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Prepared By: ATO Beijing

Approved By: Victoria Dokken

Report Highlights:

China's retail sector remained resilient in 2024, with sales reaching \$6.8 trillion, up 3.5 percent year-on-year, and continued growing 4.6 percent in Q1 2025. Growth was driven by store innovation and expansion into lower-tier cities. Market concentration intensified, with top retailers capturing over 66 percent of sales—Walmart China led through Sam's Club's strong omnichannel strategy. Value-driven purchases dominated, especially in regional markets. While U.S. products like pet food, meat, dried fruits, and nuts remain well-regarded, overall sales declined due to economic headwinds and persistent trade barriers.

Executive Summary:

China's GDP reached \$18.8 trillion in 2024, reflecting a year-on-year growth of 5 percent and reinforcing its position as the world's second-largest economy. As a leading global producer of food and agricultural products, China also remains one of the top markets for U.S. agricultural exports.

Consumer-Oriented Agricultural Imports

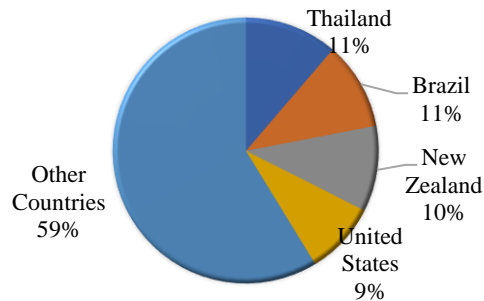


Chart 1: Top Exporting Countries to China

Food Retail Industry:

In 2024, China's total retail sales of consumer goods reached \$6.8 trillion, marking a 3.5 percent year-on-year increase. The sector is showing signs of recovery and is projected to grow by approximately four percent in 2025. Market concentration also intensified, with the top 10 retailers accounting for over 66 percent of total sales.

Food Processing Industry:

In 2024, the food processing industry faced challenges such as declining prices and increased revenue pressures. Nevertheless, the industry grew by 2.2 percent, reaching \$1.3 trillion. The sector is poised for steady expansion in 2025.

Food Service Industry:

In 2024, China's food service sales reached \$773.9 billion, up 5.3 percent from 2023. Growth has slowed in line with broader economic trends. In 2025, the sector is expected to expand further, though amid heightened competition and more cautious consumer spending.

Quick Facts CY 2024

Imports of Consumer-Oriented Products

\$80.7 billion

List of Top 10 Growth Products in Host Country

- 1) Fresh Fruit
- 2) Beef & Beef Products
- 3) Dairy Products
- 4) Soup & Other Food Preparations
- 5) Pork & Pork Products
- 6) Tree Nuts
- 7) Poultry Meat & Products (ex. Eggs)
- 8) Processed Vegetables
- 9) Meat Products
- 10) Distilled Spirits

Food Industry by Channels (U.S. billion)

Retail Food Industry	\$431.9
Food Service-HRI	\$773.9
Food Processing	\$1,259
Food and Agriculture Exports	\$75

Top 10 Host Country Retailers (by sales)

Walmart; RT-Mart; HeMa Fresh; Yong Hui; Wu Mart; Lian Hua; CR Vanguard; Jia Jia Yue; Zhong Bai; Qian Da Ma

GDP/Population

Population: 1.4 billion

GDP: \$18.8 trillion

GDP per capita: \$12,969

Sources: BICO, National Bureau of Statistics of China, and China Chain Store & Franchise

Strengths/Weaknesses/Opportunities/Threats:

Strengths	Weaknesses
-U.S. products enjoy a good reputation in China for their high quality and food safety standards	-Enhanced local product competitiveness -China's economic recovery has been weaker than expected.
Opportunities	Threats
-Significant number of potential consumers remain untapped	- Rising tariffs and ongoing bilateral political uncertainty - Increasing market share lost to third country partners

Section 1: Market Summary

China’s retail industry in 2024 demonstrated resilience amid economic recovery and evolving consumer behavior. While overall sentiment remained cautious, slower income growth led to a decisive shift toward value-for-money purchases. Total retail sales of goods reached \$6.8 trillion, a year-on-year increase of 3.5 percent, with the upward momentum extending into the first quarter of 2025, up 4.6 percent to \$1.73 trillion. This growth reflects retailers' strategic efforts to optimize store formats and adapt product offerings, particularly in underserved lower-tier markets where regional players like Pang Dong Lai gained traction through private-label innovation, distinctive in-store prepared foods, and strong fresh food performance.

