

From Minutes to Doorsteps: The Customer Choices Fueling India's Quick Commerce

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ABSTRACT

Quick commerce is a rapidly developing pattern in India, offering customers the comfort of shopping very close to home in 30 minutes or less. The quick changes in the business landscape have led to a move away from traditional online ordering and toward a more efficient and helpful shopping experience. The organization of dark stores, which select, press, and ship orders with consistency and efficiency, is what makes this oddity so fascinating. However, the Quick Commerce disruption also poses challenges, such as organizing a collection of boring stores, supervising a fleet of delivery drivers, and maintaining seriousness. Urban complexities such as traffic jams and sprawling cityscapes can pose challenges to meeting prompt transportation promises. Addressing these challenges and concerns regarding government support and the working conditions of gig workers is critical to the practical growth and ethical advancement of this sector. The insights provided in this study can help businesses in quick commerce succeed in this dynamic market by enhancing the quality of their offerings.

Keywords: Quick Commerce, Customer Preference, Segmentation, Cluster Analysis.

INTRODUCTION

Imagine failing to remember to buy an ingredient for this evening's curry, wanting that new lipstick for a Zoom meeting, or requiring diapers as quickly as possible—all tackled with a tap and a commitment of conveyance in less than 30 minutes. Welcome to the hurricane universe of speedy business, India's most sweltering new shopping pattern! Gone are the times of hanging tight hours for online orders or fighting swarmed supermarkets. Quick commerce is like web-based businesses' quick, more youthful kin, zooming past ancestors with hyper-quick conveyances puts the "moment" in satisfaction. Consider having a little store in your pocket, prepared to emerge with your shopping wishes at lightning speed. Yet, how does this enchantment occur? The mystery lies in an organization of darkstore stores, decisively positioned small-scale distribution centers supplied with regular basics and in vogue unquestionable requirements. These secret centers work like ninja stores, proficiently picking, pressing, and dispatching your orders the second you click "purchase." Trench the gridlocks and long lines. Request food, prescriptions, beauty care products, even gadgets—everything you might possibly want—and have them conveyed to your doorstep, frequently within 10–30 minutes. It resembles having an individual task

sprinter available to you no matter what!

Need that additional bunch of chips for film night or a birthday present when there's no other option? Quick commerce is your knight in sparkling shield. No more hanging-tight days for online conveyances or last-minute scrambles to actual stores. Gone are the days of restricted web-based choices. Speedy business stages offer a buffet of items, from new leafy foods to devices and writing material. It resembles having a little shopping center in your telephone. India's roaring web infiltration and cell phone use are preparing for online comfort. With each tap and swipe, buyers are embracing the straightforwardness and speed of quick commerce. The quick commerce upheaval accompanies its own arrangement of difficulties. It is costly to convey in minutes! Keeping an organization of dark stores, dealing with an armada of conveyance riders, and keeping costs cutthroat is a complicated condition. Could these organizations at any point figure out the code to long-haul monetary dependability? Traffic growls and rambling cityscapes can mess up those rapid conveyance guarantees. Finding imaginative answers for last-mile conveyance is critical to keeping clients cheerful. Worries about gig laborers' government assistance, fair compensation, and working circumstances should be addressed to guarantee the moral development of this industry.

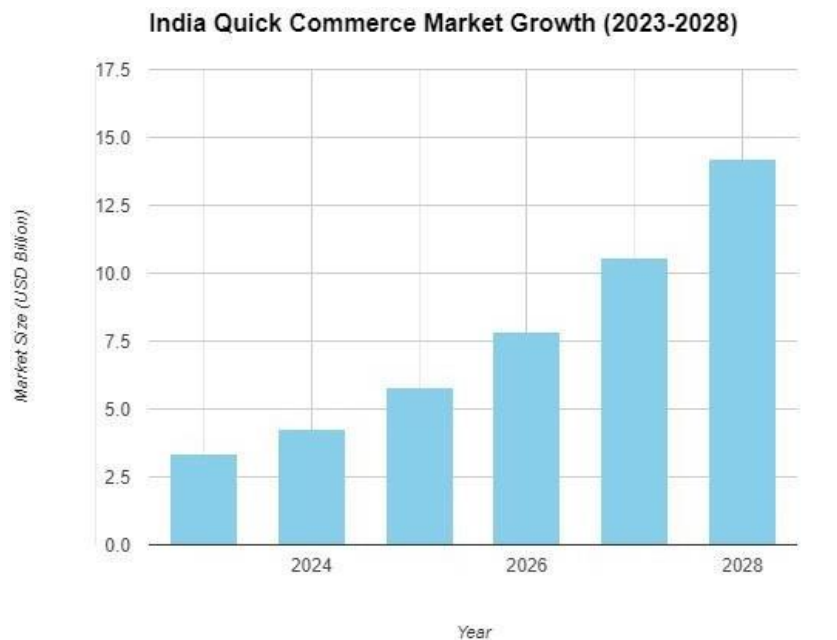
This research digs into the prospering universe of Indian quick commerce, uncovering the key variables driving customer inclination. We explore the exchange of convenience, value, trust, and demographics, evaluating their impact and uncovering varieties across client fragments. From lightning-quick conveyances to customized contributions, our discoveries outfit speedy trade organizations with noteworthy bits of knowledge to streamline their administrations and flourish in this powerful market. This investigation helps the business as well as adds to a more extravagant comprehension of shopper conduct in the period of moment satisfaction.

