

Quick Commerce Unpacked: Its Challenges & Opportunities

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Abstract—Quick Commerce has completely revolutionized the digital market, hyping consumer expectation with delivery apps that can deliver literally anything within 10 to 15 minutes. This review paper is aimed to study this rapid expansion of the quick commerce industry and analyze the existing academic studies and research papers and to study the current businesses case study. The research paper highlights the key reasons for the growth in the quick commerce industry which includes shifting consumer behavior, urban density, and advancement in digital logistics. The review paper also focuses on how COVID 19 pandemic accelerated the online shopping market and shifted consumer preferences to instant delivery at their doorsteps.

Index Terms—Quick Commerce, 10 to 15 Delivery, Dark Stores, efficient logistics, delivery driver welfare, Digital market, low profits, covid 19

I. INTRODUCTION

Over the past years the retail market has seen a significant amount of transformation, from traditional brick and mortar store with a gradual shift to e commerce platforms and recently speaking a shift to quick commerce. Quick commerce is like the latest version of the digital market which can deliver a wide variety of products often between 10 to 30 minutes. This ultra fast delivery system has completed changed the consumers expectations when it comes to shopping online.

The COVID 19 pandemic has also played a major role in the rise of the q-commerce industry. Lockdowns, social distancing and many other factors which forced the people to stay at home resulted in a downfall in physical stores at that time which boosted the demand for online shopping. Online grocery sales in India alone expanded by nearly 80% in 2020. This really boosted the E commerce industry and hence paved the way for quick commerce in the current time.

At the same time the major growth of quick commerce has raised many questions about whether it is a sustainable model

or not. Currently profitability stands to be a major issue when it comes to the quick commerce business model as most businesses are relying on heavy discounts, free deliveries and coupons to attract more customers. This strategy has worked wonderfully in attracting new customers, but it has severely damaged the profitability of the business. Concerns related to the welfare of the delivery driver, including long hours and road safety issues associated with 10-minute delivery promises, have also raised ethical questions on these quick commerce businesses.

Q-commerce can be seen as both an opportunity and a challenge. It offers immense convenience and value to the customers as they get what they want sitting at their home in just a few minutes while also facing issues of sustainability and raising concerns of profitability among investors and entrepreneurs who are in this business. This review paper seeks to consolidate insights from existing research and industry analyses to provide a comprehensive understanding of Q-commerce.

II. REVIEW LITERATURE

Ahmed, Z. K., & Mehta, B. (2023) This study emphasizes the influence of web-based customer feedback upon consumer decision-making in the home furnishings sector. It emphasizes the growing potency of digital feedback mechanisms within the process of shaping purchase decisions. In import/export business, analysis of crossborder customer feedback via sentiment analysis using AI can provide rich insights into cross-border consumer preferences. Such data can allow exporters to modify product features, prices, and channels of distribution in real-time and thereby contribute to competitiveness in foreign markets.

Choudhary, P. D., & Madhwani, R. (2013) This research is looking into how world depressions influence tourism and hospitality sectors. Its implications reach the entire economy,

foreign trade included, which gets hurt in world downturns. Now, AI software in predictive analytics and forecasting can assist importers as well as exporters to foresee market movements and pre-emptively modify supply chains. Thus, though the paper is centered on tourism, its conclusions echo the potential of AI to act as a shock absorber for import-export industries too.

Chaplot, D., Ranawat, P., Yadav, A., & Soni, K. (2023). customer relationship management (CRM) in the era of data analytics research includes the development of CRM with data analytics as a method of showcasing how businesses utilize data in order to establish better connections with customers. Extending this to global trade, AI-driven CRM can help import-export businesses manage cross-border client relationships, track cultural buying habits, and predict future customer demands. By integrating AI with CRM, businesses will be able to achieve loyalty and international market penetration, which is well-suited for globalized digital trade practices.

