

Gateway to Germany

The German retail sector: Understanding market, site selection and market entry

A guide for international retailers, service providers and investors

November 2026

1 Management Summary

2 Understanding Germany: One market, many local realities

3 Competition and customer behavior

4 The retail experience: creating reasons to visit

5 Site selection – investing where business model and demand align

6 Legal framework: Check early on, before decisions become irreversible

7 From market entry to roll-out: turning insights into a robust plan

8 Outlook

9 About the authors



1 Management Summary

Management Summary

Germany is a large and diverse retail market- but far from a uniform one.

Demand, competition, customer needs and retail formats vary by sector, region and location. For international companies, looking at national statistics or well-known retail destinations is not enough. The key question is whether their concept fits the target customers, local market conditions and commercial realities in each location.

This white paper offers practical guidance for international retailers, service providers and investors looking to enter the German market or expand their presence. It explains how to assess market potential and competitive positioning, identify relevant customer needs and shopping habits, and understand the role physical retail locations can play.

Bringing together market, customer, concept, commercial viability and operational feasibility, the white paper sets out a structured approach-from initial market screening and testing key assumptions to piloting and roll-out.

It provides a solid foundation for assessing market opportunities realistically, developing more focused expansion plans and setting priorities for the next steps.

BBE Retail Consultancy combines extensive experience in the German retail sector with in-depth expertise in markets, customers and locations.

We work with you to develop analyses tailored to your concept and target locations. We can also support you through roll-out and subsequent phases of market development with our services in branch network strategy and location optimisation in Germany.





2 Understanding Germany: One market, many local realities

Germany: a large market with untapped potential

The German retail market is large, mature and diverse

This makes it attractive to international companies: demand is high, retail structures are well established, and the country offers a wide range of location types. However, overall turnover can obscure significant differences between sectors, retail formats and regions. While one segment may be stagnating, others may be growing.

The EU's largest economy

Germany accounts for just under a quarter of the EU's gross domestic product[1] and, with a population of 83.6 million,[2] is Europe's largest national market.

High purchasing power across the country

Per capita consumption is 120% of the EU average.[1] Demand is stable and extends across all regions.

Untapped potential

Retail sales are forecast to reach €697.4 billion by 2026.[3] At the same time, retail accounts for just 22.2% of consumer spending-the lowest proportion in the EU.[4]

What this means for market entry

Germany offers significant market scale and growth potential. The key is to capture it with the right strategy in the right regions.



Ranking by gross domestic product in the EU in 2025[1]

Market opportunities in Germany

Germany is widely regarded as Europe's economic powerhouse and offers international retailers significant opportunities.

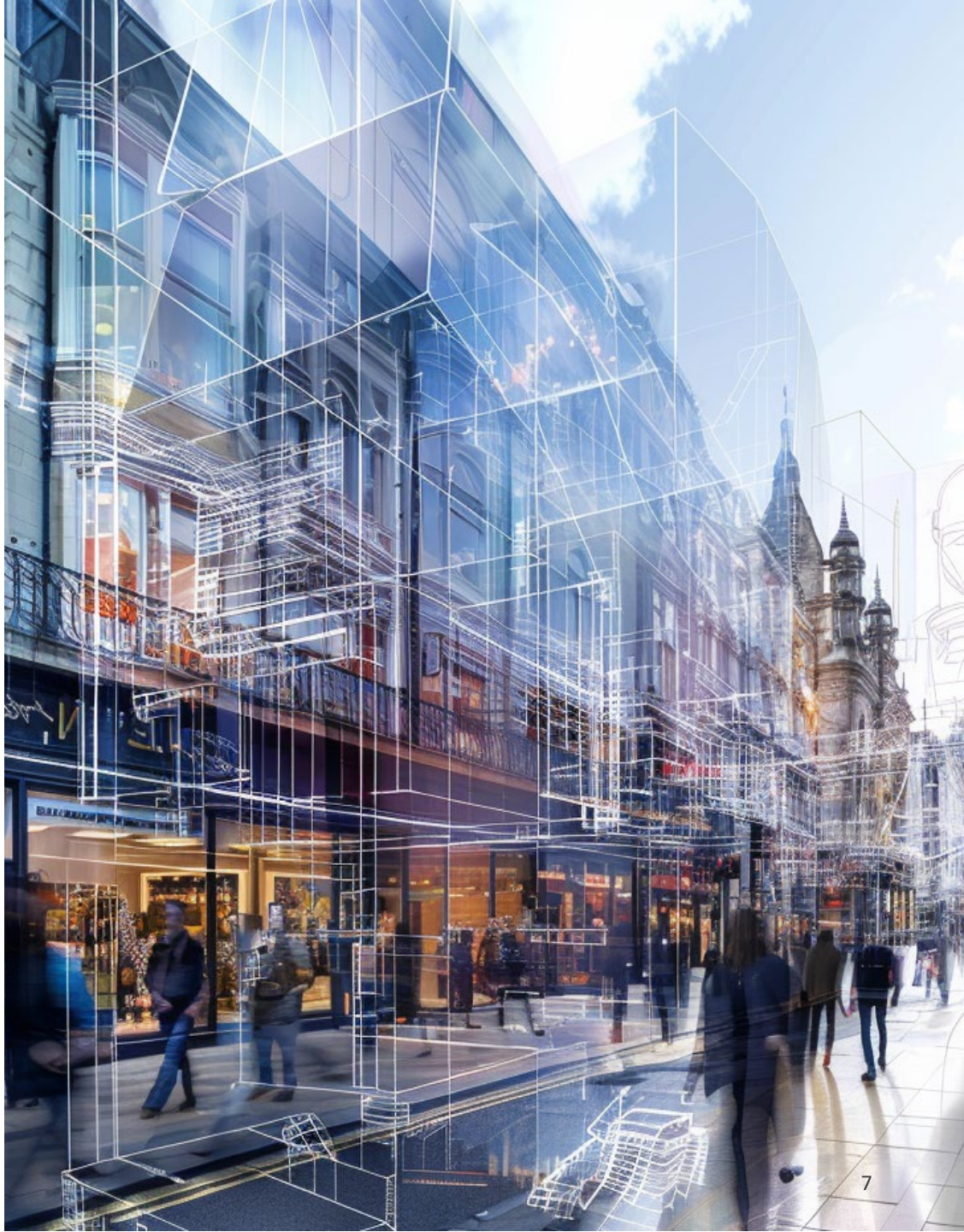
Market size
According to the HDE, Germany's retail market generates annual sales of just under €684 billion, making it the largest in Europe. With around 300,000 retail businesses and more than 3.1 million employees in the sector,[5] it offers international companies considerable scale and diversity.

Economic stability and growth
Despite global economic challenges, the German retail sector has shown resilience. In June 2025, retail sales grew by 4.9% in real terms compared with the same month a year earlier,[6] pointing to robust consumer demand and a resilient market.

Consumer purchasing power
German consumers have considerable purchasing power and value high-quality products and services. They are discerning shoppers and are willing to pay a premium for outstanding products and services.

Export orientation
Germany's position as a major exporting nation-with exports of €1.5 trillion and imports of €1.3 trillion[7]-contributes to a dynamic business environment, strong international links and an efficient logistics infrastructure.

Strategic position
Situated at the heart of Europe, Germany provides access to more than 500 million European consumers and is an ideal base for business activities across continental Europe.



Market challenges

While the German market offers significant opportunities, it also presents specific challenges that require local expertise.

Regulatory environment
Germany has a comprehensive regulatory framework covering retail, consumer protection, employment and taxation. Navigating it requires in-depth local knowledge and ongoing compliance management.