REVIEW OF LITERATURE

A comprehensive overview of the development of e-commerce in India is provided by Sharma's work, which examines trends, consumer behavior, and the impact of digitalization on retail. Understanding the authentic setting is significant for arranging the fast business pattern inside the more extensive web based business scene.

Indian quick commerce is a rapidly growing industry, driven by various business models and evolving infrastructure needs. Key players like Zepto and Swiggy Instamart dominate the instant delivery platform model, offering lightning-fast order fulfillment within minutes. Grocery-focused models like Country Delight cater to the rapid delivery of perishables and household essentials. Some even adopt hybrid models, blending traditional e-commerce with quick delivery for a wider product range. The COVID-19 pandemic has driven a surge in online shopping, particularly for groceries, presenting fertile ground for

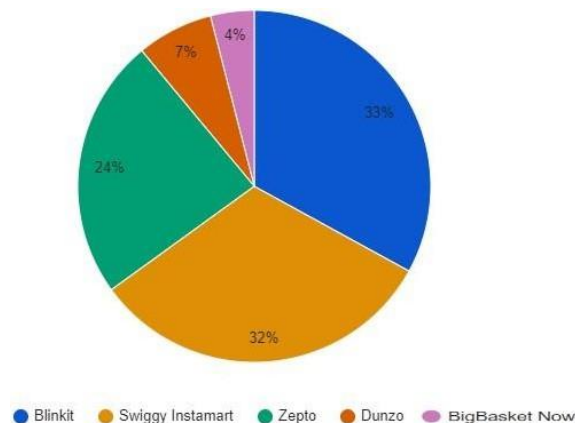
quick commerce businesses to flourish. However, challenges such as ensuring delivery partner safety and adhering to social distancing measures remain critical. Infrastructure development will be pivotal for sustaining the quick commerce boom, including advanced warehousing, robust logistics and delivery networks, technological integration, and sustainable delivery practices. By addressing these key business models and infrastructure needs, India's quick commerce sector is poised for continued expansion, revolutionizing consumer access to goods and services. (Gauri Ranjekar, Debjit Roy in March 2023)



Source: Statista

The coronavirus pandemic has stimulated progress in India's quick commerce sector, with a projected 37% growth in the online grocery item market by 2022. The flood is attributed to the accommodation of home shopping, inescapable web access, and reasonable information. Both local and public new companies have embraced the quick commerce model, concentrating in on key achievement factors. These incorporate conveyance time as a serious technique, productivity through conveyance charges, a vigorous framework and monetary help, a successful inventory network across the board, figuring out client preferences, shaping key collusions, and guaranteeing functional proficiency. Organizations with customary kirana stores upgrade intensity. Functional proficiency is accomplished through information investigation, shared foundations, and cooperative endeavors. The pandemic has sped up the reception of online shopping for food in India, driven by the longing for accommodation and security. (Ganapathy, V., & Gupta, C. (2024))

Major Players in India Quick Commerce (2023)



Quick Freshes is a localized e-commerce platform in India that connects customers with local retailers, streamlines the ordering and delivery process, and offers real-time tracking and feedback for customers. It also provides personalized support and premium placement for shops, empowering local retailers and enhancing shopping convenience. (Ajay Poudar, Akaash Vakharia ,Dr. B. Mathivanan).

Malhotra's (2017) work investigates the Computerized India drive and its effect on the development of web-based business in the country. Quick commerce's broader digital environment can be better understood by comprehending the government's role in promoting digitalization.

Last-Mile Delivery: Technological Innovations (Choudhary, S., & Kumar, N., 2019): Choudhary and Kumar look at mechanical developments in last-mile conveyance, revealing insight into progressions that upgrade the proficiency of conveyance frameworks. This source is basic for figuring out the innovative underpinnings of speedy business.

