

DEVELOPMENT OF RETAIL GEOGRAPHICAL STRUCTURE IN THE CZECH REPUBLIC: A CONTRIBUTION TO THE STUDY OF URBAN ENVIRONMENT CHANGES

Zdeněk Szczyrba¹

¹ Department of Geography, Faculty of Science, Palacký University Olomouc,
17. listopadu 12, 771 46 Olomouc, zdenek.szczyrba@upol.cz

Abstract

In the last 20 years of transformation, the Czech retail business underwent fundamental changes in its territorial and organisational structure and in numerous cases reflects the model of retail trade transformation within the Central European region. After a long period of time of the development of the so-called socialist trading, the countries in the region were affected, with unprecedented intensity, by new, hitherto unknown forms of retailing within the expansion of foreign retail chains to their markets. Such changes took very marked effect in the urban structure of the landscape in these countries, for example in the Czech Republic. The following paper captures the basic extent of transformation of the Czech retail business and its reflection in the urban environment.

Key words: Czech Republic, internationalisation of retail, urban environment

INTRODUCTION

Retail trade belongs to the sectors of economy characterised by heavy internationalisation trading activities. The essential feature of the current retail trade is constant penetration of multinational retail chains to foreign markets and related essential changes to such markets. According to P. Dicken (2003:498-500), retail chains, at first, penetrate domestic markets with care, later, however, they show a very strong inclination to localisation at geographically- and culturally-related markets. The main motivation of their transnational expansion is saturation, regulation of domestic markets with intensification of their competitiveness, and the impression that they are able to find new trading opportunities on the new, quick-growing markets. They use various methods: building of their own stores, takeover of existing companies, merger with domestic companies, build-up of positions through licensing or franchising, establishment of

joint-ventures and strategic alliances. As a matter of course, they establish their own logistic and distribution centres for supplying the network of their stores. This alone is an interesting geographical problem allowing the monitoring of complicated and ever-changing relations between the manufacturers and the vendors (Birkin et al. 2002:71-88). The development in the 1990s was, internationally, influenced by strong internationalisation of newly developing markets in the Latin America, South Eastern Asia, Central and Southern Europe. The scale of the said internationalisation was extensive and allowed rapid economic growth of several retail companies and their advance in the ranking of the world's top retailers to highest positions (Wrigley 2003:304-305).

The internationalisation caused important organisational changes within the industry but also started transformation of the geographical organisation of the retail trade. Influenced heavily by the

construction of large-size stores, territorial parameters of the retail chains started to change quickly. The changes took effect mainly in the cities which became the primary targets of the expansion of the international retail networks to new markets and are of cardinal importance to the creation of hierarchic structure of the retail network (Berry 1967). If the transformation of the retail trade is perceived as development of retail networks of the separate retail companies, then the cities serve as nodes in this process (Wilk 2005). The development of large shopping centres and supermarkets, shopping units unknown on new Central European markets at that time, and rerouting of shopping flow to those centres caused absolutely essential changes in the arrangement of retail functions in the cities. Locations of commercial suburbanisation began gradually emerge in large cities, and due to decentralisation tendencies, typical of large-area retail trade, the function of city centres weakened and gave way to polycentric arrangements of retail functions in the cities (Heineberg 2006:194-198). Such development of post-socialist cities was documented by numerous examples: in Poland (Wilk 2005; Namyslak, 2006), in Slovakia (Mitríková 2008; Trembošová 2010), in the Czech Republic (Mulíček 2004, 2007; Szczyrba 2004, 2005). The development of the large-area retail network also caused vast changes to the shopping behaviour (Spilková 2003). Apart from these subjects, “traditional” in respect of geography, also new themes appear, related to the influence of the large-size retail stores upon the changes in the territorial structure of the retail network. These include, for instance, the formation of the so-called food deserts, areas within large cities with limited number of grocery stores for the local residents (Wrigley 2002). The capital of Slovakia served as a basis for determination of a new food desert by Križan and Danielová (2008) and Križan et al. (2008).

MAIN FEATURES OF RETAIL TRADE TRANSFORMATION AFTER 1989

To understand the processes taking place on the territory of the Czech Republic in the sphere of retail trade after 1989, the creation of the retail network, to specify the basic processes affecting

the organisational and spatial organisation of the industry, one needs to learn, at least in general, the broader context of this development. The retail trade in the Czech Republic (Czechoslovakia) in the period of socialism was controlled, administratively and spatially, on the basis of the then political directive which accepted the real need of availability of services within the territory only marginally. The socialist model of trade control was distinguished by absolute ban of private enterprise and by the determination of activities of trade companies. Typical of the said period were large-size state-run stores (Pramen, Prior) and cooperatives (Jednota) whose business was determined by the political directive. Therefore, since 1952, the cooperatives began focusing on enterprising in the country, while the state trade stores were intended for cities (Szczyrba 2005).¹ This was also the beginning of the process of spatial levelling in the area of offer of services which was the broadest among socialist countries (Drtina and Krásný 1989).

The localisation of stores did not correspond to the distribution of demand, resulting in the overloading of the retail network in the city centres. By contrast, the capacity of selling space was insufficient in the peripheral locations of numerous cities, especially within the exurbanite areas with high concentration of residents. Quite often, this sombre situation was contrasted by illogical construction of stores in towns and villages caused by fulfilling the goals contained in the conceptual framework of development of the settlement pattern set out in 1974. The said goals were the levelling aspect of further phase of market development in the socialist Czechoslovakia.² A number of papers and studies pointed out that the situation of the retail network was insufficient and unsatisfactory, not only in comparison with the advanced economies of Western Europe. For instance, the study into the optimisation of retail network published in 1988 (Šimůnek et al.) shows significant shortcomings in the retail offer in most cities, especially the largest ones (Prague, Brno). Similar findings in the area of facilities in Czech cities were published by J. Maryáš

¹ Before this decision, the Czech and Moravian cooperative societies represented trade elements typical of cities.

² These were laid out in the document “Centralized Arrangement of Settlement.”

(1990). Insufficient investments into the development of the retail network amounted to mere 50% in comparison with Western European countries. The same level was also attained by the indicators of the space standard and service standard (Drtina and Krásný 1989). The retail network before 1989 was, in many aspects, insufficient within the context of actual demand and incompatible in comparison with Western European countries, for instance as to the structure of the assortment of goods. As was stated above, shortcomings in the retail facilities with respect to the actual demand were more marked in the cities as against the country.

Stages of the development of the new geographical structure

The development in the retail industry in the new socioeconomic conditions after 1989 was very dynamic and went through several stages during the last twenty years. From the point of view of changes in the fundamental features of the geographical structure of the Czech retail trade, the transformation process may be divided into three stages:

- Atomisation stage (1990-1995);
- Internationalisation stage (1996-2005);
- Consolidation stage (2006-present).

