PROJECT DISSERTATION REPORT

ON

FACTORS AFFECTING THE ADOPTION OF QUICK COMMERCE

SUBMITTED BY: -

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2K20/DMBA/91

UNDER THE GUIDANCE OF

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CERTIFICATE

This is to certify that the project work "Factors affecting the adoption of quick commerce" is a bonafide record of work done by Prateek Lohariwala under our guidance in partial fulfilment of the requirement for the MBA project as per the record of Delhi Technological University, Rohini in the academic session of 2020-22 at Delhi School of Management, Rohini.

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Candidate's declaration

I hereby, certify that the work which is being presented in the report entitled, " Factors affecting the adoption of quick commerce", in the partial fulfilment of the requirements for the award of the degree of Masters of Business Administration specialised in IT and operations, submitted in the MBA department, Delhi School of Management, affiliated to Delhi Technological University, Rohini, Delhi (India), is an authentic record of my own work carried out during session 2020-22, under the supervision of Dr Deep Shree, Assistant Professor, MBA Department, Delhi School of Management.

The matter embodied in this project report has not been submitted by me for the award of any other degree or diploma.

Date: May 3rd, 2021   Prateek Lohariwala

ACKNOWLEDGEMENT

This report bears sincere thanks to several people who have made a contribution towards the completion of this project. Without their dynamic direction, help, collaboration and consolation, I would not have gained ground in the project.

I am also thankful to my faculty project mentor, Dr Deep Shree (Associate Professor) at Delhi School of Management, DTU, for not only for giving excellent guidance, unabated inspiration but also for their never-ending willingness to deliver generous research methodologies, timely attention and kind interest, since the beginning of my project.

Further, I would like to express my gratitude to the Delhi School of Management, DTU for including the research project program as a course which has provided an opportunity to gain practical working experience.

EXECUTIVE SUMMARY

Purpose – The main purpose of this research paper was to determine the **factors** which are **driving** the people to use quick commerce platforms rather than purchasing them through their old Kirana store. What are the main factors which are driving this **behavioural change** and also know what is the probable future of quick commerce in India?

Design/ Methodology/approach – The research methodology is based on primary data which we have collected through **questionnaires** (Google form) to gather the perspective of the respondents. The data collected was analysed through the visualization tool of the google form itself and also through **SPSS.**

Findings – Our key finding was that **covid acted as a catalyst** which this industry needed and after the covid, the market for quick commerce has only grown and it is predicted to grow further in the near future. The other key finding is that the ordering from quick commerce platforms is very **addictive** and once a person starts ordering through this then there is no going back, this can be seen from our research in which 70% of the respondents use these platforms at least once in a month.

Research limitations/Implications – One of the limitations of our research can be the **sample size** of the data. We got 118 responses for our research which might not be sufficient for proper analysis because it is generally believed that the bigger the data the more accurate are the outcomes.

Practical Implications – through this research paper one can come to know about the present and future scop0e of the quick commerce platforms and also the factors which motivate and demotivate customers to use these platforms.

Originality/ value – The plagiarism of the research paper was checked with the Turnitin software which came out to be 12% and there was no single source from which the duplicity was exceeding 3%. So, we can say that in terms of originality it meets all the standard criteria.

Keywords – Quick commerce, e-grocery, q-commerce, value first buyers, convenience first buyers

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Introduction

1.1 Background

Gone are the days when people use to associate the e-commerce marketplace with just the purchase of electronic devices and other bulky products. Because today we have been witnessing a major shift in consumer buying behaviour in which consumers are not only buying electronic devices and other bulky products but have also started to purchase grocery items online. Before going forward and doing an in-depth analysis of the online grocery landscape let us first understand what exactly is **online grocery: -** According to the European Commission (2015), online grocery included the purchase of food, drinks, and other mundane necessities, especially fast-moving consumer goods.

An **online grocer** is a physical supermarket or grocery store that accepts online orders or a separate e-commerce operation that sells groceries.

The online grocery marketplace can be divided into two phases: -

1. **Pre- Covid times: -** this was the time when Indians were slowly but were gradually shifting towards the online grocery marketplace but were hesitant towards it because **shifting towards online grocery requires behavioural change which is very difficult to overcome.** I am using the term behavioural change because grocery is something which people prefer buying from their nearby Kirana store where they find an emotional connection with the owner of that store, and to change this practice and shift towards the online grocery landscape was never going to be easy for them. The other thing which made the online grocery marketplace more challenging was the unavailability of credit on these platforms, unlike local Kirana stores which provide credit for nearly a month. There is a general trend which is followed by these local Kirana stores in which their regular customers buy groceries and other essential items from them and the bill is settled at the end of the month for all the purchases made over the month.

2. **Post- Covid times: -** the pandemic has inculcated the habit of online grocery purchasing which is not going to change soon rather it is expected to become a part of life now. The people who resisted purchasing groceries online before the pandemic now prefer purchasing groceries online due to the convenience factor which is prevalent more in online grocery shopping. People started purchasing groceries online during the pandemic because of the safety concerns but now they have become habitual of it. The acceptance of online

grocery purchasing was mammoth during the pandemic, almost everyone was ordering online at that time. In short, we can say that the **pandemic has led to the faster adoption of online grocery purchasing.**

One of the main factors which have led to the faster adoption of online grocery purchasing is the **shortened time of delivery.** Earlier when we used to talk about delivery with respect to e-commerce then it was anywhere around 3-4 days, but then amazon came with its amazon prime services in which it provided delivery services of the goods within 2 days and even introduced the concept of same-day delivery. But today same-day delivery has also become a thing of the past because now the delivery time has further reduced to 10-30 minutes. Some prominent E-commerce players like Blinkit (Grofers) and Swiggy Instamart promise to deliver the grocery orders through their apps within 10 minutes and 30 minutes respectively. There are some other players also like Flipkart quick, Dunjo daily, Jio mart, amazon pantry, big basket, etc which promise to deliver the goods within a few hours of placing the order.

So, we can say that the E-commerce has entered into the **next phase of its evolution** and now E-commerce is not only known for affordable prices, more variety but now it is also known for the quick delivery and this quick delivery model is termed as **Quick commerce**, in other words, we can define **quick commerce as a business model where you get your ordered goods within 10-30 minutes of placing the order.**

Quick Commerce
Quick commerce is something which is gaining ground in the e-grocery landscape very rapidly. Grocery is a very price competitive segment and no app can survive for a long time by giving huge discounts on the grocery items, and all the key players of the e-commerce marketplace know this thing and hence to differentiate themselves from the other players in the e-grocery segment all the key players are now taking help of the **delivery time as their differentiating factor**. Because they know that in order to gain the customer base and their loyalty, delivery time is one which can be the deciding factor in the grocery segment.

Grofers (Now Blinkit) in order to capitalise on this thing changed the entire dynamics of the company. Earlier Grofers only focused on online delivery of grocery items but looking at the trend of the market Grofers rebranded itself in December 2021 as Blinkit which is in the line with the vision of the company i.e., Quick commerce. The significance of the name Blinkit is that the company aims to deliver within ten minutes which is also synonymous with the phrase "Blink of an eye". (https://blinkit.com/)

Looking at the growing size of the market the food delivery giant Swiggy also entered into the quick commerce landscape in order to capitalise on this opportunity. Swiggy launched its quick commerce services in 2020 under the name of Swiggy Instamart which is not a separate entity but embedded in the Swiggy app itself in which Swiggy claims to deliver the grocery items within 30-45 minutes.

Not only Blinkit and Swiggy Instamart are into the quick commerce thing but there are so many other giant players (Amazon, Flipkart, Jio mart, etc.) also which are trying to capitalise on this new evolving market.
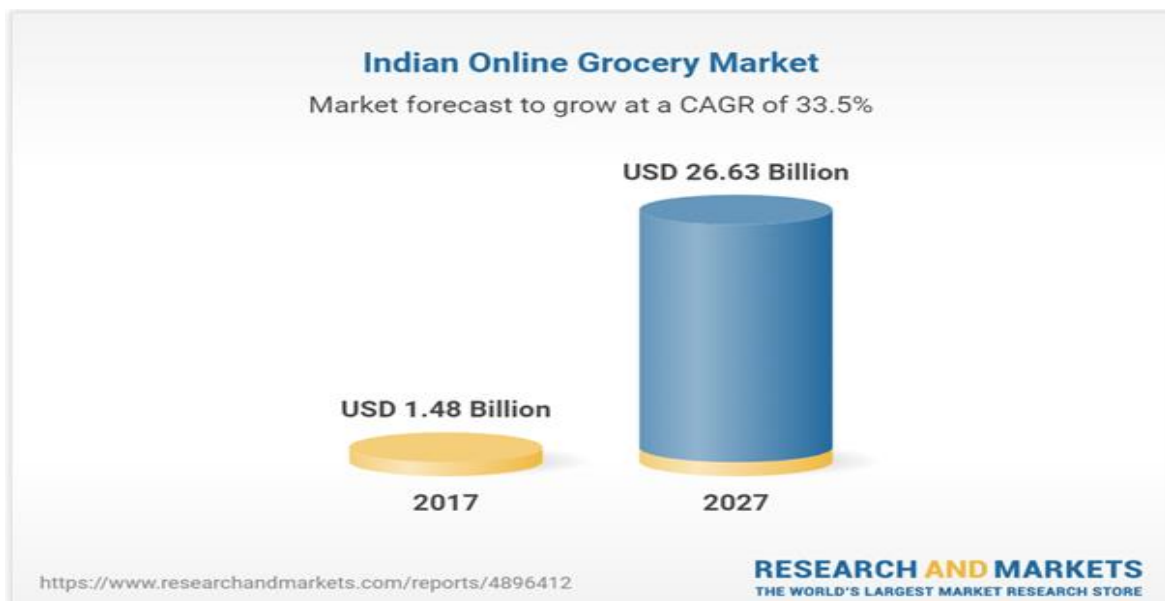
Quick commerce has been able to drive **behavioural change** among consumers. The consumers who were earlier comfortable going to their nearby Kirana store for purchasing everyday essentials are now using quick commerce services for their everyday purchases. The consumers who are using quick commerce services frequently are now getting **habitual** of it.

I came across a working woman in an urban area who was a frequent user of quick commerce service and when I was interacting with her, I came to know that earlier she is used to be very calculative of all the small and big everyday grocery needs for the next day but now she is not that much worried because she believes that even if she

forgets something, she'll order it through Blinkit where she'll get the desired item within 10 minutes. On the one hand, it has made the life of the consumers easier but on the other hand, it has made the consumers lazy as well. The reason I am saying this is that I have come across such instances where consumers avoid going outside to purchase even if their local Kirana store is at a distance of 100 meters, they rather prefer ordering it through Blinkit or any other quick commerce service provider. They do so because they feel that this is **more convenient** for them, now convenience always comes with a cost. In the above example where the consumer restrained from going outside and purchasing the required item even if the store was at just a 100-meter distance, he ordered the same through a quick commerce service provider by paying the extra delivery charges which he might have saved if he would have gone to that nearby store and purchased the required item, but for that consumer paying those extra bucks as delivery charges was more convenient then going outside and purchasing it himself.

Quick commerce has been a **boon for working professionals**, where they don't have to plan anything in advance related to the grocery needs of the households. They can now order it anytime and they'll get the desired item within a few minutes. These working professionals who don't have time to go to any hypermarket or nearby local Kirana stores are the ones who are the regular customers of these quick commerce service providers, they are the ones who are ready to pay an extra amount to get their items delivered at home quickly.

Online Grocery market in India

Indian Online Grocery Market
Market forecast to grow at a CAGR of 33.5%

USD 26.63 Billion

USD 1.48 Billion

2017   2027

https://www.researchandmarkets.com/reports/4896412

RESEARCH AND MARKETS
THE WORLD'S LARGEST MARKET RESEARCH STORE

Source: Research and market

The Indian Online Grocery Market was valued at USD3.95 billion in FY2021, and it is predicted to increase at a CAGR of roughly 33.00 per cent over the forecast period, reaching USD26.63 billion in FY2027.

The key reasons influencing the growth of the Indian online grocery market are as follows: -

- Changing consumer preferences
- Growing disposable income
- New market entrants
- Increased focus on expanding e-commerce business
- Adoption of attractive marketing strategies

Rapid urbanisation, a larger working population, and the adoption of a passive lifestyle are all reducing the amount of time available for household chores. Consumers are actively adopting goods and services that can improve living standards by adding **comfort and convenience.** Consumers are predicted to adopt an online grocery system at a rapid rate as market players deliver all basic household supplies in a few hours at discounted prices. To meet client demands, market participants are making high-end expenditures to modernise their systems and establish an effective supply chain, transportation system, and inventory. Consumers may now access online platforms more easily and conveniently because to the growth of smart gadgets and the availability of low-cost internet access. The risk of fraudulent online activities and delayed customer service, on the other hand, may stifle the Indian Online Grocery Market's growth over the projection period.
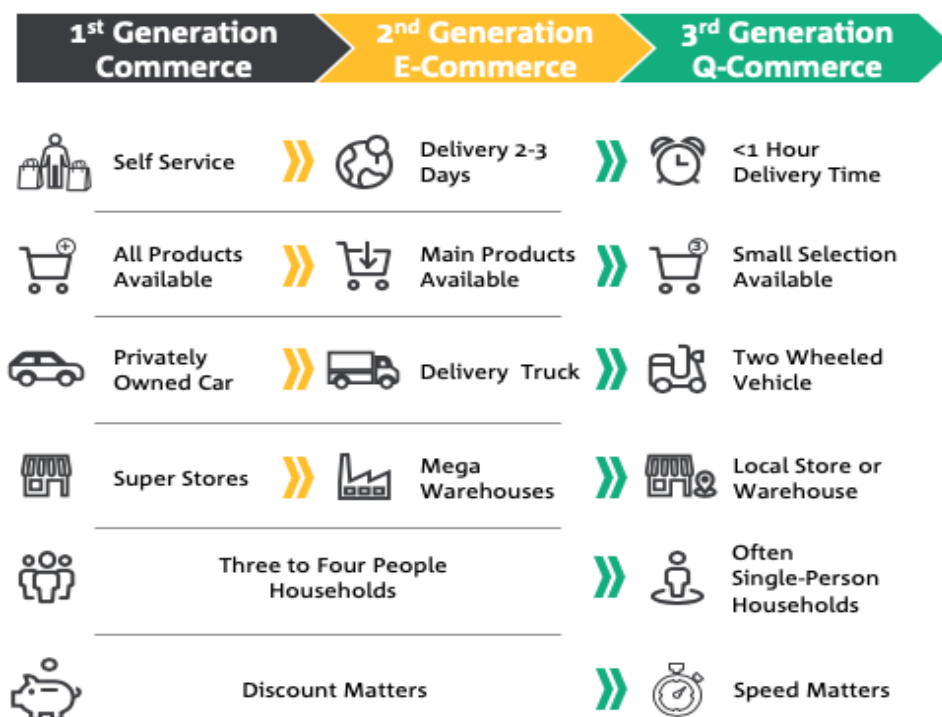
Product category, platform, geographical distribution, and competitive landscape are all used to segment the Indian online grocery market. The market is divided into mobile applications and desktop websites depending on the platform. During the projection period, the mobile application sector is predicted to have the biggest market share. Consumer demand for mobile applications is being driven by the ease of using them, the availability of user-friendly interfaces, and online payment methods.

