September Quarter, 2026

URBIS

SHOPPING CENTRE COUNCIL OF AUSTRALIA

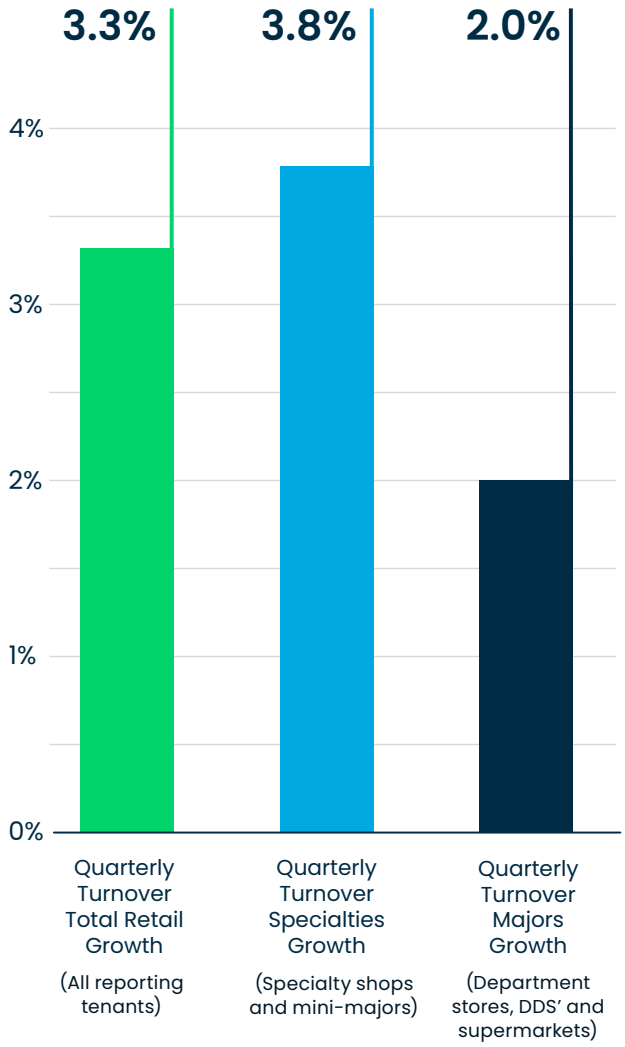
Retail Insights

The latest quarterly data, trends and insights shaping Australia's shopping centres and retail property.

Key Points

- **Consumer spending remains strong at Australia's shopping centres, with quarterly (Jul – Sep 2026) retail turnover growing 3.3% compared to the same period in 2025.**
- **Growth (3.8%) was led by Specialty and Mini-Major retailers.**
- **State performance varied, with retail turnover growth strongest in WA (5.9%), followed by SA (3.9%), with the ACT recording the lowest growth (2.2%).**
- **Retail leasing demand remains strong with leasing deals led by food catering (21.2%), apparel (21.1%) and retail services (17.5%).**

Quarterly retail turnover growth, total and by tenant type
Sep 2026 vs Sep 2025



The data

Rising foot traffic underwrites solid turnover growth.

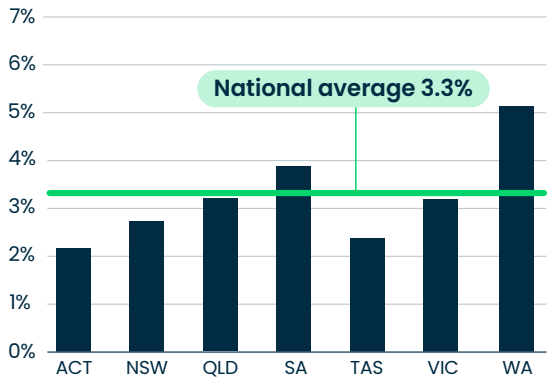
Retail turnover growth was solid and relatively consistent across states. However, WA clearly outperformed other states, with the ACT experiencing the lowest quarterly growth.

Nationally, foot traffic growth was particularly strong, climbing 2.6% compared to the September quarter 2025. This outpaced population growth which was 1.4% (to March 2026). Retail tenant occupancy improved further in the September quarter 2026 to reach its highest point over the past 12 months.

