



Press Release

Retail in Europe up 6.8 percent

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Thomas Muranyi
Geomarketing
T +49 911 395 4928
thomas.muranyi@gfk.com

Eva Böhm
Public Relations
T +49 911 395 4440
public.relations@gfk.com

GfK study examines key indicators of the European retail sector

Nuremberg, Germany, June 15, 2022 – After the retail sector in the 27 EU states recorded a turnover increase of 1.5 percent in the first COVID-19 year 2020, sales could increase significantly by 6.8 percent in 2021. The highest growth rates were in smaller Eastern European countries such as Lithuania (up 17 percent), Slovenia (up 16 percent) and Estonia (up 13 percent). Larger markets such as France, Spain and Italy also all recorded retail growth rates of over 7 percent. This is shown by the new study on retail in Europe, in which GfK examines important key indicators.

The strong sales performance of the retail sector is due in particular to the non-food segment, which grew by double digits in the majority of countries in 2021 and even exceeded 20 percent in some countries, such as Slovenia. The strong turnover growth in 2021 is mainly attributable to the weak 2020 numbers, when the pandemic had an even tighter grip on European countries, consumers were much more unsettled, and non-food retailers had to deal with a double-digit decline in sales in some cases.

“Despite the pandemic and a difficult market environment, the past two years have been quite successful overall for retailers from a sales perspective,” **explains study lead Dr. Philipp Willroth.** “However, city center-relevant retail, especially sectors such as clothing, footwear or jewelry, is still suffering badly in many European countries. This is because online retail is gaining more and more ground, especially in high-growth regions in Europe, which is why new digital offerings will also have to be tested in city center retail in the medium term.”

GfK SE
Sophie-Germain-Strasse 3 – 5
90443 Nuremberg
Germany

T +49 911 395 0

Executive Board:
Lars Nordmark (Interim CEO)
Joshua Hubbert

Chair of the Supervisory Board:
Thomas Ebeling

Commercial Register:
Nuremberg CRB 25014

In the free [European retail study](#), GfK's Geomarketing division examined the key indicators of the European retail sector for the year 2021. The study offers comprehensive trend analyses for numerous European countries, offering a valuable point of reference for retailers, investors, and project developers.

Additional key results at a glance

Purchasing power: The nominal purchasing power of EU citizens grew by an average of 2.4 percent in 2021. After many non-euro countries such as the Czech Republic, Croatia and Norway had to contend with reduced purchasing power in 2020, which was also due to exchange rate effects, many of these countries were able to benefit from both better macroeconomic development and a strengthening of their national currencies. Accordingly, purchasing power in 2021 grew by more than 5 percent in each of the first two countries, and by over 8 percent in Norway.

Share of retail turnover in private consumption: Despite lockdowns and access restrictions, the retail sector in the EU increased its share of private consumer spending to 35.8 percent. Compared to 2019, before the pandemic, this means retailers gained 3.1 percentage points. Especially in Lithuania and Estonia, the retail turnover share of private consumption gained the most compared to 2019, namely by at least 5.3 percentage points. But also the major EU markets of Germany, France, Spain and Italy increased between three and four percentage points.

Inflation: After inflation already was 2.9 percent in 2021, EU-wide inflation is expected to rise to 6.8 percent in 2022 due to high energy prices and the war in Ukraine. The price increase is particularly significant in many Eastern European countries. For example, consumer prices in Lithuania, Estonia, Bulgaria, the Czech Republic and Poland are expected to grow at double-digit rates.

Future buying: In Western Europe, the range of products available for retail purchases via augmented or virtual reality is very limited and varies greatly from country to country. For example, Spain and the United Kingdom are Western European leaders, while the German-speaking countries lag behind in this area.

Regional online purchasing behavior: In the countries bordering the Mediterranean Sea, Sweden and Switzerland, there is a clear urban-rural contrast. In these states, the online-savvy population tends to be found in large cities and metropolitan areas, while the rural population tends to be more focused on brick-and-mortar retail. In Germany, Austria, the Netherlands, Belgium, and the United Kingdom, higher index values are sometimes found in smaller municipalities.

About the study

For the year 2021, GfK analyzed the following key figures for Europe: Purchasing power, retail turnover, the retail share of consumers' total expenditures as well as consumer price trends in 2021 and 2022. Special chapters also take a closer look at the topic of "Future buying" and regional online



purchasing behavior in some European countries. GfK's calculations of turnover and purchasing power were carried out in euros and reflect the values as of the copy deadline of May 2022.

The PDF version of the study is available free of charge in German at www.gfk-geomarketing.de/handel-europa or in English at www.gfk-geomarketing.com/european-retail.

Images

Print-quality images can be found [here](#).

Additional information

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

Media contact: Eva Böhm, phone +49 911 395 4440, public.relations@gfk.com

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