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Understanding Quick-Commerce Models in India: Case Studies of Leading Firms

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ABSTRACT

This study examines how leading quick-commerce firms in India structure and operate their service models. Using a qualitative case study approach, the analysis focuses on three major platforms—Blinkit, Zepto, and Swiggy Instamart. The findings show that while all three firms rely on an inventory-led dark-store model, they differ in their strategic orientation. Blinkit emphasises speed and dense network expansion, Zepto prioritises operational efficiency, and Instamart builds on platform integration within Swiggy's delivery ecosystem. The study also identifies common constraints across firms, including high operating costs and dependence on metropolitan demand. The results contribute to understanding the varied pathways through which quick-commerce models are developing in India.

Keywords: *Quick commerce, dark stores, last-mile delivery, online retail, Indian e-commerce, service models*

Introduction

Quick commerce has become an important part of India's online retail sector. It offers very fast delivery of everyday goods through dark stores and technology-based fulfilment systems. This model has grown quickly in large cities where customers expect speed and convenience, and where demand is high enough to support frequent orders. The rise of smartphones, digital payments, and app-based shopping has also helped this format expand.

Although quick commerce has received wide attention in business news and industry reports, there is limited academic work that explains how these firms actually operate. We still do not fully understand how different companies design their delivery systems, manage dark stores, or build their service models. This gap makes it difficult to compare firms or to see how their strategies differ.

This study aims to fill this gap by examining three leading quick-commerce firms in India: Blinkit, Zepto, and Swiggy Instamart. The study uses a case-study approach based on reliable secondary sources. It looks at how each firm sets up its dark-store network, manages last-mile delivery, and positions itself in the market. The purpose is to understand how these firms interpret the quick-commerce model and how their approaches differ in practice.

By comparing these three cases, the study provides a clearer picture of the different quick-commerce models operating in India. It also highlights the common features that support this service model, such as micro-fulfilment and city-based demand, as well as the challenges that firms face. This understanding can help researchers and practitioners see how quick-commerce platforms evolve and how their strategies shape their growth.

Objectives of the Study

1. To examine how leading quick-commerce firms in India structure their service models.
2. To analyse the strategic approaches adopted by Blinkit, Zepto, and Swiggy Instamart.
3. To compare the similarities and differences across the three firms.
4. To understand the key challenges faced by quick-commerce firms in India.

Literature Review

Research on quick commerce has expanded across consumer behaviour, operations, sustainability, and urban planning. Several studies examine how delivery speed shapes consumer engagement. Harter, Stich, and Spann (2024) analyse delivery time as a key driver of repurchase behaviour and find that faster delivery improves customer trust and increases the likelihood of repeat purchases. Their study shows that delivery time is not only a logistical variable but also a behavioural factor that influences platform loyalty.

Other scholars explore how quick commerce affects the structure of cities and mobility systems. Buldeo et al. (2023) study the rise of dark stores in Paris and show that these micro-fulfilment centres reshape transport flows, increase small-vehicle movements, and alter neighbourhood dynamics. Their work highlights concerns related to congestion, noise, and land-use conflicts, suggesting that the rapid expansion of dark stores has broader social and spatial consequences.

Consumer experience within quick commerce platforms is also a major theme. Kapoor, Sindwani, and Goel (2023) investigate the service experience of quick-commerce users through a combined SEM and fsQCA approach. They report that convenience, delivery accuracy, and customer support strongly affect user satisfaction. Their findings also show that satisfaction is shaped by combinations of factors, rather than by single predictors, indicating that user experience is multidimensional.

Environmental sustainability is another area of concern. Sarkar (2024) evaluates whether quick-delivery models can be considered environmentally responsible. The study shows that frequent micro-deliveries increase emissions, energy use, and packaging waste. The author concludes that quick-delivery models are not inherently sustainable unless supported by green logistics practices.

Similarly, Son and Kwon (2023) analyse air-quality impacts linked to rapid delivery systems and propose spatial strategies to minimise pollution. They find that repeated short-distance trips by delivery vehicles intensify local emissions, especially in dense urban areas. Their study suggests that low-emission fleets, optimised routing, and urban planning reforms can reduce the environmental strain created by quick-commerce operations.

Methodology

This study uses a qualitative case study approach to examine how leading quick-commerce firms operate in India. Three major firms—Blinkit, Zepto, and Swiggy Instamart—were selected as the cases. These firms represent the largest and most active participants in the sector and provide sufficient publicly available information for systematic analysis.

The study relies entirely on secondary data. The analysis was conducted in two steps: individual case examination followed by cross-case comparison.

Blinkit Case Analysis

Blinkit is a leading quick-commerce firm in India and operates on an ultra-fast delivery model driven by a dense network of dark stores. The company became part of Eternal Ltd. (formerly Zomato Ltd.) in August 2022 after an all-stock acquisition valued at ₹4,447 crore (Zomato, 2022). This acquisition placed Blinkit within one of India's largest last-mile logistics ecosystems and strengthened its ability to scale.

