

THE 10-MINUTE ECONOMY AND BEYOND

Quick commerce & Impact startups

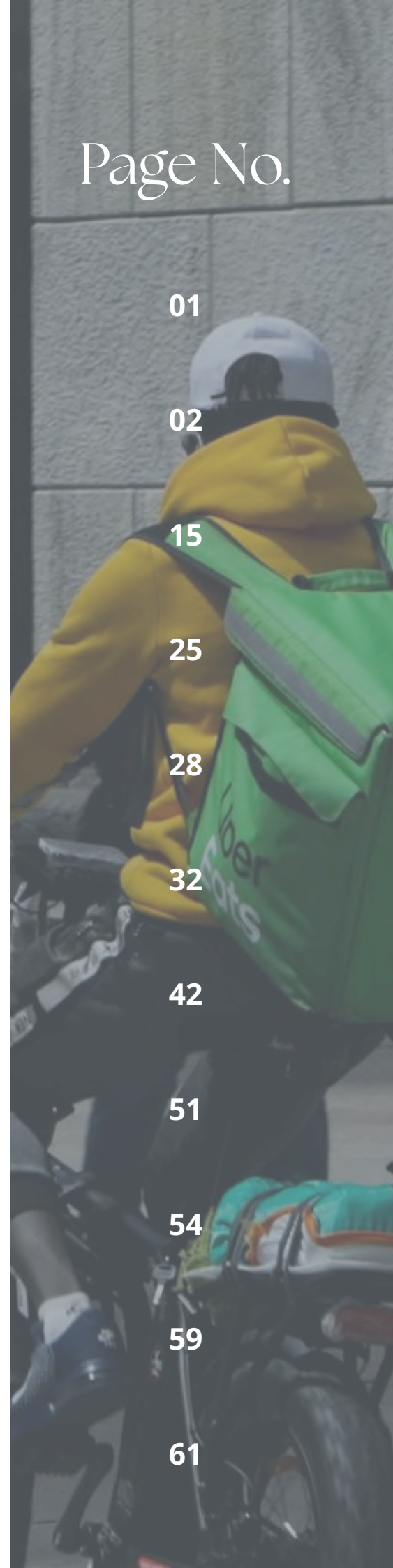
RESEARCH REPORT



TABLE OF CONTENTS

Page No.

1	SUMMARY	01
2	INTRODUCTION TO QUICK COMMERCE	02
3	NEURO MARKETING	15
4	INDIAN CONSUMER MINDSET	25
5	DIGITAL MARKETING TACTICS	28
6	SOFTWARE AS A SERVICE	32
7	AGRITECH AND CLIMATE TECH	42
8	DELIVERY PARTNER SURVEY ANALYSIS	51
9	CONSUMER SURVEY ANALYSIS	54
10	FUTURE OUTLOOK	59
11	BIBLIOGRAPHY	61



SUMMARY

01 OBJECTIVE

This report examines the evolving Indian consumer mindset and the growth of impact-driven startups across Social Impact, Agritech, Climate Tech, SaaS, and Neuromarketing. It analyses how consumer psychology, digital adoption, and economic factors influence business models, revenue strategies, and long-term sustainability, while identifying key trends, challenges, and success drivers in India's startup ecosystem.

02 METHODOLOGY

The study adopts a mixed research approach using secondary research, competitive benchmarking, and case study analysis. Industry reports, consumer surveys, and market data were reviewed to assess consumer behavior and sectoral trends. Case studies of selected Indian startups and comparative benchmarking with global and domestic players were conducted to evaluate business models, scalability, cost efficiency, technology adoption, and market positioning.

03 KEY FINDINGS

- Indian consumer spending remains necessity-led (39% obligatory, 32% necessity), but discretionary spending (29%), largely on lifestyle purchases (62%), is increasing with rising incomes.
- Price sensitivity is situational rather than dominant, with only 29% of consumers prioritising price over climate-tech funding rising 340% between 2022-25.

- Digital purchase decisions are heavily emotion-driven, with nearly 95% being subconscious and influenced by social proof, FOMO, and cognitive biases.
- The SaaS market has crossed USD 250 billion and is growing at 18-20% CAGR, with India emerging as a global hub projected to reach USD 50 billion by decade-end.
- Agritech and climate-tech remain underpenetrated, with 4,100+ agritech startups below 2% penetration and climate-tech funding rising 340% between 2022-25.
- Indian startups perform best with locally adapted, full-stack models, while gig delivery platforms face sustainability challenges due to workload intensity and rising attrition.

04 CONCLUSION

The report highlights India's evolving consumer mindset, where value, emotion, and experience increasingly shape decisions alongside price. Digital marketing success now depends on psychological alignment and brand consistency. SaaS has become foundational to business and innovation, while agritech and climate-tech address critical structural challenges. Indian startups perform best when solutions are locally adapted, scalable, and economically sustainable, reflecting a broader shift toward impact-driven growth.

Introduction to Quick Commerce

The quick commerce (Q-commerce) market in India has experienced exponential growth, expanding from \$100 million in 2020 to \$6 billion in 2024, and is projected to reach \$9.95 billion by 2029. This rapid rise highlights the sector's transformative role in reshaping how Indian consumers purchase daily essentials and convenience goods. Although Q-commerce finds its roots in traditional e-commerce, it has evolved into a distinct business model with unique operational characteristics from app functionalities to transaction processing. While e-commerce caters to a broad spectrum of goods and services, Q-commerce focuses exclusively on ultra-fast delivery, often within 10 to 30 minutes.

The promise of ultra-fast delivery has forced Q-commerce companies to abandon traditional warehouse systems located outside city limits. Instead, they rely on a dense network of micro-fulfillment centers (MFCs) or dark stores strategically placed within urban neighborhoods. This hyperlocal infrastructure enables rapid order processing and last-mile delivery. However, it also means that Q-commerce depends heavily on high-quality, recognizable products that customers trust. Unlike conventional e-commerce, it does not follow a "trial-and-return" model, returns and complaints are rare, as customers typically order familiar essentials and everyday items.

Conceptually, Q-commerce places no restriction on the type of products that can be delivered. The only constraint is proximity—the physical distance between the dispatch point (micro-warehouse) and the delivery location must be small enough to maintain promised delivery times.

The sector achieves cost efficiency by balancing delivery costs to be comparable with or even lower than standard courier services. This is made possible through redistribution of value among stakeholders, optimization of logistics and transport, automation and digitalization of front-end and back-end operations, and micro-scaling activities to minimize time and direct costs.

Q-commerce represents the third generation of digital trade, combining the convenience of e-commerce with the instantaneity of traditional brick-and-mortar retail. It merges online variety and competitive pricing with the immediacy of physical shopping experiences. The availability of same-day or even same-hour delivery options has significantly boosted consumer interest, engagement, and brand loyalty.

The COVID-19 pandemic played a crucial role in accelerating the growth of Q-commerce. Lockdowns, social distancing norms, and disruptions in traditional e-commerce channels altered consumer behavior dramatically. During this period, consumers increasingly turned to online grocery and perishable purchases, leading to an 80% expansion in online grocery sales in 2020, reaching USD 2.66 billion. This shift reflected a broader reallocation of household spending from lifestyle and fashion to daily essentials and hygiene products.

Consumer psychology plays a vital role in Q-commerce pricing strategies. Customers form price expectations based on historical prices and perceived value.

Customers form price expectations based on historical prices and perceived value. When consumers recall higher past prices, they tend to develop pessimistic expectations, which can reduce purchase intentions. To navigate this, Q-commerce companies must exercise pricing discretion, balancing affordability with profitability. In such a fast-paced environment, maintaining harmony between price competitiveness, service quality, and operational efficiency is essential for sustaining demand.

Delivery speed is a critical determinant of customer satisfaction and repeat purchase behavior. Late deliveries negatively affect consumer perception far more than early ones, emphasizing the need for precise logistics and reliable service. Furthermore, advanced logistics systems and predictive stocking techniques improve product availability and ensure consistent service levels. High customer satisfaction directly translates into brand loyalty, and positive service experiences often shape overall consumer attitudes toward the platform. Beyond operational performance, factors like app design, ease of navigation, and security assurance also significantly influence customer retention and long-term engagement.

Before the advent of quick commerce, only 33 percent of frequent users favored online platforms for their daily shopping. However, with its rise, this has soared to 87 percent. This serves as proof that India has emerged as a uniquely fertile ground for quick commerce (q-commerce), due to factors like high urban population density, low labor costs, rising disposable incomes, and widespread smartphone penetration.

The shift from traditional retail to e-commerce, then to same-day delivery, and finally to 10–30 minute deliveries, represents a steady compression of gratification time. Amazon Prime's one- or two-day delivery model played a pivotal role in creating the infrastructure and mindset for this transition. Where traditional retail competes on location and assortment, and e-commerce on price and breadth of selection, q-commerce introduces a new dominant variable which is immediacy. The promise of fulfillment within minutes has fundamentally reshaped consumer expectations and behavior.

Techniques Used by Quick Commerce to Influence Consumers

Q-commerce taps directly into the brain's reward system by providing near-instant gratification. The anticipation and rapid receipt of a product triggers dopamine release, reinforcing the act of instant purchasing and creating a powerful addictive loop. This neurological reaction is further intensified by hyperbolic discounting that is the tendency to prefer smaller, immediate rewards over larger, delayed ones. As a result, consumers are increasingly willing to pay higher delivery fees or accept limited product selection in exchange for the instant pleasure of having it now. Platforms employ urgency and scarcity phrases like limited edition, low stock, etc. to trigger FOMO. These cues generate emotional pressure and override rational thinking, compelling users to act immediately. Combined with frictionless purchasing, such tactics effectively short-circuit deliberation, making impulse buying the default consumer behavior. To aid this rapid purchase process, q-commerce platforms employ interactive tools such as recommendation engines and product comparison matrices.

These features reduce search time and simplify choices, enabling consumers to make quicker, seemingly efficient decisions. However, this frictionless experience enabled by one-click checkouts, auto-filled addresses, and stored payment details bypasses the more rational, deliberative parts of the brain.

Drawbacks and Deterrents

Instead of bulk monthly shopping, consumers now buy smaller quantities as needs arise. This behavior fuels impulse purchases and reduces the role of planning and budgeting in household spending. Q-commerce encourages on-demand consumption, making users more likely to indulge whims rather than make rational, planned decisions. Security and trust remain major factors influencing purchase behavior. Many users still prefer Cash on Delivery (COD) for reassurance, even though they are aware that platforms may collect more personal data than necessary. Despite such concerns, the convenience of q-commerce often outweighs hesitation. Consumers subconsciously perform a cost-benefit analysis when ordering through q-commerce. While the appeal of fast delivery motivates them to purchase, high delivery charges can act as a deterrent. The perceived trade-off between speed and cost thus becomes a critical factor in the decision-making process. Moreover, the rise of q-commerce has secondary effects on related markets. For example, consumers might substitute canned juice for fresh fruit due to immediate availability or reduce reliance on storage appliances as shopping becomes more frequent and less planned. This transformation subtly alters broader consumption and production patterns.

In traditional middle-class urban households, shopping was once a planned, weekly ritual a mix of necessity, budgeting, and family bonding. It promoted fiscal discipline, communication, and shared decision-making. Today, digital convenience has eroded these habits. Shopping is now individualistic, impulsive, and often credit-driven. Families increasingly function on deficit budgeting, buying products not out of need but because they are discounted or trending. The culture of prudence is being replaced by one of spendbriskness, a blend of speed and spending. Simultaneously, empathy toward gig workers has diminished. Delivery riders earning little are often blamed or abused for delays.

Q-commerce represents not just a technological evolution, but a psychological revolution in consumer behavior. By leveraging immediacy, it reshapes expectations, weakens fiscal discipline, and redefines the meaning of convenience. While it offers undeniable benefits like speed, ease, and accessibility, it also encourages impulsive spending, fosters emotional detachment from money, and erodes empathy.

Key Players

Blinkit, formerly known as Grofers, stands out as one of the earliest and most widely scaled players in India's quick commerce ecosystem. Backed by Zomato, Blinkit operates extensively across major metropolitan areas including Delhi NCR, Mumbai, Pune, Bangalore, Kolkata, Chennai, Hyderabad, and Jaipur. Its geographical reach extends to approximately 153 cities, with a deliberate focus on expanding into Tier 2 markets. This wide footprint gives Blinkit a scale advantage in demand aggregation and supplier negotiations.

The platform has achieved an average order value of around ₹660, indicating relatively higher basket sizes compared to pure-play metro-focused competitors. As of Q2 FY25, Blinkit is nearing operational breakeven, reporting an EBITDA downside of only ₹8 crore, reflecting improvements in unit economics, tighter cost controls, and a strategic shift toward profitability rather than aggressive discounting. Blinkit's rapid expansion is evident from the growth in its dark store network, which increased from 411 stores to 791 by September 2024.

Zepto represents a contrasting but equally influential model within the quick commerce landscape. Founded with a strong emphasis on ultra-fast delivery, Zepto primarily focuses on major metropolitan markets such as Bangalore, Mumbai, Delhi, Chennai, Hyderabad, and Pune. Unlike Blinkit's broader city strategy, Zepto's strength lies in its dense penetration of top-tier urban clusters. The company operates approximately 350 dark stores as of June 2024, each functioning as a micro-warehouse designed to serve a limited delivery radius. Zepto's average order value stands at around ₹450, reflecting its focus on high-frequency essential purchases rather than larger grocery baskets. Despite its strong consumer traction, Zepto continues to face profitability challenges, with FY24 losses amounting to ₹1,248 crore. However, investor confidence remains robust, as evidenced by its \$340 million funding round in August 2024, valuing the company at approximately \$5 billion.

Zepto's business model is built around micro-warehousing and technology-led logistics optimization. Strategically located dark stores enable rapid picking and dispatch of high-demand items.

Advanced data analytics are used to forecast demand, manage inventory levels, and reduce stockouts, which is especially critical for perishable goods. The company relies on a fleet of delivery partners, often using electric scooters, to ensure cost-efficient and environmentally conscious last-mile delivery. Customer experience remains central to Zepto's positioning, with a streamlined app interface, real-time tracking, and consistent delivery time promises. Competitive pricing and targeted promotions help attract users in an otherwise highly price-sensitive market.

Swiggy Instamart has leveraged the parent company's strong food delivery ecosystem and deep user base to scale its quick commerce operations. Operating in cities such as Bangalore, Gurgaon, Delhi, Mumbai, Pune, and Hyderabad, Swiggy Instamart currently serves around 100 cities, with announced plans to expand into an additional 32 cities by 2025. Its average order value of ₹499 positions it between Blinkit and Zepto, indicating a balanced focus on both essentials and convenience-driven add-on purchases. Swiggy Instamart benefits from shared logistics infrastructure, cross-platform user data, and brand trust built through Swiggy's core services. This integration allows more efficient customer acquisition and improved delivery density, although it also requires careful cost allocation across business verticals.

BB Now, operated by BigBasket, occupies a unique position in the quick commerce market due to its hybrid model. Unlike newer quick commerce-only players, BigBasket already has a pan-India grocery supply chain and established customer relationships.

BB Now operates across all major metropolitan areas and leverages BigBasket's national warehousing and supplier network. With an average order value of approximately ₹850, BB Now caters to relatively larger baskets and more planned purchases, even within a fast delivery framework. This higher order value provides some cushion against thin margins, although speed expectations are typically lower than ten-minute delivery promises made by Zepto.

The competitive landscape is further evolving with the entry of fashion and beauty-focused quick commerce models such as Myntra M-Now, Nykaa Now, and Slikk. These players are experimenting with rapid fulfillment of non-grocery categories, testing whether the quick commerce promise can extend beyond essentials into discretionary consumption. While still emerging, these models signal a potential broadening of the quick commerce definition, especially in high-density urban markets.

Challenges facing the quick commerce industry

Despite strong growth, the quick commerce industry faces structural challenges that affect all major players. Operational expenditure remains extremely high due to the costs associated with setting up and maintaining dark stores, paying delivery partners competitive wages, and sustaining fuel and maintenance expenses. The promise of ten to twenty minute delivery requires a dense and expensive infrastructure that places constant pressure on margins. Aggressive discounting, used to acquire and retain customers, further compresses profitability, making non-profit margins a persistent concern.

Infrastructure limitations in Indian cities compound these operational challenges. Severe road congestion in metropolitan areas, narrow streets, informal urban layouts, and overhanging structures complicate last-mile delivery. Extreme weather conditions such as heatwaves and monsoons disrupt delivery timelines and increase operational risk. These factors make consistency in service levels difficult, especially during peak demand hours.

Unit economics remain a core concern across the sector. Groceries and daily essentials typically carry low margins, and the high burn rate associated with rapid expansion intensifies financial pressure. Customer loyalty is weak, as users frequently switch platforms based on discounts and marginal differences in delivery time. Competition from Swiggy Instamart, BB Now, Zomato-backed Blinkit, kirana stores, and new entrants creates a crowded and price-driven marketplace.

Regulatory and compliance challenges also play a growing role. Evolving labour laws governing gig economy workers could increase costs through mandated benefits or stricter working condition norms. Compliance with food safety regulations, particularly FSSAI requirements for perishable goods, adds operational complexity and monitoring costs on a daily basis.

Blitzscaling

The concept of blitzscaling originates from a strategic mindset that prioritizes rapid expansion even at the expense of short-term efficiency. The term draws intellectual parallels to the military concept of blitzkrieg, where armies carried only essential supplies so they could move at unprecedented speed and overwhelm opposition. In blitzkrieg, once forces committed to a direction, they either won decisively or lost catastrophically.

In the context of startups, blitzscaling describes a similar high-risk, high-reward approach where companies accelerate growth with urgency, accepting elevated risk and short-term losses to secure dominant market positions. This approach is particularly relevant in sectors where scale itself creates value or competitive advantage, such as marketplace platforms, payment networks, and global commerce systems. For marketplaces like eBay to function effectively, they require both large numbers of buyers and sellers to participate. Networks like LinkedIn only become valuable once millions of users are connected. E-commerce and payment businesses often rely on high volumes to offset low margins. In environments that are global and constantly evolving, direct competitors may not even be immediately obvious, further fueling the drive to rapidly capture market share.

In quick commerce, blitzscaling has been one of the defining strategic frameworks shaping industry behavior. Quick commerce companies have tended to prioritize growth far ahead of profitability, focusing almost exclusively on scaling operations, expanding to new cities, and accumulating as many active customers as possible. This aggressive focus on expansion over unit economics reflects the belief that once a critical mass of users and delivery density is achieved, the business will naturally evolve toward profitability. The early stages of growth in quick commerce display classic blitzscaling traits. Companies raise massive amounts of venture capital and use those funds to open dense networks of micro-fulfillment centers or dark stores, hire large fleets of delivery personnel, and subsidize customer orders through steep discounts and free deliveries.

Concerns have been raised about the financial sustainability of this model. While it is not unusual for startups to tolerate early losses, the prioritization of growth has led many quick commerce firms into a position where customers are reluctant to pay the full cost of service. Deep discounts and waived delivery fees attract customers, but they also erode profit margins. In this intensely competitive environment, customer loyalty tends to be weak, with users frequently switching platforms based solely on which offers the lowest prices or fastest delivery. This dynamic has created a market where sustaining steep reductions is essential for retention, yet inherently unprofitable once external funding diminishes.

The economic realities of quick commerce make these sustainability challenges particularly stark. A typical quick commerce order often involves a basket size in the range of ₹250 to ₹500. Logistics costs alone can range from ₹50 to ₹70. When discount and marketing subsidies are factored in, these can add another ₹80 to ₹100 to the cost structure. Gross margins on the goods themselves are often only ten to fifteen percent, which might generate a maximum of ₹75 on a ₹500 order.

