

# AT A GLANCE

## Q4 2021

# POLAND'S MODERN RETAIL MARKET\*

## HIGHLIGHTS 2021

- Speedy return of customers to shopping centres following lockdowns
- Retail parks and convenience centres as a recipe for the pandemic
- E-commerce on the steady growth path
- Tesco leaving Poland a gate to remodelling assets
- Sustainable development and the "zero waste" trend means to face the environmental challenge

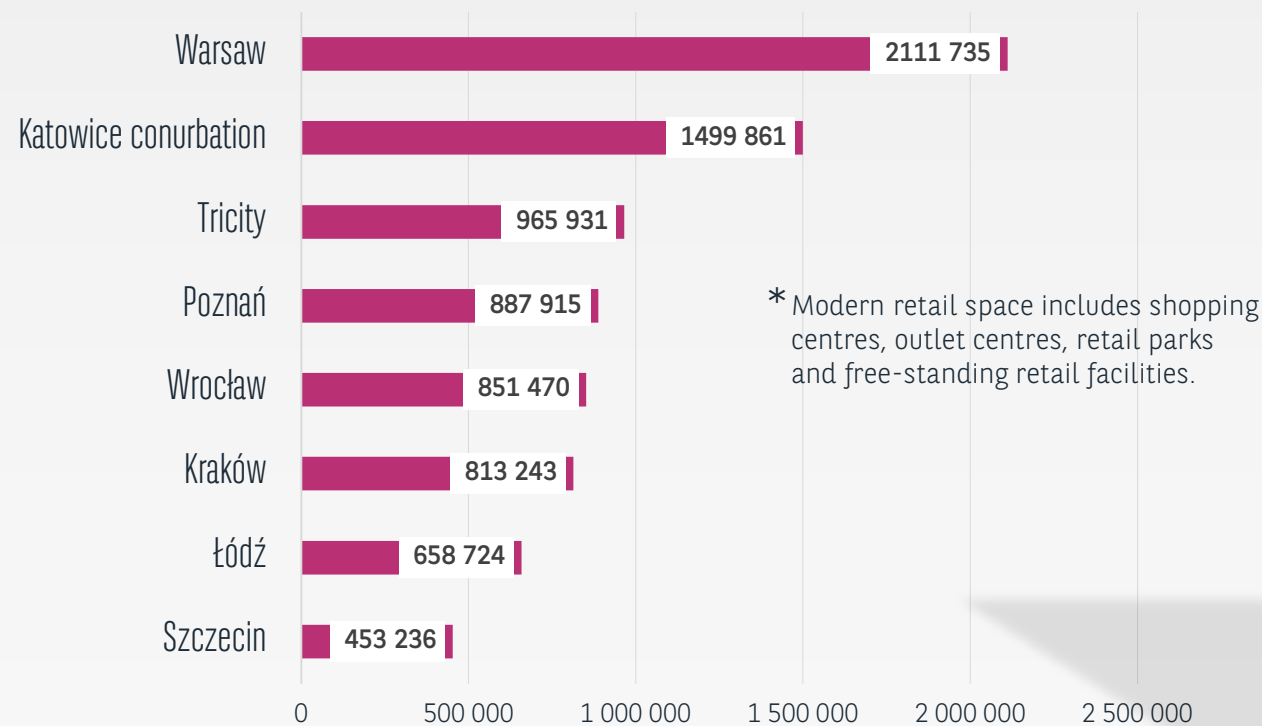
### TOP 3 OPENINGS

1. Galeria Andrychów (23,260 sqm, Acteeum/Equilis)
2. S1 Center Lipnik (15,200 sqm, Saller)
3. Leroy Merlin Łódź – former Tesco (15,000 sqm, Leroy Merlin)

### TOP 3 UNDER CONSTRUCTION

1. Karuzela Kołobrzeg (30,000 sqm, Karuzela Holding, Q4 2022)
2. Leroy Merlin Połczyńska Warsaw – former Tesco (30,000 sqm, Leroy Merlin, Q1 2022)
3. Galeria Bawelnianka (23,000 sqm, Gbb Invest, Q3 2022)

## Modern retail stock\* in major agglomerations



\* Modern retail space includes shopping centres, outlet centres, retail parks and free-standing retail facilities.

