

# Insights Unwrapped

*From Zero to Zipping: The Q-Commerce Surge*



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## Quick Commerce is moving beyond grocery to become the new 'Everything Store'

The three major players in India's quick commerce (Q-commerce) space are Blinkit, Instamart, and Zepto.

Blinkit leads the market with a **44% share**, followed by Zepto at **30%** and Swiggy Instamart at **23%** (Source: CLSA).

### Brand Valuations (as per latest funding rounds):

- Blinkit: USD 13 billion
- Swiggy Instamart: USD 13–15 billion
- Zepto: USD 5 billion

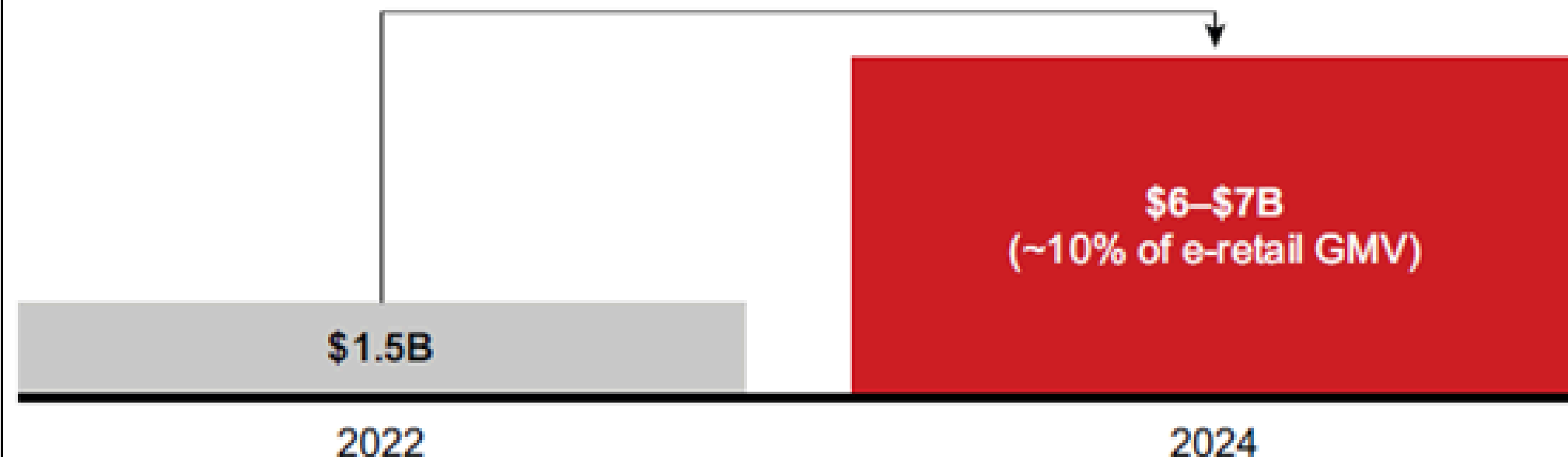


# India's Q-Commerce Boom: Convenience, Speed, and Scale

1 in 10 dollars spent on e-retail in India is on q-commerce

Q-commerce GMV<sup>1</sup>

100%+  
CAGR<sup>2</sup>



~50%

Share of  
incremental  
e-retail growth  
(2023–24)

70%–75%

Share of  
q-commerce in  
e-grocery GMV in 2024  
(vs. ~35% in 2022)

40%+

CAGR<sup>2</sup>  
(2024–30E)

Q-Commerce is India's fastest-growing industry segment, projected to reach a market size of approximately USD 6–7 billion by FY25E, up from USD 1.5 billion in FY22—representing a 24x increase in order value since FY22 and a user base that has doubled year-on-year.

