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Think Quick Commerce

Unlocking the $90B opportunity



Disclaimer

'Think Quick Commerce: Unlocking the $90B opportunity' is a research report published by Redseer & Google, which analyses India's evolving quick commerce landscape.

The research leverages Redseer analysis, Google internal data, primary research, expert interviews and industry sources to shed light on India's evolving quick commerce landscape. The information included in this report is sourced as 'Think Quick Commerce: Unlocking the $90B opportunity', unless otherwise specified.

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Notes on the report

All time frames are given in financial year estimates unless indicated

All dollar amounts are US$

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Foreword: Google

Commerce in India has entered its most defining, high-velocity era — and quick commerce is one of the engines driving this transformation. Over the last few years, what began as an urban convenience for emergency top-ups has grown into an indispensable daily habit, enabling greater household efficiency and establishing an entirely new baseline for reliability, convenience, and customer-centricity across retail.

As the industry transitions from its initial surge of hypergrowth into long-term maturity, the strategic and operational playbooks must evolve just as fast. It is this pivotal inflection point that prompted Google and Redseer Strategy Consultants to come together. Our objective with this report was simple: to look past the everyday, decode the underlying consumer shifts, and provide an objective, data-backed blueprint to help platforms, brands, and investors navigate the next phase of sustainable growth.

The report highlights an ecosystem that has reached critical mass, already operating as a robust US$13B market today. Yet, the road ahead is not one-size-fits-all. Unlocking the next wave of value demands two distinct playbooks: deepening wallet share in mature metros as new users continue to be onboarded, while simultaneously unlocking brand-new consumer cohorts beyond metros.

With the sector on a decisive trajectory to scale into a US$90B market by 2031, the headroom ahead is extraordinary. At Google, our commitment is to act as an end-to-end partner to this ecosystem, combining deep consumer insights and our AI-powered solutions to help businesses build sustainably for the long run. We hope this report serves as a valuable compass as you build, scale, and shape the future of Indian commerce.

Foreword: Redseer Strategy Consultants

At Redseer, our view of quick commerce is shaped by sitting close to the decisions shaping it – where platforms choose to open their next dark stores, how brands prioritize quick commerce within their broader portfolio, and where investors are placing the next round of capital. What reads as a single growth story from the outside is, up close, a set of very different bets on very different consumers.

This report is built the way we build most of our work: top-down sizing tested against bottom-up truth. We priced identical baskets in metro and non-metro markets, mapped where quick commerce assortment falls short of e-commerce, and sat with quick commerce users to understand why a ₹3,000-4,000 monthly stock-up still happens at a supermarket and not on an app. Google brought the scale and consumer intelligence to set that granularity against a market-wide lens.

What emerges is a sector already worth ~US$13B, on a path to US$90B by FY2031 – but arriving there via two very different roads. Metros need the work of closing trust and assortment gaps. Non-metros need low-ticket carts made viable and trust rebuilt from a very different starting point. Each will require its own playbook.

This report is the product of our close collaboration with Google, bringing together complementary lenses on the same ecosystem into a shared body of work. We hope it gives the industry a fact-based viewpoint for the decisions that lie ahead.

Methodology

Redseer IP

Powered by benchmarks

- **Benchmarks**: Redseer's proprietary intelligence on India's internet landscape
- Insights drawn from continuous strategy engagements with leading quick commerce platforms, consumer brands and investors

Consumer Research

Survey of 1,200+ respondents across 16 Indian metro and non-metro cities, covering 1,000 quick commerce users and 200 non-users. Metro accounts for 720 respondents and non-metro 480.

50+ In-Store Interactions

Interviews with store managers, staff & consumers across value retails, supermarket & premium grocery formats

Source(s): Redseer Approach

Executive Summary

India's quick commerce market is projected to scale **5–7x from US$13B in FY2026 to US$70-90B by FY2031 (41–48% CAGR), capturing ~5% of total Indian retail**. Achieving this trajectory relies on **two distinct strategic growth engines** across metro and non-metro markets

Metros: Deepen Wallet Share
(US$40-50B | ~60% of growth)
Penetration expands 3–4x (to 20–23% of retail spend) by capturing planned baskets and expanding beyond grocery

- **Win planned grocery stock-ups:** Capture the large monthly basket from supermarkets by stocking bulk packs and closing the price gap on high-velocity staples
- **Close the trust deficit:** Address stock-recency concerns with visible batch dates, customer-facing hygiene audits, and no-questions refund guarantees
- **Scale non-grocery via multi-tier fulfilment:** Expand dark-store assortments 1.5–2x through long-tail hubs and storefront partnerships, backed by multi-attribute discovery and assurance mechanisms

Non-Metros: Expand the Frontier
(US$30-40B | ~40% of growth)
User base surges 4–5x (from 12–16M to 55–60M MTUs) by solving low-ticket unit economics and local trust

- **Make low ticket baskets viable**: Eliminate fee friction on daily essentials through scheduled demand pooling, wallet-based delivery incentives, and BNPL credit
- **Replicate the physical market:** Offset manual produce selection through farm-direct sourcing, end-to-end cold chains, and visible freshness cues
- **Close the trust deficit:** Drive adoption with vernacular support, frictionless COD, and local community partners acting as last-mile nodes
- **Support browse-first commerce:** Support search with curated feeds and content-led recommendations to match how non-metro shoppers actually shop

Winning Imperatives

- **Strategic Consumer Lifecycle Engine (Expand, Engage, Elevate):** Scale to 100M+ MTU by shifting from raw installs to high-LTV cohorts, while using targeted re-engagement and creator storytelling to unlock 24M instant-occasionals and bridge trust in non-grocery categories
- **Collaborative Monetization via Commerce Media Networks (CMN):** Unlock margins by linking retailer transactional signals with digital touchpoints, enabling co-investment to convert upstream intent into verified marketplace sales

Table of Contents

1. Opportunity Overview — Pg 7-14

2. Metro Playbook: Deepen the Core — Pg 15-44

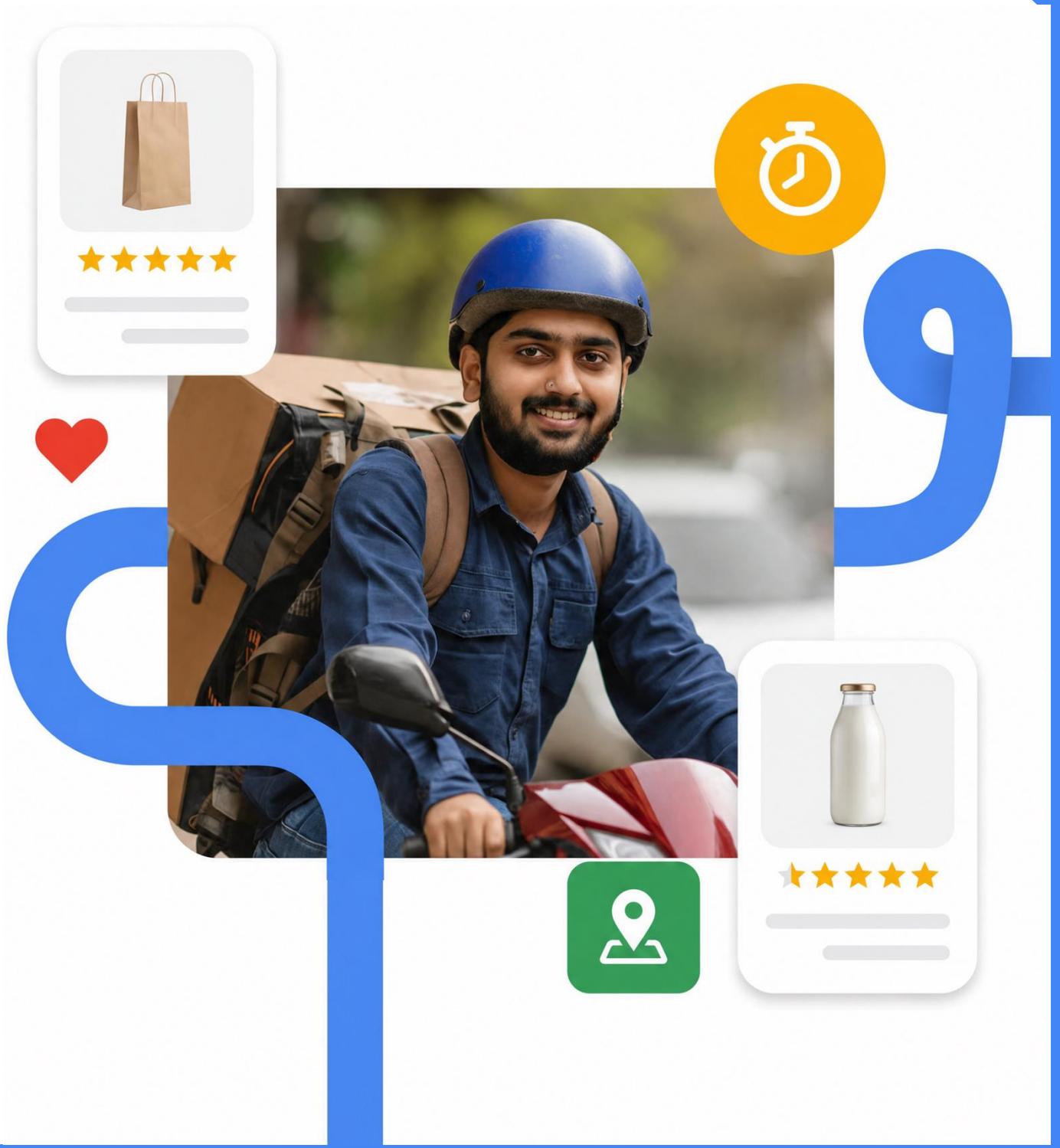
3. Non-Metro Playbook: Expand the Frontier — Pg 45-61