Evolution of quick commerce

1st generation, Commerce: - This was the generation in which shopping was associated with self-service rather than home delivery wherein people would go and purchase the required items in their own private vehicles, and most of the products were available at their local Kirana stores and the discount was the main factor in this generation and also the average size of the household was 3-4 persons.

2nd generation, e-commerce: - In this generation people got to know about the concept of home delivery and slowly and gradually they became habitual of the concept of home delivery which was done usually through large delivery trucks but the discount was still the dominating factor and the average size of household is also same as that in 1st generation i.e., 3-4 persons.

3rd generation, q-commerce: - In this generation the delivery time further reduced and it came down to less than 1 hour from 2-3 days and the delivery was done from local stores or warehouses on two-wheeled vehicles and in this generation, the discount was no longer the dominating factor rather delivery time was the one which matters and also the average size of household in this generation was 1 person.

1st Generation Commerce	2nd Generation E-Commerce	3rd Generation Q-Commerce
Self Service	Delivery 2-3 Days	<1 Hour Delivery Time
All Products Available	Main Products Available	Small Selection Available
Privately Owned Car	Delivery Truck	Two Wheeled Vehicle
Super Stores	Mega Warehouses	Local Store or Warehouse
Three to Four People Households		Often Single-Person Households
Discount Matters		Speed Matters

Organised and Unorganised Sectors in the Retail Market

When it comes to grocery shopping, the Indian community has a variety of possibilities. The retail sector is extremely competitive, with everything from little Kirana shops on the streets to major shopping malls and a plethora of internet portals. Because it is usually a family business or controlled by a solitary proprietor, the organized sector often uses informal labour, and the proprietors of such establishments have limitless personal accountability. Stores can be classified as formal or informal, as well as organized or unorganized. The unorganized sector includes all small stores such as Paan shops, fruits and vegetable stalls, pushover carts, and so on. Even though Kirana stores, tiny pharmaceutical shops, small bakeries, and appliance stores are part of the organized sector, they nevertheless belong within the informal sector group. The major retail stores that operate as limited companies, trusts, or corporations that run supermarkets, hypermarkets, and other retailers come into both the formal and organized sectors. The above-mentioned unorganized sector accounts for more than 93 per cent of total grocery sales in India. The reason for the significant quantity of sales ascribed to the unorganized sector is due to the legacy they have built over a long period of time as a consequence of their experience and goodwill among the Indian people. While the unorganized sector still accounts for more than 90% of the food retail business, recent trends reveal that a growing number of consumers are turning to online grocery shopping for the convenience and efficiency it provides. With longer working hours and women in similar roles at work as men, internet shopping provides the flexibility and convenience that today's consumers want. (Kashyap, n.d.-a)

Rising urbanization and Internet connectivity make it easier to shop for groceries online.

India has a population of 1.38 billion people, accounting for 18% of the global population as of March 2021. According to the World Bank, rural regions account for 66% of the population (900 million people), while urban areas account for 34%. The urban population of India grows by 2.3 per cent on average each year, but the rural population continues to shrink, with only 0.3 per cent growth in 2019. Rapid urbanization is allowing access to a diverse variety of goods and services for a growing number of younger, "globally conscious" consumers with rising incomes and changing tastes and preferences. In addition, due to falling data and mobile device prices, internet connection is growing (the preferred method of internet access). India has about 504 million active internet users, according to the Internet & Mobile Association of India, with 227 million in rural regions and 205 million in urban areas, respectively.

Furthermore, approximately 70% of the country's online population is active on a daily basis, largely for social networking and texting. According to local sources, India's rapid digital adoption will continue, with the country expected to surpass 1 billion internet users by 2025. For years to come, this acceptance will drive the usage of e-commerce in both rural and urban locations. (*THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY*, 2021)

The Impact of COVID-19

COVID-19 caused substantial changes in India's online grocery retail market in 2020, resulting in sectorial consolidation and tremendous sales growth. Exporters and processors interested in extending their footprint in the Indian grocery retail industry through a simplified, trending marketing channel would benefit greatly from this expansion. Due to the acceptance of digital lifestyles and the increase of dual-income families, which are increasingly seeking ready-to-eat food, customers are likely to increasingly rely on e-commerce for their grocery purchases in the future. In the short term, however, most e-commerce sales will be restricted to large cities such as New Delhi, Mumbai, and Bangalore as these merchants extend their supply chains and logistics systems to serve the bulk of India's postal codes and regions. While dry, packaged food basics (such as cereals and cooking oils) make up the bulk of online grocery sales, COVID-19 encouraged people to buy fresh fruits, vegetables, meat, poultry, dairy, and gourmet goods. As a result, as customers get more comfortable with the notion of purchasing more fresh food online, the sale and variety/availability of these products will continue to grow.

Given the expected rise in online grocery sales in 2020, online retailers will seek to differentiate themselves through discount/loyalty programs, faster deliveries (including same-day deliveries in select cities), easy returns policies, free/low-cost deliveries, payment convenience, cashback offers, and security. Given the COVID-19 scenario, online businesses emphasized their capacity to provide hygienic, contactless, and quick delivery to customers' doorsteps. (*THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY*, 2021)

1.2 Objectives of the study

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

1. To study the impact of covid on the quick commerce.
2. To figure out different drivers that motivate people to order through these apps
3. To determine what different problems faced by people while ordering through these apps
4. To know different reasons why people still prefer traditional Kirana stores over these apps.

1.3 Scope of the study

The study is conducted by collecting data through responses to a structured questionnaire. While collecting responses a particular segment was not targeted in fact the responses were collected from the people from various geographical conditions and various demographic conditions, i.e., our responses include respondents from various age groups, various educational levels and also from various occupations.

The study reveals important information or we can say that it is of high significance to the quick commerce platforms or new entrepreneurs who are trying to enter into this domain for: -

- Determining different factors which are imposing **behavioural changes** among the consumers and motivating them to use these apps.
- Determining factors which can **affect the growth** of these apps.

Literature Review
Quick Commerce

Research findings suggest that the e-grocery market can be divided into two parts: -

1. Value buyers: - In India, a large quantum of customers hails in this category. These are the customers who are price-sensitive with an average income of 0.3-.6m per annum, these are the customers who prioritize discounts over limited variety, longer waiting time or an inconvenient experience. (*Grocery Retail-Changing Landscape Competition in the Online Grocery Space Coming to the Forefront*, n.d.-a)

2. Convenience buyers: - This is the segment of the customers that most companies target because this is the segment from which companies try to drive maximum profitability for them. Their average income is in the range of 1.2-1.4m per annum, and these customers prioritize a better shopping experience by choosing from a larger product selection/availability in one location with less crowds/wait times. (*Grocery Retail-Changing Landscape Competition in the Online Grocery Space Coming to the Forefront*, n.d.-a)

Value first customers comprise approximately 61% of the total addressable wallet (total: USD 293b)
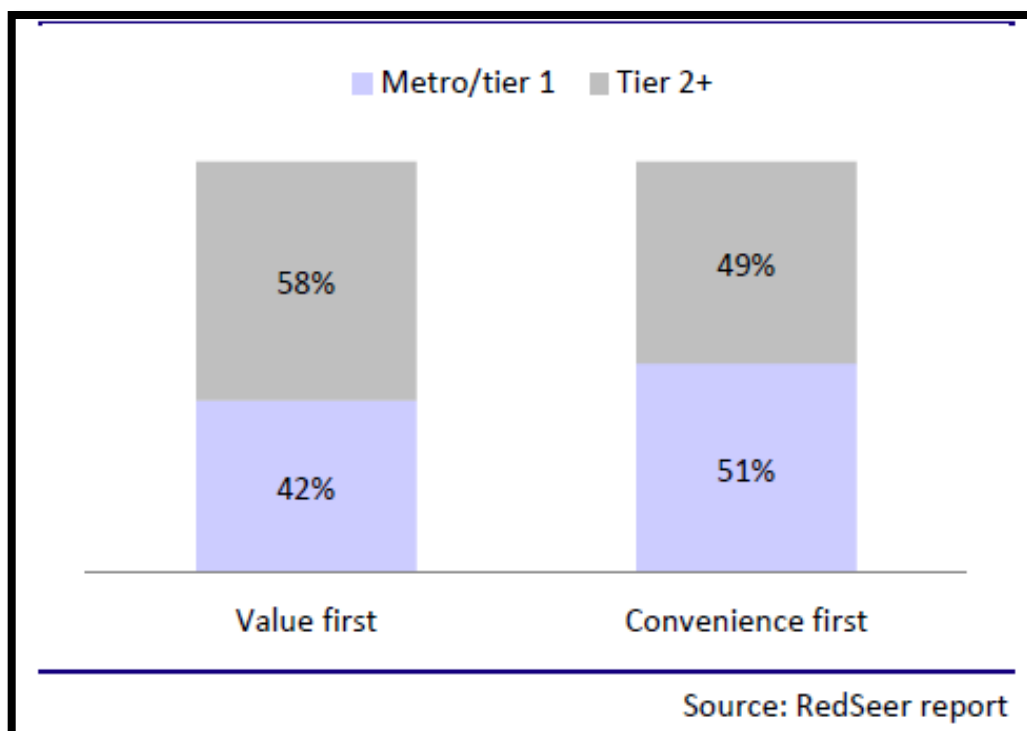

Source: RedSeer
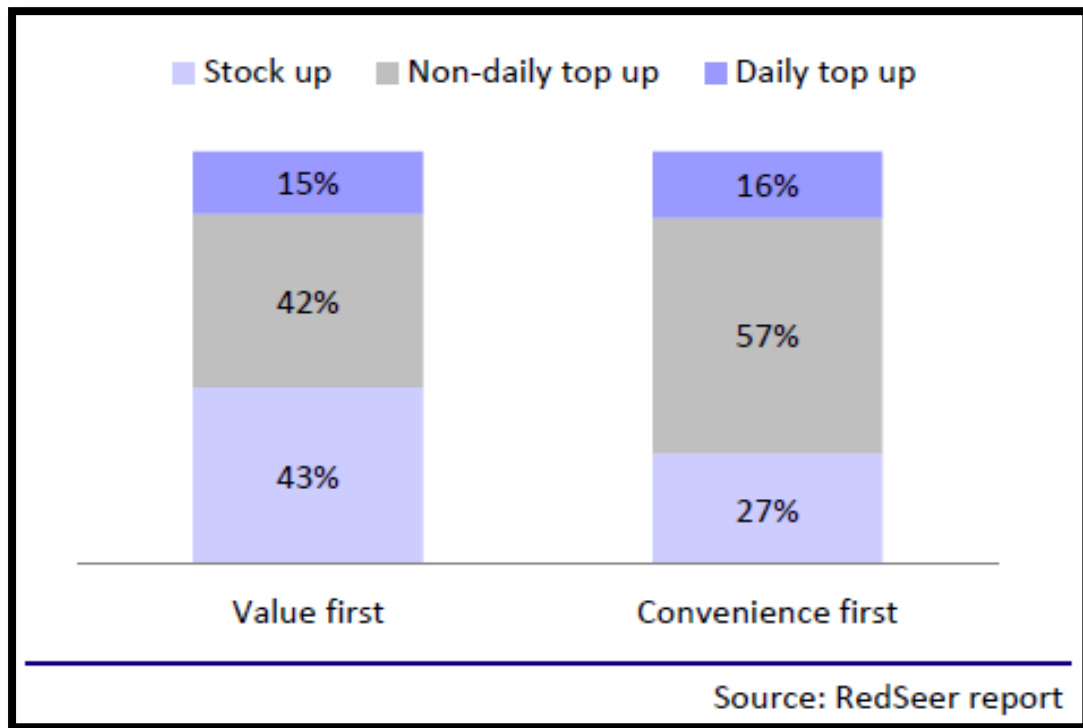
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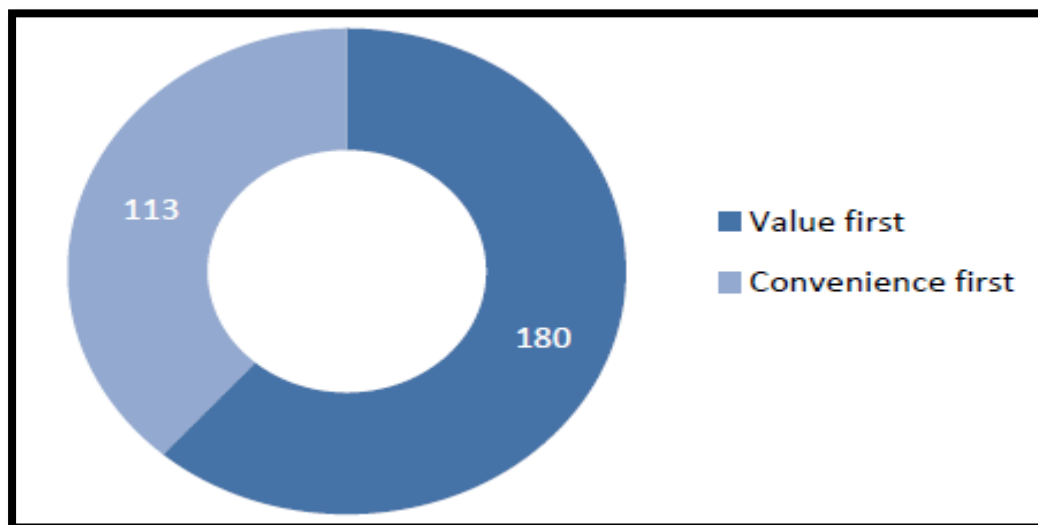
e-Grocery household segment details

