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Report Highlights:

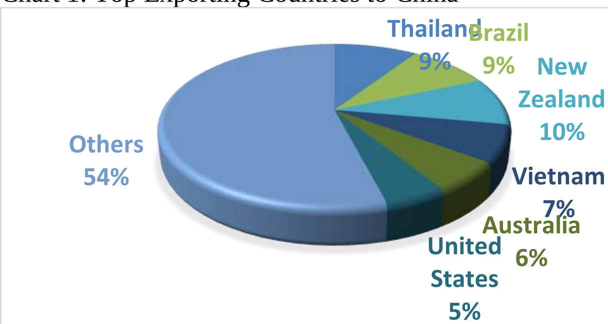
China, the world's second-largest importer of consumer-oriented agricultural products after the United States, saw its retail sector remain relatively stable in 2025, with total sales reaching $7 trillion. In 2025, China's top 100 supermarket chains generated $131 billion in sales, up 4.8 percent year-on-year, with the total number of stores reaching 21,027, 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. As consumer behavior continues to evolve, value-for-money purchasing has become the dominant trend, with discount stores and instant retail channels gaining significant traction, particularly in regional markets. Despite these shifts, U.S. products maintain a strong reputation among Chinese consumers, who continue to associate them with quality and safety.

Executive Summary:

China's GDP reached $19.6 trillion in 2025, reflecting a year-on-year growth of 5 percent and reinforcing its position as the world's second-largest economy. China remained one of the top markets for U.S. agricultural exports.

Consumer-Oriented Agricultural Imports

Chart 1: Top Exporting Countries to China



Source: Trade Monitor

Food Retail Industry:
In 2025, China's total retail sales of consumer goods reached $7.06 trillion, marking a 3.7 percent year-on-year increase. Convenience stores saw the strongest growth at 5.5 percent, followed by supermarkets and specialty stores. Department store sales remained flat by brand exclusive stores saw a modest decline.

Food Processing Industry:
According to the Ministry of Agricultural and Rural Affairs, China's food/agricultural processing industry saw revenues estimated at $2.5 trillion in 2025 with over 100,000 registered companies. Specifically, pre-cooked food and prepared meals is a rapidly rising sector with market value estimated at $116.2 billion.

Food Service Industry:
China's food/catering service sales reached $812 billion (RMB5.8 trillion) in 2025, up 3.2 percent from 2024.

Quick Facts CY 2025

Imports of Consumer-Oriented Products
$8.4 billion

List of Top 10 Growth Products in Host Country

1) Fresh Fruit	2) Beef Products
3) Dairy Products	4) Soup & Other Prep.
5) Pork Products	6) Processed Veg,
7) Tree Nuts	8) Other Meat Prod.
9) Processed Fruits	10) Poultry Products

Food Industry by Channels (U.S. billion)

Retail Food Industry	$706
Food Service-HRI	$812
Food Processing	$2.521
Food and Agriculture Exports	$75

Top 10 Host Country Retailers (by sales)
Walmart (Sam's Club)
HeMa Fresh, RT-Mart, Wu Mart, Yong Hui
Lian Hua, Jia Jia Yue, CR Vanguard, Qian Da Ma
Pang Dong Lai

GDP/Population
Population: 1.4 billion
GDP: $19.6 trillion
GDP per capita: $13,862

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

Strengths/Weaknesses/Opportunities/Threats:

Strengths	***Weaknesses***
- U.S. products have a reputation in China for high quality and food safety.	-Enhanced local product competitiveness -China's economic recovery has been weaker than expected.
Opportunities	***Threats***
-A significant number of potential consumers in second tier and third tier cities remain untapped.	- Third country competition. -Market access restrictions.

Section 1: Market Summary

In 2025, China's total retail sales of consumer goods reached $7.06 trillion, marking a 3.7 percent year-on-year increase. By retail format, in 2025, the retail sales of convenience stores, supermarkets, department stores, and specialty stores among retail enterprises (units) above the designated size increased by 5.5%, 4.3%, 0.1%, and 2.6% year on year, respectively; those of brand-exclusive stores declined by 0.6% year on year.

