

BLINK IT BUSINESS INTELLIGENCE:

A POWER BI DRIVEN ANALYSIS OF QUICK COMMERCE IN INDIA

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EXECUTIVE SUMMARY

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This report provides an in-depth analysis of **Blinkit**, one of India's most prominent quick commerce (q-commerce) platforms, formerly known as Grofers. Since its inception in 2013 and subsequent transformation post its acquisition by **Zomato (now Eternal Limited)** in 2022, Blinkit has positioned itself as the market leader in ultra-fast delivery. With a strategic pivot to dark-store operations and a promise of 10-minute deliveries, Blinkit now operates over **1,300 dark stores** and fulfills **1.65–1.75 million orders daily**, holding a commanding **40–46% market share**.

The company's operational model is built on hyperlocal micro-fulfillment centers, advanced AI-driven inventory and logistics, and a fleet of tech-enabled gig workers. Blinkit's diverse product portfolio spans groceries, personal care, electronics, stationery, and pharmaceuticals, catering to the high-frequency needs of urban consumers. Its integration with Eternal Limited enables it to leverage synergies with Zomato's delivery infrastructure, user base, and technology backbone.

A key insight from sales data (₹997.2K across 8,523 transactions) and dashboard analysis reveals that **Tier 2 and Tier 3 cities account for over 73%** of Blinkit's total sales, showcasing successful market penetration beyond metros. **Medium-sized outlets** emerge as the most efficient format, contributing the highest revenue (₹377.2K), while **Supermarket Type 1** stores alone generate nearly 79% of overall sales. **Fruits, vegetables, and snacks** remain the top-selling categories, with customer preferences leaning towards **regular fat-content products** over low-fat alternatives.

Customer satisfaction remains strong, with an average rating of **3.97**, consistent across outlet sizes and city tiers. However, the report identifies several areas for improvement, such as low engagement in categories like seafood, breakfast items, and breads, limited visibility of certain SKUs, and underperformance in Tier 1 cities, which contribute only 26% of sales despite their high population and purchasing power.

Blinkit's challenges include high burn rates, thin margins, dependency on gig workers, regulatory scrutiny related to delivery safety and pricing practices, and inventory limitations within the dark store model. The competitive landscape is intense, with rivals like Zepto and Swiggy Instamart pushing aggressive expansion and pricing strategies.

To ensure sustainable growth, the report recommends:

- **Expanding and optimizing medium-sized store formats.**
- **Enhancing product visibility and performance in underperforming categories.**
- **Investing in health-conscious product lines and targeted marketing.**
- **Boosting engagement in Tier 1 cities through premium offerings and personalization.**
- **Leveraging AI for better demand forecasting and user experience.**
- **Standardizing best practices across outlet types to improve ratings and efficiency.**

In conclusion, Blinkit exemplifies the next wave of digital retail in India. With its strong market presence, technological prowess, and strategic backing from Eternal Limited, it is well-positioned to scale further. However, addressing current challenges and diversifying its

growth strategy will be crucial in maintaining its leadership in the evolving q-commerce landscape.

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1. INTRODUCTION

1.1. About the Company

- Brief description of the company

1. Overview & History

- **Founded:** December 2013 in Gurgaon (now Gurugram), Haryana, as **Grofers**, by Albinder Dhindsa and Saurabh Kumar.
- **Initial business model:** Started as a hyperlocal marketplace, connecting customers with local stores for grocery delivery, beginning in Delhi NCR before expanding across India.
- **Strategic pivot:** In 2021, Grofers shifted to a dark-store model to enable ultra-fast delivery. By July 2021, it was delivering 7,000+ orders in 15 minutes in Gurgaon; by August, it introduced a 10-minute delivery guarantee in 12 cities.
- **Rebranding:** On December 13, 2021, the company officially changed its name to **Blinkit**, reflecting its new positioning in quick-commerce.
- **Acquisition:** Zomato (now renamed Eternal Limited) initially invested, later acquiring Blinkit fully in an all-stock deal for US \$568 million, finalized in August 2022.

2. Business Model & Operations

- **Quick-commerce backbone:** Operates via hundreds of “dark stores” (micro-warehouses) strategically placed in densely populated urban centres, each stocking 2,000–3,000 key SKUs to support 10-minute deliveries.
- **Technology-driven efficiency:** Utilizes AI and data analytics for demand forecasting, inventory management, and route optimization to ensure swift and reliable service.
- **Delivery ecosystem:** Leverages an in-house fleet of gig delivery partners incentivized for fast turnaround, supported by compact order volumes for each trip.
- **Marketplace approach:** Combines direct sourcing from brands with partnerships with local shops and its own private-label offerings, generating revenue through commissions and merchant fees.

3. Scale & Market Presence

- **Geographic reach:** Operates in 30–40+ Indian cities, with over 450–1,300+ dark stores (growth varied by 2025 estimates).

- **Order volumes:**
 - As of late 2021: ~125,000 deliveries daily.
 - By early 2025: 1.65–1.75 million daily orders, reflecting explosive growth since the pivot.
- **Valuation & funding:**
 - Raised approximately \$1 billion+ (including Series rounds from Sequoia, SoftBank, Tiger Global, and an investment from Zomato).
 - Achieved unicorn status by mid-2022; implied valuation reached \$13 billion by early 2024, exceeding Zomato's core food-delivery value.

4. Position within Eternal Limited

- **Parent company renaming:** Zomato Limited rebranded to **Eternal Limited** in February 2025; Blinkit is now a flagship subsidiary alongside Zomato, Hyperpure, and District.
- **Strategic synergy:** Benefits from cross-functional integration leveraging Zomato's tech, logistics, and customer base and enjoys priority in scaling its dark-store infrastructure.

- Core Focus Areas

1. Ultra-Fast Delivery

- **10-minute delivery promise:** Their signature offering, enabled by seeding dense networks of dark stores inside urban neighbourhoods.
- **Express dark stores for premium items:** Testing 30-minute delivery for high-value categories (e.g., electronics, appliances) to diversify and monetize services.

2. Dark Store Network & Hyperlocal Fulfilment

- **Micro-f fulfilment centres:** Compact warehouses stocking 2,000–3,000 SKUs within a 2–3 km radius, ensuring rapid order fulfilment.
- **Strategic placement:** Locations selected via data on density, traffic patterns, demographics, and logistics efficiency.
- **Scalable expansion:** Aiming to grow from ~639 to 2,000 stores by end-2026, focusing on economies of scale and optimizing store-level economics.

3. Technology & Data-Driven Operations

- **Inventory intelligence:** AI/ML forecasting models to predict demand, replenish stock, and reduce wastage.
- **Real-time route optimization:** Assigning nearest gig riders for quick last-mile delivery through smart dispatch systems.

4. Curated Product Mix & High-Frequency Orders

- **Small basket, frequent purchases:** Designed for quick top-up buys, not bulk shopping.
- **Expanding SKU range:** Starting with essentials, now including beauty, pet-care, electronics, toys, and even pharmaceuticals.

5. Unit Economics & Revenue Optimization

- **Boosting basket value:** Through promotions, upselling, and curated bundles to increase average order value (AOV).
- **Balanced discounting:** While aggressive pricing drives demand, it's carefully calibrated to protect margins.
- **Ad revenue streams:** Blinkit Brand Central enables brands to advertise inside the app promising added revenue from sponsored placements.

6. Rider Ecosystem & Gig Workforce

- **Gig-structured delivery fleet:** Thousands of rider partners dispatched via tech-enabled routing, incentivized by performance.

- **Safety & labor focus:** The speed model raises persistent concerns regarding rider pressure, traffic safety, and perishable handling.

- Services & Product Range

1. Groceries & Fresh Produce

- **Fruits & Vegetables:** Seasonal, organic, fresh options sourced locally.
- **Dairy & Bakery:** Milk, curd, paneer, cheese, eggs, butter, bread, and cakes.
- **Staples & Pantry:** Rice, flour (atta), pulses, oils, masalas, cereals, noodles.

2. FMCG & Household Essentials

- **Snacks & Beverages:** Chips, biscuits, chocolates, juices, energy drinks, cold drinks, ice cream.
- **Cleaning & Laundry:** Detergents, soaps, disinfectants, cleaning tools.
- **Baby & Pet Care:** Diapers, baby food, pet supplies.

