



JDM
RETAIL

UK Outlet Centre Ranking 2024

Outlet Shopping in the UK



The outlet shopping model has proved to be resistant to many of the challenges that the UK retail industry has faced in recent years – evidenced by the continued sales growth experienced by occupiers and landlords alike, despite the impact of the pandemic on the performance of other asset classes.

Despite selling stock at deep discounts, most designer brands' outlet sites are among their best sales performers within their store portfolios – JDM Retail's latest Brand Power Index notes 5 outlet centres within the top 25 retail centres in the UK by average sales – and for many brands, their outlet stores are by far their most profitable.

In recent years, outlet centres have morphed from a clearance channel for fashion brands to become a holistic retail experience, and are increasingly capturing the attention of retailers trading across a wide range of categories, as well as F&B occupiers.

This analysis uses data from occupiers that trade in outlet centres; indexing their entire outlet portfolio to give relative sales performance across all outlets.

Outlet Centre Performance Ranking: Top 25

Rank	Outlet Centre	Outlet Performance Index
1	Bicester Village	309
2	Cheshire Oaks	219
3	Gunwharf Quays, Portsmouth	170
4	Ashford Designer Outlet	169
5	York Designer Outlet	144
6	West Midlands Designer Outlet, Cannock	139
7	Braintree Village	116
8	East Midlands Designer Outlet, Mansfield	114
9	Bridgend Designer Outlet	108
10	Swindon Designer Outlet	106
11	London Designer Outlet, Wembley	100
12	Livingston Designer Outlet	95
13	The Boulevard, Banbridge	94
14	Gloucester Quays	87
15	Clarks Village, Street	86
16	Caledonia Park, Gretna	84
17	Icon Outlet at The O2	73
18	Junction 32 Outlet Shopping, Castleford	71
19	The Galleria, Hatfield	70
20	Dalton Park, Seaham	52
21	Springfields Outlet, Spalding	52
22	Quayside MediaCity, Salford	46
23	Affinity Staffordshire, Talke	46
24	Affinity Devon, Bideford	44
25	Lakeside Village Outlet, Doncaster	40

Global Top Performer: >200

Tier 1: 130-200

Tier 2: 100-130

Tier 3: 60-100

Tier 4: <60

We have produced our Outlet Performance Index to measure the relative sales that a designer brand could expect if they traded in different outlet centres across the UK. Bicester Village tops the ranking as one of the world's most productive shopping destinations, comfortably ahead of the next best outlet location in the UK.

Outlet centres can broadly be defined within a number of tiers – ranging from Global Top Performers, serving major cities with a range of high end luxury brands - to tier 4 centres that mostly accommodate domestic high street brands and trade from a comparatively small local catchment.

Instead of using overall centre-level sales density, which is heavily influenced by the brands present in each centre as well as the number of and size of units, our index specifically measures the difference in sales & sales density for the same brands and store formats across all UK outlet centres. We have compiled sales data from a variety of retailers that trade multiple outlet stores, assessing each location relative to the retailers' wider outlet portfolio.

Identifying Opportunities for New Developments

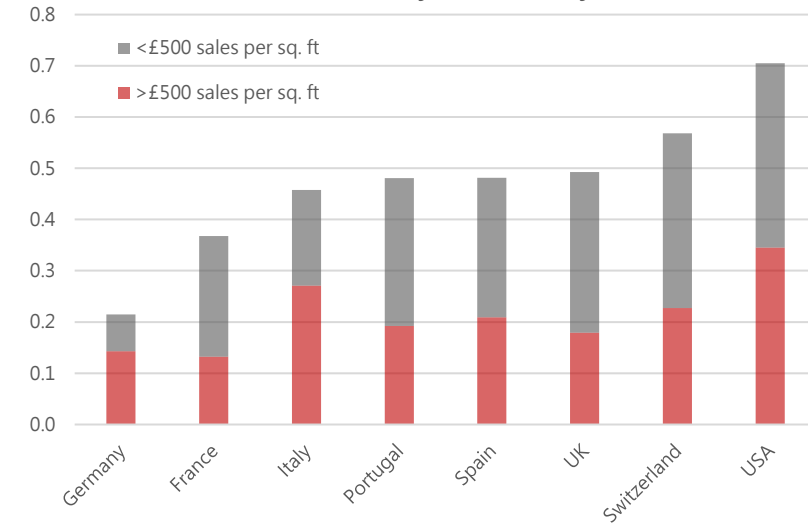
Compared to the US and some other well-developed European markets, the UK has a large number of centres per capita but a lack of quality schemes that achieve good sales densities – indicating that there is likely to be capacity for new centres to reach underserved parts of the UK.

