

The corporate real estate leader's guide to M&A in consumer goods and services

01 How to lead with confidence through organizational transformation

The pressure to keep up with viral trends, supply chain disruptions and trade policy uncertainty have one thing in common — they're bringing immense change to the consumer goods and services sector.

In many companies, these challenges are drawing resources and energy away from innovation, prompting executives to pursue alternative paths to growth. Typically, that means mergers and acquisitions (M&A), dispositions, divestitures or separations to refine brand portfolios and refocus on core offerings.

Whether a company is acquiring or spinning off brands, corporate real estate (CRE) teams play a crucial role in restructuring efforts. Not only does real estate represent one of the largest expenses on the balance sheet, but it also impacts every person and business line in an organization. There's intense pressure to get it right because smart real estate strategies drive efficiencies and cost savings, improve supply chains, and strengthen company culture and brand experience.

Whether your company is already involved in a transaction or you think one may be coming, understanding the M&A landscape and the role of CRE teams can help you prepare for what's ahead.



02 Understanding the global M&A market

Deal volumes are up in the consumer goods and services sector, and buyers are becoming increasingly selective. At the same time, some major companies are breaking apart business units to solve operational challenges and create value.

While the industry is in flux, economic headwinds like inflation, elevated interest rates and evolving policies are dampening investor appetite and consumer confidence. The potential for interest rate cuts in the near future could further impact the market as it becomes cheaper for companies to borrow and deploy capital.

U.S. tariffs in particular could significantly affect consumer goods M&A in several ways:



Valuation instability
Any price increase resulting from tariffs could compress margins and alter company valuations.



Potential for consolidation
Companies may pursue strategic consolidation to achieve scale efficiencies. U.S. manufacturers may also have opportunities to acquire import-dependent competitors at discounted valuations.



Possible divestitures and separations
Companies may spin off subsidiaries in challenging geographies or business units that divert capital or depress margins.



Delayed decision-making
Policy changes may lead companies to postpone M&A decisions until they have clarity on final trade deal outcomes.

Historically, M&A activity in the consumer goods sector has shown superior performance compared to other industries — including higher returns and lower risk profiles — reflecting the value of well-executed M&A initiatives. CRE teams that are ready to evaluate asset value and strategic fit will become essential partners in navigating this evolving market.

03 Consumer goods sector dynamics

Sector-specific M&A trends and drivers create unique real estate considerations specific to various product and service types.

	Food and beverage	Personal care and beauty	Apparel and fashion	Retail
Key trends	Heightened focus on wellness brands, direct-to-consumer capabilities and vertical integration	Steady deal flow but inconsistent capital deployment, suggesting buyers are pursuing strategic opportunities rather than consolidation	Resilient activity with buyers targeting smaller, complementary businesses; deals concentrated in sustainable fashion, athleisure and direct-to-consumer segments	Robust activity, with buyers focused on strategic fit and digital capabilities
M&A drivers	• Changing consumer preferences • Digital transformation • Supply chain resilience	• Clean beauty movement • Digital-native brand appeal • Personalization technology	• Niche capabilities • Brand portfolio expansion	• Omnichannel technology • Logistics providers • International expansion
Real estate portfolio impact	• Increased demand for temperature-controlled facilities and urban fulfillment centers • Potential distribution network consolidation	• Increased demand for sustainable facilities, creative office spaces and flexible manufacturing	• Potential retail footprint optimization • Increased demand for sustainable facilities and hybrid retail/ fulfillment spaces	• Increased demand for automated distribution centers, urban micro-fulfillment hubs and expertise in global real estate optimization

*Source: JLL research



Regional snapshot:
Global consumer goods M&A activity

North America
Key trends

Companies are pursuing smaller, strategic acquisitions, driven by regulatory scrutiny, slower population growth and the need to acquire digitally native brands.

