Title: Growth Trajectory of Indian Quick Commerce and Its E-Commerce Consolidation – An Analysis

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Abstract: Quick commerce in India has rapidly transformed from simple grocery delivery into a dynamic marketplace offering thousands of products, fueled by accelerating technology adoption and expanding internet access post-COVID. Though expected to grow at 75 to 100 percent, it faces issues like low profitability, weak customer loyalty, and gig worker safety. The study aims to explore the sector's growth trajectory and its consolidation with traditional e-commerce. Relying on secondary data, the study focuses on the Indian context and analyses only top-performing brands, excluding emerging entrants. Using financial metrics and industry reports of major Indian players, it identifies signs of convergence as quick commerce expands its product range and traditional e-commerce flourishes. The study contributes by highlighting operational models that drive high revenue despite limited geographic presence, evaluating the role of rapid delivery in shaping consumer behavior, and pointing to policy-level concerns around labor conditions and sustainability in urban logistics.

Keywords: Dark Stores, Market Dynamics, Market Share, Order Value, Stock Keeping Units, Supply Chain

1. Introduction

Indian e-commerce industry has experienced rapid growth in the past decade. It is driven by widespread internet access, rising smartphone usage, and the shift toward digital payments. These advancements not only deepened e-commerce penetration but also raised customer expectations, particularly regarding delivery speed in urban and semi-urban areas. This gave rise to a new segment — quick commerce (q-commerce) — which aims to deliver goods within 10 to 30 minutes

(Harter et al., 2025). Compared to traditional e-commerce, quick commerce offers fewer stock-keeping units (SKUs) but much faster delivery. The COVID-19 pandemic further accelerated this shift, as lockdowns and social distancing made people turn to online platforms for essentials. In 2020 alone, India's online grocery market grew by 80 percent to reach $2.66 billion (Tyagi & Kaur, 2026). By 2023, the gross merchandize value (GMV) of quick commerce stood at $2.3 billion, marking a 70 percent year-on-year growth. With projections of a compound annual growth rate (CAGR) of 28 percent between FY2022 and FY2027, the market could exceed $5 billion by 2025. India's q-commerce sector is witnessing explosive growth, with projected revenues reaching approximately $3.35 billion in 2024. This strong upward trend is expected to continue with a CAGR of 24.33 percent from 2024 to 2029. By the end of this period, the market could grow to nearly $10 billion. The user base is anticipated to rise to around 60.6 million by 2029. Presently, user penetration stands at 1.8 percent but is projected to increase to 4.0 percent. The average revenue per user (ARPU) is expected to reach $127.70, highlighting the growing appeal of quick and convenient shopping options (Naik & Gupta, 2025).

The e-commerce industry is growing at present. However, existing research has several limitations. Most of the available data is secondary, specific to India, and focuses mainly on top recognized players — leaving out newer and emerging brands. This creates a gap in understanding the full landscape of India's quick commerce sector, especially regarding sustainability, operational strategies, and long-term growth potential.

The study focuses on the Indian quick commerce sector because developing nations have historically demonstrated stronger adoption and success in this model compared to developed countries. In India, the sector is experiencing explosive growth, fueled by increasing demand for online groceries post-COVID, a sharp rise in internet penetration after the Reliance Jio revolution, and rapid urbanization (Hari & Srinivasa, 2025). With quick commerce showing nearly 70 percent year-on-year growth, India offers a unique and evolving market landscape, making it a relevant and significant case for studying the future trajectory of this sector.

Building on this context, the study narrows its focus to four key players—Swiggy Instamart, Zepto, Blinkit, and BigBasket — given their dominant market presence and substantial contribution to the sector's revenue. Established brands often set the trajectory for industry trends, operational models, and innovation benchmarks. Additionally, reliable secondary data is more accessible for these players, allowing for a more comprehensive and comparative analysis.

The study addresses the gaps by employing a combination of qualitative and quantitative analysis. The qualitative analysis provides an in-depth understanding of the operational dynamics and competitive landscape of quick commerce. Through case studies of prominent players such as Zepto and Blinkit, the research examines their distinct strategies, such as reducing delivery times and expanding dark stores. The study also explores the influence of regulatory frameworks, including Food Safety and Standards Authority of India (FSSAI) guidelines and policies affecting gig workers, on shaping operational models. By analyzing executive interviews, recent media coverage, and official policy releases, it uncovers qualitative patterns in decision-making that quantitative data alone may not reveal.

The quantitative analysis measures the growth and financial health of the sector using key performance indicators such as Gross Merchandise Value (GMV), Compound Annual Growth Rate (CAGR), and Average Order Value (AOV). Trends in profitability are assessed through EBITDA margins. For instance, a 75 to 100 percent YoY growth in orders or a 25 percent reduction in delivery costs reflects efficiency in scaling. The research employs tools like Microsoft Excel,

Python's Pandas library for data analysis and visualization, allowing a clear representation of sector trends.

The research makes significant contributions both academically and practically. Academically, it advances our understanding of the innovations within quick commerce, particularly in operations and supply chain management, thus opening doors for further research in these areas. From a policy-making perspective, the study offers insights that can guide the development of regulations to protect consumers, companies, and gig workers. Socially, it highlights the impact of quick commerce on consumer behavior and employment patterns in urban and semi-urban India.

The structure of the study is as follows.

It begins with the abstract, providing a brief overview of the research. This is followed by the introduction, which outlines the background, objectives, and significance of the study. The third section details the methodology, including research design, data sources, and analytical approaches. The literature review comes next, examining prior studies relevant to the topic. The findings are then presented in the results section, followed by a comprehensive discussion. The study concludes by summarizing key insights and outlining the implications and future research directions.

2. Methodology

A systematic approach is adopted to investigate the evolution, current state, and future growth trajectory of India's quick commerce sector. The methodology is designed to address the research objectives by both qualitative and quantitative approach on industry trends, operational model, and financial performances.

2.1. Research Methods

Qualitative Analysis: This analysis investigates strategic approaches and operational models of leading quick commerce firms through case studies, regulatory review, and executive insights. It emphasizes contextual understanding by examining FSSAI guidelines, gig worker policies, and firm-level decisions like Zepto's delivery strategy or Blinkit's store expansion.

Quantitative Analysis: The study employs key performance indicators (KPIs) such as GMV, CAGR, AOV, and EBITDA margins to assess growth and profitability trends. Tools like Microsoft Excel, Python (Pandas), Tableau, and Matplotlib are used to analyze and visualize data, enabling clear interpretation of operational efficiency and market dynamics.

