

Can the retail industry adapt for the future of the Dutch economy?





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To remain relevant and trusted in an increasingly competing market, the retail industry needs continuous focus on value and experience – not just price. It should make productivity its new growth engine: combining labour-saving technologies with targeted upskilling and utilising the power of data to steer assortment, pricing and omnichannel journeys, argue Peter van Kampen, PwC's retail expert, and chief economist Barbara Baarsma.

In March 2025, we published a study on **'Future-proofing the Dutch economy'**. This report examines fifteen industries, part of the commercial sector, over the period 1995-2023 from three different perspectives: their position in the economy, their economic contribution, and their reliance on scarce production factors.

Centrality: The first 'lens' relates to the extent to which an industry is connected to other industries. Central industries have many trade relationships with other

industries and therefore hold a strategically important position in the economy. If they experience positive (or negative) shocks, this leads to a disproportionate positive (or negative) impact on the rest of the economy.

Economic importance: The second lens examines the fifteen industries based on their economic importance: What do they contribute to the GDP? What do they spend on research and development (R&D)? How high is their labour productivity growth?



175,000

There are more than 175,000 retailers in the Netherlands

Dependence on scarce production

factors: The third lens looks at the extent to which the different industries rely on scarce resources such as labour, capital, environment (greenhouse gases, nitrogen, and water), and physical space.

The industries that are most central, that make a significant contribution to the economy, and that also have a limited reliance on scarce production factors are the industries with the most potential for sustainable growth.

Deep diving in the retail industry

In this study, we take a deep dive into the retail industry. In the original **Future-proofing the Dutch economy** study, we looked at the broader wholesale and retail trade (G) sector, while in this research we only focus on part of the sector: the retail industry (G3), excluding motor vehicles. From here on, we refer to it as 'the retail industry'.

It is an important industry in the Netherlands, with more than 175,940

companies (including the self-employed, which make up 86.5% of companies).¹ The industry can be divided into two categories: food retailers – such as supermarkets and specialist shops – and non-food retailers – such as furniture and household shops, clothing stores, personal care products, Do-it-Yourself (DiY) products, recreational goods, consumer electronics, shoes and leather products and petrol stations.²

In terms of delivery, physical stores, markets, and online retailers are all part of the industry.³

To assess how future-proof the Dutch retail industry is, we take a broad view and consider the three lenses mentioned above: centrality, economic importance, and dependence on scarce production factors. In addition, we also highlight the role that the retail industry plays in terms of helping to satisfy consumer needs; shaping consumer behaviour and, in doing so, driving wider social transition; influencing the structure and attractiveness of urban environments; and fostering a sense of community and vibrancy, and access to essential goods and services in many areas.

¹ CBS: Bedrijven; bedrijfstak.

² CBS (November 2025): Retail turnover up by 3.8 percent in September.

³ KvK: Overview SBI codes (Standard Industrial Classification).

Conclusion

In Figure 1, we summarise the perspective of the three lenses. First, the retail industry was not among the most central ones to Dutch production in 2024. Second, it had a sizeable share of total value added and

significant labour productivity growth, despite the low labour productivity level. It also lagged other industries in spending on R&D. Third, in terms of scarce production factors, the retail industry does not rely much on scarce production factors overall, except for labour.

Figure 1: Overall, in 2024, the retail industry placed in the middle of the pack compared to other sectors in all categories, except ranking particularly low in terms of R&D share and centrality towards other industries⁴

Industry	Centrality	GDP share	Labour productivity growth	R&D share	Scarce production factors index	Sum of all factors
Construction (F)	100.0	53.5	87.9	2.0	71.4	314.8
Other specialised business services (M)	24.1	100.0	81.8	43.0	62.9	311.8
High/medium-high tech manufacturing (C3)	13.5	60.1	75.8	100.0	45.7	295.1
Wholesale trade, excl. motor vehicles (G2)	14.7	85.5	81.8	8.4	77.1	267.6
Information and communication (J)	14.9	50.0	78.8	32.3	80.0	256.0
Renting and other business support (N)	8.9	74.9	87.9	2.4	60.0	234.1
Retail trade, excl. motor vehicles (G3)	7.3	39.2	100.0	4.0	82.9	233.4
Accommodation and food serving (I)	4.3	17.3	93.9	0.0	94.3	209.8
Low tech manufacturing (C1)	8.6	32.5	72.7	9.4	80.0	203.2
Financial institutions (K)	3.2	48.9	57.6	7.7	85.7	203.1
Sale and repair of motor vehicles (G1)	2.7	8.1	75.8	1.3	100.0	187.8
Water supply and waste management (E)	0.0	0.1	93.9	0.5	82.9	177.4
Mining and quarrying (B)	1.3	0.0	57.6	0.4	94.3	153.6
Medium-low tech manufacturing (C2)	7.0	15.3	51.5	4.4	71.4	149.6
Transportation and storage (H)	17.1	47.6	75.8	2.4	5.7	148.4
Agriculture, forestry and fishing (A)	3.8	15.5	81.8	5.2	0.0	106.3
Energy supply (D)	3.9	15.0	0.0	0.7	22.9	42.5

Furthermore, there are four additional roles that retail fulfils. Due to the industry's proximity to consumers, retail helps to satisfy consumer needs and wants through omnichannel offerings, where physical shops and online platforms are integrated. It also shapes consumer behaviour and,

in doing so, drives wider societal transitions. In addition, retail influences the structure and attractiveness of urban environments. Finally, the industry serves an important social function by fostering a sense of community, vibrancy, and access to essential goods and services.

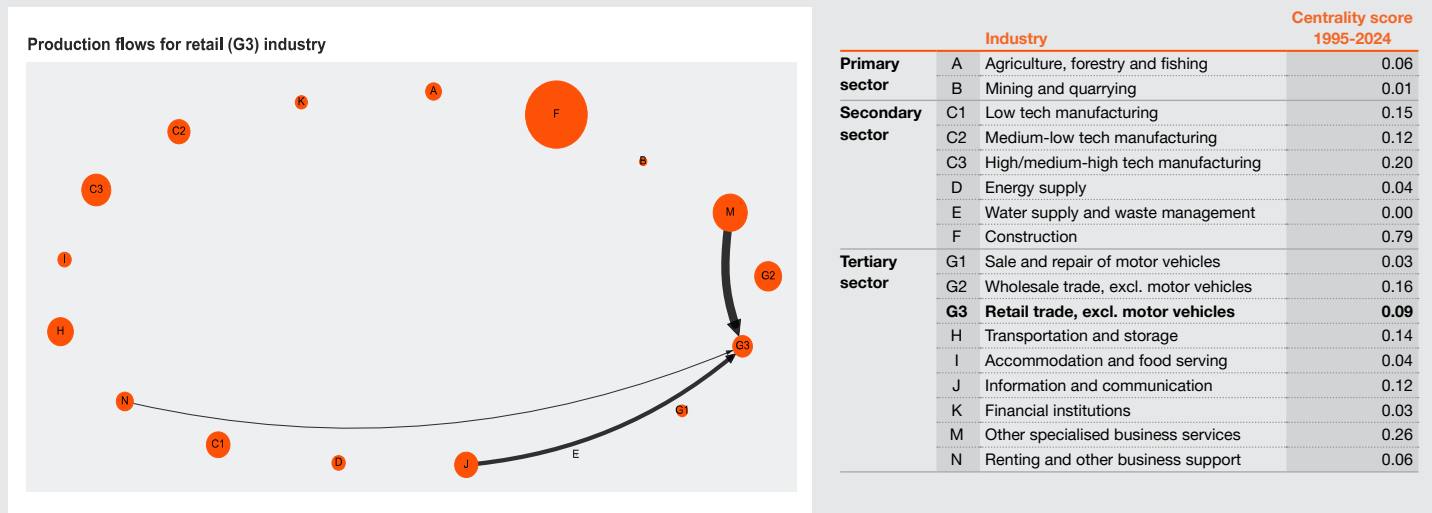
⁴ The results differ slightly from the 'Future-Proofing the Dutch Economy' report and the follow-up industry analysis on the Transportation & Logistics and Construction industries, as we use input-output tables from CBS and years 1995-2024 instead of the OECD and years 1995-2020. In addition, in the previous reports we considered year 2023 as the latest available year, while here we use 2024. Hence, there might be slight discrepancy due to different data sources and yearly variation in the results.