Atomisation stage

The transformation of retail trade in the beginning of the 1990s was based on the liberalisation and privatisation of the Czech economy the main principles of which were conceived in the Czechoslovakian era. The privatisation process was, for the greater part, based on the so-called small privatisation model which allowed the privatisation of thousands of stores formerly owned by state-run enterprises (Pramen). Only a part of large state-run enterprises (like Prior) were privatised using another model (sale on the basis of a privatisation project or through the so-called voucher privatisation). This resulted in extensive atomisation of the retail trade and the formation of a wide spectrum of entrepreneurial structures within the industry that actively began filling the shortages in the retail network. Apart from that, liberalisation of the Czech economy allowed the establishment of thousands of new stores and commercial undertakings, mostly based on domestic capital and taking form of family-owned enterprises.

This initial stage of transformation of the Czech retail trade is illustrated by the results of the Retail Census 99. This census showed that the number of retail shops operated on the territory of the Czech Republic in 1998 more than doubled as against the quantity in 1998, from 41 thousand to almost 96 thousand. The most considerable quantitative change within the said transformation period took place in the nonfood-type stores (more than four-fold increase). Within the retail network, small stores up to 40 m² took the largest share (60%). As the retail census data showed, the efficiency of operation of stores in the country dropped as against the cities that, on the contrary, began consolidation of their positions within the retail system.

Whereas the selling space was more than 3.5 million m² in 1989, in 1998 this figure rose to more than 7.1 million m². Converted to the number of the population, the space standard rose from 331 m² to almost 697 m². Looking into regions, one finds relatively high variability of the space standard level which, in 1998, oscillated between 519 m² and 828 m² of selling space per 1,000 inhabitants in the separate regions. In the said year, most regions of the Czech Republic showed only an average level of facilities ($\pm 10\%$ of the average), three regions showed above-standard (Central Bohemian, South Bohemian, and Plzeň), and two regions even largely below-standard levels of space standard (Zlín and Moravian-Silesian). The said differences were determined primarily by the incipient development of large-size retail networks which, in 1998, was in its initialisation phase (Szczyrba 2004).

Internationalisation stage

Increased expansion of international retail chains to the Czech market began in the second half of the 1990s. Until then, only some international companies established themselves on the Czech market (e.g. Delhaize [Belgium], Ahold [Netherlands] or Billa [Germany]). Also the American retail chain K-mart operated here thanks to the privatisation of six Prior department stores (Prague, Brno, Liberec, Plzeň, Pardubice, Hradec Králové). The activities of the latter on the Czech market ended in 1996 when K-mart sold its department stores to the British chain Tesco. This acquisition was part of a broader strategy of the

company within its international operations not only in the Central European region (Wrigley 2003:297). Only in the late 1990s began massive internationalisation of the Czech retail trade. Gradually, the Czech retail business developed into a highly competitive industry, forcing some retail chains to terminate their activities. For instance, the French retail chain Carrefour left the Czech market in 2006 after selling its hypermarkets to its competitor, Tesco. Another example is the sale of the supermarket chain Julius Meinl to the Dutch concern Ahold (2006), or the sale of the chain of 130 drug stores Droxi owned by Julius Meinl to the German retail chain Schlecker (2007).³

Characteristic feature of this stage of transformation of the retail trade in the Czech Republic is the ever-increasing concentration within the industry, distinguished by the growth of sales realised by the largest companies. While the largest trading companies of the 1990s include also some domestic corporations (Interkontakt Group or Pronto Plus), the situation changed dramatically after 2000. The positions in the TOP 10 list are taken solely by international subjects. In comparison with the results from the previous years, domestic companies demonstrably lose their market shares to international trading companies. This is also caused by the fact that such chains have taken over the activities of wholesale trade, thus gaining advantageous positions in relation to goods distributors. The highest concentration is in the sector of large-variety sale (FMCG Trade) where the share of the top-ten vendors reaches up to 70% (Moderní obchod, 5/2010).

Consolidation stage

Looking closely to the tempo of growth of the largest retailers in the last few years, one can see that it does not, by far, arrive to levels of the initial stage of internationalisation where revenue grew by tens of percent annually. The retail market reached the consolidation stage lately, characterised by lower growth dynamics of the largest trading companies, while they successfully consolidate their market shares. As explained above, this is also influenced by the departure of several large retail chains from the Czech market since 2006.

³ Until then, Schlecker operated only 19 stores solely in the Northern Bohemia. At present, the network owns 170 drug stores all over the territory of the Czech Republic.

The Czech retail market belongs to highly competitive and saturated markets, and it is therefore quite difficult even for the largest international companies to maintain their positions in the market. This consolidation stage will, to outward seeming, implicate further departures of large companies from the market. Winning their market positions will reinforce the concentration tendencies within the industry and strengthen certain large companies.

DEVELOPMENT OF THE NETWORK STRUCTURE IN THE CZECH RETAIL BUSINESS

In connection with the advent of international retail chains at the Czech market began the stage of development of the retail network through establishing large-size retail units. Gradually, a characteristic network structure of large-size operating units was created, serving as the primary vending channels of the separate trading companies. Network structures of retail business form similarly in other countries of the region, in Slovakia (Mitríková 2008), in Poland (Wilk 2005).

Characteristic feature of the Czech market development was the time sequence of the development of the separate large-size shopping concepts. During this development the Czech consumer population gradually accepted all modern large-size shopping concepts. Using a certain level of generalisation, the transformation of the retail network in the Czech Republic towards establishing a modern network with a wide spectrum of superstores may be interpreted as an interference of the separate trade networks where the development of a certain type of retail unit (retail chain) dynamises over time, thus causing gradual operating and spatial concentration of the retail network. The separate substages may be outlined as follows (Szczyrba 2005; Szczyrba et al. 2007):

- Substage 1, dynamic development in a network of supermarkets, 1995→,
- Substage 2, dynamic development in a network of discount stores, 1997→,
- Substage 3, dynamic development in a network of hypermarkets, 1998→,
- Substage 4, dynamic development in a network of shopping centres, 2000→.

Table 1 Formats and size types of shopping centres in the Czech Republic in the end of 2009 (as per International Council of Shopping Centres (ICSC) classification). Source: Hypermarket&Shopping Centre 2010, Incoma in. Trend Report 2010, ARTN (Association for Real Estate Market Development).