4. Strategic Imperatives — Pg 62-75

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Section 01

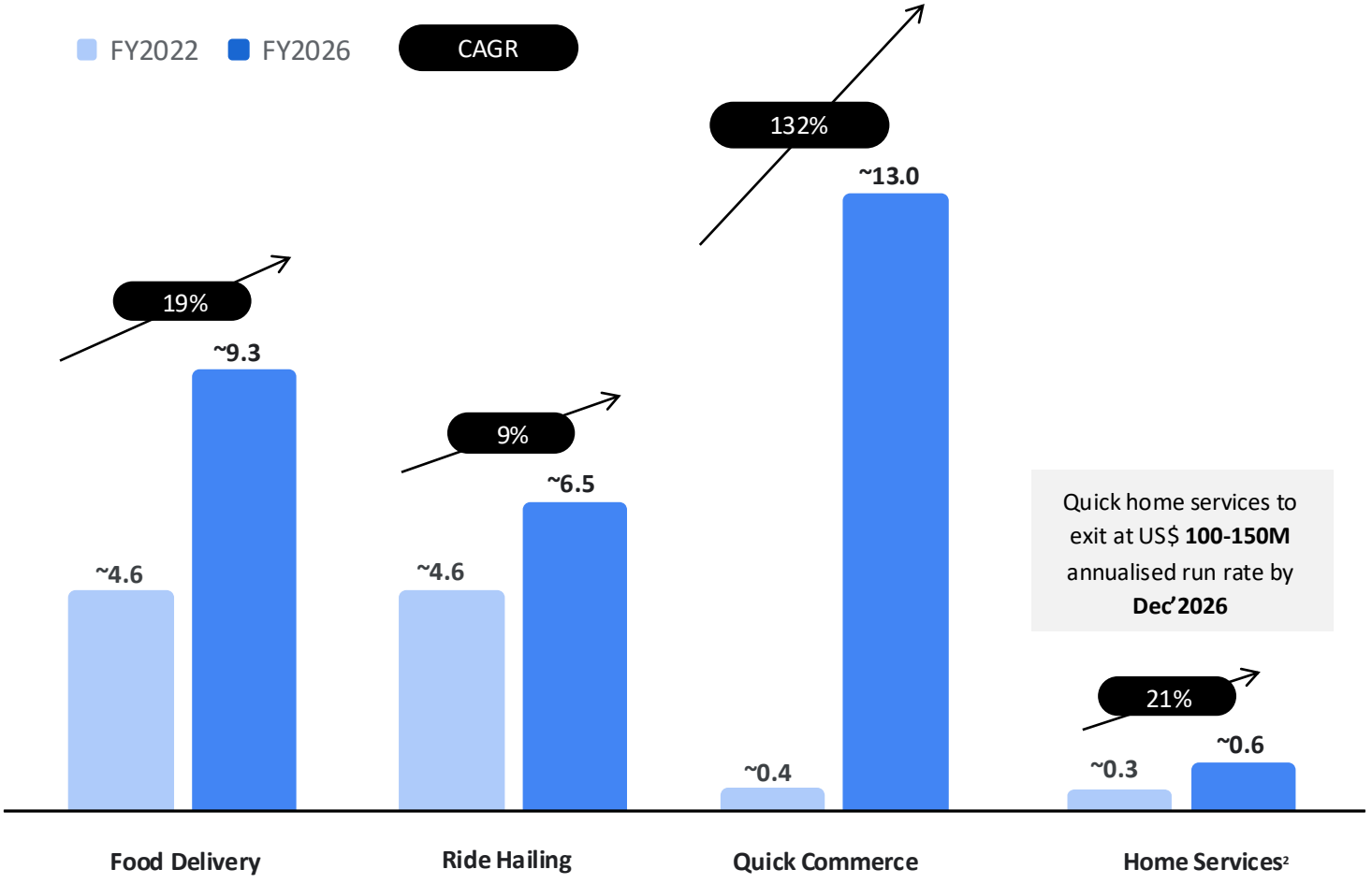
Opportunity Overview



Quick Commerce already anchors the hyperlocal economy, capturing over 40% of the ~US$30B market

Hyperlocal Market Categories – Size & Monthly Transacting Users[1]

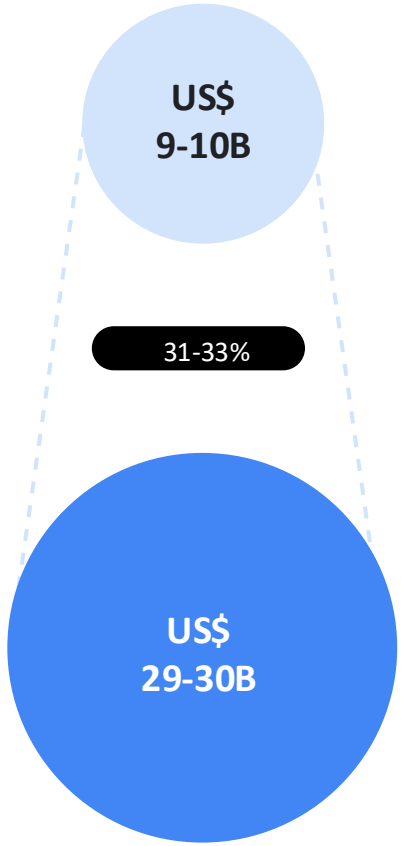
GMV In US$ B, MTU in M, FY2022, FY2026



Quick home services to exit at US$ **100-150M** annualised run rate by **Dec'2026**

Hyperlocal Market Size

GMV In US$ B, FY2022, FY2026



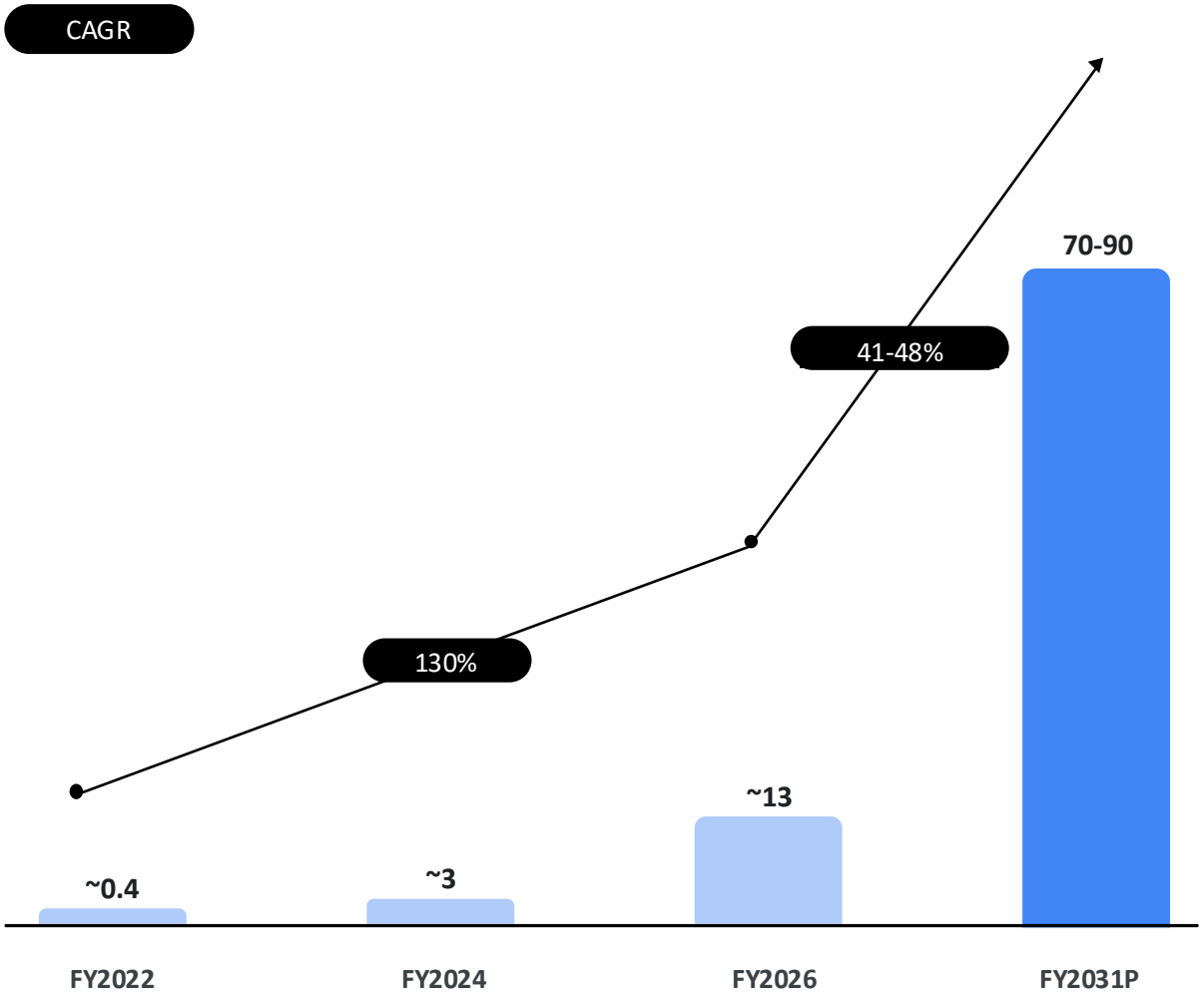
Note(s): 1. Hyperlocal market consists of Food Delivery (Gross Order Value), Ride Hailing (Gross booking value), Quick Commerce (Gross Merchandise Value) and Home Services (Net Transaction Value)
2. Home Services include on-demand, hyperlocal services such as repairs, maintenance, cleaning, beauty & wellness, and household assistance

Source(s): Redseer IP

Quick Commerce is projected to grow 5-7x to US$ 70-90B by FY2031, capturing ~5% of India's retail market

