

Paris retail market

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Analysis & Outlook

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Editorial

Every retail unit tells a story: one of a neighbourhood in transition, with shifting demographics and evolving lifestyles. In Paris, these dynamics intersect daily, shaping a retail landscape that is both uniquely dense and marked by constant vibrancy and profound change. Through this latest edition of our Insights series, we sought to bring these transformations into sharper focus by analysing more than 58 000 retail units across the capital's 80 administrative districts.

Beyond the figures and the data analysed, one conclusion clearly emerges: Paris remains a global retail capital, yet its retail landscape is reinventing itself to secure its long-term resilience in an increasingly globalised environment. The central arrondissements, which cater to a customer base combining office workers, tourists and residents, are seeing their structure evolve under the influence of more international, more affluent and more selective demand. By contrast, the predominantly residential arrondissements, which are more closely aligned with everyday needs, are absorbing these changes differently and continue to retain

a strong base of convenience led retail. Nevertheless, the same underlying trend can be observed across the capital as a whole: an increasing concentration of activity along the main retail streets, which continue to form the backbone of Parisian retail.

This reshaping is not merely spatial; it is also sectoral. The growing prominence of e-commerce, demographic change, the rise of a more demanding and more mobile customer base, and the search for more sustainable and healthier lifestyles are redrawing the balance of the Paris retail landscape. Some sectors are in decline, while others are expanding rapidly, from fast food to specialist grocers, and from fitness operators to businesses linked to soft mobility. The overall decline in the number of retail units therefore conceals a subtler reality: a genuine restructuring of the Paris retail market.

We hope you enjoy reading this latest edition of our Insights series.



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Introduction

As the leading economic power within the European Union and the capital of the most visited country in the world, Paris benefits from particularly favourable fundamentals for economic activity, and especially for the retail sector. Nevertheless, retail activity has had to navigate a decade marked by major events, including social unrest such as the Gilets Jaunes movement, pandemic related lockdowns and the staging of the 2024 Olympic Games.

Beyond the Paris specific context, consumption patterns and consumer behaviour are evolving, reshaping the location strategies of both retail chains and independent operators. In an environment shaped by both positive and adverse forces, the Paris retail market is now characterised by something of a paradox: although the number of retail units has been declining steadily for more than twenty years, trading activity remains dynamic and the occupational market for retail properties remains stable.

Understanding this paradox requires a granular analysis of all arrondissements and all retail sub-sectors, as their respective positions differ materially depending on the sectoral composition of their retail stock. Above all, location determines the origin of demand: while some arrondissements cater primarily to Parisian residents, others depend more heavily on residents from outside the capital, office workers employed in Paris, or domestic and international tourists.

This report therefore provides a detailed perspective on retail in Paris, structured into four sections. The first presents a snapshot of the Paris retail landscape and its evolution over the last ten years, based on the most recent available data. The second is devoted to the current state of, and recent developments in, the occupational market for retail properties in the French capital. The third seeks to identify the drivers behind the trends outlined in the first two sections. Finally, a synthetic map presents a forward-looking scenario for the Paris retail landscape by 2030.



OBJECTIVES :

- To identify the sectoral breakdown of retail units and their geographical distribution across Paris
- To assess the current state of the retail properties market and its recent developments
- To explain the changing retail landscape through two main drivers: demographic dynamics and evolving consumption patterns
- To anticipate the future evolution of the Paris retail market over the next five years

GENERAL METHODOLOGY:

- Processing of local level data from the Atelier Parisien d'Urbanisme (APUR), the French National Institute of Statistics and Economic Studies (INSEE), Codata and Knight Frank, combined with a synthesis of professional and academic research
- Use of indices, including location quotients, and statistical techniques, notably principal component analysis, commonly employed in academic research

01.

Paris retail market : Overview



Population, Employment and Tourism as key demand drivers

The number of residents in Paris declined by an average of 0.2% per annum between 2006 and 2022, according to our calculations based on INSEE data. However, this downward trend is in fact much longer established: Paris reached its population peak in 1923 and, according to INSEE, has been losing inhabitants continuously since at least the 1950s.

At the same time, the Parisian population is ageing rapidly: the number of residents aged over 65 is increasing, while the under 25 population is becoming less numerous. Paris is also increasingly a city favoured almost exclusively by executives: among residents, this is the only socio professional category experiencing growth, unlike intermediate professions and, above all, employees.

By contrast, employment in Paris has risen sharply, increasing by an average of 0.6% per annum between 2006 and 2022. This rate of growth, already above both the regional and national averages, more than doubled between 2016 and 2022. This increase has been driven almost exclusively by executives. A similar trend can be observed in the tourism sector when viewed through hotel capacity. The number of hotel rooms increased by an average of 1% per annum between 2016 and 2024, with growth concentrated primarily in the upscale, namely 4 star, and luxury, namely 5 star and palace, segments.

In summary, demand in Paris depends less on residents and increasingly on non residents of the capital, office workers and tourists. Above all, this demand must increasingly accommodate a more affluent customer base, as reflected in the growth in executive populations among both residents and workers, as well as in the upscaling of hotel capacity.



Residents

-0.2%

Average annual change, Paris, Including

-0.4% people under 25 yr
+1.2% people over 65 yr

+0.4%

Average annual change, Greater Paris Region

+0.9% of executive officer
-1.3% of mid-level professionals
-2.2% of employees



Employment

+0.6%

Average annual change in Paris, including:

+0.6% of executive managers
+0.1% of mid-level professionals
-0.9% of employees



Tourism

+1%

Average annual change in hotel capacity in Paris, including:

-2.6% for 0,1,2-star hotels
+0% for 3-star hotels
+3.2% for 4-star hotels
+5% for Luxury hotels (5-star and palaces)

A renewed upswing in international tourist numbers

In 2025, the tourism sector maintained its growth momentum, recording a 3.4% year on year increase, with visitor numbers rising from 103.5 million in 2024 to 107 million. Events such as the 2024 Paris Olympic Games and the reopening of Notre Dame de Paris at the end of 2024 may have contributed to attracting additional visitors, thereby helping to sustain momentum into 2025.

Ultimately, visitor numbers in 2025 are approaching those recorded in 2019, when 108 million visitors were welcomed, suggesting a degree of stabilisation following the disruption caused by the pandemic.

However, while overall volumes are like those of 2019, the geographical composition of visitors has evolved. The share of traffic from Europe, excluding the EU and the UK, Latin America and Asia Pacific has declined, whereas Africa has recorded a significant increase of 20% compared with 2019. North America has also posted growth, at +6%, although this remains four times lower than the increase observed for Africa.

International tourist spending in the Greater Paris Region rose by 7% year on year in H1 2025 and now accounts for two thirds of total tourism expenditure. These data are critical to the expansion of international retailers, particularly those operating in the luxury segment.

Passenger traffic at Paris airports in 2025

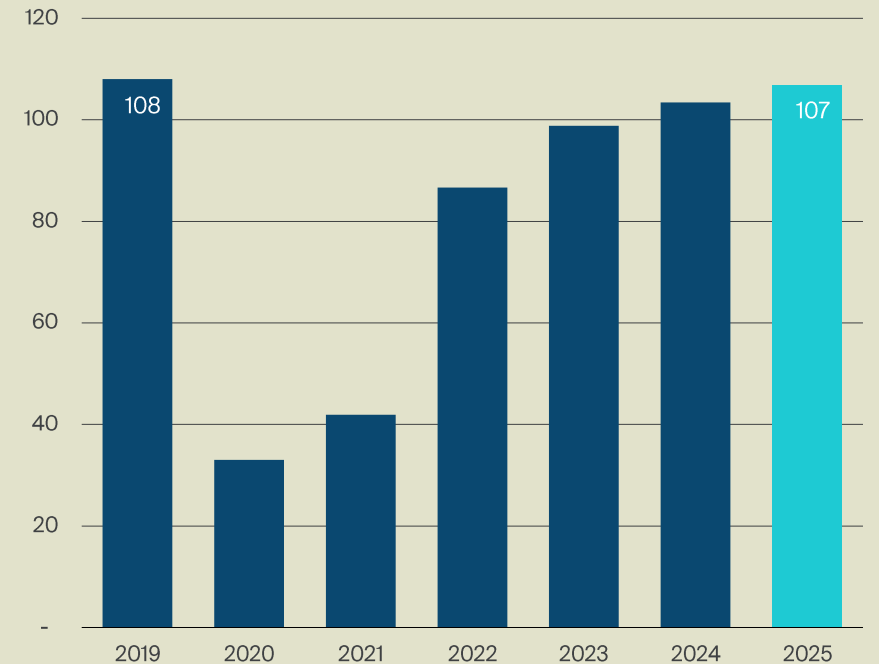
107 million
Passengers

+ 3.4 %
In one year

Stable
As in 2019 (99%)