Centrality: the retail industry is the 9th most central to the production flows of the Dutch economy

Centrality measures how big a role an industry plays in national production flows. The more central an industry is, the more influential it is in the economic production network. We consider the average centrality score from 1995 to 2024, including both the number of connections to other industries

and the strength of these connections.⁵ In addition, we report flows that exceed €0.76 billion annually. Amongst all 17 industries that are part of the Dutch commercial sector and are in our scope,⁶ the retail industry ranked as the 9th most central (Figure 2).

Figure 2: The retail industry is primarily linked with other specialised business services (M), and information and communication (J) industries



● The size of the sphere reflects the centrality of the industry
 — The thickness of the arrows indicate the strength of production flows

Source: CBS input-output tables 1995-2024, PwC Analysis. Only trade flows that exceed the average (or €0.76 billion) from 1995-2024 flows are included. We exclude non-commercial industries.

This relatively low score is not surprising, as the industry is located at the downstream end of the value chain, closer to consumers. Nevertheless, it still has pronounced production relationships with other specialised business services, and information and communication. It also plays a key role in serving customers who purchase products from a wide range

of other industries. As the final link in the value chain – from raw materials to finished goods reaching households – retail connects producers with consumers. Its centrality within the wider economy underscores its crucial role extending well beyond the commercial sector, although this significance is not fully reflected in value-added measures.

⁵ For more details, see p.39 in PwC (2025): Future-Proofing the Dutch Economy: Key Industries for Resilient Growth.

⁶ CBS: Commercial Sector. Compared to the initial Future-Proofing the Dutch Economy study, we segment the wholesale and retail industry (G) into three subindustries, namely sale and repair of motor vehicles (G1), wholesale trade, no motor vehicles (G2), and retail trade, not in motor vehicles (G3).

Economic importance: while the retail industry has an average share of GDP and R&D spending, its labour productivity is growing relatively fast from a low level

Next, we look at the economic importance, considering the industry’s share of gross domestic product (GDP),⁷ share of private in-house research and development (R&D) spending and labour productivity growth.

Retail’s share of GDP declined over this time from around 4% to 3.5%. The 2004-2013 period was especially difficult for the industry with the lowest relative share of GDP over the past 30 years. This was likely driven by the prolonged and deep recession that followed the financial crisis. It has rebounded since then.

Economic size (share of GDP)

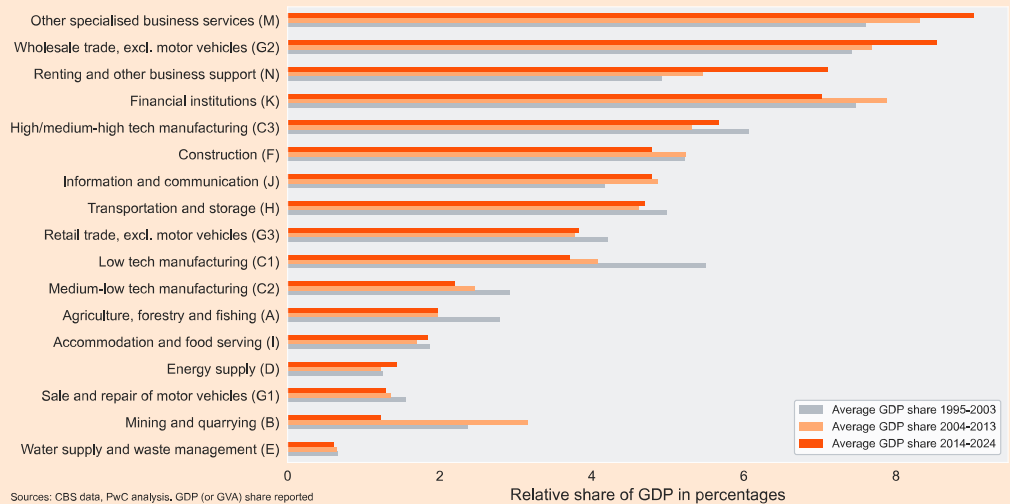
From 1995 to 2024, the industry’s relative share of GDP slightly decreased, but it remained ‘in the middle of the pack’ in its economic size, ranking 9th out of 17 industries (Figure 3).

Over the past decade the industry has increased revenue by 69% from €100bn in 2009 to €170bn in 2023. Nevertheless, this revenue growth has lagged other commercial sector industries besides retail, which increased their revenue by 90% over the same period (Figure 4).

3.5%
Retail’s share of GDP

Figure 3: Retail is the 9th largest Dutch industry in terms of gross value added

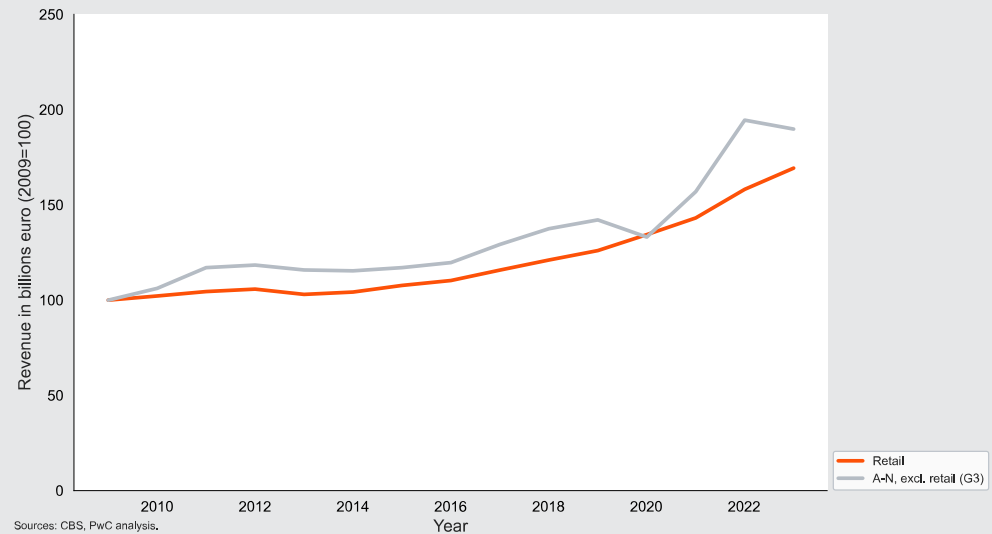
Relative share of GDP from 1995 to 2024 by industries in the Netherlands



⁷ To specify, we look at the share of gross value added (GVA) in basic prices, without adjusting for taxes and subsidies.

Figure 4: The retail industry's revenue has grown from €100bn in 2009 to €170bn in 2023 – an increase of 69%, lagging the 90% increase in the rest of the commercial sector

Revenue of the retail (G3) industry 2009-2023 compared to the the rest of the commercial sector



There are several plausible explanations for this:

- Retail faces inherently lower productivity growth potential, rising labour and operating costs, intense price competition, and a shift towards online channels that increase volume without proportionate revenue gains.
- Consumer spending has increasingly shifted from goods to services, meaning that the strongest growth has occurred in sectors such as ICT, business services, logistics, and energy rather than in goods-oriented sectors, such as retail.
- Retail has structurally underinvested in R&D, which reduces its ability to generate productivity-enhancing innovations compared with more technology-intensive industries.
- The retail industry is highly dependent on labour, and labour shortages have intensified since 2020, driving wage growth that compresses margins and restricts investment capacity.
- Significant market dynamism, including high rates of entry and exit, rising bankruptcies, and the consolidation of physical retail space, places downward pressure on sustained revenue growth.
- Consumer behaviour has become more complex, high inflation, lower willingness to buy, and rising expectations for omnichannel convenience mean that retailers must invest more heavily merely to maintain competitiveness, while other sectors benefit more directly from price dynamics (e.g., declining energy costs) or scalable digital business models.

