

# POP-UP STORES: REVITALIZING SHOPPING STREETS THROUGH LOCAL INNOVATION

## Pop-up stores —City of Luxembourg, Luxembourg

### DESCRIPTION

The Pop-up Stores program, launched in 2018, allows young entrepreneurs to test their business concepts in pop-up stores located in vacant premises in the historic center. By offering these spaces at a modest rent for 6 to 11 months, the city aims to support local entrepreneurship and revitalize the shopping streets of the historic center.

### 2. CONTEXT THAT MOTIVATED THE PRACTICE

Before 2018, certain areas of the city center were experiencing rising commercial vacancy rates. High rents and traditional leases (3-6-9 years) made it difficult for young entrepreneurs to set up a shop. The city was therefore looking for a way to revitalize shopping streets that were losing their appeal. The Pop-up Stores program was born out of this desire of the city to mediate between property owners and new retailers.

### 3. APPROACH / METHOD

The program is based on an approach that combines flexibility and active governance in order to promote continuous occupancy of spaces:

- Short contracts: 6- to 11-month leases to circumvent the constraints of traditional commercial leases.
- The City acts as a mediator between private owners and entrepreneurs: it identifies available premises and negotiates short-term leases.
- Public-private partnership: most of the premises are owned by private landlords; the City does not finance renovations, but provides support to ensure compliance and facilitates the process.
- Dedicated municipal management: a small internal team coordinates contracts, premises management, and rapid reallocation.
- Continuous market monitoring: a commercial register and a trade observatory analyze vacancy rates, pedestrian traffic, and the types of businesses to adjust supply.



Pop-up store. Source: ©City of Luxembourg

#### 4. EXPECTED AND IMMEDIATE EFFECTS

##### Measurable results

- 16 vacant premises have been reactivated through this program.
- 67 young entrepreneurs have been supported since 2018.

##### Immediate effects observed

- Stabilization of the commercial vacancy rate.
- Diversification of commercial offerings in the historic center.
- Improvement in the image of the historic center as a dynamic space conducive to local initiatives.

#### 5. KEY TAKEAWAYS

- This initiative brings the historic center to life by revitalizing shopping streets and reducing vacant spaces.
- Pop-up shops increase commercial diversity and promote local entrepreneurship, which is essential to a local economy.
- Commercial diversification promotes habitability by focusing on businesses that meet the needs of residents.

#### FOR MORE INFORMATION:

<https://www.vdl.lu/en/the-city/city-departments-at-your-service/cellule-developpement-economique-et-commercial-dec>