The UK has more Tier 4 centres than other markets – these are poorly optimised and serve a more local catchment. Within Europe, Germany is most notably underserved compared to its population size - representing the greatest opportunity for new outlet shopping venues - with France also lacking in provision.

To identify the best locations for new outlet shopping centres in the UK, we have analysed the locations that are most notably underserved.

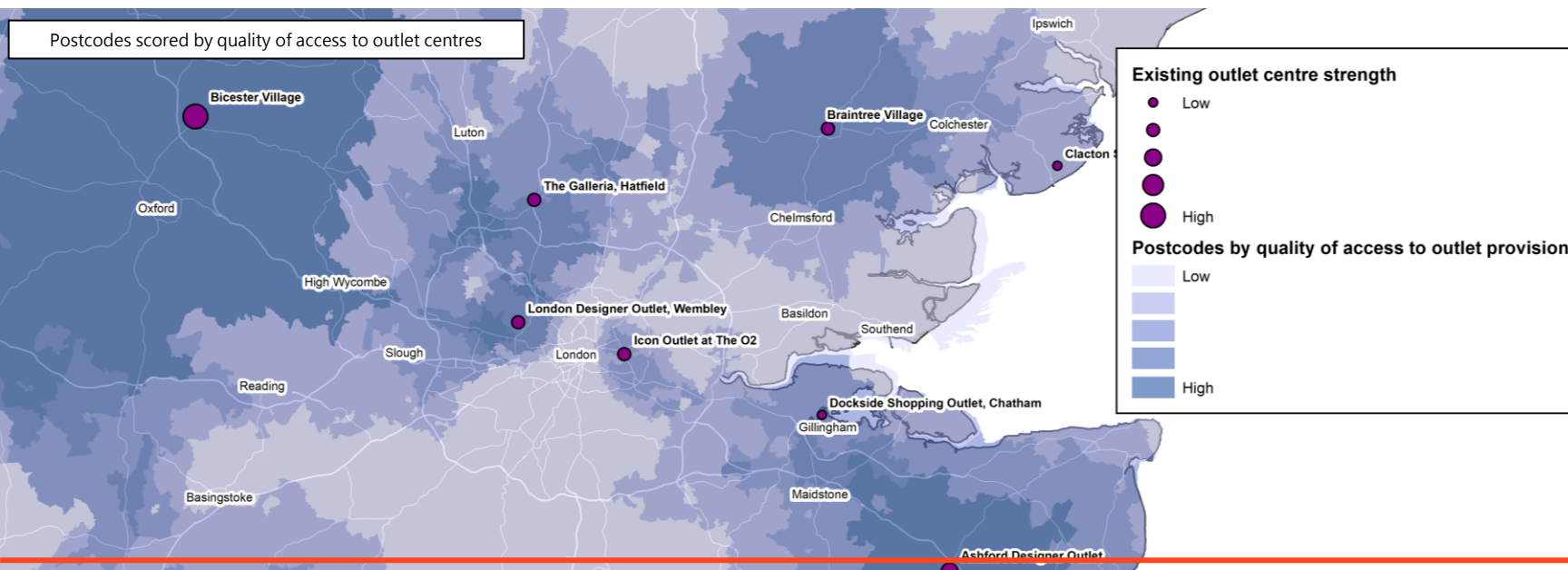
By overlaying the catchments of existing centres, then weighting centres according to JDM Retail's Outlet Performance Index, we have given each postcode a score to measure its access to outlet shopping provision. To identify the locations that have the greatest quantum of underserved spend, we broke the UK into equal-sized 15x15km grid squares, then captured the volume of underserved spend available within a 45 minute drive of a major road in each square.