Food Catering (eg. cafes and restaurants, quick-service takeaway) remained the largest category from a leasing deals perspective, but only marginally. Apparel (eg. Women's/Men's apparel, footwear) accounted for the second-most deals in the quarter, followed by Retail Services (eg. hairdressing, key cutting, shoe repairs). The top 3 categories were the same as the YE June 2026, but the overall proportion of deals shifted slightly.

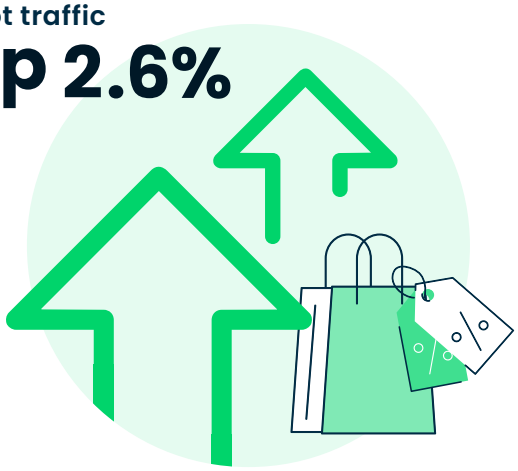
Quarterly Retail Turnover Growth, by State

September quarter 2026



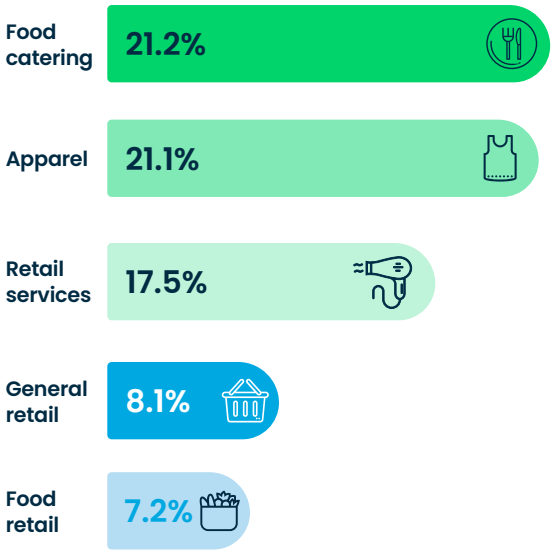
Foot traffic

up 2.6%



Leasing demand

Top 5 categories



Occupancy rate by quarter



Fresh insights

Department stores: a structural change and opportunity

The previous edition of the SCCA/Urbis *Retail Insights* explored how shopping centres globally have evolved in response to the decline of department stores. With David Jones' recent administration, it's worth noting that Australian shopping centres, like their global counterparts, have been reducing their reliance on department stores for decades.

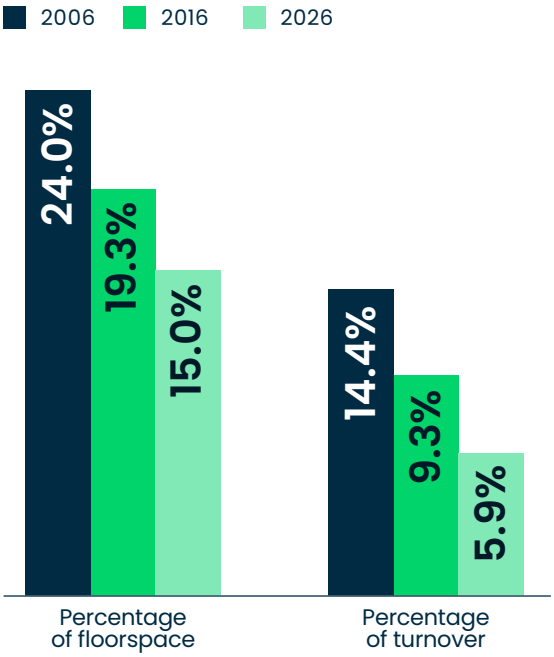
Department store role less universal than in the past.

The 2026 Urbis Shopping Centre Benchmarks demonstrates the extent of this shift. At regional shopping centres – the largest, premium suburban centres with extensive catchment areas - which contain most department store locations:

- **department store floorspace** has fallen from nearly one-quarter of total retail floorspace (2006) to 19% (2016) and 15% today
- **department store turnover, i.e. sales,** have dropped from over 14% (2006) of centre turnover to 9% (2016) and to just 6% today

While occupying 15% of floorspace, department stores generate only 6% of turnover, meaning the space is relatively unproductive compared with other retailers. As large-format and specialist retailers grow and centres take on broader roles, department stores – with some exceptions – are no longer the foot traffic drivers or 'anchor' tenants they once were.