Together, these factors explain why retail revenue growth has trailed the commercial sector: the industry is structurally less scalable, faces stronger cost pressures, benefits less from macroeconomic price effects, and must invest continuously in digitalisation, skills, and omnichannel capability just to keep pace.

While here we look at average revenue growth, there are revenue growth differences in the various retail segments. For example, shoe stores, toy stores, clothing stores, and, to a lesser extent, electronics stores shrank in turnover.

However, turnover increased in DIY stores, drugstores, supermarkets, department stores, and shops selling leisure goods. In addition, retailers focused on craft-based products – such as bakers, jewellers, opticians, and butchers – have outperformed retailers engaged in more traditional trading activities, as they add a greater share of their own value to the products they sell.⁸

Next, we assess another related aspect that will impact the growth of the industry, namely the role of R&D and innovation.

First, R&D spending is vital not only for innovation within the industry but also for creating productivity-enhancing innovation spillovers for other industries.⁹ In this aspect, the industry lags others, which arguably make more significant contributions to innovation.

Second, R&D and digitalisation are also important for the retail industry itself. The retail industry will need to keep on investing in AI and other labour-saving technologies, to improve efficiency, labour productivity, facilitate omnichannel sales, and improve consumer experience. It is estimated that approximately 0.5% of turnover annually (ca. €0.8bn) must be invested annually in digitalisation. In addition to that, 0.1% of turnover (ca. €0.2bn) must also be invested in accompanying skills and talent development.¹⁰

Moreover, as **PwC's Voice of the Consumer survey** shows, consumers are increasingly raising their expectations in terms of demanding goods and services to be provided efficiently and digitally while prioritising price as the main factor. Therefore, it is important for retailers to continue investing in this aspect.

<2%

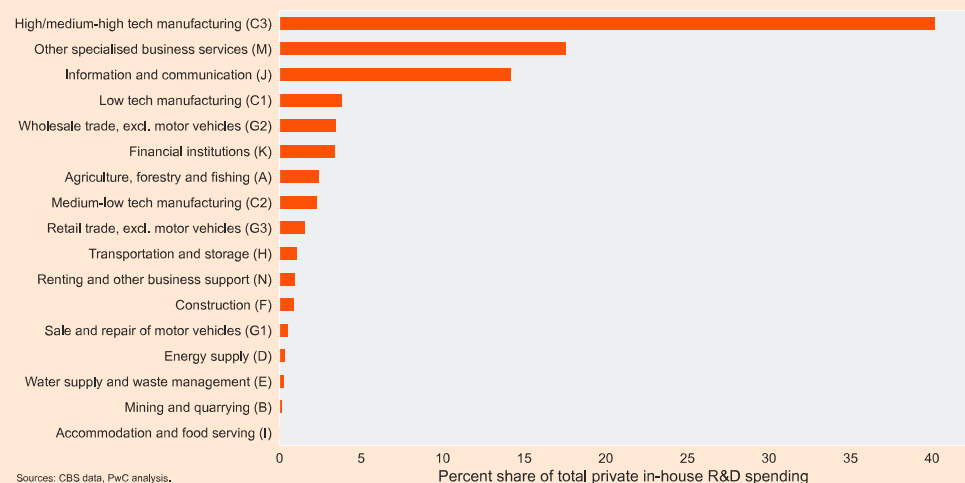
From 2003 to 2023 retail consistently made up less than 2% of the total R&D spending by the commercial sector.

R&D spending

Because of a lack of data on private in-house R&D spending of the retail (G3) industry, we use R&D spending data of the wholesale and retail trade (G) industry, and proxy retail (G3)'s R&D spending based on the industry's value-added share in wholesale and retail (G3). From 2003 to 2023, retail consistently made up less than 2% of the total spending by the commercial sector (Figure 5).

Figure 5: Retail had the 9th lowest private in-house R&D spending

Average share of relative private in-house R&D spending from 2013 to 2023 by industries in the Netherlands



⁸ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

⁹ Castellani et al. (2016): The Productivity Impact of R&D Investment: A Comparison between the EU and the US.

¹⁰ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

5th

highest productivity growth in the retail industry from 1994 to 2024

Labour productivity growth

The retail industry has had the 5th highest productivity growth from 1994 to 2024 (Figure 6).

If we zoom in on the labour productivity growth developments of the industry in Figure 7, we can see that the labour productivity growth rate increased substantially over the past years, with an especially significant increase since 2018.

Nevertheless, compared to other industries in 2024, labour productivity in the retail sector remained comparatively low, ranking as the second lowest (see Figure 8).

Behind the labour productivity growth in the retail sector there are significant variations between individual companies. Supermarkets and large chains, with more pricing power, larger scale, and the ability to invest, are leading the way in digitalisation. Applications such as self-checkout and

Figure 6: From 1995 to 2024, retail ranked 5th in cumulative labour productivity growth

Labour productivity growth from 1995 to 2024 by industries in the Netherlands

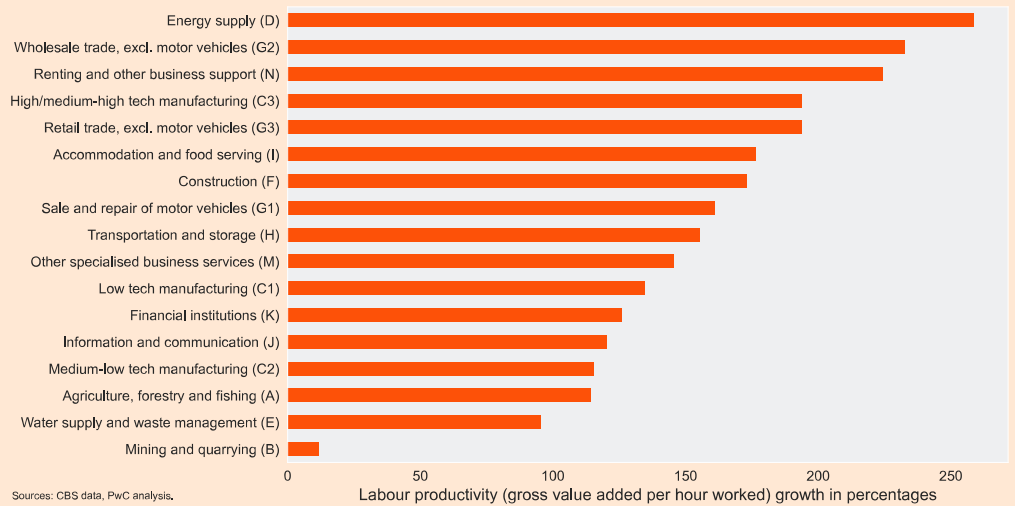


Figure 7: Labour productivity growth in retail increased notably since 2015

Labour productivity growth from 1995 to 2024 for the retail trade, excl. motor vehicles (G3) industry

