



## Retail

Retail industry is one of the largest subsectors of services sector, contributing around 18% in Pakistan's GDP. The sector has been growing at a 5-year CAGR of 9%, consistently surpassing the GDP growth rate. The advent of e-commerce has completely revolutionized the retail industry, providing specific customer segments with ample new growth opportunities. This is supported by the fact that the broadband penetration has increased to 43.5% compared to 36.2% last year.

## Did you know?

- According to UN, rising rate of urbanization will lead to higher growth rate in the retail sector with proportion of city dwellers climbing to more than 50% by 2035.
- According to Bloomberg, almost two-third of Pakistan's population is aged under 30, who could be classified as the new millennials, inclined to spend more than save.

### Market Size:

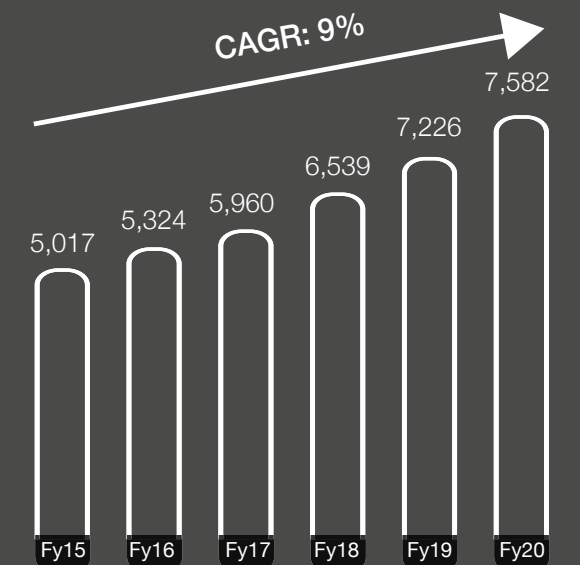
The retail sector is valued at PKR 7,582 billion (USD 48 billion). Digitization of retail through e-commerce has resulted in robust growth of the sector over the last few years. The growing young population has provided an impetus to the sector in terms of growing demand. This growth is beneficial for the country as it aids in economic expansion, creates job opportunities, and attracts foreign investment into the country through appealing global brands into the local market. The sub-sectors that have huge growth potential are food & beverages, apparel and footwear.

CAGR

9%

(last 5 years)

Retail Expenditure (PKR Billion)



Source: Pakistan Economic Survey & State Bank of Pakistan, Pakistan Telecommunication Authority, Cyan Research