Raising the Bar with Boozt.com

CBS Case Competition Invitational 2024

JAMS Consulting

Julie

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Boozt

More than doubling the revenue growth goal by 2027

Key Question

How can Boozt **increase customer loyalty, growth, and profitability** within the Nordic department store model to **grow revenue by 40% by 2027?**

Situation

Majority of consumers are **unaware** of Boozt's **multi-category offers**

Lack of personalization and difficulty finding the right item to purchase

Purchase **data underutilized** in driving future predictive sales

Solution

Boost Brand Perception

Pop-up and online campaign to drive category awareness

AI-Enabled Discovery

Leveraging Google's API to drive smart recommendations

Retention Through Personalization

Leveraging data to suggest future purchases

Impact

Reaching **104% revenue growth by 2027**, with a **3.5 SEKb NPV**, through increasing purchase frequency and AOV, increasing the **'Active' consumer segment to 40%.**

Analysis

Sophia Ode

Boozt

Boozt must continue driving innovation in-house to grow revenue

Your current market position to leverage…

7.7%
CAGR between 2023-2027

579 SEKb
Nordic eCommerce industry value in 2027

6%
market share of online retail in the Nordics

Boozt's Core Competencies

- Asset light model
- Extensive brand universe
- Largest autostore
- Care-For-Strategy
- Inhouse-tech team
- Monetizable data assets

Boozt is **vertically integrated and digital-first retailer's mindset** must be leveraged

… while considering important constraints

- Working capacity of employees (~80 developers) and company assets to take on large projects
- Desire to avoid over-reliance on a 3rd party partners, focusing on strong vertical integration
- Key to drive innovation in-house to generate additional value for partner brands

Driving innovation **from within** is important as your company grows

Boozt

Increasing moderate customer frequency to convert to active customer

Active Customer (A)	Moderate Customer (S)	New/Fairly New Customer (E)

Similar spending & Different frequency

Different spending & Different frequency

Customer Base: 20%
Spending: 1,525 SEK
Frequency: 6.3 a year
Loyal customer

Customer Base: 66%
Spending: 1,500 SEK
Frequency: 2.3 a year
Loyal customer

Customer Base: 14%
Spending: 1,350 SEK
Frequency: 1.8 a year
Developing loyalty

To meet revenue growth targets, Boozt must increase **both frequency and basket size** for their moderate consumer to become an active consumer

Boozt

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Frequency: 6.3 a year	**Frequency:** 2.3 a year	**Frequency:** 1.8 a year
Loyal customer	**Loyal customer**	**Developing loyalty**

To meet revenue growth targets, Boozt must increase **both frequency and basket size** for their moderate consumer to become an active consumer

Boozt

The typical customer – Alma – encounters many pain points in the CDJ

Alma (Moderate)

- 35 years old
- Loyal Customer
- Mother

Lack of Awareness

Alma *uses search engines* and is **unaware of all** Boozt's **category**

Awareness

Lack of Association

Alma **does not view** Boozt as an expert in multi-category offerings

Consideration

Evaluation

Lack of Personalization

There are **too many choices –** it is **difficult to find** what she needs

Loyalty

Lack of Data-Driven Suggestions

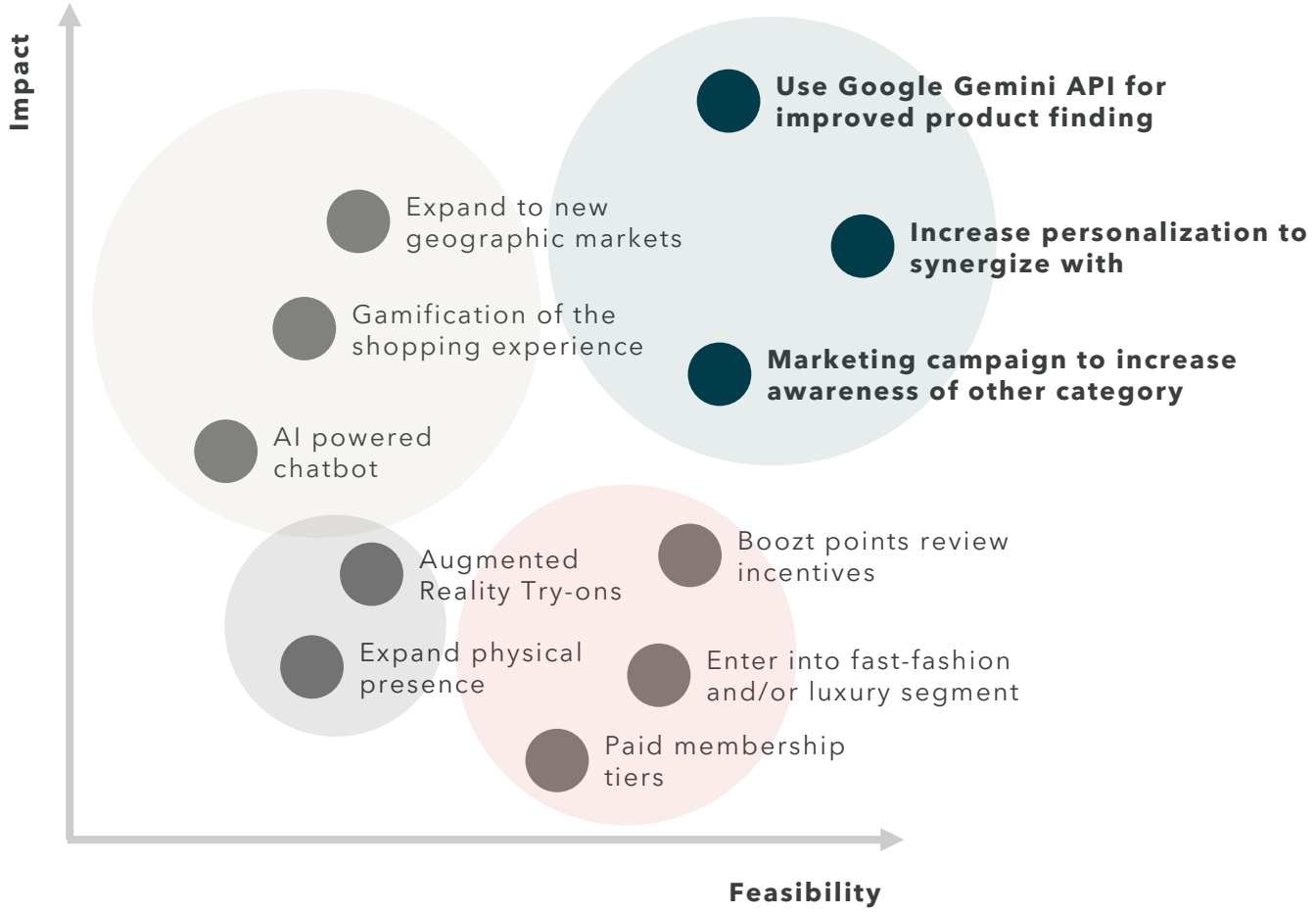
Alma needs **curated recommendations** to be a repeat customer

Purchase

Initial decision process ends with **streamlined** payment and perks

To cement it's lead as the leading Nordic department store, Boozt must address **each friction point** and provide **a personalized, hassle-free experience** for its consumers.

A winning strategy must build on key strengths and have high impact



Legend

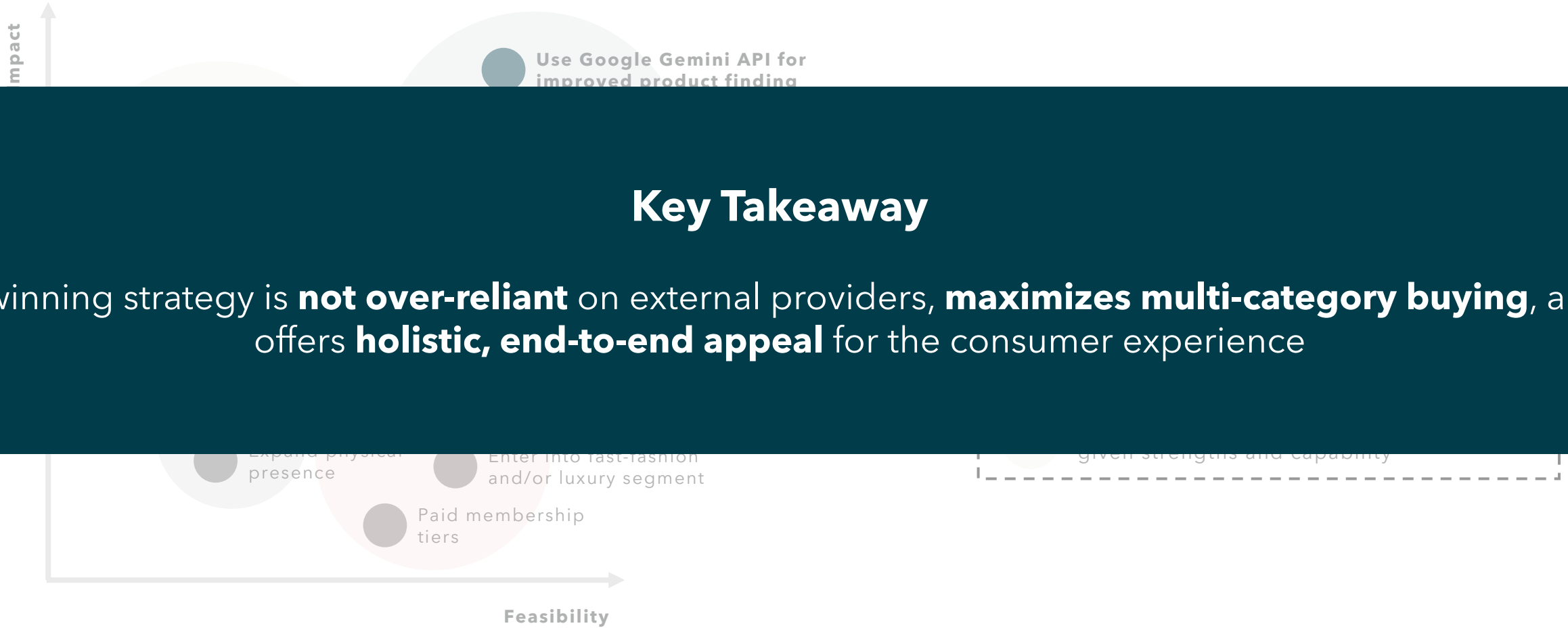
1 High impact and feasible to implement
- Gemini API
- Increased Personalization
- Awareness Campaign

2 High impact but difficult to implement given capacity

3 Easy to implement but offer negligible financial impact to 40% goal

4 Low impact and difficult to implement given strengths and capability

A winning strategy must build on key strengths and have high impact



Key Takeaway

A winning strategy is **not over-reliant** on external providers, **maximizes multi-category buying**, and offers **holistic, end-to-end appeal** for the consumer experience

Strategy

Michelle Teh & Julie Hui

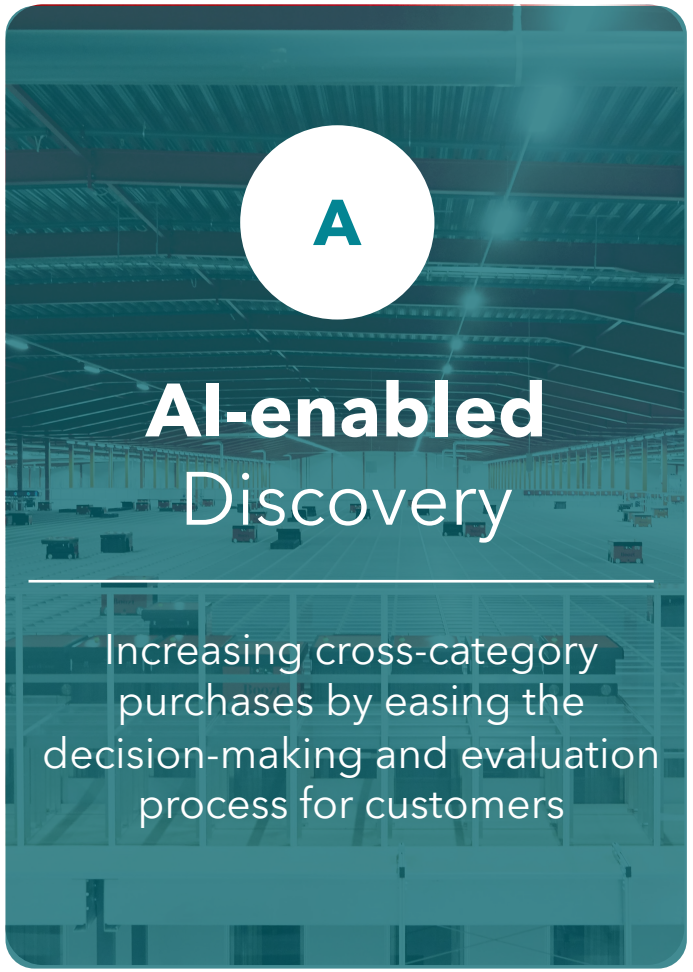
Boozt

Raising the BAR at all customer touchpoints

B

Boost
Brand Perception

Increase awareness and consideration of Boozt's multi-category offerings



A

AI-enabled
Discovery

Increasing cross-category purchases by easing the decision-making and evaluation process for customers

R

Retention
via Personalization

Leveraging sources of data and incentivize future purchases and synergize with Club Boozt

Strategy Overview

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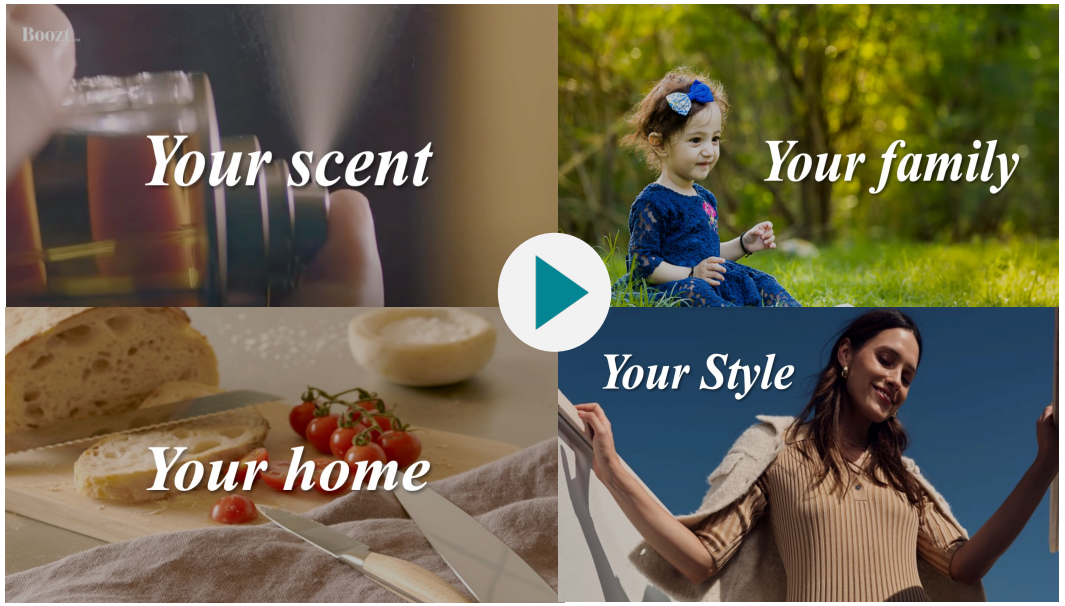
Increasing Awareness of Multi-Category Offering

Boozt Beyond Fashion

Strategic Objective	**Increase awareness** of Boozt's **multi-category** offering and build credibility, **shifting consumer perception** that Boozt's expertise solely lies on fashion clothing
Key Messaging	"Boozt is a one-stop shop where I can get more than just my clothes"

Social Media Content & Advertising

Reels and informational posts showcasing **different multi-category purchases at all aspects of a customer's life** that can be bought at Boozt



Backlink Content

STYLEBY

MY SCANDINAVIAN HOME

Scandinavia Standard

YOUR DANISH LIFE THE EXPAT MAGAZINE

Damernas VÄRLD

The Way We Play

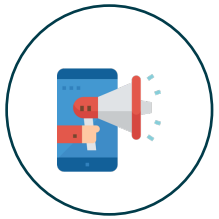
Partnering with lifestyle and sports blogs to **include links to Boozt's website** enhances our SERP and leverages their credibility in their niche

Boozt

Utilize pop-ups to bring Boozt's multi-category offering to life

Reasons to Bring Boozt's multi category offering offline

Drive purchases for products which may need a more hands-on shopping experience
(72% of sports gear bought offline, ~80% of home décor bought with mixed channels and offline)



Raise consumer perception of Boozt as *the* Nordic Department store

Increase consumer's product knowledge and different touchpoints

Gain trustworthiness to consumers who may be wary of non-clothing purchases via Boozt

Key Features

15 cities across Sweden, Norway, Finland, Denmark & Iceland

Product try-ons and tests, getting product help

Mix of long (1-month) & short-term (event-specific)