$193 billion: Capital deployed in 2024, down from a peak of $398 billion in 2021

Europe, Middle East and Africa (EMEA)
Key trends

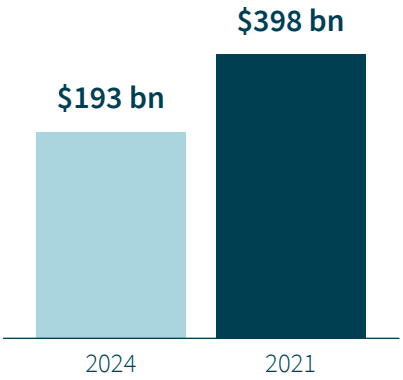
Post-Brexit restructuring and European Union (EU) harmonization initiatives are accelerating cross-border M&A. The combination of Western Europe's aging affluent population and Eastern Europe's emerging middle class is creating diverse acquisition opportunities.

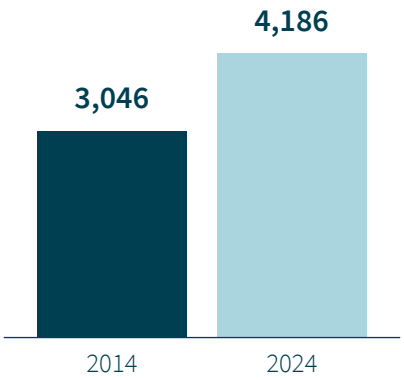
4,186: Total deals in 2024, up from 3,046 in 2014

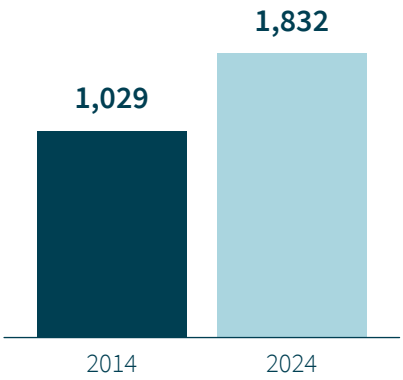
Asia-Pacific
Key trends

Rapid urbanization and a growing middle class across Southeast Asia and India are driving opportunities for local brand acquisitions. China's foreign ownership restrictions and Japan's mature market dynamics are limiting transformational deal activity.

1,832: Total deals in 2024, up from 1,029 in 2014







*Source: PitchBook Data

04 Why CRE is central to M&A success

CRE professionals play an indispensable role across all phases of M&A transactions, from due diligence and planning to integration and value optimization. They must strategically position the portfolio to support brand integration and transformation while minimizing disruption to both people and operations — no small feat.

Real estate missteps during any stage can derail a deal's potential to deliver its intended value. Overlooking CRE may lead to a misunderstanding of financial risks, redundant facilities, brand confusion and missed targets.

"Real estate has to be part of the conversation," says Matt Weko, Division President for Consumer Goods and Services at JLL. "At the end of the day, corporate efficiency is delivered through real estate assets, so CRE leaders have a vital role to play in developing strategy, preparing for it and ultimately delivering on it."

Real estate savings start with good data

Successfully integrating real estate portfolios during M&A starts with having an accurate view of your portfolio today. Then, you can use that information to create well-informed strategies for the future.

"There's a real connection between the portfolio assessment that happens early in the M&A process and how you work toward your business objectives, such as driving cost savings," according to Justin Sandherr, managing director for JLL's Consumer Goods and Services team.

Unfortunately, good (or timely) data is not often available during M&A deals. Working with a real estate partner to develop strong, evidenced-based assumptions will help you fill in data gaps so you can form solid estimates and start planning.

For the CRE team of a large organization in North America, sound data was the starting point for achieving an ambitious cost savings target when the company acquired a regional competitor. Partnering with JLL, the CRE team focused first on integrating and organizing portfolio data for the combined company, as well as creating sound assumptions to address critical data gaps. This established a baseline all stakeholders could align around. Then, they were able to see synergies and identify cost savings opportunities that exceeded their original target.



Key performance considerations by asset type

As you strive to create a lean, future-ready real estate footprint to advance the goals of the merged company, you'll find that each asset type requires a unique evaluation.