Understanding consumer behaviour
German consumers have distinct shopping habits, attitudes towards brands and expectations of service. These may differ considerably from those in other markets, making an understanding of local preferences essential to success.

Intense competition
Germany's retail market is highly competitive. Established domestic retailers, international chains and emerging digital players are all vying for market share. Success depends on clear differentiation and effective execution.

Cultural awareness
German business culture places a strong emphasis on precision, reliability and long-term relationships. Marketing messages, customer service and business practices should reflect these expectations.

Digital transformation
The continued growth of e-commerce and omnichannel retail calls for well-developed digital strategies that reflect German consumers' preferences and meet regulatory requirements.

Regional differences
Germany's federal structure is reflected in regional variations in consumer behaviour, purchasing power and market dynamics. These differences should be taken into account when developing a market-entry strategy.



Regional differences matter

Germany is a federal country

Population, income levels, settlement patterns, transport links and retail provision vary widely between its states, regions and municipalities. Even within a single city, city-centre locations, neighbourhood centres and outlying areas can attract very different customer groups for different reasons.

When shortlisting potential locations, it is useful to assess several levels:

- Macro level: Which regions and federal states align with the market potential and expansion strategy?
- Meso level: Which cities have the right target customers, competitive environment and range of suitable location types?
- Catchment area: Where are potential customers coming from, and how do they travel to the location?
- Micro-location: What impact do visibility, the surrounding area, footfall, access and the specific characteristics of the premises have?

This analysis should combine population and purchasing-power data with sector-specific information. It should look beyond how many people live in an area to consider who they are, which services they already use and how far they are willing to travel to shop.



Online matters-but not equally across all sectors

German retail is increasingly digital

According to a forecast by the German Retail Association (HDE), B2C online retail sales will reach €96.3 billion in 2026. Online marketplaces play a key role: in 2025, they accounted for around 57% of online retail sales in Germany.

By international standards, German consumers are certainly not reluctant to shop online. According to Eurostat, around 81% of people aged 16 to 74 in Germany bought goods or services online in 2025.

Food is a notable exception

While online grocery shopping plays a greater role in countries such as the UK and France, food shopping in Germany still takes place predominantly in-store. The HDE puts online sales at 3.2% of the food retail market, with only modest growth. For the foreseeable future, most grocery shopping in Germany is likely to continue taking place in-store.

For international retailers, this means that the importance of online retail in their home market alone cannot determine the right approach to entering Germany.

The key is to understand how German customers shop for the relevant product category and the role digital and in-store touchpoints play in their purchasing journey.





3 Competition and customer behaviour

A large market with fierce competition

A mature, highly competitive retail sector

Retail sales are forecast to reach €697.4 billion in 2026, including €96.3 billion online.[8] The number of retail outlets is expected to fall below 300,000 for the first time.[9]

Intense competition and growing concentration

The market is increasingly shaped by large, professionally managed retail groups. Established players are expanding, while the range of retail formats is narrowing. New entrants must contend with established structures, intense competition and clearly defined price and service propositions. Success therefore depends on clear positioning and effective execution.

Food retail is a major force

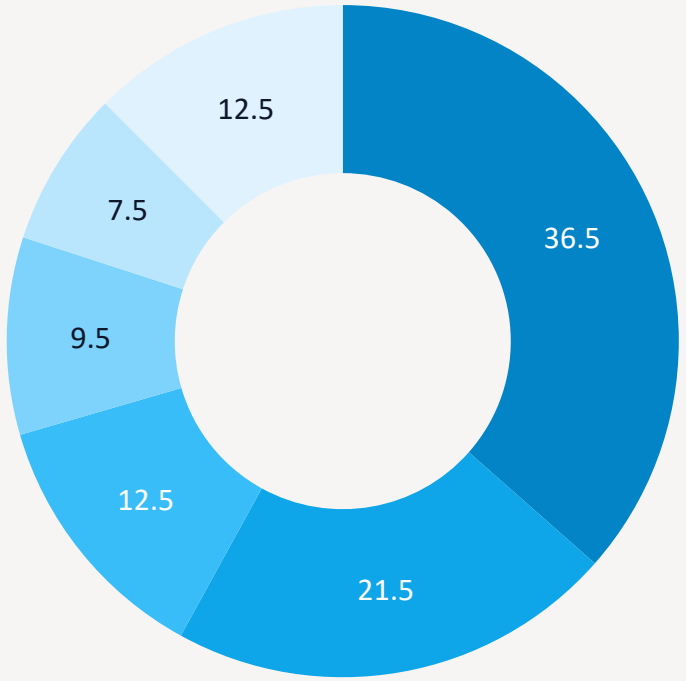
Just over a third of retail turnover is generated by retailers selling a wide range of goods, primarily supermarkets and discounters.[10] In the food and drugstore sector, discounters lead the market, followed by hypermarkets, supermarkets and drugstores.[11]

Implications for market entry

New entrants face established formats, dense networks of outlets and clearly defined price propositions. Success requires a distinctive position within the competitive landscape.

Breakdown of the total market (697.4 billion euros)

Percentage shares of turnover by retail sector



FMCG, Food & Personal Care	36,5 % (254.5 € billion)	Consumer Electronics & IT	9,5 % (66.3 € billion)
Home, Furnitgure & DIY	21,5 % (150.0 € billion)	Leisure, sport, toys	7,5 % (52.3 € billion)
Clothing & Footwear	12,5 % (87.2 € billion)	Other specialist retailers	12,5 % (87.1 € billion)

Source: HDE 2026

Winners and losers: Germany's retail market is being reshaped

Major players set the standard

EDEKA, the Schwarz Group (Lidl and Kaufland), REWE and ALDI generate combined food retail sales of around €229 billion.[12]

Winners: retailers with a clear customer promise

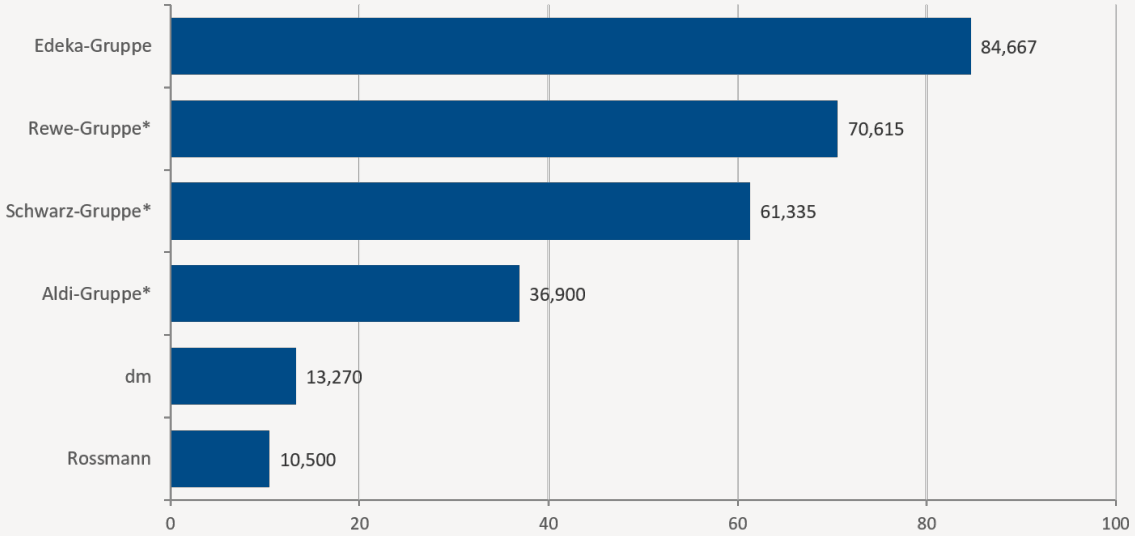
Action, dm and Aldi Nord are growing despite intense competition. Their success is not just down to size. Each has a distinctive profile, combining strong value for money with products or services that matter to customers-and a shopping experience that delivers on its promise.