Blinkit uses an inventory-led dark-store model, where fulfilment centres are positioned within 1–2 km of demand clusters. This arrangement reduces order-processing time and supports the firm's 10–20-minute delivery promise. According to an Economic Times report based on Bank of America Securities analysis, Blinkit operated approximately 1,750 dark stores in 2025, higher than Zepto and Swiggy Instamart, which each operated around 1,110 stores (Economic Times, 2025). The scale of dark stores contributes directly to Blinkit's market leadership.

Blinkit also demonstrated strong revenue performance after becoming part of Eternal Ltd. Medianama (2025) reports that Blinkit's net order value (NOV) reached ₹9,203 crore in Q1 FY26, representing a 127% year-on-year increase. These results indicate higher order volume and improved order repeat rates.

Market share data further highlights Blinkit's position within the quick-commerce category. As reported by the Economic Times (2025), Blinkit accounted for over 50% of the Indian quick-commerce market in 2025. This reflects the combined effect of store density, integration with Eternal's delivery fleet, and strong brand visibility in urban markets.

From a strategic perspective, three elements characterise Blinkit's operations.

First, its speed-centric positioning differentiates the platform in a competitive online grocery market. Second, the firm benefits from shared logistics and technology with Eternal Ltd., which improves delivery efficiency and reduces marginal cost per order. Third, Blinkit focuses on metropolitan and high-density zones, where order velocity is high enough to sustain dark-store operations.

However, Blinkit also faces challenges common to the quick-commerce sector. Operating a large network of dark stores increases fixed and operating costs. Further, profitability remains sensitive to average order value and delivery-fleet utilisation. Analysts cited in Moneycontrol (2024) note that quick-commerce firms continue to experience pressure on unit economics due to cost-intensive operations and aggressive competition.

Overall, Blinkit's case illustrates how service innovation, network density, and platform integration have shaped the growth of quick commerce in India. Its market position and operational scale provide a strong basis for comparing strategic differences with Zepto and Swiggy Instamart in the subsequent case studies.

Zepto Case Analysis

Zepto is one of the fastest-growing firms in India’s quick-commerce segment and has emerged as a major competitor to Blinkit in high-density urban markets. Founded in 2021, the company operates on a rapid-delivery model centred on dark stores. Its growth has been supported by strong investor confidence, a disciplined operating framework, and a clear focus on metropolitan demand clusters.

Zepto uses an inventory-led, micro-fulfilment model, similar to Blinkit. The company places dark stores within high-demand neighbourhoods to reduce delivery times. According to Economic Times, Zepto operated about 1,110 dark stores in 2025, which placed it slightly behind Blinkit but ahead of Swiggy Instamart in store count (Economic Times, 2025). This network size underscores Zepto’s focus on high-density markets such as Mumbai, Bengaluru, Delhi NCR, and Chennai.

Zepto has recorded strong financial momentum since 2023. Economic Times reports that the company achieved revenue growth of 140% year-on-year in FY24, supported by higher order frequency and larger customer acquisition in metro cities (Economic Times, 2024). Additionally, the firm has made significant progress towards profitability. As reported by Moneycontrol, Zepto reduced its cash burn by nearly 50% in early FY25, driven by higher store-level efficiency and improved operating margins (Moneycontrol, 2024). These improvements indicate a more measured scaling strategy compared with industry competitors.

Zepto’s strategic positioning differs in three ways.

First, the company emphasises operational discipline, especially in dark-store economics, which has allowed it to close underperforming stores early and reinvest in high-potential clusters. Second, Zepto has strengthened its technology-led operations through improved demand forecasting and fleet-routing systems. Third, the company markets itself heavily to younger, urban consumers who prioritise convenience and speed over extensive product assortment.

However, Zepto faces structural challenges similar to other quick-commerce firms. High fixed and variable costs in last-mile logistics continue to pressure profitability, particularly in categories with low retail margins. Further, despite strong metro performance, Zepto has limited presence in Tier-II markets, where demand density may not support its high-frequency model.

Overall, Zepto’s case highlights a rapid growth trajectory supported by disciplined scaling and operational optimisation. The company’s strategy offers a distinct point of comparison with Blinkit’s high-density expansion and Swiggy Instamart’s integration-focused approach.

Swiggy Instamart Case Analysis

Swiggy Instamart is a major participant in India’s quick-commerce market and operates as the rapid-delivery vertical of Swiggy, one of India’s largest food-delivery platforms. Instamart was launched in 2020 and expanded rapidly during the pandemic, leveraging Swiggy’s established last-mile delivery network and digital infrastructure. Its positioning differs from Blinkit and Zepto by integrating quick commerce into an existing, large-scale delivery ecosystem rather than operating as a standalone platform.

Instamart follows an inventory-led dark-store model, similar to Blinkit and Zepto, but benefits from Swiggy’s fleet capacity and routing algorithms. According to a report in Economic Times, Swiggy Instamart operated around 1,110 dark stores in 2025—comparable to Zepto and second to Blinkit’s larger network of 1,750 stores (Economic Times, 2025). This network scale illustrates Instamart’s extensive reach in metro markets while leveraging Swiggy’s delivery density.