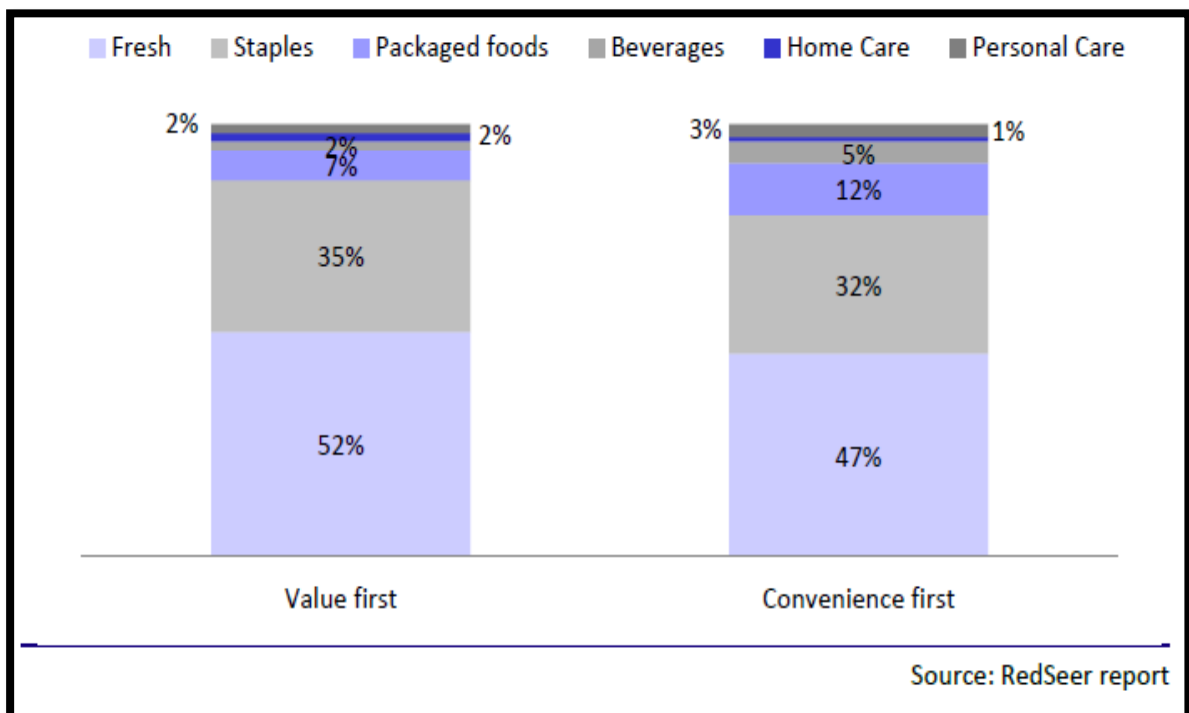| Particulars	Value first households	Convenience first households
Average annual income (USD)	7,000	16,000
Key grocery purchase priorities	Lowest prices	Wide assortment/variety of options
	Discounts	Availability of desired products in one place
	Cash backs/offers	Emergency/unplanned needs
	Sale events	Low waiting time
	Good returns/exchange policy	Quality/hygiene
	Quality/hygiene	Exotic options
		Customer support service
Purchase behavior	Buy groceries in bulk and at times defer purchases to get best-priced products	Prefer to top up basket as per needs, and purchase from places where desired assortment is available without any hassle

Source: RedSeer report

e-Grocery addressable wallet by city type

Source: RedSeer report

e-Grocery addressable wallet by basket type

Legend: Stock up | Non-daily top up | Daily top up

Value first: Daily top up 15%, Non-daily top up 42%, Stock up 43%
Convenience first: Daily top up 16%, Non-daily top up 57%, Stock up 27%

Source: RedSeer report

e-Grocery addressable wallet by category

Legend: Fresh | Staples | Packaged foods | Beverages | Home Care | Personal Care

Value first: 2%, 2%, 7%, 35%, 52%, 2%
Convenience first: 3%, 5%, 12%, 32%, 47%, 1%

Source: RedSeer report

e-Grocery household: Comparison of attributes and their implications on profitability

Particulars	Value first households	Convenience first households	Impact on profitability
Demand for lower price/high discounts	High	Moderate	Discounts reduce net income
Bulk purchase behavior	High	Moderate	Bulk purchase increase AOV, which reduce fulfillment cost/order
Assortment need	Limited	Very wide	Limited assortment offers a better ability to negotiate margins with brands
Private label openness	High	Moderate	Private labels provide a high gross margin
Fast delivery demand	Low	High	Low fulfillment cost in scheduled delivery v/s on demand
Stickiness to one platform	Moderate - high	Moderate - high	High stickiness reduced marketing spend

Source: RedSeer report

Differentiated approach to handling logistic costs and inventory management

It has been always seen in the grocery segment that it is driven by a thin gross margin (15-20%), higher logistics cost (20-25%) and complex inventory management which makes it very difficult for the organisation to achieve sustainable profits and to compete with traditional retail which operates with a 15% cumulative margin in the value chain.

But I think now e-Grocers had decoded the mantra to drive more profitability and scale by opting for the following practices: -

1. Targeting bulk purchases to leverage cost
2. Limited assortment for better management of the inventory
3. Use of private labels
4. Saving on customer acquisition costs due to customer stickiness
5. Charging delivery cost below the threshold of AOV.

So, with the use of the following practices e-grocers have been successful in reducing the cost and increasing the gross margin. (*Grocery Retail-Changing Landscape Competition in the Online Grocery Space Coming to the Forefront*, n.d.-a)

Competitive landscape

Multiple new businesses have scaled up their Online Grocery company in order to harness the vast potential in the sector and attract clients. In recent years, the level of competition has risen dramatically. Pricing (discounts on delivery charges) and convenience (flexible delivery time, wider product assortment, and delivery locations) are two areas where players compete.

1. **Product pricing: -** JioMart is the cheapest player, followed by D-Mart Ready, according to our channel checks - JioMart/D-Mart pricing points are 9 percent /4 percent lower than Big Basket. The price points for basics and food goods have been lowered by 11% and 8%, respectively. In the case of HPC items, JioMart offers a 6% discount, while other companies give comparable discounts. JioMart offers a 7 per cent discount on MRP on average. Big Basket, on the other hand, has the best product offering, which is anticipated given that it serves to high-end clientele in metros/Tier 1 cities, with a greater product selection and new categories, some of which are difficult to find on the shelves of other companies.

2. **Delivery charge/time:** - For AOVs (Average order value) below a specific level, online grocery players face greater logistic costs, which are generally passed on to customers. Big Basket now offers free delivery on purchases above INR1,200 AOV, whereas Grofers/Amazon requires a minimum order of INR500/INR799 respectively. With a minimum purchase value of INR1,000, D-Mart offers free delivery to D-Mart Ready stores, while home delivery costs 3% of the order amount, or INR49 (whichever is greater). JioMart has the most aggressive campaign to boost the number of orders, offering free shipping without any minimum delivery requirements. In addition to delivery fees, players are providing consumers with delivery timing flexibility to attract convenience-conscious clients (for example, regular delivery or delivery within 1-2 days) and charging a premium to generate revenues.

3. **Product offerings:** - Players provide a variety of product categories to appeal to a wide range of clients. Smaller SKUs with lesser margins are kept by value players. Convenience-focused players, on the other hand, maintain a larger number of SKUs with better margins. Big Basket, Grofers, and Amazon, according to our research, have the most SKUs. Eggs, poultry and meat items, and pet care items are among the product categories offered by Big Basket/Grofers. Private labels are being used by players to produce distinctive items and encourage repeat sales. New businesses are developing that cater to

specific product markets, such as Licious, which only sells poultry, meat, and eggs, and Milk-basket and Super Daily, which only deliver dairy and bread items in the morning.

4. **Delivery locations:** - Players are trying to expand their serviceable territories to Tier II/III cities, which have little penetration in the e-Grocery sector, in order to enhance the scope of their operations. Marketplace businesses like Amazon and Flipkart have a competitive advantage since they can use their e-commerce skills to serve a wider range of customers. Apart from these, JioMart might use its larger physical footprint to greatly expand its serviceable region. Big Basket/Grofers has a smaller presence in metro/Tier I cities, whereas D-Mart's online presence is confined to a few metro cities with limited serviceable regions. (*Grocery Retail-Changing Landscape Competition in the Online Grocery Space Coming to the Forefront*, n.d.-a)

Business models adopted for online grocery retailing in India

Inventory-based model, hyperlocal-based model, hybrid model, and AaramShop model are the four main types of business models utilized in India for online food selling. Let's take a closer look at each of these four models: -

1. **Inventory based model:** - The online grocery business maintained its warehouse and delivery cars in this model. This methodology necessitated extensive working capital and inventory management, as well as continuous perishable product monitoring.

2. **Hyperlocal-based model:** - Instead of having their own warehouse, the online grocery merchant worked with local retailers to supply goods in this strategy. Although this strategy was cost-effective, it had several problems, such as sudden excess demand that local retailers couldn't handle. Orders might be placed through mobile apps in this arrangement. The internet merchant has a deal with a local store where their delivery boys would pick up and deliver the order to the consumer.

3. **Hybrid model:** - This concept was a hybrid of inventory and a hyperlocal model. The online retailer kept its warehouses in a small number of locations while using a hyperlocal strategy for some perishable items. This model necessitated more effort in terms of inventory management.

4. **AaramShop model:** - In this concept, a single entrepreneur established a website and provided a low-cost platform for multiple small food retailers to go online. For a little price, these physical and mortar shops could register with AaramShop. The customer used a mobile app or a website to choose their

favourite business and place their order for free. Advertisements and brands wishing to have an online presence were used to generate revenue. (Kureshi & Thomas, 2019)

Perception of local grocery retailers about online grocery business

The perception of local grocery retailers about the online grocery business can be understood under five heads: -

1. Business expansion
2. Gaining visibility and reputation
3. Customer expectations
4. Inventory management, and
5. Margins, cost and technical issue

Let us understand about this perception in much more details and let us try to find out what led the local retailers to focus on these heads before going for online grocery business: -

1. **Business expansion:** - Despite the low volume of online sales, local shops that collaborated with online grocery retailers thought that online grocery shopping was the way of the future, and they utilized it as a learning opportunity. The majority of local grocers believed that online grocery retailing would grow since it would bring in new customers, resulting in profits. One of the local stores, on the other hand, stated that the key motivation for partnering with internet retailers was the fear that they would loose their existing customer base. The benefit, according to local grocers, was twofold: it would attract not only young customers but also customers who lived outside of their geographic reach.

2. **Gaining visibility and reputation:** - Most local grocery stores that had connected with internet sellers believed that conducting business online was like getting free advertising and that their store would eventually be seen as modern. When the online salesman went to the local supermarkets, it gained store visibility in their neighbourhood. This allowed local grocers to notify clients about the product range as well as costs without them having to visit the store. The ability to gain awareness and grow revenue by recruiting new customers was the key motivation for stores to implement online food retailing.

3. **Customer expectation:** - They realised that it was critical to match pricing to some level and keep a far wider choice of products in store. They didn't care about matching discounts. Those who ended the collaboration believed that they couldn't satisfy both their online and in-store clients. Customers'

expectations in terms of variety and pricing were both high and difficult to meet. As a result, achieving the expectations of both online and in-store customers during peak hours proved difficult.

4. **Inventory management:** - The majority of the linked merchants put on a brave face when it came to inventory expenditures. Those who had never collaborated and those who had stopped were both very vocal about the inventory management that would be required if online grocery retailing became a reality. They were also cautious about changing existing company procedures because of the new format.

5. **Margins, cost and technical issue:** - For the time being, the collaborating merchants were willing to absorb a margin hit. They were more interested in the long-term learning experience. They were already utilising a barcode scanner to produce bills and were familiar with computer-based accounting and billing. (Kureshi & Thomas, 2019)

Major market players of the grocery market in India

The top grocery players in India are Reliance, Walmart, D-mart, Flipkart, and others. In India, Reliance with Future Retail has a total market share of 27-30 per cent. Regional shops and government canteens account for over a quarter of the market. D-

Companies	Market Share
Reliance (With Future Retail)	27-30 %
Walmart	4%
D-Mart	18-20 %
Big-Basket	4%
Metro Cash & Carry	4%
Grofers	2.5-3 %
Spencers, Start Bazar , More	10-11 %
Regional Retailers/ Government Canteen etc	25 %

mart has a market share of 18-20%, whereas Spencers and Start Bazar have a market share of 10-11% and 10%, respectively. Big Basket, Metro Cash & Carry, and Grofers have market shares of 4%, 4%, and 2.5-3 per cent, respectively. (Sharma, n.d.)

Strategies of leading e-commerce companies for customer acquisition

One of the most important goals of leading e-commerce enterprises is to acquire new customers. E-commerce businesses use the following tactics to get clients.

1. Improving the product page: - Customers should be able to obtain all of the relevant information about the product easily and fast on a high-quality, informative product page, which is vital for client acquisition. An appealing product image with information, star ratings from other customers, price, shipping charges (free or cost), add to cart button and straightforward payment processes with a delivery address.

2. Increase interactivity: - Customers must communicate with e-commerce platforms in order for them to respond. For customer engagement, interactive matters such as quizzes, assessments, spin and win, and Q&A relating to various products are the way to go. This allows people to learn more about the product and make buying decisions based on their knowledge and experience.

3. Working on-site speed: - The majority of the sites have high-quality graphics; however, they take a long time to load, which irritates customers. E-commerce platforms must load pages as quickly as possible, possibly in under 2 seconds, which can be accomplished by compressing high-quality photos into JPEGs of the same size and dimensions.

4. Inbuilt live chat and support options: - Customers require appropriate assistance while shopping. As a result, a live chat tool is essential to assist customers. By giving phone numbers and 24-hour support, the consumer is able to obtain the most up-to-date information on the product. Online support, such as email or chatbots, can also assist in client acquisition.

5. Enhance for mobile: - Smartphones are used by more than 79 per cent of clients in India. Customers will have a better experience if e-commerce platforms make their websites mobile-friendly.

6. Thinking local: - To maximise the buyer's habit and conversion rates, e-commerce platforms' shopping carts should be adapted according to local culture. This will be accomplished by generating information that is culturally relevant.

7. Saving items in the cart: - Products or items must be saved in carts on e-commerce platforms so that when buyers return to finish the transaction, it will be easier for them.

8. E-commerce platforms should create high-quality Private Label clothes at reasonable prices, as well as work with well-known brands and businesses to attract new customers. (Sharma, n.d.)

Factors influencing the growth of online sale of groceries

1. No geographical boundaries: - These days, online grocery shopping is the favoured option because it allows for delivery regardless of location. While supplying a vast geographic area necessitates a strong supply chain structure, the lack of a physical shop or store frees up a significant amount of cash for businesses to invest in a solid supply chain arrangement. Consumers are more likely to choose online purchasing than physical shopping because of the convenience of door-to-door delivery.

2. Better quality: - Consumers are more likely to choose internet purchasing because of higher product quality requirements. According to Rahman (2013), a consumer will first try online shopping and, depending on the quality of the products, will likely return to the same portal/website. According to studies, superior product quality boosts a customer's inclination to shop from a certain online store on a regular basis (Elliott, J.2002). One of the most important aspects affecting the growth of the e-grocery sector is product quality.

