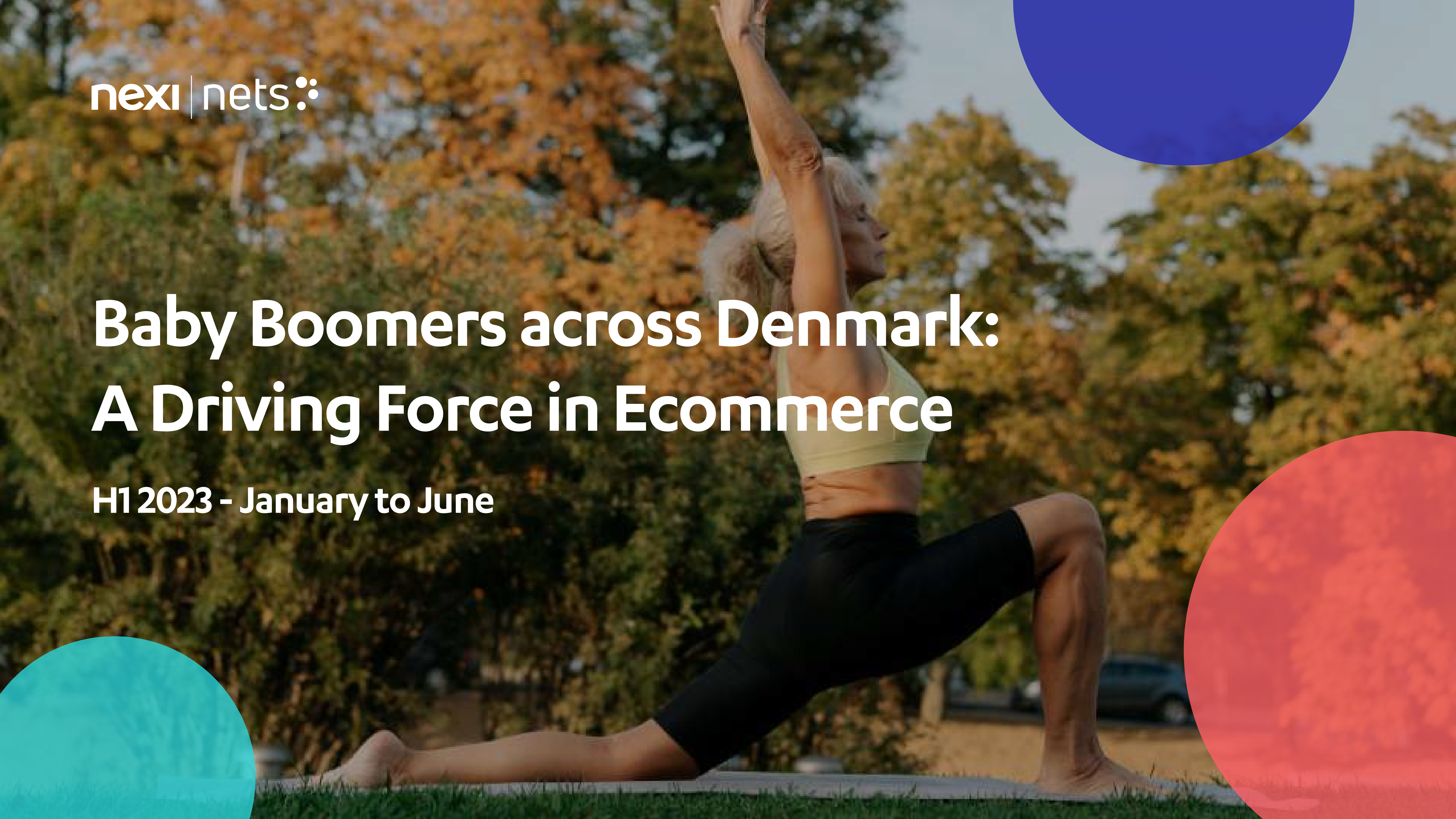


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Baby Boomers across Denmark: A Driving Force in Ecommerce

H1 2023 - January to June



Baby Boomers: Why we should pay attention to their economic power...

The Ecommerce landscape is one that's always rapidly evolving, constantly influenced by changing demographics and consumer behavior. And although the economy is trending downward (with increased inflation, shallow savings and decreased spending overall), Baby Boomers are the outliers, remaining in strong financial positions and acting as one of the key driving forces behind transforming how we shop online.

