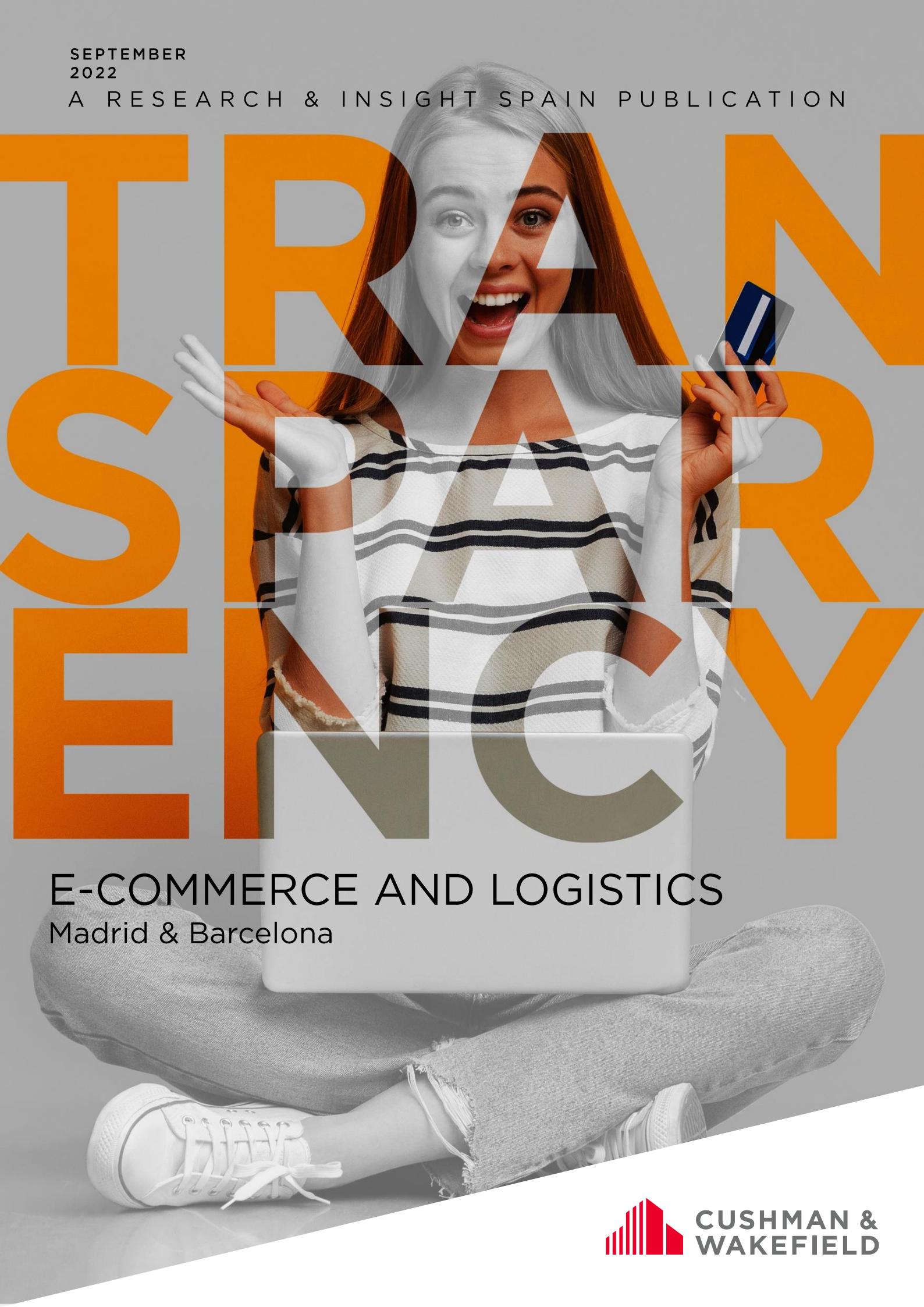
SEPTEMBER
2022

A RESEARCH & INSIGHT SPAIN PUBLICATION

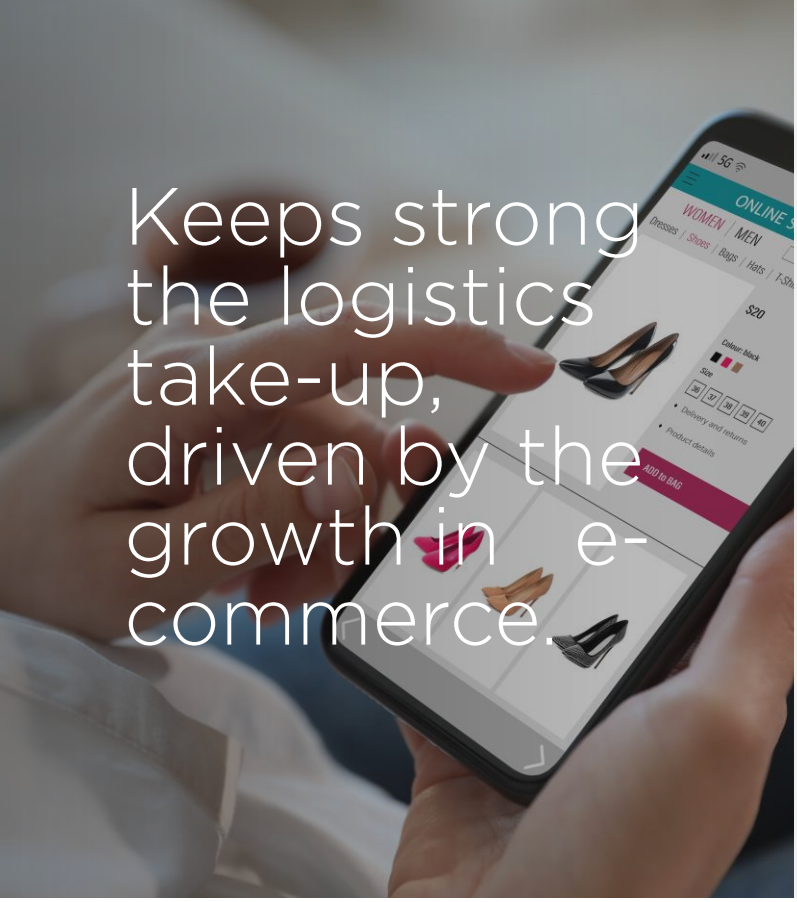
TRANSPARENCY



E-COMMERCE AND LOGISTICS

Madrid & Barcelona

CUSHMAN & WAKEFIELD



Keeps strong the logistics take-up, driven by the growth in e-commerce.

E-commerce has exploded since the declaration of a state of alert in March 2020.

Even prior to the pandemic, consumers were increasingly turning to online in order to acquire goods and services. This has had the impact of boosting activity among logistics operators.

Following the onset of the state of alert, when bricks and mortar stores were required to close, consumers switched to online in order to continue shopping for the items that they had previously acquired in physical stores.

/ THE PANDEMIC AS A DRIVER

Published figures for the total volume of e-commerce sales during the second quarter of 2020 (the first three-month period impacted by the pandemic and a severe lockdown) showed growth of +0.2% in comparison with the same period in 2019.

Although this difference is scarcely significant in itself, what mattered was the structural change in Internet shopping for goods and services. Prior to Covid-19, the leisure sector cornered almost 40% of online sales (travel agencies, tour operators, airlines and land-based transport companies, hotels and similar accommodation, artistic activities and cinema, etc.). These services practically vanished following the outbreak of the pandemic.

In contrast to this, the performance with respect to other goods and services has swung the other way, with significant increases in the quarters after Covi19 compared with those previous the pandemic.



Percentage change Q2 2020 vs. Q2 2019:

+295%	Construction materials	+131%	Hyper/Supermarkets
+191%	Furniture, lighting and household	+89%	Cosmetics-perfumery
+183%	Household appliances and audiovisual	+68%	Fashion clothing
+137%	Toys and sporting goods	+64%	Footwear and leather goods

Source: CNMV

Although it is still too early to ascertain how retail sales will divide up between physical and virtual channels once the pandemic is under control, it is highly likely that some sales will return to physical stores whilst others remain online due to new habits and experiences acquired by consumers during the pandemic.