2.2. Justification for the Methods

The research employs a combined qualitative and quantitative methodology to develop a nuanced examination of India's quick commerce sector. The dual approach allows for both detailed exploration of operational realities and measurable verification of market trends. By integrating in-depth case studies with statistical analysis of growth patterns, the study achieves a balanced perspective that neither pure numbers nor standalone observations could provide alone. To strengthen the findings, data verification occurs through cross-referencing multiple authoritative sources. For instance, corporate financial disclosures are checked against independent market research reports to confirm accuracy. The flexible framework accommodates examination of both

industry-wide developments and individual company strategies, from macro-economic adoption rates to specific inventory management tactics. This methodological blend ensures that the research captures the full complexity of the sector's evolution while maintaining academic rigor through systematic validation processes. The approach particularly suits this dynamic industry where operational challenges and financial performance require equally careful consideration to understand emerging business models.

Data is collected from annual financial reports of companies, Ministry of Commerce dataset, research papers, Reed Seer, Bain, and other firms report on quick commerce sector, newspapers such as Times of India, Business Standard, and others.

3. Literature Review

3.1. Evolution of Q-commerce from E-commerce

The emergence of quick commerce (q-commerce) represents a transformative evolution from traditional e-commerce models, fundamentally altering consumer expectations and retail logistics. Traditional e-commerce companies took a time between one and seven days to deliver an order. However, quick commerce companies take 10 to 30 minutes for delivery. This shift was significantly accelerated by the Covid-19 pandemic, which triggered a growth of near about 80 percent in online grocery sales to $2.66 billion in 2020, as consumers prioritized both convenience and speed in their purchasing behavior (Selmi & Ltifi, 2026). Indian q-commerce has demonstrated an explosive growth, achieving a gross merchandise value (GMV) of $2.3 Billion, with a CAGR of more than 280 percent between 2022 and 2024. Zepto, an Indian q-commerce company has secured over 200 million USD funding in 2023 (Haneefa & Singh, 2025). This reveals the sector’s significant investor confidence and growth potential. Current industry analyses project that share of q-commerce in India's online grocery market will expand dramatically from 10 percent in 2021 to 45 percent by 2025 (Virmani & Anand, 2025). This reflects its increasing mainstream adoption. However, this rapid growth brings some new challenges, particularly regarding the operational cost and sustainability, which continue to pressure profitability margins (Singh et al., 2025). The evolution of the sector represents a fundamental reimagining of retail supply chains, prioritizing unprecedented delivery speeds through innovative micro-fulfillment center networks and gig workforce models, while simultaneously maintaining the convenience and product diversity that characterized traditional e-commerce platforms. This transition not only increases the consumer expectation but also revolutionizes the last mile delivery across the entire retail sector (Raj & Das, 2025).

The product range of q-commerce has changed over time. While its initial focus was on only groceries and other essential products, today q-commerce offers much more than that. Currently, the q-commerce players are offering medicines, electronics, and other high-demand customer goods. A good example of this evolution was when Zepto offered iPhone-16 deliveries during the product launch, providing customers an alternative to waiting in long queues at physical stores.

The expansion has prompted traditional e-commerce players to enhance their delivery capabilities. Amazon now provides one-day delivery for groceries through Amazon Fresh. Myntra is piloting 4-hour delivery services in select markets, and Nykaa has extended its same-day and next-day delivery options to over 110 cities. These developments demonstrate how q-commerce is transforming consumer expectations and compelling the broader e-commerce industry to accelerate its service offerings (Perkin, 2022).

3.2. Differences Between Q-Commerce and E-Commerce

The fundamental difference between e-commerce and q-commerce companies lies in how they approach processing and delivery of orders. In traditional e-commerce delivery, the journey starts with customers browsing extensive online catalogs featuring detailed product descriptions, reviews, and comparison tools before placing orders. After that the system generates an order confirmation and routes it to massive, centralized warehouse often located outside the city. The product is picked and processed either by humans or robots. Each packet undergoes quality check before they are labeled with shipping documents. Then, the parcel is handed over to delivery partners (generally third-party currier services). Third-party couriers then collect bulk shipments for transfer to regional sorting hubs, where sophisticated scanning systems route packages through networks of trucks and planes based on destination. This generally takes a time between two and seven days (Harter, 2024). The system accommodates complex return processes through dedicated reverse logistics networks and customer service teams handling refunds and exchanges.

Quick commerce companies radically reduce the delivery time by shifting from warehouse model to dark store model. Dark stores are the most important component for q-commerce delivery operations. Dark stores are strategically located in many parts of a city, from where it is possible to deliver the product within 10 to 30 minutes. These dark stores operate exclusively for online orders (no walk-in customers) and stock 2,000 to 3,000 hyperlocal SKUs based on predictive algorithms by analyzing neighborhood purchase patterns. When a consumer places the order, it redirects to the dark stores for processing and packaging. The delivery partner picks up the packet within three to five minutes and delivers it to customer. The complete process takes less than 10 minutes (Lamba et al., 2024). This model prioritizes speed over selection, using real time traffic data and dynamic routing to maintain service guarantees.

3.3. Current State of Q-Commerce in India

The quick commerce sector in India has emerged as the most dynamic and rapidly evolving segment of retail industry, transforming consumer expectations around delivery speed and convenience. The industry has changed significantly from its initial stages to become an established commerce channel. It currently processes 70 to 75 percent of all online grocery orders in urban India. This is a dramatic increase from just 35 percent penetration in 2022. This sector is projected to maintain 75 to 100 percent year on year growth rates that far outplace traditional retail formats (Chavhan et al., 2025).

The continuous refinement of the innovative dark store model has shifted the focus of this revolution. Industry leaders have implemented sophisticated two-tier fulfillment systems where *back dark stores* containing 3,000 to 4,000 premium SKUs support four to five *forward dark stores* in dense urban areas. This structure allows platforms to maintain fast delivery services while expanding their offerings beyond groceries into higher-margin categories. The operational metrics are striking, with top-performing dark stores processing over 1,000 orders per day and achieving a 25 percent reduction in per-shipment costs from 2023-2024 due to improved logistics (Chavhan & Dutta, 2025).

There are several quick commerce players in India, but the competitive landscape has consolidated around three major players viz. Blinkit, Swiggy Instamart, and Zepto. These players account for more than 95 percent of market share in a combined manner. This platform has a significant role in increasing the Average Order Value (AOV) by 40 percent between FY2023 to

FY 2025, with Blinkit currently leading at Rs. 625 AOV as of June 2024. The growth in AOV is achieved through strategic expansion into electronics, personal care products, and moving beyond groceries and essential items (Mahalakshmi et al., 2024).

Several structural factors continue to drive adoption, including rising urban incomes, greater product selection, and the premiumization of convenience among time-starved consumers. The sector has particularly resonated with younger demographics and dual-income households who value time savings as much as the products themselves (Deepthi & Bansal, 2023). FMCG companies have taken notice, with many now developing q-commerce-specific packaging, assortments and promotions to capitalize on this high-growth channel.

