

Countercyclical characteristics lift the nicotine segment as e-commerce experiences challenging times

The Swedish Retail Federation's (Svensk Handel) E-commerce Indicator report for June and July shows a decline in e-commerce turnover.

Measured in Swedish consumers' e-commerce from only Swedish operators, the turnover decreased by 4 per cent during January-July compared with last year and by 4 per cent if e-commerce from abroad is also included. However, from January to July, the nicotine and tobacco products segment grew by 50 per cent compared to last year.

According to the report, the development of e-commerce turnover has decreased in all months of 2023 except for February and July.

"It is still a very challenging market for e-commerce in Sweden, and there are no signs of an imminent turnaround. E-commerce companies primarily focusing on the Swedish market will probably continue to have a tough time. It is most challenging for those who sell capital-intensive goods such as furniture online, a segment whose turnover has fallen by as much as 37 per cent so far this year," says Per Ljungberg, Head of Innovation at Svensk Handel, and continued:

"The behavioural change towards increased e-commerce and consumers' search for low prices favours the development of the second-hand market. Some Swedish digital marketplaces for selling and buying second-hand goods have recently announced that sales have been very strong."

Only four categories demonstrated growth: nicotine and tobacco products (50 per cent), pharmaceuticals (11 per cent), car, boat, or motorbike accessories (9 per cent) and clothing and footwear (5 per cent).

"The report shows that tobacco and nicotine is a countercyclical product category. Even though the summer months are usually some of the weaker e-commerce months, the report indicates that the product category's growth continues. We are well-positioned to capitalise on that growth. However, it should be remembered that levels are growing from relatively low volumes," says Markus Lindblad, Head of External Affairs.

Svensk Handel is a Swedish trade- and employer organisation that engages in wholesale, retail, and e-commerce trading issues. Every month Svensk Handel conducts an interview-based study to report how Swedish e-commerce has developed during the period.

Access the full report (in Swedish) [here](#).

Contacts

General inquiries

For general inquiries contact info@hayppgroup.com.

Haypp in brief

The Haypp Group spearheads the global transformation from smoking to healthier product alternatives. With origins in Scandinavia, our extensive experience from pioneering markets in smoke-free alternatives, and being a leader in the e-commerce sector, we now fully take our vision to a global scale. With ten e-commerce brands, the Haypp Group is present in seven countries, where we served more than 790,000 active consumers in 2022. Haypp Group's e-commerce site collection includes, among others: <https://www.nettotobak.se> and <https://www.snusbolaget.se/>.

Image Attachments

[Svensk Handel E Commerce Indicator June July](#)

Attachments

[Countercyclical characteristics lift the nicotine segment as e-commerce experiences challenging times](#)