3. Personal Care & Beauty

- Extensive lineup of **oral care, skincare, hair care, cosmetics** from top brands like Colgate (911 SKUs), Maybelline, Mamaearth, Lakme, Dettol, Nivea, and more.
- Deals on luxury and everyday beauty items.

4. Electronics & Accessories

- **Basic Electronics:** Phone chargers, earphones, power banks, smart watches, LED lights, headphones.
- **High-ticket Items:** Limited availability of smartphones (Samsung, Apple), tablets, PlayStation 5, air coolers, AC remotes, eyewear from Lenskart delivered in ~10 minutes in select cities.

5. Stationery, Print & Office Supplies

- Pens, notebooks, printer paper, staplers, sticky notes often used for printer/photocopy jobs in the same delivery slot.
- On-demand **printouts and photocopies**, available in minutes.

6. Sports, Fitness & Lifestyle Essentials

- **New category:** Sportswear, yoga mats, dumbbells, hydration drinks, swim gear from Adidas, Boldfit, Cosco, Yonex, boAt, The Whole Truth available in metros like Mumbai, Delhi, Kolkata, Chennai, etc.

7. Health & OTC Medicines

- Over-the-counter medicines (pain-relief, cold/flu), first-aid kits, thermometers, health supplements, masks, sanitizers.

- SWOT Analysis

Strengths

1. Ultra-fast delivery model (10 minutes)

- Core USP that differentiates Blinkit from traditional e-commerce and even quick commerce peers.
- Drives repeat purchases and builds strong customer loyalty.

2. Strong Parent Company – Zomato

- Access to Zomato's funding, logistics expertise, and user base.
- Strategic integration (cross-promotion, bundling, delivery infrastructure sharing).

3. Robust Dark Store Network

- Over 600+ dark stores in 20+ cities, strategically located to optimize delivery speeds and SKU availability.

4. AI-Driven Inventory & Logistics

- Tech stack enables precise forecasting, efficient routing, and real-time inventory updates, reducing wastage.

5. Wide Product Portfolio

- Expands beyond groceries to electronics, health, stationery, beauty, and even fitness gear boosting AOV (average order value).

6. High Brand Recall & App UX

- Blinkit has high visibility and intuitive mobile experience, improving conversion and retention rates.

Weaknesses

1. High Burn Rate & Thin Margins

- Significant losses due to delivery subsidies, warehousing, and discounts; unit economics still challenging.

2. Limited Coverage (Mostly Urban)

- Operations confined to Tier 1 and a few Tier 2 cities, missing out on rural/semi-urban demand.

3. Dependence on Gig Workers

- Labor instability and safety concerns among delivery partners, especially with 10-minute pressure.

4. Inventory Constraints

- Limited dark store space restricts SKU depth compared to large-format retail or hypermarkets.

5. Low Differentiation from Competitors

- Similar offerings to Zepto, Swiggy Instamart, BigBasket Now; service becomes commoditized outside metros.

Opportunities

1. Expansion to Tier 2/3 Cities

- Rising smartphone penetration and urbanization make small-city markets ripe for growth.

2. B2B & Institutional Deliveries

- Partnering with offices, restaurants, co-working spaces for bulk/recurring deliveries.

3. Subscription & Loyalty Programs

- Blinkit Pass or integrated Zomato Gold offering can build stickiness and enhance CLV (customer lifetime value).

4. Private Labels & Premium Products

- High-margin SKUs through Blinkit-branded products or exclusive partnerships (beauty, wellness, electronics).

5. Ad Monetization via Blinkit Brand Central

- Growing ad revenue from in-app placements and brand promotions.

6. Bundling with Zomato Orders

- Cross-selling during food orders (e.g., “Add groceries while you wait”) could drive incremental sales.

Threats

1. Intense Competition in Quick Commerce

- Zepto, Swiggy Instamart, BB Now all competing on price, speed, and coverage; erodes margins.

2. Regulatory Scrutiny

- Government concerns around delivery safety, labor exploitation, dark store zoning, and price discounting.

3. Customer Fatigue with Fast Delivery

- Growing conversations around ethical commerce and environmental impact may shift user preferences.

4. Supply Chain Disruptions

- Local bans, strikes, or demand shocks can paralyze fulfillment due to reliance on hyperlocal warehouses.

5. Rider Attrition & Legal Risks

- Rising delivery rider dissatisfaction could lead to PR issues, strikes, or lawsuits impacting brand trust.

1.2. Sector Overview: Quick Commerce

- Introduction

Quick Commerce, or *q-commerce*, refers to the hyperlocal delivery of everyday essentials—groceries, personal care, OTC meds, and even electronics within 10 to 30 minutes of ordering. Originating during COVID-19, the sector rapidly expanded in response to consumer demand for immediate convenience.

- **Market Scale:** India's q-commerce market grew from around **US \$300 million in FY 2022** to **US \$3.05–3.34 billion by FY 2024**, marking a compound annual growth rate (CAGR) of 70–76%. Projections estimate it will reach **US \$9.95 billion by 2029**, growing at 24–40% through 2030.
- **Drivers:** Rapid urbanization, soaring smartphone & internet usage, and millennial/Gen Z lifestyles have fueled q-commerce demand. COVID-19 accelerated adoption thanks to social distancing and lockdowns.
- **Consumer Impact:** Q-commerce now accounts for over **two-thirds of all e-grocery orders** and about **10% of India's total e-retail spending**. Major FMCG companies are witnessing rising q-commerce sales, for instance HUL, Britannia, and Marico now see 2–7% of their revenues via this channel.
- **Global Perspective:** Quick commerce is part of the broad e-commerce landscape spanning platforms like Instacart, GoPuff, and Delivery Hero globally emphasizing speed, immediacy, and convenience.

- Government Initiatives

- **Digital India & BharatNet**

- The **Digital India** campaign has significantly improved broadband infrastructure and digital literacy, enabling wider access to digital services including q-commerce.
 - **BharatNet** has extended high-speed internet to rural and semi-urban areas, laying groundwork for q-commerce expansion beyond metros.

- **Unified Payments Infrastructure (UPI & RuPay)**

- Widespread adoption of **UPI and RuPay** has revolutionized online payments, making it easier and faster for consumers to transact via q-commerce platforms.

- **Startup India & Skill India**

- **Startup India** (launched 2016) provides startup-friendly policies, tax incentives, and incubators, benefitting quick commerce ventures.
 - **Skill India** initiatives have fueled the necessary workforce capabilities in logistics, tech, and customer support.

- **FDI Policy: 100% FDI in B2B E-Commerce**

- Enables full foreign investment in inventory-led B2B models, encouraging global capital inflow and infrastructure development in q-commerce.

- **Open Network for Digital Commerce (ONDC)**

- A government-backed open protocol, **ONDC** aims to democratize digital commerce, enabling kiranas and mom-and-pop retailers to compete by listing across platforms.

- **Gig Worker Welfare Legislation**

- States like **Telangana and Rajasthan** have passed laws to protect gig workers requiring welfare funds, registration, contracts, grievance redressal which directly impact q-commerce delivery staff.

- **Legal Metrology & Consumer Protections**

- The **Consumer Protection (E-commerce) Rules, 2020**, require clear product information and disclosure; digital commerce is monitored under the **Legal Metrology Act**.

- **FSSAI & FDA Inspections of Dark Stores**

- Post reports of hygiene lapses (e.g., in Maharashtra), FSSAI and state FDAs are enforcing compliance at dark-store facilities, tightening food safety norms.

Retailer Advocacy & Regulatory Pressure

- Trade groups (CAIT, AICPDF) have petitioned regulators like CCI and government to regulate q-commerce pricing, discount practices, and protect local retailers.

- Growth Drivers

1. **Changing Consumer Behavior & Urban Lifestyles**

- Millennials and Gen Z, especially in urban centers, value **speed and convenience** q-commerce perfectly addresses quick grocery and essentials needs.
- The busy urban professional with limited time for shopping drives demand for 10–30 minute delivery.

2. **Smartphone & Internet Penetration**

- Over **700 million** smartphone users and affordable high-speed data enable mass adoption.
- Reliable UPI and RuPay integration enhances seamless digital payments.

3. **Investment & Funding Surge**

- The sector attracted **over \$3 billion** from 2021–24, powering aggressive expansion and infrastructure build-out.
- Tier-2/3 market players have started attracting interest, allowing regional scaling.

