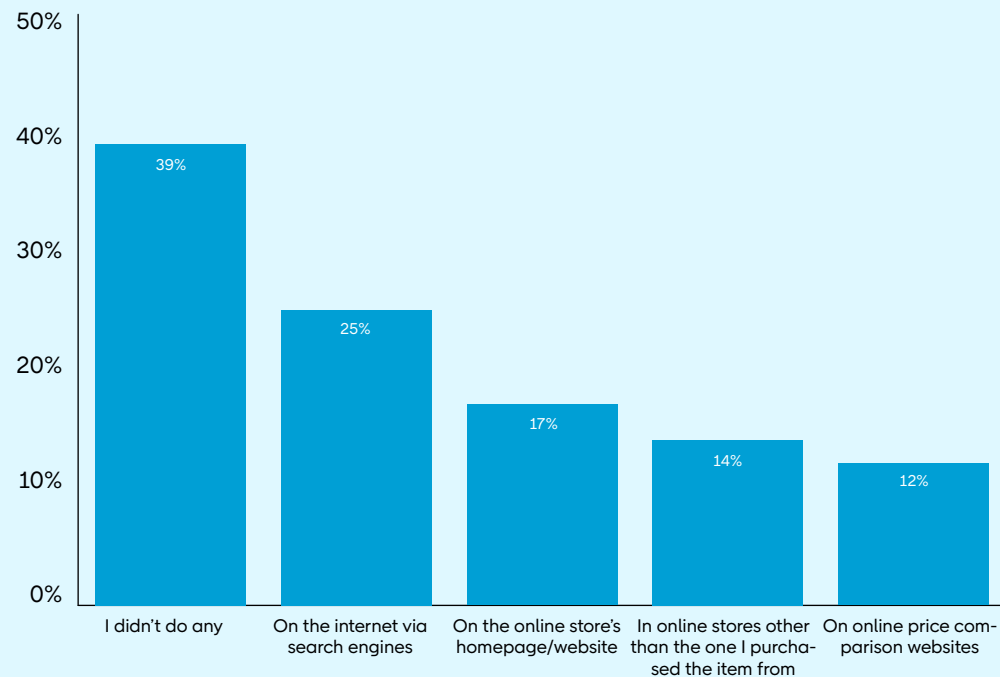
**10%**

of consumers have used an AI solution to find a product online in the past year\*

**1%**

of consumers say an AI solution helped them with their most recent purchasing decision\*

## How consumers researched their most recent online purchase



Basis: Consumer, has shopped online

\*Basis: Consumer, has shopped online

# Google: Key areas for e-retailers in 2025

Paul Mayanja, Head of Retail at Google Sweden, summarizes the areas that e-retailers need to keep abreast of during the year.



Paul Mayanja

With an expected improvement in the economy in 2025 and after years of pressure in commerce, growth will be a priority for brands. Experiences in recent years have shown that the ability to rapidly adapt to changing situations – such as changes in the global economy, new consumer needs and fluctuating budgets – is crucial. This provides both challenges and opportunities to experiment and achieve profitable growth.

## Key areas for retailers in 2025:

### • Keyword trends on Google

Consumer search behavior on Google will continue to be an important indicator of current trends. Retailers need to pay attention to what products and categories are trending, and analyze search phrases to understand customer needs and preferences. It will be important to

adapt marketing strategies and product offerings based on this data to maximize visibility and sales.

### • Omnichannel

The integration between e-commerce and in-store commerce will continue to be a crucial factor. Consumers expect a seamless experience regardless of channel, with options such as researching products online and collecting them in-store (Click & Collect). Retailers need to develop strategies that combine the best of both worlds to meet customer needs and preferences. A majority of consumers do research online before buying in-store, underlining the importance of a coherent digital presence.

### • AI's impact on commerce

Artificial intelligence (AI) will play an increasing role in the retail sector, but it is important to use AI responsibly. Retailers should focus on how AI can improve the customer experience through features such as:

- Personalized product recommendations

- AI-powered customer service tools
- Automation of marketing activities
- Creation of marketing material

It is also important to be aware that consumers can be skeptical towards AI, and so retailers need to focus on building trust.

