

# Retail Radar

2025

Insights from 440 million transactions across  
Sweden, Norway, and Denmark



# Want to understand the behavior of Nordic shoppers?

Then, these insights are for you. We've analyzed 440 million transactions across Sweden, Norway, and Denmark.

## What we'll look into:

- **Total revenue:** In-store sales are up, but what about e-commerce?
- **Consumer profiles:** What can we learn from Gen Z's and other generations' shopping habits?
- **Returns:** How are returns split per industry and channel?
- **Loyalty:** How much is customer communication impacting revenue?

# Revenue

# Revenue on the up

During 2024, the total revenue increased by +7,4% compared to 2023. The biggest increase in sales happened in connection to the sale periods during summer and Black Week.

The underlying reason behind the revenue growth in 2024 is that more new customers joined the spending spree. Retailers who captured these new spenders were cashing in more revenue than those who ignored the new segment.



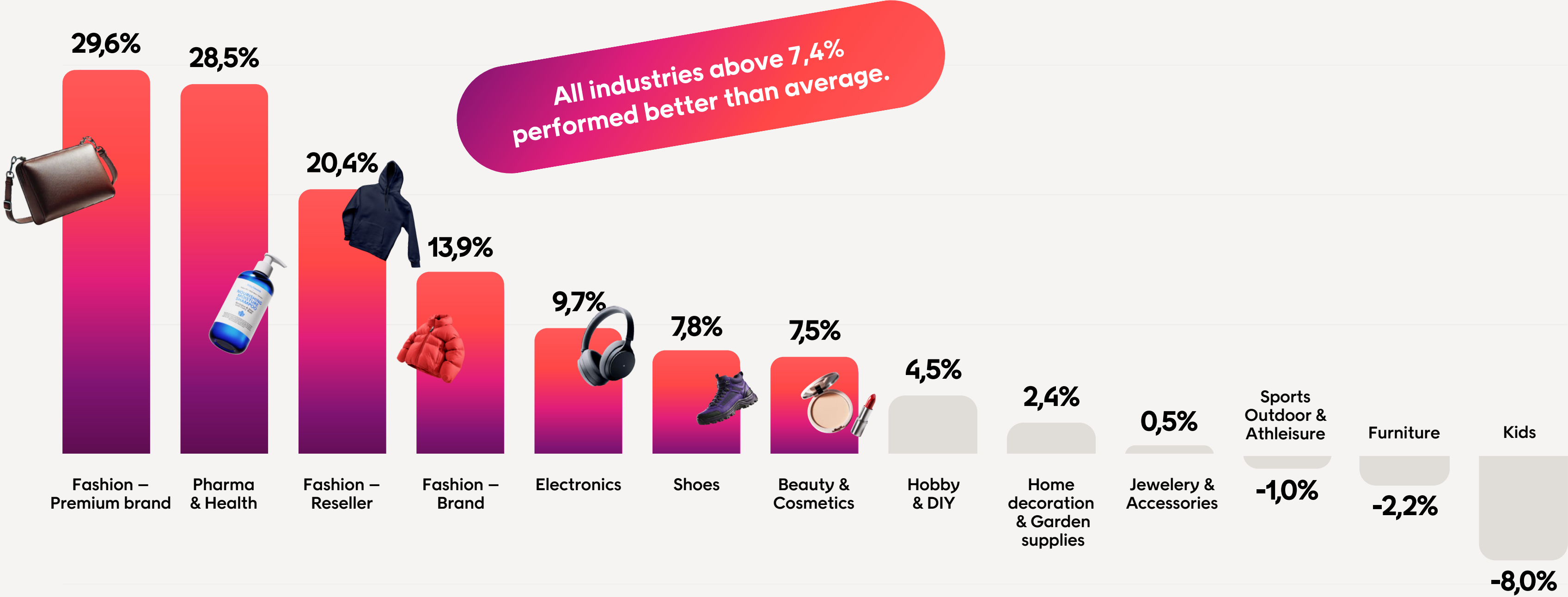
Total revenue in 2024

2023

2024



# Revenue growth per industry in 2024





## Growing sectors

Consumers increasingly prioritize **fashion, beauty, and wellness**, as seen in the significant revenue growth across industries such as premium fashion, resellers, and pharmaceuticals & health.

The rise in fashion and beauty reflects a shift to social lifestyles and personal expression. At the same time, wellness and health remain a top priority in a post-pandemic world where mental health has decreased and burnout rates have increased.

While the **luxury** industry has been in a global downturn during the past 10-15 years, we now see a transition from luxury to premium. This explains the boost in revenue for Fashion - Premium.



## Declining sectors

**Hobbies & DIY, furniture, and home decoration** experienced several years of strong growth during the pandemic, driven by increased time spent at home. However, as life normalizes, these sectors are slowing down, indicating a potential market saturation or reduced consumer focus on home-related purchases.

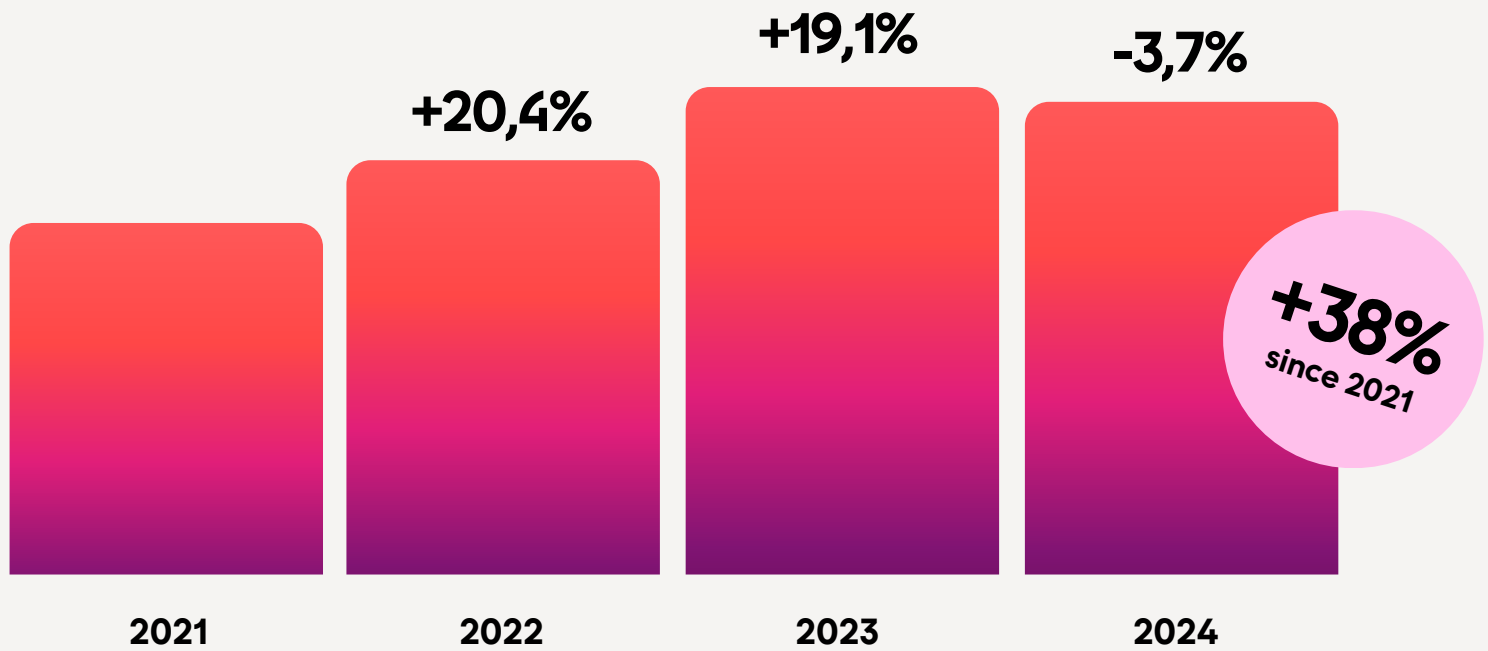
**Kids** is an industry that has gotten the second-hand market as a strong competitor, which has taken a toll on the overall results in 2024. As a retailer, it's important to understand how to better compete with this new player and create a strategy that creates value for the shoppers.

# Online is struggling

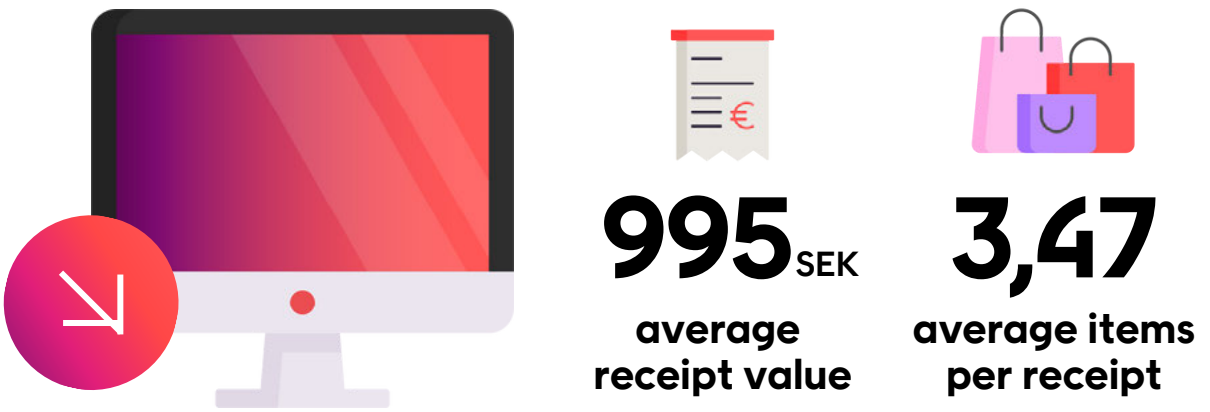
In 2024, online retail faced a 3.7% decline, even as overall consumer spending increased. While e-commerce had already seen signs of slowing growth post-pandemic, this data indicates that the market not only stagnated but actually contracted compared to the previous year.