Source: BNP Paribas Real Estate Poland



nearly **15.4 M sqm**  
EXISTING RETAIL SPACE

**93%**

AVERAGE SHOPPING CENTRE  
FOOTFALL

(PRCH: December 2021, as regards figures for 2019; Monday-Saturday)

**9.1%**

ANNUALIZED SHARE OF  
ONLINE SALES  
IN TOTAL RETAIL SALES

(Statistics Poland: December 2021)

**165,000 sqm**  
NEW SUPPLY Q4

**290,000 sqm**  
SPACE UNDER  
CONSTRUCTION

(to be delivered to the market by the end of 2022)

## Economic forecasts for 2022

			Trend	Change y/y
	GDP	4.5%	↓	↓
	Unemployment rate	5.3%	↓	↓
	Private consumption	5.0%	↓	↓
	Wages in enterprise sector	7.6%	↑	↑
	Inflation (CPI)	8.5%	↑	↑

Source: BNP Paribas, as of the end of December 2021, average in quarters (% 2020/2021)

”The retail market passed its exam in 2021

An optimistic phenomenon that we observed in 2021 was the rapid return of customers to shopping centres. Although customers returning to them after lockdown periods visited them less frequently, their shopping basket was larger. This means that consumers went with the intention of making specific purchases, not just spending their free time there. Nevertheless, the condition of shopping centres segment, the biggest ones in particular, at the end of year was promisingly well. However, the outright winner in pandemic times, is the retail parks segment, the development of which, has significantly accelerated during this period. From the beginning of the pandemic, facilities of this type have recorded higher footfall than shopping centers, by an average of several percentage points. With the long-term effects of the pandemic remaining still unknown, the importance of smaller convenience centers and retail parks is growing. Consumer interest and a large number of facilities under construction or at an advanced stage of planning confirm this trend. Currently, over 170,000 sqm of retail parks are under construction, of which over 70% planned for 2022.

## Expert comment



**Klaudia Okoń**

Consultant,  
Business Intelligence Hub & Consultancy

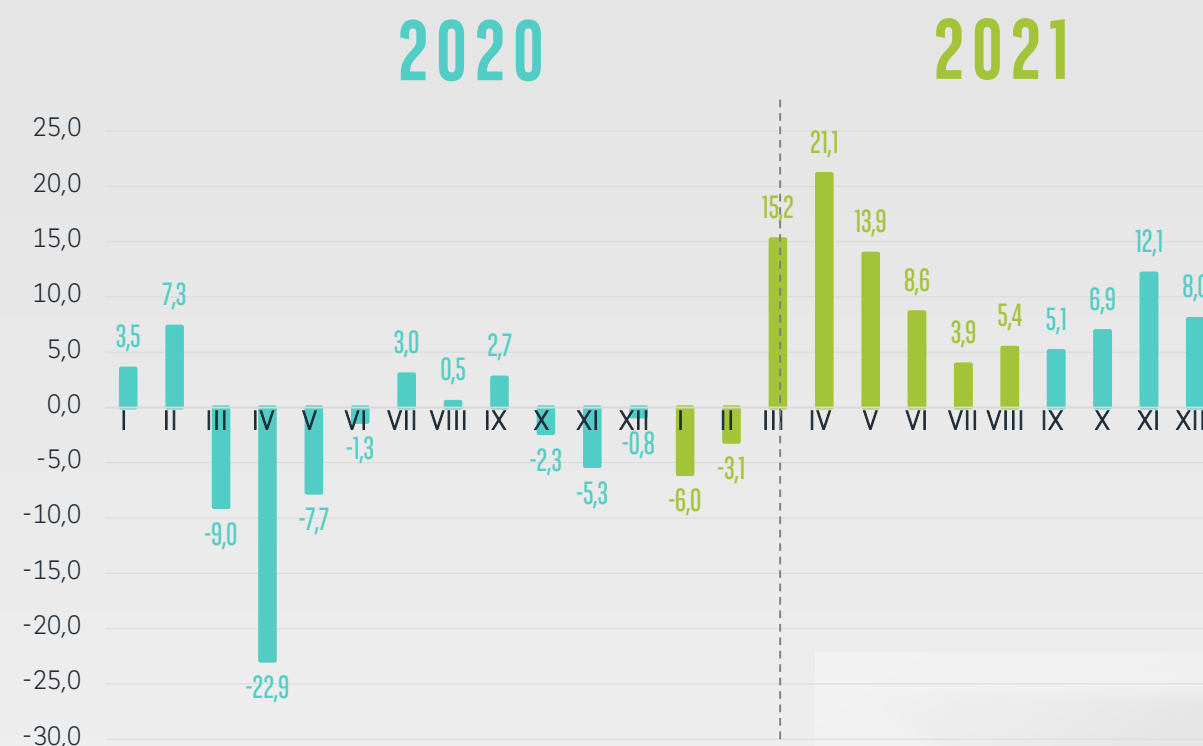
The slogan "zero waste" or giving a second life to products is becoming evident in Poland more and more significantly. These are not only new-generation second-hand stores appearing in shopping centers (e.g. the Vive Premium chain), but also IKEA, which now runs furniture rentals. The CCC brand is expanding its campaign "Give your shoes a second life". As part of the campaign, CCC customers have the opportunity to hand over a used pair of shoes of any brand. The company will ensure that all shoes are handled in a sensible manner. Some of them, will go to those in need, the rest will be safely utilized. While Decathlon, introduced a new concept in its shops - 2nd Life, which consists in selling products that have been given a second life.