When compared to the combined cost burden, the company often loses over ₹150 on every such transaction. In practice, this means that even high order volumes can fail to translate into profitability. The pattern that emerges in the quick commerce playbook thus follows a predictable cycle. Firms raise significant venture capital. With that capital, they aggressively acquire customers at any cost.

metrics rather than profit. They use impressive growth figures to secure further investment. The eventual strategy often involves selling the company or pursuing an initial public offering before the broader market fully recognizes the weaknesses in the unit economics. This sequence reflects the fundamental dilemma of blitzscaling when applied to a business model with thin margins and high operating costs.

Operational costs in blitzscaled quick commerce ventures are inherently intensive. Establishing and maintaining an extensive network of dark stores in high-density urban locales is expensive. These micro-warehouses improve responsiveness and delivery speed, but they require significant capital outlays for real estate, stocking, and staff oversight. Deliveries fulfilled within compressed time windows also require large fleets of delivery personnel operating continuously throughout the day. The cumulative effect of these costs has delayed many companies' paths to profitability, causing firms to push back breakeven timelines repeatedly. Venture capital dependence exacerbates this challenge. The aggressive expansion strategy relies on continuous external funding. When venture capital inflows slow, the sustainability of the business becomes tenuous, as highlighted by the collapse of early quick commerce ventures that could not sustain growth without fresh capital injections.

Beyond the financial and operational constraints, quick commerce blitzscaling raises broader societal and environmental concerns.

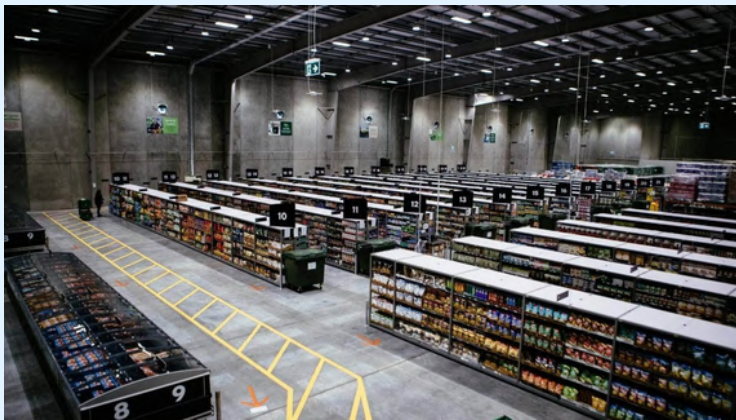
Frequent short-distance trips by delivery vehicles can lead to increased carbon emissions relative to more consolidated e-commerce delivery patterns. Some analyses have projected that delivery traffic emissions could rise substantially as quick commerce activity grows. Rapid fulfillment of single orders often generates excessive packaging waste, as speed takes precedence over sustainable or recyclable materials. Large fleets of delivery riders also contribute to urban congestion in already crowded metropolitan transportation networks.

Social and ethical issues further complicate the picture. The intense pressure to meet ultra-fast delivery targets has contributed to unsafe working conditions and inadequate social protections for many gig workers. The fixation on speed and volume places delivery personnel under continuous stress, while providing limited job security or benefits. Smaller traditional retailers, particularly kirana stores that once served as community retail hubs, face existential pressure from quick commerce platforms that can subsidize prices and undercut local businesses without bearing the same long-term cost structures.



Despite these challenges, there are pathways that could align quick commerce more closely with sustainable business practices while preserving the core objective of rapid delivery. Increasing the average order value is one strategy that companies are actively pursuing. Larger baskets spread the fixed delivery and handling costs over more revenue, improving unit economics

Building denser networks of dark stores in concentrated urban areas can also improve delivery efficiency, reducing travel times and operational overhead.



Introducing high-margin private label products represents another method to enhance profitability. These products can offer better margins than third-party goods and strengthen customer loyalty to the platform. Diversifying revenue streams by incorporating in-app advertising or promotional placements can supplement income generated from core delivery services, creating additional value beyond direct transaction revenue.

Operational optimization remains a central pillar of sustainable transformation. Advances in logistics algorithms, real-time inventory management, and predictive demand forecasting can reduce waste, improve stocking accuracy, and streamline delivery assignments.



These improvements do not immediately guarantee profitability, but they contribute to long-term cost containment and service reliability. Strategic partnerships with local retailers or integration with traditional supply chains can also bridge the gap between rapid delivery and community economic support, potentially reducing the adverse impact on kirana stores while preserving consumer choice and convenience.

Overall Satisfaction and Worker Sentiment

Employment growth in quick commerce has been rapid but uneven. Industry estimates suggest that India's major quick commerce platforms collectively employ or engage more than 4–5 lakh delivery partners across metropolitan and Tier-1 cities. In cities like Bengaluru, Delhi NCR, and Mumbai, rider density has increased sharply, especially after 2021. During peak hours, certain localities report one delivery rider for every 150–200 households, highlighting how labour availability is central to maintaining delivery promises.

However, income distribution among riders remains highly skewed. Survey-based studies show that a significant proportion of delivery workers earn between ₹18,000 and ₹25,000 per month, assuming consistent high-hour engagement. Earnings drop sharply for riders working fewer hours or operating in lower-density zones. This variation reinforces income instability, even when average earnings appear competitive on paper.

Attrition rates further reflect instability. Industry reports indicate annual rider attrition rates exceeding 60–70 percent, far higher than traditional retail or logistics roles. High churn reduces training costs for platforms in the short run but weakens workforce experience and service consistency in the long run.

Gig Work and Algorithmic Management

Unlike traditional employment supervision, quick commerce relies heavily on algorithmic management. Delivery assignments, incentive structures, and performance evaluations are automated. Riders rarely interact with human supervisors, instead responding to app notifications and dynamic targets.

Employment growth in quick commerce has been rapid but uneven. Industry estimates suggest that India's major quick commerce platforms collectively employ or engage more than 4–5 lakh delivery partners across metropolitan and Tier-1 cities. In cities like Bengaluru, Delhi NCR, and Mumbai, rider density has increased sharply, especially after 2021. During peak hours, certain localities report one delivery rider for every 150–200 households, highlighting how labour availability is central to maintaining delivery promises.

However, income distribution among riders remains highly skewed. Survey-based studies show that a significant proportion of delivery workers earn between ₹18,000 and ₹25,000 per month, assuming consistent high-hour engagement. Earnings drop sharply for riders working fewer hours or operating in lower-density zones. This variation reinforces income instability, even when average earnings appear competitive on paper.

Attrition rates further reflect instability. Industry reports indicate annual rider attrition rates exceeding 60–70 percent, far higher than traditional retail or logistics roles. High churn reduces training costs for platforms in the short run but weakens workforce experience and service consistency in the long run.

Impact on Kirana Stores and Local Retail (Market Share Shifts)

Before the rise of quick commerce, kirana stores accounted for nearly 90 percent of India's grocery retail. While they still dominate in aggregate, their share in dense urban pockets has begun to decline. Estimates suggest that in metro cities, quick commerce platforms now capture 8–10 percent of daily convenience purchases,

particularly for packaged foods, beverages, and personal care items.

This shift affects revenue composition rather than total survival. Kiranas increasingly depend on bulk purchases and loyal customers, while losing high-margin impulse sales. For example, products like snacks, soft drinks, and instant foods, once strong drivers of spontaneous in-store purchases, now form a large share of quick commerce orders.

Platform-kirana partnerships, where stores act as fulfilment points, cover only a small fraction of total kirana outlets. Less than 5 percent of kirana stores are formally integrated into platform supply chains, indicating limited scalability of collaboration models.

Cost Structure and Unit Economics

Quick commerce economics are heavily shaped by order size and delivery cost. Average order values across platforms range between ₹400 and ₹650, while last-mile delivery costs alone often fall between ₹50 and ₹80 per order. Dark store operating costs, including rent, utilities, and staffing, add further pressure.

Gross margins on grocery items remain low, typically between 10 and 15 percent. This means that platforms rely on high order frequency rather than margin expansion. To offset costs, companies focus on increasing order density per dark store. A dark store serving fewer than 800–1,000 orders per day struggles to achieve breakeven.

Private labels have emerged as a partial solution. These products offer margins of 20–30 percent, significantly higher than branded goods. However, private labels currently account for a limited share of total sales, as consumer trust remains stronger in established brands.

Regulatory and Policy Pressures (Emerging Trends)

Regulatory scrutiny around gig work has increased steadily. Policy discussions around mandatory insurance coverage, accident compensation, and minimum earning guarantees for gig workers are gaining momentum. Even small regulatory changes could increase platform costs by 5–10 percent, significantly affecting already thin margins.

Food safety compliance also adds recurring costs. Each dark store must adhere to FSSAI standards, including regular inspections and staff training. With platforms operating hundreds of such stores, compliance becomes a daily operational concern rather than a one-time cost.

Competition authorities have also begun monitoring sustained discounting. While no direct action has yet reshaped the sector, ongoing scrutiny introduces uncertainty around long-term pricing strategies.

Expansion Beyond Groceries: Performance Indicators

Early experiments in fashion and beauty quick commerce show mixed results. While delivery times remain fast, return rates are significantly higher than in grocery categories, sometimes exceeding 25 percent. This erodes cost efficiency and highlights why speed alone cannot compensate for product evaluation needs.

Repeat purchase rates in non-grocery quick commerce remain lower than essentials, indicating weaker habit formation. This suggests that the model performs best where urgency and repeat demand align.

delivery efficiency. Even small disruptions can affect delivery promises, making infrastructure reliability a critical but uncontrollable variable in the business model.

Unit Economics at the Order Level

Quick commerce economics are shaped by narrow margins and high variable costs. A typical order involves picking, packing, and last-mile delivery, all within a compressed time window. Delivery costs alone account for 12–18 percent of order value in many cases. When combined with packaging, payment processing, and customer support costs, operational expenses rise quickly.

Gross margins on groceries remain thin. Most fast-moving consumer goods offer margins between 8 and 15 percent, leaving limited room for error. Platforms attempt to offset this by increasing order frequency rather than order size, but this approach amplifies delivery costs.

To improve economics, platforms focus on order clubbing, where a single rider completes multiple deliveries in one route. However, the scope for such optimisation is limited by strict delivery time commitments. As a result, efficiency gains remain incremental rather than transformative.

Competition and Platform Switching

Competition in quick commerce is intense, with minimal switching costs for consumers. Surveys indicate that more than 60 percent of users keep multiple quick commerce apps installed and choose platforms based on discounts, delivery time estimates, or availability of specific items. Brand loyalty is weak, especially when price differences are small.

This competitive environment leads to aggressive promotional strategies. Free delivery thresholds, cashback offers, and time-bound discounts are used to retain users. While these tactics boost order volumes, they also delay profitability. The competitive equilibrium often results in all players offering similar incentives, reducing differentiation.

Platform switching behaviour highlights a core challenge. Growth is not constrained by demand, but by economics. Even with strong user engagement, sustaining margins remains difficult when consumers treat platforms as interchangeable.

Environmental and Logistical Implications

Quick commerce has distinct environmental implications compared to traditional e-commerce. Orders are smaller and more frequent, leading to higher packaging usage per unit of consumption. Single-item or two-item orders generate disproportionate packaging waste, especially when speed is prioritised over material efficiency.

Delivery traffic also increases. Multiple short-distance trips replace fewer consolidated deliveries. While some platforms use electric vehicles to reduce emissions, overall traffic density in urban areas rises. Estimates suggest that quick commerce deliveries can increase delivery vehicle movement by 20–30 percent in dense neighbourhoods.

These effects are not immediately visible to consumers, but they contribute to long-term sustainability concerns. Environmental efficiency becomes harder to achieve when speed dominates optimisation decisions.

Where Quick Commerce Stands Today (Numbers Tell the Story)

India's quick commerce market has grown from under \$1 billion in 2020 to an estimated \$6–7 billion by 2024. Growth remains strong, but losses persist. Most major players continue to report negative EBITDA, with profitability timelines repeatedly extended.

Consumer adoption is high, but loyalty remains price-sensitive. Surveys show that over 70 percent of users switch platforms based on discounts or delivery time differences of just a few minutes. This makes sustained profitability difficult without structural change.

Quick commerce has proven demand. What remains uncertain is durability. The next phase will depend less on expansion speed and more on economic discipline, regulatory clarity, and workforce sustainability.

Consumer Behaviour Shifts and Order-Level Data

One of the strongest indicators of quick commerce adoption is not user growth, but how ordering behaviour has changed over time. Platform-level data shows that a majority of active users place orders multiple times a week rather than once or twice a month. In metro cities, frequent users place an average of 12–15 orders per month, compared to 3–4 monthly grocery trips in traditional retail formats. This shift indicates that quick commerce is not replacing monthly shopping, but fragmenting it into smaller, repeated transactions.

Order size data further supports this pattern. Across platforms, a large share of orders fall below ₹500, with many transactions clustered in the ₹250–₹400 range.

These low-value orders are often need-based rather than planned, such as missing ingredients, late-night snacks, or last-minute household items. The psychological cost of placing such orders is low, especially when delivery is fast and payment is frictionless.

Repeat behaviour is also shaped by habit formation. Once users begin relying on quick commerce for small gaps in consumption, they are less likely to return to planned bulk shopping for those categories. Over time, this creates a steady baseline of demand that platforms depend on more than new user acquisition.

Dark Store Density and Urban Infrastructure

The viability of quick commerce depends heavily on dark store density. In high-performing urban zones, platforms operate one dark store for every 2–3 square kilometres. This density ensures delivery timelines under fifteen minutes while keeping rider travel distances short. Cities with irregular layouts or lower population density struggle to support this model, which explains why expansion beyond Tier 1 cities has been selective.

Real estate costs form a significant part of operational expenditure. Dark stores are typically located in mixed-use or residential areas where rents are lower than high-street retail but higher than peripheral warehouses. Monthly rental costs for a single dark store can range between ₹1.5 lakh and ₹3 lakh, depending on location. These fixed costs create pressure to maintain high order volumes consistently. Urban infrastructure further affects performance. Traffic congestion, narrow roads, and parking limitations reduce

Financial Sustainability and Capital Dependence

Despite strong revenue growth, most quick commerce platforms continue to rely on external funding. Cash burn remains high due to infrastructure expansion, incentives, and operational losses. While some players report improving unit economics in mature zones, profitability remains uneven across cities.

Breakeven timelines vary widely. Dark stores in high-density areas may approach breakeven within 18–24 months, while newer locations often operate at a loss for longer periods. This creates internal cross-subsidisation, where profitable zones support expansion elsewhere.

Dependence on venture capital also shapes strategic decisions. Growth metrics often take precedence over cost discipline, particularly during fundraising cycles. As funding conditions tighten, platforms face pressure to rationalise expansion and focus on sustainable operations.



Long-Term Outlook and Structural Limits

Quick commerce has demonstrated clear consumer demand and behavioural change. However, its long-term sustainability depends on structural adjustments rather than incremental improvements. Raising average order values, increasing private label penetration, and optimising dark store networks are necessary but not sufficient on their own.

The model works best in dense urban environments with predictable demand patterns. Beyond these zones, economics weaken. This suggests that quick commerce may remain an urban-centric solution rather than a universal retail replacement.



Ultimately, the future of quick commerce in India will depend on whether platforms can reconcile speed with efficiency. The challenge is not proving demand, but proving durability.

Neuro Marketing

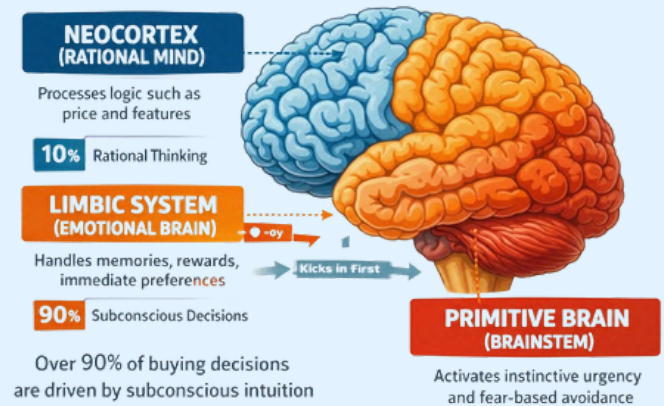
Introduction

Consumer decisions are not rational. Their roots are emotional, psychological and profoundly social. The brain absorbs emotional input at 3000 times the speed of rational thought. Emotions drive purchase decisions before the rational mind gets involved. It reimagines entirely competitive strategy for an entrepreneur or a startup: The winners are not the ones with the lowest prices or most gut-busting ads, but rather, the ones who best understand the psychology of perception, identity and belonging. Integrating neuroscience, behavioral economics and marketing psychology, this book shows why it can often pay for companies to lose the price wars. Where would we be unless somebody sold something?

Neuro-Marketing: How the Brain Makes Buying Decisions

Neuro-marketing explains how there are three different parts of the brain that operate (logically) in a structured hierarchy to make that happen. The neocortex (rational mind) processes logic such as price and features. The limbic system (emotional part of the brain) handles memories, rewards, and immediate preferences. The primitive brain (brainstem) activates instinctive urgency and fear based avoidance. Also crucially, the limbic system kicks in first – arriving at instant conclusions on little more than intuition – and only later does the neocortex engage to rationalize what’s already been decided emotionally.

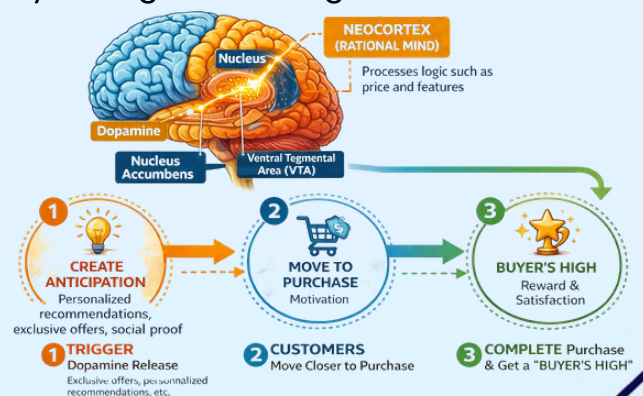
This hierarchy has profound implications. More than 90% of buying decisions are made at the subconscious level, that's why rational arguments (feature lists, comparisons) only impact to some 10% of our brain's power to decide.



The Dopamine-Reward System

The reward system of the brain, which includes the nucleus accumbens and ventral tegmental area, is activated by dopamine, the neurotransmitter responsible for motivation and expectation. It's not at the time of purchase, it's when you see everyone reacting to what you've done. This results in a neurochemical chain that savvy brands harness: create anticipation; dopamine release is triggered → customers move closer to purchase → complete the purchase and get the "buyer's high."

The dopamine system activate on all sorts of triggers, such as personalized recommendations and exclusive offers—basically, social proof (people buying) exclusivity and brand-customer identity fit. Knowing the triggers for dopamine in your specific customer profile is fundamental to psychological leverage.



Emotional Processing Precedes Rational Justification

Studies show that brand preference is produced by activation of the same areas in the brain that are activated when one thinks about their favorite person. This is why consumers become extremely loyal to some brands because they are not just purchasing products over here, but getting in touch with the extensions of who they are. The consumer experiences those rewarding dopamine hits when the brand matches their identity, and the rational mind comes up with justifications after the fact: “Oh, I buy this brand because it’s better quality,” (when really the core driver was “this brand makes me feel like the kind of person I want to be”).