Under pressure: Undifferentiated concepts and unsustainable business models

Retailers whose customer offer is unclear, or whose business model is no longer financially viable, are increasingly under pressure. Insolvencies and store closures rarely have a single cause; operating costs, site quality and structural challenges can all play a part.

For international retailers, this makes it essential to tailor their proposition to the German market and assess its commercial viability early on.

Leading retail groups in 2025: Domestic turnover (billion euros, gross)



Source: NIQ Trade Dimensions über Lebensmittel, Mai 2026, *Schätzung lt. Quelle

Growth

Action +16.1 % Net turnover 2025 (Group)

Dm +6.5 % Turnover DE, Y 2024/25

ALDI Nord +5.9 % Turnover DE 2025

Under pressure

Galeria renewed insolvency filing 2026

Depot Business operations suspended 2026

Tegut, Gerry Weber,…

Bankruptcies, branch closures



White Spots: from competition to positioning

Why positioning is crucial in Germany
Germany's retail market is highly competitive, but it is not saturated. New concepts and formats continue to enter the market, often finding room to grow in underserved niches. Success does not depend on size alone; it depends on having a clear position in the market.

The opportunity lies in the gaps. 'White spots' are areas that existing offerings do not cover or cover only inadequately. They can be found at a wide variety of levels: in terms of price range, product range, location or service. That is precisely where the art lies: in recognising them before others do.

But a gap is not automatically a business opportunity. Success depends on delivering clear added value to a well-defined customer group.

A four-step process

Map the competition: Document existing retailers, formats, price points, product ranges and locations.

Identify gaps: Compare offers by product category and region to find underserved areas.

Define your positioning: Clarify your value proposition, target customers and points of difference. Most importantly, identify the value customers will actually experience.

Validate the opportunity: Assess demand and willingness to pay, and, where possible, test the concept at a pilot location.

Private-label products: from entry-level to flagship

Private labels are a major force in Germany

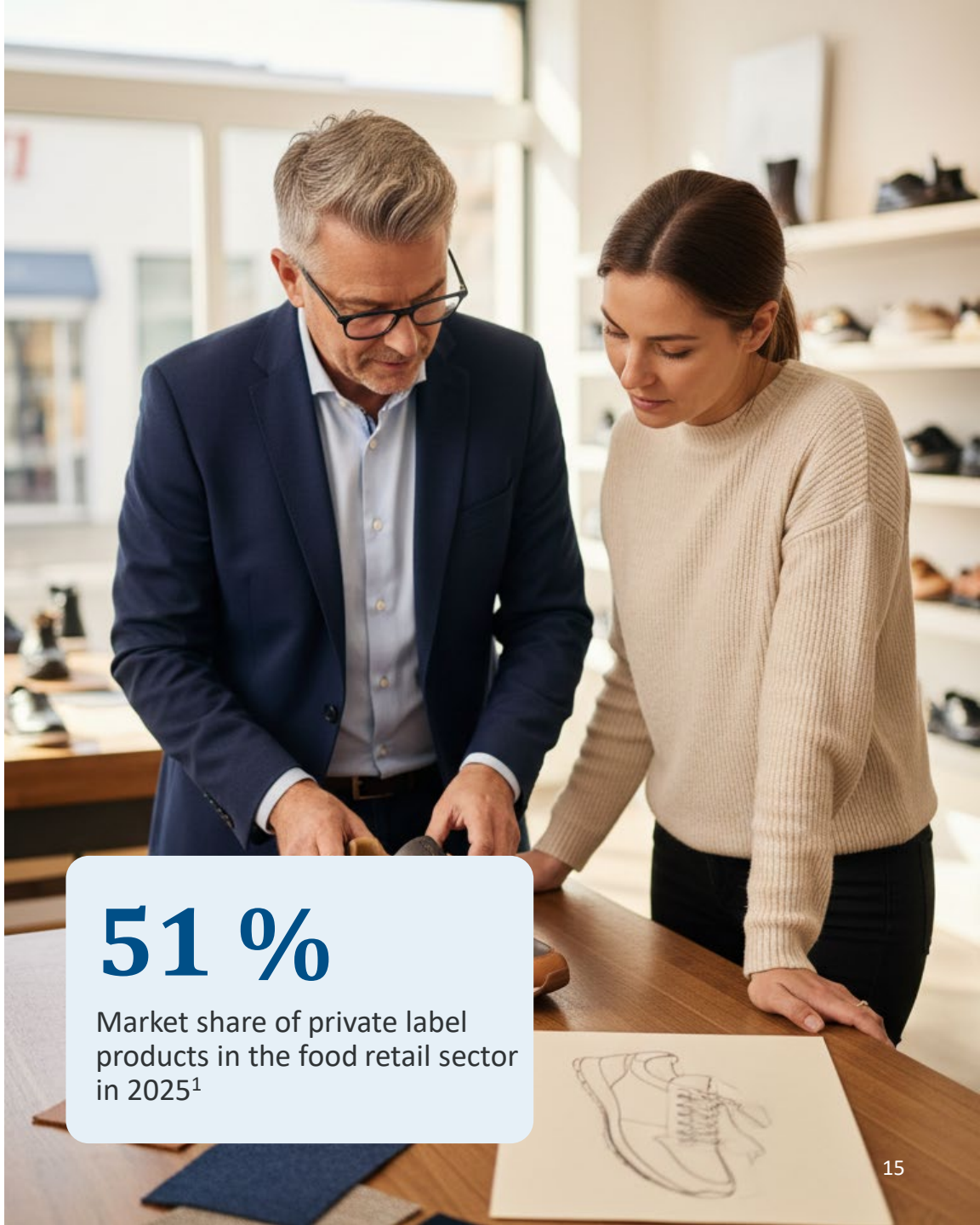
In 2025, private-label products accounted for just over half of sales in Germany's food retail sector, putting the country among Europe's leading markets. The share was similar in the UK (52%) and higher than in France (46%) and Italy (36%). By value, YouGov puts the share in Germany at 47% in 2025, up from 41% in 2021.

From price advantage to brand identity

Private-label products are no longer just a cheaper alternative. Premium private-label sales grew by around 11% in 2025. Good private-label products are a reason for choosing a supermarket for 48% of its customers, while 40% of shoppers in Germany rate private-label quality above that of established brands. Retailers are using their own brands strategically to strengthen their market position and build customer loyalty.

A clear opportunity to stand out

The trend continues to grow. Private labels can help retailers differentiate their offer, improve margins and build loyalty-provided their role, quality and price points are right for the overall range. For international retailers, the key question is what role private labels should play in their concept. A thorough market and competitor analysis can reveal gaps in the range, suitable price and quality tiers, and opportunities for a distinctive position. BBE Retail Consultancy helps retailers develop product-range and market-entry strategies tailored to Germany.



51 %

Market share of private label products in the food retail sector in 2025[1]

Customer segments: How do people in Germany shop?

Thinking from the customer's perspective
A white spot only becomes an opportunity when it meets a customer need. Retailers entering Germany need to understand who is buying and why.