Seamless experience to drive online purchase

Formats

Collaborations with communities to utilize existing network

(eg: Stockholm runners club)

Standalone Popups

Allow greater flexibility in cross-selling merchandise, offering Boozt swag

Event specific to meet target audience

(eg: Yoga Games in Stockholm, Marathon, etc)

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Boozt

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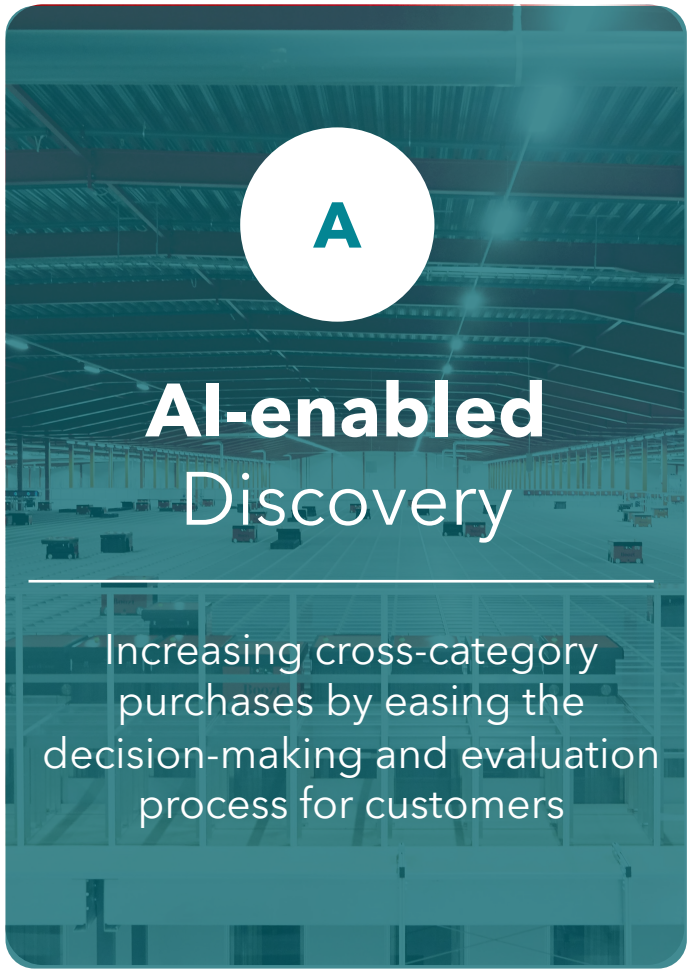

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Boozt

Leveraging Profiles as a new source of data for cross-category purchases

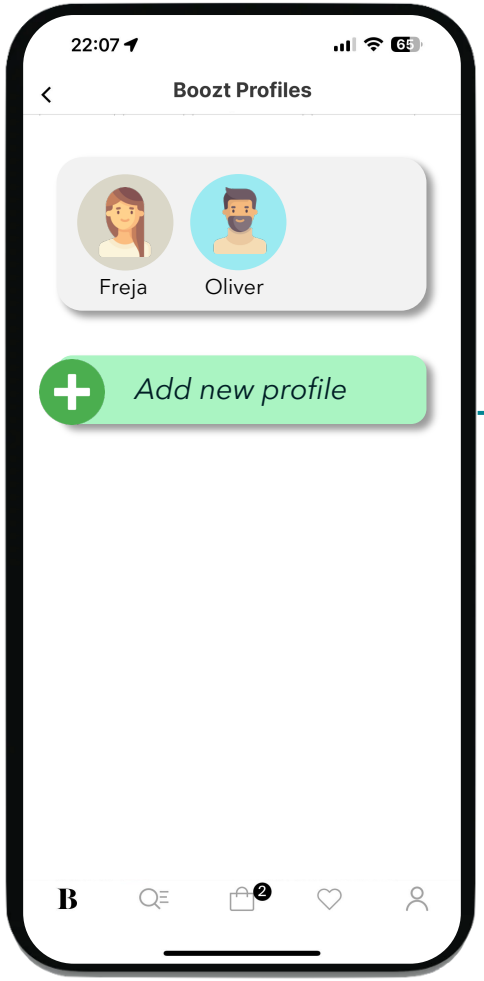
Rationale

71%
of customers expect personalization post-Covid

76%
of customers are frustrated when they don't find personalization

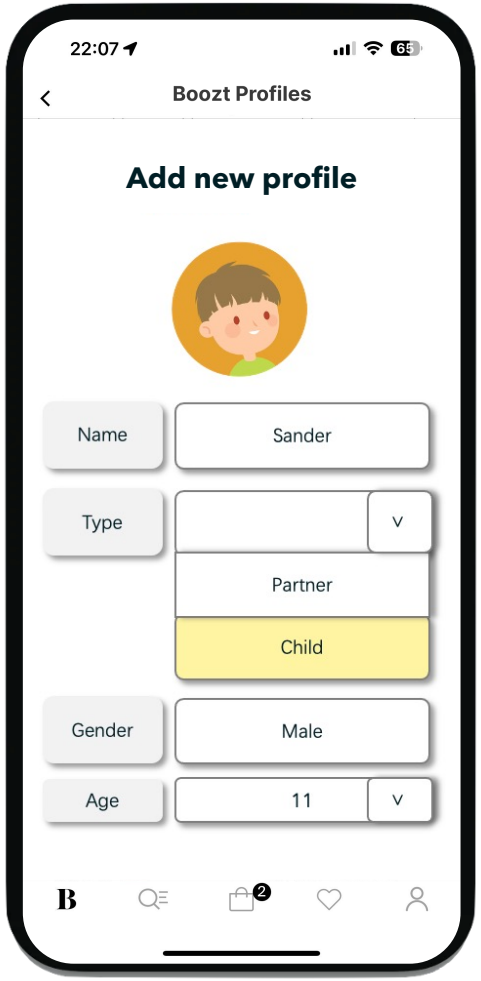
78%
of household purchases are driven by women

Introduce Boozt profiles



Pick previously created profiles

Input profile information to tailor results for initial purchase



Impact

Enable easy data collection and logging of specific profile behavior

Allows a starting point when first using Boozt

Building a habit to use Boozt with image recognition technology

Boozt Lenz

Consumers are constantly recognizing new needs in their daily lives. To build habit, Boozt must become top of mind for convenience and personalization by **intercepting consumers during "on-the-fly" desires**.

Building a habit to use Boozt with image recognition technology

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1 SNAP

Skip the Search: As 75% of Nordic people use mobile for e-commerce, Boozt Lenz capitalizes on this by bringing consumers right to the app

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2 TAP

No More Yearning: Associates Boozt Lenz and needs satisfaction while alleviating "missed opportunity" feeling

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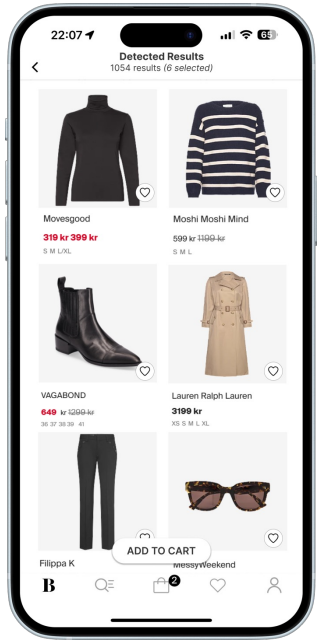
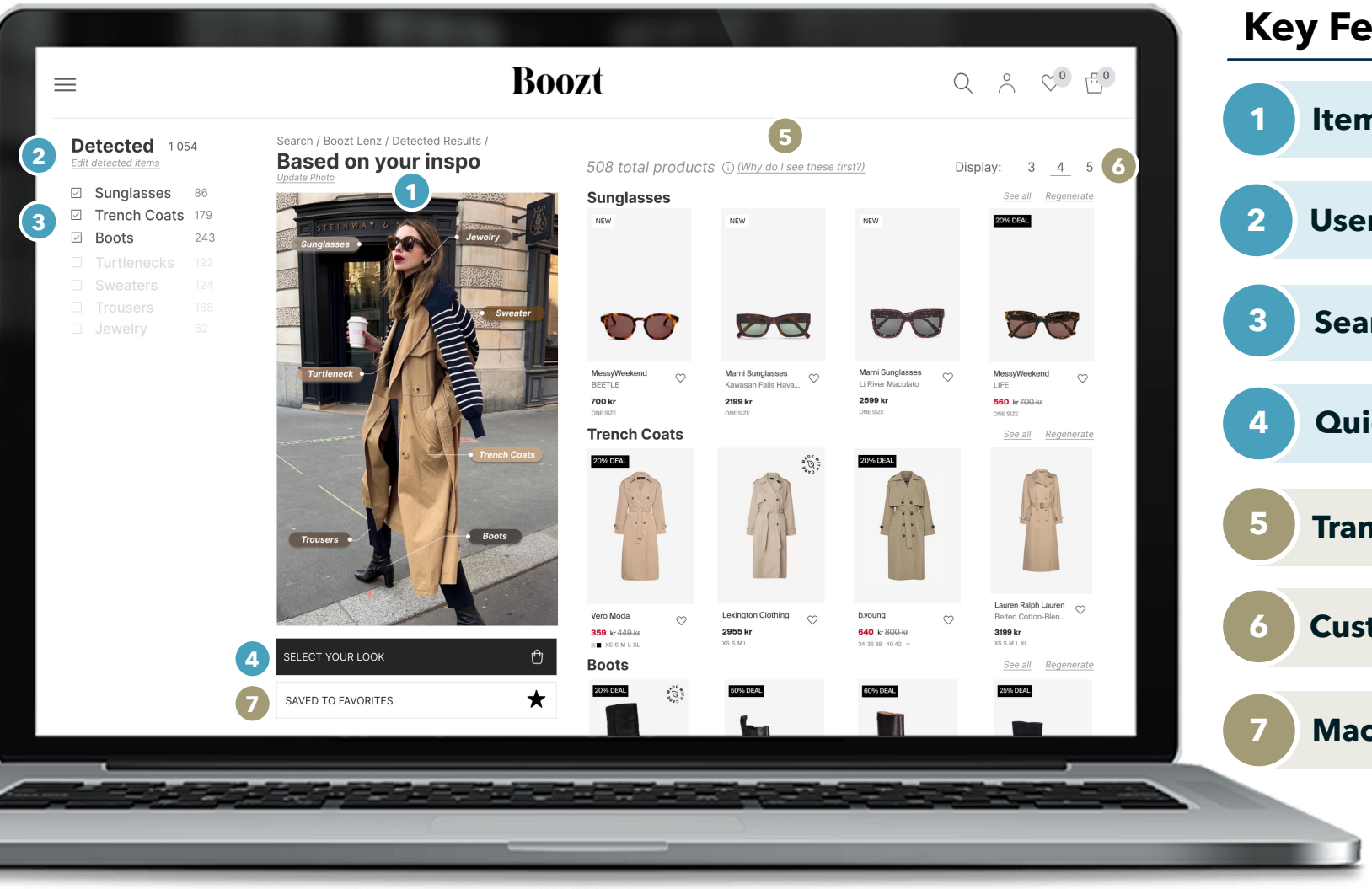
3 WRAP



From Admiring the Look to Owning It: Boozt Lenz gifts a personalized lookbook with products available in their catalogue

Lenz can provide a wealth of data for predictive recommendations



Key Features

Value Boosts:
Convenience, Personalization

1. **Item Detection:** Recommend catalogue items
2. **User Input:** Edit/correct detected items
3. **Search Narrowing:** Filter key items of interest
4. **Quick Add-to-Cart:** Select items of preference
5. **Transparency:** Provides insight to generation process
6. **Customization:** Regenerate item recommendations
7. **Machine Learning:** Add inspo looks to your profile

Boozt Lenz

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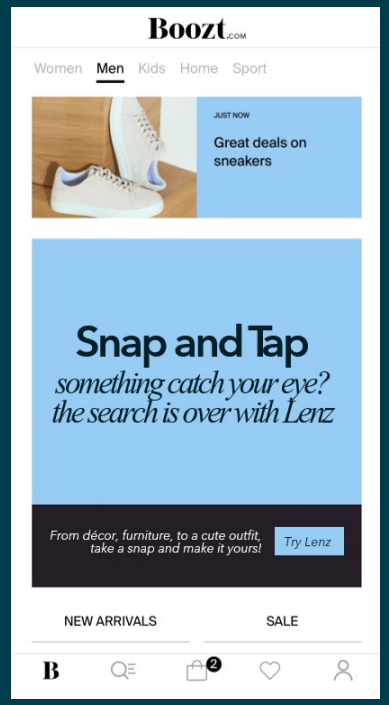
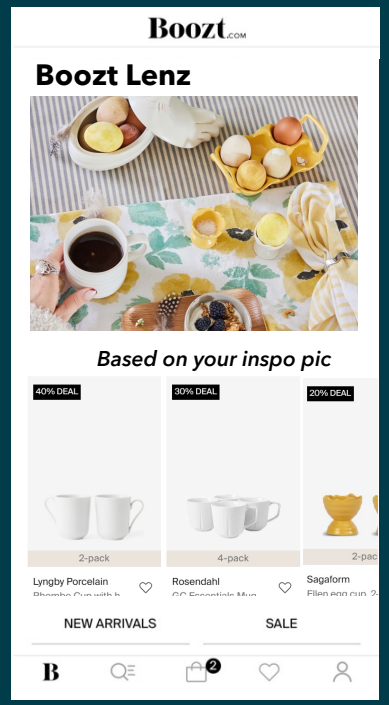




Enabling Exploration
in All Categories

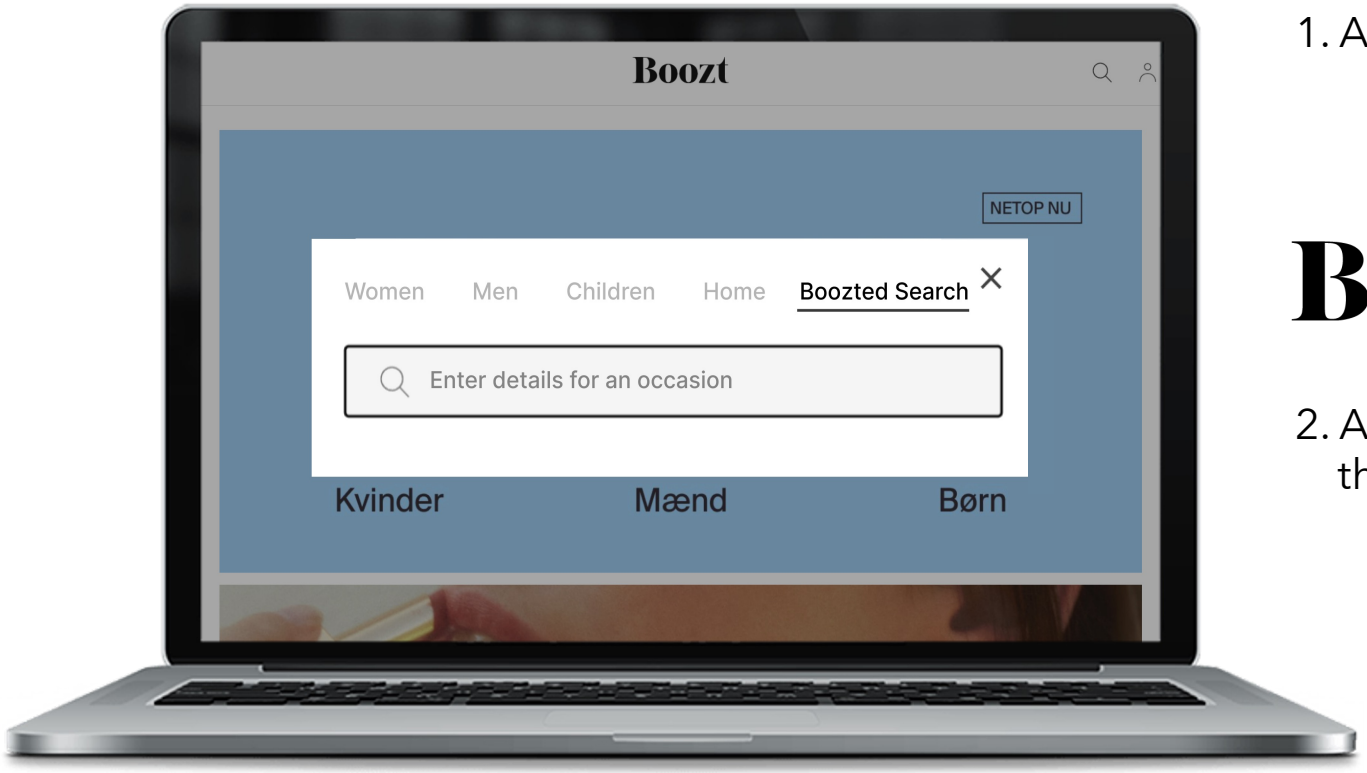
By bringing in Lenz, Boozt provides consumers a novel feature to discover product offerings beyond fashion

Boozt

Considering user needs to increase multi-category purchases

Boozt Search

Currently, Nordic consumers have a significant lead-up before making decisions. To become *the* Nordic Department Store, Boozt will utilize API calls to create a feasible, personalized experience to explore synergistic offerings.



