

PRODUCT OVERVIEW & PROBLEM STATEMENT

What is Swiggy Instamart?

Swiggy Instamart is an instant grocery delivery service powered by Swiggy, delivering groceries to your doorstep within 10 Minutes. From snacks and beverages to fruits, vegetables, ice cream delivery, dairy, cooking to cleaning essentials, personal care to baby care - you can fulfil all your grocery needs on this quick commerce platform.



9 Mn+ users



25+ cities in India



550K+ orders daily

India's Quick commerce industry



As of 2023, the quick commerce market in India was valued at approximately \$300 million and is projected to reach around **\$5 billion by 2025**, growing at a compound annual growth rate (CAGR) of about 50-60%



Q-comm is **largely a Tier 1** phenomenon, but Tier II,III cities are expected to show significant market capture by FY2027 as awareness & technology adoption increase

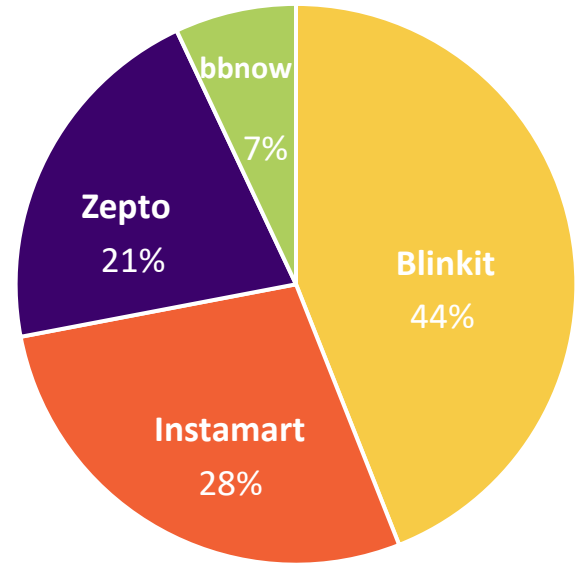


Fresh fruits and vegetables, snacks, beverages, dairy products, and personal care items are among the **top-selling** categories



The **dark store model** is predominant, enabling efficient supply chain management and adherence to rapid delivery promises (10-20 minute delivery times)

Market share of major players



Problem Statement & Goal

- Develop and implement product features on Swiggy Instamart aimed at **increasing AOV** and reaching around ₹550 by the end of 2024 (Current AOV ~ ₹420)
- Devise **product led growth solutions** to strategically target the right user segments & product categories to increase AOV thereby improving the top line

UNDERSTANDING THE BUSINESS PROBLEM

What is AOV for a quick commerce platform?

Average Order Value (AOV) is a key performance metric that measures the **average amount of money spent by customers per order on a quick commerce platform**. It is calculated by dividing the total revenue by the number of orders over a specific period.

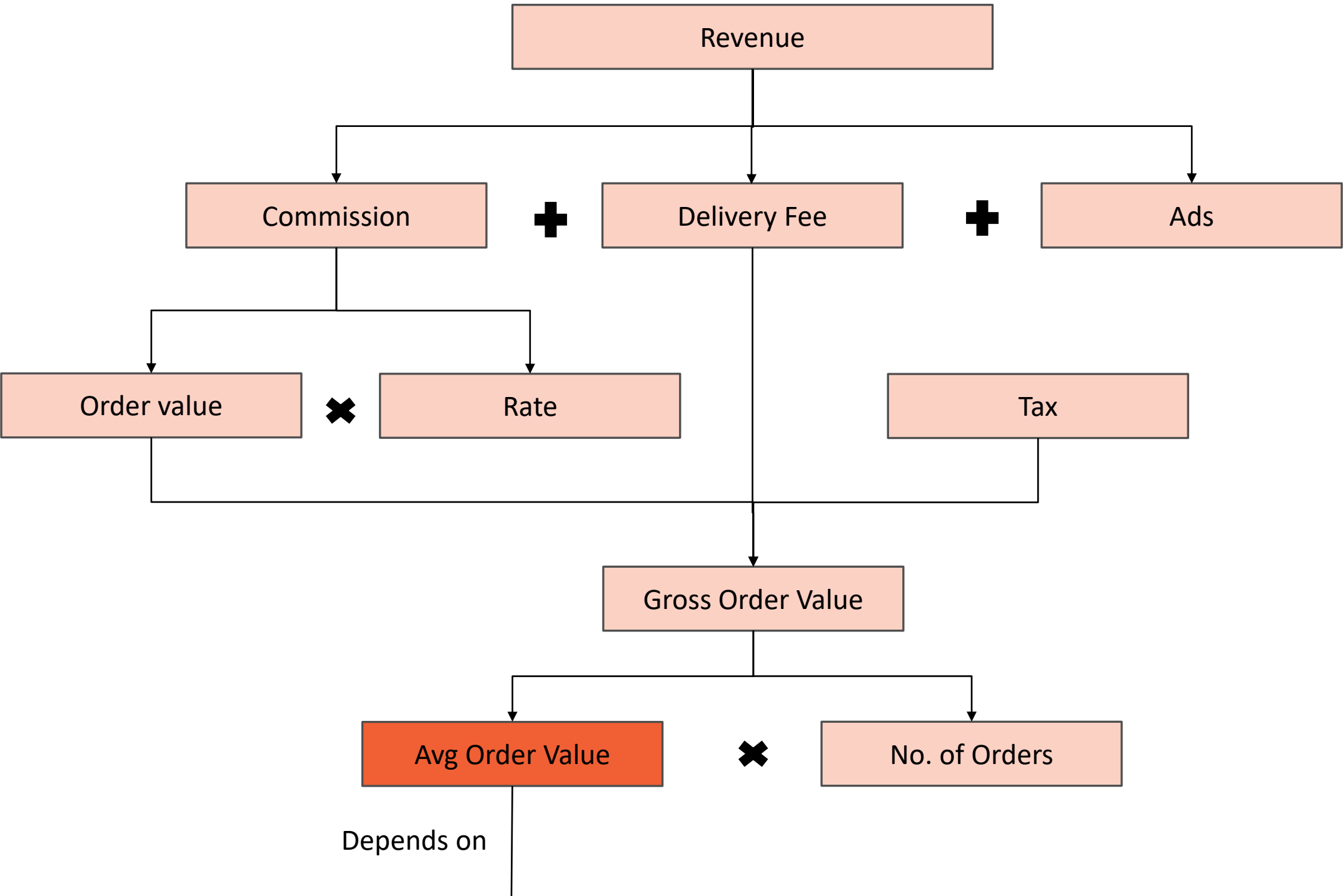
$$\text{AOV} = \frac{\text{Total Order Value}}{\text{Total Number of Orders}}$$