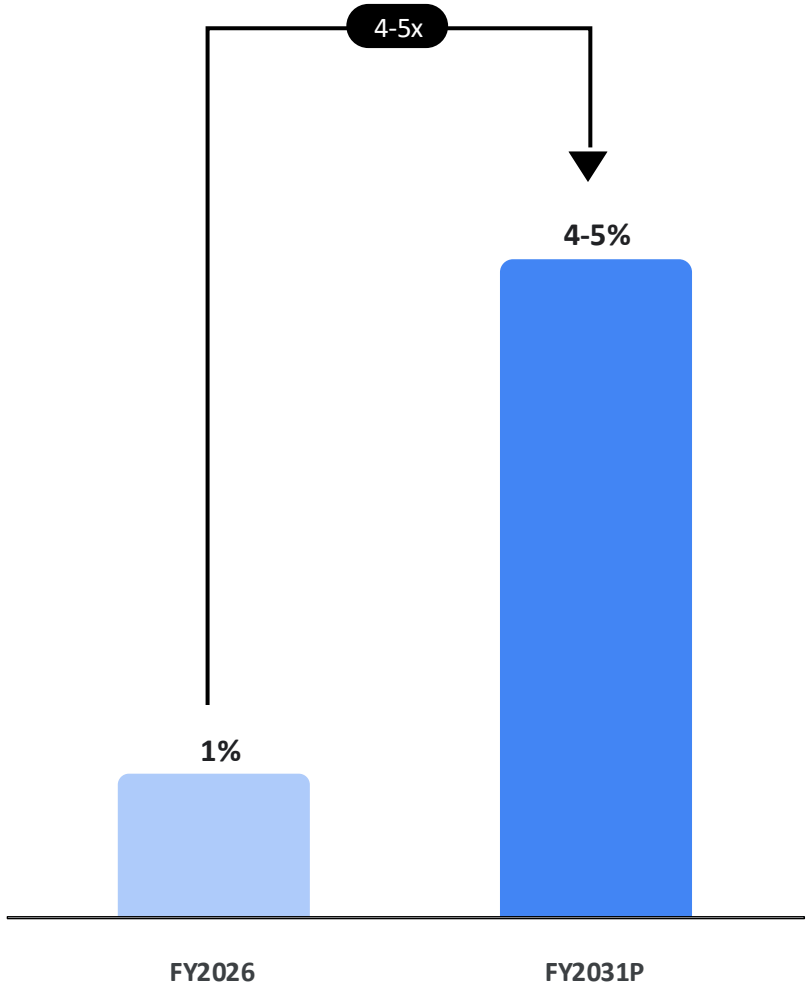
Quick Commerce GMV

In US$ B, FY2022, FY2024, FY2026, FY2031P



Quick Commerce Penetration

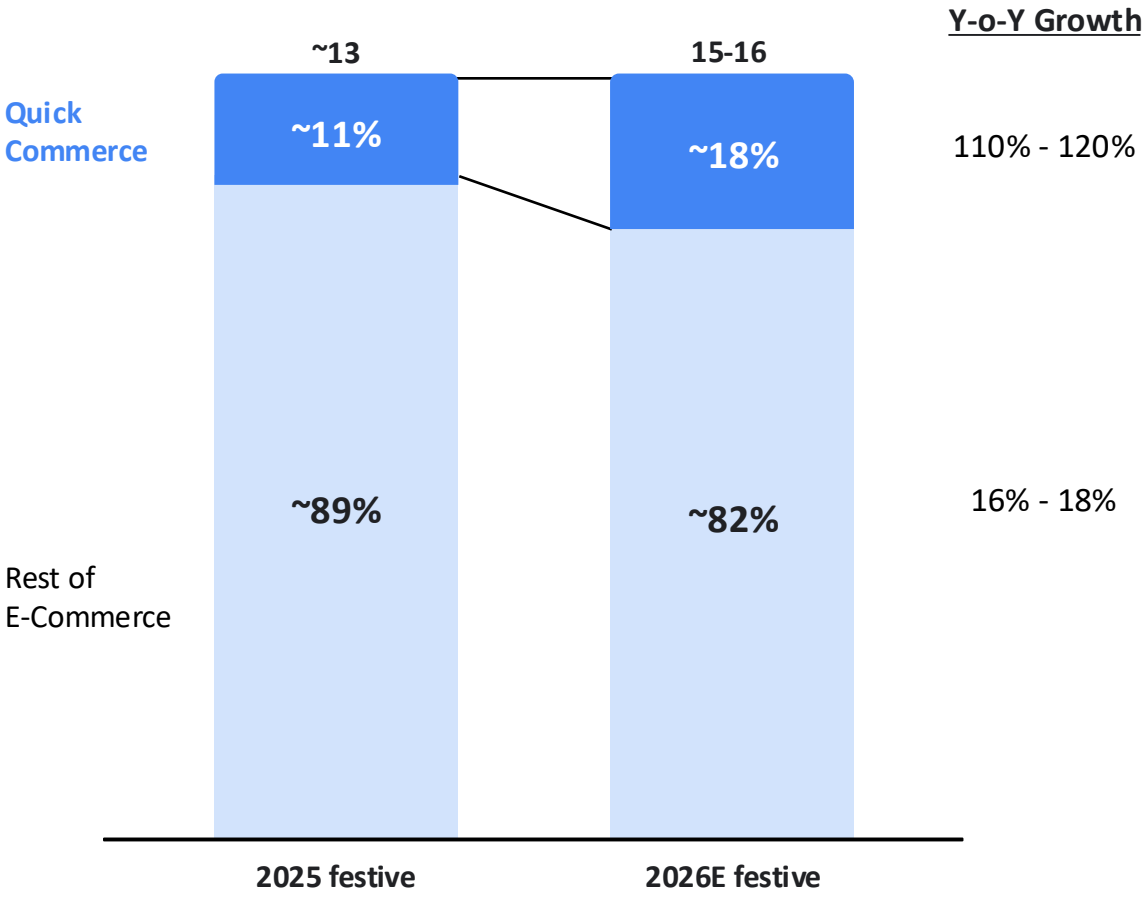
In % Share of Overall Retail, FY2026, FY2031P



Source(s): Redseer IP

Steady outperformance by quick commerce, now compounding on a meaningful festive base

Festive[1] E-Commerce GMV
In US$ B, FY2025, FY2026E



Y-o-Y Growth

110% - 120%

16% - 18%

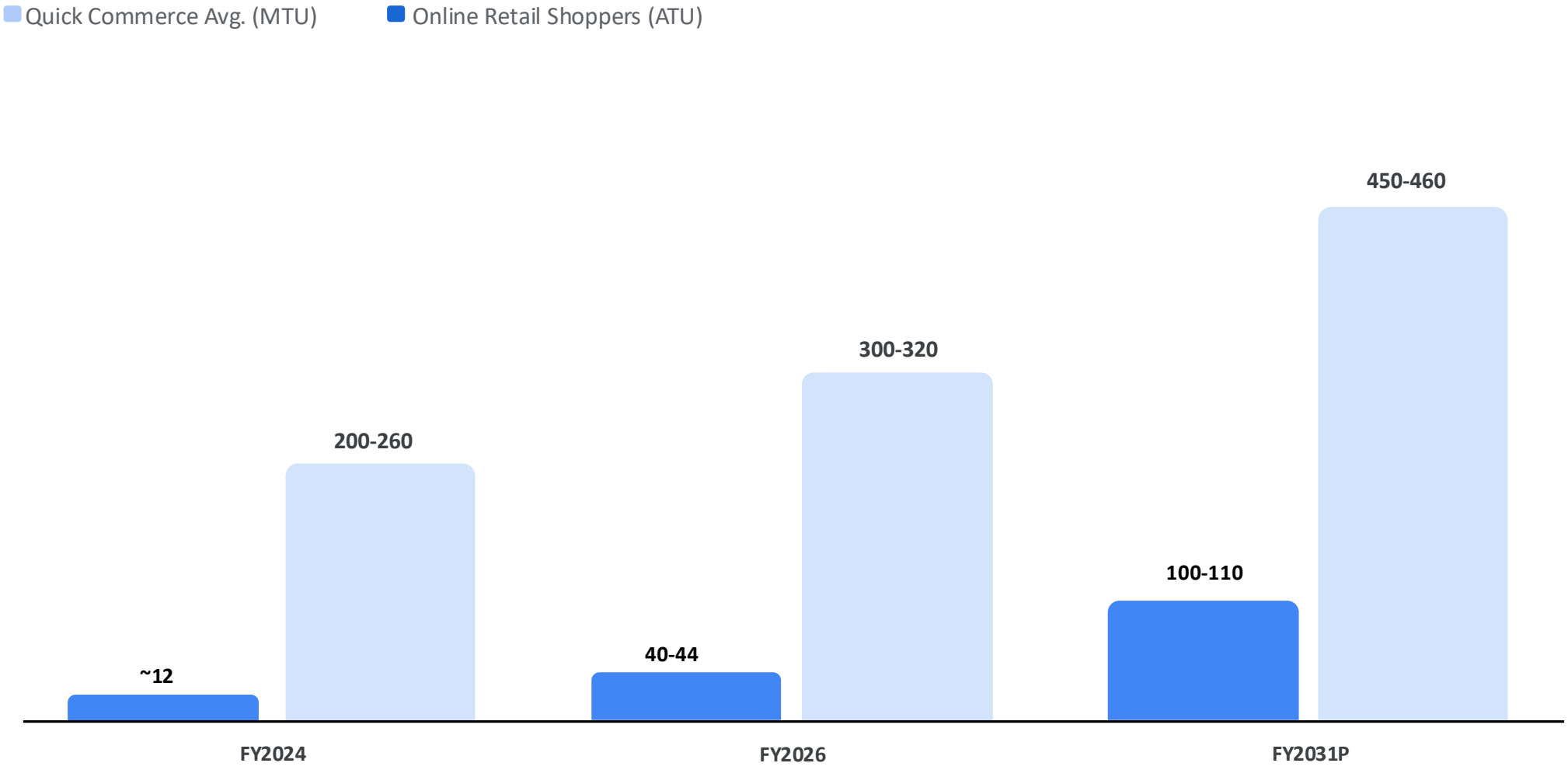
Factors driving the growth

- Mobile & electronics share within quick commerce will **become ~2x the BAU (14-15% vs ~7-8%)** as horizontals look to fulfil the best deals through their quick commerce supply chain

Note(s): 1. The 30-35-day period commencing with the launch of the season's first flagship annual online sale event, spanning the Navratri-to-Diwali retail window
Source(s): Redseer IP