Dave, K. K., & Paliwal, R. (2016). A study on consumer perception on malted health food drinks in Udaipur city explores consumer perceptions and behavior in a specific kind of FMCG category. Its conclusion reflects how local palates influence market success. In import-export, world consumer food and beverage preferences can be predicted through AI-driven market analysis, allowing exporters to access the appropriate markets with the appropriate products. Hence, market research on consumer attitudes, linked with AI tools is critical in handling world product acceptance.

Sharma, R., Dadhich, M., & Chauhan, K. (2022). The pandemic effect analysis of financial indicators of the selected BSE listed firms: an in-depth analysis provides a comprehensive view of how COVID-19 interrupted financial performance of leading companies. It reflects the need for robust systems that can handle external shocks. In import and export firms, AI-based financial modeling may help in forecasting risks, handling disruption in supply chains, and optimizing the use of resources during crises. The findings corroborate the relevance of AI in formulating adaptive approaches to international trade in uncertain situations.

Mehta, A., & Hiran, D. (2023). Change management practice in medium size business organizations of small cities study emphasizes change management practice within mid-sized organizations, particularly in smaller cities. It argues that business continuity requires flexibility and systematic

approaches. For import-export, AI facilitates smoother change management by offering real-time information, automating rules, and streamlining supply chains. The observations of the paper align with how AI can guide small and medium enterprises (SMEs) in smaller cities to participate confidently in global trade networks.

Ranjekar & Roy (2023) conducted a detailed study about the rising quick commerce industry in India, it mainly focuses on the infrastructure needed by a quick commerce business and emphasized on its business model. Their study also highlights crucial role that dark stores play in running a q-commerce business and the efficient order management system that enables the quick delivery in about 15 to 30 mins. They emphasize that while consumer loyalty and convenience are of strong importance, long-term success depends on balancing economic, social, and environmental sustainability.

Villa & Monzon (2021) discusses the logistical part of this business it showcases the challenges that q-commerce businesses face when it comes to logistics that is delivering the products to the customers. The challenges include small order quantities and various delivery addresses. They gave solutions such as mobile warehouses, pick-up lockers, and drones to reduce the strain on congested urban roads. Their work expresses Q-commerce as both an enabler of convenience to the consumer but also as a challenge when it comes to the congested urban roads

Potdukhe et al. (2022) They outline that the core of Q-commerce is a combo of technology, dark stores, and delivery drivers. They emphasize that instant delivery is facilitated by digital platforms and dark stores in the city, with delivery taking place within 10 to 25 mins. They however, caution that it puts heavy cost pressure on the business.

Ariker (2021) Examines the perception of customers towards the welfare of delivery drivers in Q-commerce. Using the Stimulus-Organism-Response (SOR) model, the research established that fast-commerce firms that offered their delivery drivers satisfactory working conditions had greater goodwill and customer loyalty even when product prices were reasonably high. This suggests the function of ethical labor practices as a means of generating goodwill from the populace and being competitive.

Leng (2021) There have been estimations that the quick commerce market could potentially reach EUR 448 billion by 2030, showcasing the sector's long-term potential for growth.

But the study also elaborates challenges such as sustainability issues, carbon emissions and over reliance on rapid growth, all these challenges must be dealt with for this industry to become a success. This aligns with the growing debate around whether Q-commerce can transition from a growth driven to a profitability driven model.

Huang & Yen (2021) The aspects that differentiate a q-commerce from traditional e-commerce businesses is the delivery time, customer preference and infrastructure. While e-commerce businesses mostly operate through warehouses and days long delivery timings, q-commerce business operates through dark stores in the city Centre and delivery drivers to make the delivery as quick as possible. Their study illustrates how Q-commerce fills a unique gap in urban consumer behavior.

III. THE ROLE OF Q-COMMERCE: OPPORTUNITIES AND CHALLENGES

The study by Ahmad & Shafighi (2022) provides valuable insights and a complete overview of the quick commerce industry, identifying both the opportunities which drive rapid growth and the challenges that threaten its long-term sustainability.