Notes: 1) Gross merchandise value at exchange rate: 1 USD = INR 82.6; 2) Compound annual growth rate; 3) Comprises ~200K delivery partners and ~60K other employees

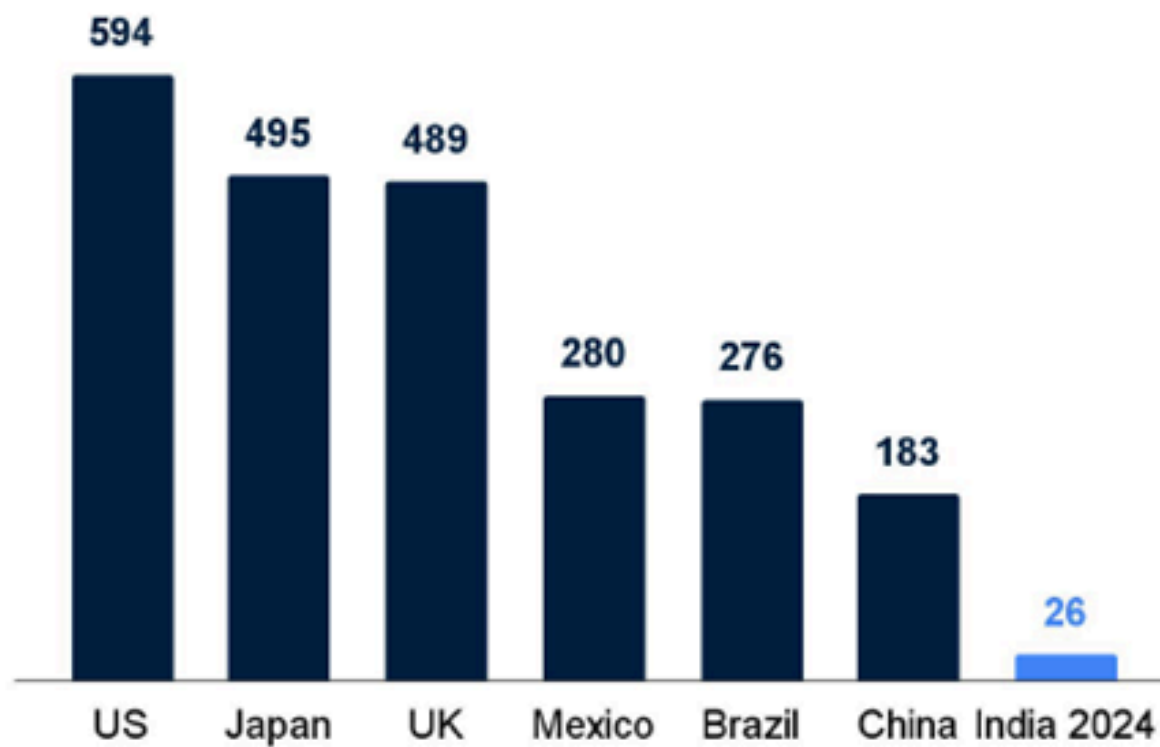
Sources: Forrester; Company filings; Analyst reports; Market participant interviews; Bain analysis

