

Sustainable Business in Finland

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The Commerce Sector in a Nutshell

COMMERCE IS
THE LARGEST EMPLOYER
IN THE BUSINESS SECTOR

EMPLOYING APPROXIMATELY

282 000

PEOPLE

THE COMMERCE SECTOR
ACCOUNTS FOR ABOUT

10% of GDP

THE TOTAL TURNOVER OF
THE COMMERCE SECTOR IS

€127 BILLION

(EXCL. VAT)



COMMERCE IS
**ONE OF THE
LARGEST INVESTORS**
IN THE BUSINESS SECTOR



FINNISH COMMERCE
OPERATES IN A HIGHLY
COMPETITIVE
INTERNATIONAL
ENVIRONMENT



91%

OF COMPANIES IN THE
COMMERCE SECTOR ARE
SMALL BUSINESSES WITH
FEWER THAN 10 EMPLOYEES



COMMERCE IS THE
BIGGEST EMPLOYER
OF YOUNG PEOPLE

ABOUT **20%**

OF EMPLOYED INDIVIDUALS
UNDER 25 WORK IN THE
COMMERCE SECTOR



THE COMMERCE SECTOR
HAS ROUGHLY
AN EQUAL NUMBER
OF **WOMEN AND MEN.**



THE SIGNIFICANCE OF
E-COMMERCE
IS GROWING RAPIDLY



COMMERCE IS THE
LARGEST TAXPAYER
IN THE BUSINESS SECTOR



Key figures of the Finnish Commerce Federation

- About **1,700** corporate members
- Corporate members of the Finnish Commerce Federation are automatically also members of the Confederation of Finnish Industries (EK)
- **13** committees and groups
- **30** employees
- **18** member organisations/federations
- **17** support members.



Sustainably competitive commerce



Commerce as a key factor of economic well-being and a sustainable economy

- Creating work, livelihoods and well-being*; ****
- Ensuring Finland's competitiveness and vitality

Indicators

- Employed
- Investments
- Added value effect
- Tax revenue



Commerce as a key factor of an environmentally sustainable economy

- Taking the climate and carbon neutrality into account*; ****
- Taking the Earth's resources into account*: circular economy and biodiversity

Indicators

- Climatic effect
- Taking into account the Earth's resources



Commerce as an expert and developer of social responsibility

- Uniting work and employees
- Creating a sustainable working life and capacity building****

Indicators

- Occupational well-being
- Non-discrimination, equality and diversity
- Recognition of competence needs
- Ensuring competence

The societal impact and responsibility of commerce: Commerce as a forward-looking, innovative*** operator that listens to the customer, encourages sustainable consumption** and sees the opportunities of responsibility

* In addition to commerce operations, impact is also created in global value chains. Commerce identifies the related challenges and seeks solutions to develop sustainability.

** Encouraging sustainable consumption also includes responsible marketing that supports sustainable development. This includes decisions and actions regarding products, distribution, pricing and marketing communications.

*** Innovation includes, for example, new digital solutions utilised in product information.

**** Good governance is part of the whole.

What is a responsible consumer in Finland?

- The most important criterion that defines a responsible consumer is **purchasing sustainable and recyclable products**. A responsible consumer is also characterized by buying products and services from companies that **create jobs and invest in Finland, as well as managing their own finances without excessive debt**.
- Finns are also keen on **buying used products**: 60 percent have made second-hand purchases in the past year.
- Over 70 % of adult consumers are willing to pay more for sustainable products. This figure has remained relatively unchanged over the past couple of years.
- While 71 percent of consumers are generally willing to pay more for sustainable or recyclable products, only 53 percent are willing to pay more for the durability of clothing.

(Sources: Consumer studies by the Finnish Commerce Federation 2024)



What makes a responsible company in the eyes of Finnish consumers?