One key factor was the underperformance of online sales during Black Week, which failed to match 2023 levels. Since Black Week traditionally contributes significantly to annual online revenue, this shortfall dragged down total e-commerce spending for the year.

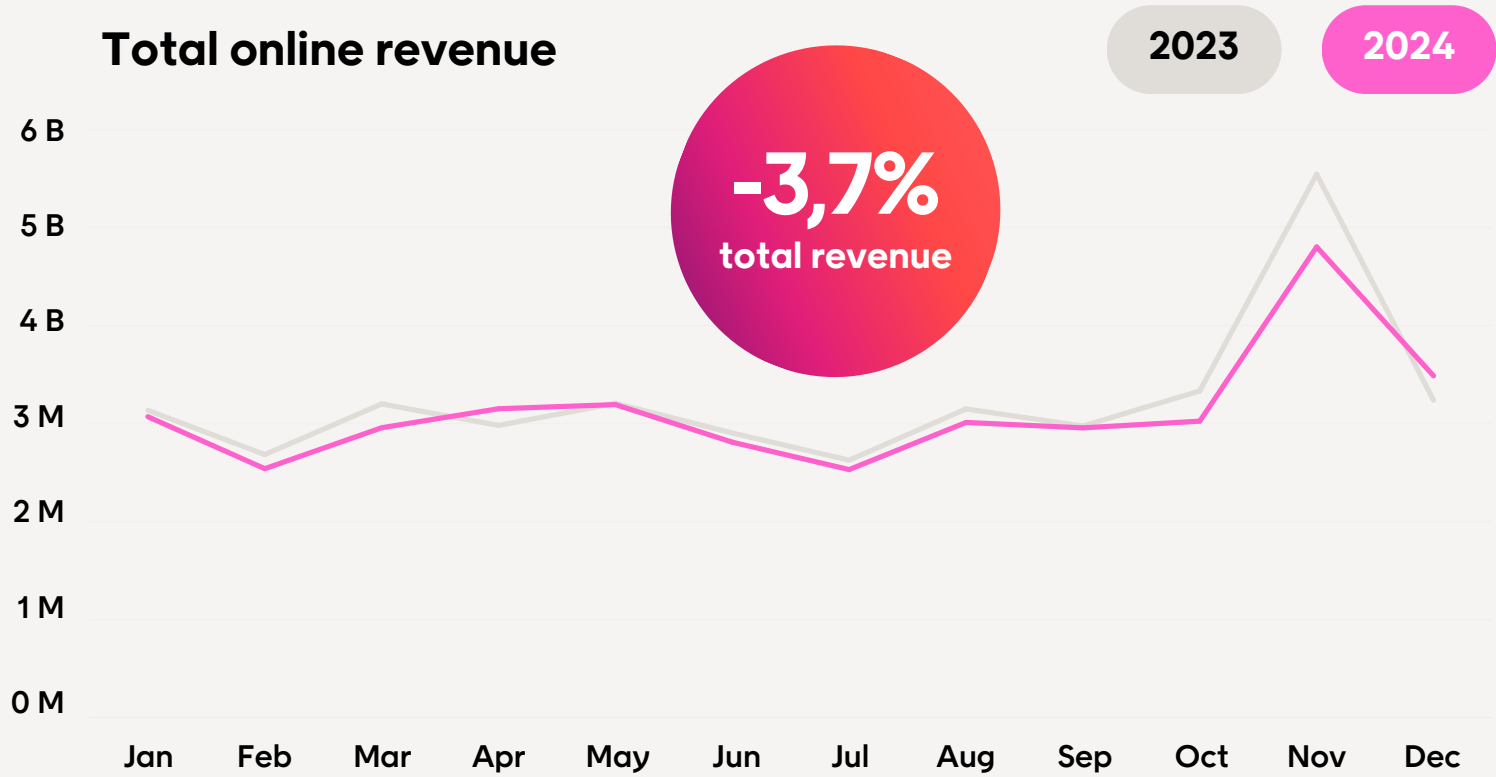
## Revenue growth since 2021



## Broken down on each purchase



## Total online revenue

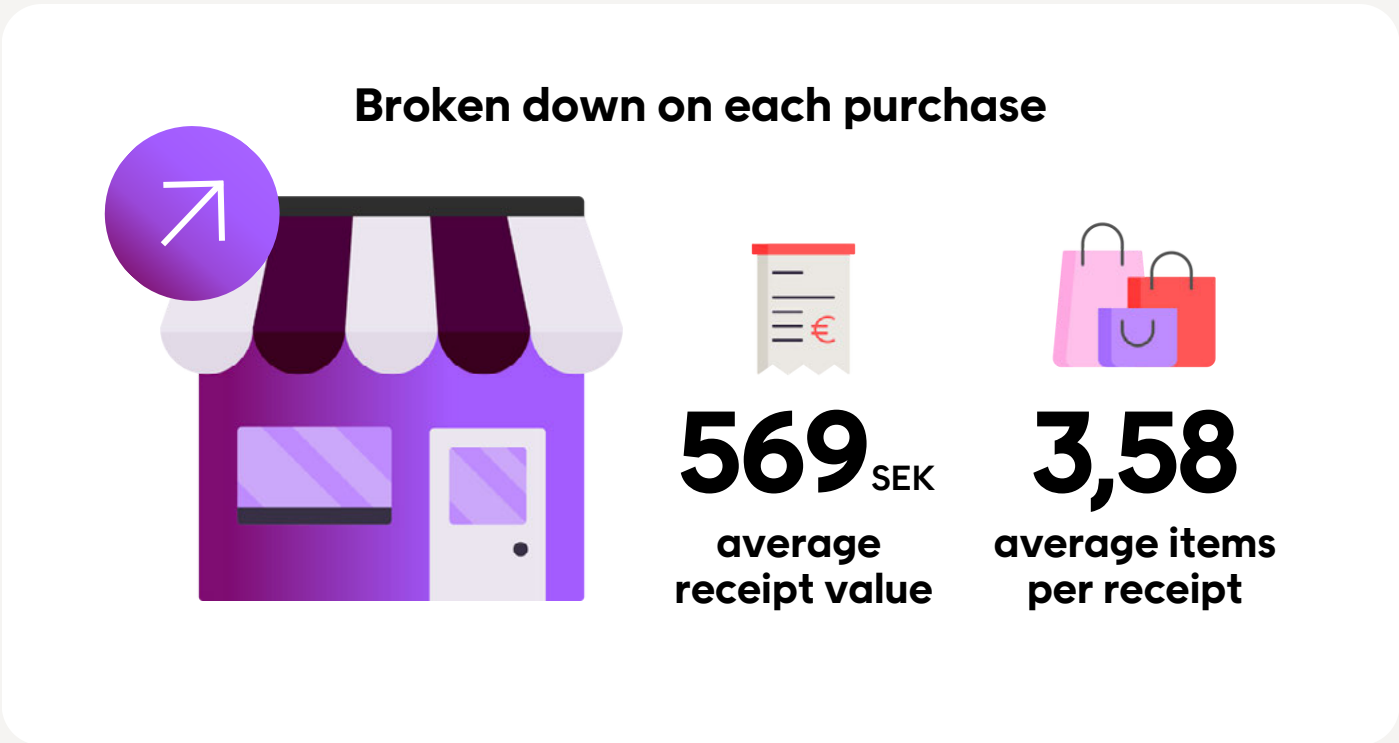
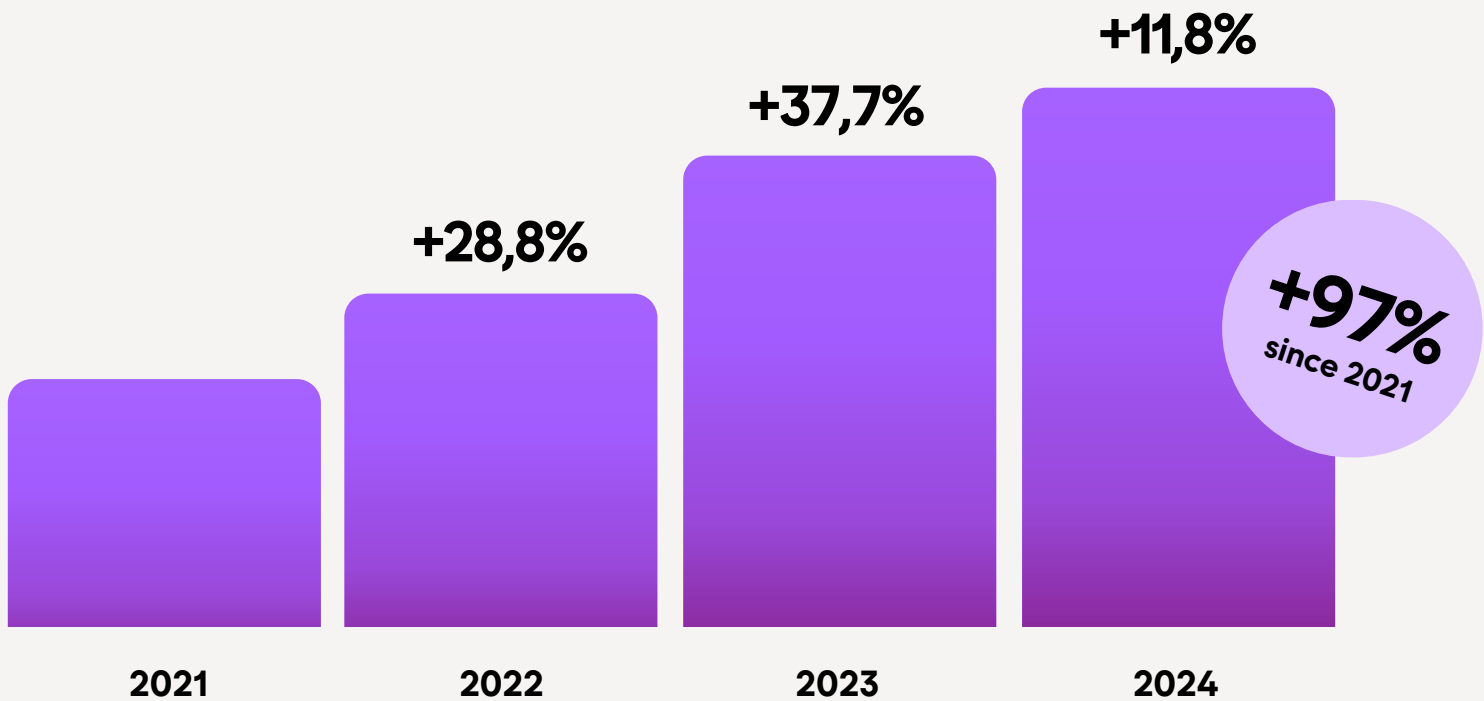