Format	Size type	Gross Leaseable Area [m ²]	Quantity
Traditional	Very large	> 80,000	4
	Large	40,000-79,999	9
	Medium	20,000-39,999	30
	Small	5,000-19,999	~170
Specialised *	Large retail parks	> 20,000	10
	Medium retail parks	10,000-19,999	23
	Small retail parks	5,000-9,999	~50
	Outlet centres	> 5,000	2

* including hypermarkets with small passages

The networking in the hypermarket line is one of the most conspicuous features of the Czech retail business transformation. Hypermarkets became the decisive phenomenon of the change dynamics within the Czech retail business, and with respect to their regional dimension within the territorial structure and retail gravity, they represent the backbone of the retail network in the Czech Republic. In the last several years, the popularity of this format with the Czech consumers amounts to ca. 40% (of regularly shopping households). In the end of 2009, there were 258 hypermarkets on the territory of the Czech Republic. Some of them (large hypermarkets) constitute integration core of shopping centres which, thanks to their popularity with the consumers, have also experienced dynamic development recently.

Whereas large shopping malls are located mainly in Prague and other major regional centres (Brno, Ostrava, Plzeň, Liberec, etc.), smaller shopping centres gain a foothold in medium-sized cities and towns (30-50 thousand inhabitants). In case of small retail parks (smaller than those mentioned in the ICSC classification), such complexes develop quickly in towns with the population around 20 thousand inhabitants or even less (Břeclav, Vyškov, Česká Třebová). This is a new trend which started in 2007-2008. From the regional point of view, the largest number of shopping centres is in the Czech capital of Prague where

20% of all selling space within this type of project is located, followed by the Moravian-Silesian Region (12%) and the South Moravian Region (10%). In general, however, the share of Prague decreased slightly in 2009 against the previous year which was caused especially by the construction of new shopping centres in the regional capitals. In the statistics of shopping centres per 1,000 inhabitants, also this criterion shows major dominance of Prague which possesses 518 m² of selling space in such complexes per 1,000 inhabitants. Prague is followed by the Plzeň Region (372 m²), Liberec Region (366 m²) and Karlovy Vary Region (360 m²).⁴

Dynamic development is also observed in discount stores that follow right after hypermarkets in the list of favourite types of large-size stores (25% of regularly shopping households). In the initialisation phase, this development involved primarily the German chains Plus and Penny Market whose advent at the market, in 1997, was so intense that it gave name to this initiation – “the year of discounts”.⁵ In 2003, swift expansion of another German discount chain Lidl began. The said three chains represent together more than 80% of the discount network in the Czech Republic.

⁴ Trend Report 2010, ARTN (Association for Real Estate Market Development).

⁵ Similarly, 1998 is noted as “the year of hypermarkets.”



Figure 1 Shopping centre Palladium (Photo: <http://www.palladiumpraha.cz/>).

Shopping centres developed through revitalisation

In the last few years, the Czech Republic has witnessed the development of shopping centres in inner cities or centres of major Czech cities through revitalisation of old, unused, dilapidated buildings. This is another stage in the development of shopping centres where the activities of retail chains and developers shift in the urban structure in the direction outskirts → centre. The most popular centres of this type in the Czech Republic include Palladium (Prague), Galerie Vaňkovka (Brno), Centrum Babylon (Liberec), and the ongoing realisation of the project Nová Karolina in Ostrava. Further revitalisation projects are being developed, mostly on the sites of industrial plants. One of these is located in Olomouc where a large shopping centre is to be built in 2010-2013 on the site of the defunct fat-producing plant Milo which is to be followed by new residential and office-space development. Thus, multi-functional quarter is to be built in the contact zone with the historical core of the city of Olomouc. From the

urban point of view, the Olomouc project is similar to the project Nová Karolina in Ostrava, however, somewhat smaller in scale.

Shopping centre Palladium (see Fig. 1) was developed on the site of the former barracks at Náměstí Republiky square (13,500 m²), in the very centre of the Czech capital. The building was owned by the army since 1880s until 1996, however, in the latter half of the 20th century the site was unused and dilapidating. In the early 1990s, the Ministry of Defence decided to announce a public tender for the sale of the property, its redevelopment and completion. The winner was the company European Property Development. The overall revitalisation of the site began in 2005 and the mall was inaugurated in 2007. There is more than 30,000 m² of selling space on the total of 11 storeys (six above-ground and five underground). The mall is a new landmark in the historical centre of Prague and one of the largest intracity shopping centres in the Czech Republic.