Passenger numbers at Orly and Roissy-CDG airports

In million per annum

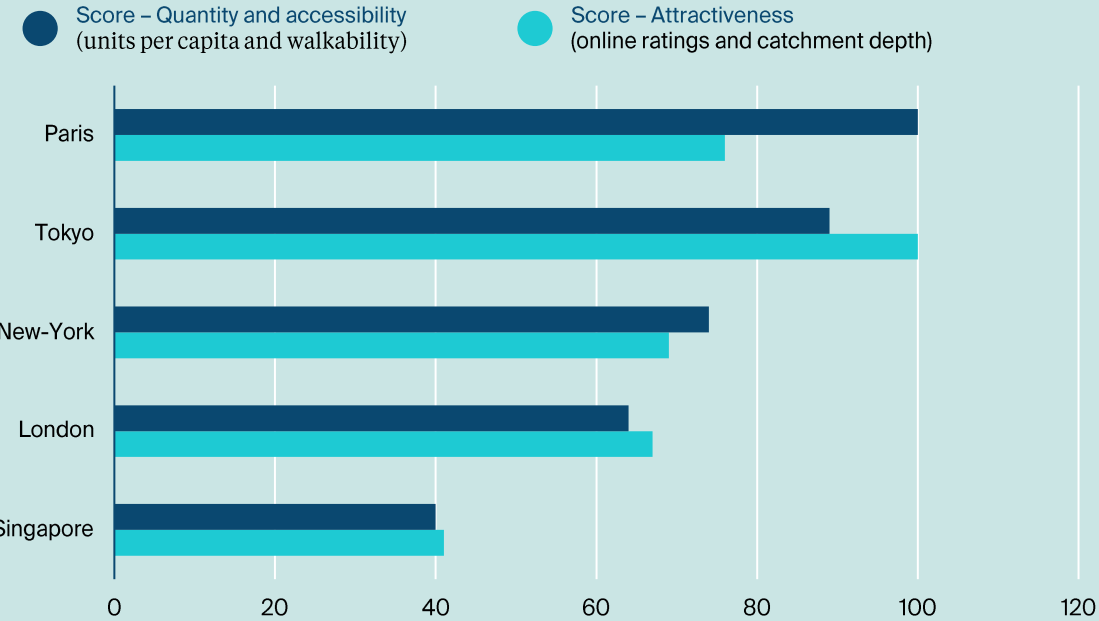


Source : Groupe ADP

Paris: A global retail capital driven by its prime core

Ranking of the world's top five cities for retail

Score (out of 100 by category)



Sources: Global City Power Index (2025) data, Knight Frank analysis.
 Note: ranking of the world's top five cities out of the 48 cities assessed in the Global City Power Index. The focus here is on the retail component, based on the scores defined by the Global City Power Index across retail-specific indicators.

Leading regional economic hub in the European Union

Greater Paris Region GDP exceeded that of 22 out of 27 EU countries in 2024, according to Eurostat

Leading rail and air transport hub in the European Union

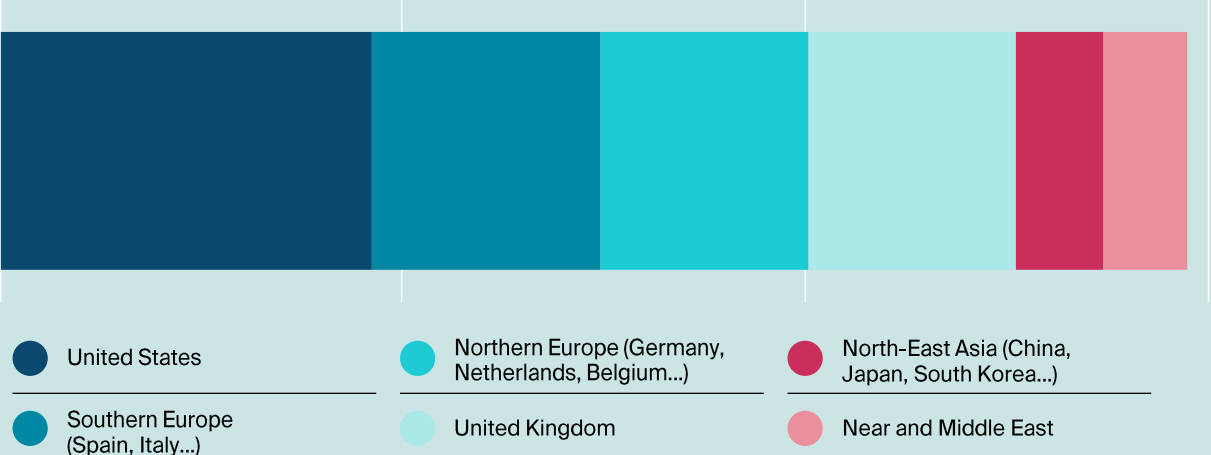
Roissy Charles de Gaulle: 72 million passengers, according to Airports Council International
 Paris Gare du Nord: 260 million passengers, according to SNCF

Most visited city in the world

49 million visitors in the Greater Paris Region region, according to the Paris Region Tourist Board and the GCPI

Breakdown of international tourists by origin

Share of total

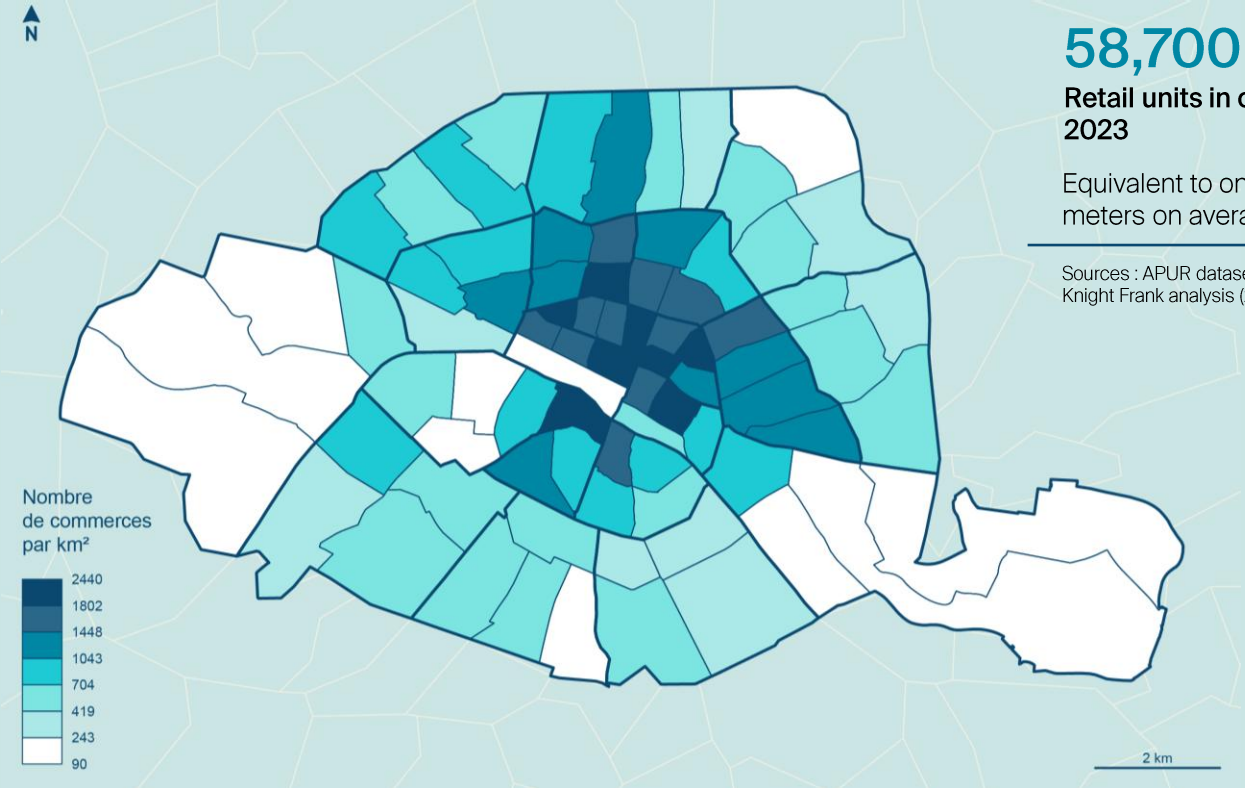


Paris, A unique retail density on a global scale

Paris had approximately 58 700 retail units in 2023, according to our estimate based on data from the Atelier Parisien d'Urbanisme (APUR), equivalent to an average of one retail unit every 42 metres. Their distribution, however, is highly uneven. The districts of central Paris stand out for their exceptional retail density, ranging from 1 000 to 2 400 retail units per sq. km, compared with between 90 and 800 retail units per sq. km in the peripheral arrondissements. As an illustration, the administrative districts of the first four arrondissements record retail densities more than twenty times higher than those observed in certain districts of the 16th, 12th and 19th arrondissements.

With a population density of more than 20 000 inhabitants per sq. km according to INSEE, its status as the capital of the most visited country in the world according to the World Tourism Organization, and its role as the leading economic power within the European Union according to Eurostat, Paris occupies an essential position on the global stage across numerous sectors, including retail. This is evidenced by the fact that, for the tenth consecutive year, it ranked as the best endowed city in the world for retail provision and the second best endowed for restaurants, according to the Global City Power Index (2025).

Retail density across Paris' 80 districts in 2023
Number of retail units per sq. km



58,700

Retail units in operation in Paris in 2023

Equivalent to one retail unit every 42 meters on average

Sources : APUR datasets, Knight Frank analysis (2026)



Sources : APUR datasets, Knight Frank analysis(2026) ; Clustering framework based on a k-means approach.

