



# E-commerce in the Nordics Q1 2014

**THEME: LOGISTICS**

**postnord**

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# Nordic e-commerce totaled SEK 34 billion during the first quarter

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## FOREWORD

The value of Nordic consumer e-commerce during the first quarter of 2014 was approximately SEK 34 billion. Of this amount, consumers estimate that around SEK 10.1 billion was generated from e-commerce conducted with sites they consider foreign.

Seven in ten Nordic residents shopped online during the first quarter of 2014, and nine in ten have shopped online at least once. E-commerce has become an integral part of everyday life in the Nordic countries.

Parcel volumes were another indication of the dramatic growth of e-commerce during the first quarter – our B2C parcel volumes increased 15 percent in the Nordic market.

Nordic countries share many similarities in terms of e-commerce. Clothing, books and home electronics are the most popular products purchased online in all Nordic countries, and when making foreign online purchases we do so most often from UK sites. But there are also differences between countries – a significant one being delivery preferences for products purchased online. Most Danes prefer daytime home delivery, while other Nordic residents much prefer to have deliveries made to a partner outlet. The most popular delivery method in all Nordic countries is direct delivery to the mailbox.

As a logistics operator with a Nordic home market, it feels befitting that PostNord is now monitoring developments within Nordic retail e-commerce on a quarterly basis.

Håkan Ericsson  
President & CEO, PostNord

As of Q1 2014, PostNord will monitor Nordic e-commerce development on a quarterly basis. The study is based on consumers' estimations of the amount spent on goods purchased online.

*E-commerce in the Nordics* is published quarterly and based on consumer surveys conducted in Sweden, Denmark, Norway and Finland of over 4,000 respondents.

E-commerce is defined in this report as the sale of goods via the Internet and delivered to a household or distribution point or picked up by the consumer at a store, warehouse or distribution site.

Accordingly, the following are not included in the definition of "e-commerce" in this report:

- In-store purchases that are pre-booked online
- Online sales of services (e.g., travel, hotels, concert tickets)
- Online sales between companies
- Online sales between private persons

The consumer survey was conducted in April 2014 with a nationwide, statistically representative sample of residents aged 18-79 in each country. TNS SIFO's web panel was used in conducting the survey. A total of 1,180 respondents participated in Sweden, 1,210 in Denmark, 1,044 in Norway and 1,263 in Finland.

Because this is an online survey, results are representative of the share of the population that has access to the Internet. In cases where estimates are reported as applicable to the entire population, results have been calculated based on Internet penetration in each market.

# Nordic e-commerce totals SEK 34 billion in Q1 2014

## SEK 34 BILLION

The value of Nordic consumers' e-commerce during the first quarter of 2014 totaled approximately SEK 34 billion.

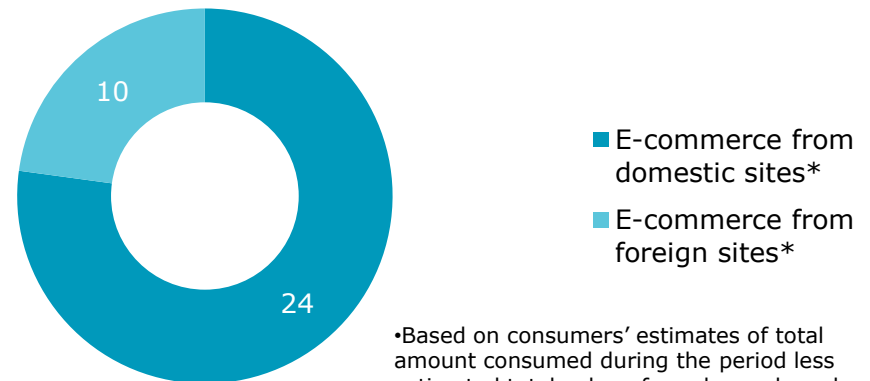
Of this amount, consumers estimate that around SEK 10.1 billion was generated from e-commerce conducted with sites they consider foreign.