Manufacturing facilities

- Production capacity, technology and specialization
- Consolidation or expansion strategies
- Product quality consistency
- Sustainability credentials and modernization needs

Distribution centers and supply chain

- Warehouse and distribution center network optimization
- Last-mile delivery capabilities
- Evolving omnichannel needs
- Automation technology integration

Retail locations

- Store format rationalization and brand co-location opportunities
- Strategies for flagship vs. standard store networks
- Lease portfolio optimization and exit strategies
- Balance of physical and digital retail presence

Office and administrative spaces

- Redundancies and opportunities for consolidation
- Flexible work strategies
- Office location alignment with talent pools and key markets

05 Five tips to navigate M&A with confidence

M&A is often messy. There's ambiguity, constant change and tough decisions. However, the CRE leaders who successfully navigate the challenges emerge stronger and prove the vital role their teams play in driving value across the entire organization.

These tips can help you tackle the most common challenges CRE teams face:

Don't fear the data desert

It's hard to make decisions with incomplete data, but that's often unavoidable during M&A. Successful CRE leaders get comfortable with making calculated assumptions rather than waiting for perfect information, adopting a "good enough" decision-making framework.

"Let's be honest, the real estate team doesn't always get a full line of sight into that new portfolio," says Maria Stopper, a senior director with JLL Consulting. "Take pride in the fact that although you may never get it perfect, you can still build the business case based on the best knowledge that you have."

An experienced real estate advisor with access to comprehensive market data and industry benchmarks can help you develop strong assumptions to bridge some of the gaps and establish solid estimates to launch your planning cycle. Waiting for perfect or complete data will leave your team scrambling, too late to drive meaningful impact or influence key decisions.

Trust your inner circle

The strict confidentiality requirements of M&A transactions create information silos that complicate CRE planning, but that doesn't mean you're on your own.

Successful leaders develop communication protocols that respect confidentiality requirements while still enabling effective planning. This often includes establishing partnerships with expert advisors who can provide guidance without compromising confidentiality.

Having a small, close-knit team dedicated to the deal can have its advantages, including stronger relationships that lead to more open discussions. Additionally, having a separate team able to manage planning, communications and day-to-day management is critical, and in many cases, required. This is especially true when handling data or sensitive information prior to deal-close.

"Sometimes small and mighty is better than large and expansive," Stopper says.

Balance your day job

The need to maintain business-as-usual operations while managing the extraordinary demands of an M&A transaction can feel overwhelming, but there are strategies to cope.

It starts with reassessing priorities to identify what can be scaled back. Additionally, some CRE leaders develop a temporary operating model for the transitional period and depend on trusted third-party advisors for extra support.

Our experts see the most success when companies establish a transformation office to oversee the cross-functional M&A due diligence team.

"CRE has day jobs, so lean into that transformation office and rely on a partner with the expertise to help you build the strategies. Then, you can hit the ground running as soon as the deal is signed," advises Stopper.

Embrace ambiguity

Strategies, targets and priorities will likely shift many times. Don't let it rattle you.

Successful CRE leaders develop scenario-based models so they can quickly adjust as new information emerges. They avoid irreversible decisions whenever possible and know when it's time to pivot.

"Every single person has to be incredibly flexible and adaptable in terms of how we think, learn and communicate," says Sandherr. "But we also have to stay incredibly connected — not just across the business, but connected to what's happening politically and economically to understand the forces impacting the organization."

Align your team

Many consumer goods and services companies have decentralized real estate functions, where decisions are made at the local level. And sometimes, the real estate and operations functions don't work in tandem.

"At times like these, local decision-making has to be guided by a central corporate standard," says Weko.

A transaction might provide the perfect spark to start transforming your CRE organizational model to create better alignment. A strong real estate partner can offer perspective on how to structure your team to enhance efficiency and impact.