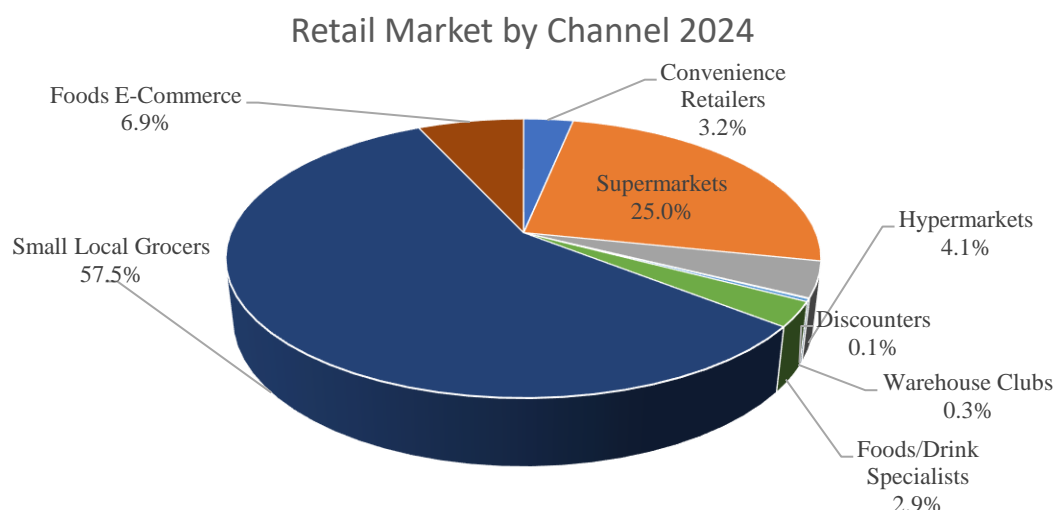
Hypermarkets, by contrast, continued to struggle, with only 38 percent nationwide achieving positive growth, resulting in widespread store closures. The geographic shift was reinforced by demographic trends, as young consumers increasingly returned to third and fourth tier cities, prompting national chains such as HeMa Fresh to expand regionally and tailor offerings to local preferences.

Meanwhile, structural shifts and rapid technological advances accelerated across the sector. In 2024, retailers began integrating AI tools to streamline logistics and elevate customer experiences, setting the stage for direct consumer interaction with AI-powered shopping solutions by 2027. The rise of “instant retailing” where consumers place orders online to receive products in 30-60 minutes is rapidly disrupting traditional e-models, such as JD.com, Alibaba, and Meituan. Walmart China retained its top spot on the Supermarket Top 100 for the fourth straight year, driven by Sam’s Club performance. Online retail sales among the Supermarket Top 100 accounted for 16.9 percent of total revenue, while market concentration intensified—with the Supermarket Top 10 retailers capturing over 66 percent of total sales. These trends signal a retail sector in transition, where innovation, regional expansion, and format optimization will shape future competitiveness.

Table 1. Advantages and Challenges Exporting U.S. Food and Agriculture Products to China

ADVANTAGES	CHALLENGES
Strong reputation for high-quality, safe and traceable food products	Intense competition from low-cost supplies and free trade agreement (FTA) countries; economic slowdown heightens consumer price sensitivity.
Broad selection of U.S. agricultural products that align with diverse retail formats.	Some products’ packaging sizes exceed daily consumption needs of small Chinese households.
Robust U.S. government and private sector support for agricultural exports and coordinated trade promotion efforts in China.	Bilateral trade tensions and tariff uncertainties influence importer purchasing decisions and disrupt supply chain reliability.
Capability to offer differentiated products and support private label development	Domestic products benefit from strong cultural relevance and brand familiarity among Chinese consumers.

Chart 2: Retail Market by Channel 2024; Source: Euromonitor



Section 2: Road Map for Market Entry

Entry Strategy

China represents a complex, diverse, and dynamic landscape of consumer and regional markets. Dietary preferences and purchasing behaviors vary significantly across regions, highlighting the importance of localized strategies. New-to-market exporters are advised to target clearly defined consumer segments and distribution channels to maximize market entry success.

