



## Catella: Consolidation is coming to Europe's retail sector

At present, there are some 590 million square metres of retail space in Europe. A never-ending stream of technological innovations is giving digitalisation an increasingly prominent position in our everyday lives. This is having tremendous effects on shopping activities, and Catella predicts a loss of 10% of retail space in Europe by 2030.

Future technological innovation and the societal impact of digital natives will radically alter the definition of shopping between now and 2030. Customer focus, transparency, festivalisation and window shopping will be the focal issues. These are some of the conclusions from Catella's analysts in the recent Market Tracker June 2016.

"It is undeniable that digitalisation and demographic changes will transform patterns of demand and result in a reduction of total retail floorspace. While the situation is still unclear, the spread of augmented reality technology will permit retailers to use interactive video walls and connected devices to transform the pedestrianised zones of city centres into large areas for communication and, by extension, into retail spaces, giving retailers an opportunity to approach customers in an individualised way," says Dr. Thomas Beyerle, Head of Group Research at Catella.

These structural changes alter the location requirements of retailers, which in turn means that new or altered concepts must be constantly provided. In summary, highly developed markets with considerable per-capita levels of retail space and relatively low productivity are at a comparatively high risk of experiencing contraction. Such markets include Germany (1.46 sq.m. per capita), the Netherlands (1.62 sq.m. per capita) and Austria (1.74 sq.m. per capita). Catella predicts that by 2030 Europe will have some 510–550 million sq.m. of retail space – a reduction of around 10% in total. Retail parks and discount stores, in particular, will face a substantial decrease in total floor space. On the other hand, pop-up shops and hypermarkets will be among the winners from this structural change. Rural areas will also come under increasing pressure, while the centres of shop-based consumption will retain their basic function but their appearance will change.

The Catella Market Tracker – Europe's Retail Sector 2030 is now available at [www.catella.com/research](http://www.catella.com/research).

**For more information, please contact:**

Dr. Thomas Beyerle  
Head of Group Research  
+49 69 310 19 30 220  
[thomas.beyerle@catella.de](mailto:thomas.beyerle@catella.de)

**Press contact:**

Ann Charlotte Svensson  
Head of Group Communications  
+46 8 463 32 55, +46 72 510 11 61  
[anncharlotte.svensson@catella.se](mailto:anncharlotte.svensson@catella.se)