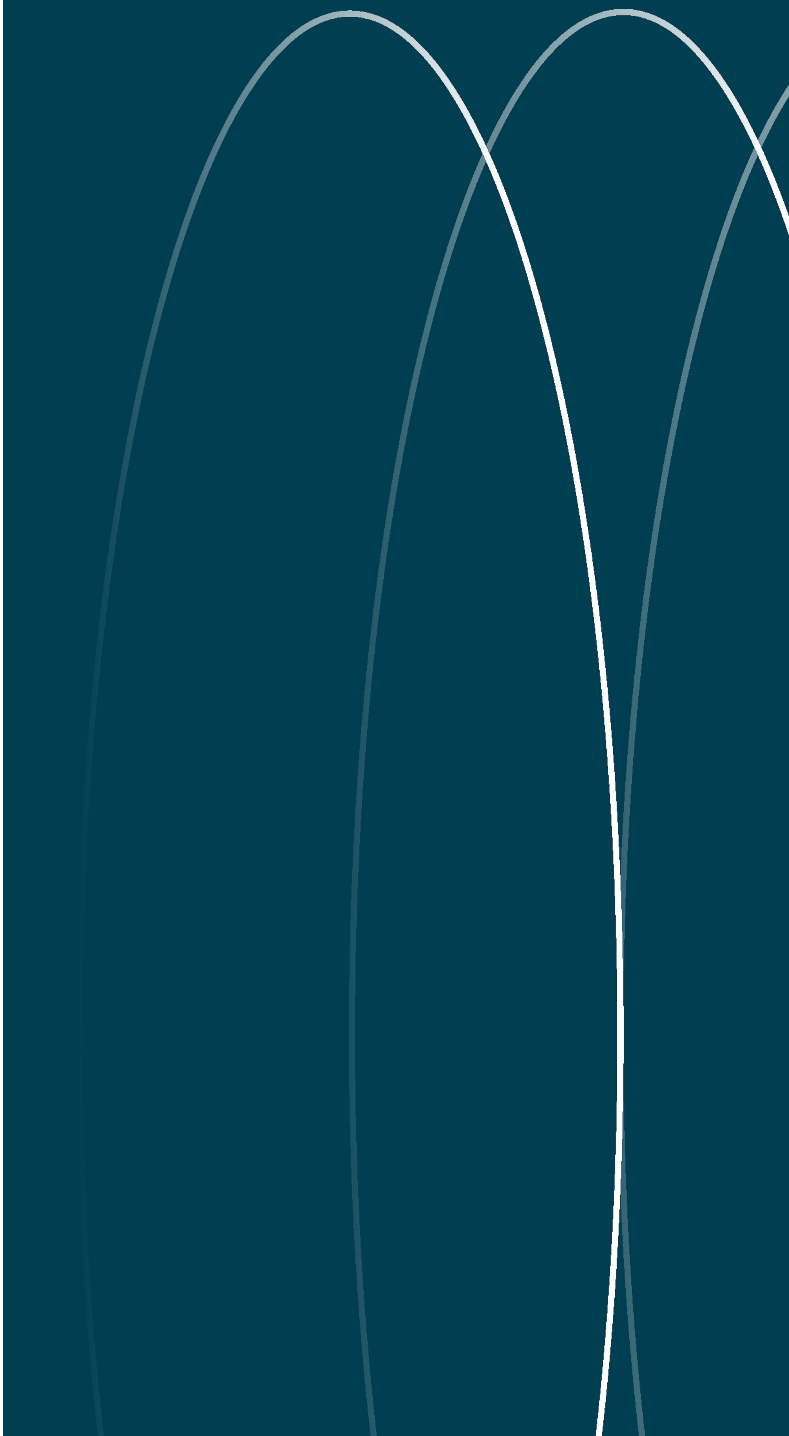
M&A is a team sport — don't go it alone

Major corporate changes offer CRE leaders a unique opportunity to elevate their role as strategic value creators. By turning challenges into opportunities, CRE leaders can position their organizations to realize the intended benefits of M&A or a corporate restructuring

When you're facing big changes, a full-service real estate service provider can be an invaluable partner. JLL combines global scale with in-depth knowledge of local markets and tech-forward approaches to help companies navigate transformation with confidence.

With a culture focused on growth and innovation, we'll help you transform your CRE organization and portfolio so your business thrives, whatever the future may bring.

Contact us today to understand how we can help you transform your CRE organization and portfolio.



About JLL

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