## Retail sales

change % y/y 2020/2019  
and 2021/2020, at constant prices

# AT A GLANCE

## Q4 2021

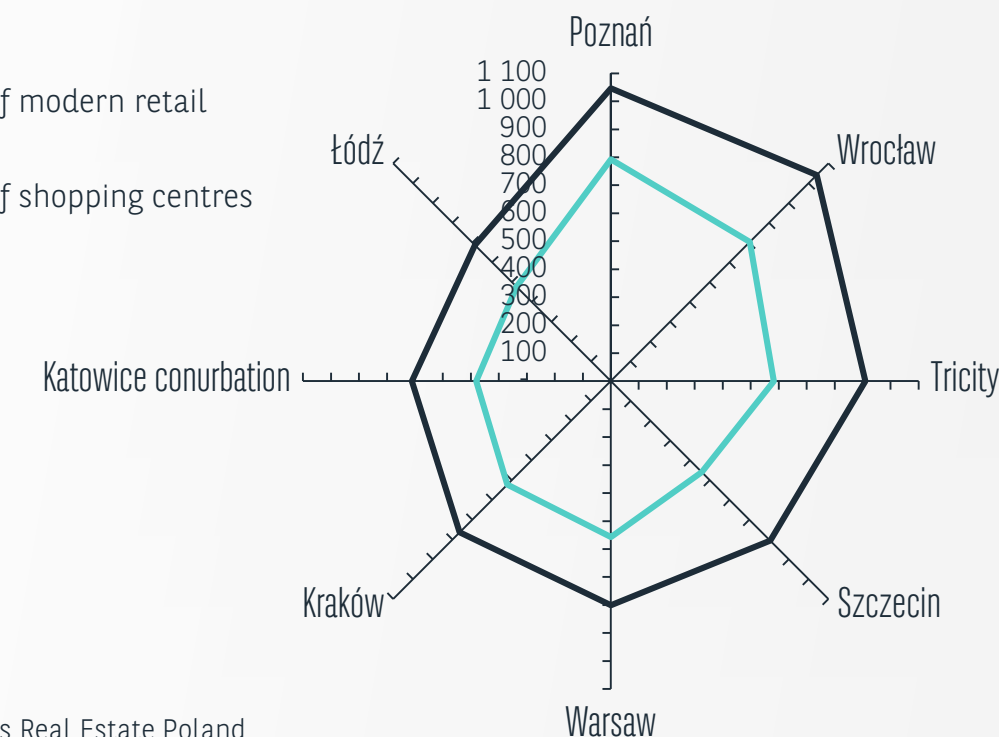


Source: Statistics Poland

## Density of modern retail stock in major agglomerations

(sqm of GLA/ 1,000 inhabitants)