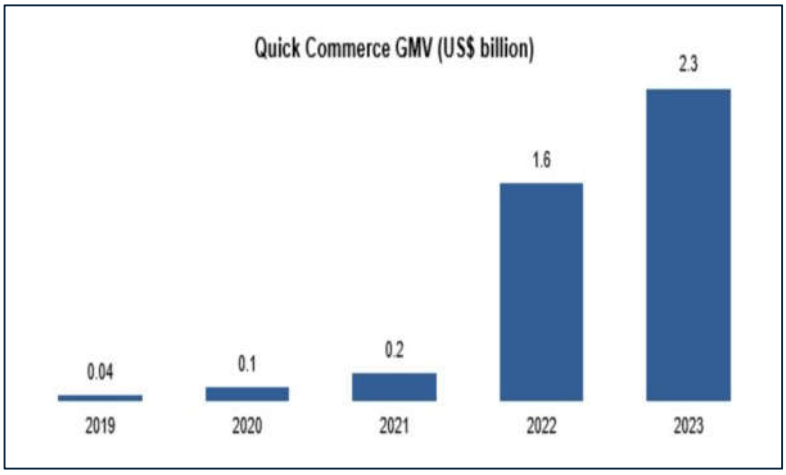

Figure – 1: GMV of quick commerce in India 2019-2023 (Source – Statista)

The graph (figure 1) illustrates a dramatic increase in the GMV of the quick commerce industry from 2019 to 2023, with a growth of over 2000 percent in just three years following the COVID-19 pandemic. This surge highlights rapid expansion of the sector and the accelerated adoption of quick commerce services during and after the pandemic.

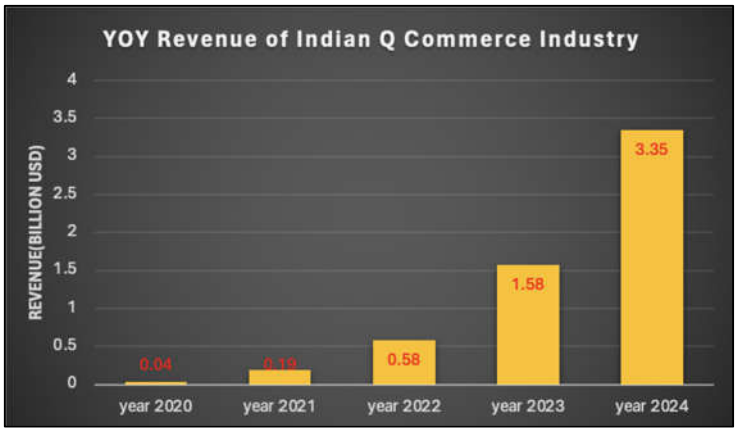

Figure – 2: Revenue of quick commerce in India 2019-2028 (Source – Statista)

Indian quick commerce has experienced a remarkable growth of over 300 percent post-COVID (figure 2). While pre-pandemic models offered 4–6-hour delivery times, today's promise of delivering goods within 10 minutes has significantly reshaped urban consumption patterns across the country. This shift has transformed how consumers approach online shopping, demanding faster and more efficient services.

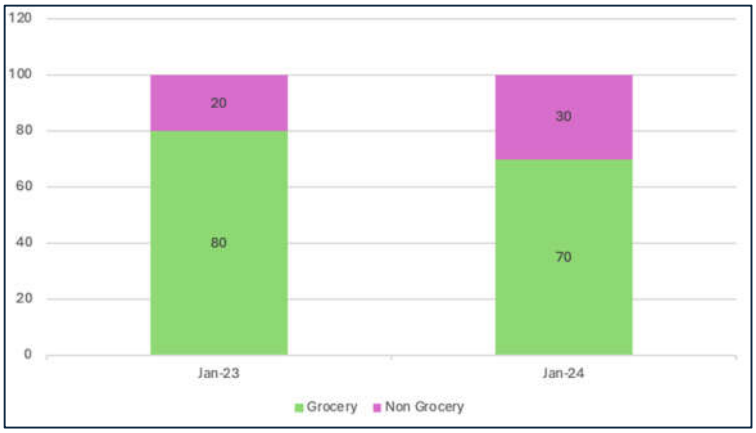

Figure – 3: Report on Indian q-commerce industry (Source – Chryseum)

The graph illustrates the shift in focus among leading quick commerce players, highlighting a decrease in grocery deliveries (figure 3). In 2023, grocery items accounted for 80 percent of deliveries. However, by 2024, this figure dropped to 70 percent, reflecting the growing emphasis on delivering non-grocery items in the sector. This change indicates a diversification of product offerings to meet evolving consumer demands.

3.4. *Current Focus Areas of Q-Commerce Players*

Quick commerce players are increasingly diversifying their product categories, expanding beyond traditional grocery and essential items to include pharmaceuticals, electronics, and other consumer goods. This strategic shift allows them to tap into a broader customer base and cater to a wider range of consumer needs. Additionally, many companies are adopting dynamic pricing algorithms to optimize sales during peak demand periods, thus enhancing revenue generation. Route optimization has also become a key focus, with players leveraging machine learning and mapping tools like Google Maps to reduce last-mile delivery time and costs, improving efficiency (Selmi & Ltifi, 2026). To further strengthen customer loyalty and to drive recurring revenue, several quick commerce platforms have introduced subscription models, such as Blinkit Elite, which offer exclusive benefits to members. In line with market trends, there is also a growing emphasis on direct to customer (D2C) brand partnerships, with quick commerce companies collaborating with direct-to-consumer brands for exclusive product launches and platform-specific discounts. Furthermore, sustainability has emerged as a critical concern, with companies adopting electric vehicles and plastic-free packaging to reduce their environmental impact. This reflects a shift towards more sustainable business practices.

Company-wise strategic focus areas in Indian quick commerce:

Swiggy Instamart: Swiggy recently allocated $115 million to enhance dark store automation and last mile logistics via subsidiary scooters. Swiggy is testing *store-in-store* model with Reliance for hyperlocal sourcing.

Blinkit: Blinkit focuses more to reduce the delivery time from ten minutes to eight minutes. It tested its AI-driven dark stores in Delhi NCR. Blinkit launched *Blinkit Mall* for selling electronics items.

Big Basket: It plans to launch its IPO by March 2026, also expanding its operation from 35 to 70 cities.

Zepto: It strengthens its hyper fast delivery (less than eight minutes) through more than micro warehouses. Also, Zepto is introducing platform fees and peak time surcharges to improve profitability.

3.5. Challenges Faced by Indian Quick Commerce Companies

Quick commerce companies in India face a number of challenges.

Profitability challenges: The quick commerce sector struggles to become profitable due to its high customer acquisition cost (CAC). The customer acquisition cost ranges from Rs. 300 to Rs. 500 creating immediate margin pressure. Also, the companies need to invest heavily to improve their dark stores to achieve ultra-fast delivery. Most of the q-commerce players report EBITDA margins of 25 percent despite recent improvements in operational efficiency (Ganapathy et al., 2023).