Strategies to improve AOV:

- Upselling and Cross-Selling:** Suggesting related or higher-value products to customers during the purchasing process
- Minimum Order Thresholds:** Setting minimum order amounts for free delivery or special discounts
- Bundles and Combos:** Offering product bundles or combo deals that provide better value for customers
- Loyalty Programs:** Implementing loyalty programs that reward customers for higher spending
- Personalized Recommendations:** Using AI and machine learning to provide personalized product recommendations based on customer preferences and past purchases
- Category expansion:** Venturing into 10 min delivery of categories like electronics, home appliances (high value items)

Therefore, product led growth solutions should focus on

Instamart's Business KPI tree



- No. of items bought in an order
- Price of items in an order





MARKET RESEARCH AND COMPETITOR ANALYSIS

Secondary Market Research

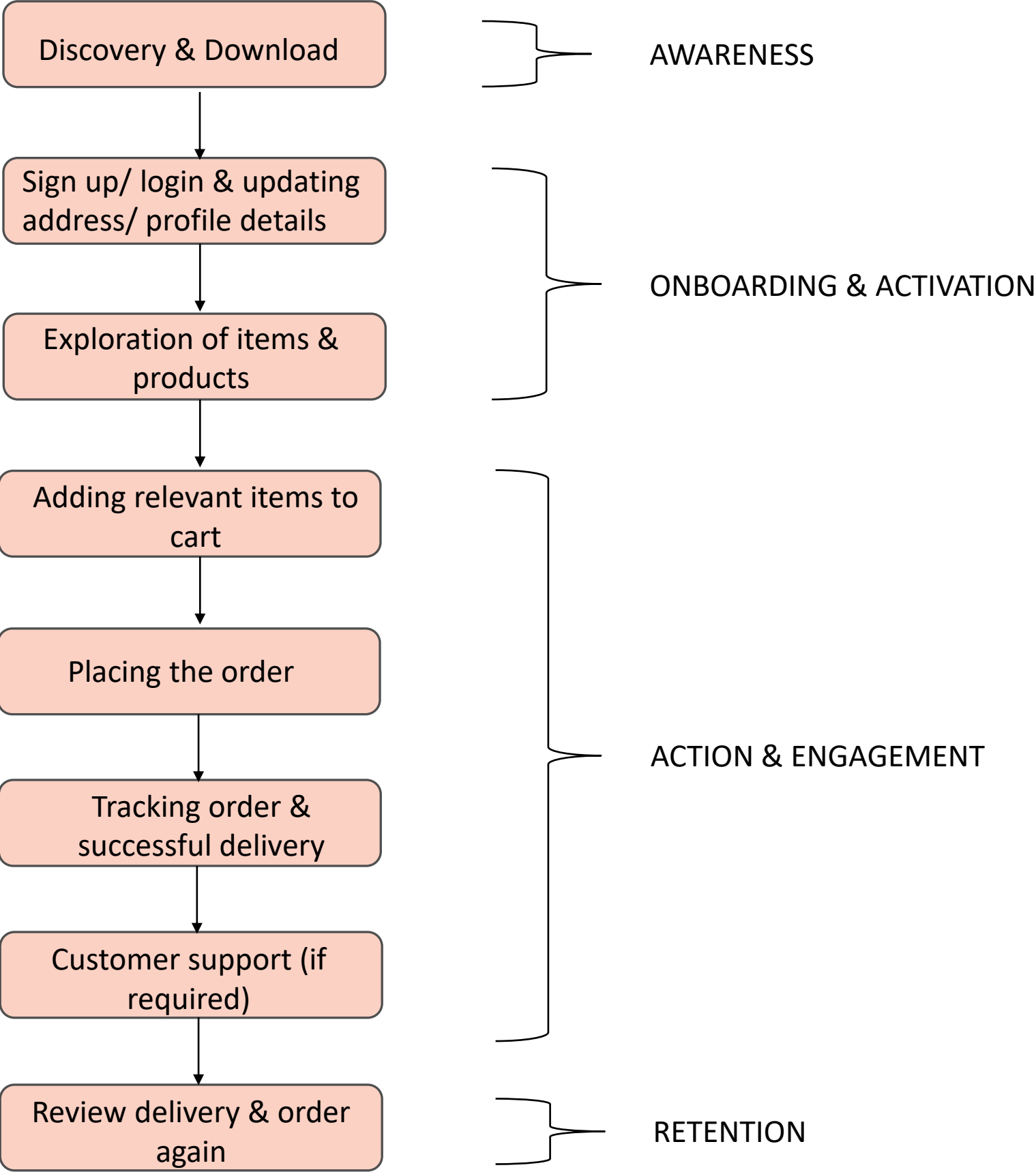
- The quick commerce market in India is expected to sustain a growth rate of 40-45% annually over the next few years, driven by increasing **consumer demand** for **faster deliveries** and the convenience of unplanned purchases
- Marked increase in top-up and unplanned purchases, **particularly in metro areas**, which fuels the industry’s expansion
- ~**40%** users lead to **cart abandonment** if time taken to **checkout** is too long

