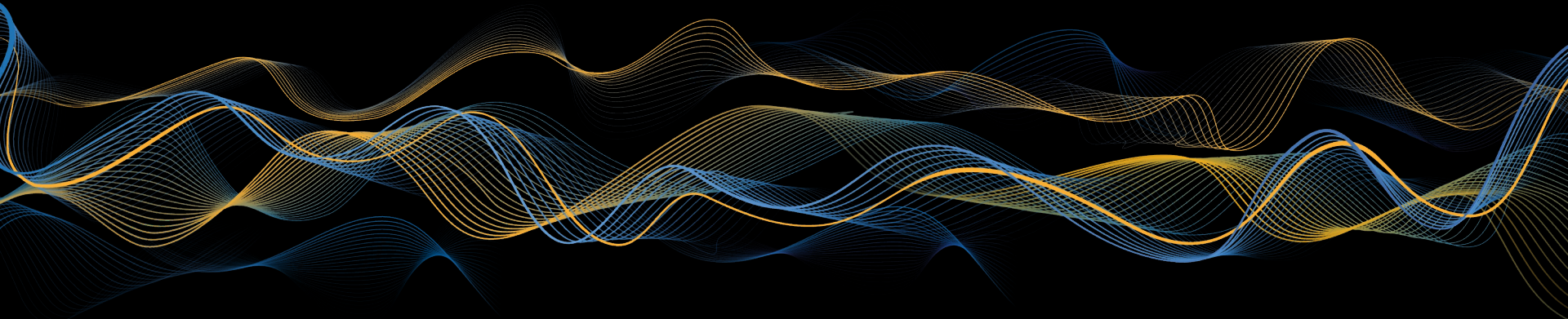


TCS Global Retail Outlook

Nordics key findings



Nordics report

Fresh insights into the forces shaping the future of retail



Respondent personas (evenly distributed)

- Chief marketing/customer/digital officers + direct reports
- Chief merchandising officers + direct reports
- Chief supply chain officers + direct reports
- Chief technology/information officers + direct reports

The respondents

(n=800+)

US (n=256)

CAN (n=65)

ANZ (n=78)

EUR [France, Germany/Austria, Spain, Switzerland] (n= 206)

- **Benelux** (n=65)
- **Nordics** [Denmark, Finland, Norway, Sweden] (n=72)

UK & IE (n=75)

Topics

- Future challenges
- Intelligent retail
- Mission-critical objectives
- Optimization strategies
- Customer loyalty
- Agility and resiliency

Subsectors

- Electronics: 32%
- Home improvement, hardware: 24%
- Groceries, convenience stores, pharmacies: 19%
- Fashion, apparel, home goods: 15%
- Quick-service restaurants: 10%

Executive summary

Nordics retailers are prioritizing profitable growth, optimizing inventory and working capital, and enhancing personalization and customer engagement as their top strategic objectives.

The sector faces significant challenges from technology adoption, workforce skills gaps, and rising operational costs, which require strategic innovation and efficiency to sustain growth.

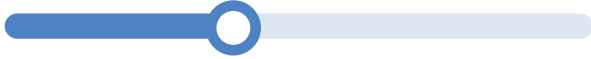
Key success factors include cost reduction through process optimization, adaptive AI-powered decision-making, and automated workflows that minimize manual intervention.

AI-powered chatbots, supply chain optimization, and fraud detection are among the highest priority initiatives, but most Nordics retailers have yet to fully implement advanced AI capabilities such as multi-agent systems and enterprise-wide human-AI collaboration.

Loyalty programs are increasingly valued for enabling long-term customer retention and personalization, yet many organizations struggle with reward expectations, complex program structures, and program costs.

Payments innovation—especially mobile wallets, contactless payments, Buy Now, Pay Later solutions, and digital wallets—is seen as essential for frictionless customer experiences and as a strategic lever for loyalty and growth.

Top strategic priorities for Nordics retailers in 2026



Two-fifths of Nordics retail executives said “driving profitable growth” is among their most mission-critical objectives over the next 18 months

Other top priorities:

35%

Optimizing inventory and working capital

28%

Enhancing personalization and customer engagement

Biggest obstacles in 2026 for Nordics retailers

The Nordics retail sector faces mounting challenges from technology adoption, workforce skills gap and operational costs, demanding strategic innovation and efficiency to sustain growth.