4. **Technology & Logistics Innovation**

- AI-driven forecasting, hyperlocal dark stores, and smart routing enable sub-20 minute fulfillment.
- Innovations like EV fleets, automation, and sustainability measures reduce costs and enhance operational efficiency.

5. **Expanding Product Categories**

- Moving beyond groceries to electronics, beauty, pharma, stationery, and lifestyle elevates average order value and draws diverse consumers.

6. **Urbanization & Hyperlocal Offerings**

- Widespread urban population growth and time constraints amplify demand for rapid replenishment services.
- Hyperlocal fulfillment via micro-warehouses enables order density and rapid delivery.

7. **Gig Economy & Workforce Availability**

- A ready pool of affordable delivery personnel supports cost-effective last-mile delivery.

- Platforms generate large-scale employment opportunities, e.g., projected 23.5 million gig workers by 2029–30.

8. Pandemic & Emergency Readiness

- COVID-19 served as a catalyst, establishing trust in q-commerce during lockdowns and emergencies.
- Q-commerce has become essential during crises, such as medical and natural emergencies.

- Competitor Analysis

Market Share & Scale

- **Blinkit** retains the **largest market share (~40–46%)**, leading in both daily orders (~1.65–1.75 million) and store network with over 1,300 dark stores.
- **Zepto**, though younger, has quickly risen to **29% market share**, handling ~1.45–1.55 million daily orders with around 350–1,147 dark stores depending on source.
- **Swiggy Instamart** holds **25–27% share**, with 1.05–1.15 million daily orders and ~500–557 dark stores across ~43 cities.

Delivery Speed & Service

- **Blinkit** generally leads with the **fastest average delivery (~9–10 min)**.
- **Zepto** delivers in ~10–11 minutes, and offers rapid deliveries of consumer electronics like Apple products.
- **Instamart** is slightly slower, typically delivering in 15–30 minutes depending on the city.

Basket Size & Revenue

- **Blinkit** sees highest average order value (~₹460–660), suggesting a larger basket size.
- **Instamart** records AOV around ₹487, backed by its integration and loyalty ecosystem.
- **Zepto** maintains a strong AOV (~₹450) and emphasizes focused spend with fewer discounts.

Infrastructure & Expansion

- **Blinkit** has the broadest dark-store footprint (>1,300 stores), scaling city presence aggressively.
- **Instamart** benefits from Swiggy's ecosystem, with ~557 dark stores across 43 cities.
- **Zepto** grew quickly to 350 to ~1,147 stores, focusing on high-density metros.

Value Proposition & Pricing

- **Blinkit** promotes speed-first approach with minimal delivery charges (~₹4 handling fee), positioned as the premium speedy option.

- **Instamart** leverages Swiggy loyalty (“Swiggy One”) and combines food and groceries in its offerings.
- **Zepto** uses disciplined pricing, lower discounts, and membership perks via “Zepto Pass”.

Financial Performance & Profitability

- **Blinkit** delivered strong Gross Order Value growth 169% YoY in FY24 but saw profits sag (~77% drop in Eternal’s profits due to expansion).
- **Instamart** also grew revenues (45% rise in Swiggy), but margins remained elusive.
- **Zepto** posted phenomenal growth (1,358% revenue rise from FY22 to FY23), but also heavy losses, aligning with their high-investment model.

- Macro-Economic Factors Affecting the Sector

1. **Rising Disposable Income & Urban Affluence**

- India's expanding middle class, especially in urban centers, has more spending power driving demand for premium, on-demand delivery services.
- Urbanization and increased per-capita income have reshaped consumption behavior, favoring convenience over price-sensitive bulk purchases.

2. **Inflation & Commodity Price Pressures**

- Elevated food and fuel inflation increases input costs for quick commerce platforms leading to higher procurement and last-mile delivery expenses.
- Fluctuating global commodity prices (especially energy, logistics-linked commodities) and a vulnerable rupee can drastically affect margins.

3. **Interest Rates & Capital Costs**

- Rising interest rates used by the RBI to combat inflation raise borrowing costs. This impacts capital-intensive models like q-commerce, which rely on frequent funding rounds.
- Higher financing costs could slow down dark-store expansion and technology investments.

4. **GDP Growth, Consumption Trends & E-Commerce Penetration**

- India's GDP and retail growth (~18.7% CAGR in e-commerce) support ongoing digital commerce expansion.
- With an estimated 400 million online shoppers by 2027, quick commerce benefits from deeper market penetration, especially through smaller cities.

5. **Supply Chain & Warehousing Infrastructure**

- India's logistics and warehousing ecosystem worth \$35 billion is rapidly scaling, but high real-estate and operational costs in urban areas remain a constraint.
- Efficient dark-store networks lean on continuous macro-level investment in infrastructure.

6. **Labor Costs & Gig-Economy Dynamics**

- Labor inflation in urban markets (wages, benefits, gig-worker costs) raises complexity in maintaining low delivery fees.

- Retention and welfare regulations (e.g., Telangana, Rajasthan gig laws) may elevate compliance costs.

7. Currency & Inflation Volatility

- The rupee's sensitivity to oil price shocks and global capital pressure exposes cost structures for imported goods and fuel-dependent logistics.
- Inflationary cycles in CPI/WPI impact procurement costs across categories like groceries and FMCG.

8. FMCG & Retail Sector Policies

- Govt relaxations on FDI and GST cuts on staples and processed goods have reshaped the supply chain economics.
- As FMCG companies shift marketing budgets toward quick commerce, they drive ecosystem revenue but also intensify competition.

9. Global Economic Trends & Capital Flow

- Tightening global liquidity may reduce inflows to startups, pressuring valuations and slowing expansion.
- Domestic fiscal consolidation (e.g., 2024–25 budget focus on reducing deficits) could constrain urban spending and investment incentives.

10. Impact on GDP, Employment & Consumer Behavior

- Quick commerce is emerging as a significant contributor to GDP through tech-enabled retail and logistics.
- The sector supports employment gig riders, dark-store staff, tech teams estimated in tens of thousands and expected to expand.
- However, consumer price sensitivity may rebound if inflation or delivery fee hikes pass through to final prices; sector growth remains balanced against affordability.

- Regulatory Bodies

1. **Department for Promotion of Industry and Internal Trade (DPIIT)**

- Regulates Foreign Direct Investment (FDI) in e-commerce and retail.
- Ensures compliance with marketplace vs. inventory-led models.
- Issues policy clarifications related to e-commerce business structures.

2. **Competition Commission of India (CCI)**

- Prevents anti-competitive behavior such as predatory pricing, exclusive tie-ups, or market monopolization.
- Monitors mergers and acquisitions among major players like Blinkit, Zepto, and Swiggy Instamart.

3. **Ministry of Consumer Affairs, Food and Public Distribution**

- Implements the Consumer Protection Act, 2019.
- Oversees consumer grievances, ensures transparency in pricing, quality, and redressal systems.
- Mandates e-commerce platforms to display correct information about products and sellers.

4. **Food Safety and Standards Authority of India (FSSAI)**

- Regulates the quality, safety, and labeling of food products sold through quick commerce platforms.
- Requires platforms to register/licence vendors and follow hygiene norms for perishables and fresh food.

5. **Goods and Services Tax Council (GST Council)**

- Governs the taxation of goods and services offered on quick commerce platforms.
- Regulates tax rates for different product categories and ensures compliance under GST laws.

6. **Ministry of Electronics and Information Technology (MeitY)**

- Enforces data protection and privacy regulations under the IT Act, 2000.
- Ensures cybersecurity compliance for digital platforms, especially in handling consumer data.

7. **Ministry of Labour and Employment**

- Works on laws governing gig economy workers, including those employed as delivery partners.

- Involved in shaping codes on occupational safety, minimum wage, and social security.

8. Local Municipal Corporations and Urban Development Authorities

- Govern land use and building norms related to warehousing and dark store operations.
- Issue licenses for commercial delivery operations and oversee compliance with local regulations.

9. State Food and Public Health Departments

- Monitor safety standards, hygiene practices, and proper storage of food items at the local level.
- Conduct periodic inspections and audits of local vendors and fulfillment centers.

