postnord

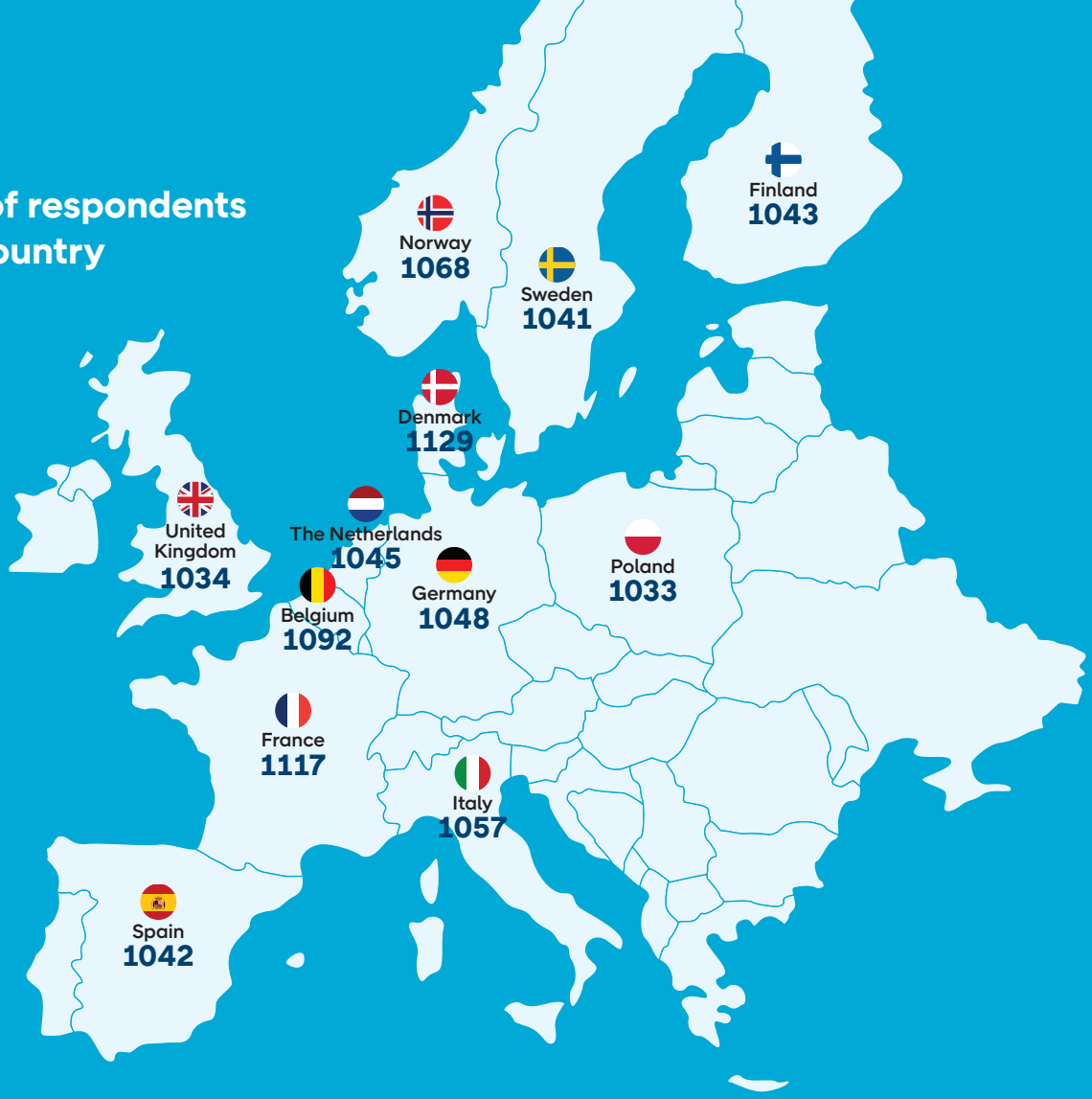
E-commerce in Europe

2021

205
206
postnord
JAMO ENGROS AS
ART NO.: 787 4436

- About this report 4
- Foreword 5
- Overview 6-9
- The Pandemic 14-15
- E-commerce in Europe 10-13
- International retailing 16
- Sustainability 17-18
- Marketplaces 19-21
- Deliveries 22-25
- Spotlight on **Belgium** 28-29
- Spotlight on **Denmark** 30-31
- Spotlight on **Finland** 32-33
- Spotlight on **France** 34-35
- Spotlight on **Germany** 36-37
- Spotlight on **Italy** 38-39
- Spotlight on **The Netherlands** 40-41
- Spotlight on **Norway** 42-43
- Spotlight on **Poland** 44-45
- Spotlight on **Spain** 46-47
- Spotlight on **Sweden** 48-49
- Spotlight on **United Kingdom** 50-51

Number of respondents in each country



About this report

PostNord has studied the European e-commerce market in the E-commerce in Europe report since 2014. The report is based on interviews with a total of about 12,000 consumers in Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Poland, Spain, Sweden and the UK. So when the report talks about Europe, these are the countries being referred to, unless otherwise specified. The interviews were conducted with representative nationwide samples of private individuals aged 15–79 years.

The number of respondents varies somewhat between the countries. For most of the interviews, the number of respondents was around 1,000. The interviews were conducted by the research company Nepa. Since the survey was conducted online, the responses were recalculated based on the percentage of the population in each country that used the internet in 2020–2021. This percentage was calculated by Eurostat. This is of significance, since internet use varies among the different European countries. To calculate how many consumers from each market shop online, we used Eurostat's population statistics as a basis.

To calculate the average purchase in EUR, we used exchange rates from June 2021. E-commerce is defined as the purchase of physical products online. This means that services (e.g. travel, hotel and tickets), as well as downloads (e.g. music, movies and apps), are not included. PostNord also publishes the E-barometer survey in Sweden. It is based on a different methodology, which is why it is not fully comparable with this report.

In 2021, the method for measuring e-commerce consumption was updated from the last year to the last month. As e-commerce consumption has increased, it has become harder for consumers to remember all their purchases on an annual basis. To reduce the effect of extreme values with the new method, the maximum e-commerce purchase on a monthly basis has been set at 1,000 euros.

The growth of e-commerce leads to a great need for environmentally efficient logistics

After living with the coronavirus pandemic for eighteen months, much of the world is now slowly recovering and returning to a more normal life. Most parts of society have been affected by and have had to adapt to the effects of the pandemic. Our business operations at PostNord are no exception. If we take Sweden as an example, e-commerce grew by 40% last year. This is a completely unprecedented development, and we see similar trends in other countries.

Growth on this scale places high demands on logistics. For example, the share of e-commerce consumers who want their goods delivered to their homes has increased significantly. This is a real challenge, not least because of the high ambitions we have in terms of reducing our climate footprint. Our business is based on the transportation of letters, parcels and goods. This entails an unavoidable environmental impact, but we are continuously and intentionally working to reduce it. In specific terms, this means innovations in areas ranging from efficient logistics and e-commerce to reducing the amount of air in parcels, as well as increased electrification and ensuring good access to biofuels in all our markets, and much more besides. We also know that we won't be able to meet these challenges on our own. So, in order to achieve our goals, we need to increase our cooperation with suppliers, customers and consumers.

This is the eighth edition of the E-commerce in Europe report. We publish it because we want to be the obvious choice when it comes to e-commerce to, from and within the Nordic region. As an e-commerce entrepreneur, you are welcome to ask us about everything from the markets in the Nordic countries to the various distribution solutions we offer.

"Our business is based on transportation. This entails an unavoidable environmental impact, but we are continuously and intentionally working to reduce it."

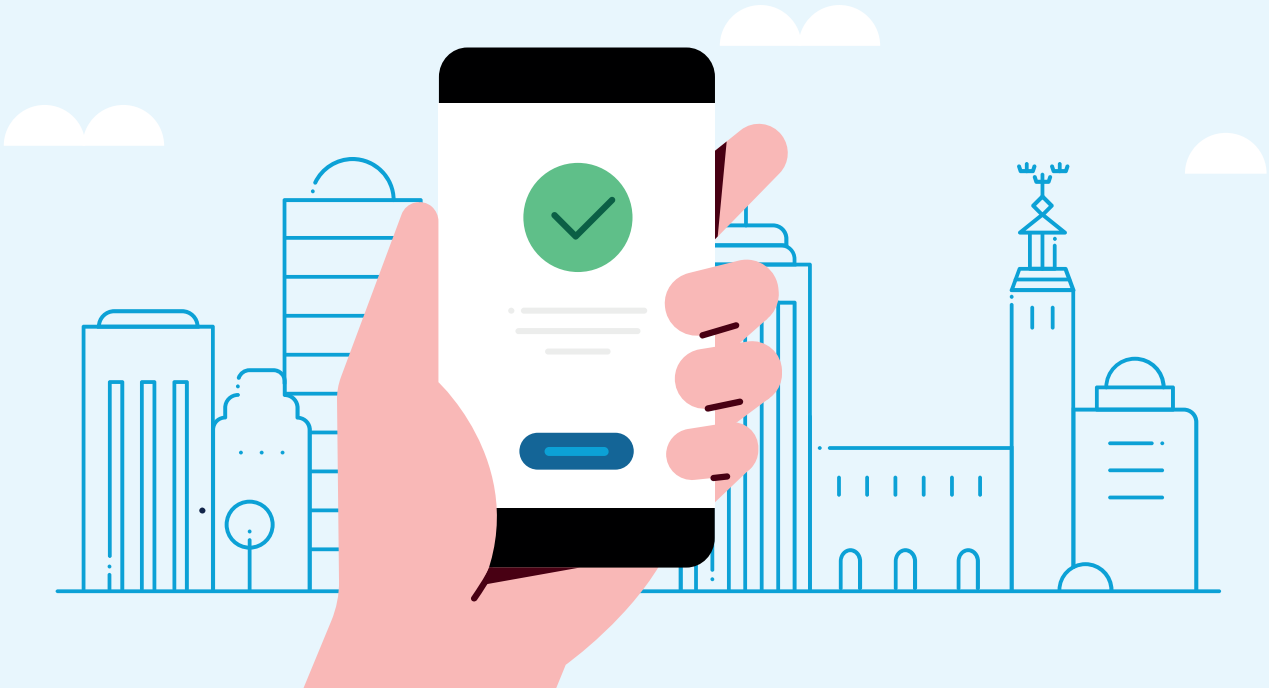
If you are an e-retailer with operations outside the Nordic region, you can also get in touch with our global logistics company Direct Link, which offers distribution services that help companies all over the world become established in new markets.

I hope that this year's report will provide you with new insights into e-commerce in Europe.

Annemarie Gardshol
President and Group CEO
of PostNord

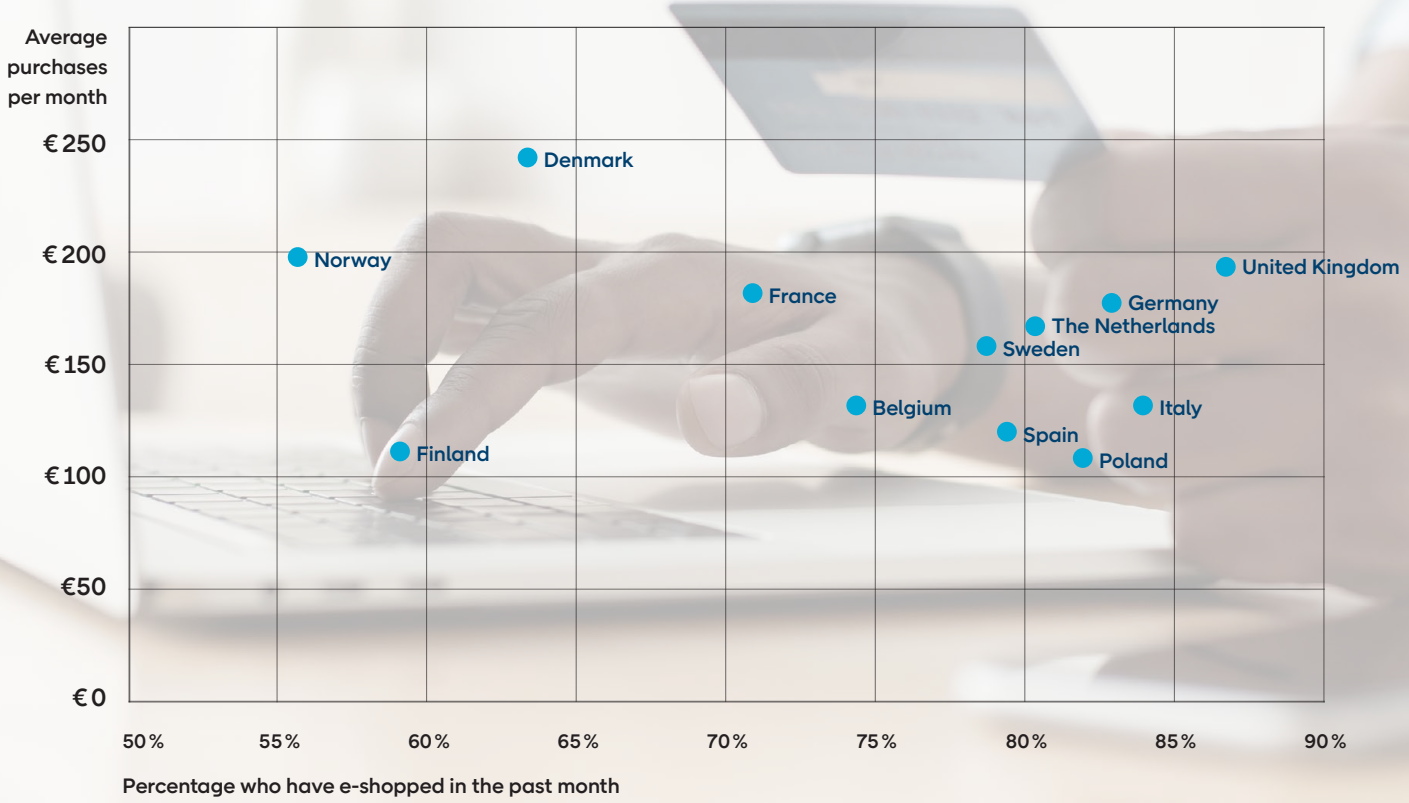
European e-commerce market

	Million consumers shopping online	Percentage of the population that shops online	Estimated average spend per person per year
UK	49,3	95%	2 316 €
Sweden	7,6	96%	1 932 €
Belgium	7,8	87%	1 572 €
Denmark	4,1	88%	2 916 €
Netherlands	13	94%	1 968 €
Poland	25,8	85%	1 296 €
Germany	62,1	94%	2 088 €
Norway	3,9	93%	2 364 €
Italy	40	84%	1 608 €
Spain	34,6	92%	1 452 €
France	44,7	87%	2 208 €
Finland	4,1	95%	1 392 €



Percentage of people who have shopped online at least once a month and average purchase

Basis: Have shopped online



Germany and the UK are Europe's strongest e-commerce markets

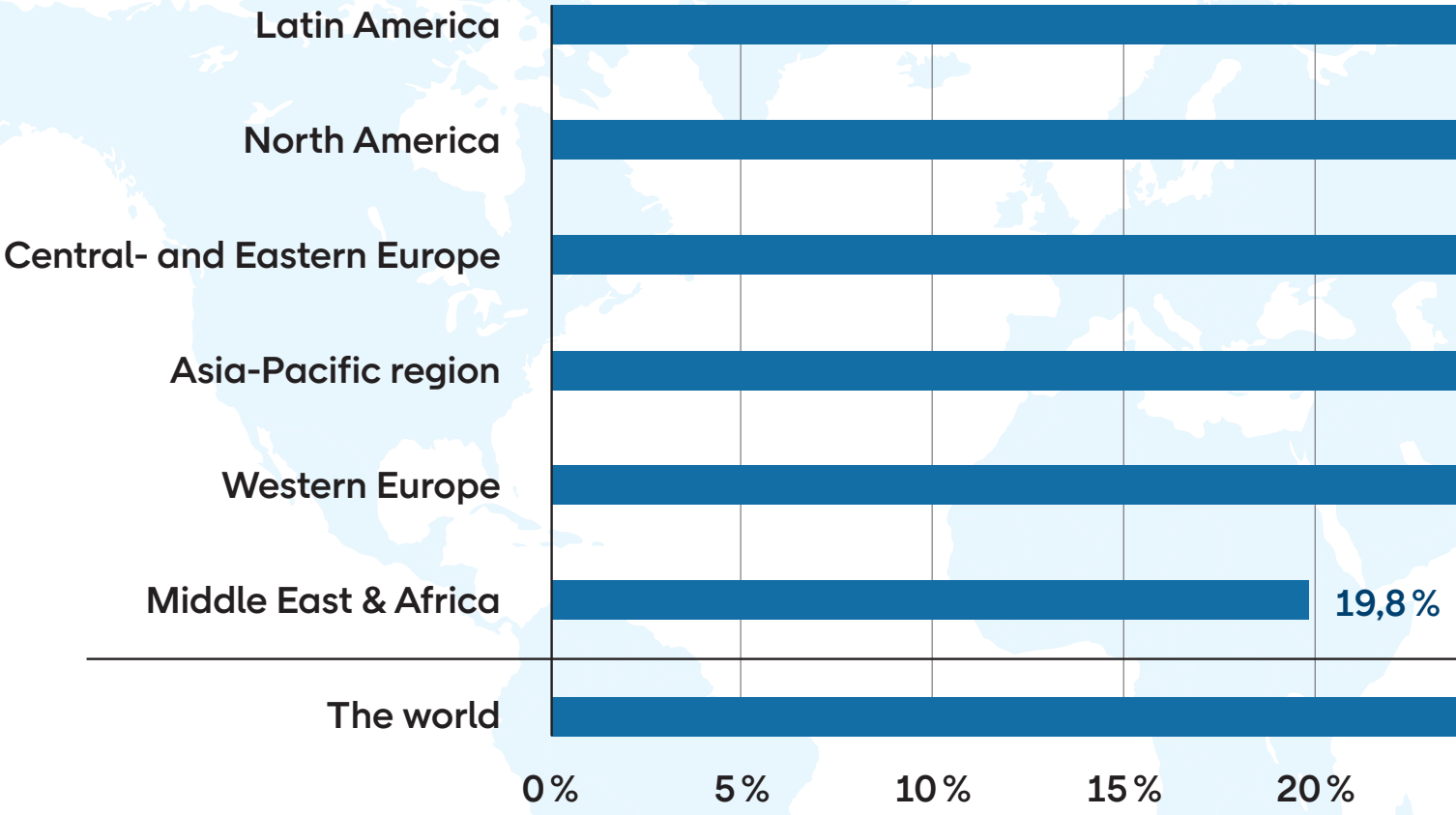
E-commerce in Europe has grown during the year. The average sales per person per month amount to EUR 161 in the countries surveyed. More people are choosing to make larger e-commerce purchases compared to before the pandemic and are buying a wider range of different product categories.