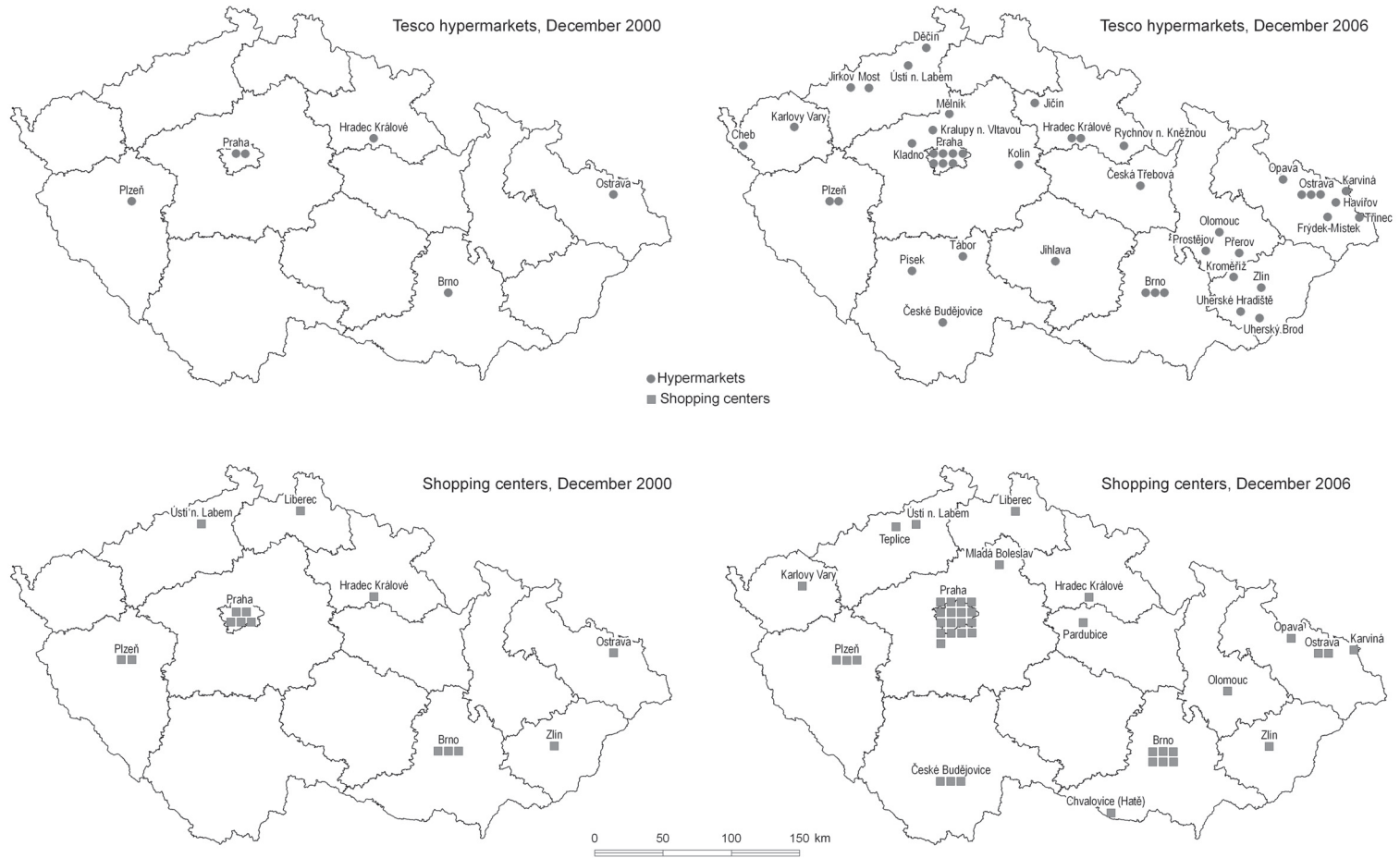


Figure 2 An example of expansive hierarchical diffusion - network of Tesco hypermarkets and shopping centres in the CR. Source: Szczyrba et al. 2007.

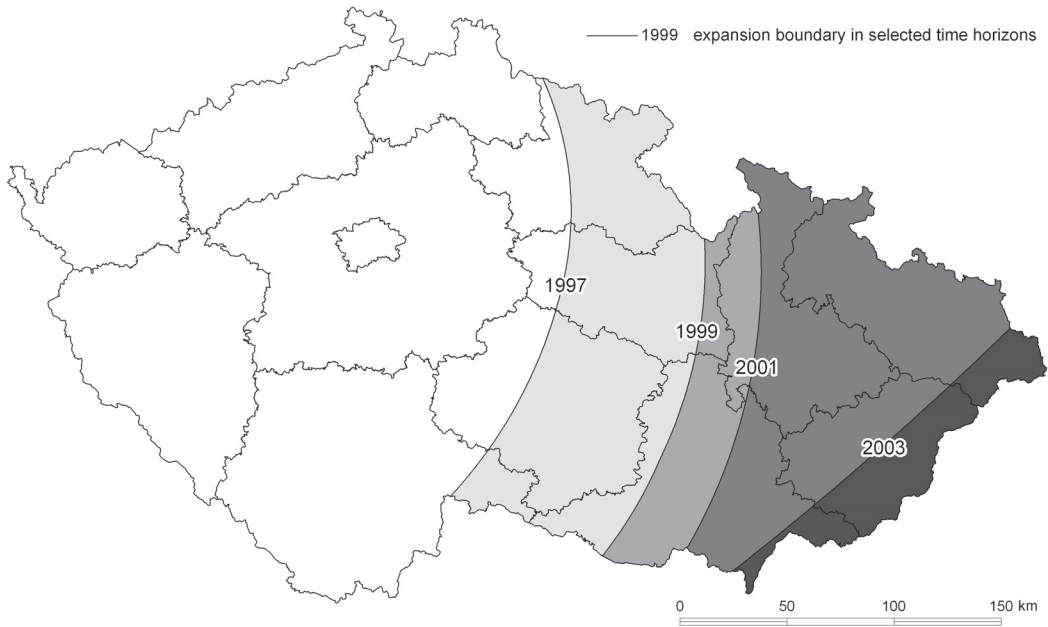


Figure 3 An example of expansive contact (wave) diffusion – network of Penny Market stores in the CR.

Source: Szczyrba et al. 2007.

Diffusion processes in retail trade

As documented by the previous development of formation of the network structure in the domestic retail network, the localisation of modern large-size stores within the territory is diffuse in its nature, characterised by filling the space in relatively short time. Innovations in a form of new shopping concepts (supermarket, hypermarket, discount, mall, etc.) are being adapted by the users (consumers) rapidly, they spread quickly over the area; innovations diffuse without marked barriers. In the context of changes within the retail network and the formation of its network structure, this development is influenced mainly by the factors of market and location, i.e. the degree of urbanisation combined with the purchasing power index (Szczyrba 2005; Szczyrba et al. 2007). Therefore, it is possible to determine the following three diffusion processes in the regional-geographical context:

a) expansive hierarchic diffusion spreading depending on the size of the territory being operated and/or on the population concentration; the size of a store correlates with the importance and size of an urban unit within the residential operation

system; the localisation of large-size stores within the territory follows the complementarity principle⁶ (see Fig. 2);

b) expansive contact (wave) diffusion typical of the expansion of retail discount chains Penny Market and Plus in the west–east direction; the development began in 1997 and extended for several subsequent years before the innovation wave reached the eastern border with Slovakia (see Fig. 3; the space of the already “occupied” territory is being filled as the wave progresses);

c) expansive contact diffusion having the form of “territorial expansion”; it is instant covering of the whole territory of a country, characterised by commissioning of several dozen stores in a single day through which a company starts its territorial expansion; in the Czech Republic, this approach was exercised by one international retail chain – Lidl – which, in mid-2003, opened in one instant 14 discount stores, while operating as much as 201 stores as of the end of 2009.

⁶ In this case, complementarity means the capacity of spatial complementing.

TRANSFORMATION OF RETAIL TRADE IN THE URBAN ENVIRONMENT

One of the key topics which turned up after 1989 in the context of transformation of the Czech retail business was related to the changes in the urban retail networks and the issues of the new urbanism (Drtina 1998; Körner 1998). In the very beginning of the transformation period, it became clear that Czech cities were not ready for changes of such dynamism, it was therefore necessary to seek solutions, frequently at random. Certain examples from abroad became an inspiration, especially the negative ones caused by the precipitant development of retail trade in the cities of Eastern Germany (Kulke 1997). Seminars were organised, some cities even began mapping their retail networks (e.g. Brno, Hradec Králové) to enable qualified assessment of eventual regulation in the territorial development of the retail network in the new conditions of free market economy. In reality, the legislation of the Czech Republic was not and still is not sufficiently sophisticated in this respect, as contrasted to other Western European countries. For instance, the document "Retail Impact Assessment", if implemented in the spatial planning process, would surely be an effective tool of regulation of the retail network development, restricting the decentralisation in the urban environment caused by large-size stores (Nagy 1998; England 2000). The development, however, was predominantly being governed by the expansive policy of retail concerns and retail development.