1. Alma inputs information for an occasion

I'm looking for dresses for a spring wedding in Greece and I don't know what to wear!

Boozt

2. API call to Google Gemini generates key search terms that will run on Boozt.com

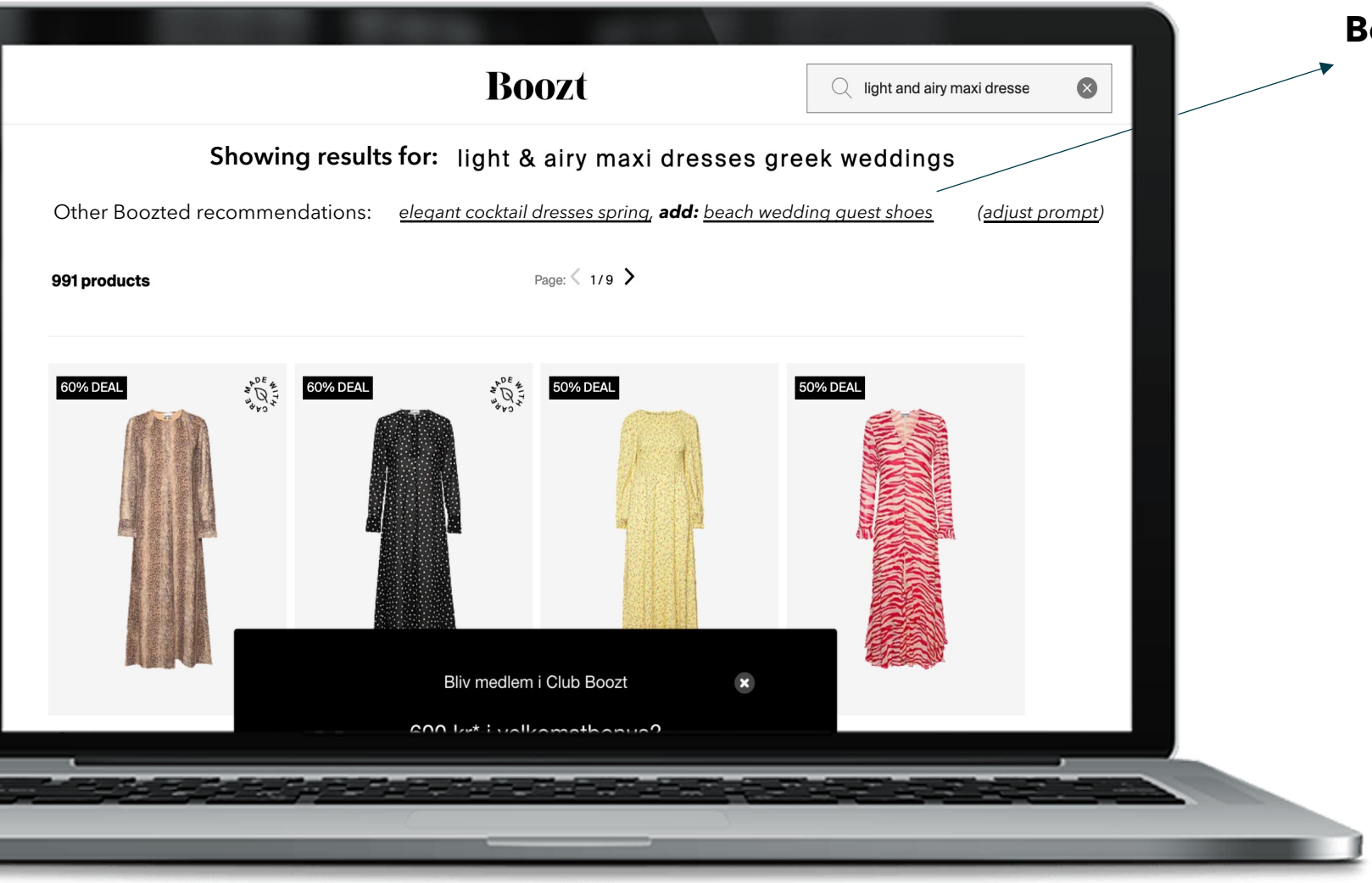
Gemini

Here are some search options…

Boozt

Boozt Search

Identifying opportunities for synergy to increase multi-category purchases



Boozted search recommendations can provide synergy products

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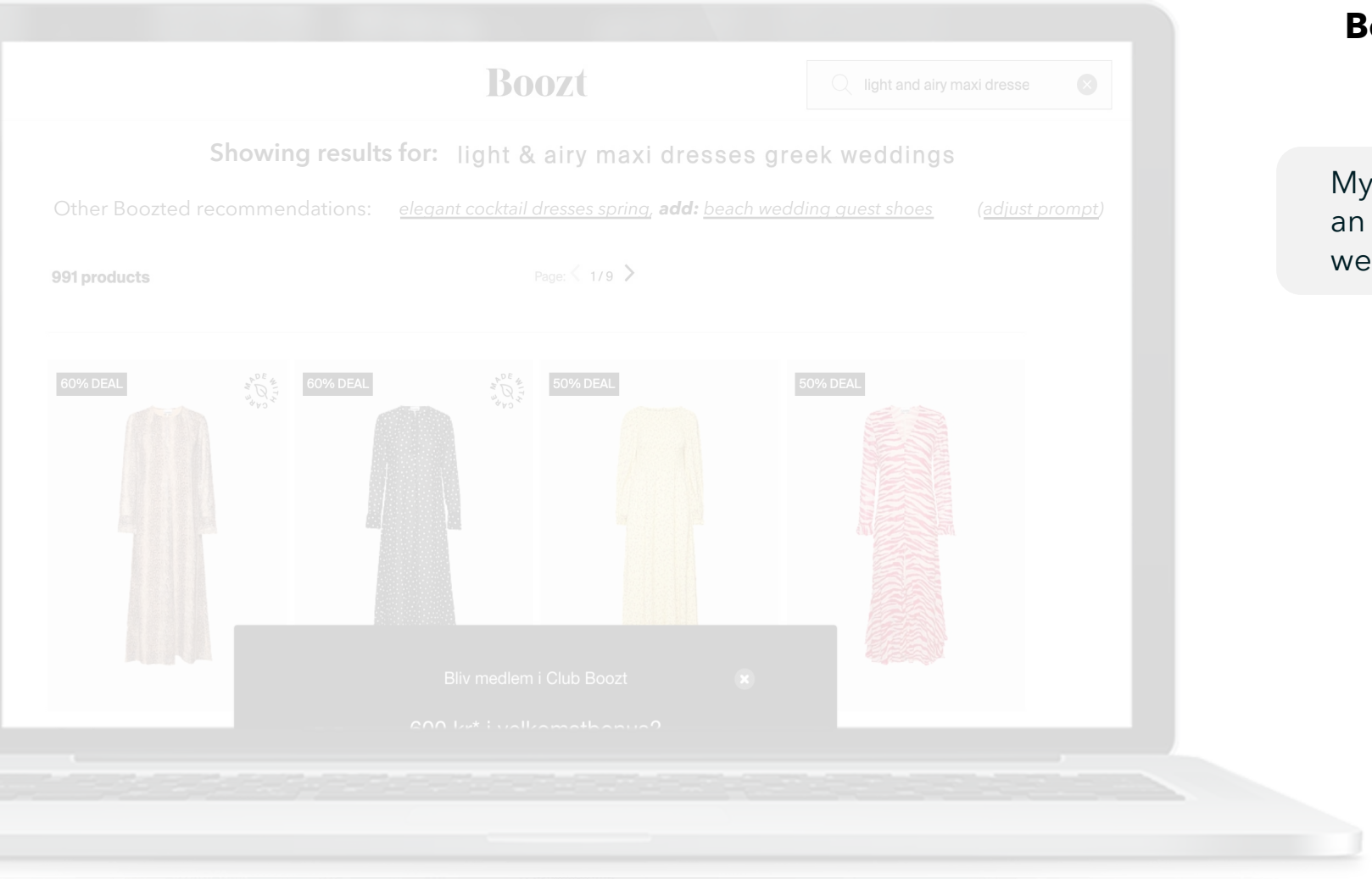
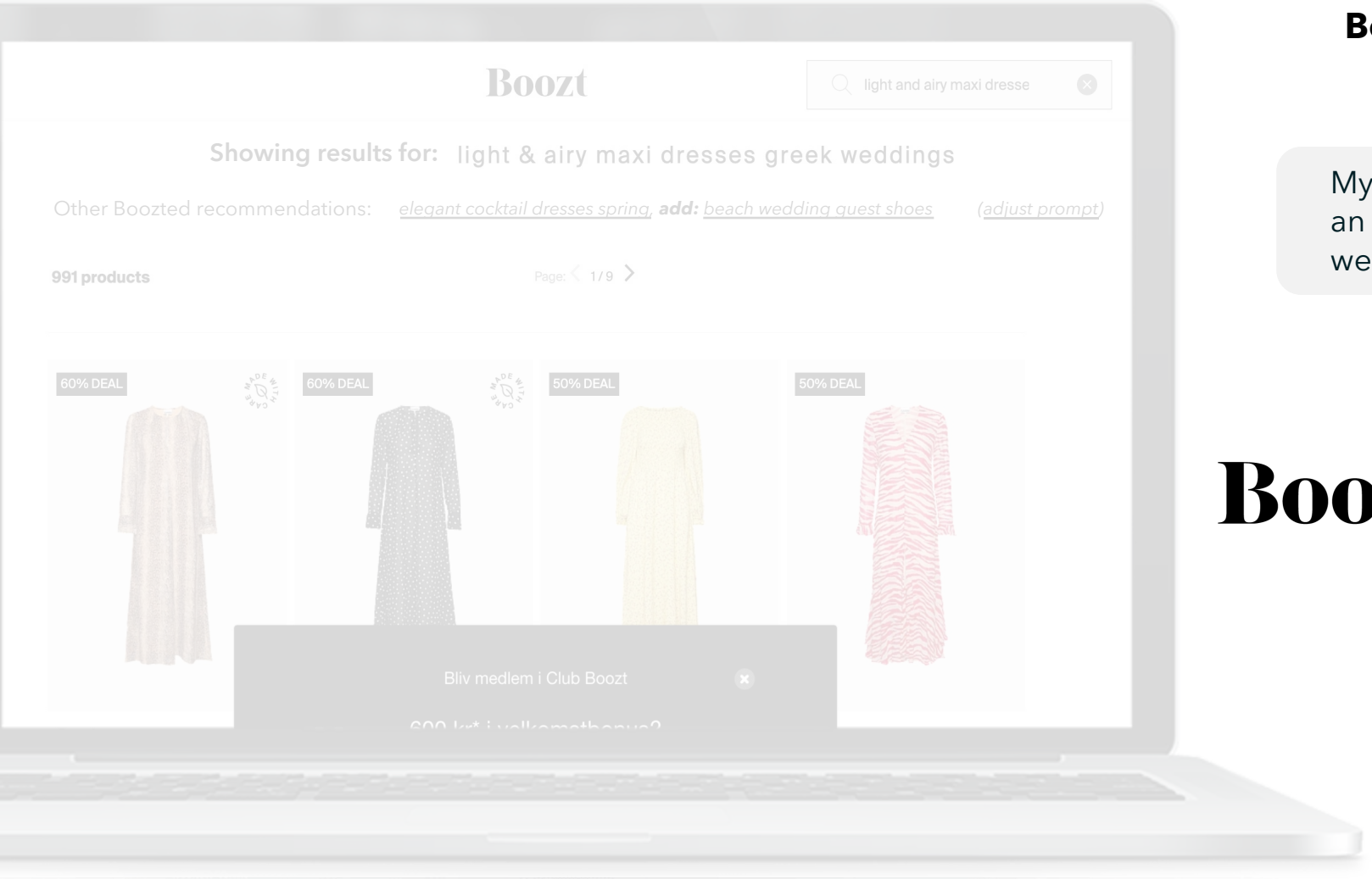


Boozted search recommendations can provide synergy products

My husband and I are going to an outdoor baby shower next week

Boozt Search

Identifying opportunities for synergy to increase multi-category purchases



Boozted search recommendations can provide synergy products

My husband and I are going to an outdoor baby shower next week

Boozt

Here are some search options…

- ❑ For you
  - Flower skirt pastel
  - Cardigan knit loose
- ❑ For him
  - Spring business casual polo
- ❑ For the baby shower
  - Newborn soft toys
  - Baby clothes neutral

Boozt

Raising the BAR at all customer touchpoints

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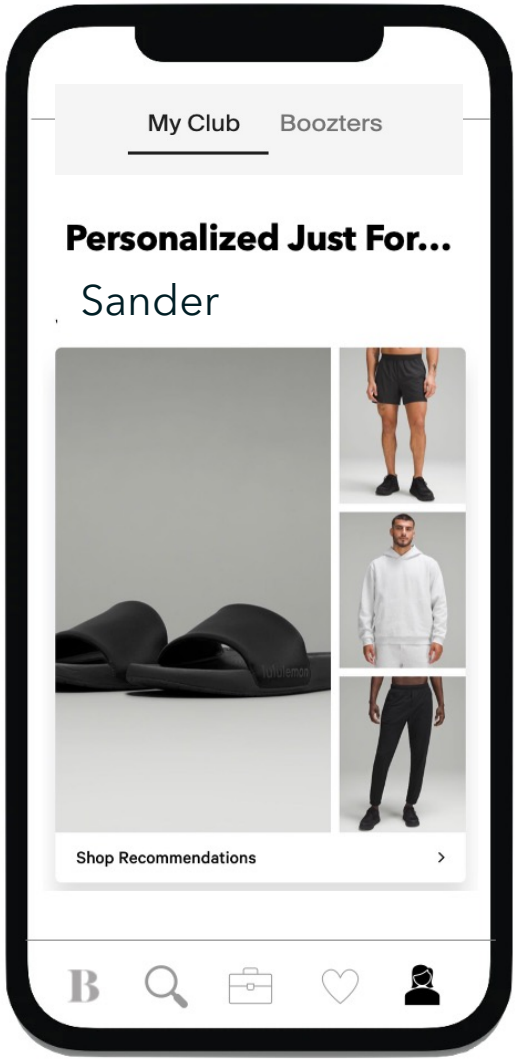
Boozt

Utilizing new data generated to drive synergies

New data sources before purchase	Benefit for Boozt & Partners	Application to consumer
Personalized profiles	Associate all behavior during the profile's session **to a specific demographic** instead of generic female aged 30+	More tailored results
Image Sources/Keywords generated from image	Understand **emerging trends in real time** based on photo scans, more creative data source	Keep track of styles they've seen before
Free hand searches	Understand **context** in addition to what items are being searched	Identify past occasions consumers were interested in



Boozt

Alma's pain points have been overcome to become active user

Alma (Active)

35 years old

Loyal Customer

Mother

Alma is **aware** of all the Boozt categories

Awareness

Alma considers Boozt to **be a good source** of home, sport, kids, etc.