A range of data is available

Sinus-Milieus: Ten social groups defined by people's values and social status

Consumer panels: Insights into actual household purchasing behaviour

Purchasing power and geographical data: Demand patterns down to postcode level

Demographics: An ageing population and a growing number of smaller households

Market polarisation: The gap between between value and premium products is widening. Discount and premium segments are growing, while the mid-market is under pressure.

Look Beyond numbers
Data shows what people buy and where. To understand what drives their choices, retailers also need to consider values, lifestyles, purchasing motives and willingness to pay more for quality, experiences or specific brands.

Understand what makes the German market distinct
Every European market has its own shopping habits. In Germany, price-consciousness goes hand in hand with high expectations for quality. Discounters and private-label products are strong, while selected premium offers are also gaining importance. Clear positioning is especially important for brands in the mid-price segment.

Build customer insight into your market-entry strategy
Assess target segments in the context of the product category, price range and location. Local expertise can help you understand how these factors play out in the German market.



Customer need: Why does the customer buy?

Diversity gives customers more choice

With so many retailers and formats to choose from, customers always have alternatives. Retailers need to understand their customers better and serve them more effectively than the competition.

It's the 'why' that counts, not just the 'who'

Age, income and social background describe customers, but they don´t explain why they buy. To offer the 'right product in the right place', retailers need a deeper under-standing of customer needs

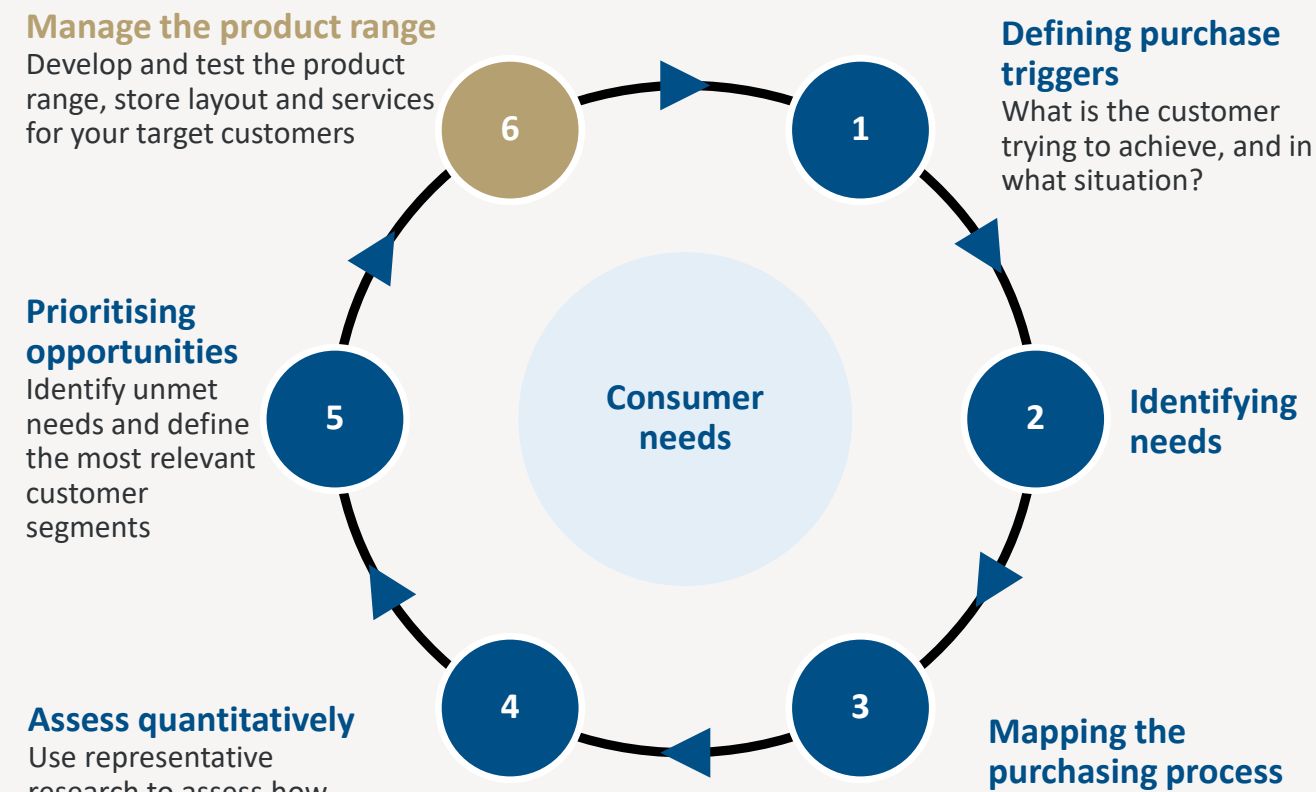
Consumption disparity: One customer, different shopping behaviours

Customers don't behave the same way in every situation. Someone who looks for value during the weekly shop may choose a premium product on another occasion. These changing behaviours make customers harder to categorise. The key is to understand not only who is buying, but what they buy, when and why.

Jobs to be Done

Customers choose products to help them make progress in a particular situation – functionally, emotionally and socially. Understanding what they are trying to achieve helps retailers shape their product range accordingly.

The process of analysing customer needs





4 The retail experience: creating reasons to visit

Every store needs a clear purpose

A physical store can be much more than a place to display and sell products.
It can help customers make choices, bring products to life, offer expert advice, provide services or bring people together.

Which of these roles takes priority is a strategic decision – and should reflect customer needs, the product range and the location.

This matters especially when products are easy to compare or customers make part of their purchasing decision online. A store that offers no distinct value is easily interchangeable.

A well-designed store, by contrast, gives customers a reason to visit: it informs and inspires, removes barriers and brings the brand promise to life.

At BBE, we see 'experience per square metre' as having three dimensions:

- Emotional connection
- Practical functionality
- Inspiration and interaction

These dimensions work together. Atmosphere alone cannot compensate for a weak product range or poor service. An efficient shopping experience can still feel impersonal if the store has no clear relevance to its customers. And inspiration only works when it is credible and well executed.



Seven roles a physical store can play

A store play more than one of these roles. The **BBE classification system** distinguishes between **seven possible roles:**

- **Point of sale:** Making purchases, collections and returns straightforward and reliable
- **Showroom**: Bringing products, brands and ranges to life.
- **Service hub**: Providing advice, repairs and other services.
- **Community place:** fostering social interaction and local roots.
- **Experience zone:** To provide entertainment, dining experiences or special occasions to celebrate.
- **Learning space**: Sharing knowledge through workshops, demonstrations and courses.
- **Logistics hub:** Supporting collections, deliveries and other logistics services.

Not every store needs to fulfil every role.

Clear priorities help avoid overloading the space.

If a store is expected to function as a showroom, experience destination, logistics hub and consultation space all at once but lacks the space, staff or processes to support those roles none is likely to work well.

The seven roles of a physical store





5 Site selection: Investing where concept and demand align

The location is part of the business model

A site determines which customers are likely to visit a store

Location is therefore not just a property decision but central to the market-entry strategy and business model.

A site may look appealing at first, thanks to high footfall or a prestigious address, yet still be wrong for the concept. A less prominent location, by contrast, may work well for a format with loyal customers, good accessibility and a suitable layout. What matters is the fit between the target customers, product range, space requirements, footfall and financial viability.

A thorough location analysis is particularly important for international retailers

Retailers new to Germany may underestimate how much purchasing power, competition, transport options and shopping habits vary from place to place. High footfall alone does not show whether a site attracts the right customers – or whether it can be operated profitably.

A systematic location analysis tests the business model against local conditions

It considers target customers and catchment areas, competitors, accessibility, space requirements and costs together. This allows sites to be compared on their actual suitability, rather than on reputation or first impressions, and gives expansion decisions a sounder basis.

The right concept can find opportunity in many places – when it's matched with the right location!



From market screening to micro-location

A systematic site assessment is carried out in several stages

1. Prioritise regions and cities

Compare potential regions and cities by target customers, demand indicators, competition, accessibility and strategic fit. Purchasing-power data can help narrow the options, but it needs to be considered in the context of the specific retail sector. A city with high overall purchasing power is not necessarily the best market for every product range.

2. Defining the catchment area and assess the competition

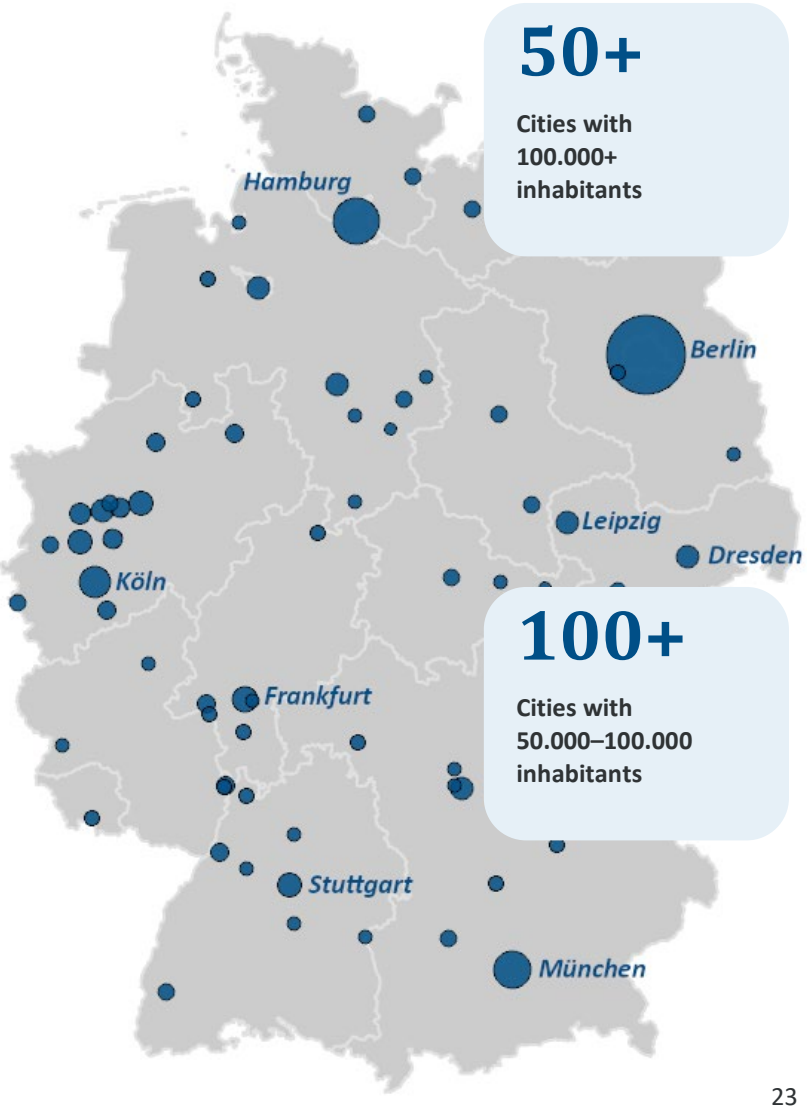
Start by asking where customers can realistically travel from to reach the site, including residential and employment areas. Road access, public transport, parking, walking and cycling routes – and online alternatives – all shape the catchment area. Assess competitors not just by number, but also by format, product range, price positioning and how directly they overlap with your offer.

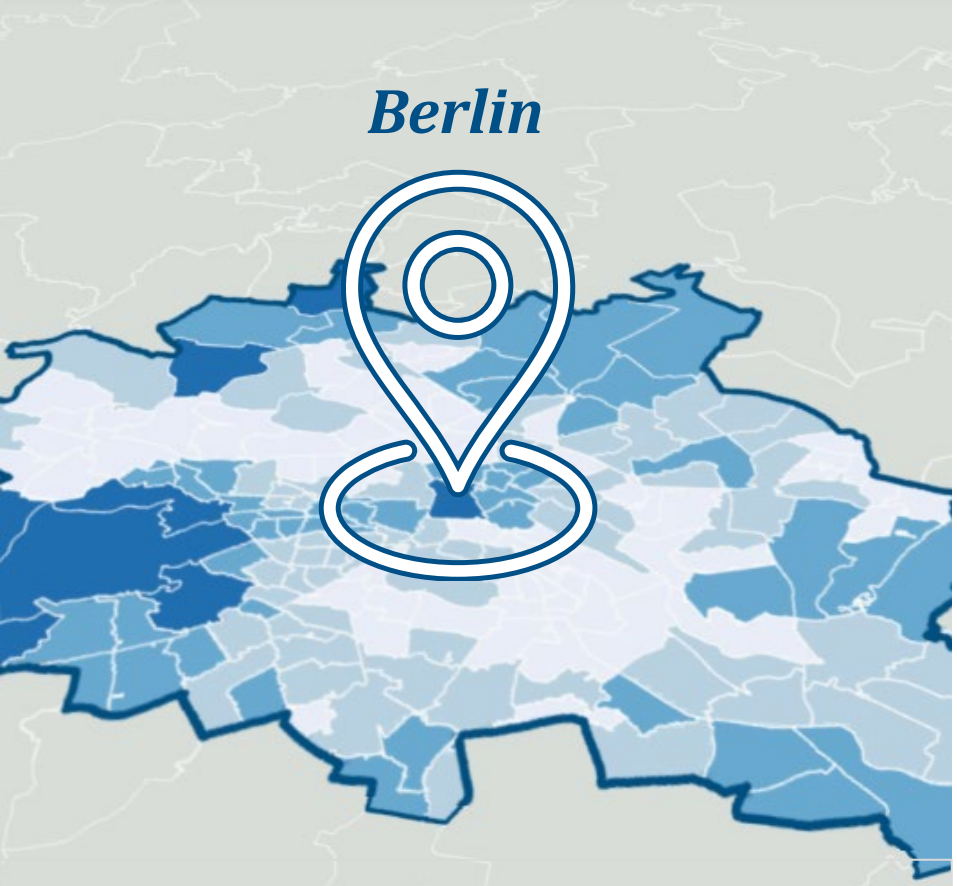
3. Assess the type of location and its surroundings

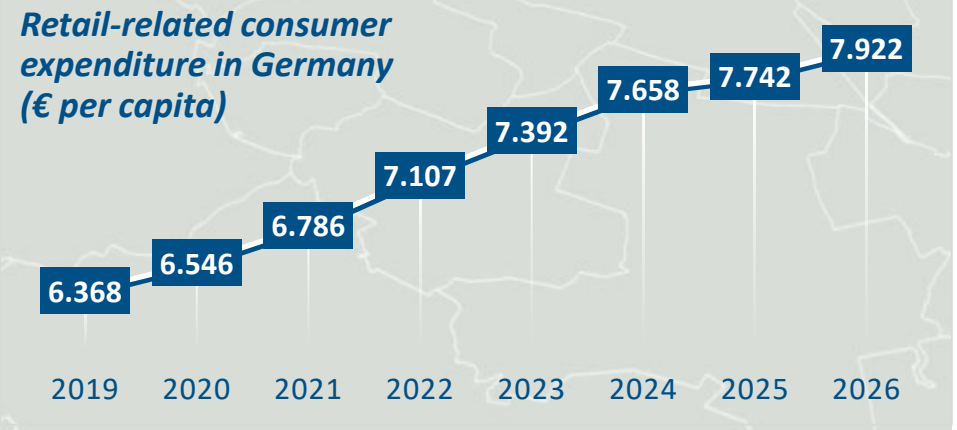
City centres, neighbourhood centres, local retail hubs, specialist retail parks and out-of-town locations each have different dynamics. Nearby uses can draw customers, but may also create dependencies. Assess the role of anchor tenants, the effectiveness of transport links and how well the site fits into the existing centre or retail network.

4. Assess the premises and their financial viability

Once the location has passed the earlier stages, examine the premises in detail: size, layout, visibility, access, delivery arrangements, technical facilities, refurbishment costs and lease terms. These need to fit the store format and its expected productivity. Low rent cannot make an unsuitable location work, and even a prime site does not justify every cost.







Source: IFH Cologne, BBE Retail Consultancy, 2026

75 years of retail expertise – and a close eye on what´s changing

Market data is an essential starting point, but it cannot determine the right location on its own

It needs to be combined with site visits, footfall counts, conversations with local stakeholders and a close look at the competitive landscape. Data sources also need to be checked for their definitions and geographic coverage: footfall figures for a city centre, for example, do not necessarily reflect the number of people passing a particular retail unit.

Retail property markets vary from city to city

JLL reports that the Big 9 cities had a floor-space availability rate of 15.1% in the first half of 2026, while also highlighting significant differences between individual cities. The figure includes more than vacant units: it also covers premises with leases due to expire and units requiring refurbishment. It is therefore a market indicator, not a measure of whether a specific space is available.

For international retailers, local due diligence is essential

It helps them compare target locations with realistic options early on, adjust their requirements for size or format where needed, and plan expansion in phases. It also reduces the risk of building a market-entry strategy around locations that look attractive on paper but are unavailable or unfeasible in practice.



A location scorecard as a decision-making tool

A scorecard helps structure a site assessment. It does not replace technical due diligence, but it makes clear why a site or scenario is being prioritised-or ruled out. Useful criteria include:

- ☐ **1. Demand**: Are there enough target customers and relevant shopping occasions in the catchment area?
- ☐ **2. Competition**: How distinctive is the offer, and which competitors already meet the same customer needs?
- ☐ **3. Accessibility:** Can target customers reach the site easily by the routes and modes of transport that matter to them?
- ☐ **4. Local environment:** Which nearby uses could create synergies or increase risk?
- ☐ **5. Premises:** Are the size, cut, visibility and logistics suitable for the format?
- ☐ **6. Financial viability:** Are the sales potential, investment, rent and operating costs realistic?
- ☐ **7. Feasibility:** Have planning requirements, building regulations and necessary permits been reviewed at an early stage?
- ☐ **8. Scalability**: Could the rationale for choosing this site be applied in other markets?

The criteria should be weighted to reflect the business model. For a food retailer, accessibility and filling gaps in local provision may be decisive. For a specialist retailer that offers in-depth advice, catchment area, visibility and the ability to provide appointments or services may matter more. A consistent framework makes sites easier to compare – but the priorities will vary by sector.



6 Legal framework: Check early on, before decisions become irreversible

Germany: a launchpad for wider European expansion

The EU single market provides a shared framework: regulations apply directly across member states, while directives are implemented through national law. But common principles do not mean the rules are identical everywhere.

For international retailers, Germany offers a large, diverse and demanding market in which to test and refine a concept, store format and site-selection strategy. A successful launch can provide valuable insight and momentum for expansion elsewhere in Europe-but it is not a blueprint for other markets.

Company law: The right legal structure depends on factors such as the company's size, ownership and capital needs. Options include sole proprietorships, partnerships such as a KG or GmbH & Co. KG, and corporations such as a GmbH or AG. A UG (limited liability) is a form of GmbH. These structures differ, among other things, in liability, management and disclosure requirements.

Planning and development law: When assessing a site, permitted uses, planning requirements and the prospects of obtaining the necessary approvals matter just as much as customer demand. Large-scale retail is subject to specific planning rules, and depending on the project, federal, state and local authorities may all be involved.

BBE combines in-depth knowledge of the German retail and property markets with expertise in related fields and access to specialist advisers. We help identify the questions that need to be resolved early and bring in the right experts-before decisions on the site, lease or investment become difficult to reverse.



Planning law is an integral part of the location strategy

A site can be commercially attractive but unsuitable under planning law.

In Germany, this is particularly relevant to projects whose scale, product range or location could significantly affect established retail structures, town centres, urban development or regional planning.

Spatial planning and the retail sector cannot be treated separately in Germany

A thorough planning review should therefore take place before a site is secured long term or a major investment is committed. Key considerations include:

Federal law: The Federal Building Code (BauGB) and the Land Use Ordinance (BauNVO) provide the core legal framework.

State and regional planning: State and regional plans set objectives for retail development, the role of town and district centres, and the provision of local services. This is a distinctive feature of spatial planning in Germany.

Municipal planning: The preparatory land-use plan and binding local development plan specify how land may be developed and which uses are permitted.

Project-specific requirements: Depending on the site and project, further permits, expert reports, consultations or technical assessments may be required.

Requirements vary by federal state, municipality, site and project. Early discussions with the relevant authorities, planning experts and legal advisers can help identify potential risks before they cause delays or unnecessary costs.
We combines regional expertise with established contacts across Germany.



Side note: Special case large-scale retail – interpreting the thresholds correctly

Impacts relevant to urban planning under § 11 Abs 3 BauNVO:

1. Disruption to the functioning of central areas
2. Constraints on the development of central supply areas
3. Reduced access to everyday goods close to home
4. Conflict with state-level spatial planning objectives

Retail development in Germany is subject to particularly careful planning scrutiny.

The German Land Use Ordinance (BauNVO) sets out requirements that relate, among other things, to floor area and potential effects on spatial planning and urban development. Under case law, retail is generally considered "large-scale" when its sales area exceeds 800 square metres.

This threshold should not be treated as a simple pass-or-fail test. More than 800 square metres does not automatically mean a project is prohibited, and staying below the threshold does not necessarily remove the need for further assessment. The relevant factors may include the type of business, sales and gross floor areas, product range, potential effects on central supply areas, and the site's planning status. **Each case needs to be assessed on its own merits.**

For large-scale retail projects, it is particularly important to clarify the following at an early stage:

1) Which uses and product ranges are permitted at the site under planning law?

2) Is the site in a central area, a designated special-use area or another type of zone?

3) What does the current local development plan allow, and would it need to be amended?

4) Which state and regional planning objectives and principles apply?

5) Do potential effects on central supply areas or local services need to be assessed?

6) What sales area is proposed, and how much space is needed for ancillary and service functions?

7) Which consultations, expert reports and procedural steps need to be factored into the project timetable?



7 From market entry to roll-out: turning insights into a robust plan

Expansion is the result of decisions

Successful market entry rarely hinges on a single decision.

It depends on a series of connected steps: understanding the market and its customers, developing a retail concept that meets their needs, establishing what it will take to make the concept commercially viable, identifying suitable sites and confirming that the plan meets legal requirements.

Together, these steps turn a market opportunity into a credible roll-out plan.

BBE Handelsberatung supports retailers through all five phases.

We combine market and competitor analysis with site assessments and strategic advice. Rather than assessing each factor in isolation, we look at how market potential, competition, site quality, financial viability and legal requirements shape the investment decision. This helps retailers test assumptions early, understand the risks and decide how best to proceed.

1

Narrow down the market and target audience

Identify the sector, target audience, purchasing needs and relevant markets. Separate evidence from assumptions that still need testing.

2

Refine your retail concept and store format

Define your customer promise and the store's role. Set requirements for product range, pricing, service, space, digital channels, staffing and operations.

3

Assess financial viability and location fit

Set minimum financial criteria. Compare regions, cities and site types by demand, competition, accessibility, costs and space requirements.

4

Confirm legal and operational feasibility

Check planning and permit requirements, site suitability, supply and staffing needs, and required investment. Identify risks, timelines and coordination needs.

5

Learn, decide and scale

Run a pilot with clear learning objectives and decision criteria set in advance. Then decide whether to refine the concept, expand it or stop.

Clear objectives, not false precision

An expansion plan should be no more precise than the data supports. **It should, however, be clear about what needs to be in place before the next investment is approved.** Five questions can guide that decision:

Market and customer fit: What evidence shows that the concept meets a need among target customers?

Format and financial viability: Do the proposed store layout, expected sales and costs add up?

Site selection: How does the preferred site compare with the alternatives, and why is it the better choice?

Planning feasibility: Which planning procedures apply, what risks have been identified and what still needs to be resolved?

Pilot criteria: Which performance measures and qualitative observations will be used to assess the pilot? When will the team decide whether to continue testing, adapt the format or roll it out more widely?

Use early stores to refine the roll-out

The first stores do more than generate sales. They show how customers shop, which products and services they need, and how well day-to-day operations work. Comparing these findings across sites helps the team decide what to keep and what to change before opening more stores.

Keep the core concept consistent, but adapt locally

A consistent concept does not mean every store has to be identical. Store layouts, product ranges and services can vary by town or region to reflect local demand.





8 Outlook

Questions to ask before making your first investment

The German retail market offers opportunities for investors who recognise that it is not a single, uniform market. Demand varies by region and retail sector. Customer needs are changing, and shoppers move between online channels and physical stores. In this environment, every store needs a clear purpose. A promising site must appeal to customers, make financial sense, support day-to-day operations and meet planning requirements.

Six questions to ask before investing:

Market: In which retail sectors and regions is the concept most likely to succeed?

Customer needs: What specific customer need does the concept address, and how does it meet that need better than, or differently from, the alternatives?

Market dynamics: Which assumptions should we revisit to be reviewed on a regular basis?

In-store experience: What role does the physical store play in the customer's buying journey?

Location: Is the site a good fit for the store format and the customers we want to reach? Do the economics work?

Feasibility: Have we established whether the proposed store can meet the applicable legal, regional planning and operational requirements?

Reviewing these questions together helps investors identify risks and shortlist opportunities without letting a single metric or an available site drive the decision.

The next step is to assess the retail concept at a specific site. This analysis examines local demand, competition, target customers and space requirements alongside financial and legal viability. It gives investors a clear basis for deciding whether to enter the market at that location.



One partner. All perspectives. On your route to Germany.

What sets us apart: Our specialist departments do not work in isolation, one after the other, but as a team – achieving shared results and ensuring a short path from market requirements to implementation.

Understanding the market



Market research

Analysing customers, demand and competition.

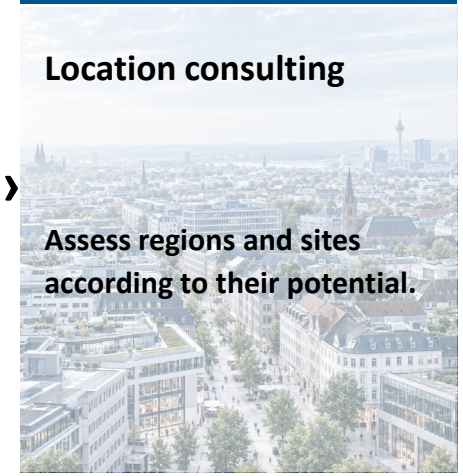
Develop a strategy



Strategy and Management Consultancy

Refine the target audience, positioning and format.

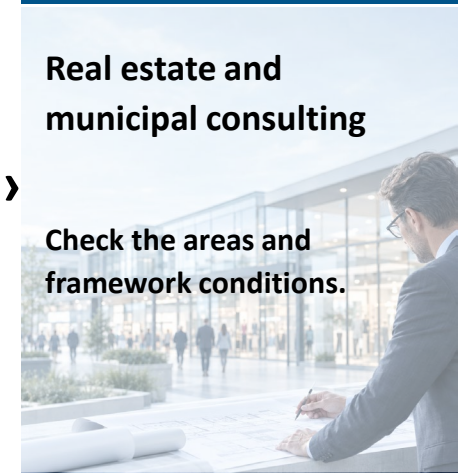
Select locations



Location consulting

Assess regions and sites according to their potential.

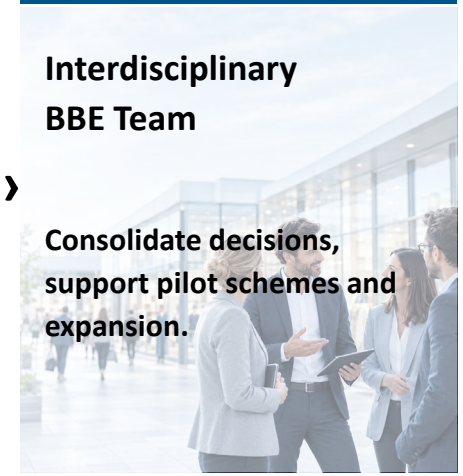
Assess feasibility



Real estate and municipal consulting

Check the areas and framework conditions.

Accompany someone on their visit



Interdisciplinary BBE Team

Consolidate decisions, support pilot schemes and expansion.

Five steps, one team – closely interlinked, building on one another and with ongoing feedback.



BBE as a partner: holistic, value-driven, strategic

Thanks to its focus on the German retail market for over 70 years, we offer international partners unrivalled local market knowledge.

In-depth understanding of the market
Our consultants have in-depth knowledge of German consumer behaviour, regional preferences and market dynamics across all retail sectors. This expertise enables precise market positioning and well-informed strategic decision-making.

Navigating regulatory requirements
We possess up-to-date specialist knowledge of German retail regulations, tax and employment law, and compliance requirements. We guide international companies through complex regulatory frameworks, ensuring full compliance with regulations and minimising risks.

Cultural integration
Our team understands the cultural nuances that are crucial to success in the German market. We help international companies adapt their value propositions, communication strategies and operational approaches to meet German expectations.

Historical market outlook
Thanks to seven decades of market monitoring, BBE offers unique insights into market developments, the identification of trends and the strategic timing of market entry initiatives.

Network access
Our extensive network – comprising industry contacts, suppliers, partners and decision-makers – provides international companies with direct access to key market players and business opportunities.



9 About the authors

About the authors



As Regional Manager for the North, **Oliver Ohm** is responsible for location consultancy in northern Germany.

For over 20 years, he and his team have been based in Hamburg, advising companies, local authorities, project developers and the property sector on all matters relating to locations, markets and the future of the retail sector.

His specialist focus lies on market and location analyses, competitive analyses, and the assessment of sales and growth potential. In addition, he has proven experience in construction and planning law relating to large-scale retail, in matters of spatial planning, and in neighbourhood development.

Another key area of his work is feasibility studies in the food retail sector – particularly with regard to regionality, regional value creation and ensuring food supply in rural areas.

Oliver Ohm has contributed to various studies on the revitalisation and positioning of retail concepts. He provides decision-makers with reliable assessments of how retail concepts function, fit into their environment and can become sustainable in the long term.



Anika Schmidt is a member of the management board at BBE Retail Consultancy:

Her consultancy work focuses on purchasing, procurement, private label business and product range strategy. She places great emphasis on ensuring that product ranges and products are consistently tailored to the needs of customers.

She previously served as Managing Director at Lidl. In that role, she was responsible for managing international product ranges and the own-brand business across the value chain – from strategic direction and product development, through negotiation and procurement, to sales across Europe.

Anika Schmidt has more than 18 years' experience in purchasing, procurement and the own-brand business. She is currently studying for an Executive MBA in St. Gallen. At BBE, she combines practical experience in international purchasing with strategic retail consultancy. In her book chapter 'The Key Role of Purchasing: Five Skills That Will Determine the Future of Retail Companies', she describes how purchasing can become a driver of corporate development.

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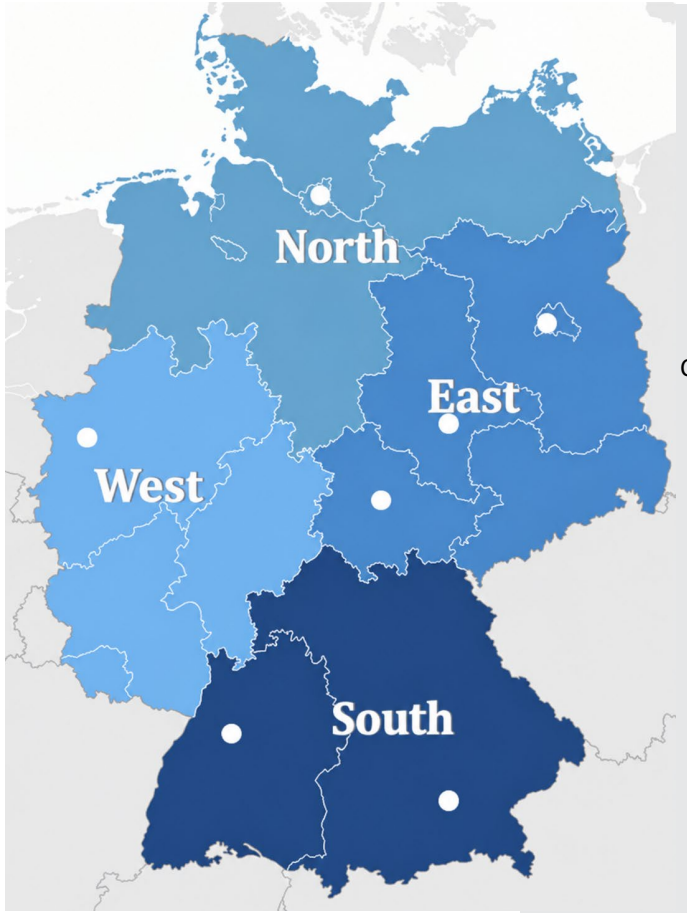
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With industry experience and methodological expertise – your regional contacts

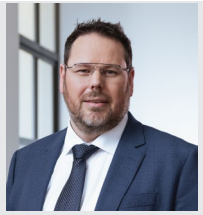




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BBE Retail Consultancy

Confidence in decision-making for the retail sector

BBE Retail Consultancy, headquartered in Munich with branches in Hamburg, Berlin, Cologne, Stuttgart, Leipzig and Erfurt, has been advising retail companies of all sizes and types, purchasing cooperatives, buyer groups, the consumer goods industry, the property sector and local authorities for over 70 years.

We provide certainty for decision-makers in the retail sector, the property sector and the public sector through methodical analysis, concrete recommendations and operational implementation support. Analysis and forecasting methods are continuously optimised, and theory is integrated with practice, enabling us to provide expert recommendations for action.

over **70**

Years of excellence in retail

OUR VISION

1st

Address for consultancy in retail

OUR COMMITMENT SINCE 1952



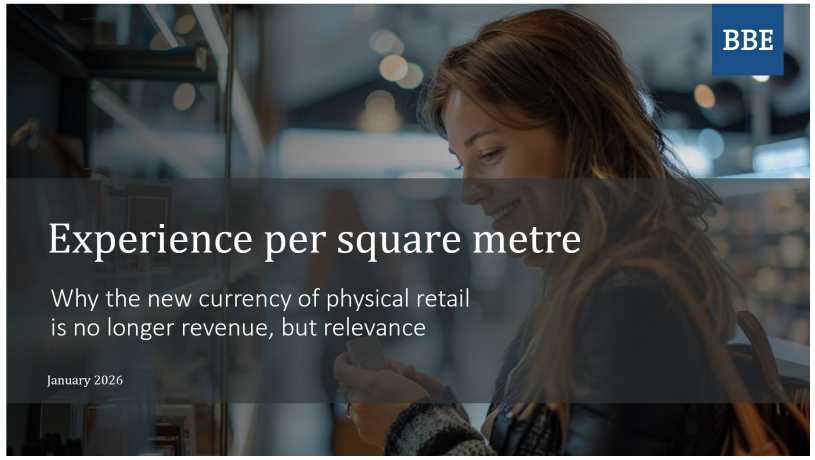
Enhancing our customers' competitiveness and profitability

OUR CUSTOMERS

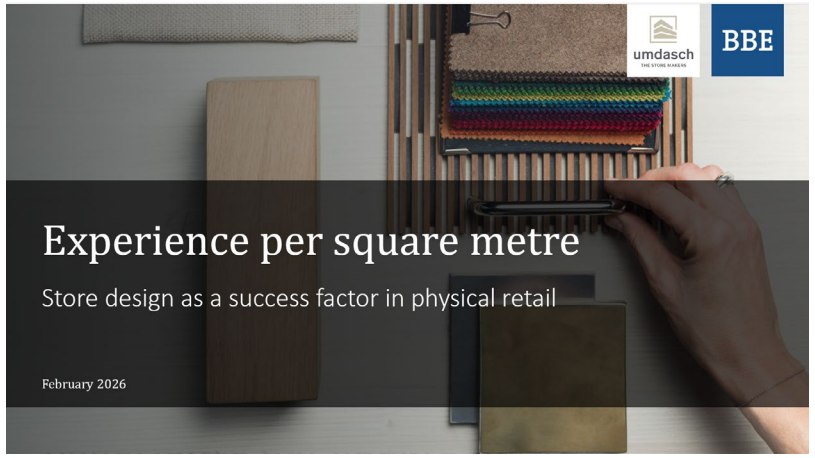


Brick-and-mortar retailers, retail groups, retail conglomerates, consumer goods companies and the public sector

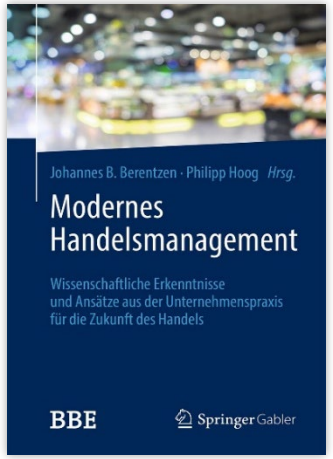
A selection of further studies for you











- Experience per square metre – Why the new currency of physical retail is no longer revenue, but relevance
- Experience per square metre – Store design as a success factor in physical retail
- Experience per Square Metre - Omnichannel as a Success Factor
- Modern Retail Management
- Spring Report on the Real Estate Industry 2026 by the Council of Real Estate Experts ("Rat der Immobilienweisen") Edited Volume

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