- Contribution to GDP

1. **Rapid Growth in Market Size**

- Quick commerce (q-commerce) grew from around **US \$300 million in 2022** to approximately **US \$7.1 billion in FY 2025**, a dramatic 24-fold expansion. It's projected to reach **US \$35 billion by 2030**.
- This surge reflects its leap from a niche service to a mainstream consumption channel, reshaping e-retail dynamics.

2. **Significance in E-Grocery & E-Commerce**

- In 2024, q-commerce accounted for **over two-thirds of all e-grocery orders**, and **10% of total e-retail spending**.
- As overall e-commerce reaches **US \$147 billion** in 2024, with a CAGR ~19% through 2028, q-commerce plays a pivotal role in this expansion.

3. **Household Expenditure Impact**

- It now constitutes roughly **5–6% of household grocery spending**, making it a sizable, recurring consumer outlay.

4. **Influence on Economic Measurement**

- The Ministry of Statistics & Programme Implementation (MoSPI) is exploring using q-commerce platform data (e.g., Blinkit, Zepto) for national consumption metrics. Revisions to base-year calculations may include this rapidly growing sector.

5. **Employment & Formalization**

- The sector employs an estimated **400,000+ people**, spanning dark-store staff, delivery partners, tech teams, and customer care.
- This contributes to formalizing gig-economy roles, generating urban employment opportunities.

6. **Boost to Digital Economy**

- Q-commerce is a core driver of India's broader **digital economy**, projected to exceed **USD 1 trillion by 2030**, alongside D2C and content sectors.

7. **GDP Sector Share Alignment**

- Retail contributes around **10% of India's GDP**, and within digital retail a share of that is q-commerce, which is rapidly expanding e-commerce's portion of GDP (e-commerce is ~0.2% of GDP now, expected to grow to ~2.5% by 2030).

2. PROBLEM STATEMENT, OBJECTIVES AND DASHBOARD

2.1.PROBLEM STATEMENT

To analyze sales performance across outlet types and locations to identify key factors influencing grocery sales and customer ratings, helping BlinkIT optimize product distribution and strategy.

2.2.OBJECTIVES

- 1. To identify the top-performing grocery item categories and evaluate their contribution to overall sales across various outlet types and sizes.** This will help BlinkIT understand which products drive the most revenue and where to focus inventory efforts.
- 2. To analyze how outlet characteristics such as location tier, size, and type influence sales performance and customer ratings.** This insight can guide strategic decisions related to store expansion, resource allocation, and regional marketing efforts.
- 3. To evaluate the impact of item attributes like fat content, visibility, and weight on sales trends and customer behavior.** This will enable BlinkIT to tailor product offerings and improve customer satisfaction through better stock management and targeted promotions.

2.3.DASHBOARD

- Blink-IT Grocery Data (EXCEL)

A1	A	B	C	D	E	F	G	H	I	K	L
Item Fat Content	Item Identifier	Item Type	Outlet Establishment Year	Outlet Identifier	Outlet Location Type	Outlet Size	Outlet Type	Item Visibility	Item Weight	Sales	Rating
Regular	FDX32	Fruits and Vegetables	2012	OUT049	Tier 1	Medium	Supermarket Type1	0.1000135	15.1	145.4786	5
Low Fat	NCB42	Health and Hygiene	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.008596051	11.8	115.3492	5
Regular	FDR28	Frozen Foods	2016	OUT046	Tier 1	Small	Supermarket Type1	0.025896485	13.85	165.021	5
Regular	FDL50	Canned	2014	OUT013	Tier 3	High	Supermarket Type1	0.042277867	12.15	126.5046	5
Low Fat	DR125	Soft Drinks	2015	OUT045	Tier 2	Small	Supermarket Type1	0.033970195	19.6	55.1614	5
Low Fat	FDS52	Frozen Foods	2020	OUT017	Tier 2	Small	Supermarket Type1	0.005505481	8.89	102.4016	5
Low Fat	NCU05	Health and Hygiene	2011	OUT010	Tier 3	Small	Grocery Store	0.098312421	11.8	81.4618	5
Low Fat	NCD30	Household	2015	OUT045	Tier 2	Small	Supermarket Type1	0.026903714	19.7	96.0726	5
Low Fat	FDW20	Fruits and Vegetables	2014	OUT013	Tier 3	High	Supermarket Type1	0.024129332	20.75	124.173	5
Low Fat	FDX25	Canned	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.101561568		181.9292	5
LF	FDX21	Snack Foods	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.084554569		109.8912	5
Low Fat	NCU41	Health and Hygiene	2017	OUT035	Tier 2	Small	Supermarket Type1	0.052044976	18.85	192.1846	5
Low Fat	FDL20	Fruits and Vegetables	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.128937661	17.1	112.3886	5
Low Fat	NCR54	Household	2014	OUT013	Tier 3	High	Supermarket Type1	0.090486828	16.35	195.211	5
Low Fat	FDH19	Meat	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.03292824		173.1738	5
Regular	FDB57	Fruits and Vegetables	2017	OUT035	Tier 2	Small	Supermarket Type1	0.018801549	20.25	222.1772	5
Low Fat	FDO23	Breads	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.147023834	17.85	93.7436	5
Low Fat	NCB07	Household	2012	OUT049	Tier 1	Medium	Supermarket Type1	0.077628053	19.2	197.611	5
Low Fat	FDI56	Fruits and Vegetables	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.182514881		98.77	5
Low Fat	DRN47	Hard Drinks	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.016895293	12.1	178.566	5
Regular	FDZ07	Fruits and Vegetables	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.076916794		60.2194	5
Low Fat	NCK31	Others	2018	OUT027	Tier 3	Medium	Supermarket Type3	0.022976497	6.85	50.9666	5
Low Fat	FDJ41	Frozen Foods	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.022976497		261.6594	5
Low Fat	DR151	Dairy	2022	OUT018	Tier 3	Medium	Supermarket Type2	0.04213704	17.25	173.1764	5
Regular	FDC40	Dairy	2020	OUT017	Tier 2	Medium	Supermarket Type1	0.065431917	16	76.1986	5
Low Fat	FDB53	Frozen Foods	2020	OUT017	Tier 2	Medium	Supermarket Type1	0.140241213	13.35	150.2392	5
Low Fat	FDA16	Frozen Foods	2017	OUT035	Tier 2	Small	Supermarket Type1	0.033935576	6.695	221.9456	5

Dataset Summary (Post-Cleaning in Power BI)

- The dataset contains **8,523 records** representing sales transactions across different product types and outlets.
- A total of **1,559 unique items** and **10 unique outlets** are captured in the data.
- The **Item Fat Content** field originally included inconsistent values such as "Low Fat", "low fat", "LF", "Regular", and "reg". These inconsistencies have already been addressed during the Power BI cleaning process, ensuring uniformity.

Product-Level Insights

- The dataset covers **16 distinct item categories**, including:
 - *Fruits and Vegetables, Frozen Foods, Health and Hygiene, Dairy, Soft Drinks, Household, Canned, Snack Foods, etc.*
- **Item weights** range from **4.555 kg** to **21.35 kg**, supporting analysis of product volume, packaging, and transport impact.
- **Item visibility**, an important proxy for product placement, ranges from **0.0000** (no visibility) to **0.3284**, suggesting significant variance in in-store prominence.

Outlet-Level Details

- The outlets were established between **2011 and 2022**, showcasing a decade-long spread of retail growth.
- Outlet characteristics include:
 - **Location Types:** Tier 1, Tier 2, and Tier 3
 - **Sizes:** Small, Medium, High
 - **Outlet Formats:** Supermarket Type1, Type2, Type3, and Grocery Store
- **Outlet OUT027** is the most represented outlet in the dataset, with **935 entries**, indicating its high transaction volume or strategic focus.

Sales and Ratings Analysis

- **Sales values** range from **₹31.29** to a maximum of **₹266.89** per transaction.
- High-value items like **FDJ41 (Frozen Foods)** exhibit strong performance, possibly due to premium pricing or higher demand.
- The dataset includes a rich variation in **ratings**, from **1.0 to 5.0**, allowing robust sentiment and satisfaction analysis.
 - Most items are clustered between **2.0 and 5.0**, with **5.0 being the most frequent rating**.

- Blinkit Grocery Sales: Holistic Dashboard Overview Across All Outlets



Comprehensive Summary of Dashboards and Visuals

The Power BI dashboard developed for **Blinkit** presents a well-balanced and intuitive interface that brings critical insights to the forefront, ensuring stakeholders can make informed decisions based on real-time and historic data. This dashboard successfully integrates complex data into an accessible, visual format while prioritizing user interaction and clarity.

