



From shopping centre renovations to flagship stores in prime locations: Retail is returning to physical spaces to meet modern consumer demands

Shopping patterns, marked by omnichannel and the value of the on-site experience, are driving the volume of sales in physical shops, reporting a boom in the profitability of this asset

The District will host experts from Unibail-Rodamco-Westfield, Atitlan, Keys Reim, and Deloitte, who will discuss investment opportunities in European retail during a period of less cautious consumer spending

Barcelona, August 20, 2024 - Retail is in a period of readjustment following the rapid expansion of ecommerce in recent years. The impact of the pandemic led to a huge boom in e-commerce, calling into question the value of the physical shop and the customer experience. However, recent studies point to a convergence between face-to-face and online shopping in terms of the habits of today's consumers. In this regard, almost 30% of online shopping processes in 2023 culminated in physical spaces, evidencing the growing preference for omni-channel shopping. This trend is inducing investors to take an interest in retail assets, which are also being boosted by the economic recovery and their revaluation.

In this sense, private equity and family offices are the ones who are betting the most on the asset in the EMEA region, promoting new openings in the main streets and revitalising shopping centres and parks. With a view to evaluating this renewed asset, [The District](#), the largest European real estate meeting designed by and for capital, which will take place **from 25 to 27 September in Barcelona, Spain**, will bring together experts such as **Daniel Wagensberg**, Asset Manager at the real estate management company, Keys Reim, and **Agustín Pérez**, Investment Director at Atitlan, who will provide answers to the key retail issues for this new year, when the market is expected to intensify due to the favourable financial situation and the increase in end consumer spending.

The transformation of shopping centres and retail parks

The shopping centre segment has registered significant growth in the first half of 2024, with a nine-fold increase in investment compared to the same period in 2023, with close to €750 million transacted, as indicated by JLL. The reason why capital is looking towards this type of asset, according to analysts, is because of the opportunity it offers between risk and return and the ease with which it can be financed. On the other hand, the renovation and reforms that are being carried out in the field of shopping centres to provide a comfortable experience, with more services and oriented towards sustainability, induce a boom in visits to this type of space, and consequently, an increase in the disbursement on purchases. In fact, according to data from JLL, at least 10% of the stock of shopping centres in Spain will have been totally or partially refurbished by 2023, with this option gaining weight over new developments.



This resurgence and transformation of shopping centres will be discussed at The District by **Carlos Homet**, Country Manager Spain at Unibail-Rodamco-Westfield; and **Rafael Cebolla**, Founder of Grupo Batuta, a leader in the leisure and restaurant industry, who will examine successful redevelopment projects and explore investment options in the shopping centre category.

At the same time, retail parks have also shown a remarkable evolution, adapting to new consumer trends that seek friendlier and more open environments. During the pandemic, these areas recovered quickly thanks to their convenience and accessibility. Experts such as **Ignacio Herrero**, Manager Strategy, Risk & Transactions - Real Estate at Deloitte Spain, will discuss how parks have overcome challenges and capitalised on opportunities, supported by an encouraging performance during and after the pandemic.

In this same context, the Association of Shopping Centre Owners (APRESCO) will attend The District to present the second report of the Observatory of the sector, which provides an assessment of the state of shopping centres and parks. **Ángel del Monte**, the organisation's CEO, will present the figures of the new study, which in the previous edition pointed to the positive momentum of the segment in which, during the first quarter of 2024, sales increased by 7.9%, footfall by 2.8% and the average occupancy of the premises reached 94.4%.

High Streets: The opportunity of the moment

The main shopping streets of major cities, known as High Streets, are another location that is attracting the attention of EU investors due to the propensity of large international firms to open flagship stores in prime areas, where there is a higher footfall. As a result, demand for this asset class is boosting rental yields, which are expected to increase by 3% on average in Europe by 2024, a trend that will continue and even be exceeded in the most sought-after areas of locations such as Paris, Zurich and London.

The District World Summit 2024 will bring together experts in the High Street sphere, including **Anne O'Shaughnessy**, Associate Principle at Portland Design, to discuss how to revitalise urban retail spaces and attract consumers.

In addition, retail investment projections for 2025 will be analysed in depth, focusing on emerging trends and growth alternatives. As part of this analysis, effective strategies for portfolio diversification through a preference for retail locations will be highlighted, especially in an economic context where other asset classes, such as offices, are facing greater challenges. This meeting will not only provide specific insights into the future of retail but will also provide a platform to discuss how investors can optimise their portfolios to mitigate risks and maximise returns in a constantly evolving market.

About The District (September 25-27, Barcelona): is the largest European event dedicated to Real Estate from an investment perspective. The summit has a Hospitality area and a content program in The District World Summit 2024, the global reference congress on capital structures in the real estate industry, which has 5 auditoriums. It is the main meeting forum where the different Real Estate agents who are looking for opportunities and new real estate projects that drive urban transformation meet with the aim of designing the future of the sector in Europe. The District is an event organized by NEBEXT - Next Business Exhibitions.