Labor and Safety Concerns: Quick commerce totally relies on its gig workers, meeting the fast delivery speed for which gig workers risk their life. Also, the companies currently do not ensure insurance or other packages for its workers. Accident rates among riders are three times higher than normal delivery services. Nearly 40 percent report net earnings below minimum wages after accounting for vehicle maintenance costs (Kalbalia & Koushik, 2025).

Customer and Regulatory Pressure: Rising expectations of customers indicate that more than 50 percent of customers are unlikely to purchase the item if the delivery time exceeds 15 minutes. Meanwhile, new regulations of FSSAI's 15-minute cooling period rule for perishables add operational constraints. This creates high pressure in e-commerce companies to deliver the product as fast as possible to consumers (George, 2024).

Urban Infrastructure Limitations: The model remains largely constrained to dense metropolitan areas where dark store economics can work. Expanding to tier two and tier three cities presents new challenges around lower order density and different consumption patterns that may require complete operational redesigns (Umair, 2026).

Real-estate Constraints: Quick commerce companies target the real estate near the areas from where high number of orders are generated. Generally, it is the developed areas of city where the price of property is generally high (Kumar & Chidambara, 2023).

Brand Differentiation: All the quick commerce players generally offer similar products at similar price. Delivery times for all companies are almost the same. So, it is difficult to differentiate a brand from others in this segment based on price and delivery time (Weinswig & Hartmann, 2023).

Customer Loyalty: Quick commerce companies generally rely on impulse purchases. Also, the customer orders from the company where he/she gets discount. Consequently, it becomes difficult for companies to build customer loyalty in this market (Kapoor et al., 2023).

Consumer Data Privacy Concerns: Another emerging challenge for Indian quick commerce firms is growing consumer concern over data privacy. As these platforms collect extensive personal and behavioral data, customers are increasingly wary of potential data breaches and misuse. This fear affects user trust and retention, especially when companies lack transparent data handling policies. Building digital trust through strong data protection measures and responsible marketing practices is essential for long-term loyalty and sustained growth (Kavitha & Santhanalaxmi, 2026).

3.6. Key Players of Quick Commerce Market and Market Dynamics

3.6.1. Blinkit

Blinkit, Zomato's quick commerce arm, has seen a remarkable transformation since its rebranding from Grofers in 2022. The company's growth has been nothing short of impressive. Revenues more than doubled from ₹644 crore in Q3 FY2023 to ₹1,399 crore in Q3 FY2024. This is made possible by Blinkit's unique operational model. The company partners with local stores within a 2-kilometre radius. The platform has created an efficient network capable of delivering nearly 7,000 items at lightning speed (Rathee et al., 2026).

Much of Blinkit's success is concentrated in urban India. About 90 percent of its business comes from just eight major cities, highlighting how deeply quick commerce has taken root in metropolitan areas. In a major milestone, by April 2024, Blinkit had overtaken Zomato's traditional food delivery arm in terms of valuation. This underscores the growing consumer shift toward instant delivery services (Sanghi et al., 2024).

The company is not just expanding; it is innovating. The company has plans to grow its dark store network to 2,000 locations by 2026, mainly in top cities. Blinkit is also experimenting with new offerings. From delivering Lloyd air conditioners in Delhi-NCR to piloting ambulance services and fresh food delivery, Blinkit continues to push the boundaries of quick commerce. Their marketplace has also adopted a sliding commission scale — ranging from two percent to 18 percent depending on product value — to strategically drive profitability (Ambaliya et al., 2025).

Zomato is backing Blinkit's potential with confidence, investing Rs. 1,500 crores in 2025 following an earlier infusion of Rs. 500 crores. However, the road is not without challenges. Losses widened to Rs. 103 crores in Q3 FY2025 from Rs. 89 crores the previous year. Still, the company is not slowing down. Blinkit recently entered the smartphone delivery space through partnerships with major brands like Apple, Xiaomi, and Nokia in key metros (Rathee et al., 2026). This is a proof of its commitment to staying ahead in India's competitive quick commerce market.

3.6.2. Swiggy Instamart

Swiggy Instamart has solidified its position as the second-largest player in India's quick commerce sector since launching in February 2020, originally under the name Urban Kirana. The platform has shown strong momentum, with its Gross Order Value (GOV) rising by 58 percent year-on-year to around Rs. 8,100 crores (Karulkar et al., 2025). In just three years, it reached nearly one-third the scale of Swiggy's core food delivery business. To support this growth, Swiggy is actively expanding its presence — moving from 27 to 43 cities ahead of the 2024 festive season, with plans to enter 100 more cities. It has also partnered with Delhivery, India's largest third-party logistics firm, to handle operations at its larger warehouses, which supply products to smaller dark stores. As the company heads toward a $1.4 billion IPO, a sizable portion of the capital is expected to be invested in scaling Instamart's operations, including the goal of setting up 1,000 dark stores across the country (Umair, 2026). One area where Swiggy Instamart is distinguishing itself is electronics. The company offers a broader selection of smartphones in ten major cities, outpacing competitors with more limited options. Its rapid expansion through 2024-2025, including operations in 32 newly added cities and plans to launch in over 100 more. This shows Swiggy's intent to compete aggressively with Blinkit ((Karulkar et al., 2025). The company is banking on a wider product range and deeper urban penetration to strengthen its position in India's growing quick commerce space.

3.6.3. Zepto

Zepto began as Kirana Kart in 2021. It has quickly become one of India's fastest-growing quick commerce companies. It currently operates in several major cities, including Bengaluru, Delhi, Chennai, and Lucknow. In FY2024, Zepto delivered impressive financial results. Its audited revenue more than doubled to Rs. 4,454 crores, showing a 120 percent year-on-year increase. At the same time, it brought down its net losses to 28 percent of revenue (Karulkar et al., 2025).

The company secured $340 million in funding in August 2024. The company was valued at $5 billion. With this backing, Zepto is pushing to expand its network of dark stores to 700 locations by March 2025. The company's revenue has grown rapidly from Rs. 140 crores in FY2022 to nearly Rs. 5,000 crores in FY2024. The company has achieved this by moving into more profitable product categories like electronics, beauty, cosmetics, and affordable jewelry. Zepto has also made strategic partnerships, including one with Decathlon India to distribute sporting goods in 16 cities. It introduced Zepto Café — a cloud kitchen project run from existing dark stores — partnering with brands such as Chaayos and Blue Tokai (Rathee et al., 2026).