Consideration

Evaluation

Lenz and AI search support decision and evaluation

Purchase

Initial decision process ends with **streamlined** payment and perks

Loyalty

"Just for you" **encourages re-purchase**

Solving Alma's pain points **increases her purchase frequency**, **converting** her to an **active user**, and driving further **customer loyalty** and future purchases

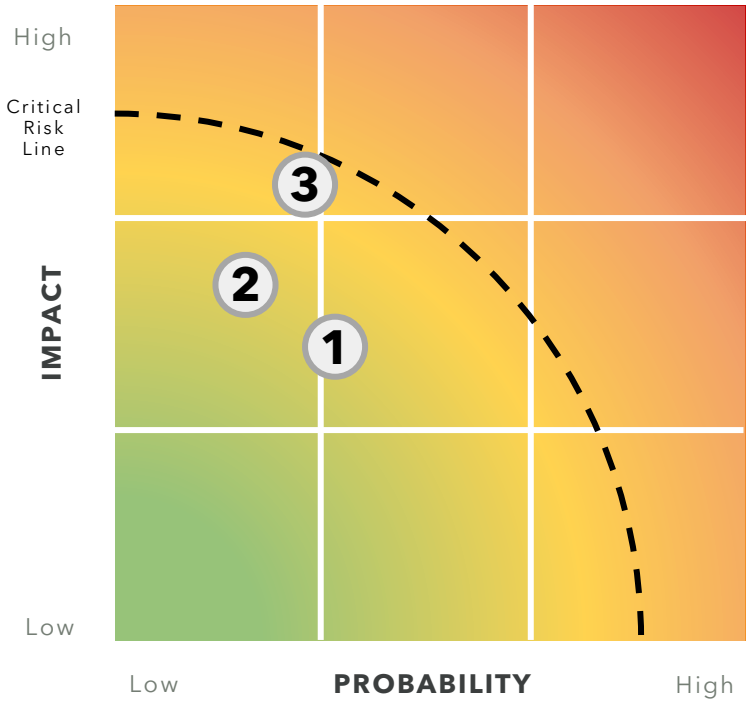
Impact

Antoine van der Meulen

Boozt

Perfecting the user experience through rigorous beta testing is key

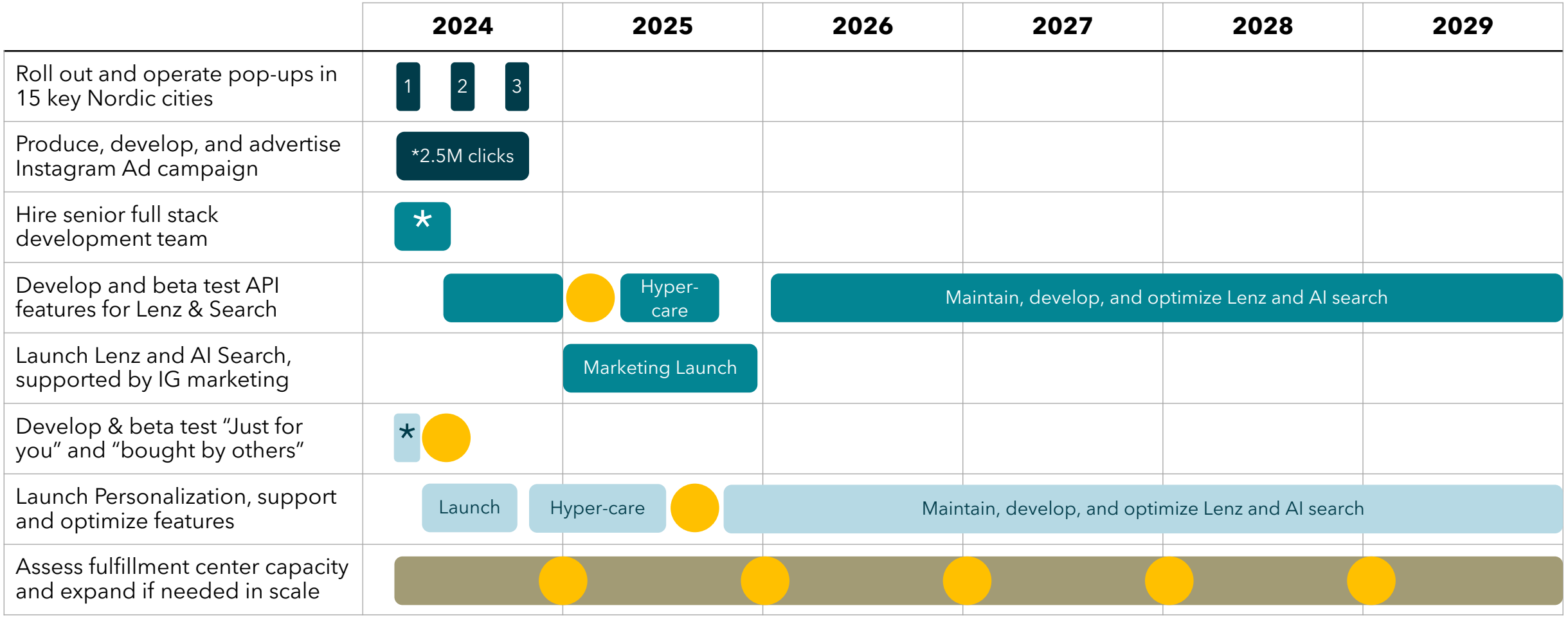
Risk Matrix



	Risk	Mitigation Plan
1	Poor user AI experience / accuracy in Boozt Lenz + Search	Extend hyper-care period, enable higher degree of input
2	Lower than expected marketing campaign conversion rate	Deploy sentimental marketing campaign approach
3	Competitors AI assistant outperforms Boozt's AI features	Hire more developers and add more AI capabilities

Implementation Timeline

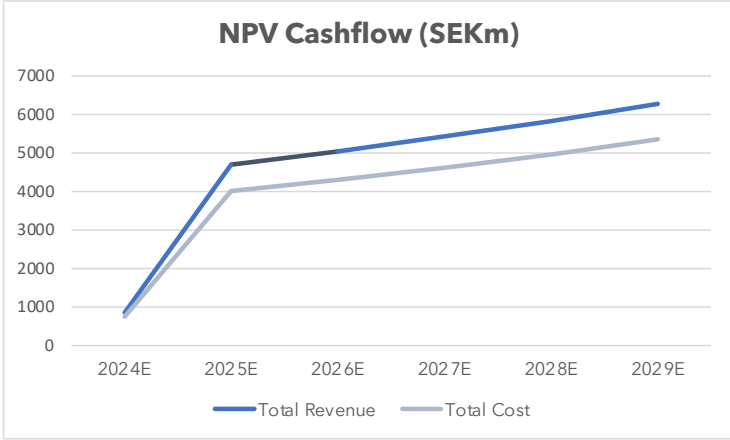
Leveraging strong internal capabilities to accelerate development



*** Quick wins**

Delivering a 3.5B SEKm NPV through a 7.7% CAGR

Consolidated NPV Analysis						
(All figures in SEK m)	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**
Revenue						
S1: Broaden Brand Perception	160	163	166	170	173	177
S2.1: AI-Enabled Discovery – Lenz	-	2,552	2,749	2,960	3,188	3,434
S2.2: AI-Enabled Discovery – Search	-	1,215	1,309	1,410	1,518	1,635
S3: Retention via Personalization	698	752	810	872	939	1,011
Total Revenue	858	4,682	5,033	5,411	5,818	6,257
Costs						
S1: Marketing Expense	(13)	-	-	-	-	-
S1: Associated Increase in Operating Costs	(136)	(139)	(141)	(144)	(147)	(150)
S2.1 & S2.2: Development Cost	(4)	(4)	(4)	(4)	(4)	(4)
S2.1 & S2.2: Marketing Expense	-	(13)	-	-	-	-
S2.1 & S2.2: API Cost	-	(10)	(10)	(11)	(12)	(13)
S2.1: Associated Increase in Operating Costs	-	(2,169)	(2,336)	(2,516)	(2,710)	(2,919)
S2.2: Associated Increase in Operating Costs	-	(1,033)	(1,113)	(1,198)	(1,290)	(1,390)
S3: Associated Increase in Operating Costs	(593)	(639)	(688)	(741)	(798)	(860)
Total Cost	(746)	(4,006)	(4,292)	(4,615)	(4,962)	(5,335)
Net Benefit (Loss)	112	676	741	797	857	922
Discount Period	0	1	2	3	4	5
Present Value of Cashflows	112	640	663	675	686	699
WACC	5.70%					
NPV	3,474					



3,474
SEKm NPV

7.7%
CAGR

Boozt

Understanding the key inputs to a successful strategy

Broaden Brand Perception

- 15 cities
- 3-month long pop-ups
- 4% marketing conversion rate

AI-Enabled Discovery

- 8% Lenz conversion
- 5% Magic search conversion
- 10 API calls per interaction
- 40% Active customers

Retention via Personalization

- 10% sales lift from "for you" recommendations
- 5% sales lift from "others bought" recommendations

NPV (SEKm) Sensitivity Analysis, (Growth CAGR v. WACC)

Growth CAGR \ *WACC*	4.00%	4.50%	5.00%	5.50%	5.70%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%	9.00%	9.50%	10.00%
3.0%	3,324	3,278	3,234	3,190	3,173	3,147	3,105	3,065	3,025	2,985	2,947	2,909	2,873	2,837
4.0%	3,390	3,343	3,297	3,252	3,234	3,208	3,165	3,123	3,082	3,042	3,003	2,964	2,927	2,890
5.0%	3,457	3,409	3,362	3,316	3,297	3,271	3,227	3,183	3,141	3,100	3,060	3,020	2,981	2,944
6.0%	3,525	3,476	3,428	3,380	3,362	3,334	3,289	3,245	3,202	3,159	3,118	3,077	3,037	2,999
7.0%	3,595	3,545	3,495	3,446	3,427	3,399	3,353	3,307	3,263	3,219	3,177	3,135	3,095	3,055
7.7%	3,645	3,593	3,543	3,494	3,474	3,445	3,398	3,352	3,307	3,262	3,219	3,177	3,135	3,095
8.0%	3,667	3,615	3,564	3,514	3,494	3,465	3,418	3,371	3,326	3,281	3,237	3,195	3,153	3,112
9.0%	3,740	3,686	3,634	3,583	3,563	3,533	3,484	3,436	3,390	3,344	3,299	3,255	3,212	3,170
10.0%	3,814	3,759	3,705	3,653	3,632	3,602	3,552	3,503	3,455	3,408	3,362	3,317	3,273	3,230
11.0%	3,890	3,833	3,778	3,725	3,704	3,672	3,621	3,570	3,521	3,473	3,426	3,380	3,335	3,291

Boozt

Understanding the key inputs to a successful strategy

Broaden Brand Perception
- 15 cities
- 3-month long pop-ups
- 4% marketing conversion rate

AI-Enabled Discovery
- 8% Lenz conversion
- 5% Magic search conversion
- 10 API calls per interaction
- 40% Active customers

Retention via Personalization
- 10% sales lift from “for you” recommendations
- 5% sales lift from “others bought” recommendations

Segmentation Weight (%):

Active Customer (A)	Moderate Customer (S)	New/Fairly New Customer (E)
20% → 40%	66% → 50%	14% → 10%

Boozt

Boozt Lenz and Search AI continually deliver strong fiscal performance

Boozt Lenz Sensitivity Analysis, 2025 Incremental Revenue (SEK) (Conversion Rate v. Impact on Average Order Value

Impact on AOV	*Conversion Rate* 5%	6%	7%	8%	9%	10%	11%
10%	2,050,796,475	2,460,955,770	2,871,115,065	3,281,274,360	3,691,433,655	4,101,592,950	4,511,752,245
20%	1,822,930,200	2,187,516,240	2,552,102,280	2,916,688,320	3,281,274,360	3,645,860,400	4,010,446,440
30%	1,595,063,925	1,914,076,710	2,233,089,495	2,552,102,280	2,871,115,065	3,190,127,850	3,509,140,635
40%	1,367,197,650	1,640,637,180	1,914,076,710	2,187,516,240	2,460,955,770	2,734,395,300	3,007,834,830
50%	1,139,331,375	1,367,197,650	1,595,063,925	1,822,930,200	2,050,796,475	2,278,662,750	2,506,529,025

Boozt AI Search Sensitivity Analysis, 2025 Incremental Revenue (SEK) (Conversion Rate v. Impact on Average Order Value

Impact on AOV	*Conversion Rate* 2%	3%	4%	5%	6%	7%	8%
10%	411,327,840	616,991,760	822,655,680	1,028,319,600	1,233,983,520	1,439,647,440	1,645,311,360
20%	448,721,280	673,081,920	897,442,560	1,121,803,200	1,346,163,840	1,570,524,480	1,794,885,120
30%	486,114,720	729,172,080	972,229,440	1,215,286,800	1,458,344,160	1,701,401,520	1,944,458,880
40%	523,508,160	785,262,240	1,047,016,320	1,308,770,400	1,570,524,480	1,832,278,560	2,094,032,640
50%	560,901,600	841,352,400	1,121,803,200	1,402,254,000	1,682,704,800	1,963,155,600	2,243,606,400

Boozt

More than doubling the revenue growth goal by 2027

Key Question

How can Boozt **increase customer loyalty, growth, and profitability** within the Nordic department store model to **grow revenue by 40% by 2027?**

Situation

Majority of consumers are **unaware** of Boozt's **multi-category offers**

Lack of personalization and difficulty finding the right item to purchase

Purchase **data underutilized** in driving future predictive sales

Solution

Boost Brand Perception

Pop-up and online campaign to drive category awareness

AI-Enabled Discovery

Leveraging Google's API to drive smart recommendations

Retention Through Personalization

Leveraging data to suggest future purchases

Impact

Reaching **104% revenue growth by 2027**, with a **3.5 SEKb NPV**, through increasing purchase frequency and AOV, increasing the **'Active' consumer segment to 40%.**

Raising the Bar with Boozt.com

CBS Case Competition Invitational 2024

JAMS Consulting

Julie

Antoine

Michelle

Sophia

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Pro Forma Income Statement

(All figures in SEK m)	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E	
Revenue										
Status Quo	5,814	6,743	7,755	8,352	8,995	9,688	10,434	11,237	12,103	Growth at 7.7% CAGR (Nordic eCommerce Trend). Source: Statista
S1: Broaden Brand Perception	-	-	-	160	163	166	170	173	177	
S2.1: AI-Enabled Discovery – Lenz	-	-	-	-	2,552	2,749	2,960	3,188	3,434	
S2.2: AI-Enabled Discovery – Search	-	-	-	-	1,215	1,309	1,410	1,518	1,635	
S3: Retention via Personalization	-	-	-	698	752	810	872	939	1,011	
Total Net Revenue	**5,814**	**6,743**	**7,755**	**9,210**	**13,677**	**14,721**	**15,845**	**17,056**	**18,359**	
% growth		*15.98%*	*15.01%*	*18.76%*	*48.51%*	*7.63%*	*7.64%*	*7.64%*	*7.64%*	
Operating Costs										
Status Quo*	(4,939)	(5,749)	(6,655)	(7,099)	(7,646)	(8,235)	(8,869)	(9,552)	(10,287)	85% of revenue average
S1: Associated Increase in Operating Costs	-	-	-	(136)	(139)	(141)	(144)	(147)	(150)	
S2.1 & S2.2: Development Cost	-	-	-	(4)	(4)	(4)	(4)	(4)	(4)	
S2.1 & S2.2: API Cost	-	-	-	0	(10)	(10)	(11)	(12)	(13)	
S2.1: Associated Increase in Operating Costs	-	-	-	0	(2,169)	(2,336)	(2,516)	(2,710)	(2,919)	
S2.2: Associated Increase in Operating Costs	-	-	-	0	(1,033)	(1,113)	(1,198)	(1,290)	(1,390)	
S3: Associated Increase in Operating Costs	-	-	-	(593)	(639)	(688)	(741)	(798)	(860)	
Total Operating Costs	**(4,939)**	**(5,749)**	**(6,655)**	**(7,832)**	**(11,639)**	**(12,527)**	**(13,483)**	**(14,513)**	**(15,622)**	
% of revenue	*-85%*	*-85%*	*-86%*	*-85%*	*-85%*	*-85%*	*-85%*	*-85%*	*-85%*	
Gross Profit	**875**	**994**	**1,100**	**1,378**	**2,038**	**2,194**	**2,362**	**2,542**	**2,737**	
Gross Margin	*15.05%*	*14.74%*	*14.18%*	*14.96%*	*14.90%*	*14.90%*	*14.91%*	*14.91%*	*14.91%*	
Marketing Costs										
Status Quo*	(610)	(741)	(801)	(919)	(989)	(1,066)	(1,148)	(1,236)	(1,331)	11% of revenue average
S1: Marketing Expense	-	-	-	(13)	-	-	-	-	-	
S2.1 & S2.2: Marketing Expense	-	-	-	-	(13)	-	-	-	-	
Total Marketing Costs	**(610)**	**(741)**	**(801)**	**(932)**	**(1,003)**	**(1,066)**	**(1,148)**	**(1,236)**	**(1,331)**	
% of revenue	*-10%*	*-11%*	*-10%*	*-10%*	*-7%*	*-7%*	*-7%*	*-7%*	*-7%*	
Earnings Before Interest and Tax (EBIT)	**265**	**253**	**299**	**446**	**1,036**	**1,128**	**1,214**	**1,306**	**1,406**	
EBIT Margin	*4.56%*	*3.75%*	*3.86%*	*4.84%*	*7.57%*	*7.67%*	*7.66%*	*7.66%*	*7.66%*	
Finance income	0	5	24	-	-	-	-	-	-	
Finance costs	(20)	(22)	(52)	-	-	-	-	-	-	
Earnings before tax (EBT)	**245**	**236**	**271**	**446**	**1,036**	**1,128**	**1,214**	**1,306**	**1,406**	
Income tax expense	(50)	(50)	(39)	(80)	(186)	(203)	(219)	(235)	(253)	
Net Income (loss)	**195**	**186**	**232**	**366**	**849**	**925**	**996**	**1,071**	**1,153**	
Result for the period as % of net revenue	*3.4%*	*2.8%*	*3.0%*	*4.0%*	*6.2%*	*6.3%*	*6.3%*	*6.3%*	*6.3%*	

Organic Growth: 35% growth at 7.7% CAGR v. 2023

With Strategy: 70% revenue growth v. 2023

Total Revenue Growth 2023 – 2027: ~104%

In line with IPO guidance to investors of +6% EBIT margin

* As per Booztgroup.com financial statements, but with marketing costs isolated as per non-IFRS marketing cost ratio