MTUs are projected to exceed 100M by FY2031, with substantial headroom for continued expansion

Quick Commerce Avg. (MTU)[1] vs Online Retail Shoppers (ATU)[2]
In M users, FY2024, FY2026, FY2031P



Note(s): 1. Average Monthly Transacting Users (MTU) refers to the number of unique users who have placed at least one order in a month across quick commerce platforms; 2. Annual Transacting Users (ATU) refers to the number of unique users who have placed at least one order in a year, either on a specific platform or across platforms
Source(s): Redseer IP

Quick commerce usage spans distinct consumer archetypes across life stage and household structure

Quick Commerce Usage– Split by Customer Archetypes

Usage intensity: Low — High

Archetype	Demographic Profile	Usage Intensity	Quick Commerce Use Case
Students	**Age: 18 – 24 years** *Budget conscious, app-native, convenience seeking*		**Daily convenience:** Snacks, instant meals, personal care and everyday convenience items
Working singles (living alone)	**Age: 22 – 30 years** *Early-career, urban, convenience and speed led*		**Workday convenience:** Ready-to-eat meals, breakfast, personal care, household top-ups
DINK (dual-income -no kids couple)	**Age: 28 – 40 years** *Dual income, lifestyle oriented, higher discretionary spend*		**Lifestyle Purchases:** Premium groceries, personal care, home essentials, hosting needs
Working parents	**Age: 30 – 45 years** *Professionally active, child centric, routine heavy, time constrained*		**Family replenishment:** Grocery staples, baby care, OTC, school essentials
Homemaker-led families	**Age: 28 – 50 years** *Runs the household, plans the month's shopping, value-conscious but spends on the family*		**Household top-ups and planned grocery:** Fresh produce, staples, kids' needs, forgotten items while cooking, festive needs
Multi-generational joint households	**Age: 30 – 55 years** *Multiple age groups, caregiving responsibilities, broad basket needs*		**Cross-household needs:** Groceries, personal care, elder care and occasion needs
Retirees & elderly living alone	**Age: 60+ years** *Mobility sensitive, routine oriented, high safety consciousness*		**Essential access:** Medicines, health essentials and small grocery top-ups reducing travel







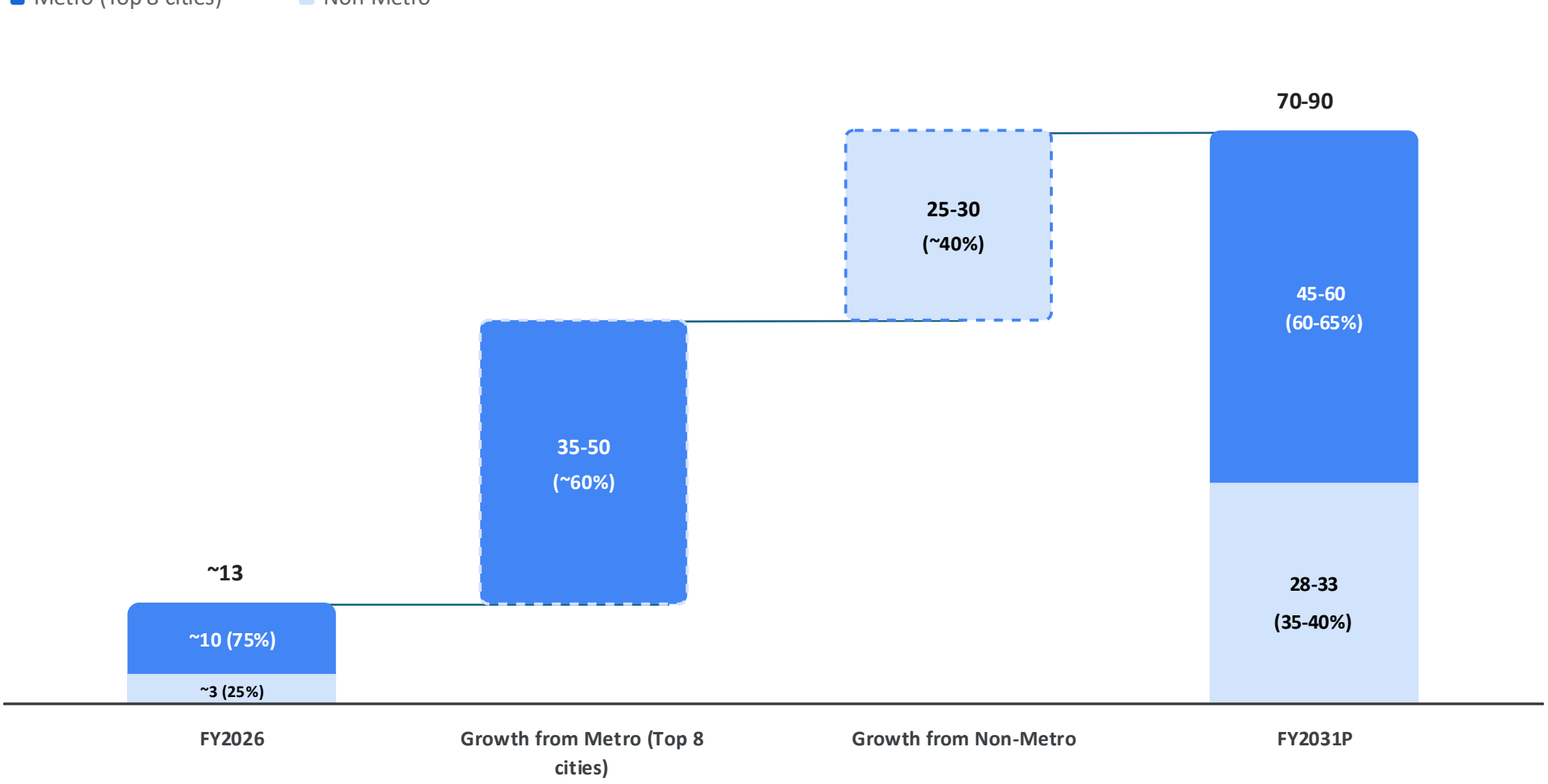


Source(s): Redseer IP

Metros will drive ~60% of incremental GMV, while non-metros will unlock a meaningful ~40% share

Quick Commerce GMV – Split by Metro (Top 8 cities) & Non-Metro

In US$ B, FY2026, FY2031P



Source(s): Redseer IP

Growth will come from two big unlocks: 3-4x penetration in metros and 4-5x MTUs expansion in non-metros

Metro vs Non-Metro: What will unlock Quick Commerce Growth?

	Metro	Non-Metro
Monthly Transacting Users (M)	FY2026: 28 → FY2031P: 45-50 (1.6-1.8x)	FY2026: 12-16 → FY2031P: 55-60 (4-5x)
Penetration (Quick Commerce as % of Retail)	~6% → 20-23% (3-4x)	<1% → ~2% (4-5x)

Metro Playbook: Deepen The Core

Non-Metro Playbook: Expand the Frontier

Source(s): Redseer IP

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Section 02

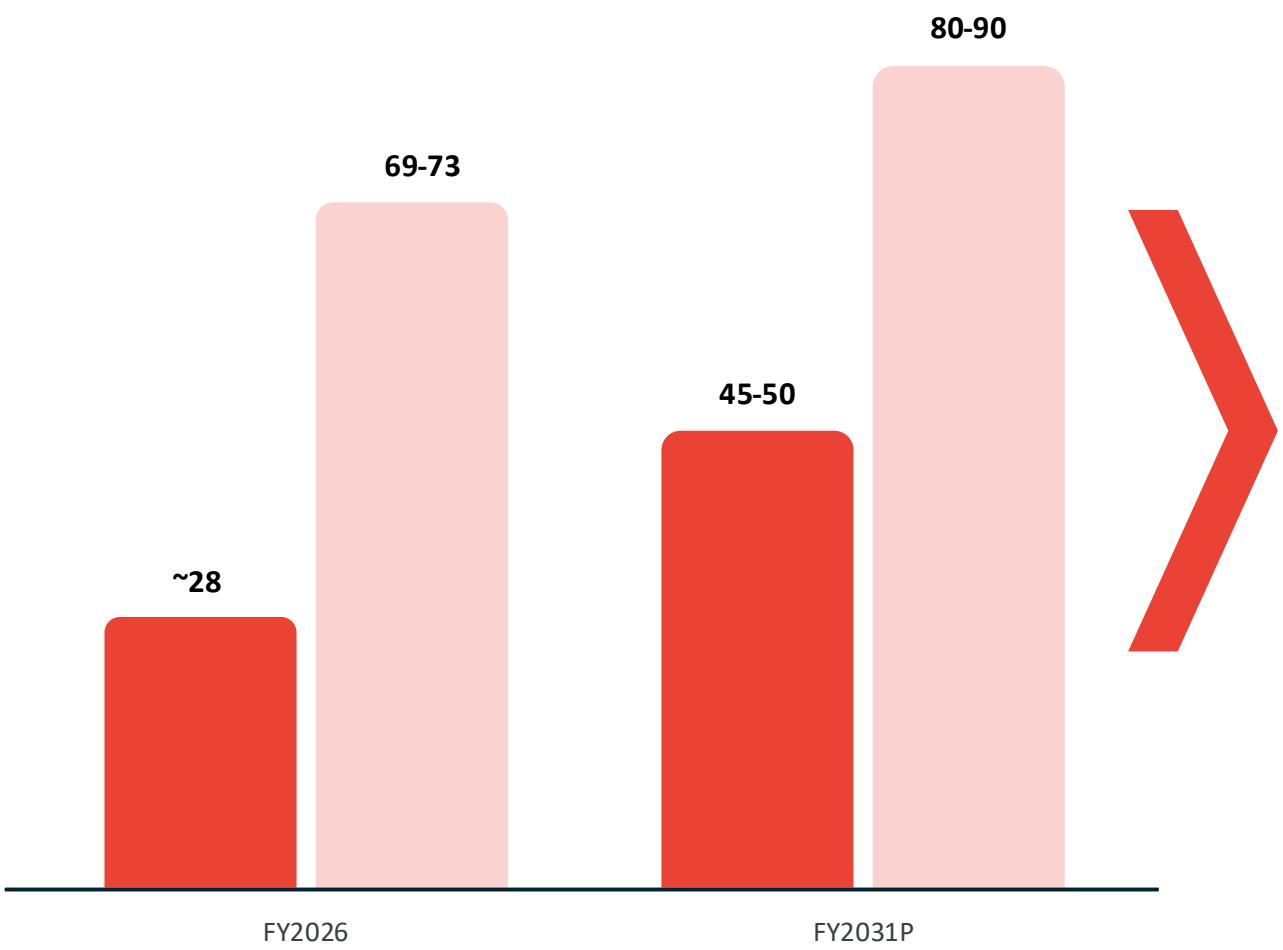
Metro Playbook: Deepen the Core



MTUs in metros will scale to ~50M by FY2031, capturing a significant slice of the mature online shopper base