As in previous years, Germany and the UK are the strongest e-commerce markets in Europe. Both markets have relatively high purchase amounts and a high e-commerce share combined with a large population. The survey shows that 62 million consumers in Germany have shopped online in the last year, while the corresponding figure for the UK is 49 million.

At the other end of the scale, countries like Poland, Spain and Italy have relatively low average purchases. Finland also has a lower figure than before, but this could be a temporary effect during the pandemic.

Growth 2020 in the different regions of the world

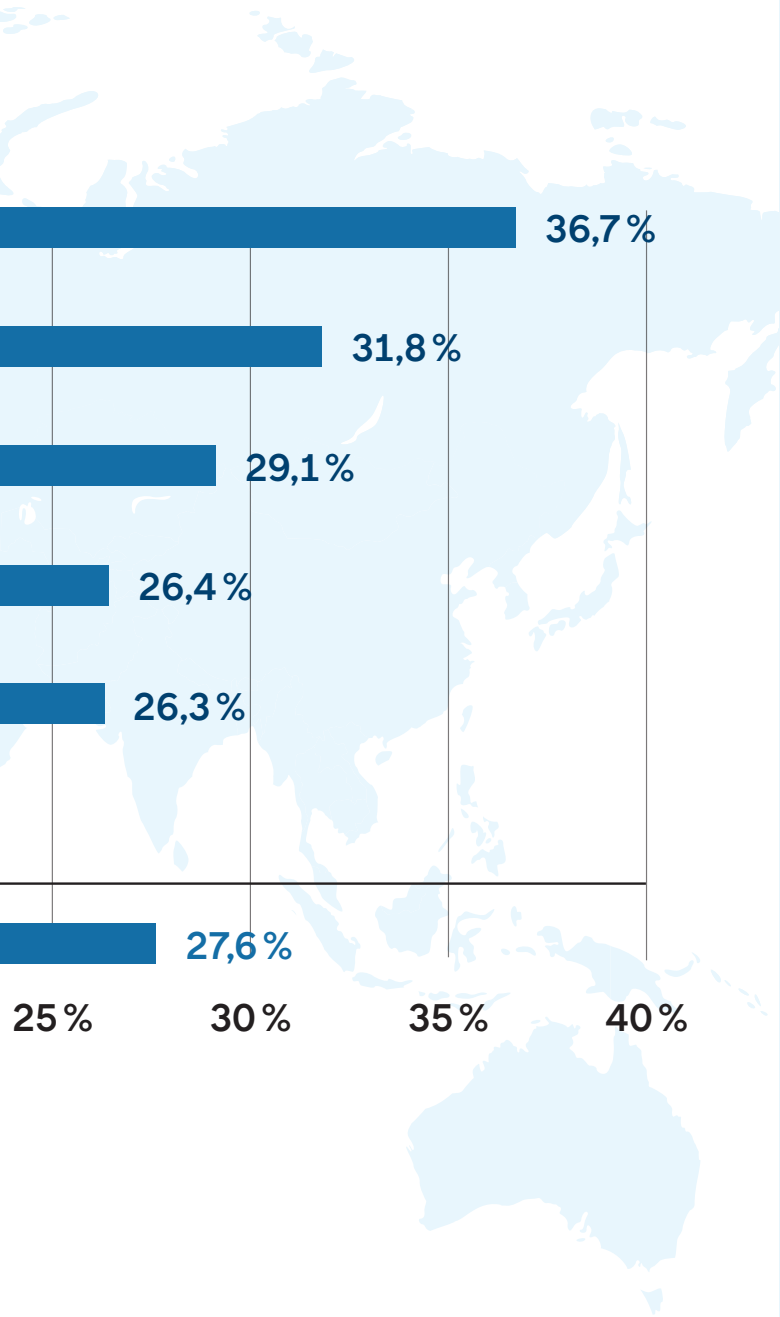
Source: E-marketer



E-commerce trends in Europe and the world in 2020

Globally, e-commerce is estimated to be worth more than USD 4 trillion by 2020. This corresponds to about 18 percent of total retail sales worldwide (almost USD 24 trillion). These figures are, of course, very uncertain, but they provide an indication of the magnitudes involved.

Global e-commerce is estimated to have grown by 28 percent in 2020. Latin America increased the



most (37%), followed by North America (32%). Europe's e-commerce also grew strongly, by 26% in Western Europe and 29% in Central and Eastern Europe.

The global growth rate of e-commerce is certain to slow in 2021 – despite the fact that more and more consumers have started to shop online. This is partly due to more physical stores reopening and several years of projected e-commerce growth being realized in 2020 due to the coronavirus pandemic.

Arne Andersson, e-commerce consultant affiliated to PostNord, and **Olof Källgren,** e-commerce expert at Direct Link, comment on e-commerce in Europe 2021.

Will growth continue after the pandemic?

E-commerce is growing rapidly in virtually all European countries. In 2020, there was growth of over 40 percent in several markets. This historic rate of growth was, of course, driven largely by the pandemic. However, purchases from foreign websites declined marginally compared to last year's report, due to delivery problems and societies being shut down. But these are expected to increase gradually as pandemic-related disruptions diminish in scope.

The pandemic has, as mentioned, driven the growth in e-commerce, but will this new situation last? We asked consumers in this year's survey if they thought they would increase or decrease their online shopping after the pandemic, compared to the current situation. There are differences between countries in this regard. A majority in Germany, the Netherlands and Belgium think they will decrease their level of online shopping compared to the past, while the opposite is the case in Spain, Italy and Poland, for example.

An interesting observation that could be made already in last year's report was that the proportion of European consumers willing to pay extra for more environmentally friendly delivery methods was about the same as the proportion of consumers willing to pay extra for faster delivery. The situation is similar this year in that regard, confirming the fact that more consumers are interested in environmental issues today than was the case in the past. E-commerce companies should of course take note of this development.

Arne Andersson
Retail analyst at PostNord

Olof Källgren
E-commerce expert at Direct Link

297 million consumers have shopped online in the past year

The number of e-commerce consumers in Europe has grown steadily in recent years. From 286 million in 2019 to 293 million consumers in 2020 to 297 million in this year's report for 2021. One important reason, of course, is the coronavirus pandemic, which has left its mark on all European countries. At the same time, the trend was already underway before the pandemic, with growing e-commerce and an ambitious roll-out of digital infrastructure in many parts of Europe. Of course, this is still ongoing, with the roll-out of 5G networks enabling higher transmission speeds in many parts of Europe, which could provide a further boost to mobile e-commerce.

However, cross-border shopping has decreased compared to last year. 216 million consumers state they have made cross-border online purchases. The pandemic entailed lockdowns and problems with supply, particularly from Asia. Disease outbreaks shut down ports, and container shortages have created a lot of chaos in logistics chains.

Top 12 product categories among European shoppers

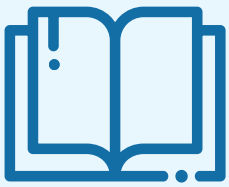
(millions online consumers in each specific cathegory last year)

