

# THE RETAIL AND HOTEL INDUSTRY – A LONG-LASTING **LOVE STORY?**



**SYNERGIES** UNION INVESTMENT COMBINES THE RETAIL AND HOTEL SECTORS MORE INTRICATELY

**STATIONARY RETAIL** TEN OF THE COOLEST STORES IN EUROPE

**INTERVIEW** C&A MANAGER NORBERT SCHEELE ON WHY RETAIL PROVIDES AN ATTRACTIVE WORK ENVIRONMENT

# Bringing the S in ESG to life

## Kaufland: The culturally sensitive footfall anchor



## Historic Central Hall in Sofia revived

Flexibility has always been a given for us. As a footfall anchor for all retail locations, from stand-alone supermarkets, retail parks and shopping centers to inner-city locations. And we are also open to buildings of cultural heritage. Have a look at our latest opening in Sofia, a revitalisation masterpiece. The historic market hall in the center of the capital has been given a new lease of life as a modern shopping location.

Kaufland currently operates more than 1,500 stores in eight European countries. The company offers a wide range of groceries covering everyday needs. Whether in Bulgaria, Romania, Croatia, the Republic of Moldova, Poland, the Czech Republic, Slovakia or Germany, Kaufland stands for low prices, relevant product range, convincing quality and convenient shopping everywhere.

We are a flexible footfall anchor for sites from 6,000 sqm upwards; catchment areas with more than 25,000 inhabitants; towns from 10,000 inhabitants and sales areas from 2,000 to 2,500 sqm.

**Discover how Kaufland can drive demand for your retail asset. Just go to [realestate.kaufland.com](https://realestate.kaufland.com) or follow us on LinkedIn.**



## DEAR READER,

From fashion capitals selling luxury products to bustling marketplaces peddling local goods, the shopping available at certain destinations is a powerful draw for many tourists. Shopping and vacations have always been closely linked. In the same way, the retail and hotel asset classes have always been interdependent. Both were particularly hard hit by the Covid pandemic but recovered relatively quickly. They have proven to be crisis-resistant and innovative.

Therefore, the symbiotic relationship between retail and the hotel industry is the main focus of our cover story. Many industry players seek new ways to bring the two asset classes closer to exploit similarities. "We are now viewing these asset classes together in our new department," says Andreas Löcher, Head of Investment Management Operational at Union Investment. "There are many successful alliances out there, such as between perfume and fashion, so why not hotels?" In an in-depth interview, Löcher and his colleague Roman Müller (page 14), Head of Investment Management Retail, show the potential of dovetailing retail and the hotel industry, where the first collaborations are already taking place, and the future journey may lead. This interview lays the foundation for our cover story, which will be continued in an ACROSS Retail Talk on June 18. Industry experts such as Klaus Striebich (page 28), Managing Director of RaRE Advise and head of the ACROSS Advisory Board, and Professor Christian Buer (page 24), Heilbronn University and founder of the consultancy Nemis, confirm the relevance of this connection and emphasize on the potential for success and why we should focus on the outlet and luxury sectors in particular. Several excellent case studies can already be observed on the market, as Lars Jähnichen (page 34), CEO of IPH Group, and Torsten Kuttig (page 30), Director Hotel Development at ECE Work & Live GmbH, impressively explain.

Furthermore, in addition to this cover story, we have compiled other exciting developments in the industry. Benoy and Pragma, for example, explain the most important rules to be observed in mixed-use projects (page 46). Norbert Scheele, C&A Head of European Expansion and vice president of the Austrian retail association, is a veteran of the fashion retail industry and discusses the greatest challenges facing the placemaking and retail industry in an extensive ACROSS interview (page 58). We report on MPC Properties' first "MPC Echo" conference, which focused on great ideas and innovative business practices in the real estate industry and sustainable business operations (page 52). In addition, learn about some of the most exciting and experiential store concepts in Europe today (page 68).

We hope this new issue of ACROSS informs, motivates, and inspires you. Please feel free to give us your feedback!

Yours sincerely,

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Join our ACROSS Retail Talk on "Retail and the Hotel Industry" on June 18th. A high-caliber panel will discuss retail and hotel industry synergies from the most diverse perspectives: investors, developers, operators, and consultants.



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RETAIL/GRAI

Retail Attractiveness Index: European Retail Markets Rebound after Pandemic ..... 6
The GRAI 1/2024 rises to 114 points, which is the highest level since 2018.

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Retail tourism is here to stay. What does the joint potential of the retail and hotel industry look like?

Polarization is the Trend of the Moment: “We’re on the Lookout for Polarization Winners” ..... 14
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Professor Christian Buer explains where and how the combination of hotel and retail has the potential for success and why we should focus on the outlet and luxury sectors in particular.



IMAGE: ARMANI HOTELS & RESORTS



“Retail and Hotels – Seven Reasons Why Learning from Each Other Will Lead to an Unbeatable Position in the Future!” ..... 28
Retail and the hotel industry – is this a new and innovative topic? Certainly not, but it is always worth rethinking and keeping in mind, says Klaus Striebich, Managing Director of RaRE Advise.



IMAGE: SANDS LIFESTYLE MAGICAL/WYNN LAS VEGAS

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When combined, the result is an even better mix of uses and, therefore, a win-win situation for everyone involved, explains Torsten Kuttig, Director Hotel Development at ECE Work & Live GmbH.

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By integrating shopping opportunities with accommodation options, innovative concepts are created that offer unique experiences for tourists and locals, explain MK Illumination.

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IMAGE: ARRAZZINA/THE LINK

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Our industry is strong and is capable of achieving a great deal. The ACROSS Advisory Board presents some of the most colorful, exciting and outstanding European projects.



IMAGE: ZORLU

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Ansgar John Brenninkmeijer argues that to optimize assortment decision-making for a store, managers should consider the contribution margin “Deckungsbeitrag” of products and the possible opportunity costs incurred when choosing one option over another.

