

PRESS RELEASE

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Redevco Consumer Survey: Shoppers Migrate from “Need to Buy” to “Need to Enjoy” as Online Growth Intensifies Retail Property Polarisation Across Europe

An in-depth survey of nearly 14,000 consumers across six major European markets by retail real estate investment manager Redevco, indicates that the Internet is becoming a key driver of the intensifying “experience and convenience” market polarisation trend and creating a ‘retail state of mind’ that is increasingly impacting retailers and investors.

The growing convergence between the ever more virtual reality of online retail and physical space is freeing up more time for leisure, dining and other activities in prime shopping locations. Consumers are increasingly shifting the focus of their shopping trips from the “need to buy”, which is increasingly fulfilled online, to a “need to enjoy” which is found in top quality retail destinations.

Marrit Laning, Head of Research & Strategy at Redevco said: “People are telling us they are actively exploring their shopping journeys on the Internet, and what they value in the two great retail trends of our time – experience and convenience – is being increasingly reinforced online. The psychological blueprints of the two journeys appear to be quite different and the more effectively retailers and property investors are able to identify and target these, the more value they are likely to add to their businesses.”

An increasingly seamless online experience is able to offer a competitive alternative for convenience shopping. At the same time the access to information enables consumers to come to the high street well prepared and feel under less pressure to complete their shopping journey there and then. This has shifted the focus of a physical shopping trip from completing transactions towards social interactions, like dining or general leisure. Cities that offer a high quality environment and broad mix of cultural and entertainment options are therefore winning out over those that don’t.

Clear patterns emerged in the survey across age brackets as well. Whilst most age groups are equally prone to combine experience with convenience shopping, the need to enjoy is biased towards the younger shoppers. As these young experience hunters move up the age cohorts, the demand for high quality mixed-use shopping environments will become even more prevalent, further driving the attraction of prime core retail markets.

Laning continues: “As shoppers become much more demanding in what they expect of shopping venues and surrounding environments, we need to ensure that our investment choices address their needs in a more holistic way, factoring in local trends and the relative attraction of cities as retail destinations.”

The Redevco survey: *Changing Consumer Behaviour - The Impact of Online Shopping on Shopping Trips*, included interviews with nearly 14,000 consumers in April and May this year roughly equally divided between the UK, Germany, France, the Netherlands, Belgium and Spain, by age cohorts and by gender.

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ABOUT REDEVCO:

Redevco is an independent, pan-European real estate investment management company specialised in retail property. The 400 assets under management are spread across the strongest retail concentrations throughout Europe. Our highly-experienced professionals purchase, develop, let and manage properties, ensuring that the portfolios optimally reflect the needs of our clients. We believe in long term investments where quality and sustainability are key.



RETAIL REAL ESTATE INVESTMENT MANAGEMENT

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