Key Features and Functional Overview:

- **Interactive Filter Panel** (on the left side) enables users to dynamically explore data based on:
 - **Outlet Location Type** (Tier 1, 2, 3)
 - **Outlet Size** (Small, Medium, High)
 - **Item Type** (e.g., Snacks, Fruits, Household items)
 This allows a user-driven exploration of insights, fostering personalized analysis and targeted decision-making.
- **High-level KPIs** at the top of the dashboard immediately highlight key performance metrics:
 - **Total Sales:** ₹997.2K, signifying the cumulative revenue generated.
 - **Average Sales per Item:** ₹141, pointing toward efficient pricing or customer purchasing trends.

- **Average Rating:** 3.97, showcasing consistent customer satisfaction across outlets and products.
 - **Total Number of Items Sold:** 7,060, indicating a wide and diverse product portfolio.
- **Outlet Establishment Line Graph (2011–2022):**
 - Visually communicates Blinkit's operational growth trajectory.
 - A sharp rise from 78K (2011) to 130K (2012) outlets illustrates rapid early expansion.
 - From 2016 onwards, outlet numbers stabilized between 129K–133K, indicating a mature business phase with controlled scaling.
- **Sales by Fat Content – Donut Chart:**
 - Regular items contributed approximately ₹644.5K, or **64.6% of total sales**.
 - Low Fat items contributed ₹352.6K, indicating a growing market segment for healthier options, albeit still behind regular items.
- **Sales by Outlet Size – Donut Chart:**
 - Medium-sized outlets performed strongest (₹377.2K), followed closely by small outlets (₹371K).
 - High-sized outlets contributed the least (₹249K), suggesting medium-format stores strike an optimal balance between cost and coverage.
- **Item Type – Horizontal Bar Chart:**
 - Categories such as **Fruits & Vegetables (₹150K)** and **Snacks (₹140K)** dominate the sales chart.
 - Conversely, items such as Seafood and Breakfast items yielded lower sales volumes, pointing to either niche demand or discoverability issues.
- **Outlet Location Sales – Stacked Bar Chart:**
 - **Tier 2 locations** led with ₹393.15K in total sales, followed by Tier 3 at ₹341.42K, and Tier 1 at ₹262.59K.
 - This distribution suggests Blinkit's expansion and marketing strategies have resonated particularly well in emerging urban centers.
- **Outlet Summary Table – Bottom Right:**
 - Detailed breakdown of outlet types including:
 - Grocery Stores
 - Supermarket Type 1
 - Supermarket Type 2

- Each row contains:
 - Number of items
 - Average sales and ratings
 - Total sales and item visibility
- This section provides a compact summary useful for inventory and channel performance evaluation.



Key KPIs and Notable Trends (Insights-Driven Analysis)

The data reveals multiple trends and performance indicators, each contributing to an understanding of Blinkit's operational efficiency, customer preferences, and potential areas for strategic refinement.

◆ Highlights and Positive Indicators:

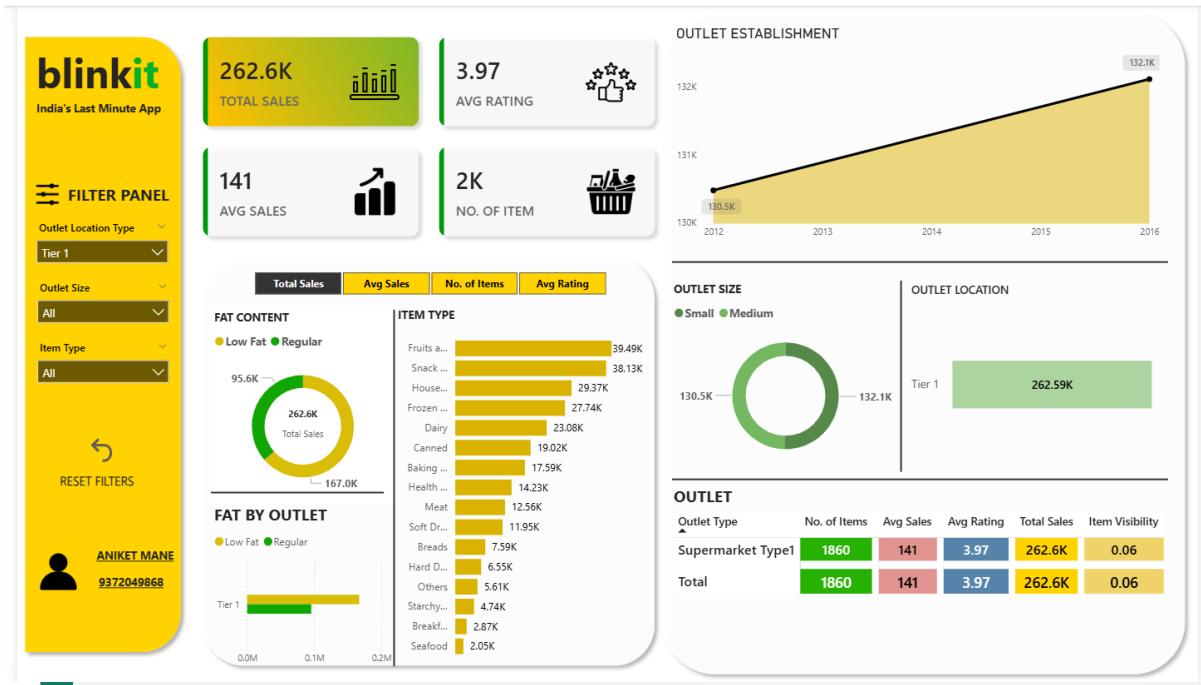
- **Total Revenue** stands at ₹997.2K, reflecting healthy business activity. This metric serves as a benchmark for monthly or quarterly performance tracking.
- **Average Sales per Item** is ₹141, a consistent and healthy figure across item types and outlets. This points to stable pricing or well-curated product bundling.
- **Customer Ratings** average out to 3.97, suggesting customer satisfaction is consistent across different outlet types. Supermarket Type 1 (3.96) and Grocery Stores (3.98) show minimal deviation, implying uniform service quality and product availability.
- **Product Diversity and Sales Performance:**
 - High-performing categories such as **Fruits & Vegetables** and **Snacks** (₹150K and ₹140K respectively) align with the core FMCG offering Blinkit is known for.
 - These categories are essential to everyday shopping and indicate strong repeat-purchase behavior.
- **Tier 2 and Tier 3 Location Success:**
 - With combined sales over ₹734K, Blinkit appears to have effectively tapped into semi-urban demand.
 - These findings may suggest rising digital adoption and convenience-driven consumption patterns in non-metro areas.
- **Outlet Size Efficiency:**
 - **Medium-sized outlets** deliver the highest revenue (₹377.2K), balancing overhead costs and product assortment.
 - Small outlets perform almost equally well (₹371K), which could inform future investments in compact, agile storefronts.

◆ Areas of Potential Enhancement:

- **Low Fat Items**, despite a growing health-conscious customer base, constitute only 35.4% of total sales.
This indicates room for promotional strategies, educational marketing, or improved shelf visibility.
- **Underperforming Categories** such as:

- **Seafood, Breakfast Items, Starchy Foods, and Others** record sales below ₹20K.
- These categories may benefit from bundling with higher-selling SKUs, dynamic pricing, or targeted campaigns to improve turnover.
- **Item Visibility Metric (0.06 overall):**
 - Especially for Supermarket Type 1 (with over 5,500 items), low visibility may imply SKU overcrowding or poor categorization.
 - Streamlining product presentation or enhancing recommendation systems might uplift discoverability and conversion.
- **Outlet Growth Plateaus Post-2016:**
 - While growth is expected to stabilize, the lack of increase in outlet count could indicate market saturation or strategic pause.
 - Exploring micro-fulfillment centers or dark stores might reinvigorate footprint expansion in a controlled manner.

- Tier 1 Market Segment Analysis: Focused Performance View



Dashboard Insights with Tier 1 Outlet Focus

Upon applying the Tier 1 outlet location filter, the Power BI dashboard intelligently recalibrates its visuals and metrics to reflect only data from Tier 1 cities. This drill-down analysis is instrumental for assessing performance within metro/urban hubs, offering a sharper understanding of high-density, high-competition regions.