# Why Q-Commerce Is Gaining Ground in India

## Why?

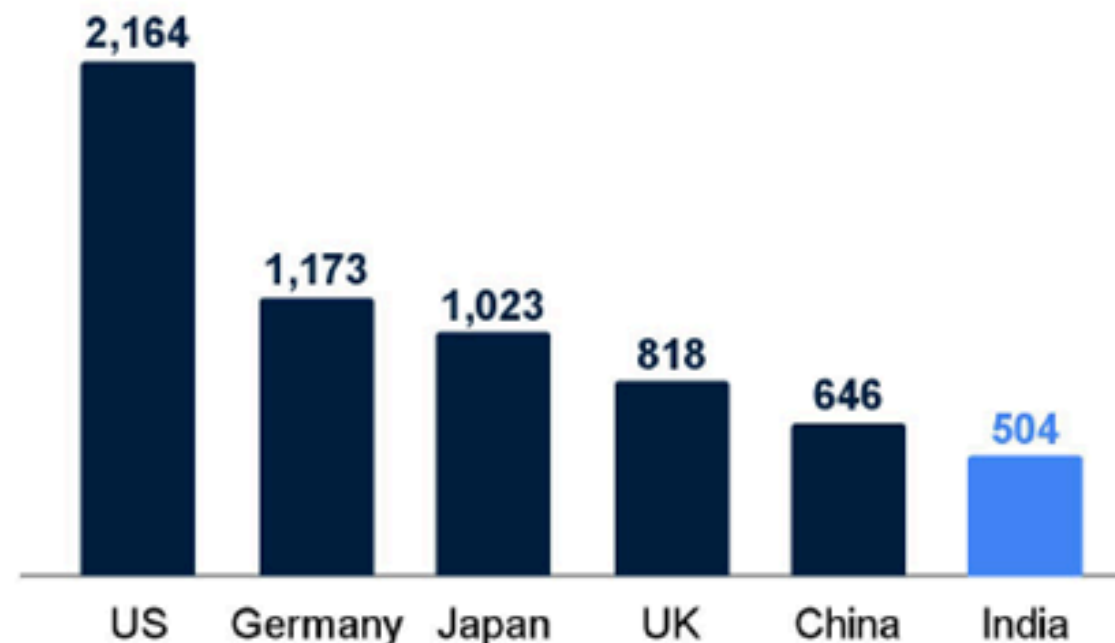
### India has low car ownership

India and Peers: Number of Cars per 1000 People 2021



### Houses are smaller than in other nations

India and Peers: Average House Size 2024 (in sqft)



With lack of cars and small houses (lesser storage) - people prefer to shop locally as they cannot go long distance and also not stock up on items

Q-Commerce works in India because India is a poor market for Modern Retail- India has only 6% modern retail share vs China at 32%, and US/UK ~80%.