Appendix #2

Consolidated NPV Analysis

Consolidated NPV Analysis							
(All figures in SEK m)	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**Commentary**
Revenue							
S1: Broaden Brand Perception	160	163	166	170	173	177	Once awareness built, growth at 2%
S2.1: AI-Enabled Discovery – Lenz	-	2,552	2,749	2,960	3,188	3,434	7.7% CAGR
S2.2: AI-Enabled Discovery – Search	-	1,215	1,309	1,410	1,518	1,635	7.7% CAGR
S3: Retention via Personalization	698	752	810	872	939	1,011	7.7% CAGR
Total Revenue	858	4,682	5,033	5,411	5,818	6,257	
Costs							
S1: Marketing Expense	(13)	-	-	-	-	-	
S1: Associated Increase in Operating Costs	(136)	(139)	(141)	(144)	(147)	(150)	At 85% of revenue
S2.1 & S2.2: Development Cost	(4)	(4)	(4)	(4)	(4)	(4)	Salary Expense increasing at 2% (Swedish Inflation Rate)
S2.1 & S2.2: Marketing Expense	-	(13)	-	-	-	-	
S2.1 & S2.2: API Cost	-	(10)	(10)	(11)	(12)	(13)	7.7% CAGR, to match usage growth
S2.1: Associated Increase in Operating Costs	-	(2,169)	(2,336)	(2,516)	(2,710)	(2,919)	At 85% of revenue
S2.2: Associated Increase in Operating Costs	-	(1,033)	(1,113)	(1,198)	(1,290)	(1,390)	At 85% of revenue
S3: Associated Increase in Operating Costs	(593)	(639)	(688)	(741)	(798)	(860)	At 85% of revenue
Total Cost	(746)	(4,006)	(4,292)	(4,615)	(4,962)	(5,335)	
Net Benefit (Loss)	112	676	741	797	857	922	
Discount Period	0	1	2	3	4	5	
Present Value of Cashflows	112	640	663	675	686	699	
WACC	5.70%						
NPV	3,474						

Boozt

WACC Calculation and WACC Comparatives

Boozt WACC Calculation					
Cost of Equity	5.95%	*Tax Rate*	21.15%	*Cost of Debt*	4.70%
WACC	5.70%	(Source)			

Ticker	Company Name	D/E Ratio	Beta	Unlevered Beta
BOOZT.ST	Boozt AB	0.13	1.19	1.08
IVS.MI	IVS Group SA	1.02	0.19	0.11
SRP.PA	SRP Groupe SA	0.48	0.82	0.59
H24.DE	home24 SE	0.74	0.68	0.43
WEW.DE	Westwing Group AG	0.32	0.38	0.31
BTBB.DE	SLEEPZ AG	0.4	-0.47	-0.36
LAUR.ST	Lauritz.com Group A/S	15.8	0.66	0.05
OBAB.ST	Online Brands Nordic AB	0.14	-0.25	-0.22
STU.L	Studio Retail Group PLC	3.3	1.37	0.38
ALLDL.PA	Groupe LDLC SA	0.39	0.49	0.38
BWNG.L	N Brown Group PLC	4.05	0.13	0.03

Boozt

Appendix #4

S1: Financial Assumptions

2024 Marketing Revenue	**Amount**	**Unit/Commentary**	
2023 revenue	7,755,000,000	SEK	
Nordic revenue Share	95%		
2023 Nordic revenue	7,367,250,000	SEK	
2023 category breakdown (%)			
Fashion (Men + Women)	61%		
Other (Kid, Sport, Beauty, Home)	39%		
2023 category breakdown (SEK)			
Fashion (Men + Women)	4,494,022,500	SEK	
Other (Kid, Sport, Beauty, Home)	2,873,227,500	SEK	
Sales Accelerator from Ads/Pop up			
Fashion (Men + Women)	1%		
Other (Kid, Sport, Beauty, Home)	4%	(pop-ups increase sales ~20-30%)	(TheStoreFront)
Incremental Revenue			
Fashion (Men + Women)	44,940,225	SEK	
Other (Kid, Sport, Beauty, Home)	114,929,100	SEK	
Total Incremental Revenue	**159,869,325**	**SEK**	

Marketing Cost	**Amount**	**Unit/Commentary**	
30 day pop up cost	111,987	SEK	(Shopify)
Number of cities	15		
# of pop up activations in the ye	3		
Total Pop up cost	**5,039,415**	**SEK**	
Production Cost	700000	SEK	
Cost per click	3.1	SEK	(WebFX)
Click Goal	2,500,000		
Total Instagram Ad Spend	**8,450,000**	**SEK**	
Total Marketing Spend	**13,489,415**	**SEK**	

1185% ROAS

Appendix #5

S1: Sensitivity Analysis (Fashion Sales v. Other Sales Lift)

2024 Marketing Campaign Incremental Revenue (SEK) Sensitivity Analysis, Fashion Sales Lift v. Other Sales Lift

Other (Kid, Sport, Beauty, home) Sales Lift %	*Fashion (Men & Women) Sales Lift %*									
	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
2%	102,404,775	147,345,000	192,285,225	237,225,450	282,165,675	327,105,900	372,046,125	416,986,350	461,926,575	506,866,800
4%	159,869,325	204,809,550	249,749,775	294,690,000	339,630,225	384,570,450	429,510,675	474,450,900	519,391,125	564,331,350
6%	217,333,875	262,274,100	307,214,325	352,154,550	397,094,775	442,035,000	486,975,225	531,915,450	576,855,675	621,795,900
8%	274,798,425	319,738,650	364,678,875	409,619,100	454,559,325	499,499,550	544,439,775	589,380,000	634,320,225	679,260,450
10%	332,262,975	377,203,200	422,143,425	467,083,650	512,023,875	556,964,100	601,904,325	646,844,550	691,784,775	736,725,000
12%	389,727,525	434,667,750	479,607,975	524,548,200	569,488,425	614,428,650	659,368,875	704,309,100	749,249,325	794,189,550
14%	447,192,075	492,132,300	537,072,525	582,012,750	626,952,975	671,893,200	716,833,425	761,773,650	806,713,875	851,654,100
16%	504,656,625	549,596,850	594,537,075	639,477,300	684,417,525	729,357,750	774,297,975	819,238,200	864,178,425	909,118,650
18%	562,121,175	607,061,400	652,001,625	696,941,850	741,882,075	786,822,300	831,762,525	876,702,750	921,642,975	966,583,200
20%	619,585,725	664,525,950	709,466,175	754,406,400	799,346,625	844,286,850	889,227,075	934,167,300	979,107,525	1,024,047,750
22%	677,050,275	721,990,500	766,930,725	811,870,950	856,811,175	901,751,400	946,691,625	991,631,850	1,036,572,075	1,081,512,300
24%	734,514,825	779,455,050	824,395,275	869,335,500	914,275,725	959,215,950	1,004,156,175	1,049,096,400	1,094,036,625	1,138,976,850
26%	791,979,375	836,919,600	881,859,825	926,800,050	971,740,275	1,016,680,500	1,061,620,725	1,106,560,950	1,151,501,175	1,196,441,400
28%	849,443,925	894,384,150	939,324,375	984,264,600	1,029,204,825	1,074,145,050	1,119,085,275	1,164,025,500	1,208,965,725	1,253,905,950
30%	906,908,475	951,848,700	996,788,925	1,041,729,150	1,086,669,375	1,131,609,600	1,176,549,825	1,221,490,050	1,266,430,275	1,311,370,500

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S2.1: Financial Assumptions

Boozt Lenz Cost Assumptions	Amount	Unit/Commentary
Input cost	0.026	SEK per image
Output Cost	0.0039	SEK per output (1K characters)
Active Users	3769500	(7.7% CAGR from 2023)
Interacting with Boozt Lenz		
Active Users Share	40%	(up from 20%)
Active Users Interaction	12	/year
Total Active Interactions	18,093,600	
Moderate Users Share	50%	(down from 66%)
Moderate Users Interaction	6	/year
Total Moderate Interactions	11,308,500	
New/Fairly New Customer Share	10%	(down from 14%)
New/Fairly New Customer Interactions	2	/year
Total New Interactions	753,900	
Total All Segments Interactions	30,156,000	/year
Avg. API call per interaction	10	
Total Yearly API Calls	301,560,000	
Yearly Input Cost	**7,840,560**	**SEK**
Yearly Output Cost	**1,176,084**	**SEK**
Total API Cost	**9,016,644**	**SEK**

Boozt Lenz Revenue Assumptions	Amount	Unit/Commentary
Boozt Lenz Conversion Rate	8%	
% Lower than Avg. Order Value	30%	
Total Active Interactions	18,093,600	
Conversion Rate	8%	
Avg. Order Value	1,068	SEK
Total Active Yearly Revenue	**1,545,193,440**	**SEK**
Total Moderate Interactions	11,308,500	
Conversion Rate	8%	
Avg. Order Value	1,050	SEK
Total Moderate Yearly Revenue	**949,914,000**	**SEK**
Total New Interactions	753,900	
Conversion Rate	8%	
Avg. Order Value	945	SEK
Total New Yearly Revenue	**56,994,840**	**SEK**
Total All Segment Yearly Revenue	**2,552,102,280**	**SEK**

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S2.2: Financial Assumptions

Boozt AI Search Cost	**Amount**	**Unit/Commentary**
Input cost	0.0013	SEK per input (1K characters)
Output Cost	0.0039	SEK per output (1K characters)
Active Users	3769500	(7.7% CAGR from 2023)
Interacting with Boozt Search		
Active Users Share	40%	(up from 20%)
Active Users Interaction	4	/year
Total Active Interactions	6,031,200	
Moderate Users Share	50%	(down from 66%)
Moderate Users Interaction	3	/year
Total Moderate Interactions	5,654,250	
New/Fairly New Customer Share	10%	(down from 14%)
New/Fairly New Customer Interactions	2	/year
Total New Interactions	753,900	
Total All Segments Interactions	12,439,350	/year
Avg. API call per interaction	10	
Total Yearly API Calls	124,393,500	
Yearly Input Cost	**161,712**	**SEK**
Yearly Output Cost	**485,135**	**SEK**
Total API Cost	**646,846**	**SEK**

Boozt Search Revenue Assumptions	**Amount**	**Unit/Commentary**
Boozt Search Conversion Rate	5%	
% Higher than Avg. Order Value	30%	
Total Active Interactions	6,031,200	
Conversion Rate	5%	
Avg. Order Value	1,983	SEK
Total Active Yearly Revenue	**597,842,700**	**SEK**
Total Moderate Interactions	5,654,250	
Conversion Rate	5%	
Avg. Order Value	1,950	SEK
Total Moderate Yearly Revenue	**551,289,375**	**SEK**
Total New Interactions	753,900	
Conversion Rate	5%	
Avg. Order Value	1,755	SEK
Total New Yearly Revenue	**66,154,725**	**SEK**
Total All Segment Yearly Revenue	**1,215,286,800**	**SEK**

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S2.1 & S2.2: Gemini Cost Table

Gemini API (USD)	**Unit**	**Free**	**Pay-As-You-Go**
Rate Limit	*Queries per Minute (QPM)*	60	∞
Text Input Price	*$ / 1K characters (USD)*	0	0.000125
Image Input Price	*$ / image (USD)*	0	0.0025
Price (output)	*$ / 1K characters (USD)*	0	0.000375

Gemini API (SEK)	**Unit**	**Free**	**Pay-As-You-Go**
Rate Limit	*Queries per Minute (QPM)*	60	∞
Text Input Price	*$ / 1K characters (SEK)*	0	0.0013
Image Input Price	*$ / image (SEK)*	0	0.026
Price (output)	*$ / 1K characters (SEK)*	0	0.0039

Source: Google Gemini API

Appendix #9

S2.1 & S2.2: Development Costs & Marketing Spend

2025 AI Instagram Campaign			
Production Cost	700000	SEK	
Cost per click	3.1	SEK	(WebFX)
Click Goal	4,000,000		
Total Instagram Ad Spend	**13,100,000**	**SEK**	

AI Development Costs	**Amount**	**Unit/Commentary**	**Source**
Hire Full Stack Developer (10x programmer)	4	Developers	
Senior Full Stack Developer Salary	876,333	SEK	(SalaryExpert)
Total Developer Salary Cost	**3,505,332**	**SEK**	

Boozt

S2.1 & S2.2: Sensitivity Analysis (Conversion Rate & AOV Variance) + Dev Cost

Boozt Lenz Sensitivity Analysis, 2025 Incremental Revenue (SEK) (Conversion Rate v. Impact on Average Order Value

Impact on AOV \ Conversion Rate	5%	6%	7%	8%	9%	10%	11%
10%	2,050,796,475	2,460,955,770	2,871,115,065	3,281,274,360	3,691,433,655	4,101,592,950	4,511,752,245
20%	1,822,930,200	2,187,516,240	2,552,102,280	2,916,688,320	3,281,274,360	3,645,860,400	4,010,446,440
30%	1,595,063,925	1,914,076,710	2,233,089,495	2,552,102,280	2,871,115,065	3,190,127,850	3,509,140,635
40%	1,367,197,650	1,640,637,180	1,914,076,710	2,187,516,240	2,460,955,770	2,734,395,300	3,007,834,830
50%	1,139,331,375	1,367,197,650	1,595,063,925	1,822,930,200	2,050,796,475	2,278,662,750	2,506,529,025

Boozt AI Search Sensitivity Analysis, 2025 Incremental Revenue (SEK) (Conversion Rate v. Impact on Average Order Value

Impact on AOV \ Conversion Rate	2%	3%	4%	5%	6%	7%	8%
10%	411,327,840	616,991,760	822,655,680	1,028,319,600	1,233,983,520	1,439,647,440	1,645,311,360
20%	448,721,280	673,081,920	897,442,560	1,121,803,200	1,346,163,840	1,570,524,480	1,794,885,120
30%	486,114,720	729,172,080	972,229,440	1,215,286,800	1,458,344,160	1,701,401,520	1,944,458,880
40%	523,508,160	785,262,240	1,047,016,320	1,308,770,400	1,570,524,480	1,832,278,560	2,094,032,640
50%	560,901,600	841,352,400	1,121,803,200	1,402,254,000	1,682,704,800	1,963,155,600	2,243,606,400

AI Developer Hiring Sensitivity Analysis, @ 876,333 SEK per Senior Full Stack Developer

	Number of Developers 2	3	4	5	6
Yearly Salary Cost	1,752,666	2,628,999	3,505,332	4,381,665	5,257,998

APPENDIX

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S3: Financial Assumptions

Extra Supporting Features Revenue Impact	**Amount**	**Unit/Commentary**	**Source**
Just for you page			
2023 Revenue	7,755,000,000	SEK	
% Active Users	40%	(up from 20%)	
Active User Segment Revenue	3,102,000,000	SEK	
Sales Lift from Digital Personalization	10%	(range 10-15%)	(McKinsey & Co)
Personalization Incremental Revenue Lift	**310,200,000**	**SEK**	
Other people bought "X"			
2023 Revenue	7,755,000,000		
Sales Accelerator from "other people bought"	5%	(range 5 - 30%)	(Invespro)
"Other people bought" Incremental Revenue	**387,750,000**	**SEK**	
Total Extra Supporting Features Revenue Lift	**697,950,000**	**SEK**	

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S3: Sensitivity Analysis ("For You" and "Others Bought" Sales Lift)

Extra Supporting Features 2024 Revenue (SEK) Sensitivity Analysis, Just For You Sales Lift v. Other People Bought Sales Lift