In this report, we'll delve into the pivotal role individuals born between 1946 and 1964 play in the Ecommerce sector. With immense financial clout and an average retirement age of 66 years (also depends on year born), this group is not to be underestimated or looked over in favor of the younger digital natives. In fact, they have some of the strongest purchasing power out there, underscored by the current economic circumstances - and what's more, they're rewriting the rules when it comes to online retail.

We'll shed more light on their impact, exploring their preferences, habits and expectations as online shoppers. We'll analyze the ways in which their activities are influencing macroeconomic indicators - including retail sales, market trends and the overall growth of digital commerce.

In recognising this demographic's importance, we can also come to understand what matters to them most - and what they value when shopping online. From top-notch customer service (that they also expect in-store) to rewards for their on-going loyalty, get to know this influential generation a little better - and unlock new avenues for growth and innovation along the way.

With the help of the following key trends, up-to-date data and illuminating insights, our goal is to equip businesses with knowledge and strategies to connect with the sometimes-overlooked and often-misunderstood Baby Boomers.

About the research

Nets, a part of Nexi Group, is proud to present the **Baby Boomers across Denmark: A Driving Force in Ecommerce**. This report analyses the challenges, conditions, and opportunities for Ecommerce in the Nordics.

The report is based on results from surveys conducted by Kantar on behalf of Nets in the form of 50 weekly interviews among 1.669 Danish internet users from January until June 2023.

Respondents throughout Denmark, Norway and Sweden participated in the research.

Respondents were taken from each region's local population, in the age group of 18–79-year-olds who have internet access. Each response was weighted by age, gender, and region, and takes into account accumulated composition.

The research report is based on two main parameters: **spending and habits**.

Spending is a parameter based on survey respondent's response on the approximation of money spent on a specific category over the previous 28 days.

Estimates of total online consumption are based on the median value times the number of people shopping online in each category. The advantage of this method is that the median is less sensitive to extreme fluctuations, so it provides a more accurate picture of typical consumer behavior.

Habits of each user were based on their shopping activity over the previous 28 days. Throughout the survey, the majority of questions offered the possibility to choose multiple answers which was then calculated to represent their online shopping habits.

A photograph of a group of people dining outdoors. In the center, an elderly woman with short white hair, wearing a red cardigan over a white turtleneck, is laughing joyfully. She is seated at a table with various dishes, including a large wooden bowl of salad, a pitcher of yellow juice, and several glasses. To her left, a person with long brown hair is partially visible. To her right, another person with glasses is partially visible. The background shows green foliage. The image is overlaid with three large, semi-transparent circles: a red one in the top left, a blue one in the top right, and a teal one in the bottom center. The text 'Can we find the Danish Baby Boomers online?' is written in large, white, bold letters across the middle of the image.

**Can we find
the Danish Baby
Boomers online?**

They certainly
aren't afraid to
shop online...

