Department Stores Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Grocery, Supermarkets & General Retail (Retail)
> **Source:** https://www.mordorintelligence.com/industry-reports/department-stores-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 2.29 trillion
Projected Forecast (2031)	USD 2.29 trillion
Growth Rate (CAGR)	1.83 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in Department Stores industry](images/chart_2.png)

![Department Stores Market (2026 - 2031)](images/chart_3.png)

![Department Stores Market: Market Share by Product Type](images/chart_4.png)

![Department Stores Market: Market Share by Ownership Model](images/chart_5.png)

![Department Stores Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![Department Stores Market Concentration](images/chart_7.png)

![Icon](images/chart_8.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2021 - 2031 |
Forecast Data Period | 2026 - 2031 |
Historical Data Period | 2021 - 2024 |
Market Size (2026) | USD 2.29 Trillion |
Market Size (2031) | USD 2.51 Trillion |
Growth Rate (2026 - 2031) | 1.83 % |
Market Concentration | Low |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Department Stores Market Analysis by Mordor IntelligenceThe department stores market size stood at USD 2.24 trillion in 2025, is projected to reach USD 2.29 trillion in 2026, and is expected to expand to USD 2.51 trillion by 2031, reflecting a 1.83% CAGR during 2026–2031. Store strategies in 2026 focus on experience-led floor plans, curated assortments, and service intensity that improves conversion and attachment rates, supported by renewed investment in store labor and visual standards. The share of U.S. retail transactions conducted online reached 16.4% in Q3 2025, reinforcing the role of stores as the primary venue for discovery, service, and immediate fulfillment in the department stores market.[1]U.S. Census Bureau, “Quarterly Retail E-Commerce Sales, 3rd Quarter 2025,” U.S. Census Bureau, census.gov. Operators are deepening omnichannel features such as store fulfillment for digital orders, buy online, pickup in store, and localized delivery windows to reduce shipping costs and improve speed. Off-price leaders continue to scale store fleets to capture value-seeking demand, while full-line banners focus on remodeling high-potential locations and upgrading supply chain nodes that serve unified commerce flows.

Key Report Takeaways* By product type, Apparel & Accessories accounted for 40.22% of the department stores' market revenue in 2025, while Softline is the fastest-growing category with a 7.86% CAGR through 2031.
* By store format, Full-line stores commanded 32.84% of the department stores market in 2025 revenue, while Off-price is growing fastest at a 9.45% CAGR through 2031 as consumers prioritize value and immediacy.
* By ownership structure, Publicly Listed operators captured 61.12% of the department stores market in 2025 revenue, while Private operators are expanding at a 7.44% CAGR through 2031 on the back of flexible capital structures.
* By geography, North America held 42.31% of the department stores market in 2025 revenue, while Asia-Pacific is projected to grow fastest at a 6.86% CAGR to 2031, reflecting favorable demographics and store network investment.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Department Stores Market*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Accelerated Repeat Purchases Through Omnichannel Integration	+0.4%	Global, with the highest penetration in North America and the EU, and rapid uptake in APAC urban cores	Medium term (2-4 years)
Recovery of Destination Shopping Trips After the Pandemic	+0.3%	North America, EU flagship metros, APAC luxury corridors such as Seoul, Tokyo, Singapore	Short term (≤ 2 years)
Growing Middle-Class in APAC Driving Higher Discretionary Spending	+0.5%	APAC core with spill-over to MEA emerging markets	Long term (≥ 4 years)
Off-Price Spin-Offs Attract Value-Oriented Consumers	+0.3%	North America is dominant with expansion into Latin America and APAC suburban zones.	Medium term (2-4 years)
AI-Powered In-Store Personalization Enhances Conversion Rates	+0.2%	North America and EU early adopters with APAC following via mobile-first rollouts	Medium term (2-4 years)
Revenue Generation From Micro-Fulfillment Using Store Back-End Assets	+0.1%	Global with a concentration in dense urban markets with high online penetration	Long term (≥ 4 years)

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The department stores market demonstrates moderate concentration, with global leaders leaving opportunities for regional and specialty operators to expand. In North America, major chains are closing underperforming locations while investing in reimagined stores and upgraded supply chains to enable faster, more reliable omnichannel service. Off-price banners and niche operators complement full-line stores by offering differentiated experiences for value-seeking consumers. In Europe, retailers are modernizing stores and back-end systems while emphasizing service and experiential offerings to reinforce destination appeal. These approaches combine service enhancement, data-driven operations, and selective footprint adjustments to compete on speed, relevance, and curated offerings.