Quick Commerce vs Overall Online Retail User Base – Metro

In M, FY2026, FY2031P



1.8x growth headroom

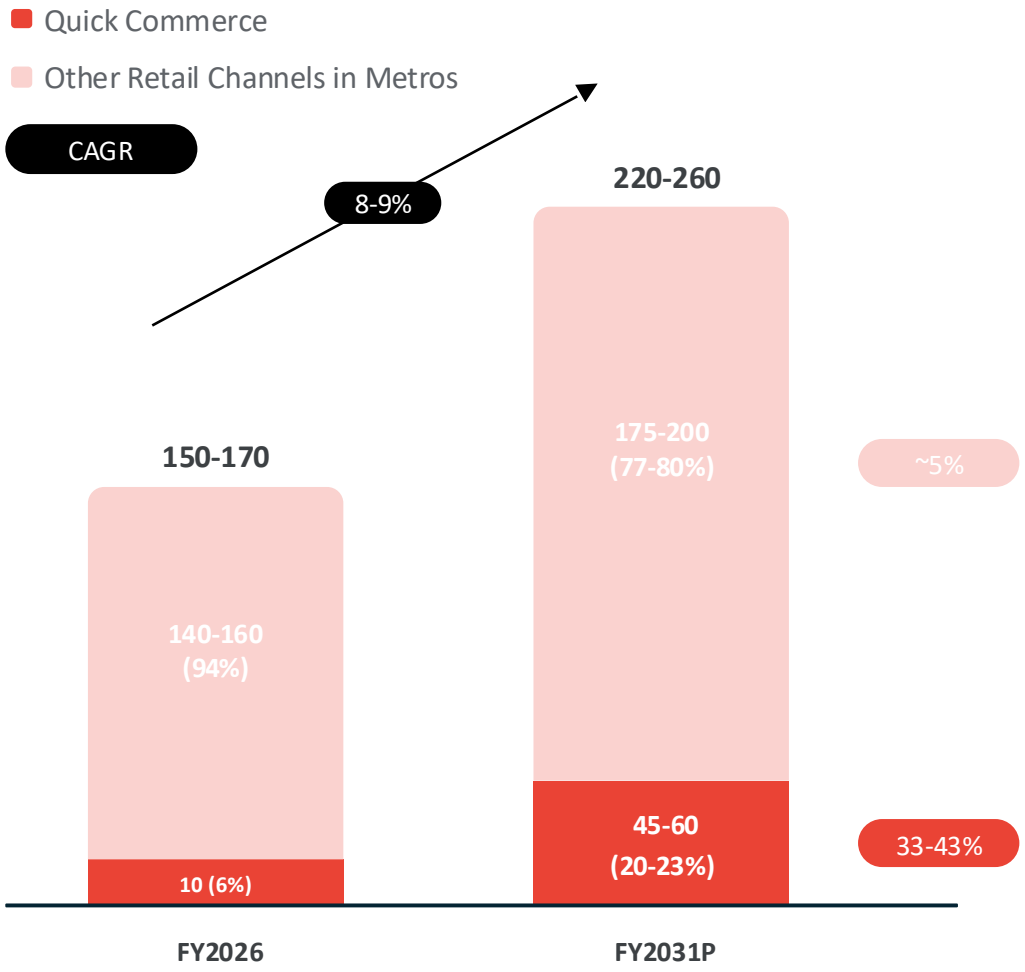
in quick commerce MTUs against the overall online shopper base

Source(s): Redseer IP

However, 3-4x penetration will be the core value driver in metros

Quick Commerce Penetration – Metro

Retail Spends In US$B, FY2026, FY2031P



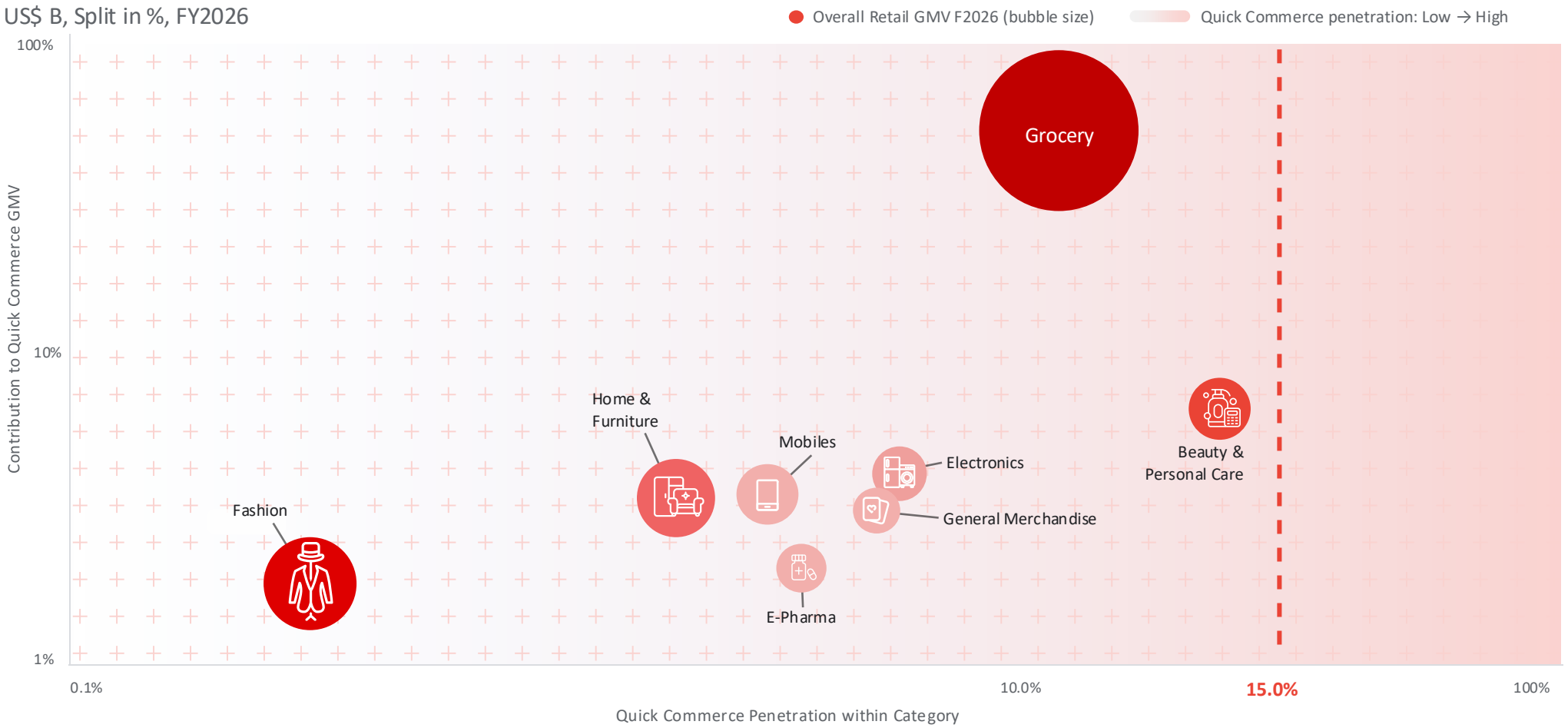


Source(s): Redseer IP

With no major category exceeding 15% penetration in metros, there is massive headroom for further growth

Quick Commerce Category Contribution X Penetration in Metro

US$ B, Split in %, FY2026



Note(s): 1. Grocery includes fresh produce, meat & seafood, dairy, staples, packaged foods, beverages, and household cleaning supplies; 2. Beauty & Personal Care (BPC) includes makeup, skincare, haircare, fragrances, personal hygiene, oral care, and deodorants; 3. Electronics includes large and small appliances, consumer electronics, and electronic accessories; 4. Fashion includes apparel, footwear, and fashion accessories such as bags, belts, wallets, watches, wearables, scarves, caps, and hats; 5. Home & Furniture includes furniture, mattresses, home improvement, home décor, furnishings, kitchenware, tableware, storage, and other home essentials; 6. General Merchandise includes books, toys, stationery, office supplies, and baby care products; 7. E-Pharma includes prescription and OTC medicines, healthcare products, and related wellness essentials. Bubble positions indicative

Source(s): Redseer IP

Metro users split into two distinct cohorts: highly engaged 'Instant-Default' and larger 'Instant-Occasional'

COHORT BEHAVIOUR	1. Instant-Default	2. Instant-Occasional
Size / Description	**4M** Online/instant delivery is their default for everyday purchases **28% cite wide assortment** as their core reason to buy online	**24M** Turn to online mainly for specific needs, offers or occasions **47% cite online offers** as their core reason to buy online
Avg. Monthly Frequency on Quick Commerce	8-10 times — Twice a week	2-3 times — Once in 2 weeks
ONLINE FOOTPRINT		
Categories where online is preferred	~6 of 8 Categories[1]	~4 of 8 Categories[1]
Categories where Quick Commerce is preferred	~5 of 8 Categories[1]	~3 of 8 Categories[1]
Instant Services + Vertical Quick Commerce Usage	2+ of 4 Categories[2]	1 of 4 Categories[2]