Emotions as the Real Drivers of Consumption

Traditional marketing favours product attributes, but behavioral psychology proves that particular emotions predict purchase habits much better than traits. Studies among Indian consumers have revealed **five key emotional drivers**: trust, nostalgia, aspiration, belonging and identity.

a. Trust and Social Proof

Trust is the currency on which all buying decisions are premised—particularly in nascent markets or for unknown brands. When consumers are subject to a degree of uncertainty, they will naturally resort to social proof—watching what others do in order to lower decision risk. In India, social proof flows in many directions: from ‘word of mouth’ to influencer endorsement, families talking to families and consumption signals by reference groups.

The biological explanation is that when we see someone making a choice, the same mirror neurons in our own brain light up, and we feel what they feel; it’s as if the other person’s emotions were contagious. Although this is almost surely a subconscious process, when one views an advertisement of someone smiling (thus activating their mirror neurons) whether one knows that person or not, they will soon feel joy without consciously realizing it, and thus associate the product with such good feelings. That is why influencer marketing succeeds over traditional celebrities in terms of conversion — they produce stronger mirror neuron responses by way of perceived authenticity and relatability.

b. Nostalgia and Cultural Belonging

Nostalgia works differently in the Indian market compared to Western markets. Indian nostalgia is a collective, not personal, feeling — one grounded in generational clichés: **Doordarshan cartoons**, obsession with cricket and Bollywood. Brands that tap into these shared memories bypass individual skepticism and connect at the cultural level.

The Indian beverage company, **Paper Boat** managed to disrupt the market in India by using nostalgia for beverages that have been traditional and ethnic combined with healthy. The brand wasn’t in a battle over price, or for visibility, but about the sentiment of authenticity, reminding consumers of their grandmothers’ homemade recipes and childhood memories linked to seasonal fruits. With this emotional positioning, Paper Boat was able to charge higher than industry average and gain market share fast — a clear indication that emotional connection beats the price sensitivity when nostalgia is the protagonist.

c. Identity and Aspirational Consumption

Consumers purchase not to fulfill functional needs, but to construct and communicate their identity to themselves and others. This is why identical products at vastly different price points (e.g., a ₹500 t-shirt vs. a ₹5,000 designer t-shirt) serve the same functional purpose but satisfy entirely different psychological needs. The premium purchase communicates identity: "I am the kind of person who appreciates quality/luxury/craftsmanship."

d. Emotional Justification Bias

Once an emotional decision is made, the rational mind works backward to construct convincing justifications. Consumers will explain their purchase through rational attributes they never consciously evaluated. This is why post-purchase messaging matters: providing rational-sounding justifications (sustainability certifications, quality metrics, expert endorsements) helps resolve cognitive dissonance and strengthens emotional commitment. The justification doesn't drive the purchase; it reinforces it after the emotional decision is made.

Psychological Biases and Cognitive Shortcuts

Humans are not rational optimizers; they are cognitive misers (Instead of carefully thinking through every situation, we often use shortcuts to make quick judgments and decisions.), using mental shortcuts (heuristics), Stereotypes, Past experiences First impressions to reduce decision burden. The following biases predictably shape consumer choices:

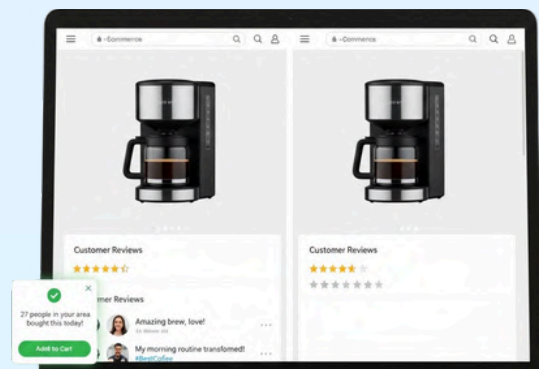
a. Anchoring Bias

The first number consumers encounter becomes a reference point that disproportionately influences all subsequent judgments. If a retailer displays an original price of ₹5,000 next to a sale price of ₹2,999, the ₹5,000 anchor makes the sale price feel like a steal, even if the original price was artificially inflated and never intended to be the actual price.

For startups, anchoring can be weaponized through strategic comparison pricing: position your product's value relative to premium incumbents (even if those incumbents are not direct competitors), and your price feels justified. Simultaneously, avoid anchoring yourself to discount competitors—instead, anchor to quality leaders.

b. Social Proof and Consensus

People tend to view the opinion of the majority as the best course of action, especially when there are a lot of unknowns present. One of the best examples of this is how effective real-time sales notifications are. Messages like "37 people bought this today" are proven to increase conversion rates because of the consensus heuristic. Additionally, the presence of reviews, testimonials, and **user generated content (UGC)** influenced potential buyers because all of this content showed people that others had already "approved" this purchase.



c. Scarcity and Loss Aversion

Psychologists have shown that perceived scarcity increases loss aversion - consumers worry about losses more than they get excited about gains (i.e., a loss of \$20 is perceived as more impactful than a gain of \$20). Scarcity messages cause a fear of missing out, which shapes consumers of rational thinking. Studies show that scarcity increases activity in the brain's value and emotional processing centers, which leads consumers to value limited opportunities more than they should.

More importantly, the perception of scarcity, whether true or false, creates the same neural response. Saying, 'Only 3 left in stock' creates a reason to act quickly, regardless of whether the scarcity is real or a system-generated simulation. When new businesses have stock limitations (which is frequently a shortage, not a strategy), they can gain a competitive edge by communicating stock limitations instead of viewing it as a disadvantage.

d. Framing and Context Effects

How information is presented dramatically alters decisions, even when the objective facts remain identical. Describing a product as "95% customer satisfaction" feels qualitatively different from "1 in 20 customers unsatisfied," even though both statements are mathematically equivalent. Similarly, emphasizing gains ("Save ₹1,000!") produces different responses than emphasizing losses ("Don't miss this ₹1,000 discount").

e. Decision Fatigue and the Default Effect

Too many choices can result in cognitive overload and decision paralysis. When customers are faced with too many options, they tend to stick to their default choices or even abandon their purchase altogether. A simplification of decision-making is more effective than providing customers with numerous options and can lead to increased conversions and more highly satisfied customers. Such simplification can be achieved through the use of smart defaults, curated recommendations, and segmentation.

A prime example of effective decision fatigue reduction is the use of AI in personalized recommendations. For instance, rather than providing customers with the choice of 50,000 beauty products, Nykaa only suggests 10 to 15 products by taking into account prior browsing behavior and preferences. This strategy, aimed at reducing cognitive load, contributed to an extraordinary 30% growth in repeat purchases in FY2023.



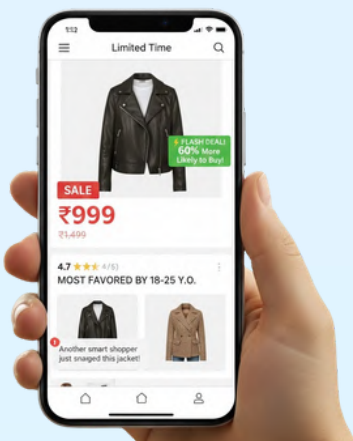
Psychological Pricing and Value Perception

Price is not a rational signal; it's a psychological signal that conveys quality, prestige, trust, and brand positioning. Understanding pricing psychology allows entrepreneurs to increase perceived value without raising costs.

Charm Pricing and the Left-Digit Effect

An example that's most likely to be encountered is charm pricing. This is where ₹999 is used rather than ₹1,000 or ₹49 rather than ₹50. These consumers fixate on the first number, meaning that ₹999 is ₹9XX as opposed to ₹1,000. Out of 100 respondents, 30 of them said they disagreed that charm pricing affects them and still, out of people aged 18-25, charm pricing was the most favored. This shows that it is not about 1 rupee, rather, it is about the left effect showing a categorical difference. There is an underlying psychology to it, saying that it is a deal or a lower amount.

Importantly, charm pricing is not about saving one rupee; it's about exploiting the left-digit effect to create a perception of category difference. ₹999 "feels" like a deal because the first digit is lower, triggering the heuristic that this price is fundamentally more affordable than ₹1,000. Studies show charm pricing can increase sales by up to 60% for some product categories.



Reference Pricing and Quality Inference

Consumers tend to use price as a means to judge the quality of a product as they have no other objective ways to assess quality. Thus, if a product priced at ₹999 is compared with an identical product priced at ₹2,999, consumers will infer that the product priced at ₹999 is of lower quality. Price, after all, represents prestige, craftsmanship, and exclusivity. Therefore, the price-quality. Research suggests that competitors may price their product lower than others in the market, but in doing so, they may attract the opposite of what they seek. Customers may infer that the lower-priced product is of inferior quality and opt to buy the more expensive one.

In strategic pricing, the objective is to implant a reference price in the consumers' minds. Thus, if the market is saturated with competitors that have product prices set at around ₹3,000, a startup should not set product prices lower than that to avoid the perception of being a low-quality product. For instance, if the competitors of a startup sell their headphones at ₹3,000 and the startup chooses to price their headphones at ₹2,800, they should say the price is at a premium because of quality. Perceived quality may also be enhanced through high-quality packaging, limited availability, and expert reviews to reinforce the idea that the product is not just of average quality, it is expensive.

Price and Emotional Decision-Making

Neuroscientific research reveals that high prices activate the insula (brain region associated with pain/loss), while preferred brands activate the nucleus accumbens (reward center). This creates a neurochemical tension: the customer wants the product but experiences "pain" at the price point. Strong brand equity (built through emotional and identity associations) dampens insula activation, allowing the reward center to dominate and justify the purchase despite high cost.

This mechanism explains why luxury brands command premium prices: they've sufficiently strengthened the reward association (through exclusivity, heritage, aspiration) that the price pain is overridden by identity reward.

Social Identity and Consumer Types

Consumption is a major part of social identity. Through consumption practices, individuals define themselves by making visible consumption choices that communicate values, social status, and group membership. There are three classical effects that explain this phenomenon in luxury and conspicuous consumption.

a. Veblen Effect: Premium Pricing as Status Signal

Named after economist Thorstein Veblen, this phenomenon outlines how, in contrast to the general rules of marketing, where an increase in product price results in reduced sales, there are moments within the luxury industry whereby the contrapositive is true,

Generally, this is because, for customers given the purchasing power, a product's price signals important social and economic dimensions that are likely to positively influence the purchaser's social status, thereby making the product more desirable.

In India, examples of the Veblen effect are the conspicuous consumption of luxury designer clothing, premium mobile phones, luxury cars, and high-end jewelry. The worth of a product to a buyer is feigned by the price others are likely to pay for it. A watch that costs a customer 200,000 rupees serves the same purpose as a 5,000 rupee watch. However, the additional 195,000 rupees speak of the purchaser's social class, an indication of the social class of the purchaser, which is a service the watch is actually meant to provide.

Entrepreneurs focusing on aspirational categories should note that within Veblen-effect categories, price reduction and competing on cost may paradoxically lower demand, which signposts reduced prestige. In contrast, the Veblen effect position is likely to strengthen, justifying an increased margin with attributes such as scarcity, heritage, premium positioning, and price.

Veblen Effect



It was the first time consumers could achieve nostalgia eating and drinking. Paper Boat sold at a premium of ₹40-60 compared to mainstream colas priced at ₹20. The industry had never seen a beverage priced at so large of a margin. Other competitors could never beat them out not because they had better marketing, distribution, or even a better supply chain. It was psychological differentiation.

No other competitors had emotional relevance to them. It took genuine commitment to brand authenticity from Paper Boat's founder to achieve the emotional relevance. The example illustrates the powerful psychological differentiation can achieve and how in certain markets can create a sustainable competitive advantage.



b.Nykaa: Personalization, Community, and Emotional Loyalty

Aspects of psychology, more than breadth of inventory, explains why Nykaa has outpaced other competitors in India's beauty e-commerce. Other companies sell more or less the same products.

Nykaa has earned consumer trust due to:
Less Cognitive Load: Through the company's AI customization, consumers receive a recommendation of 10-15 items suited to their taste. This means avoidance of analysis paralysis which is common in beauty products with so many choices. Because of this, consumers returned to the site 30% more.

Increased Community: Customers for the #MyNykaaLook campaign shared pictures of their makeup looks using company products. This garnered the company over 500,000 new posts, and converted customers into advocates. It makes purchases for participation in the community.

Emotionally Charged Loyalty: Nykaa Privé is a loyalty plan that provides customers early access to new inventory, exclusive items, and consultations with company staff. These benefits create a feeling of community and belonging to the

Nykaa has shown that making consumers feel less mentally burdened when shopping, belonging to a community, and feeling company loyalty with the added psychological benefits will create competitive advantages that will last a long time despite pressure to lower their prices.



c.boAt: Identity and Tribal Belonging

boAt exemplifies effective use of the bandwagon effect and identity consumption. As a brand, it focuses on young aspirational millennials and Gen-Z consumers looking for a budget-friendly option that provides them with a certain level of prestige and quality.

boAt employs a psychological approach that includes

(1) the use of celebrities and micro-influencers, and the marketing of boAt products within the friends and family setting (Instagram, YouTube, and TikTok) for visibility,

(2) the community identity of #IAmboAthead, which not only identifies the customers of boAt as “boAtheads” but also makes them part of a unique tribe.

(3) the tribal loyalty reward, which in this case is a 5% discount, reinforced through the tribal calling of the BOATHEAD code.

Visibility of boAt products as premium voice products (audio, aesthetics, and lifestyle) makes social signaling for the brand, which activates the bandwagon effect; that is, people buy the products to fulfill the need of socials fitting with their peer groups who own boAt products.

The ID community effect makes consumers shift their motivation from the functional need regarding the quality of the audio to the identity need of being part of the boAt community. This peer-based identity community offers ferocious word-of-mouth marketing and avid customer retention that are hard for their competitors to copy.

7. CTRL: Consumer Psychology as Entrepreneurial Leverage

For entrepreneurs, controlling perceived consumer behavior entails an advantage which doesn't involve spending too much money. This involves using psychological principles and applying them in an authentic way. Consumer psychology and startup strategy provide a framework, which in this case is called CTRL.

C – Construct Identity - Is it trust (safety/security), nostalgia (comfort/belonging), aspiration (future self), pride (cultural/personal), or identity (social belonging)? Build brand touchpoints (visual identity, storytelling, community mechanisms) that consistently trigger these emotions.

T – Trigger Emotions - Determine the emotional driver for your target audience. Trust (safety), nostalgia (comfort), aspiration (future self), pride (cultural), and identity (social belonging) all have a role to play. Create brand touchpoints (visuals, stories, community tools) that evoke those feelings.

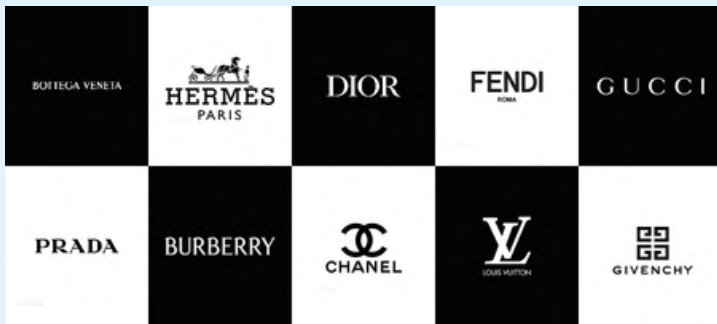
R – Reduce Friction - Game the system by using decision fatigue to your advantage. Defaults, customized recommendations, fewer choices, and clear reasons to buy will help customers make a purchase.

L – Leverage Psychology - Pricing, availability, and social cues influence consumer behavior. Use lower prices when targeting price-sensitive customers, and introduce reference pricing if you aim for a quality position. If your stock is limited, tell people that. Use social proof to influence new customers. If you want to evoke cultural memories, use nostalgia.

b. The Snob Effect: Exclusivity and Differentiation

The snob effect describes demand that increases as quantity in the market decreases—consumers desire exclusivity and differentiation from the majority. This effect drives consumption of limited-edition products, bespoke goods, and niche brands. The appeal is not the product itself but the fact that few others possess it.

Successful luxury and niche startups weaponize the snob effect: limited production runs, exclusive membership programs, early-access tiers, and restricted distribution create scarcity that increases perceived value. The constraint becomes a feature



c. The Bandwagon Effect: Belonging Through Consumption

Bandwagon effect is when more and more demand is created when there is a rise in consumption. In social psychological terms, people are buying things to avoid negative social scrutiny and being ostracized (in a social group). This is different from Veblen and Snob effects because, in this case, the psychology is about social compliance and group belonging, and not about social status, or exclusion.

In Indian context, being a collectivist society, the boAt Audio case is a classic example of bandwagon effects at play. boAt showcased the trick market appreciation of the product. After boAt Audio products released their first products in the Indian market, the consumers created a perception that most people bought it. This trick created social risk for people who did not buy boAt Audio products.



Other Audio products released in the market not only created social risk, but to non-accepters of boAt. They consciously legitimized the community identity by other Audio product users, and boAt commodified the social identity at the community level with 'I Am boAthead' hashtag, community level loyalty discounts, and member cards to identified "boAt lifestyle" users. In this case, the purchase was not only for the audio product, but to the social level community identity, which created and leveraged bandwagon, psychological effect of word of mouth, and community retention of users.

6. Case Studies: Psychological Leverage in Practice

a. Paper Boat: Nostalgia and Emotional Authentication



Paper Boat leveraged a different kind of competition from the norm in the beverage industry by competing on emotional authenticity instead of price and distribution. For the first time in a market dominated by Coca-Cola and Pepsi, Paper Boat launched ethnic drinks (aam panna, rose sherbet, nimbu paani) recalling nostalgia by hinting at grandparent homemade recipes and seasonal street vendor recipes.

Paper Boat's overarching strategy of the nostalgia marketing campaign

- (1) genuine product quality**
- (2) authentic brand storytelling**
- (3) emotional targeting**

paved the way towards recollection of heritage and nostalgia for traditional consumption practices of the Indian sub-continent, recalling a time of unprocessed foods.

Conclusion: Psychology as Strategy

The decisions consumers make are emotions based on personal identity and psychological thinking. The brands that win are not those with the lowest prices or shiniest commercials, but those that master the architecture of psychological persuasion—understanding how emotions steer decisions, how identities strengthen commitment, and how cognitive biases can be ethically used to align customer choices with customer values. For new founders, it is important to understand that because this insight does not require thousands of dollars, it becomes very obtainable. It does require psychological authenticity, emotional resonance, and behavioral science. Create brands that make consumers feel understood, visible, and a part of a larger community. Build identity into the product. Build belonging into the competitive advantage. Build emotion into the business model. The future will be made for founders that understand people are not rational and make the most sense people are those who have constructed identities and those that are part of a community. Understand this psychology to understand and earn loyalty.

Indian Consumer Mindset

Introduction

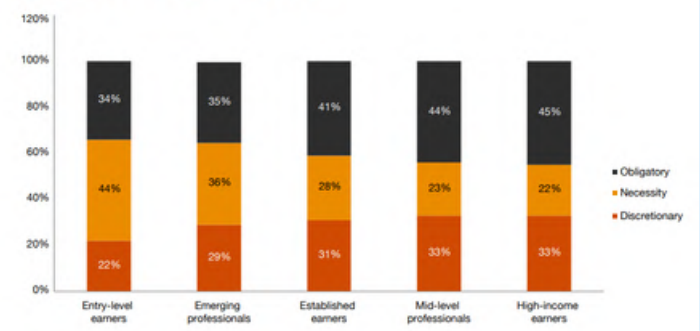
Indian consumers' psychological thinking is a complex synthesis of social influences, cultural values, economic factors, and the quick uptake of digital technology. Fundamentally, connections and trust are important to Indian customers, who frequently choose to interact with companies or people they know and believe to be trustworthy. This illustrates the collectivist character of Indian culture, where views from family and the community have a big influence on what people buy, especially when it comes to big purchases like homes or cars. Additionally, customs and cultural norms have a significant influence on consumer choices, since many buyers favor goods and services that are consistent with their background, such as religious or traditional clothing.

