

China Retail & E-commerce Weekly Update



I. Sector Review2

Internet & E-commerce.....2

Sales of “new merchants” on Taobao Apparel up 36% yoy2

Meituan’s 1Q26 revenue reaches 91 billion yuan; loss narrows by 9.6 billion yuan from last quarter.....2

JD.com’s 618 event shows strong opening in first four hours.....2

JD.com merges community group-buying and offline discount retail businesses3

JD.com’s 618 event: Foot traffic to offline stores up by over 70% yoy in first 52 hours3

Tmall shows strong opening to 618: Number of brands exceeding 100 million yuan in sales up 40%4

JD.com becomes first in China to offer ‘Online Departure Tax Refund Store’ for overseas visitors.....4

Kuaishou app launches AI shopping assistant4

ByteDance applies to register the “PBTI” trademark.....5

Tmall Supermarket enters Hong Kong market; self-pickup points to increase by 40% by year-end.....5

Department Stores & Shopping Mall5

JD MALL Shanghai’s first store begins trial operations on 30 May5

Supermarkets & Hypermarkets.....6

Yonghui’s first revamped store in the Chongqing region for 2026 to open soon.....6

Food & Beverage.....6

CHAGEE sees steady growth in 1Q26: Total GMV approaches 8 billion yuan; overseas GMV up 139% yoy6

References (in Chinese).....7

Helen Chin

E: helenchin@ust.hk

William Kong

E: williamkong@ust.hk

Brigitte Ng

**HKUST LI & FUNG
SUPPLY CHAIN INSTITUTE**

LSK Business Building
The Hong Kong University of
Science & Technology
Clear Water Bay
Kowloon, Hong Kong
E: ustfsci@ust.hk



I. Sector Review

Internet & E-commerce

Sales of “new merchants” on Taobao Apparel up 36% yoy

Since the start of the 618 campaign, “new merchants” who have been on Taobao Apparel (淘宝服饰) for at least three years saw their sales grow 36% yoy as of 27 May. Since April, more than 100,000 apparel sellers have settled on Taobao. This includes Internet celebrity models and outfit-styling bloggers who have launched personal brands. Over the past year, Taobao has experienced a huge surge in the onboarding of new merchants, spanning more than 10 niche tracks such as influencers, designers, and livestream hosts. With support from the platform, more than 10 merchants have surpassed 100 million yuan in sales in their first year, and more than 600 merchants have surpassed 10 million yuan in sales. This year, Taobao will continue to increase investment for new merchants with funding on the order of hundreds of million yuan and targeted traffic in the tens-of-millions range. The goal is to give merchants extra momentum from their set-up to scaling-up, and to cultivate more promising emerging brands.¹

Meituan’s 1Q26 revenue reaches 91 billion yuan; loss narrows by 9.6 billion yuan from last quarter

On 1 June, Meituan (美团) released its financial results for the first quarter of 2026. In this quarter, Meituan generated revenue of 91 billion yuan, up 5.6% yoy. Operating loss narrowed from 16.1 billion yuan in the previous quarter to 6.5 billion yuan. Loss from its core local commerce business was two billion yuan, a substantial improvement from a loss of 10 billion yuan in the prior quarter. Loss from new businesses was 2.1 billion yuan, significantly lower than a loss of 4.6 billion yuan in the previous quarter. In the first quarter, Meituan continued to advance its “retail + technology” strategy, accelerating the deployment of technology into real-world scenarios. R&D spending increased 22% yoy to 7 billion yuan, accounting for 7.7% of total revenue.²

JD.com’s 618 event shows strong opening in first four hours

JD.com’s (京东) 618 event kicked off at 8:00 PM on 1 June. With the continued push of the “Chunxiao Plan”, the number of new merchants participating in JD.com’s 618 event this year increased by more than 62% yoy. In the first four hours of the opening period, 51 merchants that participated in the event for the first time generated over 10 million yuan in sales, while 1,516 new merchants achieved over one million yuan in sales. During the first four hours, sales on JD Worldwide to overseas users doubled year-on-year. Categories such as photography and imaging, beauty and perfumes, sports equipment, snack and local specialties, and phones and accessories saw year-on-year growth of more than 300%.³

JD.com merges community group-buying and offline discount retail businesses

JD.com's community group-buying business and its offline discount retail business are currently undergoing a new round of integration. The former JD Pinpin (京东拼拼) team will work closely with the JD Discount Supermarket (京东折扣超市) team to integrate supply chain resources. The two sides will use "JD Discount Supermarket" as the unified brand and carry out integrated online-and-offline operations. Under the cooperation plan, JD Pinpin's online capabilities and user base will help expand JD Discount Supermarket's online channels, while JD Discount Supermarket's supply chain system will be fully connected to JD Pinpin business. The two sides will share resources at the supply chain level. This move aims to consolidate resources to provide users with a wider range of products and more competitive pricing, strengthening JD.com's presence in community retail and lower-tier markets.⁴