### • Customer journeys

Understanding the customer journey – from initial contact to purchase and subsequent interactions – will be central. Retailers need to optimize the customer experience by making websites and apps easy to navigate, and offering convenient delivery and return options. Using customer data to personalize experiences and build loyalty will form an important part of a successful customer journey.

In conclusion, 2025 will be a year of continued change and development in the retail sector. Those retailers that manage to combine technological advances, an in-depth understanding of customer needs and a sharp focus on sustainability will be best positioned to succeed.



The image is an AI illustration.

# How to master your omnichannel in 2025

Omnichannel will continue to be central to the retail sector in 2025. It will probably become an even more important area, assuming that retailers take maximum advantage of the obvious opportunities it presents, according to Google Sweden's omnichannel expert Håkan Löfgren in his comment to retailers.



Håkan  
Löfgren

The customer journey between digital interfaces and physical stores is expected to become even more seamless. It is increasingly a question of creating a consistent customer experience across all channels. Consumers expect to be able to start a purchasing process in one channel and complete it in another.

The majority of consumers do research online before visiting a physical store. They expect to be able to see whether the product is available and what delivery options are available. We are also

seeing an increasing number of digital solutions in which customers can virtually turn products in various directions to examine them, or even try them on. Retailers need to ensure that their digital presence is as informative, user-friendly and engaging as their physical stores. Digital tools are also becoming increasingly important in-store, with most consumers occasionally using retailer apps to find sizes or models that are missing on the shelf, for example. The cell phone remains the most common device for this type of research, underlining the importance of optimizing the mobile experience.

We are likely to see greater use of AI to improve the omnichannel experience in 2025. For example, AI can be used to personalize product recommendations, improve customer service or automate marketing activities. Retailers will explore how AI can be used to create a more relevant and engaging customer experience across all channels. Delivery options are also a key part of

the omnichannel strategy. Consumers expect flexible delivery options, such as Click & Collect, delivery to a parcel locker or home delivery. Companies like Clas Ohlson have highlighted how a well-developed infrastructure with rapid deliveries and a smooth returns process can help ensure success.

In the future, it will be even more important for retailers to collect and use first-party data to gain more in-depth understanding of their customers and offer a more personalized experience. The phasing out of third-party cookies means that the relationship with customers will be crucial.

In conclusion, retailers that are successful in 2025 will be those who master omnichannel strategy. This means offering a seamless experience, integrating e-commerce and in-store commerce, using data and AI responsibly, and prioritizing customer needs and preferences.

# How AI can help marketers and retailers

According to Paul Mayanja, Head of Retail at Google Sweden, artificial intelligence (AI) will now start to play a crucial role for marketers and retailers.



Paul Mayanja

create custom marketing campaigns with unique content and images, increasing their relevance to each individual customer. Multimodal AI can interpret data from text, images and video to predict trends and offer more accurate product recommendations.

Offering a host of new capabilities, AI will improve operations and provide more engaging customer experiences. AI will not only automate processes, but also provide more in-depth insights and enable more personalized interactions.

## For marketers, AI will revolutionize several areas:

### • Streamlining and automation

AI-powered tools will automate repetitive tasks such as producing different ad versions and adapting video to various formats, which can free up time for marketers to focus on strategy and creativity. AI will increasingly be able to optimize bidding and target audience analysis, which can lead to better results at the same or lower costs.

### • Personalization

By analyzing large amounts of data, AI can

### • Improved metrics and monitoring

AI will make it possible to measure marketing impact and link effects from different sources more accurately. It will also be possible to analyze data from different sources such as computer vision, listening, eye-tracking and surveys to understand what attracts the consumer's attention, while maintaining high ethical standards when managing consumer data. Greater accuracy in MMM (Marketing Mix Modeling) allows you to measure the impact of different media channels and thus optimize media investments.

## In the retail sector, AI will help provide increasingly seamless customer experiences:

### • Multimodal AI

Retailers can leverage multimodal AI to interpret customer-generated data such

as text, images and video on social media and in reviews. This will enable a better understanding of customer needs and market trends.

### • AI agents

These intelligent systems can manage complex workflows, adapt and make decisions on their own. For example, AI agents can help customers and employees obtain information quickly by using text, voice, images and video. They can also manage data from different systems, reducing complexity.

