



The Retail Innovation Ecosystem in Finland

An S Group perspective

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Retail innovations matter more than ever

Consumers are almost completely digital

97% have access to internet¹, 80% of consumers have a smartphone²

Competition is global

Almost half of consumers shop on global sites every month¹

The edge is price AND convenience

Even discounters are investing in convenience, e.g. same day deliveries³

Transparency and responsibility are qualifiers

Conscious consumerism is mainstreaming, 60%⁴ of consumers consider responsibility of their consumption.

1: Postnord, verkkokauppa pohjoismaissa 2017

2: FIN Edition, Deloitte Global Mobile Consumer Survey, June-Aug 2016

3: <https://www.planetretail.net/NewsAndInsight/Article/161467>

4: The Informed Consumer study 2016, Kuudes



Our digital transformation is built on three core elements

1 Personalization



2 Seamless multi-channel experience

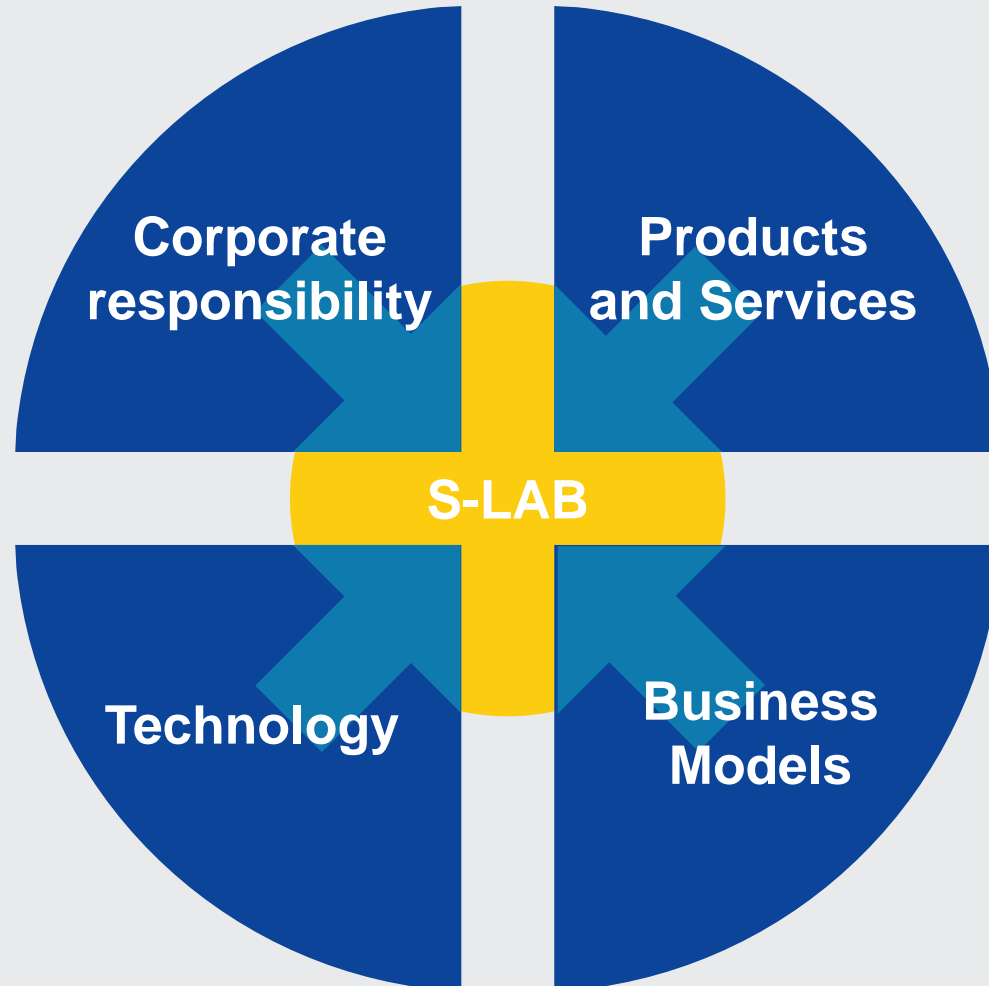


3 Process efficiency





S-lab brings together visionaries and game changers across the ecosystem



A way of working to accelerate innovation on top of the largest consumer base in Finland