Participating in trade shows in China offers valuable opportunities to gather market intelligence, assess product interest, observe competitive trends, and connect with potential business partners. For more details on key industry events, please refer to the [China Trade Shows and Conferences](#).

For general guidance on import procedures, consult the [Exporter Guide Annual](#). Exporters seeking detailed information on regulations, documentation, and certification requirements should review the [FAIRS Country Report Annual](#) and the accompanying [FAIRS Export Certificate Report Annual](#).

Market Structure

In 2024, China's top 100 supermarket chains generated \$125.38 billion in sales, up 0.3 percent year-on-year, with the total number of stores reaching 25,200, according to the China Chain Store and Franchise Association (CCFA). Major product importers remain concentrated in first-tier cities such as Beijing, Shanghai, Guangzhou, and Shenzhen, which also serve as key distribution hubs for imported goods. While importers still handle most imported food products within the retail channel, leading retailers and e-commerce platforms are increasingly building direct supply chains to import fresh and packaged goods.

Diversifying Import Channels: Cross-border e-commerce continues to play a critical supplementary role for U.S. products—particularly baby food and pet food—enabled by duty

exemptions and preferential value-added tax (VAT) rates. For further insights, please refer to the [China Cross-Border E-commerce Market Opportunities for US Agricultural Products](#) and [China E-Commerce Report - Strategic Insights for US Food Agricultural and Beverage Exporters](#).

Offline Channel Developments: Within offline retail, convenience stores and membership formats outperformed hypermarkets. In 2024, the top 100 convenience store companies operated 196,000 outlets—an increase of 14,000 stores or 7.7 percent year-on-year—underscoring rapid expansion. Walmart China retained its lead with \$22.1 billion in sales, driven by Sam’s Club’s growing membership base and strong omnichannel strategy. Online channels now contribute nearly half of Walmart’s revenue, supported by its robust global supply chain and direct sourcing of U.S. products.

Products already available at Sam’s Club in the United States or China show strong potential for expansion into other Chinese retail chains, as domestic retailers frequently benchmark Sam’s Club’s assortment.

Online Retail Acceleration: While offline retail remains dominant, online sales continue to expand and are expected to account for 28.8 percent of China’s total retail sales of consumer goods by 2025. In 2024, Alibaba’s Taobao and Tmall platforms led the e-commerce market with a combined 47.8 percent share, followed by JD.com (20.1 percent), Pinduoduo (18.3 percent), and Douyin (12.5 percent). Douyin’s rapid ascent has been fueled by its focus on live-streaming commerce—a format that comprised nearly one-third of China’s online retail sales in 2024. With over 600 million live-streaming users, China now leads the world in live-streaming e-commerce, reshaping consumer engagement and product discovery.

Instant Retail Evolution: China’s instant retail sector is also expanding swiftly, driven by rising demand for fast, local food delivery. Through this model, consumers place orders via digital platforms and receive products within 30 to 60 minutes from local stores or third-party services. The market is projected to surpass \$278 billion by 2030, supported by 551 million monthly active users and strong demand for daily essentials.

Table 2. Top 10 Supermarket & Convenience Store Chains

Supermarket			Convenience Stores	
Company	Sales (\$ Billions)	Number of Outlets	Company	Number of Outlets
Walmart	22.1	334	Meiyijia	37,943
RT-Mart	10.6	505	Yi Jie	28,635
HeMa Fresh	10.4	420	Kunlun Haoke	19,700
Yong Hui	10.2	775	Tian Fu	7,521
Wu Mart	8.0	918	LAWSON	6,652
Lian Hua	6.8	3152	Fu Rong Xing Sheng	5,838
CR Vanguard	6.7	2200	7-Eleven	4,639
Jia Jia Yue	4.2	902	Shi Zhu Zhi Shang	4,381
Zhong Bai	2.5	714	Hong Qi	3,447
Qian Da Ma	1.9	2959	Yi Zhan	2,960

Source: China Chain Store & Franchise Association

Sector Trends

Private Label

Retailers have expanded their private label offerings, shifting from low-cost products to those emphasizing quality and specialty appeal. Anchor retailers are actively developing private label lines, which now account for approximately 5 to 10 percent of SKUs in general supermarkets and over 30 percent at Sam's Club. Industry projects estimate that China's private label packaged food market will reach approximately \$80 billion by 2030, with an average annual rate of 6.5 percent. U.S. suppliers may explore partnerships in categories such as dried fruits, nuts, aquatic products, and beverages—areas that align well with evolving consumer preferences and retailer sourcing strategies.

