



FACTORS
RESPONSIBLE FOR
THE ADOPTION OF
QUICK COMMERCE

GROUP-7
GUIDE-PROF.VINIT PATEL

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INTRODUCTION

- Quick Commerce, often referred to as Q-Commerce, is a business model that promises delivery of products to customers within a short time frame, typically 10 to 20 minutes. This model is making fast inroads in India, surpassing even economies like China. India's Q-Commerce market has witnessed a staggering tenfold growth between 2021 and 2023. This growth is fueled by the sector's ability to cater to the distinct needs of urban consumers seeking convenience for unplanned, small-ticket purchases.
- Despite this rapid expansion, Q-Commerce has only captured a modest 7% of the potential market, with a total addressable market (TAM) estimated at **\$45 billion**. Leading players in this space include Zomato-owned Blinkit, Swiggy's Instamart, and YC Continuity-backed Zepto.
- These platforms are expected to expand their reach to 45 to 55 cities within the next 3 to 5 years, up from the current 25 cities¹. In this presentation, we will explore the factors driving the explosive growth of Q-Commerce in India, the challenges faced, and the opportunities it presents for the future. Let's embark on this journey to understand how Quick Commerce is reshaping the e-commerce landscape in India.



THE CURRENT Q-COMMERCE PLAYERS IN INDIA



ZEPTO



BLINKIT



DUNZO



SWIGGY INSTAMART



BIGBASKET

- Zepto is a Mumbai-based startup that promises to deliver groceries in 10 minutes. Founded by Aadit Palicha and Kaivalya Vohra.

- Blinkit, formerly known as Grofers, is an Indian quick-commerce service. The company has built a dense and fast network of partner stores enabling lightning-fast deliveries in minutes. It is already one of the largest e-grocery companies in India.

- Dunzo is a hyper-local on-demand delivery service in India. It delivers anything and everything as and when needed with minimum delivery charges. if you forget some documents at home, Dunzo can get them to your office.

- Swiggy Instamart is a quick commerce service by Swiggy. It delivers groceries and essentials to your doorstep in 10 minutes. The company also has a slew of specialized services under its stores business such as meat and seafood, pet care, etc.

- BigBasket is an Indian online grocer headquartered in Bangalore, India, and currently owned by Tata Digital. As of January 2023, the company operates in more than 30 cities in India and processes around 15 million orders per month.

MISSION AND VISIONS OF CURRUNT Q-COMMERCE COMPNIES

01

ZEPTO

Mission: Zepto's mission is to deliver groceries in 10 minutes.

Vision: Zepto aims to revolutionize the Indian grocery segment, making it easier and more convenient.

02

BLINKIT

Mission: Blinkit's mission is to provide instant commerce indistinguishable from magic.

Vision: Blinkit aims to be 100x its current size in the next five years.



03

DUNZO

Mission: Dunzo aims to make life simpler for users by offering a hyper-local on-demand delivery service.

Vision: Dunzo is in the process of creating an impact.

04

SWIGGYINSTAMART

Mission: Swiggy Instamart's mission is to deliver groceries and essentials to your doorstep in 10 minutes.

Vision: Swiggy Instamart aims to revolutionize the Indian grocery segment, making it easier and more convenient.

05

BIGBASKET

Mission: BigBasket's mission is to revolutionize the selling and deliveries of groceries, making it easier and more convenient.

Vision: BigBasket is considering an initial public offering by 2025 as part of its growth plans.