175

Clothes and footwear

117

Home electronics

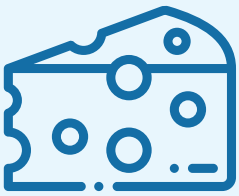


109

Books/audiobooks

99

Cosmetics



86

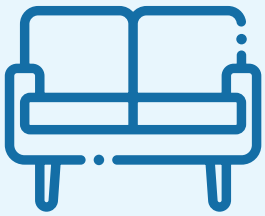
Groceries

84

Pharmacy products

81

Sports and leisure

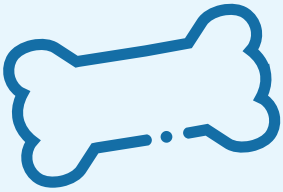


73

Home furnishings

61

Toys



61

Animal products

57

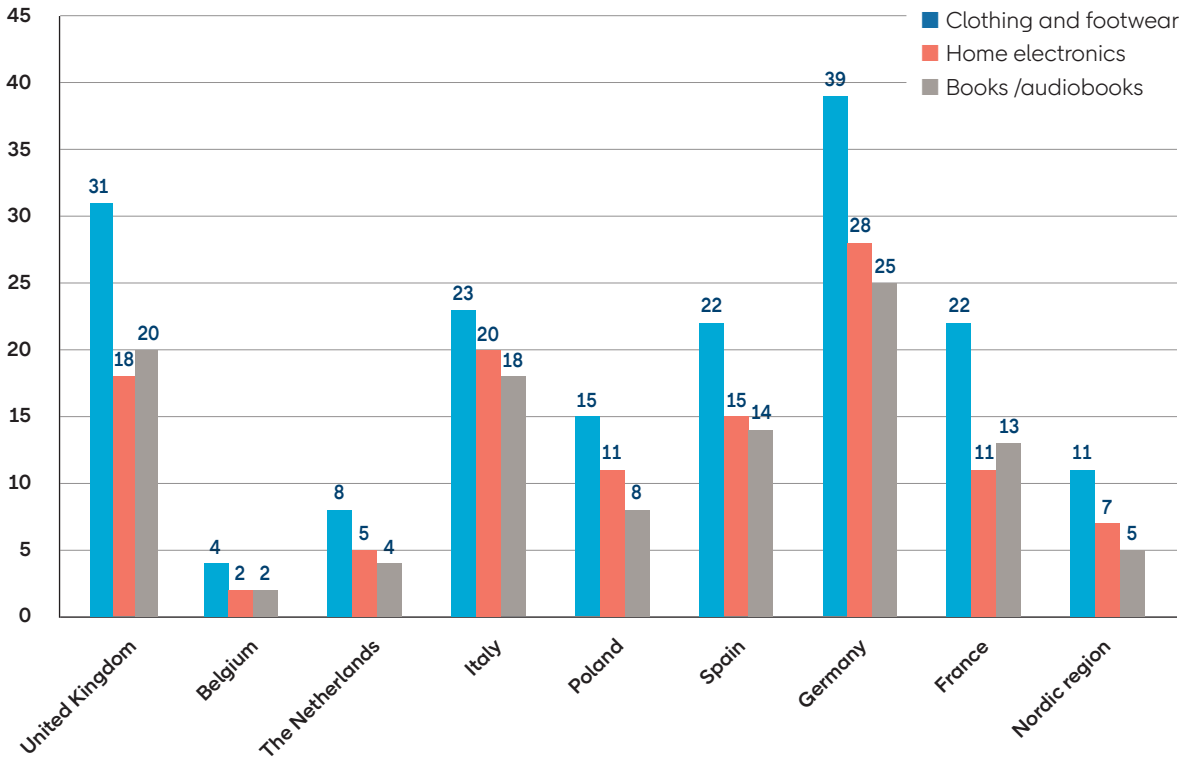
Dietary supplements

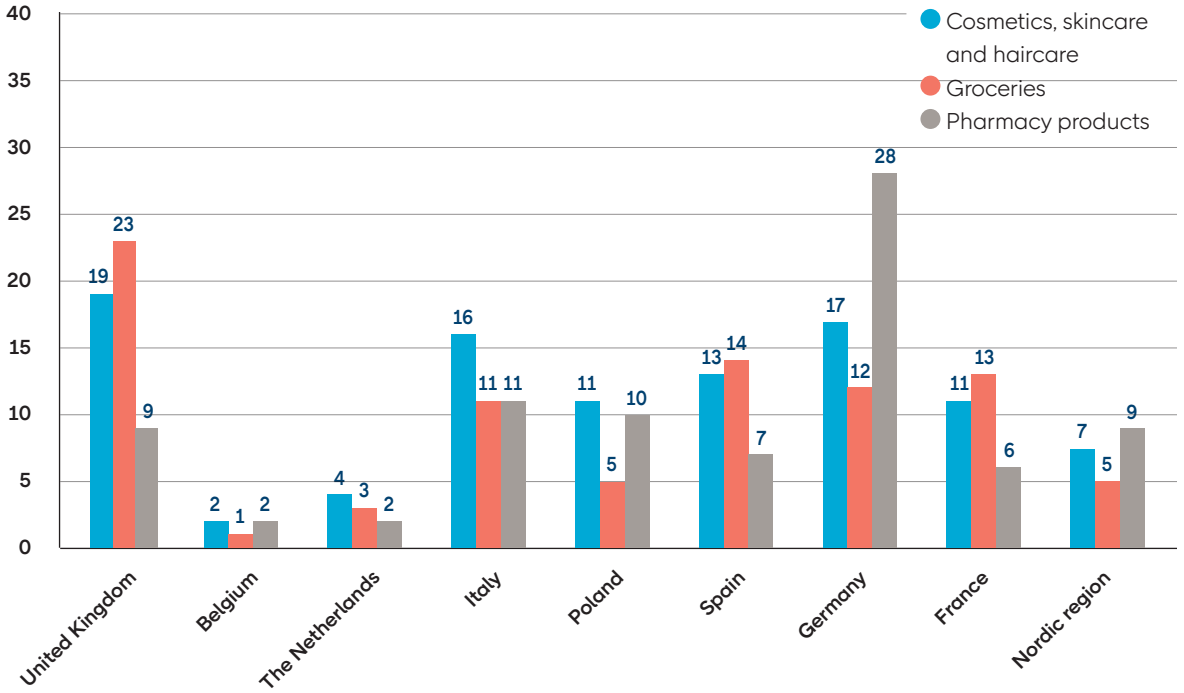
55

Vehicle-related products

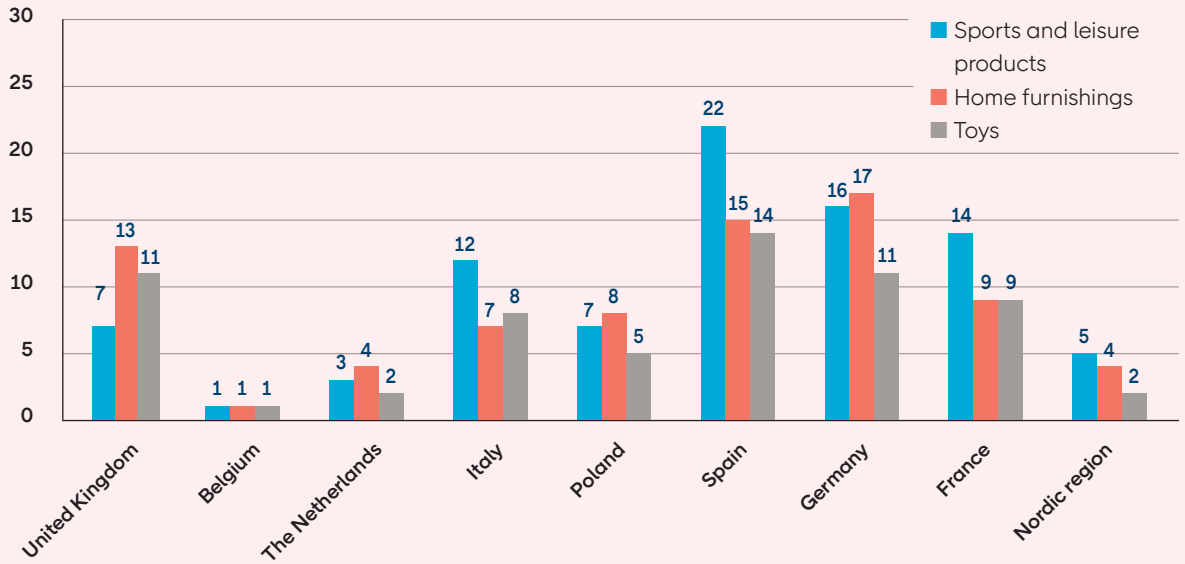
Most popular products in the surveyed

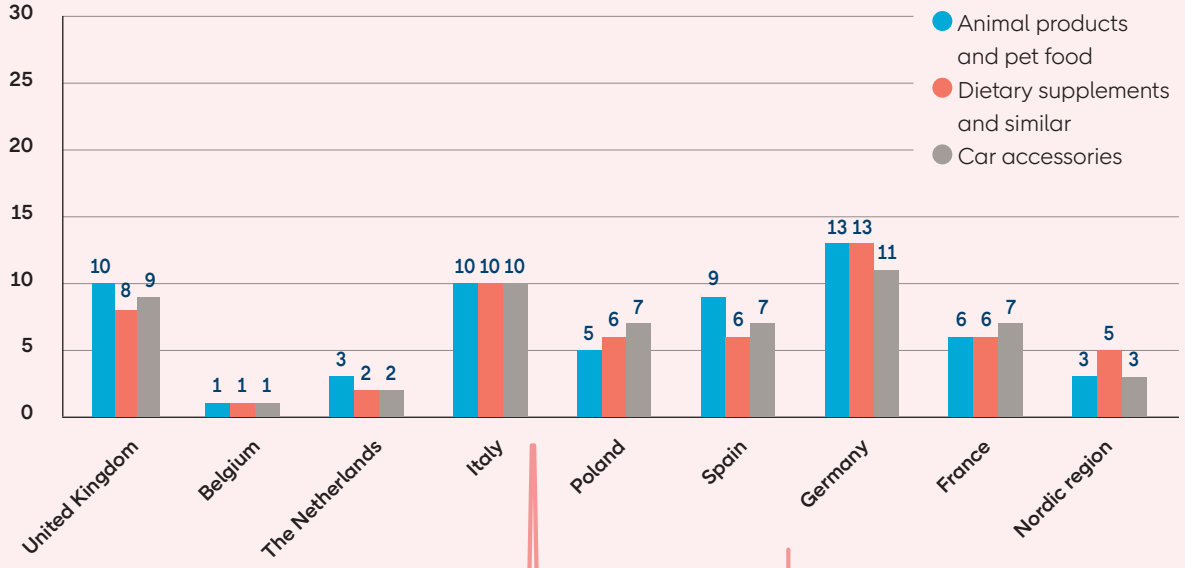
Basis: Have shopped online



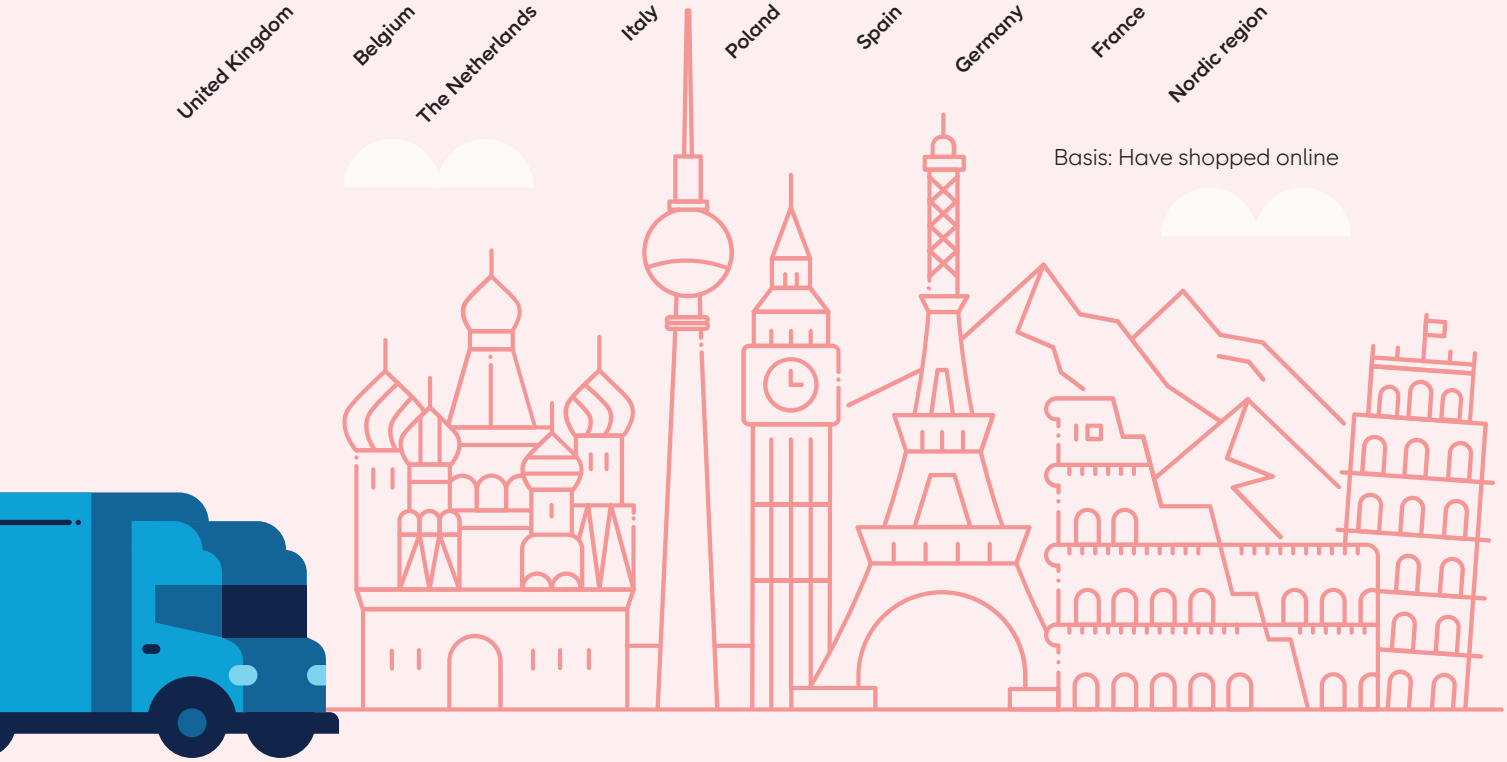


European markets





Basis: Have shopped online

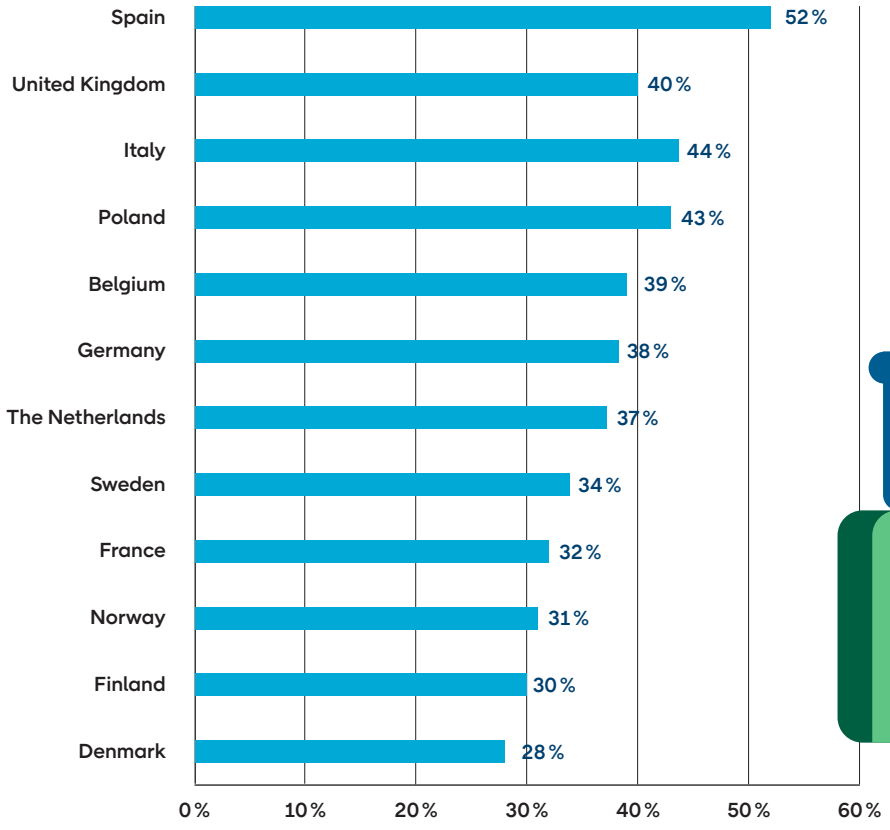


Consumers in Spain, the UK and Italy have increased their online shopping

Consumers in Spain, the UK and Italy in particular state they have been making more online purchases during the pandemic. Spain and Italy are countries that have historically had a lower level of e-commerce, so it is not surprising that more people have changed their behavior in these countries. The UK also shows high numbers. Nor is it particularly surprising given the severe shutdowns that have taken place there.

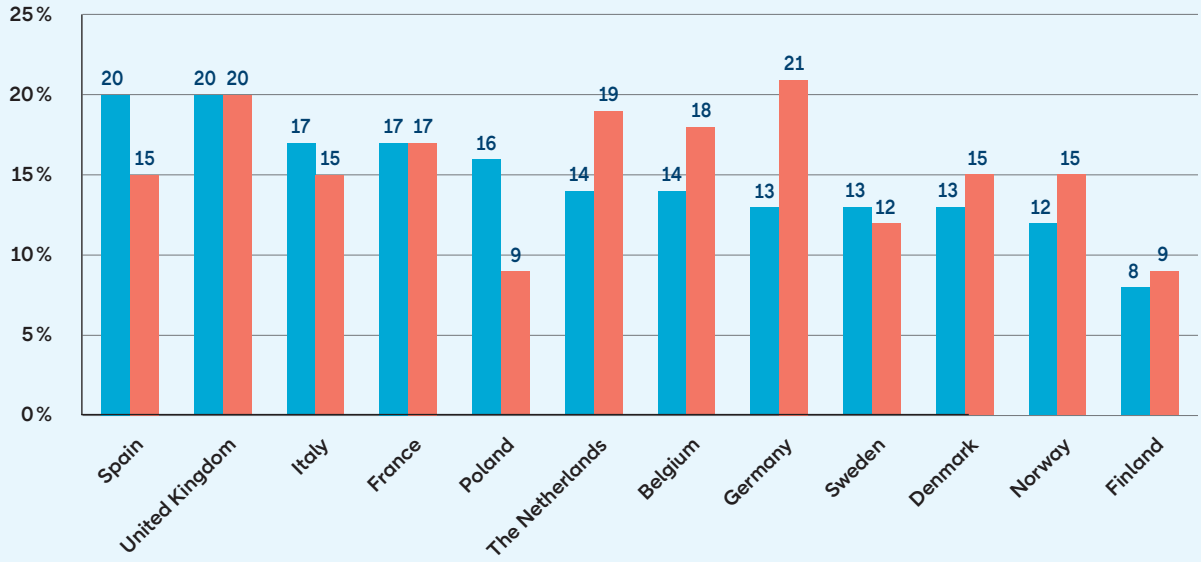
Younger consumers in particular state they have been shopping online more than before. However, it is possible that older people who are less digitally literate have in many cases been helped to shop online by younger relatives when retail shopping has been restricted. Many countries have also prioritized older consumers during specific shopping hours, which has also reduced the need to shop online.

Percentage of people who e-shopped more during the pandemic



How e-commerce will be affected after the pandemic

Basis: Have shopped online



Percentage who think they will **do more online shopping** after the pandemic
Percentage who think they will **do less online shopping** after the pandemic

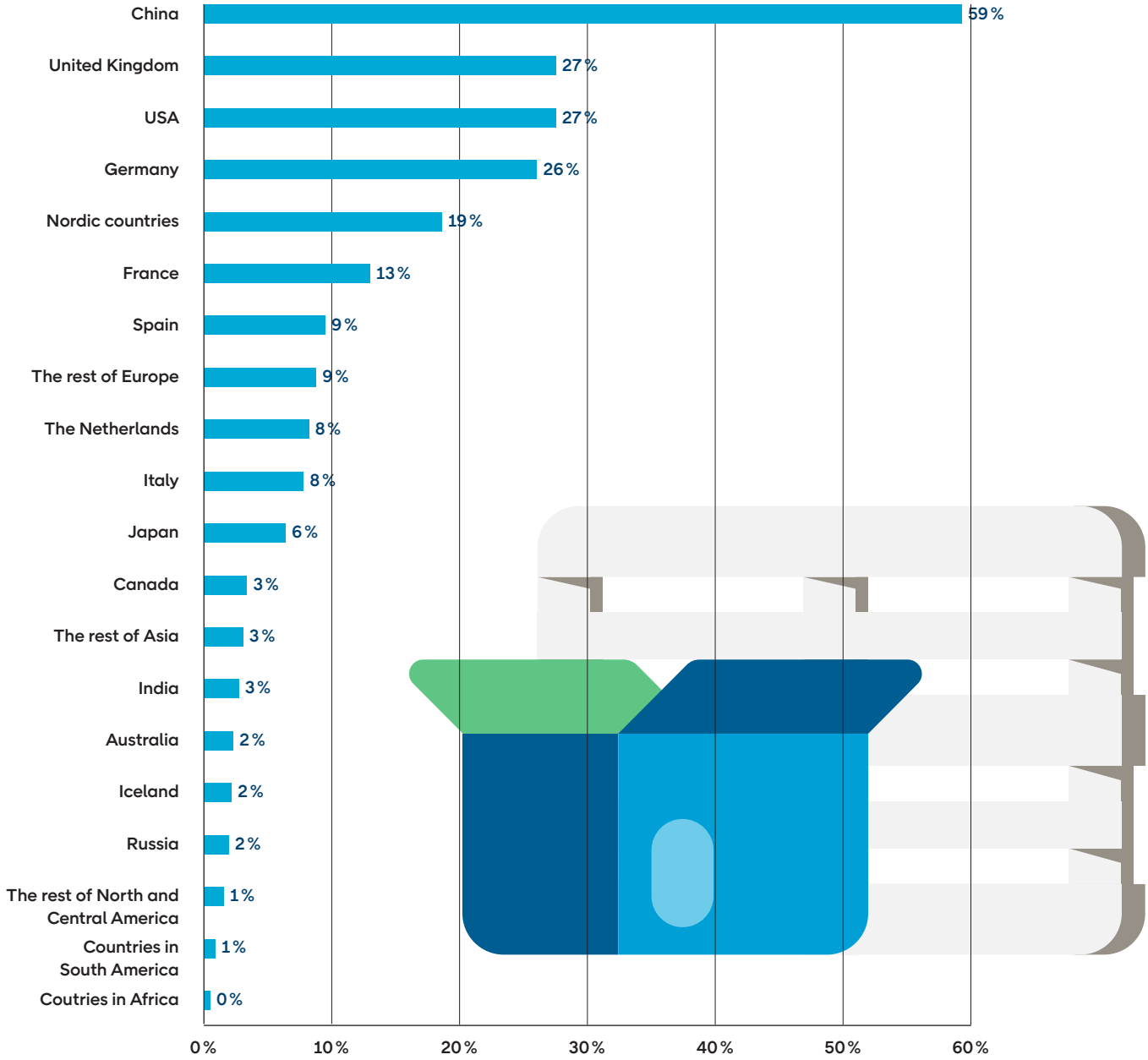
How e-commerce in Europe will be affected after the pandemic

As described on the previous page, European e-commerce has been boosted in all countries during the pandemic. The question is how lasting these changes will be. To find out, consumers in the survey were asked whether they thought they would increase or decrease their online shopping after the pandemic compared to the current situation.

Germany, the Netherlands and Belgium are countries with a greater bias towards reducing their e-commerce compared to previously. Spain, Poland and Italy are examples of the opposite. This is probably because Germany, for example, is relatively traditional and many still prefer to shop in physical stores. The UK is an interesting example with a high level of spread in both directions, with one group appearing to become even more digitalized and another group preferring to return to traditional retail.

Countries from which Europeans shop online (number of millions who shopped from each country)

Basis: Have made cross-border online purchases



China, the UK and the US top the list for cross-border online shopping

China once again tops the list as the most popular country for online purchases from abroad, despite problems shipping from Asia. The UK came in second place, closely followed by the US.

Varied interest in paying for sustainable deliveries

Italy and Germany are the countries in which the highest proportion of e-commerce consumers would be willing to pay extra for a more sustainable e-commerce delivery. It is mainly in the younger consumer category (18–29 years) that consumers are willing to pay more for this.

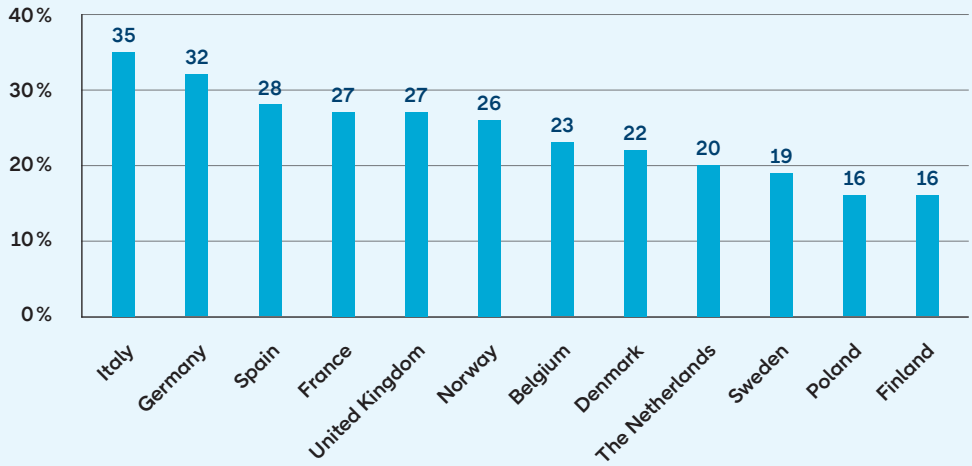
However, these respondents also consider themselves to be more or less equally willing to pay for faster deliveries, so it may be that the willingness to pay for more tailored deliveries is generally higher in these groups.

There is least interest in Finland. This could be due to the fact that consumers consider the existing deliveries to be good from an environmental perspective.

Finland ranks among the top European countries in terms of the deployment of parcel machines, which can be viewed as a more eco-friendly option than home delivery.

Percentage who would pay extra for an eco-friendly delivery

Basis: Have shopped online



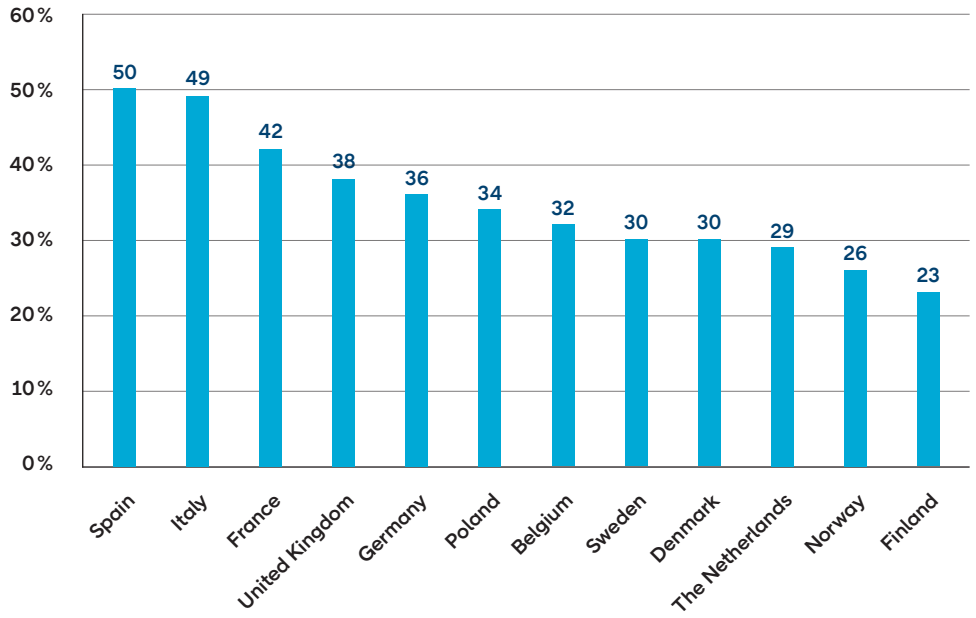
Spaniards and Italians shop online locally for environmental reasons

There are many reasons to shop online within your own country. One such reason that we measured in previous reports is the language. However, even in the area of sustainability, there are reasons to buy domestically to reduce transport distances and carbon emissions.

Among the countries that have chosen to buy domestically for environmental reasons, Spain and Italy are at the top. These are countries that are also happy to choose domestic e-commerce for other reasons. At the other end of the scale are the Nordic countries. This is interesting, as these countries tend to be characterized by a high level of interest in sustainability compared to Europe. However, it is possible that the limited size and geographical position of countries plays a part, as many products need to be imported, whether through local companies or the consumers themselves.