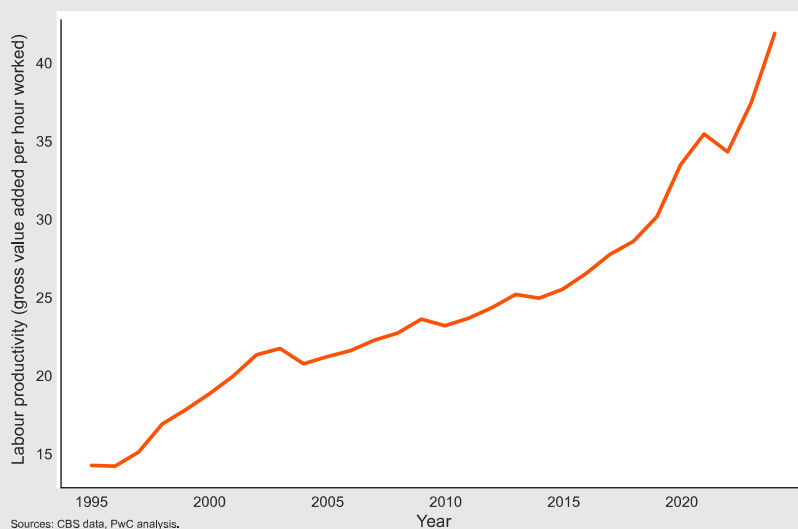
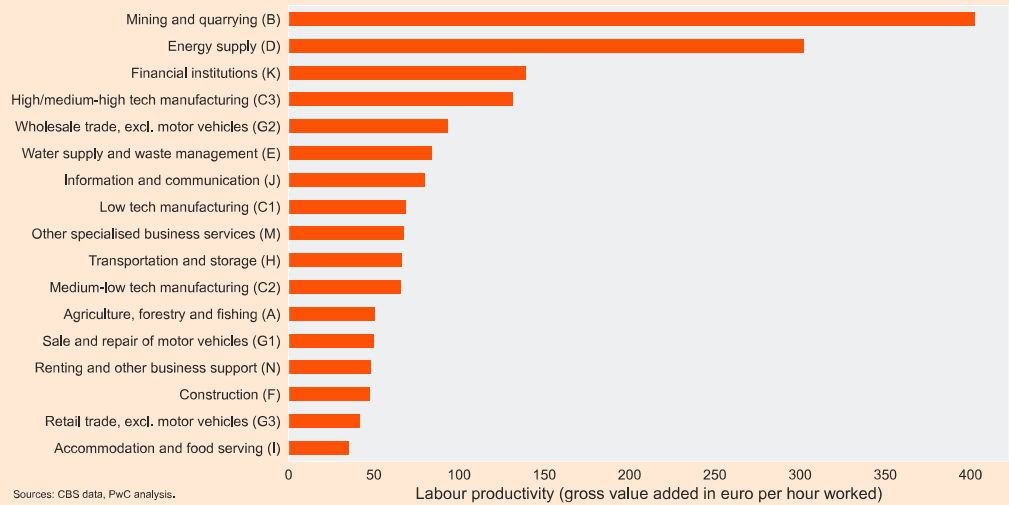


Figure 8: Labour productivity level in 2024 across industries in the Netherlands

Labour productivity in 2024 by industries in the Netherlands



cashier less technology, advanced inventory management, CRM systems, and artificial intelligence for customer prediction enable companies to create more value with less labour and better meet customer expectations.¹¹

However, smaller stores in food, apparel, DIY, furniture, and other sectors have lower labour productivity levels because many processes are manual and labour-intensive, such as cutting, preparing, and advising, and economies of scale are limited. Furthermore, for such stores employee knowledge plays a significant role: good advice increases sales but requires investment in training. Hence, for many smaller stores it is difficult to transition from labour-intensive business models, even with widespread labour shortages and rising costs of labour. Yet, there are opportunities: collaboration in cooperatives or franchise structures can yield economies of scale, and online ordering and local delivery offer room for growth, if well-organised.¹²

In addition, on paper, labour productivity in the online channel is high, as a well-optimised web shop can handle thousands of transactions per day with relatively few

staff. But in practice, the picture is more nuanced. Digital processes – such as ordering, payment, and customer service – are largely automated. However, in logistics – such as order picking, packing, and delivery – labour intensity is high, especially for companies with their own fulfilment centres or delivery services. Similarly, return processing is a major expense and requires a lot of labour. With that, stores that are increasingly enabling online sales channels and have optimised their processes to be highly automated, from fulfilment to customer service, are the ones boosting labour productivity.¹³

To sum up the economic contribution pillar, we can state that the retail (G3) industry has been the 9th largest in the Dutch economy in terms of GDP share and R&D spending, while with the 5th largest labour productivity growth over the past decades, albeit remaining at the 2nd lowest level. With that, the retail industry needs to continue the good progress in boosting labour productivity, investing further in R&D, digitalisation, and optimisation of processes, while not forgetting about the focus on customers.

¹¹ ABN AMRO (April 2025): Investeer in productiviteit.

¹² Ibid.

¹³ Ibid.

Scarce production factors: the retail industry does not rely much on them, except for labour



In this section, we consider four areas of scarce production factors: labour, capital, environmental space (greenhouse gas and nitrogen emissions, and water use), and physical space. The lower the rank, the less an industry relies on scarce production factors. When aggregating all the factors in an index, retail ranked 6th out of all industries in 2024, meaning that 11 other industries scored worse in this area (Figure 9).

Figure 9: Overall, retail industry ranks 6th in terms of using the least of scarce production factors

Industry	Scarce production factors index in 2024	Rank in 2024 (higher rank is better)
Sale and repair of motor vehicles (G1)	5.8	1
Mining and quarrying (B)	5.6	2
Accommodation and food serving (I)	5.6	3
Financial institutions (K)	5.3	4
Water supply and waste management (E)	5.2	5
Retail trade, excl. motor vehicles (G3)	5.2	6
Information and communication (J)	5.1	7
Low tech manufacturing (C1)	5.1	8
Wholesale trade, excl. motor vehicles (G2)	5.0	9
Construction (F)	4.8	10
Medium-low tech manufacturing (C2)	4.8	11
Other specialised business services (M)	4.5	12
Renting and other business support (N)	4.4	13
High/medium-high tech manufacturing (C3)	3.9	14
Energy supply (D)	3.1	15
Transportation and storage (H)	2.5	16
Agriculture, forestry and fishing (A)	2.3	17

538k+

employees in the retail industry in the Netherlands

75%

of the entrepreneurs indicated that they were facing labour shortages

Labour (share of total employment)

The retail industry in the Netherlands employs more than 538,000 employees, or around 7% of total full-time equivalent employment (Figure 10).

A relatively high number of people in the retail sector work part-time, resulting in the share of hours worked being lower than the share of total jobs in the sector. The industry provides flexible part-time employment, making it possible to combine work with family responsibilities, caregiving responsibilities, education, or training. With that, it serves as an important employer for those demanding more work flexibility.¹⁴

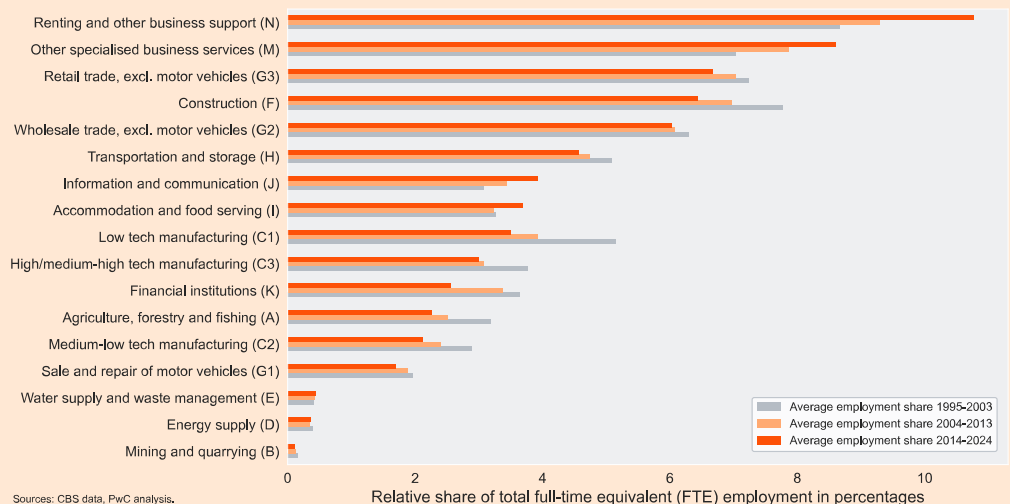
Nevertheless, labour shortages remain an issue in the retail industry, as 75% of entrepreneurs at the end of 2023 indicated that they were facing labour shortages.¹⁵ Positions on the shop floor, in warehouses, and in technical services are particularly difficult to fill.¹⁶ Furthermore, as we have

written in our **Retail Monitor 2025** edition, the role that employees play in the retail industry is changing. As retailers step up their omnichannel game and operations become more technology-driven, in-store retail employees remain the crucial human link defining and shaping the customer’s experience with a brand, either positively or negatively.