SWOT ANALYSIS

STRENGTH

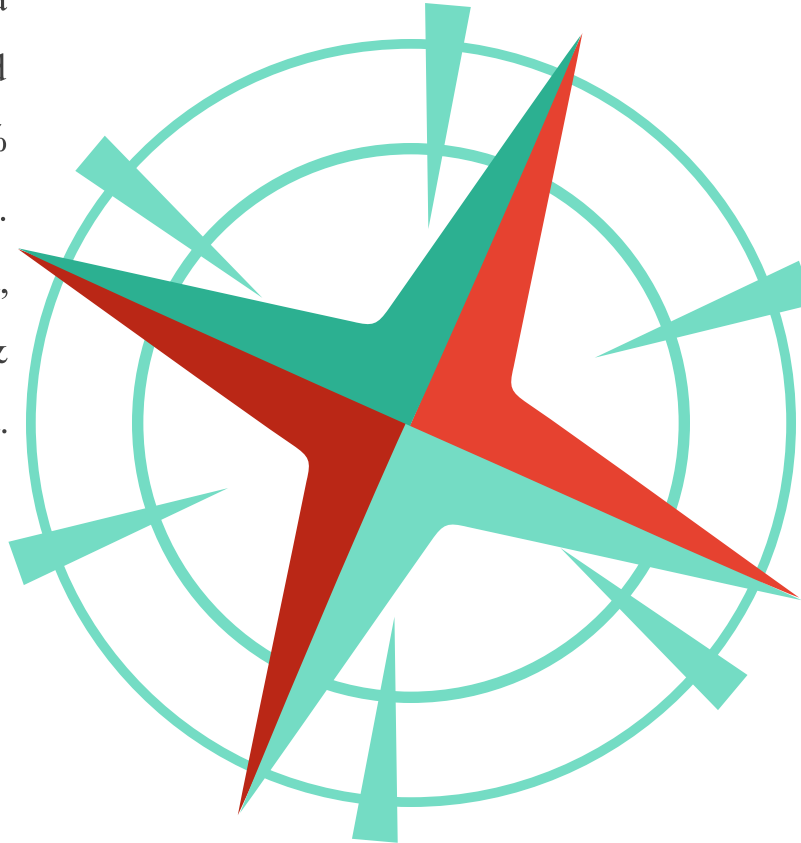
Rapid Growth: The Quick Commerce Industry in India is currently positioned in the Early Growing Stage and is anticipated to showcase a CAGR close to 27% between FY'22 and FY'27F1.

Major Players: Major players like Swiggy Instamart, Blinkit, Zepto, Dunzo, BB Now, Ola Dash, BB Now, & Flipkart Quick are already operating in the market.

OPPORTUNITIES

Expansion to Tier II Cities: Awareness will take time in Tier II cities and almost all the major players have started or are planning to expand to Tier II cities.

Changing Shopping Habits: Increasing Willingness of the consumers to pay premium for quick deliveries, changing shopping habits towards more frequent unplanned & top-up purchases has led to the growth of the quick commerce market in India.



WEAKNESS

Supply Side Challenges: There are supply side challenges faced by the industry.

Stability of Delivery Model: The industry is still in early growing stage and hence, companies are still inventing ways, how to make this quick delivery model a stable one.

THREATS

Fierce Competition: A battle for market supremacy has been sparked by fierce competition between established e-commerce behemoths and up-and-coming entrepreneurs.

Large Investments: As a result, large investments have been made in marketing, technology, and logistics.

Objectives of the study

There are four main objectives of our study which we will try to achieve at the end of our research: -



01

To study the impact of covid on the quick commerce.

02

To figure out different drivers that motivate people to order through these apps

03

To determine what different problems faced by people while ordering through these apps

04

To know different reasons why people still prefer traditional Kirana stores over these apps.

RESEARCH METHODOLOGY

Research design:

Descriptive Research

Secondary Data:

Secondary data sources are journals, magazines association bulletins etc.

Primary Data:

Questionnaires (Google Form):

The research methodology relies on primary data collected through questionnaires (Google forms).



Sampling design:

Sampling Frame: Various Quick commerce Platforms that are currently Available in India.