3. Time-efficiency: - The time flexibility that a certain online website provides plays a significant influence in persuading a group of consumers to choose online purchasing. Consumers prefer solutions that provide flexibility and punctuality in terms of time due to their increasingly busy lives and desires for a successful career life (Srinivasan and Ratchford, 1991). Traditional Kirana businesses have limited opening hours, making them inconvenient for consumers who lead busy lives. Online retailers offer both convenience and flexibility because shopping hours are not restricted, and customers are free to shop at any time that suits them (Chocarro 2013).

4. Free delivery and discounts: - Due to rising rivalry and the presence of a large number of shops in unorganized sectors, online companies are increasingly adopting free delivery policies and offering significant discounts. A big number of customers are attracted to timely and hassle-free delivery (Downs 1961). Websites that demand a flat fee for delivery, regardless of the value of the goods purchased, are often less popular than those that provide free delivery. In India, websites typically provide free delivery on purchases exceeding a specific value in order to attract more customers.

5. Current pandemic: - Many people are turning to internet shopping to avoid crowded venues and human interaction as a result of the current pandemic. According to a TOI article based on previous surveys, the number of people shopping for groceries online is expected to double this year. The number of people buying groceries online has increased by 76% this year. Many big retail

firms, such as Zomato, JioMart, and Swiggy, have begun selling groceries online in response to the growing popularity of online grocery shopping. Since the current pandemic, other retail companies such as Grofers, Big Basket, Amazon, and others have seen a 60 per cent boost in grocery sales. (Kashyap, n.d.-b)

Delivery related issues in E-commerce: -

The problem with e-commerce is that while a product may be ordered in a matter of minutes, delivery can take several days. Customers are rarely given the option of choosing their desired date or delivery time window. The goods are provided at the supplier's discretion.

In internet commerce, there are specific logistical issues, such as determining how long a consumer is willing to wait and under what conditions they are expected to wait longer. Could logistics be considered a key aspect of a company's success? In order to make e-commerce appealing, customers must be given competitive advantages over alternative methods of purchasing the same goods. The competitive advantage should outweigh the customer's discontent with the product's physical unavailability and the risk he or she is taking. Logistics has the ability to overcome these e-commerce drawbacks, and in these circumstances, e-commerce takes on new dimensions.(Lekovic & Milicevic, n.d.)

Steps in processing the orders& delivery of products: -
1. The consumer gets alerted of order information through email/SMS after the order is placed.
2. The required products are chosen from the warehouse/storage area.
3. Items for a single order are gathered, verified, and item information is updated in records before being distributed. For each item in stock, a record must be kept detailing the quantity on hand, quantity issued, and warehouse location.
4. Orders are packed and paperwork for shipping is prepared.
5. A courier service is used to deliver the item.
6. In the database, courier details such as location, estimated arrival date, tracking id, and order id are created and updated.
7. The customer is notified of the shipment details by email or SMS.

8. Proof of delivery is received once the item has been delivered to the client. It is possible that the customer will be asked to submit feedback. (Narayan Sinha, 2020)

Key formats in organised retail stores

Format	Hypermarkets	Hybrid supermarkets	Modern convenience stores
Average store size	❖ 30,000-60,000 sq. ft.	❖ 10,000-25,000 sq. ft.	❖ 1,500-3,000 sq. ft.
Focus category mix	❖ F&G: 30-35% Non-Food FMCG: 15-20% General merchandise: 10-14% Apparel: 20-25% Furniture and Furnishing: 2-6%	❖ F&G: 45-50% Non-Food FMCG: 20-25% General merchandise: 10-15% Others: 10-25%	❖ F&G: 65-70% Non-Food FMCG: 20-25% General merchandise: 5-10%
Key differentiating factors	❖ Destination format for planned visits ❖ Emphasis on shopping experience and a wide variety of products	❖ Smaller than hypermarkets in terms of retail space and category mix	❖ Similar to supermarkets, but the focus is more on fast moving products with emphasis on neighborhood requirements ❖ Have low inventory levels as compared to supermarkets
Key players	❖ Big Bazaar, Spencer's, etc.	❖ DMart, Q Mart, Spencer's, Star, Reliance Fresh, Food Bazaar, etc.	❖ Easy Day, Heritage, Nilgiris, M.K. Retail, Ratandeep and other regional players

Source: MOFSL

Above is the table of different dynamics of some key formats in organised retail stores that are hypermarkets, hybrid supermarkets and modern convenience stores. This main element of this table is the key differentiating factors which it shows for all three different formats of the organised retail stores.(*Grocery Retail-Changing Landscape Competition in the Online Grocery Space Coming to the Forefront,* n.d.-b)

Operations in e-grocery
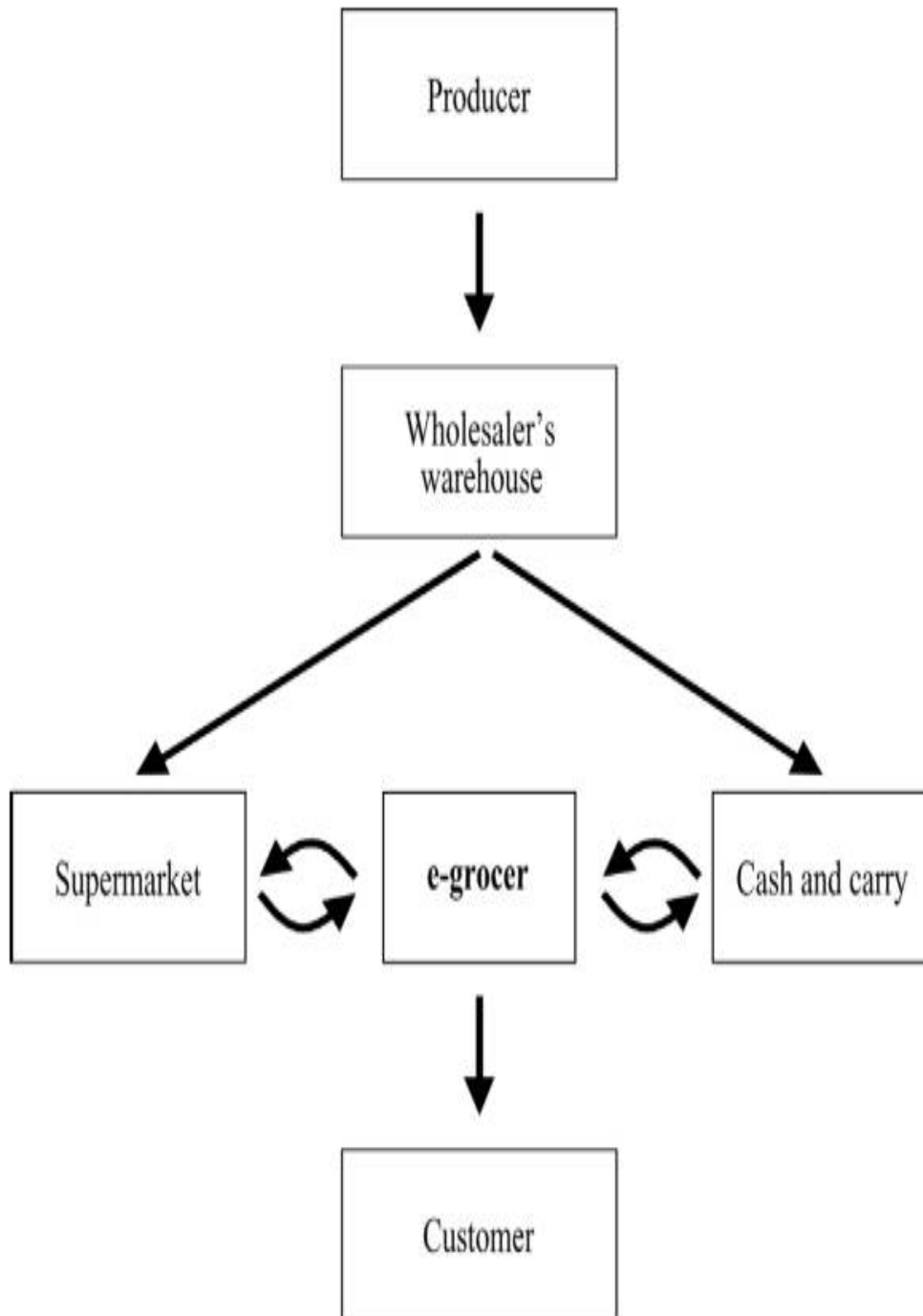
This concept is built on just making deliveries once in a while. Customers frequently do not plan ahead of time what they want to be delivered, but rather order when they need goods. As a result, people want their groceries to be delivered to their homes as soon as possible. This necessitates quick e-grocery reaction times in the form of

quick selection times and tight delivery windows, which can render the entire supply chain inefficient. (Kämäräinen et al., 2001)

Detailed working on logistics cost (assuming AOV of ₹ 1300)

Source: e-commerce retail logistics – May'18, MOFSL
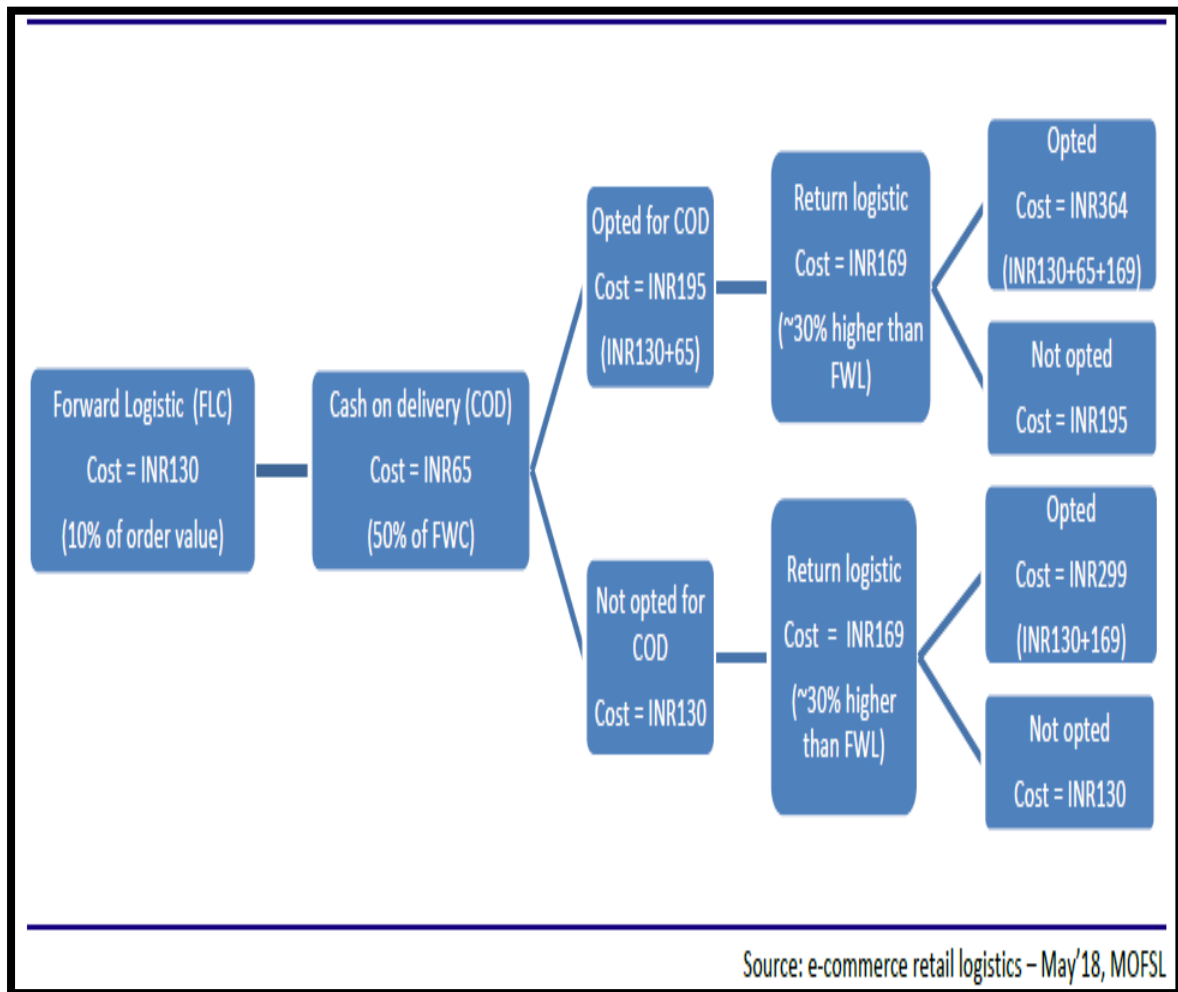
Logistics cost impacts the overall delivery process a lot. Companies have to bear a lot of expenses in the delivery process and that's why companies keep minimum order value before your order gets eligible for free delivery so that the company can bear minimum expenses from the delivery process.

Research Methodology

The research methodology is based on primary data which we have collected through questionnaires (Google form) to gather the perspective of the respondents. The questionnaire was designed in such a way that it is easy to understand and the perspective of the respondents regarding quick commerce can easily be captured. A total of 118 responses were received from the google form which we floated and the

data was then analysed through the visualization tool of the google form itself and also further analysis was done through SPSS.

**Analysis, Discussions and Recommendations**
 Data Analysis

Demographics characteristics of the smaple		N	Percent
Gender	Male	70	59.3
	Female	48	40.7
Age (Years)	16-24	67	56.8
	25-34	47	39.8
	35-44	3	2.5
	45-54	0	0
	55+	1	0.84
Education	Highschool	3	2.5
	Graduation	38	32.2
	Post Graduation	77	65.3
Occupation	Student	75	63.6
	Working professional	35	29.7
	Businessman	7	5.93
	Unemployed	1	0.84

Gender
118 responses

- Male
- Female

40.7%

59.3%
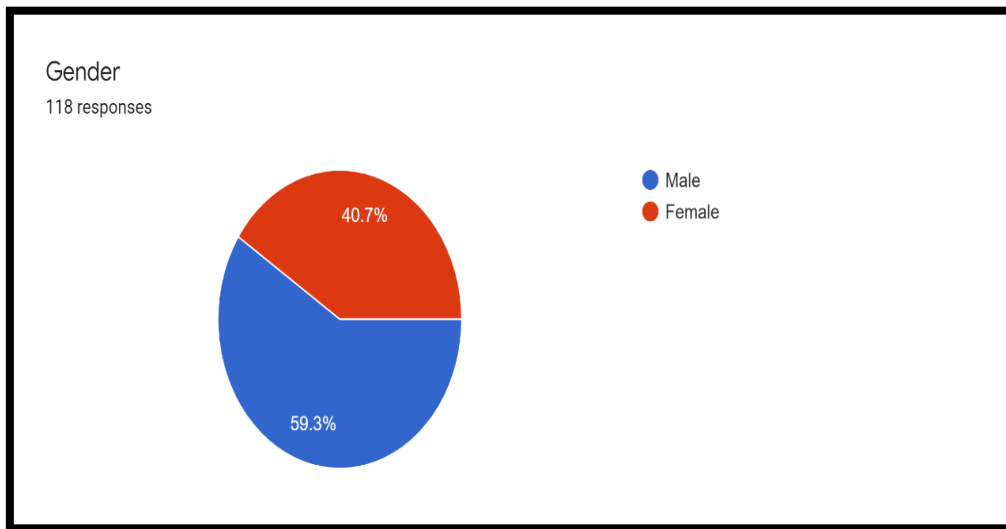
Out of 118 responses which we received 40.7% (48) of the respondents were female and the rest 59.3% (70) were male, which is a good ratio to know the perspective of both the genders regarding the quick commerce.