67,8%

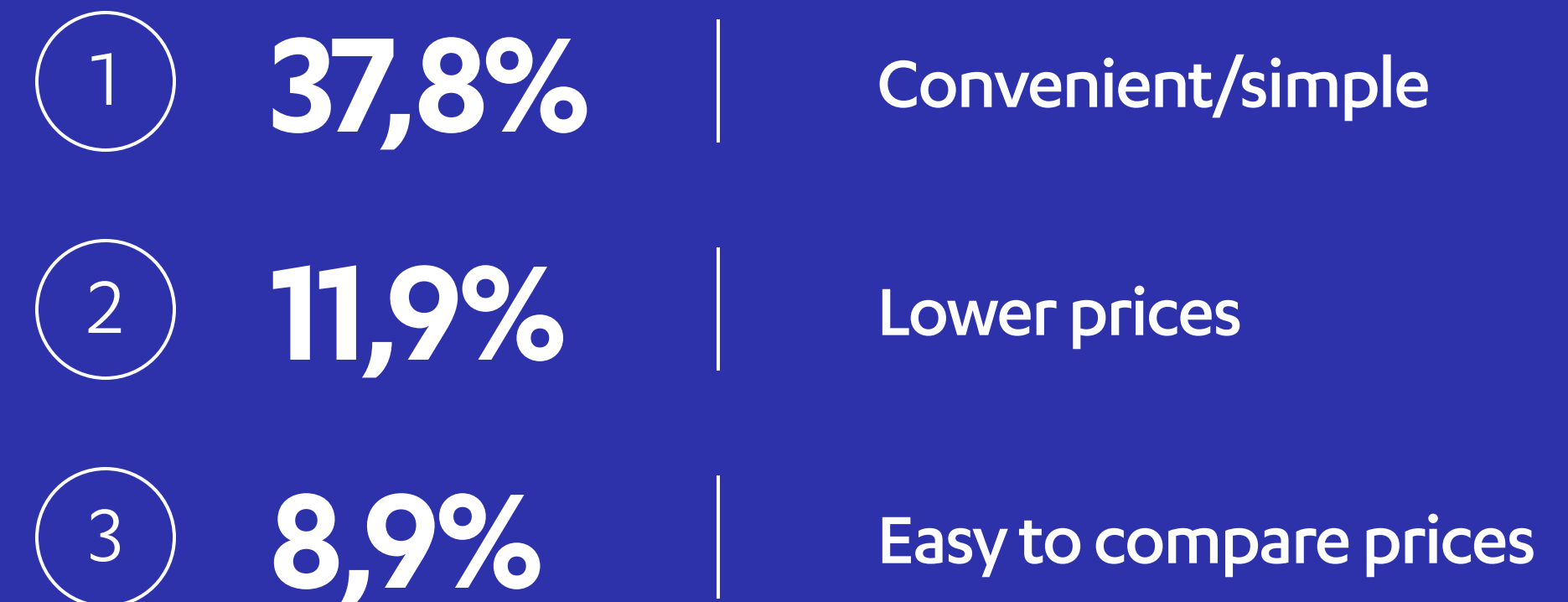
of Baby Boomers in Denmark have shopped or
spent money online over the H1 period

Why do Danish Baby Boomers choose to shop online?

Based on the behaviors we've noticed, convenience, simplicity, lower prices and the ease of price comparison come out as the top reasons why Baby Boomers shop online in Denmark.

That being said, the percentage of those who give the reason they shop online as the ease of price comparison and lower prices is still quite minimal. We can then therefore assume that, perhaps correlating with their stronger financial positions, this group doesn't feel the need to consider the price of purchases as much as younger generations do.

Top 3 reasons:



A young woman with her hair in a ponytail is smiling and looking at a laptop. An older man with glasses and a blue shirt is sitting next to her, also smiling and looking at the laptop. The woman is holding a small white card. The background is a blurred indoor setting. There are three large, semi-transparent circular shapes: a teal one on the left, a blue one in the top right, and a red one in the bottom right.

What makes a difference for Danish Baby Boomers?

**“I like to stay local
as much as
possible”**

Danish Baby Boomers are the leading generation in shopping locally, but why is it so important to them to keep their spending close to home?

77,3%

saying they've purchased something locally in Denmark

The advantages of keeping it local

It's clear that Baby Boomers in Denmark are very keen on keeping their spending close to home - but why? Our report shows us that it's mainly due to an interest in supporting small local businesses within their home country, and a general distaste for helping to line the pockets of big, global businesses like Amazon.

A wide variety of delivery options are also important for this demographic, which links back to their fondness for good customer service and overall convenience.

Danish Baby Boomers value shopping local because:

It feels good to support local/small businesses



They don't want to support big, impersonal businesses like Amazon



They like a variety of delivery options



Is there a flipside to keeping it local?

Here, we have even more confirmation that, when it comes to Baby Boomers in Denmark, customer service is king. Despite their preference for shopping locally online, they'll still take time to reconsider if customer service isn't up to their high standards.

The fact that 30.6% state that there aren't any disadvantages at all also goes to show how strong a category local online spending is to this particular group.

Danish Baby Boomers find issue with shopping local because:

Actually, there are no disadvantages



There can sometimes be limited choice available



There's still no guarantee of good customer service



Shopping locally is more expensive? Not a problem...

Interestingly, price really isn't much of a consideration for Baby Boomers in Denmark. This is a group that's happy to pay more for the benefits they enjoy when shopping locally online - a viewpoint that, as you can imagine, varies hugely across other younger generations.