Note(s): 1. The 8 categories are Fresh grocery & vegetables, Packaged food & staples, Beauty & Personal Care, Baby care, Home & general essentials, Electronics accessories, Pharmacy / OTC, Fashion & apparel. 2. The 4 services are 10minute pharmacy delivery, Quick beauty/ Fashion delivery, Quick meat & fresh apps, Instant home services (repairs, cleaning, at-home beauty) based on Customer Survey

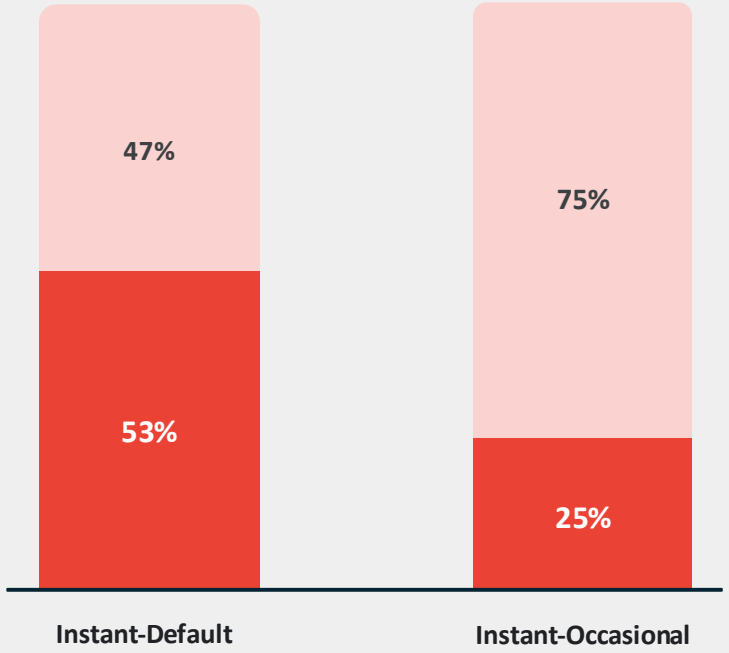
Source(s): Customer Survey (N=751); Instant-Default (N = 116) , Instant-Occasional (N= 635)

Metro growth requires deepening the grocery wallet of instant-occasional users, while lifting non-grocery adoption across cohorts

Quick Commerce Other Channels

1 Grocery: 70%+ share of Quick Commerce in Metros

Grocery Wallet Split by channel
In %, FY2026

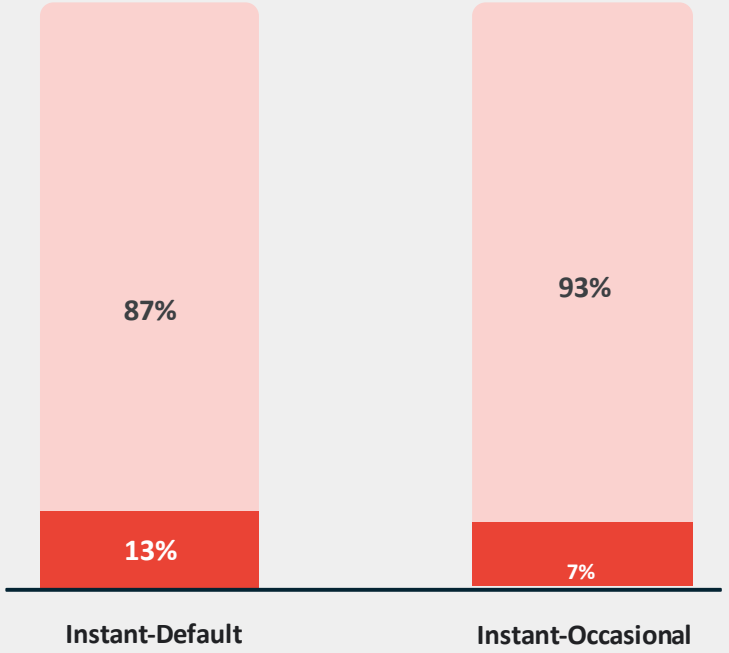


Current platform momentum will drive organic, sustained wallet share expansion

Requires targeted interventions to unlock expansion

2 Non-Grocery: <30% share of Quick Commerce in Metros

Non-Grocery Wallet Split by channel
In %, FY2026



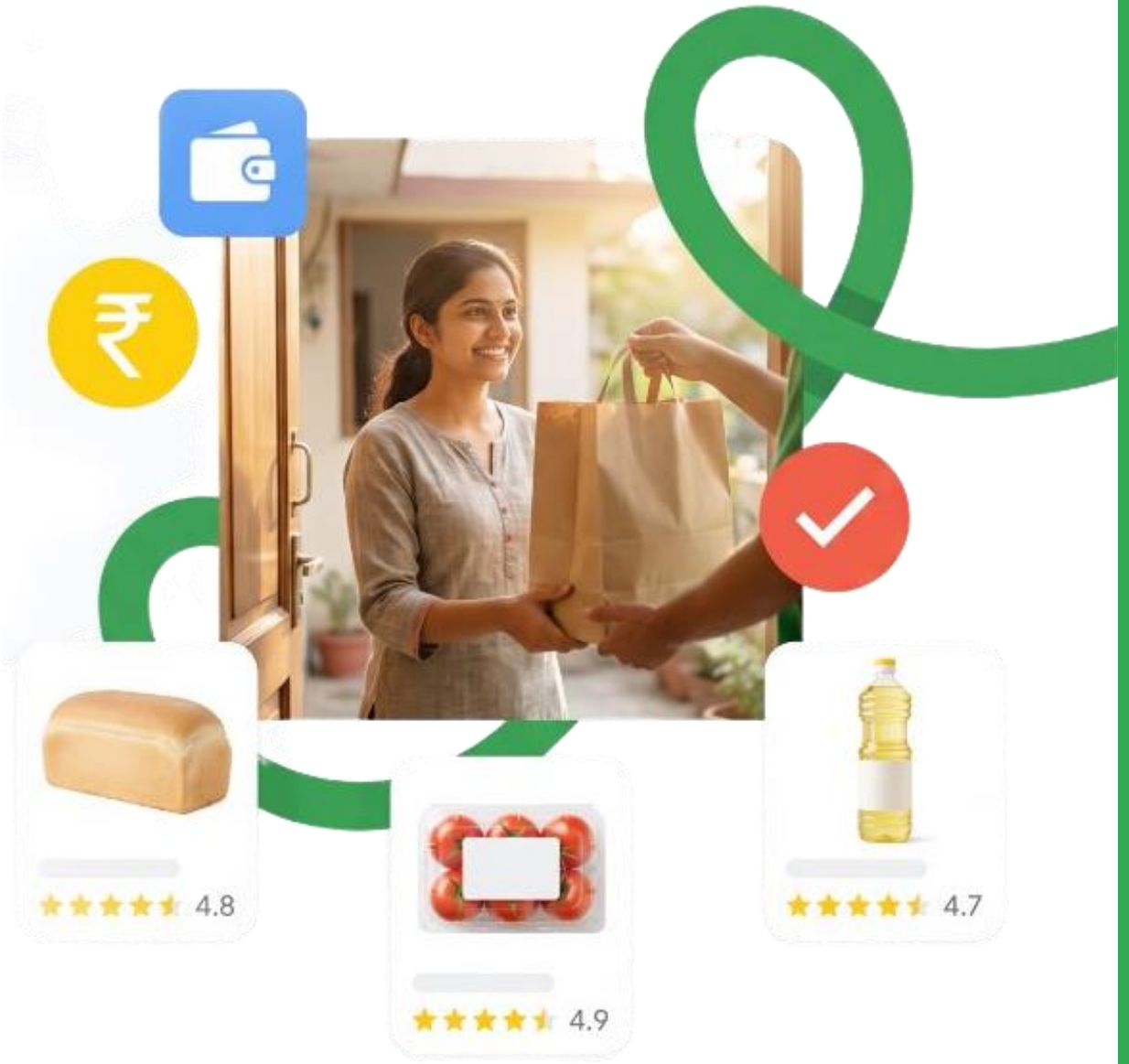
Adoption remains subdued across cohorts, requiring a broader category-level solutioning across cohorts

Source(s): Customer Survey (N=751); Instant-Default (N = 116) , Instant-Occasional (N= 635)