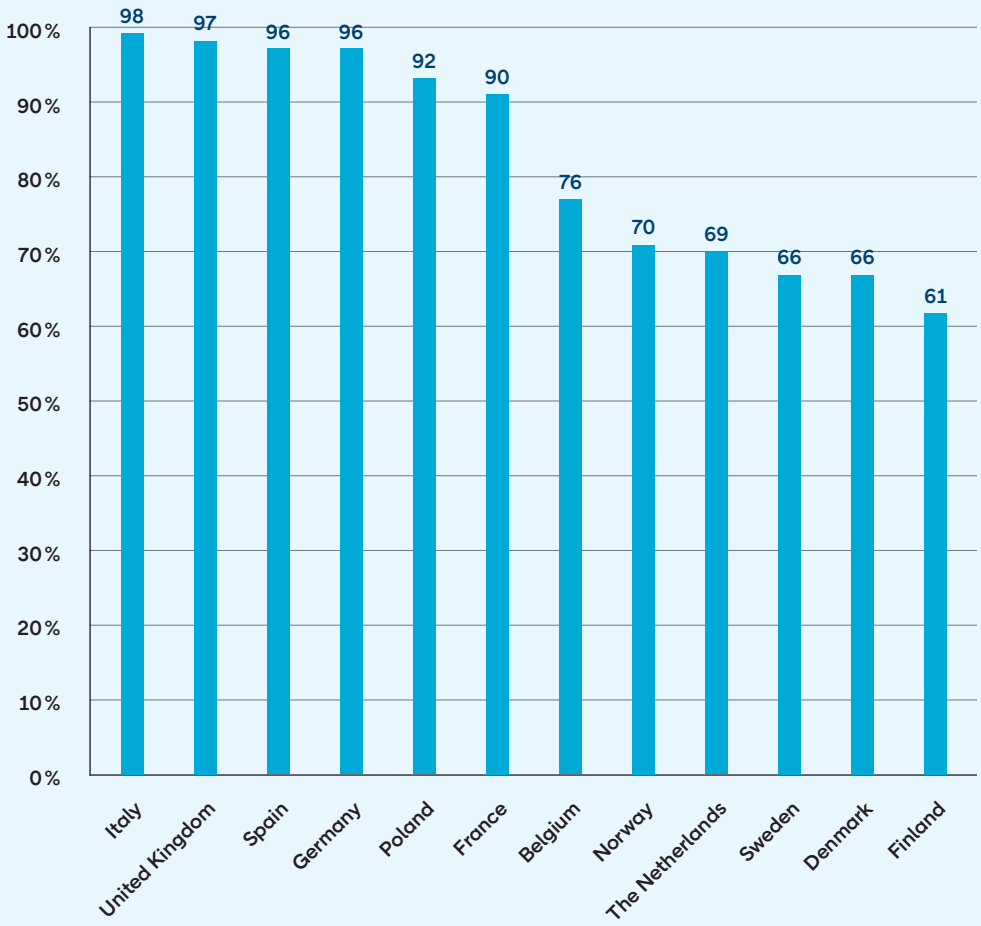
Percentage who have actively chosen to shop online domestically to reduce environmental impact of deliveries

Basis: Have shopped online



Percentage who have made purchases from a marketplace during the year

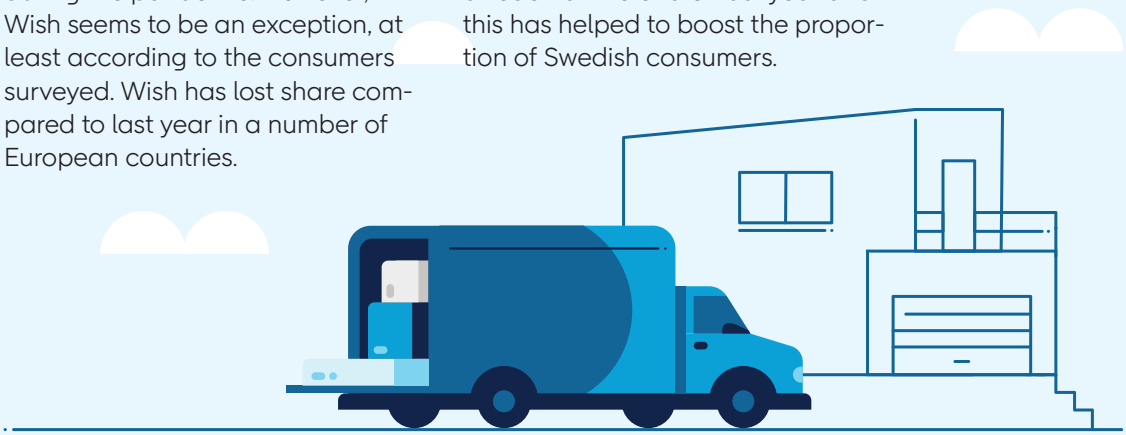
Basis: Have shopped online



Wish lost ground in several countries during the pandemic year

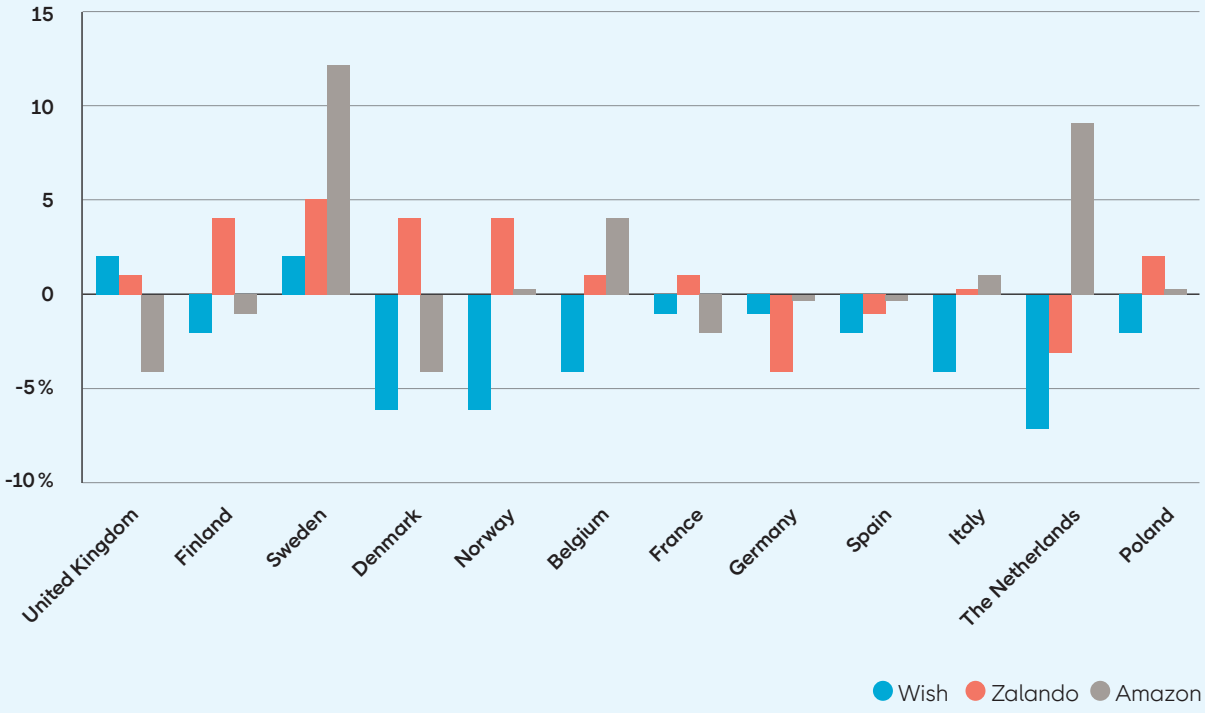
Platform commerce, like other e-commerce, has of course benefited from the boom in e-commerce during the pandemic. However, Wish seems to be an exception, at least according to the consumers surveyed. Wish has lost share compared to last year in a number of European countries.

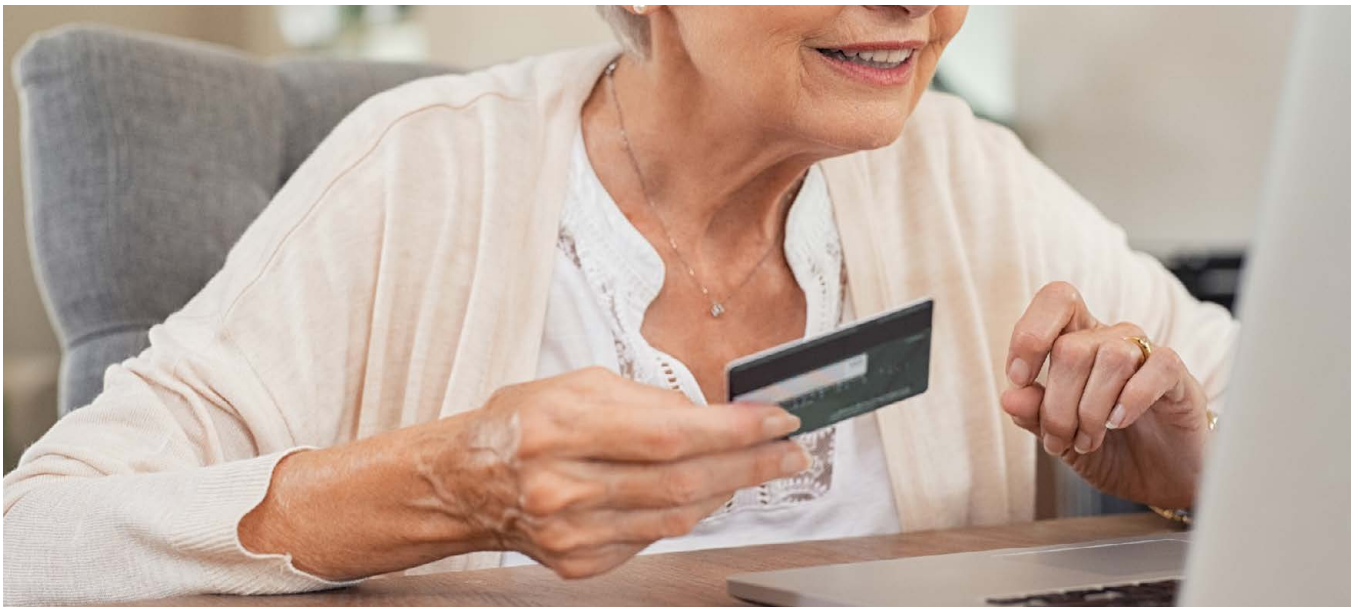
When it comes to Amazon, Sweden and the Netherlands are the main outliers. Amazon established itself in Sweden at the end of last year and this has helped to boost the proportion of Swedish consumers.



Use of Marketplaces: Changes from the previous year in percentage points

Basis: Have shopped online





Is e-commerce easier for older people through Amazon?

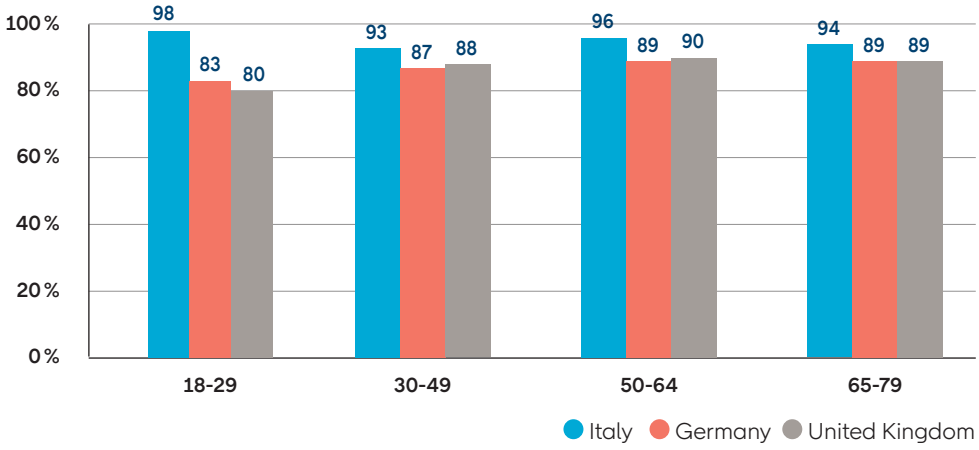
lder e-commerce consumers are often overshadowed by younger ones. This is true for most of the platforms in the survey. However, Amazon differs in those countries where it is well established, such as Italy, Germany and the UK. In both the UK and Italy, a higher proportion of older consumers report having shopped online from Amazon than younger consumers, although younger consumers certainly outnumber older ones in absolute terms.

It is therefore possible that Amazon, with its huge range of products, will facilitate the transition to e-commerce for older consumers.

This is because they only need to learn how to use a single website to be able to engage in broad and comprehensive digital consumption, which is not possible on most other websites that cannot provide the same product range, thus forcing the customer to be active on several different websites with different technical systems for payments, deliveries and checkout.

Percentage who have e-shopped from Amazon

Basis: Have shopped online



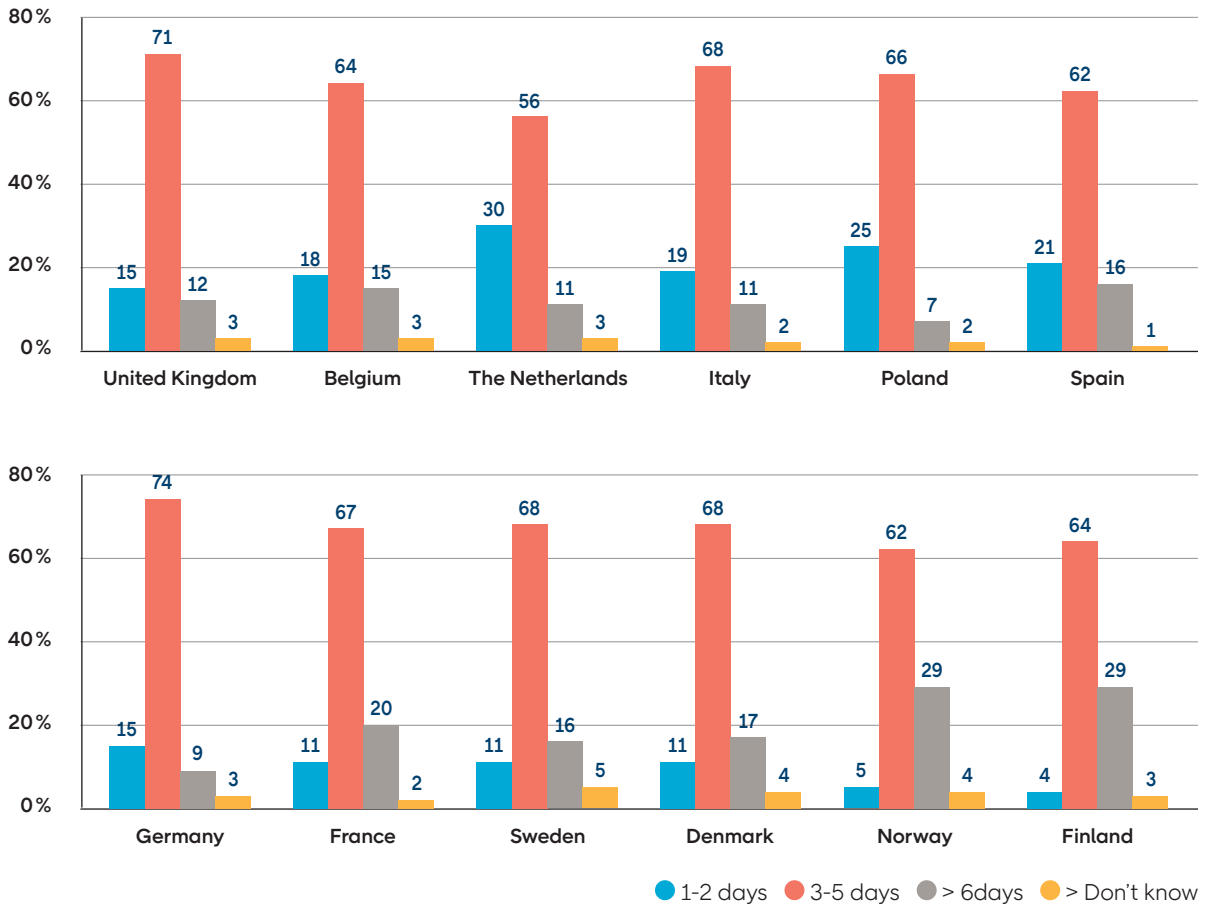
Fast deliveries more important in 2021

As e-commerce sales have increased across the board during the coronavirus pandemic, so has the number of consignments. More people are ordering more products. As a result, consumers in many countries expect faster deliveries. In the UK, for example, 15% expect a delivery time of 1–2 days, compared to 11% last year. In Belgium, the corresponding figure is 18%, compared to 12% last year. And in Spain, 21% expect rapid delivery, compared to 16% last year.

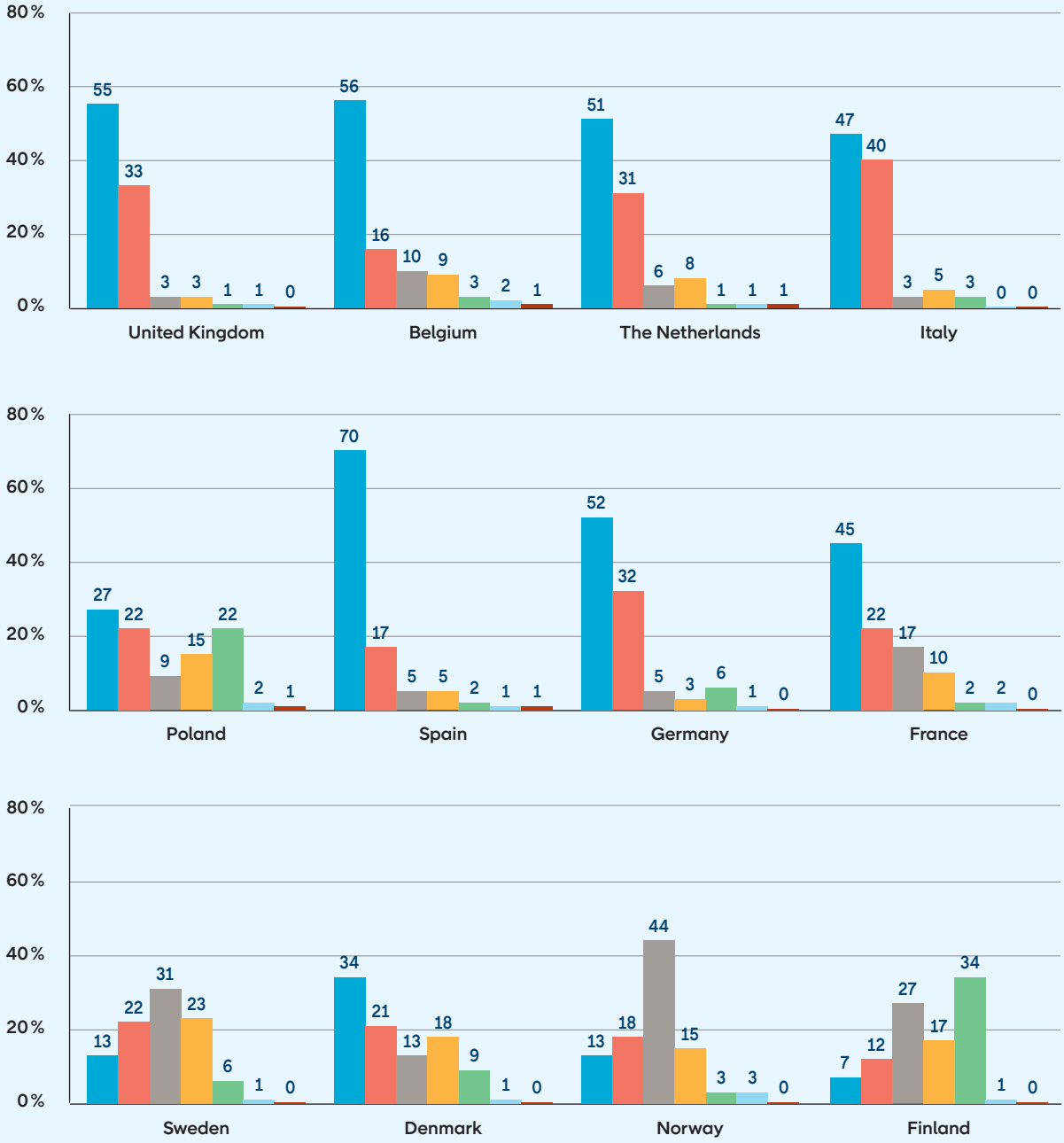
This may be due to the fact that many new consumers, especially older ones, arrived in the early stages of the coronavirus pandemic and have now become accustomed to e-commerce, with increased demands as a result. Experienced e-commerce consumers tend to be more demanding when it comes to everything from payment options to delivery methods and delivery times.

