WHITE PAPER

Optimistic but Disciplined - How Norway's Consumers Demand Value-First Choices in 2025

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This article is part of the 2025 European Consumer Sentiment Report series, which explores consumers' shopping habits and preferences

Executive summary

Sunlight cuts through Europe's grey skies: Norwegian consumers enter 2025 buoyant and self-assured—especially compared to European peers. In BCG's European Consumer Sentiment survey, 42% of Norwegians call the economy "good"—nearly four times the European average. Inflation and energy prices that unsettle Europeans stir less concern here (-15 and -13 percentage points, 'points', below EU average), though high exposure to floating interest rates makes rising mortgages a worry (+17 points more concerned than the EU average). This mix of confidence and caution defines the national mood.

For the last half of 2025, rising income and savings expectations are fueling optimism (+6 and +4 points vs. last six months). Spending is set to climb, especially on essentials (+36 points), and even discretionary categories trends in a positive direction (+14 points). If income rose by 10–15% tomorrow, most consumers would save (55%), travel (38%), or trade up in groceries (28%). Category trends echo this: consumers plan to spend more on groceries, home care, and luxury fashion—while cutting back on snacks and alcohol—pointing to a shift toward essentials, or what feels indulgent enough to justify a premium.

Still, confidence hasn't dulled price awareness. Over two-thirds say discounts actively steer their purchasing decisions, and more than half would switch brands for a better deal. Private-label penetration lags up to 15 points below the European average in key categories, reflecting Norway's long-standing focus on local brands. While 40–50 % of shoppers currently rate branded products as superior and with higher quality in key categories like groceries, beverages, and home care—the growing search for value leaves ample opportunity for private label to gain share.

Channel preference adds another lens: While 33–41% of consumers research toys, apparel, and appliances online, fewer than one in four shop mostly online, and less than one in five expect next-day delivery for non-food items. Screens inspire—but stores still seal the deal.

Sustainability, meanwhile, is table stakes. Only 35% consider it regularly—10 points below the EU average—and just 15% are willing to pay extra for it, signaling that "green" must come at no added cost.

For companies, the Norwegian consumer sentiment tailwind poses several opportunities to take product and service offerings from good to great and create tangible growth. Key recommendations for consumer companies and retailers include:

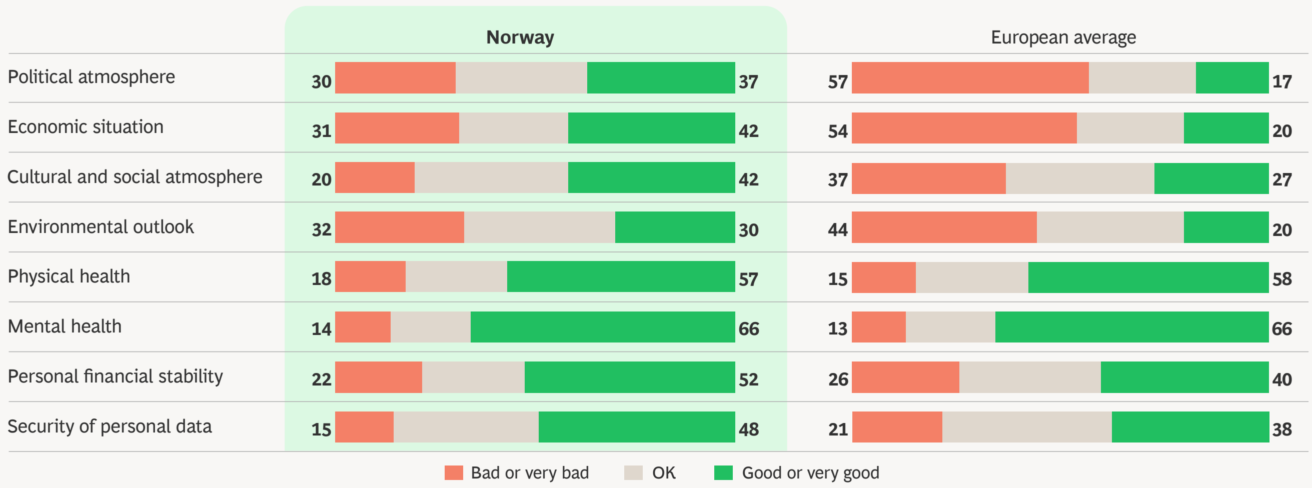
- Manage the Portfolio for Profitability by actively prioritizing where to invest and redesigning individual products to increase value
- Manage Price and Margins Aggressively by optimizing trade spend and promotions, and doubling down on key cost levers
- Recreate the Demand Generation Muscle by improving tracking and effectiveness of marketing spend, focusing execution and spending on touchpoints that matter, and accelerating innovation cycles
- Position green as the rising norm by integrating must-have sustainability attributes into product offerings