# In-store is growing

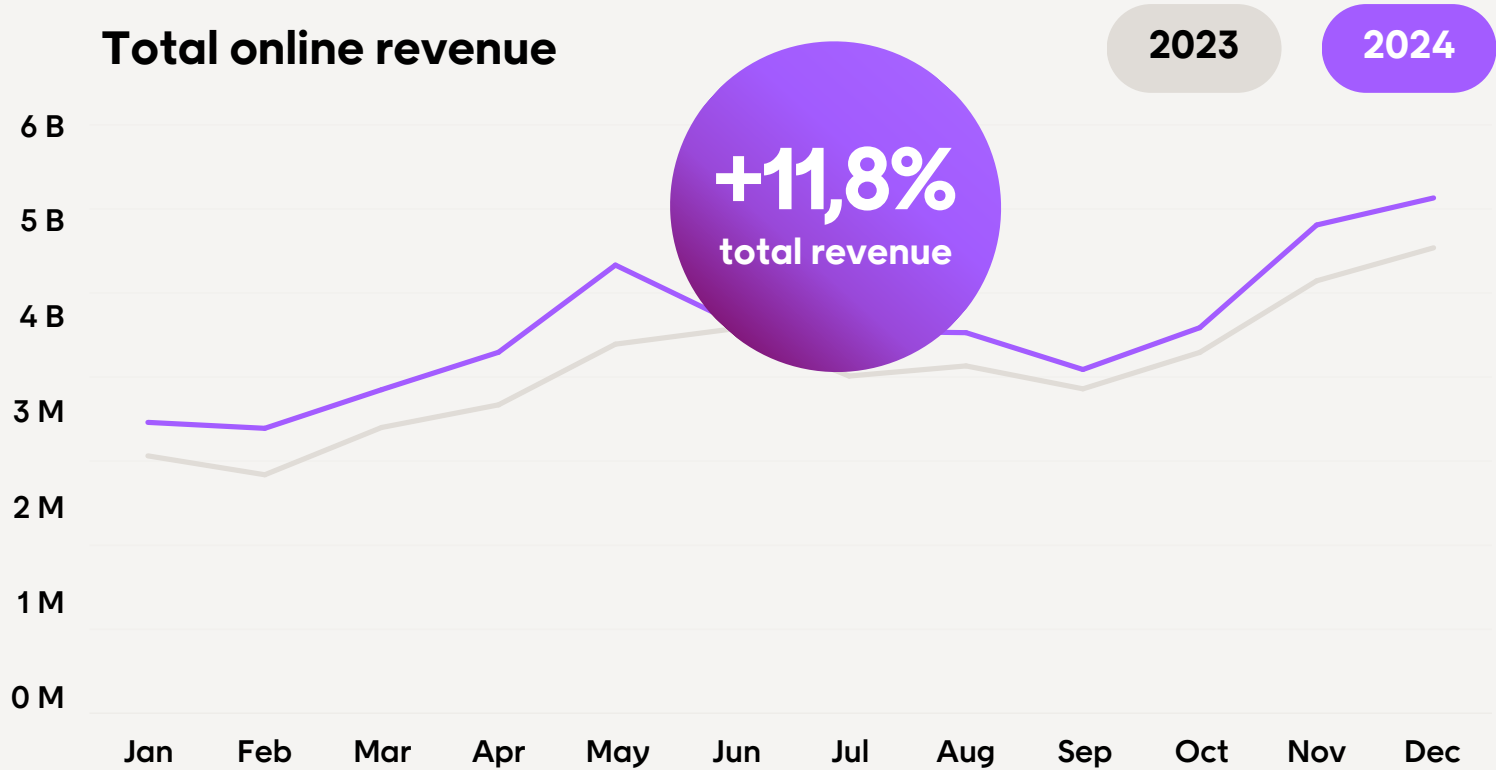
In-store sales experienced a steady increase since the pandemic, and grew by almost 12% in 2024. When compared to online sales, it is clear that in-store shopping is becoming increasingly significant during sales periods, with peaks observed in May, November, and just before Christmas.

The stores lost a lot during the pandemic, and the question is: When will e-commerce and physical stores normalize in relation to each other? At the same time, we see a trend where you should ask yourself: Should you invest in opening more physical stores in the future?

Revenue growth since 2021



Total online revenue



# Industries shifting online revenue to in-store



As we dig deeper, we notice even larger differences between in-store and online growth for a few industries.

The ones that stand out are Pharma & Health, Kids, Sports Outdoor & Athleisure, and Hobbies & DIY, which are decreasing online while increasing massively in stores.

**Surprisingly, there's not a single industry has a higher growth online than in stores.** So, if you don't have stores, is it time to open one? If you are an omnichannel company, how can you drive shoppers between channels?

## Pharma & Health

In-store: +46,4%  
Online: -2,1%

## Kids

In-store: +29,4%  
Online: -29,3%

## Sport Outdoor & Athleisure

In-store: +11,4%  
Online: -18,7%

## Hobbies & DIY

In-store: +10,2%  
Online: -8,3%

# Discounts

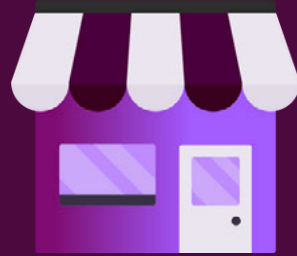
# The total value of discounts has increased from 2023, both online and in-store.

However, even though retailers increased their average discount rates, shoppers did not buy more items on sale.

Total monetary value  
of discounted items



**+13%**  
online



**+22,2%**  
in-store

Discounted items



**+2,3%**  
discount rate



**-0,2%**  
total number of sold  
discounted items

# Strategies moving forward

**Looking at 2024, retailers gave consumers bigger discount on average, with the discount rate increasing by more than 2%, online and in-store combined. However, we see that bigger discount does not equal more items on sale sold.**

## What does this mean?

1

Higher discounts don't necessarily increase the amount of items you sell. There might be better ways of incentivizing your customers and ensuring that the right product is exposed to the right customer at a better time.

2

When customers choose to buy things at a discount, they tend to go for the higher-priced items. As transactions are flat, the value is higher than the discount %. From a unit economic standpoint, this is good, but consider if increasing discount rates to try to get customers to purchase from you is the best strategy that you can have or if personalization, loyalty incentives, and lower discounts will give you the same amount of growth, but with higher margins.