### • Improved customer service

AI-powered chatbots can provide fast and relevant customer service, saving time and money. Although consumer trust in AI-based customer service is still low, the technology is likely to evolve and become more accepted over time, or be combined with human contact to provide support in decision-making.

### • Optimization of inventory and logistics

AI can be used to optimize inventory management and ensure popular products remain in stock, improving delivery performance.

### • Custom recommendations

AI can analyze customer preferences and provide personalized product recommendations, increasing the chances of customer satisfaction and upselling.

It is important to note that while AI offers great opportunities, the combination of human insight and technology will drive the best results. Companies need to be transparent about how they use AI and establish ethical guidelines, especially when it comes to generative AI.

In conclusion, AI will be a powerful engine for innovation and growth in marketing and the retail sector in 2025, provided it is implemented responsibly and strategically, and retailers have established a sensible strategy for collecting and managing their first-party data. Managing and using first-party data regarding your own customers and prospects will be an increasingly important competitive advantage in terms of maximizing the impact of existing and future AI marketing solutions.

# Future scenarios: 2025–2027

“The future is uncertain – so to help E-barometern readers, we have returned to the scenarios for Swedish e-commerce growth that we presented in 2023. This time we are looking at 2025–2027. We hope that

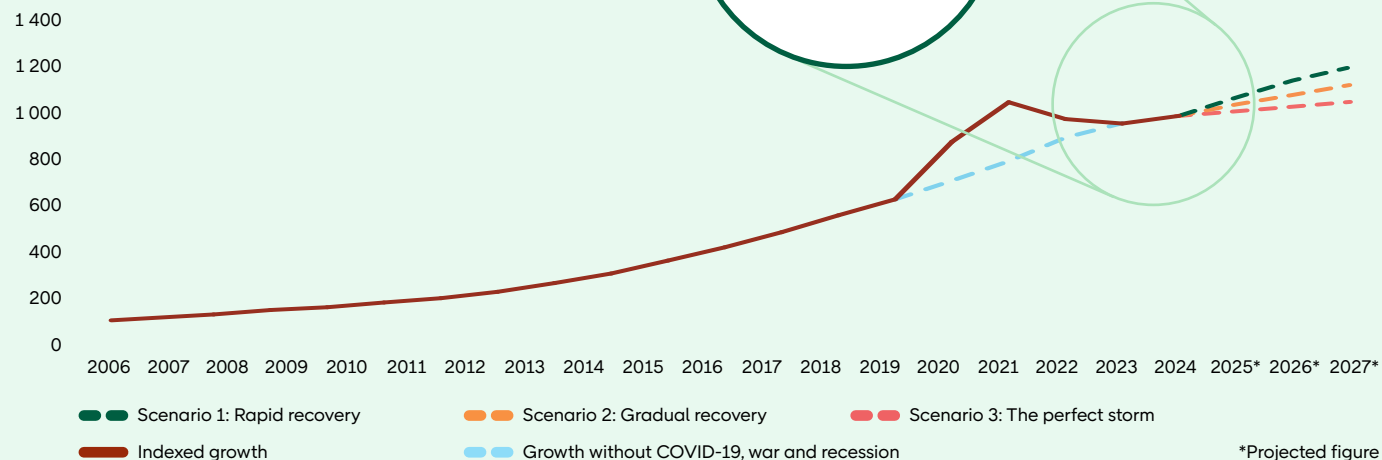
the scenarios can provide additional support in planning and making forecasts.”

**Jan Jakobsson, PostNord**



## E-commerce development 2006–2027

Indexed development, 2006=100. Current prices



### Review of previous future scenarios

In the [E-barometern Annual Report 2022](#), three scenarios for the future development of Swedish e-commerce were published and subsequently followed up on in [Q2 2023](#). At the time of the 2023 forecast, the recession had not yet bottomed out and the economic situation was characterized by high costs for both businesses and consumers. Interest rates were high, as were inflation and energy prices. When interest rates were lowered and inflation was contained, the outcome for 2023 ended up somewhere between the most positive and the intermediate future scenario. The outcome for 2024 was in line with the intermediate scenario. This means that e-commerce has been relatively resilient, but recovery has been slow.