Looking ahead, Zepto is planning a public listing around late 2025 or early 2026. To increase Indian investor participation from 33 percent to 50 percent, the company is preparing for a $250 million secondary share sale. On the product side, Zepto has grown its electronics lineup significantly, adding Apple's full range of products which include iPhones, iPads, and accessories — bringing its electronics catalogue to over 5,000 SKUs. In addition, the platform has rolled out a *Super-Saver* program that combines fast delivery with competitive pricing, aiming to offer better value across a growing variety of products (Karulkar et al., 2025).

3.6.4. Big Basket

BigBasket's quick commerce arm, BB Now was launched in December 2021. It has made significant progress on the financial front. In FY2024, it managed to cut its net losses by 40 percent, bringing them down to Rs. 128 crores from Rs. 215 crores in FY2023. During the same period, its revenue grew modestly by five percent, reaching Rs. 2,405 crores. As a Tata Group-backed initiative, BB Now is steadily growing into a full-scale quick commerce platform. Currently, it operates in ten major metro cities and more than 25 tier-2 locations, with plans of expanding to 70 cities soon. With the help of Tata's strong retail network, BB Now is scaling up its dark stores from 400 to 700. It offers a wide range of over 25,000 products, covering everything from groceries and personal care items to newer segments like electronics and toys. Its BB Daily subscription feature has helped boost average order values above Rs. 1,000, reinforcing its market position ahead of a potential IPO expected within the next 18 to 24 months. The company also aims to double its business by March 2026. Despite these improvements, including a better net profit margin (from -9.43 percent to -5.33 percent), Tata Digital admits that BB Now is still catching up with rivals like Blinkit and Zepto, especially when it comes to expanding in tier-2 cities — even though it benefits from being part of the Tata retail ecosystem (Anurag & Johnpaul, 2026).

3.7. Comparison Among Players

The study focuses on four major quick-commerce players — BigBasket, Zepto, Swiggy Instamart, and Blinkit. The companies collectively hold the majority market share and represent the industry's growth trajectory. Newer entrants like Dunzo Daily, JioMart Express were excluded due to limited data availability and their relatively smaller financial scale. This offers less comparative insight.

All data which are used to create the graphs were sourced from the annual reports of Swiggy, Zomato, Zepto, and BigBasket, as well as the Quick Commerce Industry – India, Chryseum, 2024, Rise of Quick Commerce in India, Drishti IAS, 2025, Deep-Dive: Quick Commerce, JM Financial, 2024

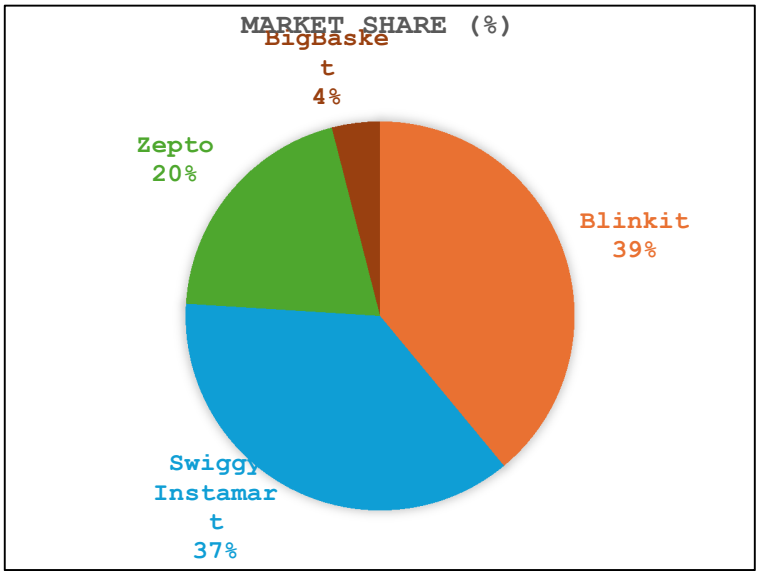

Figure – 4: Market Share (Authors' Own Calculation)

The pie chart illustrates that Blinkit holds the largest market share in the quick commerce sector, followed by Swiggy Instamart, Zepto, and Big Basket (figure 4). This indicates Blinkit's dominant position in the market, with other players trailing behind in terms of market presence.

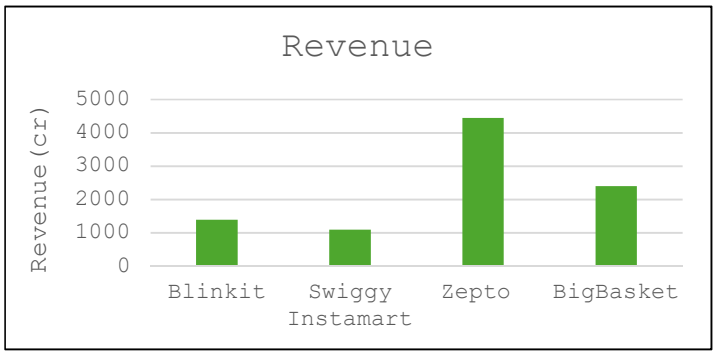

Figure – 5: Revenue (Authors' Own Calculation)

The revenue comparison across major quick commerce platforms reveals Zepto as the market leader, generating Rs. 4,454 crores — substantially higher than BigBasket's Rs. 2,405 crores. Blinkit and Swiggy Instamart follow with Rs. 1,399 crores and Rs. 1,100 crores respectively, indicating Zepto's strong financial performance and strategic advantage within the competitive landscape (figure 5).

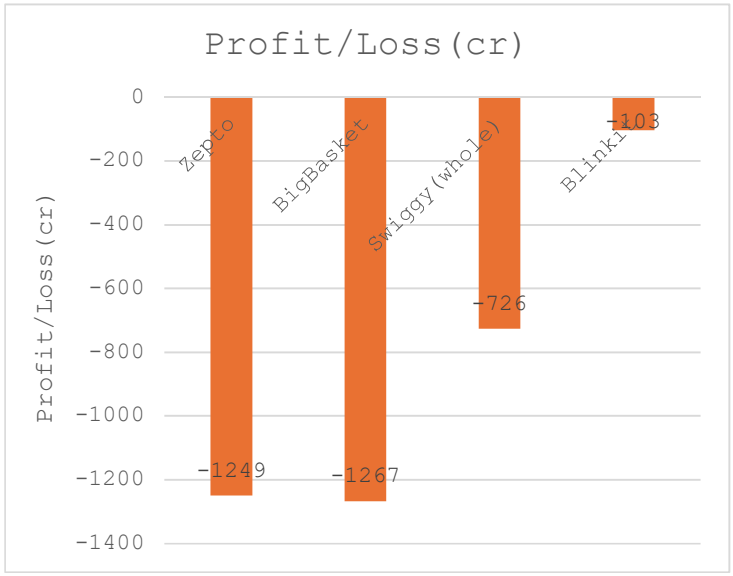

Figure – 6: Profit/Loss (Authors' Own Calculation)

The graph illustrates the financial strain within the quick commerce sector, with BigBasket and Zepto reporting significant losses of Rs. 1,267 crores and Rs. 1,249 crores respectively. Although

Zepto leads in revenue, the data underscores persistent profitability challenges driven by high operational and delivery costs, a trend echoed across other players like Swiggy and Blinkit (figure 6).