Migrant workers, pupils, and students have the potential to fill out some of these vacancies, and this has already been the solution for many entrepreneurs. However, in the long run, that is unlikely to be a sustainable solution due to population ageing (not only in the Netherlands but in many other countries) and migrant workers themselves requiring facilities such as housing, healthcare, and other services from already strained sectors.¹⁷ Hiring pupils and students will also become less attractive with the announced increase in the minimum youth wage as of 2027.¹⁸

Figure 10: Retail industry has been the 3rd largest employer in the Netherlands

Share of full-time equivalent (FTE) employment from 1995 to 2024 by industries in the Netherlands



¹⁴ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

¹⁵ FashionUnited (October 2023): Digitalisering als wapen tegen het personeelstekort in de retailsector.

¹⁶ ABN AMRO (April 2025): Investeer in productiviteit.

¹⁷ Rabobank (December 2025): De detailhandel richting 2040: vijf grote transities.

¹⁸ Rijksoverheid (April 2025): Minimumjeugdloon gaat omhoog.

Furthermore, we can see in Figure 11 that personnel costs in the retail industry were pretty much in line from 2009 to 2020 with the rest of the G-I sector (trade, transport, hotels and catering) and industry (excluding construction and energy). However, since 2020, personnel cost growth in retail has accelerated. And they will likely increase in the future, making digitalisation and boosting labour productivity the primary avenues to tackle labour shortages.

Finally, another trend for the industry is the demographic pressures impact on owners and managers of many retail outlets. Many entrepreneurs want to retire within ten

years but have not been able to arrange a successor. Many retail firms are also family businesses, and it is not always given that descendants of the owners want to continue working in the business. Thus, there is a rising trend of consolidation.¹⁹

Capital (share of total gross capital stock)²⁰

In terms of gross capital share, we find that the retail industry used the 3rd lowest share (0.8%) of gross capital stock from 1995 to 2023 (Figure 12).

Figure 11: Personnel cost increases in the retail industry have accelerated since 2020

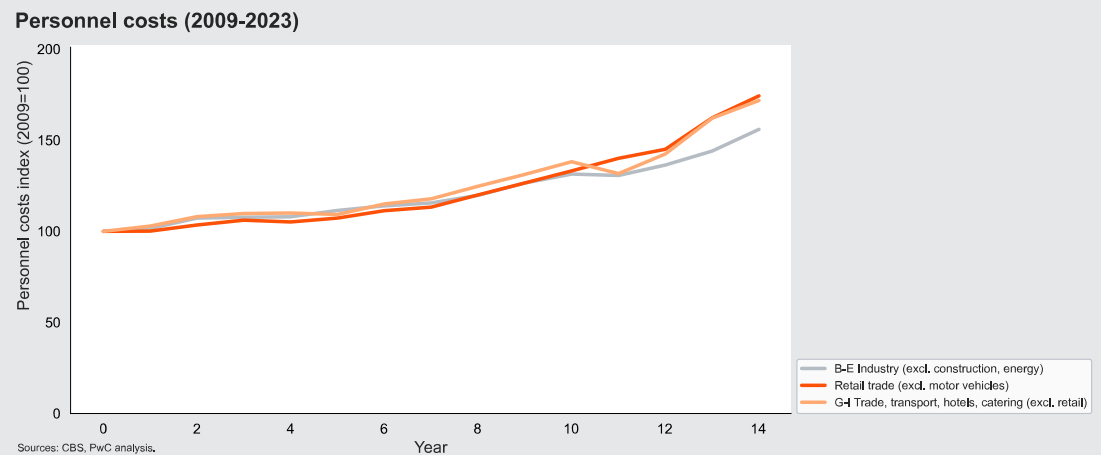
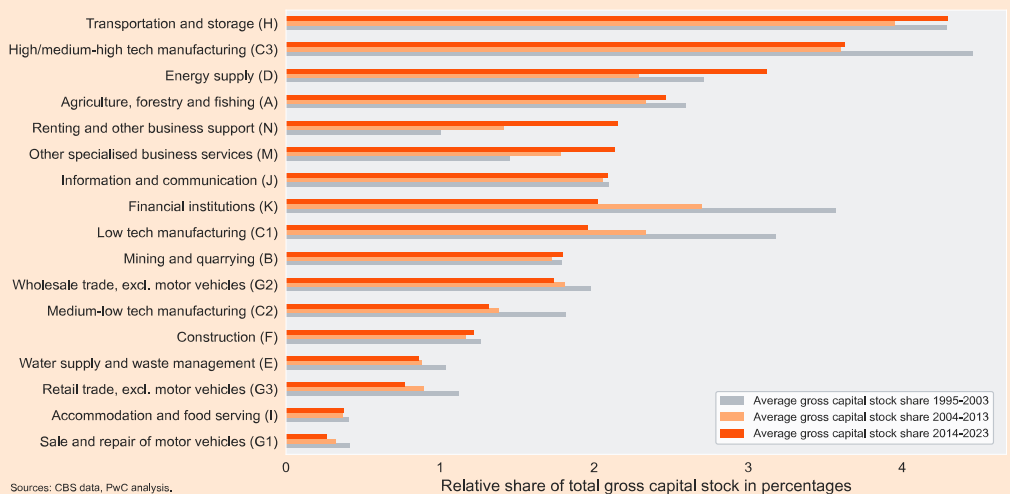


Figure 12: Retail had the 3rd lowest gross capital stock share from 1995 to 2023

Share of gross capital stock from 1995 to 2023 by industries in the Netherlands



¹⁹ ABN AMRO (December 2025): Stevige concurrentie noodzaakt retailers tot consolidatie.

²⁰ Because detailed data on the gross capital stock share for retail is unavailable, we use figures for the wholesale and retail trade (G) industry and estimate retail (G3)'s share based on its value-added contribution within that broader industry.

This implies that the industry is not capital intensive. Nevertheless, with online retail playing a more prominent role in many business models, it is expected that capital investments will continue increasing in the future.

Greenhouse gas emissions²¹

When it comes to greenhouse gas emissions, the Dutch retail industry has performed relatively well, emitting only around 0.6% of total greenhouse gas emissions, ranking 12th out of 17 industries (Figure 13).

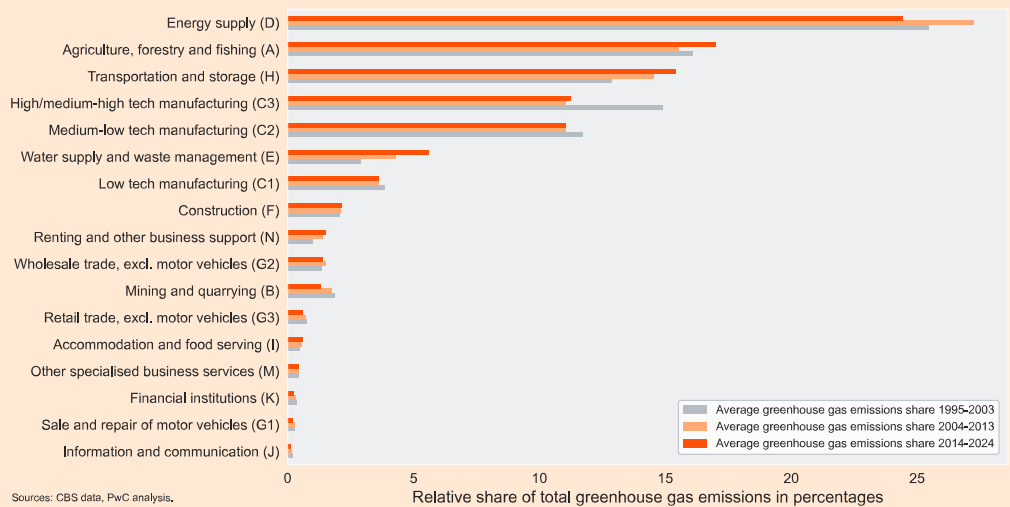
Even though the retail industry is amongst the relatively most sustainable in the Dutch economy, it still has room to improve its performance in this area. In this analysis, we focus on the direct emissions from the industry, but most emissions for the retail industry (90 to 95%) arise from the production and supply chains (scope 3). Hence, retailers need to work together and enter partnerships with value chain partners to reduce emissions and improve the uptake of circular business models.²²