### Conditions for future scenarios

The rapidly changing world with geopolitical turmoil, fluctuating inflation and shifting interest rates has made it increasingly challenging to predict developments in the economy. However, it is clear that the Swedish economy has started to emerge from the recession. Consumers remain cautious, but most households think that the worst is over.<sup>1)</sup>

The fact that better times are expected is also evident in e-commerce, where the majority of sectors are now showing positive growth figures. At the same time, Swedish e-commerce continues to be characterized by a growing low-price market, a new situation in terms of global competition, and geopolitical uncertainty.

<sup>1)</sup> National Institute of Economic Research

# Starting points for e-commerce development

The future scenarios aim to explore three possible paths that e-commerce could take in the coming years. In the most optimistic scenario, e-commerce grows by between six and eight percent annually, with sales already surpassing those in the previous e-commerce peak in 2021 in 2025. In the least optimistic scenario, e-commerce surpasses the 2021 sales level in 2027.

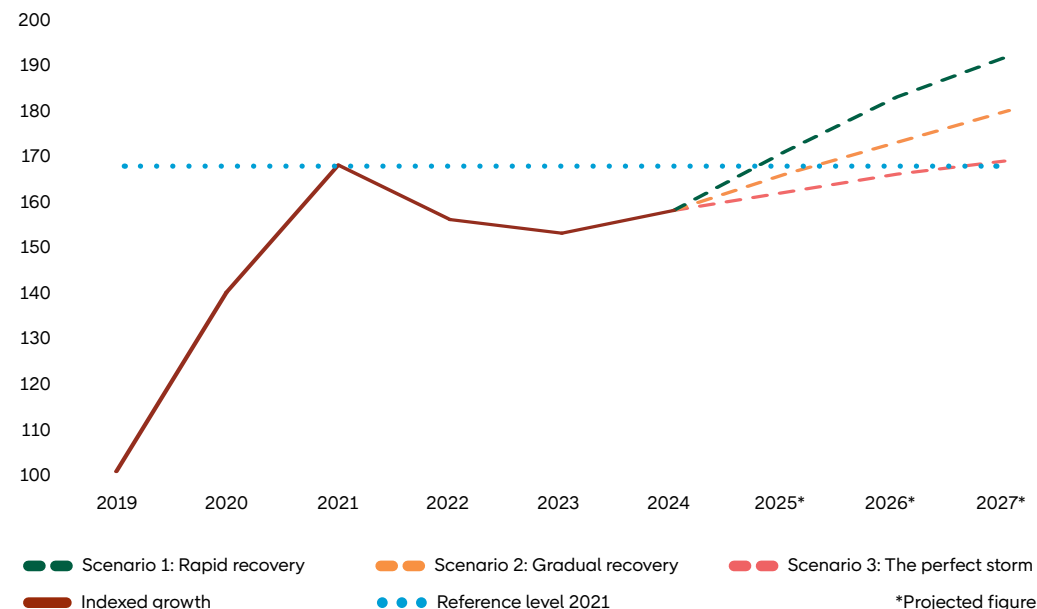
Inflation in e-commerce has been high in recent years. This means that growth has mainly been due to price increases – that is, there has been growth in current prices but not in fixed prices.<sup>1)</sup> Only in 2024 did Swedish e-commerce start to recover in terms of fixed prices, and it will take time before sales volumes are back at pandemic levels.

Two important factors to keep in mind are e-commerce from abroad and circular e-commerce between consumers. These two components are not included in E-barometern net sales trends, but they compete for consumer cash. In each future scenario, the role of foreign discount retail will vary; in scenario 1 its role will be minor, in scenario 2 this will increase slightly and in scenario 3 it is expected to increase sharply.

The scenarios should be seen as examples of how e-commerce could develop based on different assumptions. If the world changes drastically between years, development may move between or outside these different scenarios.

## Future scenarios: E-commerce development 2025–2027

Indexed development, 2019=100\*\*. Current prices



<sup>1)</sup> Current prices express the nominal value and are not adjusted for changes in value due to inflation. Fixed prices express the real value, which means that the price has been adjusted for the year's inflation rate.