Firms that treat these imperatives as a unified agenda will turn Norway's bright consumer mood into durable, profitable growth through 2025 and beyond.

Consumer sentiment

Norwegians are looking at 2025 through a distinctly sunnier lens than the rest of Europe. Asked how they feel about a range of national and personal matters, they hand out far more “good” grades than their continental peers: 42 percent rate the Norwegian macro-economy as healthy, 52 percent feel financially secure, and a striking 66 percent report positive mental health—positive gaps of 10-25 points versus the European mean. Even with respect to the country’s political atmosphere, where European peers experience a greater instability, uncertainty, and lack of trust in the political leadership, Norwegian optimism hits 37 percent, roughly one in three citizens, and only 30 percent possess a negative view.

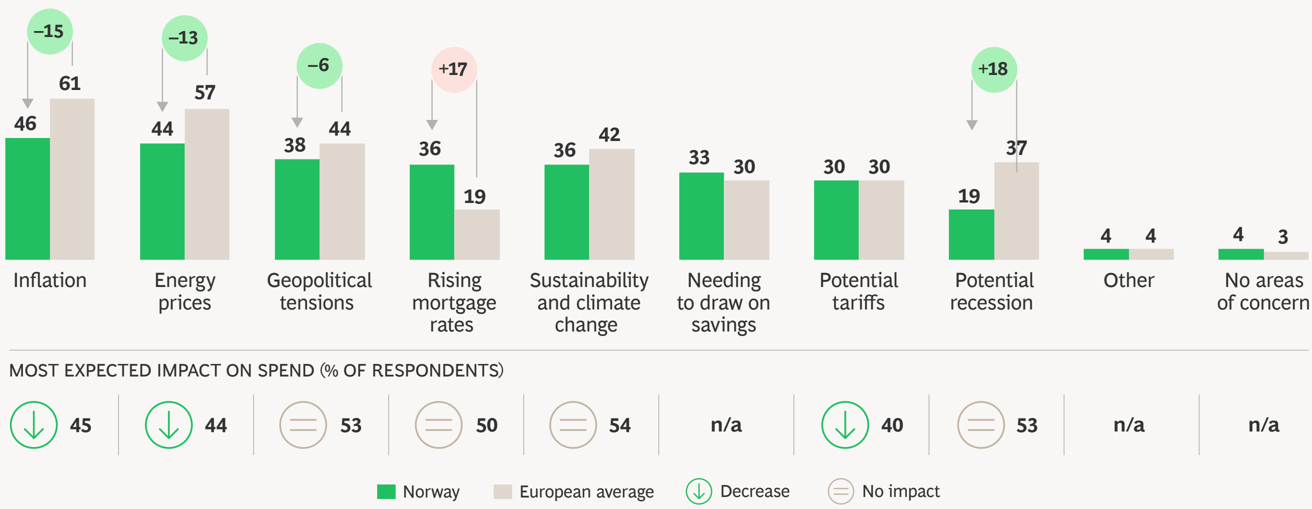
EXHIBIT 1: HOW CONSUMERS FEEL ABOUT NATIONAL ISSUES AND THEIR OWN CIRCUMSTANCES



Source: 2025 BCG European Consumer Sentiment Study (April 2–21) with 1,787 Norwegian respondents (16,412 total respondents across 9 European countries).
Question 1: How do you currently feel about each of the following?