The COVID-19 pandemic has significantly impacted the supply chain, leading to the emergence of quick commerce. This has led to a shift in consumer demand and a need for businesses to adapt to the new normal. Key strategies for effective supply chain management include quick commerce, integrated supply chain management, technology integration, and capturing dynamics. Companies must embrace digital transformation, prioritize resilience, and adapt to the new normal to ensure a smooth supply chain and operations.

Effect of Coronavirus on Purchaser Conduct in Shopping for food (Verma, S., and Mishra, A., 2020): The study by Verma and Mishra looks at how the COVID-19 pandemic affected grocery shopping behavior. Understanding what the pandemic meant for online staple reception sets the setting for the flood in fast business during this period.

Tim Reif's Master Thesis on Quick Commerce explores the fast-growing quick commerce industry in Europe, focusing on new business models, online grocery shopping trends, and the impact of super-fast delivery services. The thesis uses a theoretical framework to explore new business models, entrepreneurship theory, and market pull. The main findings reveal market pull, new business models, market potential, competitive market, customer benefits, financial situation, and response of established retailers. The emergence of quick commerce companies in Europe is attributed to the global pandemic, characterized by ultra-fast deliveries for a small fee. The study also examines the financial situation of quickcommerce companies and the response of established retailers to the new phenomenon.

Smartphone Penetration and Its Influence on E-commerce in India. (Nair, P., and Menon, S., 2018), Nair and Menon investigate the impact of cell phone infiltration on web-based business in India. As fast trade intensely depends on versatile stages, understanding the commonness and effect of cell phones is significant.

Mehta and Patel's review researches the combination of neighborhood kirana stores with internet business stages. This is essential for figuring out the elements of coordinated efforts between conventional retailers and quick commerce business stages in the Indian market.

Verghese and Singh look at the change in purchaser propensities in post- Coronavirus India, explicitly zeroing in on the enduring effects on web-based shopping conduct. This source sheds light on why quick commerce is still relevant in the post-pandemic era.

Gupta and Sharma's exploration tends to coordinated operations challenges in Indian metropolitan scenes. Understanding the one-of-a-kind difficulties of last- mile conveyance in thickly populated regions is significant for the powerful working of speedy trade stages.

Rathi and Jain investigate feasible practices in Indian web-based business, zeroing in on ecological worries and moral contemplations. This source gives bits of knowledge into the developing significance of maintainability, lining up with the inclinations of morally disapproved of fast business customers.

“Impact of e-commerce on India's exports and investment” this paper contends that web-based business has essentially affected global exchange, especially trades, in created nations like the UK and USA, and all the more as of late in non-industrial nations like China. It aims to examine how e-commerce affects India's GDP and employment levels, as well as international trade, particularly investment and exports. It expands after existing exploration by zeroing in on the Indian setting and its true capacity for utilizing web-based business for monetary development.

METHODOLOGY

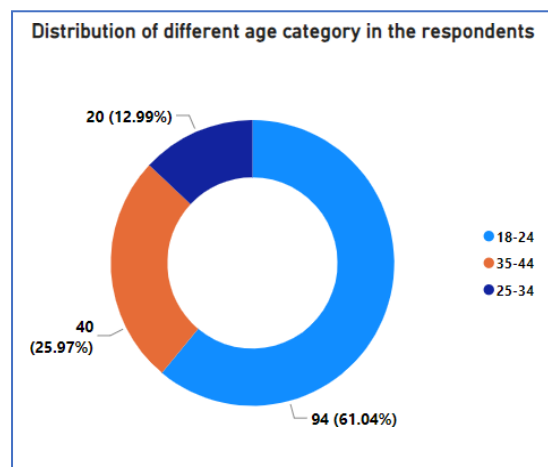
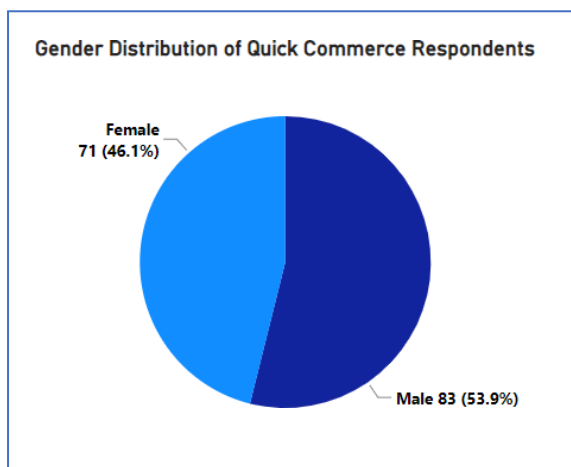
Data collection

In order to gather information from potential customers in various Karnataka locations, offline and online polls were carried out. The information was used to anticipate buying behaviour and segment customers in view of comparative attributes.