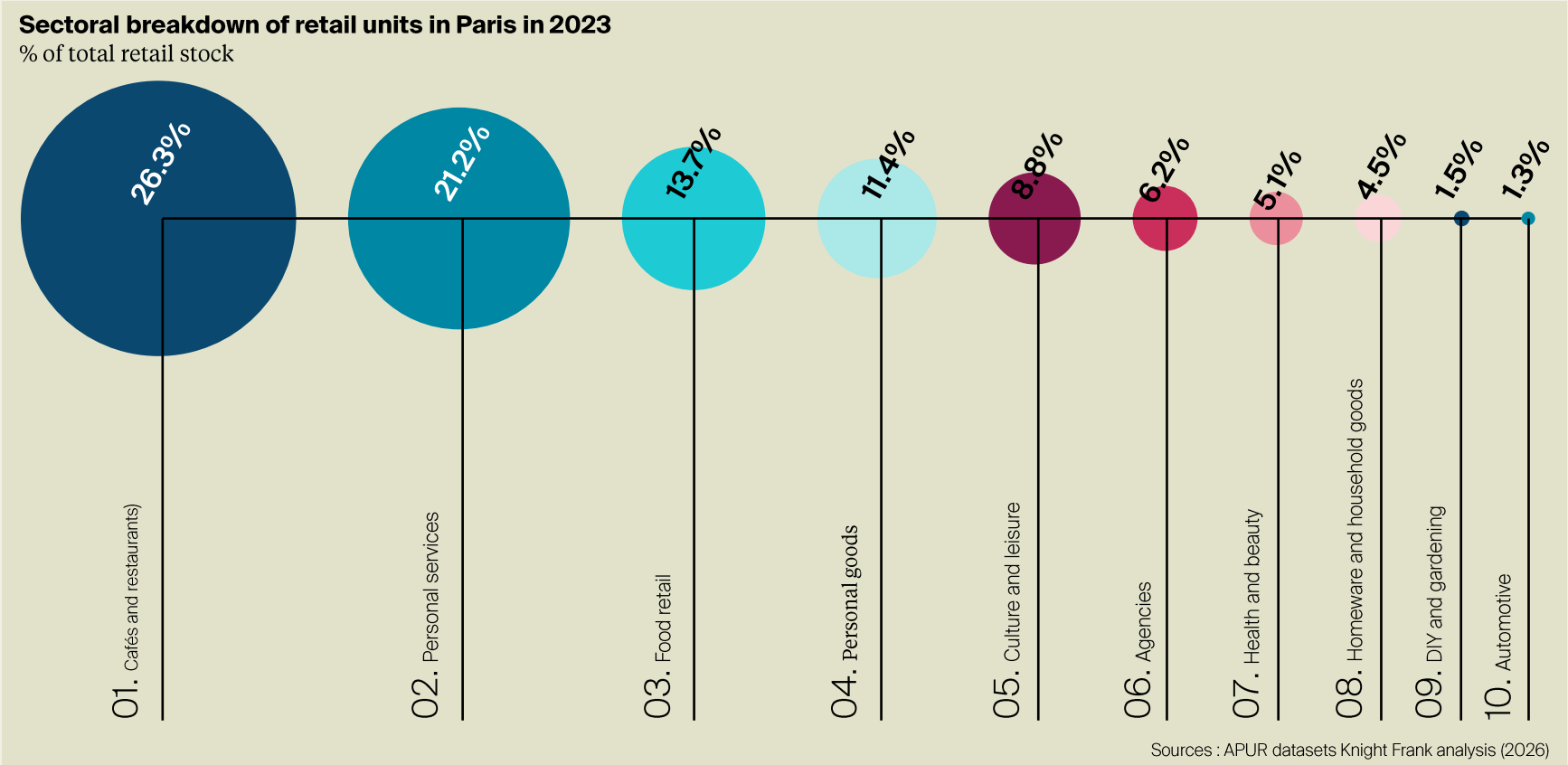
Retail provision structured to serve both local and international demand

Retail in Paris serves a mixed population comprising residents, regional residents, office workers and tourists. This is particularly true for cafés and restaurants, which represent more than one quarter of all retail units in Paris.

Their share is higher in the central arrondissements than in the peripheral ones. For example, 39% of retail units in the 2nd arrondissement are cafés and restaurants, compared with 18% in the 16th arrondissement. A similar pattern can be observed in the personal goods sector, including fashion, leather goods and jewellery, as well as in culture and leisure, including arts, IT, telephony and bookshops.

The personal services sector, including hair salons, cinemas and art classes, and food retail, both of which are more closely associated with convenience retail and predominantly aimed at a local residential customer base, each account for more than one third of Parisian retail units.

In the predominantly residential arrondissements, their share is higher than in the central districts. For example, 20% of retail units in the 19th and 20th arrondissements belong to the food retail sector, compared with a share of less than 10% in the 1st, 2nd, 3rd, 6th and 8th arrondissements.



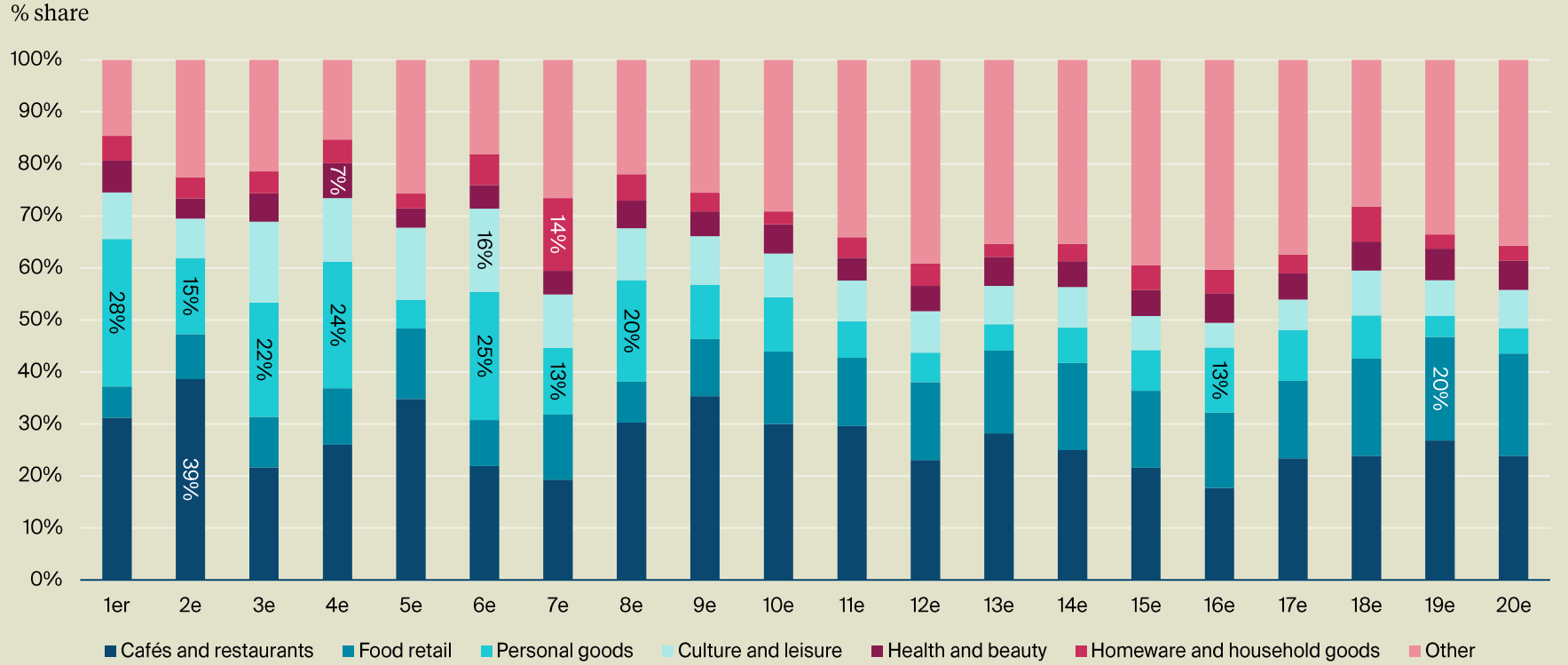
A tale of two markets: central Paris vs outside central Paris

Relative to the Paris average, most central arrondissements record a higher share of cafés and restaurants, notably the 1st, 2nd, 8th, 9th and 10th, as well as culture and leisure retail, notably the 3rd, 5th and 6th, and personal goods retail, notably the 1st, 3rd, 4th, 6th and 8th.

By contrast, the residential arrondissements are more conducive to retail formats catering primarily to residents, such as personal services and gardening and DIY, which account for between 28% and 40% of retail units depending on the arrondissement. This is even more pronounced in the food retail sector, particularly from the 12th through to the 20th arrondissement.

Other sectors are also proportionally more significant in certain central arrondissements than in peripheral ones. This is, for example, the case for health and beauty, notably in the 1st, 4th and 19th arrondissements, and home goods, notably in the 7th and 18th arrondissements.

Breakdown of retail units in Paris by sector and arrondissement in 2023



NB: the "Other" category includes personal services, agencies, automotive and DIY and gardening.