◆ Key Observations:

- **Total Sales** for Tier 1 outlets amount to ₹262.6K. While this represents approximately **26%** of total revenue across all outlet locations, it also highlights the **competitive market saturation** often associated with Tier 1 cities.
- **Average Sales** per item remain consistent at ₹141, reflecting price stability and customer purchasing behavior similar to other tiers.
- **Number of Items Sold:** 1,860 items were sold, representing roughly **26.3% of the total inventory movement** across the business. This suggests a proportional relationship between revenue and item volume in Tier 1 markets.
- **Customer Ratings** remain steady at **3.97**, signifying sustained satisfaction levels even in fast-paced urban markets.
- **Fruits & Vegetables (₹39.49K)** and **Snacks (₹38.13K)** continue to top the sales chart in Tier 1 cities, aligning with consumer expectations for quick-turnaround, everyday essentials.

- **Household and Frozen Items** also retain significant traction, underscoring urban reliance on ready-to-use or convenience-based products.
- **Fat Content Breakdown:**
 - **Regular items** dominate Tier 1 preferences (₹167K), while **Low Fat items** trail at ₹95.6K.
 - This could suggest that health-focused marketing still has room to grow in metro markets despite the broader awareness of wellness trends.
- **Outlet Size Performance:**
 - Only **Small and Medium** outlet sizes are active in Tier 1, with **Medium-sized outlets contributing ₹132.1K** accounting for 50% of Tier 1 revenue.
 - This emphasizes the importance of moderately sized stores in urban planning, as they deliver operational scalability without overwhelming real estate constraints.
- **Fat Content by Outlet Bar Chart** illustrates how Regular items outperform Low Fat within Tier 1, though Low Fat sales still indicate a viable sub-segment worthy of nurturing.
- **Item Type Diversity** remains robust in Tier 1 cities, though **low-engagement categories** such as Seafood (₹2.05K), Breakfast (₹2.87K), and Starchy Foods (₹4.74K) suggest potential areas for promotion, rebranding, or bundling.
- **Item Visibility** remains uniform at **0.06**, pointing to consistency in how products are featured across tiers however, given the limited store footprint in Tier 1, this might necessitate more **optimized merchandising strategies** to enhance product discoverability.

- Sales Insights by Outlet Size: Medium-Scale Store Performance Dashboard



Detailed Summary of Dashboards and Visuals (Filter Applied: Outlet Size = Medium)

The Power BI dashboard filtered by *Medium Outlet Size* offers a strategic and nuanced view of Blinkit's operational performance. It delivers a well-organized blend of high-level KPIs, deep category-level insights, and distribution metrics, empowering data-backed decisions and comparative analysis across outlet formats.

Key Highlights from Visuals:

- Overall Performance Metrics:

- **Total Sales:** ₹377.2K – The medium-sized outlets collectively generate significant revenue, underlining their importance in Blinkit's retail ecosystem.
- **Avg Sales per Item:** ₹140 – Indicates a stable and predictable price range, important for margin management.
- **No. of Items:** 2,696 – Reflects extensive inventory depth, contributing to customer retention through variety.
- **Avg Rating:** 3.99 – A near-ideal score, suggesting consistent service delivery and customer satisfaction.

- Fat Content Distribution:

- **Regular Items:** ₹254.5K (67%)

- **Low Fat Items:** ₹122.7K (33%)
- The notable share of Low Fat sales demonstrates evolving customer health preferences. Blinkit may consider leveraging this trend via targeted campaigns or healthier product bundles.
- **Sales by Item Type:**
 - Leading contributors include:
 - **Fruits & Vegetables:** ₹63.27K
 - **Snacks:** ₹52.39K
 - **Household Essentials:** ₹42.68K
 - **Frozen Items:** ₹34.59K
 - **Dairy:** ₹28.28K
 - The mix of perishable, impulse, and utility items positions medium outlets as ideal for both planned and spontaneous shopping behavior.
- **Outlet Establishment Trend:**
 - A compelling **resurgence in 2022**, after a dip post-2012 peak, shows Blinkit's **agility in scaling operations** as market conditions evolved.
 - The steady outlet base further confirms brand credibility and long-term expansion planning.
- **Sales by Outlet Location (Tier-wise):**
 - **Tier 3 Cities:** ₹168.66K
 - **Tier 1 Cities:** ₹130.48K
 - **Tier 2 Cities:** ₹78.05K
 - Medium-sized outlets perform exceptionally well in **Tier 3 locations**, indicating deep market penetration in non-metro regions.
- **Outlet Type Breakdown:**
 - **Supermarket Type 1** dominates the medium outlet size landscape in both item count and sales.

Outlet Type	No. of Items	Avg Sales	Avg Rating	Total Sales	Item Visibility
Grocery Store	265	₹140	3.99	₹37.2K	0.10
Supermarket Type 1	1503	₹139	3.99	₹208.5K	0.06
Supermarket Type 2	928	₹142	3.97	₹131.5K	0.06

- **Supermarket Type 1** dominates the medium outlet size landscape in both item count and sales.

- **Grocery Stores**, despite lower sales, maintain the **highest item visibility (0.10)**, suggesting higher exposure per SKU potentially useful for niche or specialty goods.

Key KPIs and Trends for Medium Outlet Sizes – Analytical & Strategic View

This dashboard, when analyzed through the lens of medium-sized outlets, uncovers a **balanced blend of operational efficiency, strategic reach, and evolving customer expectations**.

◆ KPI Insights & Business Implications:

KPI	Value	Insight
Total Sales	₹377.2K	Highest among outlet sizes, indicating scalable success in mid-tier formats.
Average Sales per Item	₹140	Price consistency suggests clear pricing strategy and consumer alignment.
No. of Items	2,696	Demonstrates broad SKU assortment, ideal for multi-category targeting .
Average Rating	3.99	Consistently high, validating store experience and backend efficiency.

◆ Outlet Type Insights:

- **Supermarket Type 1** is the growth driver within this segment, accounting for **55%+ of total sales**.
- **Supermarket Type 2**, while trailing slightly, shows promising average sales and high product coverage.
- **Grocery Stores**, though smaller in scale, boast the **best item visibility**, providing opportunities to promote premium or exclusive items effectively.

◆ Geographic Sales Distribution:

- **Tier 3 Cities** emerge as a pivotal growth engine with ₹168.66K in sales.
- Performance across tiers is fairly distributed, highlighting Blinkit's ability to **localize medium-sized formats for diverse city profiles**.
- It underscores the brand's capacity to deliver consistent service from metros to semi-urban pockets.

◆ Customer Preferences:

- The split between Regular (67%) and Low Fat (33%) product consumption suggests a dual trend:
 - Traditional preferences continue to dominate.
 - However, there's a **noteworthy rise in health-conscious buying**, especially among tier 1 and tier 2 consumers, offering a future product segmentation opportunity.
- ◆ **Category Mix & Growth Opportunities:**
 - Top-selling categories include:
 - Fresh produce (Fruits & Vegetables), impulse snacks, frozen foods, and household staples.
 - Underrepresented segments like **Seafood, Breakfast, and Breads** may benefit from seasonal promotions, curated combos, or regional personalization.
- ◆ **Strategic Implication:**

Medium-sized outlets serve as a **sweet spot between high operational efficiency and wide market adaptability**. The current metrics affirm that Blinkit can pursue **tiered expansion**, integrating personalized inventory with a focus on regional and health-conscious trends.

3. LITERATURE REVIEW

3.1.The emergence of the Indian hyperlocal grocery delivery industry:

Dunzo v/s Blinkit

Authors:

1. Nirmit Sanghi
2. Krishna Chandra Balodi
3. Vivek Gupta

Introduction

This case study delves into the rapid evolution of the hyperlocal grocery delivery industry in India, particularly focusing on Dunzo and Blinkit. It discusses how the pandemic accelerated demand for quick-commerce models and led to investor enthusiasm, but also highlights structural and economic challenges. The framework presented in this study evaluates the operational models and strategies of these firms to better understand how they can achieve sustainable growth.

Problem Statement

Despite the popularity of quick commerce during COVID-19, the industry faces ongoing issues such as poor unit economics, high customer acquisition costs, and logistical inefficiencies. Hyperlocal players often fail to optimize average order value, delivery speed, and fleet utilization. Moreover, as customer loyalty declines and competition intensifies, players like Dunzo and Blinkit must reassess their operational strategies to remain viable and competitive.