Primary Market Research

- ~**33% users drop-off** if they cannot find the desired items on the app within the first **10-15 secs**
- **70%** of users prefer quick commerce apps for the **convenience and speed** of delivery
- **50%** of users cite **high delivery charges** during **peak** times as a major **drawback**
- **65%** of users are satisfied with the product quality but **want more variety** in certain categories

App	No. of users	Product categories	Avg Order Value	Pros	Cons
	9 Mn+	Groceries, Electronics, Snacks, Household Essentials, Dairy Products, Personal Care	₹420	<ul style="list-style-type: none"> One app for all needs Reliable delivery time 	<ul style="list-style-type: none"> Higher delivery fees in peak time Customer support issues
	6 Mn+	Groceries, Fresh Produce, Snacks, Household Essentials, Dairy Products, Personal Care	₹450-500	<ul style="list-style-type: none"> Ultra fast delivery Strong dark store network 	<ul style="list-style-type: none"> Stand alone app Higher prices without pass
	10 Mn+	Groceries, electronics, Snacks, Household Essentials, Dairy Products, Home appliances	₹607	<ul style="list-style-type: none"> Competitive pricing Wide product range Frequent discounts 	<ul style="list-style-type: none"> Separate app for ordering & q-com Peak time delivery delay
	4 Mn+	Groceries, Snacks, Household Essentials, Dairy Products, Personal Care	₹380-450	<ul style="list-style-type: none"> High product quality Robust customer service 	<ul style="list-style-type: none"> Higher delivery time Limited geographical reach

CURRENT USER JOURNEY



Stage	Pain point
Awareness	<ul style="list-style-type: none">Customer is unaware about Swiggy Instamart's services
Onboarding & Activation	<ul style="list-style-type: none">User is unaware of which items are availablePredominantly a grocery app, user suspects quality of electronics, home appliances
Action & Engagement	<ul style="list-style-type: none">UI is difficult to parse through due to abundance of product choicesUnavailability of guidance for recipes & relevant food ingredientsInability to customize baskets to quickly place an order when needed (apart from reorder option)Search time & time to checkout is high if number of items is high leading to abandonment
Retention	<ul style="list-style-type: none">Delivery time not as promisedProduct quality not up to the mark

USER PERSONAS FOR SWIGGY INSTAMART



Ajay – Marketing head (32)
Lives with husband (both working)
Location - Mumbai

Goals:

- Fast and easy to use app to save time on grocery shopping
- One app for all product categories ideal
- Loves to cook and host parties but has a hectic office schedule
- Relies on easy recipes online

Pain Points:

- Delays in delivery
- Unavailability of certain products at lower rate
- High charge during peak times
- Long time required to think & add items to cart
- Different apps browsed for recipes, ingredients



Anjali – Homemaker (51)
Lives with her husband, in laws & 2 kids
Location - Delhi

Goals:

- Simple & fast app to easily order groceries/items
- Prefers fresh produce & quality products
- Reliable delivery service is expected
- Looks for value for money and bulk purchase options
- Generally gets a pen-paper based list made by househelp every week

Pain Points:

- Not very tech savvy
- Spends lot of time to search for relevant items to be added to cart
- Limited offers on bulk purchases
- Inconsistent product quality
- No option to easily upload a list/items picture to reduce search & order time



Vijay – Student (24)
Lives with flatmates near college
Location - Bangalore

Goals:

- Health conscious consumer expecting high product quality
- Quick delivery time for items
- Not very brand conscious, and looks for discounts on items
- Has predefined meals & ingredients required frequently