Sources : APUR datasets, Knight Frank analysis (2026)

An ongoing restructuring of the Paris retail landscape

The number of retail units in Paris has been declining since 2000, at an average annual rate of 0.2%, according to our calculations based on APUR data. This decline accelerated between 2017 and 2023, with an estimated average annual decrease of 0.6%. The map below highlights marked spatial dynamics, closely linked to the sectoral composition of each arrondissement. The central arrondissements, notably the 8th, 1st, 3rd and 6th, recorded losses at a pace above the

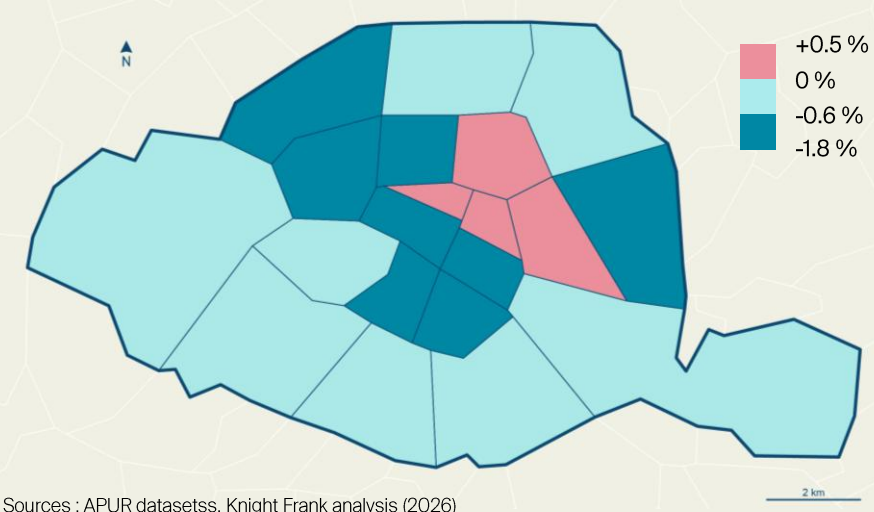
Paris average, owing to their strong exposure to the personal goods sector, which lost 1 732 retail units between 2017 and 2023. Residential arrondissements were also affected by a decline in retail stock, albeit at a slower pace than the Paris average. Their sectoral exposure ranges between food retail, which is growing, and personal services or home goods, which are declining. By contrast, one spatial cluster, namely the 2nd, 4th, 10th and 11th arrondissements, recorded

growth in the number of retail units, with foodservice acting as the principal driver. Across Paris as a whole, the city gained 832 additional cafés and restaurants between 2017 and 2023. However, a declining sector does not necessarily imply a decline across all its sub sectors. It is therefore more accurate to speak of restructuring. Within the personal goods sector, for instance, the women’s ready to wear sub sector lost 1 732 units between 2017 and 2023 in Paris, representing the

steepest decline, whereas the second-hand clothing and resale sub sector recorded 99 additional units, placing it among the ten fastest growing sub sectors. A similar restructuring dynamic can also be observed within foodservice, between fast food, at +579, and traditional French restaurants, at -139.

Growth in the number of retail units in Paris

Average annual growth rate, 2017 to 2023



Sources : APUR datasets, Knight Frank analysis (2026)

Change in retail units in Paris by sector between 2017 and 2023

Largest net openings and closures, Top positive and Top negative

| Aggregated sector | Change in retail stock | (+) TOP 1 | (-) TOP 1 |
|------------------------------|------------------------|--|---------------------------------------|
| Cafés and restaurants | +832 | Sit-down fast food (+579) | Traditional French restaurants (-139) |
| Food retail | +451 | Fruit and vegetables (+98) | Butchers (-62) |
| Health and beauty | +42 | Hearing aid retail (+75) | Pharmacie (-80) |
| DIY and gardening | -62 | All sub-sectors in this category are declining | |
| Cars | -134 | Motorcycle sales and repair (+13) | Car repair garages (-39) |
| Personal services | -210 | Nail salons (+217) | Travel agencies and airlines (-179) |
| Homeware and household goods | -354 | Living room and bedroom furniture (+14) | Antiques (-110) |
| Culture and leisure | -407 | Discount telephony and accessories (+201) | Bookshops (-141) |
| Agency | -523 | Estate agencies (+14) | Banks and savings institutions (-205) |
| Personal goods | -1,732 | Second-hand clothing and resale (+99) | Women’s ready-to-wear retail (-678) |

Sources : APUR datasets, Knight Frank analysis (2026)

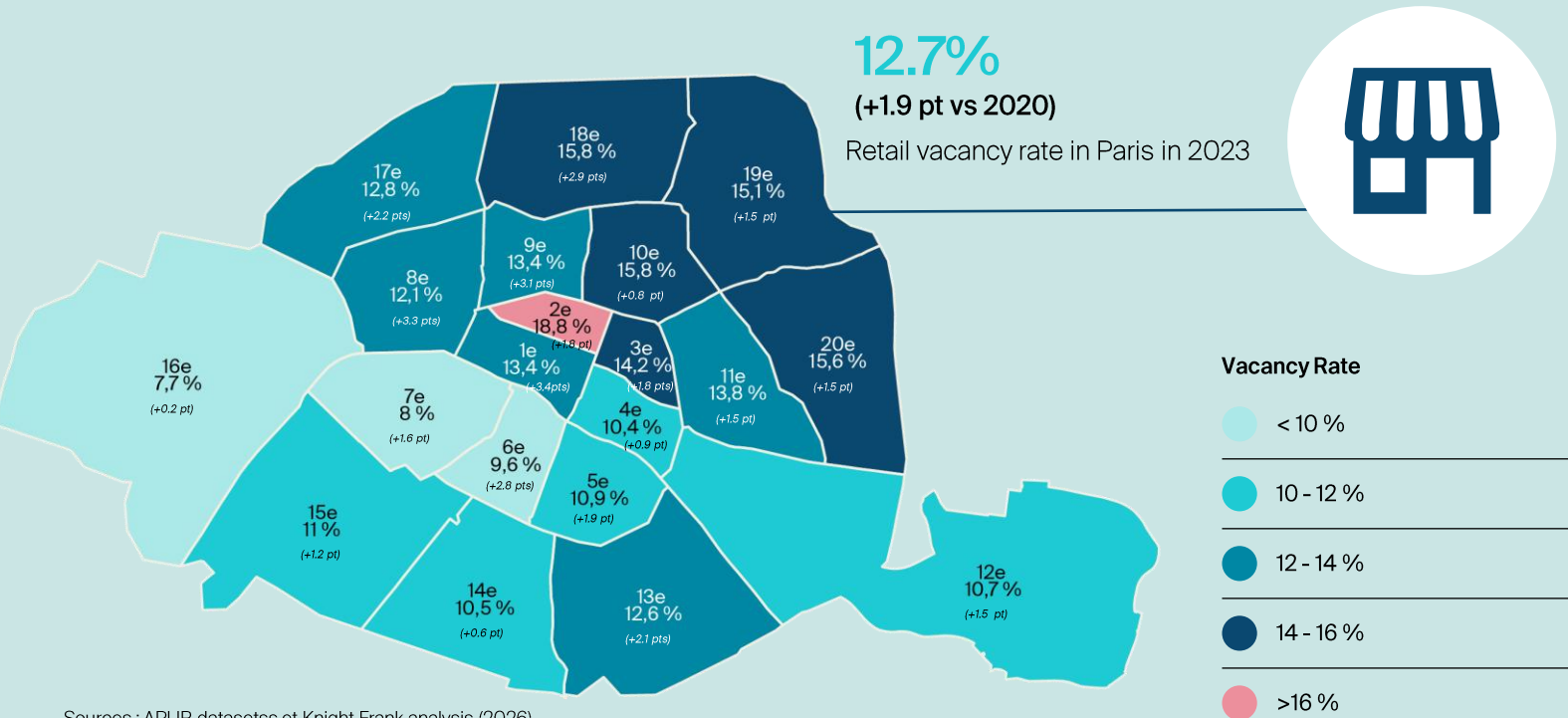
02.

Reshaping Paris retail market: A shift towards prime high streets



Diverging vacancy patterns across Parisian arrondissements

Vacancy rate of retail properties by arrondissement in 2023, and change in basis points, 2020 to 2023



The vacancy rate for retail properties, estimated according to the Knight Frank methodology, namely a targeted selection of retail activities excluding properties under refurbishment, stood at 12.7% in 2023. The Paris retail market recorded a continuous increase in vacancy between 2020 and 2023, with a rise of 1.9 percentage points, from 10.8% to 12.7%. All Parisian arrondissements, without exception, were affected by this trend.