Another distinguishing characteristic is value consciousness, as Indian consumers carefully consider cost in relation to perceived durability and quality, frequently investigating and contrasting choices before making a purchase. Affordability is still a major consideration, but consumers are increasingly choosing branded goods that provide high-quality and value-added services like flexible payment plans or strong customer support. This way of thinking has been further altered by the digital revolution, as consumers continue to value the guarantee of safe transactions and dependable after-sales assistance in the online realm while also depending more and more on social media recommendations, online reviews, and customized digital experiences.

A few observed consumer spending trends are:

- People spend the highest amount of money on their obligatory expenditures, which accounts for 39% of their total spending, followed by 32% for necessity expenditures and 29% for discretionary expenditures.
- More than 62% of discretionary expenditures are allocated towards expenditures related to lifestyle purchases, which include shopping for fashion and personal care items.
- As the salary increases from entry-level earners to high-income earners, both the amount of money spent on food expenditure (ordering or eating out) and the frequency at which it is spent increase.

Figure 7: Split of expenditure across salary brackets



Ancient Marketing

- The roots of Indian marketing psychology can be traced back to the ancient Indian texts, such as the Vedas and the Upanishads. These texts contain insights into human behavior and motivation that are still relevant today.
- In the 12th century, the Indian philosopher Ramanuja developed a theory of marketing based on the concept of bhakti, or devotion. He argued that consumers are more likely to be attracted to products and services that they believe in and that are associated with positive emotions.

- In the 16th century, the Indian merchant Akbar established a system of marketing and advertising that was based on the principles of persuasion and social proof. He used a variety of techniques, such as storytelling, celebrity endorsements, and product placements, to promote his products and services.

- In the 19th century, the Indian social reformer Raja Ram Mohan Roy advocated for the use of marketing to promote social causes. He believed that marketing could be used to educate people about important issues and to motivate them to take action.

- In the 20th century, the Indian psychologist developed a theory of marketing based on the concept of self-actualization. He argued that consumers are motivated to buy products and services that help them to achieve their personal goals and aspirations.

- An equation that illustrates the relationship between key influences and brand strategy may be used to understand the psychological thinking of Indian consumers: (Cultural Values + Social Influences + Economic Factors + Digital Engagement) x Brand Resonance is how Indian consumers think.

- As demonstrated by companies like Amul, which employs customized advertising and capitalizes on decades-old community trust, this equation highlights how deeply rooted cultural characteristics like familial ties, traditional beliefs, and geographical variety impact the psychological makeup of Indian consumers.

Price Driven Consumer- Myth or Reality?

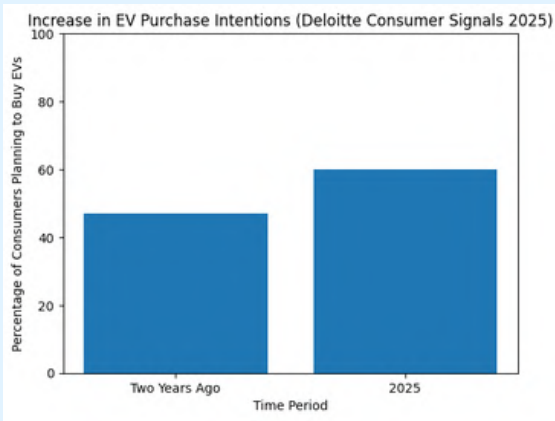
Price sensitivity was a rational outcome of economic conditions rather than an intrinsic cultural trait. Purchasing behaviour was influenced heavily by income constraints, particularly in rural areas where wage growth was slower, and urban middle classes were smaller.

Price rises in essentials led consumers to substitute down to cheaper alternatives or smaller package sizes, a coping behaviour widely documented during high inflation periods. The term “shrinkflation” entered the Indian lexicon as consumers saw pack sizes reduced to keep prices stable, a clear indication of the importance of price stability in purchase decisions.



Despite these historical realities, contemporary data and surveys indicate that consumer behaviour in India is evolving. Surveys conducted by global research firms in recent years paint a more complex picture of consumer priorities. The Qualtrics 2024 Consumer Trends Report revealed that only 29 percent of Indian consumers considered price as the primary driver in purchasing decisions, with a majority assigning greater importance to product quality, excellent service, and a seamless digital experience.

The Deloitte Consumer Signals: India Chapter for 2025 further underscores this evolution. It shows that Indian consumers are balancing financial stability with discretionary spending, reflecting growing confidence and higher incomes. A segment of consumers is increasing discretionary purchases in categories such as travel, entertainment and wellness, suggesting that price is not the sole determinant of buying decisions.



The report states that with easing inflation concerns and improved financial well-being indices, consumers are becoming more selective and experience oriented, indicating a shift from purely price-driven behaviour to value-driven behaviour. Data from the Deloitte 2025 Consumer Signals also reveal that consumption intentions for big ticket items like vehicles have increased, with 60 percent of consumers showing plans to buy electric vehicles (EVs), up from about 47 percent two years ago. This willingness to commit to expensive purchases suggests that Indian consumers today are influenced by considerations beyond price, including technology, comfort, and long-term value. These trends contrast sharply with the conventional depiction of Indian buyers as primarily enticed by discounts and low pricing.

The PwC India “Voice of the Consumer 2025 Survey” underscores this point by reporting that 63 percent of Indian consumers were concerned about rising food prices and responded by engaging in bulk buying, discount hunting, and store comparison to stretch every rupee. These behaviours are typical of price-driven consumers reacting to inflationary pressures rather than purely seeking lowest price irrespective of context. In other words, consumer price sensitivity remains real but contextual and situation-specific rather than universal.



63% of Indian consumers are concerned about rising food prices.

- Bulk Buying:** Stocking up in larger quantities
- Discount Hunting:** Searching for the best deals
- Store Comparison:** Comparing prices between stores

Price-Driven, Not Price-Blind

Over the past decade, increasing urbanisation, digital adoption, and higher household incomes have contributed to a changing Indian consumer. Government measures such as GST reforms have also boosted consumer confidence and disposable income, enabling more structured spending beyond essentials.

As the urban-rural consumption patterns converge and non-food spending rises, spending on experiences, electronics, personal care and other discretionary categories has begun to outpace spending on staples. Government statistics from household expenditure surveys show that non-food items now account for a larger share of household spending compared to a decade ago, highlighting the shift in consumption priorities

Digital transformation has accelerated this behavioural evolution. E-commerce platforms such as Amazon and Flipkart have expanded product variety, enabled easy price comparisons, and increased transparency through reviews and ratings. While this initially intensified price competition, it also educated consumers about product differentiation, features, and quality benchmarks. Over time, informed consumers become less dependent solely on price and more attentive to value propositions.

Companies such as Apple and Nike succeed in the Indian market not because they are the cheapest options, but because they offer aspirational value, ecosystem integration, and emotional resonance.

In conclusion, the notion that Indian consumers are uniformly price driven is partly rooted in historical reality but is increasingly a myth in the modern context. Price remains a significant factor particularly in low income and rural segments or during periods of inflationary stress. However, emerging data from surveys and market research demonstrate that a growing portion of Indian consumers are prioritising quality, experience, brand value and long-term benefits over merely low cost.



From the perspective of marketing theory, this evolution makes sense. As incomes rise and markets mature, consumers typically transition from price-driven behaviour to value-oriented or experience-oriented purchasing. In early stages of economic development price sensitivity dominates because large segments of the population allocate most of their budgets to essentials. As wealth increases and choices expand, consumers start valuing quality, status, convenience and brand experience, with price becoming one among several considerations.



Digital Marketing Tactics

Introduction:

According to Harvard professor and author Gerald Zaltman, 95% of purchasing decisions are driven by emotions. To be specific, 95% of our decisions are subconscious, and emotions drive these unconscious physical reactions. Consumer decision making in digital contexts is often influenced by information overload, algorithmic recommendations, and peer-generated content such as reviews and influencer endorsements. Psychological biases, including loss aversion, anchoring, and confirmation bias, play a critical role in shaping online choices. Digital marketing leverages these mechanisms through personalized messaging, targeted advertising, and interface design that reduces friction and enhances perceived value. Understanding consumer psychology enables marketers to move beyond surface-level metrics and design experiences that align with how the human mind processes information and emotions in digital environments.

Challenges to the brands

Marketing path fragmentation

In the digital age, consumer information acquisition media began to be highly fragmented, and the touch point between brands and consumers was no longer a single traditional channel, and multi-channel began to flourish. In this context, brands are faced with a series of challenges caused by the fragmentation of marketing paths. Fragmentation of brand marketing paths can enhance brand exposure, but this leads to consumer distraction. How to maintain brand consistency and communication effectiveness in multiple channels has become a new challenge.

The rise of social media and short video platforms makes consumers' attention more fragmented. How to attract consumers' attention in the fragmented information environment and maintain the unity of brand image in the differentiated content styles of different platforms has become a challenge for brands in the era of digital marketing.

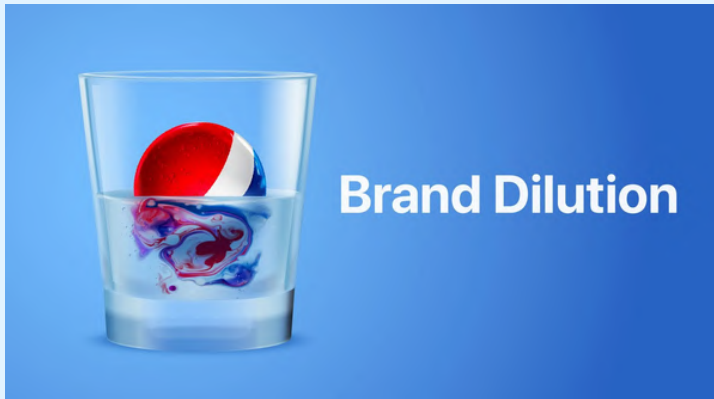
In the context of fragmented marketing paths, diversified channels make brand marketing communication globalized, which leads to the unified emergence of marketing content previously separated by cultural and regional differences in a global perspective. However, there are significant differences in consumer behavior, cultural background, and communication channels in different markets, which may cause cognitive biases among different groups, so brands are also facing the challenge of declining global awareness.



Brand image dilution

In the era dominated by social media and short video platforms, people's willingness to acquire information is beginning to shorten, and brands need to spread core values and images in a limited time and space.

In such an environment, the rapid spread of the brand and the scarcity of consumer attention make the brand image easily weakened in the minds of consumers. Emotional value occupies a core position in brand image and is a key factor in shaping brand uniqueness and consumer loyalty. In the marketing model of the digital age, the emotional communication value exceeds the functional communication value and becomes an important driving force for brand differentiation competition.



However, the information on social media is often short and easy to replace, and it is difficult for brands to create a profound brand image in a short period, resulting in the weakening of the brand communication effect. In the digital marketing environment, brands have to face the change of multi-channel and personalized needs. At this time, brand image is easily weakened, and consumers' sense of identity and loyalty to the brand are also affected. The dilution of brand image makes it difficult for brands to establish differentiated cognition in the minds of consumers, leading to the decline of brand competitiveness in the market.

As a result, brands face the challenge of how to enhance the emotional resonance and consistency of their brand stories.

Consumer demand diversification

With the development of digital technology, consumers have increasingly diversified demands in terms of product features, personalized experiences, brand values, etc., and brands need to adjust their products and marketing strategies more flexibly to meet the needs of different markets and consumer groups.

It is necessary for brands to pay attention to consumers' personalized demands while diversified marketing, which involves significant differences in consumer preferences of different age groups and different cultural backgrounds. How the brand should stratify personalized marketing, how to meet the diversified needs of consumers, has become a problem that cannot be ignored. Cultural differences are also an important factor in the diversification of consumer demand; brands need to achieve a certain degree of differentiation in marketing strategies based on cultural differences, while avoiding brand dilution, which is very challenging.

Consumers with different cultural backgrounds have significant differences in their demands for brand value, product functions and communication methods. Brands are challenged to understand and adapt to these cultural differences to develop diversified and targeted marketing strategies.

The Influence of Emotions

Humans are fundamentally emotional creatures, and emotions influence our decisions significantly. Marketing strategies that appeal to certain emotions, such as joy, terror, nostalgia, or empathy, have a better chance of staying. Consider heart-warming commercials that make you cry or ones that make you feel a feeling of urgency. These emotional responses foster a bond between the customer and the brand, enhancing the message's recall.

Decision Making and Cognitive Biases:

Cognitive biases are mental shortcuts that our brains utilise to digest information fast. Marketers can use these biases to sway customer decisions. For example, "anchoring bias" happens when people place a high value on the initial piece of information they hear. Marketers can increase the perceived worth of a product by carefully displaying a higher price first and then disclosing a lower price.

Social Proof and Influence: The notion of social proof argues that while making judgements, people tend to follow the activities of others. This is why marketing testimonials, reviews, and user-generated material are so powerful. Consumers are more inclined to trust and connect with a brand when they perceive that others have had favourable experiences with it. Influencer marketing uses this approach as well, utilising people's authority and popularity to influence customer behaviour.

Scarcity and Fear of Missing Out (FOMO):

The fear of missing out is a powerful motivator that drives consumer behavior. Limited-time offers, exclusive deals, and phrases like "only a few left" trigger a sense of urgency and scarcity.

When consumers believe that an opportunity might vanish, they are more inclined to take action to avoid missing out. This psychological principle is a driving force behind flash sales and product launches.

Personalization and Connection: The era of mass marketing is gradually giving way to personalized marketing experiences. People want to feel seen and understood as individuals. By leveraging data and technology, businesses can tailor their messaging and recommendations to match consumer preferences and behaviors. This personalization creates a stronger emotional connection and enhances the overall customer experience.

The Paradox of Choice: While options are generally appreciated, too many choices can overwhelm consumers and lead to decision paralysis. Marketers can leverage the "paradox of choice" by offering a curated selection of products or services. This makes the decision-making process easier and enhances the perception of value.

The Halo Effect: The halo effect is a cognitive bias where a person's overall impression of a brand influences their perception of its individual attributes. For instance, if a brand is known for high-quality products, consumers are more likely to believe that their customer service and other aspects are also exceptional. Marketers can leverage the halo effect by consistently delivering positive experiences and promoting strong brand values. When consumers have a positive overall impression of a brand, they are more forgiving of minor shortcomings.

Neuromarketing and Visual Appeal:

Neuromarketing is a field that combines neuroscience with marketing to understand how the brain responds to different marketing stimuli. Visual appeal plays a crucial role in this context. Colors, typography, imagery, and layout all influence consumer perceptions. For example, the color red can evoke feelings of excitement and urgency, while blue is often associated with trust and calmness. Understanding these visual cues allows marketers to create designs that resonate with the desired emotions and responses.

Storytelling and Identification: Humans are wired to respond to stories. Effective storytelling in marketing can create a sense of identification and empathy with the brand. Sharing relatable narratives that showcase the brand's journey, values, and impact can forge a deeper connection with the audience. When consumers feel emotionally invested in a brand's story, they are more likely to become loyal advocates.

Cognitive Dissonance and Post-Purchase Behavior: Cognitive dissonance refers to the discomfort experienced when a person holds conflicting beliefs or attitudes. In marketing, this principle comes into play after a purchase has been made. If a consumer encounters information that contradicts their purchase decision, they might experience cognitive dissonance. Marketers can address this by providing reassurance, reinforcing the positive aspects of the purchase, and offering after-sales support to alleviate any doubts.

Priming and Subliminal Influence: Priming is the process by which exposure to a stimulus influences subsequent behavior or perception. While subliminal messaging (messages that are presented too quickly or subtly for conscious perception) is controversial and has limited proven effectiveness, the idea of priming can be harnessed more overtly.

Marketing with a Psychological Edge: In the field of Marketing, Chitkara University's program delves into consumer psychology and behavior analysis. Students learn how psychological factors influence purchasing decisions, brand loyalty, and market trends. Understanding consumer motivations and emotions equips future marketers to create targeted campaigns and establish deeper connections with their audience.

Finance and Behavioral Economics: Chitkara University recognizes that financial decisions are often influenced by cognitive biases and emotions. In the Finance specialization, students explore behavioral economics, learning how psychological factors impact investment choices, risk assessment, and financial planning. This integration enhances graduates' ability to provide holistic financial advice and navigate the complexities of the financial world.

Psychological Aspects in Logistics & Supply Chain: The Logistics & Supply Chain specialization acknowledges the role of psychology in effective supply chain management. Students explore topics such as human resource management, team dynamics, and communication strategies. Understanding the psychological dimensions of teamwork and leadership enhances graduates' ability to manage complex supply chains and collaborate efficiently.

Business Analytics and Decision-Making: In the realm of Business Analytics, psychology plays a pivotal role in understanding how individuals process data and make decisions. Chitkara University's program emphasizes cognitive biases, data visualization, and the psychology of interpreting insights. This knowledge equips graduates to not only analyze data but also present findings in a way that resonates with stakeholders.

Holistic Leadership Development: Across all specialized fields, Chitkara University's MBA programs recognize the importance of psychological insights in leadership. Courses touch on emotional intelligence, effective communication, and conflict resolution. Graduates emerge not only as skilled professionals but also as well-rounded leaders who understand the human dynamics that drive successful teams and organizations.

Psychology Triggers that can be used in Digital Marketing:

Reciprocity: This involves offering value to customers in the form of free trials and exclusive content to encourage them to return the favour through purchases or loyalty.

Consistency: When people commit to something, they usually tend to follow it. This gradually increases the likelihood of purchase.

Anchoring: Anchoring is a cognitive bias where individuals rely heavily on the first piece of information they encounter when making decisions. Once an anchor is set, all subsequent judgments are made relative to it, even if the anchor is arbitrary.

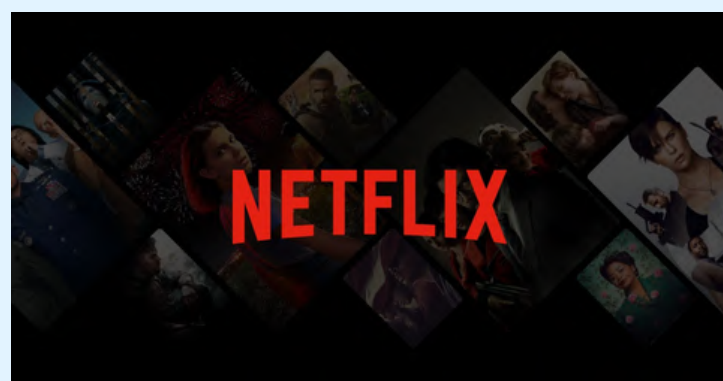
Scarcity: Limited-time offers and low-stock alerts to create urgency, prompting immediate action on the part of consumers. Social Proof: Customer reviews, testimonials, and influencer endorsements that can build trust and drive conversions.

Loss Aversion: Framing messages around potential loss, something like - "Don't miss out on this deal!" can be more compelling than emphasizing potential gains, increasing engagement and sales.

Personalization: Use of AI-driven algorithms to browse history and preferences to offer tailored recommendations

Future: As AI and Machine Learning evolve, behavioural psychology will continue to play an even greater role in digital marketing. Brands will continue to refine hyper-personalized experiences, leveraging predictive analytics to anticipate customer needs before they articulate them.

Currently, Netflix leverages predictive analytics and insights into user behaviour to recommend content to its consumers.