In connection with the development of early hypermarkets and shopping centres in the peripheral parts of the cities, the process of decentralisation of retail functions in the hierarchy of retail facilities of those cities began relatively soon. Retail business in the city centres, where it traditionally assumes an important function within the urban structure, began losing its key status gradually. In the outskirts and suburban areas, new focal centres of retail trade formed which gradually expanded their trading dimension by other non-trading functions (restaurants, travel agencies, medical offices, multiplexes and other services). This may be illustrated by the two following examples. The first one

deals with the city of Brno that monitors its retail network on a regular basis, therefore allowing us to capture in detail the most important spatial changes within its urban retail network; the second example comes from the city of Olomouc where data on the extent of transformation changes also exist, confirming significant structural changes in the urban environment.

Brno – changes in the urban retail network

The city of Brno is the second-largest city of the Czech Republic (380 thousand inhabitants) and thanks to its socioeconomic potential it ranks among the most important regional centres. Since the initial stage of the retail trade transformations, the city has been drawing attention of international retail chains which started the development of their international trading networks there (Vaishar 2000). In 1996, Brno became the first Czech city where a large hypermarket was built (Globus)⁷. This was an important impulse towards the development of large-size retail units not only on the territory of the city. According to O. Mulíček (2004), the dynamism of development of new large-size retail formats was different from other Czech cities and the only comparable processes took place in Prague at the time.

Data from the last survey of 2009 document clearly that retail trade on the territory of the city concentrates continuously, characterised by the growth in the retail area while the number of retail stores decreases. The selling space increased by 12.3% in comparison with 2006, while the number of stores decreased by 10.8% over the same period. Adequately, the average selling space increased from 134 to 165 m². As documented by the authors of the study (Mulíček and Osman 2009:6), as much as 30% of the overall selling space on the territory of the city was concentrated in the size category above 5,000 m² in 2009. This is contrasted by the steadily decreasing number of the smallest stores up to 50 m² the share of which was 11% in 2009.

⁷ Similarly, in Slovakia, the first large hypermarket was not developed in the capital but in Nitra (Tesco, 1999).

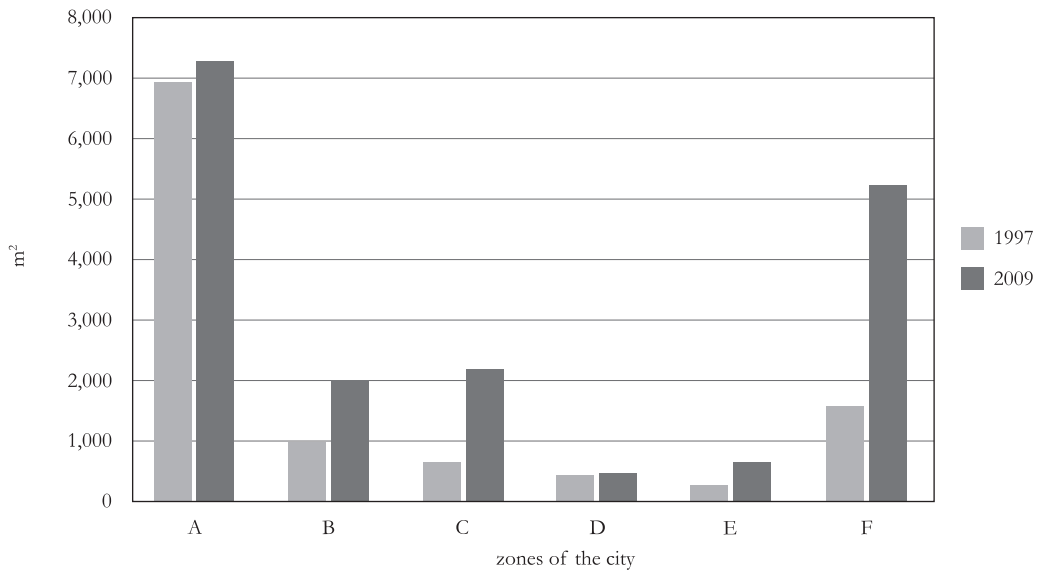


Figure 4 Selling space in the territorial structure of the city of Brno in 1997 and 2009 (converted to 1,000 residents as per morphogenetic regions). Notes: zones of the city: A – centre, B – inner city, C – broader inner city, D – garden suburbs, E – microdistricts, F – suburban zone. Source: Mulíček and Osman, Průzkum maloobchodní sítě na území města Brna 2009 (Research Into the Retail Network on the Territory of the City of Brno), p. 23.

The transformation period in the retail network in Brno also brought the development to the space standard which grew in line with the growth of the selling space. In 2009, the space standard reached the level of 1,780 m² (with the shopping gravity not included). Also the product offering in the space standard changed significantly. The representation of food and nonfood stores was more or less equal in the period of socialism, while in 2009, nonfood stores predominated and their share in the retail network of Brno was 80%.

The above makes it evident that the transformation of retail trade in Brno was attended with significant spatial changes in the last twenty years. As furthermore stated in the study, marked changes affected the inner city and outskirts, especially in the peripheral suburban zone of Brno where the selling space increased several times during 1997-2009. Remarkable is extensive development of large-size shopping centres and other large-size stores on the outskirts of Brno which increased the space standard to more than 5,000 m² and it is the highest concentration of selling space in Brno after the city centre.

The largest stores within the retail network in Brno include suburban shopping malls in its southern outskirts – Avion Shopping Park and Futurum (see Table 2). The largest shopping centre is Olympia located, however, beyond the city limits on the territory of the neighbouring municipality of Modřice. The said shopping centre is ranked in the category of the so-called Regional Shopping Centres, and despite its location outside the city limits, it is an integral part of the functional structure of the city retail network. The shopping centre Olympia lies only several hundred meters from Avion Shopping Park and together they represent almost 160,000 m² of selling space. Such concentration of selling capacity in the shopping precinct Brno-jih is one of the highest ones in the Czech Republic (and the highest one in Moravia). The largest shopping centres in Brno also include Galerie Vaňkovka which is a result of revitalisation of a former factory located between the train and bus stations near the city centre. Another large shopping centre is Campus Square, part of the university campus project developed together with new buildings of the Masaryk University and the University Hospital Brno, in the microdistricts of Bohunice and Lískovec.

Table 2 Largest shopping centres in the functional structure of the retail network of Brno. Source: Mulíček and Osman, Průzkum maloobchodní sítě na území města Brna 2009 (Research Into the Retail Network on the Territory of the City of Brno), p. 29; Internet sites of the shopping centres.

Name	Year of inauguration	Location	Selling space [m ²]	Number of units
Avion Shopping Park	1998	outskirts	48,000	39
Olympia	1999	neighbouring municipality (Modřice)	111,000	
Futurum	2001	outskirts	19,500	78
Královo Pole	2004	broader inner city	17,000	59
Galerie Vaňkovka	2005	inner city	23,000	99
Campus Square	2007	microdistrict	13,000	52

Significant changes within retail trade in Brno also include the weakening of retail functions of the city centre. The authors, O. Mulíček and R. Osman, document the fact that the city centre loses its exclusive role in the urban environment. It loses its previous position in the city retail network and becomes one of the several competing cores (p. 18). On the other hand, the city centre gains a new assortment profile dominated by shopping units focused on the selling of clothing, while food stores recede into the background in comparison with the pre-1989 development.