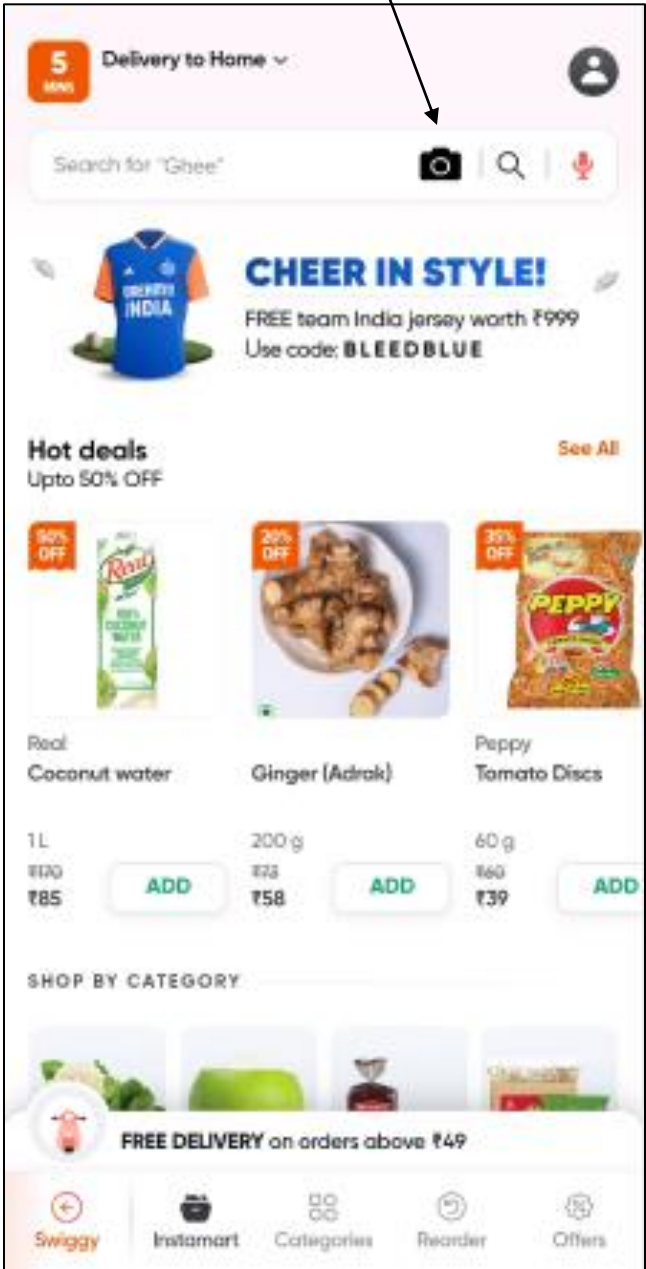
Pain Points:

- Has a busy schedule, so does not like to spend much time to search for items
- Short attention span leads to easy drop-off in case of long app processes
- No option to save multiple carts of items required frequently

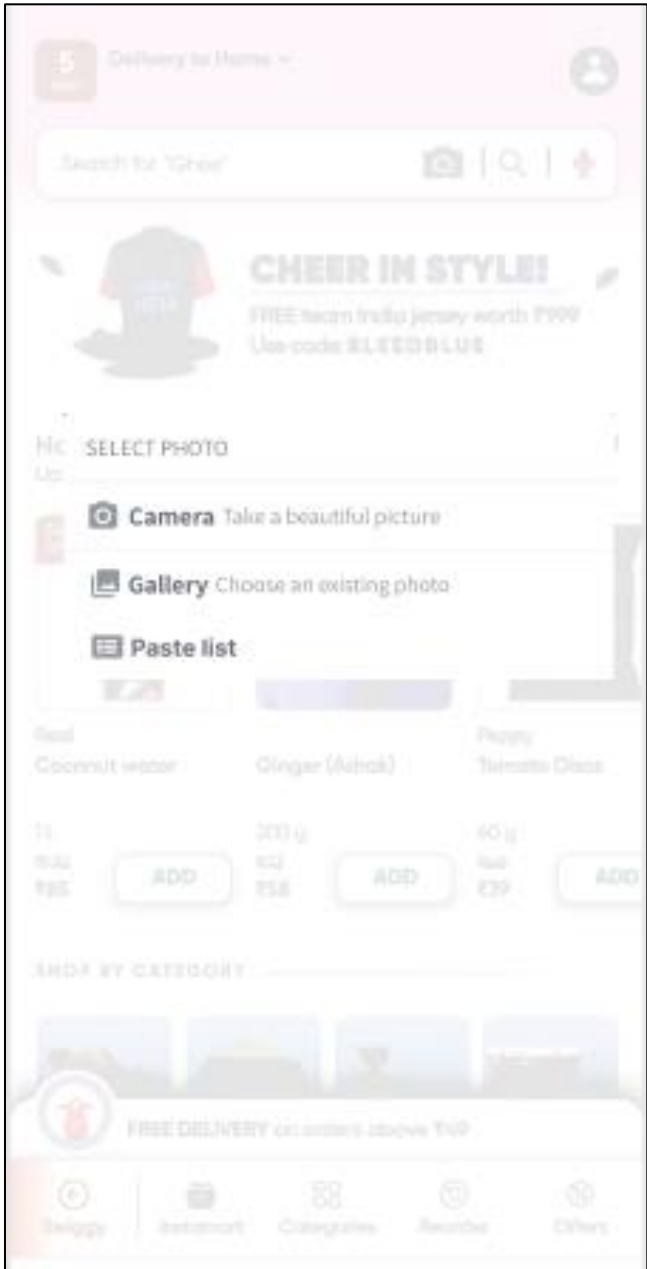
SOLUTION 1 – Enhancing search functionality

Enhanced search allows users to **search for products using images or pre-made lists** of items. Simply upload a photo of your grocery list or the items you need, and the feature will instantly **identify & add** the products to your **cart**. This innovative search tool streamlines the shopping experience, making it **quicker & convenient** to find & purchase your essentials