Moreover, as regulatory pressure to improve in terms of sustainability and circularity persists, enabling the true prices of goods and services to converge with market prices, retailers must continue to invest in sustainability.²³ Investing now in sustainable and circular transitions can prevent more challenging and costly adjustments in the future. It is estimated that to make the retail industry more sustainable, approximately an additional 0.6% of turnover (ca. €1bn) must be invested annually to help the industry move towards net-zero emissions.²⁴



Figure 13: Retail had the 6th lowest share of greenhouse gas emissions from 1995 to 2024

Share of greenhouse gas emissions from 1995 to 2024 by industries in the Netherlands



²¹ Because of a lack of data on greenhouse gas emissions share for retail, we use the data of the wholesale and retail trade (G) industry for this variable and estimate retail (G3)'s share based on the industry's value-added share in the wholesale and retail (G) industry.

²² SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

²³ Rabobank (December 2025): De detailhandel richting 2040: vijf grote transitie's.

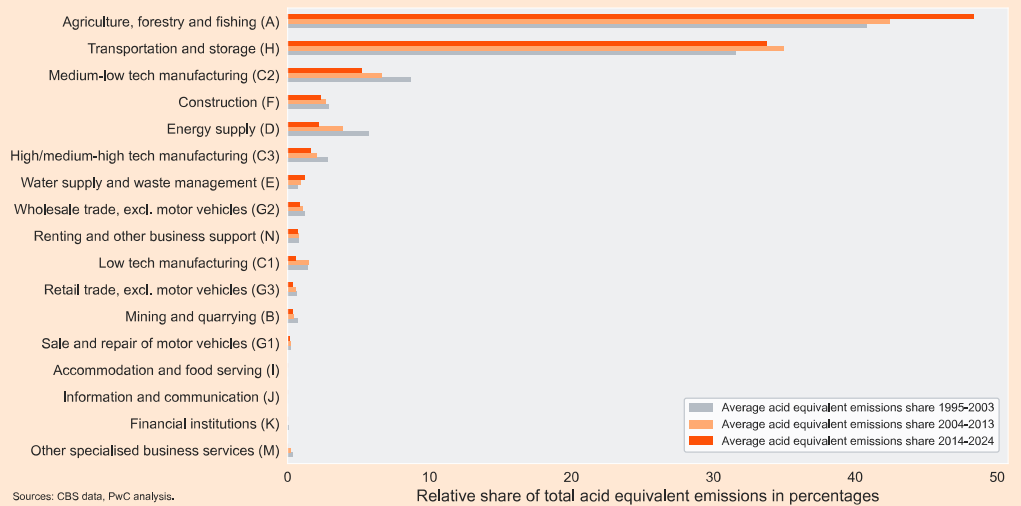
²⁴ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

Nitrogen (acidification)²⁵

The retail industry has the 7th lowest emitter of acid equivalent emissions with around 0.5% of the total (Figure 14). Its acid-equivalent emissions share is very low. Therefore, this is not a relevant area to consider for the industry.

Figure 14: Retail has been the 7th lowest emitter of acid equivalent emissions from 1995 to 2024

Share of acid equivalent emissions from 1995 to 2024 by industries in the Netherlands

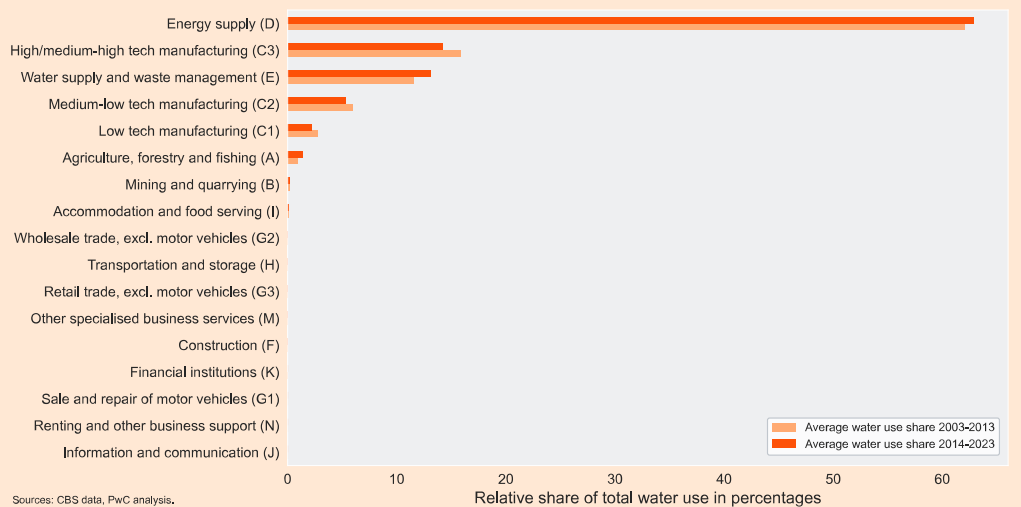


Water²⁶

In terms of water use, the retail industry has been a relatively a very minor water user with 0.02% of total water use (Figure 15). Hence, like acid-equivalent emissions, this factor is not relevant to consider in more detail.

Figure 15: Retail, compared to other industries, uses almost no water

Water use shares from 2003 to 2023 by industries in the Netherlands



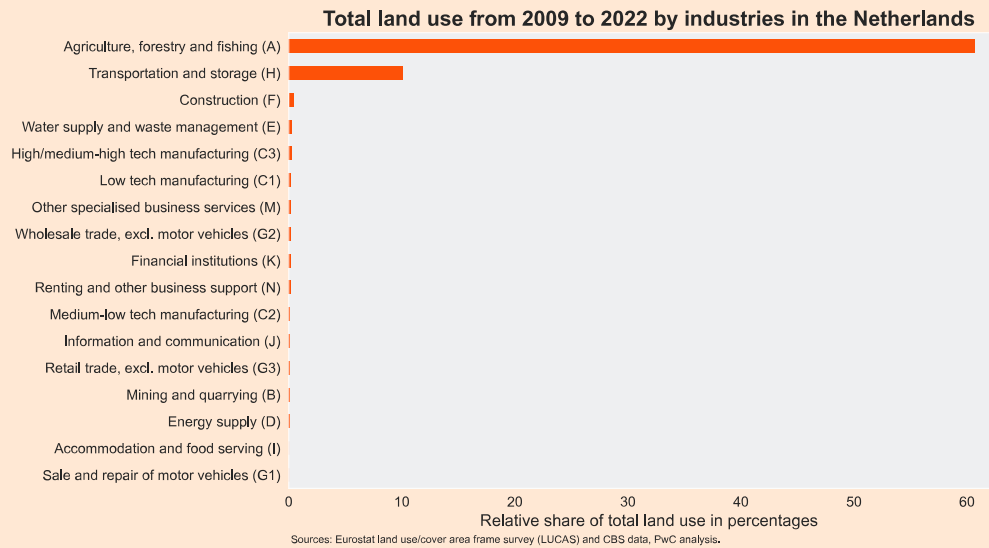
²⁵ Because of a lack of data on acid-equivalent emissions share for retail, we use the data of the wholesale and retail trade (G) industry for this variable and estimate retail (G3)'s share based on the industry's value-added share in the wholesale and retail (G) industry.