Sampling Unit: General persons of various occupation

Sample Size: 152

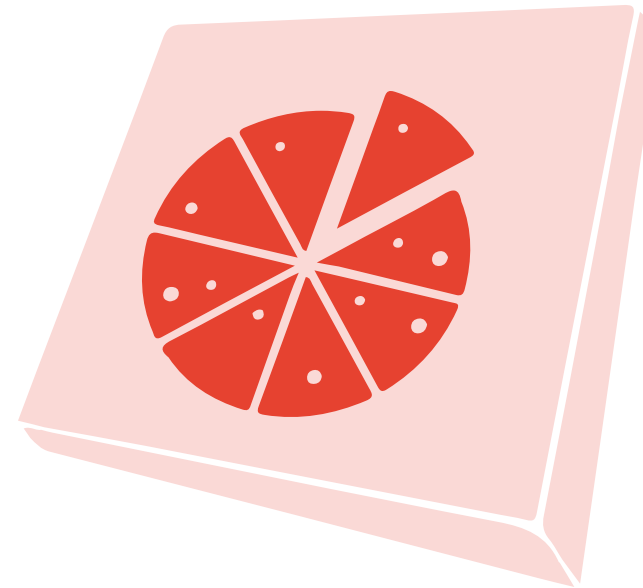
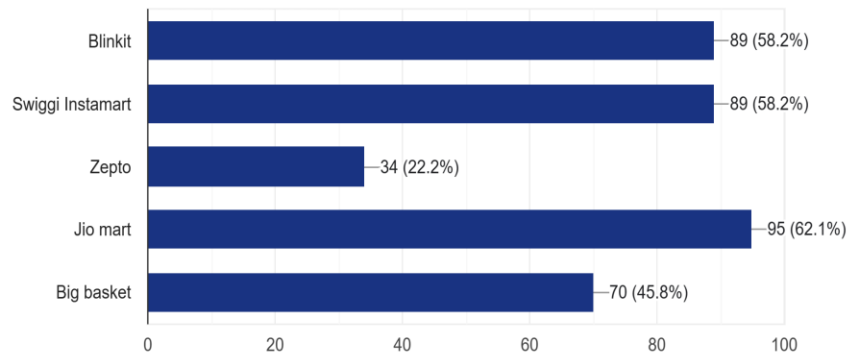
Software Used: Microsoft Excel

DATA ANALYSIS

Awareness of Quick commerce

What are the different Quick commerce platforms are you aware of?

153 responses



52.2 %

With this ratings
Blinkit stands on 2nd.

52.8 %

With this rating Swiggi
Instamart stands on 2nd.

22.2 %

Compare to others Q-
com players **Zepto is
quite Unknown.**

62.1 %

With Highest % Jio Mart
stands on first.

45.8 %

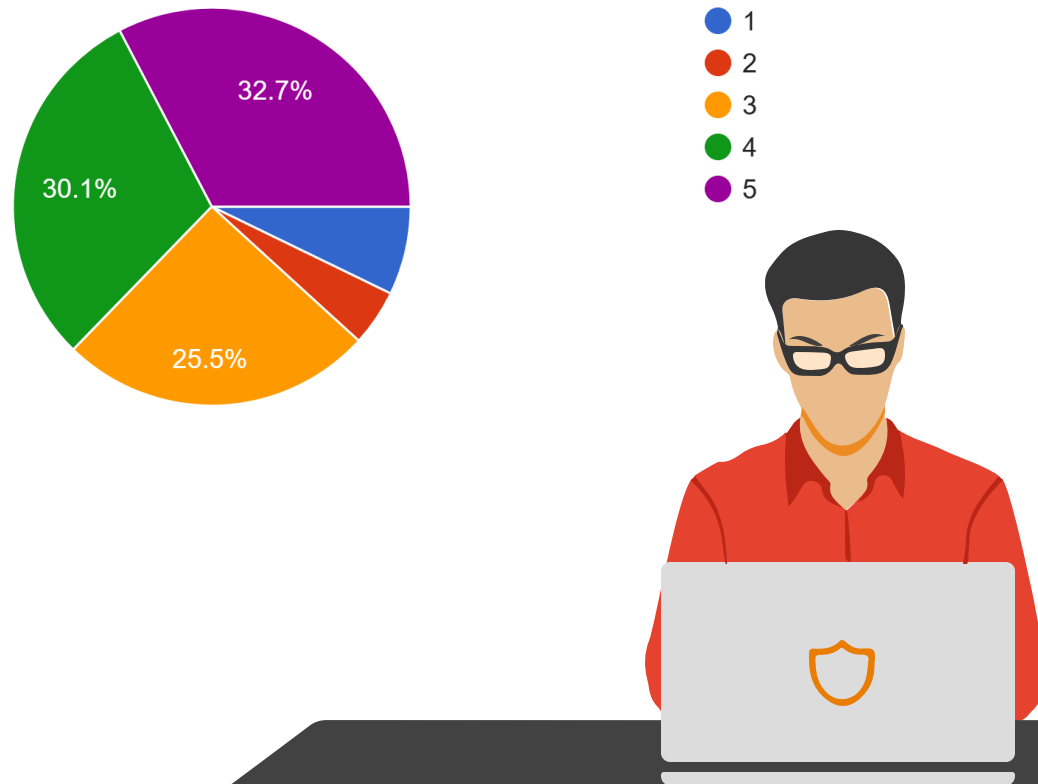
With this ratings bigbasket
stands on 3rd.