Age
118 responses

- 16-24
- 25-34
- 35-44
- 45-54
- 55+

39.8%

56.8%
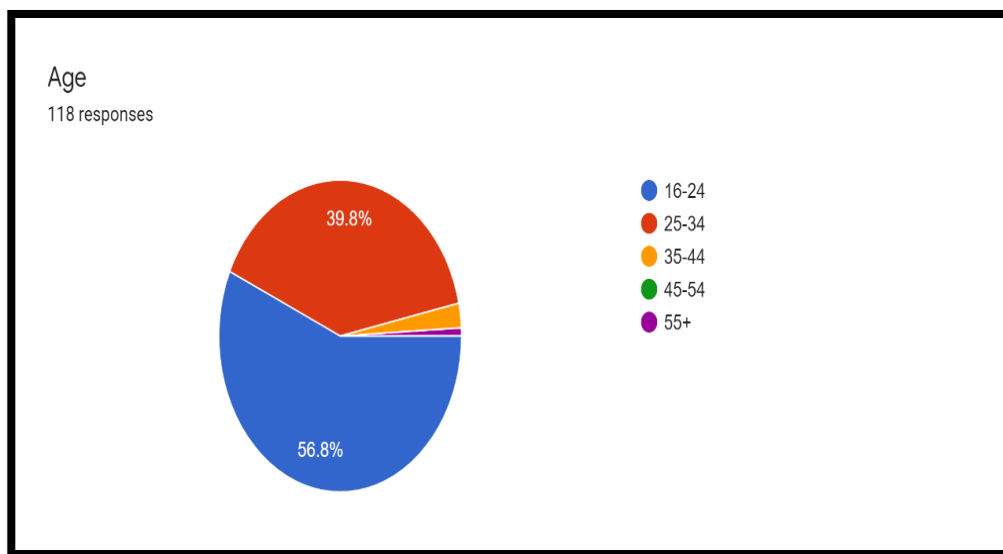
Out of 118 responses which we received, most of the respondents were from the age bracket of 16-24 followed by the age bracket of 25-34, 35-44, 55+ respectively. Keeping in mind the geographic factor, we ensured that the responses we get are from various geographic locations and hence we have received responses from 26 different cities across India.

Occupation
118 responses

- Student
- Working professional
- Businessman
- Unemployed

29.7%

63.6%
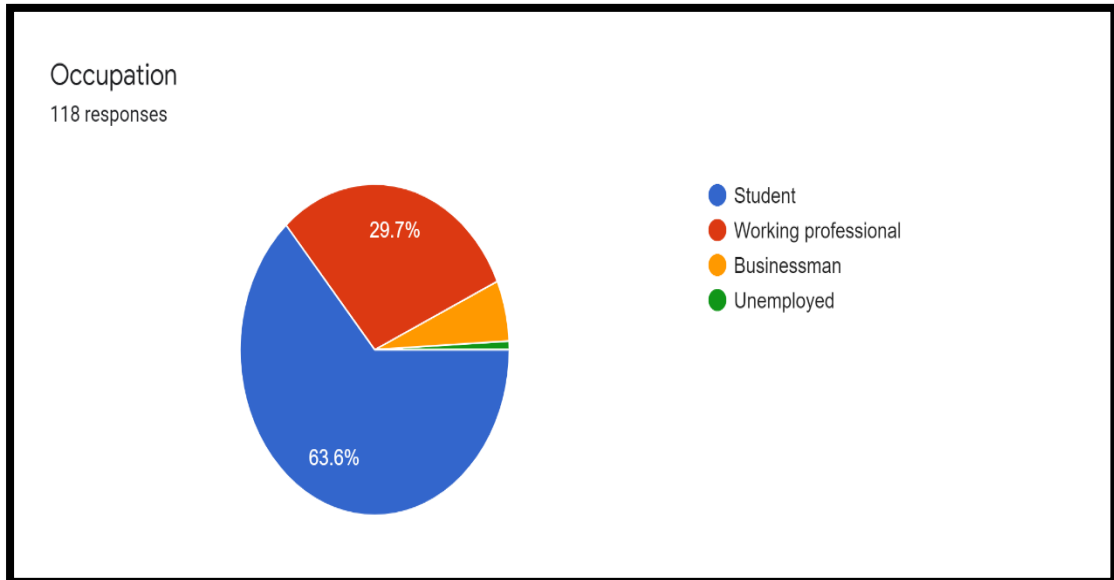
Most of the responses which we got were from students followed by working professionals, businessmen and unemployed respectively.

Education
118 responses

- Highschool
- Graduation
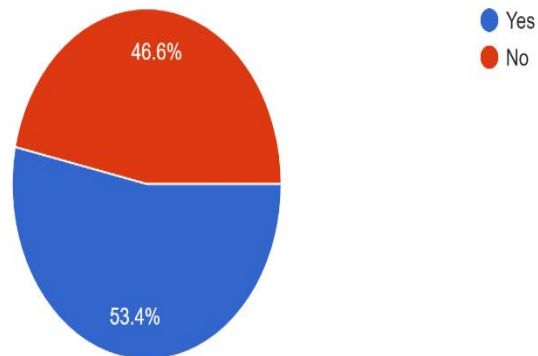- Post Graduation

65.3%

32.2%
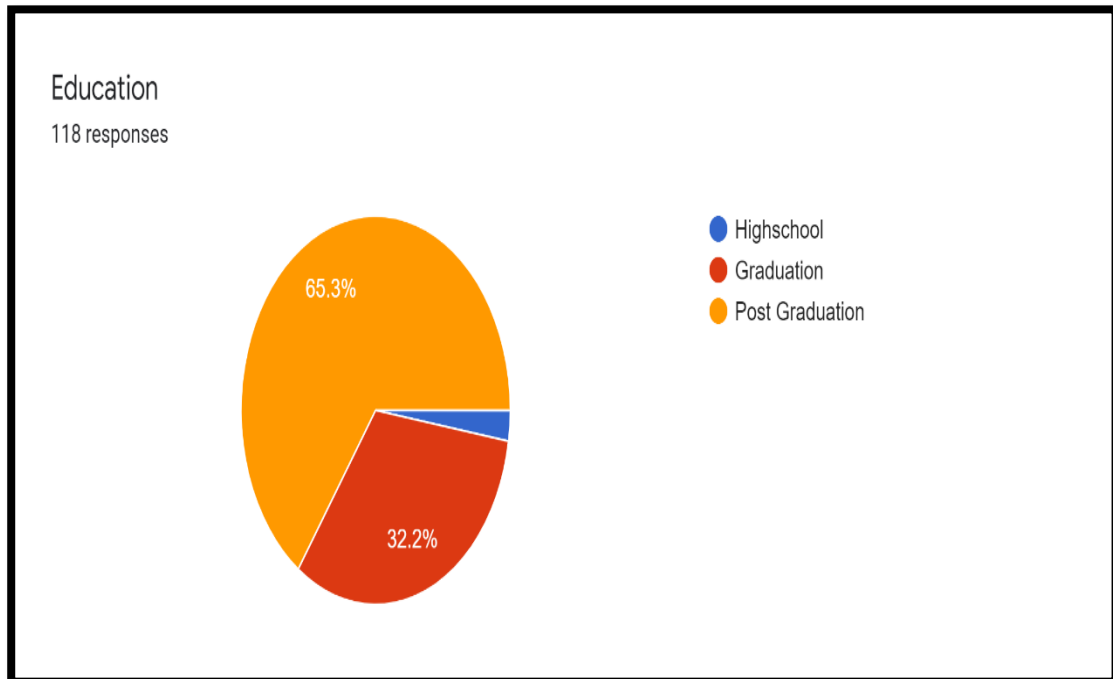
The maximum number of the responses which we got were from post graduates followed by graduation and high school students.

Were you aware about these platforms even before covid?
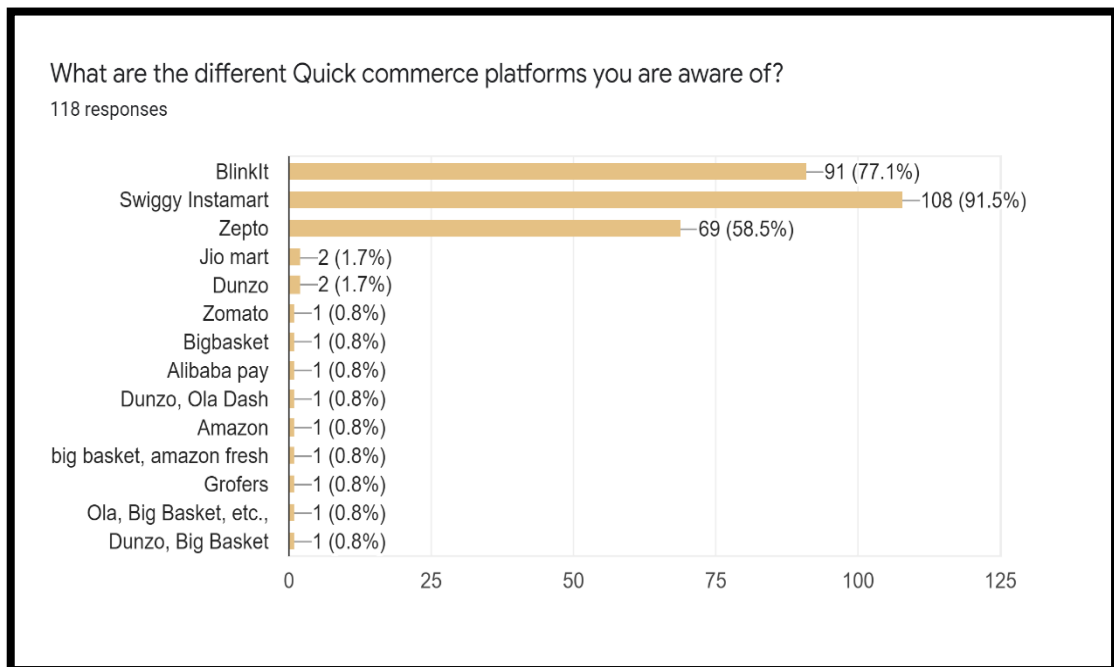118 responses

- Yes
- No

46.6%

53.4%

It's a general myth that these platforms came into the picture only after covid but from the responses we got, it is clearly visible that 53.4% of the people were aware of these platforms' way before covid as well. So, we can say that covid gave the push to these platforms which they needed but we can't say that covid was the reason for the existence of these platforms.



Are you aware of Quick commerce Platforms?
118 responses

- Yes
- No

9.3%

90.7%
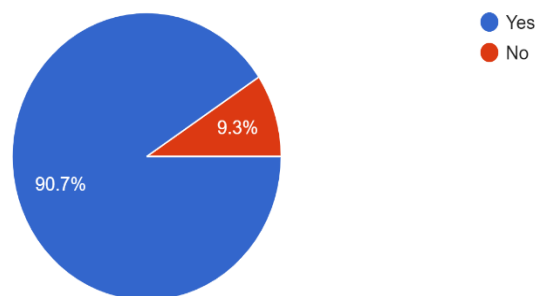
Out of 118 respondents who filled the form, 90.7% of the people were aware of these quick commerce platforms which shows that quick commerce platform is no more an unknown thing in the market, people are well aware of these platforms now.

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

BlinkIt — 91 (77.1%)
Swiggy Instamart — 108 (91.5%)
Zepto — 69 (58.5%)
Jio mart — 2 (1.7%)
Dunzo — 2 (1.7%)
Zomato — 1 (0.8%)
Bigbasket — 1 (0.8%)
Alibaba pay — 1 (0.8%)
Dunzo, Ola Dash — 1 (0.8%)
Amazon — 1 (0.8%)
big basket, amazon fresh — 1 (0.8%)
Grofers — 1 (0.8%)
Ola, Big Basket, etc., — 1 (0.8%)
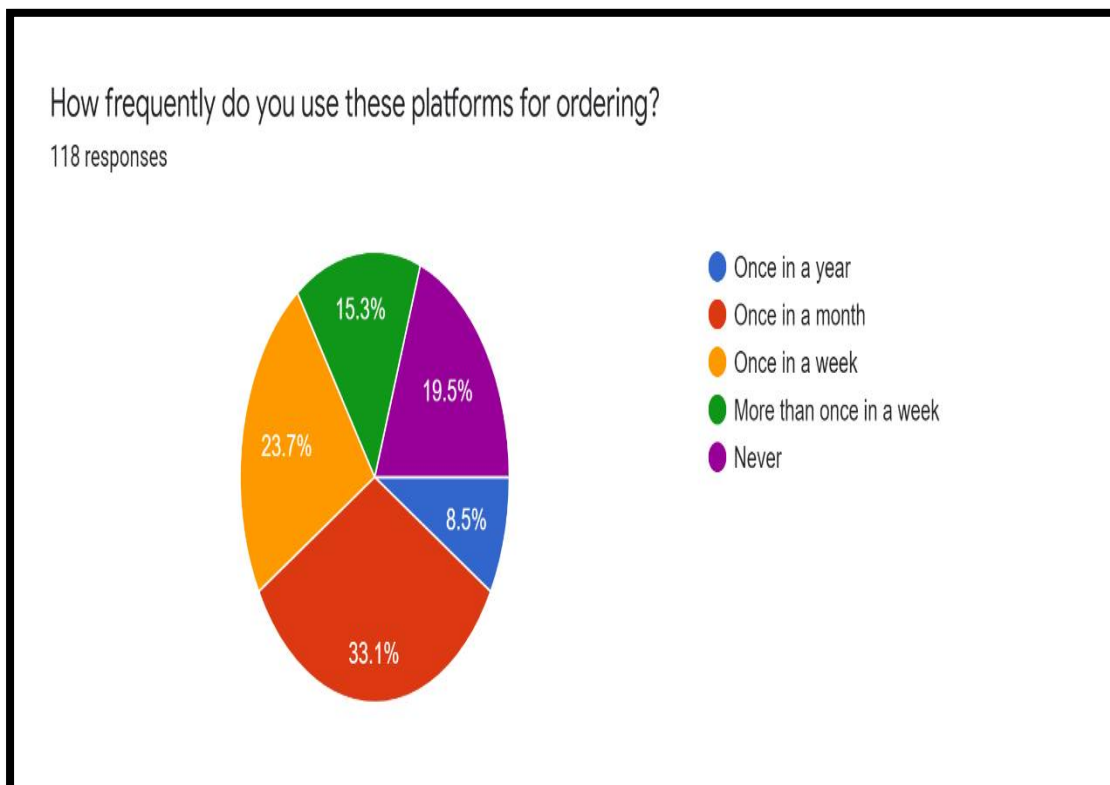Dunzo, Big Basket — 1 (0.8%)

There are so many players in the market who are trying to enter this space but three quick commerce platforms which came out to be most widely known among the people from the survey are BlinkIt, Swiggy Instamart and Zepto.

