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India To Have 1.2 Bn+ Internet Users By 2030

	2024	2030	% Growth (Absolute)
Smartphone Users	1 Bn+	1.5 Bn+	50%
Internet Users	886 Mn+	1.2 Bn+	35%
Urban Internet Users	397 Mn+	546 Mn+	38%
Rural Internet Users	488 Mn+	708 Mn+	45%

Internet Penetration (Active Users)
58%

5G Enabled Indian Cities/Towns
7.7K+

Urban Internet Penetration (Active Users)
77%

Number Of Male Internet Users
470 Mn+

Cost Of 1 GB Internet
$0.16

Number Of Female Internet Users
416 Mn

Source: KANTAR, IMAMI, Inc42 Analysis
Note: The numbers for 2030 are estimated

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Ecommerce Market In India: A Snapshot

Market Opportunity	Venture Capital	Unicorns & Soonicorns
$400 Bn+ Market Opportunity	**$35+ Bn** Total Funding (2014 - 2024)	**25** Unicorns In India
19% CAGR (2024 - 2030)	**1.9K+** Deal Count	**20** Soonicorns In India
Fashion & Apparel The Most Lucrative Segment	**5.1K+** Active Ecommerce Startups	**$35 Bn+** Total Funding Raised
112 Bn+ Fashion Apparel & Accessories Market Opportunity (2030)	**990+** Funded Ecommerce Startups	**$96 Bn+** Combined Valuation

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India's $400 Bn Ecommerce Market Opportunity

The ecommerce market in India is expected to grow at 19% from 2024-2030

CAGR:19%

Market Opportunity ($ Bn)

400

300

200

100

0

400

138

2024   2030
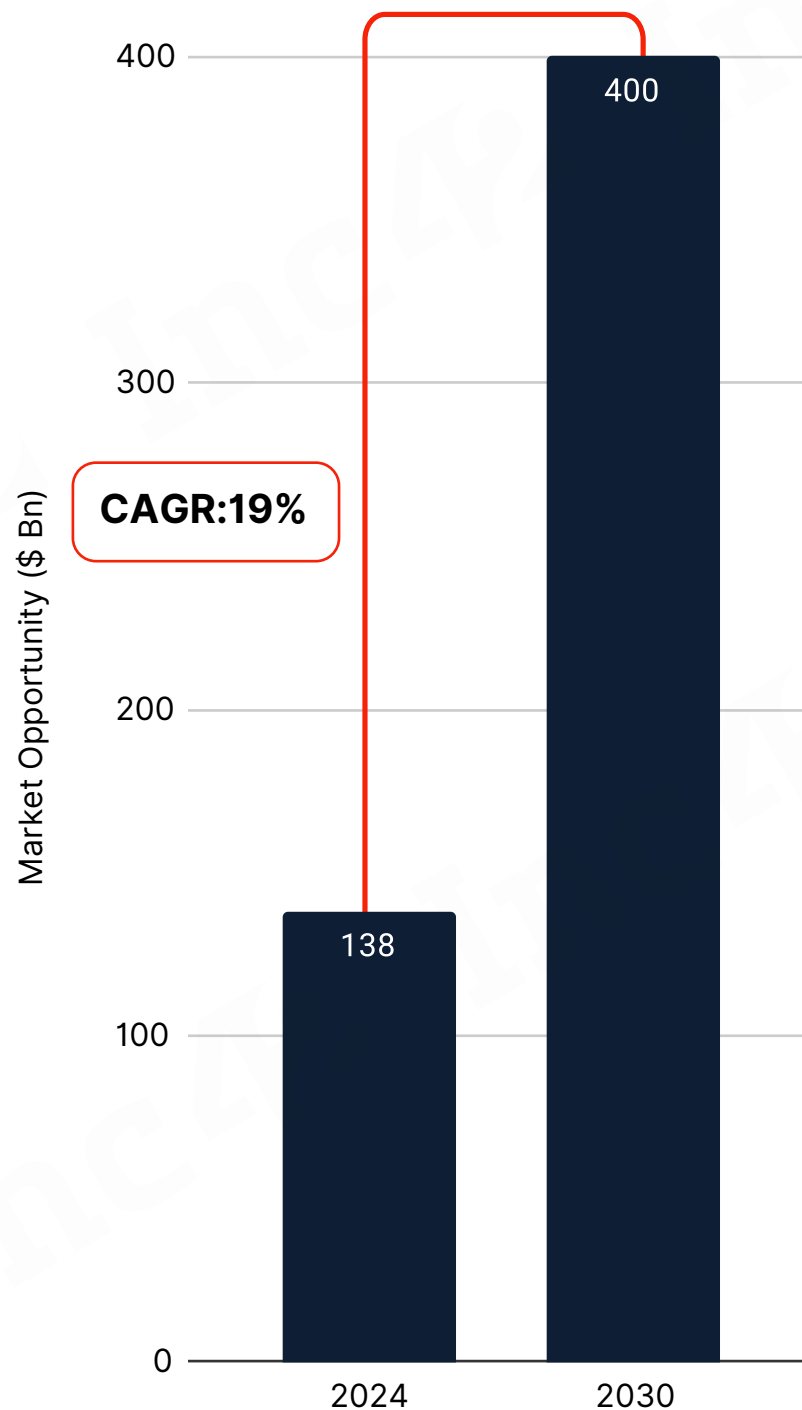
Key Growth Drivers

✦ **Increased Digital Adoption -** The rapid adoption of digital technologies has significantly contributed to the rise of ecommerce in India. Improved internet penetration, driven by affordable mobile data plans and government initiatives like Digital India. Also, the widespread use of smartphones has further accelerated this shift, allowing users to shop, pay bills, and access financial services with just a few taps on their screens

✦ **Market Potential In Rural Region -** India's rural market holds immense potential, driven by a population that makes up 65% of the country's total population. While rural regions have increasing disposable incomes, and improving infrastructure enhances their purchasing power. Rising aspirations, fuelled by better access to education, digital connectivity, and financial inclusion, are shaping a new wave of rural consumers.

✦ **Expansion Of Quick Commerce -** Logistics providers adopted last mile delivery solutions. Also, adding dark stores and micro fulfilment centres to complete orders within minutes. The combination of last-mile delivery innovations, localised inventory hubs, and advanced technology is setting new industry benchmarks for speed, efficiency, and customer satisfaction

Source: Inc42 Analysis, Secondary Sources
Note: Market opportunity represents total addressable market for D2C players in India

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Beauty And Personal Care: India's Fast Growing Ecommerce Segment

Sectors & Segments	Market Size (2024)	Market Size (2030)	CAGR (2024 to 2030)	% Share Market Size (2030)
Overall Market	$138 Bn+	$400 Bn+	19%	-
Fashion Apparel & Accessories	$29 Bn+	$112 Bn+	25%	28%
Smartphones	$39 Bn+	$72 Bn+	11%	18%
Electronics & Appliances	$27 Bn+	$68 Bn+	17%	17%
Food & FMCG	$19 Bn+	$68 Bn+	24%	17%
Beauty & Personal Care	$6.4 Bn+	$28 Bn+	28%	7%
Furniture & Home Decor	$8.3 Bn+	$24 Bn+	19%	6%
Others	$9.6 Bn+	$28 Bn+	19%	7%

Source: Inc42, BCG, Secondary Sources

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Decoding The Online Indian Shopper: A quarter of urban consumers in India choose to shop in Indic languages