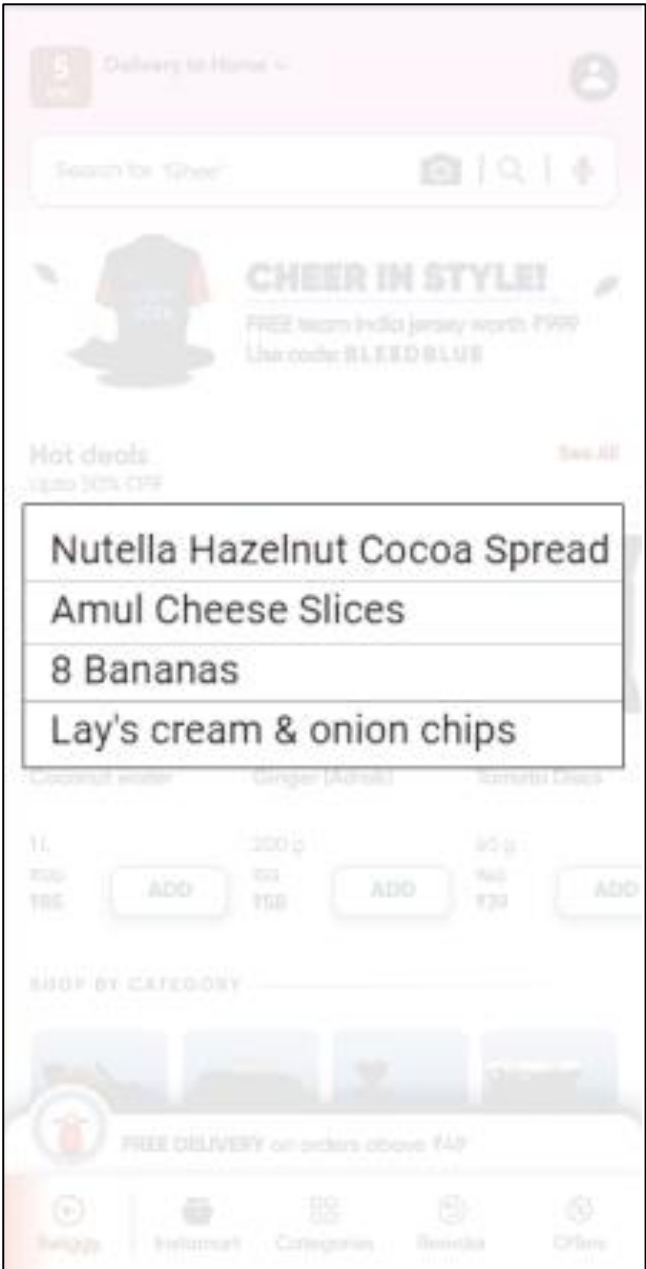
User clicks on the camera icon



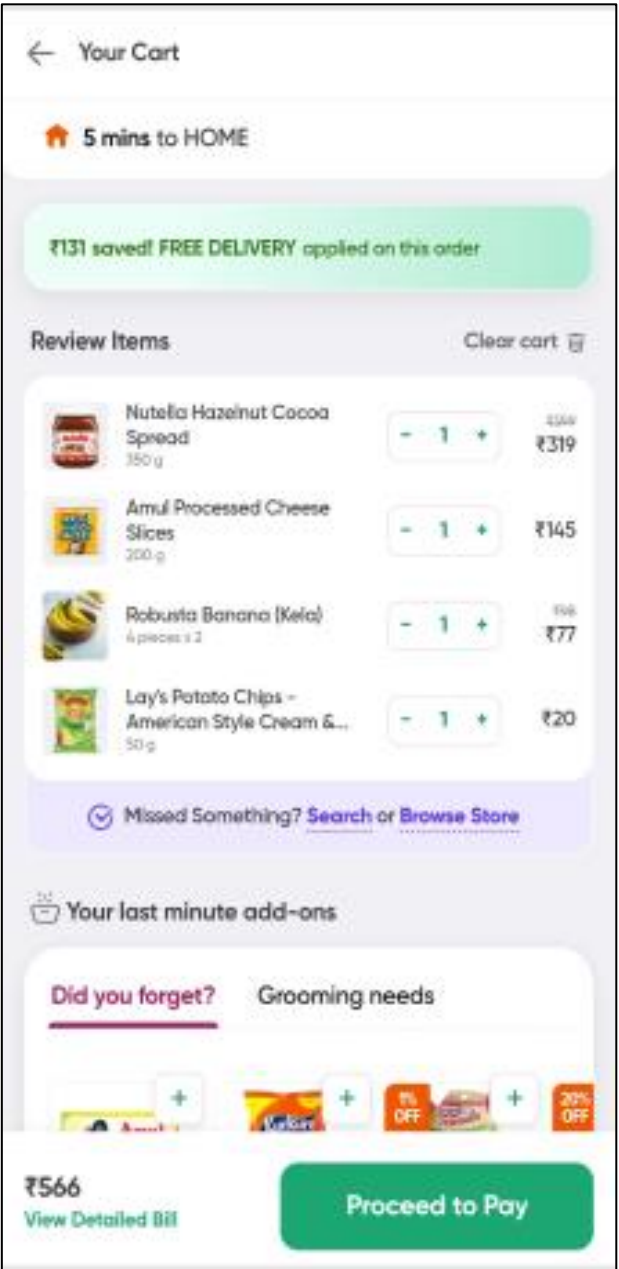
User gets an option to click an image or upload from gallery (item/handwritten list) or paste a list from notes



