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Baby Boomers across Norway: 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 67, 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 Norway: 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, the back of a person's head is visible. To her right, another person is partially visible. The background consists of 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 Norwegian Baby Boomers online?' is written in large, white, bold letters across the middle of the image.

**Can we find
Norwegian Baby
Boomers online?**

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

65,9%

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

Why do Norwegian Baby Boomers choose to shop online?

Based on the behaviors we've noticed, convenience, simplicity, lower prices and a larger range of choice come out as the top reasons why Baby Boomers shop online in Norway.

Simplicity is paramount with this group, as the percentage of people giving it as their main reason is much higher than in any other generation.

The importance of a lower price point is also a key differentiator here - in not seeing it as such a big deal, this group varies from others (who tend to favor low prices as one of their main reasons for logging on to shop).



Top 3 reasons:

- 1 **51,6%** | Convenient/simple
- 2 **10,7%** | Lower prices
- 3 **6,4%** | Larger range

An elderly man with glasses and a woman are sitting at a desk, looking at a laptop. The man is on the left, wearing a light blue shirt and a red tie. The woman is on the right, wearing a grey t-shirt. They are both smiling and appear to be engaged in a conversation. The background is a blurred office or home setting. There are three large, semi-transparent circles overlaid on the image: a teal one on the left, a blue one on the top right, and a red one on the bottom right.

**Where can we find
Norwegian Baby
Boomers online?**

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

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

65,9%

saying they've purchased something locally in Norway

The advantages of keeping it local

It's clear that Baby Boomers in Norway 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.

Norwegian 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 Norway, customer service and familiarity is king.

But despite their preference for shopping locally online, they'll still take time to reconsider if the variety of products isn't up to scratch - or if they get a sense that they're not getting the excellent customer service they were expecting.

Yet the fact that 21.9% 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.

Norwegian Baby Boomers find issue with shopping local because:

There can be limited choice sometimes



Actually, there are no disadvantages



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 Norway. 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.

9,2%

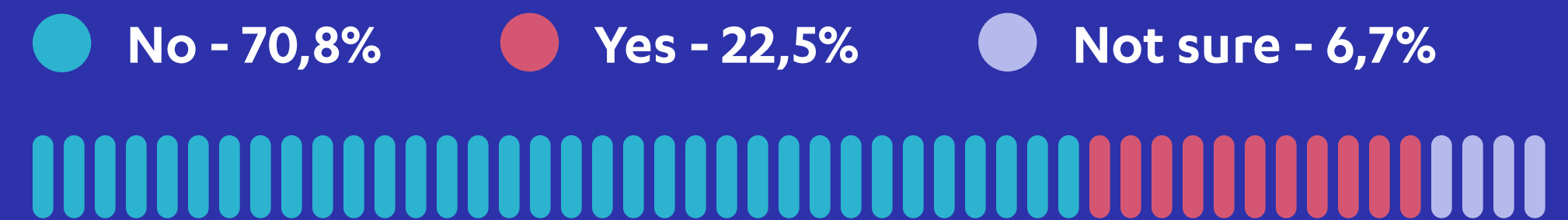
of Baby Boomers in Norway think that higher local prices are a disadvantage

Our decision is final

Baby Boomers in Norway will stick to their shopping guns, and once they've made a decision, they'll tend to follow through. Only 22.5% have cancelled an online purchase, and only 30.8% 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 Norway? It all comes down to trust, and if the website doesn't feel credible then a massive 43.4% of this group will leave their purchases behind.

Unclear shipping and returns policies on site also create distrust and lost sales - and no option to collect their purchases in person will also turn 14.8% of our Baby Boomers away and on to an alternative.

Top 3 reasons for abandoning cart:

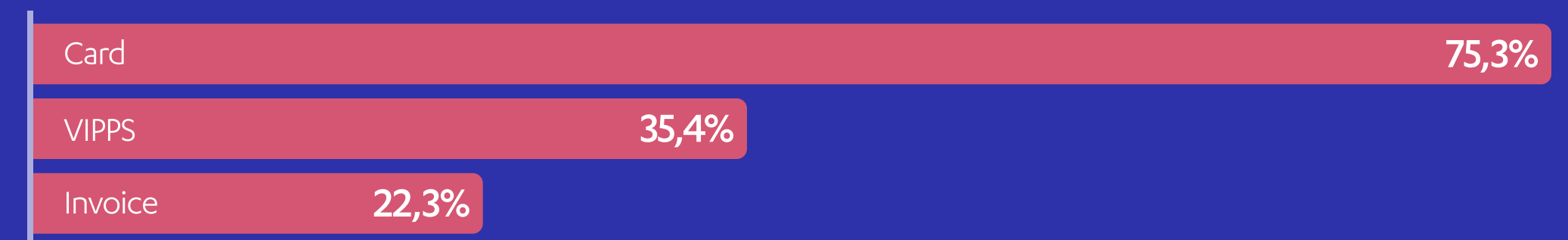
- 1 **43,4%** | **The site didn't feel credible and safe to use**
- 2 **16,8%** | **The shipping and returns terms were unclear**
- 3 **14,8%** | **No option to collect items in person**

Just put it on my card

In what is clearly evident from this data, Baby Boomers in Norway 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.