427 Mn+
Total Net
Ecommerce Users
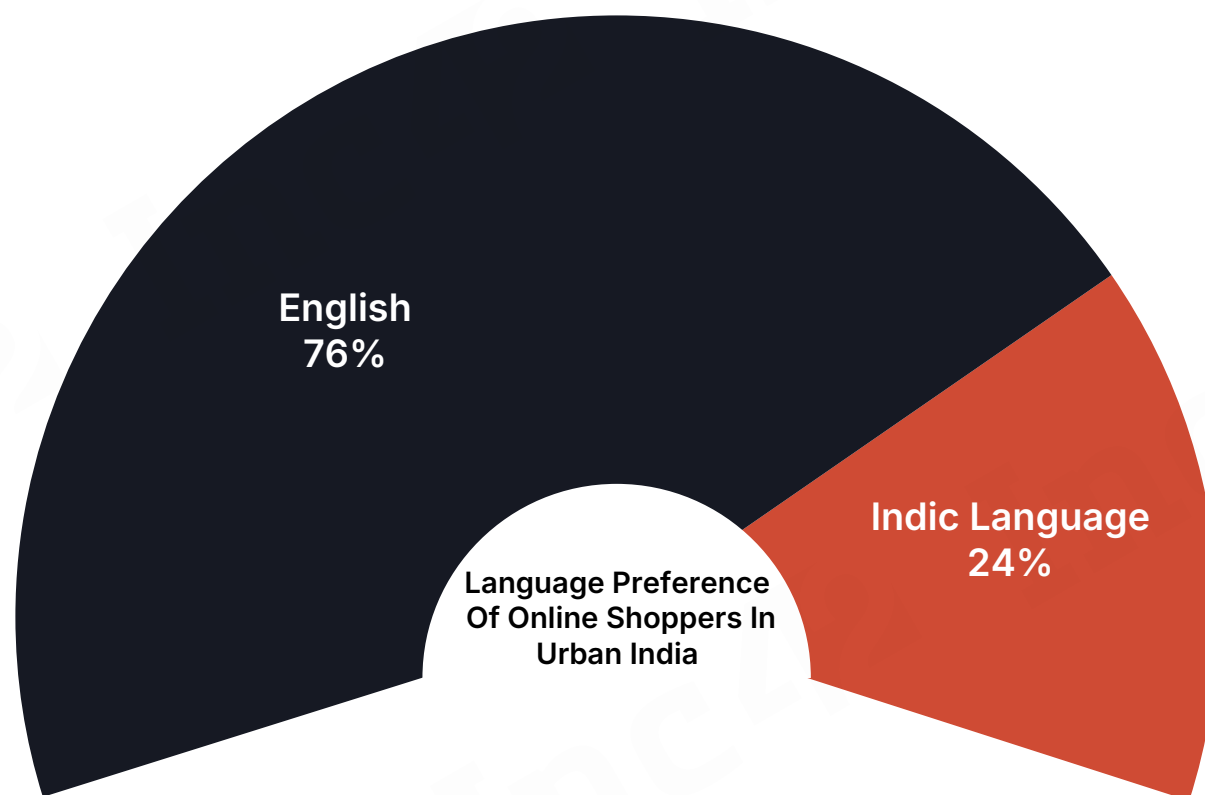
294 Mn+
Total Online
Shoppers

196 Mn+
Urban Online
Shoppers

71%
Digital Payments Users
Live In Urban India
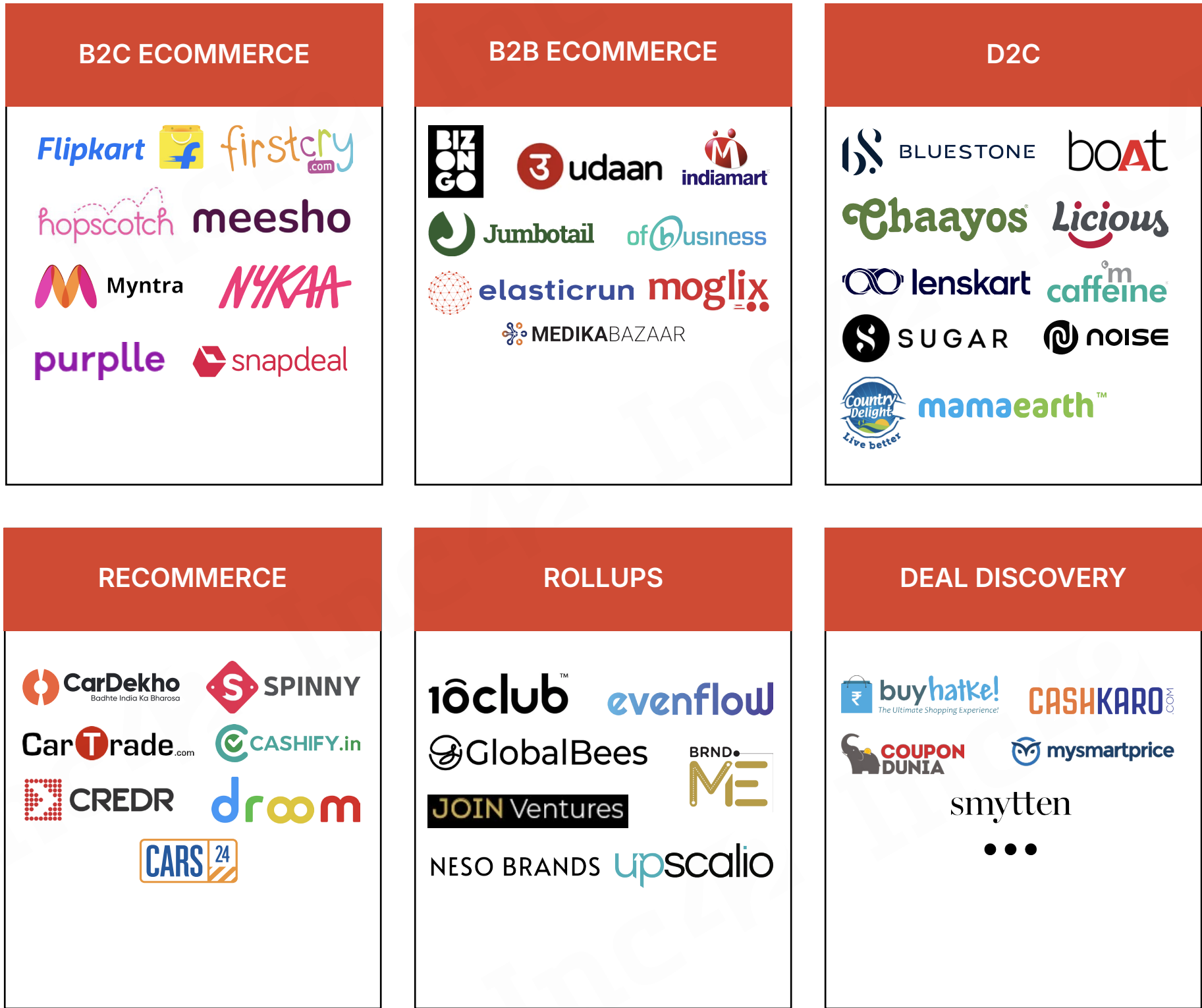
26%
Online Shoppers
Opt For COD

52%
Shoppers Who Opt
For COD Are Female

45%
Shoppers Who Opt For
COD Live In Rural India

**English
76%**

**Indic Language
24%**

**Language Preference
Of Online Shoppers In
Urban India**

Source: Inc42 Analysis, KANTAR, IAMAI
Note: COD stands for Cash on Delivery

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India's Ecommerce Startup Landscape: Who's Who Across Subsectors

B2C ECOMMERCE

Flipkart · firstcry.com
hopscotch · meesho
Myntra · NYKAA
purplle · snapdeal

B2B ECOMMERCE

BIZONGO · udaan · indiamart
Jumbotail · of business
elasticrun · moglix
MEDIKABAZAAR

D2C

BLUESTONE · boAt
Chaayos · Licious
lenskart · mcaffeine
SUGAR · NOISE
Country Delight Live better · mamaearth

RECOMMERCE

CarDekho Badhte India Ka Bharosa · SPINNY
CarTrade.com · CASHIFY.in
CREDR · droom
CARS24

ROLLUPS

10club · evenflow
GlobalBees · BRND ME
JOIN Ventures
NESO BRANDS · upscalio

DEAL DISCOVERY

buyhatke! The Ultimate Shopping Experience! · CASHKARO.COM
COUPON DUNIA · mysmartprice
smytten
• • •

Source: Inc42
Note: This is not an exhaustive list

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India's Unicorn & Soonicorn Landscape

UNICORNS

25 Total Unicorns

$88 Bn+ Combined Valuation

$32 Bn+ Total Funding

boAt · CarDekho · CARS24 · DealShare · droom · firstcry.com · Flipkart · GlobalBees · The Good Glamm Group · indiamart · Licious · lenskart · purplle · mamaearth · INFRA.MARKET · BRND ME · moglix · NYKAA · ofbusiness · Paytm mall · SHOPCLUES.COM · snapdeal · SPINNY · udaan · meesho

SOONICORNS

20 Total Soonicorns

$8.3 Bn+ Combined Valuation

$2.9 Bn+ Total Funding

BIZONGO · BLUESTONE · CarTrade.com · CASHIFY.in · CASHKARO.COM · Chaayos · CITYMALL · Country Delight Live better · drools · GIVA · hopscotch · Jumbotail · MEDIKABAZAAR · pepperfry · mCaffeine · wakefit · WOW Skin Science · PERNIA'S POP-UP SHOP · plum · SUGAR

Source: Inc42
Note: This is not an exhaustive list

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Ecommerce Funding In 2024 — Key Highlights

$1.5 Bn+
Total Funding Raised By Indian Ecommerce Startups

203+
Funding Deals Recorded

-43%
YoY Decline In Late Stage Funding Amount

42%
YoY Increase In Seed Stage Funding Amount

DELHI NCR
The Most Funded Ecommerce Hub

Source: Inc42

Inc42

$35 Bn+ Raised By Indian Ecommerce Startups Since 2014

In 2024, funding amount in ecommerce startups decreased by 25% on a YoY basis

Funding Amount ($ Bn)

Year	Funding Amount	Deal Count
2014	3.1	65
2015	2.7	178
2016	1.0	177
2017	4.0	127
2018	2.5	135
2019	2.5	130
2020	1.1	139
2021	10.5	288
2022	3.8	300
2023	2.0	193
2024	1.5	203