\*\*E-barometern's future scenarios take 2019 as the baseline year for e-commerce development. The comparison year is used to provide a picture of growth during and after the pandemic.

## Scenario 1: Rapid recovery

**Optimism and digitalization are paving the way for a growing e-commerce sector, which continues to gain market share across all sectors.**

The first scenario forecasts a rapid recovery with growth of eight percent for 2025, seven percent for 2026 and five percent for 2027. This is a higher growth rate than for the retail sector<sup>1)</sup> as a whole, which means that the e-commerce share is projected to increase from 14 percent to 16.5 percent by 2027. In contrast to the price-driven growth of recent years, future growth is expected to be driven mainly by volume growth. Put simply, more items will be sold in the coming years.

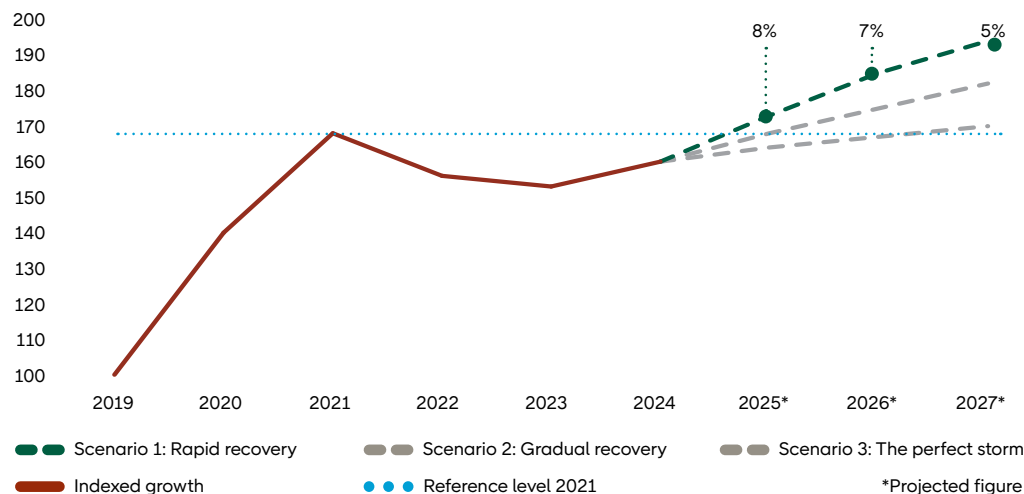
Scenario 1 is based on stabilized interest rates, real salary increases and increased consumer optimism. As consumers get more money in their pockets, they also start investing in capital-intensive items. Sectors such as home electronics, building products and furniture and home furnishings are therefore expected to get a boost in this scenario. Grocery retail is also forecast to grow, with its e-commerce share reaching six percent, the

level achieved during the pandemic. In addition to macroeconomic conditions, several factors indicate positive developments ahead. From the start of E-barometer in 2006 until its peak in 2021, e-commerce has had an average growth rate of 15 percent per year. Scenario 1 assumes that growth will continue to remain high going forward. The e-commerce market is not yet saturated and digitalization, new e-commerce offerings and pure-play e-commerce market participants continue to drive growth.

As e-commerce is more mature now than it was previously, the growth rate is forecast to be lower than before the pandemic. In addition, competition from foreign market participants has increased, as has interest in C2C circular e-commerce. This also contributes to the fact that projected growth is lower than historical growth.

## E-commerce to surpass 2021 peak in 2025

Indexed development, 2019=100. Current prices



**Emma Hernell, HUI Research:** "Demand is increasing, but so is competition. New companies with innovative, smart business models are being launched, and e-retailers need to build brands and communities as the price of keywords continues to rise. In a growing economy, time, alongside price, is once again becoming an important factor for consumers, and fast and efficient service is a competitive advantage that is growing in importance."



**Jan Jakobsson, PostNord:** "The economy is getting a boost, households are confident about the future and are consuming at an ever faster rate. Capital-intensive sectors are reaping the benefits, and home delivery of meal kits continues to increase, contributing to overall growth. Online retail, with its price transparency and range, is taking off."