OPPORTUNITIES

1. **Consumer Convenience:** The main reason for the adoption q-commerce is that it provides immense convenience to the consumer. Consumer highly appreciate the ability of these businesses to deliver groceries, medicines, and daily essentials in just 10 to 15 minutes especially in extreme weathers. Survey results in south asia showed that 72% of the respondents preferred ordering from quick commerce platform that going to a physical store.

2. **Market Expansion Potential:** The fast delivery aspect of the quick commerce industry differentiates it from the traditional e-commerce business, and this positions them to capture completely new demographics which includes young professionals, dual income households, and health-conscious consumers who prioritize speed and reliability.

3. **Pricing and Promotions:** Competitive pricing strategies and visible discounts ex. Red highlighted price drops strongly influence consumer decisions. Effective promotions not only drive first-time adoption but also build customer retention in highly competitive markets

4. **Trust & Scrutiny:** Consumers worry when they make online transactions. However, platforms that offer various payment options, such as cash on delivery, card machines at delivery or payment through upi apps in case of India, build trust and encourage use.

IV. CHALLENGES

1. **Customer Service Gaps:** The biggest challenge mentioned is poor customer service. Consumers want complaints to be handled within one hour. If these expectations are not met, it leads to customer loss. This poses a significant survival risk in a market where competition is getting tougher.

2. **Sustainability of the operations:** Maintaining the ultra-fast delivery services requires a huge dark stores in the city center and mother dark store in the outskirts of the city to make sure that there is no short supply and these dark stores can be 3 to 4 times bigger than a super market which increases the operational cost and the investment needed. Even after such high costs companies cannot charge high prices due to cutthroat competition which in turn undermines their profits.

3. **Intensifying competition:** With and big companies joining this market due to its high potential for growth, the quick commerce industry has become intensely competitive where businesses are trying to differentiate their brand through price cuts, promotions or the quality of their service. This level of competition and low or no profits may lead to a disruption in this market.

V. KEY CONTRIBUTIONS

The reviewed research papers indicate these following notable contributions that quick commerce has made across 4 different dimensions:

1. **Delivery Operations:** The quick commerce delivery services are a masterclass in running efficient operations in a business. Efficient route optimization, dark stores and micro fulfilment centers enable the quick delivery within 10 to 15 minutes.

