

Intelligent Investment

# European Retail Market Summary

REPORT

H1 2025

CBRE RESEARCH  
SEPTEMBER 2025



# Executive Summary

CBRE collects key performance indicators (KPIs) from many of the Continental European retail assets we manage. With these insights, we are in a strong position to understand retail performance and proactively manage and lease our assets. We have produced the European Shopping Centres Performance Index since 2021. In this report, we explore the key findings for H1 2025.

The European retail sector continued its recovery, marked by modest growth across key performance indicators. Overall, the first half of 2025 reflects a stabilising retail landscape, with selective asset types and sectors driving performance. While challenges remain, particularly around consumer confidence and product category-specific volatility, the market continues to show signs of adaptability and strength.

## Key findings:

- 01** Visitor numbers grew by 1% YoY, with a slow start in Q1 followed by stronger momentum in Q2 2025
- 02** Sales performance mirrored footfall trends, rising by 2% YoY. Inner-City and Experience shopping centres led this growth at 3% YoY each
- 03** The vacancy rate dropped to 5.6%, slightly below the 2024 level

145

Analysed retail assets in 12 European countries

4.6

Million sq m of total retail space

Source: CBRE European Shopping Centres Performance Index

Figure 1: Visitors and sales development vs 2019



## Asset types – shopping centres:

### Experience

Regional shopping centres with optimal size, commercial mix, and leisure to attract customers within a one-hour drive. Absolute leaders in their primary, secondary, and tertiary areas.

### Mall

Centres outside the inner city, mainly standalone schemes with a local function. The centres are autonomous shopping destinations with full-service offerings. The offerings (retail mix, services, parking etc.) and the quality of the offerings depend largely on the size of the centre.

### Inner-City

An all-purpose shopping centre that could be either closed or open air. The offer typically includes fashion, apparel, shoes, home furnishing, luxury, etc.

# Visitors

In the first half of 2025, European retail assets recorded modest 1% YoY growth in visitor numbers. The performance was uneven across quarters, with the first quarter slightly declining by -0.1% YoY, followed by a rebound in the second with 2.3% YoY growth. This fluctuation was partly influenced by the seasonal shift of the Easter holiday, which fell across March and April, boosting footfall particularly in April (by 3.5% YoY). The momentum continued in May with growth reaching 2.8% YoY.

This dynamic of both quarters was consistent across all asset types. Each category recorded a YoY increase, though the pace of growth varied. Retail Parks continued to outperform, with a 4% increase, maintaining their position as the most resilient asset type. Experience shopping centres followed with a 1% rise, while Inner-City shopping centres and Malls saw only marginal growth of 0.1% and 0.3%, respectively.

Retail Parks were the only asset type to exceed their 2019 performance, with an 8% increase, while Experience shopping centres came close, trailing by just 1%. These results reaffirm the continued consumer preference for convenience and variety, with Retail Parks and Experience centres leading the way in recovery and engagement.