E-commerce consumer expectations of delivery time

Basis: Have shopped online



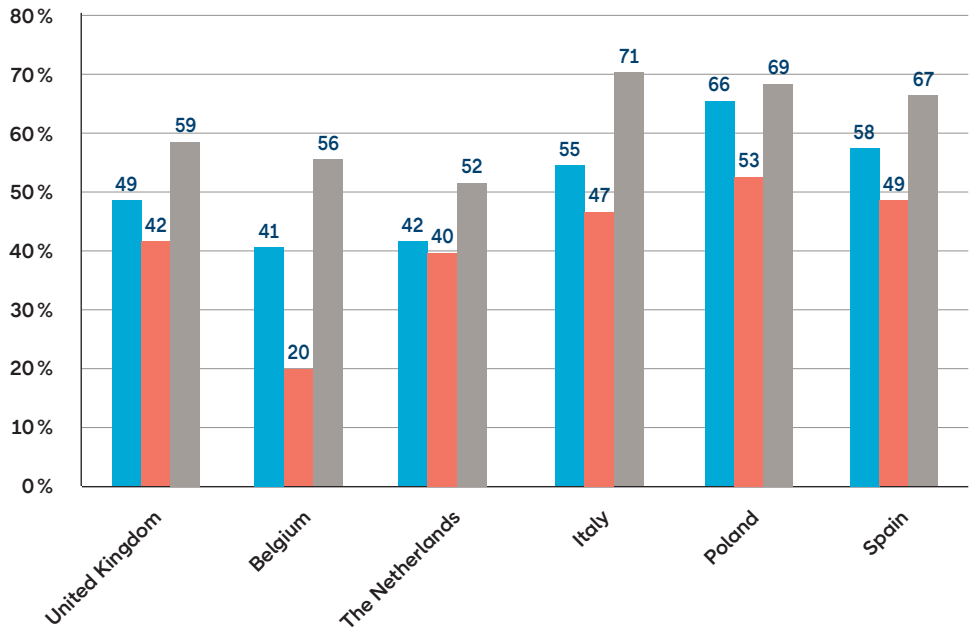
When you order a product online, how do you prefer to have it delivered?

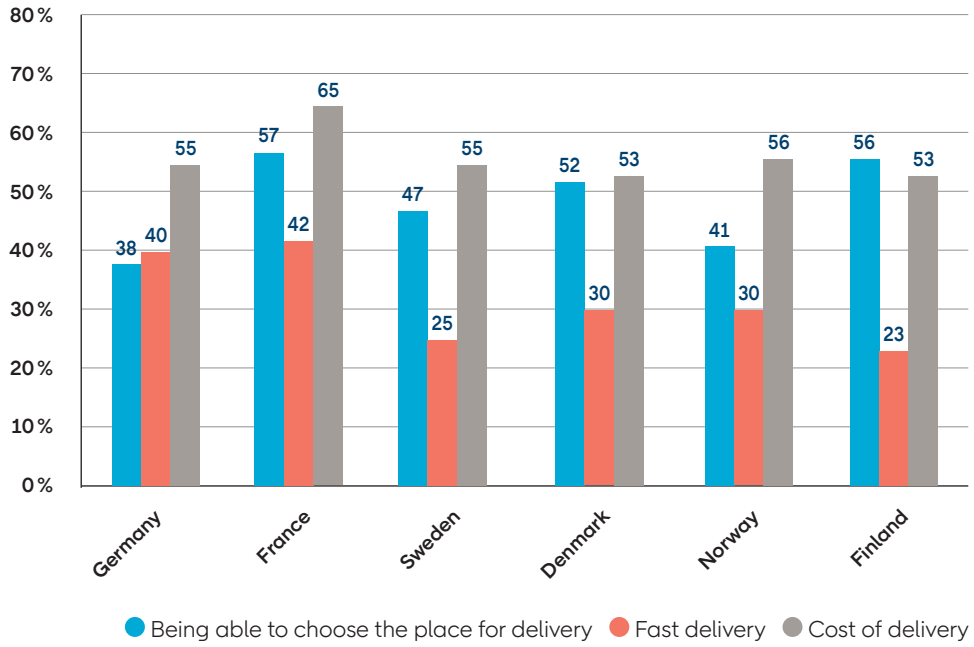


- Home delivery with signature requirement
- Home delivery or delivery outside the door without signature requirement
- Delivered to my mailbox/multi-occupancy mailbox by the mail carrier
- Collect the product myself from a distribution point
- Collect the product myself from a parcel machine
- Pick up at the online store's physical store
- Home delivery with digital lock

How important are the following characteristics when ordering a product online?

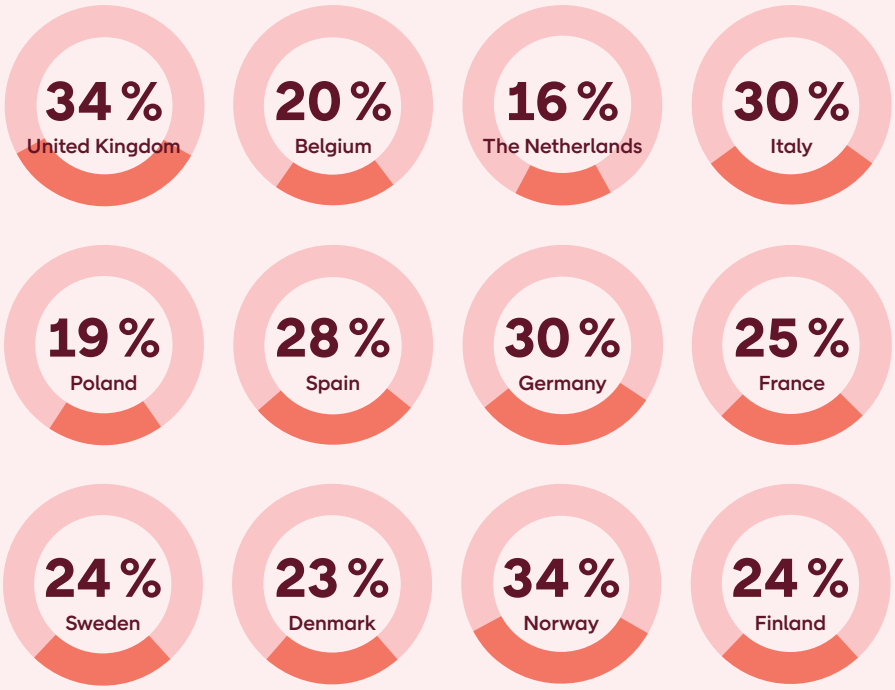
Basis: Have shopped online





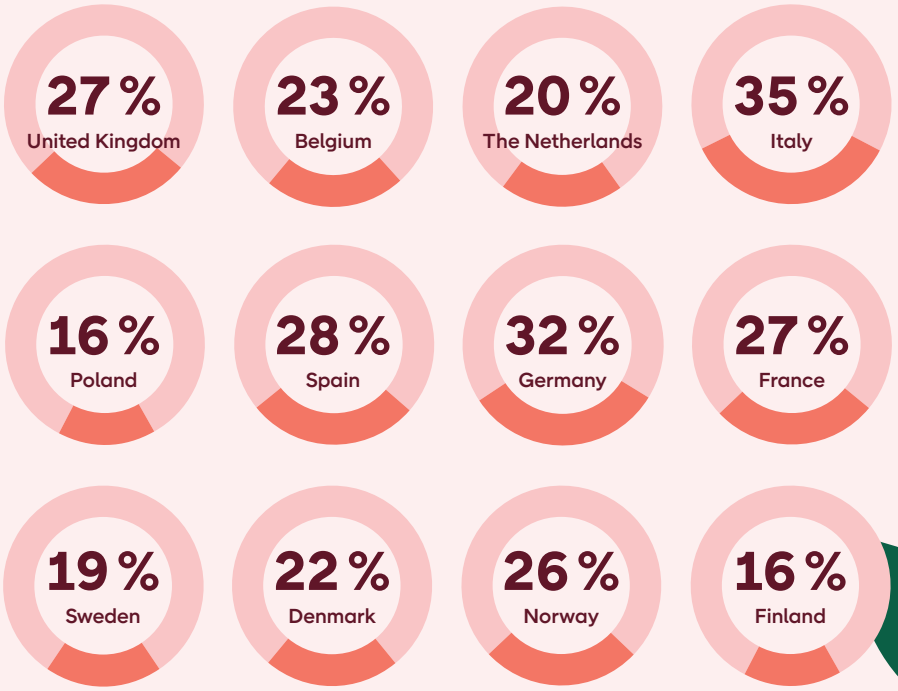
Are you willing to pay EUR 3 extra for faster delivery?

Basis: Have shopped online



Are you willing to pay EUR 3 extra for more eco-friendly delivery?

Basis: Have shopped online

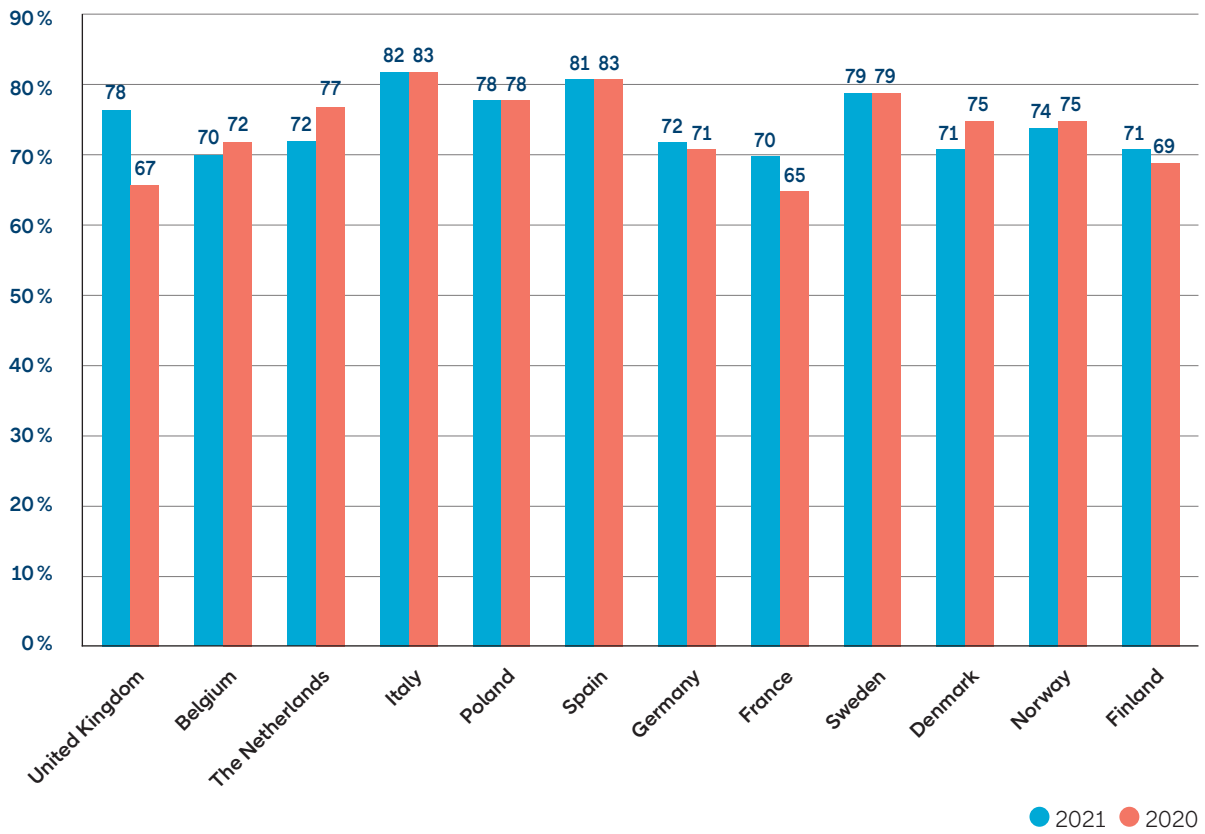


A majority of European e-commerce consumers have made purchases with their mobile phones

E-commerce with mobile phones has gone from being a niche phenomenon to becoming mainstream over a number of years. In 2020 and 2021, the differences in mobile usage between European countries have levelled out, with all countries reporting that more than 70% of respondents use their mobile phone or tablet for e-commerce.

However, there are still differences within countries, especially with regard to age. The oldest age groups tend to shop less by mobile phone than the others, and usually the majority of those aged 65 and over have not done so. This is likely to change in the coming years as older people become more digitally literate and new generations of older people with digital experience gradually emerge.

Percentage who have made purchases with a mobile phone in the past year



Varying payment preferences in Europe

European countries demonstrate a wide range of payment preferences. In some cases there are local payment solutions that occupy a very strong position, such as iDEAL in the Netherlands. In other cases, local values are reflected in payment methods, for example the countries in which invoice payment is preferred.

Card payment is the main method of payment. Such payments are preferred by the majority of people in countries such as the UK, Belgium, France and Spain. Some other payment solutions, such as digital payments, also often have the card system at their core. PayPal and similar services are also popular in many countries. Recently, mobile applications – often local banking partnerships – have also gained popularity, for example in the Nordic countries, and it is likely that this type of payment will continue to grow in the future.

	Debit card or credit card	Invoice	Direct payment through my bank	PayPal or similar	Cash on delivery	Payment by installments	Mobile app (e.g. Swish, MobilePay, Vipps)	Other/ Don't know
United Kingdom	58 %	0 %	2 %	35 %	1 %	1 %	2 %	1 %
Belgium	51 %	4 %	8 %	23 %	2 %	0 %	8 %	2 %
Netherlands	17 %	4 %	6 %	12 %	1 %	0 %	57 %	3 %
Italy	45 %	1 %	1 %	47 %	3 %	0 %	1 %	2 %
Poland	23 %	1 %	29 %	22 %	11 %	0 %	10 %	4 %
Spain	54 %	1 %	2 %	39 %	2 %	0 %	1 %	1 %
Germany	17 %	21 %	6 %	50 %	0 %	0 %	2 %	2 %
France	58 %	2 %	2 %	32 %	1 %	0 %	1 %	3 %
Sweden	28 %	31 %	11 %	13 %	0 %	1 %	10 %	5 %
Denmark	52 %	5 %	4 %	13 %	0 %	0 %	22 %	4 %
Norway	39 %	18 %	5 %	21 %	1 %	1 %	11 %	4 %
Finland	30 %	21 %	21 %	20 %	1 %	2 %	3 %	2 %

Basis: Have shopped online

Belgium: The local e-commerce market has matured as a result of the pandemic

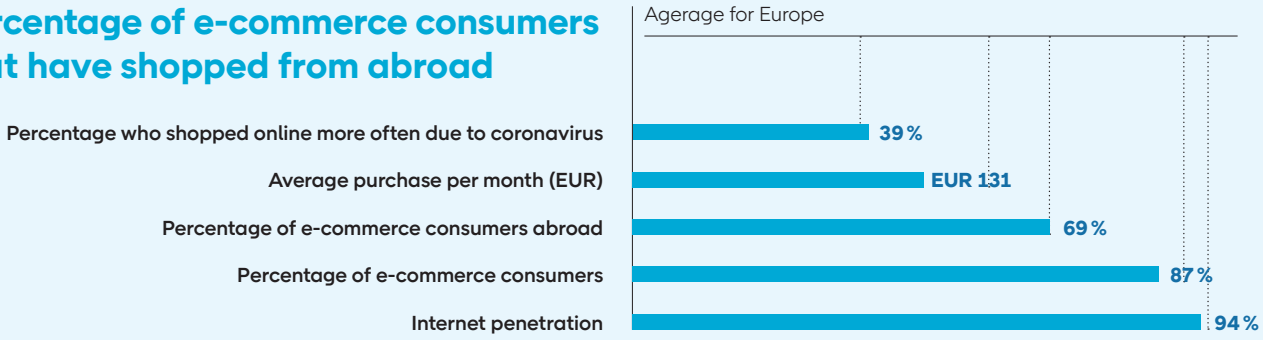
Belgian market has lagged behind the rest of Western Europe.

Previous regulations regarding night work have entailed logistics problems in the country. In addition, the country has a fragmented consumer base due to its multilingual population, which has made it easier for foreign market participants to establish themselves.

The e-commerce market in Belgium is still dominated by foreign market participants, but the pandemic has helped to boost local e-commerce in the country. Currently, 87% of the Belgian population state they have shopped online.

> "Currently, 87% of the Belgian population state they have shopped online."

Percentage of e-commerce consumers that have shopped from abroad



Divided Belgium

Belgium's division into French-speaking Wallonia and Dutch-speaking Flanders has further contributed to the fragmentation of local e-commerce. Dutch-speaking consumers prefer to use Dutch online stores, which has made it more difficult for Belgian online stores to compete on the market, as they are more exposed to foreign competition.

Impact of the corona-virus pandemic

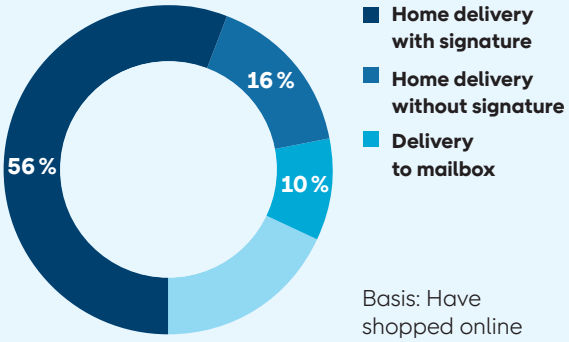
The pandemic has given the domestic e-commerce market a major boost. As closed borders created uncertainty in cross-border trade, more and more consumers started to shop online domestically. Belgium is one of the countries in Europe most affected by the pandemic. With physical stores closed, more and more companies were forced online. More than 20,000 new e-commerce stores opened in Belgium in 2020, representing 42% of all e-commerce stores in the country.