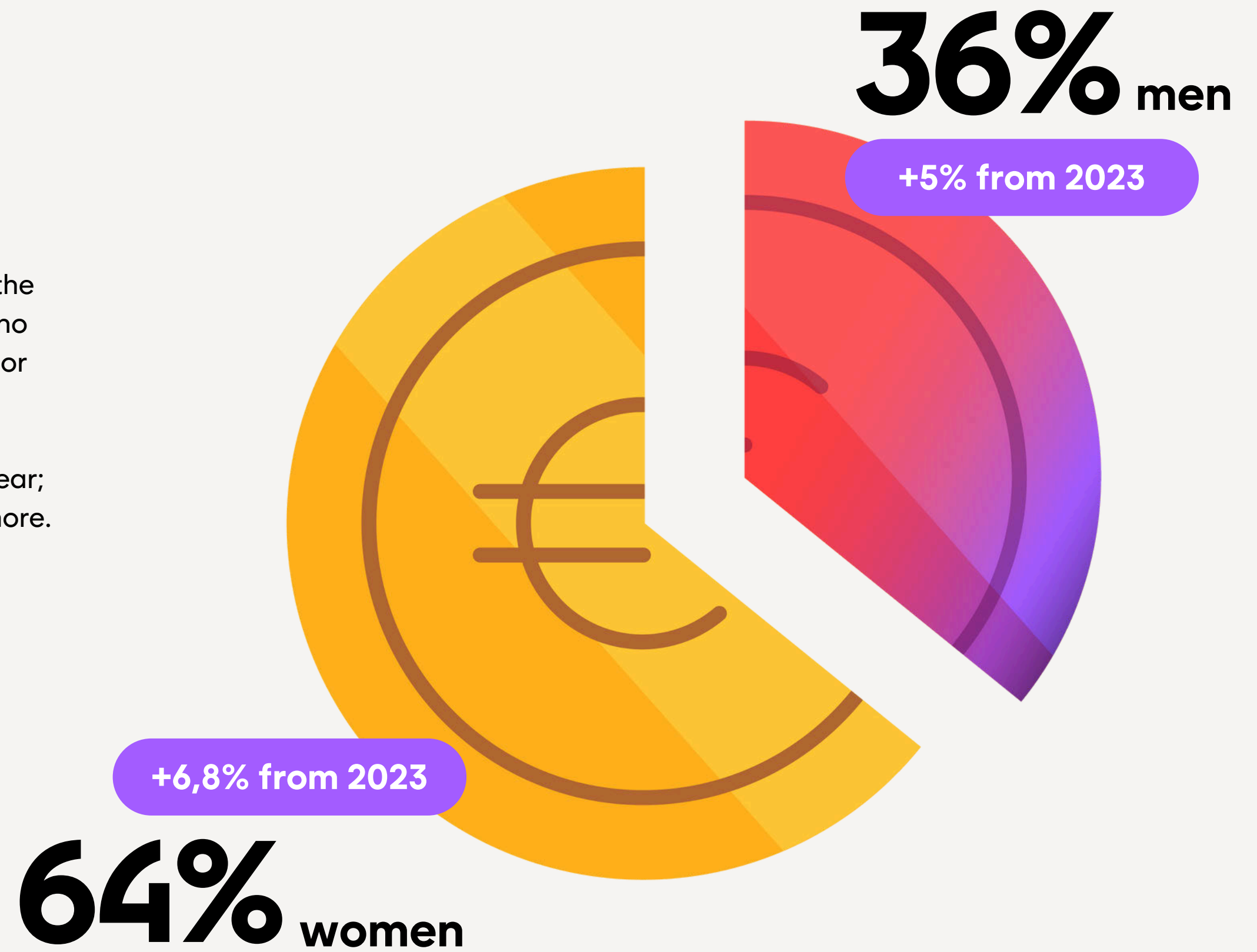
# Consumer profiles

Gender

# Spending across gender

Women generate the majority of revenue in retail and the numbers are growing faster than men. There has been no change in revenue share since 2023—women account for 64% while men account for 36%.

The growth in total revenue is also very similar to last year; women spent 6.8% more this year, and men spent 5% more.



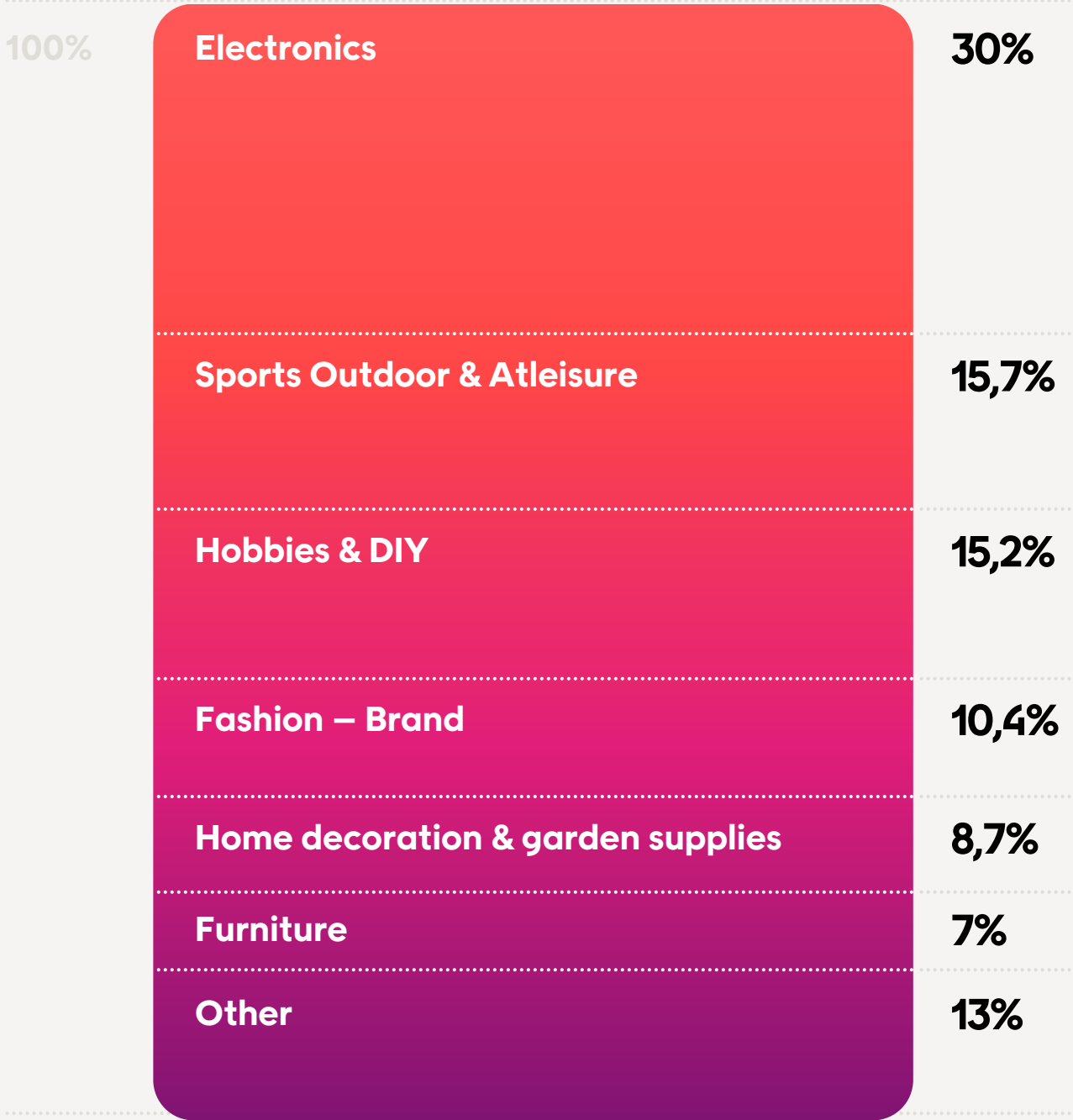
# Men spend more on each purchase

The main difference lies in how men and women tend to shop. Men have a 54% higher average order value than women, primarily because they purchase items that are 56% more expensive. In other words, men buy the same number of items, but they are double the price.

It seems like men, to a higher degree, purchase from categories that have potential for high ticket items, such as Electronics, Sports Outdoor & Atleisure, and Hobbies & DIY.



## What are men buying to bring their average order value up?

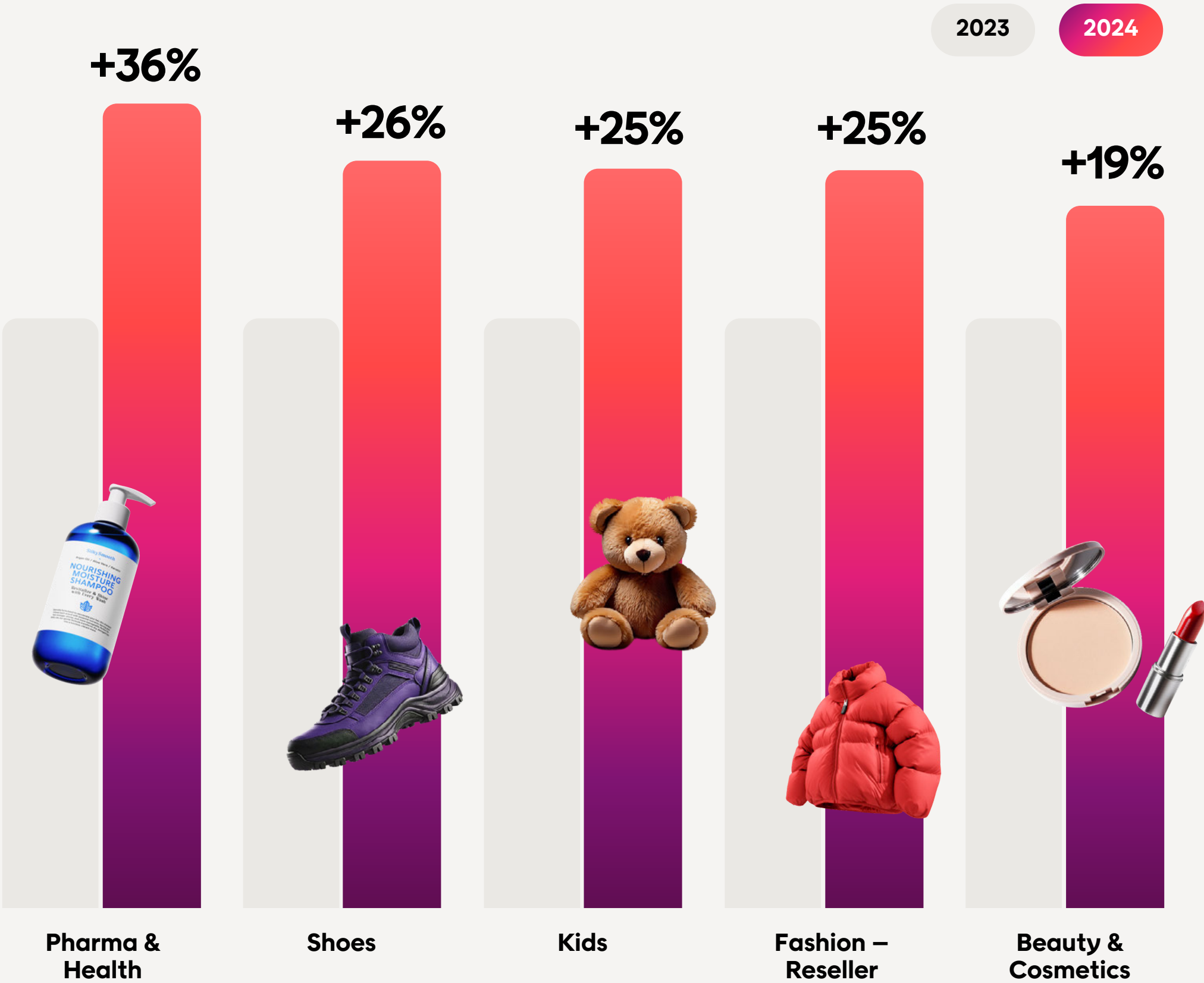


Men’s spending split across industries

# What are men buying more of in 2024?

Compared to 2023, we see in 2024 a 36% increase in men purchasing Pharma & Health, a 25% increase in Kids, and a 20% increase in Beauty & Cosmetics.