4,1%

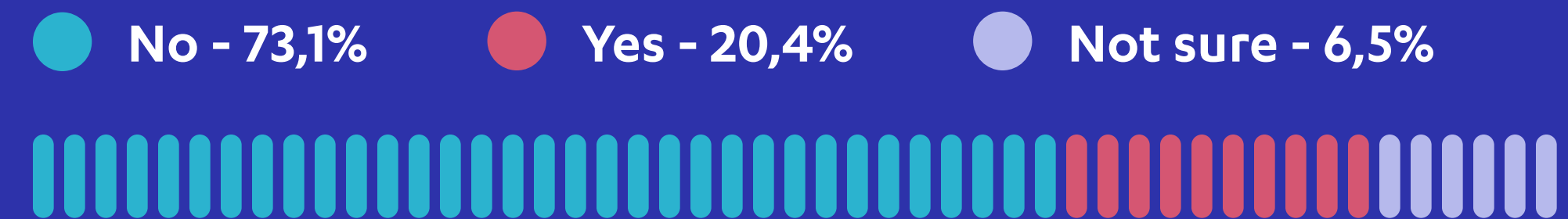
of Baby Boomers in Denmark think that higher local prices are a disadvantage

Our decision is final

Baby Boomers in Denmark will stick to their shopping guns, and once they've made a decision, they'll tend to follow through. Only 20.4% have cancelled an online purchase, and only 35.0% have found a returns process too complicated to complete.

This suggests that they are careful consumers, who take time to consider their purchases before they settle on their click-to-buy decisions - another area in which they lead the way against other demographic groups.

Have you ever cancelled your purchase?



Have you ever failed to return an online purchase because it was too complicated?



Trust is earned, not given

So what causes Baby Boomers to abandon their cart in Denmark? It all comes down to trust, and if the website doesn't feel credible then 26.4% of this group will leave their purchases behind.

Technical issues on site also create distrust and lost sales - and precious time wasted on filling in long forms will also turn 10.9% of our Baby Boomers away and on to an alternative.

Top 3 reasons for abandoning cart:

- 1 **26,4%** | The site didn't feel credible and safe to use
- 2 **12,5%** | Expected to fill in too much information
- 3 **10,9%** | There were technical difficulties on the site

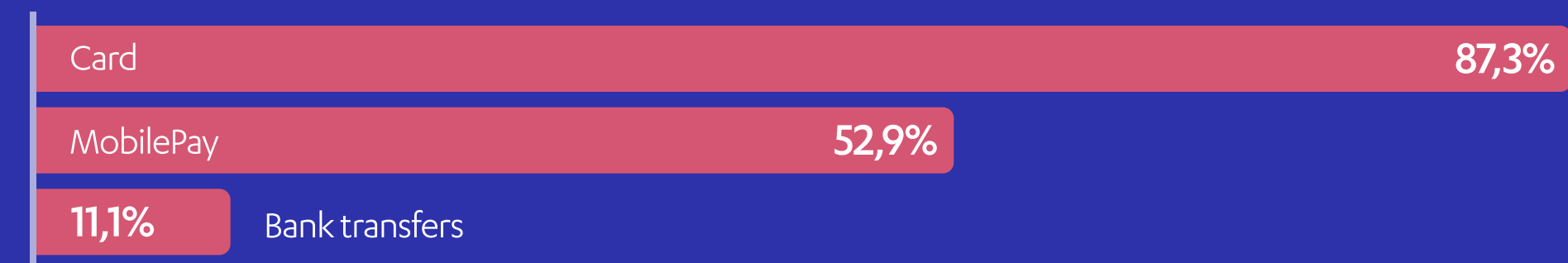
Just put it on my card

In what is clearly evident from this data, Baby Boomers in Denmark are comfortable using their card to pay for their online shopping - and they aren't going to change their minds (or their payment methods) anytime soon.

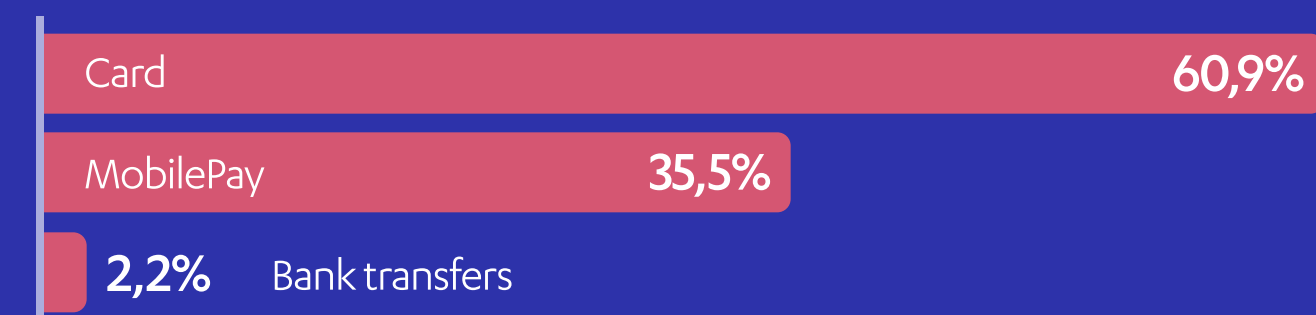
This is the demographic that overwhelmingly uses card payment the most - and on top of that, their overall MobilePay usage is the lowest out of all generations.