1. Based on products, not talk
2. Market validation, not R&D
3. Experience, not equity



Fresh from the lab: selected cases



In-store location



Food waste reduction



Voice UI



Food innovation



The retail innovation ecosystem in Finland and S Group



Tech-savvy, well educated, value-focused consumers are globally interesting



We have been an integral part in several start-up internationalization stories



We are constantly searching for better collaboration and co-creation models

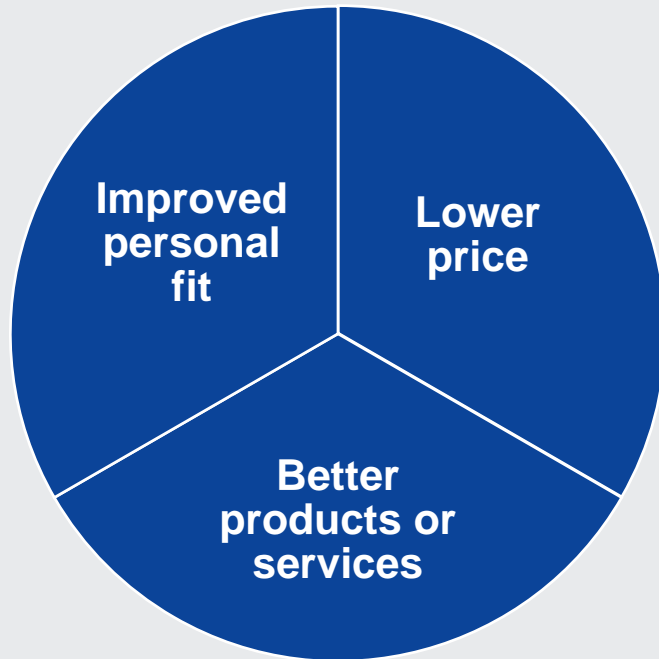


s-lab.fi

S-Lab –project phases

1. SET

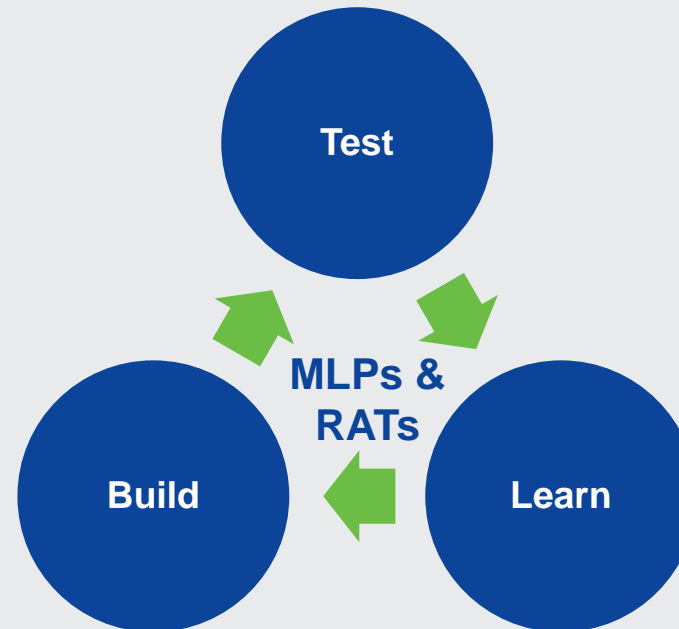
How does the idea to be tested improve our customers' daily lives?



~1-2 weeks

2. TEST

Hypothesis testing:
iterations (á 1-2 weeks)



~2-8 weeks

3. CONCLUDE

Continue to scale-up or
eliminate the project



~1-2 weeks