List is displayed for confirmation, with an option to edit



Items are directly added to cart for swift checkout



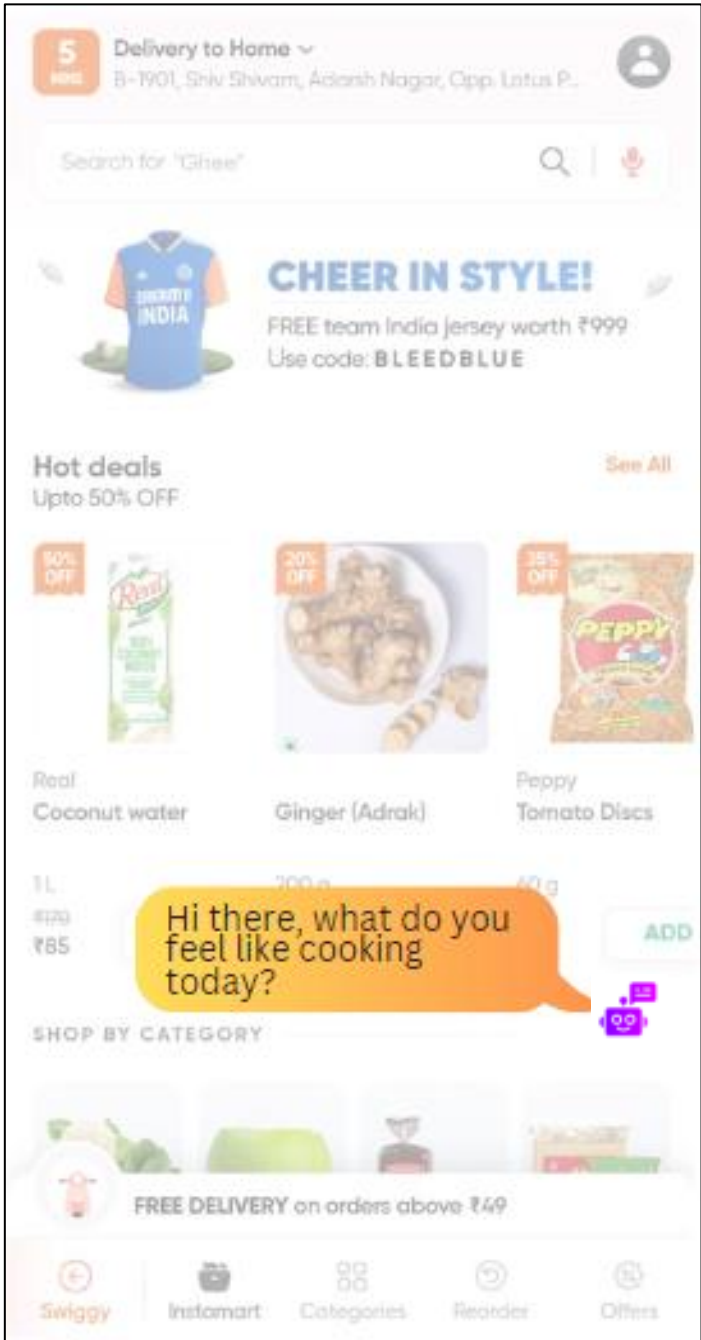
How will this improve the AOV?

By reducing the friction of manually searching for each product, users are likely to include more items in each order. This convenience can lead to higher basket sizes as customers are encouraged to complete larger and more comprehensive shopping lists in one go

SOLUTION 2 – Instamart Bot (CookMate)

Swiggy Instamart's **AI Recipe Chatbot**, "CookMate," provides personalized recipe suggestions based on your dish preferences and instantly adds all required ingredients to your shopping basket. This feature simplifies meal planning and shopping, making it easy to cook delicious meals at home with just a few taps.

User can interact with the Gen AI powered solution



The bot can suggest recipes, add necessary ingredients to cart based on dish input



Option to customize basket based on items required

Bundled basket options available (different brands/prices)

How will this improve the AOV?

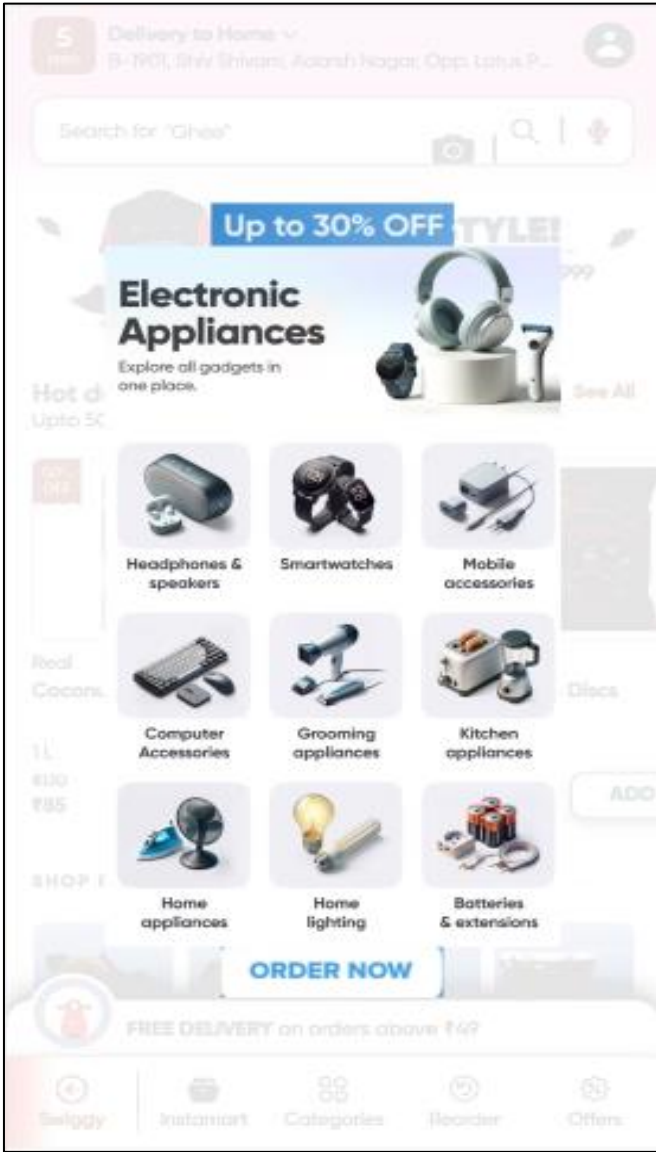
By suggesting complete recipes, the chatbot encourages users to purchase multiple ingredients together, reduces time to checkout thereby increasing the overall order value compared to individual item purchases