33 percent of Nordic-region e-commerce mail items during the period came from foreign countries, according to consumer estimates.

The percentage of foreign mail items was highest in Norway and Finland (four in ten).

Sweden had the lowest percentage of online-purchased mail items from foreign countries (25%).

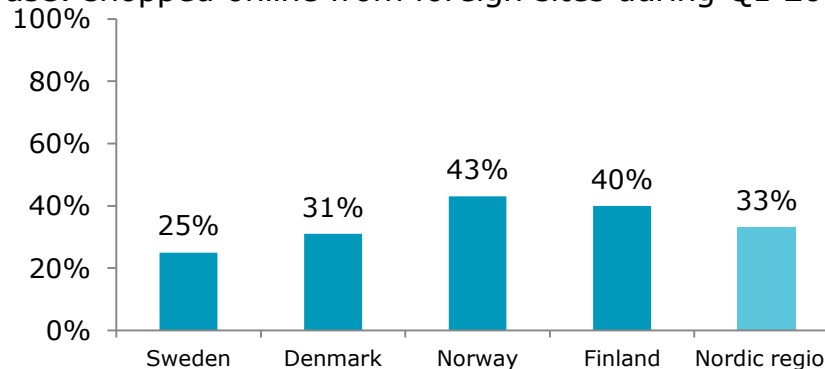
## VALUE OF NORDIC CONSUMERS' E-COMMERCE IN Q1 2014 (SEK BILLION)



\*Based on consumers' estimates of total amount consumed during the period less estimated total value of goods purchased online from foreign sites

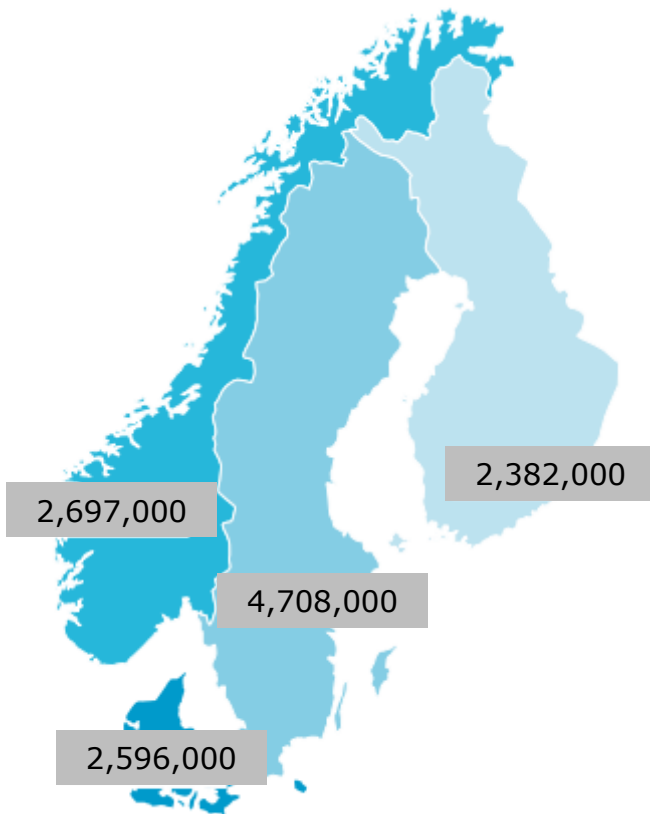
## PERCENTAGE OF MAIL ITEMS DELIVERED FROM FOREIGN COUNTRIES

Base: shopped online from foreign sites during Q1 2014



# 70% of Nordic residents shopped online during Q1 2014

## CONSUMERS WHO SHOPPED ONLINE IN Q1 2014



E-commerce is an important part of everyday life for consumers in Nordic countries. During Q1 2014, 70% of Nordic residents shopped online.