Expected challenges to success for Nordics retailers:



Technology adoption

Challenges in getting staff and operations to effectively utilize new technological solutions



Workforce skills gap

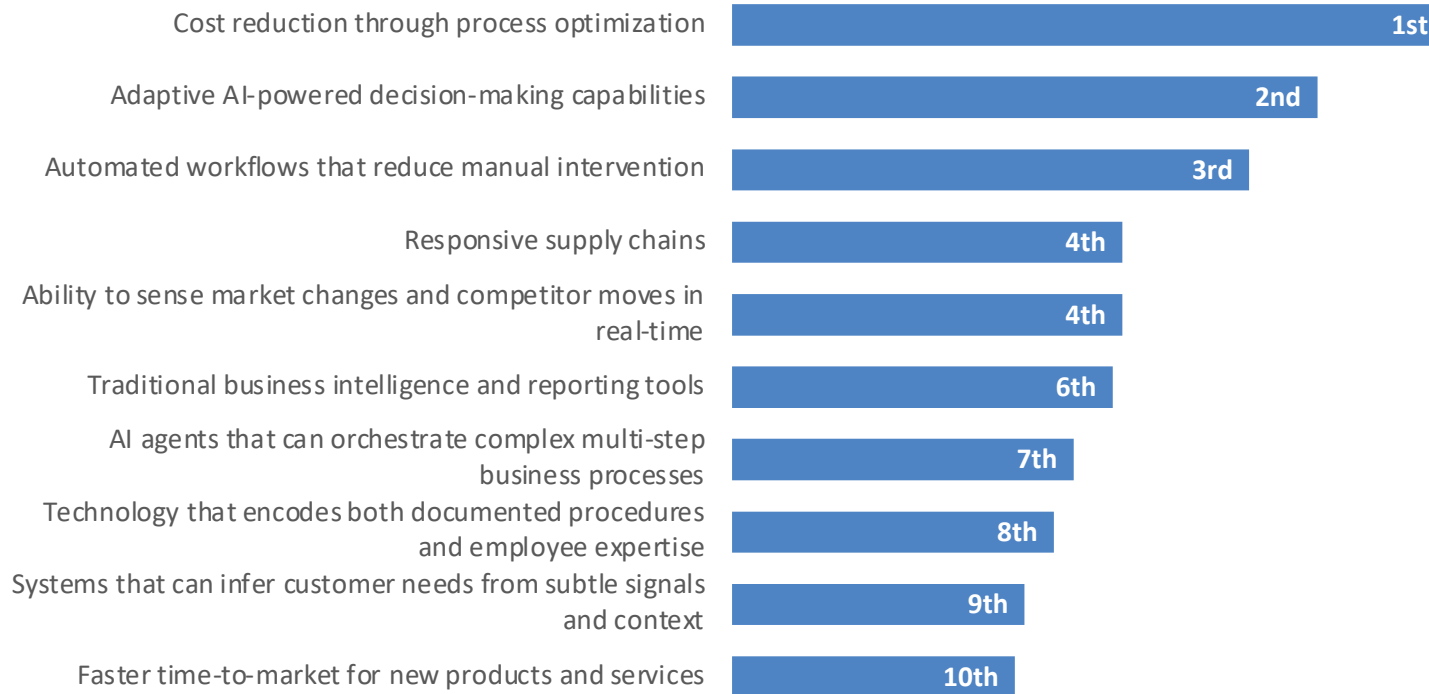
Difficulty finding employees with the technical and digital skills needed for modern retail



Operational costs

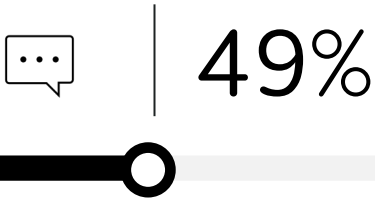
Managing rising expenses in labor, technology, and facilities

Nordics success factors: reducing costs, AI-power decision making, automated workflows



Q. As market conditions become increasingly volatile which one of these capabilities are most critical for your organization's success? (n=72)

AI slowly evolving from customer conversations to operational intelligence



Nearly half executives said **AI-powered chatbots and virtual assistants** were among their highest priority AI-led initiatives

Other most popular AI-led initiatives:

40%

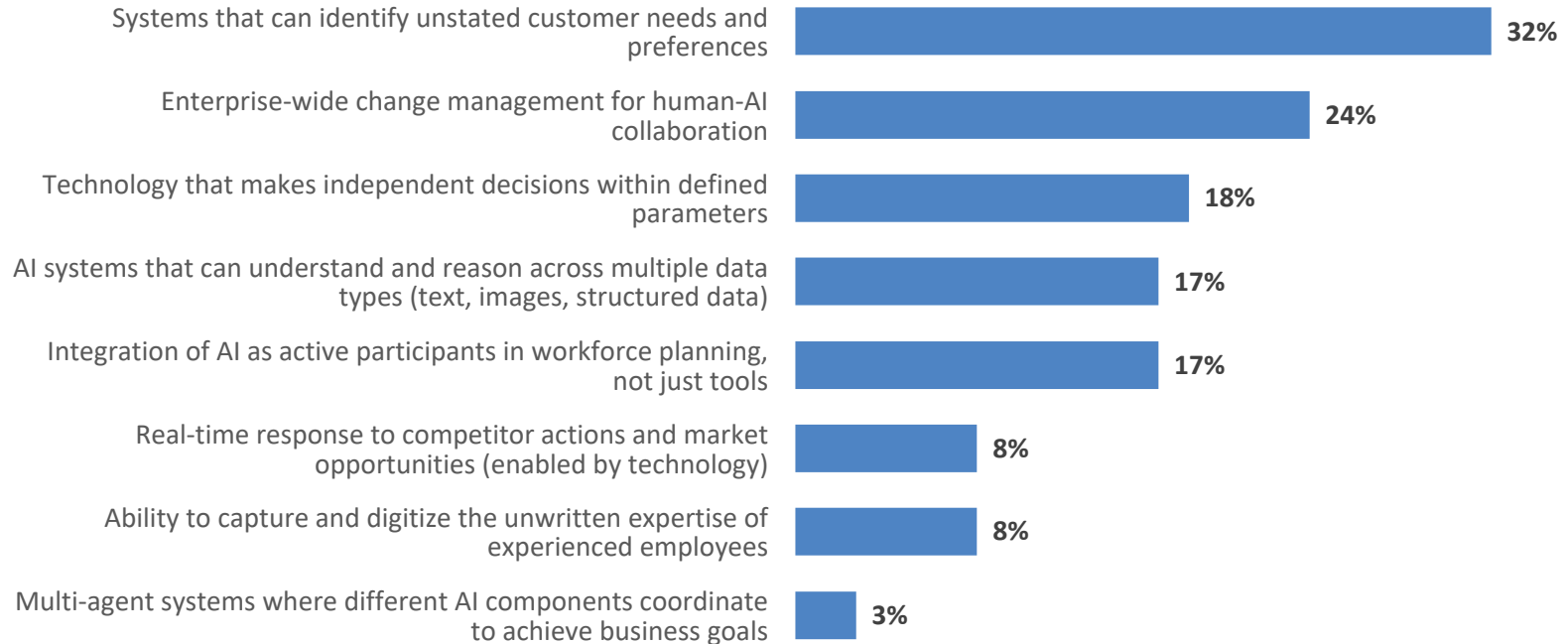
Supply chain optimization

36%
(tied)

Fraud detection and prevention;
workforce planning and
scheduling

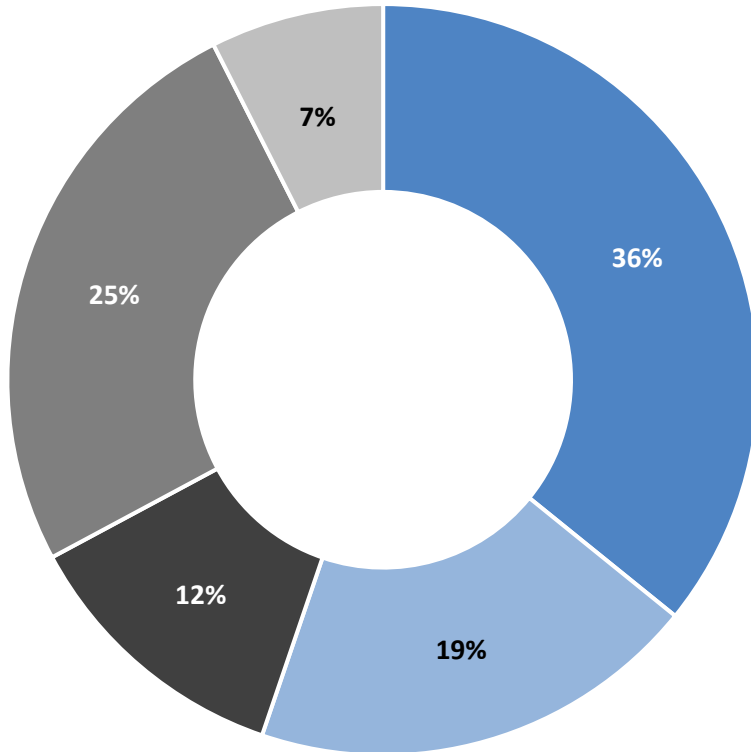
Advanced AI capabilities still untapped for most Nordics retailers