It is worth noting that while consumers pursue individuality and emotional satisfaction, they are also placing higher demands on product functionality, durability, and long-term cost of ownership, driving the market to evolve toward a healthy structure of "high quality at a reasonable price." (Value for Money). The competition among e-commerce giants is not limited to online traffic and logistics capacity deployment; it has also further driven e-commerce platforms to actively expand into offline physical spaces. Major platforms are accelerating their layout of community discount stores, forward distribution centers, and brand experience stores through partnerships, or renovations—transforming these into the network foundation for instant retail fulfillment.

Table 1. Advantages and Challenges for U.S. Food and Agriculture Products in China

ADVANTAGES	CHALLENGES
Strong reputation for high-quality, safe and traceable food products.	Intense competition from low-cost suppliers 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.	Host government policy affects importer purchasing decisions.
Capability to offer differentiated products and support private label development.	Domestic products benefit from strong cultural relevance and brand familiarity among Chinese consumers.

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* report. 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 2025, China's top 100 supermarket chains generated $131 billion in sales, up 0.3 percent year-on-year, with the total number of stores reaching 20,000, 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.

In 2025, chain supermarkets experienced a mild performance recovery driven by rebounding sales and customer traffic, with standard and community formats outperforming hypermarkets. In response to shifting market dynamics, retailers have broadly adopted a cautious "existing-store optimization" strategy (with 81 percent executing store revamp initiatives, the vast majority yielding positive results) rather than relying on aggressive network expansion. Convenience stores face decelerating growth alongside intense pressure from instant retail and front-warehouse networks, while low-cost snack discounters are compelling traditional supermarkets to seek product differentiation. Looking ahead, key industry priorities include re-engineering category structure to align with consumer polarization and demand for extreme value-for-money, investing prudently in fresh produce and cold-chain capabilities, leveraging AI technology to achieve operational excellence, and re-orienting core business operations around customer experience and demand-driven service.

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. 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:

In 2026, the total online sales scale of China's Top 100 Online Retail Enterprises reached RMB 2.21 trillion (329.45 billion USD). This year's list of China's Top 100 Online Retail Enterprises includes 33 retail channel enterprises and 67 consumer goods enterprises (comprising 23 home appliance and home goods companies, 15 household cleaning, personal care, and cosmetics companies, 12 food and beverage companies, 12 apparel and footwear companies, and 5 gold, silver, and jewelry companies). In terms of online sales scale, among the Top 100 enterprises, 4 companies—JD.com, Alibaba, Midea, and Walmart top the list. With over 600 million live-streaming users, China now leads the world in live-streaming e-commerce, reshaping consumer engagement and product discovery. In 2025, China's retail sector saw its strongest growth in content-driven e-commerce platforms such as Douyin and Little Red Book, which expanded by 41 percent. General e-commerce platforms, including Tmall and JD.com, recorded more modest growth of five percent.

E-commerce platforms and social media have become central to China's food retail landscape, and profoundly reshaped how consumers discover, purchase, and interact with food products. In 2025, online retail sales in China grew 8.6 percent to approximately $223.7 billion, versus a 3.7 percent growth in overall total retail. Platforms such as Douyin (China's TikTok), Red Note, and Pinduoduo leverage content, recommendations, and interactive livestreams to engage shoppers in ways that traditional e-commerce cannot, boosting impulse purchases of packaged food and beverages.

Discount Snack Chains: Notable growth and popularity of discount snacks chains in China. Ming Ming Hen Mang, a leading discount snack chain, ranked third of Top 100 Chain Enterprises in China, with $13.75 billion in sales, climbing seven spots. The company delivered exceptional performance, with sales up 68.5 percent and its store count increasing 52.5 percent year over year.

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 Chain

Supermarket			Convenience Stores	
Company	**Sales ($ Billions)**	**Number of Outlets**	**Company**	**Number of Outlets**
Walmart (Sam's Club)	28.8	342	Meiyijia	40,147
HeMa Fresh	15.7	970	Yi Jie	28,689
RT-Mart	9.9	502	Kunlun Haoke	19,814
Wu Mart	8.57	807	Tian Fu	7,718
Yong Hui	8.54	403	LAWSON	7,068
Lian Hua	6.7	3089	Zuoling Youshe	6,238
Jia Jia Yue	4.14	861	Fu Rong Xing Sheng	5,940
Qian Da Ma	1.92	2903	7-Eleven	5,565
Pang Dong Lai	1.86	13	Shi Zhu Zhi Shang	4,217
Zhongbai	1.85	483	Xiamen Jianfu	3,680

Source: China Chain Store & Franchise Association

Sector Trends

- **Private Label:** Private label penetration also continued to rise. The share of consumers purchasing private label products at convenience stores increased from 71 percent in 2024 to 83 percent in 2025, reflecting growing acceptance of retailer owned brands. China's private label market, while underdeveloped at roughly 8 percent penetration compared to over 30 percent in Europe, holds strong growth potential as private labels evolve from low-cost alternatives into strategic assets that build consumer loyalty and retailer competitiveness. Most Chinese retailers remain in the early stages of private label development, positioning private labels as a key tool for differentiated consumer value and stronger brand equity in an increasingly supply-chain-driven retail landscape. The goal is to earn and maintain consumer trust through a combination of reliable staple products and innovative offerings. China: Grocery Private Label Food Business in China

- **AI-Driven Personalization:** The full-scenario penetration of AI technology has evolved from traditional e-commerce's "you may also like" recommendations to deep AI prediction. The penetration rate of generative AI has already reached 18 percent, and user habits are shifting toward "personalized solution generation" (such as “generate for me a 500 RMB outdoor product solution"). As business models upgrade, more retailers are seeking ways to adopt AI to increase experience and revenue. Retailers have invested heavily in video and social media.

- **Disintermediation in Retail**: China's market stands out for its massive scale, high density, and multi-tiered structure. Its complex distribution system makes it difficult for retailers to achieve end-to-end efficiency, while warehousing and logistics networks struggle to meet fragmented demand. However, disintermediation is now reshaping their role: rather than simply moving goods and capturing price spreads, distributors are becoming partners who match demand, manage brands and operations, and support retail activity.

- **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.

Section 3: Competition

China is the world’s second-largest economy and the second-largest importer of consumer-oriented agricultural products. However, from 2023 to 2025, import volumes declined steadily, driven by economic headwinds and continued improvements in domestic product quality.

China’s top consumer product imports are fresh fruit, beef, dairy, soup and other preparations, pork, processed vegetables, tree nuts, other meat, poultry, and spirits.

Fresh Fruit: Despite being China’s largest agricultural import category, the United States holds just 0.3 percent of the fresh fruit market, trailing Thailand, Vietnam, and Chile, which together account for nearly 80 percent of imports. This significant gap suggests substantial untapped potential, with the growing popularity of new U.S. apple varieties among urban consumers offering a positive signal for expanding U.S. market share. High tariffs remain the primary barrier limiting U.S. competitiveness. Even so, the introduction of new U.S. varieties is helping raise consumer awareness and may gradually narrow the gap

Beef & Beef Products: The United States faces competition from Brazil, Australia, and Argentina, which together accounted for more than 80 percent of China’s beef imports in 2025, compared with 4 percent for the United States. While Brazil competes primarily on scale and price, Australia has a strong premium position; growing Chinese demand for beef as a higher-quality protein, particularly in retail, offers opportunities for U.S. suppliers to differentiate.

Dairy Products: The United States competes primarily with New Zealand, the Netherlands, and Germany, which collectively dominate China’s dairy imports, but the market is shifting toward higher-value products even as overall dairy demand softens. Rising cheese demand, stable butter imports, and continued whey demand create opportunities for U.S. exporters, particularly in whey, which accounts for nearly half of U.S. dairy exports to China, rather than commodity milk powders.

Soup & Other Food Preparations: The United States is the leading supplier of soup and other food preparations, with a 21 percent market share, ahead of Germany and Australia. Rising consumer interest in health and wellness aligns well with the strengths of U.S. brands and provides an opportunity to defend and expand the U.S. lead through innovative, value-added products.

Pork & Pork Products: Spain leads China’s pork import market, but the United States holds a strong second-place position with 15 percent, ahead of Brazil and other competitors. U.S. pork is particularly competitive in swine offal, a specialty category with strong and sustained demand in China.

Processed Vegetables: The United States faces intense competition from Thailand and Vietnam, which together account for nearly 80 percent of China’s processed vegetable imports, with Laos also gaining market share. The U.S. holds only 0.7 percent of the market, with potato products, particularly French fries, and sweet corn representing the primary U.S. export opportunities.

Tree Nuts: The United States competes with Vietnam, Australia, and Thailand in a rapidly growing Chinese tree nut market, where consumption has increased about 5 percent annually over the past five years. China remains a major net importer, particularly of pistachios, almonds, and pecans, creating continued opportunities for U.S. suppliers despite strong competition from regional suppliers and processors.

Meat Products NESOI: The United States holds a 9 percent share of China's imports in this category, competing primarily with New Zealand, Australia, and Indonesia. U.S. suppliers have strengths in offal and sausage products, where established Chinese demand provides opportunities despite the competitive advantage of nearby suppliers.

Poultry Meat & Products (Excluding Eggs): The United States is a major supplier with a 16 percent share, competing with Brazil, Russia, and Thailand, which together account for nearly 80 percent of the market. U.S. poultry is particularly competitive in chicken paws, a specialty product for which Chinese demand remains strong, helping the United States maintain a significant position despite Brazil's dominance.

Distilled Spirits: The United States holds just 1.5 percent of China's distilled spirits market, well behind France and the United Kingdom, which dominate the category, with Japan also a notable competitor. However, rising Chinese demand for cost-effective spirits may create a distinct value-tier opportunity for U.S. brands rather than requiring direct competition with premium French and British offerings.

Table 3. China's Top Consumer-Oriented Products Imported from the World in 2025

Product	Supplier Market Share	Noteworthy Developments
Fresh Fruit Imports $16.5 billion	1. Thailand: 30% 2. Vietnam: 26% 3. Chile: 23% … 13. United States 0.3%	In 2025, China's total fruit imports reached 9 million metric tons, a 17 percent increase from 2024.
Beef & Beef Products Imports $15 billion	1. Brazil: 53% 2. Australia: 15% 3.Argentina: 13% … 5. United States: 4%	Affluent Chinese consumers increasingly view beef as a healthier meat option. While foodservice has traditionally been the primary channel for beef consumption, retail sales are growing.
Dairy Products Imports $13.8 billion	1. New Zealand: 49% 2. Netherlands: 15% 3. Germany: 8% … 6. United States: 4%	Cheese imports are expected to increase as consumer and food service demand for high-quality products grows. Butter imports remain stable as processors shift milk toward higher-value products, while demand for whey remains strong due to its widespread use in food and animal feed.
Soup & Other Food Preparations Imports $7.4 billion	1. United States: 21% 2. Germany: 15% 3. Australia: 10%	Rising health awareness is driving consumers to seek products that align with health and wellness trends.
Pork & Pork Products Imports $4.3 billion	1. Spain: 27% 2. United States: 15% 3. Brazil: 10%	U.S. swine offal remains in strong demand in the Chinese market.