Rather than just a dramatic series of numbers, this data illuminates structural change: the number of consumers shopping for physical goods online has grown, telling us that a chunk of physical sales shifted to the Internet.

However, in order to better understand the new market paradigm, it is essential to estimate how many of these physical sales will remain in the cloud and how many will drift back to bricks and mortar stores once the pandemic is under control.

Quarterly e-commerce sales have been analysed, since the outbreak of Covid19 in Spain, with special emphasis on the basket of goods that can be purchased in physical stores, that is, those products that need storage and transport, in order to shed some light on this online/offline duality.

The latest published data shows that in the first quarter of 2022, the basket of goods sold online was 51% higher compared to the same quarter of 2020. [compared with Q1 2020 data to maintain the quarter-on-quarter variation with the pre-pandemic period].

Percentage change Q1 2022 vs. Q1 2020:

+88%	Construction materials	+105%	Hyper/Supermarkets
+97%	Furniture, lighting and household	+54%	Cosmetics-perfumery
+72%	Household appliances and audiovisual	+41%	Fashion clothing
+65%	Toys and sporting goods	+36%	Footwear and leather goods

Source: CNMV

As for the total business volume of e-commerce, it increased by 25% during Q1 2022 compared to the first quarter of 2021.

This variation is higher than the previous increases, which shows the contribution by leisure activity during the first quarter of 2022.

ANNUAL VARIATION OF E-COMMERCE TOTAL VOLUME

Q2 2020	Vs. Q2 2019	→	+0.2%
Q3 2020	Vs. Q3 2019	→	+2.5%
Q4 2020	Vs. Q4 2019	→	+9.3%
Q1 2021	Vs. Q1 2020	→	+1.9%
Q2 2021	Vs. Q2 2020	→	+14%
Q3 2021	Vs. Q3 2020	→	+15%
Q4 2021	Vs. Q4 2020	→	+16%
Q1 2022	Vs. Q1 2021	→	+25%

Source: CNMV

ANNUAL VARIATION BASKET OF GOODS SOLD ON-LINE

Q2 2020	Vs. Q2 2019	→	+90%
Q3 2020	Vs. Q3 2019	→	+58%
Q4 2020	Vs. Q4 2019	→	+62%
Q1 2021	Vs. Q1 2020	→	+52%
Q2 2021	Vs. Q2 2019	→	+71%
Q3 2021	Vs. Q3 2019	→	+62%
Q4 2021	Vs. Q4 2019	→	+60%
Q1 2022	Vs. Q1 2020	→	+51%

Source: Cushman and Wakefield and CNMV

/ IMPACT ON LOGISTICS



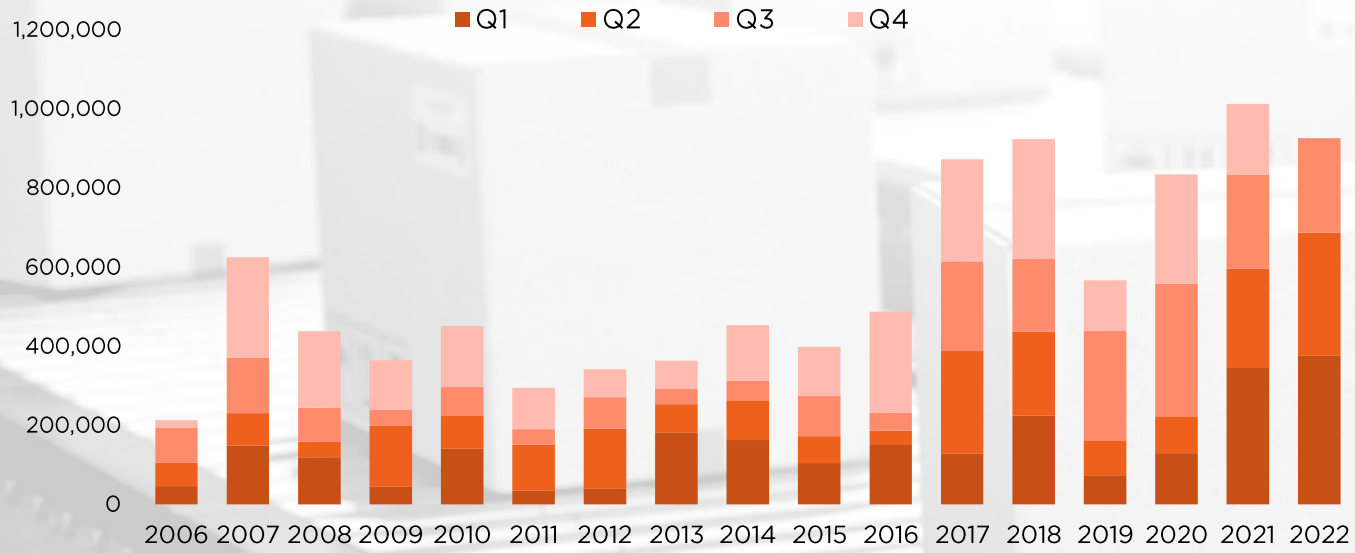
The surge in Internet sales is having a direct impact on the two pillars of logistics: warehousing and transport. The warehousing end of the business is the one having greatest impact on the real estate sector, more specifically in the take-up of logistics floorspace.

