E-tailers go big on instant retail

E-commerce platforms bank on lucrative food delivery services

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China's instant retail sector is expected to see speedy growth as leading e-commerce platforms are banking on the lucrative on-demand food delivery services to drive new sources of revenue and reconstruct the traditional retail landscape, experts said.

They called on enterprises to ramp up technological innovation, optimize logistics networks and improve delivery efficiency, while leveraging personalized recommendation methods and high-quality services to elevate the user experience.

Meanwhile, authorities and industry associations should introduce relevant regulations and standards to promote the healthy development of the instant retail market, they added.

Alibaba Group has recently upgraded its one-hour delivery platform and launched Taobao Instant Commerce, as part of a broader push to march into the fast-growing instant retail market.

The service, which operates in more than 50 major cities across the nation, promises deliveries for various goods beyond food, such as electronics, clothing and flowers within an hour. The orders are fulfilled by Ele.me, Alibaba's food delivery unit.

A shopper in Beijing places an order using Taobao Instant Commerce. PROVIDED TO CHINA DAILY

To attract customers, Taobao is increasing subsidies and offering discounts on items like milk tea. The platform will make use of its advantages in online flagship stores, and strengthen cooperation with local warehouses and offline retail sites to cater to consumers' rising demand for speedy and affordable instant delivery services.

The sharp increase in the number of orders from Taobao Instant Commerce has led to a significant surge in Ele.me's order volume in many cities. Taobao said the number of daily orders has surpassed 40 million, with the daily order volume in 39 cities breaking historical records.

Alibaba's move came after e-commerce platform JD's entry into the highly competitive food delivery sector. JD has provided comprehensive support like low or zero commission fees to catering merchants who register on its platform, and stepped up the recruitment of full-time delivery riders.

Instant retail refers to a model where shoppers place orders on online trading platforms, followed by retailers from brick-and-mortar stores executing door-to-door deliveries themselves or through third-party delivery platforms. An on-demand delivery order usually requires 30 to 60 minutes to be completed.

Food delivery platform Meituan has rolled out its instant retail service "flash purchases", vowing to provide 24-hour shopping services with deliveries finished within approximately 30 minutes. Customers can select from a wide range of products, including fresh produce, snacks, electronics, beauty items and pet care supplies.

Industry observers pointed out that the traditional e-commerce industry is slowing down, while the growth rate of the instant retail market is expected to stay above 20 percent.

According to a report from the Chinese Academy of International Trade and Economic Cooperation, the market scale of China's instant retail sector reached 650 billion yuan ($90.5 billion) in 2023, up 28.89 percent year-on-year. The figure is expected to surpass 2 trillion yuan in 2030.

"Instant retail is regarded as an important development direction for the future retail sector as enterprises can expand their scope of services, enhance user stickiness, and leverage their existing logistics and supply chain advantages to explore new growth points through instant retail," said Hong Yong, an associate research fellow at the Chinese Academy of International Trade and Economic Cooperation.

Hong said at present, the competition in the on-demand retail market is becoming increasingly fierce, with major players including e-commerce platforms, local life service enterprises and traditional retailers upping the ante in the sector, adding that the key to success is centered on the optimization of the user experience, expansion of service scope and supply chain efficiency.

Meanwhile, Chinese authorities recently summoned major food delivery platforms including JD and Meituan, to address prominent issues related to competition in the food delivery sector.

They called on platforms to comply with laws and regulations, fulfill social responsibilities, strengthen internal management, engage in fair and orderly competition, and safeguard the rights and interests of consumers, merchants, and delivery riders. The move is to promote the regulated, healthy and orderly development of the platform economy.

"Platform enterprises should pool more resources into technologies, deepen supply chain innovation and optimize cost structure through highly efficient inventory management and intelligent warehousing and distribution systems," said Zhu Keli, founding director of the China Institute of New Economy.

It is of vital significance to establish a stricter merchant access and supervision mechanism to improve the quality of goods, Zhu said, while calling for efforts to strengthen cooperation among different platforms to better integrate resources and further stimulate consumption potential.