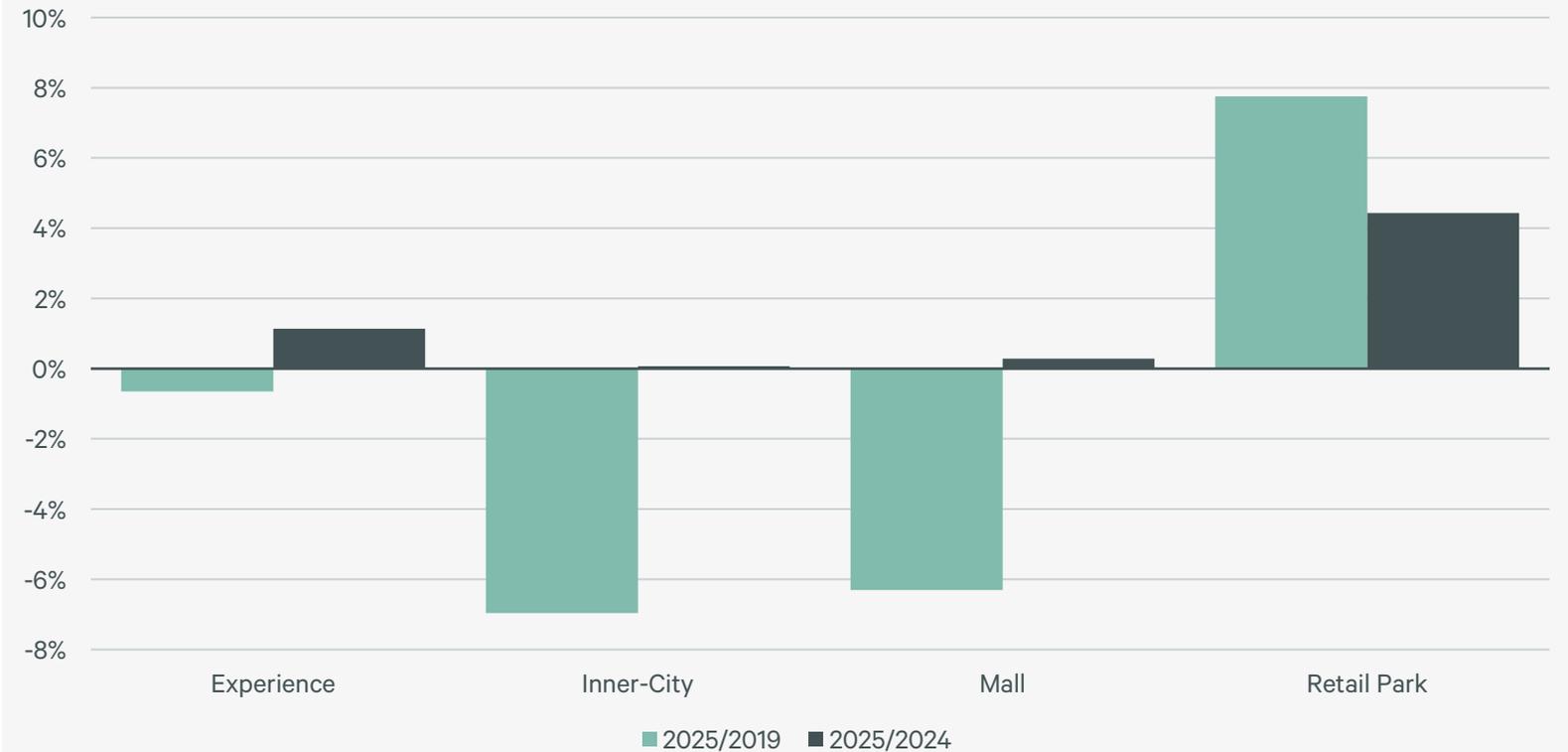
**-3.5%**

Decrease in visitor numbers in H1 2025 compared with H1 2019

**1%**

Increase in visitor numbers YoY in H1 2025

Figure 2: Visitors' development in selected asset types



Source: CBRE European Shopping Centres Performance Index

# Sales

In the first half of 2025, European retail assets recorded a 2% YoY increase in sales, continuing the upward trend seen in recent periods. Despite a persistent disconnect between consumer confidence and spending, sales remained resilient, though uneven across quarters. The year began with a sluggish Q1, showing only 0.1% YoY growth, followed by a stronger Q2 performance, where sales rose by almost 4% YoY. This pattern mirrored the visitor dynamics, suggesting that seasonal factors and promotional activity play a role in stimulating consumer engagement.

Among asset types, Inner-City and Experience shopping centres led the growth, each recording a 3% YoY increase, maintaining the momentum built at the end of last year. In contrast, Retail Parks fell short of expectations, with only 0.4% YoY growth, marking a slowdown compared to their previously strong performance.

From a sector perspective, Leisure was the standout performer, achieving 9% YoY growth, supported across all subsectors. Other notable contributors to overall growth included Household & Furniture, Food & Beverage, and Fashion, particularly driven by stronger Q2 results. On the other hand, Sports experienced a decline of 2% YoY, making it the only sector with a negative performance. Services remained flat, while Specialty Retail showed signs of slowdown, largely due to no growth in the Health & Beauty category, which had previously been a key driver.

14%

Increase in sales in H1 2025 compared with H1 2019

2%

Increase in sales YoY in H1 2025

Figure 3: Sales development in selected asset types (YoY)