■ Funding Amount — Deal Count
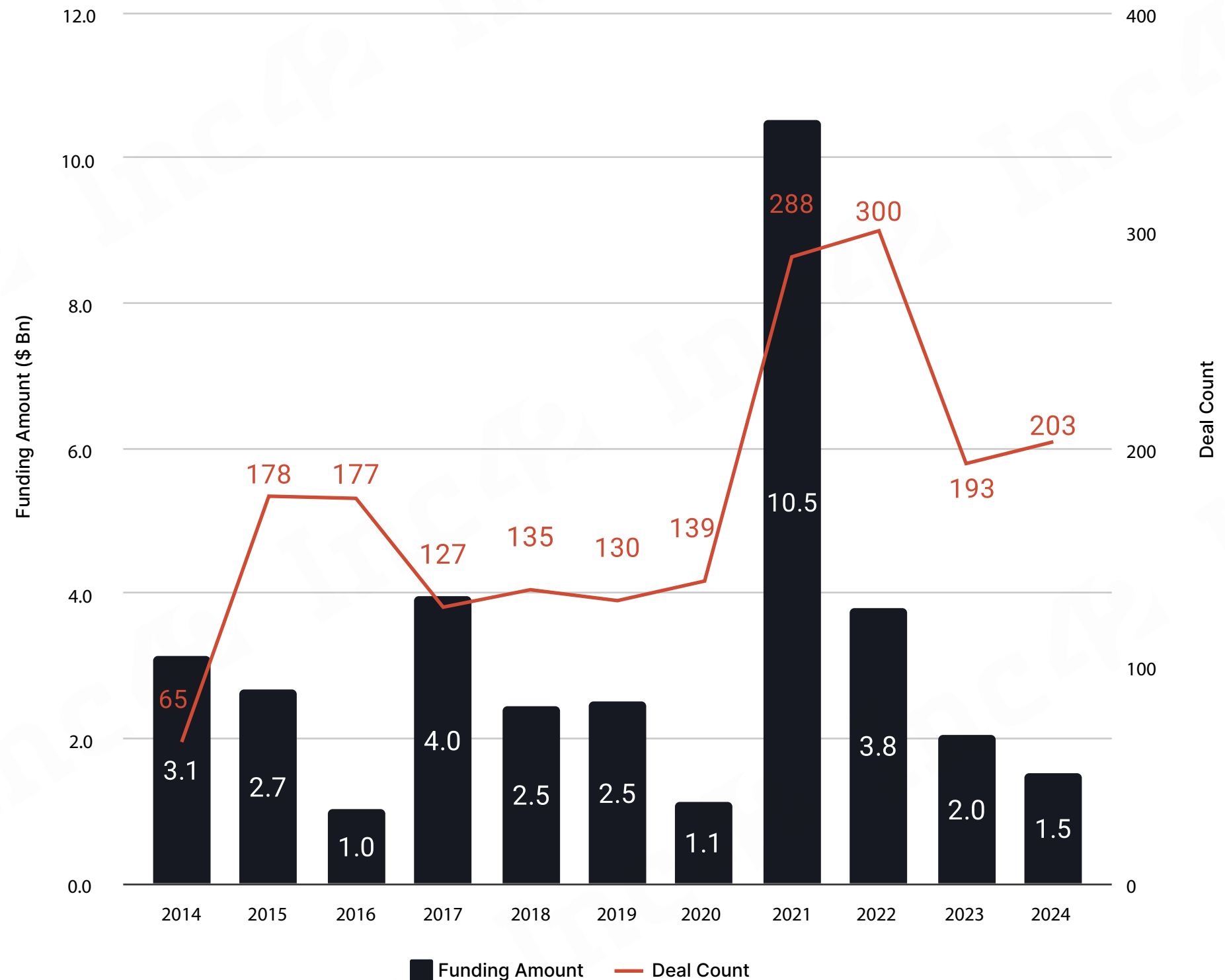
Source: Inc42

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Ecommerce Funding In India: Stagewise Outlook [2014 - 2024]

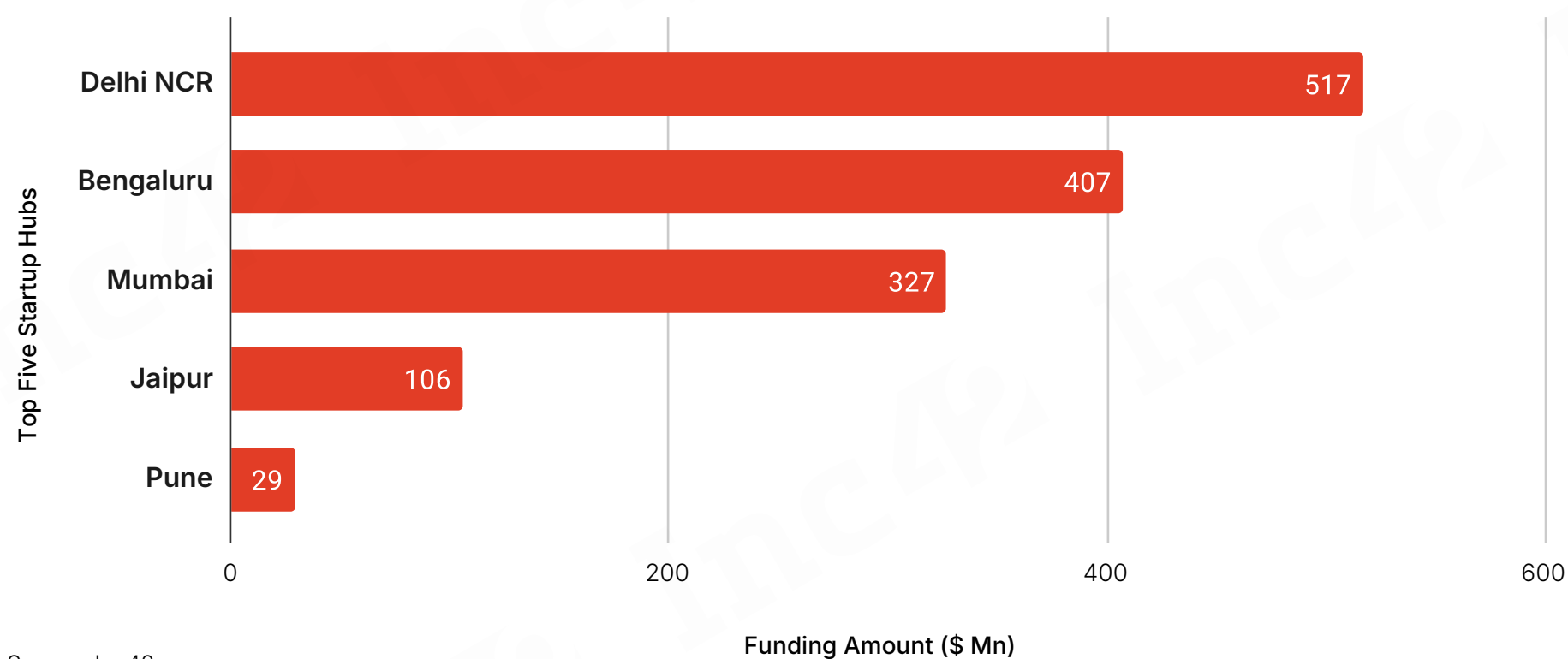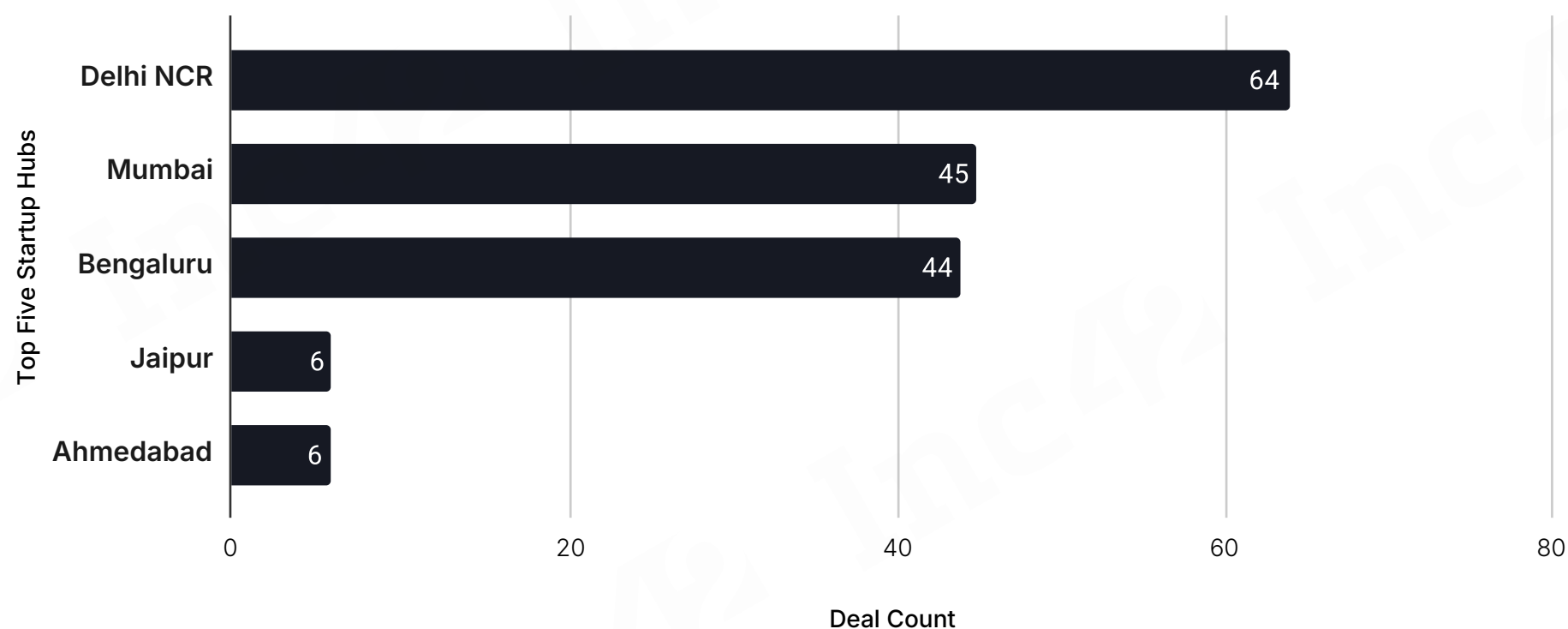| Investment Stage	Funding Amount	Deal Count	Median Ticket Size
Seed Stage	$893 Mn+	880+	$550K
Growth Stage	$6.3 Bn+	522+	$6.4 Mn
Late Stage	$27 Bn+	304+	$28 Mn

