

# Retail Sales in Spain Will Fall Nearly 13% in 2020, the Biggest Drop in Western Europe

But its ecommerce retail sales will grow the fastest

## ARTICLE |

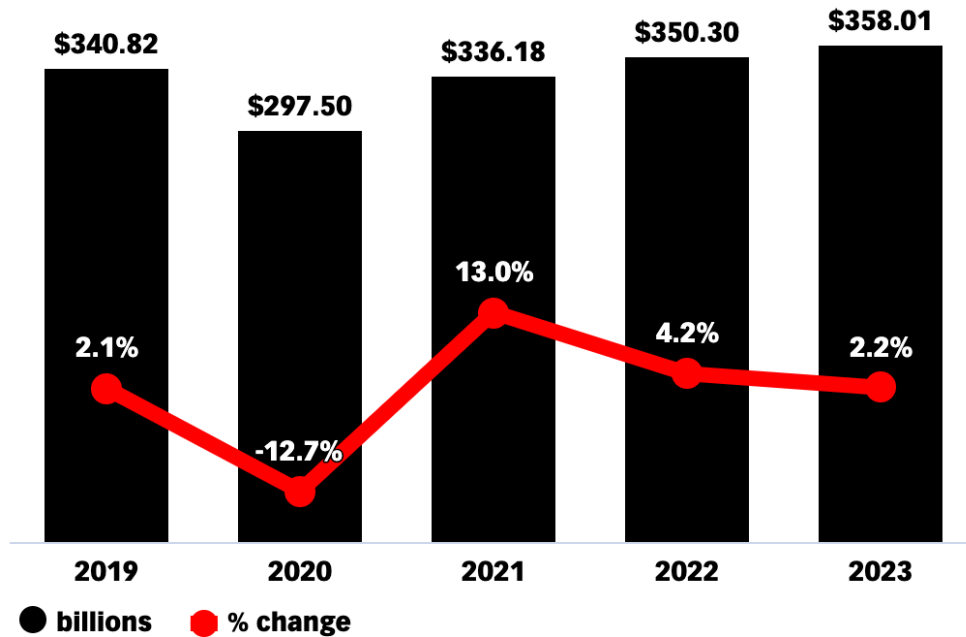
**Rimma Kats**

**T**he pandemic has hit Spain hard, affecting all industries within the country, particularly retail.

Retail sales in Spain will fall 12.7% this year, down from a previously anticipated 1.9% growth rate, according to our recent forecast. This equates to a \$43.34 billion decline to \$297.50 billion.

## Retail Sales

Spain, 2019-2023



Source: eMarketer, May 2020

[www.eMarketer.com](http://www.eMarketer.com)

“Given the severity of the pandemic, Spain will be slower to reopen its economy than other countries in Western Europe,” said Peter Vahle, eMarketer forecasting analyst at Insider Intelligence. “As of May, the International Monetary Fund (IMF) and European Commission (EC) both predict Spain’s GDP declines to be closely behind Italy’s as the second worst among countries we cover.

“Another unfortunate factor is that the EC predicts Spain’s unemployment rate will rise to 18.9%, which will be the second highest in Europe,” he said.

While retail sales could take years to recover, the pandemic has accelerated ecommerce in Spain—as it has globally. Within Western Europe, Spain’s retail ecommerce sales will grow the fastest at 22.9% to \$32.89 billion, per our estimates. And ecommerce sales will continue increasing to reach \$41.72 billion by 2023.

"We expect Spain's ecommerce sales to grow the fastest in Western Europe for a second year in a row," Vahle said. "Though ecommerce still makes up a small share of total retail sales in Spain, that share will jump above 11% this year.

"In many ways, the recent performance of El Corte Ingles, the biggest department store in Europe, reflects the larger retail environment: soaring online sales that do not offset brick-and-mortar's declines," he said.