Consumer confidence is also reflected in a shorter list of worries. Inflation and energy costs—which are haunting households from Lisbon to Leipzig—concern Norwegians -15 and -13 points less than the European average. Geopolitical tensions are six points lower, and fear of a recession is a full 18 points below the continental norm. Only mortgage rates buck the trend, with concern running 17 points higher as variable-rate loans bite into disposable income. These concerns are likely grounded in current expert predictions about the Norwegian policy rate (national interest rate set by the Norwegian central bank), where experts have continuously predicted a decline in interest rates throughout 2024. However, whereas Nordic and European peers have indeed lowered interest rates throughout 2024 and 2025, the national policy rate in Norway has stood still at 4.5% since December 2023.

EXHIBIT 2: KEY AREAS OF CONCERN



Source: 2025 BCG European Consumer Sentiment Study (April 2–21) with 1,787 Norwegian respondents (16,412 total respondents across 9 European countries).
Question 2: Which of the following are you currently personally concerned by? Select all that apply. [Multi select]; Question 3a: How do you expect the development of the following factors to impact your spend in the next 6 months? (response options: increase, decrease, or no impact on spend).

That solid mood translates into forward-leaning expectations. Over the next six months, a net six percent of consumers anticipate higher income and four percent foresee fatter savings cushions. They plan a robust 36-point uplift in essential spending—housing, transport, core groceries—and a 14-point rise in discretionary spend, signalling a willingness to indulge once basics are covered. Price perceptions, however, remain grounded: seven in ten still expect goods and services to get more expensive, tempering any impulse to splurge.

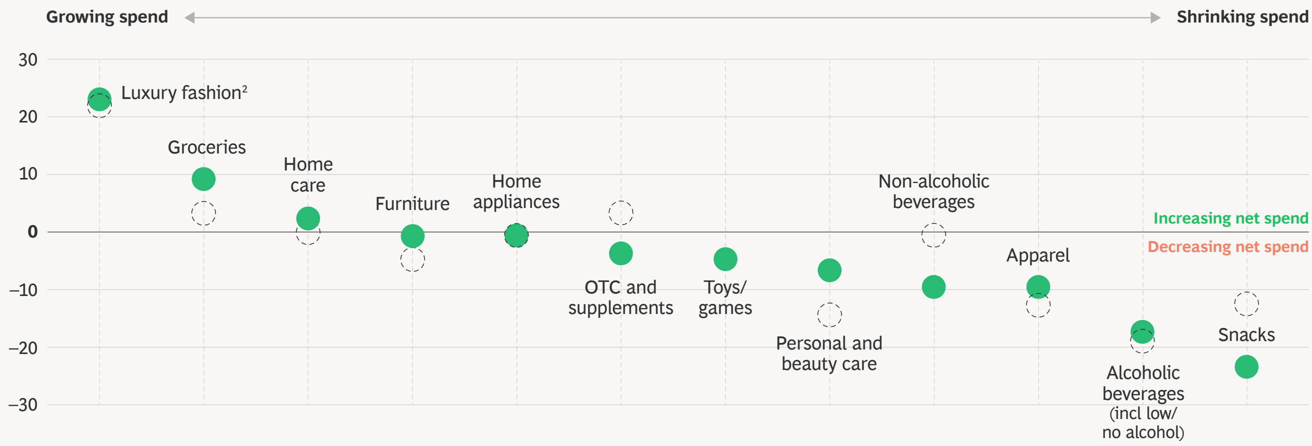
When respondents imagine a 10–15 percent pay bump, pragmatism shines through. A clear majority (55 percent) would bank the money; 38 percent would book travel, and 28 percent would trade up their everyday grocery basket. Categories such as eating out, entertainment, and personal indulgence trail these top three by a comfortable margin—evidence that Norwegian households are prioritising resilience and meaningful experiences over impulse buys.

In short, consumer sentiment blends bright skies with measured caution: Norwegians trust their economy, feel personally secure, and see room to spend more—but only on terms that protect long-run financial health. Brands hoping to ride this wave must respect that balancing act: celebrate optimism but anchor every proposition in tangible value and budget control.