Source: Inc42
Note: Based on Indian startup funding deals recorded between 2014 and 2024

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Stagewise Analysis Of Indian Ecommerce Funding In 2024

Investment Stage	Funding Amount	YoY Change (%)	Deal Count	YoY Change (%)	Median Ticket Size	YoY Change (%)
Seed Stage	$127 Mn+	42%	89+	-18%	$723K	73%
Growth Stage	$566 Mn+	4%	59+	51%	$8 Mn	-20%
Late Stage	$775 Mn+	-43%	23+	44%	$19 Mn	-33%

Source: Inc42
Note: Based on Indian startup funding deals recorded in 2024

Inc42

Top Funded Ecommerce Sub-Sectors [2014 - 2024]

B2C ecommerce accounted for 46% of total ecommerce funding

$35 Bn+ Total Funding

Sub-Sector	Percentage	Value
B2C Ecommerce	46.2%	16
D2C	23.7%	8
B2B Ecommerce	14.0%	5
Recommerce	10.9%	4
Others	5.3%	2

1.9K+ Deal Count
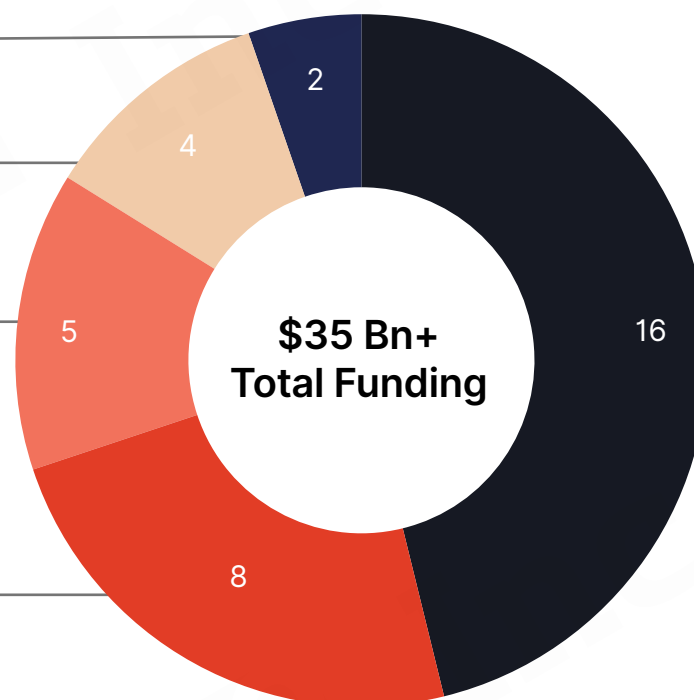
Sub-Sector	Percentage	Value
D2C	58.1%	1124
B2C Ecommerce	16.6%	321
B2B Ecommerce	11.4%	220
Others	8.6%	166
Recommerce	5.4%	104
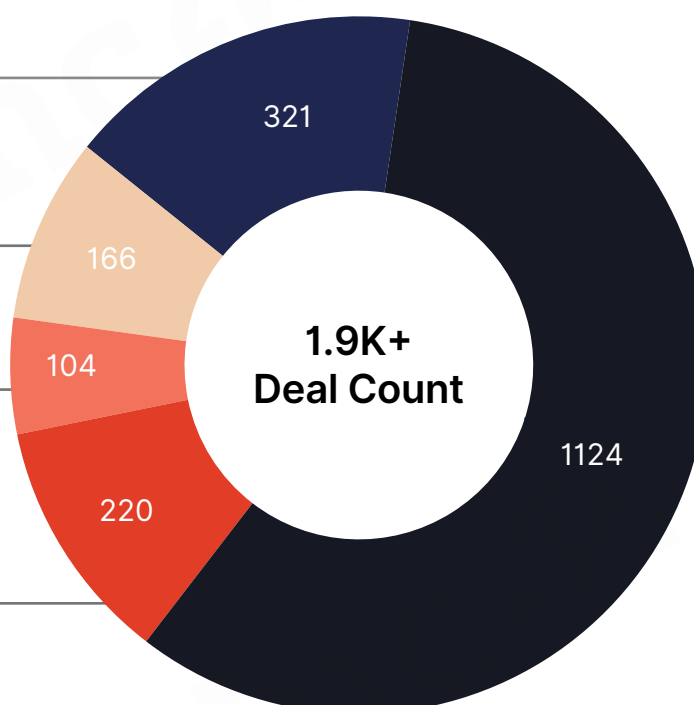
Source: Inc42
Note: Based on Indian startup funding deals recorded between 2014 and 2024

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Delhi NCR Tops Ecommerce Funding In 2024

Since 2021, Delhi NCR has outpaced Bengaluru in ecommerce funding deals, solidifying its position as a hub for D2C brands

Deal Count

Top Five Startup Hubs	Deal Count
Delhi NCR	64
Mumbai	45
Bengaluru	44
Jaipur	6
Ahmedabad	6

Funding Amount ($ Mn)

Top Five Startup Hubs	Funding Amount ($ Mn)
Delhi NCR	517
Bengaluru	407
Mumbai	327
Jaipur	106
Pune	29

Source: Inc42

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Top 10 Ecommerce Funding Rounds Of 2024

Startup Name	Sub Sector	Round Size	Notable Investors
purplle	B2C Ecommerce	$180 Mn	Abu Dhabi Investment Authority, PremjiInvest
HEALTHKART	B2C Ecommerce	$153 Mn	ChrysCapital, Motilal Oswal Alternates, Neo Group, A91 Partners
BLUESTONE	D2C	$104 Mn	Peak XV Partners, MUFG Bank, Euclidean Capital
CarDekho	B2C Ecommerce	$60 Mn	Navis Capital Partners, Dragon Fund
Wooden Street	D2C	$43 Mn	PremjiInvest, Elevation Capital, Matrix Partners, Accel Lighthouse Canton,
udaan	B2B Ecommerce	$36 Mn	Stride Ventures, InnoVen Capital, Trifecta Capital
BLUE TOKAI COFFEE ROASTERS	D2C	$35 Mn	Verlinvest, Anicut Capital, A91 Partners
Kushal's	D2C	$34 Mn	Merak Ventures
foxtale	D2C	$32 Mn	Panthera Growth Partners Z47, Kae Capital
GIVA	D2C	$30 Mn	Premji Invest, Epiq Capital, Edelweiss Discover Fund

Source: Inc42
Note: This analysis is based on the startup funding deals recorded in Inc42's proprietary database.