Independent variables are elements that could affect a customer's choice to use the quick commerce platform. They provide useful information to companies in this industry. In response to the following inquiries (listed below), respondents were asked to rate their explanations on a Likert scale of 1 to 5, (1), Slightly important (2), Moderately important (3), Very important (4), Extremely important (5)). Questions 1, 2, and 3 included segment questions about the respondent's age, orientation, and pay level, and the questionnaire included two questions on subordinate variables.

How important is convenience in quick commerce services to you?
How important is receiving orders within 15-30 minutes to you?
How important is having a wide variety of essential groceries and items to choose from to you?
How important is having competitive prices and discounts to you?
How important is having easy and convenient online payment methods to you?
How important is using a user-friendly app with clear order tracking and communication to you?
How important is trusting the quick commerce platform and its brand image to you?
How important is supporting local stores through quick commerce partnerships to you?
How important is it that the quick commerce platform uses sustainable practices to you?

Out of total 154 respondent 46.1 % was female participants and 53.9% was male participants. 18 to 24 years age category using the quick commerce compare to rest all.



RESULT AND DISCUSSION

Logistic Regression: Calculated relapse is a useful decision for this study it's particularly anticipated to break down the relationship between a dependent variable (dichotomous-yes/no) and independent variables. In SPSS, leading a Calculated Relapse (LR) examination with a certainty level of 95%

Hypothesis:

Hosmer and Lemeshow Test

(H0): "There is no significant difference between the model predictions and observed values".

(H1): "There is significant difference between the model predictions and observed values".

Omnibus Tests of Model Coefficients

	Chi- square	df	Sig.
Step	35.654	16	.003
Step1 Block	35.654	16	.003
Model	35.654	16	.003

the omnibus test outcomes give solid proof that the LR model, with all its incorporated features, is a critical indicator of the result variable (customer purchase on Quick Commerce). This recommends that the model in general has logical power and is a significant device for understanding the variables impacting user choices.

Hosmer and Lemeshow Test

Step	Chi- square	df	Sig.
1	10.320	8	.243

The Hosmer and Lemeshow Test is routinely used to figure out the decency of fit of a model for strategic relapse. It chooses if the model's assumptions change well to the noticed outcomes. The Hosmer and Lemeshow Test has a p-value of 0.243, which is higher than the usual significance level of 0.05. It implies that we are accepting alternative hypothesis and Significant difference exists between observed values and model forecasts.

Classification Table^a

	Observed		Predicted		
			satisfacted_QC_servic es_y_n		Percentage Correct
			No	Yes	
Step1	satisfacted_QC_ser	No	5	1	83.3
	vices_y_n	Yes	0	148	100.0
	Overall Percentage				99.4

a. The cut value is .500

The confusion matrix gives a breakdown of how well the data calculated LR acted in foreseeing customer purchase behaviour in quick commerce. The general precision of the model, as shown is 99.4%, proposing that the model is reasonably exact in its forecasts.

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
Age			2.718	2	.257	
Age(1)	13.827	6985.764	.000	1	.998	1011397.113
Age(2)	-6.744	4.090	2.718	1	.099	.001
Gender(1)	-.181	2.578	.005	1	.944	.834
annual_income_cate gory			1.632	4	.803	
Step 1 ^a						
annual_income_cate gory(1)	23.296	6395.939	.000	1	.997	13103626247.606
annual_income_cate	4.310	3.374	1.632	1	.201	74.448

gory(2)						
annual_income_cate	17.963	13301.90	.000	1	.999	63251242.9
gory(3)		7				39
annual_income_cate	19.158	8584.323	.000	1	.998	208950741.
gory(4)						300
Convenience	1.263	.838	2.271	1	.132	3.537
Delivery_Speed	.517	1.065	.235	1	.628	1.676
Product_Range	-.913	1.043	.766	1	.381	.401
Pricing_and_Promoti ons	1.175	.926	1.609	1	.205	3.237
Payment_Options	-1.752	1.088	2.591	1	.107	.173
App_Experience	-.268	.978	.075	1	.784	.765
Brand_Reputation	-.128	1.091	.014	1	.906	.879
Support_for_Local_S tores	-.931	1.000	.867	1	.352	.394
Environmental_Conc erns	-.324	1.083	.089	1	.765	.724
Constant	10.939	6.284	3.031	1	.082	56342.992

Cluster Analysis:

In this review, cluster examination is utilized to decide the ideal number of groups inside the objective gathering. The "Coefficients" section, which indicates the dissimilarity between clusters, is used in an agglomeration table to determine the number of clusters. Beginning with each case considered as a singular bunch, the interaction emphasizes through 153 phases, framing groups where the distinctions between coefficients are augmented. The result recommends that the objective gathering can be actually isolated into three bunches, each described by comparative attributes among its constituent cases.