Reliable transport

In a bid to ensure safe and reliable transport during the upcoming rainy season, the Houma Locomotive Division of China Railway Taiyuan Group Co Ltd conducts regular emergency response training for its employees. JI HAILONG / FOR CHINA DAILY

INNOVATION KEY FOR YOUNG ENTREPRENEURS

At the 7th All-China Young Entrepreneurs Conference held on Tuesday in Hangzhou, East China's Zhejiang province, prominent Chinese business leaders, industry experts and government officials delivered a key message to the country's next generation of private entrepreneurs: when faced with pressure, don't wait — scale the wall, dig a tunnel or find a new route, but never give up.

Amid shifting global dynamics and rising trade frictions, particularly with the United States, China's private sector is facing challenges, but with resilience and innovation brighter days are ahead, they emphasized.

Shen Ying, *secretary of the Leading Party Members Group of the All-China Federation of Industry and Commerce*

The private economy has huge potential and young entrepreneurs are the driving force of China's innovation and high-quality growth. For young entrepreneurs, innovation is the first engine. You've got the mindset, the insight and the courage — so lean into it.

The world today is more open, more complex and full of opportunities and challenges. Now is the time to embrace the entrepreneurial spirit, balance profit with social value and create both economic gain and public benefit. That's how Chinese private entrepreneurs build something lasting.

Cao Dewang, *chairman of Fuyao Group*

In 1984, I realized China's auto glass market was monopolized by foreign firms. One piece of imported glass could cost thousands. I made up my mind then: Chinese people must make their own auto glass! I turned down every chance to make quick money in real estate. Looking back, that choice was absolutely right.

What kept Fuyao going through economic cycles was our deep respect for our country, for our industry, for rules and for natural laws. We stuck to our founding mission and kept evolving. Young entrepreneurs must stick to industry, serve the nation and drive product and tech upgrades through continuous innovation. That's how we push society forward.

Nan Cunhui, *chairman of Chint Group*

When China's private entrepreneurs hit problems, we climb over the wall, dig a tunnel or find a way around. We're never the kind to lie down and give up. After the US started the tariff war, our solar business in Southeast Asia was no longer viable so we shifted production to Turkiye and set up two new plants in Saudi Arabia.

Yes, global trade rules are being shaken up. But that just means we've got a shot at reshaping the global industrial chain. That's a race worth running. My advice? If you've got the strength, band together and go overseas as a supply chain team. If you're going solo, fine — but you must localize.

Liu Qiangdong, *chairman of JD*

The world is full of risks and uncertainty. But only by believing in ourselves, staying united and standing strong can we win the future. Since 2008, every time the exchange rate shifts or trade friction flares up, Chinese entrepreneurs might feel shaken but it never lasted more than three months, then everyone regained their confidence. No matter what, natural disasters or economic waves, this is when entrepreneurs must stand together.

Chen Jianhua, *chairman of Hengli Group*

Hengli has walked this road for 31 years. From 27 people to breaking through foreign bottlenecks step by step. In this environment, we need more entrepreneurs who charge ahead and don't wait for 100 percent certainty. That kind of thinking will make you miss your moment.

Two years ago, we responded to the national call to revitalize idle assets. We acquired a shipyard which had been sitting empty for 10 years. Sure, it was risky, but when the economy's down, entrepreneurs need to step up. Today, we've got orders for over 170 ships, more than 40 still in production. Ship orders are booked until 2029 and our engine orders go into 2027. We make 180 engines a year, half for export, half for our own use.

-CHENG YU

German firms plan to invest more in China

Over half of German enterprises surveyed plan to increase their investments in China within the next two years, according to a report issued at a three-day forum for Sino-German industrial cooperation and development that ended on Tuesday in Beijing.

Titled "2025 China-Germany Hidden Champions Open Cooperation Report", the document was released during the China-Germany (China-Europe) Hidden Champions Forum 2025.

It also reveals that German and European hidden champions still have more than double the current growth potential in the Chinese market.

The report was jointly released by the International Cooperation Center of the National Development and Reform Commission and the DEZ German European Centre for SME Cooperation in China. The forum attracted over 600 participants from China and abroad, with the number of international attendees nearly doubling year-on-year.

Hidden champions refer to highly successful yet lesser-known small and medium-sized enterprises that are global leaders in terms of market share in their respective niches.

Peng Jian, an expert with the ICC, said the distinctive Sino-German industrial parks in China have fostered a thriving ecosystem for German companies, creating a synergistic development model that complements industrial and supply chain strengths of Chinese and German enterprises. Notably, 36 percent of surveyed firms expressed intentions to accelerate research and development and innovation activities in China.