Outlet centres per million residents by average sales density and country



This method factors in 1) the number of people within a catchment area, 2) the spending power of the catchment area, 3) how well served catchment residents are for outlet shopping access, based on the strength and location of existing provision.

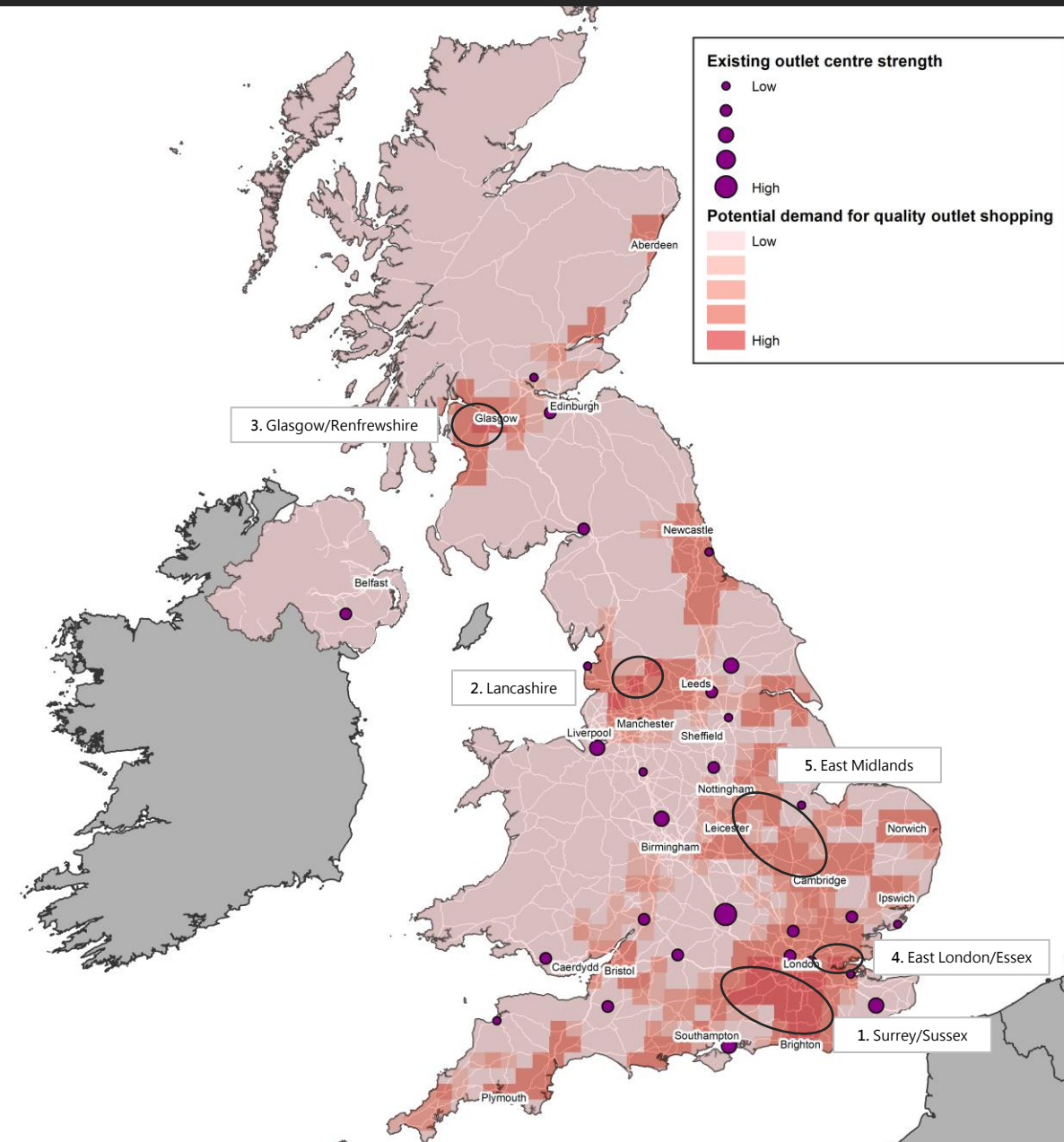
Note that this does not factor in retailer demand for outlet shopping locations based on full-price store distribution, presence of non-resident audiences such as tourism, or local limitations to property development.