SOLUTION 3 – Category placement & Saved Baskets

Swiggy Instamart's Pre-Saved Baskets feature allows users to **save their favorite items into customizable baskets** for quick and easy reordering. Whether it's your weekly groceries or daily essentials, simply tap on your pre-saved basket to place an order in seconds, streamlining your shopping experience and ensuring you **never forget an important item**.

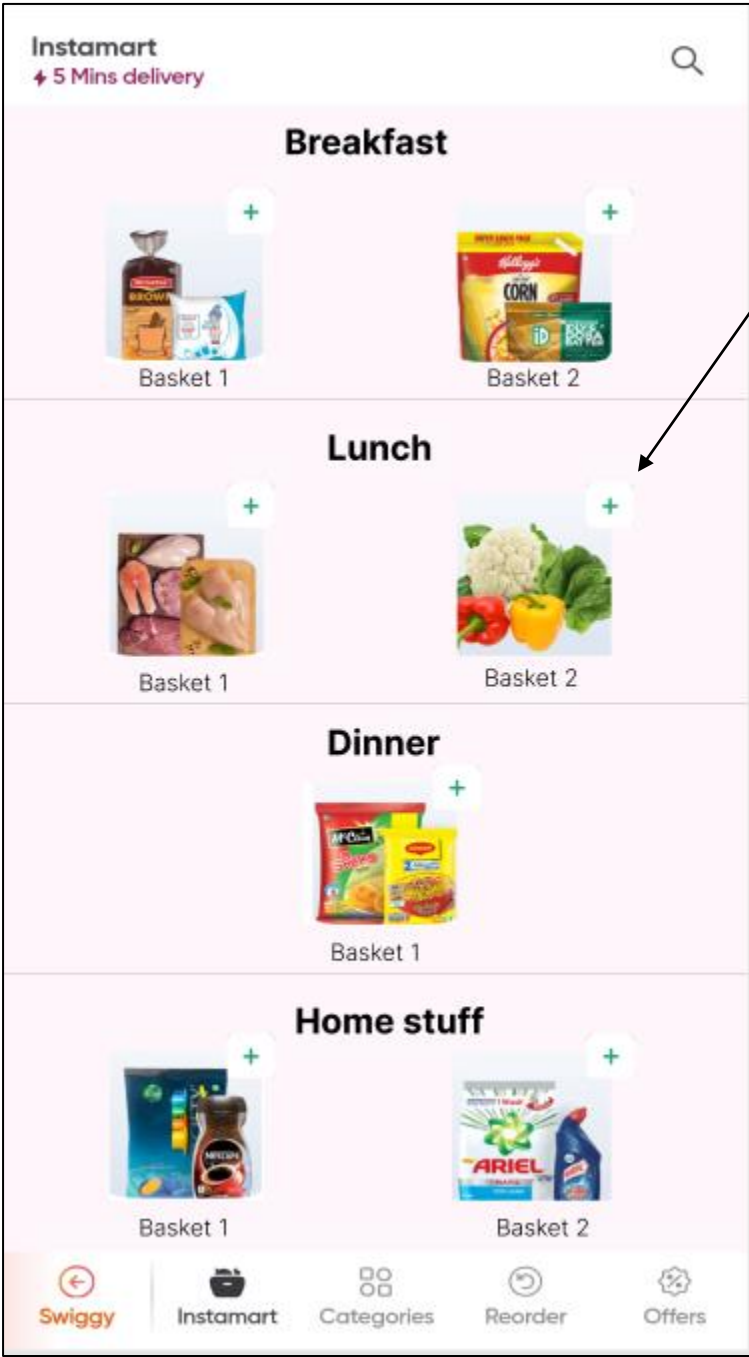
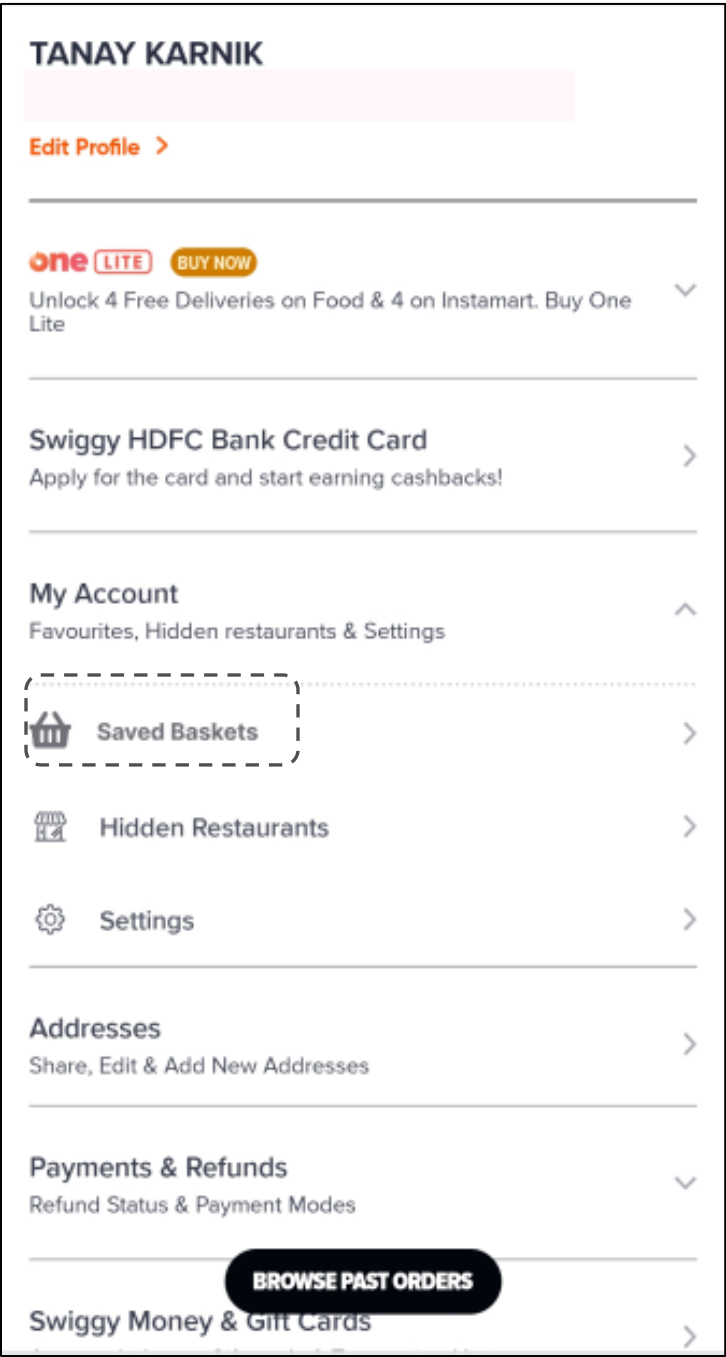
Placement improvement