If you're working within these industries, consider how to attract more men to increase your order values for 2025.



# Consumer profiles

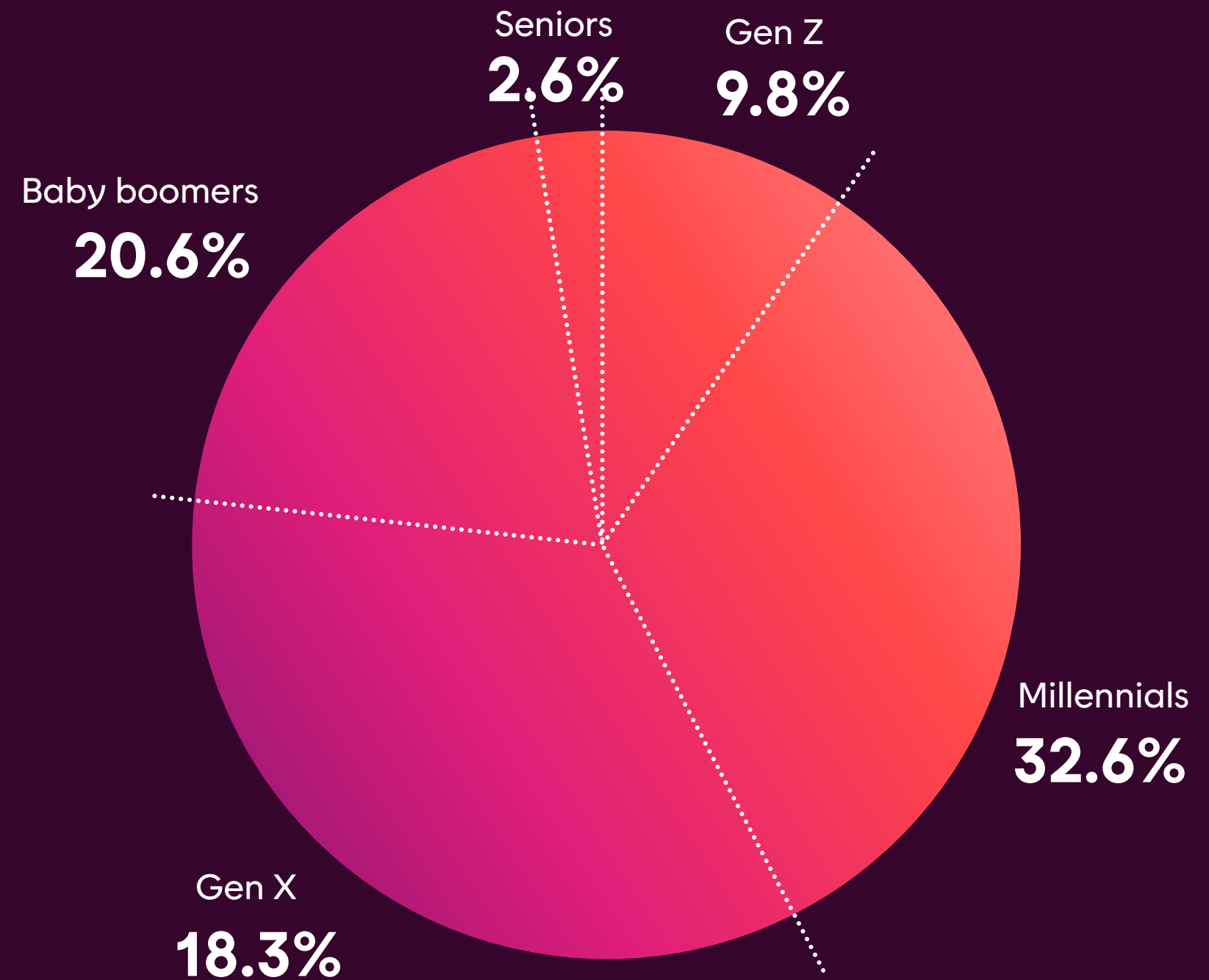
Age groups

# Spending across age groups

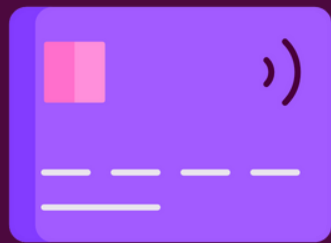
Not too surprisingly, Gen X and Millennials accounted for over half of the revenue in 2024, as they have the highest purchasing power, are further along in their careers, and often spend for an entire family.

However, an interesting shift is underway. Gen Z's share of total purchases will continue to grow, further shaping the retail landscape. Yet, their influence already extends beyond their own spending—older Gen Z shoppers are emerging as key consumers, while younger ones continue to shape their parents' buying decisions.

Share of revenue 2024



This is the average spending in 2024 when splitting  
total spending with total shoppers:



+7,4%

total spending  
increase from 2023



609<sub>SEK</sub>

receipt value



3,66

items per receipt



81<sub>SEK</sub>

discount savings



2,7%

return rate

13-28 years old

# Gen Z

Gen Z is a digitally native, socially conscious generation that continues to value authenticity and premium experiences. While they prioritize fewer high-quality items, they are spending more and becoming increasingly deal-savvy. However, with a 44.8% higher return rate than average, they appear more prone to returning items, potentially due to changing preferences or higher expectations around product fit and quality.



**+23,9%**

total spending  
increase from 2023



**625** SEK

receipt value



**3,25**

items per receipt



**100** SEK

discount savings



**4,1%**

return rate

# Millennials

29-44 years old

Millennials continue to lead as strong, consistent shoppers. They purchase slightly more items per visit than the average shopper, likely reflecting household needs. While they remain financially stable, their spending increase is slightly below the overall trend. Interestingly, they exhibit a higher return rate, which could point to greater convenience in returning items or changing expectations around product satisfaction.



+6,2%

total spending  
increase from 2023



649 SEK

receipt value



3,87

items per receipt



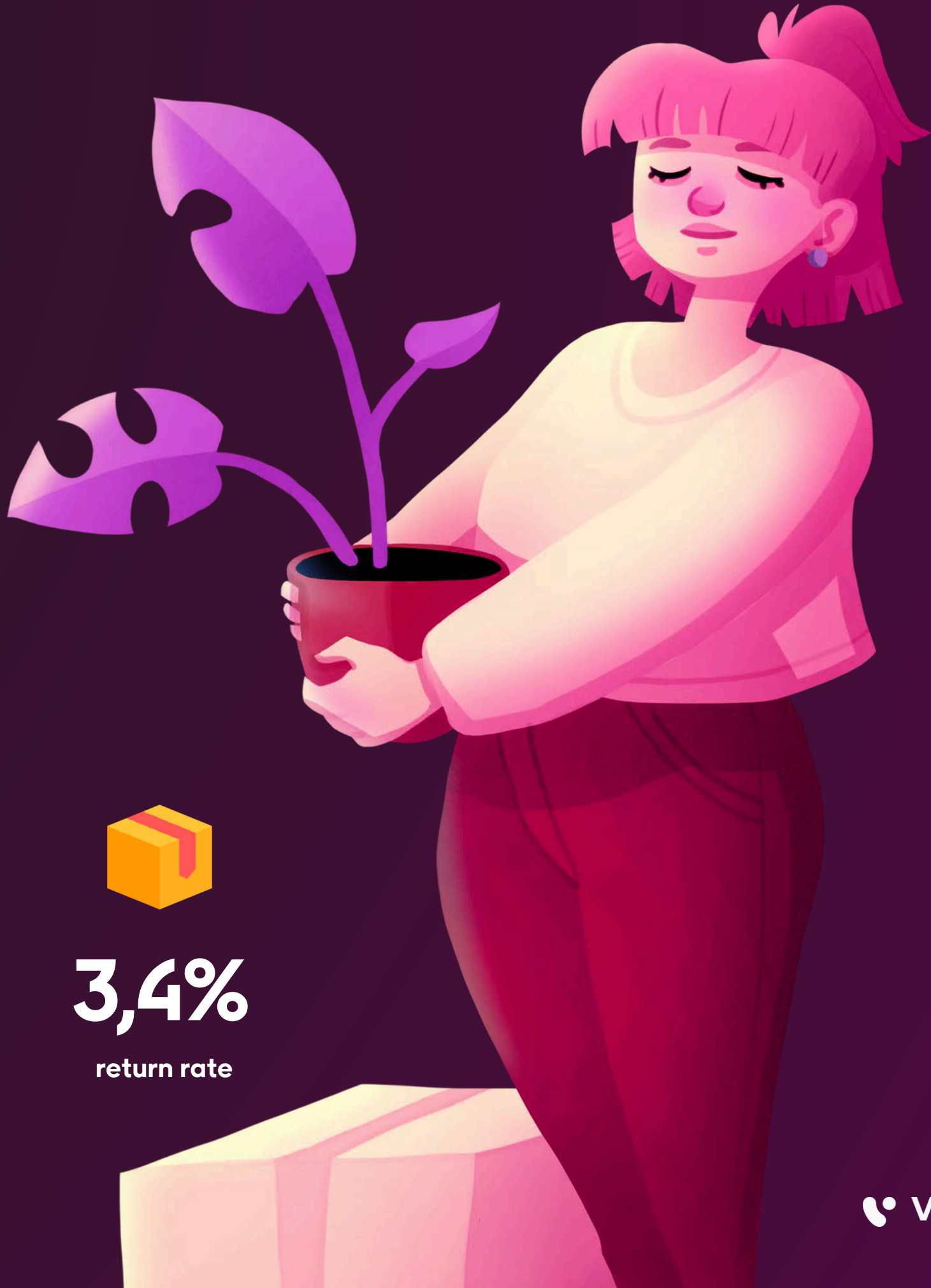
94 SEK

discount savings



3,4%

return rate



45-60 years old

# Gen X

Generation X continues prioritizing value for money, purchasing slightly more items per shopping trip than the average shopper, likely driven by their household responsibilities. Despite a lower overall spending increase than other generations, they remain steady and consistent shoppers. Notably, they have a lower return rate, suggesting they make more deliberate, well-considered purchases.



