# Indonesia Retail Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Retail (Retail)
> **Source:** [https://www.mordorintelligence.com/industry-reports/indonesian-retail-industry](https://www.mordorintelligence.com/industry-reports/indonesian-retail-industry)
> **Scraped Date:** 2026-09-17

## Executive Market Summary

| Market Metric | Details |
| :--- | :--- |
| **Base Market Size** | USD 60.09 billion |
| **Projected Forecast (2031)** | USD 60.09 billion |
| **Growth Rate (CAGR)** | 5.65 % |
| **Largest Market Region** | N/A |
| **Fastest-Growing Region** | N/A |

## Market Visualizations & Infographics

`![Major players in Indonesia Retail industry](images/chart_2.png)`

`![Indonesia Retail Market Size](images/chart_3.png)`

`![Indonesia Retail Market Share by Product Category, 2025](images/chart_4.png)`

`![Indonesia Retail Market Share by Payment Method, 2025](images/chart_5.png)`

`![Indonesia Retail Market Concentration](images/chart_6.png)`

`![footer background image](images/chart_9.png)`

`![Mordor Intelligence on Facebook](images/chart_11.svg)`

`![Mordor Intelligence on Pinterest](images/chart_13.svg)`

`![Mordor Intelligence on Instagram](images/chart_14.svg)`

`![ESOMAR](images/chart_16.png)`

`![GPTW](images/chart_18.png)`

## Comprehensive Research Analysis

### Overview Points List Flex 49 Share Feature End

Market Overview

Study Period | 2021 - 2031 |
Forecast Data Period | 2026 - 2031 |
Base Year Market Size (2025) | USD 56.87 Billion |
Market Size (2026) | USD 60.09 Billion |
Market Size (2031) | USD 79.11 Billion |
Growth Rate (2026 - 2031) | 5.65 % |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order



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### Market Overview

Indonesia Retail Market Analysis by Mordor IntelligenceThe Indonesia retail market size is expected to grow from USD 56.87 billion in 2025 to USD 60.09 billion in 2026 and is forecast to reach USD 79.11 billion by 2031 at a 5.65% CAGR over 2026-2031. The growth profile is shaped by a large consumer base, faster adoption of digital payments, and rapid expansion of minimarkets, while logistics frictions, regulatory complexity, and the durability of traditional warungs continue to shape channel dynamics. Food and beverages anchor day-to-day spending, but health, beauty, and personal care are set to outpace other product categories as middle-income consumers in tier-2 cities shift to higher value brands. Modern trade gains from convenience and near-ubiquitous QRIS acceptance, yet traditional formats still hold most of the grocery transactions. The Indonesia retail market is therefore evolving in a two-speed pattern that rewards proximity retail, omnichannel execution, and data-light formats suited to dispersed demand patterns.

Key Report Takeaways

* By product category, food and beverages led with 37.24% of the Indonesia retail market size in 2025, and health, beauty, and personal care are forecast to expand at an 8.48% CAGR through 2031.
* By distribution channel, convenience stores and minimarkets held 42.38% of the Indonesia retail market size in 2025, and hypermarkets and supermarkets are projected to grow at a 7.87% CAGR to 2031.
* By payment method, cash accounted for 38.36% of the Indonesia retail market size in 2025, and e-wallets are projected to grow at a 9.74% CAGR over 2026–2031.
* By region, Greater Jakarta held 34.35% of the Indonesia retail market size in 2025, and Sulawesi is forecast to grow at an 8.75% CAGR through 2031.

### Key Market Trends

Indonesia Retail Market Trends and InsightsDrivers Impact Analysis*

| Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline |
|---|---|---|---|
| Rapid Urban-Middle Class Expansion in Tier-2 Cities | +1.8% | Tier-2 and tier-3 cities across Java, Sumatra, and Sulawesi | Long term (≥ 4 years) |
| Government Push for Cashless Society via QRIS and BI-FAST | +1.2% | Nationwide, with early depth in Java urban corridors | Short term (≤ 2 years) |
| Affordable Smartphones Catalyzing Mobile-First E-commerce | +1.7% | Nationwide, with strong effects outside major metros | Medium term (2-4 years) |
| FMCG Shift to Direct-to-Retailer Distribution Models | +0.7% | Java distribution corridors and emerging regional hubs | Medium term (2-4 years) |
| Relaxation of Foreign Investment Caps in Sub-sectors | +0.9% | Nationwide, with a focus on prime malls and large formats | Long term (≥ 4 years) |
| Tourism Rebound Supporting Bali and Leisure Hubs | +0.6% | Bali, Yogyakarta, Lombok, Labuan Bajo | Short term (≤ 2 years) |
| Source: Mordor Intelligence | | | |

### Competitive Landscape

Competitive Landscape

The competitive landscape in Indonesia’s retail market remains diverse, with modern minimarkets concentrated among a few leading chains while traditional and specialty retail channels stay highly fragmented. In convenience retail, the top two players dominate procurement, logistics, and network coverage, creating high barriers for mid-sized entrants. Large marketplaces lead E-commerce with strong brand awareness and high conversion rates, while omnichannel specialists continue expanding physical stores in electronics and fashion to reinforce loyalty. Traditional trade still accounts for the majority of grocery volume, making partner ships with FMCG manufacturers essential for modern retailers to maintain both direct chain distribution and coverage for small neighborhood outlets. This structure allows the market to support large-scale efficiencies in modern trade while sustaining micro-enterprise activity in local communities.