Other People Bought Sales Lift % \ *Just For You Sales Lift %*	10%	11%	12%	13%	14%	15%
5%	697,950,000	728,970,000	759,990,000	791,010,000	822,030,000	853,050,000
6%	775,500,000	806,520,000	837,540,000	868,560,000	899,580,000	930,600,000
7%	853,050,000	884,070,000	915,090,000	946,110,000	977,130,000	1,008,150,000
8%	930,600,000	961,620,000	992,640,000	1,023,660,000	1,054,680,000	1,085,700,000
9%	1,008,150,000	1,039,170,000	1,070,190,000	1,101,210,000	1,132,230,000	1,163,250,000
10%	1,085,700,000	1,116,720,000	1,147,740,000	1,178,760,000	1,209,780,000	1,240,800,000
11%	1,163,250,000	1,194,270,000	1,225,290,000	1,256,310,000	1,287,330,000	1,318,350,000
12%	1,240,800,000	1,271,820,000	1,302,840,000	1,333,860,000	1,364,880,000	1,395,900,000
13%	1,318,350,000	1,349,370,000	1,380,390,000	1,411,410,000	1,442,430,000	1,473,450,000
14%	1,395,900,000	1,426,920,000	1,457,940,000	1,488,960,000	1,519,980,000	1,551,000,000
15%	1,473,450,000	1,504,470,000	1,535,490,000	1,566,510,000	1,597,530,000	1,628,550,000
16%	1,551,000,000	1,582,020,000	1,613,040,000	1,644,060,000	1,675,080,000	1,706,100,000
17%	1,628,550,000	1,659,570,000	1,690,590,000	1,721,610,000	1,752,630,000	1,783,650,000
18%	1,706,100,000	1,737,120,000	1,768,140,000	1,799,160,000	1,830,180,000	1,861,200,000
19%	1,783,650,000	1,814,670,000	1,845,690,000	1,876,710,000	1,907,730,000	1,938,750,000
20%	1,861,200,000	1,892,220,000	1,923,240,000	1,954,260,000	1,985,280,000	2,016,300,000
21%	1,938,750,000	1,969,770,000	2,000,790,000	2,031,810,000	2,062,830,000	2,093,850,000
22%	2,016,300,000	2,047,320,000	2,078,340,000	2,109,360,000	2,140,380,000	2,171,400,000
23%	2,093,850,000	2,124,870,000	2,155,890,000	2,186,910,000	2,217,930,000	2,248,950,000
24%	2,171,400,000	2,202,420,000	2,233,440,000	2,264,460,000	2,295,480,000	2,326,500,000
25%	2,248,950,000	2,279,970,000	2,310,990,000	2,342,010,000	2,373,030,000	2,404,050,000
26%	2,326,500,000	2,357,520,000	2,388,540,000	2,419,560,000	2,450,580,000	2,481,600,000
27%	2,404,050,000	2,435,070,000	2,466,090,000	2,497,110,000	2,528,130,000	2,559,150,000
28%	2,481,600,000	2,512,620,000	2,543,640,000	2,574,660,000	2,605,680,000	2,636,700,000
29%	2,559,150,000	2,590,170,000	2,621,190,000	2,652,210,000	2,683,230,000	2,714,250,000
30%	2,636,700,000	2,667,720,000	2,698,740,000	2,729,760,000	2,760,780,000	2,791,800,000

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Consumer e-commerce spending patters in Nordic countries

Consumer Behavior

- **tech-savvy** early adopters
- prefer **buying from local retailers**
- Spend **more time on their choices**
- **Use fewer search terms** (two words most common)

E-commerce Growth

- **96%** of Sweden's population **shops online**
- **41% take two weeks or more** before purchasing a product found online

Payment Methods

- **Account-to-account payments, credit/debit cards, and bank transfers** are preferred payment methods
- **Paying after receiving an invoice** is common practice

Delivery Methods

- consumers expect online purchases to be **delivered within 3 to 5 days**
- Cost of delivery and **transparent shipping prices** are crucial to influence purchase

(Hagerup, 2022)

(Hagerup, 2022)

Appendix #14

Why we are still focusing on the female

- Globally, women control **$30T USD in consumer spending**. By 2030 this will represent $40T USD
- Women **make most purchasing decisions in the household** – especially when it comes to purchasing for their kids
- Women are **directly behind 40% of men's purchasing** decisions

Source (Wise)

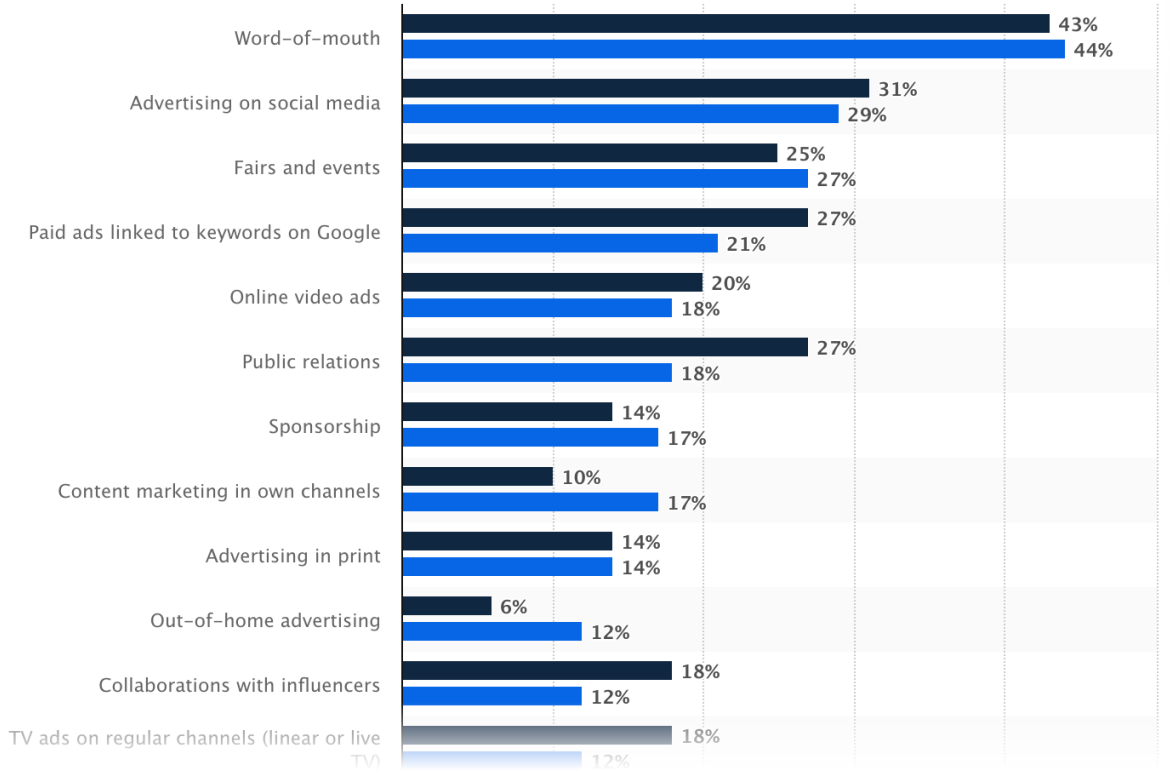
Boozt

Marketing Considerations

Key Channels

The most used social media platform across the Nordics is Instagram, Facebook, Youtube, Snapchat and TikTok (Datareportal, 2022).

Key Marketing Channels in Sweden in 2021



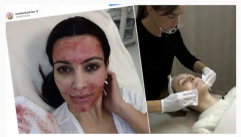
Mock-up backlink content

Damernas VÄRLD

BEAUTY | BEST IN TEST | MAKEUP | SKINCARE | HAIRSTYLES

BEAUTY

Ladies' World is passionate about beauty in all its forms. Here we advise on the latest beauty releases, on the products our beauty panel has tested and reviewed and the best beauty shopping. Face, skin, hair and body – we help your natural beauty on track!



The vampire treatment - that's how good it is for the skin

THE LADIES WORLD

Season for silver – gray is spring's hottest hair color

BEAUTY

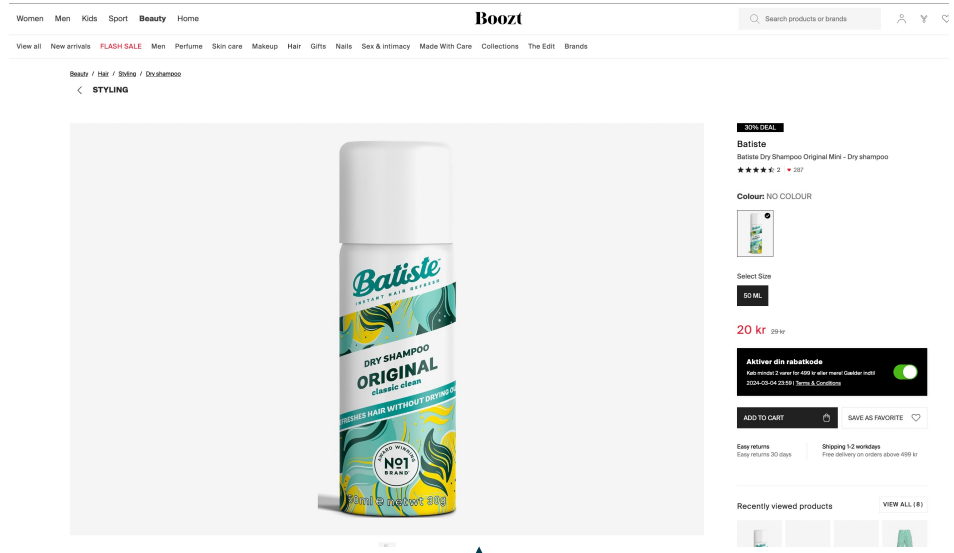
Dry shampoo - best in test 2024 and all the tricks for fresh hair with volume

BEAUTY

I. BEST DRY SHAMPOO 2024 – Best cheap dry shampoo: Batiste Original dry shampoo

Review of Original dry shampoo from Batiste.

Original dry shampoo, 200 ml, Batiste.
A classic in dry shampoo context. The result is impressive, the scent discreet, and the price unbeatable. "The hair immediately feels refreshed, as does the scalp. No smudges or wet spots, and the hair doesn't get rough either. Love that it is available in small bottles: one of these is always in my travel bag and is a necessity in the summer when your scalp gets sweaty more easily," says tester **Jenny Bergquist** . The affordable spray is also available for brown hair and in several lovely scents.
Rating: 5
ADVERTISEMENT **Buy here (link to Boozt)**



Appendix #17

Use-Cases For Strategic Tactics 1

Benefits of backlinks

Enhanced Credibility and Authority
Backlinks from trustworthy websites can enhance Boozt's website's credibility and authority in e-commerce industry

Increased Website Traffic
Backlinks from reputable and relevant websites can drive referral traffic to your site.

Relationship Building
Building backlinks often involves reaching out to other website owners or bloggers within Boozt's industry creating bonds and relationships

Improve Search Engine Ranking (SEO)
Backlinks improve Boozt's ranking on Search Engine Results page (SERP) which allows the website to rank higher on search results

Case study- backlinks success

SEMRUSH

92.3% of the 100 top-ranking domains had at least one backlink (Semrush, 2023)

Over 50% of qualified sites without at least one backlink never reached the first page (Semrush, 2023)

Appendix #18

Pop-up store locations for raising consideration

1	Stockholm	*978,770*
2	Copenhagen	*660,842*
3	Helsinki	*674,963*
4	Oslo	*1,546,706*
5	Gothenburg	*599,305*
6	Malmö	*328,494*
7	Tampere	*328,494*
8	Turku	*201,889*
9	Aarhus	*340,421*
10	Bergen	*377,116*
11	Oulu	*214,651*
12	Reykjavík	*135,688*
13	Sandnes	*297,569*
14	Trondheim	*211,246*
15	Odense	*213,558*

City | *Population*

**Use of local language despite English proficiency*

(Wikipedia,2023)

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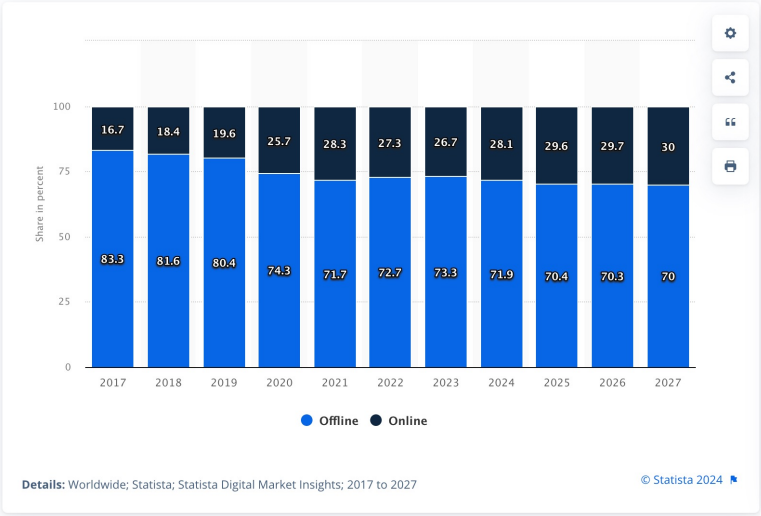
Appendix #19

Why Pop-Ups?

Relevance of offline channels

Distribution of online and offline sports and outdoor e-commerce sales worldwide from 2017 to 2027



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SOURCE DETAILS FAQ

Sources
Statista; Statista Digital Market Insights

Survey by
Statista; Statista Digital Market Insights

Published by
Statista

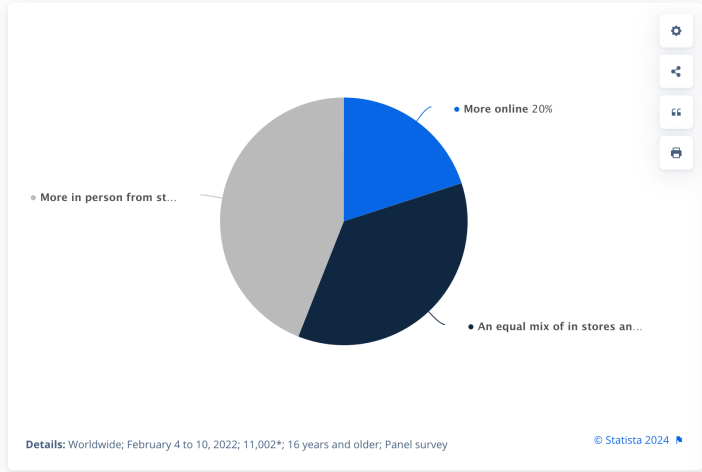
Source link
Digital Market Outlook

Release date
February 2023

Citation formats
→ View options

Retail & Trade › Shopping Behavior

Share of consumers who typically shop for home décor, furniture, and garden products online versus offline worldwide in 2022



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Source
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Survey by
Dynata

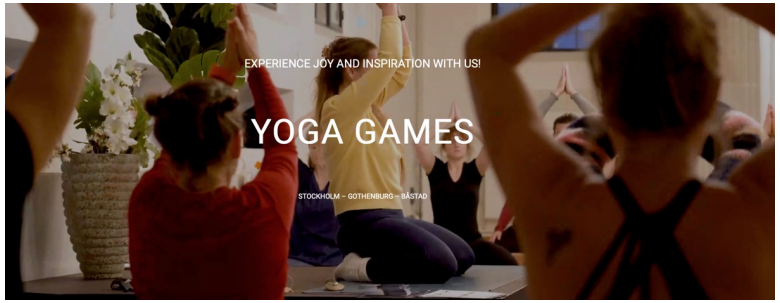
Survey name
Global Consumer Trends - The New Experience Economy

Published by
Dynata

Source link
Global Consumer Trends - The New Experience Economy, page 16

Release date
March 2022

Sample events



Sample case study: Lululemon x The Renegade Run Club

Appendix #20

McKinsey Study: Impact of Personalization on Digitally Native Brands

Digitally native companies drive more revenue from personalization than other company archetypes.

Company archetype	Companies without direct relationship (eg, CPG)	Brick and mortar (eg, grocery, apparel)	**Digitally native (eg, DTC brands)**
Strength of customer relationship	**Low**	**Medium**	**High**
	• Typically does not own customer transaction • Limited access to or use of 1st-party data	• Owns customer transaction, not always product development • 1st-party data captured but mixed	• Owns customer transaction and product development • 1st-party data at heart of decision making
% of revenue driven by personalization[1]	~5–10%	~10–20%	~25%

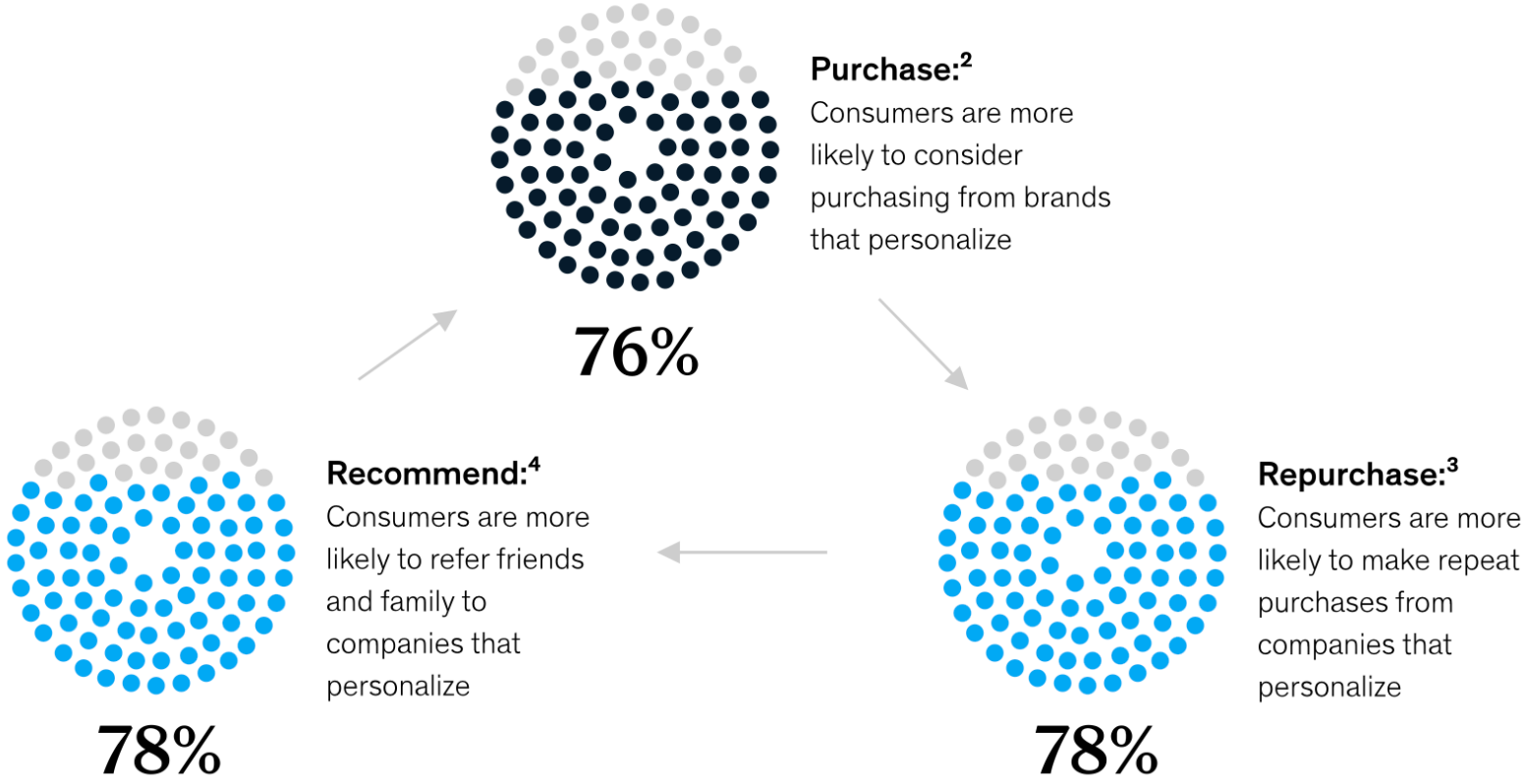
Source: McKinsey & Co

Appendix #21

McKinsey Study: Impact of Personalization on Consumers

Personalization directly influences buying behavior across the customer life cycle.

