

Press Release

German retail sales to remain stable in 2009

Date
February 10, 2009

Press contact:
Cornelia Lichtner

Contact info.
Tel.: +49 (0)7251 9295270
Fax: +49 (0)7251 9295290

E-mail
c.lichtner@gfk-geomarketing.com

Despite the financial crisis and the threat of recession in Germany, retail will see stable sales this year. The current "GfK POS Turnover for the Retail Trade 2009" study from GfK GeoMarketing shows that some regions will achieve sales far in excess of the local purchasing power in 2009.

According to the study's findings, sales are expected to remain stable for over-the-counter retail in 2009, reaching a volume of €399 billion. GfK's CEO Professor Klaus L. Wübbenhorst reads these findings as a positive signal for retail: "In light of the expected low inflation rate, retailers will be able to achieve satisfactory results in spite of the currently difficult economic environment." The "GfK POS Turnover 2009" study forecasts sales at the point of sale, reflecting the regional distribution of retail sales (not including car dealerships, fuel and gas stations).

Retail sales volume: Berlin is the clear forerunner

Looking at POS turnover volumes at the level of counties and metropolitan areas, the major conurbations are predictably leading the field. In addition to the major cities, only three rural and populous counties made it into the list of the top 15 locations, which together account for more than €83.6 billion or 20% of total POS sales in Germany.

GfK GeoMarketing GmbH

www.gfk-geomarketing.com
info@gfk-geomarketing.com

Bruchsal headquarters:
Werner-von-Siemens-Str. 9
Building 6508
76646 Bruchsal
Tel.: +49 (0)7251 9295100
Fax: +49 (0)7251 9295290

Hamburg office:
Hans-Henny-Jahnn-Weg 53
22085 Hamburg
Tel.: +49 (0)40 2271120
Fax: +49 (0)40 2277282

Nuremberg office:
Nordwestring 101
90319 Nuremberg
Tel.: +49 (0)911 3952509
Fax: +49 (0)911 3954054

Management Board:
Olaf Petersen
Wolfram Scholz
Dr. Eberhard Stegner

Mannheim County Court
HRB 250872
Ust-ID: DE 143585033

Table 1: Germany's top 15 POS turnover locations

Rank in 2009	County	POS turnover in 2009 in millions of euros
1	Berlin (urban)	17,240
2	Hamburg (urban)	10,461
3	Munich (urban)	9,639
4	Cologne (urban)	6,574
5	Hanover region (rural)	6,296
6	Düsseldorf (urban)	4,117
7	Stuttgart (urban)	4,060
8	Frankfurt am Main (urban)	4,002
9	Nuremberg (urban)	3,489
10	Essen (urban)	3,453
11	Bremen (urban)	3,269
12	Dortmund (urban)	3,074
13	Recklinghausen (rural)	2,945
14	Dresden (urban)	2,557
15	Mettmann (urban)	2,458

Retail turnover per capita: smaller cities pull ahead

Rankings change, however, when calculating sales per inhabitant. The smaller cities – especially in Bavaria – have a clear lead here. In more rural areas they often act as retail hubs – drawing shoppers from outlying regions. As a result, they are achieving significantly higher retail sales.

Based on these figures, the Bavarian city of Straubing ranks at the top of the table and is generating €11,830 per inhabitant – almost two-and-a-half times the national average of €4,850. Berlin, the leader in terms of absolute POS turnover, ranks only 122nd, but is still above the national average. In the German capital, per capita retail sales are around €5,000. In last place is the rural area of Kaiserslautern, which generates per capita sales of only €2,630 according to the study.

However, it should be noted that these figures are primarily mathematical benchmarks. Retail trade at any given retail location is not generated by the local inhabitants alone. Nonetheless, the figures do provide an indication of the retail drawing power of individual areas.

Table 2: Top 15 counties according to retail sales per inhabitant

Rank in 2009	County	POS turnover in 2009 per inhabitant in €	POS sales in 2009 index per inhabitant (national average= 100)
1	Straubing (urban)	11,828	243.7
2	Weiden i. d. Opf. (urban)	11,306	233.0
3	Passau (urban)	11,265	232.1
4	Kempten (Allgäu) (urban)	10,216	210.5
5	Rosenheim (urban)	10,060	207.3
6	Memmingen (urban)	9,617	198.2
7	Schweinfurt (urban)	9,508	195.9
8	Landshut (urban)	9,092	187.3
9	Hof (urban)	8,916	183.7
10	Regensburg (urban)	8,882	183.0
11	Trier (urban)	8,858	182.5
12	Würzburg (urban)	8,763	180.6
13	Aschaffenburg (urban)	8,708	179.4
14	Zweibrücken (urban)	8,626	177.7
15	Amberg (urban)	8,057	166.0

Large variations at municipal level

While per capita sales in the 429 counties surveyed fluctuate between around €2,600 and approximately €11,800, the amounts among municipalities vary even more. On the one hand, there are municipalities – usually in the vicinity of major cities – where retail operations or shopping centers with high sales are located. On the other hand, there are municipalities where retail is now almost non-existent. This explains why the low-

ranking Schkopau in Saxony-Anhalt (around €800 per inhabitant) and the top-ranked Mülheim-Kärlich in Rhineland-Palatinate (around €25,600 per inhabitant) really are "retail worlds" apart: The Rhein-Mosel shopping mall in Mülheim-Kärlich pulls in up to 25,000 customers from all over the region every day.

About the study

The "GfK POS Turnover for the Retail Trade" study is a prognosis of the regional distribution of retail sales. This is defined as over-the-counter retail sales, not including car dealerships, fuels, gas stations or mail order. It does include sales by bakeries, confectionaries and butchers. GfK POS turnover figures are calculated annually.





In contrast to GfK purchasing power, which measures the consumers' net incomes at their place of residence, GfK POS turnover figures are measured at the point of sale.

Further information: Cornelia Lichtner, GfK GeoMarketing,
Tel. +49 7251 9295270, c.lichtner@gfk-geomarketing.com,
or at www.gfk-geomarketing.com/pos_en

Graphics in print-quality resolution can be found at
www.gfk-geomarketing.com/press_pos

About GfK GeoMarketing

GfK GeoMarketing is one of the largest providers of geomarketing services in Europe for customers and users from all branches of trade. Key business areas include:

-  Consultancy
-  Market data
-  Digital maps
-  RegioGraph and DISTRICT geomarketing software solutions

GfK GeoMarketing is a subsidiary of the globally active GfK Group. Ranked fourth among the world's market research institutes, the GfK is represented by approximately 10,000 employees belonging to more than 115 subsidiaries located in 100 countries.