Norway has the highest percentage of e-commerce consumers, with 75 percent shopping online during the period. In Finland, 66 percent of respondents shopped online during Q1.

### Have you purchased goods online during the past three months?

Base: all respondents

|                   | Sweden | Denmark | Norway | Finland | Nordic region |
|-------------------|--------|---------|--------|---------|---------------|
| Yes               | 71%    | 69%     | 75%    | 66%     | 70%           |
| No                | 28%    | 30%     | 25%    | 33%     | 29%           |
| Unsure/Don't know | 1%     | 2%      | 0%     | 1%      | 1%            |

# Clothes, books and home electronics top the Nordic e-commerce list

## CLOTHING TOPS THE LIST

Clothing, books, home electronics and cosmetics, skin and hair products are the four product categories from which Nordic consumers bought the most products online during the first quarter.

Deviations are only seen between the Nordic countries when it comes to the fifth most popular category.

In Finland, sport and leisure articles are the fifth most popular product category, while computers and computer equipment take fifth place in Sweden and Norway.

### What types of products did you buy online during the past three months? (top 5)

Base: shopped online during Q1 2014

|   | Sweden | Denmark | Norway | Finland |
|---|--------|---------|--------|---------|
| Clothing  | 40%    | 34%     | 29%    | 31%     |
| Books   | 31%    | 19%     | 26%    | 22%     |
| Home electronics (excl. computers and computer equipment) | 18%    | 17%     | 21%    | 16%     |
| Cosmetics and skin & hair products                        | 18%    | 14%     | 19%    | 13%     |
| Computers and computer equipment                          | 17%    | 13%     | 15%    |         |
| Sport and leisure articles                                |        | 13%     |        | 12%     |

# Mobile phones used increasingly in e-commerce

## E-COMMERCE WITH MOBILE PHONE

Most online purchases are still made via computer, but more and more people are using their mobile phones.

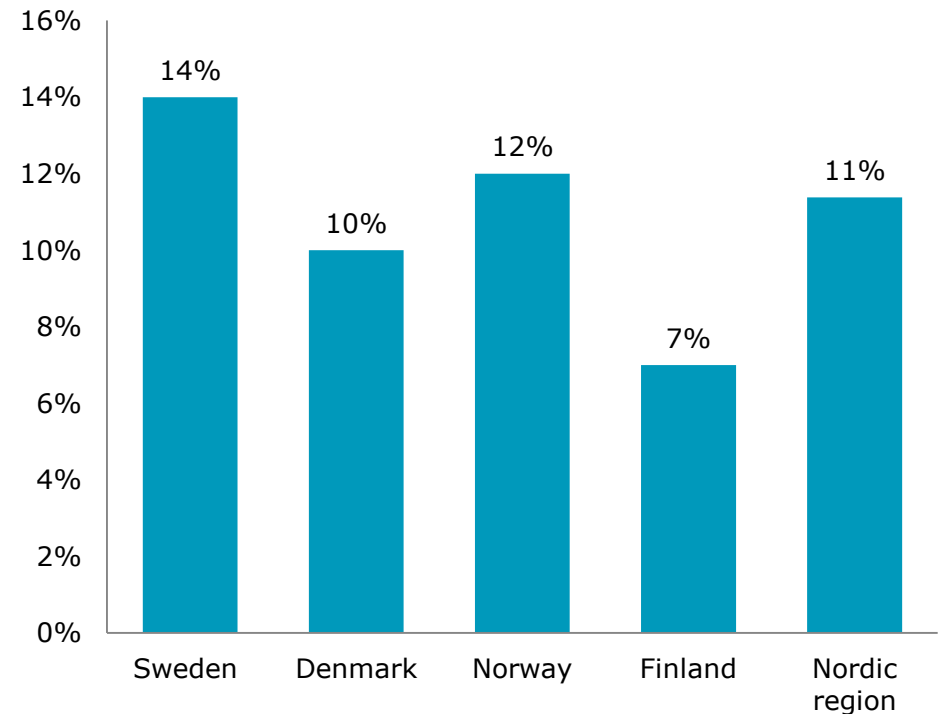
11 percent of Nordic-region e-commerce consumers purchased goods via their mobile phones during the first quarter.