Baby Boomers are clearly creatures of habit, and using their card to pay online feels familiar and secure - and when they're spending so much online, what business is going to try and argue with that?

Top three payment methods used:



Top three payment methods preferred:



Why exactly are card payments so popular?

As we've previously discussed, Baby Boomers in Denmark value security when shopping online. As a generation who spend a lot of time carefully choosing where and how to spend their money (and will abandon a shopping cart if the website lacks credibility), it's no surprise that they will opt for the payment method they deem to have the most protection.

50,4%

of Baby Boomers in Denmark say they choose their payment method because of security concerns

13%

Interestingly, Baby Boomers only account for 13% of the overall distribution of spending in Denmark

The unexpected influencers?

Even though they are often overlooked as high spenders in the media, our research shows that Baby Boomers still hold significant amount of spending power (and influence).

Despite the economic downturn, they remain in strong financial positions - spending more while other demographics rein in on their purchases. Their decisions and behavior can even affect macroeconomic changes in the country and shouldn't be underestimated - this group has some serious (spending) potential!

A photograph of an elderly man with a grey beard and hair, wearing a green t-shirt, leaning over a laptop on a table. He is looking intently at the screen. The background shows a modern living room with a grey sofa, a potted plant, and a black cylindrical object. The image is overlaid with three large, semi-transparent circles: a red one at the top, a teal one on the right, and a blue one at the bottom right.

Baby Boomers online buys

Time to take care of number one

Baby Boomers, just like any other generation in Denmark, are keen on treating themselves to new clothes. They buy them just as regularly as everyone else, but obviously take more time and care in choosing what to buy.

The same goes for pharmacy items, which is perhaps due to a higher investment and interest in their health and well-being as the years continue to pass by.

And with age, there also appears to come an understanding of the importance of a happy home - with monthly spend on interior fixtures and fittings higher here than for the majority of other Danish demographics.

Top 3 monthly physical goods purchases:



9,5%

Baby Boomers lead in the home construction and gardening products category

Home is where the heart is

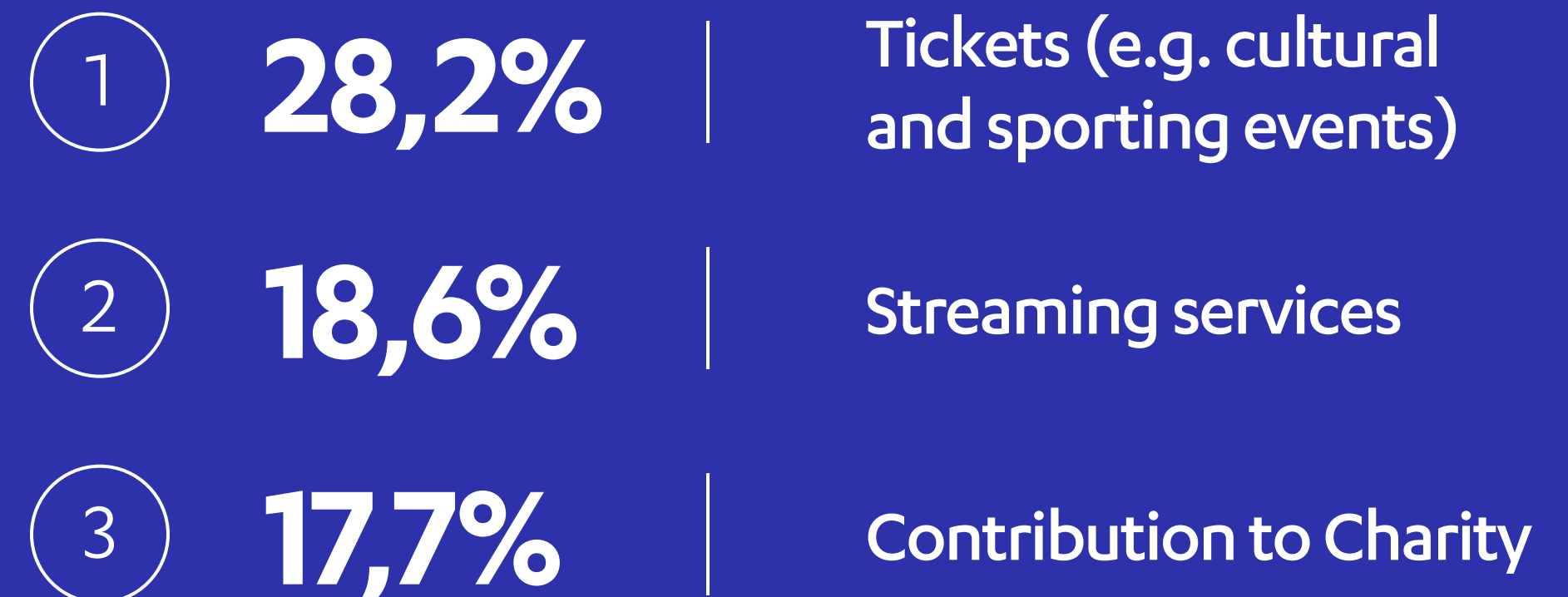
Baby Boomers are all about staying closer to home - and making both the inside and the outside spaces attractive and peaceful places to be proud of. That's why they tend to buy more home construction and gardening products per month than other generations.

A cultural and charitable community

Baby Boomers in Denmark love to get out and about and attend different cultural events - such as sporting competitions, live concerts and theatre productions. In fact, they spend far more a month on tickets than any other generation! As a result, streaming services do feature, but to a far lesser extent than we see with other groups - probably because they are out all the time!