— Density of modern retail space  
— Density of shopping centres

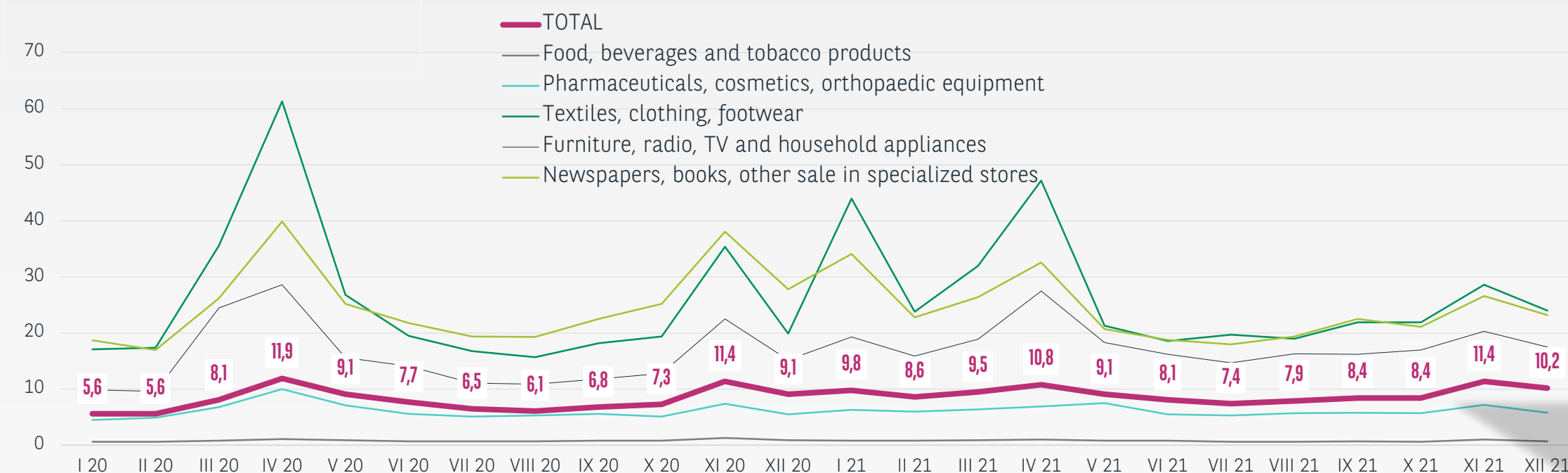


Source: BNP Paribas Real Estate Poland

For a long time, the highest rates of modern retail space saturation, have been noted in the Poznań and Wrocław agglomerations, where they are at the level of 1,047 sqm and 1,041 sqm per 1,000 inhabitants respectively, and the lowest is in the Katowice and Łódź conurbations, 711 sqm and 687 sqm per 1000 inhabitants respectively.

## Share of internet sales in retail sales

(in %; constant prices, 2020-2021)



Source: Statistics Poland

## Discount shops lead race for consumers.

The reason for the changes in Polish households' purchasing habits - aside from the increasing number of COVID-19 cases - is currently also galloping inflation. Over 70% of surveyed customers, declare that they shop for groceries at discount shops. Developers of retail parks and convenience centres have noticed the benefits of having a discounter on their list of tenants already some time ago. Smaller retail parks are focused on local customers, who tend to visit them regularly, that is why the main tenants are predominantly food or non-food discounters (so-called anchor tenants). This trend applies to both retail parks in major cities as well as facilities in smaller towns. Discount chains are more frequently entering shopping centres, the owners of which still a few years ago were quite reluctant to introduce economic brands to their operations. However today, they consider them as additional value to attract customers.