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Section 2.1

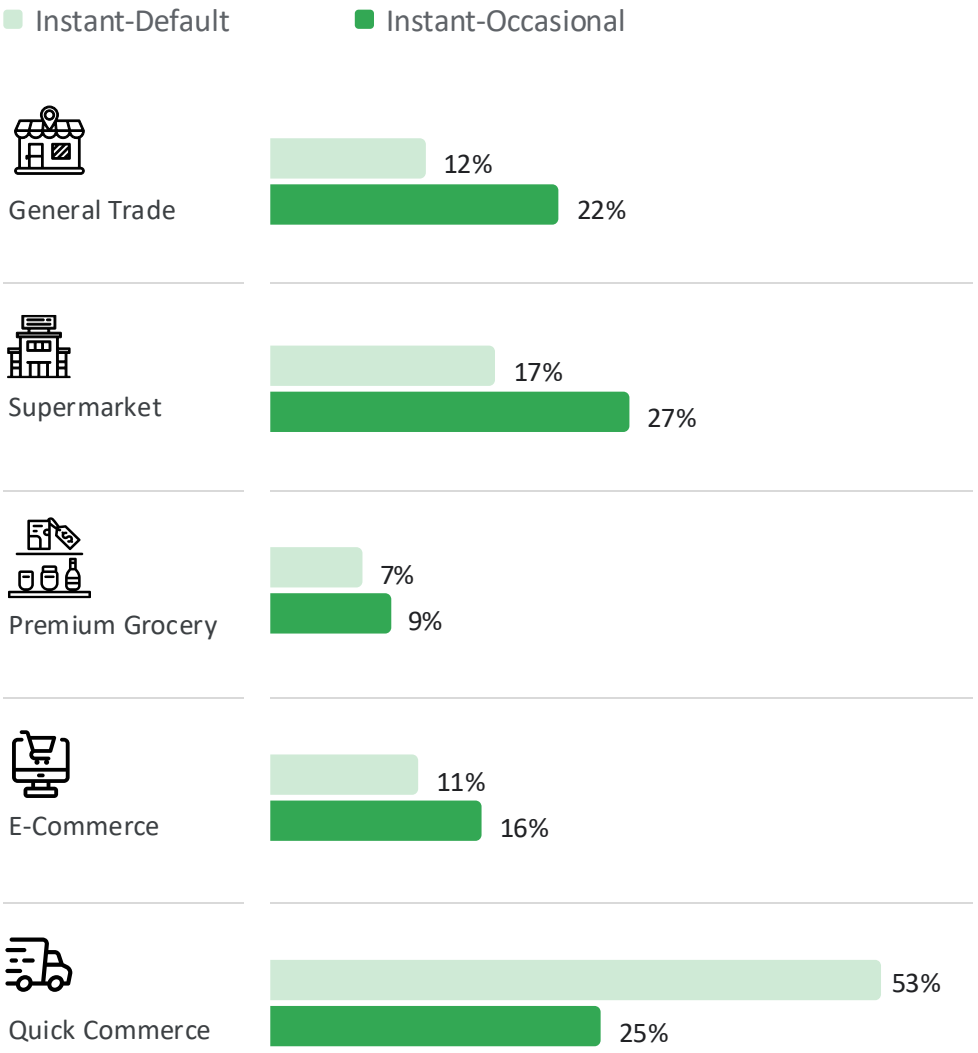
Deepening Grocery Wallet in Metros



Instant-Occasional lean significantly on supermarkets

Grocery Channel Mix by Consumer Cohort

Q. Out of every ₹100 of monthly grocery & essentials spend, how much goes to each channel?



Supermarkets are quick commerce's sharpest wallet gain opportunity,

holding more than 1/4th of Instant - Occasional' Spends



Note(s): 1. Supermarkets include modern-trade formats such as large supermarkets, hypermarkets, local/regional chain convenience stores and value retail stores; excludes premium/specialty grocery formats. Source(s): Customer Survey (N=751); Instant-Default (N = 116) , Instant-Occasional (N= 635)

Supermarket loyalty is driven by the 'Monthly Stock-up' mission, which accounts for over 40% of their grocery spends

Instant-Occasional: Wallet Split by Shopping Mission X Channel

₹100 monthly grocery spend across purchase mission X channel

Grocery Mission (% of monthly grocery spends)	General Trade	Premium Grocery	Supermarket	E-Commerce	Quick Commerce
Monthly stock-up (42%)	10-15%	<5%	15-20%	5-10%	<5%
Weekly Refill (28%)	5-10%	<5%	10-15%	<5%	<5%
Daily / Immediate need (30%)	5-10%	<5%	<5%	<5%	15-20%

Wallet Share of Channel — Low → High

CONSUMER'S VOICE

"I use quick commerce mainly for top-ups and things I need immediately.
For my planned grocery shopping, I still prefer going to the store because I need the larger packs and broader assortment."

- 32 years old, Male, Delhi (Instant-Occasional)

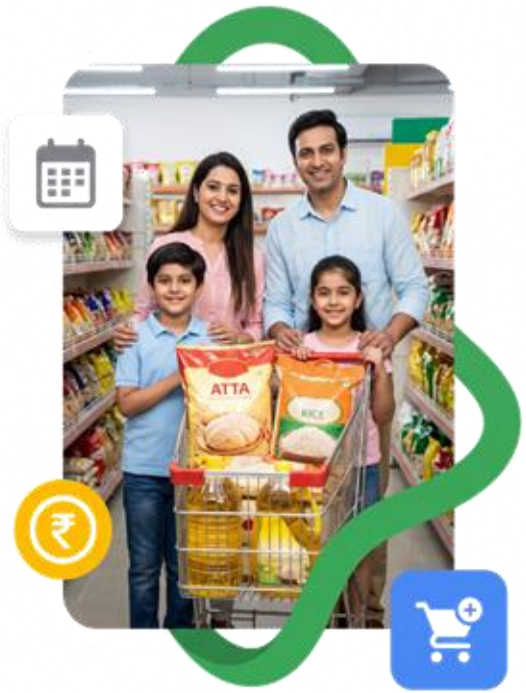
"For monthly shopping, I still prefer D-Mart. I trust the quality, can check everything myself, and it becomes an outing with the kids.
Quick Commerce is mainly for something we suddenly run out of."

- 37 years old, Female, Bengaluru (Instant-Occasional)

Source(s): Customer Survey (N=635), Customer IDIs (N=40)

Monthly stock-ups remain a deeply entrenched habit for salaried households, driven by pay-day planning, convenience and value

Instant-Occasional typically purchase 12-15 products worth **₹3,000-4,000** in a single monthly stock-up order



Why do users choose monthly Stock-up?

1 Entrenched habit

- Pay-day planning: expenses budgeted around the salary credit
- Household outing: the trip doubles as a family outing

2 Reduced hassle

Staples, home and personal care stocked in a single order; only perishables stay unplanned

3 Savings

Larger packs cut cost per kg/litre; platforms route their sharpest discounts to stock-up baskets

Monthly Stock-Up Basket Inclusions

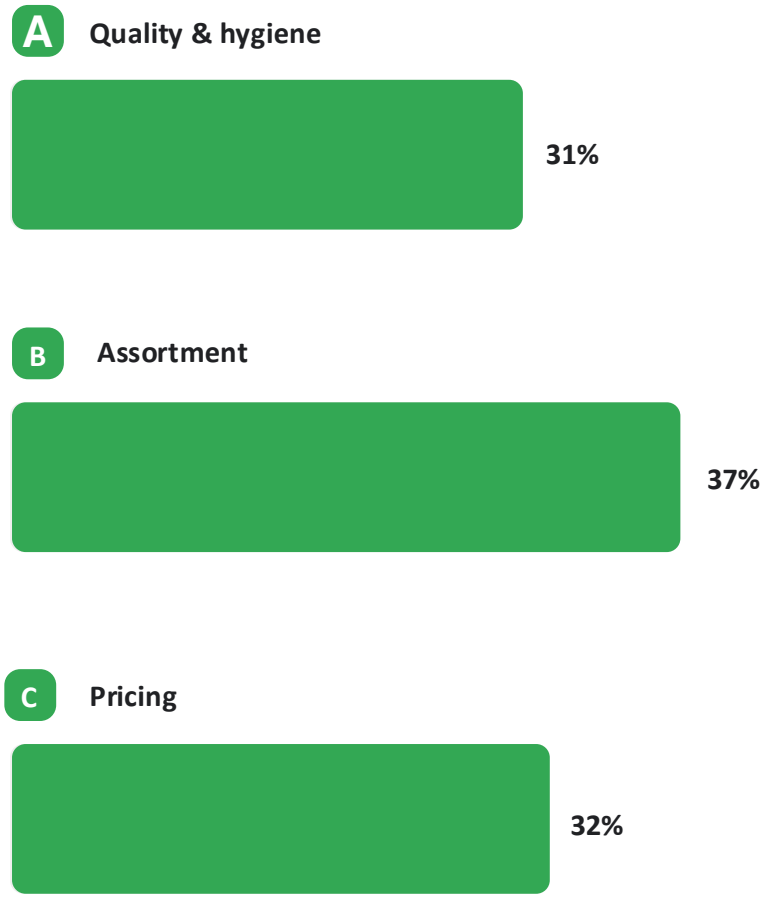
Staples & Cooking Essentials	Atta & Flours, Rice & Grains, Pulses & Dals, Edible Oil & Ghee, Sugar & Salt, Spices & Masalas
Packaged Food & Beverages	Biscuits & Snacks, Breakfast Cereals, Tea & Coffee, Noodles & Pasta, Sauces & Spreads
Home Care	Laundry Detergent, Dishwashing, Floor Cleaning, Bathroom Cleaning, Handwash
Personal Care	Bathing & Soaps, Hair Care, Oral Care, Skin Care, Shaving & Grooming, Feminine Care, Baby Care
Basic Electronics	Batteries, Bulbs & Lighting, Chargers & Cables, Extension Boards

Source(s): Redseer Research & Analysis

Perceived gaps in quality & hygiene, assortment, and pricing prevent the stock-up baskets from shifting to quick commerce

Barriers to Quick Commerce Adoption for Monthly Stock-ups

Instant-Occasional Users



CONSUMER'S VOICE

Quality & hygiene gap keeps the big basket offline

"Immediate needs I'll order on the app. But for the entire month's groceries (which is a large ₹ 3,000+ amount), I want to see the quality and check it before I pay. I got a wrong order once, and getting the refund was such a hassle."

- 31 years old, Female, Value Retail Buyer

Missing range pulls even heavy users out

"Almost everything I buy now is quick commerce. But the premium brands I want just aren't on there. So, I still make one trip a month for the things the app doesn't have."