Have you ordered through these Quick commerce platform?
118 responses

Yes 73.7%
No 26.3%
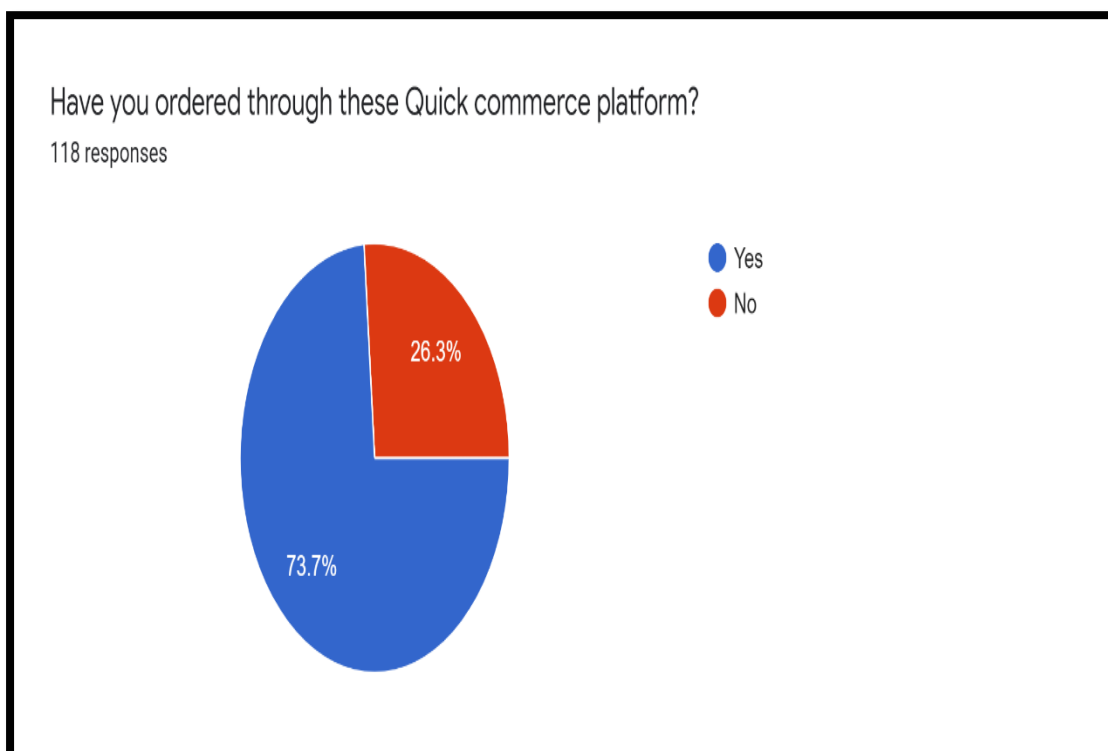
Out of the 118 respondents, 73.7% of the respondents are not only aware of these apps but also use these apps. So, from this, we can infer that now more and more people have started using these apps.

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Did you start using these platforms after covid?
118 responses

- Yes
- No

42.4%

57.6%
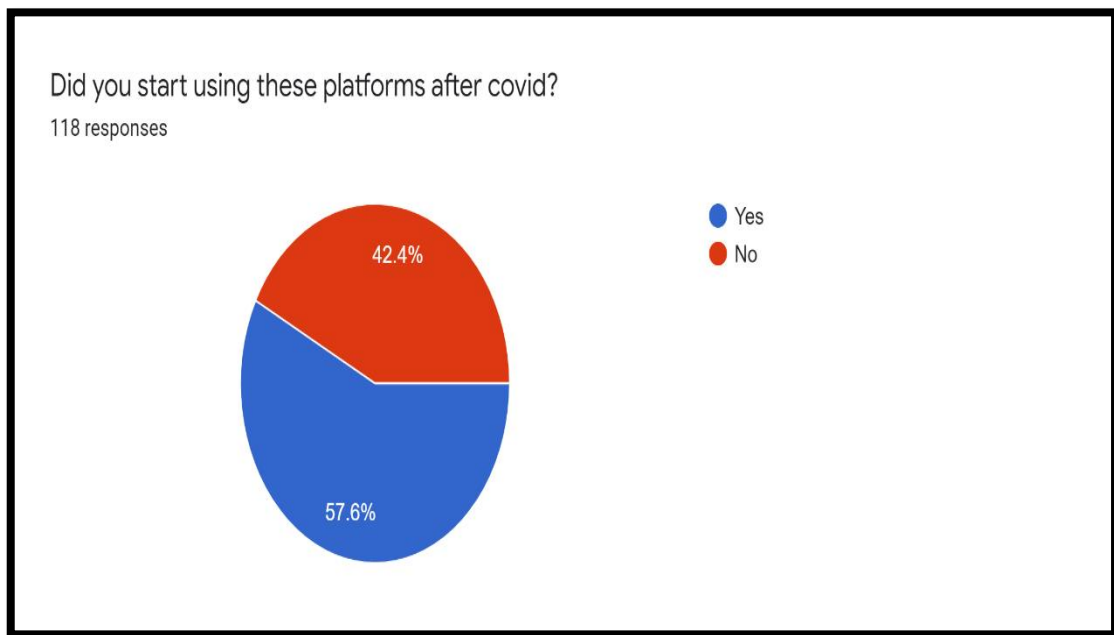
There is a large chunk of respondents who have started using these apps after the covid outbreak, which signifies that covid has been a boon for these platforms.

How frequently do you use these platforms for ordering?
118 responses

- Once in a year
- Once in a month
- Once in a week
- More than once in a week
- Never

15.3%

19.5%

23.7%

8.5%

33.1%

If we talk about the frequency of ordering through these apps then we can say that most people (33.1%) are ordering once a month but 30% of the respondents are also frequent users of these apps who order through these apps at least once in a week.

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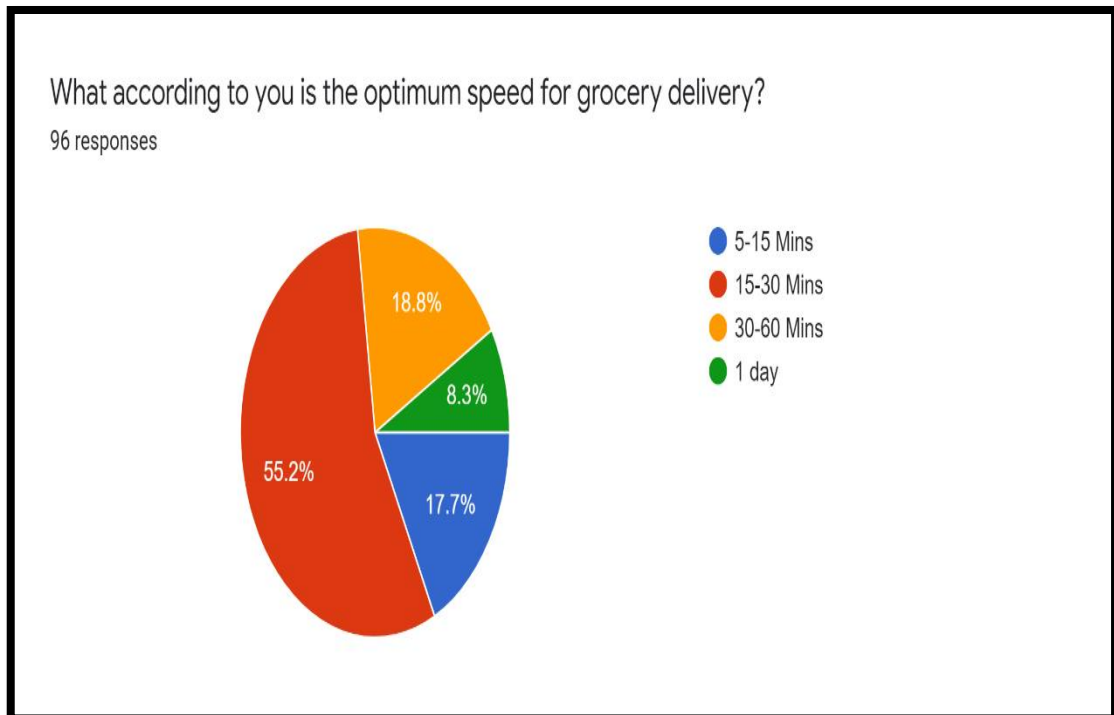**Which Quick commerce platform do you use more frequently?**
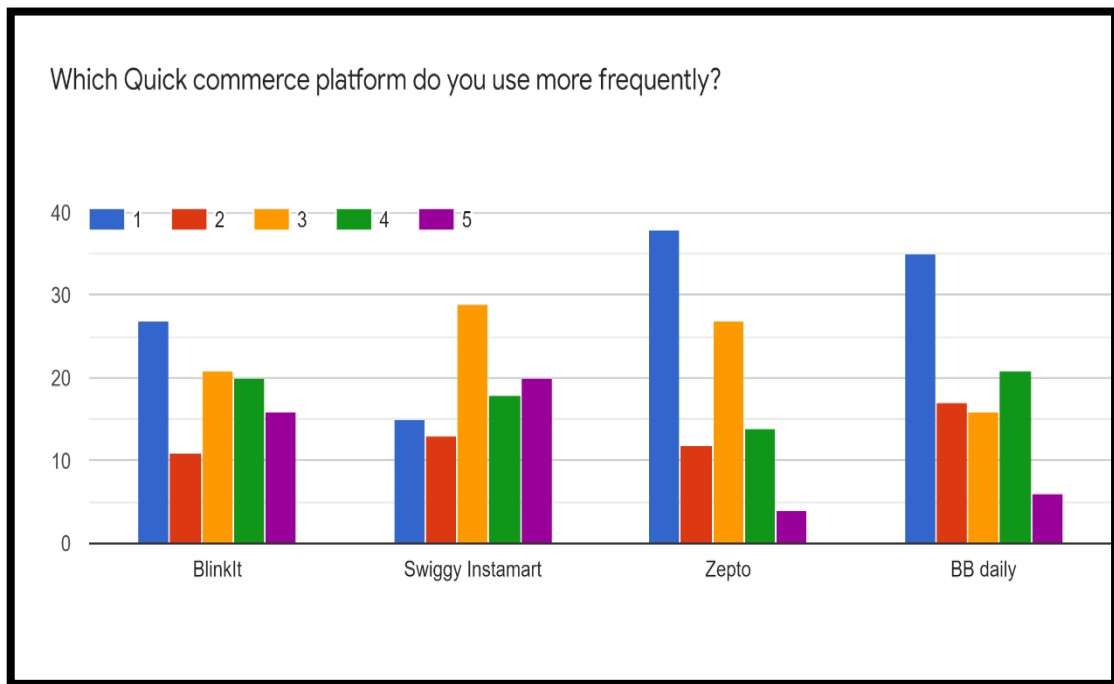
From the bar graph, it can be seen that Swiggy Instamart is the most frequently used application among these four apps followed by Blinkit, which is also quite popular among people.

**What drives you to order through these platforms?**
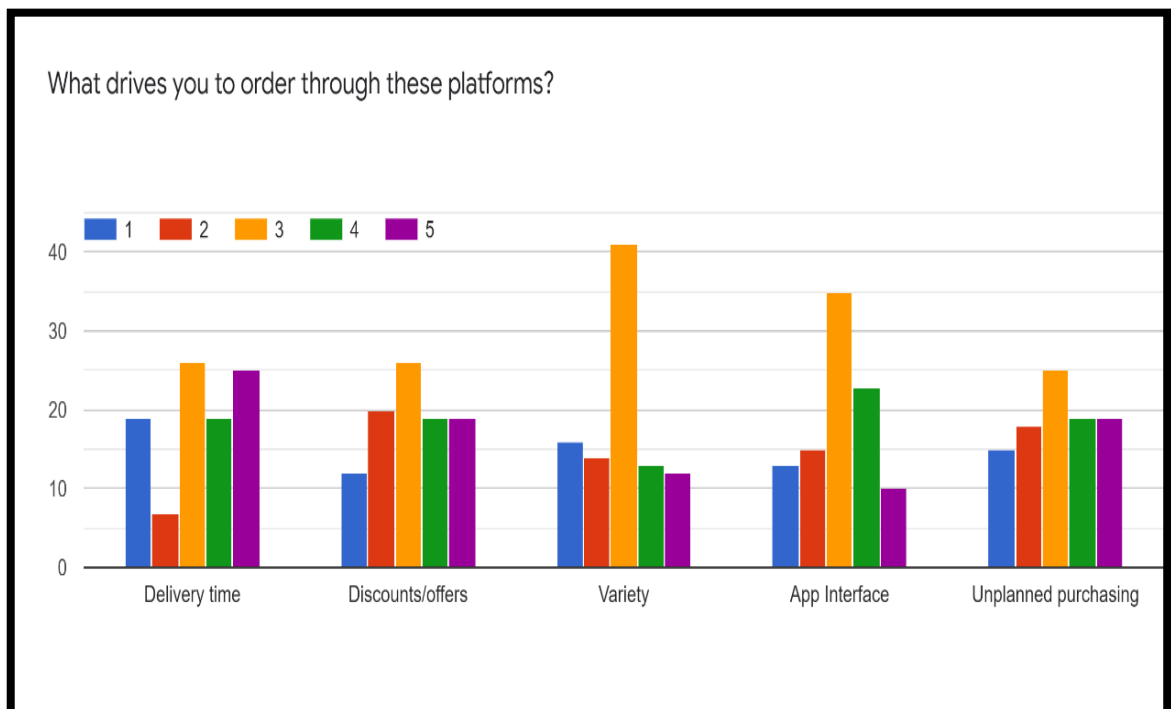
Out of these five factors, variety is the most influential factor of all and people prefer buying through these apps because of the large product assortment available on them, second most influential factor which drives people to order through these apps is delivery time; which is no surprise because quick commerce is all about the delivery

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time, and unplanned purchasing; the sudden requirement which arises while doing household chores or sudden urge of eating something.