Mobile phone purchases were most prevalent in Sweden, where 14 percent of respondents who made online purchases during Q1 did so via their mobile phones.

Finland had the lowest percentage of mobile phone purchases among e-commerce consumers – 7 percent of those who shopped online during the quarter did so with their mobile phones.

## PERCENTAGE THAT PURCHASED GOODS ONLINE VIA MOBILE PHONE IN Q1 2014

Base: shopped online during Q1 2014



# Four in ten Nordic residents have shopped from sites abroad

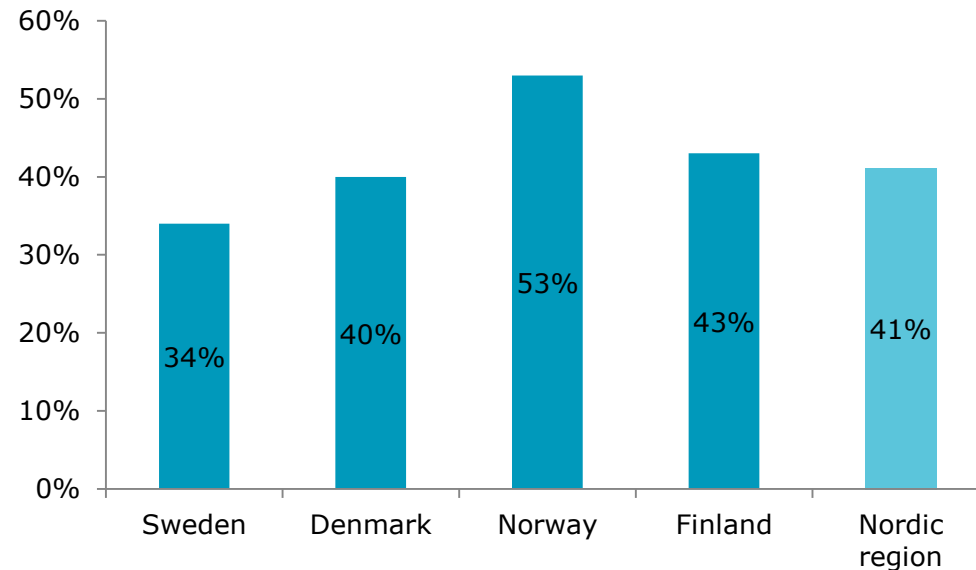
## E-COMMERCE FROM SITES ABROAD

Over half of all Nordic residents who shopped online during the first quarter did so on foreign sites.

Among respondents who shopped online during Q1, the percentage that shopped online from foreign sites was lowest in Sweden (34%).

## PERCENTAGE THAT PURCHASED GOODS ONLINE FROM FOREIGN SITES IN Q1 2014

Base: shopped online during Q1 2014





# Online shopping from Great Britain most common in Nordic countries

## E-COMMERCE ACROSS BORDERS

When Nordic residents shop online from sites abroad, they do so most often from Great Britain. The USA, Germany and China are also popular.

When Danes, Norwegians and Finns shop online from other Nordic countries, they do so most often from Sweden.

E-commerce flows between other Nordic countries are not as large.