And when it comes to charity, this is a demographic that really cares about giving back, as the generation group who gives the most on a monthly basis to non-profit organisations.

Top 3 monthly services purchases:



2,6%

Baby Boomers lead in their monthly buys on teaching and educational courses

It's never too late to learn something new

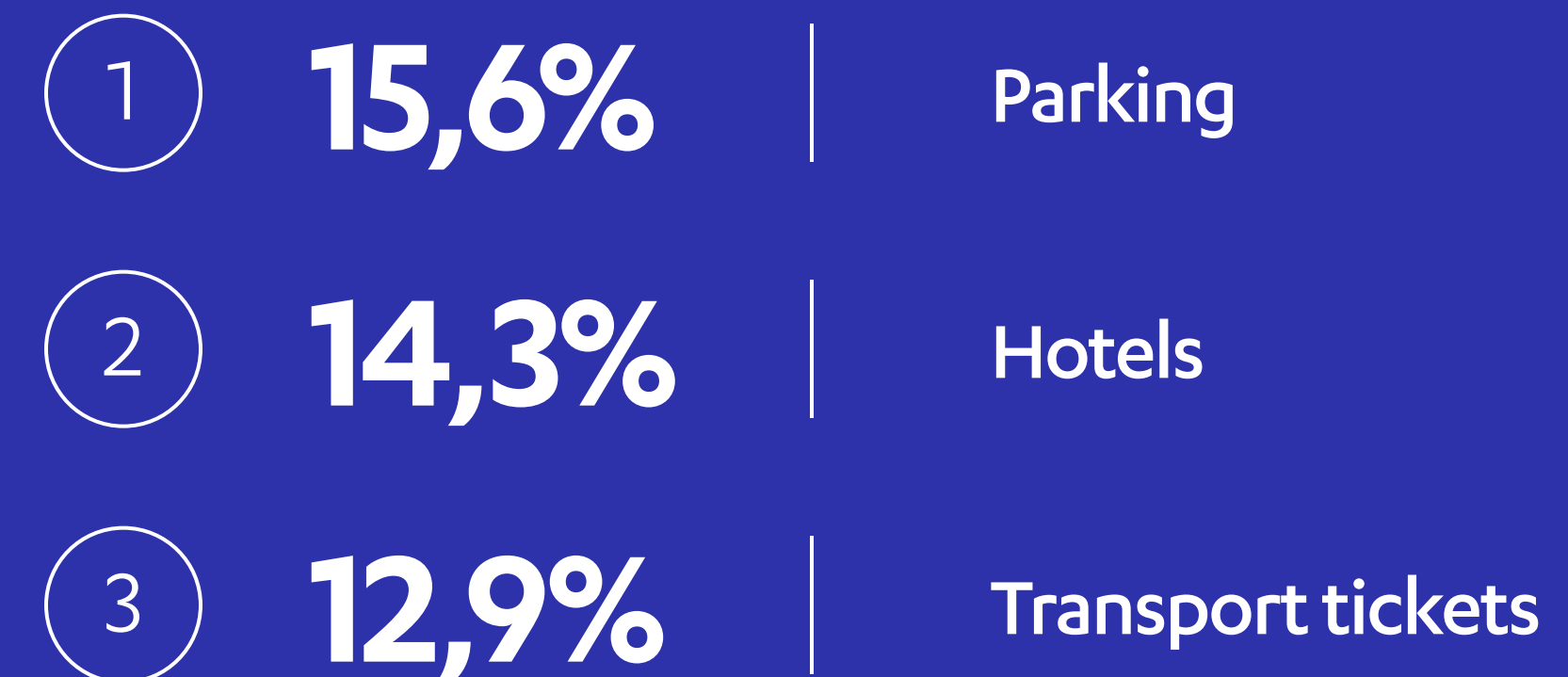
Although 2.6% might seem like a low number, we can't ignore the fact that Baby Boomers buy the most of all the generations on teaching and educational courses - showing that they're keen to put some of their resources into learning new things and gathering expertise. Maybe they're onto something - knowledge is power after all!