Best Opportunities for New Outlet Shopping Centres

Based on our analysis, the locations with best access to high volumes of underserved spend are:

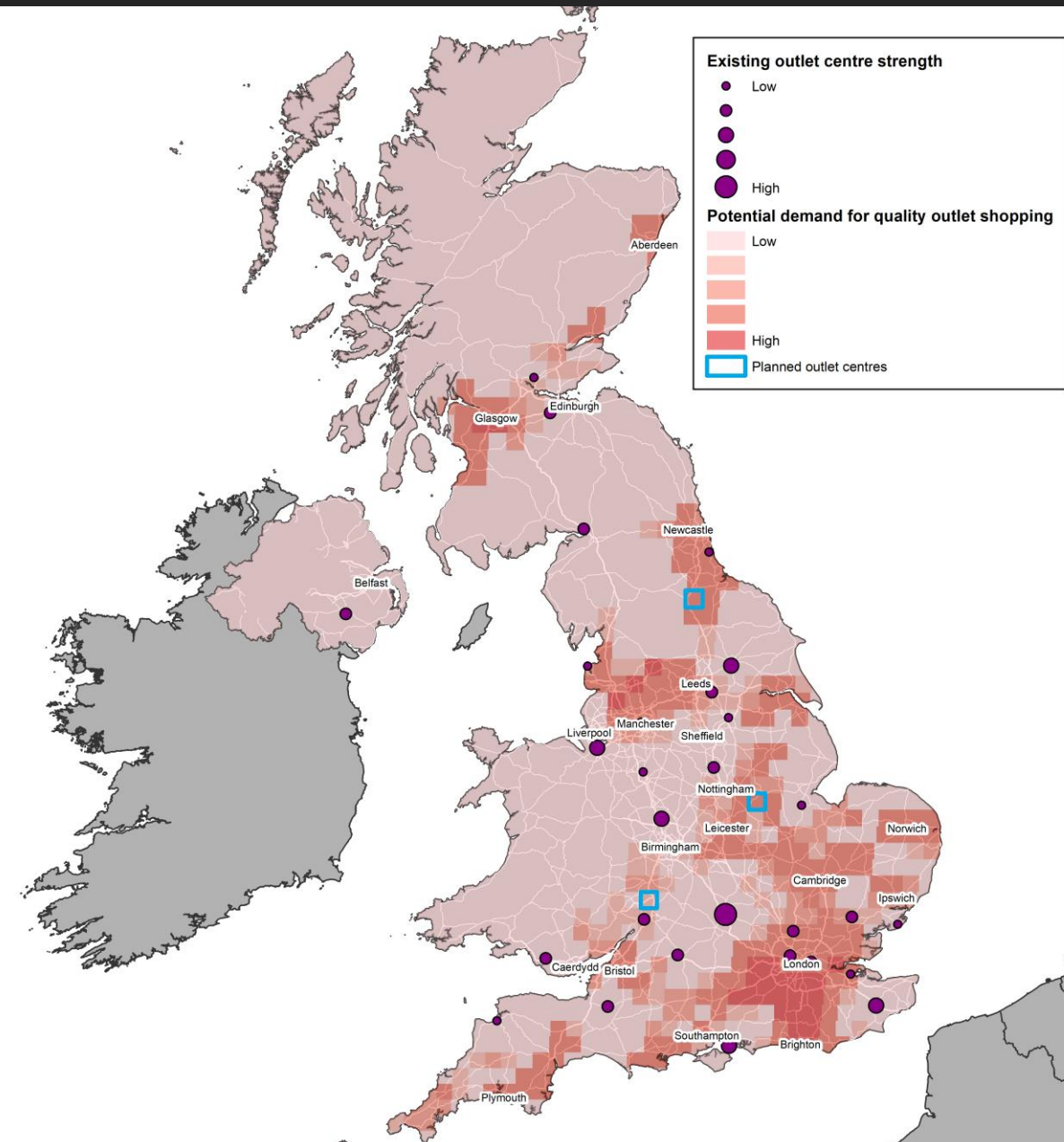
1. **Surrey/Sussex.** Outer South London and Brighton are large and affluent markets that lack access to an outlet centre within 1 hour. The M23 near Gatwick Airport is one of the strongest locations – with access to 4.5m people within 45 minutes.
2. **Lancashire.** Northern Greater Manchester and much of West Yorkshire are poorly served. Preston and towns in East Lancashire, linked by the M65, also lack outlet shopping access.
3. **Glasgow/Renfrewshire.** Scotland lacks quality outlet provision in general, with only the Livingston Designer Outlet providing off-price designer brands. West Glasgow in particular has minimal outlet shopping provision yet 2.2m people living within 45 minutes.
4. **Outer East London/Essex.** Braintree Village is 45 minutes outside the M25, leaving much of East London and South Essex with limited access to quality outlet shopping.
5. **East Midlands.** Derby and Nottingham are reachable from the East Midlands Designer Outlet, but the Cambridge-Peterborough-Leicester area is a notable whitespace for outlet shopping.