Final Cluster Centers

	Cluster		
	1	2	3
Convenience	4	2	3
Delivery_Speed	4	3	2
Product_Range	4	2	3
Pricing_and_Promotions	3	4	2
Payment_Options	3	3	2
App_Experience	4	3	2
Brand_Reputation	4	3	3
Support_for_Local_Stores	4	4	3
Environmental_Concerns	4	3	2

Cluster 1:

- Convenience-oriented: Customers in this cluster give the highest importance on convenience (score of 4) and delivery speed (score of 4). They also value having a user-friendly app with clear order tracking and communication (score of 4). They place moderate importance on competitive prices and discounts (score of 3), as well as brand reputation (score of 3).

Cluster 2:

- Value-conscious: Customers in this cluster place a high value on competitive prices and discounts (score of 4) as well as having a diverse selection of basic groceries and commodities. They place a considerable amount of importance on convenience (score of 3) and delivery speed. They are less concerned with the usability of the app (score of 2) and the reputation of the brand.

Cluster 3:

- Ethically-minded: Customers in this cluster place the highest value on a rapid commerce platform that employs sustainable practices (score of 4) and supports local merchants through partnerships. They place a considerable amount of importance on convenience (score of 3) and delivery speed. They are less interested with having a diverse range of products (score of 2) and competitive pricing (score of 2).

**Number of Cases in
each Cluster**

1	50.000
Cluster 2	53.000
3	51.000
Valid	154.000
Missing	.000

Cluster 1: Contains 50 cases.

Cluster 2: Contains 53 cases.

Cluster 3: Contains 51 cases.

A brief commerce survey divided buyers into three categories: convenience seekers (speed and app), value hunters (price and variety), and ethical shoppers (sustainability and local support). Cluster 2, the largest, may benefit from sub-segmentation, whereas conclusions for Cluster 1, which is smaller, require caution. Understanding these various tastes enables firms to customize their goods and marketing for increased client involvement.

FINDINGS

The Indian quick commerce market is a complex and diverse one, driven by various customer preferences. Convenience connoisseurs prioritize efficiency and lightning-fast deliveries, while value vultures seek competitive pricing, product variety, and attractive promotions. These segments are willing to pay a premium for the convenience of having groceries delivered at their doorstep within minutes. Ethical missionaries prioritize sustainability and social responsibility, championing platforms that prioritize eco-friendly practices, minimize carbon footprints, and actively support local businesses. They are willing to prioritize platforms that align with their ethical values. To thrive in this competitive market, businesses must tailor their offerings and marketing strategies to cater to each segment's unique priorities. Businesses must tailor their offerings and marketing strategies to cater to each segment's unique priorities. Convenience-oriented customers will be drawn to sleek apps, blazing-fast deliveries, and exclusive time-sensitive deals. Value-conscious segments will respond to competitive pricing, targeted promotions, and loyalty programs. For the ethically-minded, highlighting sustainable practices, partnerships with local businesses, and transparent supply chains will be key to unlocking their hearts and wallets. Speed is king in this realm, with optimized delivery routes, strategically positioning dark stores, and investing in efficient logistics becoming paramount. User-friendly apps with intuitive interfaces, real-time order tracking, and hassle-free payment options further elevate the convenience factor. Offering competitive pricing, curated product bundles, and targeted promotions can attract value-conscious customers. Loyalty programs that reward repeat purchases and personalized recommendations based on past buying habits can foster brand loyalty and encourage repeat business. Sustainability is a growing consumer demand, and quick commerce businesses must integrate eco-friendly practices into their operations. Partnering with local businesses fosters community goodwill and caters to the ethical preferences of a growing consumer segment.

Transparency in supply chains and highlighting responsible sourcing practices add another layer of trust and appeal to ethically-minded customers.

CONCLUSION

Indian quick commerce caters to three key segments: convenience seekers, value hunters, and ethical missionaries. Businesses must tailor offerings to cater to these segments, prioritizing speed for convenience seekers, value through competitive pricing and promotions, and sustainability for ethically-minded individuals. Balancing speed, cost, and ethics can revolutionize Indian retail.

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