JD.com's 618 event: Foot traffic to offline stores up by over 70% yoy in first 52 hours

JD.com (京东) announced that as of 23:59 on 1 June, its 618 opening saw the number of ordering users reach yet another record high. JD Supermarket users grew by double-digit percentages year-on-year. Offline stores, including JD MALL, JD consumer electronics stores, JD Discount Supermarkets (京东折扣超市), 7Fresh Kitchen (七鲜小厨), and JD Medical Aesthetics (京东医美), collectively saw overall foot traffic rise by more than 70% yoy in the first 52 hours. In those 52 hours, the 5,600+ JD consumer electronics stores reported overall foot traffic increasing by 138% yoy; the 27 JD MALL locations saw sales up 53% yoy; and the 4,000+ JD Auto Care stores recorded service order volume up by more than 110% yoy. JD Outlet also saw foot traffic grow by more than 130% yoy, and JD Medical Aesthetics—participating in JD.com 618 event for the first time—saw order volume up 226% quarter-on-quarter. In the two days over the weekend, JD Discount Supermarket's foot traffic and order volume both increased by more than 50% quarter-on-quarter, while 7Fresh Supermarket's order volume grew 106% yoy across both online and offline channels.⁵

Tmall shows strong opening to 618: Number of brands exceeding 100 million yuan in sales up 40%

Tmall (天猫) recently released its 618 opening report. As of 31 May, during the first phase of Tmall's 618 campaign, more than 40,000 brands saw their sales double. The number of brands with sales exceeding 100 million yuan grew 40% yoy. Livestream sessions with sales exceeding 100 million yuan while also achieving double-digit growth increased by 50% yoy. This year's Tmall 618 event also saw repurchase rates for beauty and apparel both exceed 40%. The number of new products that went live after the campaign started and generated more than 10 million yuan in sales increased by 60%. Of the top 100 best-selling items by sales, new products accounted for one-third. New product categories have become an important source of incremental growth for brands during the Tmall 618 event. In the first sales period, 160 trending categories achieved sales exceeding 100 million yuan.⁶

JD.com becomes first in China to offer 'Online Departure Tax Refund Store' for overseas visitors

JD.com (京东) has recently become the first platform in China to operate an "online departure tax refund store" for overseas visitors. Compared with traditional departure tax refund services, JD.com's biggest innovation is enabling the entire tax-refund process online. After entering the country, overseas visitors can use the tax-refund features in JD.com's English and Chinese apps to purchase items marked for departure tax refunds. They can also search for "departure tax refund" to go directly to a dedicated section for tax-refund-eligible items. During checkout, visitors could enter their identity and entry/exit information, and the system will automatically generate an electronic departure tax refund application and invoice. After the goods are delivered, the traveler can choose to receive the tax refund at a centralized in-city tax-refund payment point or carry the items to an exit/departure checkpoint to process the refund, thus enabling online shopping, automatic invoicing, fast delivery, and quicker receipt of the tax refund.⁷

Kuaishou app launches AI shopping assistant

The Kuaishou (快手) app has recently launched an "AI Shopping Assistant" with a dedicated in-app entry point. The service is similar to typical shopping guide services, providing smart services such as product recommendations, product reviews, and product comparisons through dialogue interaction with consumers. Currently, major e-commerce platforms such as Taobao (淘宝) and Douyin (抖音) have already rolled out AI shopping guide functions. Some platforms have enabled a closed-loop service, allowing users to experience through AI consultation to one-click ordering and payment. At this stage, Kuaishou's AI shopping assistant focuses only on product consultation, and it has not yet integrated the ordering and payment flows. In the future, completing the end-to-end transaction loop will be key to improving and strengthening its e-commerce ecosystem, according to industry partitioners.⁸

ByteDance applies to register the “PBTI” trademark

According to recent reports, Beijing ByteDance Network Technology Co., Ltd (北京字跳网络技术) has applied to register multiple “PBTI” trademarks. The international classifications include education and entertainment, website services, and more. At present, all trademarks are pending substantive examination. The company was established in October 2018, wholly owned by Douyin Group (Hong Kong) Co., Ltd (抖音集团 (香港)). Its registered capital is US\$100 million. Its business scope includes the design, production, agency services, and publishing of advertisements.⁹

Tmall Supermarket enters Hong Kong market; self-pickup points to increase by 40% by year-end