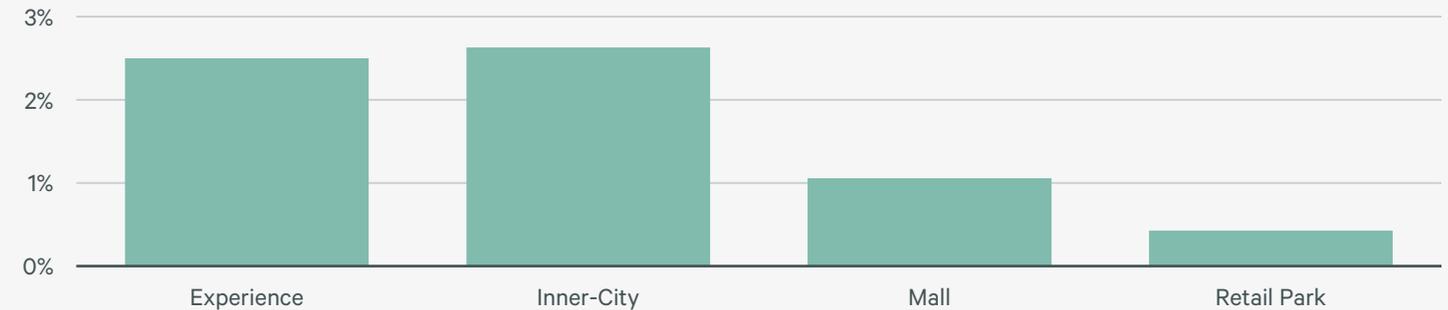
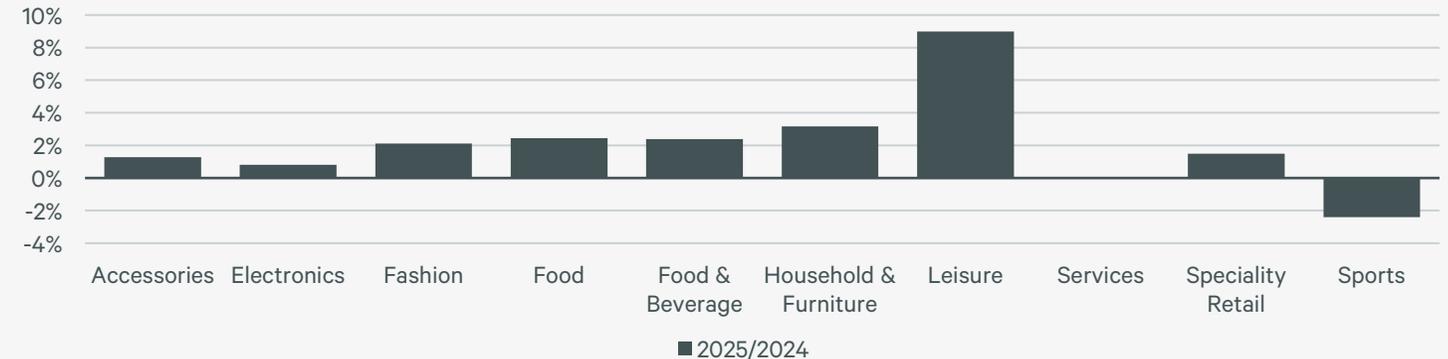


Figure 4: Sales development by sector (YoY)



Source: CBRE European Shopping Centres Performance Index

## Rents and service charges

In the first half of 2025, European retail assets recorded modest growth in both rents and service charges, each increasing by 1.5% YoY. This reflects a stabilising trend across the market, with growth largely driven by indexation rather than new leasing activity. Retail Parks stood out as the only asset type where rental growth was supported by both indexation and new lease agreements, indicating continued demand and leasing momentum. In contrast, shopping centre formats – including Experience, Inner-City, and Malls – saw rental increases primarily driven by indexation, with limited contribution from new deals.

A similar pattern was observed in service charges, where Retail Parks again led with a 5% YoY increase. Other asset types saw more moderate changes, reflecting the general trend of costs stabilising across most retail assets – including energy, maintenance, and operational expenses.

### Vacancy rate

Following a typical seasonal increase in Q1 2025, the average vacancy rate declined below the 2024 level, reaching 5.6%. This reduction reflects a stabilisation in tenant activity and a gradual absorption of vacant space across the portfolio. A particularly notable improvement was recorded in Inner-City Shopping Centres, where several assets had previously been impacted by ongoing refurbishments.

1.5%

Increase in rents YoY, H1 2025

5.6%

Average vacancy rate, H1 2025

Figure 5: Rents and service charges development in selected asset types (YoY)