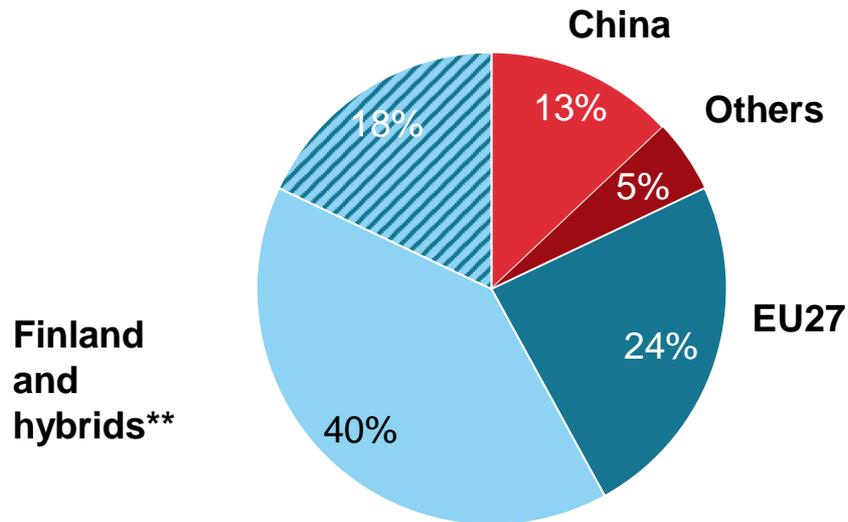
- The most important criteria that define a responsible company, according to Finns, are **paying taxes** and **creating jobs** and **investing in Finland**. The third most important criteria for responsibility are the company's efforts to reduce its carbon footprint and its commitment to human rights throughout the supply chain.
- **68 % – of consumers would prefer to support stores that uphold social responsibility in Finland.**
- While 68 percent of consumers would prefer to support socially responsible stores in Finland, only 46 percent are willing to pay a higher price for it.

(Sources: Consumer studies by the Finnish Commerce Federation 2024)



Digital purchases from Finland and abroad in 2023

Totalled €5,280 million Eur* (The figures are rounded off)