²⁶ Because of a lack of data on water use share for retail, we use the data of the wholesale and retail trade (G) industry for this variable and estimate retail (G3)'s share based on the industry's value-added share in the wholesale and retail (G) industry.

Physical space²⁷

Last, according to the European Commission’s land use and land cover survey (LUCAS), the retail industry takes up only 0.1% of the total land area (Figure 16).

Figure 16: Retail, as an industry, has the 5th lowest reliance on physical space



26%
decrease of the total number of retail properties in two years

89%
of the experts indicated that they expect the retail industry to experience a significant influx of new business closures

Despite the relatively low total physical space use, this factor has important implications for the retail industry, as having physical presence in specific, usually highly expensive locations is important for retailers. **PwC’s Special Management Barometer, released in December 2025**, consulted 73 experts on their views on the restructuring pressures for different industries. Eighty-nine percent of the experts indicated that they expect the retail industry to experience a significant influx of new business closures, in many cases tied to the difficulty of keeping physical stores running.

After a tumultuous period during the Covid-19 pandemic, 2024 was a moderately positive year for the industry, especially related to the role of physical stores. CBS reported in November 2025 that

sales in physical stores increased 3.8% compared to the same month a year earlier.²⁸ Furthermore, the total number of retail properties dropped below 80,000, down from 107,000 twenty years ago, which is a 26% decrease. The vacancy rate rose last year in the retail industry, in virtually every type of shopping area, with the sharpest increase seen in large-scale concentrations.

This confirms the long-standing trend of the largest centres outperforming smaller ones, as consumers are heading to the largest centres in the Netherlands for actual shopping. Hence, although the number of physical shops in the Netherlands is declining, existing stores are becoming larger and more versatile.²⁹ In smaller centres, the focus is increasingly on daily amenities.³⁰ Part of the explanation lies in

²⁷ Because of a lack of data on the physical space use share of the retail (G3) industry, we use the data for commercial, financial, professional and information services, and estimate retail (G3)’s share based on the industry’s value-added share in the services sector.

²⁸ Locatus (January 2026): Nederlandse winkelleegstand is in 2025 gestegen ondanks het positieve sentiment.

²⁹ Achmea Real Estate (2025): Retail outlook 2025-2027.

³⁰ Locatus (January 2026): Nederlandse winkelleegstand is in 2025 gestegen ondanks het positieve sentiment.



the fact that more retail sales have shifted online. The turnover of online stores has increased more than fivefold from 2011 to 2022.³¹ This has consequences for smaller physical stores and shopping areas, which need to become more convenient, and specialised to remain relevant.³² Hence, consumers thus appear to be split into two groups: those focused on price and speed, and those who prioritise experience and quality. On one hand, a growing group of consumers values crafts, quality, and provenance, particularly in urban and affluent communities. On the other, the group opting for cheaper alternatives at supermarkets or discount stores is growing.³³

Therefore, overall, we can anticipate that, on average, retail space will likely continue to decline while becoming more concentrated in specific areas that are expensive – such as shopping centres – for a variety of shopping and elsewhere to serve daily consumer needs.

³¹ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

³² Rabobank: Innovatie in retail: zo kun je vooruit.

³³ ABN AMRO (April 2025): Investeer in productiviteit.



Proximity to consumers: the retail industry helps to satisfy consumer wants in urban places through omnichannel offerings

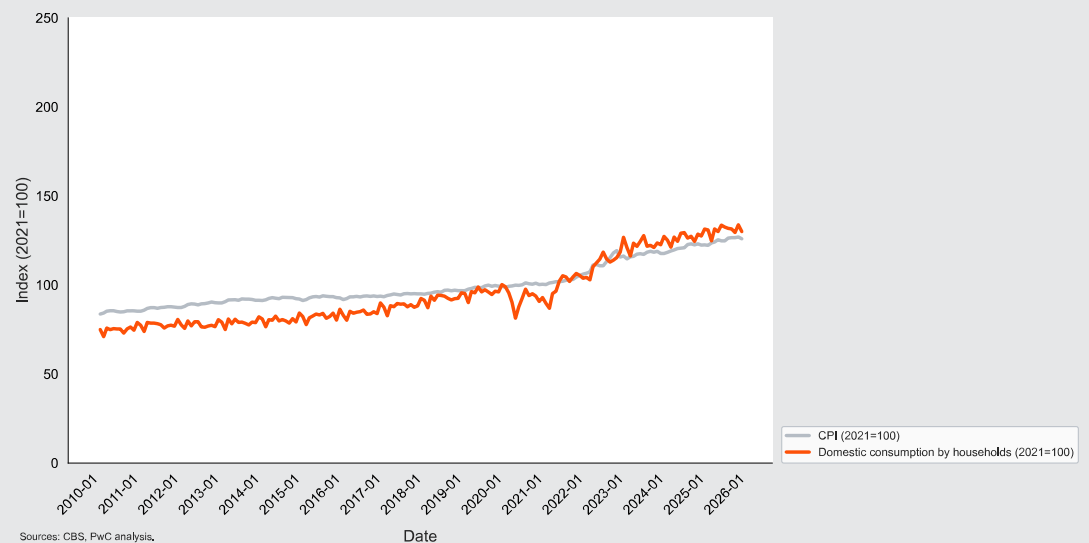
Because of the proximity to consumers, the retail industry is very dependent on the economic conditions that households face, namely how saving, consumption, wage developments, and population growth interact. When savings ratios are low, a higher proportion of income is typically spent, which often coincides with higher confidence in the economy. Consumers are more open to spending on a larger variety of goods, including non-essential goods. Rising consumer spending, due

to increases in wages and consumer confidence, is relevant for retailers to boost overall sales. Furthermore, increasing population growth is important, as it leads to more total consumers.³⁴

Looking at the period from January 2010 to November 2025, inflation exceeded household consumption from 2010 to 2022. Since then, this has changed and household consumption exceeds inflation (Figure 17).

Figure 17: Since 2022, household consumption has been exceeding inflation in relative terms

Inflation (CPI) and domestic consumption by households (January 2010-November 2025)



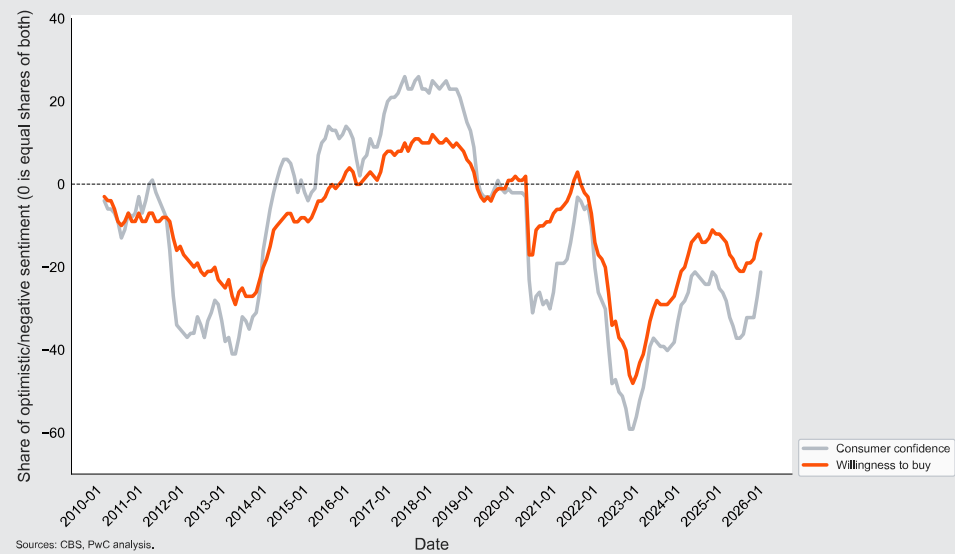
³⁴ Achmea Real Estate (2025): Retail outlook 2025-2027.

This means that household consumption has remained to some extent resilient despite recent bursts of inflation. One reason behind that could be strong wage growth recently, allowing consumers to maintain purchasing power.³⁵

However, if we look at the trends in consumer confidence surveys and willingness to buy, these two measures decreased lately, likely because of the Covid-19, the war in Ukraine, and trade shocks, remaining below 2018 levels (Figure 18).