In consequence, logistics take-up has been highly dynamic at national level since 2022.

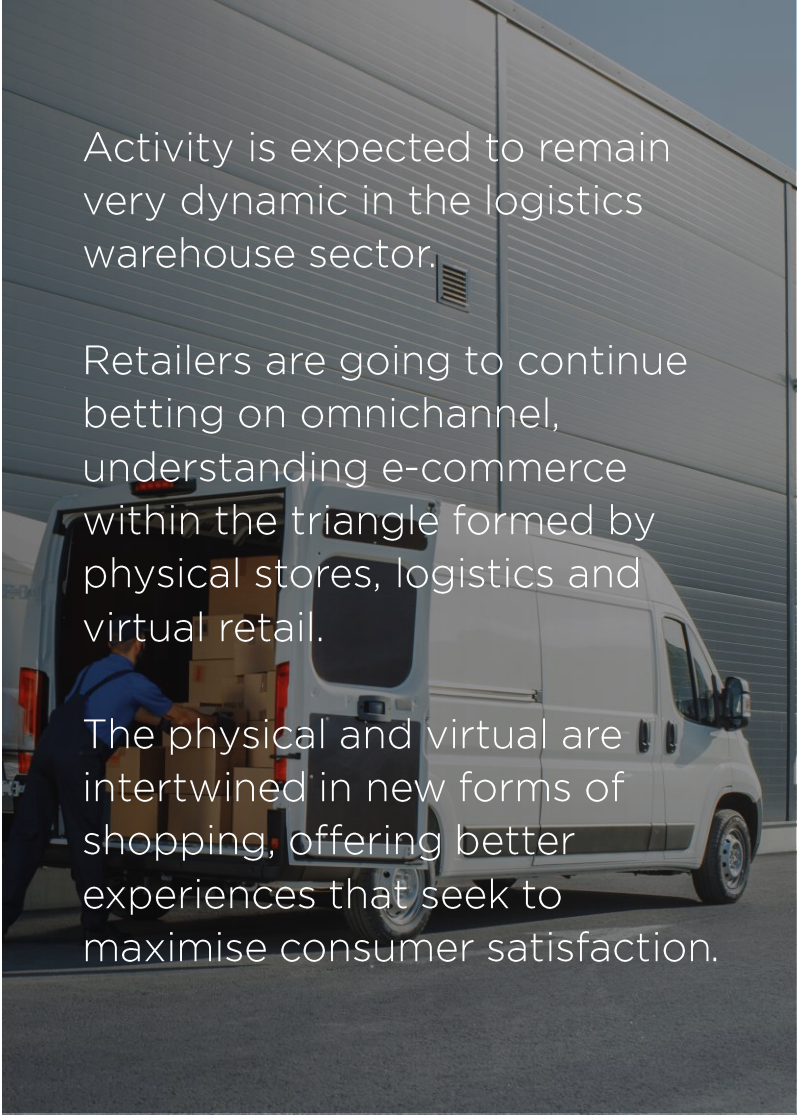
In the Madrid market and its area of influence, the absorption was 1,012,600 sq m during 2021, which places it at a record level of absorption. During the first three quarters of 2022, the absorption has been of almost 925,000 sq m, which represents an increase of 11.2% compared to the same period of 2021.