Olomouc – changes in the urban retail network

Olomouc, the fifth-largest city of the Czech Republic (100 thousand inhabitants), shows similar indicators of transformation to those of Brno and other large Czech cities. Albeit current data on the Olomouc retail trade are not available, those determined in 1998 and 2002 show vividly the changes in the urban retail network as well as the processes which caused such changes.

In essence, the retail network in the city of Olomouc was highly atomised until 1997, with a limited share of large-area retail network and much reduced representation of international trading companies. From the viewpoint of both offer and mobility of the inhabitants, retail trade was concentrated primarily in the historical city centre. In 1998, the said part

of the town was still the most important area of retail offer in the city, concentrating 35% of all selling space and 38% of all shopping units (Szczyrba 2005).

In the initial stage of transformation, the large-area retail network consisted of “relicts” of the pre-transformation period, in particular of the department stores Prior and Koruna in the historical city centre and of some units newly developed in the early 1990s: department store Senimo (1993) and hobbymarket bauMax (1996). First stores of international drug store chains (Droxi drogerie) and clothing retailers (Benetton) emerged in the atomised retail network of the city. With respect to their assortment and size, the said stores were established in the city centre, followed by other specialised non-food stores in the subsequent years (Rossmann, dm markt, Kenvelo).

The first commercial suburban location in Olomouc was Horní lán on the south-eastern confines of the city (highway exit Prostějov–Brno) where the first hypermarket on the territory of Olomouc opened in 1997 – small-area hypermarket Terno (less than 3,000 m²) owned by the cooperative chain Jednota (now COOP). Looking back at the development of the large-area retail network, one has to state that in comparison with other cities of comparable population (Liberec, Hradec Králové, České Budějovice), Olomouc fell behind by two or three years. The

Table 3 Development of large-size stores above 3,000 m² on the territory of Olomouc and its hinterland

Name	Year of inauguration	Location	Selling space [m ²]	Sales format
bauMax	1996	inner city	4,000	hobby market
Terno*	1997	outskirts	3,000	hypermarket
OBI*	1999	outskirts	7,000	hobbymarket
Makro	1999	neighbouring municipality (Velká Bystřice)	10,000	cash & carry market (hypermarket)
Globus**	2000	outskirts	15,000	hypermarket
Kaufland	2001	inner city	3,500	hypermarket
OC Haná*	2002	outskirts	11,500	shopping mall (Tesco)
Olympia	2004	neighbouring municipality (Velký Týnec)	30,000	shopping mall (HyperAlbert)
Olomouc City**	2005	outskirts	24,000	shopping mall (Globus)
Asko, GigaSport, Electroworld*	2005	outskirts	16,000	retail park

Notes: * large-size stores in the location Horní lán ** complex of the shopping mall Olomouc City

development in the early 2000s was, therefore, a logical result of investment activities of multinational retail chains to balance the disproportion in the distribution of the relevant commercial offers on the Czech market. Other large-size stores of international chains were established in the location Horní lán but also in other locations in the city (see Table 3). This new situation influenced fundamentally the overall transformation and restructuring of the city retail network, including the spatial reorganisation of both retail trade and shopping behaviour of the inhabitants.

Important intervention in the retail system of Olomouc was the inauguration of the regional shopping centre Olympia in the suburban area on the territory of the neighbouring municipality of Velký Týnec. Even though the mall is located beyond the administrative boundaries of the city (analogous to Olympia in Brno, see above), it is an operating unit functionally interconnected with the retail network of Olomouc (e.g. by means of shuttle transport between the mall and the city centre), and therefore this shopping centre must be perceived as part

of the overall balance of the city retail business. In August 2005, a third shopping centre concept opened in the city – the shopping mall Olomouc City which extended the original shopping capacity of the Globus hypermarket by further 25,000 m². The shopping centre includes also a multiplex with seven screens, medical offices and further 70 sales units within the mall. This project is, for the time being, the largest one in the sphere of shopping centres in the Central Moravia.

The last time passportisation of the retail network was carried out (Szczyrba 2002), it was proven that the city centre lost its position notably in the retail network of Olomouc. At that time, its share dropped to ca. 20% and continued this descending trend. From the viewpoint of product offering, nonfood stores predominated, especially clothing retailers. The development in the Olomouc city centre, however, was influenced by the processes of “secondhandisation” and “Asiatisation” of the retail network (Szczyrba 2005), being the most evident features of the present-day transformation of retail business in the city.

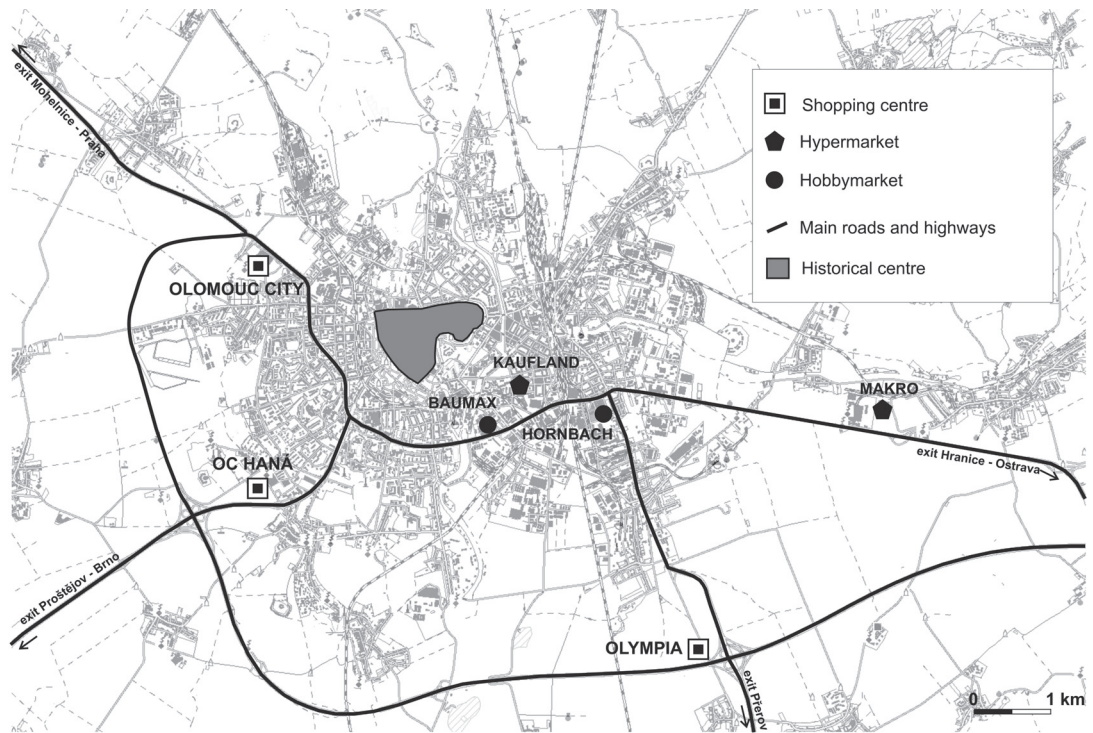


Figure 5 Distribution of the relevant retail offer on the territory of Olomouc and its hinterland – hypermarkets and shopping centres (2007).