Solution

The teaching case provides an industry-level and firm-specific comparative framework to understand how two players Dunzo and Blinkit adapt to the unique Indian retail landscape.

1. Identification

- Recognize the rise of the Indian digital grocery market and its growth drivers (e.g., mobile penetration, urbanization, increased working population).
- Identify structural challenges such as low margins, delivery inefficiencies, and consumer fragmentation.

2. Visualization

- Business models are mapped across Inventory-Led, Marketplace-Led, and Hyperlocal-led formats.

- Dunzo and Blinkit are benchmarked across key performance indicators such as delivery times, order value, fleet usage, and customer satisfaction.

3. Discussion

- The teaching framework encourages collaborative analysis by contrasting both companies':
 - Revenue streams (e.g., Dunzo: commission-led; Blinkit: product sales-led)
 - Cost structures (e.g., Dunzo: employee & tech-heavy; Blinkit: goods purchase-heavy)
 - Growth strategies (e.g., Dunzo's city-specific scaling vs. Blinkit's Zomato-backed expansion)
- It emphasizes stakeholder issues, including gig workers' treatment, regulatory implications, and sustainability concerns.

4. Decision

- Students and decision-makers are prompted to consider:
 - Whether Dunzo can maintain its edge over Blinkit in customer service and delivery performance.
 - How Blinkit can leverage its scale and Zomato's support for long-term profitability.
 - Whether the industry is heading toward consolidation and what players must do to survive in a highly competitive landscape.

Conclusion

The case concludes that while Blinkit and Dunzo have distinct operating models, both must navigate low margins, customer retention issues, and high delivery costs. The study offers a structured framework to examine the transformation of hyperlocal delivery in India. It emphasizes the importance of:

- Achieving operational excellence (inventory, delivery, fleet)
- Strategic differentiation (value proposition and business model innovation)
- Adapting to socio-economic and technological shifts

The framework serves as a strategic tool to evaluate digital platform businesses in emerging economies and prepares students to craft informed decisions in tech-enabled sectors.

3.2.A Case Study on Analyzing the Impact on Consumer Behaviour and Consumption Patterns

Authors:

1. Shruti Bohra (Post Graduation Student, M.Com, Jain Deemed-to-be-University, Bangalore)
2. Dr. Patcha Bhujanga Rao (Professor & Facilitator, Jain Deemed-to-be-University, Bangalore)
3. Dr. C.K. Suresh (Professor & Facilitator, Jain Deemed-to-be-University, Bangalore)

Introduction

This research investigates the influence of Blinkit on consumer behavior and purchasing patterns. The study emphasizes how Blinkit, as a technological disruptor, is altering the dynamics of convenience, pricing, and user experience within the online grocery shopping ecosystem. The focus lies on understanding how Blinkit's rapid delivery model, pricing mechanisms, and app usability are influencing consumer choices and reshaping their consumption behavior in India.

Problem Statement

Traditional retail and consumer habits are being significantly disrupted by the introduction of online grocery platforms like Blinkit. However, the nuanced behavioral changes and preferences of different consumer demographics remain underexplored. The study identifies the gap in understanding how convenience, pricing strategies, and digital interfaces affect consumption patterns and decision-making in various consumer groups.

Solution

The study adopts a **mixed-method approach** incorporating surveys, interviews, and statistical analysis to understand the impact of Blinkit. The framework focuses on these key components:

1. Identification

- Understanding user demographics and Blinkit's appeal to different segments.
- Exploring perceptions of convenience, pricing, and delivery speed.

2. Visualization

- Analysis of data from 91 respondents using frequency tables and t-tests.
- Demographics: Majority aged 20–25 (64.8%), balanced gender (51.6% female, 48.4% male), with most being postgraduates (69.2%) and students (91.2%).

3. Discussion

- Four hypotheses were tested using independent sample t-tests.
 - No significant differences were found in mean usage patterns based on age, gender, occupation, or marital status.
- Literature review supports the idea that online shopping is driven by time-saving, convenience, and improved inventory systems.
- Blinkit was shown to maintain consistent usability across diverse demographic groups.

4. Decision

- Findings suggest Blinkit has universal appeal and usability.
- No statistically significant differences in usage behavior across age, gender, or occupation indicate a homogenous consumer response.
- Recommendations include conducting longitudinal and comparative studies with other delivery platforms to further understand user behavior.

Conclusion

The study concludes that Blinkit is successfully redefining grocery shopping in India by offering convenience and efficient service to users across various demographics. While the current dataset showed minimal behavioral variation among users, further research is necessary to explore long-term effects on consumer loyalty, impulse purchases, and market competition. Blinkit stands as a viable disruptor in the Indian grocery delivery space, with significant implications for both retailers and policymakers.

3.3. Exploring Awareness and Shopper Satisfaction: Blinkit Online Grocery Shopping in Bengaluru South Region

Authors:

1. Prof. Manjunath G. (Coordinator, Vanguard Business School, Jayanagar, Bengaluru)
2. Dr. Ignatius B. (Principal, Vanguard Business School, Jayanagar, Bengaluru)
3. Dr. Gundupagi Manjunath (Professor & Principal, Bheemi Reddy Institute of Management Science, Andhra Pradesh)

Introduction

This research aims to investigate brand awareness and customer satisfaction towards Blinkit in the Bengaluru South region. Blinkit, formerly known as Grofers, has disrupted the online grocery delivery space by offering rapid delivery services and extensive product choices. The study seeks to analyze how well Blinkit is known, how it competes with major players like Amazon and Flipkart, and how satisfied customers are with its offerings and service experience.

Problem Statement

Previous studies have focused largely on brand consciousness and satisfaction in physical retail or general e-commerce settings. However, there is a lack of focused research on brand awareness and consumer satisfaction specifically within the online grocery sector. This research addresses that gap by exploring how consumers perceive Blinkit's services, the factors that influence their choice, and the level of satisfaction derived from using the platform.

Solution

The study employs a **convenient data sampling method** and utilizes both **primary and secondary data** to assess customer awareness and satisfaction.

1. Identification

• Demographics:

- Gender: Male (47%), Female (41%), LGBTQ (12%)
- Age: Majority between 26–35 years (38%)
- Marital status: Married (55%), Unmarried/Single parent (45%)
- Occupation: Includes IT professionals, students, homemakers, lawyers, and academicians

- Education: 70% are graduates or postgraduates
- Income: Most fall in the ₹25,000–₹1,00,000 range

2. Visualization

- Awareness Sources:

- 66% heard of Blinkit via friends/relatives
- 26% via Play Store
- TV ads had no impact

- Key Factors for Choosing Blinkit:

- Time-saving (26%), Quick delivery (20%), Brand value (23%)

- Satisfaction Levels:

- High satisfaction with delivery time and convenience
- Moderate satisfaction with pricing and branding

3. Discussion

- Hypothesis 1: Awareness of Blinkit

- Chi-square value: 33.92 (greater than table value of 3.84)
- Inference: Respondents are significantly aware of Blinkit

- Hypothesis 2: Customer satisfaction with Blinkit

- Chi-square value: 167.09 (greater than table value of 9.4)
- Inference: Customers are significantly satisfied with Blinkit's services

4. Decision

- Blinkit has successfully established brand visibility in Bengaluru South
- Positive customer response is largely driven by time-saving and delivery speed
- Opportunities exist for marketing through digital platforms rather than traditional media
- Insights are valuable for Blinkit and similar firms to strategize customer retention and service optimization

Conclusion

The study confirms high awareness and satisfaction levels among Blinkit users in Bengaluru South. Major drivers include quick delivery, brand trust, and convenience. The research provides empirical evidence supporting Blinkit's strong market position relative to competitors. It also suggests that digital word-of-mouth and peer recommendation are key to Blinkit's brand awareness. These insights are vital for both practitioners and

academics looking to understand consumer behavior in the fast-growing quick-commerce grocery sector.

3.4.Blinkit: Brand Awareness and Consumer Satisfaction in South India

Authors:

1. B. C. Chilaka
2. R. Basu

Introduction

This chapter segment explores Blinkit's emergence as a key player in India's online grocery delivery landscape, focusing specifically on customer awareness and satisfaction. With increasing competition from Amazon, Flipkart, and BigBasket, Blinkit's promise of rapid delivery and convenience has captured a notable share of the urban consumer market. The authors highlight Blinkit's expansion strategy, consumer appeal, and digital integration across its service pipeline.