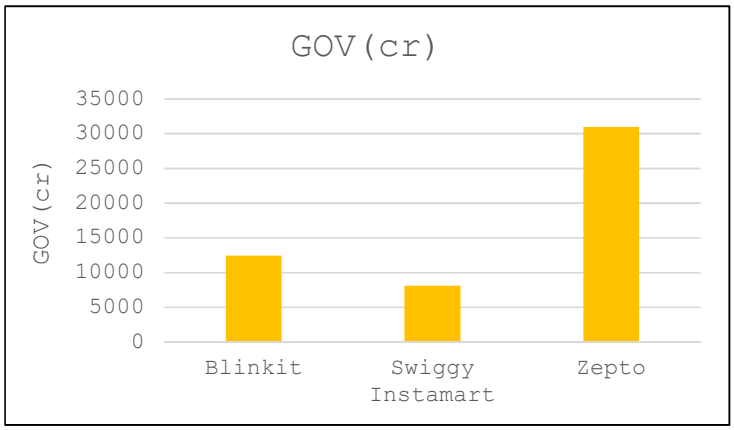

Figure – 7: Gross Order Value (Authors' Own Calculation)

The graph presents a comparative analysis of the Gross Order Value (GOV) among leading quick commerce platforms, with Zepto emerging as the clear frontrunner at Rs. 31,000 crores. Blinkit and Swiggy Instamart follow at Rs. 12,469 crore and Rs. 8,100 crores, respectively (figure 7). This trend mirrors Zepto's revenue dominance, highlighting its robust market presence despite ongoing financial losses.

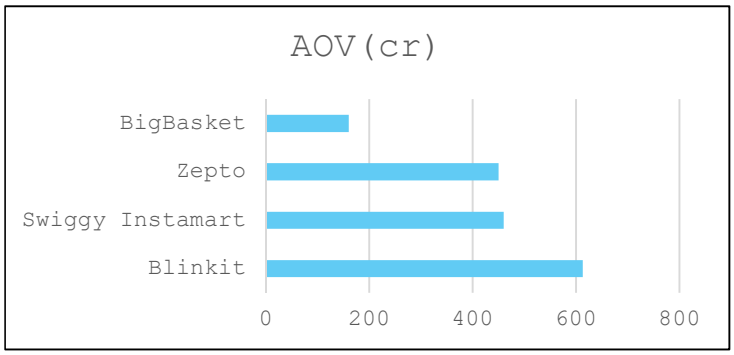

Figure – 8: Average Order Value (Authors' Own Calculation)

The graph illustrates the Average Order Value (AOV) across major quick-commerce platforms, with Blinkit leading at Rs. 618, indicating higher customer spending per transaction. Swiggy Instamart and Zepto follow with an equal AOV of Rs. 450, while BigBasket records the lowest at Rs. 160 (figure 8). This disparity reflects differing business strategies, with Blinkit targeting premium, high-value purchases and BigBasket focusing on lower-cost, frequent orders.

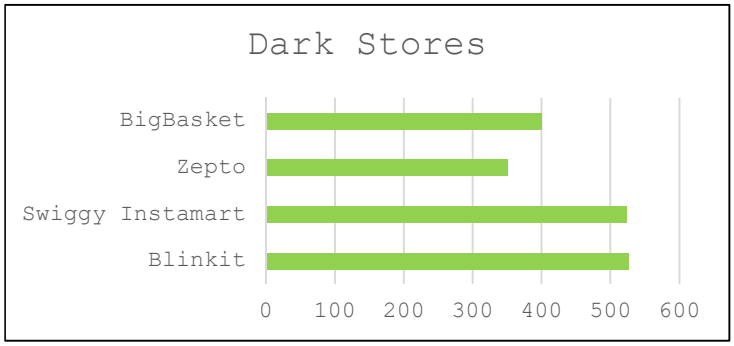

Figure – 9: Number of Dark Stores (Authors' Own Calculation)

The graph presents the distribution of dark stores across leading quick-commerce players (figure 9). Blinkit and Swiggy Instamart operate the most with 526 and 523 stores respectively, followed by BigBasket with 400, and Zepto with the lowest at 350. Despite having the fewest dark stores, Zepto outperforms in both revenue and Gross Order Value, indicating greater operational efficiency per store. This suggests that while Blinkit and Swiggy emphasize network expansion, Zepto focuses on maximizing output from each location.

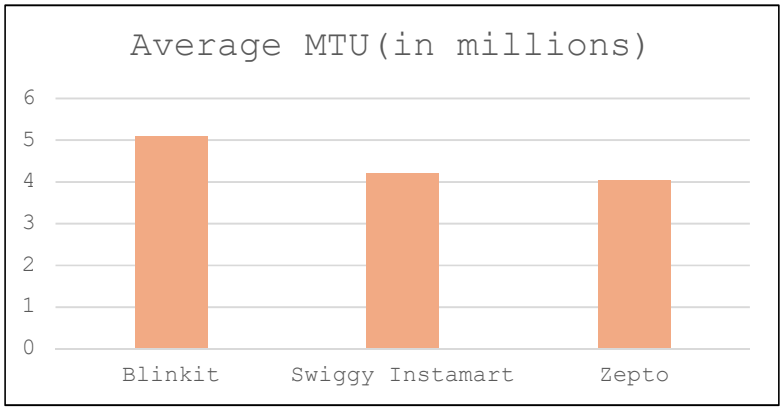

Figure – 10: Monthly Transacting Users (MTU) (Authors' Own Calculation)

The graph on Monthly Transacting Users (MTU) shows Blinkit leading with 5.2 million users, indicating the strongest customer reach. Swiggy Instamart follows with 4.2 million, while Zepto records 4.04 million. Despite having fewer dark stores, Zepto maintains strong engagement, reflecting efficiency and competitiveness in the quick commerce space (figure 10).

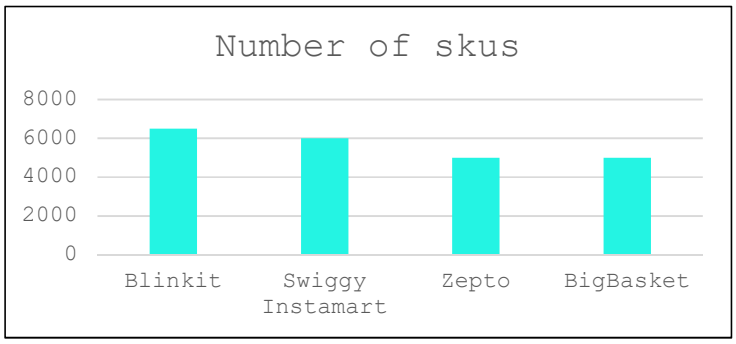

Figure – 11: Number of SKUs (Authors' Own Calculation)

The comparison of SKU (Stock Keeping Unit) counts reveals that Blinkit leads with 6,500 SKUs, supporting its top position in AOV and MTU. Swiggy Instamart follows with 6,000, while Zepto and BigBasket offer 5,000 each (figure 11). Zepto's strong revenue and GOV despite fewer SKUs highlight superior inventory efficiency and strategic product curation.