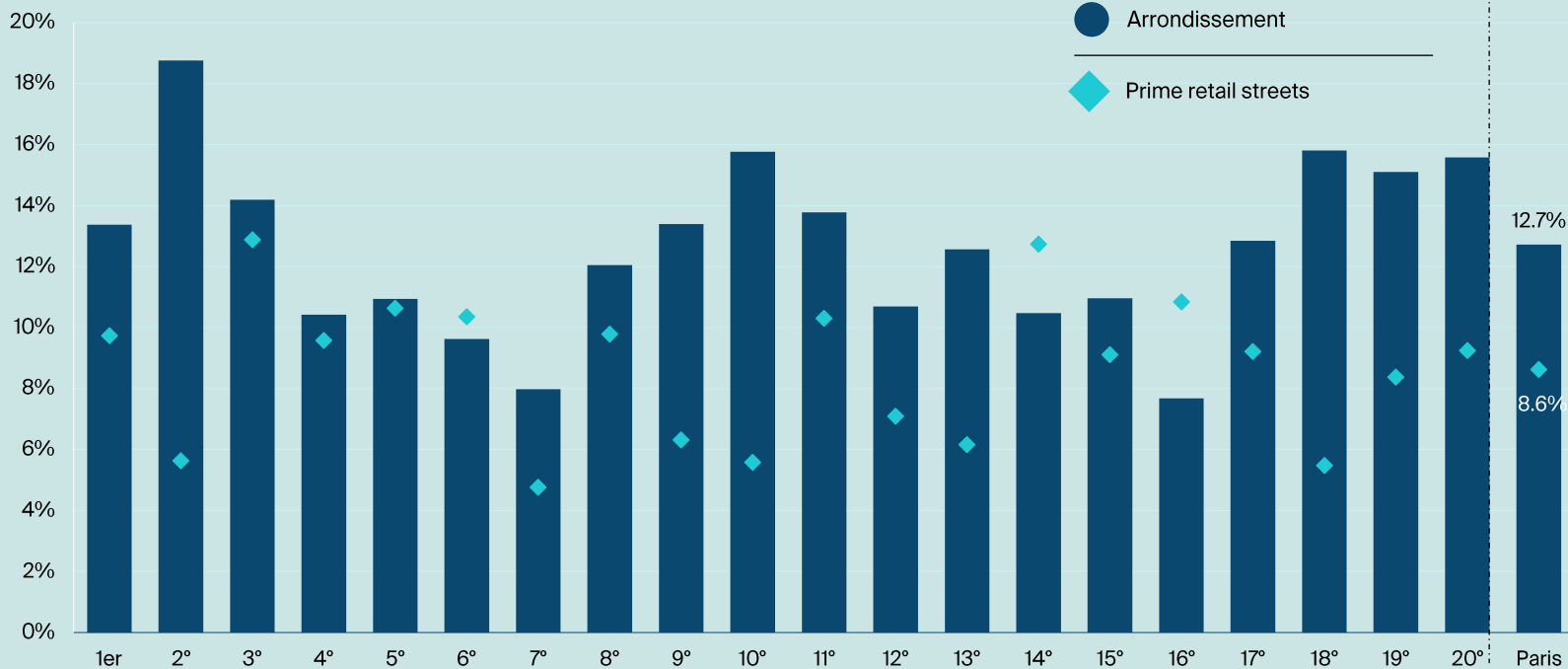
That said, the increases were uneven. Some areas recorded only marginal rises, while others experienced a much sharper deterioration. The 16th arrondissement saw its vacancy rate increase by just 0.2 percentage points, remaining below the 7% threshold. By contrast, the 1st arrondissement recorded an increase of 3.4 percentage points.

Among the arrondissements with the lowest retail vacancy, the 16th arrondissement has now overtaken the 7th arrondissement, with respective increases of 0.2 and 1.6 percentage points. Conversely, certain areas are facing more acute tensions, linked both to the restructuring of the retail landscape and to retailers' occupational demand. The 2nd arrondissement, for example, recorded an increase of 2.6 percentage points over three years, reaching a vacancy rate of 18.8% in 2023, the highest in the capital.

Sources : APUR datasets et Knight Frank analysis (2026)

High Streets increasingly favoured by retailers

Retail vacancy rate
Arrondissement level versus Prime retail streets



Sources : APUR and Codata datasets, Knight Frank analysis (2026)

In 2025, the vacancy rate across Parisian retail streets, based on a panel of 84 streets analysed, stood at 8.6%, more than 4 percentage points below the average observed at arrondissement level across Paris, namely 12.7% in 2023. This result clearly illustrates the extent to which the main retail streets are more attractive and resilient than the wider street network. The 2nd arrondissement is emblematic in this regard, with vacancy estimated at 18% at arrondissement level, compared with less than 6% across its retail streets.

Retail streets remain preferred locations for occupiers. The density and diversity of commercial activity provide reassurance in terms of optimising the capture of potential customers, whether tourists, office workers or residents. Prime retail streets, moreover, post even lower vacancy, averaging below 5%.

Only three arrondissements record vacancy across their retail streets above that observed at arrondissement level, namely the 6th, 14th and 16th. In these cases, cyclical conditions appear to be the main explanation, notably on Rue de Rennes and Boulevard Saint Michel in the 6th, Avenue du Général Leclerc and Rue d'Alésia in the 14th, and Avenue Victor Hugo in the 16th.

** Cf The Retail Property Market – 2025 Review and 2026 Outlook, Knight Frank, February 2026. Prime retail streets include Avenue des Champs-Élysées, Avenue Montaigne, Rue de la Paix and Place Vendôme, Rue Saint-Honoré and Rue du Faubourg Saint-Honoré, as well as the Golden Triangle.*

Rising prime rental values across prime high street

The need to distinguish between prime and major retail streets is also reflected in rental levels. Pressure remains particularly strong on the most sought-after prime pitches, such as Avenue des Champs Élysées, Avenue Montaigne, and Rue and Faubourg Saint Honoré, where vacancy ranges between 0% and 4.8%. As a result, prime rental values on these streets sit at the top end of the panel analysed, ranging from €13 000 to €16 000 per sq. m per annum.

Rue de Sèvres also benefits from favourable occupational market conditions and strong retailer appeal, allowing the street to post rising rental values in the range of €3 000 to €4 000 per sq. m per annum.

By contrast, the Opéra district, notably Boulevard de la Madeleine and Boulevard des Capucines, has seen rental values adjust downwards, to between €2.200 and €3 200 per sq. m per annum depending on pitch.

These streets appear to be facing a less favourable cyclical backdrop rather than a structurally declining trend.

Prime retail rents, selected Prime retail streets in Paris
End 2025, 2026 trends

| STREET / DISTRICT | ARR. | Prime retail rents (€/sq. m/) End 2024 | Prime retail rents (€/sq. m/year) 4th Quarter 2025 | Demand Level 2025 | Trends 2026 |
|--|---|--|--|-------------------|-------------|
| AVENUE DES CHAMPS-ELYSEES | Paris 8 th | 13,000 – 16,000 | 13,000 – 16,000 | | ▶ |
| AVENUE MONTAIGNE | Paris 8 th | 12,000 – 14,000 | 13,000 – 16,000 | | ▲ |
| RUE SAINT-HONORE / FAUBOURG SAINT-HONORE | Paris 1 st / 8 th | 11,000 – 13,500 | 13,000 – 16 000 | | ▶ |
| PAIX / VENDOME* | Paris 1 st | 8,500 – 9,500 | 8,500 – 9,500 | | ▲ |
| RUE DES FRANCS BOURGEOIS | Paris 3 rd / 4 th | 4 500 – 6,000 | 4,500 – 6,000 | | ▶ |
| BOULEVARD HAUSSMANN | Paris 8 th / 9 th | 4,000 – 5,000 | 4,000 – 5,000 | | ▲ |
| RUE DE SEVRES | Paris 6 th / 7 th | 2,500 – 3,500 | 3,000 – 4,000 | | ▲ |
| RUE DE RIVOLI | Paris 1 st / 4 th | 2,500 – 3,500 | 2,500 – 3,500 | | ▲ |
| QUARTIER OPERA** | Paris 1 st / 2 nd / 8 th / 9 th | 2,500 – 3,500 | 2,200 – 3,200 | | ▼ |
| RUE DE RENNES | Paris 6 th | 1,800 – 2,800 | 2,000 – 2,800 | | ▶ |

low high

* No recent transactions recorded on Place Vendôme.

**The Opéra district comprises Boulevard de la Madeleine and Boulevard des Capucines.

Source : Knight Frank

Luxury as a long-term growth driver, counter to broader retail trends in Paris

The momentum behind luxury store openings in Paris has continued the upward trend initiated in 2024, reaching the threshold of 30 new openings in 2025. While the broader personal goods segment, including ready to wear, footwear and leather goods, is contracting across Paris, luxury boutiques continue to expand within this category.

Rue Saint Honoré and Faubourg Saint Honoré top the ranking of the most sought-after streets for new luxury openings, with 12 openings in 2025, twice as many as the location ranked third. Rue de la Paix and the Champs Élysées recorded six new openings, split evenly between the two. In second position, the Golden Triangle accounted for nine luxury openings, thereby reinforcing its status as an essential destination within the Paris luxury landscape.

Given the evolution of the Parisian population, which is increasingly dominated by executives, together with the upscaling of tourism, particularly in the 5-star hotel and palace segment, the long-term trend remains supportive of further luxury boutique openings.



03.

