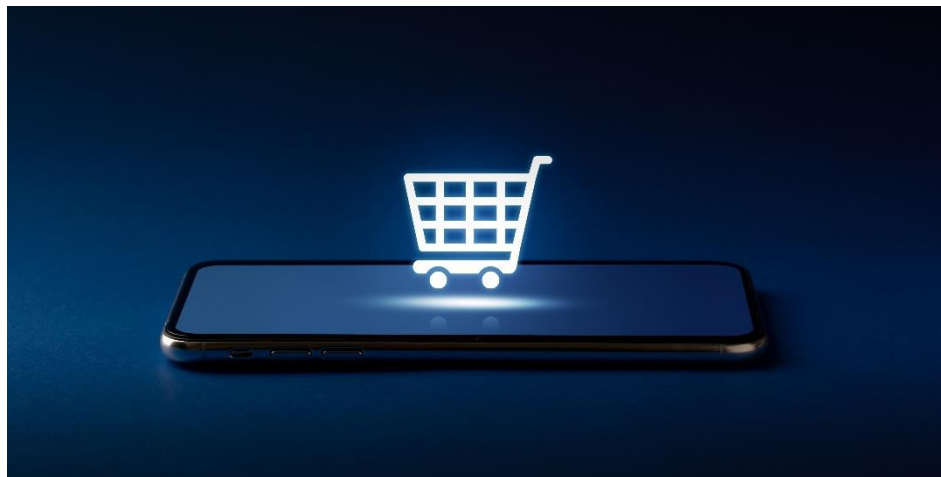


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Helen Chin

Head

William Kong

Manager

Brigitte Ng

HKUST LI & FUNG

SUPPLY CHAIN INSTITUTE

LSK Business Bldg

The Hong Kong University of

Science & Technology

Clear Water Bay Kowloon

Hong Kong

E: ustlfsci@ust.hk



I. Sector Review

Internet & E-commerce

Meituan: Service retail online penetration rate will increase to 25% by 2030

On 26 June, the 2025 Service Retail Industry Conference was held in Shanghai. Wang Puzhong, CEO of Meituan's (美团) Core Local Commerce segment, stated that the service retail industry reached a scale of 7 trillion yuan in 2024, and China has the most abundant and convenient service consumption in the world. However, the industry's online penetration rate is only 9%, indicating enormous growth potential. Over the next five years, service retail is likely to accelerate its digitalization. Meituan aims to support merchants' online transformations, using AI to comprehensively upgrade online scenarios. It is expected that by 2030, the service retail industry's online penetration rate will grow to 25%, giving rise to 300 brands with over one thousand stores.¹

JD Food delivery covers over 15,000 government units and major enterprises

As of 27 June, JD Food Delivery (京东外卖) has covered over 15,000 government units and major enterprises, spanning multiple industry sectors including energy, finance, transportation and construction, manufacturing, telecommunications, consumer goods, and Internet. Currently, the daily order volume of JD Food Delivery has exceeded 25 million orders. According to industry research, JD.com holds a market share of 31% in the national food delivery market and 45% in the premium food delivery segment. Its service covers 350 cities nationwide, with over 1.5 million quality restaurant partners. Additionally, user subsidies launched by JD Food Delivery have achieved 100% coverage for corporate employees.²

Meituan reports over 770 million transacting users in 2024

Meituan (美团) recently published its *2024 Corporate Social Responsibility Report*, presenting the company's social responsibility practices over the past year such as promoting employment, supporting merchants, protecting delivery riders, green development, and serving society. The report highlights Meituan's substantial scale, noting that the platform served over 770 million annual transacting users and hosted 14.5 million active merchants throughout the year. Meituan also detailed the earnings of its delivery workforce, stating that high-frequency riders earned a monthly income between 6,650 yuan and 9,344 yuan. It also spent 21.1 billion yuan on R&D investment and the platform had 14.5 million annual active merchants.³

Kuaishou E-commerce launches ‘Tasty and Affordable’ quality selection IP

On 30 June, Kuaishou E-commerce (快手电商) announced the launch of its official ‘Tasty and Affordable’ quality selection IP. The first batch of products covers over 30 categories of fresh produce including durian, steak, peaches, pumpkins, and other fruits and vegetables. Selected products must meet multiple service experience indicators including product ratings, return rates, and after-sales rejection rates. Kuaishou’s industry operations and experience departments will conduct warehouse and factory inspections. This new brand aims to lower the threshold for merchants to distribute fresh produce, improve influencers’ product selection quality, and enable users to purchase high-quality products at affordable prices.⁴

Meituan plans 1,200 centralized kitchens for new ‘Raccoon Canteen’ project

Meituan recently launched ‘Raccoon Canteen (浣熊食堂)’, a project aimed at improving food safety in the catering industry. The initiative will develop centralized kitchens for food delivery, ensuring visibility and traceability throughout the supply chain. Meituan plans to set up 1,200 ‘Raccoon Canteens’ across China in the next three years. Since its pilot launch in December 2024, the programme has established 10 locations in cities like Beijing and Hangzhou, involving over 100 catering merchants. The programme is open to all catering businesses that meet Meituan’s food safety standards and commit to transparent practices. Participating merchants will have access to services such as supply management, open kitchen practices, and digital management tools.⁵