Marketplaces

Although the domestic e-commerce market is maturing more and more in Belgium, foreign e-commerce players still account for the majority of e-commerce in the country. The top five online stores are all foreign; the largest are Dutch Bol.com and Coolblue. Amazon does not have a Belgian website, but the French and German sites are popular with Belgians. On the fashion side, German Zalando is one of the biggest market participants in Belgium.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

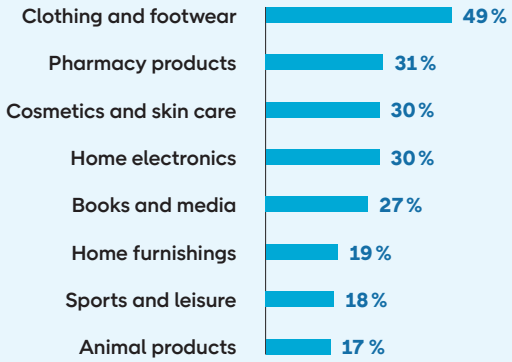
From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	47 %
2. Amazon	47 %
3. Alibaba/Aliexpress	21 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



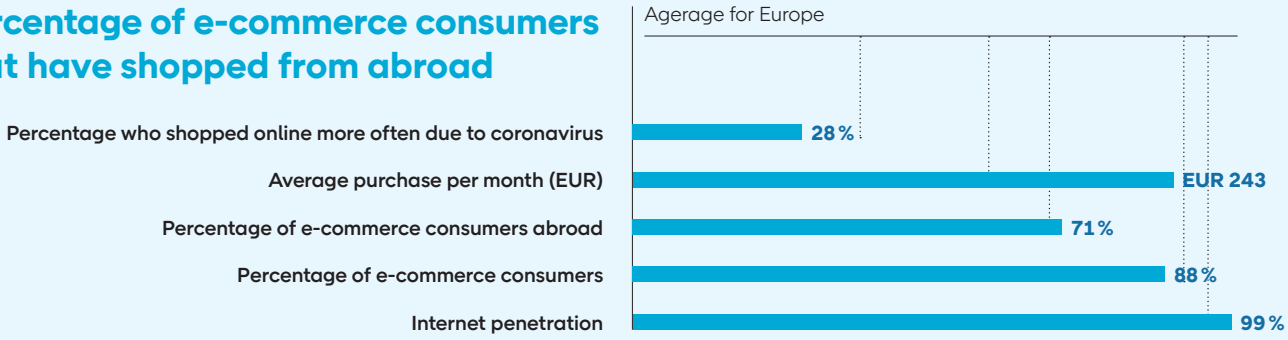
Denmark: e-commerce was a savior during the pandemic

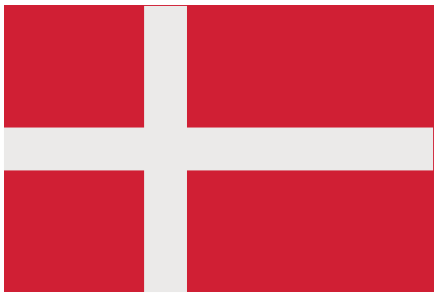
The Danish e-commerce market is one of the more established markets in Europe. Danes are frequent users of both mobile phones and computers, which is reflected in their interest in e-commerce.

As many as 88% of Danes in the survey state they have purchased products online. In addition, the country benefits from a relatively small land area, which makes transport more efficient.

> "As many as 88% of Danes in the survey state they have purchased products online."

Percentage of e-commerce consumers that have shopped from abroad





The Danes try something new

The Danes' e-commerce maturity is evident when it comes to sales channels. Many companies offer click-and-collect, i.e. the possibility to order a product online and pick it up in store. Live digital shopping and video shopping are also becoming more common in Denmark. The pandemic has given these alternative shopping options a major boost. Almost half of consumers have tried new ways of shopping during the pandemic. As much as 27% of Denmark's pensioners have tried the option of picking up their e-commerce parcel in store.

Impact of the coronavirus pandemic

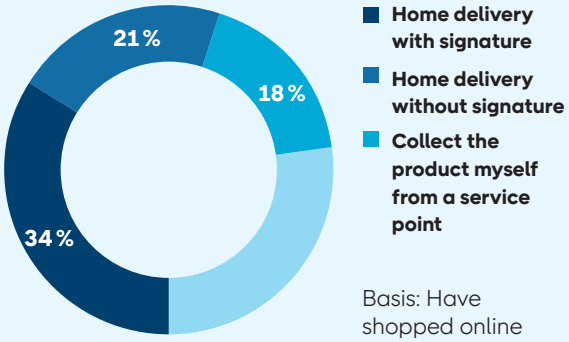
Denmark has had strict restrictions and prolonged lockdowns during the pandemic. Opportunities to visit physical stores have been severely limited. Instead, Danes have turned to the internet for everything from groceries to building materials. Online shops have been busy, but still managed to satisfy consumer demands. According to 9 out of 10 Danes, e-commerce has been a great help during the coronavirus crisis.

Marketplaces

The German clothing giant Zalando is a popular market participant in Denmark, and the company launched its second-hand service Zircle on the Danish market during the year. Another new player is the online platform The Founded, created by the Danish fashion company Bestseller Group. The platform offers sales of several fashion brands, including clothing from Jack & Jones, Vero Moda and Only. The Founded replaces the company's former online store Bestseller.com.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

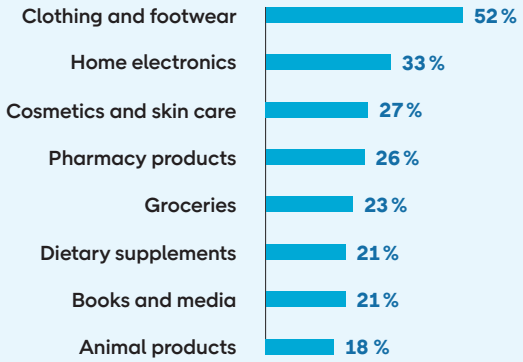
From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	42 %
2. Wish	22 %
3. Amazon	20 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.

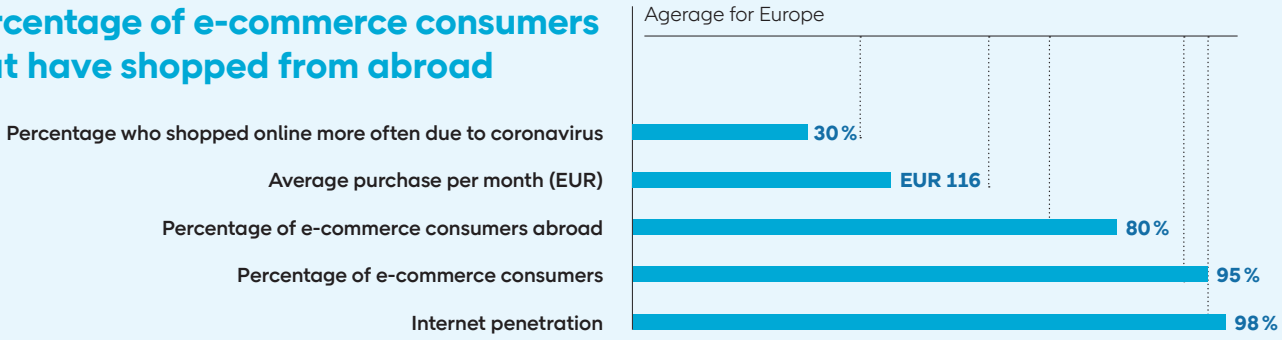


Finland: Finnish e-commerce picks up during the pandemic

Finnish e-commerce has historically lagged somewhat behind the other Nordic countries, despite the country's high level of digitalization. In particular, older Finns have been more skeptical about e-commerce than comparable age groups in Sweden, Denmark and Norway. However, during the coronavirus pandemic, the share of e-commerce has increased in Finland. For example, the percentage of people who state they shop online at least once a month has increased from 49% last year to 59% this year.

> "During the coronavirus pandemic, the share of e-commerce has increased in Finland."

Percentage of e-commerce consumers that have shopped from abroad



Finnish consumers stand out when it comes to delivery preferences

In most of the markets studied, home delivery is clearly the most preferred option when it comes to delivery alternatives. This is not the case in Finland. Consumers here are the only ones in the survey who hold collect myself from a parcel machine as their number one preference. Furthermore, compared to most other European online consumers, the Finns do not consider fast deliveries to be that important. They are more interested in being able to choose the place for the delivery.

Impact of the corona-virus pandemic

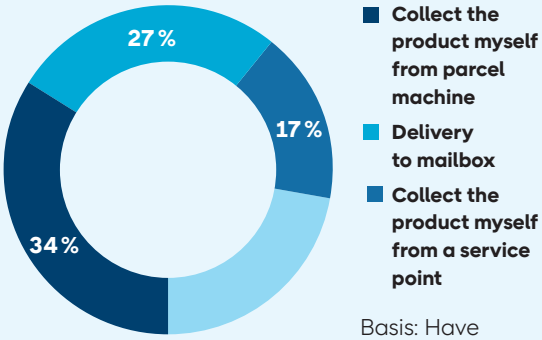
The coronavirus pandemic has not had the same impact on Finnish e-commerce as in the rest of Europe. 30% of Finnish e-commerce consumers said they had shopped more online because of the pandemic, which is the lowest figure in the survey, along with Denmark.

Marketplaces

Finns are the least likely to have purchased products from marketplaces over the period. As much as 38% of Finns state they have not purchased from any of the websites in the sample. Among the others, Zalando is by far the most popular. 36% state they have shopped online from Zalando, which is twice the percentage for eBay, which came in second place.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

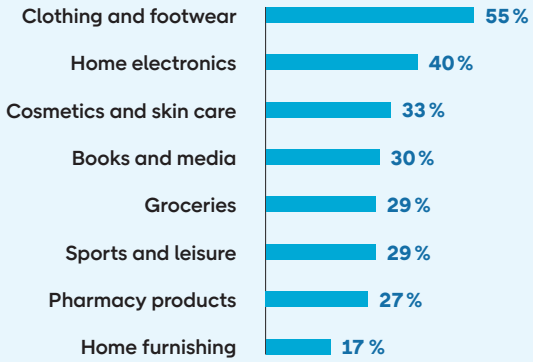
From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	36 %
2. eBay	18 %
3. Amazon	15 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



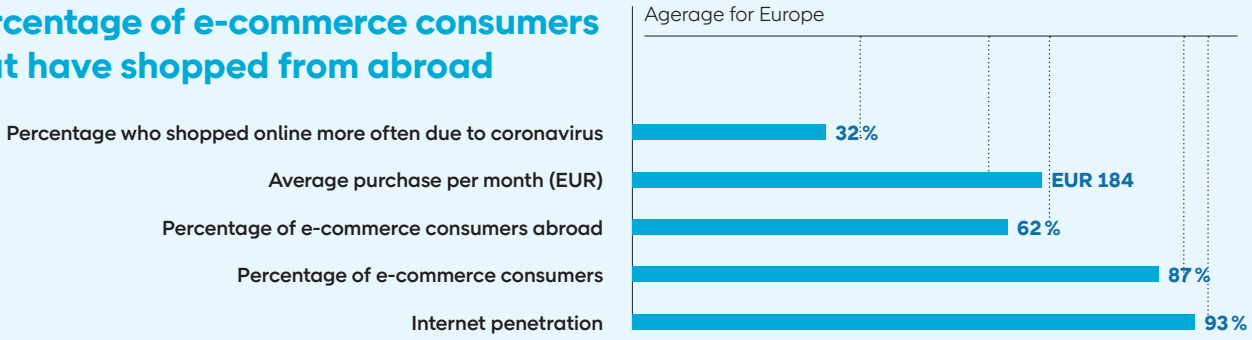
France: Amazon strong in the otherwise domestic e-commerce market

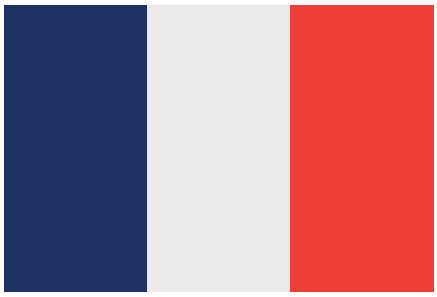
In 1982, the French service Minitel was launched in France and is considered to be one of the precursors of the internet. On Minitel, users could book train tickets, make payments and write emails, as well as doing what we now call online shopping. As an internet pioneer, France today has an established online retail market and is one of the top six online retailing countries in the world.

"The French retail and payment landscape is one of the fastest growing markets in the world, with consumers embracing digital payments and online shopping at a record pace."

Sebastian Siemiatkowski, CEO of Klarna

Percentage of e-commerce consumers that have shopped from abroad





Impact of the corona-virus pandemic

As a result of several lockdowns, France is one of the countries in Europe whose physical retail market has been most affected by the coronavirus pandemic. This led to a major boom in e-commerce. For example, one billion parcels were delivered in 2020, which is two hundred million more than the previous year. Overall, France's GDP fell by around 4.3 per cent in 2020, compared with the previous year.

Marketplaces

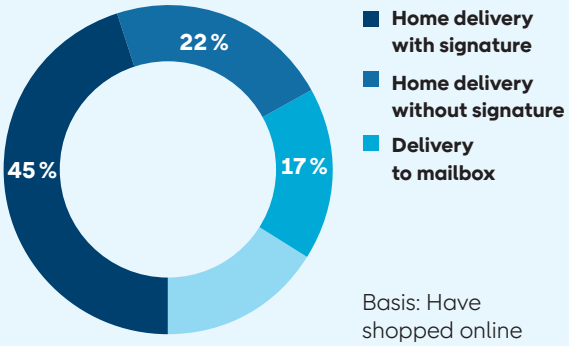
France has a wide range of national e-retailers and marketplaces. In terms of net sales, only Amazon is bigger than the French market participants Cdiscount, Vente-Privee and Auchan. At the beginning of the year, French President Emanuel Macron presented a new climate change bill. One thing that has given rise to debate is that the proposal makes it more difficult to asphalt empty fields. However, e-commerce giants such as Amazon are still allowed to build their warehouses on this type of land, which has upset many. Another win for Amazon, which has previously fought the French government regarding its free delivery services.

Klarna launched

Swedish fintech company Klarna launched its services in France in June 2021. The French can take advantage of Klarna's new "Pay in 3" instalment service, which allows consumers to divide their payments into three parts – free of charge and interest-free. The service is already available in the US and the UK and has been highly appreciated. The establishment of Klarna is another sign of the fintech company's worldwide success.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

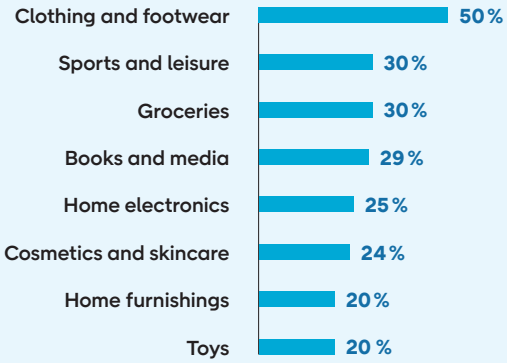
From which of the following e-commerce sites have you shopped online in the past year?

1. Amazon	80 %
2. Zalando	26 %
3. eBay	22 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



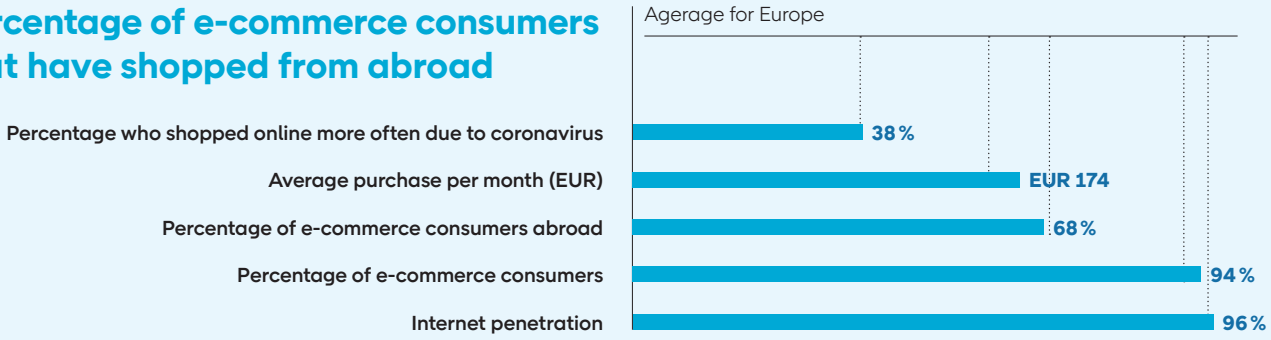
Germany: New challenges await the successful country

Germany is at the forefront of e-commerce. The country's e-commerce market is well developed compared to the rest of Europe. In addition, the proportion of internet users is as high as 96%, which is reflected in the Germans' high level of e-commerce. In the survey, 94 percent of Germans state that they have shopped online.

Germany also seems to have received a boost from Brexit. Germany, along with the UK, is one of the most popular countries to shop online from. With trade from the UK made more difficult by its withdrawal from the EU, more consumers seem to be looking to Germany instead.

> "We have the potential to take more than 10 percent of the European fashion market."
>
> Robert Gentz, CEO at Zalando

Percentage of e-commerce consumers that have shopped from abroad



Click-and-collect not popular in Germany

Click-and-collect – ordering online and picking up in store – has grown rapidly in Europe in recent times. The concept has become a hot trend in France and the UK, for example, but in Germany it has not been as successful. One possible reason for the lower popularity is that relatively few German e-retailers have introduced the service. It is possible that click-and-collect and other delivery options will become more widespread as more companies start to launch these services.

Impact of the corona-virus pandemic

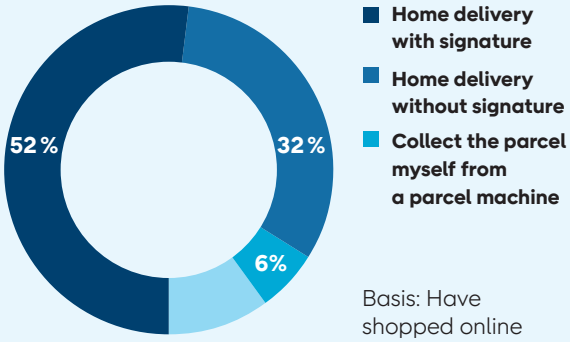
The German e-commerce market has exploded in recent years, and during the pandemic, online shopping has become particularly popular. However, the large volume of parcels in circulation has presented some logistical challenges. The logistics company DHL has decided to expand its distribution center in the town of Aschheim. The distribution center will be the largest in Germany. The new facility will sort up to 72,000 parcels per hour. The center is due to be completed next year and is expected to create 500 new jobs.