Consumer spend

In 2025, Norwegian households are quietly moving money toward categories that feel either indispensable or distinctly worth the splurge. The net-spend heat-map tells the story: groceries, home care, and furniture are all set for modest gains, while luxury fashion stands alone with a striking 20-plus-point surge among those who already shop the segment. Discretionary categories like apparel, snacks, alcoholic beverages, and non-alcoholic drinks sit firmly on the chopping block, posting double-digit negative nets for the months ahead.

EXHIBIT 3: NET SPENDING CHANGE ACROSS CATEGORIES

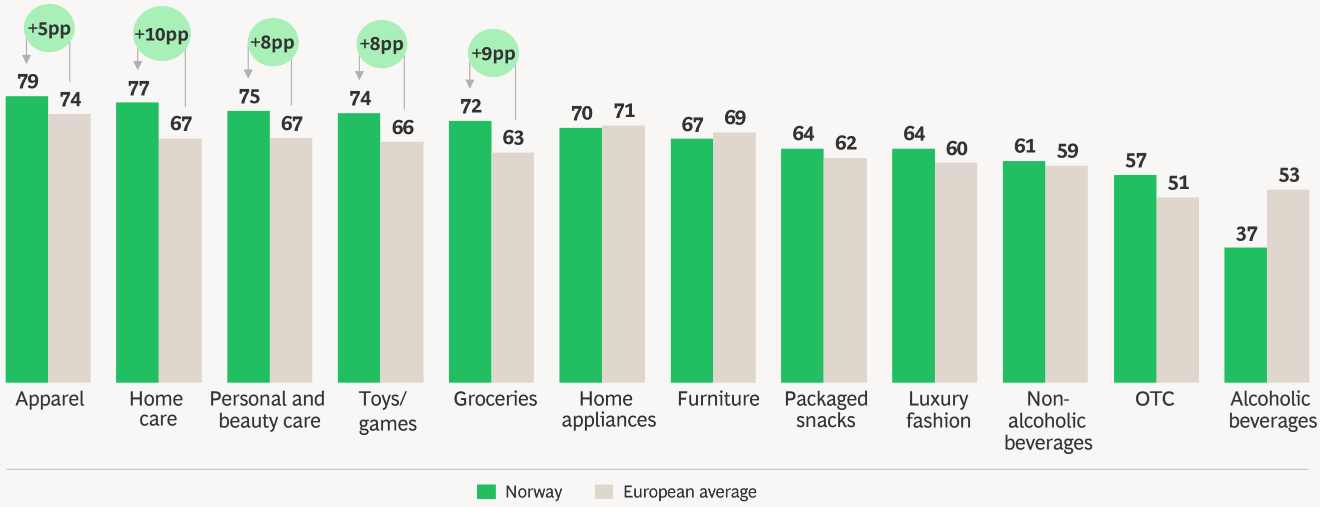


Source: 2025 BCG European Consumer Sentiment Study (April 2–21) with 1,787 Norwegian respondents (approx. 300 respondents per category).
Note: Net spending change: difference between % of respondents indicating increase of spending - % of respondents indicating decrease of spending within a given category and time frame.
Question C2.1: In the past 6 months, how much has your TOTAL spend on [category] changed?; Question: C2.2 (long cycle): How has your budget, or the amount you're willing to spend/pay for [category], changed over time?; Question C3.3/C3.4: You said you expect to spend [LESS]/[MORE] on [category] in 6 months (short cycle)/next year (long cycle) compared to today. What do you expect to change?
1. One year for 'long cycle' products, i.e., products that are often purchased less frequently: Luxury fashion, Home appliances, and Furniture.
2. Spend development surveyed only among consumers who had bought luxury items within the past year.

Expectations for increased spending are driven by inflation rather than volume growth. Respondents explain that higher grocery and household bills are driven by price increases, not fuller baskets—a reminder that "growth" in essentials may mask consumers' determination to keep actual consumption steady.

Even so, the appetite for a good deal is stronger than ever. In apparel, home care, and personal-care, 75–79 percent of shoppers say discounts actively guide their decisions—up to ten points above the European norm. Across all categories except luxury fashion, more than half of Norwegians will switch brands if a sharper offer appears.