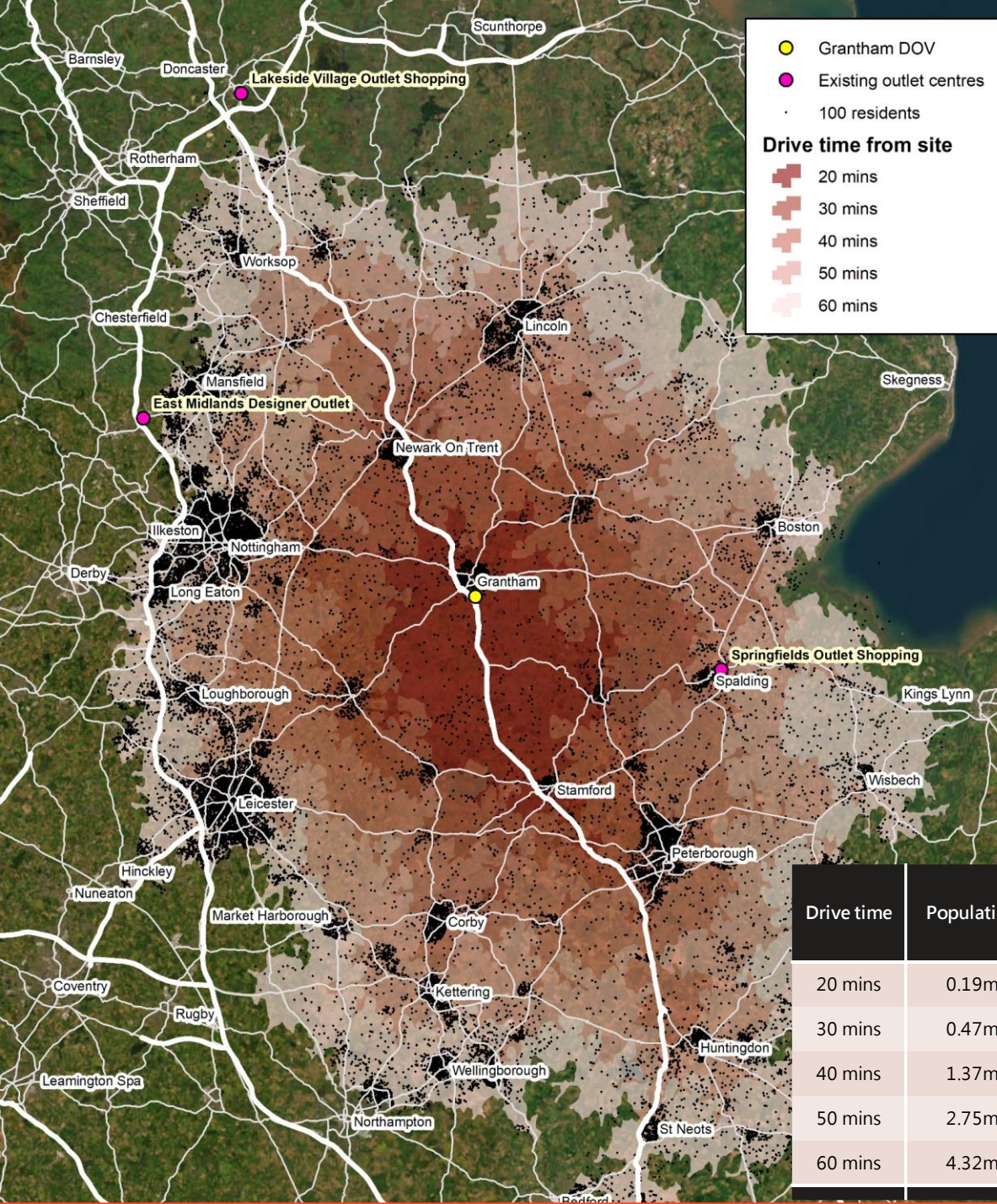
Planned Outlet Centre Developments

There are several planned outlet shopping centres in the pipeline. We have assessed three that are currently in development – all are situated in locations with above average demand.

- 1. Grantham Designer Outlet Village – location sits within top 14% for underserved spend.** Situated along the A1 near Grantham, Lincolnshire, Grantham Designer Outlet is reachable from several cities that have been identified as underserved in our analysis – including Leicester, Peterborough, Lincoln and Cambridge.
- 2. Scotch Corner Designer Village – location sits within top 15% for underserved spend.** Located up the A1 from Grantham, near Richmond in North Yorkshire, the Scotch Corner Designer Village is reachable from cities in the Teesside and Tyne & Wear areas that are notably poorly served by quality outlet shopping provision.
- 3. Cotswolds Designer Outlet – location sits within top 24% for underserved spend.** Just off the M5 in Tewkesbury, the Cotswolds Designer Outlet is situated between Birmingham and Bristol. The new development is however in an area of elevated competition, located only 20 minutes from the tier 3 Gloucester Quays outlet.



Case Study: Grantham Designer Outlet Village



Grantham Designer Outlet Village has the strong catchment fundamentals required for a successful outlet shopping destination.

Grantham itself is fairly small – there are 100,000 people within a 15 minute drive of the site. However, the location of the scheme on the A1 gives access to 4.3m people within 60 minutes – drawing from the major regional cities of Nottingham, Leicester and Cambridge, and is also reachable from Lincoln and Peterborough within 45 minutes.