CONCLUSIONS

Retail trade in the Czech Republic underwent significant changes in the last twenty years, influenced significantly by the internationalisation of the industry. In a relatively short time, major multinational companies and their large-size shopping concepts established radical changes to the spatial and functional model of the city (Szczyrba et al. 2001; Sýkora 2003; Muliček 2004, 2007). This development brought decentralisation of retail functions and initialisation of new cores of retail facilities on the outskirts of the cities, corresponding to the present spatial model of post-industrial city (Knox and Pinch 2000; Hall 2001). In a manner similar to that of the countries west of the border of the Czech Republic, new spatial and functional elements are being established here representing the mixture of commercial and non-commercial functions extending the impact of multifunctional large-size shopping formats on the shaping of shopping behaviour (Pacione 2009; Heineberg 2006). This

is associated with the development of large-size shopping centres in suburban areas, thus facilitating the spatial spreading of the city to the surrounding country (Sýkora 2003; Muliček 2007). At present, this trend, commercial suburbanisation, is apparent in most regional seats of the Czech Republic, especially in the capital of Prague, being the laboratory of all key changes to the urban environment under the influence of transformation of the retail trade in the Czech Republic in the last twenty years.

In general notions of understanding the actual development of the retail network within the given territory, the present stage of expansion enters the spatial concentration phase, characterised by an increasing shift in the vertical direction from large settlement to smaller ones. In practice, large-size stores, for instance hypermarkets (smaller formats), hobbymarkets and retail parks, thus move to smaller settlements, and the discount chains establish their outlets in all centres commercially important for the sale of their goods (even town with less than

5 thousand inhabitants). This is apparent not only through the activities of companies already operating on the territory of the Czech Republic but also companies intending to enter the Czech market (e.g. the German grocery discount chain Aldi). The previous development shows that the process of diffusion of retail chains on the Czech market gave rise to the network structure of the industry whose substance lies in the operation of a wide spectrum of specialised networks of large-size shopping concepts. This development proceeded in stages. The network structure was constructed upon relatively fast social adaptation of such innovations. The most common is the expansive hierarchic diffusion.

Acknowledgement:

The article was supported by the grant project no. 403/09/0885 *Spatial models of behaviour in changing urban environment: a time geographical approach* of the Grant Agency of the Czech Republic. The author thanks for the support.

References

- Berry, B. J. L.** 1967: *Geography of market centres and retail distribution*. Prentice Hall.
- Birkin, M., Clarke, G., Clarke, M.** 2002: *Retail geography & Intelligent network planning*. Wiley.
- Dicken, P.** 2003: *Global shift*. Sage Publications.
- Drtina, T, Krásný, T.** 1989: *Mezinárodní srovnání vývojových tendencí maloobchodní sítě*. Praha.
- Drtina, T.** 1998: Obchod v ofenzívě – jak mají města reagovat. *Moderní obec*, 11, 34-35.
- England, J.** 2000: *Retail Impact Assessment*. Routledge.
- Heineberg, H.** 2006: *Stadtgeographie*. Paderborn.
- Knox, P., Pinch, S.** 2000: *Urban social geography*. Pearson Education Limited.
- Körner, M.** 1998: Vstup nových (velkých) investic do území a jejich urbanistické, dopravní, sociální a jiné souvislosti. *Urbanismus a územní rozvoj*, 1 (5), 13-14.
- Križan, F., Tolmáči, L., Lauko, V.** 2008: Identifikácia „potravinových púští“ na území mesta Bratislava aplikáciou mier dostupnosti. *Ekonomický časopis*, 56, 959-972.
- Križan, F., Danielová, K.** 2008: „Potravinové púšte“ definované na základe merania dostupnosti – prípadová studia mesta Bratislava. *Urbanismus a územní rozvoj*, 11 (3), 26-30.
- Kulke, E.** 1997: Einzelhandel in Europa. *Geographische Rundschau*, 49 (9), 478-483.
- Maryáš, J.** 1990: *Vybrané aspekty hodnocení obslužné vybavenosti v Československu*. Geografický ústav ČSAV, Brno.
- Mitriková, J.** 2008: Geografické aspekty transformácie maloobchodu a nákupného správania sa na Slovensku (prípadové štúdie z miest Prešov a Košice). *Geografické práce* 14, Prešov.
- Mulíček, O.** 2004: *Město Brno v období transformace*. Masarykova univerzita, Brno.
- Mulíček, O.** 2007: Prostorové aspekty současného vývoje brněnské maloobchodní sítě. *Urbanismus a územní rozvoj*, 10 (6), 14-20.
- Mulíček, O., Osman, R.** 2009: *Průzkum maloobchodní sítě na území města Brna 2009*. Masarykova univerzita, Brno.
- Nagy, E.** 1999: Fall and revival of city centre retailing: Plannig an urban function in Leicester, Britain. *Discussion papers* (Centre for regional studies of Hungarian Academy of Science), Pécs.
- Namyślak, B.** 2006: Rozwoj wielkopowierzchniowych obiektów handlowych we Wrocławiu. In: **Jazdzewska, I.** ed.: *XIX Konwersatorium Wiedzy o Mieście: Nowe przestrzenie w miastach, ich organizacja i funkcje*. Wydawnictwo Uniwersytetu Łódzkiego, Łódź, 265-276.
- Pacione, M.** 2009: *Urban geography*. Routledge.
- Pražská, L., Jindra, J. et al.** 1997: *Obchodní podnikání. Retail management*. Management Press.
- Spilková, J.** 2003: Nový fenomén: nákupní centrum a utváření nákupního chování spotřebitelů v transformačním období. *Geografie*, 108 (4), 277-288.
- Sýkora, L.** 2003: Suburbanizace a její společenské důsledky. *Sociologický časopis*, 39 (2), 217-233.
- Szczyrba, Z., Ira, V., Matlovič, R., Sýkora, L.** 2001: Przekształcenia przestrzeni wymiany handlowej miasta postsocjalistycznego na tle koncentracji w handlu detalicznym w Republice Czeskiej i Słowacji (przykład Pragi, Bratisławy, Olomuńca i Preszowa). In: **Jazdzewska, I.** ed.: *Miasto postsocjalistyczne – organizacja przestrzeni miejskiej i jej przemiany (II)*, XIV Konwersatorium Wiedzy o Mieście, Uniwersytet Łódzki, Łódź, 243-251.
- Szczyrba, Z.** 2004: Územní specifika vývoje maloobchodní sítě v Česku po roce 1989. *Geographia-Geologia*, 6, 131-134.
- Szczyrba, Z.** 2005: *Maloobchod v České republice po roce 1989 – vývoj a trendy ze zaměřením na geografickou organizaci*. Univerzita Palackého, Olomouc.