AI-Driven Personalization

China's retail sector is undergoing rapid transformation driven by AI adoption, shifting consumer behaviors, and dynamic market conditions. By 2027, consumers are expected to rely on AI for smart shopping, with algorithms recommending products and providing tailored purchasing suggestions based on individual spending habits. U.S. exporters can enhance product visibility by aligning with AI-driven retail platforms through enriched digital content and targeted marketing strategies.

Silver Hair Economy

As China enters an aging society, the senior food consumption market is expanding. Producers are adapting by offering products that meet nutritional needs and feature senior-friendly packaging—such as larger fonts, smaller portions, and convenience-focused designs. Popular product categories include protein-rich beverages, dairy items like milk powder and yogurt, whey-based supplements, and lower-sugar snacks. These products are often promoted through platforms favored by older consumers, including WeChat Mini Programs and Pingduoduo. While e-commerce is growing, senior consumers still show a strong preference for traditional retail channels, especially supermarkets and community stores, where they can evaluate products in person.

Social Media Promotion

Social media plays a pivotal role in influencing consumer behavior across the shopping journey. In China, leading social media platforms include Little Red Book, WeChat, and Dou Yin (*Users of Chinese owned applications should review this [Data Security Business Advisory](#) from the Department of Homeland Security*). For example, each month, approximately 170 million users turn to Little Red Book for product recommendations, reviews, and inspiration. Social media has become a key driver of consumer engagement – serving as launchpad for trend discovery, trend adoption, and trend creation. U.S. stakeholders are encouraged to leverage these platforms to explore market opportunities, build brand awareness, and introduce new products tailored to Chinese preferences.

Sports and Outdoor Lifestyle Nutrition

China's growing interest in fitness, wellness, and outdoor recreation is driving demand for sports and lifestyle nutrition products. Consumers are seeking functional foods that support energy, endurance, and recovery—such as protein bars, high-fiber snacks, and functional beverages. The

outdoor lifestyle trend, including camping and pet-friendly travel, has gained traction over the past two years. Products marketed as “camping-ready” or “pet camping snacks” are resonating with younger, experience-driven consumers. U.S. ag exporters can tap into this trend with clean-label, portable products tailored for active lifestyles. Cross-border e-commerce offers a flexible entry point to test market interest and reach targeted consumer segments.

Section 3: Competition

China is the world’s second-largest economy and the third-largest importer of consumer-oriented agricultural products. However, from 2022 to 2024, import volumes declined steadily, driven by economic headwinds and continued improvements in domestic product quality. Encouragingly, an upward trend has emerged in the first five months of 2025, signaling a potential rebound in demand.

In the fresh fruit sector, the United States holds a minor 0.6 percent share, far behind Thailand, Chile, and Vietnam. However, new U.S. apple varieties are gaining popularity among urban consumers, offering a potential niche for growth. In contrast, U.S. beef exports command a more solid position, with a 10 percent share behind Brazil, Argentina, and Australia. Fresh and chilled beef imports increased in 2024, creating opportunities for premium U.S. offerings.

Dairy exports are led by whey products, which comprise nearly half of all U.S. dairy shipments to China, driven by demand for high-quality ingredients including feed ingredients in support of China’s livestock sector. Still, New Zealand dominates the category with a 47 percent market share. U.S. soup and food preparations stand out with a leading 22 percent share, supported by growing health awareness among Chinese consumers and preference for wellness-aligned products.

In the pork category, the United States ranks second with 18 percent, following Spain, and benefits from strong demand for offal products. The United States is the leading supplier of tree nuts, holding a 30 percent share, particularly in pistachios and almonds. Although imports of U.S. nuts to China have plummeted in 2025 due to tariff, domestic demand remains strong. U.S. poultry exports, particularly chicken paws, maintain a competitive position with 13 percent market share, behind Brazil, Thailand, and Russia.