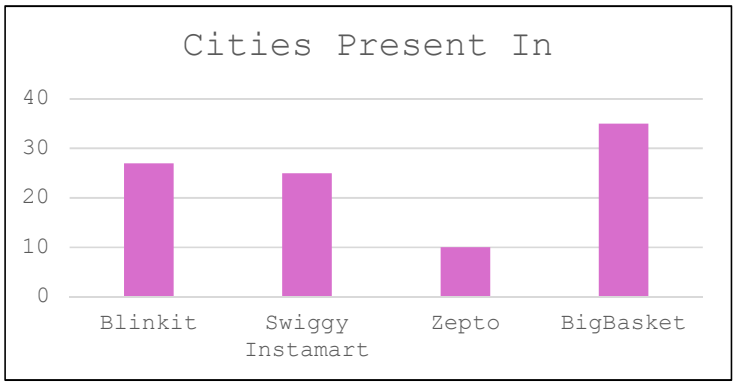

Figure – 12: Cities Present In (Authors' Own Calculation)

The analysis of geographic presence reveals that BigBasket operates in 35 cities, capitalizing on its early-mover advantage in grocery delivery. Blinkit follows with 27 cities, and Swiggy Instamart is present in 25. Zepto, despite leading in revenue and GOV, operates in only 10 cities, showcasing a focused approach on high-demand urban markets (figure 12).

3.8. Determining the Possible Trajectory of Q-Commerce

75-100 percent YOY Growth: The Indian quick commerce sector is projected to be growing at a rate of 75-100 percent until 2027. Players like Zepto have already experienced a 120 percent growth in revenue in a year. This growth trajectory reflects deep urban penetration and high customer dependency on this platform. Also, one reason could be that the companies are offering more products in their platform than its initial time. However, this growth assumes continued heavy capital infusion to offset current EBITDA margins of -25 percent industry wide.

Market Expansion (Tier 2/3 Cities): Most quick commerce brands are sticking to Tier 1 metro cities. They have not really moved into Tier 2 or Tier 3 cities yet because delivery costs are high, and the local infrastructure is not great. For example, if an individual orders a Rs. 40 Coke on Blinkit, it might end up costing Rs. 104 after delivery charges and taxes. For a middle-class family in a smaller city, this is not affordable. However, things are changing. As the Indian economy grows and more people in these towns start earning more and spending more, quick commerce could really take off in these areas in the next five to ten years.

Going Beyond Groceries: Quick commerce is increasingly driven by non-grocery products, which now make up 35 percent of the total GMV and could touch 50 percent by 2026. This shift is visible in moves like Blinkit delivering iPhones and Zepto listing over 5,000 electronic items. Collaborations with brands such as Apple and Decathlon allow platforms to earn better margins — between 18 and 25 percent, compared to just eight and 12 percent for groceries. However, the higher return rate for electronics, around 15 to 18 percent, adds to the complexity of managing profitability.

Path to profitability: Currently, quick commerce companies are burning heavy cash to acquire as many consumers as possible and expand its operations by providing heavy discount. Once the market gets saturated it is expected that the players will be profitable. For that to happen, the CAC should reduce to Rs. 100-150 (currently Rs. 300-400) and AOV should increase to Rs. 500-600 (currently Rs 300-400).

Gig Workers regulation: Upcoming labor laws by the Indian government may mandate ESI/PF for the delivery partners, increasing cost by 20 to 25 percent. Also, government may introduce fixed salary model instead of current per delivery structure.

Sub-10 Minute Delivery: After reducing the delivery time to 10 minutes from 30 minutes, quick commerce players are now trying to reduce the time to eight minutes. Companies are optimizing via artificial intelligence (AI) (predictive staging of top 100 SKUs at delivery hubs) and hyperlocal sourcing (partnering 2-km-radius kiranas). However, traffic and parking constraints keep on-time delivery rates at 82 to 85 percent.

Supply Chain Strengthening: Dark store replenishment cycles have shrunk from 12 to four hours through vendor tech integration. Zepto's *mother hub* model (large warehouses supplying multiple dark stores) reduces stockouts by 30 percent. Next-generation targets include 2-hour restocking via internet of things (IoT) shelf sensors and automated procurement.

Autonomous Delivery: Blinkit's drone delivery pilots (DGCA-approved) for medicines in Bengaluru aim for 3-minute deliveries. Ground robots (like Foodora's Doora) face Indian urban chaos but may work in gated communities by 2026.

FMCG Collaborations: Addressing the rapid growth of quick commerce, FMCG brands are producing quick commerce specific products such as 30 ml shampoo sachets. Also, FMCG brands are collaborating with q-commerce companies for exclusive launch for example Nestle’s Insta Coffee sticks.

3.9. Evolution of Q-Commerce and Consolidation at E-Commerce

Quick commerce has brought big changes to how people shop in India, especially in urban areas. It started out as a way to deliver groceries faster. It has turned into a full-scale retail shift. This review looks at how q-commerce started, how it has changed over time, and how it is starting to blend with regular e-commerce.

In the beginning, platforms like BigBasket and Grofers (now Blinkit) focused on next-day grocery delivery. However, everything changed during the COVID-19 lockdowns. Online grocery orders grew by 80 percent, hitting $2.66 billion in 2020. This sudden rise made companies rethink about their delivery systems. New companies like Zepto entered the market, offering delivery in just 10 to 30 minutes.

To make such fast delivery possible, companies had to move away from big warehouses and start using smaller local stores called dark stores. These are set up close to residential areas to save time. As mentioned in several reports, the number of dark stores went from around 200 in 2020 to more than 2,000 by 2023. This helped the sector reach a GMV of $2.3 billion (Nair et al., 2025).

The competition in this space also grew rapidly. Zomato buying Blinkit in 2022 for $568 million showed how food delivery and quick commerce were starting to merge. Tata's BigBasket also updated its model to include faster delivery. At present, q-commerce is no longer just about groceries. Products like electronics, beauty items, and medicines now make up 35 percent of total orders, up from 12 percent just two years back.