“Piloting, testing,” or “fully implemented and operational”



Q. Rate your organization's current readiness in the following areas. (n=72)

The strategic aspirations of loyalty programs in the Nordics



- A critical enabler of long-term customer value and retention
- A key channel for first-party data to power enterprise-wide personalization
- A differentiator in competitive positioning and brand experience
- A supplemental tool supporting promotions and marketing
- Not currently integrated with broader strategic priorities

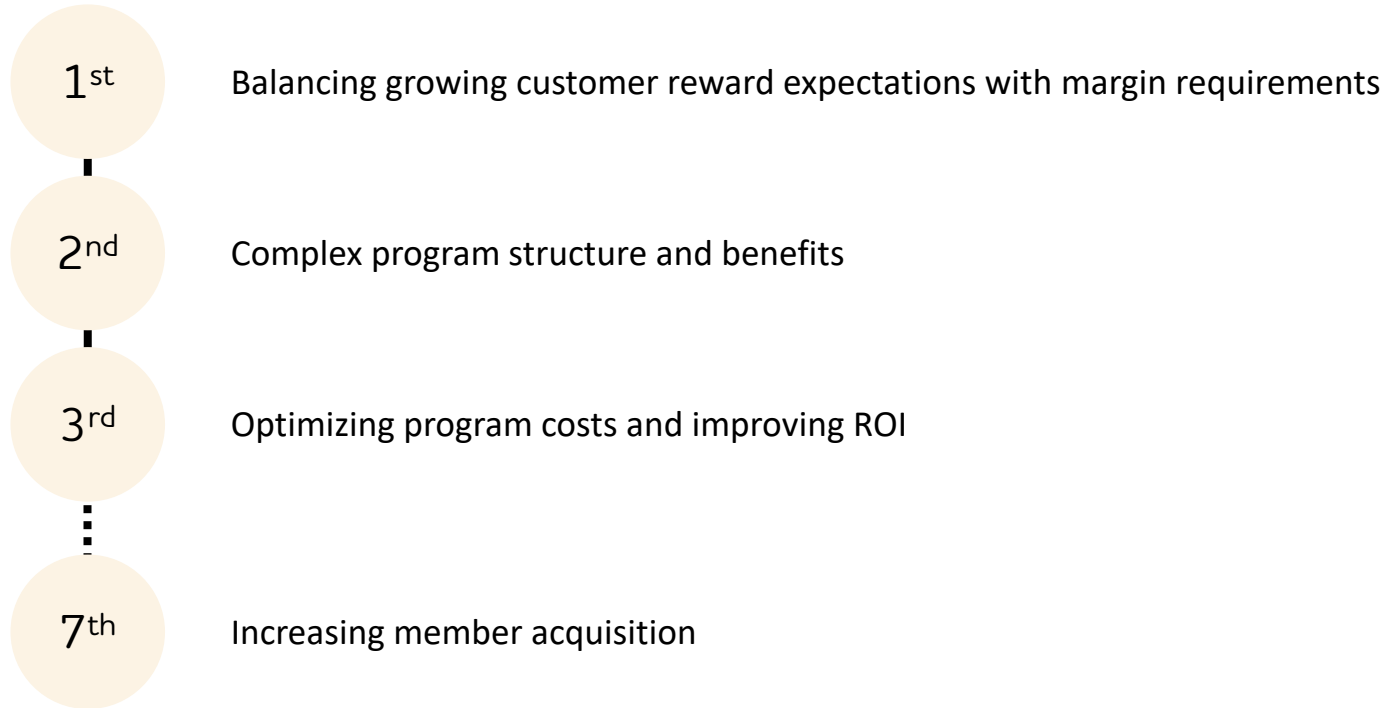
Q. How are your loyalty initiatives positioned in your overall growth and customer strategy? (n=67)