In terms of competition, Springfields Outlet in Spalding is the only outlet centre within 60 minutes, and is located over 45 minutes from the Grantham DOV site. The scheme's tenant mix is typical of a Tier 4 outlet – anchored by a garden centre and unit stores are principally high street brands that provide limited catchment draw.

Assuming Grantham Designer Outlet Village can achieve a tenant mix that matches its catchment fundamentals, the new centre has the potential to attain a top 10 position amongst UK outlet centres for retailer performance (Tier 2).

Drive time	Population	Retail & leisure expenditure
20 mins	0.19m	£1.6bn
30 mins	0.47m	£3.9bn
40 mins	1.37m	£10.8bn
50 mins	2.75m	£20.9bn
60 mins	4.32m	£32.7bn

About JDM Retail

JDM Retail provides strategic location planning services aimed at helping occupiers to increase their brand potential across both physical and digital channels, optimise their store networks and margins, and de-risk investment – achieved through a combination of data, analytics, and market knowledge. Our services include catchment modelling with demographic and shopper segmentation analysis, assessing category spend potential with regards to market size and sector competition, door turnover and profitability forecasting, and analysis of the impact of trading physical sites on e-commerce, wholesale and other sales channels.

We also actively leverage the close relationships we have built with retailers, in both consulting and brokerage, when working with property owners and investors to provide due diligence/feasibility analysis for investment, and actionable asset management strategies. We regularly conduct retail needs studies, tenant gap analyses and company health checks, and forecast turnover and likely affordable rental income at an occupier level both now and into the future.