May be affected by new VAT rules

A dark cloud is hanging over German e-retailers due to the EU introducing new VAT rules over the summer. The main difference compared to previously is that VAT is now payable in the country in which the consumer is located, rather than in the country in which the business that sold the product operates. Germany's VAT rate of 19% is lower than that of most other EU countries. The new VAT rules therefore mean less competitive conditions for German e-retailers.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

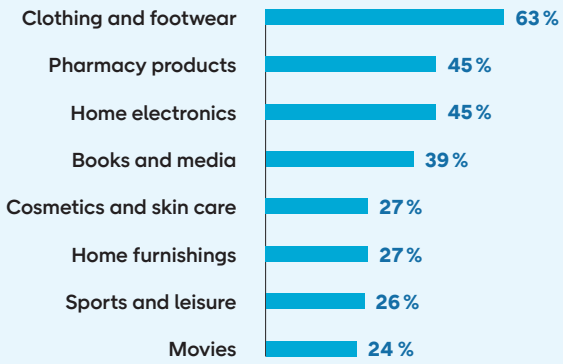
From which of the following e-commerce sites have you shopped online in the past year?

1. Amazon	87 %
2. eBay	53 %
3. Zalando	27 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.

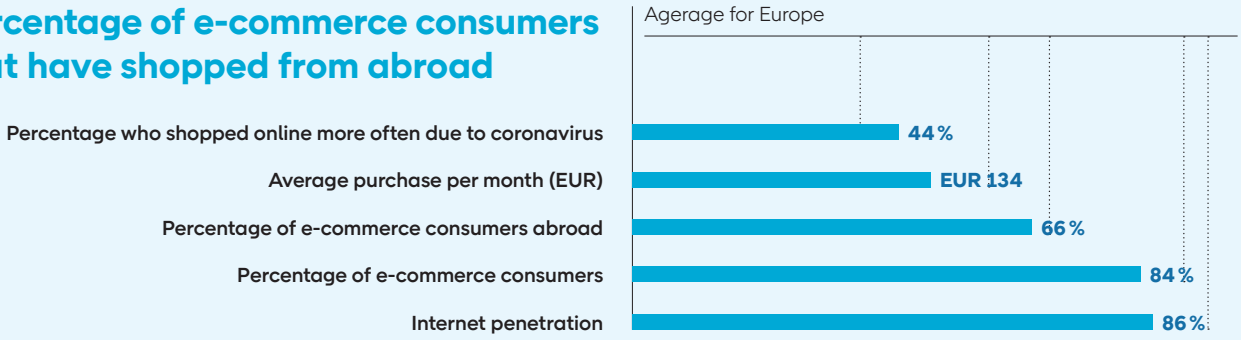


Italy: the e-commerce market is booming

Italy is the third largest economy in Europe and is also a leader in the production of luxury goods. Despite this, Italy's e-commerce market is of modest size compared to the e-commerce markets in the rest of Europe. However, the country has been rapidly digitizing in recent years. 84% of Italian respondents state they have shopped online. The coronavirus pandemic has contributed to a further shift in consumption from in-store retail to e-commerce in Italy.

"The coronavirus pandemic has contributed to a further shift in consumption from in-store retail to e-commerce in Italy."

Percentage of e-commerce consumers that have shopped from abroad



Impact of the corona-virus pandemic

During the pandemic, many Italians chose to shop online. To prevent the spread of the disease, the country's government chose to shut down physical retail outlets, giving many people a reason to shop online for the first time. Once consumers have crossed the initial threshold, they are likely to continue to shop online even when society returns to how it was previously.

Marketplaces

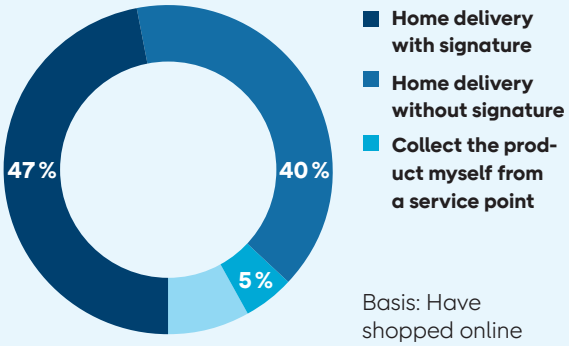
International e-retailers are popular with consumers. Amazon and eBay, for example, are popular. Several new stores were launched in the Italian e-commerce market in the spring. These include the Russian clothing company Wildberries, the Lithuanian second-hand platform Vinted and the American Amazon Fresh meal kit concept. The reason for the popularity of the international market participants in Italy could be that local companies have been slow to launch online platforms, and many smaller retailers do not offer e-commerce at all.

New on the market

In early 2021, Amazon Fresh was established in Italy. Italy is already one of Amazon´s main markets in Europe, where the marketplace in previous surveys has shown a great impact on the e-commerce population. With Amazon Fresh, a larger range of groceries will be added on Amazon´s platform as a complement to the range of goods. The concept has also been established in physical stores during the year, especially in the US.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

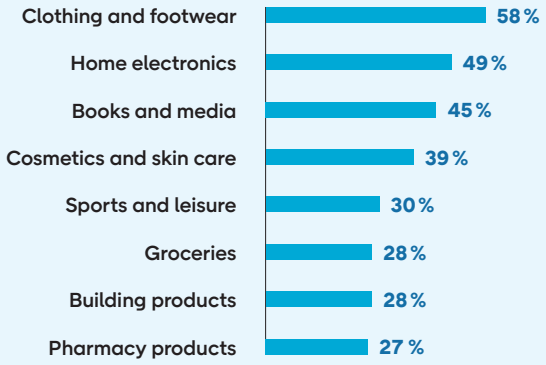
From which of the following e-commerce sites have you shopped online in the past year?

1. Amazon	95 %
2. eBay	46 %
3. Zalando	45 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



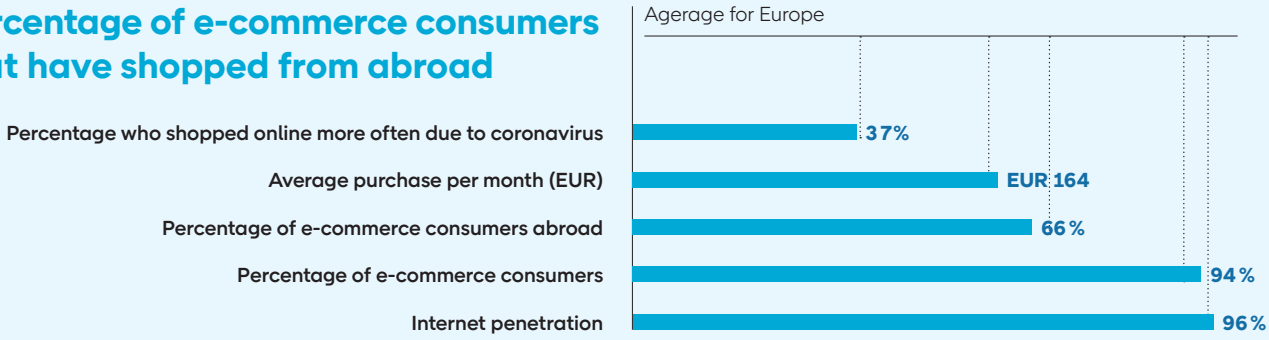
The Netherlands: At the heart of e-commerce

The Netherlands is one of the pioneers of e-commerce. Favorable conditions such as high internet penetration and residents with both technical skills and a stable internet connection contribute to this. Currently, 94% of Dutch people state they have shopped online.

An important aspect of Dutch commerce is the high population density, the small distances involved and the fact that the Flemish language and culture transcend national borders. In concrete terms, this means that the natural consumer market for Dutch e-commerce companies is broader than national borders allow, which is important to know.

> "Currently, 94% of Dutch people state they have shopped online."

Percentage of e-commerce consumers that have shopped from abroad



Impact of the corona-virus pandemic

Although e-commerce in the Netherlands has been strong for some time, it has become even stronger in 2020. As in most countries, the e-commerce share has widened to encompass more consumer groups, particularly the elderly. The Netherlands has had periodic lockdowns of both schools and workplaces, but has also tried to open up society as the spread of the disease has declined.

Marketplaces

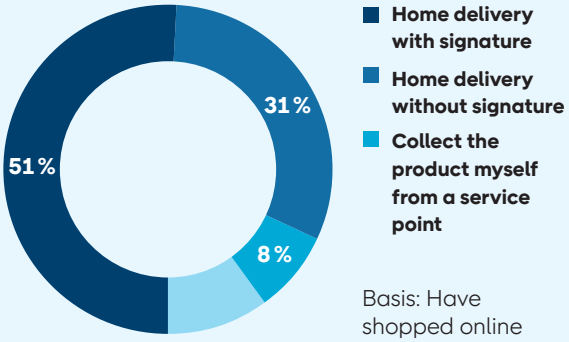
Unlike in many other countries, Amazon is not the most visited marketplace. Instead, three out of four Dutch consumers visit the domestic website Bol.com at least once a month. Like Amazon, it is a one-stop shop run by third parties where virtually anyone can set up a seller account.

Short delivery times

With a large proportion of citizens shopping online, the demands on e-commerce market participants are high. Short delivery times are important to consumers in the country, with it taking customers an average of two to three days to receive their parcel. The fact that the country is small in size simplifies logistics, as does the fact that Europe's largest port is in Rotterdam? The latter has also meant that the Netherlands buys more from China than other countries, but this has, however, fallen during the pandemic from 37 to 32 percent.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

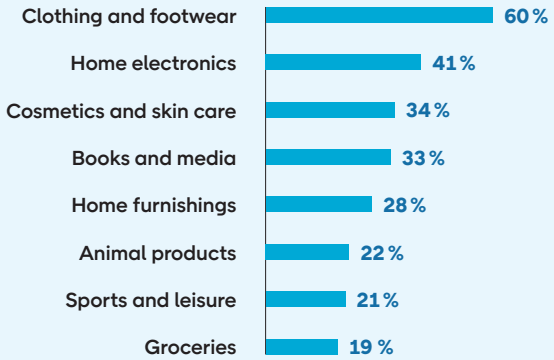
From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	39 %
2. Amazon	35 %
3. Alibaba/Aliexpress	28 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.

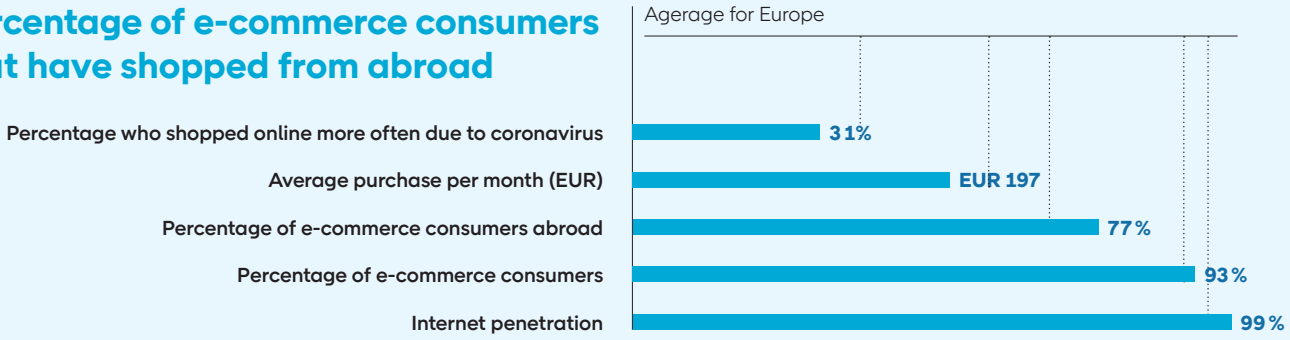


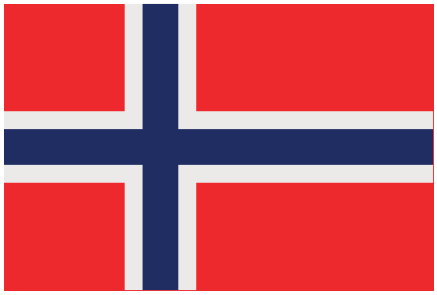
Norway: Changed VAT rules and increased duty-free access

Like the rest of Scandinavia, Norway is a digitally mature country. However, new VAT rules have changed the playing field for foreign e-retailers. From April 1, 2020, all foreign companies will have to pay Norwegian VAT on all goods sold to Norwegian consumers, provided that the company's annual net sales exceed NOK 50,000. Low-value goods continue to benefit from duty-free treatment, but the amount has been increased from NOK 350 to NOK 3,000. The increased duty-free access makes it both cheaper and easier for Norwegian consumers to make online purchases from abroad.

> " The coronavirus has reinforced and accelerated trends that we've been seeing for a long time. Demand for our services is exceptionally strong, both in Norway and internationally."
>
> Vegard Vik, co-founder and CFO at Oda

Percentage of e-commerce consumers that have shopped from abroad





Impact of the corona-virus pandemic

The pandemic has given many Norwegian companies' e-commerce a major boost. In its annual report for 2020, the sports chain XXL reported growth of 43%. In addition, for the first time ever, the company's net sales from e-commerce exceeded NOK 2 billion. The Nordic region's largest home electronics e-retailer Komplett Group increased its operating profit to NOK 271 million in 2020 – a fivefold increase compared to the previous year.

Increased demand for delivery options

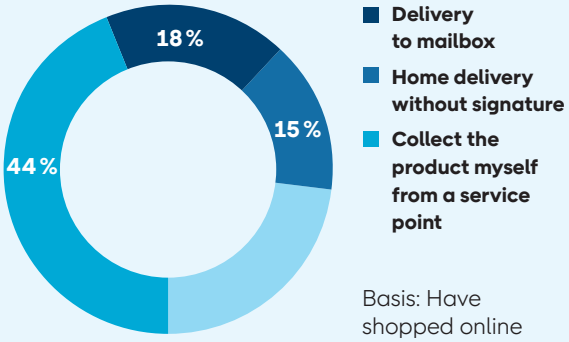
As a result of Norway's tough restrictions, many companies have been forced to rethink. When Clas Ohlson had to keep their stores closed, they offered the "Curbside pick-up" delivery option – an option that has become very popular. Despite more expensive handling, this delivery option has contributed to the continued strong growth of Clas Ohlson's online sales. Home delivery of food has also become increasingly common during the pandemic, prompting the explosive growth of the Norwegian online food giant Oda.

Marketplaces

Norwegian consumers have a strong interest in cross-border online shopping. The German fashion giant Zalando tops the list of favorites, but the American marketplaces Wish and eBay are also popular among Norwegians. In addition to the foreign online stores, Norway has many domestic companies with large market shares.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

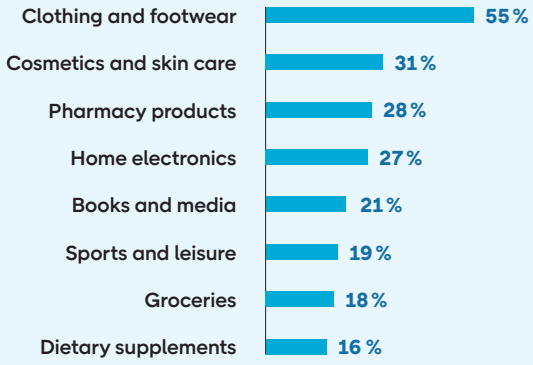
From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	42 %
2. Wish	23 %
3. eBay	23 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



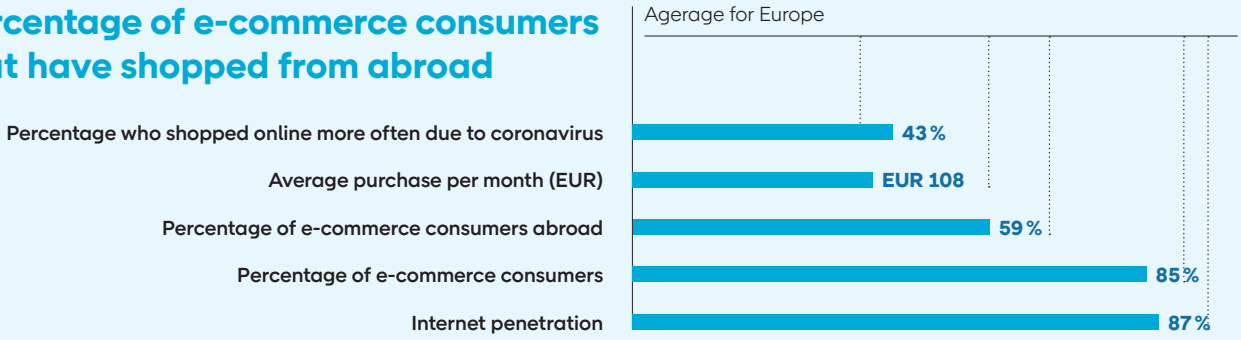
Poland: A red-hot e-commerce market

Poland has historically not had an e-commerce market to speak of, but this is about to change. Last year, 85% of the country's population shopped online, an increase of 2% compared to the previous year.

Poland is a country in transition that has seen strong economic growth in recent years. This, combined with the short distance to Sweden, has made the country attractive for several Swedish e-commerce market participants. For example, the recently listed company Desenio and the moped entrepreneurs at Wässla have chosen to open up e-commerce in Poland.

> "Last year, 85% of the country's population shopped online, an increase of 2% compared to the previous year."

Percentage of e-commerce consumers that have shopped from abroad



Impact of the corona-virus pandemic

Poland has fared relatively well economically during the pandemic, despite its GDP falling for the first time in 30 years. 43 percent of the consumers in Poland state that they have shopped more during the pandemic, which is a higher figure than that in Sweden, for example. In particular, Poles order clothing and accessories.

Marketplaces

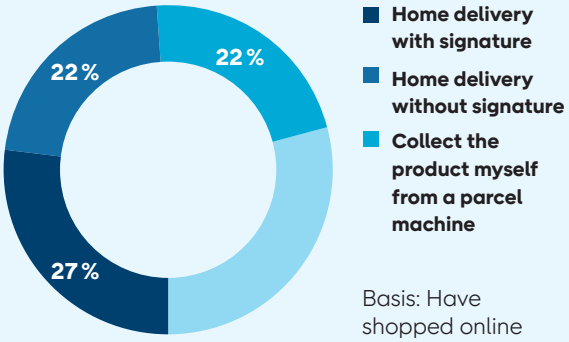
The largest marketplace in the country is domestic Allegro, which was launched in 1999 as an auction site. Today, the online retailer has a much wider range of products, with most products being available. A new feature of the year is the launch of Amazon in the country. Amazon has been operating in the country since 2014, but it is only now that the website has been made available in Polish. How this will affect the country's e-commerce market remains to be seen, but Allegro has a major head start in the market.