Likelihood to purchase, recommend, and repurchase depending on personalization, % of respondents[1]



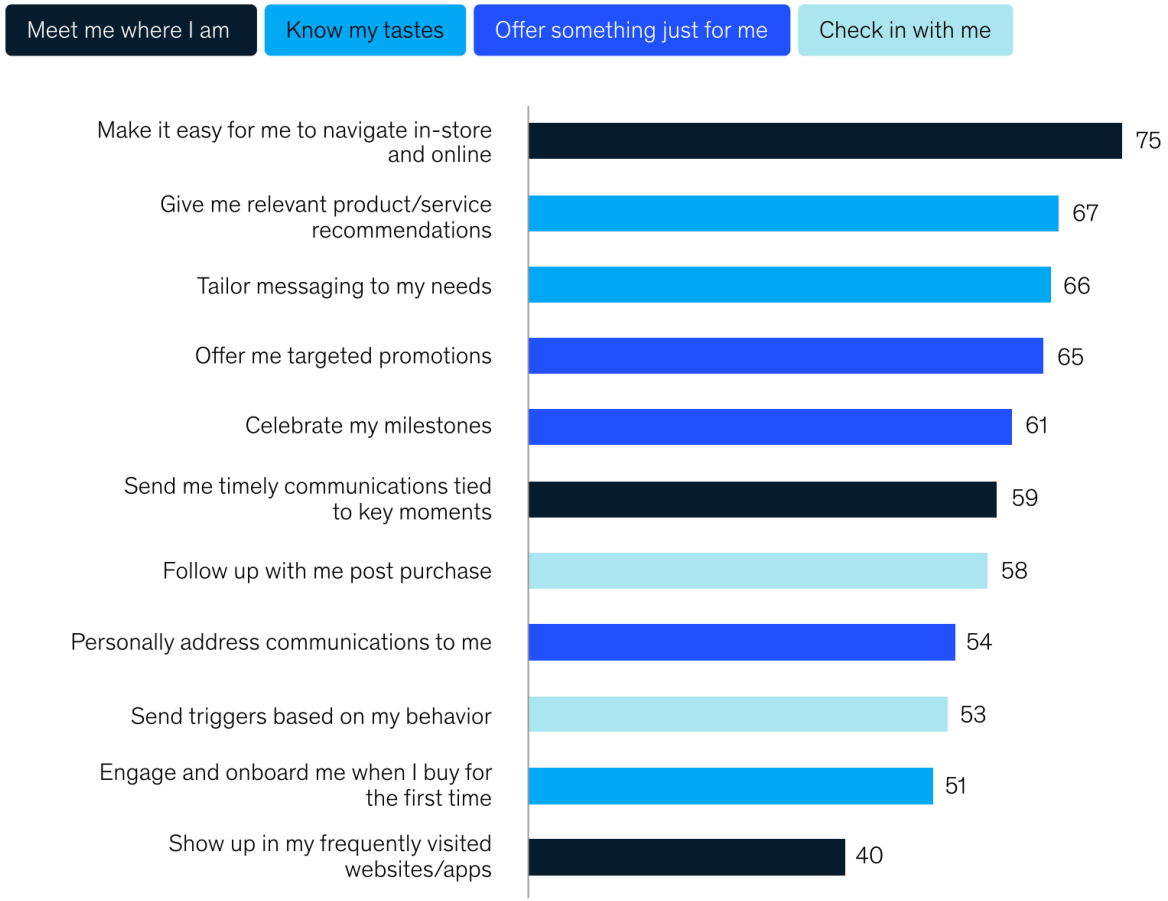
Source: McKinsey & Co

Appendix #22

McKinsey Study: Importance of Personalization Actions

Consumers expect brands to demonstrate they know them on a personal level.

Importance of personalization actions for consumers purchasing for the first time, % of respondents[1]



Source: McKinsey & Co

Appendix #23

How it works: Boozt Lens

Can be built in-house

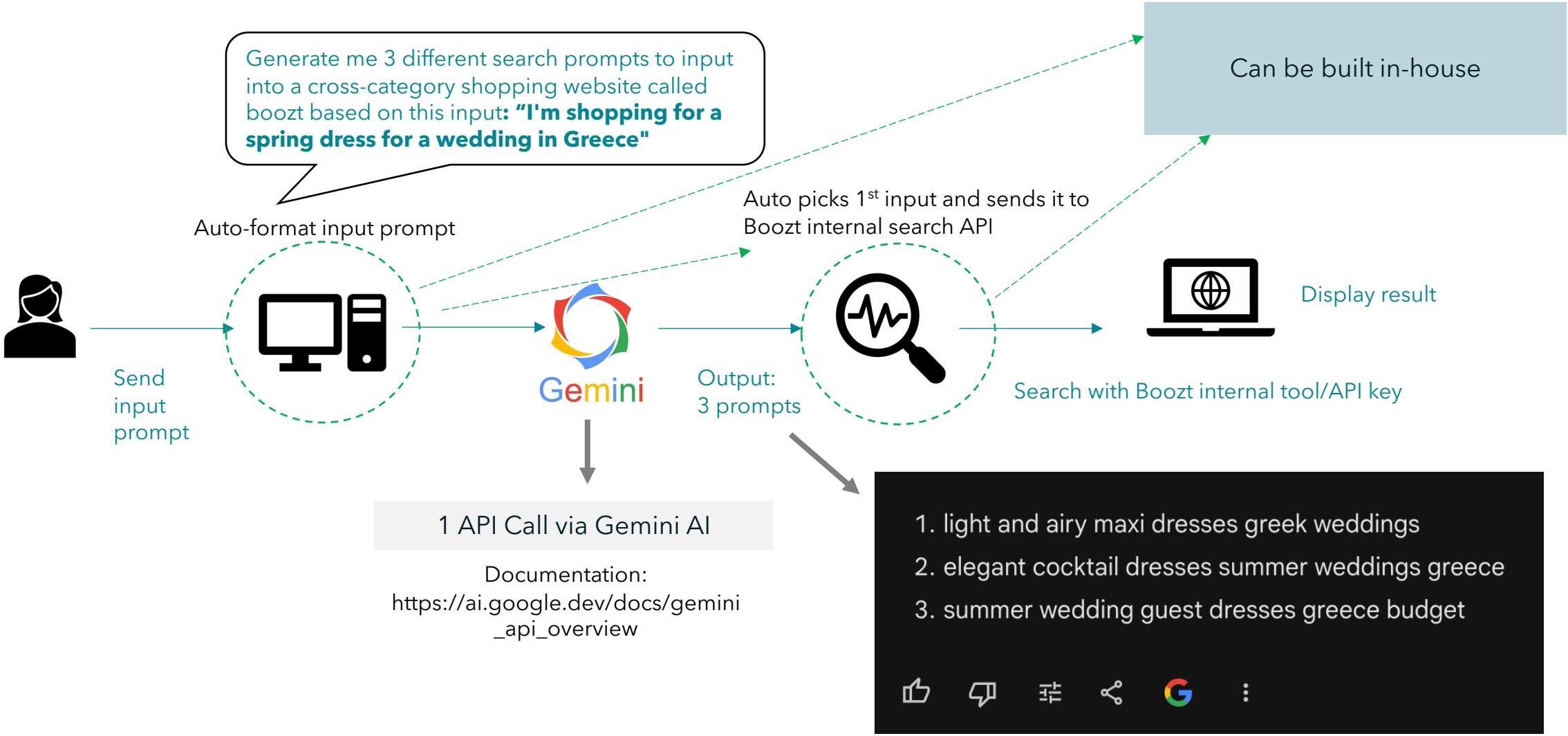
Internal Boozt search functionality
multi word

1 API Call via Vertex AI

Documentation:
https://cloud.google.com/vertex-ai/docs/samples/aiplatform-gemini-get-started

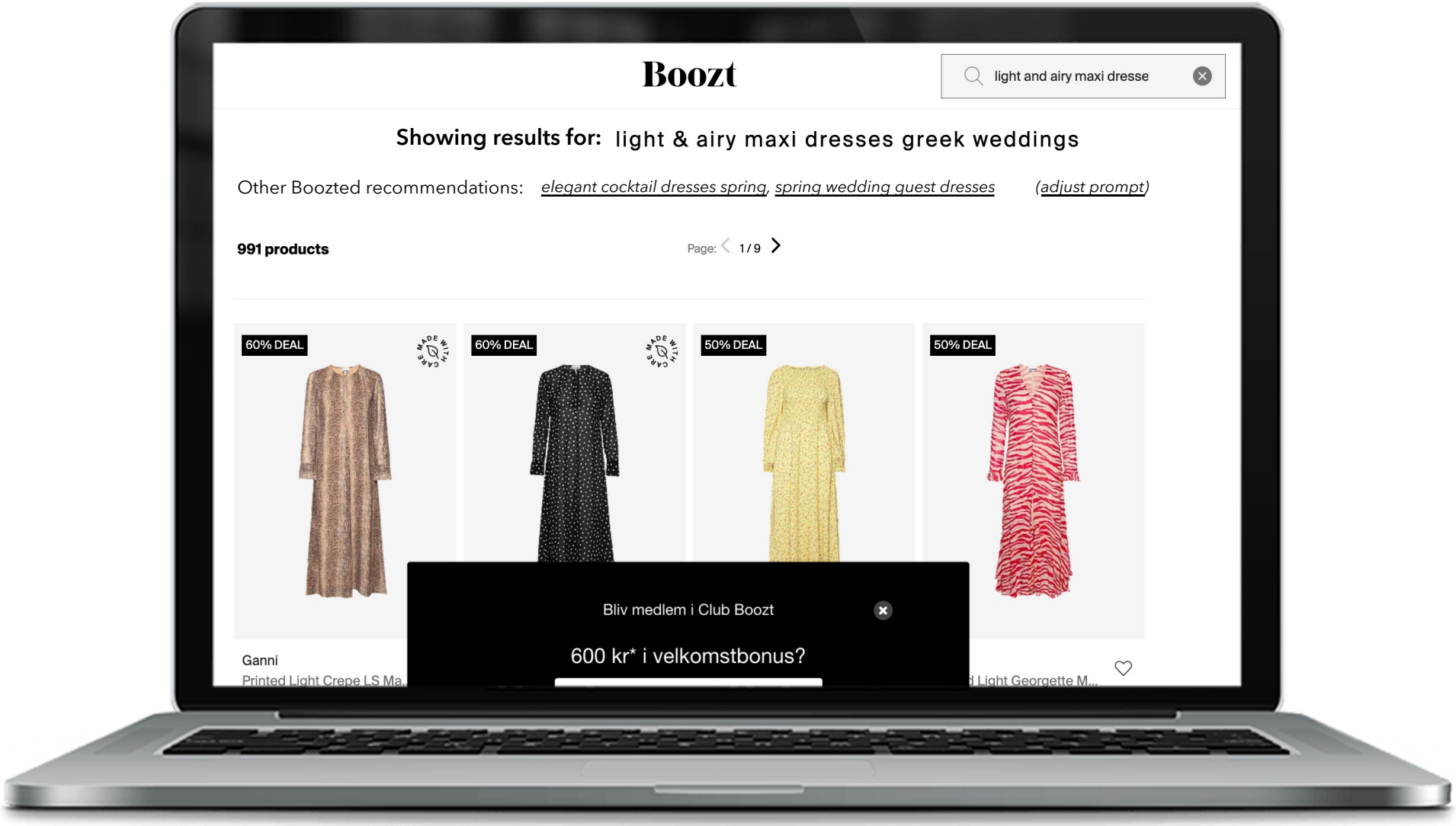
Boozt

How it works: Boozt Search

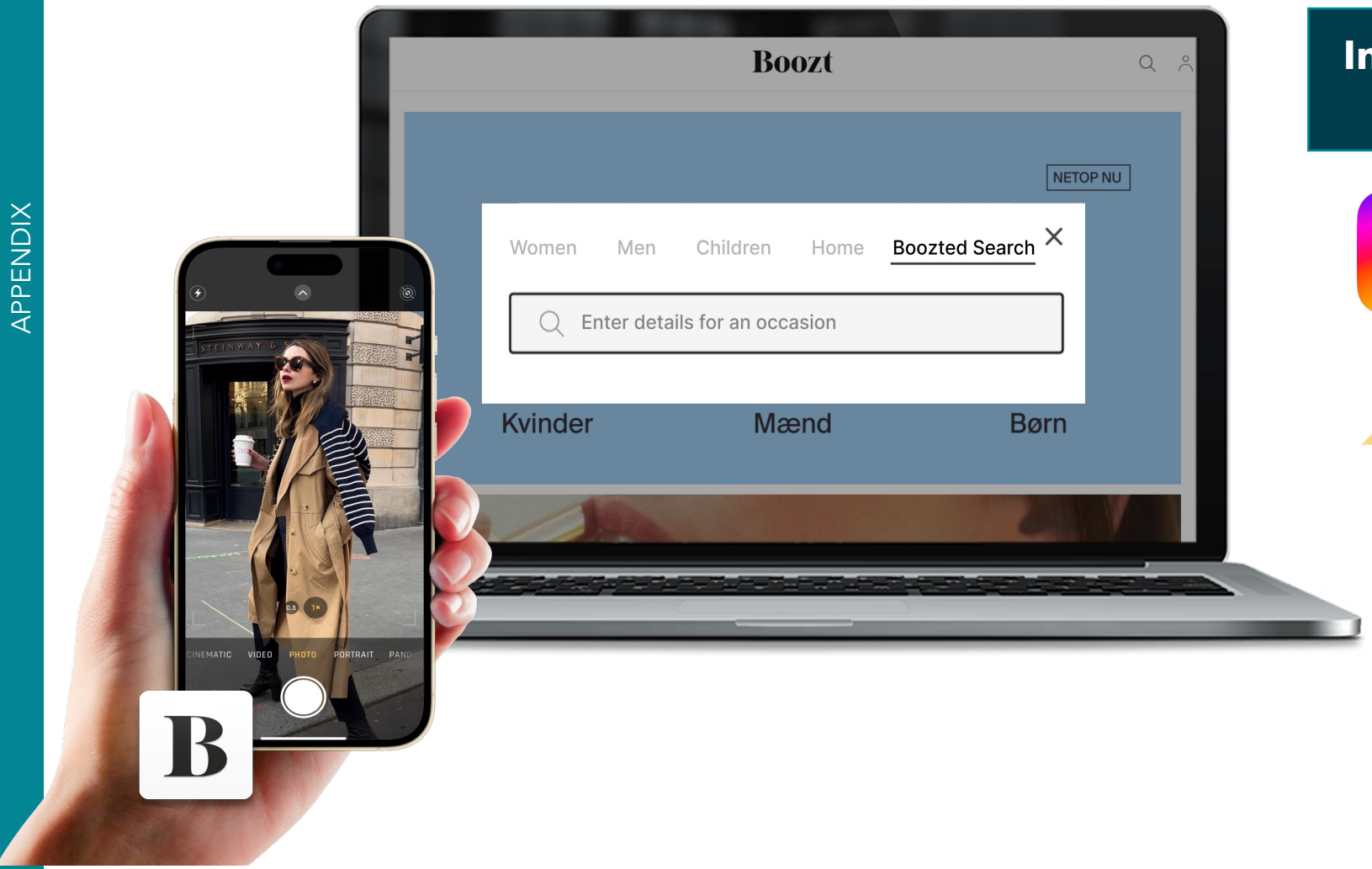


Appendix #25

Sample result from search on Boozt from AI-Generated Keyword



Marketing new features to further Boozt as *the* Nordic Department Store



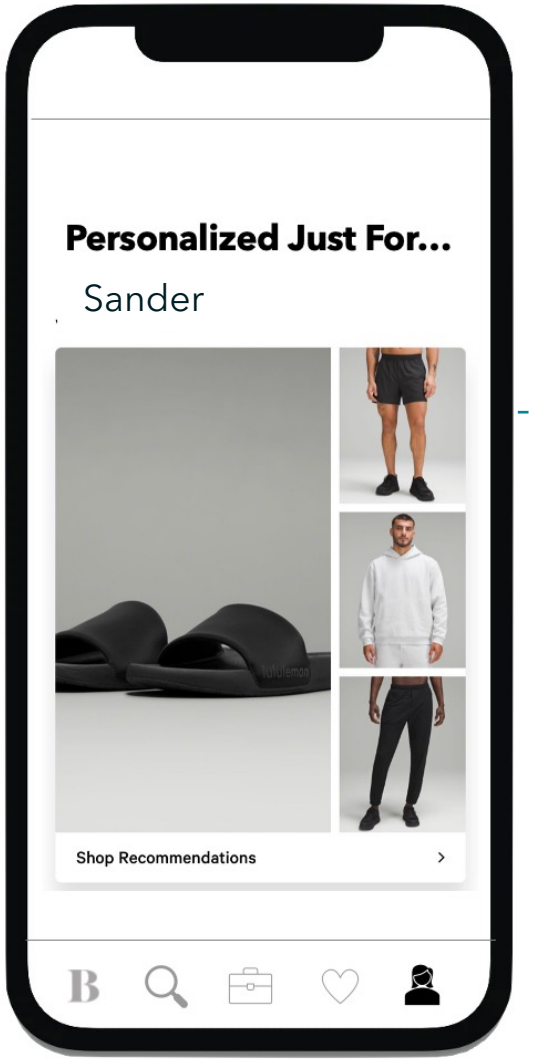
Increasing Trials of Lenz and Boozt Search