Nordics: Loyalty programs not yet factoring into most enterprise decisions



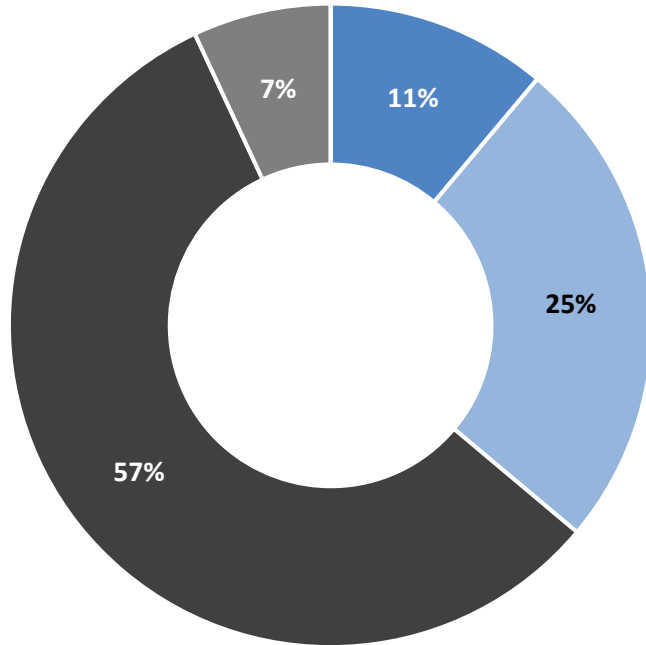
Q. Which enterprise-level decisions are most influenced by insights from your loyalty program? (n=72)

Top challenges for loyalty programs: reward expectations, complex program structures, and program costs



Q. Rank the top three challenges your company faces with its customer loyalty programs. (n=67)

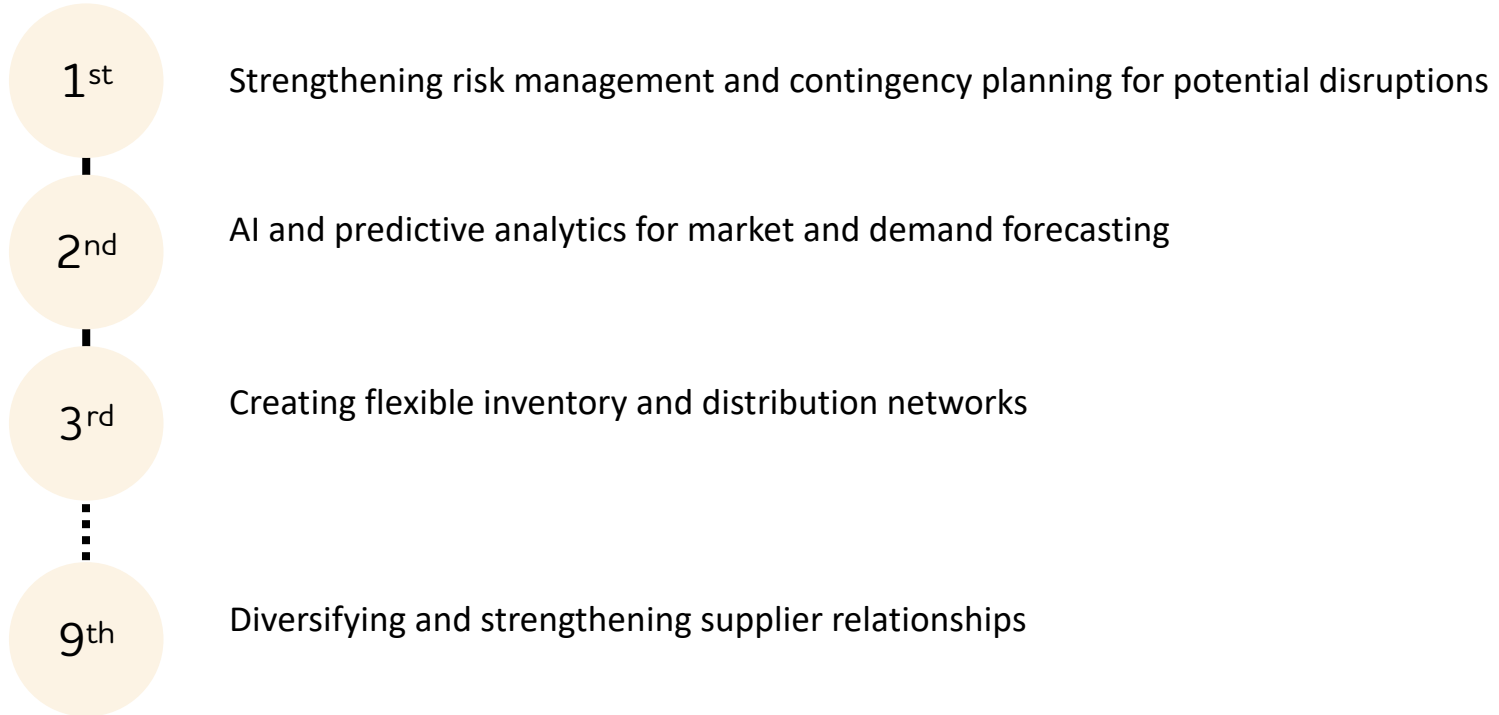
Assessing agility and adaptability in a disruptive market: 36% of Nordics retailers are advanced or established in agile practices