- Szczyrba, Z., Klapka, P., Kunc, J., Tonev, P. 2007: Difúzní procesy v prostředí českého maloobchodu. *Regionální studia*, 1, (1), 8-12.
- Šimůnek, J. et al. 1988: *Optimalizace rozvoje maloobchodní sítě ve vybraných městech ČSR*. Výzkumný ústav obchodu, Praha.
- Trembošová, M. 2010: Vybrané aspekty transformácie maloobchodu v meste Nitra v rokoch 1992-2008. *Geografický časopis*, 62 (1), 49-73.
- Vaishar, A. 2000: Globalizace a její vliv na rozvoj Brna. *Geografický časopis*, 52 (1) Bratislava, 77-87.
- Wilk, W. 2005: Miejsce miast w sieciach handlowych – przykład Polski. *Prace a Studia Geograficzne*, 35, 129-153.
- Wrigley, N. 2002: Food deserts in British cities: Policy context and research priorities. *Urban Studies*, 39 (11), 2029-2040.
- Wrigley, N. 2003: The globalization of retail capital: themes for economic geography. In: Clark, G.L., Feldman, M.P., Gertler, M.S. eds.: *The Oxford handbook of economic geography*. New York, 292-313.

Moderní obchod, 5, 2010

Trend Report 2010, ARTN (Association for Real Estate Market Development)

<http://www.palladiumpraha.cz/>

Resumé

Vývoj geografické struktury maloobchodu v ČR – příspěvek ke studiu změn urbánního prostředí

Český maloobchod prošel během posledních dvaceti let transformace zásadními změnami své územně-organizační struktury a v řadě příkladů zrcadlí model transformace maloobchodu v regionu střední Evropy. Z hlediska změn základních rysů geografické struktury českého maloobchodu lze proces transformace odvětví rozdělit do tří etap. Zatímco první etapa (1990–1995) se vyznačovala rozsáhlou atomizací struktur socialistického maloobchodu a vznikem širokého spektra nových podnikatelských subjektů na trhu, které začaly vyplňovat deficit maloobchodní sítě z předchozího období, druhá vývojová etapa (1996–2005) byla ve znamení silné internacionalizace odvětví a příchodu velkých

nadnárodních maloobchodních koncernů na český trh. Strategie prosazované zahraničními firmami byly součástí širší globální strategie internacionálních operací firem (Wrigley 2003:297). Třetí etapa (2006–současnost) je obdobím konsolidace poměrů uvnitř odvětví maloobchodu a posilujícího vlivu zahraničních maloobchodních řetězců.

V souvislosti s příchodem zahraničních maloobchodních řetězců na český trh započala etapa transformace maloobchodní sítě formou budování velkoplošných provozních jednotek. Postupně se vytvořila charakteristická síťová struktura maloobchodu. Síťování v linii hypermarketů představuje jeden z nejviditelnějších rysů transformace českého maloobchodu pro roce 1989. Hypermarkety se staly rozhodujícím fenoménem dynamiky změn v českém maloobchodě a vzhledem ke své regionální dimenzi v územní struktuře a maloobchodní gravitaci představují páteř maloobchodní sítě v ČR. Obliba tohoto formátu u českých spotřebitelů dosahuje již několik let po sobě zhruba 40 % (pravidelně nakupujících domácností). Také další prodejní formáty, které po roce 1989 prosadily na českém trhu zahraniční maloobchodní řetězce, se formují do typické síťové maloobchodní struktury (nákupní centra, diskontní prodejny, supermarket). Tento aspekt je projevem koncentračních tendencí v maloobchodě, během kterých roste relativní váha velkoplošných provozních jednotek (Pražská a Jindra a kol., 1997).

Jak ukazuje dosavadní vývoj, má lokalizace moderních velkoplošných prodejen v území difúzní charakter. Základem difúzního procesu je expanzivní hierarchická difúze, podle které dochází k lokalizaci velkoplošných prodejen do území ve směru od největších sídel do menších. V současné době se takto například malé hypermarkety dostávají měst velikostní kategorie 10-20 tisíc obyvatel, další řetězce i do menších sídel (supermarkety Tesco nebo drogerie Schleck). Naproti tomu německé diskontní řetězce Penny Market a Plus se šířily prostorem vlnově směrem východním od západních hranic státu (expanzivní kontaktní difúze). Poněkud odlišně se difúze projevuje u expanze diskontního řetězce Lidl, který zaplňuje prostor území Česka otevíráním většího počtu svých prodejen na celém území státu, a to v několika etapách.

Nejvíce zasaženým územím Česka novými maloobchodními koncepty byla města. Vlivem rozvoje maloobchodní sítě na území měst došlo k zásadní změně uspořádání některých městských funkcí. Mezi klíčové změny patří oslabení obchodní funkce městského centra a její přesun na městskou periferii. V případě největších měst napomáhá lokalizace velkých nákupních center často za hranicemi měst jejich prostorovému rozpínání. Od konce 90. let dvacátého století jsme tak svědky intenzifikace suburbanizačního procesu vlivem nových velkoplošných forem maloobchodního prodeje (Sýkora, 2003; Szczyrba, 2005; Mulíček, 2007, Trembošová, 2010 ad.). Celkově pak maloobchod v českých městech zaznamenal nebývale rozsáhlou proměnu své prostorové struktury. Součástí tohoto vývoje je i nová fáze výstavby nákupních center, kdy se aktivity maloobchodních řetězců a developerů začínají posouvat v urbánní struktuře ve směru periferie → centrum (nákupní centra Palladium v Praze, Galerie Vaňkovka v Brně nebo Nová Karolína v Ostravě). Tento vývoj je počátkem narovnávání obchodních relací v urbánní struktuře největších českých měst poté, co prudce poklesly pozice tohoto urbánního segmentu na úkor městské periferie během poslední dekády. Jak ale dokumentují četné zahraniční příklady (Knox a Pinch 2000; Hall 2001; Pacione 2009), vznikla silným tlakem na městskou periferii při výstavbě maloobchodní stě nová vícejaderná urbánní struktura, v rámci které byla narušena tradiční monocentrická hierarchie městské maloobchodní vybavenosti.