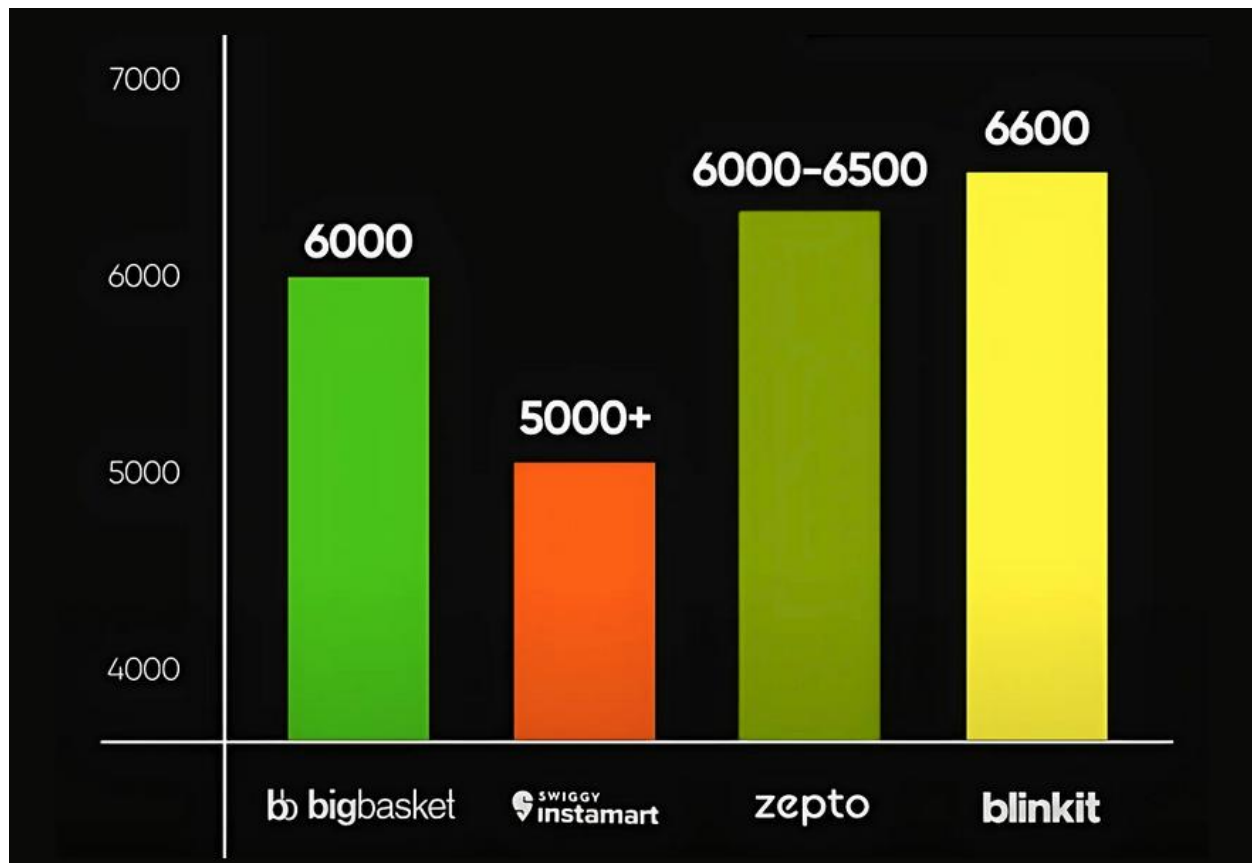
2. **Consumer Side:** Q commerce provides instant satisfaction to the consumer and in turn builds strong consumer loyalty and good brand image by aligning with the rising demand among consumers for speed and convenience.

3. **Market access:** Q commerce has mostly been in tier 1 cities, but it has been expanding to tier 2 and tier 3 cities too, while

also diversifying into different categories of items such as groceries, pharmaceuticals and daily essentials. This expansion shows q commerce's ability to adapt to different customer need and in different geographies.

Sustainability: Although still not a very sustainable business because of 2 reasons, first is that most of the q commerce businesses are still not profitable which puts a risk to its long term sustainability and second from the environmental aspect also it still needs a lot of improvement in reducing wastage and switching to electric vehicles for the delivery drivers.

VI. MAJOR QUICK COMMERCE COMPANIES IN INDIA



Overview

The four top Q-commerce / grocery delivery platforms in India — Blinkit, Zepto, Swiggy Instamart, and BigBasket — are compared to what seems to be dark store number or delivery hubs (the figures match reported dark store/fulfilment center numbers). The y-axis cap is 4000 to 7000.

Key Insights

Blinkit leads the pack

With 6600+ units, Blinkit has the largest chain among the four. This scale is further supplemented to accommodate ultra-fast delivery deadlines, particularly in metros and Tier-2 towns.

Zepto not behind

Zepto has 6000–6500 units, coming close to Blinkit. For a company that began operations in 2021, this indicates very aggressive growth with the support of robust venture capital support.

BigBasket steady

BigBasket has ~6000 units and indicates strong infrastructure but depends heavily on scheduled and same-day deliveries. It is size matching but it's on a hybrid model, not just plain 10–15 minute delivery like Blinkit/Zepto.

Swiggy Instamart being behind

At 5000+ units, it is behind the others in dark store presence.

