

INSIGHTS

Instant Everything: The New Retail Revolution



Food & Retail Megatrend

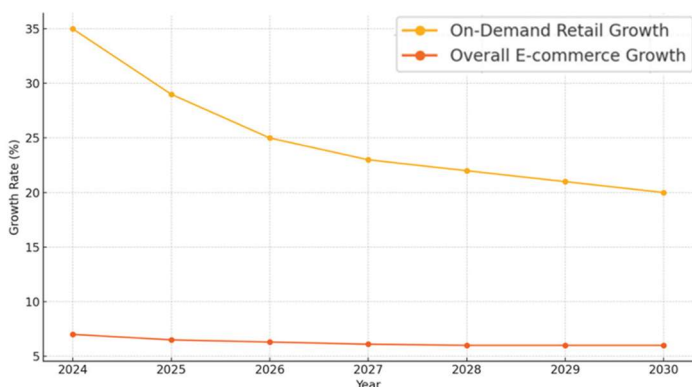
Instant Everything: The New Retail Revolution

The era of waiting even for a day for your purchases to arrive is ending. In China, consumers can now order anything from an iPhone to a toothbrush and receive it in just 9 minutes. The rise of on-demand retail, or “quick commerce,” marks a new chapter in the evolution of e-commerce: one driven by immediacy, convenience, and changing consumer expectations.

This shift isn't just about speed it's about lifestyle. Chinese consumers, especially post-COVID, are embracing hyper-convenience as a standard, not a luxury. What was once considered fast 24-hour delivery is now deemed sluggish. With every need only a few taps away from being met, the bar for consumer satisfaction has been permanently raised.

While overall e-commerce in China continues to grow, **on-demand retail is growing much faster, yet remains a small slice of the total pie** just over 5% of e-commerce and only 1.4% of total retail sales. That small base, however, belies a major opportunity. More and more categories, from fresh groceries to digital products, are being pulled into the on-demand orbit. Even beauty and personal care long a stronghold of traditional platforms is beginning to tilt toward instant fulfillment, especially among younger, urban consumers.

Tier II/III cities now drive over half of e-commerce demand, supported by mobile internet access, regional language content, and widespread digital payments like UPI.



Projected Growth Rates:
On-Demand Retail vs. E-Commerce (China)

A key driver of this trend lies in these untapped markets. Tier 3 cities and below account for nearly half of China's total retail sales, yet contribute less than 10% of on-demand retail volume. As incomes rise and digital infrastructure penetrates further, these markets are poised to unlock the next wave of growth. The convenience once confined to megacities will increasingly reach the broader population.

The implication is clear: the future of retail is not just digital, it's instant.

Importantly, **on-demand retail is not just a China phenomenon.** Global adoption is taking off, with countries like India following the same path. India's on-demand retail growth is driven by a hyperlocal model, with platforms using nearby dark stores and local partnerships to deliver within 10–30 minutes. This logistics-first approach is critical in a country as diverse and sprawling as India, allowing retailers to meet unique local needs efficiently.

On-demand retail stands at the crossroads of multiple megatrends - urbanisation, digital penetration, rising disposable incomes, and the elevation of convenience as a consumer value. What started as a pandemic-era necessity is fast becoming the norm.