Taobao Flash Sale’s 50-billion-yuan subsidy programme: 589 retail brands see over 100% order growth on launch day

On 2 July, Taobao Flash Sale (淘宝闪购) announced a 50-billion-yuan investment in user and merchant subsidies over 12 months. Through distributing electronic red packets, free order cards, and subsidized fixed-price products, it offers discounted, convenient services and experiences to further stimulate consumption vitality. It also provides store subsidies, product subsidies, delivery subsidies, and commission waivers and reductions to promote merchant business growth. On the first day of the subsidy programme, Taobao Flash Sale’s orders grew significantly, with 589 retail brands seeing daily order volumes grow by over 100% compared to 2 May (when Taobao Flash Sale first launched). Among categories, prepared foods and alcoholic/dairy beverages categories saw order volumes double. Food, pharmaceuticals, consumer electronics, athletic footwear and apparel, and fresh flower categories also showed significant order growth. Nongfu Spring (农夫山泉) orders increased 504% month-on-month (mom), Lenovo orders grew 467% mom, and Philips orders increased by 350% mom. Fresh flower brand Flower Messenger (鲜花使者) saw 410% mom order growth, while time-honoured brand Yunnan Baiyao (云南白药) achieved 303% mom order growth.⁶

Supermarkets & Hypermarkets

Freshippo's GMV exceeds 75 billion yuan with over 420 Freshippo Supermarket stores in fiscal 2025

On 27 June, Alibaba (阿里巴巴) published its annual report for the 2025 fiscal year ended 31 March. According to the report, Freshippo (盒马) strategically focused on its premium format and expanded store footprints to more emerging cities and counties. In fiscal year 2025, Freshippo's overall GMV exceeded 75 billion yuan, and for the first time it achieved positive full-year adjusted EBITA. As of the end of the 2025 fiscal year, the Freshippo Supermarket format operated over 420 stores, with online transaction GMV contributing over 60% of its GMV.⁷

Pangdonglai's 1H25 sales revenue reaches 11.707 billion yuan

On 1 July, Pangdonglai (胖东来) disclosed its sales data for the first half of 2025. The data show that Pangdonglai Group's total sales in the first half of the year reached 11.707 billion yuan, with sales of supermarkets, jewellery, and electronics generating 6.35 billion yuan, 1.182 billion yuan, and 1.18 billion yuan respectively. Among all stores, its Xuchang Times Square store performed strongly with first-half sales reaching 2.759 billion yuan. Pangdonglai founder Yu Donglai previously stated that in 2025, the company would control annual sales within 20 billion yuan to ensure net profit of no less than one billion yuan. The latest data show that as of mid-June, the group's estimated net profit for the whole year has increased to 1.5 billion yuan, far exceeding initial expectations.⁸

Yonghui Superstores launch '717 Delicious Festival'

Yonghui Superstores (永辉超市) recently announced the launch of its '717 Delicious Festival'. The event kicks off on 9 July and continues until 20 July. The activity closely aligns with the core of the 'National Supermarket, Quality Yonghui' strategy, and leverages the over 100 stores nationwide that have completed renovation following the Pangdonglai model. The festival aims to improve the supermarket shopping experience through 'great shopping, great brands, great quality, great taste', creating a new paradigm for quality family lifestyle consumption.⁹

Home Goods

MINISO LAND global flagship store tops 100 million yuan in sales in first nine months

MINISO's (名创优品) MINISO LAND global flagship store on Shanghai's Nanjing East Road achieved single-store sales exceeding 100 million yuan in just nine months of operations, with IP series products contributing as much as 79.6% of total sales. As the core store format of MINISO's channel upgrade, the global flagship store is based on the concept of 'interest-driven consumption'. Since opening in October 2024, it has launched over 135 IP series, including 12 global debuts. MINISO has successfully created a new paradigm for interest-driven consumption by integrating top global IP resources and reshaping retail boundaries through IP spatialization and immersive experiences. Currently, MINISO has launched 10 MINISO LAND stores nationwide, covering core cities such as Shanghai, Beijing, and Chengdu.¹⁰

II. Market Overview

Global Retail Top 250: China holds one seat in the Top 10

Deloitte recently published the *Global Powers of Retailing 2025* report, based on data from July 2023 to June 2024, which presents the latest development trends in the global retail industry. Against the backdrop of global economic recovery and inflationary pressures, the retail industry is undergoing profound structural adjustments along with overall expansion. A total of 14 Chinese companies (including Hong Kong, Macao, and Taiwan regions) made the list, generating US\$296.44 billion (2.1262 trillion yuan) in retail revenue, accounting for 4.92% of the total revenue of the global top 250 retailers. They overall demonstrate significant 'domestic demand-driven' characteristics, with overseas business accounting for only 18.1%.¹¹

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