Financial performance indicators suggest steady growth. As reported by Moneycontrol, Instamart recorded strong order-volume growth in FY24 and early FY25, supported by rising demand for essentials, snacks, beverages, and personal-care products in urban regions (Moneycontrol, 2024). Although Swiggy does not publicly disclose Instamart’s revenue separately, investor discussions cited by Medianama indicate that Instamart remains a significant contributor to Swiggy’s overall order volumes and is central to the company’s strategy for broadening beyond food delivery (Medianama, 2024).

Strategically, Instamart differs from Zepto and Blinkit in three areas.

First, Instamart leverages integration with Swiggy’s existing delivery fleet, enabling cost synergies and efficient order batching across food and grocery categories. Second, Instamart positions itself with a wider SKU assortment, offering more categories than Zepto and Blinkit, especially in snacks, home needs, beverages, fresh items, and personal care. Third, Swiggy’s loyalty program, Swiggy One, provides cross-category incentives that enhance customer retention across both food delivery and Instamart orders.

However, Instamart faces several operational challenges. Quick-commerce profitability remains constrained due to high fulfilment and logistics costs. Moneycontrol notes that Swiggy has reported ongoing pressure on its grocery and essentials vertical due to rising operating expenses and competitive pricing strategies in the sector (Moneycontrol, 2024). Additionally, Instamart competes against Blinkit’s speed-focused model and Zepto’s operational discipline, requiring continuous optimisation of dark-store operations, delivery routing, and inventory management.

In summary, Swiggy Instamart represents a hybrid quick-commerce model embedded within an established food-delivery ecosystem. Its strength lies in fleet integration and assortment breadth, whereas its challenges relate to cost efficiency and competitive positioning. Alongside Blinkit and Zepto, Instamart plays a central role in shaping India’s emerging ultra-fast retail ecosystem and forms a critical component of comparative analysis across the sector.

Cross-Case Comparative Analysis and Discussion

This cross-case analysis compares the three leading quick-commerce platforms on operational scale, business model, recent performance, strategic orientation, and core challenges. The aim is to identify where firms converge and diverge in their approaches to ultra-fast urban delivery, and to draw implications for service innovation and urban logistics.

Comparative Summary Table

Feature / Metric	Blinkit	Zepto	Swiggy Instamart
Business model	Inventory-led, dark-store micro-fulfilment; speed-centric (10–20 min).	Inventory-led, micro-fulfilment with emphasis on operational discipline and unit economics.	Inventory-led dark stores integrated with Swiggy's delivery platform; broader SKU range and cross-platform incentives.
Dark-store count (2025)	≈ **1,750** dark stores.	≈ **1,110** dark stores.	≈ **1,110** dark stores.
Market share (quick-commerce, 2025)	**>50%** in the 10-minute quick-commerce segment	Second-tier by share	Competes closely with Zepto; national share not separately disclosed by media.
Recent performance indicators	Net order value (NOV) **₹9,203 crore** in Q1 FY26; NOV growth **127% YoY**	Reported **140% revenue growth** in FY24; reduced cash burn (nearly **50%** reduction reported) by early FY25	Reported strong order-volume growth in FY24; revenue for Instamart not disaggregated publicly, but investor commentary indicates rising contribution to Swiggy's volumes
Strategic focus	Maximise throughput per dark store; deliver fastest fulfilment; leverage Eternal (Zomato) logistics.	Operational efficiency and measured scaling; focus on store-level economics and disciplined expansion.	Platform integration and assortment breadth; cross-selling with Swiggy food delivery and loyalty programs.
Key constraints	High fixed costs from dense dark-store footprint; metro concentration; pressure on unit economics.	Unit economics pressure despite efficiency gains; scaling to lower-density markets remains a challenge.	Profitability pressure due to wide SKU range and fulfilment costs; requires effective batching and fleet utilisation.

(Sources for table: Economic Times, 2025; Medianama, 2024–2025; Moneycontrol, 2024; Eternal Ltd., 2025.)

The cross-case comparison shows that while Blinkit, Zepto, and Swiggy Instamart share a common operational form—inventory-led dark stores—their strategic choices differ in emphasis: Blinkit on speed and density, Zepto on disciplined unit economics, and Instamart on platform integration and assortment breadth. These strategic differences shape marketing propositions, operational priorities, and prospects for sustainable profitability. For researchers and practitioners, the critical challenge remains translating rapid growth into resilient unit economics while expanding beyond dense metro clusters.

Conclusion

This study examined how three leading firms—Blinkit, Zepto, and Swiggy Instamart—structure and operate their quick-commerce models in India. The cases show that while all three firms use an inventory-led dark-store framework, their strategic approaches differ. Blinkit expands through network density and speed, Zepto through operational discipline and efficiency, and Instamart through platform integration within Swiggy's delivery ecosystem. These differences demonstrate that quick commerce in India operates through multiple firm-specific models rather than a single standard format.

The analysis also shows that quick-commerce operations are shaped by metropolitan demand concentration, technology-enabled fulfilment, and the ability to manage last-mile logistics at scale. At the same time, all firms face similar constraints, including high operating costs and dependence on dense urban markets. Overall, the case studies provide insight into how quick-commerce models are evolving in India and the strategic choices that define their growth.

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