Create demo videos on Instagram Reels

Emphasizes cross-category synergies and growth categories (e.g., home)

Boozt

Creating a purchase cycle for the Boozt consumer

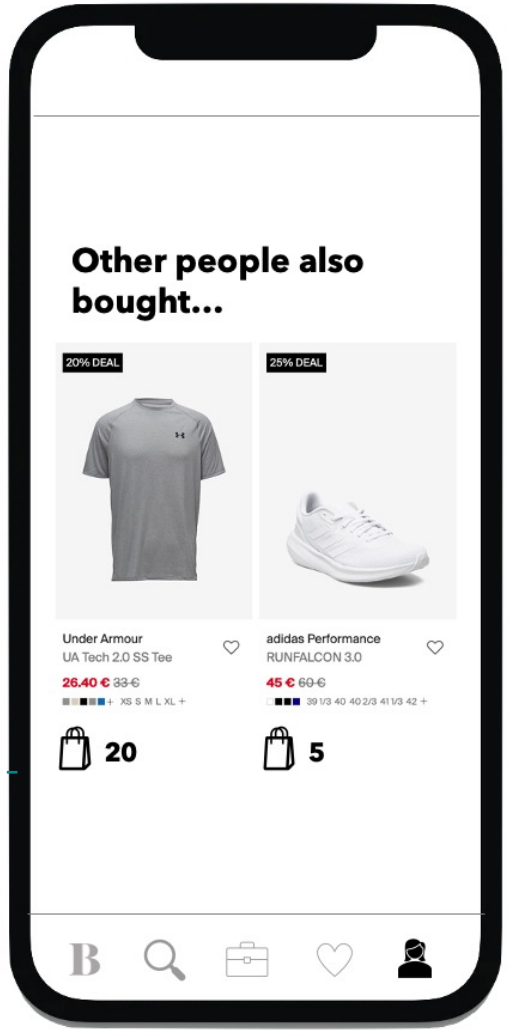


Solution offerings to leverage Boozt's data capabilities

Create curated lists based on items similar to purchased goods or in complimenting categories (sports & male fashion)

Provide recommendations based on general users' purchases

Close the gap in the post-purchase stage to nudge consumers to create cross-category purchases



Boozt

Ensuring our solution is aligned with all key data privacy laws

EU GDPR:

- **Transparency:** Be clear about how you handle personal data.
- **Individual Rights**: Allow access, rectification, and erasure of personal data.
- **Security**: Implement strong measures to protect personal data.

EU Pricing Initiative:

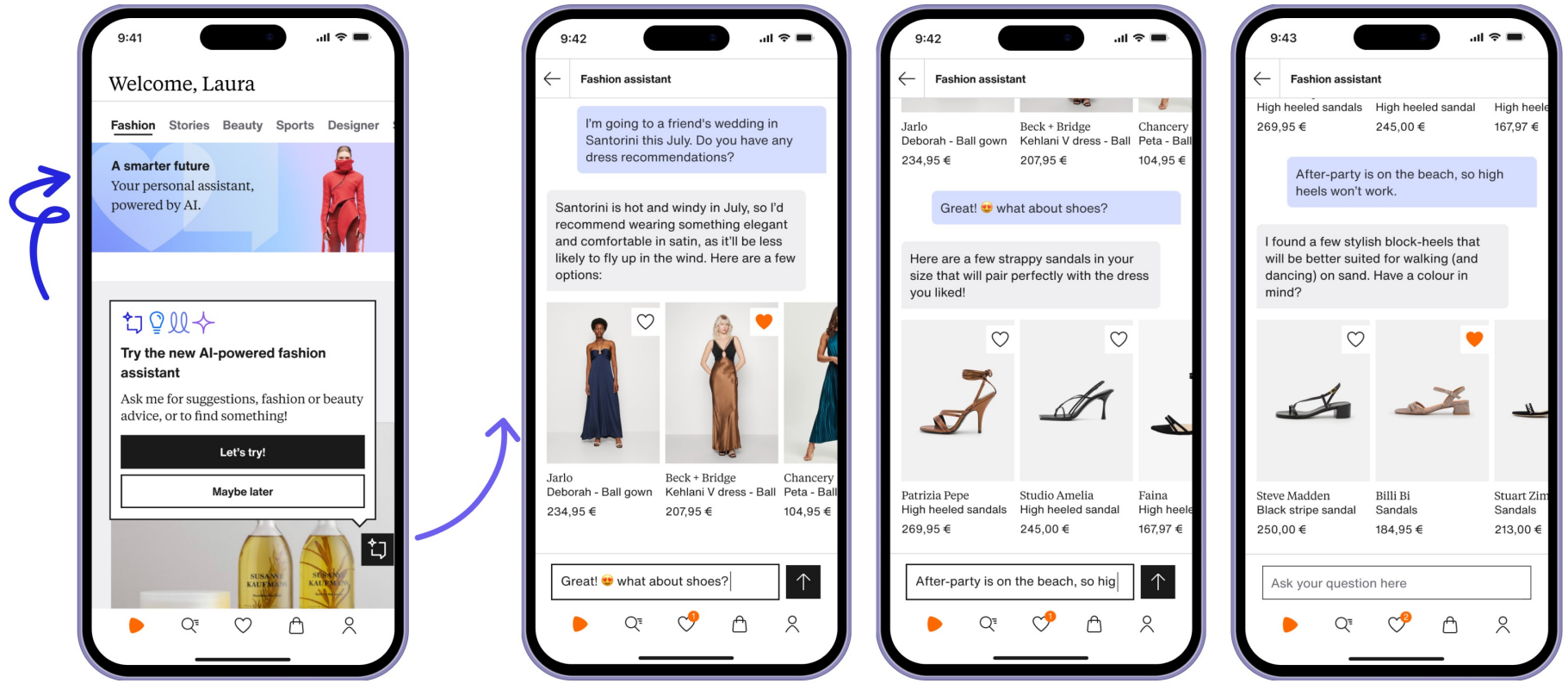
- **No discrimination**: Treat EU consumers equally regardless of location.
- **No geo-blocking**: Allow access to goods and services across the EU.
- **Price transparency**: Clearly display prices and any additional costs – includes last 30 price policy.

EU Cookie Law:

- **Informed consent**: Get user permission before using non-essential cookies.
- **Clear information**: Explain what cookies are used and for what purpose.
- **User control**: Allow users to manage their cookie preferences and withdraw consent.

Appendix #28

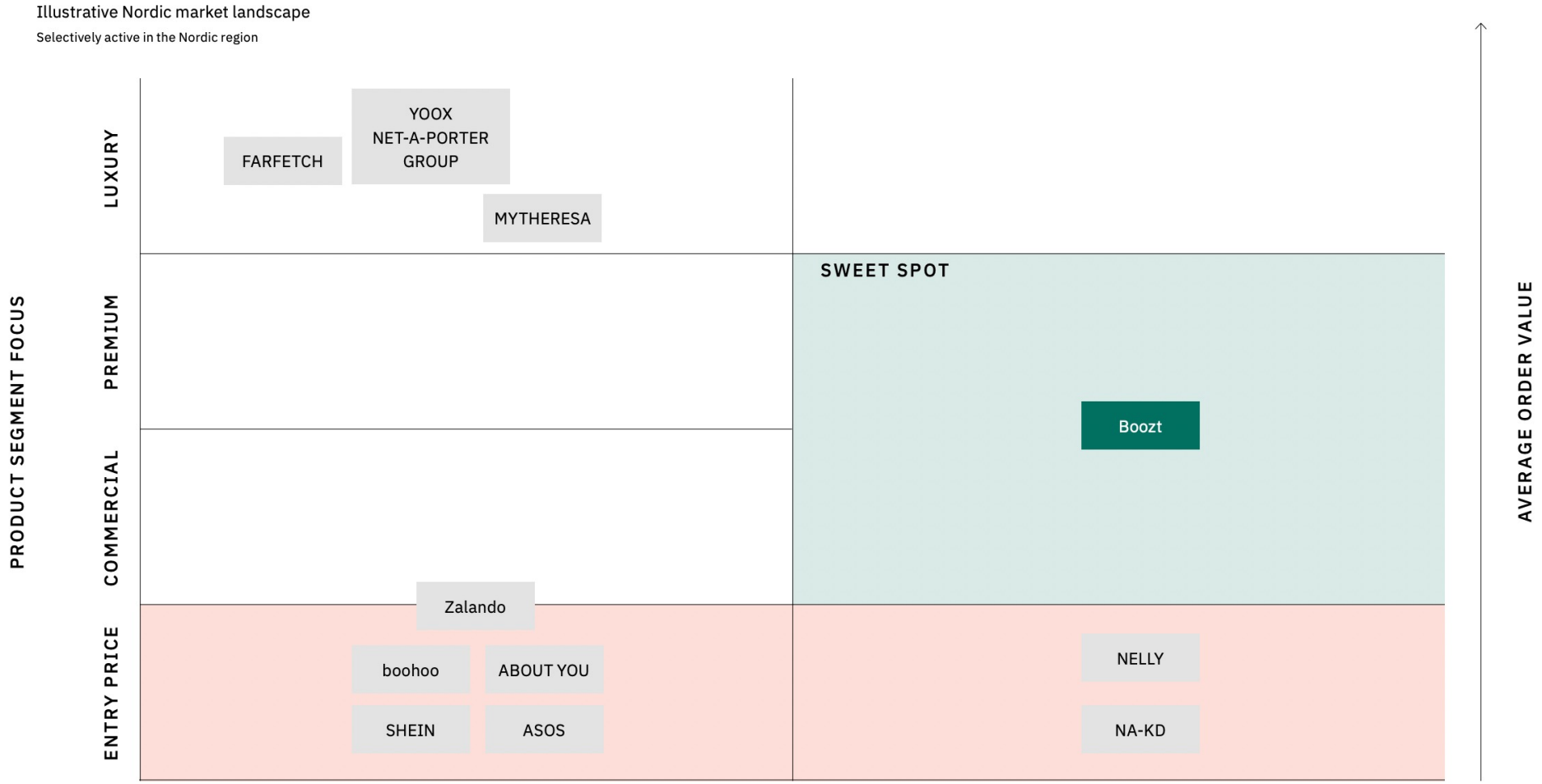
Zalando's ChatGPT powered fashion assistant



1 year+ partnership and development efforts with OpenAI

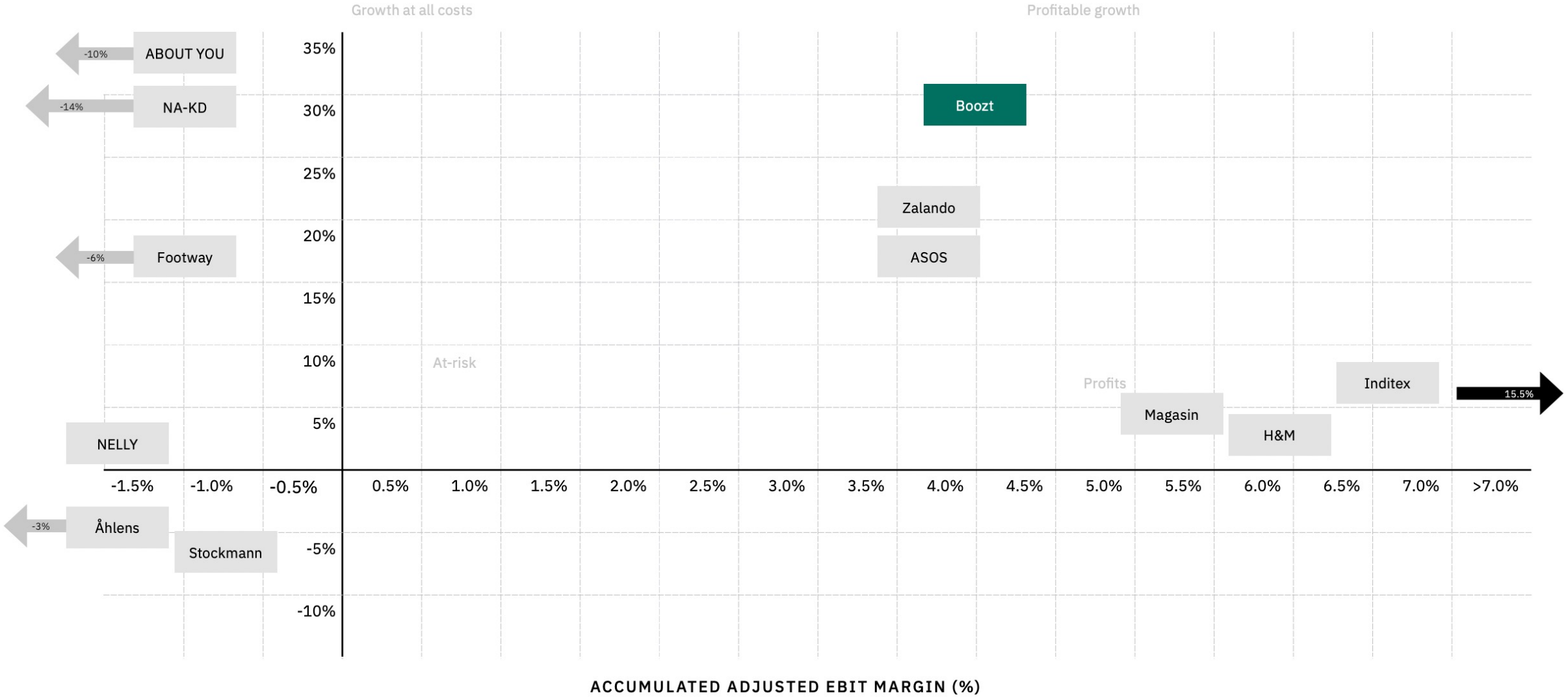
Appendix #29

Unique positioning key to sustainable growth and leading margins



Appendix #30

Balancing profitable growth since 2017. CAGR and accumulated adjusted EBIT 2017-2022



Appendix #31

Why reviews are not reliable to increase sales by 40% by 2027

The questionable authenticity of reviews:

- Fake reviews abound, often written by bots or incentivized reviewers, making them unreliable indicators of true product quality or customer experience.
- Reviews can be manipulated, making them potentially misleading and undermining trust in their overall value.

Subjectivity of reviews:

- Personal opinions and preferences heavily influence reviews. What one customer loves, another might dislike, making them an inconsistent metric for decision-making.
- Customer expectations vary, and a review might reflect unrealistic standards that are difficult for a company to address.

Limited scope:

- Reviews often focus on the post-purchase experience, failing to capture pre-purchase factors that drive customer decisions.
- Reviews neglect the broader customer journey and don't address issues like website navigation, pricing, or delivery which are key to the overall customer experience.

There are bigger areas to focus on that can make a bigger impact!: