



The future of Retail and Consumer Product is happening in China NOW



10 global trends in retail

5 Disruptive threats

01

AI shopping agents become the new front door to Retail

02

Price transparency fragments baskets and breaks traditional pricing

03

Retail media and marketplaces may be fundamentally challenged

04

Scale advantages become even stronger

05

Algorithmic pricing creates trust risks

5 Disruptive opportunities

06

Hyper personalization at all touchpoints finally gets real

07

AI automation decouples HQ head-count growth from revenue growth

08

The path from trend to shelf gets dramatically shorter

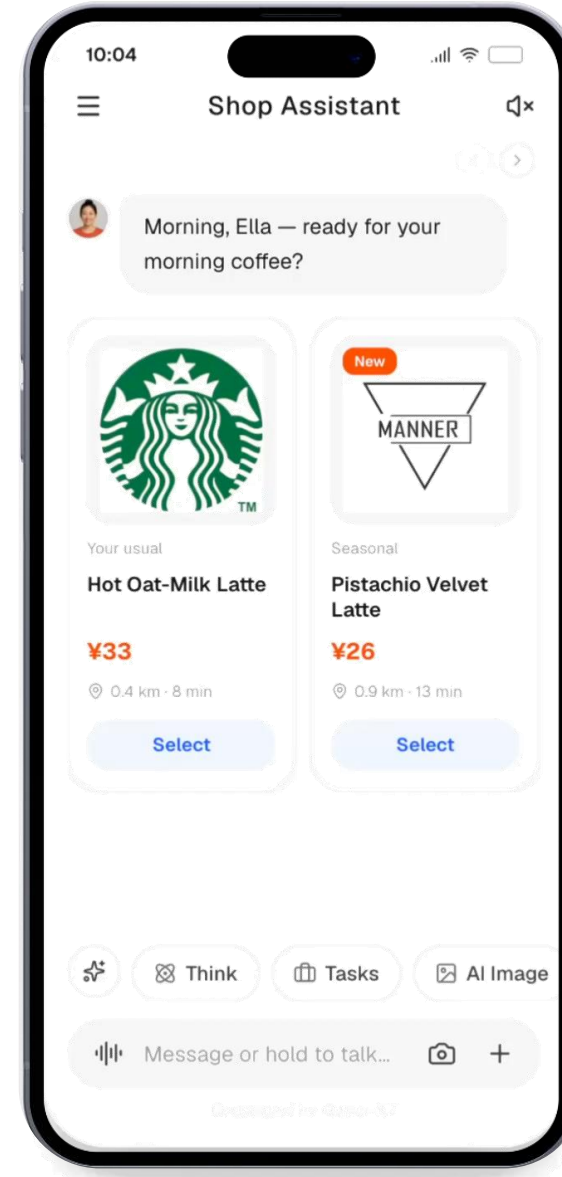
09

Retail may need fewer stores – but better ones

10

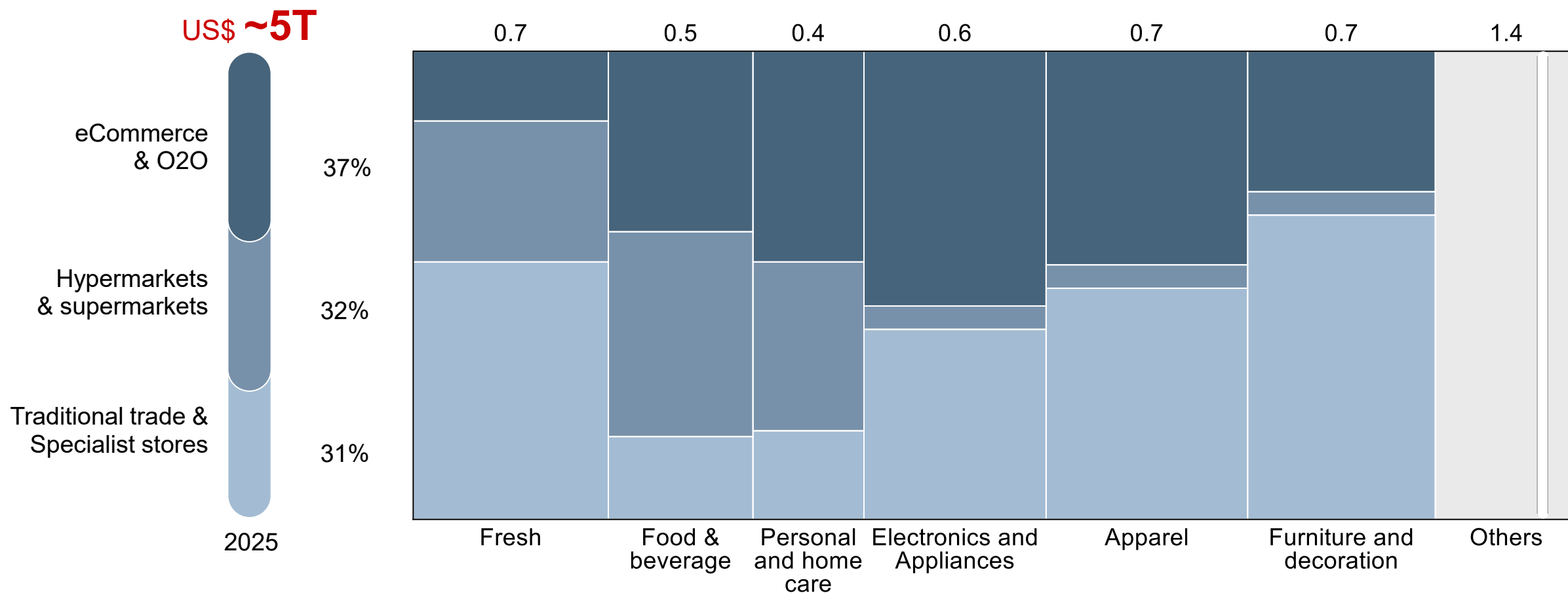
Autonomous delivery rewrites last-mile economics

When agentic commerce meets quick commerce, shopping experience can be revolutionized



The story you know: eCommerce penetration is high in China

China retail market¹ by category by channel (2025, T USD)



Note: 1. Commodity retail excl. auto and petroleum products; 2. others include categories of jewelry, medicine, office goods, sports goods, books etc.
Source: National Bureau of Statistics; Euromonitor; lit search; Bain analysis

The story you may not know: Market is quickly shifting to quick commerce



When delivery is instant, the basket breaks

Traditional
hypermarket



of items per basket

6-8



12-18

Quick
commerce

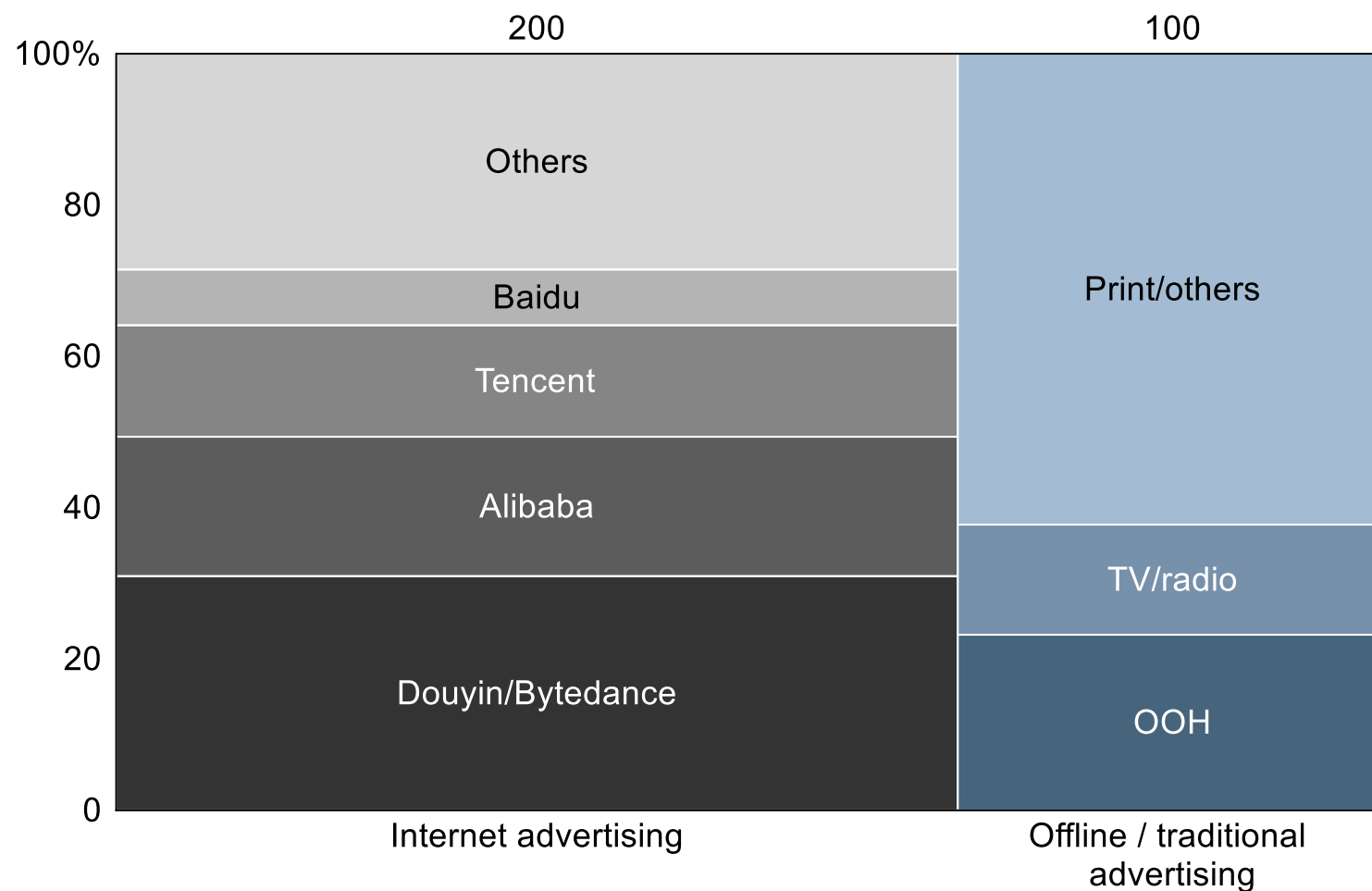


3-4

China's media spend has moved online

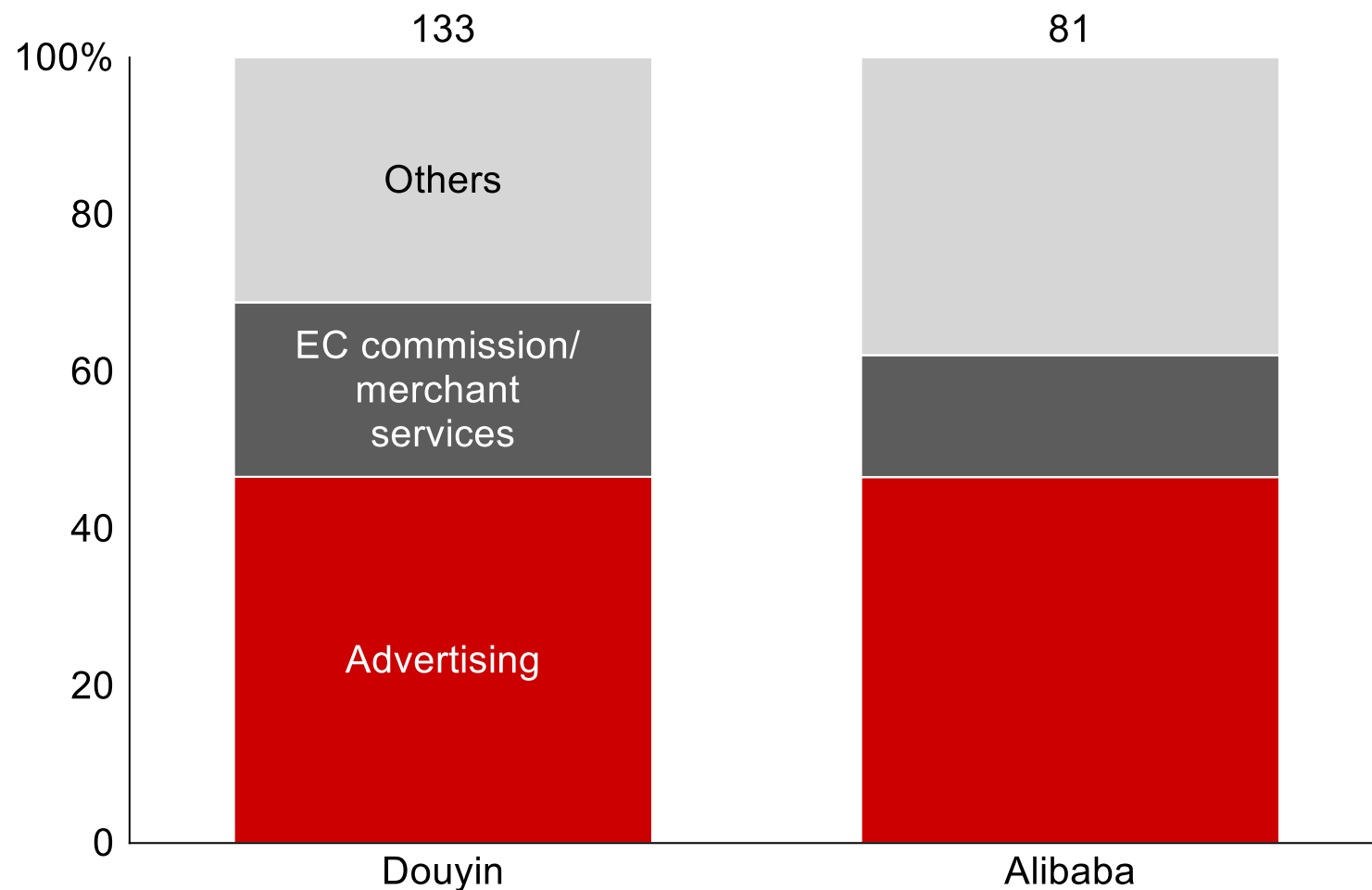
China advertising industry business income (2025, B USD)

Total = 300B USD



**Alibaba and Douyin
(Tiktok) are
practically retail
media companies**

Total company revenue (2025, B USD)



Hyper-personalization is becoming an operating system



- **100+** user tags
- **400+** micro-segments
- **000's** of marketing combinations
- **Daily** review and optimization

But personalization can create trust risks



**Perceived algorithmic price discrimination
eroding consumer trust**

68%

loyalty consumers complained or sought refunds after learning they paid more than others



**Consumer countermeasures
are undermining the quality of platform data**



I deliberately search for 'clearance,' 'free shipping,' and 'near-expiry'. This is my **'Cyber-Poverty' disguise**"

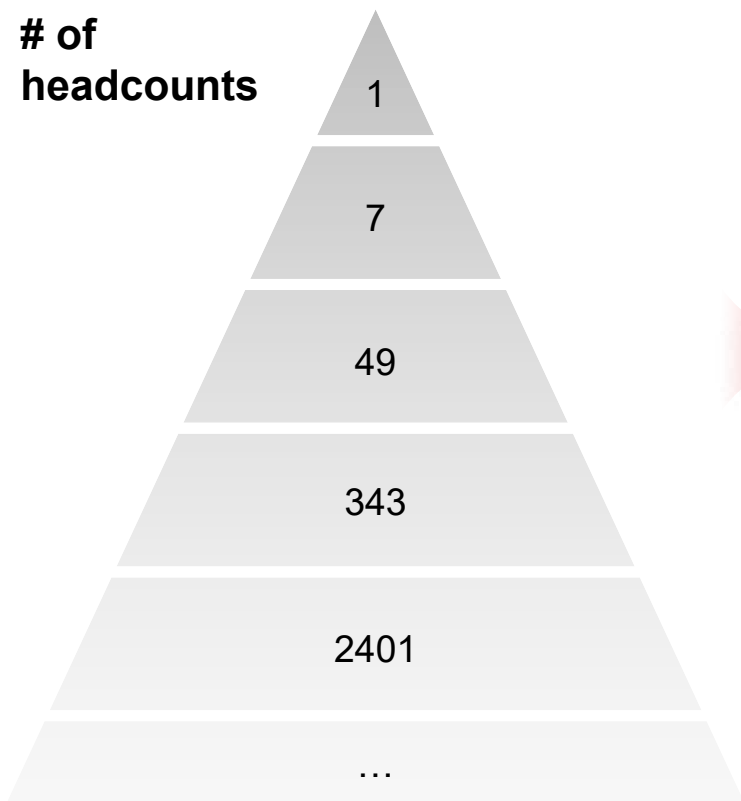
Xiaohongshu (Red Note) User

AI is reshaping the “carbon-based life form” organization set up

From:

‘Carbon-based’ pyramid

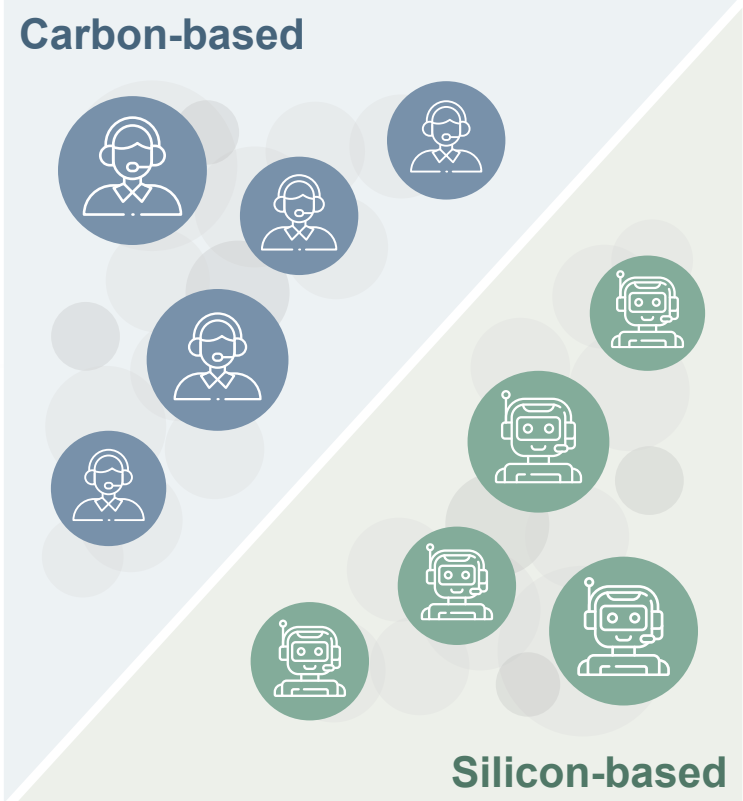
of
headcounts



To:

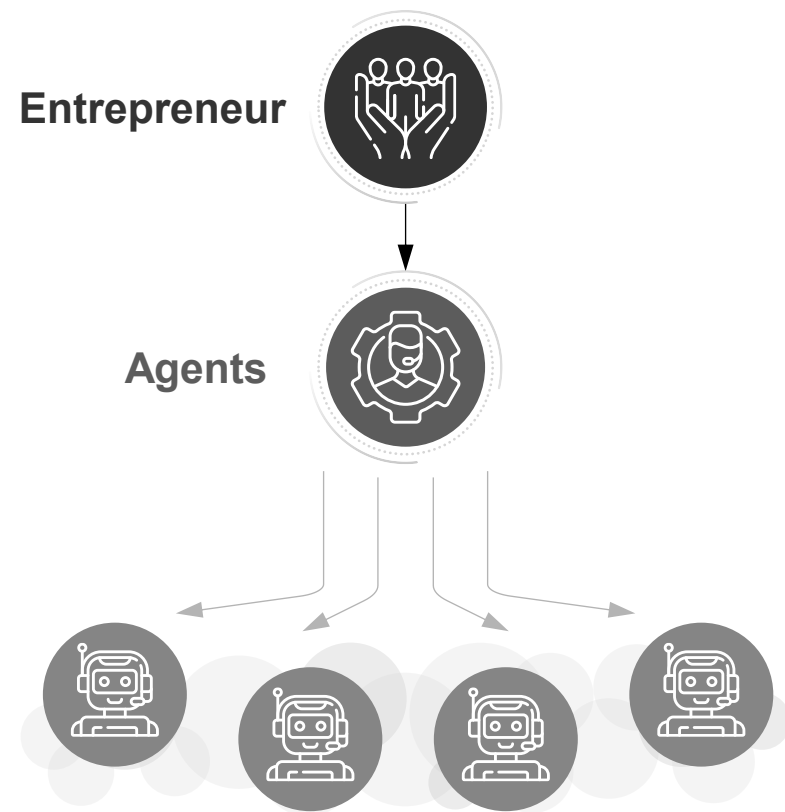
**Hybrid structure of humans
+ agents**

Carbon-based



Or even:

One-Person-Company (OPC)



Path from trend to shelf gets dramatically shorter

Leading retailers' new innovation approach for own brands

Light modification



Stronger
matcha
flavor

20-45 days

**New products in
mature categories**



New
yogurt
flavor

45-60 days

**New ingredients/
new processes**



Dried durian
snack

6 months+

Robots and drones are gradually taking over last mile delivery



Robots from warehouse to last mile



Indoor delivery robots



Drone delivery

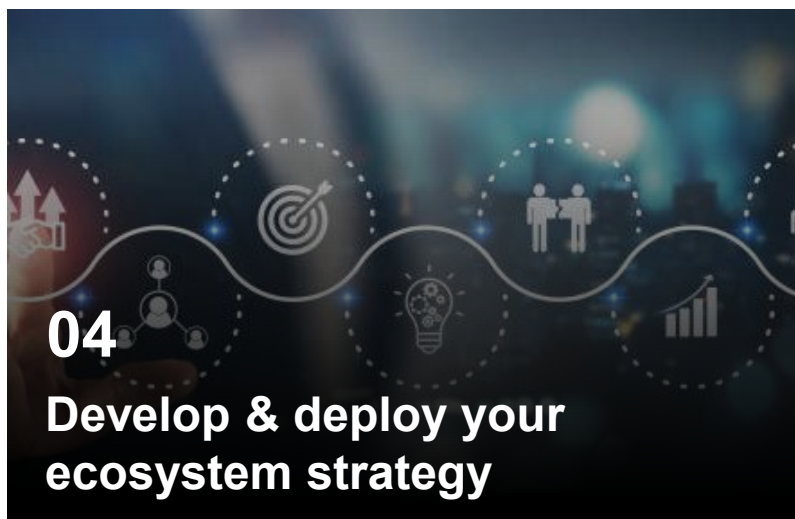
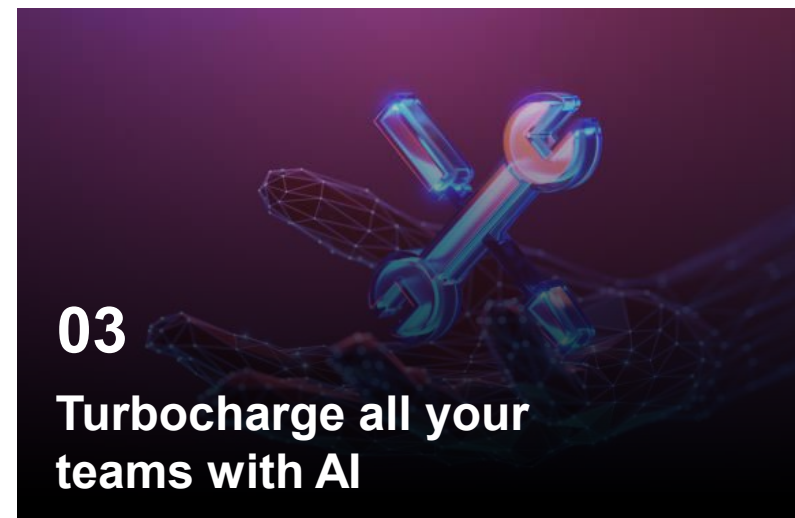


Robots fulfillment **2+%** of total fulfillment orders

~135M robot-delivered orders

25-50% order penetration for key areas (e.g., closed campuses) in pilot cities

Imperatives for retailers to survive, thrive and win



China Consumers: Value is under scrutiny – but love still pays

Emotional Value



100-400%
premium



Culture Identity



50-100%
premium



Healthiness & Convenience

元气森林



40%
premium



CPGs: Win the prompt, or miss the shortlist

Local players

LLM PROMPTS	#1	#2	#3
Best affordable anti-aging set	L'ORÉAL	KANS 韩束	PROYA 珀莱雅
Best gentle cleanser for sensitive skin	CeraVe	半亩花田 LITTLE DREAM GARDEN	溪木源 simcare
Best skincare for eczema-prone skin	溪木源 simcare	CeraVe	WINGNA 薇诺娜
Best affordable sensitive skincare	溪木源 simcare	玉泽 Dr. Yu	Avène
Best fragrance-free skincare	Cetaphil	CeraVe	Vaseline

Big bets to win with the future winners

KANS 韩束



 韩束官方旗舰店 粉丝: 1333.9万 旗舰店账号	 韩束KANS官方直播間 粉丝: 10.1万 旗舰店账号	× 2	
 韩束官方旗舰店 护肤精选 粉丝: 1.48万 旗舰店账号	 韩束洗护清洁 旗舰店 粉丝: 7.3万 旗舰店账号	 韩束院线 护肤专场 粉丝: 2.3万 旗舰店账号	× 3
 韩束官方旗舰店 彩妆号 粉丝: 15.7万 旗舰店账号	 韩束官方旗舰店 身体乳 粉丝: 28.4万 旗舰店账号	 韩束官方美白 抗皱直播间 粉丝: 5.5万 旗舰店账号	× 3
 韩束官方旗舰店 红蛮腰直播 粉丝: 123.1万 旗舰店账号	 韩束官方旗舰店 金剛快眼膜 粉丝: 9.85万 旗舰店账号	 韩束官方旗舰店 水光膜 粉丝: 25.4万 旗舰店账号	× 18
 韩束PDRN三文鱼 水乳霜官方直播间 粉丝: 43.7万 旗舰店账号	 韩束官方旗舰店 377美白水乳 粉丝: 42.8万 旗舰店账号	 韩束红蛮腰 洁面膏 粉丝: 71.6万 旗舰店账号	...



#1 Beauty brand on Douyin in 2024 & 2025

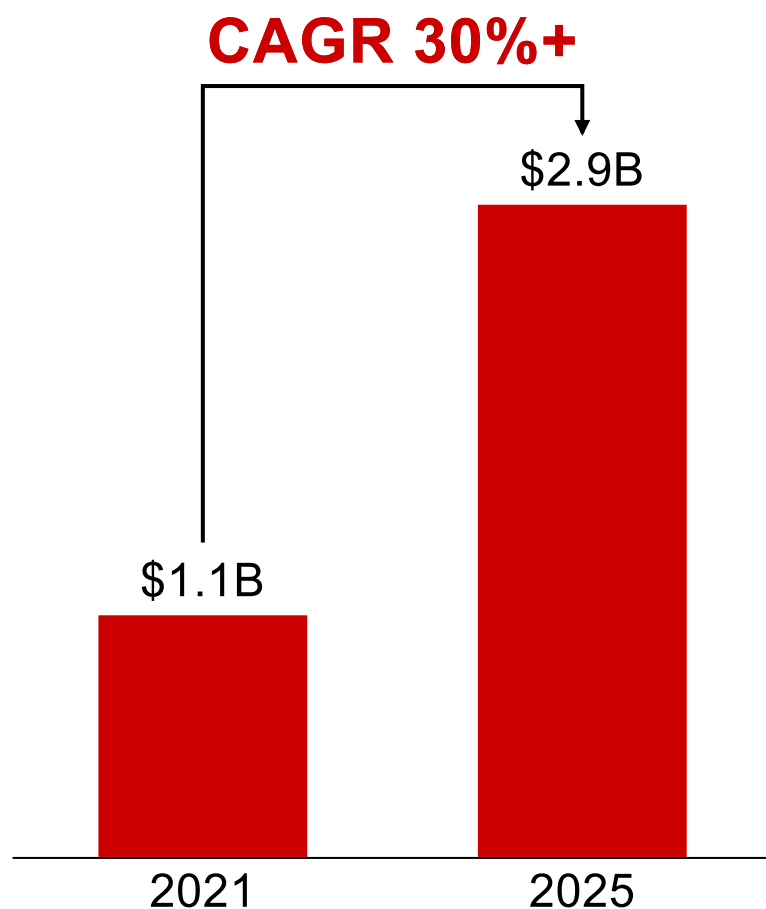
Reimagine business model and reconstruct trade via digitalization

AI visualization for demonstration



Reimagine business model and reconstruct trade via digitalization

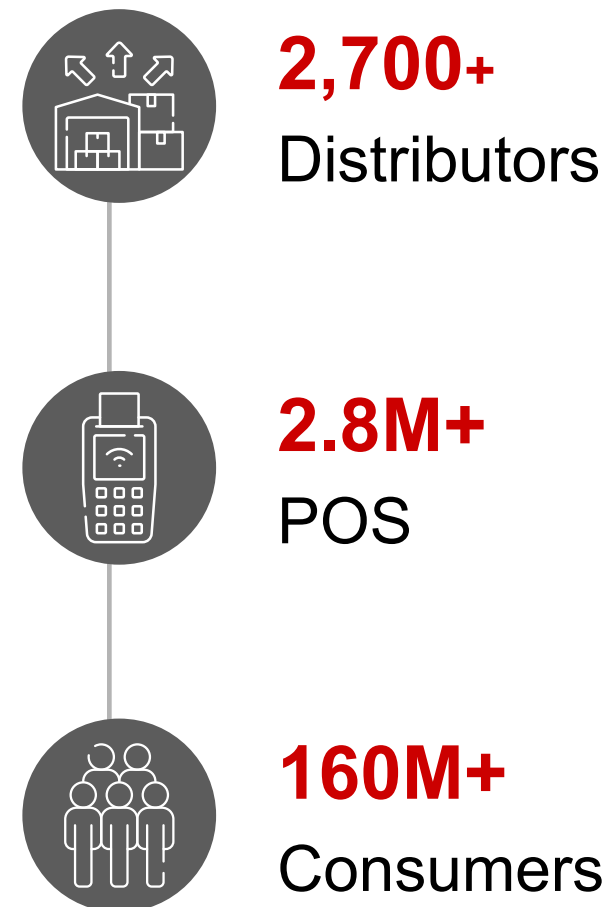
Company revenue growth



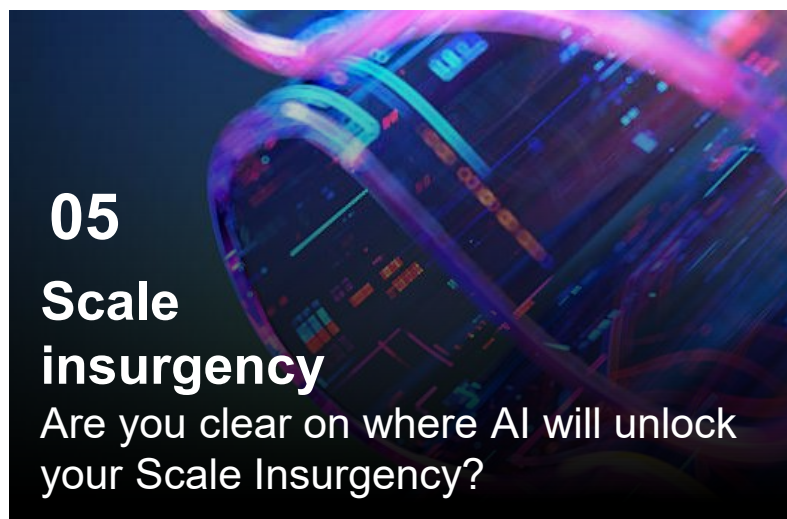
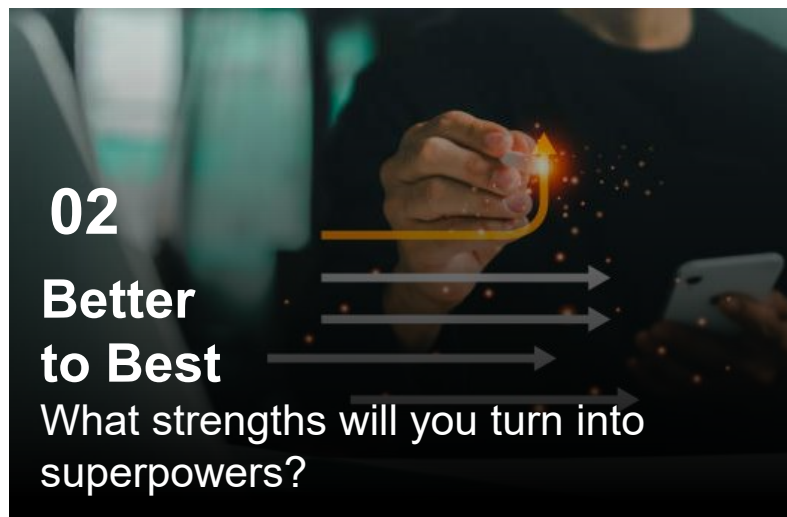
New product launch

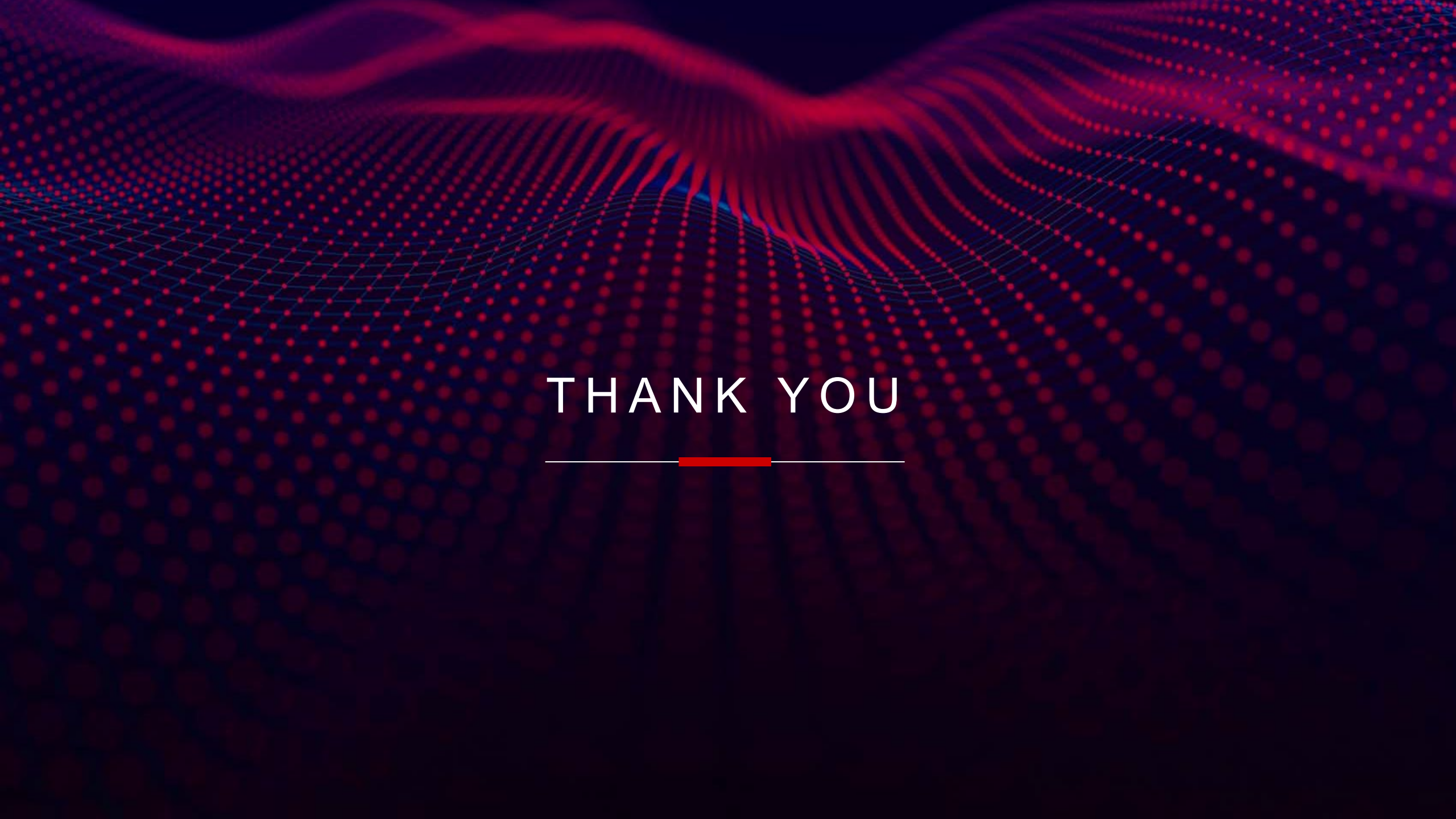


Ongoing scan coverage



Six strategic questions to help CPGs navigate the future



The background features a dark blue field with a grid of small red dots. Overlaid on this are wavy, translucent lines in shades of red and blue, creating a sense of depth and movement.

THANK YOU