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# Indian Ecommerce Startups Saw Median Investment Drop To $1.8 Mn In 2024

Ecommerce startups see smaller ticket size rounds as investors take a conservative approach

Median Ticket Size ($ Mn)

Year	Value
2014	1.2
2015	1.3
2016	1.4
2017	1.5
2018	2.4
2019	3.1
2020	2.0
2021	4.0
2022	2.4
2023	2.0
2024	1.8
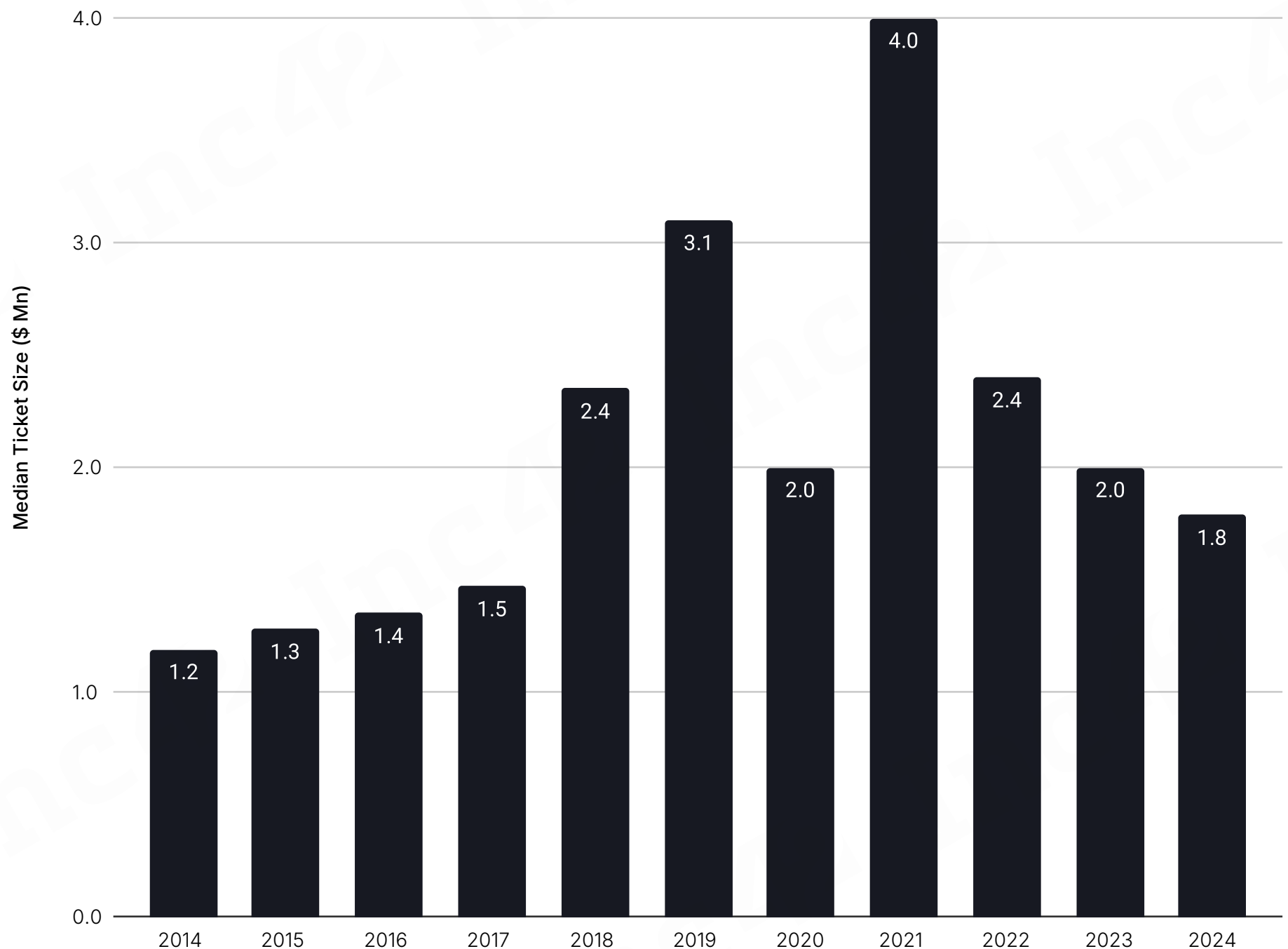
Source: Inc42

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228+ M&As Recorded By Indian Ecommerce Startups Since 2014

Since 2014, D2C startups accounted the most number of M&A transactions
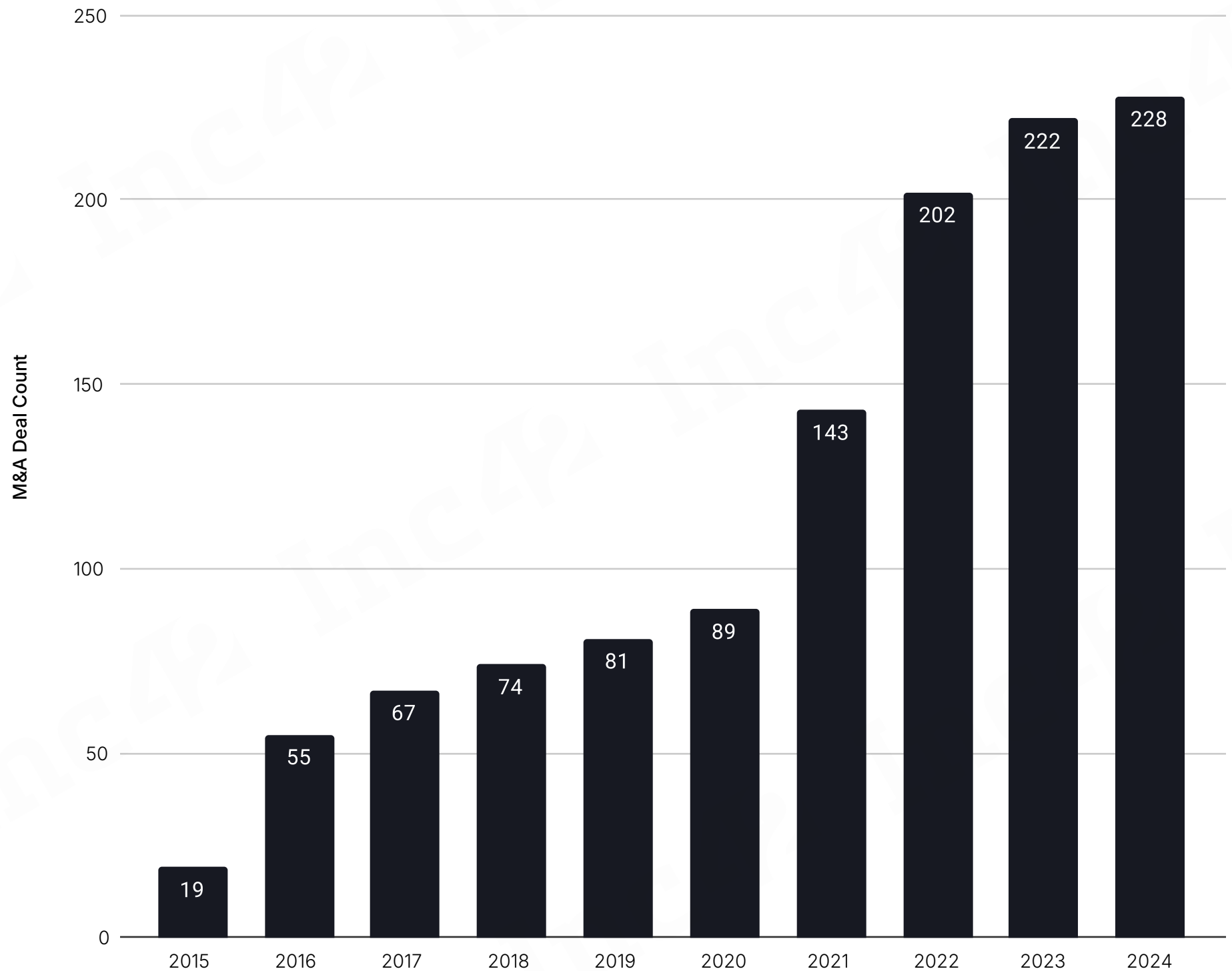
Source: Inc42
Note: The above chart represents cumulative figures on a YoY basis

Mobavenue

India's Rising AI-Powered Programmatic & Digital Growth Platform

Drive Digital Growth Across Consumer Journeys

PX PrsmX
Powered by MobAvenue

Elevate Brand Awareness & Engagement on CTV, Mobile & DOOH

SX SurgeX
Powered by MobAvenue

Drive User Acquisition & Programmatic Growth

RX ResurgeX
Powered by MobAvenue

Boost ROAS, Retention & Re-engagement

30,000+
Campaigns Delivered

150+
Clients Worldwide

7+
Global Locations

2 Billion+
Devices Reached

www.mobavenue.com | Reach us at: info@mobavenue.com

Notable Investors Backing Indian Ecommerce Startups

Investor	Deal Count	Notable Investments
100 UNICORNS	25+	ControlZ, G.O.A.T Brand Labs, TagZ Foods
100X	14+	abCoffee, Redbasil, Bansiwala, Curlin
A91	17+	DaMENSCH, Blue Tokai Coffe,Sugar, Plum
Accel	55+	Bizongo, Curefoods, Deep Rooted
ah! ventures	17+	Sugar Watchers, DealBasket, Adyaway
alteria capital	27+	Zyod, Country Delight, Bombay Shaving Company
Better	15+	ShopKirana, Vaaree, Ximkart
BLUME	26+	Bambrew, ApnaKlub, Flash, Freakins
DSG CONSUMER PARTNERS	44+	Fix My Curls, SuperBottoms, Solethreads
ELEVATION	42+	Comet, Wishlink, The Souled Store

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Notable Investors Backing Indian Ecommerce Startups