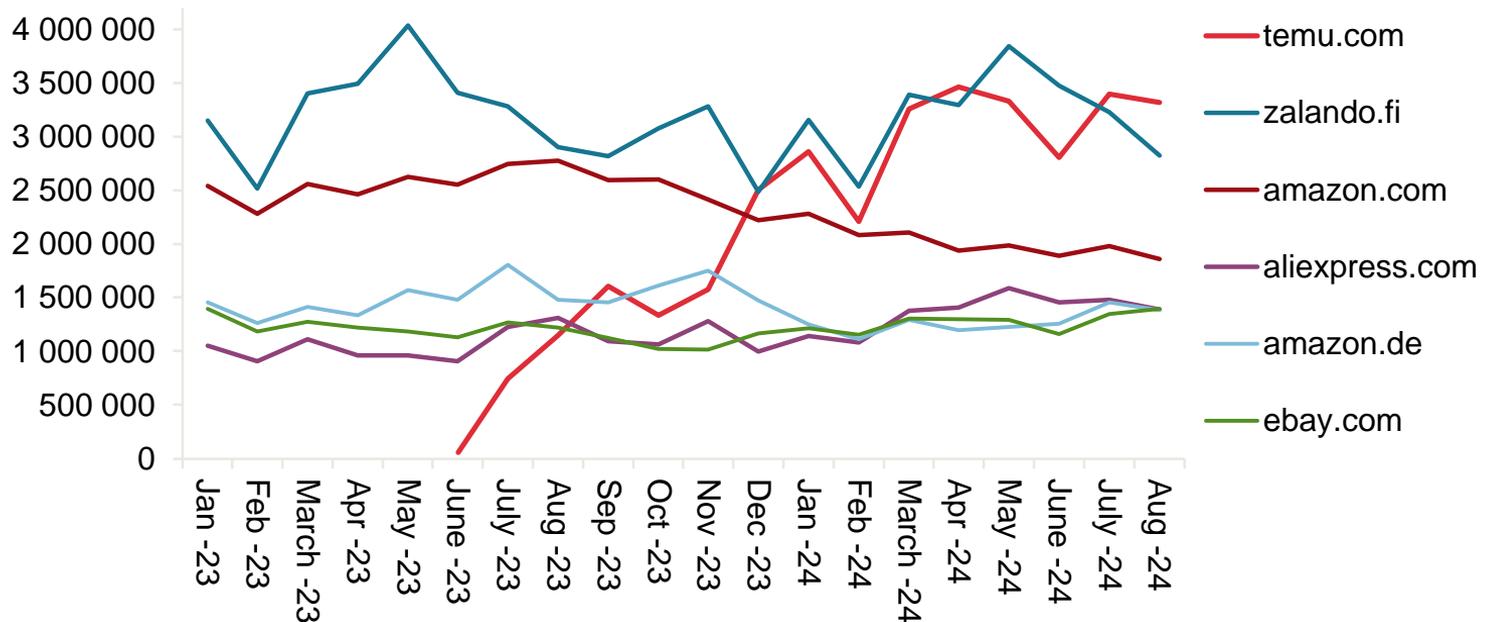


	Annual change 2022-2023, %
Total digital purchases	-4
Finnish online stores	-4
Hybrids**	-13
EU 27	-10
China	+31
Others	+1

** Hybrids here refer to foreign retail companies with stores in Finland.

Temu.com and zalando.fi are competing head-to-head for the top spot among foreign marketplaces

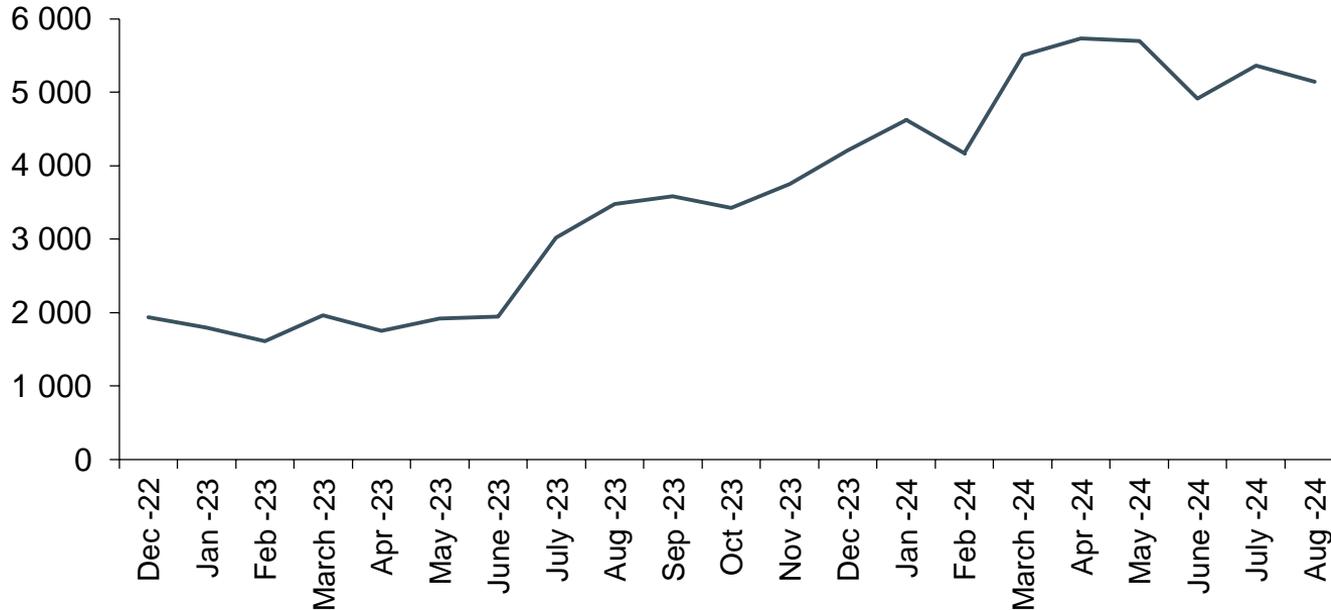
Monthly visit numbers to foreign marketplaces in Finland



Visits by Finns to Chinese online stores and marketplaces* have nearly tripled

Finns' monthly online visits to Chinese online stores and marketplaces*,
1000 visits / month

* Temu.com, shein.com, aliexpress.com, wish.com, lightinthebox.com, banggood.com, jd.com, zaful.com, tomtop.com, jd.hk



Distance Selling & Producer Responsibility – Three Key Themes for the Commerce Sector

- Supporting free trade and fair competition
- Same obligations regardless of the sales channel
- Producer responsibility is part of corporate social responsibility.



Fair competition – the same rules and obligations for all companies

Thank you!

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FINNISH COMMERCE
FEDERATION