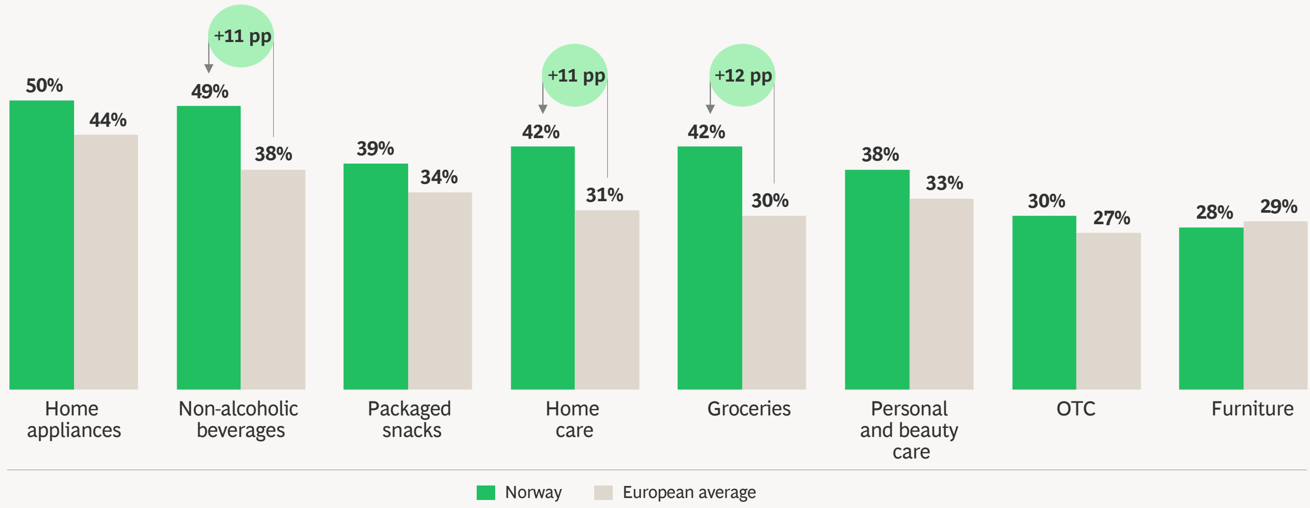
EXHIBIT 4: PURCHASE DECISIONS DRIVEN BY DISCOUNTS



Source: 2025 BCG European Consumer Sentiment Study (April 2-21) with 1,787 Norwegian respondents (16,412 total respondents across 9 European countries)
Question C5.4. Thinking about [category], how would you describe your behavior regarding discounts within [category]?

Yet private label is catching the value wave more slowly; frequent purchase of retailers' own brands trails Europe by 10–15 points in staples such as groceries, home care, and packaged snacks, and a full 42 percent of consumers believe branded grocery products are "better quality" than store alternatives. The quality perception gap is even wider across home appliances and beverages.

EXHIBIT 5: BRAND VS. PRIVATE LABEL PREFERENCE



Source: 2025 BCG European Consumer Sentiment Study (April 2-21) with 1,787 Norwegian respondents (16,412 total respondents across 9 European countries)
Question C5.3a. Thinking about [category], how likely are you to buy unbranded or retailers' own brand items (instead of branded items)? AND C5.3 To what extent do you agree with the following statement: "I think branded [category] products are more effective/better in quality and taste than non-branded / stores' own brand alternatives" (agree/neutral/disagree)