Investor	Deal Count	Notable Investments
fireside ventures	40+	Newme, The Baker's Dozen, Supertails
IndiaQuotient	16+	TWF Flours, Fix My Curls, GIVA
Indian Angel Network	19+	Papa Pawsome, LetsDressUp, BEYOBO
IPV	35+	The Betal Leaf, Relso, Freshleaf Teas
INNOVEN CAPITAL	15+	BeepKart, DealShare, Pepperfry
IVYCAP	14+	Deep Rooted, Wagr, Purplle
kae capital	22+	Eternz, Foxtale, ONWO
kalaari capital	31+	Kindlife, Deconstruct, Aastey
Letsventure	20+	Clensta, HYPD Store, Sanfe
Mumbai Angels A 360 ONE Company	24+	Bambrew, Eat Better, Woolly Farms

Source: Inc42
Note: Note: This is not an exhaustive list or investor ranking of any kind | Investors have been listed alphabetically | Only deals recorded in Inc42's database between 2014 to 2024 are considered for this analysis

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Notable Investors Backing Indian Ecommerce Startups

Investor	Deal Count	Notable Investments
nexus venture partners	16+	Comet, abCoffee, Venwiz
NORWEST	13+	OfBusiness, CityMall, Mensa Brands
peak xv PARTNERS	45+	CarDekho, Moglix, Purplle
SAAMA	34+	DaMENSCH, Mokobara, SuperBottoms
SIXTH SENSE	25+	The Ayurveda Co, Pushp, Open Secret
TIGERGLOBAL	35+	Chaayos, Moglix, Flipkart
TITAN CAPITAL	24+	Boba Bhai, KARBAN Envirotech, LetsDressUp
TRIFECTA CAPITAL	34+	BlueStone, Groyyo, Zyod, MyMuse
VentureCatalysts++ India's 1st Multi-Stage VC	61+	Tui Bon Natural, Relso, Fiona Diamonds
Z47	39+	DaMENSCH, Fabriclore, Country Delight

Source: Inc42
Note: Note: This is not an exhaustive list or investor ranking of any kind | Investors have been listed alphabetically
| Only deals recorded in Inc42's database between 2014 to 2024 are considered for this analysis

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InFocus:
Quick Commerce

India's $40 Bn+ Quick Commerce Market Opportunity

CAGR:37%

Market Size ($ Bn)

2024	6.1
2030	40
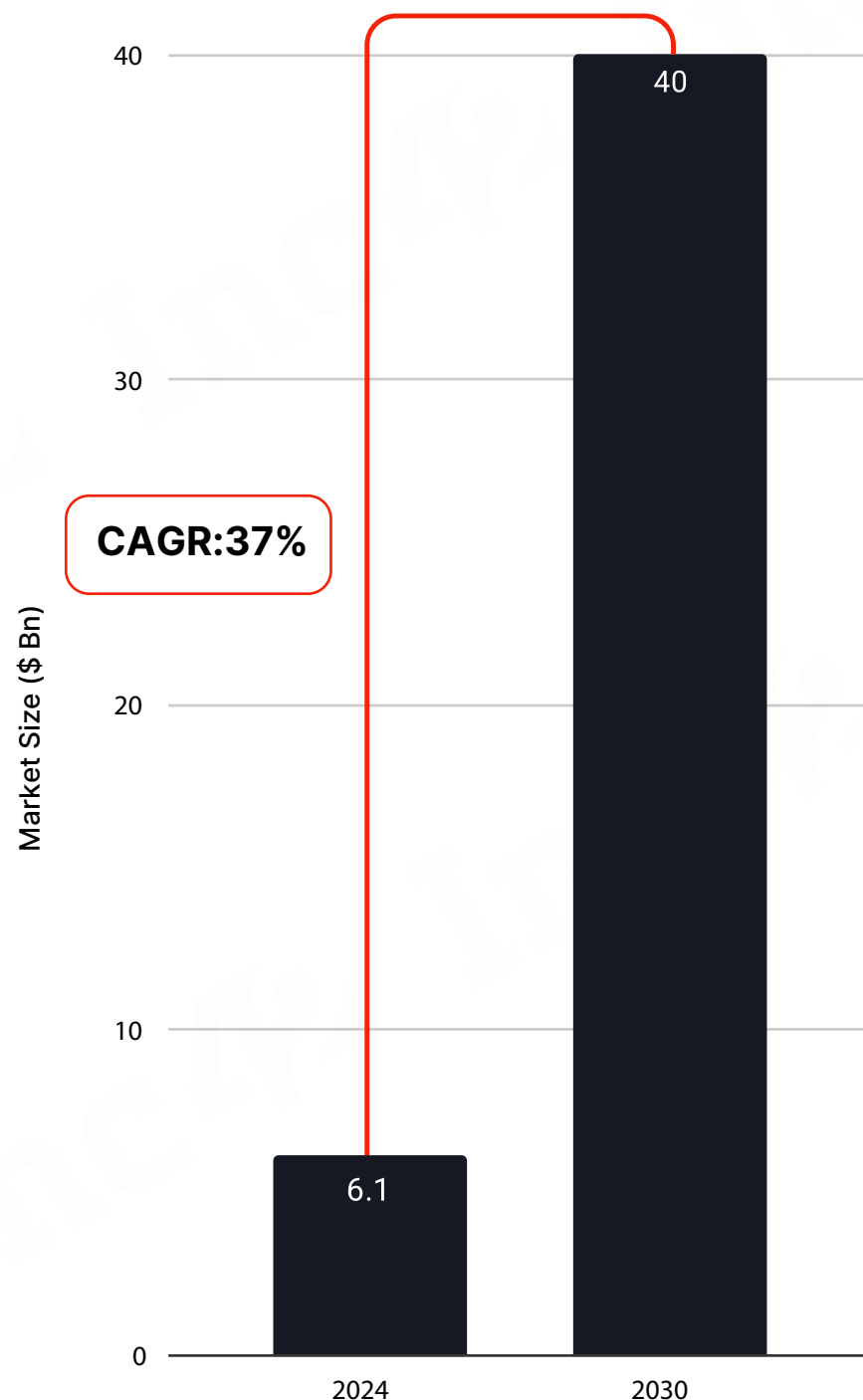
Key Growth Drivers

✦ **Rise Of Unplanned Purchase:** A study of Indian online shoppers in 2024 revealed that 75% of respondents reported an increase in impulsive purchases over the preceding six months. This suggests a shift in consumer behaviour, with a greater inclination towards spontaneous, unplanned purchases rather than pre-planned ones.

✦ **Instant Delivery In Grocery Over Next Day:** 69% of Indian internet customers favour 10-minute quick delivery marketplaces over those that offer next-day delivery when they shop for groceries. The highest daily purchase frequency is for groceries, which is a glaring sign of Indian consumers' increasing desire for quick commerce.

✦ **Popularity Among Young indians:** The adoption of quick commerce is most prevalent among the (18-35) demographic, with 60% of these users falling within the (18-25) age bracket. India houses over 600 Mn individuals aged (18-35), constituting 42% of the total population. This suggests a substantial addressable market for quick commerce enterprises.

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India's Quick Commerce Market Landscape

Quick Commerce Natives

blinkit · Slikk · Zing · SWIGGY instamart · swish · zepto · bistro · SNACC

Quick Commerce Adopters

amazon.in · bigbasket · Flipkart MINUTES · TATA NEU · OLA · magic NOW! · JioMart · Quicki 15 minutes or FREE · NYKAA · QUICK

Logistics Players

BLACKBUCK · DELHIVERY · ecom express · shadowfax We Deliver · Shiprocket · XPRESSBEES delivering happiness · PORTER · ZYPP

For companies in the ecommerce and hyperlocal delivery sectors, the rising demand for rapid delivery—commonly referred to as 'quick commerce'—is a trend that cannot be ignored. To remain competitive, businesses must assess and adapt to this evolving landscape.

With the quick commerce market projected to reach $40 Bn by 2030, growing at a CAGR of 37% from 2024, the sector is expanding at nearly twice the rate of the overall ecommerce industry, which stands at a 19% CAGR. The increasing adoption of quick commerce models by ecommerce marketplaces further reinforces its role as a key driver of future growth in Indian retail.

Quick Commerce Business Models

✦ **Quick Commerce Natives:** Businesses designed from inception around ultra-fast delivery (typically within 30 to 60 minutes) as their core operational model and primary value proposition.

✦ **Quick Commerce Adopters:** Established companies in traditional retail, ecommerce, or adjacent sectors that have integrated rapid delivery services into their existing business framework to enhance customer experience and operational efficiency.

Source: Inc42 Analysis

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Quick Commerce In India: A Competitive Landscape

Organisation Name	Network Stores or Merchants	Food Delivery	Average Order Value (AOV)	Monthly Transacting Users (MTU)	Profitability
bb now A TATA Enterprise	400-500+	No	500-550	Not Available	No
blinkit	1000+	Yes	707	8.9 Mn+	No
magic NOW!	3K+	Yes	Not Available	Not Available	No
SWIGGY instamart SNACC	700+	Yes	534	7 Mn+	No
swish	Not Available	Yes	250-300	Not Available	Not Available
zepto	750+	Yes	450-550	4 Mn+	No
ZING POP CULTURE	<100	Yes	220-320	Not Available	Not Available
Quicki ES 15 minutes or FREE	475+	Yes	Not Available	Not Available	No

India's quick commerce sector, driven by habit-forming consumer behaviour and aggressive expansion strategies, is still far from sustainable profitability. However, food delivery is emerging as the next big battleground for these platforms. Major players that initially focused on groceries — Blinkit (Bistro), Zepto (Zepto Cafe), and Swiggy Instamart (Snacc) — are now aggressively expanding into the space. At the same time, new entrants like Swish and Zing are betting exclusively on instant food delivery, signalling a major shift in the quick commerce playbook.