<sup>1)</sup> Retail Outlook report, December 2024

## Scenario 2: Gradual recovery

**E-commerce continues to gain market share from in-store commerce, but the recession has lingering effects.**

The second scenario forecasts a gradual recovery, with growth of five percent for 2025 and four percent for both 2026 and 2027. The forecast is based on the Retail Outlook report, which predicts a slow-down in recovery in the coming years<sup>1)</sup>. In this scenario, e-commerce outperforms in-store commerce, and the e-commerce share is expected to grow by half a percentage point annually.

Scenario 2 is based on the fact that many consumers have amassed more money in their pockets over the past year. However, the recovery will take time, and the effects of interest rate cuts will lag to some extent.

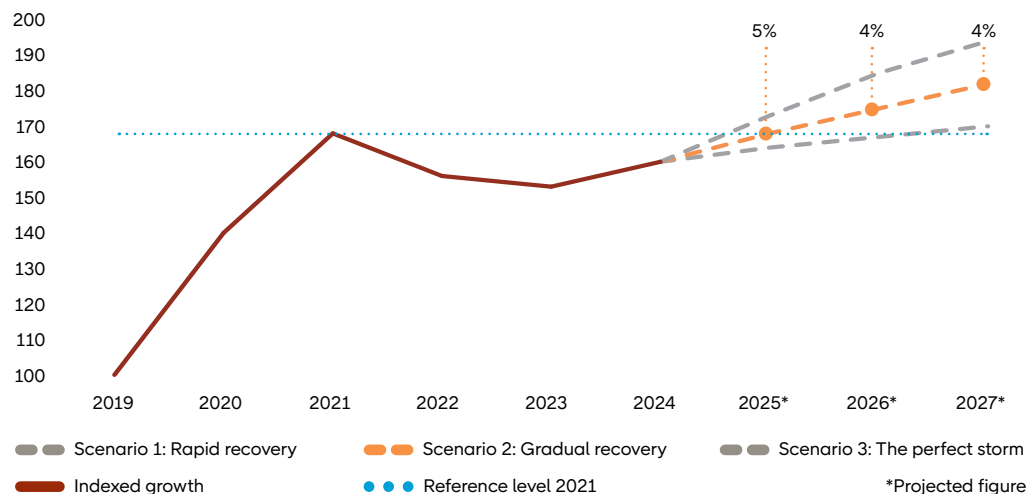
Growth in the coming years is expected to differ across sectors. Sectors compatible with e-commerce and offering

less capital-intensive items, such as pharmacy, clothing and footwear, are expected to continue growing strongly. The more capital-intensive sectors will grow more slowly due to consumer reluctance to make costly purchases.

The purchasing behavior that has emerged during the recession is expected to persist for some time to come. Price-sensitive consumers continue to do research and compare prices, which is easy to do online. At the same time, price sensitivity means that many consumers make purchases at low prices, often in physical stores or from foreign e-commerce market participants. This is slowing down e-commerce growth somewhat, but the trend over the forecast period is expected to be positive.

## E-commerce to surpass 2021 peak in 2025

Indexed development, 2019=100. Current prices



**Emma Hernell:** “Consumers are cautious, balancing spending on consumption made possible due to real salary increases with savings. The habits acquired by consumers during the cost-of-living crisis persist, while there is a pent-up need to invest in capital-intensive items. Value for money remains important, and customers still want to make smart choices. The second-hand market continues to be popular, affecting sales of new products. Products that are sought after second-hand are also attractive on the first-hand market.”



**Jan Jakobsson:** “The economy is slowly gaining in strength and the housing market is starting to pick up. This is having a positive impact on several e-commerce sectors. However, the relationship consumers have established with the low-price sector is difficult to change. Hot new product releases in categories such as home electronics are a must to entice consumers to upgrade capital-intensive items.”

<sup>1)</sup> Retail Outlook report, December 2024

## Scenario 3: The perfect storm

**The economic situation is deteriorating, and consumers are turning to foreign market participants so they can purchase inexpensive items.**

In the third and final scenario, e-commerce grows by 2.5 percent in 2025 and 2 percent in both 2026 and 2027. There is no growth in volume in e-commerce in this scenario, with growth only being driven by price increases. Despite the modest growth, e-commerce is expected to outperform in-store commerce, and the overall e-commerce share is expected to increase over the period, albeit marginally.