Software As A Service

Introduction to Software as a Service (SaaS)

Software as a Service (SaaS) is a modern way of delivering software applications over the internet, without requiring users to install or maintain them on their personal devices. Instead of purchasing software through one-time licenses or installing it on individual computers, users can access SaaS applications through a web browser by paying a subscription fee or, in many cases, using a free version with limited features. This shift has fundamentally changed how individuals, businesses, and institutions use software.

Traditionally, software had to be installed locally on computers or servers, which involved high upfront costs, regular manual updates, and significant technical support. Any upgrade or bug fix required user intervention, making the process time-consuming and inefficient. SaaS emerged as a solution to these challenges by leveraging cloud computing, where software is hosted on remote servers and delivered to users via the internet. As a result, users no longer need to worry about storage, updates, or compatibility issues.

The adoption of SaaS has accelerated rapidly with the growth of reliable internet connectivity, smartphones, and cloud infrastructure. Today, SaaS applications are used across various domains such as education, finance, healthcare, marketing, human resources, and collaboration. Commonly used tools like Google Workspace, Zoom, Canva, Notion, and Microsoft Teams are all examples of SaaS platforms that have become an integral part of daily academic and professional life.

One of the key reasons behind the popularity of SaaS is its accessibility and affordability. Since SaaS applications are hosted online,

users can access them anytime and from anywhere using any internet-enabled device. This flexibility is particularly beneficial for students, startups, and small organizations that may not have the resources to invest in expensive hardware or IT infrastructure. The subscription-based model allows users to pay only for what they need, making SaaS a cost-effective alternative to traditional software systems.

From a business perspective, SaaS has enabled companies to scale faster and innovate continuously. Software providers can roll out updates, security patches, and new features centrally, ensuring that all users have access to the latest version without disruption.

This has improved user experience and reduced technical barriers, allowing organizations to focus on their core activities rather than software maintenance. In the current digital ecosystem, SaaS plays a crucial role in enabling collaboration, efficiency, and innovation. As remote work, online learning, and digital-first operations continue to grow, SaaS has become more than just a software delivery model—it is now a foundational component of how modern organizations function.

How Software as a Service (SaaS) Works

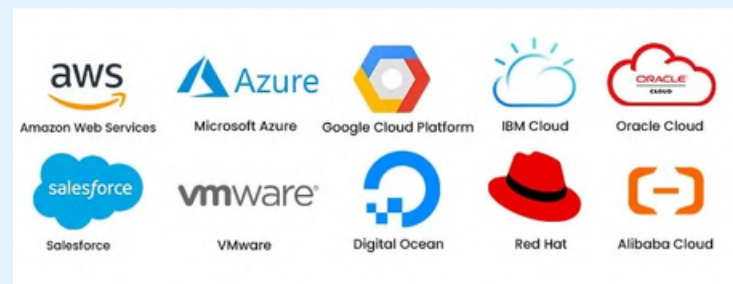
Software as a Service (SaaS) operates on a cloud-based delivery model where software applications are hosted on remote servers and accessed by users through the internet. Unlike traditional software, which requires installation on individual computers or local servers, SaaS applications are centrally managed by the service provider and delivered to users via a web browser or mobile application. This model simplifies software usage and significantly reduces technical complexity for end users.



At the core of the SaaS model is cloud infrastructure. SaaS providers host their applications on cloud servers maintained by cloud service platforms such as Amazon Web Services (AWS), Microsoft Azure, or Google Cloud. These servers store the application's code, databases, and user data in a secure and scalable environment. When a user logs into a SaaS application, they are essentially connecting to these remote servers through the internet, rather than running the software locally on their device.

The working of SaaS can be understood through a simple flow: **User** → **Internet** → **Cloud Server** → **SaaS Application**. When a user performs an action, such as editing a document, uploading data, or scheduling a meeting, the request is sent to the cloud server. The server processes the request, updates the data in real time, and sends the result back to the user's screen. This entire process happens seamlessly in the background, providing a smooth and interactive user experience.

Another important aspect of how SaaS works is the multi-tenant architecture. In this setup, a single instance of the software serves multiple users or organizations, known as tenants. While all users share the same application infrastructure, their data remains isolated and secure. This approach allows SaaS providers to optimize resources, reduce costs, and deliver updates efficiently to all users at once. Multi-tenancy is one of the main reasons SaaS solutions are more affordable compared to traditional enterprise software.



User access and authentication are managed through secure login systems. Most SaaS platforms require users to create accounts using email IDs, passwords, or third-party authentication methods such as Google or Microsoft sign-ins. Advanced

SaaS tools also offer features like two-factor authentication and role-based access control to enhance security. For organizations and college societies, this ensures that only authorized members can access specific tools or data.



One of the biggest advantages of the SaaS model is automatic updates and maintenance. Since the software is centrally hosted, all updates, bug fixes, and feature enhancements are managed by the SaaS provider. Users do not need to download patches or upgrade versions manually. This ensures that everyone is always using the latest and most secure version of the software, reducing downtime and compatibility issue

Data storage and backup are also handled by the SaaS provider. User data is stored in cloud databases with regular backups to prevent data loss. Many providers offer disaster recovery systems to ensure business continuity even in case of technical failures. For users, this eliminates the need for external storage devices or complex backup systems.

SaaS applications typically follow a **subscription-based pricing model**, where users pay monthly or annually based on usage or features. Some platforms offer freemium models, allowing users to access basic features for free while charging for advanced functionalities. This flexible pricing structure makes SaaS accessible to students, startups, and organizations of all sizes.

In summary, SaaS works by combining cloud computing, internet connectivity, centralized software management, and secure user access to deliver scalable and efficient software solutions. By removing the need for installation, maintenance, and heavy infrastructure, SaaS enables users to focus on productivity and collaboration.

Types of Software as a Service (SaaS) Products

Software as a Service (SaaS) products can be broadly categorized based on their primary business function and end-user application. As SaaS adoption has grown across industries, specialized solutions have emerged to address specific operational, analytical, and strategic needs. According to industry estimates, the global SaaS market is projected to exceed USD 300 billion by the end of this decade, driven largely by enterprise digital transformation, remote work adoption, and cloud-native innovation. The major types of SaaS products are discussed below.

3.1 Business and Enterprise SaaS

Business SaaS forms the largest segment of the SaaS market and primarily serves organizational needs such as customer management, human resources, accounting, and enterprise resource planning. These platforms are designed to improve efficiency, standardize processes, and enable data-driven decision-making. Customer Relationship Management (CRM) software such as Salesforce and HubSpot helps organizations manage customer interactions, sales pipelines, and marketing campaigns. CRM SaaS solutions account for one of the highest shares of enterprise SaaS spending globally. Enterprise Resource Planning (ERP) tools like SAP S/4HANA Cloud and Oracle NetSuite integrate finance, operations, supply chain, and procurement into a single platform. Human Resource Management Systems (HRMS) such as Workday and BambooHR handle payroll, recruitment, performance tracking, and compliance.

According to market research reports, enterprise SaaS adoption has increased by over 20 percent annually, with small and medium-sized enterprises contributing significantly to this growth due to lower entry costs and scalability.

3.2 Productivity and Collaboration SaaS

Productivity and collaboration SaaS products focus on improving communication, teamwork, and workflow efficiency. These tools gained widespread adoption during the global shift toward remote and hybrid work environments.

Examples include Google Workspace, Microsoft 365, Slack, Zoom, and Asana. These platforms offer services such as email hosting, document creation, video conferencing, project management, and team messaging. Their real-time collaboration capabilities allow multiple users to work simultaneously on shared files and projects, significantly reducing turnaround time.

Industry data indicates that productivity SaaS tools experienced usage growth of over 30 percent between 2020 and 2023. This category continues to expand as organizations prioritize flexible work structures and digital collaboration infrastructure.

3.3 Marketing and Sales SaaS

Marketing and sales SaaS platforms are designed to support customer acquisition, engagement, and conversion. These tools rely heavily on data analytics, automation, and artificial intelligence to optimize marketing performance.

Marketing automation platforms such as Mailchimp, Marketo, and ActiveCampaign enable email marketing, lead nurturing, and campaign tracking. Analytics and performance tools like Google Analytics, SEMrush, and Ahrefs provide insights into user behavior, search trends, and campaign effectiveness. Sales enablement tools assist teams with forecasting, pipeline tracking, and customer segmentation.

The global marketing SaaS segment is one of the fastest-growing categories, with businesses increasingly allocating digital

3.4 Financial and Accounting SaaS

Financial SaaS solutions provide tools for accounting, invoicing, expense management, payments, and financial reporting. These platforms are widely adopted by startups, enterprises, and financial institutions due to their accuracy, automation, and compliance support. Examples include QuickBooks Online, Xero, Razorpay, Stripe, and FreshBooks. These tools enable real-time tracking of income and expenses, automated invoice generation, tax compliance assistance, and secure digital payments. Many financial SaaS platforms integrate with banking systems and ERP software, creating a seamless financial ecosystem.

With the global rise of digital payments and fintech innovation, financial SaaS adoption has grown steadily. Market data shows that cloud-based accounting software has reduced financial processing time by up to 40 percent for many organizations.

3.5 Industry-Specific or Vertical SaaS

Vertical SaaS refers to software solutions designed specifically for a particular industry or sector.

Unlike horizontal SaaS, which serves a broad range of users, vertical SaaS products address niche requirements and regulatory frameworks.

Examples include SaaS platforms for healthcare management, education technology, logistics, real estate, and retail operations. Healthcare SaaS systems manage patient records, appointments, and compliance requirements. Retail SaaS platforms handle inventory management, point-of-sale systems, and customer loyalty programs. Vertical SaaS is gaining popularity because it offers tailored functionality and industry integration. Analysts note that vertical SaaS companies often achieve higher customer retention rates due to their specialized value proposition.

3.6 Analytics, AI, and Data SaaS

Analytics and data-driven SaaS platforms focus on data visualization, business intelligence, predictive analytics, and artificial intelligence applications. These tools help organizations extract actionable insights from large volumes of data.

Platforms such as Tableau, Power BI, Snowflake, and Databricks enable data storage, processing, and visualization. AI-powered SaaS solutions support functions such as customer support chatbots, demand forecasting, and recommendation systems.

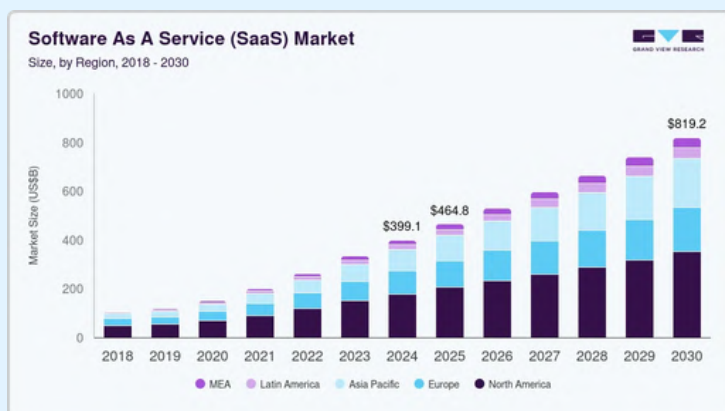
The analytics and AI SaaS segment is expected to grow at a compound annual growth rate exceeding 25 percent, driven by increasing reliance on data-driven strategies and machine learning adoption across industries.

3.7 Creative and Design SaaS

Creative SaaS platforms cater to design, content creation, and multimedia needs. These tools are widely used in marketing, branding, and digital media industries. Examples include Canva, Adobe Creative Cloud, Figma, and Miro. These platforms offer cloud-based design tools that eliminate the need for high-end hardware and enable collaborative creation. Subscription-based access has significantly lowered entry barriers for creative professionals and organizations.

SaaS Market Overview and Industry Landscape

The Software as a Service (SaaS) market has emerged as one of the most dynamic segments of the global technology industry. Driven by rapid digital transformation, increasing cloud adoption, and demand for scalable software solutions, SaaS has evolved from a niche delivery model into a foundational component of modern business infrastructure. Organizations across industries are increasingly shifting from on-premise software to cloud-based subscription models due to cost efficiency, flexibility, and continuous innovation.



4.1 Global SaaS Market Overview

The global SaaS market has witnessed consistent and robust growth over the past decade. Industry estimates indicate that the global SaaS market size crossed USD 250 billion in recent years and is projected to grow at a compound annual growth rate of approximately 18 to 20 percent over the next five to seven years. This growth is supported by increased enterprise spending on cloud technologies, expansion of remote work models, and rising demand for data-driven decision-making tools.

North America continues to dominate the global SaaS market, accounting for the largest share due to early cloud adoption, strong digital infrastructure, and the presence of major SaaS providers. Europe follows closely, with strong adoption across financial services, manufacturing, and public sector organizations. The Asia-Pacific region is the fastest-growing SaaS market, fueled by digitalization initiatives, startup ecosystem growth, and increasing internet penetration.

The SaaS market is also characterized by high innovation intensity. Continuous product upgrades, integration of artificial intelligence, and expansion into vertical-specific solutions have become key competitive differentiators.

As a result, SaaS companies increasingly focus on customer experience, retention metrics, and long-term subscription value rather than one-time sales.

4.2 SaaS Market in India

India has emerged as a significant contributor to the global SaaS ecosystem, both as a consumer market and as a producer of SaaS solutions. The Indian SaaS market has grown rapidly over the past decade and is estimated to reach USD 50 billion in annual revenue by the end of the decade. This growth is supported by a strong talent pool, cost advantages, and increasing global demand for cloud-native products.

Indian SaaS companies serve customers across North America, Europe, and Asia, with a large proportion of revenue generated from international markets. India is home to several globally recognized SaaS firms such as Zoho, Freshworks, Chargebee, and Postman. These companies have demonstrated the ability to build scalable, globally competitive products from India while maintaining capital efficiency.

Domestic adoption of SaaS in India has also increased, particularly among small and medium-sized enterprises. Government-led digital initiatives, widespread adoption of digital payments, and improved internet infrastructure have accelerated cloud adoption across sectors such as education, healthcare, retail, and financial services.

4.3 Key Industry Verticals Driving SaaS Growth

Several industries have emerged as primary drivers of SaaS adoption:

- **Information Technology and Services:** IT firms rely heavily on SaaS for project management, collaboration, cybersecurity, and customer management.

- **Financial Services:** Banks, fintech firms, and insurance providers use SaaS for compliance, analytics, customer onboarding, and payment processing.
- **Healthcare:** SaaS platforms support electronic health records, telemedicine, appointment scheduling, and regulatory compliance.
- **Retail and E-commerce:** Inventory management, customer analytics, and omnichannel operations are increasingly powered by SaaS tools.
- **Education and Training:** Learning management systems and content delivery platforms have expanded significantly due to digital learning adoption.

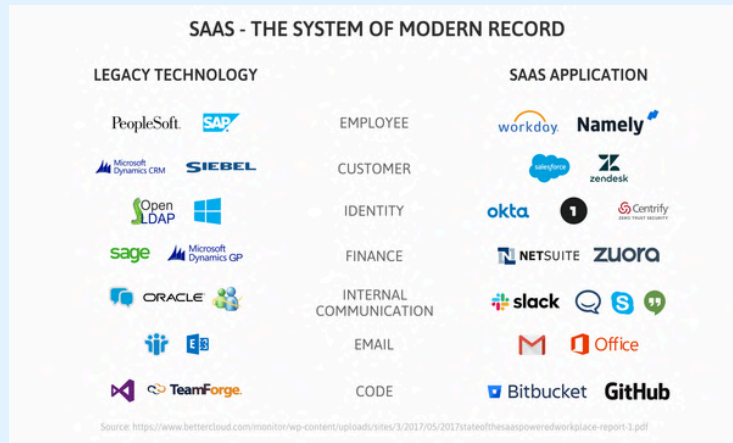
These sectors prioritize scalability, security, and data analytics, making SaaS solutions particularly attractive.

4.4 Competitive Landscape

The SaaS industry is highly competitive and fragmented. It includes large multinational corporations, mid-sized growth-stage firms, and early-stage startups. Major global players such as Microsoft, Salesforce, Google, Oracle, and Adobe dominate enterprise-level SaaS segments with comprehensive product ecosystems.

At the same time, smaller SaaS firms often focus on niche problem statements or industry-specific solutions. These companies compete through specialization, faster innovation cycles, and superior customer support. The low initial cost of cloud infrastructure has reduced entry barriers, leading to a continuous influx of new SaaS startups. Customer acquisition costs, retention rates, and lifetime value have become critical performance indicators in this competitive environment.

As a result, SaaS companies increasingly invest in customer success teams, onboarding automation, and product-led growth strategies.



4.5 Investment and Funding Trends

The SaaS sector has consistently attracted strong investor interest. Venture capital and private equity investments in SaaS companies account for a significant portion of global technology funding. Investors favor SaaS businesses due to predictable recurring revenue, high gross margins, and scalability.

Although funding activity fluctuates with global economic conditions, mature SaaS companies continue to attract long-term capital. Subscription-based revenue models provide greater visibility into future cash flows, making SaaS firms more resilient compared to traditional software companies.

In recent years, there has been a shift toward sustainable growth, profitability, and efficient capital utilization rather than rapid expansion at any cost. This has led SaaS companies to focus on optimizing unit economics and reducing customer churn

4.6 Emerging Market Trends

Several key trends are shaping the future trajectory of the SaaS market: Increased integration of artificial intelligence and machine learning into SaaS platform

Growth of vertical SaaS solutions tailored to specific industries

- Expansion of low-code and no-code platforms
- Greater emphasis on data security, compliance, and privacy regulations
- Adoption of usage-based and hybrid pricing models

Flexible and usage based pricing models in which customers pay according to their usage. This model has led to an increase in revenue.

Increased focus on security integration as the main demanded feature.

These trends indicate that SaaS will continue to evolve beyond basic software delivery into intelligent, adaptive platforms that support complex business needs.



Software as a Service (SaaS): Industry Overview, Business Models, and Future Outlook

Popular SaaS Companies

This part highlights well-known SaaS companies that have shaped how individuals, startups and large enterprises consume software.

Zoho

Founded in India and operating Globally, Zoho is a SaaS Company creating an Entire Suite of business Applications that are Cloud based. They offer Products in the following areas -Finance, HR, Marketing, Collaboration and Analytics. Zoho provides Integrated Solutions for Small and Medium Sized businesses.

Zoho has been successful in providing Start ups, SMEs and cost conscious companies with Integrated tools without having to go through multiple vendors to obtain solutions. The success of Zoho can be attributed to Competitive Pricing, Strong Data Privacy Positioning, Deep Product Integration, and a Long term commitment to Profitable Operations Vs. Aggressive Funding from External Sources. Zoho's Global Expansion without Large Advertising Spend is a testament to the strength of their Product led growth strategy.

Freshworks

Freshworks provides Customer Engagement and IT Service Management solutions. Some of their Flagship Products include Freshdesk, Freshsales & Freshservice. Freshworks' focus is simplifying complex Enterprise Software and making it accessible to Fast growing

Freshworks has a Customer Base comprised of Start ups, Mid market companies and Enterprises who require Easy to Use Customer Support & CRM solutions. Freshworks attained success by focusing on Targeting Underserved Mid-Market Customers, Providing Easy Onboarding, Transparent Pricing and Excellent Customer Support. After Freshworks became listed on the NASDAQ, their Brand became much more Visible Globally, reinforcing Trust with Enterprise Clients.

Salesforce

Salesforce is one of the world's largest SaaS companies and a pioneer of cloud-based CRM. Over time, it has expanded into analytics, marketing automation, commerce, and enterprise application development.