Problem Statement

Despite significant technological innovation in last-mile delivery, the consumer perception of service reliability and satisfaction remains a challenge for many quick-commerce firms. The chapter identifies a gap in understanding how customers in urban Indian markets respond to Blinkit's value proposition compared to other players. It also emphasizes the need to measure how awareness translates into usage and loyalty in a crowded digital grocery ecosystem.

Solution

The study synthesizes qualitative and quantitative findings from urban regions where Blinkit operates, focusing on:

1. Identification

- Blinkit's original identity as Grofers and its evolution post-Zomato acquisition.
- Target audience includes time-sensitive, tech-savvy users in metros.

2. Visualization

- Urban deployment maps, order volume growth (1.25 lakh orders/day in 2021), and app interface feedback are examined.
- Consumer awareness primarily through digital platforms and word-of-mouth.

3. Discussion

- Blinkit's brand has matured post its 2022 acquisition by Zomato.
- Users report high satisfaction in key areas:

- Speed of delivery (under 10 minutes)
- Variety of products (including groceries, stationery, and personal care)
- User-friendly app experience
- The authors note gaps in media marketing channels like TV and print, but strong digital presence.

4. Decision

- Blinkit is positioned as a high-awareness brand with strong digital delivery capability.
- For sustained growth, it must continue enhancing customer engagement, ensure inventory accuracy, and maintain delivery speed consistency.
- Future research should explore loyalty, repeat purchase behavior, and brand equity in Tier 2 cities.

Conclusion

The chapter concludes that Blinkit has carved out a robust presence in India's quick commerce market, especially among digitally literate urban consumers. Brand awareness is high due to convenience and peer influence rather than traditional marketing. As Blinkit scales, consumer satisfaction hinges on operational excellence, app functionality, and service reliability.

4. SUGGESTIONS

1. Optimize High-Performing Outlet Types & Locations

- **Observation:** *Supermarket Type1* accounts for ~79% of total sales (787.5K out of 997.2K), and **Tier 2 and Tier 3** cities together contribute over 73% of total sales.
- **Suggestion:** Blinkit should prioritize expanding and investing in **Supermarket Type1 models**, especially in **Tier 2 and Tier 3 cities**, where growth potential and customer engagement are notably high. Enhancing logistics, increasing SKUs, or introducing loyalty programs in these zones can deepen market penetration.

2. Boost Sales in Tier 1 Cities Through Differentiation

- **Observation:** Tier 1 contributes **only ~26%** (262.6K out of 997.2K) despite higher population density and purchasing power.
- **Suggestion:** Consider deploying **localized marketing strategies, premium product lines, or faster delivery guarantees** in Tier 1 outlets to attract urban customers. Also, exploring **personalized app recommendations** using AI can elevate Tier 1 engagement levels.

3. Focus on High-Yield Product Categories

- **Observation:** Fruits, Snacks, and Household items together generate ~40% of total sales.
- **Suggestion:** Blinkit should **expand inventory, offer bundle discounts, or promote subscription models** around these categories. Seasonal campaigns (e.g., "Snack Fest" or "Fresh Fruit Week") may further boost sales and retention.

4. Improve Visibility and Availability of Low-Performing Items

- **Observation:** Categories like *Seafood, Breakfast Items, and Breads* show **minimal contribution to sales**.
- **Suggestion:** Reassess pricing, placement, and availability of these items. Running **A/B testing for product visibility on the app interface** may help determine if better UI placement leads to higher conversions.

5. Monitor and Leverage Fat Content Preferences

- **Observation:** Regular fat products consistently outperform low-fat options across outlets.
- **Suggestion:** This insight can inform inventory stocking and promotional focus. However, as health consciousness rises, Blinkit could **curate a "Healthy Picks" collection** and gradually drive awareness and trial of low-fat alternatives.

6. Standardize Experience Across Outlet Sizes

- **Observation:** Medium-sized outlets contribute ~**37.8% of sales** (377.2K), with a consistent **3.99 average rating**.
- **Suggestion:** Consider using **Medium outlets as a quality benchmark**. Document best practices from these locations (inventory flow, customer feedback loops, staffing) and replicate them in Small and High-size outlets to maintain a consistent brand experience.

7. Maintain and Elevate Customer Ratings

- **Observation:** Overall average rating hovers around **3.97–3.99**, which is decent but leaves room for improvement.
- **Suggestion:** Focus on **customer service training, delivery accuracy, app usability, and proactive issue resolution** to push the rating above 4.2+. Prompting satisfied users for reviews can also organically boost perception.

5. CONCLUSION

Blinkit has emerged as a dominant force in India's quick commerce sector, successfully transitioning from Grofers to become a flagship subsidiary of Eternal Limited (formerly Zomato). With a total sales performance of ₹997.2K across 8,523 transactions and maintaining an impressive average rating of 3.97, the company has demonstrated strong operational efficiency and customer satisfaction.

Key Performance Insights

Market Leadership Position

- **Market Share Dominance:** Blinkit holds the largest market share (~40-46%) in India's quick commerce space
- **Operational Scale:** Processes 1.65-1.75 million daily orders through 1,300+ dark stores
- **Geographic Reach:** Successfully operates across 30-40+ Indian cities with strategic focus on Tier 2 and Tier 3 markets

Financial Performance Highlights

- **Revenue Distribution:** Total sales of ₹997.2K with consistent average sales per item of ₹141
- **Customer Satisfaction:** Maintained high average rating of 3.97 across all outlet types
- **Product Diversity:** Successfully sold 7,060 items across 16 distinct categories

Strategic Strengths and Competitive Advantages

1. Operational Excellence

- **Ultra-Fast Delivery:** Consistent 10-minute delivery promise through strategic dark store placement
- **Technology Integration:** Advanced AI/ML systems for demand forecasting and inventory management
- **Network Efficiency:** Over 1,300 dark stores strategically positioned within 2-3 km radius of customers

2. Market Penetration Success

- **Tier 2/3 Dominance:** Combined sales of ₹734.57K (73.7% of total) from Tier 2 and Tier 3 cities
- **Outlet Format Optimization:** Supermarket Type1 contributes 78.9% of total sales (₹787.5K)
- **Medium-Sized Store Efficiency:** Medium outlets generate highest revenue (₹377.2K) with optimal cost-benefit ratio

3. Product Portfolio Performance

- **High-Performing Categories:** Fruits & Vegetables (₹150K) and Snacks (₹140K) lead sales
- **Consumer Preference Alignment:** Regular fat content products dominate with 64.6% market share
- **Category Expansion:** Successfully diversified beyond groceries to electronics, beauty, and lifestyle products

Challenges and Areas for Improvement

1. Financial Sustainability

- High burn rate and thin margins remain significant challenges
- Dependency on continuous funding for expansion and operations
- Need for improved unit economics across all outlet types

2. Market Concentration Risks

- Limited performance in Tier 1 cities (only 26.3% of total sales)
- Heavy reliance on specific product categories
- Underperformance in categories like Seafood, Breakfast items, and Breads

3. Operational Challenges

- Gig worker dependency creates labor stability concerns
- Regulatory scrutiny around delivery safety and pricing practices
- Inventory constraints in dark store formats

Strategic Recommendations for Future Growth

1. Geographic Expansion Strategy

- **Tier 1 Market Enhancement:** Implement premium product lines and personalized services to capture urban market share
- **Tier 2/3 Acceleration:** Continue aggressive expansion in semi-urban markets where Blinkit shows strongest performance

2. Product Portfolio Optimization

- **Category Leadership:** Strengthen position in high-performing categories (Fruits, Snacks, Household)
- **Health-Conscious Segment:** Develop targeted campaigns for low-fat products to capture growing health awareness
- **Underperformer Revival:** Implement strategic promotions and visibility improvements for low-performing categories

3. Operational Excellence Initiatives

- **Medium Store Model Replication:** Scale the successful medium-sized outlet format across markets
- **Technology Enhancement:** Further invest in AI-driven inventory management and customer personalization
- **Service Quality:** Focus on pushing customer ratings above 4.2 through enhanced service delivery

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