Off-price specialists continue to strengthen their position through disciplined expansion and strategic inventory management that preserves margins despite promotional pressures. Leading operators are broadening geographic reach through local partnerships, supporting growth in new markets while maintaining operational efficiency. Value-focused stores are expanding offerings to meet diverse shopper needs, enhancing supply chain effectiveness and market density. In the Asia-Pacific region, retailers are leveraging digital platforms alongside high-touch service to meet rising urban consumption and tourism-driven demand. Together, these strategies reinforce local brand portfolios and delivery networks that underpin sustainable growth in the department stores market.

Technology and supply chain modernization remain critical to competitive advantage as omnichannel demand stabilizes after pandemic-era surges. Retailers are investing in automation, fulfillment capabilities, and store refurbishments to improve conversion, customer satisfaction, and lifetime value. Integrating technology with curated brand experiences allows operators to maintain speed, reliability, and service quality across all channels. By aligning physical and digital offerings, department stores can meet evolving consumer expectations while protecting margins. The market favors operators who deliver a seamless combination of curated experiences, fast fulfillment, and meaningful service as part of a unified value proposition.

Department Stores Industry Leaders* Macy’s Inc.

* Lotte Shopping Co.

* El Corte Inglés

* Marks & Spencer Group

* Falabella S.A.

* *Disclaimer: Major Players sorted in no particular order

Component Component 3 Scope Of The Report Bottom

Global Department Stores Market Report ScopeThe department stores industry comprises companies that run establishments primarily catering/ retailing various products to the general consumer. There are different types of products sold in any department store; products such as pharmaceuticals, appliances, footwear, personal care products, apparel, toys, sports-related products, cosmetics, home furnishing-related products, automotive-related products, jewelry, hardware, garden-related products, and many more.. Department Stores Market is segmented by product type (Apparel and Accessories, FMCG, Hardline and Softline), by geography (North America, Europe, Asia-Pacific, Middle-East and Africa, and South America). The report offers market size and forecasts for the Global Department Stores Market in value (USD Billion) for all the above segments.

By Product TypeApparel & Accessories |
FMCG |

Hardline |
Softline |

Segmentation Accordion Item

By GeographyNorth America | United States |
| Canada |
| Mexico |
South America | Brazil |
| Peru |
| Chile |
| Argentina |
| Rest of South America |
Europe | United Kingdom |
| Germany |
| France |
| Spain |
| Italy |
| BENELUX |
| NORDICS |
| Rest of Europe |
Asia-Pacific | India |
| China |
| Japan |
| Australia |
| South Korea |
| South-East Asia |
| Rest of Asia-Pacific |
Middle East and Africa | United Arab Emirates |
| Saudi Arabia |
| South Africa |
| Nigeria |
| Rest of Middle East and Africa |

Frequently Asked Questions

What is the current size and growth outlook for the department stores market?

The department stores market size is USD 2.24 trillion in 2025, projected at USD 2.29 trillion in 2026, and expected to reach USD 2.51 trillion by 2031 at a 1.83% CAGR during 2026–2031.

Which product categories and formats are leading in performance through 2031?

Apparel & Accessories leads by share at 40.22% in 2025, while Softline is the fastest-growing category at a 7.86% CAGR; Full-line stores hold 32.84% share, and Off-price grows fastest at a 9.45% CAGR.

How are leading operators improving omnichannel economics?

Operators are expanding ship-from-store, buy-online-pickup-in-store, and store fulfillment, upgrading supply chains with automation, and investing in reimagined store cohorts that lift conversion and speed.

Which regions are set to grow fastest and why?

Asia-Pacific is forecast to grow at a 6.86% CAGR through 2031, driven by urbanization, rising discretionary income, and service-led investments by local leaders and international groups.

How are AI and store technology shaping competitive advantage?

AI-enabled personalization, clienteling, and marketplace curation are being combined with in-store service upgrades and micro-fulfillment to raise conversion, speed, and attachment while managing returns.

What is the role of off-price banners in the broader channel?

Off-price banners extend the department stores market by capturing value-seeking trips with opportunistic buying and treasure-hunt discovery, supported by ongoing fleet expansion from TJX and Ross.