Traditional e-commerce platforms have started adjusting too. Amazon launched its Fresh service, promising grocery delivery in a few hours. Flipkart also started same-day delivery for some items. JioMart took a different approach by working with local kirana stores to offer two-hour deliveries in test markets. All these changes are a response to how customers expect faster service (Sanghi et al., 2024).

Still, these big players face challenges. Their existing systems were made for slower, bulk deliveries, not for quick turnaround. For example, Flipkart is testing new quick delivery hubs in Bengaluru, and Amazon is trying 90-minute deliveries in Mumbai. However, their current setup makes it tough to match the speed of companies that were built for q-commerce from day one.

In short, q-commerce is pushing everyone in the retail world to speed up. It is debatable whether older companies can fully adapt to the changing scenario or whether they need to partner with quick commerce platforms, like Zomato did, remains to be seen. However, one thing is clear: the way people shop is changing fast, and businesses must keep up.

4. Research Findings

India's quick commerce sector is growing at a breakneck pace, with some estimates suggesting it could continue expanding at 75 to 100 percent per year until 2027. Zepto's 120 percent jump in revenue over the last year is just one example of how fast things are moving. The demand is largely being driven by city dwellers who are getting used to the convenience of receiving daily essentials delivered in minutes. The industry started out as a grocery-focused service. However, at present, it covers a broader range of products. Electronics, beauty items, and medicines already make up 35 percent of total sales. The share is expected to reach 50 percent in the next couple of years.

On the operations front, companies are finding ways to speed things up and reduce delays. For example, dark store restocking — which used to take up to half a day — now often gets done in just 4 hours thanks to better coordination with suppliers and more streamlined inventory systems. Some platforms are even exploring drones for faster delivery of urgent items like

medicines in cities. There's also growing collaboration with FMCG brands. Nestlé, for instance, has created products like single-serve coffee sachets specifically for these platforms, giving customers access to items they can't find elsewhere.

The journey is not entirely smooth. On-time delivery is still an issue, with most platforms managing around 82 to 85 percent success. This is not ideal, especially when traffic and last-mile logistics in crowded cities remain unpredictable. Reaching smaller towns and rural areas will be a much slower process. Poor infrastructure and lower purchasing power make it tougher to justify the high delivery costs, which often outweigh the value of the products being shipped.

Interestingly, the rise of quick commerce is starting to push traditional e-commerce giants to rethink their delivery timelines. Flipkart has begun experimenting with same-day delivery in major cities, while Amazon is testing 2 to 3-hour grocery deliveries through its Amazon Fresh service. These shifts show how fast delivery is becoming a standard expectation, not just a quick commerce perk.

Looking ahead, the big question is whether this model can become financially sustainable. High-margin items like smartphones — Blinkit has even delivered iPhones — help balance out the razor-thin profits from groceries. However, electronics come with high return rates, sometimes 15 to 18 percent, which eat into margins. To succeed in the long run, quick commerce companies will need to keep improving their operations, cut down on costs, and slowly extend their reach into new areas. All these needs to be achieved while ensuring convenience and speed that made them popular in the first place.

5. Discussions

India's quick commerce sector is poised for continued growth, with projections indicating a 75 to 100 percent year-on-year rise in revenue and increasing expansion into Tier 2 and Tier 3 cities. The future trajectory points toward eventual profitability through innovations like sub-10-minute delivery, adoption of autonomous or drone-based logistics, and deeper collaboration with FMCG brands. As user penetration widens and consumer expectations evolve, the industry is likely to witness a shift from merely speed-focused delivery to a more diversified and sustainable model.

5.1. Theoretical Implications

The study opens up avenues for further research into why and how quick commerce has achieved greater traction in developing economies like India compared to developed nations. Future research could examine the psychological and behavioral impact of sub-10-minute delivery on consumer habits, particularly the balance between planned and impulse purchases. Additionally, investigations into the changing patterns of urban consumption driven by convenience-oriented services may provide valuable insights.

5.2. Managerial Implications

The findings underscore the critical need for establishing sustainable profitability models within the quick commerce sector. Key strategies include minimizing customer acquisition costs, enhancing delivery logistics, and increasing the average order value (AOV). Additionally, firms may benefit from exploring alternative revenue mechanisms such as subscription-based services and direct-to-consumer (D2C) partnerships. Furthermore, managerial decision-making should

critically assess the trade-offs between pursuing large-scale operations and optimizing efficiency at the micro-market level, particularly in a cost-sensitive and highly competitive environment like India.

5.3. Social Implications

The rapid rise of quick commerce poses challenges to traditional retail structures, particularly local kirana shops, which may see declining footfall. Moreover, the sector's reliance on gig workers — often operating under stringent time constraints — raises pressing concerns about labor rights and well-being. As some firms explore reducing delivery times further (for example, from 10 to 8 minutes), the potential strain on delivery personnel warrants urgent policy scrutiny to ensure that ethical labor standards are upheld.

6. Conclusions

India's quick commerce sector is changing the way people shop, especially in cities. This research shows that due to rising urbanization, with more individuals using the internet, and habits formed during the pandemic, the industry could grow to around $5.5 billion by 2025. Companies like Blinkit, Zepto, and Swiggy Instamart have made fast delivery — often within 10 minutes — a standard by setting up dark stores in key locations. Still, they face real challenges when it comes to generating profit. Moving forward, success will depend on improving delivery efficiency, treating gig workers fairly under new rules, and offering more than just groceries to boost earnings.

Government policies like those about worker rights and where dark stores can operate are also starting to have a major impact. Reputed e-commerce brands adding quick commerce to their platforms hints at future mergers in the industry. As new technologies like self-driving deliveries become more common and smaller cities begin to adopt these services, companies will need to deal with things like waste, emissions, and how to manage stock better. This study argues that q-commerce is not just a short-term trend — it is likely to stay. But for it to last, companies must turn fast growth into stable profits, all while adjusting to new regulations.

6.1. Limitations

Limitations of the study include its exclusive focus on four major players, potentially overlooking emerging trends from newer or regional competitors. Additionally, the analysis relies on secondary data, which may be subject to inconsistencies in reporting or availability. Due to the fast-evolving nature of the industry, some insights may become outdated as market dynamics shift rapidly. Moreover, the study primarily focuses on the Indian q-commerce landscape, and most data and analyses have been conducted from an Indian perspective, which may limit its applicability to global contexts.

6.2. Avenues of Future Research

Future research could delve into why quick commerce has gained stronger traction in developing nations like India but has struggled in developed markets, examining factors such as infrastructure, consumer expectations, and regulatory environments. Another potential area is the evaluation of government policies needed to safeguard rights of gig workers amid rising delivery pressures. Studies may also assess how quick commerce affects local kirana stores and traditional retail

ecosystems. Additionally, researchers could explore strategies to reduce customer acquisition costs and enhance profitability. As some companies aim to reduce delivery times below 10 minutes, future research could investigate the resulting impact on well-being and operational stress of gig workers.

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