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Ecommerce Marketplaces & Rapid Deliveries

Flipkart MINUTES

10-minute delivery service for groceries, personal care, and electronics

✦ **Delivery Model:** Operates via hyperlocal fulfilment centers for rapid dispatch.

✦ **Target Consumers:** Time-sensitive urban shoppers seeking instant access to essentials.

✦ **Market Positioning:** Competes with Zepto, Blinkit, expanding Flipkart's quick commerce footprint.

✦ **Impact:** Reduces store visits, integrates convenience into daily shopping habits.

M now

30-minute delivery for fashion and beauty products

✦ **Logistics Model:** Uses partner stores and localised warehouses to speed up delivery.

✦ **Competitive Edge:** Cuts waiting time, enhancing customer retention and engagement.

✦ **Expansion Plan:** Launched in Bengaluru, with multi-city rollout planned.

✦ **Strategic Impact:** Strengthens Myntra's instant retail capabilities, setting it apart from traditional ecommerce.

Source: Inc42 Analysis and Secondary Sources

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Ecommerce Marketplaces & Rapid Deliveries

NYKAA

Expanded same-day and next-day delivery to 110+ cities, with 60% of orders delivered the next day

- ✦ **Supply Chain Expansion:** Increased warehouses from 18 in FY21 to 44 in FY24, reducing order-to-delivery time by 18% and fulfilment costs by 19%.

- ✦ **Regional Fulfilment Shift:** Transitioned from national to regional fulfilment, cutting split shipments by 24% and lowering air shipment costs.

- ✦ **AI Integration:** Leveraging GenAI for customer experience enhancement, operational efficiency, and personalised engagement.

amazon

Available in select metros and tier 1 cities, improving speed and convenience for Prime subscribers

- ✦ **Network Expansion:** Gradually scaling same-day delivery coverage, targeting high-demand regions.

- ✦ **Operational Efficiency:** Uses local fulfilment centres, warehouse automation, and optimised delivery routes to enable faster dispatch and last-mile efficiency.

- ✦ **Product Coverage:** Offers same-day delivery on essentials, electronics, fashion, and groceries, catering to instant shopping needs.

Source: Inc42 Analysis and Secondary Sources

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Logistics Players Enabling Quick Deliveries

DELHIVEFY

- ✦ Delhivery launched 2 hours delivery for D2C brands, retailers and ecommerce platform
- ✦ Piloted in Bengaluru, already started processing 300 orders daily, showing strong demand
- ✦ Plans to expand rapid store in Bengaluru, Hyderabad, Chennai, NCR, Mumbai, Pune, and Ahmedabad in upcoming months

ecom expres

- ✦ Tailor-made fulfilment and storage solutions for retail, D2C brands, grocery, e-commerce, consumer goods, consumer electronics, and other industrial categories
- ✦ 32 fulfilment centres across India, transportation network comprising of over 1.3K+ runs daily, serviced through dedicated fleet-runs, provides unmatched capability to transport anywhere in India
- ✦ It uses AI/ML systems to optimise routes, minimise location errors, and efficiently planning and managing inventory and order

shadowfax
We Deliver

- ✦ Provides a range of delivery/courier services, from standard shipping to same day & next day delivery, tailored for D2C & E-commerce businesses
- ✦ Delivers 1.5 Mn+ order per day with 2.5K+ cities presence.
- ✦ Ensuring timely delivery with 99% TAT (turn around time) adherence with covering 18K+ pin code in the country

Source: Inc42 Analysis and Secondary Sources

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Logistics Players Enabling Quick Deliveries

Shiprocket

- Launched Shiprocket Quick for delivery in minutes with 24/7 services
- It offers faster deliveries with price starting from Rs.10/Km with no surge fees facilitating last mile delivery for ecommerce business
- Covers 19K+ pin codes nationwide with 1.5 lakhs businesses or sellers annually

ZYPP

- Provides last mile delivery solution for ecommerce brands, It partners with quick commerce brands to deliver products across all local places
- Delivers groceries, medicines, food, e-commerce packages through fully automated IoT and AI-enabled scooters which are low on maintenance and high on performance.
- Currently over 21K+ Zypp EVs and pilots which facilitates the last mile delivery

XPRESSBEES

- Capacity of 2.5 Mn+ sq ft hub capacity on 850+ network routes
- Provides services to 20K+ pin code with 150+ storage hubs which facilitates 3.5K+ service centres
- Deliver 3 Mn+ shipments per day with 28K+ field service representatives working in the company

Source: Inc42 Analysis and Secondary Sources

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Tools And Technologies To Create An Effective Instant Delivery Supply Chain

Drone Deliveries

+ Drones in logistics improves efficiency by reducing delivery times, optimising routes, and lowering fuel consumption, leading to significant cost savings

+ Drones enable faster deliveries, especially in congested urban areas and remote locations, by avoiding traffic and difficult terrains

+ Gartner predicts "that in 2026, more than one million drones will be carrying out retail deliveries"

Autonomous Vehicles

+ Autonomous vehicles enhance logistics efficiency by automating tasks such as inventory tracking and goods movement, reducing human error, and improving operational productivity

+ By decreasing reliance on human drivers, autonomous vehicles lower operational costs, while advanced safety features minimise accident risks, ensuring reliable and secure deliveries

Internet of Things (IoT)

+ IoT and real-time tracking provide accurate, real-time updates on package location and status, improving visibility, reducing delivery-related inquiries

+ IoT-enabled smart locks allow secure package deliveries even in the recipient's absence, ensuring convenience and protection against theft or damage

+ In India, where over 64% of goods are transported by road, IoT's real-time visibility minimises inefficiencies and builds consumer trust with reliable tracking

Source: Inc42 Analysis, Secondary Sources

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Challenges	Solutions
High Logistics & Last-Mile Fulfilment Costs Last-mile delivery accounts for over 50% of fulfilment costs and reverse logistics for time-sensitive products increases cost burdens.	✦ AI-driven route optimisation & order batching can lower delivery costs while maintaining speed. ✦ Bundling incentives for larger orders can improve profitability.
Geographic Constraints & Infrastructure Gaps Same-day delivery remains concentrated in metros, limiting reach in semi-urban areas	✦ Hybrid fulfilment models, integrating offline retail stores as hubs, can reduce expansion costs. ✦ Regional warehouse investments are critical for scale.
Competitive Pressure & Profitability Risks Quick commerce relies on aggressive pricing, compressing margins.	✦ Tiered pricing strategies can offer premium fulfilment options while keeping standard deliveries affordable. ✦ Bundling high-margin categories with quick deliveries can offset costs.
Sustainability & Environmental Concerns Frequent low-batch deliveries increase carbon footprint.	✦ EV-based last-mile fleets and AI-driven route consolidation can improve sustainability.

Source: Inc42 Analysis

Inc42

The Next Phase of Quick Commerce

AI-Led Supply Chain & Fulfilment Automation

✦ AI-driven demand forecasting, warehouse automation, and inventory planning will reduce inefficiencies.

✦ Dynamic dispatching & real-time tracking will optimise last-mile execution and reduce delivery costs.

Growth of Express Delivery Subscriptions

✦ Subscription-based express delivery models will expand, reducing reliance on per-order shipping fees.

✦ AI-driven logistics pricing models will offer customised fulfilment tiers for different consumer segments.

Omnichannel & Hybrid Fulfilment Models

✦ Retail stores will act as micro-fulfilment hubs, reducing dependency on dedicated warehouses.

✦ Store-to-door logistics will facilitate instant pick-up & dispatch for local customers, improving fulfilment flexibility.

Sustainability & Quick Commerce Logistics

✦ The expansion of EV-based last-mile fleets will reduce long-term delivery costs and improve regulatory compliance.

✦ AI-powered route optimisation will reduce wasted transit miles and carbon emissions.

Source: Inc42 Analysis

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How AI Is Transforming Q-Commerce Brands Into Consumer-Centric Powerhouses

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Over the past decade, ecommerce has rapidly evolved, giving rise to quick commerce (Q-commerce) — where delivery is no longer measured in days or hours but minutes. This shift has reshaped consumer expectations, making speed a critical differentiator for brands looking to drive loyalty and marketgrowth.

However, beyond logistics, AI-powered technologies are revolutionising how Q-commerce brands engage, personalise, and retain customers in an increasingly competitive market.

With over 750 Mn smartphone users and rising internet penetration, India has become a mobile-first economy. Consumers today demand instant gratification, not just for groceries but across categories like fashion, personal care, electronics, and

While speed remains essential, brands must go beyond rapid delivery to stand out. AI-driven advertising, hyperpersonalisation, and data-driven engagement have emerged as key levers to build brand affinity and retain customers.