Processed vegetables remain a challenge for U.S. exporters, with only a one percent share, despite strong interest in potato-based products like French fries. Similarly, in the meat products NESOI category, the United States holds 11 percent, meeting demand for animal by products as guts. Distilled spirits represent another uphill climb despite 2024 being a strong year for U.S. spirits at \$23 million in exports, with the United States capturing just one percent of the market, although demand for cost-effective American options is growing.

Table 3. China's Top Consumer-Oriented Products Imported from the World in 2024

Product	Supplier Market Share	Noteworthy Developments
Fresh Fruit Imports \$16.0 billion	1. Thailand: 31% 2. Chile: 25% 3. Vietnam: 23% ... 12. United States 0.6%	The top three fruits exported from the United States are cherries, citrus, and apples. New U.S. apple varieties are gaining popularity among urban consumers.
Beef & Beef Products Imports \$13.9 billion	1. Brazil: 44% 2. Argentina: 16% 3. Australia: 11% 4. United States: 10%	Demand for fresh and chilled beef products is increasing though current trade barriers limit options.
Dairy Products Imports \$12.4 billion	1. New Zealand: 47% 2. Netherlands: 15% 3. Germany: 8% ... 6. United States: 4%	Whey products represent nearly 50 percent of U.S. dairy exports to China, driven by strong demand on high quality ingredients.
Soup & Other Food Preparations Imports \$6.3 billion	1. United States: 22% 2. Germany: 15% 3. Australia: 15%	Driven by rising health awareness, consumers are increasingly seeking products aligned with wellness concepts.
Pork & Pork Products Imports \$4.7 billion	1. Spain: 25% 2. United States: 18% 3. Brazil: 13%	U.S. offal of swine is in strong demand in the Chinese market
Tree Nuts Imports \$3.7 billion	1. United States: 30% 2. Vietnam: 14% 3. Australia: 13%	Renowned for quality, the United States stands as China's top supplier of nut products – particularly pistachios and almonds, which lead among tree nut imports. In 2025, imports of U.S. nuts into China plummeted due to tariffs, yet domestic demand remains strong.
Poultry Meat & Prods (ex.eggs) Imports \$3.1 billion	1. Brazil: 50% 2. Thailand: 14% 3. Russia: 14% 4. United States: 13%	U.S. chicken paws, known for their high quality, are in strong demand in the Chinese market.
Processed Vegetables Imports \$3.0 billion	1. Thailand: 49% 2. Vietnam: 29% 3. Laos: 7% ... 8. United States: 1%	Potato-based products, particularly French fries, comprise more than 70 percent of U.S. processed vegetable exports to China.
Meat Products NESOI Imports \$2.6 billion	1. New Zealand: 27% 2. Australia: 24% 3. Indonesia: 17% 4. United States: 11%	Animal offal, bladders and stomachs are in strong demand in the Chinese market.

Distilled Spirits Imports \$2.1 billion	1. France: 57% 2. United Kingdom: 18% 3. Japan: 2% ... 7. United States: 1%	Demand for cost-effective U.S. distilled spirits is rising in the Chinese market.
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Source: BICO

Section 4: Best Product Prospects

Table 4. China's 2024 Top Consumer-Oriented Products Imported from the United States

Products	Calendar Year (\$ million)			Year-on- Year Growth	January-June		
	2022	2023	2024		2024	2025	%Δ 2025/24
Beef & Beef Products	2,074	1,577	1,550	-1.7%	768	461	-40%
Tree Nuts	802	1,185	1,065	-10.1%	347	41	-88%
Pork & Pork Products	1,218	1,092	994	-9.0%	466	379	-19%
Dairy Products	803	609	584	-4.1%	269	273	1%
Poultry Meat & Prods. (ex eggs)	1,089	719	481	-33.1%	208	148	-29%
Soup & Other Food Preparations	296	305	353	15.7%	170	165	-3%
Dog & Cat Food	264	258	297	15.1%	131	145	11%
Meat Products Nesoi	276	242	211	-12.8%	98	106	8%
Wine & Related Products	33	64	96	50.0%	74	16	-78%
Fresh Fruit	84	86	79	-8.1%	39	21	-46%

Source: BICO

Products Present in Market with Good Sales Potential

Dog and Cat Food: In 2024, China's pet market surpassed \$47 billion, reflecting a 5.8 percent increase from the previous year. Pet food sales contributed \$23 billion, representing 48 percent of the total market value. U.S. pet food accounted for more than 68 percent of China's total imports, highlighting its dominant position in the market.