**+3,5%**

total spending  
increase from 2023



**647** SEK

receipt value



**3,81**

items per receipt



**83** SEK

discount savings



**2,6%**

return rate



# Baby Boomers

61-79 years old

Baby Boomers, now mostly in their 60s and 70s, are spending less per purchase and buying fewer items compared to the average shopper. This likely reflects their life stage, where they are transitioning into retirement and focusing on essentials rather than frequent or high-volume purchases. Their notably lower return rate suggests more deliberate buying behaviour and higher purchase satisfaction.



+2,6%

total spending  
increase from 2023



527 SEK

receipt value



3,45

items per receipt



60 SEK

discount savings



2,1%

return rate

80-97 years old

# Seniors

Shoppers aged 80 and older are shopping less frequently and spending significantly less per purchase, likely due to tighter budgets and not having the same need for frequent purchases. They buy fewer items and focus on essentials, reflecting a more selective approach. Their lower return rate suggests careful consideration before buying, resulting in fewer returns.



**-0,3%**

total spending  
increase from 2023



**430** SEK

receipt value



**2,97**

items per receipt



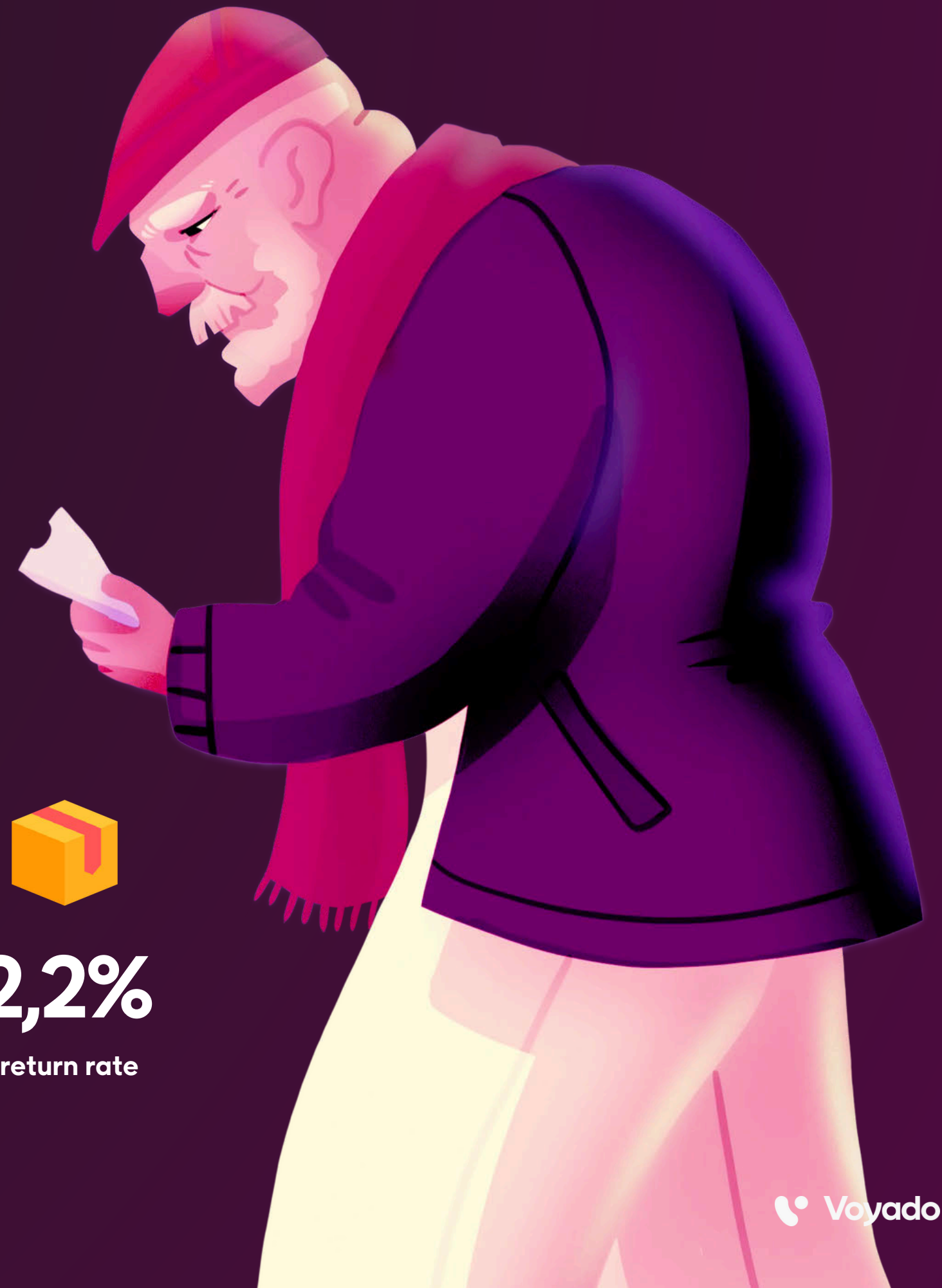
**43** SEK

discount savings



**2,2%**

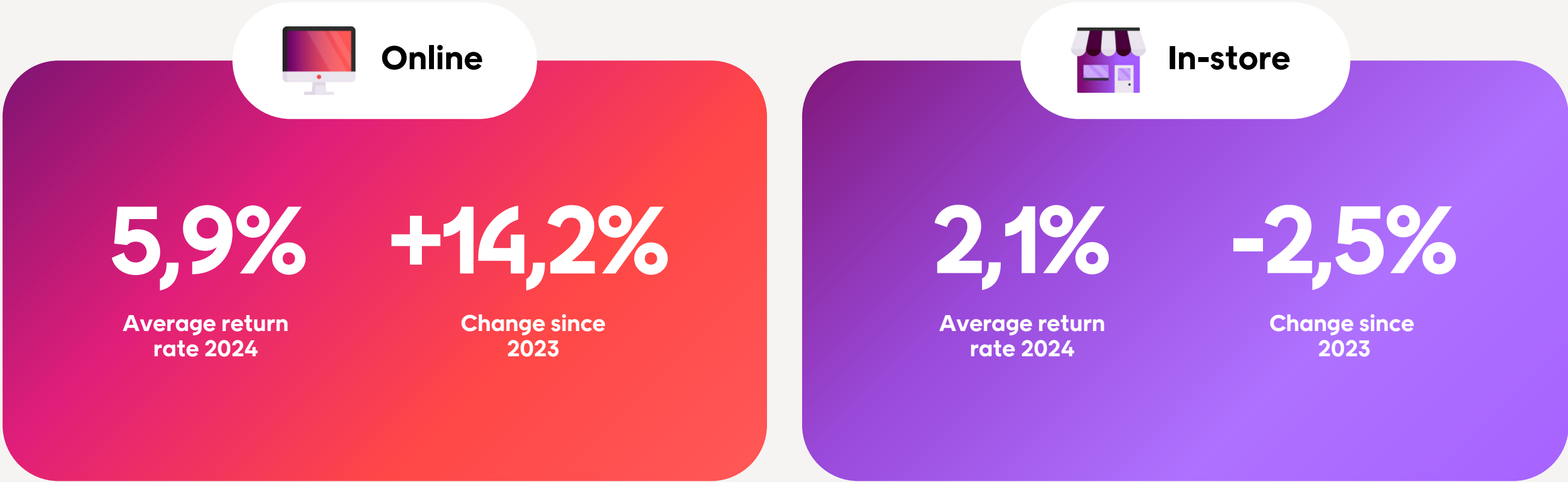
return rate



# Return rates

# Online vs in-store

In 2023, online return rates fell by 25%, but they are now rising again.