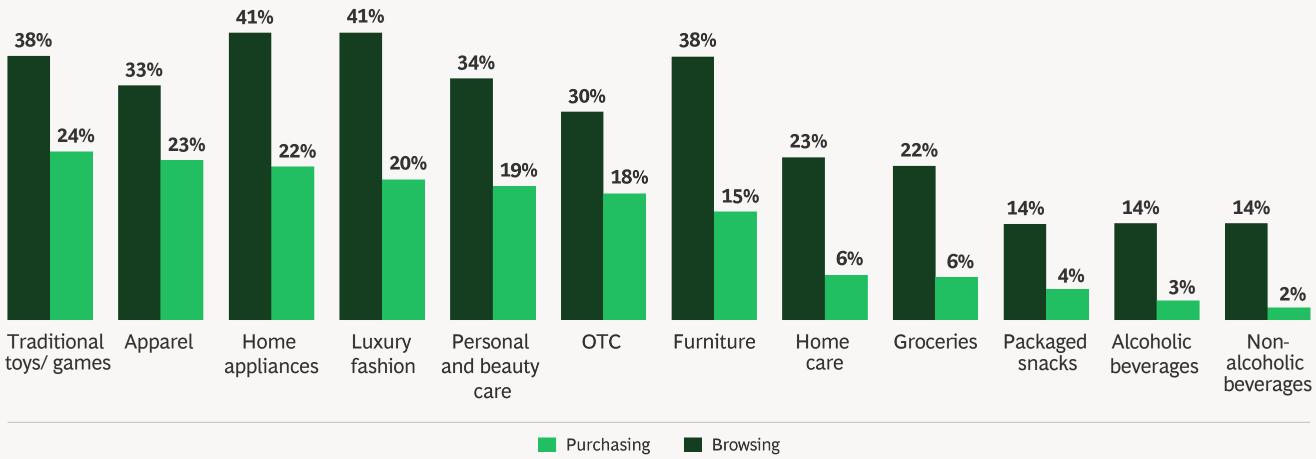
What, then, tips a buy over the line? Two factors dominate: "good value for money" and convenience. These twin criteria rank first or second in nine of twelve surveyed categories, outstripping traditional draws such as premiumness, uniqueness, or loyalty rewards. In practice, that means shoppers are content to pay full price for brands that project tangible worth—think proven performance, trusted provenance, or time-saving formats—while pouncing on discounts for everything else.

In summary, while people are being cautious with their money overall, there are clear areas where people continue to spend—like essentials or high-priority items. To succeed in this environment, brands must simultaneously prioritize unmistakable value and frictionless convenience—while deciding, category by category, whether to defend premium positioning or lean into the nation's growing deal culture.

Deep dive: Omnichannel behaviour

Norwegians are enthusiastic digital window-shoppers but still ring up most sales at the till. In toys, apparel, and home-appliances, more than one-third of consumers turn first to online channels for inspiration (38 %, 33 %, 41 %, respectively), a rate up to four points above the European average. Yet, when it comes to the moment of transaction, online conversion tumbles: only 24 % of toy buyers and 23 % of apparel shoppers complete the purchase digitally, and the share drops into single digits for groceries, snacks, and drinks. The pattern is clear—screens spark ideas; stores seal the deal.

EXHIBIT 6: ONLINE SHOPPING BEHAVIOR



Source: 2025 BCG European Consumer Sentiment Study (April 2-22) with 16,412 total respondents across 9 European countries (~2,300-2,800 responses per category, ~300 per country)
Question C4.1. Thinking about when you're deciding to purchase [allocated category], how would you typically browse, research or look for inspiration on what to buy?
AND Thinking about when it comes to making a purchase of [allocated category], what proportion of your spend is made online/digitally today (instead of buying products from physical stores)?

Delivery preferences reinforce the store bias. In most categories a minority opt for home or locker drop-off—46 % in toys, 40 % in apparel—running 11 points below Europe. Expectations on speed are likewise relaxed: barely one consumer in five insists on next-day arrival even in fast-turn items such as personal care; most are content with two to three days.

What motivates the channel choice? A clear preference for convenience influencing purchasing decisions across channels indicate that time efficiency pulls shoppers online, while desire for good value for money makes the promise of advice and enjoyable service draw them back to brick-and-mortar. For brands, the takeaway is to choreograph fluid journeys—rich digital discovery that hands off seamlessly to stores for testing, pick-up, and post-purchase care—ensuring value is evident at every click and counter.