Evolving retail landscape in Paris: emerging consumer trends



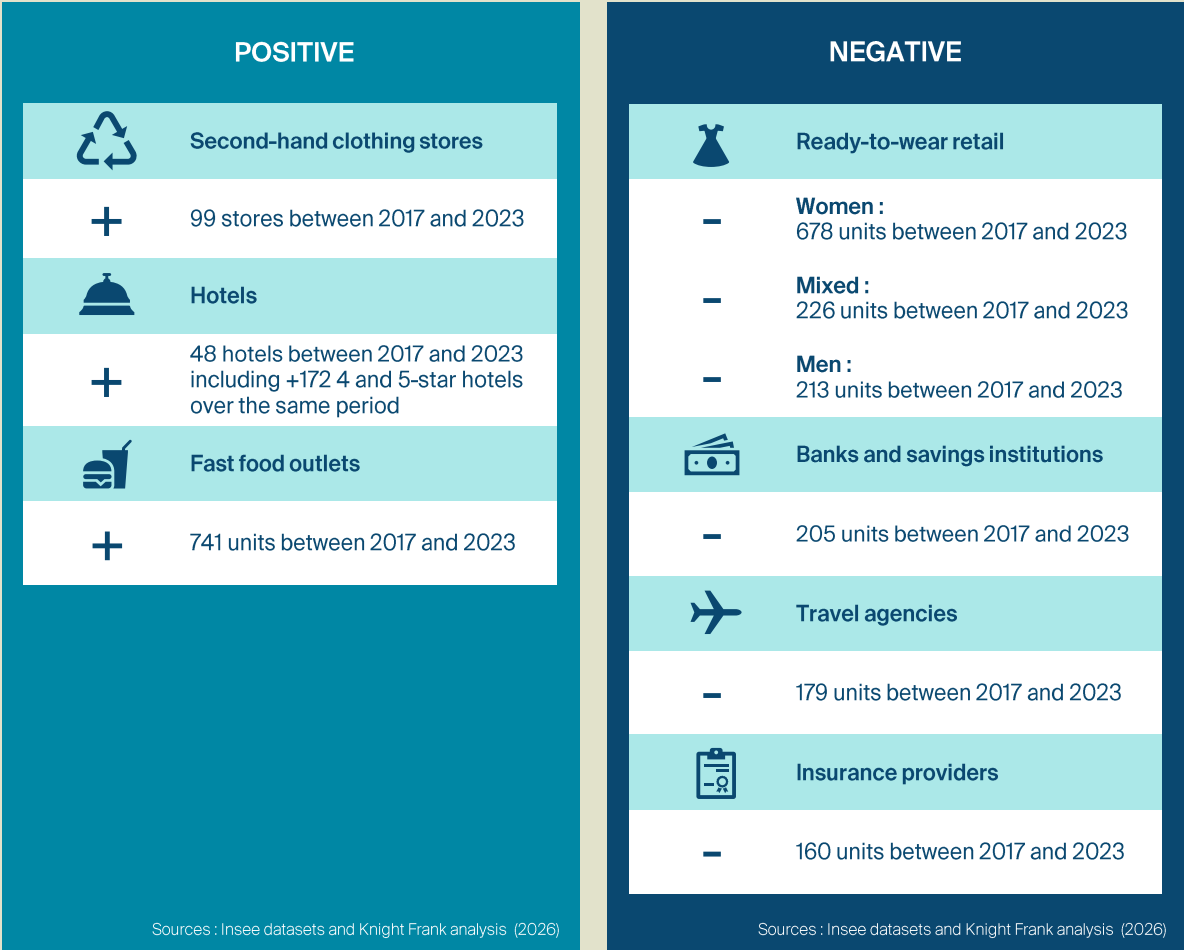
E-commerce reshaping distribution networks

The rise of e-commerce has been particularly rapid in recent years, with turnover doubling between 2019 and 2025 according to the Fédération du e-commerce et de la vente à distance, called FEVAD. More than 3 billion transactions were recorded in 2025. Of all the emerging consumption patterns, this is probably the most visible at the scale of retail in Paris, particularly in sectors such as ready to wear. However, e-commerce does not simply act as a substitute for physical retail. It may also redirect demand towards more specialised formats offering less standardised products, such as second-hand clothing resale or brands built around a highly specific concept or target audience.

Services are also heavily affected by the expansion of e-commerce, having accounted for 60% of total e-commerce turnover in 2025 according to FEVAD. Certain personal services are gradually disappearing, despite having once been highly visible within the Paris retail landscape. This is particularly the case for banks and savings institutions, insurance providers and travel agencies. While digitalisation may appear, at first sight, to generate negative externalities for Paris retail, the reality is more nuanced. By facilitating access to a greater quantity and quality of information, while also simplifying user journeys, digitalisation has probably contributed to the dynamism of tourism. This new source of demand may therefore have partly offset the loss of demand linked to the decline in the residential population across many retail sectors.

In a city such as Paris, which has the largest student population in France and where demand depends increasingly on workers rather than residents, fast food already benefits from particularly favourable conditions for expansion. In addition, digitalisation improves the matching of supply and demand, thereby contributing in part to the growth of this segment. As highlighted by FEVAD, click and collect, already expanding before the pandemic, gained further traction during the lockdowns of 2020 and 2021, supported by the proliferation of fast-food related content on social media.

Impact of e-commerce by sector



More sustainable and health-conscious lifestyles

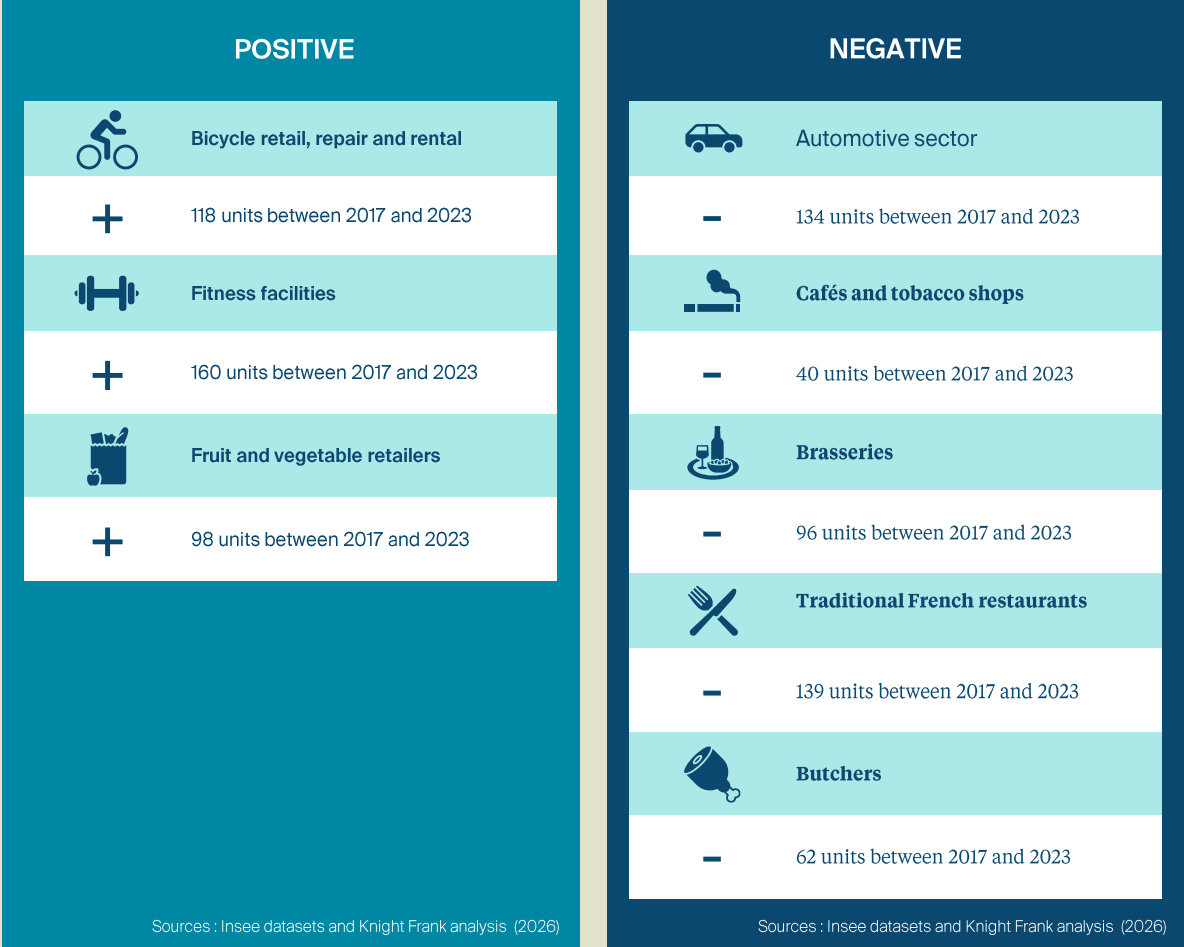
At the intersection of environmental and health considerations, Parisians have changed the way they travel. According to the City of Paris, cycling increased by 34% between 2020 and 2024. On a daily basis, almost one in ten Parisians now commutes mainly by bicycle, a figure three times higher than the national average according to INSEE data. At the same time, fewer than one in three Parisians owns a car, compared with eight in ten French people nationwide, again according to INSEE.

In line with healthier lifestyles, participation in sport has also intensified in France. According to CREDOC, almost six in ten French people now engage in sporting activity at least once a week, representing an increase of 8 percentage points since 2018. This trend is even more pronounced among more affluent socio-economic groups, such as executives, who are the dominant population in Paris.

A similar shift can be observed in meat consumption. Consumption of butcher’s meat, including beef, pork, lamb, horse and goat, declined by an average of 0.5% per annum between 2004 and 2024. While price remains a key variable, the carbon footprint of red meat also contributes to this decline, according to Eurobarometer 2025. This change in consumption patterns implies fewer butcher’s shops and a rising number of fruit and vegetable retailers.