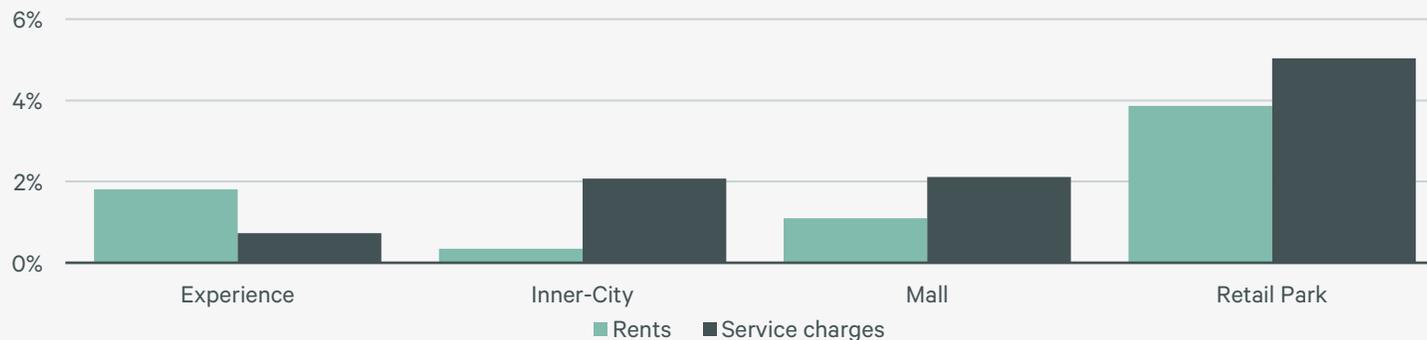


Figure 6: Vacancy rate development in selected asset types

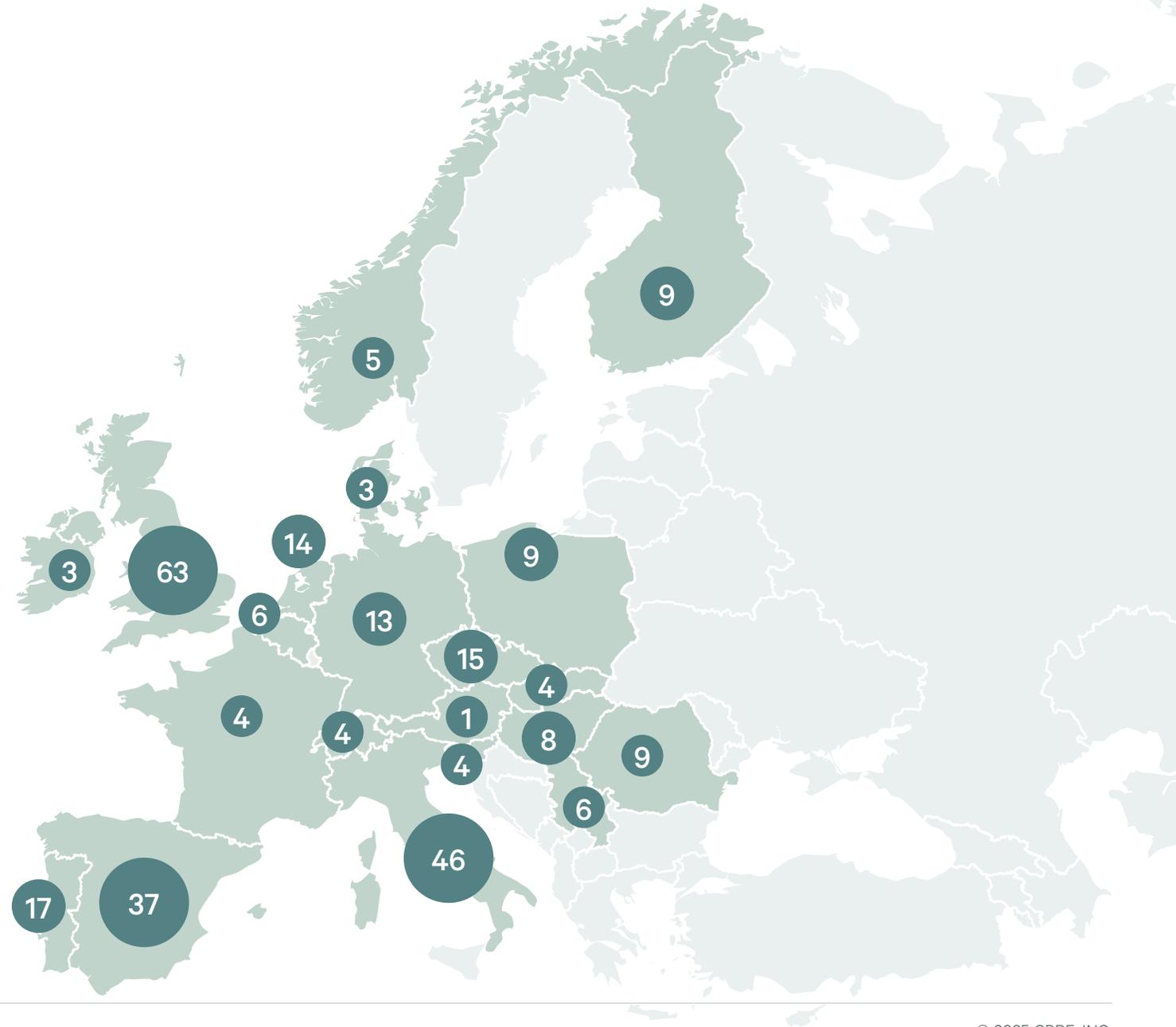


Source: CBRE European Shopping Centres Performance Index

# European portfolio

CBRE manages 280 shopping centres above 10,000 sq m, with 8 million sq m across Europe and a presence in 21 countries.

● Managed assets >10,000 sq m



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