

IKEA buys former Topshop store in London's Oxford Circus

The world's biggest furniture brand is buying Topshop's former flagship store in London.

The store was left empty after the fashion chain's owners at the time, Arcadia Group, [collapsed into administration](#) in December 2020.

But on Monday, Ingka Investments – which owns most of IKEA's stores – said it wanted to reopen the site in the autumn of 2023, creating 150 jobs.



Image:

Topshop's flagship store at Oxford Circus, London, will soon be taken over by IKEA

In a statement, Krister Mattsson, managing director of Ingka Investments, said: "We are delighted to have signed this agreement for a property on one of Europe's busiest shopping

streets and it represents another opportunity to create a more accessible, affordable and sustainable IKEA for our customers.

“This property offers great potential for retail space, and we firmly believe in the long-term value of the real estate market in London.”

Advertisement

The company confirmed a conditional purchase agreement had been signed to buy the site for £378m, adding that part of the building’s six floors of retail space would be used by IKEA.

The move is in line with a switch in IKEA’s strategy – shifting from large warehouse-like outlets on town and city outskirts to inner-city properties to cater to changing shopper behaviour and increasing urbanisation.

Peter Jelkeby, country retail manager and chief sustainability officer at IKEA UK & Ireland, said: “Today we are seeing societal changes that have evolved customer behaviours and the retail industry as a whole.

“Big global movements in technology, demographics, urbanisation and environmental awareness have caused significant waves of change in the way we live and shop.

“Even though online shopping continues to accelerate at a rapid pace, our physical stores (large and small!), will always be an essential part of the IKEA experience – as places for inspiration and expertise, community and engagement.

“Bringing IKEA to the heart of Oxford Street – one of the most innovative, dynamic and exciting retail destinations in the world – is a direct response to these societal shifts and an exciting step forward in our journey to becoming a more accessible IKEA.”

The new store will focus on home furnishing accessories, with the full range available to buy for home delivery, IKEA said.

The closing of the acquisition is expected in January.