Tmall Supermarket (天猫超市) has recently entered the Hong Kong market. Hong Kong consumers who shop on Tmall Supermarket will be able to enjoy next-day delivery. Tmall Supermarket’s expansion into Hong Kong is one of the new services that Taobao (淘宝) has launched in Hong Kong during this year’s 618 shopping campaign, and it also signals an acceleration of its overseas expansion. Ding Zhencai, General Manager of Taobao Hong Kong, said that the first batch of products listed on the site reached over 80,000 items. According to the company’s plan, by the end of the year, Hong Kong self-pickup points will increase by 40% from the current roughly 1,200 locations. The company will also introduce unmanned self-pickup points and self-service pickup models.¹⁰

Department Stores & Shopping Mall

JD MALL Shanghai’s first store begins trial operations on 30 May

JD MALL (京东 MALL) Shanghai’s first store began trial operations on 30 May. The store has a gross floor area of 40,000 sqm and breaks from the traditional “shelf-style” retail display model. Centred on “home scenes”, it creates more than 30 immersive themed experience zones, fully recreating real home environments such as the living room, kitchen, bedroom, study, and balcony. The mall brings together more than 200 top-tier global consumer brands. It offers over 200,000 items that can be sold both online and offline, covering all categories including major appliances, consumer electronics and digital products, home furnishings, and home improvement essentials, fulfilling consumers’ home-shopping needs in one place.¹¹

Supermarkets & Hypermarkets

Yonghui's first revamped store in the Chongqing region for 2026 to open soon

The Yonghui Living Plaza store in Nanjiao Temple, Chongqing, will officially reopen on 13 June with a refreshed look – this is the first store reopening under Yonghui's 2026 revamp plan for the Chongqing region. Building on the second phase of Yonghui Superstore's (永辉超市) revamp plan—“Top 10 Healthy Lifestyle Scenarios”—this is the first store to have “healthy lifestyle” as the core positioning for its operations. It also expands into more health-related scenarios, with the goal of creating what it calls the country's first supermarket that is “able to help you work out, understands nutrition, and is warm and thoughtful in its approach”.¹²

Food & Beverage

CHAGEE sees steady growth in 1Q26: Total GMV approaches 8 billion yuan; overseas GMV up 139% yoy

On 29 May, CHAGEE (霸王茶姬) released its financial and operating results for the first quarter of 2026. During the reporting period, CHAGEE achieved total revenue of 3.546 billion yuan, up 4.5% yoy. Total GMV reached 7.918 billion yuan, up 8.1% quarter-on-quarter. Adjusted net profit was 507 million yuan. The company had 7,531 stores worldwide, with profitability and operational resilience improving. As of 31 March 2026, CHAGEE's membership base exceeded 248 million, with net new members exceeding 10 million in the quarter. Quarterly active members were close to 50 million, up 11.7% quarter-on-quarter. Membership scale and brand stickiness continued to rise.¹³

References (in Chinese)

- ¹ <https://www.100ec.cn/detail--6659699.html>
- ² <https://cn.chinadaily.com.cn/a/202606/01/WS6a1d5800a310942cc49af741.html>
- ³ <https://www.ebrun.com/ebrungo/zb/672040.shtml>
- ⁴ <https://www.100ec.cn/detail--6659788.html>
- ⁵ <https://www.ebrun.com/ebrungo/zb/672139.shtml>
- ⁶ <https://www.ebrun.com/ebrungo/zb/672195.shtml>
- ⁷ <https://www.ebrun.com/ebrungo/zb/672272.shtml>
- ⁸ <https://finance.sina.cn/stock/jdts/2026-06-04/detail-iniaeyvy0573352.d.html?>
- ⁹ <https://finance.eastmoney.com/a/202606043760185325.html>
- ¹⁰ <https://finance.eastmoney.com/a/202606013755841041.html>
- ¹¹ <http://www.linkshop.com/news/2026547856.shtml>
- ¹² <https://www.pai.com.cn/news/01kt64zz62va2x5pyv564e8hzh>
- ¹³ <https://news.10jqka.com.cn/20260529/c677062202.shtml>

HKUST Li & Fung Supply Chain Institute

The HKUST Li & Fung Supply Chain Institute accelerates the creation, global dissemination, and practical application of new knowledge and technologies for managing supply chains. Jointly established by international research university HKUST and supply chain industry leader Li & Fung, the Institute engages in collaborative research, exchanges, professional development and executive education to driving real-world impact across the region and globally, while contributing to Hong Kong's development as a multinational supply chain management center.

For more information, please visit www.funggroup.com.

© Copyright 2026 HKUST Li & Fung Supply Chain Institute. All rights reserved. Though HKUST Li & Fung Supply Chain Institute endeavours to ensure the information provided in this publication is accurate and updated, no legal liability can be attached as to the contents hereof. Reproduction or redistribution of this material without prior written consent of HKUST Li & Fung Supply Chain Institute is prohibited.