Department Stores' Share of Total Centre Floorspace and Turnover, Regional Centres
2006 – 2026



Source: Urbis Shopping Centre Benchmarks 2006-2026.

No single retail category has 'replaced' the department store. Instead, shopping centres have evolved to reflect changing consumer preferences around shopping, dining, health, beauty and leisure.

Fresh insights

Department stores: a structural change and opportunity

Category	Floorspace growth[1]	Average centre floorspace growth led by:
Mini majors	**+64%**	Large-format non-major tenants such as JB Hi-Fi, Chemist Warehouse, Uniqlo and Mecca, increasingly key traffic drivers
Entertainment	**+53%**	Includes cinemas, as well as bowling, video arcades, competitive socialising and multi-activity tenants
Food & Beverage (F&B)	**+165%**	Supported by the increasing popularity of Entertainment and Leisure Precincts (ELPs)
Health, beauty and wellness	**+64%**	Growth between 2016 and 2026 alone

1. Over 20 years between 2006-26. Regional centres.
Source: Urbis Shopping Centre Benchmarks 2006-2026.

David Jones' consolidation brings potential opportunity.

Potential David Jones closures at shopping centres may disrupt consumers and landlords in the short term. However, the outlook for shopping centres remains bright, supported by years of contingency planning, very high occupancy (currently 99.4%), the need for more mini-major space (e.g. JB Hi-Fi, Uniqlo, Mecca, Nike, etc), speciality retail space and strong tenant demand.

With the 'anchor' tenant status of department stores becoming market specific, repurposing any vacated space with new tenants offers a chance to improve value for customers and their experience. The value of the retail tenancy mix, the offer for customers and retail employment opportunities for the community will continue to evolve in response. According to Urbis, any repurposed space could potentially be more than three times (3X) more labour intensive, resulting in a boost to shopping centre employment levels and local employment opportunities.



Department stores were once the cornerstones of Australia's best-known shopping centres. In most cases, their role is less universal than in the past, but the positive evolution of Australian shopping centres will continue.

About us

Retail Insights is a part of an industry research collaboration between the Shopping Centre Council of Australia (SCCA) and Urbis, combining SCCA's member data and insights with Urbis' market expertise, data capabilities, and analytical rigour to share actionable insights into the trends, indicators, and market dynamics shaping Australia's shopping centres and retail sector.

The SCCA/Urbis research collaboration also supports the Urbis Shopping Centre Benchmarks (which commenced in 1992) and the SCCA/Urbis Statutory Charges Database alongside a broader program of research and benchmarking designed to support informed decision-making across the shopping centre and retail property sector.

SCCA

The Shopping Centre Council of Australia (SCCA) is the national industry group representing major shopping centre and retail property owners and operators across Australia.

We lead the industry's regulatory, political and public affairs on issues affecting the shopping centre and retail property sector.

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Urbis

Urbis is a leading advisor to the shopping centre and retail property sector, trusted by investors, developers, asset managers and governments. As urban consultants, we bring together expertise in property economics, planning, design, valuation, asset strategy and development to help clients understand market dynamics, consumer behaviour and the forces shaping retail places. With teams across Australia, New Zealand, Asia and the Middle East, and supported by our global arm Cistri, we combine evidence, foresight and practical commercial strategy to deliver performance-focused outcomes in a changing retail landscape.

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Data in this report: Retail Insights uses retail turnover, customer foot traffic, leasing and other data provided by SCCA members. The sample covers 75% of shopping centre floor space across all jurisdictions except the Northern Territory, and includes metropolitan, CBD, regional and rural locations. It captures large regional, medium sub-regional, small neighbourhood and CBD shopping centres, providing a representative view of Australian shopping centre and retail property performance.

Disclaimer: This data is presented for information purposes only. It should not be relied upon for commercial decision-making or for any other purpose. Full disclaimer can be found online here: https://urbis.com.au/privacy/disclaimer-retail-insights