

Haypp Group improves convenience in western US – launches new warehouse in Colorado

In line with the strategy, Haypp Group are continuing to further enhance the distribution capabilities to improve on customer experience through shorter lead times and localized last mile solutions as well as to ensure capacity for future expected growth. As part of this work, Haypp Group has entered a long-term partnership with a third-party logistics provider concerning a new warehouse in Denver, Colorado. The new warehouse will serve the western US, significantly shortening delivery lead times and increasing capacity in the region. This is part of an overall strategy where Haypp Group are launching a broader footprint of fulfillment centers across the US and Europe as demand for the nicotine pouch category continues to grow rapidly.

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The new third-party warehouse located in Denver, Colorado will enable 24 to 48 hour deliveries to customers in all of the key western states of the US and ensures substantial capacity for future growth. The chosen provider has a strong e-commerce offering focused on convenient deliveries and runs warehouse locations across the country. The primary reason for launching this warehouse is to better serve the states where the demand for nicotine products is the largest, thereby supporting Haypp Group's expansion in the region.

"The western part of US is the strongest market area for the nicotine pouch category in America, and hence a region we want to concentrate our efforts in. While the underlying demand is strong, online sales currently has a limited market penetration, meaning there is a significant potential for Haypp Group to grow. By further strengthening our offering and providing the customers in this region with greater convenience, we wish to support more Americans in seeing the benefit of buying their nicotine products online while also aiding them in choosing a safer nicotine enjoyment", says Gavin O'Dowd, President and CEO of Haypp Group.

As Haypp Group is seeing a strong development of the nicotine pouch category, it has become necessary to further enhance the distribution network particularly within the Growth markets, not only to ensure capacity but also to further improve the customer buying experience. For this reason, Haypp Group is reviewing its present warehouse locations to ensure additionally improved distribution capabilities.

"The new warehouse in the western US will materially improve on the customer experience and enable us to shorten our delivery lead times to a significant number of customers in this part of the US. As more of our markets reaches sufficient scale, we will open additional warehouses to further strengthen customer convenience by reducing delivery lead times and provide localized last mile shipping alternatives. Further warehouse additions and relocations will be announced throughout the year within our Growth markets segment", says Gavin O'Dowd, President and CEO of Haypp Group.

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Haypp in brief

The Haypp Group is spearheading the global transformation from smoking to risk-reduced product alternatives. With origins in Scandinavia, our extensive experience from pioneering markets in smoke free alternatives, as well as being a leader in the e-commerce sector, is now bringing our vision to a global scale. With ten e-commerce store brands, the Haypp Group is present in seven countries where we served more than 680,000 active consumers during 2021.

Attachments

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