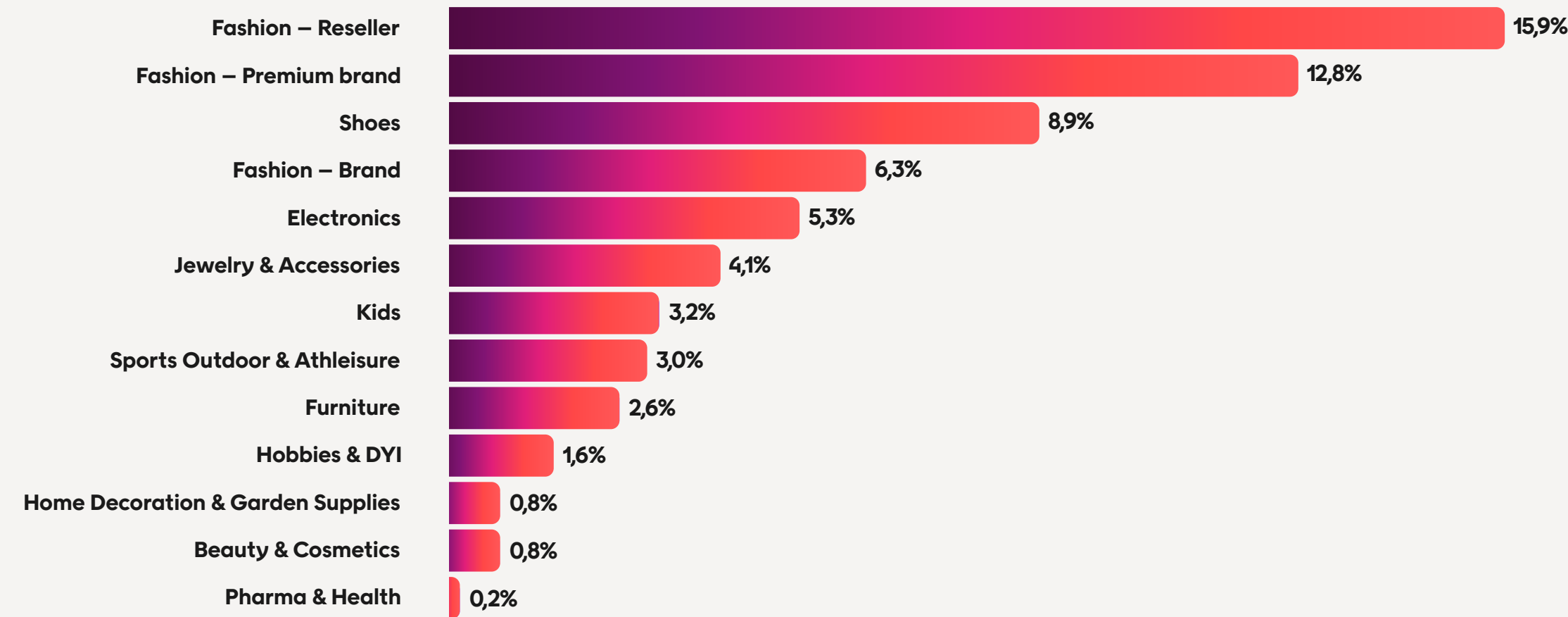


# Return rates per industry

Return rates vary significantly across different industries, and in 2024, this trend continued. Categories such as fashion and footwear, where fit and quality are crucial, experience higher return rates. In contrast, categories like cosmetics, beauty, and pharmaceuticals tend to have lower return rates, as customer expectations in these areas are generally clearer.

However, comparing the changes from last year, we can see that a few industries with the lowest return rates are rising.

## Return rates in 2024



### Biggest increase from 2023



**+79,1%**

Jewelry & Accessories



**+18,4%**

Beauty & cosmetics



**+12,9%**

Fashion – Brand



**+8,2%**

Electronics

### Biggest decrease from 2023



**-26,0%**

Pharma & Health



**-21,5%**

Fashion – Premium brand



**-17,1%**

Kids



**-12,3%**

Sports Outdoor & Athleisure

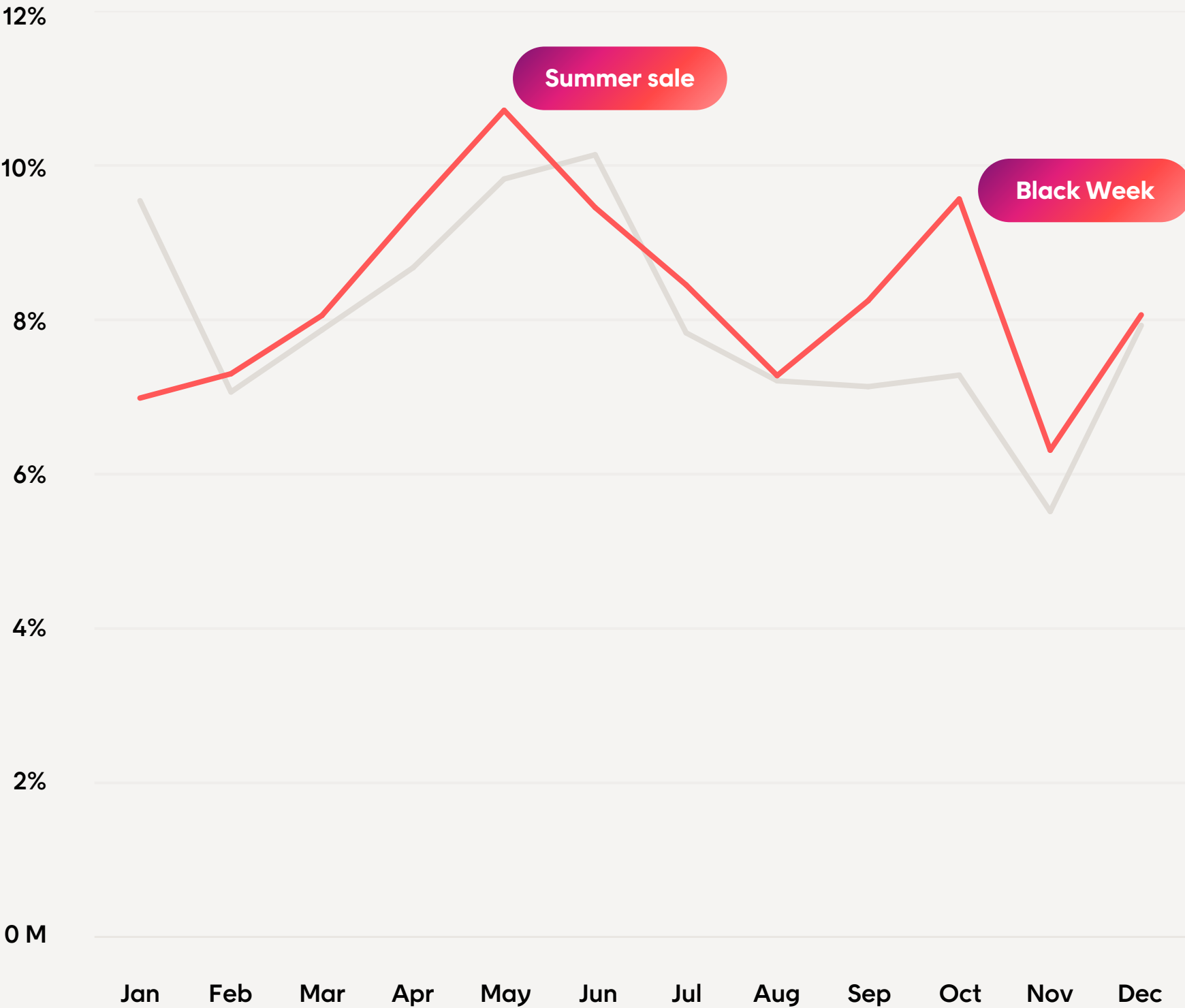
# Online returns peak before sale periods

During 2024, there's a new pattern that we have not seen before: returns peak before larger sale periods.

As retailers compete for the customer's wallet, sales communications are coming earlier than in traditional periods. Black Friday became Black Week, and then transformed into Black November.

This results in customers sending back items to a much higher degree and buying them again during sale periods.

Online return rate



# Loyalty

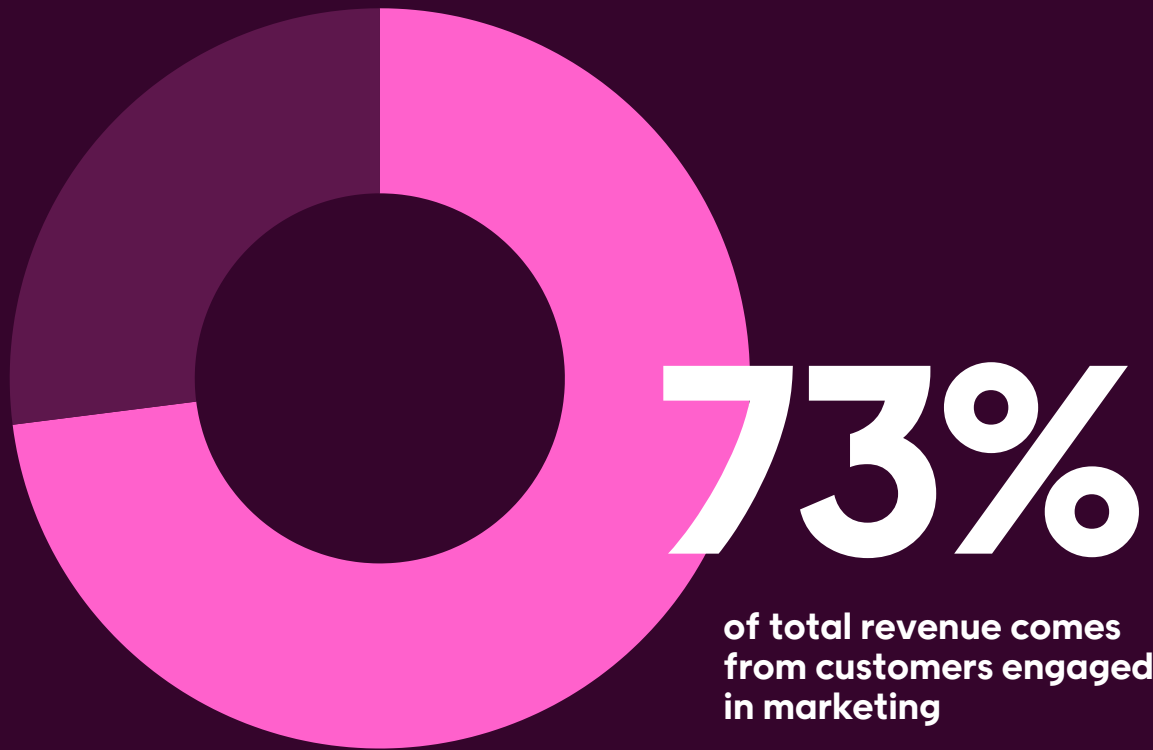
# Share of revenue

73% of the total revenue in the market comes from customers who engage with loyalty and retention communications.

There are several differences and benefits for retailers when comparing customers who receive marketing communications to those who do not. Engaged customers have a higher average order value and lower return rates, and in return, they receive higher discount rates.

So, what does that mean for retailers?

This indicates that utilizing loyalty and retention marketing as a strategy for generating revenue is effective. Customers understand that by engaging with these channels, they will receive products they are interested in and better deals, which ultimately drives revenue.