Company strategies in this environment focus on three main pillars. First, omnichannel capabilities, with lifestyle and electronics retailers integrating online catalogs, nationwide inventory, and rapid delivery from local stores or hubs. Second, data-driven merchandising and loyalty programs, which optimize assortment planning and promotion timing within narrow price bands that align with household budgets. Third, compliance capabilities, including Halal certification, QRIS adoption, and adherence to evolving payment and aggregator regulations, ensure operations meet both consumer expectations and regulatory requirements. Together, these approaches enable retailers to align execution with real household demand while maintaining financial and operational oversight.

Recent strategic initiatives illustrate these themes in practice. Lotte Shopping plans to strengthen its Indonesia operations and establish a regional headquarters in Singapore in 2026 to coordinate merchandising and partnerships across the region. IKEA Indonesia has expanded its digital presence through marketplace participation and partnered with the Ministry of Trade to integrate MSMEs into its stores and global supply chain. Leading lifestyle groups reported strong growth in the first half of 2025 and implemented technologies like Endless Aisle and BluTab to expand product access and accelerate deliveries from nearby locations. Supportive actions from banks and regulators, including interest rate cuts and real-time payment systems, have boosted the adoption of digital payments in physical retail. Overall, the market is being reshaped by firms that combine supply chain strength, omnichannel engagement, and compliance at scale.

Indonesia Retail Industry Leaders* Indomaret (PT Indomarco Prismatama)

* Alfamart (PT Sumber Alfaria Trijaya Tbk)

* Hypermart & Foodmart (PT Matahari Putra Prima Tbk)

* Transmart Carrefour (PT Trans Retail Indonesia)

* Hero Supermarket & Guardian (PT Hero Supermarket Tbk)

* *Disclaimer: Major Players sorted in no particular order


### Scope Methodology P Space

For this study, the market is defined as retail revenue generated in Indonesia from selling finished consumer goods to end users through organized physical stores and regulated online commerce channels.

Scope exclusions: We exclude informal warung kiosk transactions, wholesale depots, fuel stations, foodservice outlets, and automotive dealerships.

### Segmentation Container

* By Product Category* Food and Beverage
* Apparel and Footwear
* Consumer Electronics and Appliances
* Home and Furniture
* Health, Beauty and Personal Care
* Others

* By Distribution Channel* Hypermarkets and Supermarkets
* Department Stores

* Convenience Stores and Mini-markets
* Specialty Stores
* Traditional (Warung / Kiosks)
* Online

* By Payment Method* Cash
* Debit & Credit Cards
* E-Wallets
* Bank Transfers / Pay-Later

* By Region* Greater Jakarta
* Rest of Java
* Sumatra
* Kalimantan
* Sulawesi
* Bali & Nusa Tenggara
* Papua & Maluku

## Frequently Asked Questions

#### What is the current size and growth outlook of the Indonesia retail market?

The Indonesia retail market size is USD 60.09 billion in 2026 and is projected to reach USD 79.11 billion by 2031 at a 5.65% CAGR, supported by modern trade expansion and digital payment adoption.

#### Which product categories are set to grow fastest in Indonesia through 2031?

Health, beauty, and personal care are forecast to grow at an 8.48% CAGR, outpacing staples, while food and beverages remain the largest base for transaction frequency and store traffic.

#### How are payments changing in Indonesian retail formats?

Cash still carries a significant share, but e-wallets are projected to grow at a 9.74% CAGR, and QRIS plus BI-FAST are lifting digital transaction volumes across convenience, supermarket, and specialty formats.

#### Which regions offer the most attractive growth beyond Jakarta?

Sulawesi is forecast as the fastest-growing region at an 8.75% CAGR, while the Rest of Java contributes scale, and Bali benefits from tourism-linked discretionary demand and cashless readiness.

#### What channels are winning in the Indonesia retail market?

Convenience stores and minimarkets lead with a 42.38% share in 2025, supermarkets are expanding in residential clusters, and omnichannel approaches are strengthening with store-to-home delivery and QRIS-enabled checkout.

#### How are leading retailers building competitive advantage in Indonesia?

Leaders combine national logistics with data-driven merchandising and regulatory compliance, including QRIS integration, Halal certification where relevant, and omnichannel capabilities that improve conversion and service speed.