The number of Polish e-commerce market participants is growing rapidly

Poland's e-commerce has grown significantly in recent years. Over the last five years, for example, 19,000 new e-retailers have registered, an increase of almost seventy percent. In addition, internet use by citizens has increased and digitalization has escalated. Both through increased mobile usage and the roll-out of digital infrastructure.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

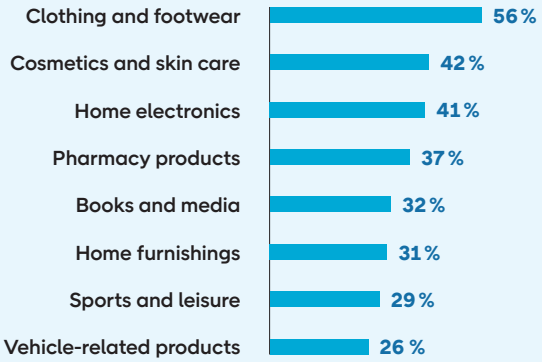
From which of the following e-commerce sites have you shopped online in the past year?

1. Allegro	88 %
2. Zalando	32 %
3. Alibaba/Aliexpress	25 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



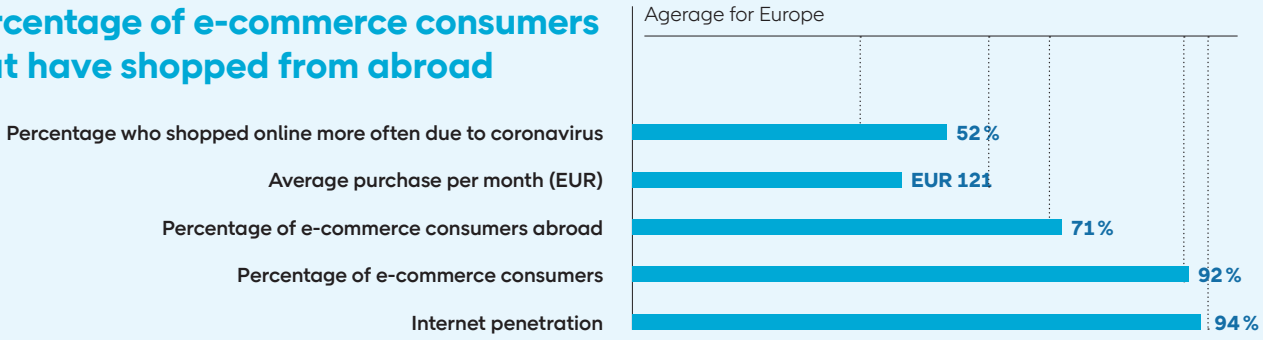
Spain: Shopping culture could stand in the way of e-commerce growth

Spain is one of the Western European countries that has lagged behind in e-commerce, but is now one of the fastest growing e-commerce markets. Today, 94% of Spaniards have access to the internet, and 92% have made a purchase online.

Just like in Italy, the EU has been a key player in the roll-out of digital infrastructure. The EU has allocated a lot of money, especially in Southern Europe, to enabling a single digital market and better exchange of goods and services online.

"Today, 94% of Spaniards have access to the internet, and 92% have made a purchase online."

Percentage of e-commerce consumers that have shopped from abroad



Impact of the corona-virus pandemic

Economically, Spain has been hit hard by the pandemic. Last year, the country had a GDP loss of about eight percent. However, Spain is one of the first countries to receive money from the EU's coronavirus fund, which, together with the reopening of society, is expected to stabilize GDP during the year. Despite a decline in consumption, e-commerce seems to have benefited from the trend. As many as 52 percent of Spanish consumers state that they have shopped online more often as a result of the pandemic.

Marketplaces

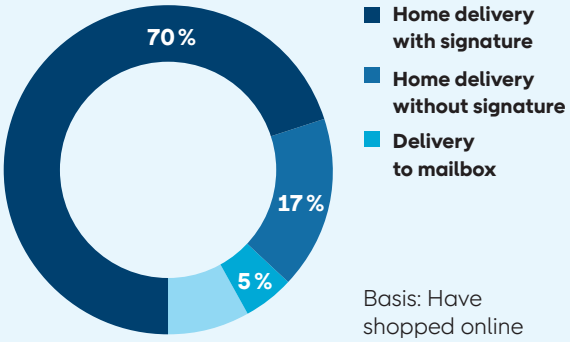
Amazon is the favorite marketplace of Spanish consumers, and the company has also launched Amazon Fresh in the country this year. The service offers Prime customers home delivery of fresh produce on the day the order is placed. This new addition increases competition with the second most popular marketplace, El Corte Inglés. This domestic e-commerce market participant was originally a physical department store established throughout Spain. Like Amazon, the company offers its customers everything from groceries to clothing and pet products.

The logistics problem with e-commerce

There are various theories as to why Spain is lagging behind the rest of Europe in terms of e-commerce. A weaker economy in the wake of the financial crisis could be one reason. Historically lower internet usage is also a key factor. Spain is also a peninsula with poorer logistics connections than, for example, Germany, which makes deliveries more time-consuming and costly. Cultural aspects may also be a reason. It is more common in southern European countries for food shopping to be a shared experience, which can make it more difficult to establish online grocery retailing.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

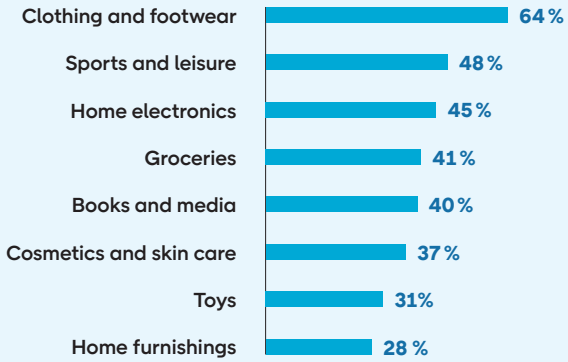
From which of the following e-commerce sites have you shopped online in the past year?

1. Amazon	90 %
2. Alibaba/Aliexpress	43 %
3. eBay	32 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.

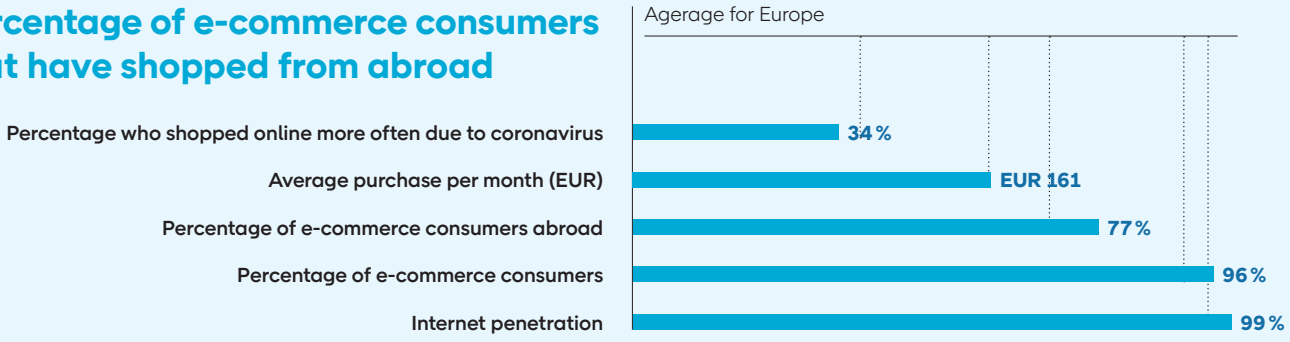


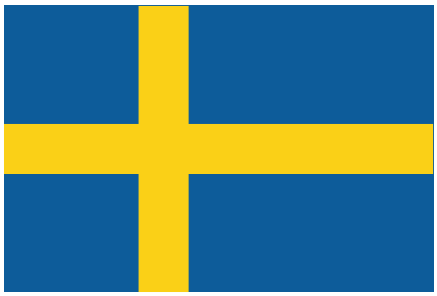
Sweden: New VAT rules benefit Swedish online retailers

Sweden's e-commerce market is one of the most well developed in Europe. Prior to the outbreak of the coronavirus pandemic in 2019, e-commerce accounted for 11% of the total retail market. By the end of 2020, this figure was 14%. A characteristic feature of Swedish consumers is their high propensity to try new technological solutions. One example of this is that the Swish direct payment method is one of the most popular payment solutions in the country. Another explanation for the popularity of the payment app is that the new credit legislation introduced in 2020 meant that the invoice is not permitted to be preselected as a payment option.

> "We celebrate the circular and offer a modern, alternative shopping experience, backed by rational arguments such as environmental benefit, price, choice and convenience."
>
> Chantal Olsson, Brand Manager Tradera

Percentage of e-commerce consumers that have shopped from abroad





Impact of the corona-virus pandemic

In Sweden, the pandemic accelerated the process of e-commerce taking larger and larger market shares. Swedes have been spending more time at home and as a result, e-commerce growth has increased for product categories such as furniture and home furnishings, building products and home electronics. Fashion, on the other hand, has seen slower growth due to the reduced number of physical meetings between people. Most e-retailers feel that the coronavirus pandemic has been positive for their sales. Only nine percent feel it has been very negative.

Marketplaces

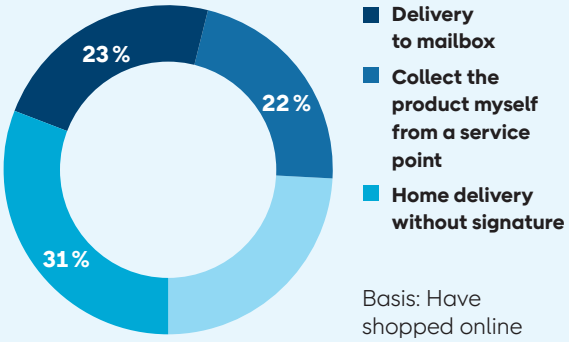
In October 2020, Amazon launched its Swedish e-commerce website. Initially, it was widely criticized for inaccurate translations and a relatively small product range. Despite the criticism, four out of ten Swedes were interested in shopping from the website, and a few months after the launch, twelve percent had purchased something from Amazon. The second most popular marketplace is C2C auction site Tradera, where furniture and home furnishings was the most popular product category in 2020.

New VAT rules

On July 1, 2021, the European Union introduced new VAT rules for e-commerce. The rules mean that VAT is paid in the country in which the consumer is located. Simplification of VAT reporting is the reason for the change, but the new rules may also have other effects for Swedish e-retailers. As Sweden's VAT is the second highest in Europe, Swedish e-retailers are becoming more competitive in relation to other European online retailers, as VAT is paid in the country in which the consumer is located.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

From which of the following e-commerce sites have you shopped online in the past year?

1. Zalando	41 %
2. Amazon	27 %
3. Wish	22 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.

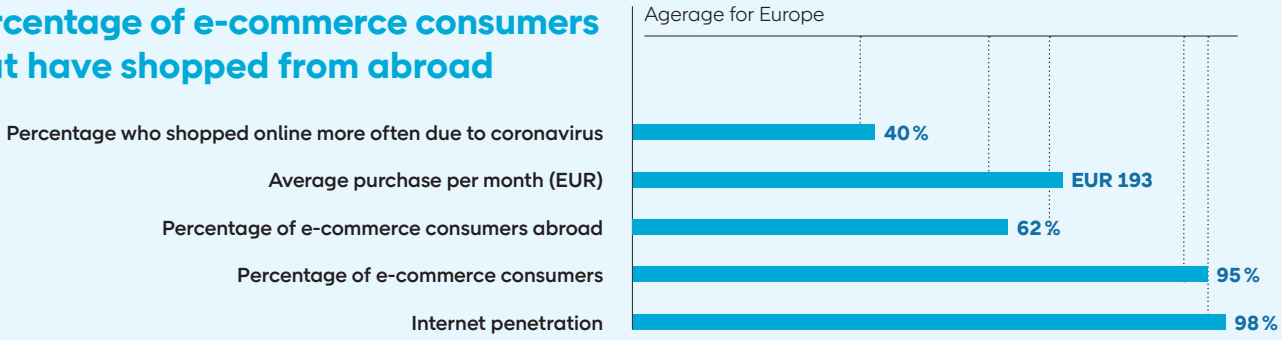
United Kingdom: Online share of retail sales is number one in Europe

The UK is one of the world's leading e-commerce nations, particularly in groceries, where it was an early mover compared to, for example, the Nordic countries. E-commerce consumers are both domestic and foreign, which contributes to the country's strength in the market. Internet penetration is 98%, making the UK one of the top EU countries for internet usage. In March 2021, e-commerce accounted for around 34% of all retail sales.

"Responsibility for a sustainable future lies with us all, and it is up to business to lead the way."

Nick Beighton, CEO of ASOS

Percentage of e-commerce consumers that have shopped from abroad



Impact of the corona-virus pandemic

The United Kingdom has been under a series of lockdowns during the pandemic. The lack of open physical stores led Britons to turn to e-commerce. As much as 40% of consumers state they have shopped more online as a result of the coronavirus pandemic, and this is in a country that already does a relatively large amount of online shopping.

Marketplaces

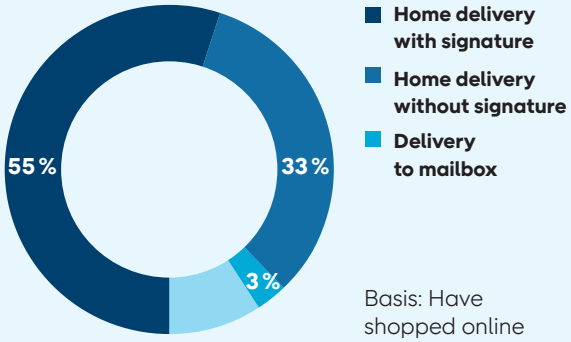
The UK has many domestic market participants with large market shares. UK-based ASOS is one of the world's leading fashion and footwear retailers. In 2020, the company's net sales increased by 20 percent, to GBP 3,263 million. US market participants Amazon and eBay are also very strong in the country, but Brexit is making things slightly more difficult for the online retail giants. In the past, Amazon sellers have been able to ship their goods to a warehouse in the UK for onward transport to the rest of the EU. Instead, many companies are opening central warehouses in other European countries.

Brexit may delay deliveries

In February 2020, the UK left the European Union after years of negotiations. As the country is no longer part of the EU, it is also no longer part of the customs union. Every UK e-retailer now needs to report exactly what is in their parcels in order to get them past customs. Most online retailers in the UK had difficulty adjusting, resulting in a large number of delayed parcels. It has also become more difficult for Britons to shop from the rest of Europe.

Top three preferred delivery methods

How do you prefer to have your product delivered when you shop online?



Basis: Have shopped online

Top three international marketplaces

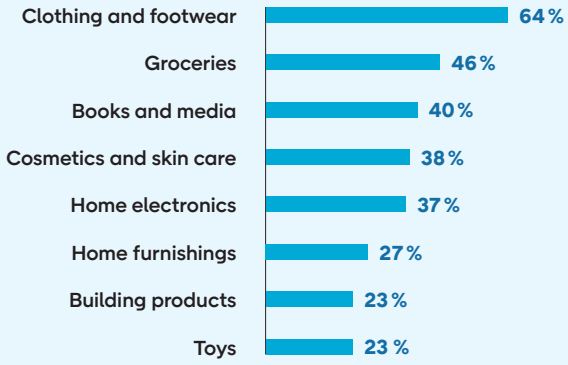
From which of the following e-commerce sites have you shopped online in the past year?

1. Amazon	87 %
2. eBay	62 %
3. Etsy	17 %

Basis: Have shopped online

Most commonly bought products online

Percentage of e-commerce consumers who have made purchases from each respective product category over the past year.



PostNord – a partner for e-commerce

ostNord provides distribution solutions all over the world. Outside the Nordics, PostNord has an established presence via its subsidiary, Direct Link, which offers global delivery of products via its local branches in China, Brazil, Germany, Hong Kong, Poland, Singapore, the UK and the US. Direct Link helps e-commerce companies establish a presence in new markets, with everything from market analysis and direct marketing to fulfillment, product distribution and processing returns.

PostNord is the biggest and obvious partner for e-commerce in the Nordic market. We offer communications and logistics solutions to, from and within the Nordic region. In 2019, we had 28,000 employees and turnover of SEK 38.7 billion. PostNord has a comprehensive offeringf or e-commerce, with a range of services in the areas of customer communication, product distribution and logistics.

We have a harmonized, Nordic logistics service offering, ranging from retail supplies and third-party logistics to product distribution and returns processing. With the widest-ranging distribution network in the Nordic region, we shrink the distance between e-commerce and the end-customer. PostNord has over 8,000 distribution points, spread out evenly across Denmark, Finland, Norway and Sweden.

In Sweden and Denmark, our mail carriers also visit all households and companies every working day. PostNord offers services in the field of third-party logistics with a high level of added value combined with information technology in customer-oriented partnerships. Using factbased customer insight, we enhance our customers' profitability by means of communication solutions and platforms that reach the right customer in the right channel at the right time.

Find out more at www.postnord.com and www.directlink.com

Contact us for more information

Nordics
OLOF KÄLLGREN
E-mail: olof.kallgren@postnord.com
Tel: +46 761 18 43 40

ARNE ANDERSSON
E-mail: arne.andersson@postnord.com
Tel: +46 730 79 05 52

Germany
DIRECT LINK WORLDWIDE GMBH
E-mail: infogermany@directlink.com
Tel: +49 (0) 6155 89790 20

Poland
DIRECT LINK WORLDWIDE SP.ZO.O
E-mail: infopoland@directlink.com
Tel: +48 (0) 791 103 010

United Kingdom
DIRECT LINK WORLDWIDE LTD
E-mail: infouk@directlink.com
Phone: +44 (0) 20 8707 4400

USA
DIRECT LINK WORLDWIDE INC
E-mail: infousa@directlink.com
Tel: +1 (908) 289-0703

Brazil
Direct Link Worldwide INC
E-mail: infousa@directlink.com
Tel: +1 (908) 289-0703

Hong Kong
DIRECT LINK WORLDWIDE COMPANY LTD
E-mail: infohongkong@directlink.com
Tel: +85 2 2850 4183

Singapore
DIRECT LINK WORLDWIDE COMPANY LTD
E-mail: infoasia@directlink.com
Tel: +65 6 745-0773

China
DIRECT LINK WORLDWIDE (Shanghai) LOGISTICS SERVICE CO LTD
E-mail: infochina@directlink.com
Tel: +86 21 23127579

DIRECT LINK WORLDWIDE (Shengzen) LOGISTICS SERVICE CO LTD
E-mail: infochina@directlink.com
Tel: +86 755 86932505

Other countries
DIRECT LINK GROUP SWEDEN
E-mail: info@directlink.com
Tel: +46 (0) 10 436 00 00