Salesforce is widely used by large enterprises, sales teams, and global organizations managing complex customer relationships. Its success is driven by early cloud adoption, continuous innovation, a strong ecosystem of partners and developers, and strategic acquisitions. Salesforce's subscription-first model transformed how enterprise software is sold and consumed.

Google Workspace

Google Workspace (formerly G Suite) is a cloud-based productivity and collaboration suite that includes Gmail, Docs, Sheets, Slides, Drive, and Meet. It enables real-time collaboration across devices.

Its users range from students and freelancers to startups and multinational corporations. Google Workspace succeeds because of its ease of use, seamless collaboration features, reliability, and deep integration with the broader Google ecosystem. The freemium entry point helped drive massive adoption before monetization

Canva

Canva is a design-focused SaaS platform that allows users to create visual content without prior design expertise. It offers templates for presentations, social media posts, resumes, and marketing materials.

Canva is heavily used by students, creators, marketers, and small businesses. Its success lies in its intuitive interface, strong freemium model, viral growth through sharing, and continuous addition of AI-powered design tools. Canva demonstrates how SaaS can democratize professional-grade capabilities

Notion

Notion is an all-in-one workspace that combines note-taking, databases, task management, and collaboration. It allows users to customize workflows rather than adapt to rigid software structures.

Its users include students, startups, product teams, and creators. Notion's success comes from flexibility, strong community-driven templates, and a product that scales from individual use to team collaboration. Its growth has largely been organic, driven by word-of-mouth and user advocacy.

SaaS Business Model Explained

The SaaS business model is built on delivering software over the internet, typically through a subscription-based pricing structure. Instead of purchasing software licenses outright, users pay periodically to access the product.

Subscription Pricing

SaaS companies frequently charge either monthly or yearly subscription rates. Many SaaS companies use a tiered pricing structure, in which users can choose more

Freemium Models

Some SaaS companies provide users with a free version of their products with limited features; this serves as a way to obtain a base of users for their product. Once users are in the product, they usually encourage users to purchase upgraded versions of the product. Utilizing freemium models helps reduce customer acquisition barriers and creates a dependency on the product experience to create conversions.

B2B vs B2C SaaS

B2B SaaS products are typically focused on solving issues for businesses, while B2C products typically target consumer behaviours. Products in the B2B market generally command higher prices, have longer sales cycles, and place more emphasis on customer retention. Products in the B2C market generally rely on volume of use (or number of users), lower prices, and virality of the product for revenue.

Customer Acquisition & Retention

Customer acquisition for SaaS products generally occurs through digital marketing, free trials, referrals and partnerships. However, revenue being recurring means that lost customers have a negative impact on growth. Therefore, customer retention will be a key part of every SaaS company's long term success. Each SaaS company should continue to focus on customer success, relationship development, onboarding new customers, and providing continual new features for the product.

Focus on Recurring Revenue

Recurring revenue provides financial stability, better forecasting, and higher company valuations. Investors favor SaaS

Benefits of SaaS

On-Demand Solutions : With SaaS platforms, the need for upfront investments is eliminated because the user pays as needed for each subscription. Customers may choose to begin with monthly service and scale to an enterprise solution as usage increases.

Scalability : SaaS products are built on a cloud-based architecture that allows users to scale their usage and features instantly by simply adding additional subscriptions. This flexibility is highly beneficial to growing start-ups and businesses that have seasonal demands.

Access Anywhere : With SaaS products, users can access their applications from anywhere with an internet connection. This allows remote and distributed workforces to collaborate seamlessly.

Ideal for Startups and Students : Start-up companies typically experience a great deal of complexity with their operations and do not have access to professional-grade tools. SaaS platforms make it easy and cost-effective to have access to these tools. Many SaaS companies offer Student Discount Programs.

Faster Innovation : With centralized updates being rolled out by SaaS providers on a regular basis, all users have access to improved functionality and feature enhancements without the need for manual upgrades. This has resulted in the ability to develop products and services at a much faster rate.

Challenges/Risks With SaaS

Data Security & Privacy : Storing data in the cloud creates a level of risk regarding data breaches, data misappropriation, and regulatory compliance. SaaS companies provide a great deal of investment for protecting data with Cybersecurity.

Reliance on the Internet : SaaS products require a reliable Internet connection; therefore, in areas where there is limited Internet access, users are unable to utilize SaaS products.

Subscription Fatigue : With an increasing number of subscriptions available, users are experiencing cost fatigue, and as a result, churn rates are higher than normal.

Vendor Lock-in: Switching SaaS providers can be difficult due to data migration challenges and workflow dependencies.

Compliance Issues: SaaS companies operating globally must comply with varying data protection laws, such as GDPR and SOC standards.



Future of SaaS

SaaS Evolution – Toward AI Powered SaaS

Artificial Intelligence continues to be integrated into SaaS solutions to deliver automation, customisation and predictive analytics, which are all ways that AI assisted SaaS optimizes decision making and provides improved productivity.

No-Code (NC) / Low-Code (LC) Platforms

NC / LC platforms give end-users the tools that were once only available to programmers, thereby allowing a much larger audience to engage with and adopt SaaS.

Vertical SaaS

Over the last few years, there has been a shift away from building SaaS for all industries, to building SaaS targeted at specific industry sectors such as healthcare, education and real estate.

SaaS for Students and Creators

Applications and tools designed for students and creators are also expanding rapidly to address the needs to create, learn, be productive, and earn money through the creator economy.

Careers Opportunities in SaaS

There are a vast number of career growth opportunities available in the SaaS industry for students, across the product management, sales, marketing, customer success, data analytics, and engineering areas of focus.

Conclusion

Software as a Service has fundamentally reshaped the way software is built, distributed, and consumed across the world. By shifting from one-time license purchases to subscription-based, cloud-driven delivery, SaaS has lowered entry barriers for users while enabling companies to scale faster and innovate continuously.

Organizations today no longer need heavy infrastructure or long deployment cycles; instead, they can adopt, customize, and upgrade software in real time.

As digital adoption accelerates across industries, SaaS continues to present a strong long-term opportunity for businesses, investors, and users.

Its predictable revenue model, global reach, and ability to integrate emerging technologies such as artificial intelligence make it one of the most resilient segments of the technology ecosystem. For students, SaaS offers early exposure to professional-grade tools and diverse career pathways, while for startups it provides agility and cost efficiency.

Agritech and Climate Tech

Introduction

Something intriguing is going on in India at present. In our country, we have seen more than 4,100 agritech startups and around 800 ventures working on climate-tech solutions in the last few years. These are no longer small experiments. Indian agritech companies have raised over ₹6.53 Bn while climate-tech startups pulled in ₹2.2 Bn within a period of 18 months between 2024 and 2025. An interesting part about it is we are looking at a ₹24 Bn market opportunity in agritech alone. And we have not yet tapped into that opportunity as we have just scratched the surface having less than 2% penetration till now. The truth is that Indian start-ups are solving Indian problems and these start-ups' solutions can also be adapted to other such markets worldwide.

1. Why Agriculture in India Needs a Tech Revolution

Here's a surprising fact about Indian agriculture. Despite the fact that almost half of the workforce of the country farm for their livelihood, agriculture contributes only about 18 percent to the GDP of the country. Mull over that disparity for a little while. Agriculture is a source of livelihood for millions of families but it gives terribly low economic returns. The largest share of Indian farmers work on small holdings of less than two hectares. They are faring with erratic monsoon that irrigates 60% of our farmland and their crop yields are often 35-50% less than that achieved by farmers elsewhere.

In addition to this, it continues to be a battle for equitable pricing of farm produce and credit.

Next, there is the climate part. Most of India's freshwater is consumed by agriculture, leading to water stress. Climate change is complicating every aspect. Soil quality is decreasing, weather patterns are becoming erratic, and pest problems are worsening. But challenges like this do hold some promise. Tremendous doors are opened for those who can construct solutions which are practical and affordable and work effectively.

2. What exactly is the Indian market like?

There has been considerable growth of Indian agritech. In the 2014-15 period, the number of startups in this space were maybe 50. By early 2026, the number zoomed past 4,100 businesses in Turkey. However, growth has not been consistent. After peaking at ₹1.6 billion in funding in 2024, ₹241 million across 60 deals in 2025 is lower by 38 per cent. Not bad news though. What's happening is that investors are getting pickier. They're looking for startups that can actually make money and have figured out their business model, rather than just chasing growth numbers.

When it comes to where these start-ups are located, Maharashtra has 1,363 agritech companies followed by Gujarat with 700 and Karnataka with 621. It is no coincidence. These states were among the first to design an environment that would be conducive to startups.

They simplified the process of obtaining approvals, provided seed money, and developed proper incubation programs. When attempting to establish a business, all of this infrastructure is crucial.

Funding for climate tech tells a different story. Startups in this industry saw a funding uptick of over ₹2200 crores in 2024-25. That is an increase of 340% as compared to 2022. We now have around 800 active projects which are working on varied things like renewable energy and battery storage to climate-smart farming and circular economy. Government policies, like PLI schemes, FAME subsidies for EVs and the new carbon credit trading framework, have certainly helped draw in money into this space. Even so, fewer than one-quarter of climate-tech startups have been funded and only 2.5% are at the point of raising serious growth capital.

3. The Revenue Generation Methods of These Companies

Making money in Indian agritech is not easy. Indian entrepreneurs have much to do in the agricultural sector. Tight budgets, different levels of digital comfort and unreliable infrastructure have become the norm in the country. Finally, unlike developed markets, farmers would pay readily to subscribe to a software but that is not the case in India. The firms that succeed have come up with business models that accommodate these realities.

According to experts, a full-stack approach is the best way. They carry out more than one task. They may sell farming inputs,

Banks earn money through commissions, service charges, and interest on loans. It works because it solves multiple farmer problems at the same time, getting customers hooked.

Both software subscriptions and precision farming tools generate reliable monthly or annual revenue. However, you really need to prove to farmers that they will get their money back. Some companies combine hardware like sensors or drones with software and consulting. By doing this, we mitigate the concern of hefty upfront investments and foster long-term relations. Newer models are also coming up. Certain startups are assisting farmers in earning carbon credits through regenerative farming. Some businesses concentrate on fintech and offer credit, insurance, digital payments, and earn interest and transaction fees. The smartest companies often blend multiple of these income streams so they are not reliant on just one stream.

4. Technologies That Are Working For Real Here

Indian startups are increasingly dealing with problem-centric technology solutions. Precision farming leverages IoT sensors and satellite imagery coupled with AI to help farmers optimize their water, fertilizers and pesticide use. For instance, Fasal. Using technology to provide farmers with the required irrigation recommendations, they have managed to save 3 billion litres of water across 10,000 acres of land. When savings and yield improvements can be quantified like that, the business case is pretty clear.

Another significant area of concentration is digitization of supply chains. India discards 15-20% of fruits and vegetables post-harvest, which is insane to think about. Farmers to retailers technology platforms, cold chain logistics optimization and quality assessment can make a dent in the losses from the farm to fork. Mobile applications that operate in vernacular languages are also a big hit. They offer market prices, weather updates, farming advice and also close the information gap for small farmers in India.

Climate-smart agriculture includes improved weather forecasting, crop insurance coverage, drought-resistant seeds and soil health monitoring. Together we can rapidly reduce carbon emission. By using solar water pumps and biogas systems operating costs will go down and will help in reducing emission. Today, there is burgeoning interest in solutions to waste that help turn agricultural leftovers into compost, bioenergy, and animal feed. This provides additional income as well as a stubble burning solution.

5. Real Examples: Start-ups That Are Winning the Game

List of Agritech Companies

Ninjacart: Restructuring the Supply Chain for Fresh Produce.

What was the **problem** they chose: In the traditional Indian agriculture supply chains, the produce passes through 4-5 middlemen before it reaches the retailers. Fifteen to twenty per cent spoilage of food, price

How They Work: Ninjacart has built a B2B marketplace which connects farmers directly to retailers, restaurants and corner shops. They use technology to predict demand, check quality and streamline logistics. The bulk of their money - about 80% of it comes from commissions that they earn on the sales of the product.

Ninjacart experienced excellent growth in revenue. Revenue surged from ₹967 crore in FY22 to ₹1,600 crore in FY23 (66% growth), before climbing to ₹2,080 crore in FY24 (30% growth). They crossed the ₹2,000 crore mark in FY24 while being able to cut their losses by 20%. It indicates that their business model efficiency is improving. Today, they cater to over one lakh retailers across seven cities and partner with five million farmers.

Money Raised: They have now raised more than \$508 million in total, from investors including Walmart, Flipkart, Accel and STIC Ventures. The most recent valuation was \$815 million. They run more than 80 collection and warehousing facilities with a proper cold chain setup.

Their tech-driven logistics are functioning successfully - here's how. AI even enables them to have a guess at demand, so less waste is generated. They have established a relationship with farmers and retailers on both sides. It does not hurt that they also get the backing of Flipkart and Walmart for market reach and operational knowledge. To be profitable by FY26. Falling losses and improved operations suggest they are heading in the right direction. However, fresh produce margins are always going to be tight, really.

DeHaat: One-Stop Solution for Farmers' Every Need.

The Challenge They Faced: Certain farmers face difficulties in procuring fertilizers and seeds and securing an appropriate price. So, they depend on an expert. They end up working with several different vendors. Trust always becomes an issue.

The DeHaat model provides everything a farmer needs through a network of DeHaat Centers governed by local micro-entrepreneurs. Farmers receive important inputs like seeds and fertilizers, receive advice on crops and weather, access information about markets, and arrange for credit to buy farm outputs. By doing so, they develop several ways for earning throughout the season while keeping the farmers involved.

In FY24, DeHaat's gross revenue was ₹2,674.8 crore, which was up 36% over ₹1,965 crore in FY23. The fact that they managed to become EBITDA-positive in Q1 of FY26 is impressive. Most agritech firms in India have little or no profit. In FY24, their losses fell by 34% to ₹244.68 crore from ₹371 crore the previous year. The rise in revenue was mainly due to a 49 per cent jump in selling farm produce.

They have raised around \$230 million from investors like Peak XV (which was Sequoia), Sofina Ventures and others. The last time they were valued, the number was over \$705 million.

They are doing well because they have different income streams from their different line of work. Establishing physical DeHaat

Most importantly, attaining EBITDA profitability indicates that their unit economics function effectively. They are also really good at executing in rural areas which is too hard for most.

It's a challenge for them because they need a lot of working capital to buy inputs and crops. Costs for materials consume 81% of their costs. They will likely require further investment before they can be fully profitable, though becoming EBITDA-positive takes a lot of the risk away.

WayCool: Creating a Comprehensive Food Platform

Farm supply chains in India are highly disaggregated and extremely wasteful. Farmers receive lower prices for their products, consumers pay high prices for the same and in between losing as much as 30-40% of produce just gets wasted. There is hardly any quality control and tracking of food origin.

How does the process work? WayCool takes care of everything starting from purchasing to processing to branding to stocking up in fruits, vegetables, dairy and staples. Technology optimizes supply chains from the moment seeds enter the soil until goods are delivered to consumers. They collaborate with more than 85,000 farmers and offer SaaS products for sourcing, warehousing, and distribution.

The Numbers: WayCool had revenue of ₹1,700 crore in FY23 and was expecting around ₹1,600 crore in FY24 (final number's not out yet). They're more involved in processing and branding for better margins

The startup has fetched over \$283 million from other investors like LightRock, Lightbox, IFC, FMO and LightSmith. Their worth is between \$700-\$712 million.

They're succeeding because owning the whole chain lets them control quality and costs. Selling various types of products allows them to handle seasonal fluctuations. When you create brands you build differentiation in a commodity business. Their technology platform increasingly streamlines operational efficiency.

Obstacles to overcome with lower crop prices and increased import competition expected. It gets difficult to handle logistics across so many products. Recent leadership changes include a co-founder moving to an advisory role, which suggests the organization is going through some transitions.

Fasal: Precision Agriculture That Really Saves Resources.

Farmers who grow fruits and vegetables were wasting excessive amounts of water, pesticides and fertilizers because they didn't have real-time information of what was happening in their fields. Pests and illnesses upset the crops. Most irrigation decisions are basically guesswork.

Fasal places artificial intelligence-enabled IoT sensors in the field to provide farmers with specific intelligence for their specific crop and growth stage. These sensors collect information like soil moisture temperature humidity etc. This data is processed by AI models, which then provide farmers with instructions on when to water their fields, notify them of possible disease or pest, and forecast yield.

The Numbers: They do not share the financial facts but they do have solid impact numbers.

Their platform has saved 3 billion liters of water across over 10,000 acres. When farmers use their system, yields can be increased, to the tune of, 15% to 30%. Moreover, input costs can also be reduced. When you can show ROI like that, adoption comes quick.

The firm has raised more than \$17 million from ITI Growth Opportunities Fund, Navam Capital, 3one4 Capital, Omnivore, Wavemaker Partners, Genting Ventures.

They are succeeding because their value proposition is clear and measurable in terms farmers can understand. Water saved yields an increase. Combining hardware and software reduces customer switching behavior. Easier to demonstrate ROI when growing flowers, fruits and vegetable high value crops. Furthermore, they employ a highly skilled technical team, well-versed in both AI and crop sciences.

Climate-Tech Companies to Keep an Eye On.

Ecozen is finding innovative solutions to making solar energy work for cold storage applications.

The issue they resolved: Farmers are losing 30-40% of their produce as they do not have cold storage. The electricity coming in from the main grid is unreliable, at best, in villages. The huge upfront investment and continuing electricity bill of conventional cold storage is out of reach for most small farmers.

How it works: Ecozen develops solar-powered cold storage and irrigation solutions for small farmers. They are merging hardware (solar-chilled rooms, solar pumps)

with intelligent monitoring (IoT sensors, forward-looking maintenance) and innovative financing (pay-as-you-save, micro-leasing). Farmers can undertake climate-friendly practices without massive amounts of cash upfront.

Ecozen has implemented its solutions in different states. Farmers save on energy and switch from fossil fuel usage. The cold storage powered by solar energy is able to operate even without the grid, which is particularly useful for remote areas. They have become a leader in agricultural renewable energy.

Why They're Winning: They simultaneously address multiple issues: storage, energy prices and reliability. Payment options that are flexible lower the barrier to entry. The savings from their operation offer a good return on investment. Additionally, a priority on renewables represents what the government wants to see and what impact investors see.

Varaha: Transforming Eco-Friendly Farming Into Carbon Revenue.

Small farmers lack the financial motivation needed to adopt regenerative agricultural practices. Carbon credit markets already exist but are they complicated and way out of reach for the average farmer. It is unreliable to trace how much greenhouse gas is reduced through changes in agricultural practices.

Varaha's mechanism enables smallholders to adopt regenerative agriculture practices and sells them as carbon credits. The organization uses satellites and soil samples to calculate greenhouse gas emissions. They also verify various credits and corporations that buy carbon offsets.

Agriculturalists who adopt sustainable farming practices earn extra income of \$20 to \$25 per ton of verified carbon stored in the soil through the Varaha company, which sells these credits.

Market Opportunity: Rapidly growing carbon credit market due to ever-increasing disclosure and emissions reduction requirements on companies. One of the least costly methods of carbon capture is regenerative agriculture. The potential scale in our country is huge with millions of small farmers.

The farmers are seeing additional income through this, which drives usage. Their technology-enabled measurement builds credibility. They benefit from regulatory trends on carbon reporting. They effectively meet environmental and economic objectives simultaneously to reduce poverty.

Oorjan Cleantech is making solar accessible using AI and financing.

Rooftop solar has been confronted with several challenges. The initial expense is significant, configuration is complex, available financing is limited and people are confused about how much they will actually save. Small and medium-sized businesses and homeowners struggle to figure out all the technical and financial details.