Processed Vegetables Imports $3.5 billion	1. Thailand: 46% 2. Vietnam: 33% 3. Laos: 7% … 8. United States: 0.7%	Potato-based products, particularly French fries, account for more than half of U.S. processed vegetable exports to China, with sweet corn representing the other major U.S. export.
Tree Nuts Imports $3.2 billion	1. Vietnam: 21% 2.Australia: 20% 3.Thailand: 11% … 6. United States:7.3%	China's demand for tree nuts continues to grow, with consumption increasing by about 5 percent annually over the past five years and now accounting for approximately 15 percent of global consumption.
Meat Products NESOI Imports $2.7 billion	1. New Zealand: 31% 2. Australia: 25% 3. Indonesia: 14% 4. United States: 9%	U.S. offal and sausage products are in strong demand in the Chinese market.
Poultry Meat & Prods (ex.eggs) Imports $2.1 billion	1. Brazil: 38% 2. Russia: 21% 3. Thailand: 19% 4. United States: 16%	U.S. chicken products, particularly chicken paws, continue to see strong demand in the Chinese market.
Distilled Spirits Imports $1.8 billion	1. France: 41% 2. United Kingdom: 22% 3. Japan: 3% … 6. United States: 1.5%	Demand for cost-effective U.S. distilled spirits is growing in the Chinese market.

Source: TDM

Section 4: Best Product Prospects

Table 4. China's 2025 Top Consumer-Oriented Products Imported from the United States

	Calendar Year ($ million)			Year-on-Year Growth	January-May		
Products	**2023**	**2024**	**2025**		**2025**	**2026**	**%Δ 2026/25**
Beef & Beef Products	1,609	1,583	496.6	-31%	446	17.1	-96.2%
Tree Nuts	1,183	1,064	90.9	-91.4%	28.1	63.3	125.6%
Pork & Pork Products	1,239	1,113	856.7	-23%	357.6	373.3	4.4%
Dairy Products	607	583.6	523	-10.2%	213.8	219.3	2.6%
Poultry Meat & Prods. (ex eggs)	719.6	481	282	-41.3%	121.2	105.8	-12.7%
Food Preparations	285	330	364	10.3%	124	228	83.6%
Dog & Cat Food	258	297	245	-17.5%	114.2	86.4	-24.3%
Meat Products Nesoi	61.2	58.5	78.3	34%	30.5	37.9	24.1%
Wine & Related Products	63.9	95.8	26.3	-72%	11.3	7.3	-35.3%
Chocolate & Cocoa Products	25	39	41	5%	17.3	27.5	58.5%

Source: BICO

Products Present in Market with Good Sales Potential

Dog and Cat Food: China's pet industry reached $43.4 billion in 2025, largely driven by the growth in per-pet spending and reflecting a shift from volume-driven to value-driven. The United States remains the largest exporter to China market. According to U.S. Census Bureau Trade Data, the United States exported $ 244.7 million of U.S. pet food under H.S. code 2309.10 (dog and cat food for retail sale) during 2025. This reflects a 17 percent decrease from 2024 which was a record year.

Confectionaries and chocolate: Confectionery and chocolate have strong sales potential in China due to the market's large scale (over $12 billion in 2024) and steady growth (4–5 percent annually), fueled by rising health consciousness, premiumization, and product innovation such as dark chocolate, organic options, and functional ingredients. Strong seasonal demand around holidays like the Spring Festival, along with more everyday occasions to enjoy chocolate and trusted U.S. brands like Hershey's and M&M's also support this growth potential.

Effervescent wines, Low/No Alcoholic Beverages: In 2025, China's total wine imports reached approximately $1.4 billion, declining 11 percent year-on-year. Despite the overall drop in import volume, Industry sees the strongest growth potential in sparkling wine and low-/no-alcohol wines through 2027.

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.

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.

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. Sales of organic products in China reached $17 billion in 2024, making it the third-largest organic market after the United States and Germany. Fueled by rising consumer awareness, concerns about health and sustainability, urbanization, and increasing disposable income, the market is expanding rapidly. While challenges such as regulatory barriers and domestic competition persist, products can capitalize on opportunities through cross-border e-commerce and by leveraging the trusted USDA Organic certification seal. (China Organic Products Report) For more information on the CBEC channel please see the China CBEC GAIN Report

Section 5: Key Contacts and Further Information

U.S. 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 provinces not covered by other ATOs	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