AI-Powered Advertising: Driving Awareness & Engagement

Q-commerce brands face intense competition, where being the 'fastest-first' is not enough. AI-driven programmatic advertising is helping brands deliver hyper-relevant messaging across digital platforms to attract and retain high-value consumers.

Unlocking CTV & Digital Opportunities

By 2025, India will have 60 Mn Connected TV (CTV) households, presenting a massive opportunity for Q-commerce brands to tap into high-intent audiences through targeted advertising.

- ✦ Promoting high-GMV products like premium electronics and smart home appliances to drive impulse purchases.

- ✦ Pushing subscription-based models for grocery delivery, cloud kitchens, and exclusive memberships.

- ✦ Targeting health-conscious consumers with ads for organic groceries, protein supplements, and smart wearables.

AI-powered predictive analytics helps brands match products with the right audience, maximising conversion rates and brand recall.

Personalising Customer Journeys With AI

A study shows that 71% of consumers prefer personalised interactions — making AI-driven customisation essential for Q-commerce success.

- ✦ AI-powered recommendation engines suggest products based on browsing and purchase history.

- ✦ Dynamic ad creatives adjust in real-time based on user behaviour.

- ✦ AI chatbots & voice assistants provide instant product recommendations and resolve queries.

Hyperlocal Advertising: The Key To Q-Commerce Succes

With instant delivery reliant on hyperlocal fulfilment models, brands must adopt location-based marketing strategies to drive relevance and engagement.

- ✦ Geo-targeted promotions highlighting nearby dark stores and serviceable areas.

- ✦ Localised Digital OOH & traditional OOH ads in high-footfall areas.

- ✦ Time-sensitive, festival-based offers to boost immediate conversions.

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Machine learning-driven geotargeting ensures ads reach the right audience at the right time, enhancing brand visibility and sales.

AI-Driven Retargeting: Converting Interest Into Sales

Despite high engagement, many consumers browse without purchasing. AI-driven retargeting is crucial to bringing high-intent users back into the buying funnel.

- ✦ Personalised ads for wishlist users who abandoned checkout.

- ✦ Influencer demo videos for high-value products like coffee machines or smart wearables.

- ✦ Festive retargeting campaigns for seasonal shopping like Diwali decor and Christmas gifts
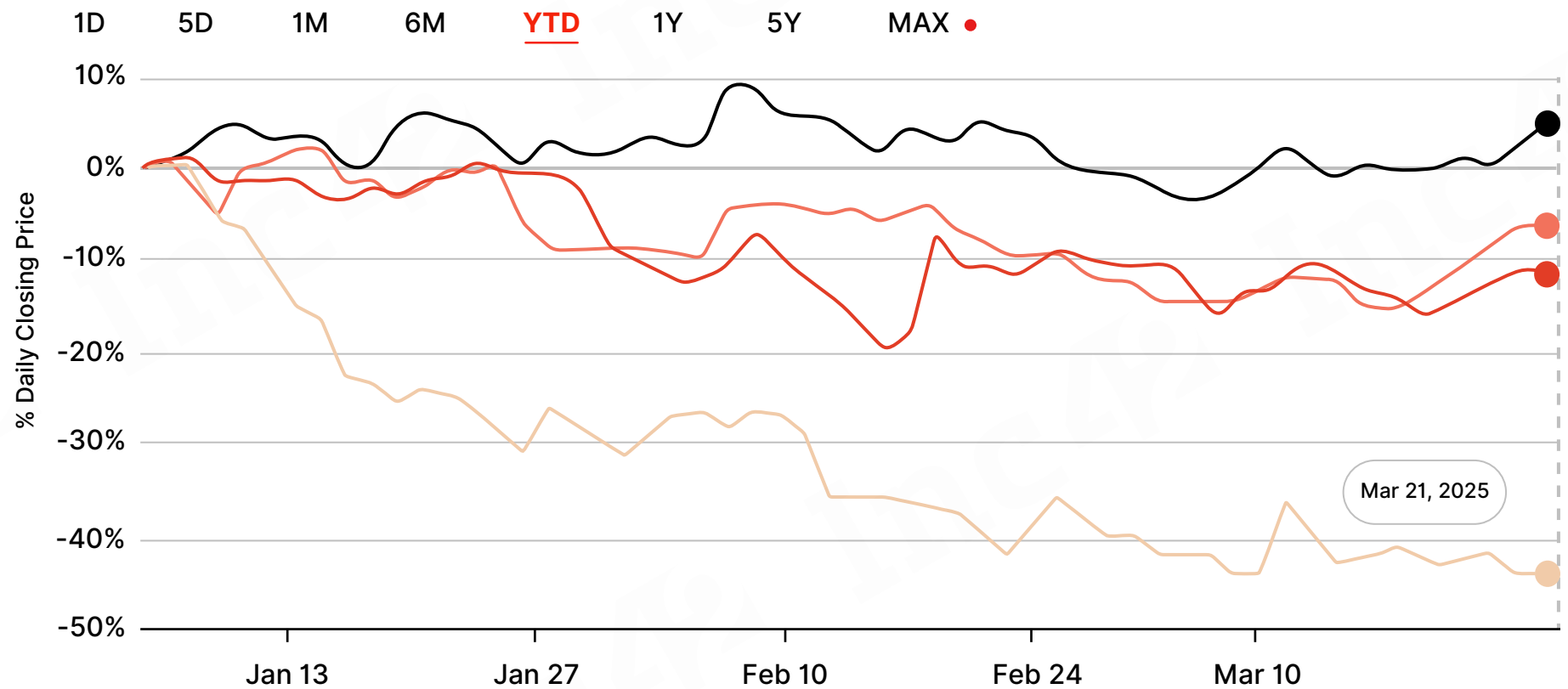
By leveraging real-time data and dynamic creatives, brands can recover lost sales and boost GMV.

The Future Of Q-Commerce Is AI-Powered

The future of Q-commerce goes beyond speed — it hinges on a deep understanding of consumers and meaningful engagement. AI is at the core of this transformation, enabling brands to personalise experiences, drive customer retention, and optimise operations. AI-driven loyalty programs are enhancing consumer stickiness by offering personalised rewards, while voice and AI-powered search are streamlining shopping journeys, making product discovery seamless. Additionally, predictive demand forecasting is helping brands optimise inventory and reduce wastage, ensuring efficient supply chain management.

As India's digital economy expands, AI is no longer just an advantage but a necessity for Q-commerce brands looking to stay ahead. Hyperlocal engagement, intelligent retargeting, and predictive analytics are redefining consumer interactions, setting the stage for a more data-driven and personalised shopping experience. For Q-commerce players, the message is clear — adopting AI-powered strategies is not just a choice but the key to long-term success in an increasingly competitive market.

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A Lackluster Start For Listed Indian Ecommerce Companies In 2025: Firstcry Hit The Worst

1D 5D 1M 6M **YTD** 1Y 5Y MAX ●

% Daily Closing Price

Mar 21, 2025

Jan 13   Jan 27   Feb 10   Feb 24   Mar 10

	LTP	Difference	% Change
NYKAA	₹172.52	+₹7.84	↑4.76%
mamaearth™	₹220.70	-₹28.80	↓11.54%
indiamart	₹2,142.05	-₹142.75	↓6.25%
firstcry.com	₹364.80	-₹285.40	↓43.89%

Source: Inc42 analysis, NSE
Note: The graph here represents year-to-date (YTD) stock price, up to 21 March 2025.

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Methodology

Since 2014, Inc42 has been go to source for identifying Indian startups transforming industries and shaping society.

"State Of Indian Ecommerce H1 2025" represents the Inc42 team's endeavor to chart and comprehend the evolution of the Indian startup revolution from 2014 to 2024.

For this reports:

✦ Quick Commerce: It refers to the rapid fulfilment and delivery of online orders, typically within a few hours or the same day. Enabled by hyperlocal logistics, dark stores, and advanced supply chain technology

✦ Overall data in this report is from 2014 to 2024, unless mentioned otherwise

✦ Seed stage: Startup at angel or seed stage

✦ Growth stage: Startups at Series A and B funding stage

✦ Late stage: Startups at Series C or above funding stage

✦ Unicorn refers to any digital / tech company valued at or above $1 Bn or have touched this valuation once in their business lifecycle.

✦ A soonicorn is any public or private digital/tech company valued at or above $200 Mn.

✦ Our database enrichments and corrections are done on a regular basis, therefore slight variations in funding-related data compared to previously released reports may exist

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From breaking the latest news to discovering the hottest startups, from spotting upcoming trends to simplifying complex concepts, we cover everything tech in India's internet economy.

Born in January 2015, Inc42 has become the leading source for news & analysis on India's rapidly growing tech, startup & internet economy. Inc42, with over 40,000+ published stories, 100+ research reports, 120+ conferences & events & having featured 1000s of entrepreneurs, now reaches over 25 Mn+ tech leaders & professionals every month.

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