In scenario 3, not only is e-commerce expected to struggle, but the brakes are put on the entire economic recovery. After a period marked by several crises, the coffers are empty. Many consumers have been able to use savings to maintain their level of consumption, but now their savings are starting to run out. If Swedish households face another cost-of-living crisis, it will be felt both in-store and in e-commerce.

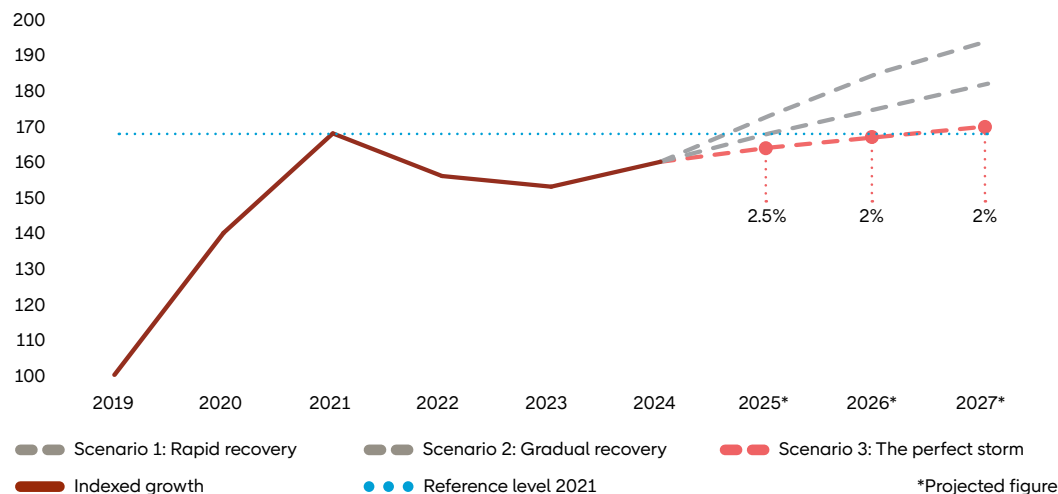
Several external factors may affect consumer finances. One example is developments in the German economy.

The country, which is Sweden's largest export market, is currently facing political and economic challenges. If the German economy declines, this could also spill over into the Swedish economy.<sup>1)</sup> Another risk is rising inflation due to tariffs. Trade barriers fuel inflation in the global market, which in turn leads to higher interest rates and reduced purchasing power – including in Sweden. At the time of writing, US import tariffs are a hot topic. What effect this will have on the global market remains to be seen.<sup>2) 3)</sup>

Scenario 3 also assumes that the non-European low-price giants will continue to increase their market share in Sweden. Today, Chinese market participants in the low-price segment are already experiencing strong growth and have become increasingly popular during the recent recession. If consumer spending power decreases, low-price options will become more attractive, which in this scenario is expected to lead to more and more e-commerce purchases being made abroad.

## E-commerce to surpass 2021 peak in 2027

Indexed development, 2019=100. Current prices



**Emma Hernell:** "In a market with weak demand, e-commerce companies will be forced to streamline their operations. Consolidations are to be expected – size matters when it comes to bringing down purchase prices. Consumers will continue to look for deals and spend a lot of time on price comparisons. A turbulent world with trade barriers will make it difficult for e-retailers with global ambitions. The focus will be on the EU single market for production and purchasing, as well as for marketing and sales."



**Jan Jakobsson:** "Continued sluggish recovery, global unease, trade barriers and more will result in more corporate restructuring and bankruptcies. The value of the Swedish krona against the dollar and the euro will weaken further, affecting imported items and our purchasing power. Consumers will continue to focus on discount retail from Asia and elsewhere."

<sup>1)</sup> Näringslivet news website, November 2024 <sup>2)</sup> National Board of Trade Sweden, October 2024 <sup>3)</sup> BBC, February 2025

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### About HUI Research

HUI Research AB provides, via its consultancy and research activities, professional decision-making material and advice to businesses and the public sector in the areas of retail, tourism, consumption and economics. The company was founded in 1968 and is an independent subsidiary of the trade association Svensk Handel (Swedish Commerce).

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