- **Advanced:** Agility and resiliency are embedded into operations, powered by data, tech, and empowered teams
- **Established:** Key areas (e.g., planning, supply chain) have adopted agile practices and adaptive capabilities
- **Developing:** Some progress made, but inconsistent across functions or geographies
- **Early-stage:** Acknowledged as a priority, but limited progress beyond strategy or pilot efforts

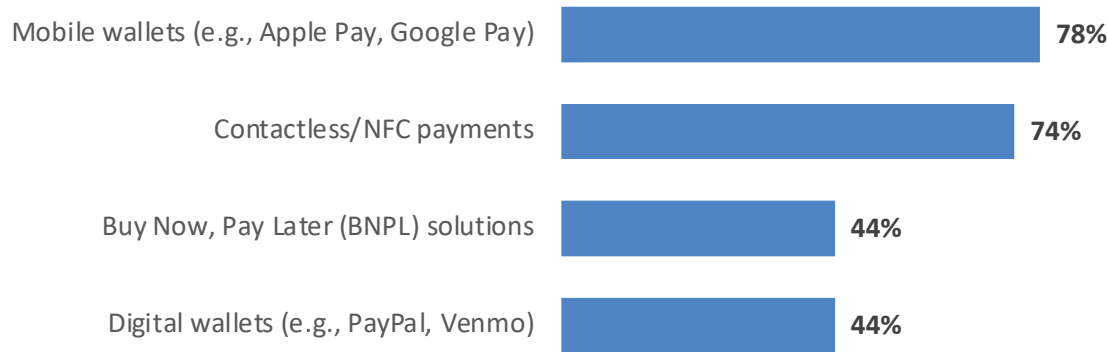
Q. How would you rate your organization's overall agility and resiliency maturity? (n=72)

Stronger risk management identified as top agility & resiliency priority in Nordics, followed by AI for market forecasting



Q. Rank the top three priorities most critical for increasing agility and resiliency to meet rapidly changing market conditions and potential disruptions. (n=72)

Payment systems prioritized by Nordics retail executives as table stakes for frictionless check-outs, fewer abandoned carts, and improved customer experience



Other answers in order of frequency:

- Biometric payments (e.g., facial recognition, fingerprint)
- Cryptocurrency payments (e.g., Bitcoin, Ethereum)
- Central Bank Digital Currencies (CBDCs)
- Blockchain-based payment solutions

Q. Which new or emerging payment systems are your organizations currently using, exploring, or planning to adopt? (n=72)

Our recommendations for Nordics retailers

| What to do | How to do it |
|---|---|
| Align the AI roadmap with mission-critical objectives and volatility-critical capabilities | Ensure AI investments directly support core business priorities and capabilities that mitigate volatility, creating a roadmap that balances innovation with resilience for sustained competitive advantage. |
| Make loyalty and first-party data the “brain” of perceptive retail, not just discounts | Shift loyalty programs from transactional discounts to data-driven personalization, using first-party insights to anticipate needs, deepen engagement, and build emotional connections that drive long-term customer value. |
| Invest deliberately in agility and quality as resilience levers | Prioritize operational flexibility and product excellence to withstand disruptions, enabling rapid adaptation to market shifts while maintaining standards that reinforce trust and brand reputation. |
| Treat the workforce and data strategy as foundational | Develop integrated plans for talent development and data governance, ensuring skilled teams and robust data frameworks form the backbone of innovation, efficiency, and informed decision-making. |
| Use payments innovation as a customer-experience differentiator and loyalty enabler | Leverage advanced payment options — such as BNPL, digital wallets, and frictionless checkout — to enhance convenience, strengthen loyalty, and position payments as a strategic driver of customer satisfaction. |

Thank you



Contact us

