



# Press release

## Non-food retail in Europe down 3 percent

June 21, 2021

Thomas Muranyi  
Geomarketing  
T +49 7251 9295 280  
[thomas.muranyi@gfk.com](mailto:thomas.muranyi@gfk.com)

Julia Richter  
Public Relations  
T +49 911 395 4440  
[public.relations@gfk.com](mailto:public.relations@gfk.com)

### GfK study examines key retail indicators for Europe

Nuremberg, Germany, 21. Juni 2021 — Although the year 2020, marked by COVID-19, posed immense challenges for retailers, the trade in fast-moving consumer goods was able to benefit from the fact that public life was shut down during the lockdowns. The 27 EU countries recorded an average sales growth of 5.5 percent. By contrast, there were losses in the non-food retail sector, which saw sales decline by 3.0 percent across the EU. These are recent findings published today by GfK in a new and comprehensive study on retail in Europe.

The largest declines in sales of non-food goods were recorded in Italy (-11.6 percent), Spain (-11.0 percent) and Cyprus (-10.8 percent). Retail trade related to clothing and footwear in particular dropped in many countries, in some cases by more than 20 percent. In the Netherlands, on the other hand, the non-food retail sector as a whole grew significantly (+6.2 percent). Unlike in many European countries, the retail sector here was not closed during the first wave of infection, and online retail saw comparatively strong growth. In Lithuania (+7.7 percent) and Denmark (+6.2 percent), sales of non-food items were also significantly higher in 2020 than in the previous year.

“The Corona pandemic initiated or accelerated many developments that will also shape chain store retail in the long term,” **explains study director Dr. Johannes Schamel.** “The online retail sector is already very established in many regions of Europe. However, especially in the retail of technical consumer goods, omnichannel retailers are growing more rapidly than pure online retailers. In addition, retail in city centers needs to adapt even more to keep up, as evidenced by the trend in visitor frequencies in this year's study focus country Germany.”

In the free [retail study](#), GfK's Geomarketing solution area evaluated key market indicators for 2020 and their impact on European retail. The study

GfK SE  
Sophie-Germain-Straße 3 – 5  
90433 Nürnberg  
Deutschland

T +49 911 395 0

Management:  
Peter Feld (CEO)  
Lars Nordmark (CFO)

Chairman of the supervisory  
board:  
Thomas Ebeling

Commercial register:  
Nürnberg HRB 25014

includes a comprehensive analysis of trends in several European countries, offering a valuable point of reference for retailers, investors and project developers.

### **Overview of the study's most important insights**

**Purchasing power:** Among the 27 EU countries, Spain, Italy, and Cyprus recorded the largest declines in income, as the long lockdown periods and also the economy's dependence on tourism hit especially hard here. Hungary, where significant income gains had been reported in previous years, also saw large declines in 2020, with the weak development of the Hungarian forint playing a key role.

**Retail turnover:** FMCG retail sales in the EU-27 countries grew by 5.5 percent in 2020. This is due in part to food consumption being shifted to private homes due to closed canteens, restaurants and general curfews. The strongest increases were in Germany (+12.4 percent), Ireland (+10.3 percent), Austria (+8.4 percent), and Luxembourg (+8.0 percent). By contrast, non-food retail sales fell by 3.0 percent across the EU.

**Retail turnover share of private consumption:** Contrary to the previous long-term trend, the retail turnover share of private consumption in the 27 EU countries increased significantly in 2020. On average, EU residents spend 35.5 percent of their consumer spending in the retail sector. The retail sector continues to account for the highest shares of consumer spending in Croatia (50.9 percent) and Hungary (53.3 percent).

**Inflation:** As inflation was just 0.7 percent in 2020, due in part to the sharp drop in oil prices, the inflation rate is expected to rise to 1.9 percent in 2021. The rise in inflation is expected to be particularly pronounced in Germany, where the temporary reduction in value-added tax expired at the beginning of the year. Here, prices are expected to rise by 2.4 percent in 2021, compared to 0.4 percent in the previous year.

**Retail of technical consumer goods:** In twelve Western European countries, almost 40 percent of sales of technical consumer goods were made online in 2020. The biggest winners were click-and-mortar retailers. They increased their online sales by +60 percent – much more than pure online retailers (+36 percent) – and now account for over 50 percent of all online sales for the first time.

### **About the study**

GfK analyzed purchasing power, retail turnover and the retail share of consumers' total expenditures for 2020 in Europe. Special chapters also take a closer look at the retail sector for technical consumer goods in Europe, the regional online potential in Austria and the United Kingdom, and the development of visitor frequencies in this year's focus country Germany. GfK's calculations of



turnover and purchasing power were carried out in euros and reflect the values as of the copy deadline of May 2021.

The study is available as a free 20-page PDF in English at <http://www.gfk-geomarketing.com/european-retail> and in German at [www.gfk-geomarketing.de/handel-europa](http://www.gfk-geomarketing.de/handel-europa).

**Print-quality images**

can be found [here](#).

**Additional information**

on GfK's regional market data can be found [here](#).

**GfK. Growth from Knowledge.**

For more than 85 years, customers worldwide have trusted us by supporting them in business-critical decision-making processes around consumers, markets, brands, and media. With our trusted data and insights, combined with advanced artificial intelligence, we have revolutionized access to real-time, actionable recommendations that increase the marketing, sales, and organizational effectiveness of our customers and partners. This is how we promise and deliver — **Growth from Knowledge**.