Figure 18: Consumer confidence and willingness to buy remain lower than in 2018

Consumer confidence and willingness to buy (January 2010–November 2025)



Hence, while consumer confidence has slightly improved lately, it remains below the historical average. Pressure on retailers remains high due to rising costs, online competition, and a rapidly changing customer journey. This implies that retailers will need to consider not only shifting consumer behaviour because of macroeconomic volatility, but also a more structural trend of increasing consumer expectations in terms of customer service, convenience, and omnichannel retail experience.

In the future, omnichannel retail, where physical shops and online platforms are integrated, will become even more pronounced. Consumers increasingly

³⁵ CBS (December 2025): Negotiated wages up by 5 percent in 2025.

demand personalised and efficient shopping experiences that not only allow them to shop digitally but also interact with products physically. Furthermore, social media and cultural trends are driving consumer behaviour, increasingly asking retailers to be agile enough to follow these trends.

Nevertheless, physical stores will continue to play an essential role, as many consumers prefer to see, touch, and easily exchange or return products in person. More efficient use of data and technology can allow employees to focus on providing personal attention and service to customers in physical stores to provide distinctive customer experience.³⁶

At the same time, the success of retailers will increasingly depend on their ability to adapt quickly to trends and effectively integrate online channels into their retail model. In a digital and globalised world, manufacturers and brands from all over the world can reach and serve consumers themselves. This makes the customer journey more complex and demands investment in technology, data analysis, and integration. To remain competitive within this dynamic, economies of scale and innovation are essential. Retailers must invest in digitalisation and artificial intelligence to operate more efficiently and gain better insight into customer behavior. This investment requirement places increasing pressure on smaller businesses.³⁷



³⁶ Rabobank (December 2025): De detailhandel richting 2040: vijf grote transitie's.

³⁷ ABN AMRO (2025): Stevige concurrentie noodzaakt retailers tot consolidatie.



Retail shapes consumer behavior and, in doing so, drives wider societal transitions

Retailers, due to their proximity to consumers, play a large role in influencing consumer behaviour. We have already written **how companies can bridge the 'green consumer paradox'**: the trend that while many consumers advocate for sustainable and circular consumption, there still is wide discrepancy between their words and actions. For many consumers, it comes down to price, the primary factor when making purchasing decisions. If sustainable alternatives remain more expensive, many are unwilling to pay the premium, according to the **latest PwC Voice of the Consumer survey**. However, there are consumers who still prioritise sustainability both in words and actions. Catering to those groups of consumers, retailers should recognise that sustainably minded consumers and brands might increasingly be wary of associating with retailers that do not follow the sustainability path.³⁸

There are many tools at the disposal of retailers to drive wider societal transition, such as offering more sustainable alternatives, applying nudging techniques such as giving healthier products more prominence, reducing plastic use and food waste, and advancing circular models like secondhand, repair, and refill. Retailers can also strengthen collaboration with suppliers by offering education and support to help them better understand and implement sustainable practices, as well as by establishing partnerships and platforms for ongoing collaboration.³⁹

³⁸ Rabobank (December 2025): De detailhandel richting 2040: vijf grote transitie's.

³⁹ SEO (August 2024): Transition Challenges for the Dutch Retail Sector.

Retail influences the structure and attractiveness of urban environments

Furthermore, there are different roles that the retail industry plays in different locations, depending on their layout and size. A vibrant retail sector keeps city centres lively, whereas vacancies create clear negative spillovers for safety, liveability, and property values.

For cities, it is expected that, in the coming years, city centres will continue to transform from traditional shopping districts into multifunctional spaces that combine living, working, leisure, and culture.⁴⁰ Moreover, in the centres of busy cities, pressure on the housing market is driving the repurposing of retail spaces, for example, for residential uses.⁴¹ As the lives of many urban residents are becoming increasingly

busy,⁴² consumers are progressively putting more emphasis on convenience and variety. Hence, shops focused on personal care and 'to-go' food and beverage outlets, as well as delivery and pickup options, are rapidly gaining ground.⁴³ With that, shopping streets in city centres are becoming more concentrated and focusing on niche offerings, with consumers preferring to go to larger and more varied shopping centres outside city centres and

shopping online. There is an increasing trend of 'retailtainment' that blends retail and entertainment to deliver immersive, engaging experiences that elevate shopping beyond transactions. Through features like live events, themed zones, gamification, and mixed-reality attractions, it transforms places from just physical retail locations to 'must-visit' destinations.⁴⁴

On the one hand, for retailers, remaining in places with the highest foot traffic is important to boost sales. However, maintaining a physical store presence in city centres, which are frequently in the most expensive real estate areas of cities, especially with some shopping shifting online, is becoming increasingly challenging. Retailers need to increasingly make sure that their physical presence is supported by a clear strategy and value proposition, either in terms of competitive pricing, unique customer experience, or other reasons. Bankruptcies of important retailers, such as the recent case of Blokker, can lead to a loss of foot traffic in city centres, which can have ripple effects, making locations less attractive for other businesses and amenities, as well as lead to a decline in vibrancy.⁴⁵



⁴⁰ Achmea Real Estate (2025): Retail outlook 2025-2027.

⁴¹ Ibid.

⁴² BMI (September 2025): Netherlands food and drink report.

⁴³ Achmea Real Estate (2025): Retail outlook 2025-2027.

⁴⁴ Valo Motion (January 2026): Retail entertainment trends 2026: Active play is the new anchor.

⁴⁵ Achmea Real Estate (2025): Retail outlook 2025-2027.

The social value of the retail industry: fostering a sense of community, vibrancy and access to essential goods and services

The social value of the retail sector is evident: a good range of shops and services in the neighbourhood strengthens social ties and the cohesion of a community.⁴⁶

In smaller cities and villages, retail shops play an increasingly important role in keeping centres lively. Retail real estate can stimulate local employment and entrepreneurship, particularly in neighbourhood shopping centres. Through community building, investors and retail entrepreneurs can contribute to the economic and social vitality of a neighbourhood, which enhances both property value and the satisfaction of residents and customers.⁴⁷ Hence, retail allows access to essential

goods and services, and affordable options for households across income levels – with supermarkets and drugstores fulfilling a basic public function; when they disappear in shrinking regions, “retail deserts” emerge that directly affect people’s wellbeing.

Finally, retail fulfils an important social function by providing places for people to meet, strengthening social cohesion, and offering a public space for individuals who might otherwise participate less – such as older adults, young people, or those with smaller social networks. Establishments – like the local bakery or grocery store – also act as a type of ‘third place,’ allowing people to meet each other spontaneously, akin to cafés, sports facilities, and libraries.



⁴⁶ SEO (August 2024): Transitional Challenges for the Dutch Retail Sector.

⁴⁷ Achmea Real Estate (2025): Retail outlook 2025-2027.

Appendix: changes from the Future-proofing the Dutch economy study, transportation & logistics and construction follow-ups

CBS v OECD input-output tables for centrality analysis

In the centrality analysis for the Future-proofing the Dutch economy study, we used the OECD's input-output tables for years 1995-2020. However, in this study, we use the input-output tables from CBS and the years 1995-2024, because the input-output data for the Dutch retail (G3) industry is not available in the OECD input-output tables, while it is available in the input-output tables of CBS. Hence, there might be slight discrepancy due to different data sources and yearly variation in the results.

Missing 2024 data for some variables

In addition, in the previous reports, we considered year 2023 as the latest available year, while here we use 2024. Furthermore, some variables, such as private in-house R&D spending, gross capital stock, water use shares, and land use shares do not have data for 2024. Then, we impute the latest available year to be the value for 2024 in Figure 1, which is 2023 for all variables, except 2022 for land use shares.

In all other cases, we rely on the same methodology, as in the **Future-proofing the Dutch economy** study (see p.39-40).



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