These environmental considerations are compounded by health concerns. Pure alcohol consumption per capita halved between 1970 and 2023, while tobacco sales through licensed tobacconists fell threefold between 2000 and 2024, according to the “Observatoire Français des drogues et des tendances addictives”. These trends are even more pronounced in Paris, as alcohol and tobacco consumption in the Île de France region stood below the French median in 2021, according to regional data from “Santé Publique France”. Among individuals aged 18 to 75, 22% of residents in Île de France reported smoking daily in 2021, compared with a French median of 25%, while 6% reported drinking alcohol daily, against a national median of 8%. These new consumption paradigms are therefore likely to weigh on the number of café tobaccos and on venues associated with meat and alcohol consumption, such as brasseries and traditional French restaurants.

Impact of healthier and more sustainable lifestyles



Between experiential retail and increasing demand for customisation

Lastly, the evolution of retail in Paris reflects a structural trend that has been underway since at least the beginning of the 21st century. According to Philippe Moati, researcher and co president of the “Observatoire Société et Consommation” (Obsoco), French households are gradually shifting away from mass consumption towards increasingly customised consumption.

Retailers therefore have a growing incentive to specialise, either in a specific product category or in serving a targeted customer base, in order to respond more effectively to household demand. In addition, they are now expected to offer not only more segmented goods, but also an experience associated with the act of consumption itself. These changing preferences are already having tangible implications for the Paris retail landscape across all sectors, as illustrated by the accompanying examples.



Number of new food retail units recorded between 2017 and 2023

| | |
|-------------------------|---------------|
| Specialised food retail | 348 new units |
| Food shops | 103 new units |

Within the food sector, specialist stores such as delicatessens, coffee roasters, cheesemongers and regional or international food retailers grew three times faster than non-specialist stores such as supermarkets.



Number of new restaurants recorded between 2017 and 2023

| | |
|--|------------------|
| Restaurants specialised in Asian cuisines | 179 new openings |
| Restaurants specialised in European cuisines | 56 new openings |
| Restaurants specialised in African cuisines | 48 new openings |

Traditional dining is now increasingly driven by cuisines previously underrepresented in the Paris retail landscape: restaurants specialising in Asian cuisines including Chinese, Japanese, Korean and Thai; regional European cuisines such as Italian regions including Sicily, Sardinia and Campania; and Sub-Saharan African cuisines including Mali, Senegal, Côte d’Ivoire and Ethiopia.



Number of new personal services recorded between 2017 and 2023

| | |
|-----------------------------|------------------|
| Nail salons | 179 new openings |
| Specialised fitness studios | 113 new openings |

Health and beauty services are becoming increasingly specialised, often focused on specific areas of the body such as nail salons.

Single-discipline fitness studios such as aquabike, boxing, yoga and pilates have grown more than twice as fast as multi-sport gyms, +43 units.

04.

Conclusion and Outlook



Outlook for the Paris retail market

- 1 Group 1: Strong retail restructuring, consolidation of a luxury-oriented customer base**

 - Retail already caters significantly to a non-local and affluent clientele, including Île-de-France residents, domestic and international tourists and highly qualified workers
 - This trend is expected to go further, with retail increasingly positioning itself towards high-end and luxury goods targeting an international clientele

- 2 Group 2: Strong retail restructuring, increasingly driven by luxury tourism**

 - Retail already serves a predominantly non-local and affluent customer base
 - Retail increasingly embodies a “French art de vivre”, through fashion and beauty in the 1st, 3rd and 4th arrondissements, and through culinary experiences combining tradition and internationalisation in the 6th arrondissement. Demand has shifted from high-end towards luxury

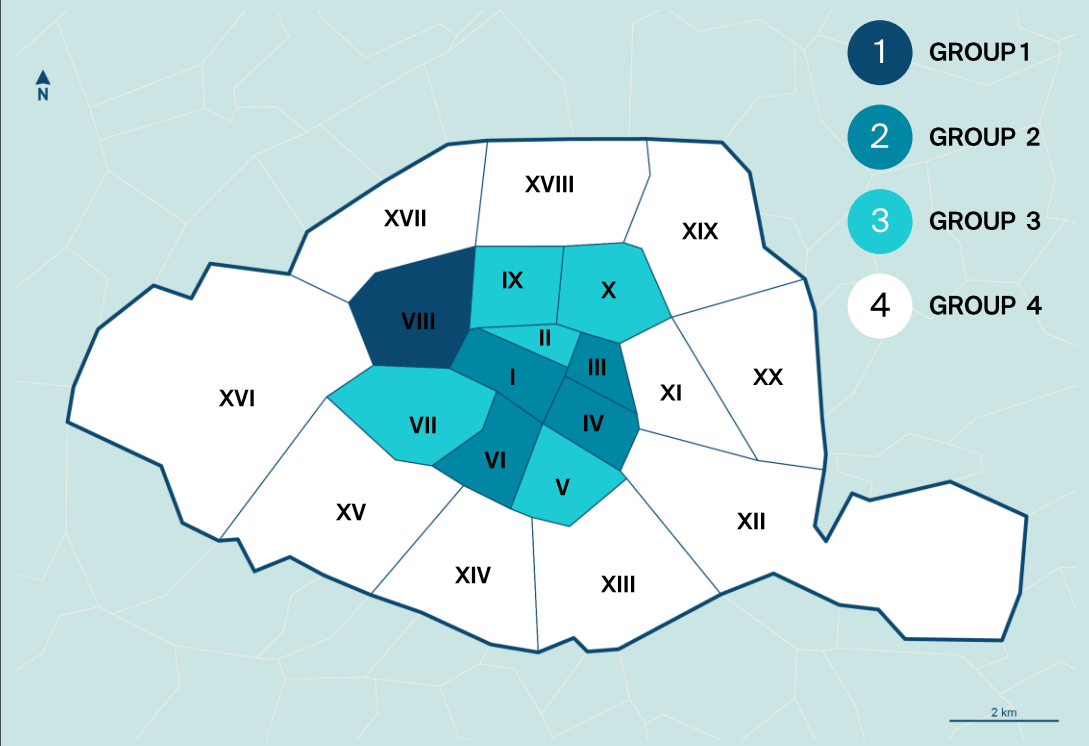
- 3 Group 3: Strong retail restructuring, still oriented towards a mixed catchment**

 - Retail caters to both local proximity demand and a broader tertiary catchment including residents, domestic and international tourists
 - This trend is strengthening, supported by growth in cafés and restaurants and by increasingly affluent tourism positioned within the high-end segment

- 4 Group 4: Moderate retail restructuring, still resident-led**

 - The strong presence of convenience retail reflects the residential nature of these arrondissements
 - Although affected by declining population, retail is increasingly adapting to a growing and more affluent tourist base, transitioning from mid-market towards high-end demand. Only the 16th and 17th arrondissements are already significantly exposed to high-end tourism.

Structural evolution of retail in Paris
Results of principal component analysis



Sources : APUR and INSEE datasets, Knight Frank analysis (2026)

Conclusion and outlook

The number of retail units in Paris has been declining for more than twenty years. This contraction accelerated over the recent period, namely 2017 to 2023, marked by the Gilets Jaunes protests and the pandemic lockdowns. However, trends differ significantly across arrondissements and sectors of activity. In this report, we first quantified this downward trend, then identified the strongest growing sub sectors, and finally examined the drivers behind these divergent trajectories.

First, we demonstrated that retail in Paris follows a dual spatial structure. Retail in the central arrondissements, from the 1st to the 10th, caters to a mixed customer base composed primarily of tourists and office workers, and to a lesser extent residents. By contrast, retail in the peripheral arrondissements, from the 11th to the 20th, responds predominantly to local residential demand.

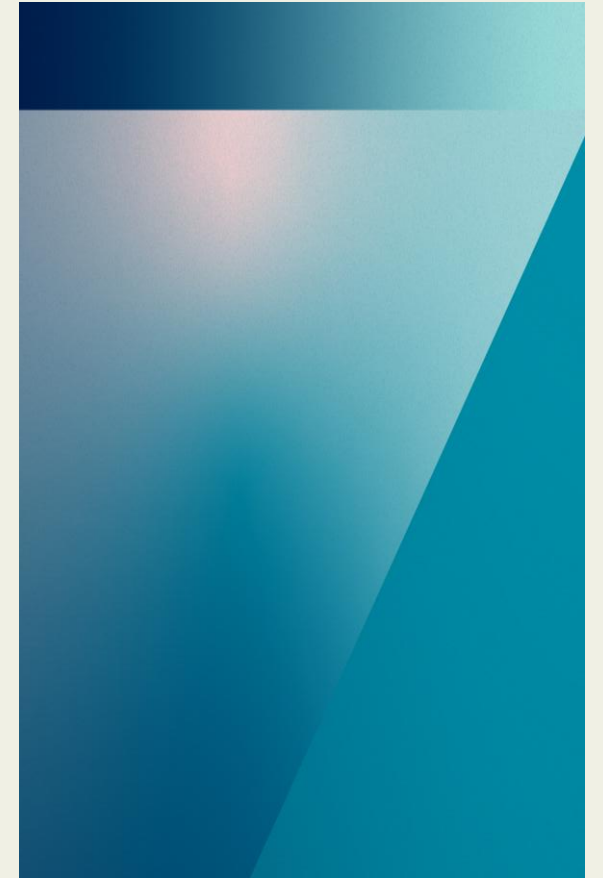
Second, we showed that the retail property market in Paris has remained remarkably stable for more than twenty years, despite cyclical disruptions and a declining number of retail units. Retail assets have been moving upmarket for more than a decade and are adapting to retailers' evolving preferences, with occupiers becoming increasingly selective in their location

strategies. Beyond the quality of the properties themselves, retailers assess opportunities at neighbourhood level, with a clear preference for established retail streets. As such, market opportunities exist in every arrondissement, without exception.