## Expert comment



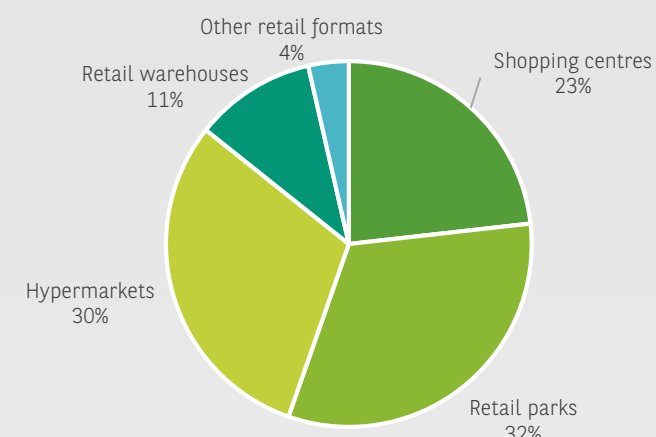
**Anna Pływacz**

Associate Director  
Retail Leasing Department

The decision of some brands, e.g. Tesco, to exit from the Polish retail market, has created the space to take over well located units and remodel them to align to the needs of retail customers today. In the last 24 months over 30 Tesco units changed ownership and started a new journey encompassing the remodeling or even changing a function. Taking into account that meeting ESG requirements is becoming increasingly important decisive factor in business investment success, the concept of giving a second life to an asset, by remodeling and/or repositioning it, improving the quality and yet making use of existing structures and key elements, confirms that sustainability approach taken by retail real estate sector.

## Investment market in retail sector in 2021

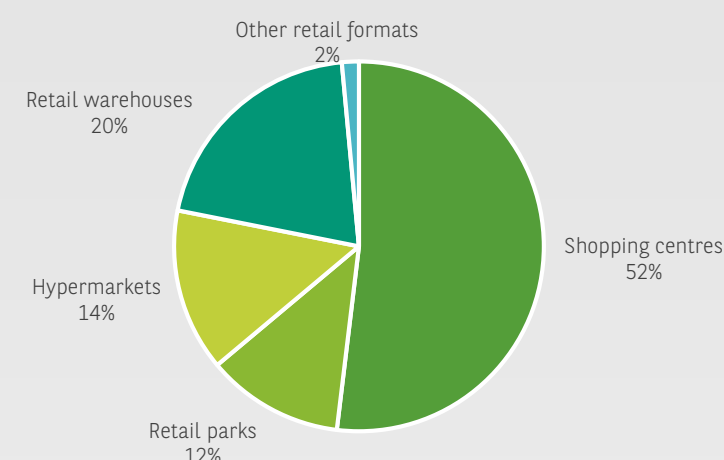
% share of the number of transactions by formats in the total volume in 2021



Source: BNP Paribas Real Estate Poland

**Despite the pandemic, investors are still interested in purchasing new retail projects in Poland.** There is a growing interest in retail facilities, especially convenience stores, supermarkets and free-standing facilities. The total volume in 2021 amounts to nearly €900 million, which means an increase in volume by 37% compared to 2020. Most transactions - 35% involved the retail park segment, and 29% related to the older generation hypermarket sector, of which 80% were TESCO real estate sales.

% share of the value of transactions according to formats in the total volume in 2021



## AT A GLANCE

Q4 2021

### AUTHOR

**Klaudia Okoń**  
Consultant,  
Business Intelligence Hub & Consultancy  
[klaudia.okon@realestate.bnpparibas](mailto:klaudia.okon@realestate.bnpparibas)

### CONTACTS

**Fabrice Paumelle**  
Head of Retail  
[fabrice.paumelle@realestate.bnpparibas](mailto:fabrice.paumelle@realestate.bnpparibas)

**Natasa Mika**  
Director Retail Leasing  
[natasa.mika@realestate.bnpparibas](mailto:natasa.mika@realestate.bnpparibas)

**Anna Pływacz**  
Associate Director  
Retail Leasing  
[anna.plywacz@realestate.bnpparibas](mailto:anna.plywacz@realestate.bnpparibas)

**Mateusz Skubiszewski, MRICS**  
Head of Capital Markets  
[mateusz.skubiszewski@realestate.bnpparibas](mailto:mateusz.skubiszewski@realestate.bnpparibas)

**Małgorzata Fibakiewicz**  
Head of Business Intelligence Hub  
& Consultancy  
[malgorzata.fibakiewicz@realestate.bnpparibas](mailto:malgorzata.fibakiewicz@realestate.bnpparibas)



All rights reserved. At a Glance is protected in its entirety by copyright. No part of this publication may be reproduced, translated, transmitted, or stored in a retrieval system in any form or by any means, without the prior permission in writing of BNP Paribas Real Estate.