Oorjan uses artificial intelligence to design an optimal rooftop solar setup which cuts down system prices by 20-30% from what installers charge. They base loans on your income/affordability so you won't have to pay upfront. The digital platform covers everything from checking your roof to installation to the monitoring of the system.

They mainly target small and medium businesses which use a lot of electricity making ROI easier to show but also focus on urban homeowners. They concentrate on customers who are paying high electricity rates where solar savings are most obvious. Artificial Intelligence cuts down design costs drastically. Integrated financing simplifies the largest hurdle to adoption. Their digital-first strategy allows for rapid scaling. When power companies align their business model with majority government renewable energy goals, they get policy support. In addition, they are attractive to impact investors.

6. How Indian Startups Are Performing Versus Global Giants.

Ninjacart Against Indigo Agriculture (USA).
Indigo Agriculture is a leading platform in US agritech. They concentrate on sustainable farming including biological products and carbon credits. They offer microbial seed treatments, have a marketplace for sustainable crops and run carbon credit programmes. Indigo is now a unicorn having raised over \$1 billion.

Comparison:

Indigo operates globally across continents. Although Ninjacart is focused on India, it has more than 5 million farmers which is similar farmer touchpoints.

What Indigo Does: Indigo integrates biological products, marketplace functions and carbon credits. Ninjacart focuses on supply chain management and marketplace functions.

Indigo's funding has reached \$1 billion, whereas the other company's funding was \$500 million.

However, Ninjacart runs in a market where the quantum of capital required is less and cost works differently.

Indigo is investing heavily in technology-focused R&D on both biological products and carbon science. Ninjacart focuses on enhancing demand forecasting and logistics solutions.

Ninjacart has a deep understanding of the Indian markets' complexity and fragmentation. They know how to work with Indian price-conscious customers. Indigo derives its advantage through its proprietary biological products and existing carbon marketplace.

DeHaat and FarmWise (USA)

California based company FarmWise make robotic weeders that use AI. Their self-operating devices employ computer vision techniques to detect and remove weeds, thus lessening use of herbicide by 80-90%. They've gathered more than 50 million dollars from investors like Calibrate Ventures, Insight Partners.

Here's how they compare:

FarmWise creates autonomous robots that play specific roles on farms. DeHaat combines technology with on-the-ground distribution and advice to offer full-stack services.

FarmWise targets US farms suffering from labor shortages where the high cost of labor makes automation worthwhile. DeHaat caters to India's small farmers who have abundant labor but limited access to inputs, credit, and markets.

The cost model for FarmWise is a price per acre that it weeds. DeHaat generates revenue by selling inputs,

purchasing outputs, and offering financial services. DeHaat has hit EBITDA profitability – proof that their business model works. FarmWise remains in the scaling phase with improved hardware requiring further investment

Key Point: What this shows is how agritech solutions must fit the local conditions. Automation is justified where labor is expensive and scarce. (8 words) Full-stack service platforms win in fragmented developing markets.

Indian Startups Do Better Where They Struggle

Indian startups certainly have some competitive edge.

Cost Innovation: Indian firms are creating solutions at only 10–20% of the cost of their Western equivalents, with similar functionality. Innovation inspired by frugality is creating models that will also suit other developing markets.

Size of the market: 150 million farmers and 156 million hectares of farmland. India’s enormous domestic market enables startups to grow big prior to even contemplating going global.

Problem-Solving: Indian startups are known for their ability to tackle challenging problems that arise due to poor infrastructure and lack of facilities that hinder growth. In markets throughout Africa, Southeast Asia and Latin America, these solutions are effective.

Talent: IITs and other renowned engineering colleges provide highly competent technical talents at low costs. Numerous founders comprehend technology and agriculture.

However, there are obstacles as well.

Indian startups are raising substantially lower amounts of capital than their US counterparts. Consequently, this will stunt the impact on the pace and extent of their investment in R&D.

The technology is not advanced such as robotics, gene editing, precision biologicals, etc., which are more developed in US and Europe.

Market Complexity: Working across the states of India means dealing with state-specific regulations, languages, and farming systems. It soon becomes muddled.

7. Where the key business opportunities lie for New Entrepreneurs.

There is still enough headroom for aspirants with smart business models in the Indian agritech and climate tech space to tackle tough problems.

Regions Likely to See Growth

Agri-fintech: Less than 10% of India’s farm credit needs met with banks, other formal lenders. Digital lending platforms that use alternative ways to judge creditworthiness (satellite data, transaction history, social connections) could tap into a ₹10 lakh crore opportunity.

Climate adaptation is needed in response to ever-unfurling weather patterns. This leads to an increase in weather insurance, identified drought prediction tools, heat-resistant seeds and seasonal insight for farmers. Data analytics and crop science powered startups can build powerful moats.

Regenerative Agriculture: Carbon credit markets are improving soil health and organic certification to open up new revenue opportunities. The INR 500 million Regenerate Fund signals growing investor interest.

Cost-effective machinery designed for the 2-hectare farm fills a huge gap. Farmers who cannot afford to buy benefit from rental and sharing models.

Traceability: With food safety scares and export requirements, we are seeing a growing demand for blockchain-based tracking and supply chain transparency, along with quality certification.

Agricultural Waste is the conversion of leftover crops into biofuel, compost, animal feed, etc. for the solution of environmental and economic problems at once. Pressure from the government to stop stubble burning helps too.

What You Got to Get Right

- Farmers should have clarity on their returns in one season.
- Create solutions that function effectively in poor infrastructure conditions (offline features, low bandwidth requirements).
- Offer affordable prices for small farmers, or provide flexible payment options.
- Combine technology with feet on the street to build trust.
- Concentrate on ensuring every transaction is profitable from day one, not just scaling.
- Leverage government schemes and impact investment for non-dilutive funding for your startup.

8. Conclusion

One of the largest business opportunities we will observe in our life time will be Indian agritech and climate-tech. The agritech and climate-tech ecosystem has moved to an execution stage, with 4,100 and over 800 startups respectively. The stiffening funding climate from 2024 to 2025 will prove advantageous for entrepreneurs with smart business models, demonstrable outcomes, and sound profitability programs.

Refer to previous outcomes. DeHaat achieved positive EBITDA, Ninjacart's revenue crossed ₹2,000 crore, WayCool building their full-stack platform. Sustainable agritech businesses are indeed possible in India. We show you some successful companies that have proven this.

They figured out what works in our market and built relevant business models, kept executing year on year, and succeeded. Companies like Ecozen, Varaha and Oorjan show climate-tech solutions can be very profitable when they genuinely help customers save.

The emergence of regulatory pressure (companies having to report carbon), policy support (PLI schemes, carbon trading) and market demand creates pretty good conditions for growth.

When matched with global players, Indian startups compete by being cost-innovative, having deep market understanding and solving complex problems with limited resources. Indeed, we struggle with accessibility to capital, tech shortfalls and more. But the size of our domestic market and proof of our solutions efficacy in use at other developing nations present huge opportunities.

Regenerative Agriculture: Carbon credit markets are improving soil health and organic certification to open up new revenue opportunities. The INR 500 million Regenerate Fund signals growing investor interest.

Cost-effective machinery designed for the 2-hectare farm fills a huge gap. Farmers who cannot afford to buy benefit from rental and sharing models.

Traceability: With food safety scares and export requirements, we are seeing a growing demand for blockchain-based tracking and supply chain transparency, along with quality certification.

Agricultural Waste is the conversion of leftover crops into biofuel, compost, animal feed, etc. for the solution of environmental and economic problems at once. Pressure from the government to stop stubble burning helps too.

What You Got to Get Right

- Farmers should have clarity on their returns in one season.
- Create solutions that function effectively in poor infrastructure conditions (offline features, low bandwidth requirements).
- Offer affordable prices for small farmers, or provide flexible payment options.
- Combine technology with feet on the street to build trust.
- Concentrate on ensuring every transaction is profitable from day one, not just scaling.
- Leverage government schemes and impact investment for non-dilutive funding for your startup.

8. Conclusion

One of the largest business opportunities we will observe in our life time will be Indian agritech and climate-tech. The agritech and climate-tech ecosystem has moved to an execution stage, with 4,100 and over 800 startups respectively. The stiffening funding climate from 2024 to 2025 will prove advantageous for entrepreneurs with smart business models, demonstrable outcomes, and sound profitability programs.

Refer to previous outcomes. DeHaat achieved positive EBITDA, Ninjacart's revenue crossed ₹2,000 crore, WayCool building their full-stack platform. Sustainable agritech businesses are indeed possible in India. We show you some successful companies that have proven this.

They figured out what works in our market and built relevant business models, kept executing year on year, and succeeded. Companies like Ecozen, Varaha and Oorjan show climate-tech solutions can be very profitable when they genuinely help customers save.

The emergence of regulatory pressure (companies having to report carbon), policy support (PLI schemes, carbon trading) and market demand creates pretty good conditions for growth.

When matched with global players, Indian startups compete by being cost-innovative, having deep market understanding and solving complex problems with limited resources. Indeed, we struggle with accessibility to capital, tech shortfalls and more. But the size of our domestic market and proof of our solutions efficacy in use at other developing nations present huge opportunities.

Delivery Partner Survey Analysis

Demographic and Platform Distribution

The survey consists of responses from around 40 delivery partners working with major gig platforms, including Zomato, Swiggy, Blinkit, Zepto, Domino's, and Amazon/Flipkart. Among these, Zomato and Blinkit dominate the sample, followed by Swiggy and Zepto. This reflects the strong presence of food delivery and quick-commerce platforms in urban labour markets.

The representation from both food delivery (Zomato, Swiggy, Domino's) and e-commerce/quick commerce (Blinkit, Zepto, Amazon/Flipkart) allows for a comparative understanding of different segments of gig delivery work.

Work Experience and Employment Stability

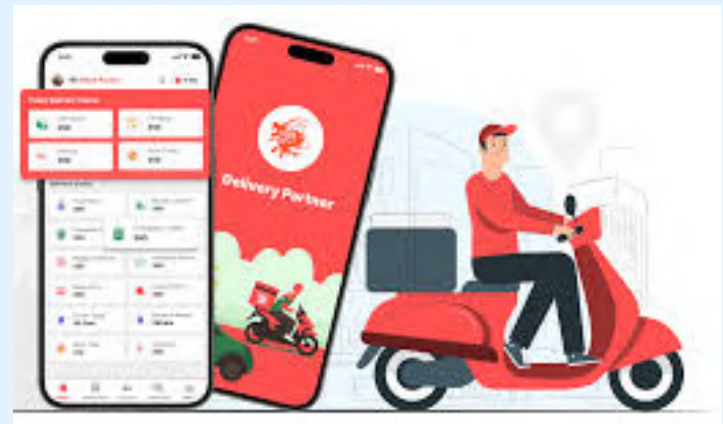
In terms of work experience, most respondents fall into the following categories:

- 3–6 months
- 6 months–1 year
- 1–2 years

Only a small proportion have been working for more than 2 years, indicating high turnover and low long-term retention in gig delivery work. This suggests that delivery platforms are characterized by:

- Short-term engagement
- High attrition rates
- Limited job stability

The lack of long-term association implies that gig delivery work is often treated as temporary or transitional employment rather than a stable career option.



Working Hours and Labour Intensity

Daily Working Hours

The majority of delivery partners reported working:

- 4–6 hours per day or
- 6–8 hours per day

However, a substantial number work:

- 8–10 hours
- More than 10 hours daily

This indicates the presence of a dual pattern:

1. Part-time workers using delivery as supplementary income.
2. Full-time workers relying on it as their primary livelihood.

Number of Deliveries

Most respondents complete:

- 10–30 deliveries per day
- Some, particularly from Zepto and Blinkit, reported:
- More than 40 deliveries per day

This reflects high labour intensity, especially in quick-commerce models where deliveries are short, frequent, and algorithmically scheduled.

The combination of long hours and high delivery volume suggests physical exhaustion and time pressure, reinforcing the demanding nature of the work.

Earnings Structure and Economic Insecurity

Earnings per Delivery

The dominant earning range is:

- ₹20–₹30 per delivery

A smaller group earns:

- ₹30–₹40 or more, mostly those working long hours or in e-commerce logistics.

Considering fuel, maintenance, mobile data, and personal expenses, this per-delivery rate indicates low real income.

Monthly Income Trends

A major finding is that:

- Most respondents reported their income has “decreased”.
- Many stated it has “stayed the same”.
- Very few experienced an increase.

Several respondents explicitly mentioned:

- Reduction in base pay.
- Removal of incentives.
- Needing to work longer hours to maintain previous income.

This demonstrates income volatility and economic insecurity, a core feature of gig work. Despite technological efficiency and increased demand, workers are not benefiting proportionally.

Working Conditions and Job Quality

Respondents used strong descriptive terms such as:

- “Physically exhausting”
- “Stressful”
- “Very bad”
- “Worst”
- “No time to rest”
- “Hectic”

Even those who described conditions as “average” or “manageable” often added qualifiers such as:

- “only if orders are steady”
- “during non-peak hours”

This suggests that job quality is:

- Highly unstable
- Dependent on external conditions (weather, demand, traffic)

- Largely shaped by platform algorithms
- Overall, the data points toward poor working conditions, with significant physical and psychological strain.

Company Support and Institutional Protection

Support During Problems

Most respondents rated company support as:

- Neutral
- Somewhat supportive
- Not very supportive
- Several said “not supportive at all”

This indicates weak institutional mechanisms for:

- Accidents
- Customer harassment
- Payment disputes
- Technical issues

Delivery partners largely operate without meaningful organisational backing, reinforcing their classification as independent contractors rather than protected workers.

Benefits and Incentives

A clear majority reported:

- No benefits
- No consistent rewards

Only a small minority acknowledged:

- Performance bonuses
- Occasional incentives

This shows a lack of social security, such as:

- Health insurance
- Paid leave
- Accident compensation
- Pension or job security

This absence places workers in a condition of structural vulnerability.

Working Conditions and Job Quality

One of the strongest patterns in the data is that:

- Most respondents agree or strongly agree that they feel pressure to deliver quickly, even in risky situations.

This includes:

- Speeding in traffic
- Delivering in rain or poor weather
- Skipping breaks
- Working despite fatigue

This reflects the impact of algorithmic management, where:

- Performance is monitored digitally.
- Delays reduce ratings or income.
- Workers are pushed to prioritise speed over safety.

Such pressure significantly increases:

- Accident risk
- Mental stress
- Burnout

Access to Support Teams and Communication

Most respondents stated that contacting company support is:

- Difficult or very difficult
- Only a few found it easy or very easy

This highlights:

- Inefficient grievance redressal systems.
- Automated customer care.
- Lack of human interaction.

As a result, workers feel:

- Ignored
- Powerless
- Unsupported during crises

This weak communication further deepens worker alienation from the platform.

Overall Satisfaction and Worker Sentiment

Regarding overall satisfaction with income and treatment:

- The majority responded “No”
- Only a minority answered “Yes”

Key reasons for dissatisfaction:

- Low and declining income
- Excessive workload
- Stressful environment
- Lack of respect and support
- No job security
- Even workers who were “satisfied” often cited relative reasons, such as:
 - “better than other platforms”
 - “easy because I know the area”
- This indicates conditional satisfaction rather than genuine job well-being.

Conclusion

The findings reveal that gig delivery platforms provide employment opportunities but not decent work. While marketed as flexible and independent, delivery partners operate under conditions of economic insecurity, algorithmic control, weak institutional support, and high occupational risk.

The survey strongly suggests that gig delivery work in India reflects a form of platform-based precarious labour, where workers bear most of the risks while companies retain control over earnings, performance, and working conditions.

In essence, delivery partners function as the invisible backbone of the digital economy, sustaining platform growth while remaining largely unprotected, underpaid, and dissatisfied.

Consumer Survey Analysis

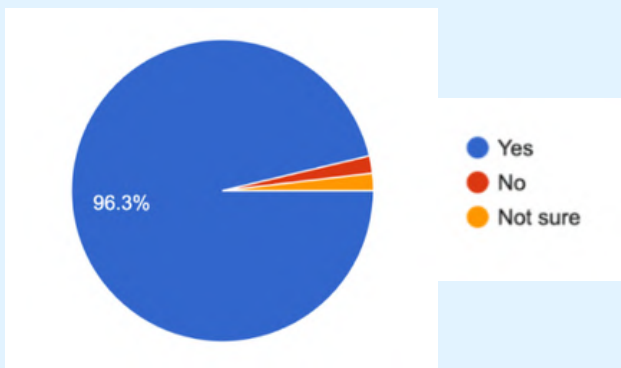
What is the survey regarding?

The main objective of the survey is to understand the impact of emergence and popularity of quick commerce on traditional kirana store owners.

What areas were covered in the survey?

- Crossing Plaza
- Crossings Republik, Ghaziabad
- Sajwan Nagar, Ghaziabad
- Harkesh colony faridabad
- Kamla nagar
- Rohini West
- Vijay Nagar
- New Ashok Nagar
- Shri Ram College of Commerce
- Vaishnodevi Circle
- Ahmedabad
- Shahdara

Are you aware of quick-commerce platforms like Blinkit, Zepto and Insta Mart?



The primary survey conducted shows high awareness regarding the existence of quick commerce platforms which proves deep integration of such apps into the lives of the people.

96.3% respondents have affirmed their knowledge of such apps (52 out of 54 respondents)

In your opinion, how has the rise of quick-commerce platforms affected your kirana store business?

A few commonly cited responses include:

Decrease in overall sales

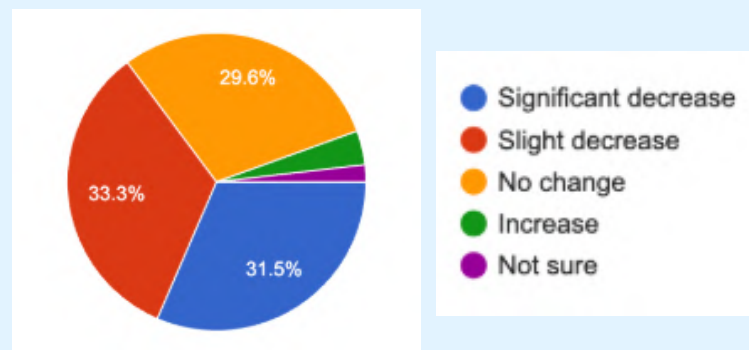
Increase in movement of FMCG goods

Greater awareness about product range

Increase in cost to provide better discounts and services of home delivery

Decrease in young consumer base

Since quick-commerce became popular, have you experienced any change in your overall sales?



The survey covered a wide area, due to which responses of kirana store owners varied in their experience with quick commerce. While the majority 64.8% feel that due to this emerging tech their sales are being impacted, the remaining primary survey respondents have either seen no change or a small portion has seen an increase in their sales.

What unique value does a kirana store provide that quick-commerce platforms cannot?

Credit

Trust

Personal connection, reliable quality.

