

2014 Outlet Tenant Report: Europe/CEE/Middle East



ASICS, whose name comes from the Latin phrase for “sound mind, sound body,” operates one of Europe’s top 20 outlet chains.

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ONE OF THE universal truths about outlet retailing is that it’s economically resilient, thanks to shoppers who discover the sector everytime the economy tanks. In fact, the only problem the industry has during low cycles is that lenders are slow to fund new outlet centers and outlet-chain expansion. The demand for more space that started being pent up in 2008 finally found relief in 2012 when nine outlet centers opened; 12 opened the following year and 11 will open this year.

Although a high number of outlet centers aren’t yet opening in Europe, CEE and the Middle East, a look at the growth of outlet chains over the last three years shows that the industry is definitely on the move.

Since 2011, the last time IOJ presented the European Outlet Tenant Report, the number of outlet brands operat-

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Michael Kors (above) and its American rival Coach both operate outlet chains in Europe, but Kors has a much bigger European presence.

Largest European Parents

Parent Company	Concepts	Number of Stores
VF	7 For All Mankind, Kipling, Lee Wrangler, Napapijri, Nautica, North Face, Timberland, Vans, VF	166
Nike	Nike, Converse	143
Adidas	Adidas, Reebok, Rockport	142
PVH	Calvin Klein, Tommy Hilfiger, Van Heusen	141
Levi Strauss	Dockers, Levi’s	113
	19 Concepts	705

Source: VRN/IOJ

Comparison of Outlet Chain Growth In Europe/CEE/Middle East with North America

	Europe/CEE/Middle East		U.S./Canada/Mexico	
	2014	2011	2014	2011
Number of outlet centers	157	132	205	179
Number of outlet chains	3,833	2,736	375	304
Number of outlet stores	10,980	7,905	13,796	12,994
Average chain size	3 units	3 units	37 units	43 units

Source: VRN/IOJ

172 crossovers: outlet chains tenanting both sides of the Atlantic

7 For All Mankind	Etnies:exs Company Stores	New Balance Factory Stores
Abercrombie & Fitch Outlet	Etro	Nike Factory Store
Adidas Outlet	Faconnable	Nine West Outlet
Aeropostale Outlet	Famous Footwear Outlet	North Face Outlet
Aerosoles Outlets	Fendi	Oakley Vault
Aldo Shoe/Aldo Kids Outlet	Footlocker Outlet Stores	O'Neill
All Saints Spitalfields	Fossil Company Store	Original Penguin Outlet
Allen-Edmonds Company Stores	Fox	OshKosh B'Gosh Outlet
Anne Fontaine	Fragrance Outlet	Pearl Izumi
Armani Outlet	Frette	Perfumania
Asics/Onitsuko Tiger	Furla	Perry Ellis Factory Store
Baccarat/Lalique Outlet	Gap Outlet	Polo Ralph Lauren Factory Stores
Bally Outlet	Geox	Prada
Banana Republic Factory Stores	Godiva Chocolatier	PUMA
BCBG MaxAzria	Gucci Outlet	Quiksilver
Beauty Outlet	Guess? Factory Store	Reebok/Rockport
Benetton Outlet	Gymboree	Roberto Cavalli
Billabong Outlet	Hanesbrands/Bali Playtex Champion	rue21/rue21 etc!
Bon Worth	Helly Hansen	Salvatore Ferragamo
Bose Retail Stores Outlet	Helzberg Diamonds Outlet	Samsonite Company Stores
Bottega Veneta	Hollister Co. Outlet	Sanrio
Brooks Brothers Factory Store	Home & Cook	Sarar
Burberry Factory Outlet	Hugo Boss Factory Store	Saucony Factory Outlet Stores
Burlington Brands	Hurley Outlet	Seiko, The Company Store
Burton Snowboards	Hush Puppies & Family/Merrell Sebago	Skechers USA
Calvin Klein	Izod	Sony
Camille Studio/Group USA	Jimmy Choo	Steve Madden
Carter's Outlets	Jockey Outlet	Sunglass Hut
Champion	Journeys/JourneysKidz	Sunglass Station
Charlotte Russe	Juicy Couture Outlet Stores	Swarovski
Charming Charlie	Kate Spade Outlet Stores	TAG Heuer
Children's Place Outlet	Kenneth Cole Company Stores	Talbots Outlet
Claire's/Icing	Kipling Factory Outlet	Ted Baker
Clarks/Bostonian Outlet	Kitchen Collection	Thomas Pink
Coach Factory Store	La Perla	Timberland
Cole Haan	Lacoste Outlet	Tod's
Coleman Factory Outlet	Lancome Company Outlet	Tommy Hilfiger/Kids
Columbia Sportswear Outlets	Lands' End Inlets	Tory Burch
Converse Outlets	Le Creuset Factory Outlet	True Religion Brand Jeans Outlet
Corningware Corelle Revere Factory Stores	Lee Jeans/Lee Wrangler	Tumi
Cosmetics Company Store	Lenox Factory Outlet	U. S. Polo Assn. Outlet
Crabtree & Evelyn Outlet	LeSportsac Factory Stores	Ugg Australia
Crocs Outlet	Levi's Outlet	Under Armour Factory House
DC Shoes	Lids	Van Heusen
Diane Von Furstenberg	Lindt Chocolate	Vans Outlets
Dickies Retail Stores	L'Occitane	Vera Bradley Outlet Stores
Diesel USA	Loro Piana	Versace Company Store
Disney Store Outlet	Maidenform	VF Outlet
DKNY Company Stores	Marc Ecko Cut & Sew	Vilebrequin
Dockers Outlet	Marni	Villeroy & Boch
Dolce & Gabbana	Max Mara	Vince
Dressbarn/Dressbarn Woman	Merrell	Vitamin World
Easy Spirit Outlet	Michael Kors	Volcom Outlet
ECCO	Mountain Warehouse	Waterford Wedgwood
Ecko Unltd	Movado Company Stores	Yankee Candle
Ermenegildo Zegna Outlet Store	Naturalizer Outlet	Yves Delorme Paris
Escada Outlet	Nautica/Kids	Zales Outlet
		Zwilling J.A. Henckels