Baby Boomers are clearly creatures of habit, and using their card to pay 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 Norway 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.

55,6%

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

14%

Interestingly, Baby Boomers only account for 14% of the overall distribution of spending in Norway

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!



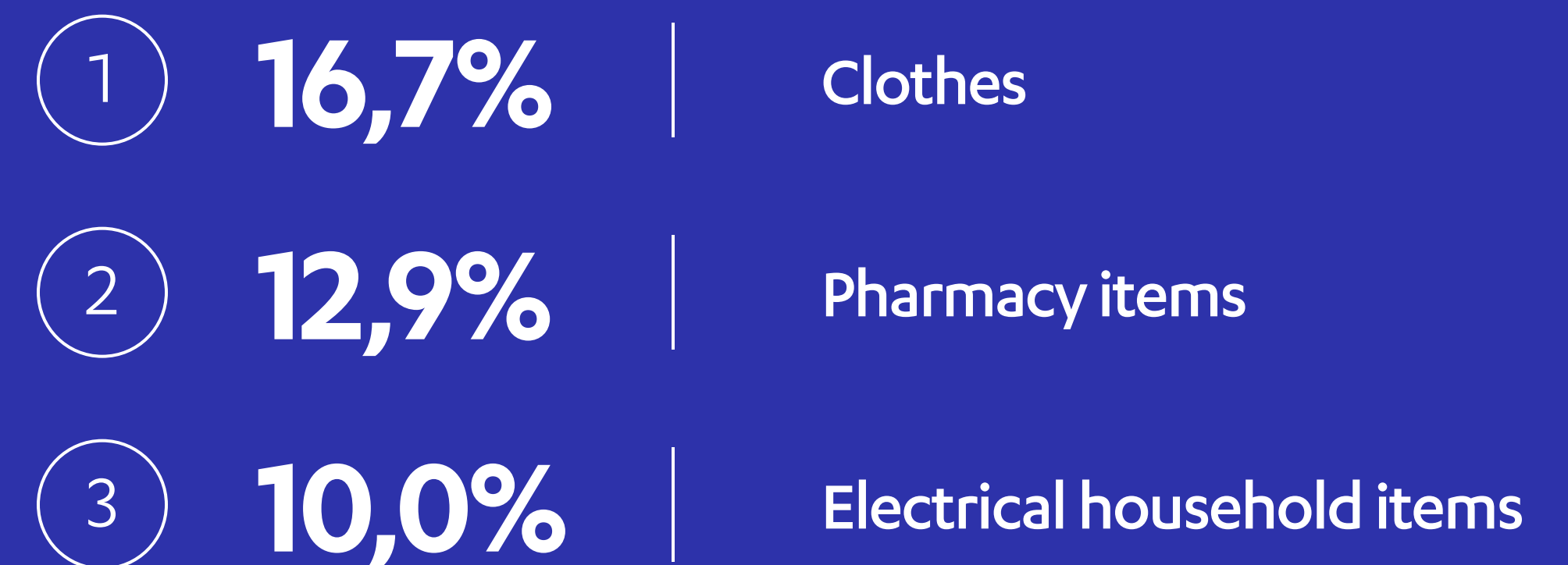
Baby Boomers Online Buys

Time to take care of number one

Baby Boomers, just like any other generation in Norway, are very focused on taking care of their health and appearance, which is why pharmacy items and clothes feature so prominently here - perhaps a reflection of their higher investment in their general well-being as the years pass by.

The data point that really stands out here is their spending on electrical household appliances, such as computers and mobile phones. So, despite preferring more traditional ways to shop, this demographic don't want to be left behind the technology curve - and will invest in items to stay up to date with the latest gadgets.

Top 3 monthly physical goods purchases:



7,9%

Baby Boomers lead in Physical media products/Sport and recreation equipment

Keeping the brain and body active

Baby Boomers are redefining their role in digital commerce, leading by example in their monthly online purchases. Their focus on purchasing sports and recreation equipment and diverse media products highlights their commitment to an active, enriched lifestyle.