### From which countries did you purchase goods online during the past quarter? (top 5)

|  | Sweden | Denmark | Norway | Finland |
|--|--------|---------|--------|---------|
| <i>BASE: shopped from foreign site(s) in Q1 2014</i> | 24%    | 28%     | 40%    | 28%     |
| Great Britain  | 47%    | 52%     | 42%    | 33%     |
| USA  | 30%    | 14%     | 39%    | 20%     |
| Germany  | 25%    | 26%     | 18%    | 30%     |
| China  | 20%    | 15%     | 28%    | 16%     |
| Denmark  | 6%     |         |        |         |
| Sweden   |        | 18%     | 17%    | 22%     |

### Top 5 other Nordic countries

|  | Sweden | Denmark | Norway | Finland |
|--|--------|---------|--------|---------|
| <i>BASE: shopped from foreign site(s) in Q1 2014</i> | 24%    | 28%     | 40%    | 28%     |
| Denmark  | 6%     |         | 12%    | 4%      |
| Norway   | 1%     | 1%      |        | 2%      |
| Finland  | 0%     | 0%      | 0%     |         |
| Sweden   |        | 18%     | 17%    | 22%     |

# Clothing the most popular purchase from foreign sites

## CLOTHING TOPS THE LIST

Clothing is also the most popular product category in terms of online purchases from foreign sites – otherwise, the top-5 list differs between Nordic countries.

Home electronics and cosmetics/skin & hair products are the other product categories to make the top-5 list for all Nordic consumers when they shop online from foreign sites.

In Denmark and Finland, footwear is one of the most popular product categories for online purchases from foreign sites.

### What types of goods did you purchase online from foreign sites during the past three months? (top 5)

|   | Sweden | Denmark | Norway | Finland |
|---|--------|---------|--------|---------|
| <i>BASE: shopped from foreign site(s) in Q1 2014</i>      | 24%    | 28%     | 40%    | 28%     |
| Clothing  | 30%    | 25%     | 20%    | 27%     |
| Home electronics (excl. computers and computer equipment) | 17%    | 10%     | 15%    | 12%     |
| Books   |        | 17%     | 16%    | 11%     |
| Footwear  |        | 10%     |        | 10%     |
| Cosmetics and skin & hair products                        | 11%    | 11%     | 13%    | 9%      |
| Sport and leisure articles                                | 9%     |         | 11%    | 9%      |
| Computers and computer equipment                          | 11%    |         |        | 9%      |

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# Theme: Logistics

## Q1 2014

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# Recipient power is important to e-commerce consumers in the Nordics

## CHOICE IS IMPORTANT

The option of choosing how a product will be delivered when shopping online is important to e-commerce consumers in all Nordic countries.

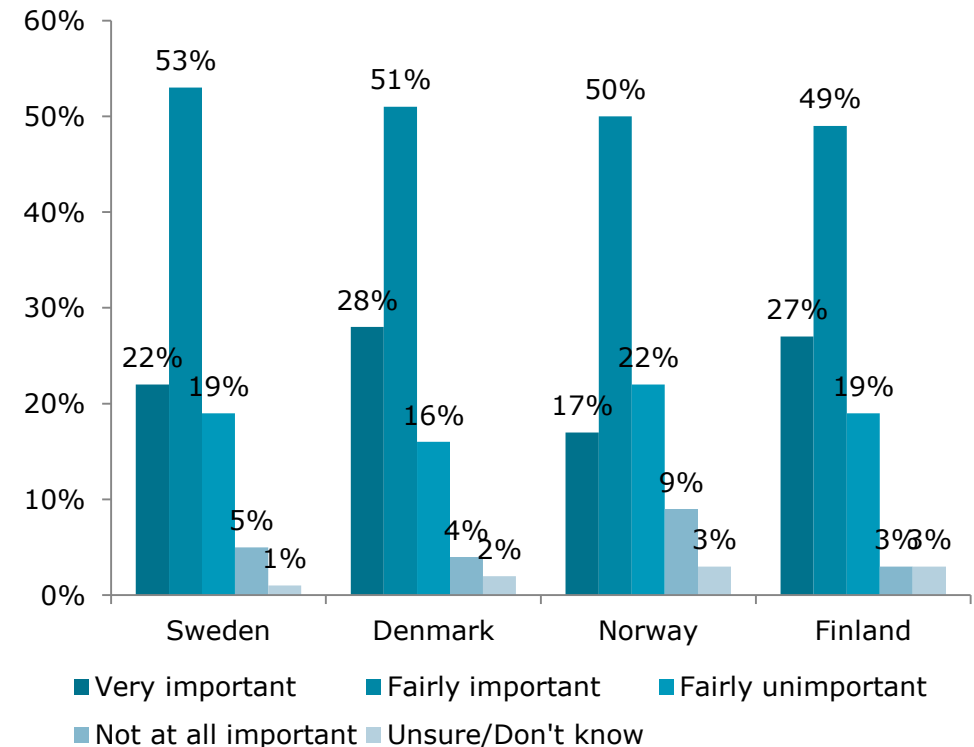
Half of all e-commerce consumers in the Nordic countries think it is fairly important to have the option of choosing the delivery method for goods ordered online.