Overlaying availability of high value items at a discount when user opens app



This will help to improve discovery of these on the app, & trigger purchase behavior

Saved Basket feature



Basket with multiple items can be directly added to cart for swift checkout

How will this improve the AOV?

By allowing users to save their preferred items into pre-saved baskets, the feature promotes regular bulk purchases, reduces the likelihood of missing items, and enhances convenience, leading to increased frequency and size of orders

FEATURE PRIORITIZATION

Following parameters are used for prioritization:

- Reach (per 100 people)
- Impact/Value creation - Scale of 1-5 with 5 being highest
- Confidence about impact - 0-100%
- Effort to implement/execute - Scale of 1-5 with 5 being highest
- Score = (Reach*Impact*Confidence)/Effort



Feature	Reach	Impact	Confidence	Effort	Score	Priority
Enhancing search functionality	75	4	80	3	8000	2
Instamart Bot (Cookmate)	70	3	70	4	3675	3
Category placement & Saved Baskets	90	4	80	2	14400	1

GTM STRATEGY / ROADMAP



1

Market research & analysis

- Identify the user segments and understand the pain points of each
- Surveys to understand what factors affect AOV – solutions are designed as per these inputs



3

Beta launch

- The features can be rolled out for ~5% of the audience, coupled with marketing efforts
- Collect performance data and user feedback to improve the user experience



2

Feature development

- Prioritize the features using RICE matrix
- Design and development of the features (Agile methodology - Scrum)
- Lay out the acceptance criteria and test cases for all user journeys (QA and UAT)



4

Final release

- Improvement of the beta version by incorporating the learnings
- Tracking of the success metrics defined
- Launch for the entire consumer base with updates prompted through push notifications



SUCCESS METRICS



Feature	Goal	Metrics to be tracked
Enhancing search functionality	Enhancing user experience by making the app easily navigable	<ul style="list-style-type: none">DAU/MAU ratio% users utilising the camera search featureChange in time spent from search to checkoutCSAT score, churn rate change
Instamart Bot (Cookmate)	Increase app engagement by implementing option for guidance to users (AI) & personalized choices	<ul style="list-style-type: none">Chatbot interaction, error rate, response time% increase in orders & value placed via add to cart from this chatCTR & user feedback for bot service
Category placement & Saved Baskets	Motivating users to by enhancing product discovery & reducing time to checkout	<ul style="list-style-type: none">D-7,D-30 retention ratesNPS, CSAT score changes% change in orders of higher value itemsNo. of saved baskets & order rate

Thank You for reading till the end

Instamart your favourite items right away!