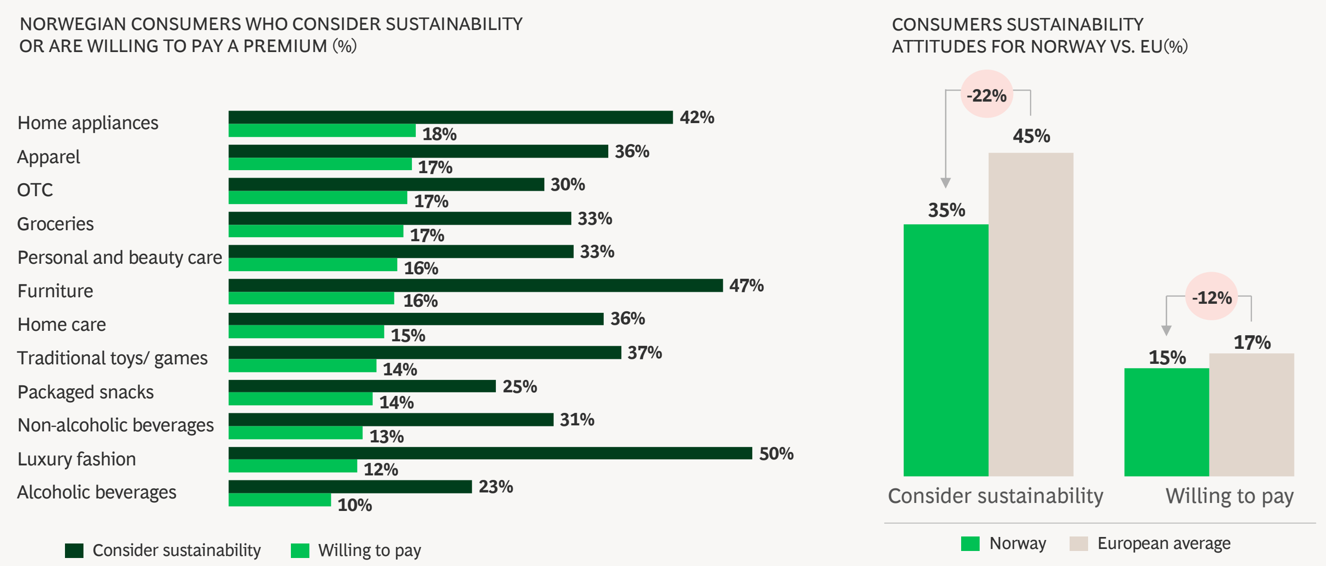
Deep dive: Sustainability

Green talk remains plentiful in Norway, but green action is cooling. Just 35 percent of consumers say they “often or regularly” factor sustainability into purchase decisions—10 points below the European average. For willingness to pay a premium the gap is even bigger: only 15 percent will accept higher prices for eco-friendly options, a marginal -2-point gap to Europe but a clear sign that environmental credentials have become table stakes, not ticket-toppers.

The headline masks wide category spreads. Half of home appliance buyers weigh sustainability, and 47 percent do so in furniture, where long lifespans make eco-claims tangible. By contrast, everyday snacks and over-the-counter (OTC) remedies languish at 23–25 percent, and even groceries see only 30 percent regular consideration. Premium appetite shows a similar staircase: consumers will stretch to 18 percent extra for sustainable toys or furniture, but barely 12 percent for appliance upgrades and 10 percent for eco-snacks.

Why the retreat? Survey comments hint at “baseline expectation.” In a market with a high share of domestic produce, and after a decade of corporate climate pledges, many Norwegians assume products should be planet-friendly; they reserve their kroner for improvements they can taste, feel, or that makes their lives easier. In effect, sustainability has migrated from differentiator to hygiene factor—still essential to credibility, rarely sufficient to command a premium. Companies must therefore embed circular materials, transparent labelling, and low-impact logistics as standard features, then compete on the familiar duo of value and convenience.

EXHIBIT 7: SUSTAINABILITY CONSIDERATIONS AND WILLINGNESS TO PAY A PREMIUM



Source: 2025 BCG European Consumer Sentiment Study (April 2-22) with 16,412 total respondents across 9 European countries (~2,300-2,800 responses per category, ~300 per country)
Question C6.1: Being completely honest, how often do you think about sustainability when you make decisions regarding the purchase of [category]?
Question C6.2: Now thinking again about [category], how much less or more would you be willing to pay to for sustainable products?

How companies can ride these trends

Against this backdrop of cautiously optimistic Norwegian consumer sentiment, how should consumer companies and retailers respond? They must strike a careful balance: staying competitive and protecting profit margins across the value chain, while simultaneously laying the groundwork for renewed growth as consumer confidence and spending gradually return.