KEEP UP-TO-DATE WITH  
BNP PARIBAS REAL ESTATE'S NEWS,  
WHEREVER YOU ARE



[www.realestate.bnpparibas.com](http://www.realestate.bnpparibas.com)  
#BEYONDBUILDINGS

**Erik Drukker**  
President of the Board  
[erik.drukker@realestate.bnpparibas](mailto:erik.drukker@realestate.bnpparibas)

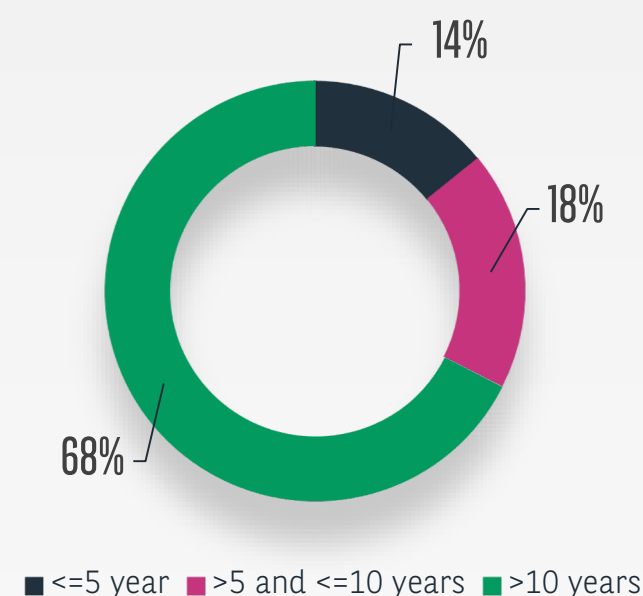
**Michał Pszkit**  
Head of Property Management  
Member of the Board  
[michal.pszkit@realestate.bnpparibas](mailto:michal.pszkit@realestate.bnpparibas)

**Izabela Mucha, MRICS**  
Head of Valuation  
[izabela.mucha@realestate.bnpparibas](mailto:izabela.mucha@realestate.bnpparibas)

**BNP Paribas Real Estate  
Poland Sp. z o.o.**

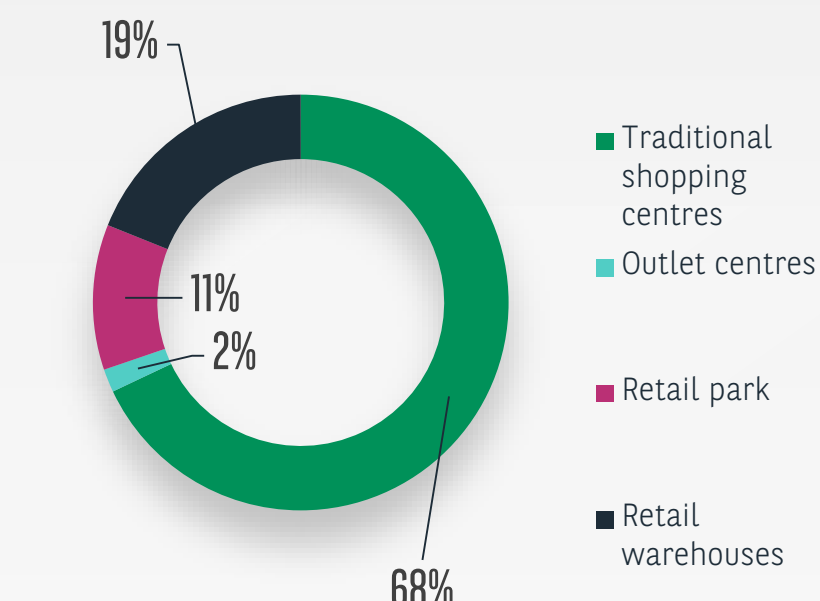
ul. Grzybowska 78,  
00-844 Warsaw  
Tel. +48 22 653 44 00  
[www.realestate.bnpparibas.pl](http://www.realestate.bnpparibas.pl)

## Modern retail space by age



Source: BNP Paribas Real Estate Poland

## Modern retail space by format



Source: BNP Paribas Real Estate Poland

In recent months, several dozen retail chains (e.g. Jula, Smyk, Carrefour, Leroy Merlin) have signed agreements with courier companies, in order to take advantage of the opportunities granted by the regulations on restricting Sunday trading.

Tesco has definitively stopped all of its operational activities in Poland.

The Żabka Group has announced the intention of entering the q-commerce market.

AliExpress has opened the first independent logistics centre in Poland.

Amazon has introduced Amazon Prime into Poland.