Hans-Peter Friedrich, former vice-president of the German Bundestag and chairman of the German-Chinese Parliamentary Group, said that not investing in China means missing out on prime access to Asia's vast regional market.

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Maritime industry to deepen 'openness, collaboration'

By CHEN YE in Ningbo, Zhejiang
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Openness and collaboration will be critical for the global port and shipping industry to work toward a more stable international trade order and a resilient world economy amid rising uncertainty and disruptions, said officials and maritime industry insiders at a forum on Tuesday.

Against the backdrop of a volatile international situation, the port and shipping industry faces both new opportunities and challenges, said Wang Gang, China's vice-minister of transport, at the 2025 Maritime Silk Road Port Cooperation Forum in Ningbo, a port city in East China's Zhejiang province.

"We stand ready to work with all stakeholders to unite our efforts, foster development consensus through collaboration, share development opportunities, jointly meet challenges, and propel the global port and shipping industry toward higher-quality and higher-level development," he said.

Ocean shipping is the backbone of international trade, according to the United Nations Trade and Development, and moves more than 80 percent of the volume of traded goods worldwide.

But maritime transport is also susceptible to a host of factors, including geopolitical tensions, climate change and trade policies, such as Washington's policy to impose high and constantly changing tariffs, which was cited by a number of speakers at the forum as one of the most damaging elements to global trade in recent history.

China always adheres to a philosophy of win-win cooperation and opposes all forms of unilateralism, protectionism and hegemony, Wang said.

"We will keep advancing both the hard connectivity in infrastructure and the soft connectivity in rules and standards with countries and regions along the Belt and Road, deepen openness and cooperation, uphold international shipping order and work together with our partners to ensure the stability and smooth flow of the international supply chain," he added.

At the forum, a joint statement was signed by 47 industry leaders from top Chinese and international ports, port authorities, international organizations and think tanks, pledging to safeguard the stability of global logistics chains, adhere to multilateralism and support a rules-based free trade system.

Globalization is an unstoppable historical trend, said Liu Jie, governor of Zhejiang province.

"Opening-up and cooperation stand as the right path for humanity and align with the aspirations of the people," he said, as the province continues to reap benefits from its commitment to openness.

Data show that cargo throughput at the Ningbo-Zhoushan Port has topped the world for 16 years.

For the Port of Hamburg, China is the most important trading partner, said Jens Meier, CEO of the Hamburg Port Authority.

The Port of Hamburg, one of Europe's busiest, is connected to China's major ports via 15 shipping routes. In 2024, 30 percent of the port's total container throughput, or 2.2 million twenty-foot equivalent units, were from China.

"We are culturally inspired by the spirit of connection and cooperation that lies at the heart of Chinese port philosophy," said Meier, who is also president of the International Association of Ports and Harbors.

"The spirit is reflected in the membership of Chinese ports within the IAPH, where we always welcome active contribution and engagement of valuable Chinese perspective," he said.

Ningbo-Zhoushan Port inked agreements with three ports, Hamburg and Wilhelmshaven in Germany and Valencia in Spain, during the forum to build green shipping corridors and advance low-carbon port cooperation between China and Europe, by optimizing freight distribution networks, adopting renewable energy solutions and scaling up clean fuel bunkering, among others.

Briefly

Yuan weakens against greenback

The central parity rate of the Chinese currency renminbi, or the yuan, weakened 18 pips to 7.1894 against the US dollar on Wednesday, according to the China Foreign Exchange Trade System. In China's spot foreign exchange market, the yuan is allowed to rise or fall by 2 percent from the central parity rate each trading day. The central parity rate of the yuan against the US dollar is based on a weighted average of prices offered by market makers before the opening of the interbank market each business day.

ChiNext ETF debuts in Brazil

An exchange-traded fund tracking the ChiNext, China's Nasdaq-style board of growth enterprises, has been successfully listed on Brazil's stock exchange B3, the Shenzhen Stock Exchange announced on Tuesday. The listing marks the official launch of the ETF Connect program between the SZSE and the B3, ushering in a new phase of capital market cooperation between China and Brazil, according to the Shenzhen bourse.

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