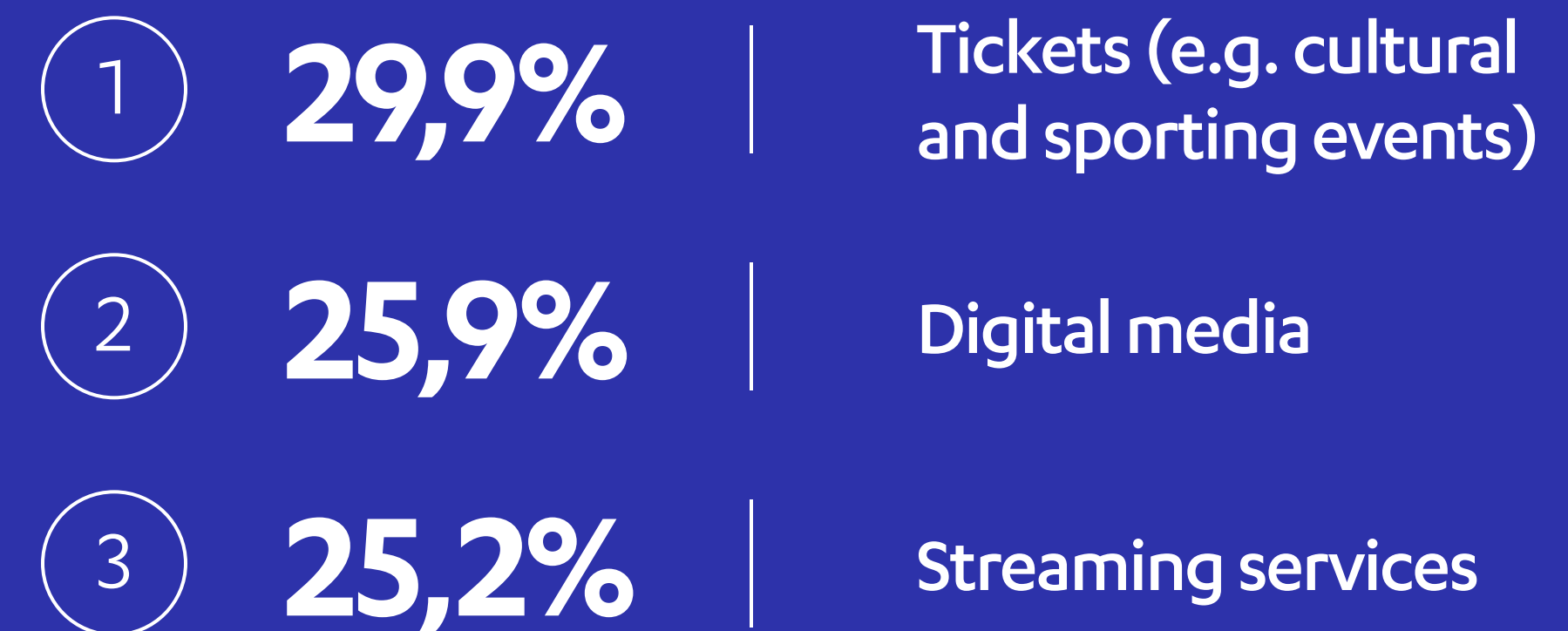
These choices reflect a deeper engagement with life's values, showcasing the Boomers' blend of physical vitality and intellectual curiosity in the modern online marketplace.

Cultural experiences lead the way

Baby Boomers in Norway are definitely clued in when it comes to digital media like newspapers and e-books, and their appetite for reading puts them in the lead within this category. And although they do spend a fair amount on streaming services per month, they actually come out as one of the lowest spending generations in this area.

But when it comes to going out and socialising, this is where this demographic really shines - spending a large amount on tickets each month for cultural and sporting events (in fact, more than any other age group in this area!).

Top 3 monthly services purchases:



17,8%

Baby Boomers lead in the Contribution to Charity category

A kind and charitable community

When it comes to contribution to charity, Baby Boomers in Norway are the leaders across all generations in their country. They are conscious of the need to give back and support others who are less fortunate, with a total of 17.8% of them donating to non-profit organisations every month.

Getting and going places

When it comes to making monthly travel arrangements, Baby Boomers in Norway 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 flights, because they might have seen a lot, but they haven't stopped exploring the world just yet!

Top 3 monthly travel purchases:

- 1 **30,2%** | Parking
- 2 **29,8%** | Transport tickets
- 3 **25,5%** | Flights

5,5%

Baby Boomers lead in their monthly spend on charter and package trips

Here for the whole package

It seems that when it comes to travel, Baby Boomers in Norway love to avoid the hassle of over-complicating things - and will often opt for charter and package trips when taking in the sights. Once again, this is yet another category where they lead the way...

Staying in tune and up to date

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

Health is another top priority, which is highlighted here with their spend on gym memberships. Staying on top of their well-being is of utmost importance - and they're not intending on slowing down anytime soon!

Top 3 monthly services purchases:

- | | | |
|---|-------|------------------------------|
| 1 | 68,8% | Newspapers/online newspapers |
| 2 | 34,0% | TV streaming |
| 3 | 20,6% | Gym membership |

Baby Boomers: an undeniable key market for Ecommerce

In examining the online shopping behaviours and preferences of the Baby Boomer generation in Norway, 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 Norwegian 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 their long-term health and the well-being of others too. This is evident in their frequent spend on pharmacy items, gym memberships - as well as their generous spend on contribution to charity.

Baby Boomers in Norway show a keen interest in travel, particularly on flights and charter and package trips - presenting travel agencies and charter companies with a unique opportunity to tailor their offerings to this well-funded demographic.

Despite holding significant economic power, the Baby Boomer generation in Norway 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 Norway: A Driving Force in Ecommerce as the source.

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