In Denmark and Finland, three in ten think it is very important to have this option.

## FREEDOM TO CHOOSE DELIVERY OPTION

**When you order a product online, how important is it to you to be able to choose the delivery method?**

Base: shopped online



# Delivery requirement – 4-day maximum

## 3 TO 4 DAYS

E-commerce consumers are willing to wait a few days to receive goods ordered online.

Danes expect the fastest delivery and are willing to wait 3.3 days.

Consumers in Finland are willing to wait a bit longer to receive goods ordered online – up to 4.9 days.

**When you order a product online, what are your expectations for delivery time – i.e., what is the maximum acceptable number of days for delivery?**

|                             | Sweden | Denmark | Norway | Finland |
|-----------------------------|--------|---------|--------|---------|
| <i>Base: shopped online</i> | 92%    | 93%     | 90%    | 90%     |
| One business day            | 1%     | 3%      | 0%     | 1%      |
| Two business days           | 8%     | 18%     | 7%     | 5%      |
| Three business days         | 31%    | 33%     | 25%    | 20%     |
| Four business days          | 12%    | 13%     | 17%    | 12%     |
| Five business days          | 25%    | 14%     | 23%    | 27%     |
| Six or more business days   | 6%     | 1%      | 3%     | 3%      |
| Seven business days         | 5%     | 3%      | 11%    | 15%     |
| Eight business days         | 5%     | 5%      | 4%     | 9%      |
| Don't know                  | 8%     | 9%      | 9%     | 9%      |
| Average                     | 4.3    | 3.3     | 4.4    | 4.9     |

# Fast delivery most important in Denmark

## FAST DELIVERY

Few respondents think it is important to have the option of receiving products they've ordered online on the next business day.

Danes place most value on fast delivery. More than 4 in 10 Danes think it is important or very important to have the option of receiving their products on the next business day.

Among Nordic consumers, fast delivery is valued least in Finland, where only three percent think it is important to be able to receive a product on the next business day.

### How important is it to you to have the option of receiving a product you've ordered online on the next business day?

|                             | Sweden | Denmark | Norway | Finland |
|-----------------------------|--------|---------|--------|---------|
| <i>Base: shopped online</i> | 92%    | 93%     | 90%    | 90%     |
| Very important              | 4%     | 8%      | 5%     | 3%      |
| Fairly important            | 25%    | 35%     | 19%    | 16%     |
| Fairly unimportant          | 47%    | 45%     | 41%    | 53%     |
| Not at all important        | 21%    | 11%     | 31%    | 25%     |
| Unsure/Don't know           | 3%     | 2%      | 4%     | 3%      |

### How important is it to you to have the option of receiving a product you've ordered online within three business days?

|                             | Sweden | Denmark | Norway | Finland |
|-----------------------------|--------|---------|--------|---------|
| <i>Base: shopped online</i> | 92%    | 93%     | 90%    | 90%     |
| Very important              | 23%    | 27%     | 14%    | 14%     |
| Fairly important            | 42%    | 48%     | 37%    | 37%     |
| Fairly unimportant          | 25%    | 18%     | 33%    | 36%     |
| Not at all important        | 8%     | 5%      | 12%    | 10%     |
| Unsure/Don't know           | 2%     | 2%      | 4%     | 3%      |

# Delivery preferences differ

## MAILBOX IS POPULAR

Delivery preferences for goods purchased online differ between countries and based on the type of goods purchased, although mailbox delivery is generally the most popular delivery alternative in all Nordic countries except Finland, where the preference is to pick up products purchased online at a service point.