What according to you is the optimum speed for grocery delivery?
96 responses

- 5-15 Mins
- 15-30 Mins
- 30-60 Mins
- 1 day

18.8%
8.3%
55.2%
17.7%

Almost 55% of the respondents believe that 15-30 mins is the appropriate time for the delivery of goods, anything less than that just increases the unnecessary pressure on the delivery partners.

Were you able to find your product on these platforms?
96 responses

- Yes
- No

96.9%
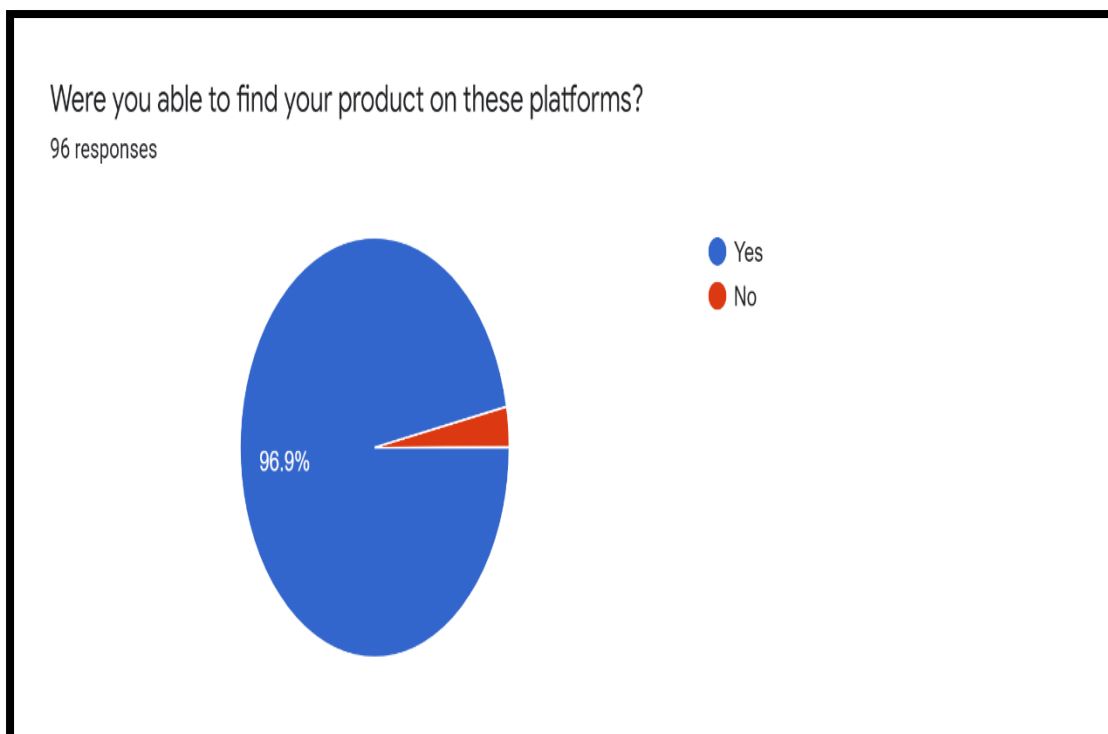
From the pie chart, it can be inferred that product availability is not an issue while ordering through these apps which is a big positive for these quick commerce apps.
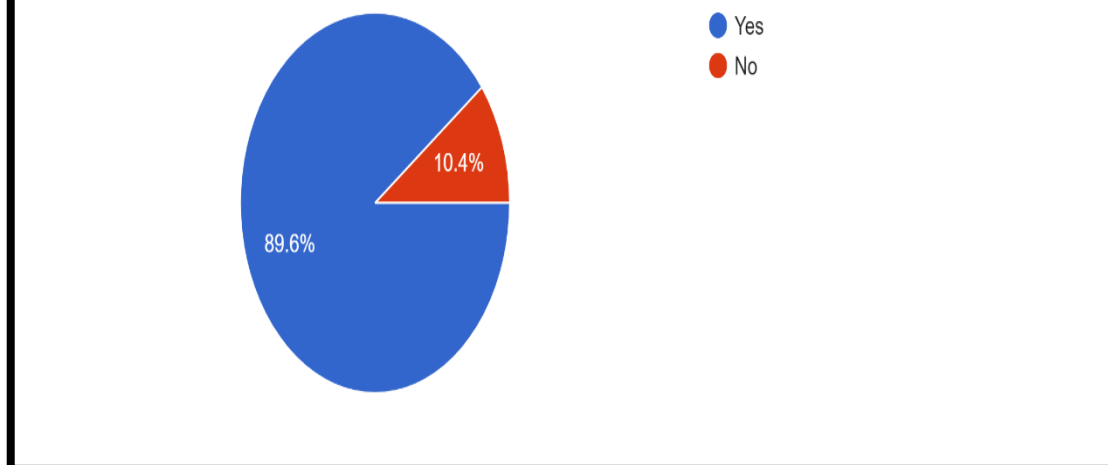
37

What problems do you face while ordering through these apps?
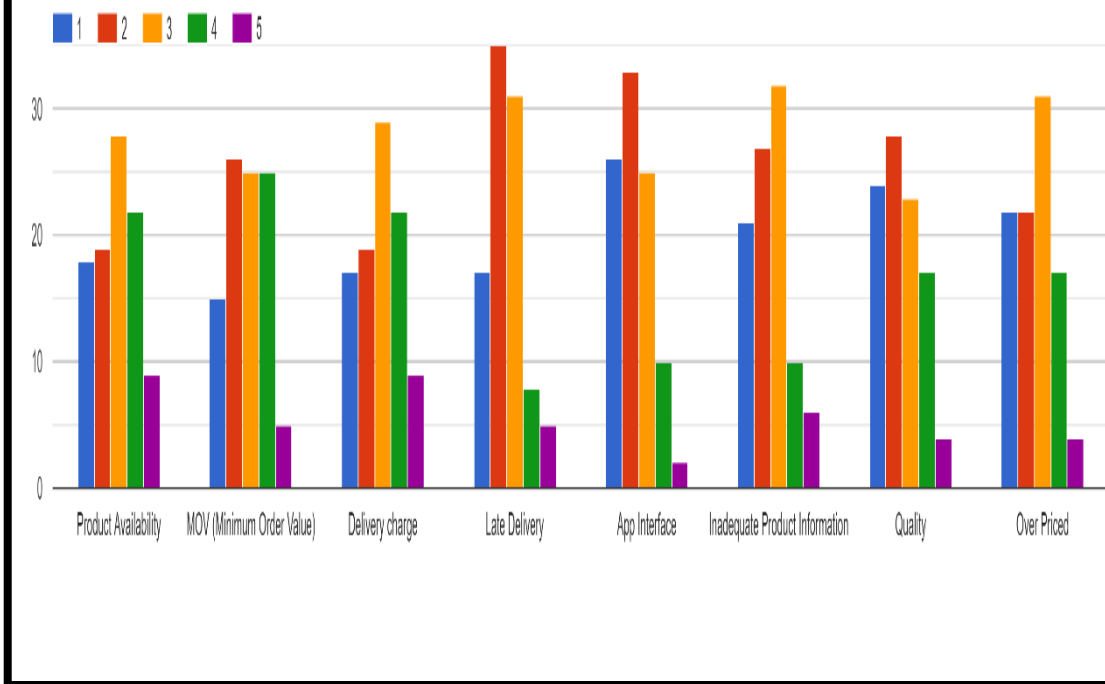
From the above graph, we can infer that MOV (Minimum order value) and delivery charges are the two most widely faced problems while ordering through these apps.

Did you receive your order within the promised time?

96 responses

- Yes
- No

10.4%

89.6%

Almost 90% of the respondents are satisfied with the delivery of the goods through these apps, which is a very positive thing for these apps because their core value is delivery time only and around 90% of the respondents are satisfied with their delivery services then this is something they can be proud of.

Do you consider delivery charges as a problem on these platforms?
96 responses

- Yes
- No

41.7%

58.3%
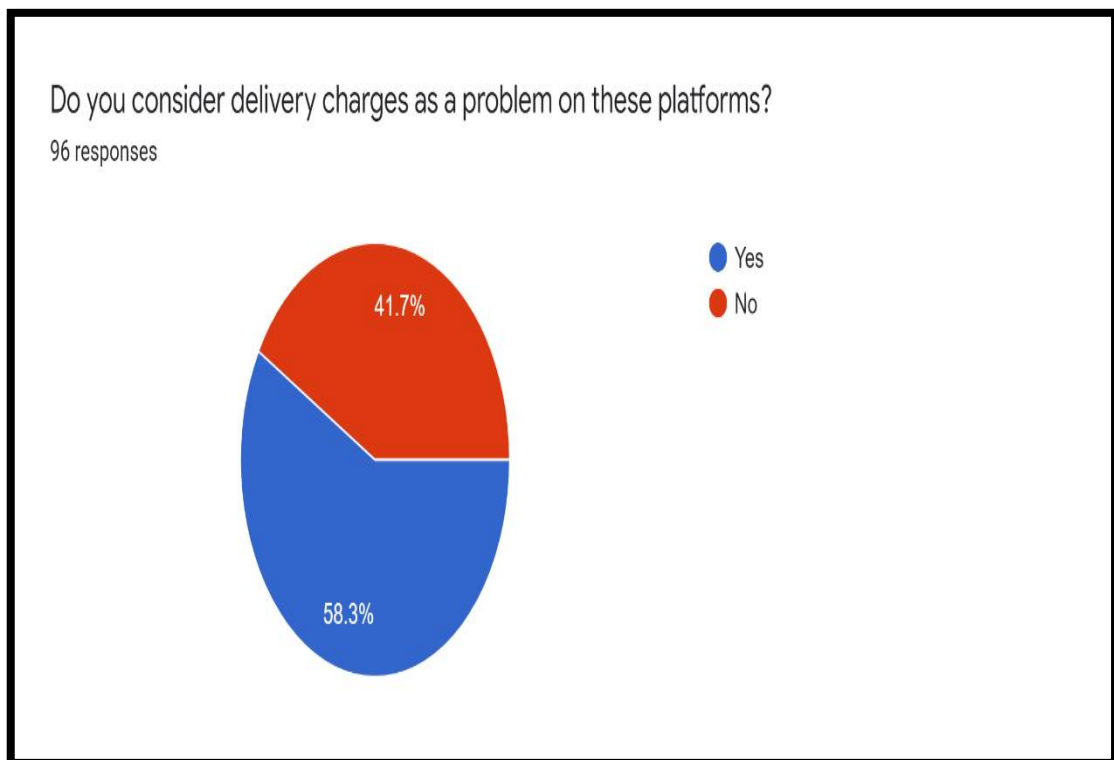
58.3% of respondents feel that delivery charges are a problem, so to tackle this issue these companies can try to reduce the delivery charges or else they can come out with certain innovative ideas where the customer doesn't feel delivery charges as a problem for them.

What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable)
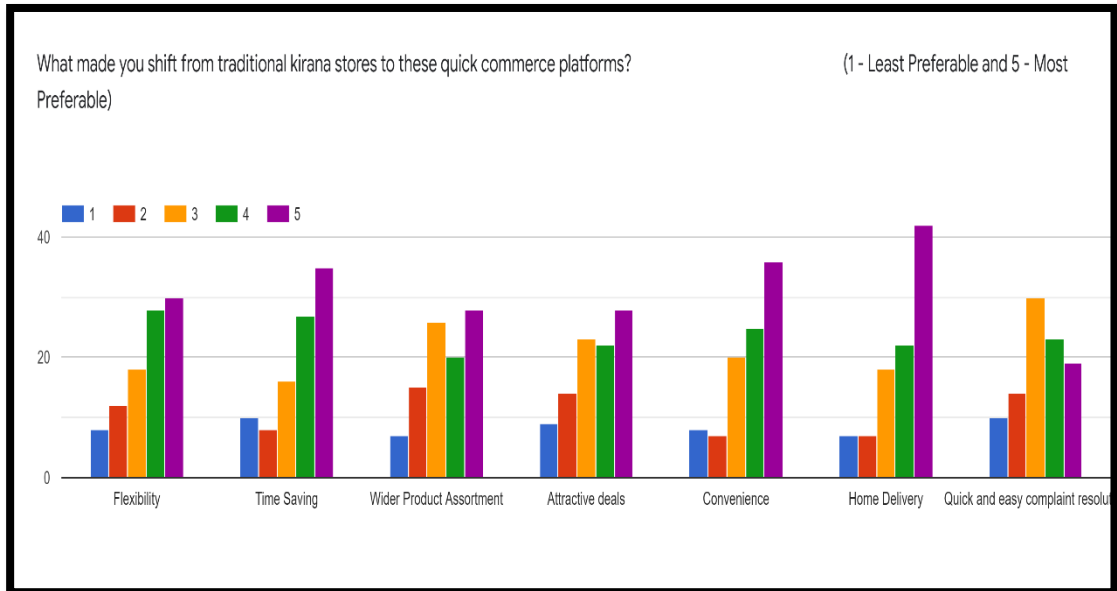
From the above graph, we can infer that apart from quick and easy complaint resolution all other factors play a major role in driving the people to use these apps rather than going to Kirana stores to get their daily household requirements.