97% of this volume of absorption during the first 9 months of 2022 has been located along the 2 main logistics axes of Madrid: 53% in the Corredor de Henares and 44% in the Corredor Sur.

Take-up of logistics floorspace – Madrid (sq m)



Source: Cushman & Wakefield



Activity is expected to remain very dynamic in the logistics warehouse sector.

Retailers are going to continue betting on omnichannel, understanding e-commerce within the triangle formed by physical stores, logistics and virtual retail.

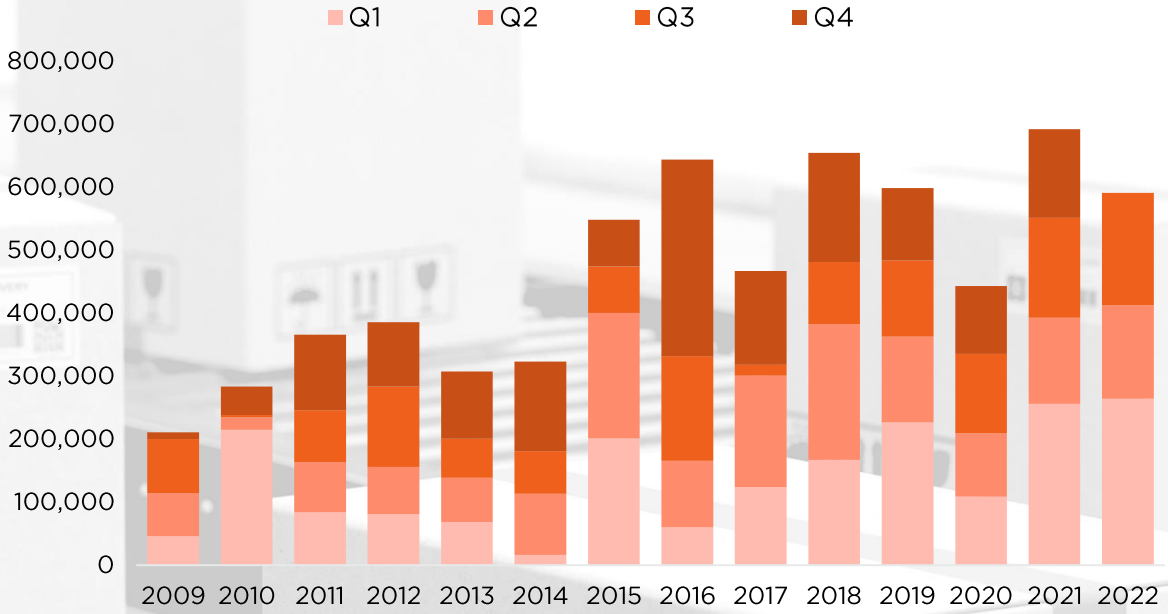
The physical and virtual are intertwined in new forms of shopping, offering better experiences that seek to maximise consumer satisfaction.



The same dynamic has been observed in Barcelona logistics market, with a logistics space absorption of almost 700,000 sq m. This means, as in the Madrid market, reaching a record level of absorption. During the first three quarters of 2022, the absorption has been 590,000 sq m, which represents an increase of 7% compared to the same period of 2021.

In terms of location of volume absorption in the first 9 months of 2022 71% of the demand was located along the AP-7 and 8,8% located in the Prime area of Barcelona.

Take-up of logistics floorspace – Barcelona (sq m)



Source: Cushman & Wakefield



For further information:

Pere Morcillo
Partner
Head of Industrial and Logistics - Spain
pere.morcillo@cushwake.com

Contactos medios:

Jenny Pizarro
Head of Business Development Spain
Marketing, Comms & Research
jenny.pizarro@cushwake.com

Daniel Caprarin
Senior Research Analyst
daniel.caprarin@cushwake.com

cushmanwakefield.es

@CushWakeSPAIN

CUSHMAN & WAKEFIELD

©2022 Cushman & Wakefield. All rights reserved. The content of this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representation as to its accuracy.