Getting and going places

When it comes to making monthly travel arrangements, Baby Boomers in Denmark buy the most day-to-day purchases of any demographic, on items such as parking and public transport tickets.

They also like to splash out on hotels, because who doesn't like to arrive in a nice comfortable room when staying somewhere new? Once again, their preference for good customer service and good quality comes through in the data...

Top 3 monthly travel purchases:



10,8%

Baby Boomers lead in their monthly buys on boat cruises

Ready to set sail

It seems that when it comes to travel, Baby Boomers in Denmark love to sail the seven seas - choosing to buy more on a boat cruises than flights!

They buy more on this more relaxed way to see the sights than any other generation, leading the charge with a margin of 10.8% (on a monthly basis).

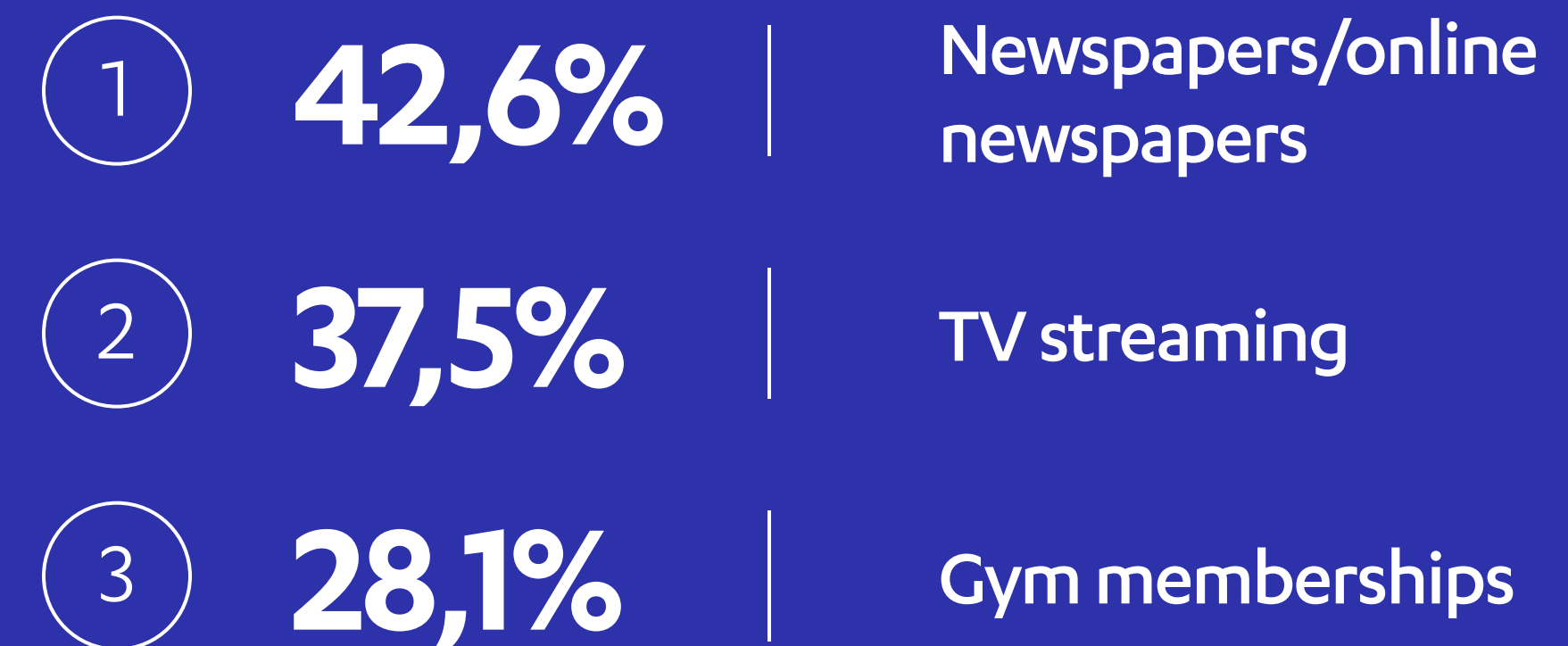
Staying in tune and up to date

When it comes to staying up to date with world news, Danish Baby Boomers like to stay on top of the latest bulletins quickly and easily, making them the leaders in online newspaper subscriptions.

Only Gen Z buy more on a monthly basis on gym memberships, with both age groups taking a keen interest in their health and well-being (although perhaps for slightly different reasons!).

And although TV streaming makes an appearance in their top three categories, the share across groups is a lot less for Baby Boomers, once again linking back to their fondness for enjoying cultural experiences and events in real life.

Top 3 services purchases:



Baby Boomers: an undeniable key market for Ecommerce

In examining the online shopping behaviours and preferences of the Baby Boomer generation in Denmark, several key findings have emerged. As a general rule, they choose to shop less frequently online than other generations - perhaps due to their preference for the familiarity of in-person shopping trips - but when they do, their influence on the market is clear.

Baby Boomers value simplicity, security and convenience in their shopping experiences, with platforms that are easy to navigate and provide clear and concise information.

After careful consideration, they remain confident in and committed to their purchasing decisions, rarely abandoning their shopping cart or cancelling orders. They also demonstrate a clear preference for supporting Danish businesses, often willing to spend more for locally sourced products or services. As loyalty and decisiveness are valuable traits for marketers and retailers, this group is definitely one businesses should be aiming to attract.

Their purchases reflect their interest in taking care of both their home and their health. This is evident in their frequent spend on home construction materials, gardening supplies and interior fixtures - as well as their interest in health care products and staying up to date with the latest health trends. In our view, there is a potential market here for health-related products and information, that meets this group where they are - and avoids the stereotypical 'later life' pitfalls.

Baby Boomers in Denmark show a keen interest in travel, particularly in boat cruises - presenting travel agencies and cruise companies with a unique opportunity to tailor their offerings to this well-funded demographic.

Despite holding significant economic power, the Baby Boomer generation in Denmark is largely untapped in the online shopping sector. There remains a considerable window of opportunity for businesses to explore and cater to their specific wants, desires and needs - and certainly, this is a demographic group that shouldn't be ignored!

Thank you for reading

Thank you for your interest and engagement with our report, showcasing Nexi Group's thought leadership and dedication to innovation in the realm of digital payments. Our goal is to provide you with valuable insights and a deeper understanding of the evolving payment landscape.

Continuation of our Ecommerce report with 10+ years of publication, in 2023 we are committed to present new data and insights in a more frequent and versatile way.

Our forthcoming research will shed light on the evolving landscape, providing valuable perspectives that aid businesses in tailoring their strategies to effectively serve diverse consumer demographics.

Thank you once again for engaging with our report. Stay ahead of the curve, expand your knowledge and be inspired by subscribing to our Newsletter. Join our community of avid readers who are passionate about staying informed and engaged.

Feel free to use the information from this report, just remember to give credit to Nets and Baby Boomers across Denmark: A Driving Force in Ecommerce as the source.

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