Swine Offal: In 2024, the United States was the top exporter of swine offal products to China. These products play a prominent role in the traditional Chinese diet, yet domestic supply continues to fall short of meeting the substantial market demand.

Beef and Beef Products: Prior to the onset of trade tensions, demand for chilled beef products in China was experiencing steady growth. U.S. beef, known for its high quality, continues to enjoy strong recognition among Chinese consumers. However current market barriers are limiting the availability of U.S. products in the market.

Products Not Present in Market with Good Sales Potential

Ginseng Byproducts: As U.S. ginseng gains traction in food processing, demand is rising for its byproducts – including flowers, rootlets, and residues. These components offer strong potential for

use in health-oriented products such as teas, candies, and snacks, aligning with growing consumer interest in functional ingredients.

Alaska Wild Salmon Fish Roe: Alaska wild salmon roe remains relatively rare in retail channels. However, with rising consumer health awareness and greater visibility through promoted culinary dishes, more consumers are expected to recognize its benefits and begin incorporating it into home cooking.

Craft Beer: China remains the world's largest beer consumer, though overall beer consumption has been declining in recent years. In contrast, demand for craft beer continues to grow, reflecting a shift toward premium and differentiated products. During the first eight months of 2025, China increased beer imports from Spain, Germany, and Italy—an indicator of increasingly discerning consumer preferences. This evolving market presents strong potential for U.S. craft beer, which aligns well with China's rising interest in quality and variety. For more information see FAS China's report on [Navigating Opportunities and Challenges in China Imported Craft Beer Market](#).

Product Not Present in Market due to Significant Barriers

Organic Products: The absence of mutual recognition between U.S. and Chinese organic certification systems requires USDA-certified products to undergo re-certification in China to be labeled as organic. This additional step significantly increases operational costs for U.S. organic products sold in the Chinese market. However, U.S. exporters may explore cross-border e-commerce (CBEC) channels, where products can be marketed directly to Chinese consumers without requiring full domestic certification, offering a more flexible pathway for niche and premium organic items. For more information on the CBEC channel please see the [China CBEC GAIN report](#).

Section 5: Key Contacts and Further Information

International Trade Administration [Country Commercial Guides](#)

Reports on market conditions, opportunities, regulations, and business customs prepared at U.S. Embassies worldwide by the Commerce Department, State Department, and other U.S. agencies' professionals.

PRC Agencies Responsible for Food Polices and Import Polices

Ministry of Agriculture and Rural Affairs (MARA)

MARA is the cabinet-level executive department of the State Council that is responsible for agriculture and rural affairs in the country. MARA implements the guiding principles, policies, and decisions of the Chinese Communist Party (CCP) Central Committee on work related to agriculture, rural areas, and farmers. <http://english.moa.gov.cn/>

General Administration of Customs (GACC)

GACC, the headquarters of China Customs, is a key border agency with responsibilities of traditional customs, as well as border health checks, inspection, and quarantine for imported and exported animals, plants, and their products, imported and exported food safety, and commodity inspection. <http://english.customs.gov.cn/>

Table 5. FAS Office Contact Information

Organization	Provinces Covered	Telephone/Fax/E-mail
FAS, Office of Agricultural Affairs, Beijing	Entire China	Tel: (86-10) 8531 3600 Fax: (86-10) 8531 3636 AgBeijing@usda.gov
FAS, Agricultural Trade Office, Beijing	All other provinces that are not covered by ATOs Shanghai, Guangzhou, and Shenyang	Tel: (86-10) 8531 3950 Fax: (86-10) 8531 3974 ATOBeijing@usda.gov
FAS, Agricultural Trade Office, Shanghai	Zhejiang, Jiangsu, Shanghai, Anhui	Tel: (86-21) 6279 8622 ATOShanghai@usda.gov
FAS, Agricultural Trade Office, Guangzhou	Guangdong, Guangxi, Fujian, Hainan, Yunnan, Guizhou	Tel: (86-20) 3814 5000 Fax: (86-20) 3814 5310 ATOGuangzhou@usda.gov
FAS, Agricultural Trade Office, Shenyang	Heilongjiang, Jilin, Liaoning, Inner Mongolia	Tel: (86-24) 2335 5140 ATOShenyang@usda.gov

Attachments:

No Attachments