Admittedly, Swiggy does have its food delivery unit to fall back on, so efficiency won't entirely be derived from store numbers.

VII. CASE STUDIES ON Q COMMERCE AROUND THE WORLD

ZEPTO (INDIA)

Founded in 2021 by Aadit Palicha and Kaivalya Vohra, Zepto has successfully established itself as India's fastest growing q commerce platforms after blinkit. The company's USP lies in its quick 10 to 15 minutes delivery which is enabled by its dense network of dark stores in tier 1 cities like Mumbai, Bangalore and Delhi and also in tier 2 and 3 cities Zepto has differentiated its business through a data driven approach and uses ai powered forecasting to optimize their inventory. Using all these differentiating aspects it has also attracted significant venture capital showcasing the investor confidence in the q commerce business. Despite its rapid expansion its sustainability is still being questioned with profitability and concerns related to the welfare of the delivery drivers.



BLINKIT (INDIA)

Blinkit is the oldest and the most successful q commerce business in India. It was originally launched as an online grocery shopping app but then the company slowly transitioned into ultra-fast delivery services that is the quick commerce and in 2022 it was acquired by Zomato. Blinkit uses Zomato's advanced logistics infrastructure and its customer base, allowing it to expand its reach to new customers by expanding product catalogue from just groceries to lifestyle products, electronics and even stationary products. The firm's strategy is to provide as many products as they can and extend its reach to a wide variety of customers, positioning itself as a one stop shop for instant delivery requirements. Despite its accelerating growth blinkit faces issues when it comes to its profitability as competition intensifies in this industry.



GETIR (TURKEY & EUROPE)

Founded in Istanbul in 2015, Getir is widely regarded as the pioneer of the quick commerce business model. The company expanded rapidly across Europe entering markets such as UK, Germany, and Spain and became a symbol of q commerce's growth potential around the world. Its business model heavily relies on managing both dark stores and delivery operations all by themselves. The firm has also invested in its

sustainability initiative also by introducing electric scooters for delivery and eco friendly packaging. Nevertheless, the company has struggled when it comes to profitability in the international market which has in turn led to major layoffs and retreats in 2023. Its case study shows both its huge potential and its risk including high cost, low profits and tough operations.



OBSERVATION

Although the research papers and case studies have highlighted q commerce's strengths, weaknesses and the fast-changing consumer preferences, some important gaps still remain.

First, most research tends to emphasize consumer convenience while very less attention is given to the social impacts of q commerce such as the welfare of delivery drivers and the pressure to deliver items within 10 to 15 minutes. Second, sustainability is often mentioned but it is rarely quantified. Third, the extremely high level of convenience that is offered by these q commerce companies has some social consequences too, such as customers do not leave their houses even when they have time to buy things which in turn makes them lazy and this sedentary habit can have long term consequences on the society and quick commerce also threatens the survival of small shops in the neighborhood and other small retailers. Finally, profitability is basically the biggest challenge that most q commerce businesses face, and there are very few studies that elaborate how these companies

can become sustainable in the long run that is make enough profits to sustain themselves.

These gaps show that quick commerce has strong potential, but future research must also address social, Enviromental and financial sustainability.

VIII. CONCLUSION

Quick commerce has completely and rapidly reshaped the digital market with their high speed, convenience and the highly efficient logistics system in place. The literature and the various case studies show how efficient delivery is done, market access is widened, and customer loyalty is improved. However, there are various challenges such as low or no profits, environmental cost, increasing competition and concerns related to welfare of delivery drivers.

The extreme convenience of the quick commerce has also reduced visits to neighborhood shops, and it also increases sedentary habits, which impacts the small businesses in the area. While there have been various experiments with EV deliveries, sustainable packaging and increase in product

categories but the long-term success will depend on the economic, social and environmental factors.

Q commerce should be viewed as not a complete replacement of the traditional retail stores but as a separate channel that compliments it and its future depends on responsible innovation combined with sustainable practices in the business.

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