

POP-UP STORES: REVITALIZING SHOPPING STREETS THROUGH LOCAL INNOVATION

Pop-up stores - City of Luxembourg, Luxembourg

1. 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>