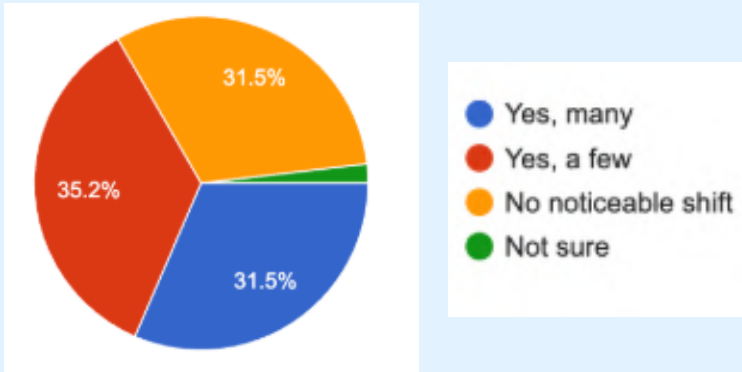
Immediate access without waiting for delivery

Human interaction, trust

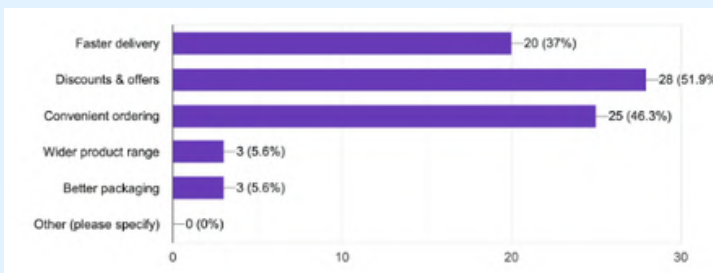
Personalised shopping experience

Immediate Replacement

Have you observed your regular customers shifting to purchasing from quick-commerce apps instead of your stores?



What do you think is the main reason customers prefer quick-commerce platforms?

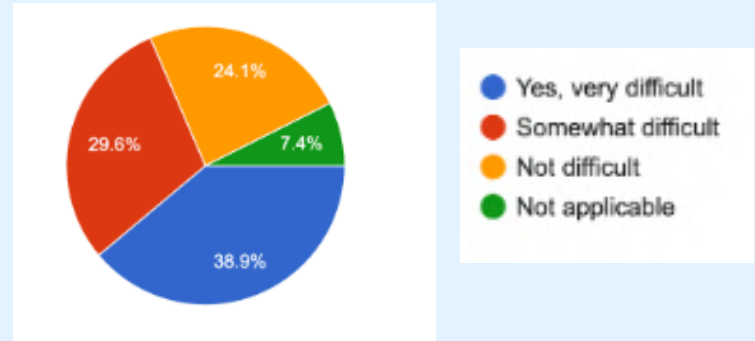


The views of kirana store owners were asked as to possible reasons behind the lucrateness of quick commerce websites. The most favoured idea was the availability of attractive discounts and offers followed by convenient ordering opportunities and fast home delivery. There was a tie between respondents who advocated wide product range and better packaging as a few benefits of quick commerce.

What support, policy changes, or resources do you think could help kirana stores survive and grow alongside quick-commerce platforms?

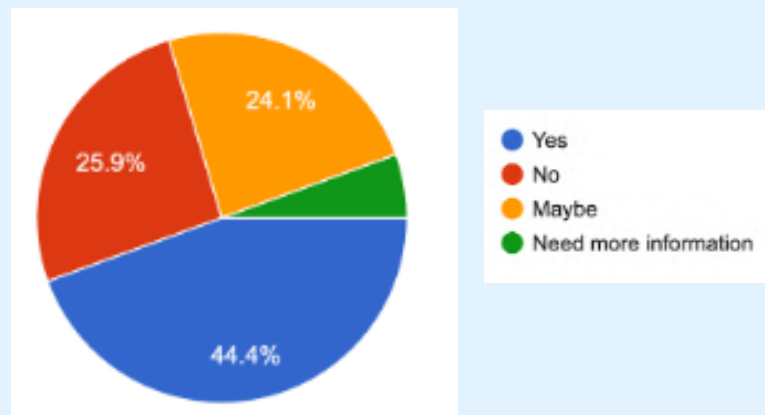
- Govt Backed Digital Training
 - Better access to wholesale prices, simpler GST compliance.
 - Low interest loans for upgrading stores
 - Cheaper access to inventory from wholesalers.
 - Training on how to list on online platforms
 - Subsidised POS machines
- Many kirana store owners had no opinion regarding this question.

Do you find it difficult to compete with the discounts and offers provided by quick-commerce platforms?



38.9% respondents find it hard to compete with the prices offered by quick commerce platforms. 29.6% think it's somewhat difficult and 24.1% believe it's not difficult for them to do so. Quick commerce is famously known for having low profit margins which might not be able to be sustained by traditional kirana store owners.

Would you consider collaborating with or listing your store on quick-commerce platforms if it helps increase your sales?



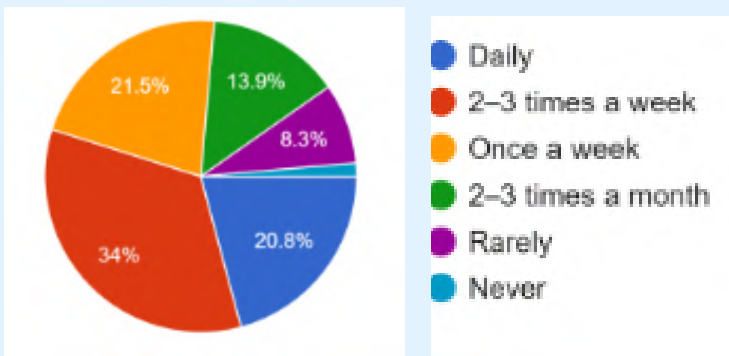
The graph illustrates that the majority of traditional kirana stores are ready to list themselves online then confining themselves to the brick and mortar mode. While 25.9% respondents refuse to say and others are hesitant and need more information on this topic.

Analysis And Interpretation Of Quick Commerce : Consumer Trends and Preferences Survey

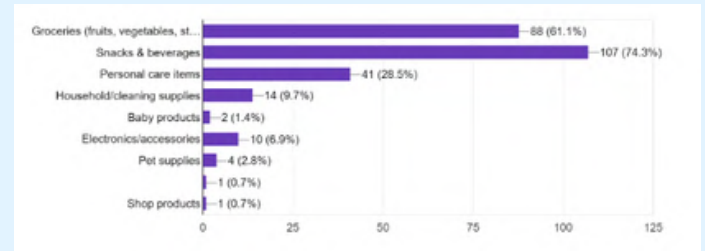
Introduction

The rapid expansion of quick commerce platforms has significantly transformed contemporary retail consumption by enabling ultra-fast delivery of everyday goods through digital interfaces. Driven by increasing urbanization, time scarcity, and smartphone penetration, quick commerce has emerged as a convenience-oriented extension of e-commerce, promising immediacy, ease, and accessibility. This study seeks to examine consumer behavior and perceptions toward quick commerce services, with a particular focus on usage frequency, impulse purchasing tendencies, promotional influence, platform choice, satisfaction with delivery performance, and the impact on physical retail footfall. Using primary data collected through a structured Google Form survey of 144 respondents, the research aims to provide empirical insights into how quick commerce is reshaping shopping habits, expectations, and decision-making processes within the modern retail ecosystem.

How often do you use quick commerce services (e.g., Blinkit, Zepto, Swiggy Instamart, Amazon Fresh)?



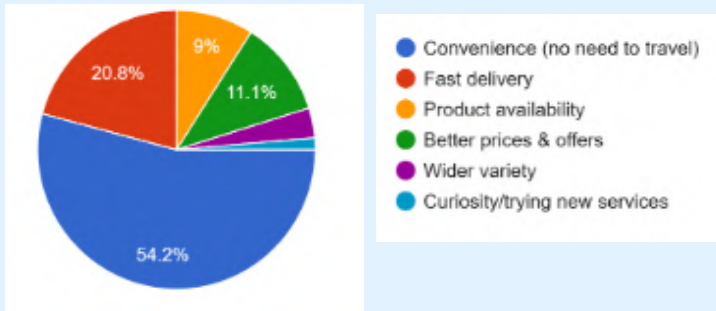
What types of products do you most commonly order through quick commerce platforms?



Analysis & Interpretation – Key Points

- Quick commerce platforms are predominantly used for immediate-consumption and daily-need products.
- Snacks & Beverages are the most frequently ordered category, chosen by 74.3%, indicating strong association with impulse buying and instant gratification.
- Groceries (fruits, vegetables, staples, etc.) are ordered by 61.1%, reflecting growing trust in quick commerce for essential household needs.
- Personal Care items are ordered by 28.5% of users, suggesting selective and convenience-based usage for non-urgent purchases.
- Usage of Household/cleaning products (9.7%), Electronics/accessories (6.9%), Pet supplies (2.8%), and Baby products (1.4%) remains relatively low.
- Lower adoption of these categories indicates consumer reluctance to use quick commerce for infrequent, high-involvement, or planned purchases.
- Overall, quick commerce is perceived primarily as a convenience-driven channel for urgent, low-value, and high-frequency items, especially food-related products.
- Consumers continue to prefer traditional e-commerce or offline retail for durable and specialized goods.

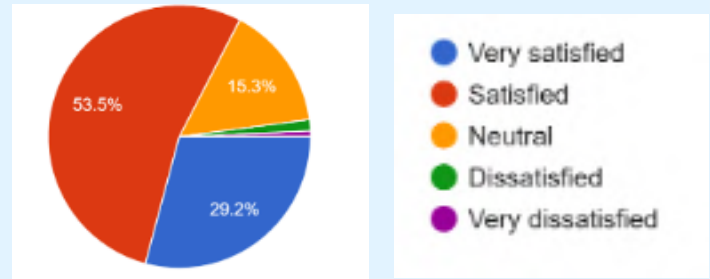
What is your main reason for choosing quick commerce over traditional shopping?



Key Points (Analysis & Interpretation):

- Convenience is the primary driver of quick commerce adoption, with 54.2% of respondents citing elimination of travel and effort as the main reason.
- This reflects a strong preference for time-saving and ease, especially within urban consumer lifestyles.
- Fast delivery is the second most important factor, selected by 20.8% of respondents, reinforcing speed as a key competitive advantage.
- Better prices and offers motivate 11.1% of users, indicating that cost savings play a supporting rather than central role.
- Product availability influences 9% of respondents, suggesting assortment matters but is not the primary decision factor.
- Very few respondents choose quick commerce for wider variety or curiosity/experimentation, showing limited importance of exploration.
- Overall, quick commerce is perceived more as a utility-oriented service than a price- or variety-driven platform.
- For platforms, success depends heavily on last-mile delivery efficiency, ease of use, and reliable delivery timelines.
- Marketing and operational strategies should prioritize convenience, speed, and seamless user experience to sustain and expand engagement.

How satisfied are you with the delivery speed and reliability of quick commerce services?



Key Points (Analysis & Interpretation):

- The chart shows very high overall satisfaction with delivery speed and reliability of quick commerce services.
- A combined 82.7% of respondents report positive experiences, indicating strong performance in last-mile delivery.
- 53.5% of users are satisfied, while 29.2% report being very satisfied, reflecting effective fulfillment of consumer expectations.
- 15.3% of respondents hold a neutral opinion, possibly due to occasional delays or service inconsistencies.
- Levels of dissatisfaction are negligible, suggesting very limited negative delivery experiences.
- Delivery speed and reliability emerge as a core strength of quick commerce platforms.
- High satisfaction supports repeat usage, customer retention, and brand loyalty.
- Neutral responses indicate room for improvement, particularly in delivery consistency, peak-hour management, and communication.
- Overall, the findings validate the operational efficiency of quick commerce models.

Strong delivery performance aligns closely with consumer expectations and reinforces the value proposition of quick commerce platforms.

Since using quick commerce, have you noticed any change in your shopping frequency or habits?



Key Points (Analysis & Interpretation):

- Quick commerce has led to a noticeable increase in shopping frequency for a majority of respondents.
- 56.9% report shopping more frequently after adopting quick commerce services.
- Increased frequency is likely driven by ease of access, rapid delivery, and low effort, encouraging smaller and more frequent purchases.
- 34.7% of respondents report no significant change in shopping frequency.
- For these users, quick commerce appears to substitute existing retail channels rather than expand total consumption.
- Only 8.3% report shopping less frequently, possibly due to better planning, consolidated buying, or reduced offline shopping.
- Overall, quick commerce functions both as a replacement for traditional retail and a stimulus for higher purchase frequency.
- The increased frequency reinforces impulsive and convenience-driven consumption patterns.
- The small proportion shopping less frequently indicates minimal negative impact on user engagement.
- For firms, higher shopping frequency offers opportunities to increase customer lifetime value.

If Yes, please briefly describe how your habits have changed:

Key Points (Qualitative Analysis & Interpretation):

- Responses clearly indicate that quick commerce has led to more frequent and impulsive shopping behavior.
- Statements such as “I shop more,” “frequent purchase,” and “shopping at least once a day” reflect a shift from planned, occasional buying to regular, on-demand purchasing.
- Several respondents explicitly mention unnecessary or unplanned purchases, highlighting increased impulse buying driven by instant access and attractive product displays.
- Comments like “I end up buying things which I don’t even need” and “things are ordered just because they seem tempting” underscore the influence of convenience and variety on consumer decisions.
- A second major theme is the reduction in physical shopping and travel.
- Frequent mentions of “less travel,” “no travel need,” and “I don’t go to physical stores” indicate a strong substitution effect away from offline retail.
- 10–15 minute delivery timelines have made ordering from home the preferred and default option for many consumers.
- Overall, quick commerce has increased dependence on convenience-based consumption.
- It has encouraged higher spending through frequent, small-value orders rather than planned bulk purchases.
- Daily shopping routines have been significantly altered, with online platforms replacing traditional market visits.
- While a small number of respondents report little or no change, the dominant trend reflects a clear behavioural shift.

FUTURE OUTLOOK

01 INDIAN CONSUMER MARKET

The Indian consumer market is expected to steadily shift toward value-driven and experience-oriented consumption. While necessities will continue to dominate spending, discretionary categories such as lifestyle, wellness, and services are likely to grow with rising incomes and urbanisation. Consumers will become more informed and selective, relying on digital reviews and peer validation. Trust, cultural alignment, and brand credibility will remain critical, while sustainability and long-term value will increasingly influence purchase decisions.

02 DIGITAL MARKETING TACTICS

Digital marketing will evolve from reach-focused strategies to psychology-driven engagement. As consumer attention becomes more fragmented, brands will prioritise emotional storytelling, personalization, and consistent messaging across platforms. AI, data analytics, and behavioral targeting will enable more precise consumer journeys, but authenticity and transparency will be essential to maintain trust. Brands that balance technology with human-centric communication will be better positioned to build long-term loyalty and recall.

03 SOFTWARE AS A SERVICE

The SaaS industry is poised for sustained growth through AI integration, vertical specialization, and low-code/no-code platforms. Businesses will increasingly adopt SaaS for automation, analytics, and scalability, while pricing models may shift toward usage-based and hybrid structures. India is expected to strengthen its position as a global SaaS hub, driven by product-led growth and exports. Future competition will focus on profitability, retention, and customer experience rather than rapid expansion alone.

04 AGRITECH AND CLIMATE TECH

Agritech and climate-tech are expected to play a critical role in addressing India's agricultural inefficiencies and sustainability challenges. Increased adoption of precision farming, supply-chain digitisation, and climate-resilient solutions will be driven by measurable economic returns. Government support and policy incentives will further accelerate growth. As penetration deepens, Indian startups may scale solutions globally to other developing markets facing similar environmental and structural constraints.

05 NEURAL MARKETING

Neural marketing is likely to gain prominence as brands seek deeper insights into subconscious consumer behavior. Advances in neuroscience, AI, and biometric tools will enable marketers to better understand emotional responses, attention patterns, and decision triggers. Ethical considerations and data privacy will become increasingly important as adoption grows. When applied responsibly, neural marketing can help brands design more effective messaging, user experiences, and emotionally resonant campaigns.

06 DELIVERY PARTNER SURVEY ANALYSIS

The gig-based delivery ecosystem will continue expanding, but sustainability will become a central concern. While flexibility and earning opportunities will remain key attractions, platforms will face pressure to improve working conditions, incentive structures, and partner well-being. High attrition and fatigue may push companies to invest in better workload management, support systems, and long-term engagement models. Balancing operational efficiency with workforce stability will define future success.

BIBLIOGRAPHY

01 INDIAN CONSUMER MARKET

- **PwC India. (2023).** *How India spends: A deep dive into consumer spending behaviour.* <https://www.pwc.in/assets/pdfs/how-india-spends-a-deep-dive-into-consumers-pending-behaviour.pdf>
- **Deloitte India. (2025).** *India consumer signals 2025: Understanding evolving consumer behaviour.* <https://www.deloitte.com/content/dam/assetszone1/in/en/docs/industries/consumer/2025/in-consumer-india-consumer-signals-2025.pdf>
- **Bansal, S., & Singh, R. (2025).** *Comparison between marketing psychology of Indian consumers vs. U.S. consumers: A qualitative study.* *Academy of Marketing Studies Journal.* <https://www.abacademies.org/articles/comparison-between-marketing-psychology-of-indian-consumers-vs-us-consumers-a-qualitative-study-16704.html>
- **Woxsen University. (2024).** *Unveiling the consumer mind: Neuromarketing insights for strategic engagement.* <https://woxsen.edu.in/research/white-papers/Unveiling-the-Consumer-Mind-Neuromarketing-Insights-for-Strategic-Engagement/>

02 DIGITAL MARKETING TACTICS

- **Famous Media. (2025).** *Consumer behaviour: Using psychology in successful digital marketing.* <https://famousmedia.co.za/consumer-behaviour-using-psychology-in-successful-digital-marketing/>
- **Chierotti, L. (2023).** *Harvard professor says 95% of purchasing decisions are subconscious.* *Inc.* <https://www.inc.com/logan-chierotti/harvard-professor-says-95-of-purchasing-decisions-are-subconscious.html>

03 SOFTWARE AS A SERVICE

- **Invest India. (n.d.).** *India's SaaS ecosystem: Growth, opportunities, and global positioning.* <https://www.investindia.gov.in/team-india-blogs/saas-ecosystem-india>
- **Economic Times. (2025).** *India's SaaS sector tops \$15 billion in revenue as IPO pipeline builds.* <https://economictimes.indiatimes.com/tech/startups/indias-saas-sector-tops-15-billion-in-revenue-as-ipo-pipeline-builds/articleshow/122820407.cms>
- **Reuters. (2025, October 16).** *Indian quick commerce platform Zepto raises \$450 million at \$7 billion valuation.* <https://www.reuters.com/world/india/indian-quick-commerce-platform-zepto-raises-450-million-7-billion-valuation-2025-10-16/>

04 AGRITECH AND CLIMATE TECH

- **Inc42 Media. (2025).** *India's startup ecosystem: unicorns and soonicorns lead the way* [LinkedIn post] https://www.linkedin.com/posts/inc42_unicorns-soonicorns-startupecosystem-activity-7316690276448706561-1Gvx
- **LinkedIn Content. (2025).** *India Rises to 3rd in Global Unicorn Ranking: Climate-tech, Agritech, Public digital systems* [LinkedIn post]. LinkedIn. https://www.linkedin.com/posts/abhishek-singh-78a2b2103_startup-unicorn-india-activity-7401280885313949696-Nv-k
- **RegisterKaro. (2025).** *Top 10 unicorn startups in India – Emerging sectors: agritech & climate tech.* <https://www.registerkaro.in/post/top-unicorn-startups-india>

05 NEURAL MARKETING

- **Qadri, A., & Sodhi, G. D. (2025).** *Is psychological pricing a pricing strategy or a loophole? International Journal for Multidisciplinary Research, 7(2).* <https://doi.org/10.36948/ijfmr.2025.v07i02.41163>
- **Research and Metric. (2025, August 18).** *Consumer psychology buying decisions: 95% are emotional.* <https://www.researchandmetric.com/blog/consumer-psychology-buying-decisions-emotional-factors/>
- **Verify. (2025, May 22).** *Neuromarketing: How our brain controls purchasing behaviour.* <https://verify.io/en/blog/neuromarketing/>