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

96 responses
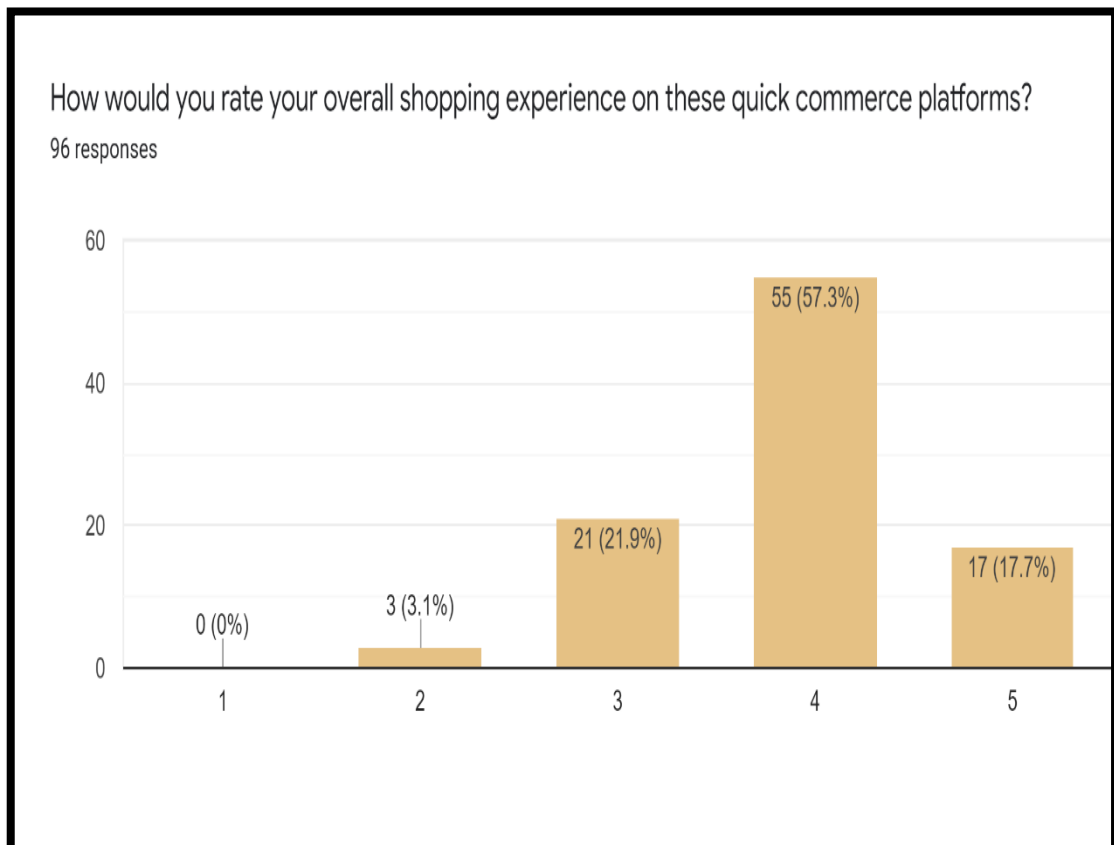
From the above graph, we can infer that at least 75% of the respondents gave 4-star rating to their overall shopping experiences on these quick commerce platforms which

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is a sign of big relief for these apps, which are trying hard to become a part of the daily lifestyle of the people.

Why don't you prefer shopping from quick commerce platforms?
23 responses
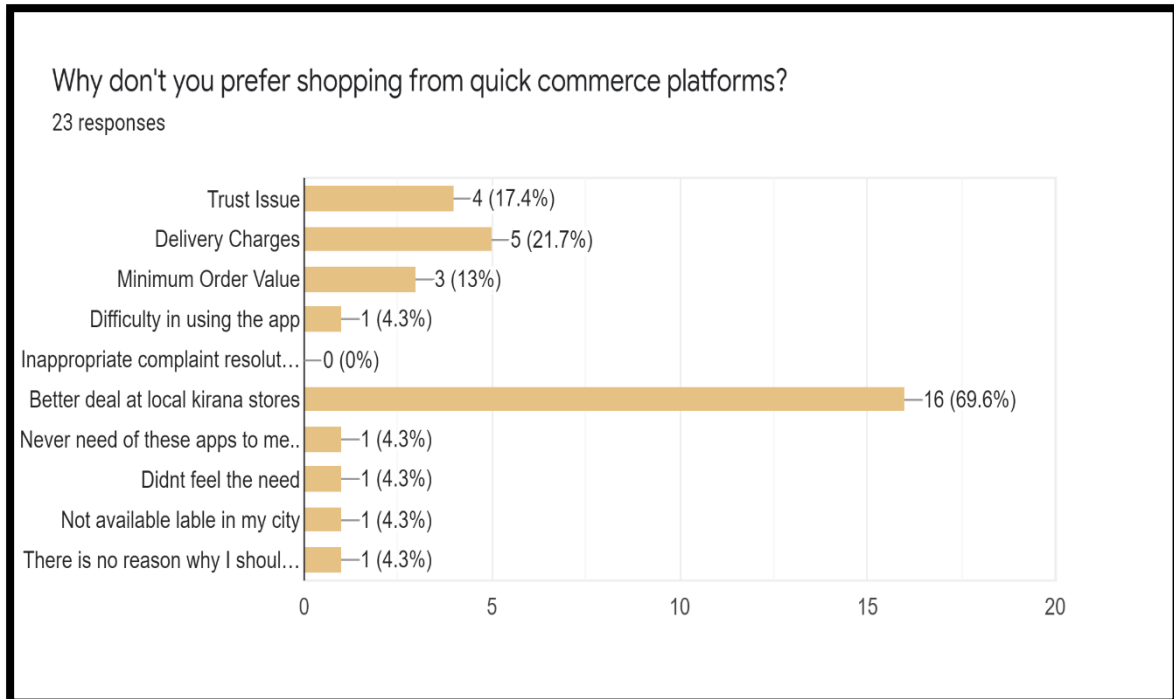
Out of 23 respondents who have never used these quick commerce apps, 16 have cited "Better deal at local Kirana store" as their reason for not using these apps and the second most cited reason for not using these apps is delivery charges.

Reliability Analysis Using SPSS

The qualities of measuring scales and the items that make up the scales may be

Case Processing Summary

		N	%
Cases	Valid	119	100.0
	Excluded[a]	0	.0
	Total	119	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.976	.976	25

investigated using reliability analysis. The Reliability Analysis method produces a

number of regularly used scale reliability indicators as well as scale item correlation information. Inter-rater reliability estimates may be calculated using intra-class correlation coefficients.

Cronbach's alpha is likely the most widely used statistic for assessing the internal consistency and reliability of ratings produced from a scale. If you ask most researchers, they'll tell you that Cronbach's alpha ought to be at least.70. In our case, the value of Cronbach's alpha is 0.976 which is way higher than the average standard of .70 and hence we can say that our data passes the reliability test.

Item Statistics

	Mean	Std. Deviation	N
Which Quick commerce platform do you use more frequently? [BlinkIt]	2.32	1.737	119
Which Quick commerce platform do you use more frequently? [Swiggy Instamart]	2.56	1.745	119
Which Quick commerce platform do you use more frequently? [Zepto]	1.85	1.448	119
Which Quick commerce platform do you use more frequently? [BB daily]	1.97	1.546	119

What drives you to order through these platforms? [Delivery time]	2.62	1.823	119
What drives you to order through these platforms? [Discounts/offers]	2.53	1.707	119
What drives you to order through these platforms? [Variety]	2.34	1.581	119
What drives you to order through these platforms? [App Interface]	2.44	1.593	119
What drives you to order through these platforms? [Unplanned purchasing]	2.50	1.722	119
What problems do you face while ordering through these apps? [Product Availability]	2.29	1.586	119
What problems do you face while ordering through these apps? [MOV (Minimum Order Value)]	2.24	1.512	119
What problems do you face while ordering through these apps? [Delivery charge]	2.31	1.582	119

What problems do you face while ordering through these apps? [Late Delivery]	1.99	1.356	119
What problems do you face while ordering through these apps? [App Interface]	1.82	1.293	119
What problems do you face while ordering through these apps? [Inadequate Product Information]	2.03	1.423	119
What problems do you face while ordering through these apps? [Quality]	1.99	1.435	119
What problems do you face while ordering through these apps? [Over Priced]	2.08	1.451	119
What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Flexibility]	2.92	1.837	119

What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Time Saving]	3.00	1.891	119
What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Wider Product Assortment]	2.82	1.790	119
What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Attractive deals]	2.81	1.810	119
What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Convenience]	3.04	1.875	119

What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Home Delivery]	3.13	1.909	119
What made you shift from traditional kirana stores to these quick commerce platforms? (1 - Least Preferable and 5 - Most Preferable) [Quick and easy complaint resolution]	2.65	1.710	119
How would you rate your overall shopping experience on these quick commerce platforms?	3.14	1.674	119

This table gives us the value of mean and standard deviation for individual questions for which the reliability analysis was done.

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
61.39	1086.427	32.961	25

This table provides us with the mean, variance, and standard deviation combined for all the questions for which the reliability analysis was done.

Chi-square test

Our study's null hypothesis is that these (Ordering through quick commerce platforms and being aware of these factors) factors are unrelated to one another – that they are independent variables. This hypothesis can be tested using the chi-square test.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Are you aware of Quick commerce Platforms? * Have you ordered through these Quick commerce platform?	119	100.0%	0	0.0%	119	100.0%

The Case Processing Summary is, as its name implies, a summary of the cases that were processed during the crosstabs study.

In our example, as we can see above, we had 119 valid cases and no missing cases.

This is the crosstabs table, and it contains a wealth of information for analysing the results of a chi square test.

Are you aware of Quick commerce Platforms? * Have you ordered through these Quick commerce platform? Crosstabulation

			Have you ordered through these Quick commerce platform?		Total
			No	Yes	
Are you aware of Quick commerce Platforms?	No	Count	8	3	11
		Expected Count	2.9	8.1	11.0
	Yes	Count	23	85	108
		Expected Count	28.1	79.9	108.0
Total		Count	31	88	119
		Expected Count	31.0	88.0	119.0

Our crosstabs table includes information about observed counts (what SPSS calls "Count") and expected counts.

Observed Count

The observed count is the frequency that was observed in a certain cell of the crosstabs table. For example, in our table there are 8 persons who have not ordered through quick commerce platforms and also, they were not aware of it and 85 people have ordered through quick commerce platforms and they were also aware of it.

Expected Count

If the null hypothesis is valid, the expected count is the frequency with which a cell is predicted to occur. The null hypothesis in our scenario is that there is no correlation between these two questions, therefore the expected count is the estimated frequency for a cell based on the assumption that ordering and awareness of these platforms are unrelated.

Importance of Observed and Expected Counts

We must pay great attention to the observed and predicted counts if we want to comprehend the outcome of a chi-square test. Simply said, the greater the divergence between these numbers, the higher the chi-square score, the more likely it is to be significant, and the more likely we will reject the null hypothesis and conclude that variables are related.

SPSS produces a number of different measures of association, as shown below.

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	13.708[a]	1	<.001		
Continuity Correction[b]	11.168	1	<.001		
Likelihood Ratio	11.765	1	<.001		
Fisher's Exact Test				<.001	<.001
N of Valid Cases	119				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 2.87.

b. Computed only for a 2x2 table

The Pearson Chi-Square metric is of significance to us.

The chi-square statistic appears directly to the right of "Pearson Chi-Square" in the Value column. In our case, the value of chi-square statistics is 13.708.

In the "Asymptotic Significance (2-sided)" column, the p-value (.001) occurs in the same row. The result is important if this value is equal to or less than the required alpha level (normally .05).

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.339	<.001
	Cramer's V	.339	<.001
N of Valid Cases		119	

We'd reject the null hypothesis that the two variables are unrelated because the p-value is smaller than the average alpha value in this circumstance. To put it another

way, the conclusion is significant: the data shows a link between the variables Ordering and awareness.

The number of cases on one diagonal minus the number on the other diagonal, adjusted for the marginal distribution of the variables, is how Phi assesses the strength of the connection.

Cramer's V may be thought of as the relationship between two variables expressed as a percentage of their greatest variation.

Findings and Recommendations

After doing the extensive research on the topic and conducting thorough research using statistical tools like SPSS, some of my key findings are: -

1. 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 marker for quick commerce would only grow from this point in time and there is no going back.

2. 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.

3. Covid acted as a catalyst which this industry needed and after the covid, the market for quick commerce has only grown and it is predicted to grow further in the near future.

4. 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.

5. Our research findings show that almost 70% of the people use quick commerce platforms at least once a month, which shows that people have started using these platforms and now it has become a part of their lifestyle.

6. Our findings show that more than 55% of the people believe that 15-30 mins are the most appropriate time for the delivery.

Some of the key recommendations which I would like to make are: -

1. As most of the respondents in our research believe that 15-30 mins are the most appropriate time for delivery, the companies should not put unnecessary pressure on the delivery partners by reducing the delivery time to 8-10 minutes, it would only lead to performance pressure and anxiety among the delivery partners.

2. Almost 59% of the respondents in our research feel that delivery charge is a major problem and hence companies should focus on this factor and they

should try to come out with some unique ways through which customers don't have to bear the burden of delivery charges.

3. Many respondents still believe that they get a better deal at their local Kirana stores, so if this is true then these quick commerce platforms should try to provide better deals to customers in order to retain the customers and also acquire new customers.

4. Minimum order value (MOV) is also a very big factor which is stopping people from using these platforms, so, to deal with this situation companies should try to bring down this MOV as low as possible.

Conclusion

The Covid-19 pandemic disrupted supply chains, resulting in the birth of q-commerce, a unique business model in which products and services are delivered within 10-30 minutes after ordering. It's also known as 'on-demand delivery,' and it focuses on micro to small amounts of commodities such as groceries, stationery, and over-the-counter pharmaceuticals. The vendors have changed their concentration away from typical warehouses on the periphery and more towards micro-warehouses near the delivery site.

We have entered into a new era of commerce i.e., is of quick commerce. Quick commerce is very rapidly gaining ground in tier 1 cities and expanding itself very rapidly in tier 2 and 3 cities. There are certain factors which are very crucial for the success of quick commerce which is: -

- Delivery charges
- Minimum order value

these two are the most critical factors as far as the success of these platforms is concerned and companies should focus a lot on them to ensure that their customer doesn't face many problems pertaining to these two factors otherwise, they might end up losing their most loyal customers as well.

The best thing about this model is that there is no particular segment of the customer which is using these apps more but people from various geographical and demographic conditions are using these services and they are also quite satisfied with these services and this is evident from the research which we did in which overall shopping experience on these platforms was very high.

Multiple merchants will embrace the utilization of micro-fulfilment solutions, according to industry trends, and Q-commerce will increase dramatically in the coming years. The democratization of mobile internet, the advent of eCommerce, and just-in-time demands have all changed the warehousing and logistics industry. This rise is being fuelled by a shift in customer behaviour post-Covid-19. Customers would expect a wider range of products, such as electronics, apparel, and cosmetics, to be delivered quickly. Integrating technology and automation in warehousing and logistics is one approach to respond to the market's quick development.

Is this the end of brick–and–mortar retail?

Not at all. To expand their reach, a few e-grocery companies have already formed partnerships with local Kirana stores and ordinary grocery stores. To expand their reach, Kirana businesses will need to cooperate with delivery services. Many customers prefer in-store purchases and expect their service providers to allow them to select between online and in-store purchases wherever possible. As a result, omnichannel retail will continue to grow in popularity.

The security of the delivery partners is critical. Riders should have enough cushion to absorb delivery time variations caused by external factors. Recognizing the bottleneck in the order fulfilment process, understanding genuine customer demand, and ensuring the safety of human resources would be the Q-commerce industry's success mantra. It's critical to realize that the business will only survive in the long run if everyone in the value chain, not just the consumers, is motivated. As a result, recognizing consumers' genuine urgency and striking the correct balance between delivery promise time and resource availability will aid Q-commerce's long-term viability and growth.

It would be fascinating to see the future of this business!!

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