+12,3%

higher return rate online for customers **not** receiving marketing



+3,1%

the average order value for shoppers receiving marketing

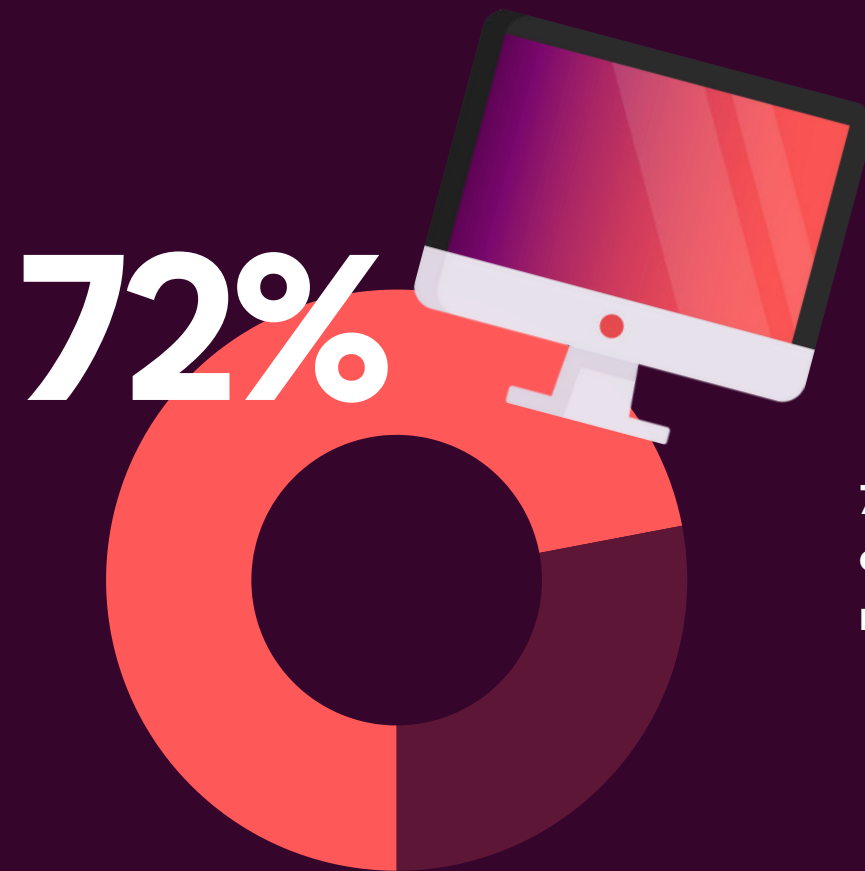


+40%

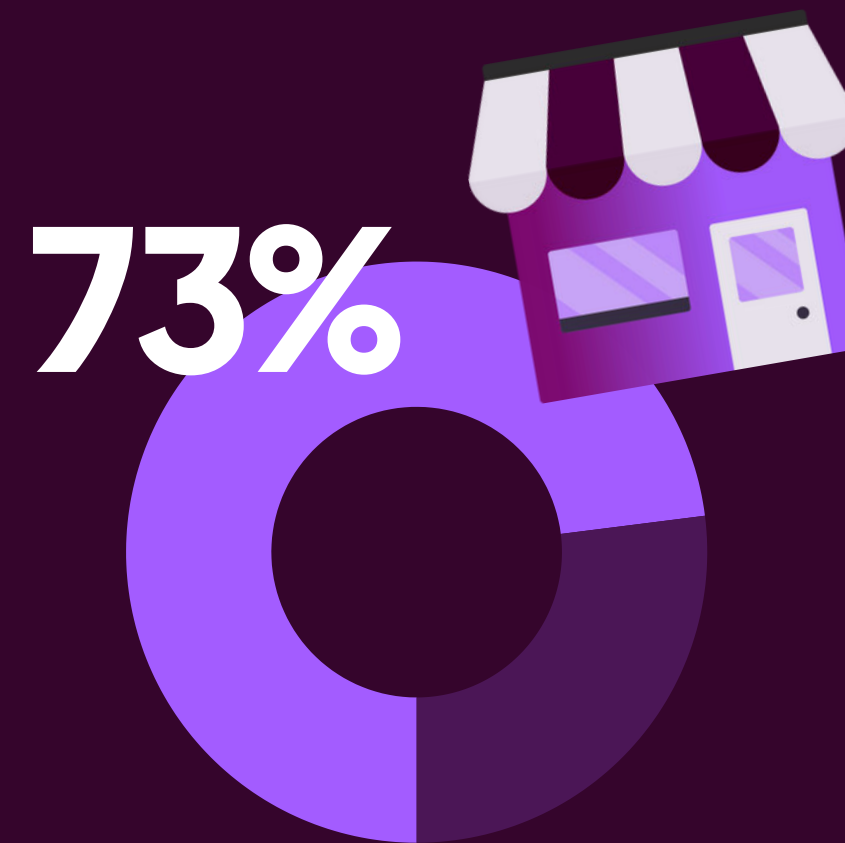
higher average discount for customers receiving marketing

## Loyalty across channels

There are no differences between online and in-store shopping in terms of revenue share. This means that the majority of revenue comes from customers engaged in marketing, regardless of the channel they use. Make sure to set a strategy that makes your shoppers feel valued.



**72% of the total revenue generated online received marketing communication.**

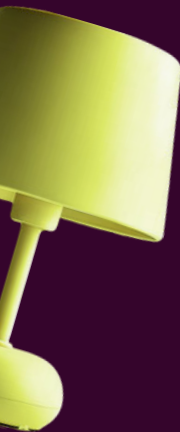
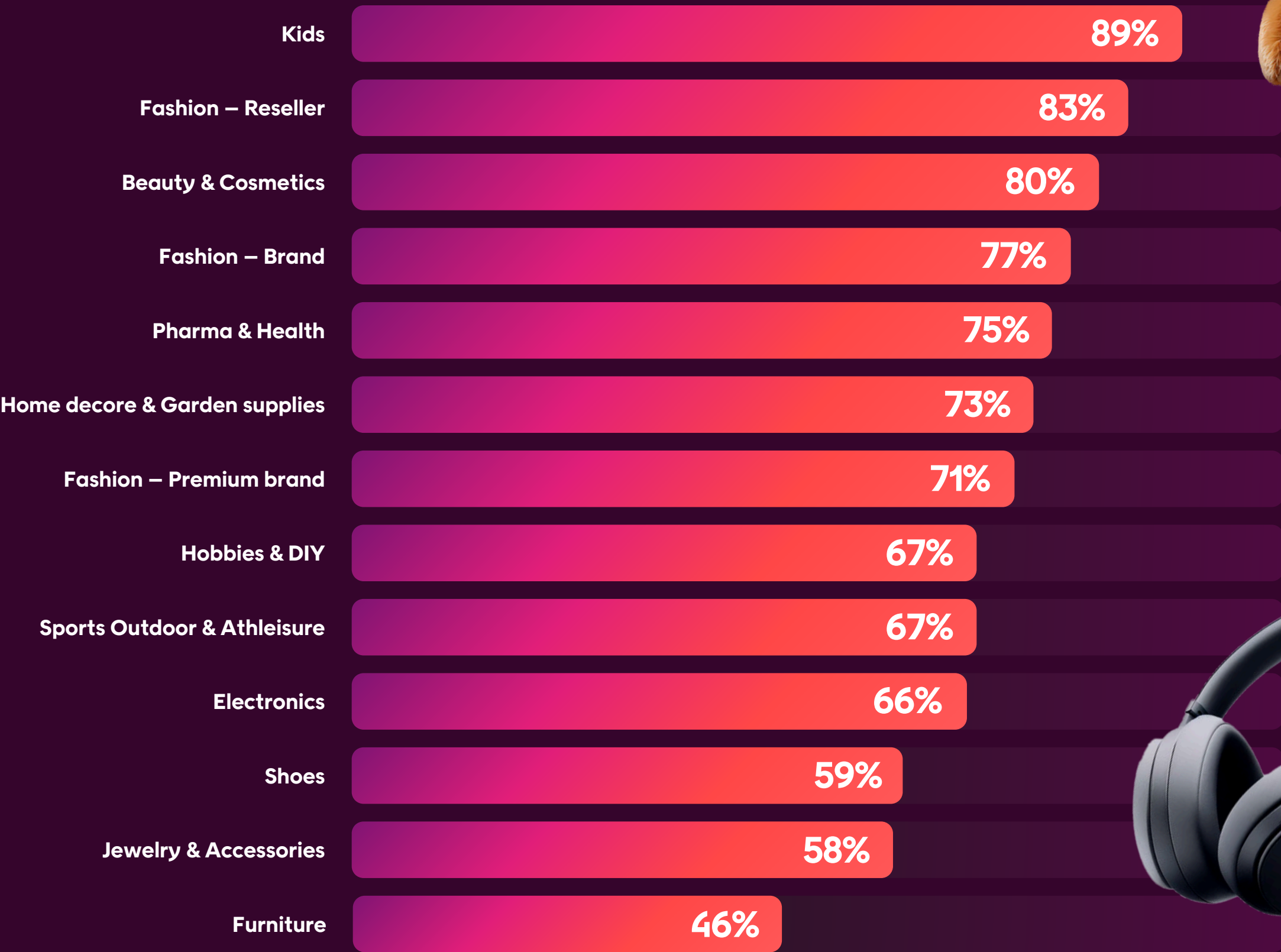


**73% of the total revenue generated in-store received marketing communication.**

# Industry differences

The share of revenue varies significantly among different industries. Generally, categories with more frequent purchases, such as kids' products, fashion, and pharmaceuticals & health, see a higher share of revenue from engaged customers, often members.

In contrast, industries with lower frequency purchases, such as furniture and electronics, tend to have a smaller share of revenue from engaged customers.



# Let's sum it up.

**These insights are based on 440 million transactions across Sweden, Norway, and Denmark and will help you better your customer experience and increase value for your shoppers.**

Need a helping hand to act on your data easily? Voyado helps retail brands create hyper-relevant shopping experiences, increase customer loyalty, and drive business growth. With the help of AI, you can predict and respond to visitors' intentions on e-commerce websites and create personalized campaigns.

**Find out more**