Many Danes prefer to have goods purchased online delivered to their homes during the daytime.

Interest in home deliveries is fairly low in Norway, Sweden and Finland, where more people prefer to pick up their parcels at a service point.

### When you purchase a product online, how do you prefer to have it delivered? (1 possible answer)

|   | Sweden | Denmark | Norway | Finland |
|---|--------|---------|--------|---------|
| <i>Base: shopped online</i>   | 92%    | 93%     | 90%    | 90%     |
| Delivered to my place of work   | 1%     | 7%      | 1%     | 1%      |
| Delivered in the evening, even if it costs more                             | 2%     | 4%      | 2%     | 2%      |
| I prefer to pick it up myself at the store                                  | 3%     | 5%      | 8%     | 2%      |
| I prefer to pick it up at an automatic parcel machine                       |        | 13%     |        | 10%     |
| Delivered to my home during the daytime                                     | 5%     | 24%     | 3%     | 7%      |
| I prefer to pick it up myself at a partner outlet/service point/post office | 40%    | 10%     | 37%    | 42%     |
| Delivered to my mailbox by the mail carrier                                 | 46%    | 28%     | 44%    | 30%     |

# APPENDIX

## WIDESPREAD E-COMMERCE

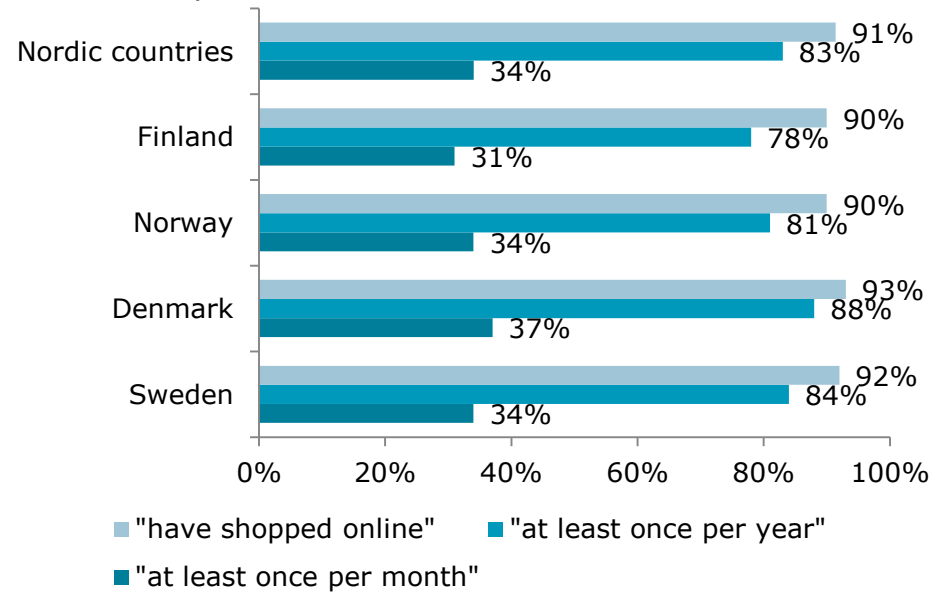
Nine in ten Nordic residents have shopped online at least once, and eight in ten do so at least once per year.

Three in ten Nordic residents shop online at least once per month.

Among Nordic countries, Denmark has the highest percentage of people who shop online at least once per month (37%) and at least once per year (88%).

## PERCENTAGE THAT HAS SHOPPED ONLINE

Base: all respondents





**For additional information on  
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