We identified two principal structural drivers behind the reshaping of the Paris retail landscape. The first relates to the evolution of consumers. While the number of retail units is declining, this is partly attributable to Paris' demographic trajectory, as the city has been losing inhabitants continuously since the 1950s. However, this relationship must be qualified, since demand is also being transformed by a more affluent residential population, whether local or regional, as well as by a larger and more affluent tourist population than in the past. The second driver lies in changing consumption patterns. Digitalisation, more environmentally conscious and healthier lifestyles, and the growing preference for more personalised and experience led goods and services are among the clearest illustrations of this trend. These shifts contribute both to the closure of certain retail formats and to the emergence of new activities.

Lastly, a synthetic map sets out projected changes in the Paris retail landscape by 2030. All arrondissements are likely to be affected by a customer base that is increasingly affluent and progressively less residential in nature. In this context, the 8th arrondissement is expected to consolidate its role as the benchmark district for demand focused on high end and luxury goods and services. A significant share of retail in the central arrondissements, notably the 1st, 3rd, 4th and 6th, is also increasingly beginning to resemble the 8th, with an already established transition towards a clientele seeking premium and luxury goods and experiences.

The remaining central arrondissements, namely the 2nd, 5th, 7th, 9th and 10th, are seeing their retail landscape evolve so as to meet both upscale tourist demand and demand from local and regional residents, notably office workers and students. Lastly, the peripheral arrondissements are likely to experience a more moderate form of retail restructuring, as they should continue to cater primarily to local residential demand. Nevertheless, even in these districts, retailers will need to anticipate a growing tourism driven customer base.



Methodology

1 Zoning approach

Sectoral analysis has been conducted at arrondissement level, representing the finest available sub-municipal scale and allowing for a highly detailed sector classification, with more than 200 sub-sectors based on APUR data. Vacancy analysis has been carried out both at arrondissement level and across the main retail streets in Paris.

A total of 84 streets have been analysed, covering all arrondissements. These data have been reprocessed using APUR, Codata and proprietary Knight Frank datasets

2 Study period

Changes in the number of retail units cover the 2017 to 2023 period, based on APUR data This represents the longest available timeframe and allows for a structural analysis while capturing an unprecedented shock to retail, namely the 2020 and 2021 lockdowns

Vacancy trends have been analysed over the 2020 to 2025 period. The focus has been placed on the most recent years, as vacancy is primarily a short-term indicator reflecting market conditions

3 Analytical methods

A. [Location quotient analysis](#)

Sectoral specialisation at arrondissement level has been assessed using location quotients, defined as the ratio between the share of a given sector within an arrondissement and its share across Paris as a whole. A quotient above 1 indicates an overrepresentation and therefore a sectoral specialization. Conversely, a quotient below 1 indicates underrepresentation

B - [Principal component analysis](#)

Once location quotients were calculated for each sector and arrondissement, additional variables capturing changes in residents, workers and tourists between 2017 and 2023 were introduced. These variables were processed through principal component analysis, allowing for the identification of correlations and their consolidation into a reduced number of factors. Arrondissements were then grouped into clusters based on their performance across these variables

C - [Vacancy rate by arrondissement](#)

Vacancy rates at arrondissement level were calculated using APUR data. The datasets was refined by excluding properties under refurbishment, hotels, wholesale or business activities, as well as assets classified as “other properties”. Vacant units were then extracted for 2020 and 2023, forming the basis for vacancy rate calculations

D- [Vacancy rate by retail street](#)

Street-level vacancy analysis is based on updated Codata data covering the 84 main retail streets identified by APUR. Key indicators include total retail stock, vacancy rate and retailer share for each street. Vacancy rates were then allocated across the relevant arrondissements based on their proportional presence along each retail axis

References

1 Reports and publications

Atelier Parisien d'Urbanisme (APUR), 2023, Retail in Paris
CREDOC, 2025, Sports participation in France after the Paris Games
FranceAgriMer, 2025, Meat consumption in France
Moati and Badot, 2020, Utopies et consommation
Sciences Po SDES, 2025, Environmental practices in France and Europe

2 Data sources

Institut National de la Statistique et des Etudes Economiques (INSEE)
Atelier Parisien d'Urbanisme (APUR)
Codata



Knight Frank's Research Department

provides market analysis and strategic real estate advisory services to a wide range of French and international clients, including private investors, institutional players and occupiers

The data used in the preparation of this report are sourced from recognised and reliable providers, as well as from Knight Frank's proprietary real estate market monitoring tools.



All studies available on KnightFrank.fr



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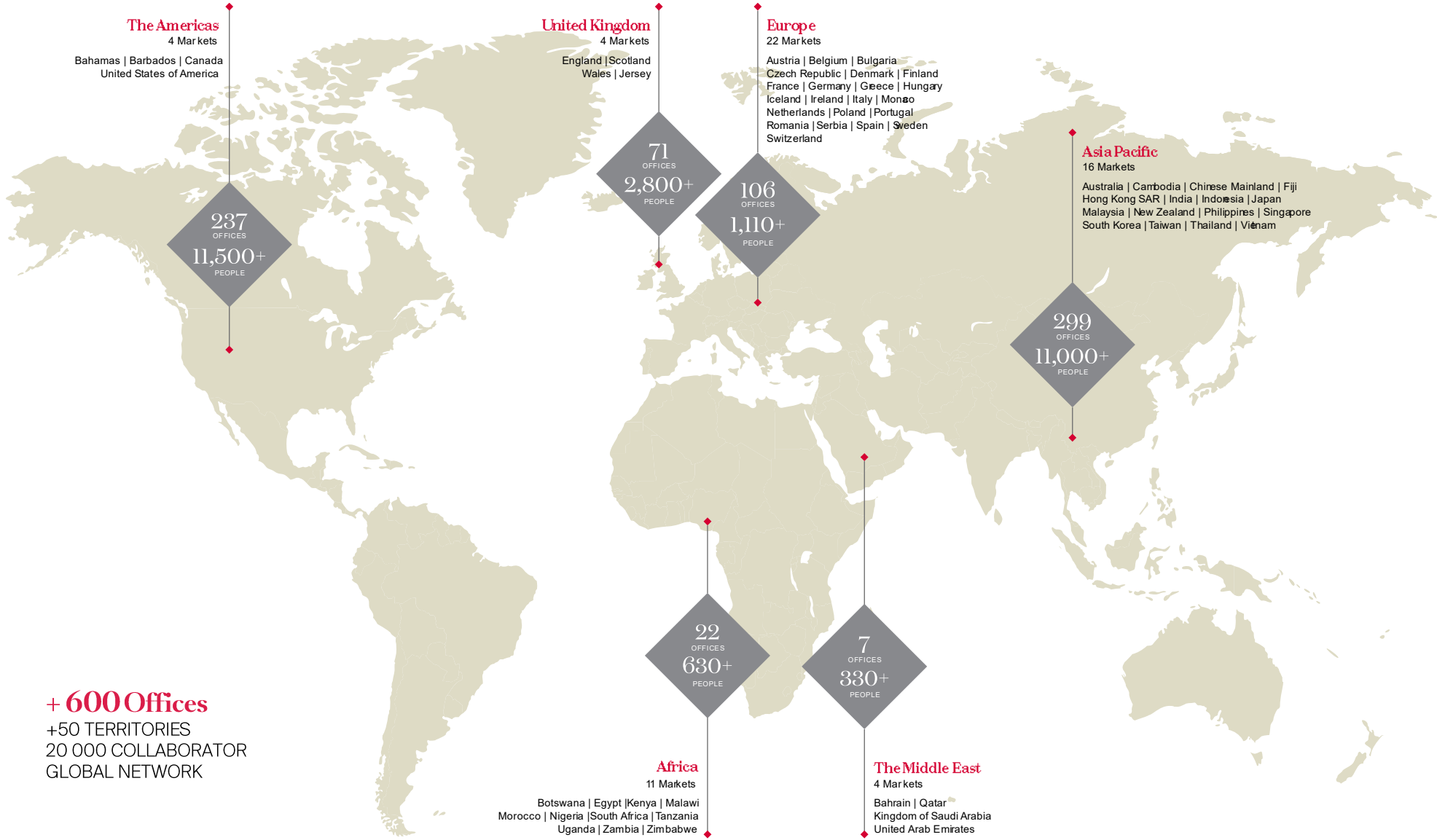
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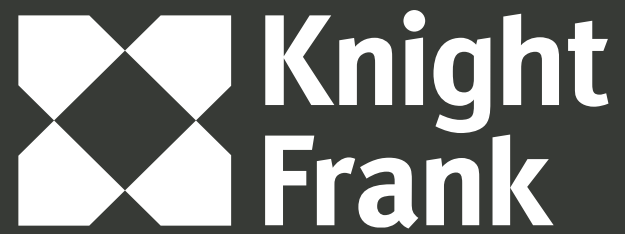
In short

Founded more than 125 years ago in Great Britain, today the Knight Frank group offers its expertise through international real estate advice thanks to more than 27,000 people acting from more than 740 offices in 50 countries. Its French branch, created 50 years ago, operates in commercial and residential real estate markets.

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