Source: VRN/IOJ



Tommy Hilfiger, one of three PVH outlet concepts in Europe, is widely known for its excellent marketing programs and participation in center activities.



Puma's many footwear styles, which range from seriously athletic to fashion-forward, make the outlet chain a favorite in both Europe and North America.

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ing more than 30 stores has more than doubled to 34 from 15, and the total number of stores those chains operate has nearly tripled to 1,719 from 677.

There's more: IOJ's 2014 Outlet Tenant Report, based on information available as of September, 2014, shows that the total number of outlet chains in Europe, CEE and the Middle East has increased by almost 40 percent to 3,833 from 2,736 in 2011.

And the number of stores operated by those 34 largest chains has grown, on average, to 50 stores from 45. In total, the 34 largest chains operate more than 1,700 stores. Put another way, less than 10 percent of the chains operate more

than 15 percent of the stores.

Five parent companies operate a combined total of 19 outlet concepts that also total more than 700 stores.

Contrast those numbers with data from the U.S./Canadian sector, where there are just 375 outlet chains and 25 chains operate more than 100 outlet stores.

The character of European outlet retailing hasn't changed. It is still an industry filled with a wide diversity of small chains. In the U.S., the average outlet chain operates 35 stores, but in Europe, outlet chains still average just three units each. Although large chains are essential to outlet-center growth, the small chains keep tenant mixes interesting, which in turn, keeps shoppers returning to see what's new.

Three years ago, 104 outlet chains

Largest European Outlet Chains (more than 30 stores)

Chain	Number of stores
Nike	115
Levi's/Dockers	113
Adidas	82
Puma	82
Calvin Klein	73
Tommy Hilfiger	65
Home & Cook	62
Reebok/Rockport	60
Lacoste	58
Guess	54
Samsonite	52
Benetton	50
Desigual	50
Timberland	47
Diesel	45
Geox	45
Asics/Onitsuka Tiger	44
Clarks	44
Gant	41
Triumph	41
Le Creuset	40
Lee Wrangler	39
Mango	39
Quiksilver	39
Tom Tailor	39
Villeroy & Boch	36
Hugo Boss	35
Lindt	35
Mountain Warehouse	35
Pepe Jeans	35
Gap	32
Billabong	31
Polo Ralph Lauren	31
Marks & Spencer	30

34 outlet chains 1,719 outlet stores

Source: VRN/IOJ

tenanted centers in both Europe and the U.S. This year VRN/IOJ research shows more than 170 chains tenanting both sides of the pond.

The reasons for the increase in retail expansion are pretty straightforward. Brands need outlets. The more stores they open and the more products they produce, the more they need outlets for disposals, for made-for-outlet goods (not very common in Europe), for keeping their wholesale offers fresh, for finding new customers.

Obviously, this need has helped outlet centers around the world flourish and evolve. 🌐