Manage the Portfolio for Profitability

In a market where demand is still tight, companies need to be selective about where they focus their energy. That means investing more in high-performing, high-potential areas—while pulling back exposure from underperforming or low-margin parts of the business.

- **Business unit and category level:** Assess the role of each business and identify what to grow, cut or exit. Prioritize investment in categories with margin resilience and strategic value.

- **Product level:** Innovate for affordability without diluting value through pack resizing and 'value line' innovations to meet quality thresholds while managing input costs

Manage Price and Margins Aggressively

In response to consumers thirst for good deals, bargains and well-known brands, companies should go beyond pricing levers to manage value holistically. This includes smarter trade spend, deeper cost efficiency, and sharper communication to reinforce quality and justify price points.

- **Optimize Trade Spend and Promotions:** Many companies have exhausted traditional pricing levers, and further price increases are unlikely to land given weak consumer sentiment. At the same time, trade spending has been rising. To optimize for the nation's growing deal culture, companies should shift focus towards optimizing data-driven markdowns and promotions —matching them to how different products and categories respond to price. This can help win over deal-seekers and brand switchers, without sacrificing margins.

- **Continue Cost Rationalization:** Recent efficiency programs may be insufficient as volume pressures are expected to persist. Consider further right-sizing and strategic partnerships involving organizations, supply chains and go-to-market models to bring costs down.

- **Tailor Messaging:** Across portfolio, carefully consider whether to defend premium positioning of branded products, or lean into the nation's growing deal culture. In categories with higher price sensitivity, emphasize quality, functionality, durability and convenience in messaging to resonate with frugal consumers.

Recreate the Demand Generation Muscle

As consumer sentiment turns more positive, companies will eventually pivot from resilience to growth. But many have cut back so much on marketing and innovation that they now need to rebuild their growth capabilities and demand engines. Companies should re-establish foundational marketing effectiveness and accelerate innovation cycles to seize growth when consumer spending rebounds.

- **Fix Marketing Blind Spots:** Many companies still do not know what parts of marketing spend drives impact best. Establish foundational ROI (return on investment) tracking, test-and-learn mechanisms, and performance transparency to deploy marketing budgets effectively.

- **Optimize influence pathways:** Understand how shoppers make decisions in your categories and where to focus to influence them. To maximize brand building and consumer engagement, companies need to develop an insights-based understanding of which touchpoints that matter across different demand segments, shopper journeys and brands, and optimize investments and consistent execution across these touchpoints.

- **Re-ignite Innovation:** After years of underinvestment in growth, revive innovation pipelines. Fast-track launches in promising markets to reignite top-line momentum

Position Green as the Rising Norm

As sustainability is becoming table-stakes across the Nordics, embedding credible, functional green attributes into mass-market propositions will be key to future relevance.

- **Meet Sustainability Expectations:** Understand and integrate the must-have sustainability attributes into offering

- **Win Mainstream Value Seekers:** Clearly communicate and showcase functional green benefits such as durability, low energy use or minimal packaging in everyday product lines to appeal to value-driven yet environmentally conscious consumers

Conclusion

Norway enters 2025 with a rare mix of macro optimism and micro pragmatism. Four in ten citizens deem the economy “good,” personal finances look stable, and most headline worries—energy prices, inflation, geopolitics—sit well below European averages. Yet shoppers scrutinize every price tag and chase promotions; they still favor familiar local brands over private-label lines, which many perceive to offer better quality. Desire for value for money and convenience makes online presence important as display windows, but majority of purchases are still secured at the till. Sustainability, meanwhile, has faded into baseline expectation: only a third consider it regularly and just 15 percent will pay extra. This profile—hopeful yet unsentimental—defines the playing field.

To win, companies must answer optimism with practical value: staying competitive and protecting profit margins across the value chain, while simultaneously laying the groundwork for renewed growth as consumer confidence and spending gradually return.

Firms that treat these imperatives as a unified agenda, not à-la-carte options, will turn Norway’s bright consumer mood into durable, profitable growth through 2025 and beyond.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