DATA ANALYSIS

Overall shopping experience on these quick commerce platforms

How would you rate your overall shopping experience on these Quick commerce platforms?

153 responses



About one-third of the people (32.9%) who used these quick shopping apps were really happy and gave them a top rating of 5 stars. Close behind, 30.3% of people thought the apps were pretty good and gave them 4 stars. A quarter of the people (25%) thought the apps were okay and gave them a middle rating of 3 stars. This is good news for these apps because it shows that they're becoming a regular part of people's daily lives.



FINDINGS

- Quick commerce has a very bright future, this can be concluded from the research which I did and also from various reports which have predicted that the market for quick commerce would only grow from this point in time and there is no going back.
- The key target customers for quick commerce giants are the working professionals who don't have time to go to their local Kirana store and purchase their daily household requirements.
- Proper marketing strategy is the key to success in this industry, until and unless you will not make your target audience aware of your services you would not be able to capture the market.
- Our findings show that more than 55% of the people believe that 15-30 mins are the most appropriate time for the delivery.

SUGGETION

Here are the key suggestions for quick commerce platforms:

- Maintain a delivery time of **15-30 minutes** to avoid causing anxiety among delivery partners.
- Address the issue of delivery charges, which **concern 59% of respondents**, by exploring unique solutions.
- Offer competitive deals to match or surpass those at local Kirana stores.
- **Lower the minimum order value (MOV)** to attract more users.



LIMITATION

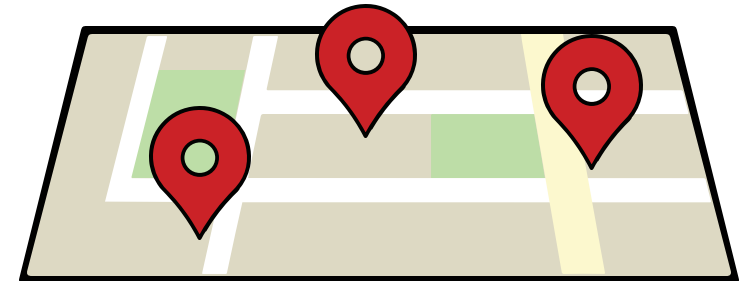


Sample Size: One of the limitations of the research is the sample size of the data. The study collected 152 responses, which might not be sufficient for robust analysis. Generally, larger data sets tend to yield more accurate outcomes.

Behavioral Change: Quick commerce has successfully driven behavioral change among consumers. Consumers who were previously comfortable visiting nearby Kirana stores for everyday essentials are now embracing quick commerce services for their daily purchases.

Inhibiting Factors for E-Commerce Adoption: While not specific to quick commerce, it's worth noting that e-commerce adoption faces various challenges.

These include factors **such as:** Fear of information technology (IT), Resistance to change, Trust, High initial setup cost, Costs incurred due to change, Weak skill base, Security and privacy concerns, Lack of training opportunities and networking, Ownership of data, Intellectual property, Lack of awareness about ICT, Lack of proven best practice examples.



CONCLUSION

- Quick commerce, or q-commerce, is a new business model that emerged during the COVID-19 pandemic. It focuses on delivering small quantities of items like groceries and pharmaceuticals within **10-30 minutes** of ordering.
- This model shifts the focus from traditional warehouses to micro-warehouses closer to the delivery site. It's rapidly expanding in both tier 1 cities and tier 2 and 3 cities. Key factors for success in this model include managing delivery charges and minimum order value.
- The model is popular across various customer segments and geographical locations, offering a high overall shopping experience. Industry trends suggest a significant increase in q-commerce in the coming years, driven by the democratization of mobile internet, the advent of eCommerce, and changing customer behavior post-Covid-19. Customers now expect a wider range of products delivered quickly. To keep up with this rapid market development, integrating technology and automation in warehousing and logistics is crucial.





THANK YOU