***India seems to be leapfrogging Modern Retail and going directly to quick commerce. (Source: Blume Ventures).***

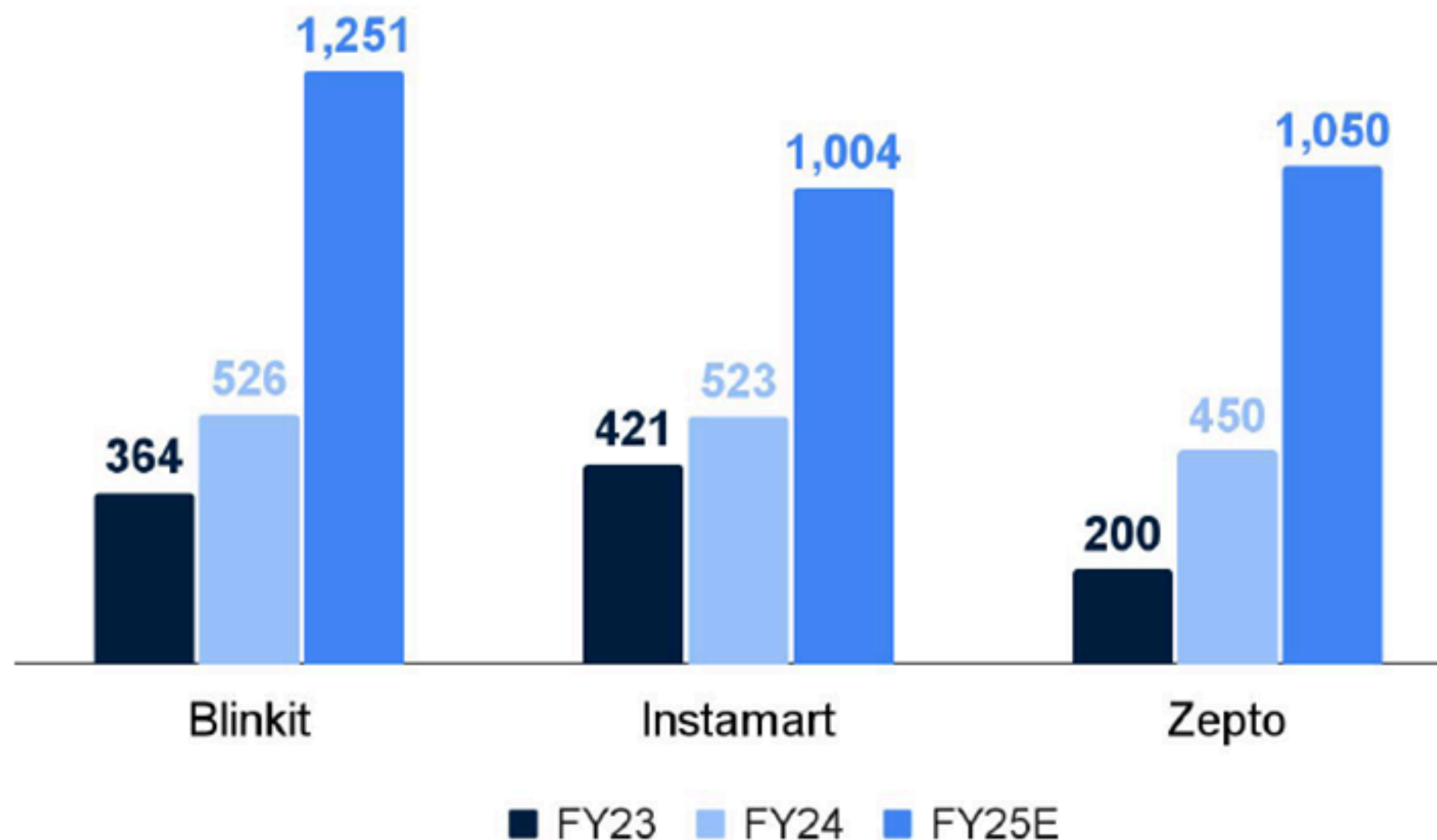
***Combination of low labour cost, especially a lower ratio of rider cost to Gross Order Value, and high population density cities makes Q-commerce unit economics viable.***



## Explosive Growth in Dark Stores

Dark store growth has been explosive, with nearly 2,000 stores added this financial year...

Dark Store Count by QCom Operators FY23 - FY25E



Q-Commerce players are aggressively expanding their darkstore network and geographical presence, with Blinkit leading in both metrics.

Dark store growth has been explosive, with nearly 2,000 stores added this financial year, and expanding into more and more cities - expansion beyond metros with recent launches in Tier 2 cities.

***A 2022 store took 23 months to turn EBITDA-positive with INR 4 Cr spent on capex, while a 2024 store turned EBITDA-positive in 8 months with INR 1.5 Cr in capex. (Source: Zepto)***

## *What Do Our Channel Checks Say?*

**Short-Term Impact:** Urban kiranas face a 10–20% sales dip as platforms like Blinkit and Zepto attract price-sensitive, tech-savvy consumers.

**Long-Term Impact:** Kiranas are likely to coexist, supported by their rural dominance, personalised service, increasing digital adoption (e.g., WhatsApp, UPI), and potential tie-ups with Q-commerce platforms. Ongoing profitability challenges may limit Q-commerce's long-term disruption.

### **Key Insight:**

- India's Q-commerce market is **highly price-driven with low brand loyalty.** Without innovation beyond discounting, long-term sustainability remains uncertain. Kiranas continue to leverage their local strengths.
- **Outside of China, Q-commerce remains an unproven model**—and in India, its long-term viability is still uncertain.
- ***Impact on Commercial Real Estate-*** Q-commerce platforms are **reducing demand for traditional retail spaces in urban areas by operating through dark stores.** Small retailers have experienced a 15–25% drop in sales, prompting closures or relocations and softening demand for retail real estate. This trend is already evident in China, where players like Meituan have driven a shift away from conventional storefronts.

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