- 45 years old, Male, Quick Commerce First User

Source(s): Customer Survey (N=635), Customer IDIs (N= 40)

A. Quality & Hygiene: Platforms must integrate with brands to ensure stock recency and make supply chain audits fully transparent

Persistent concern

A. Stock recency

Stock is genuinely older than the shelf equivalent — and the expiry date is not discoverable before purchase

"I often get products with older manufacturing dates on quick commerce. For a bigger basket, I prefer buying recent stock from a store."
– 49 years old, Female, Chennai

B. Storage & handling

Dark stores are perceived to be poorly maintained, with limited visibility into storage & handling conditions

"I'm not sure how hygienically the products are stored on quick commerce, especially for groceries and fresh items. At times, the packaging is a bit dusty, which makes me worry about the storage conditions."
– 40 years old, Female, Bengaluru

How platforms can close the gap

1. Brand integration for fresh-batch allocation

Dark stores stocked with latest batches

2. Manufacture and expiry dates on every listing (piloted by a few platforms)

Visible as a stated field on the product page, rather than relying on pack-shot visibility

1. Make storage and hygiene audits customer-facing

Dark store audit scores published in-app, refreshed on a fixed cadence

2. A no-questions quality guarantee

A visible, no-questions-asked refund promise turns quality risk into a reason to trust the platform

Source(s): Redseer Research & Analysis, Customer IDIs (N= 40)

B. Assortment: Expanding bulk-pack availability in core 'basket-builder' SKUs is critical to winning the stock-up mission

Pack-size Availability on Quick Commerce

Categories	Deep Assortment	Thin Assortment
Flour	1 kg / 5 kg	10 kg/ 20 kg
Rice	1 kg / 5 kg	10 kg/ 20 kg
Oil	750 ml / 1 L	5 L/ 15 L
Biscuits	100 - 250 g	800 g/ 1 kg+



30%+

of Instant-Occasional

cite availability of bulk packs as the core reason they still stock up at supermarkets

As the dark store model struggles to hold slow-moving bulk inventory, platforms must pilot bulk packs strictly for high-velocity 'basket builders' (top brands of rice, flour, pulses, and oil) where demand is predictable at least around weekends and pay-days

Note(s): Assortment availability is classified based on the number of SKUs available to the user: >50 = Deep Assortment; 5–50 = Thin Assortment; based on leading Quick Commerce app availability in Bengaluru (560035)
Source(s): Redseer Research & Analysis

C. Pricing: Quick commerce must build price competitiveness against supermarkets on stock-up baskets

Basket Composition Across Quick Commerce and Supermarket

Prices in ₹, August 2026[3]

	Quick Commerce	Supermarket	General Trade
Top-up Basket[1] 5 Products	₹320-330	₹330-340	₹410 - 420
Monthly Stock-up Basket[2] 13 products	₹4,215	₹3,859	₹5,270

01 **Remains competitive on top-up basket and is cheaper vs GT**

02 **Quick commerce is priced ₹ 350+ higher on a monthly stock-up basket** vs leading value supermarket

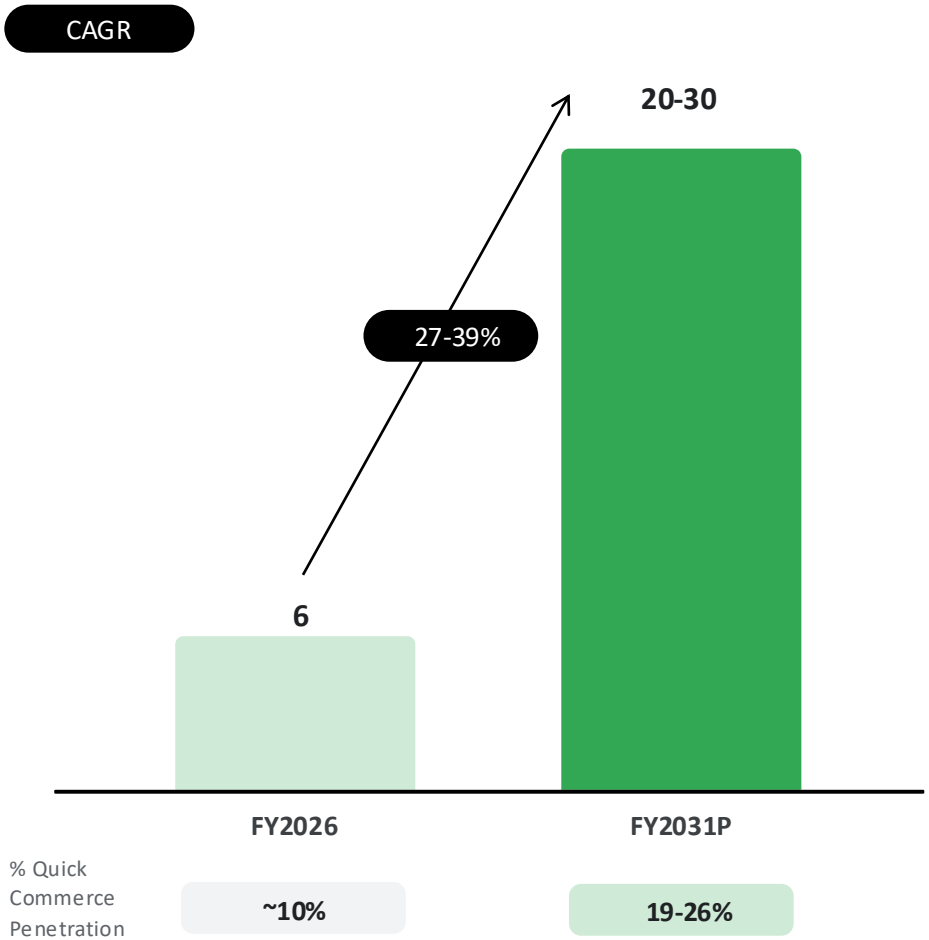
Note(s): 1. Milk Chocolate (80g), potato chips (80g), soft drink (750ml), instant noodles masala (420g), cashew biscuits (526g), 2. moong dal (500 g), green moong (500 g), basmati rice everyday (5 kg), iodized crystal salt (1 kg), refined sunflower oil (5 L / 4.55 kg), bathroom cleaner (1 L), fabric conditioner (2 L), pure ghee (1 L), dishwash gel, lemon (2 L), disinfectant floor cleaner (2 L), toothpaste (150ml), shampoo (650 ml), vitamin C (150+3 g), 3. Pricing benchmarked across leading Quick Commerce apps, supermarkets and general trade stores in Bengaluru (560035); GT store pricing benchmarked at MRP

Source(s): Redseer Research & Analysis

These efforts would contribute to unlocking US$ 20-30B grocery spends in metros by FY2031

Quick Commerce Spends on Grocery in Metros

US$ B, FY 2026, FY 2031P



Key Unlocks for Platforms

Brand Integration & Supply Chain Transparency

- Integration with brands to allocate latest batches to quick commerce
- Proactive communication of manufacturing & expiry dates (on every listing)
- Communication of storage & hygiene audits (including cold chain)
- No-questions quality guarantee

Making Bulk Packs Available

Sufficiently stock larger pack sizes across stock-up basket builder SKUs (e.g. rice, pulses, flour, oil) - with reliable in-stock rates

Price Competitiveness vs Supermarkets

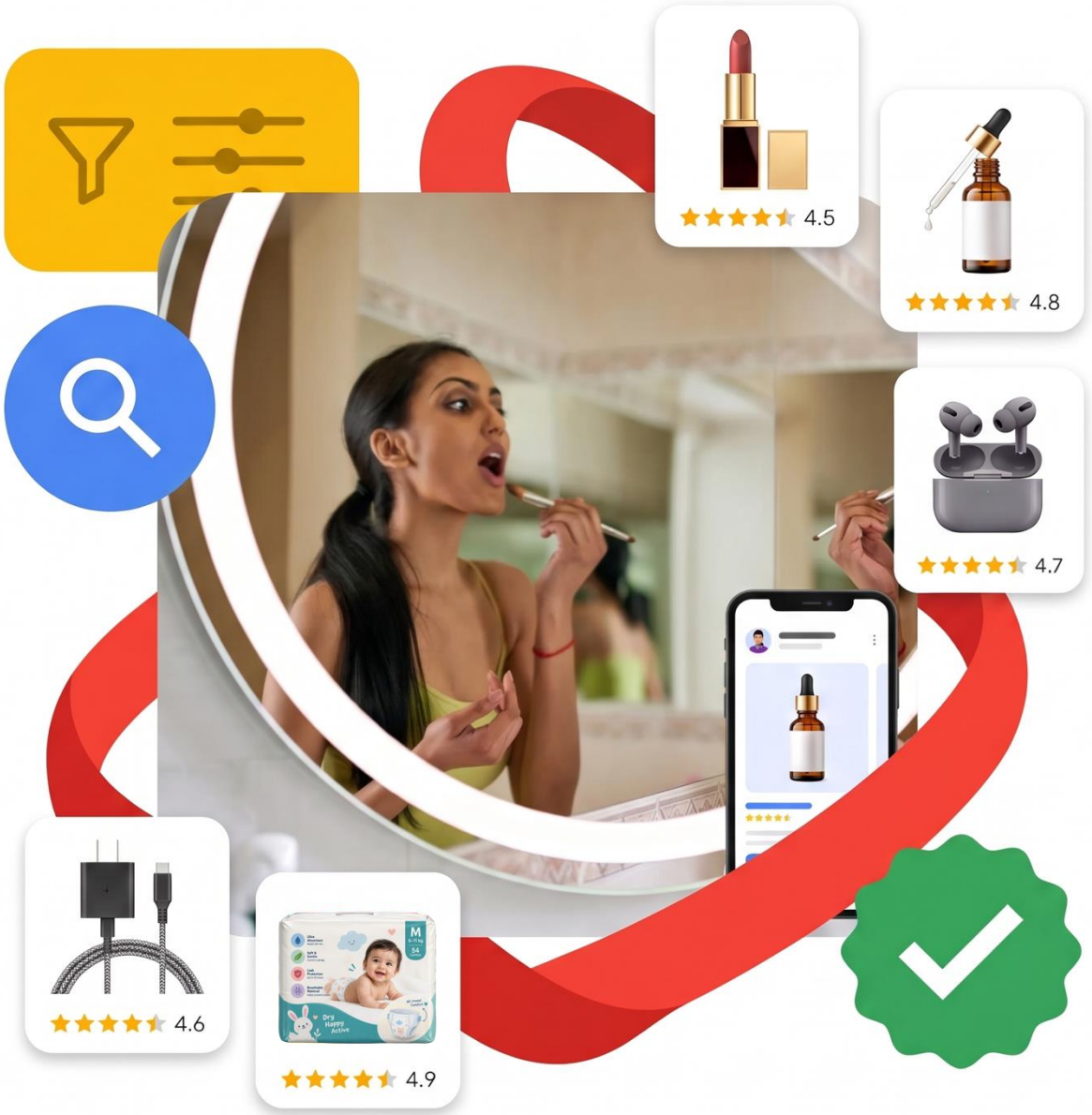
Maintain at-par or market-leading pricing against value supermarkets on core stock-up SKUs

Source(s): Redseer Research & Analysis

Google | redseer Strategy Consultants

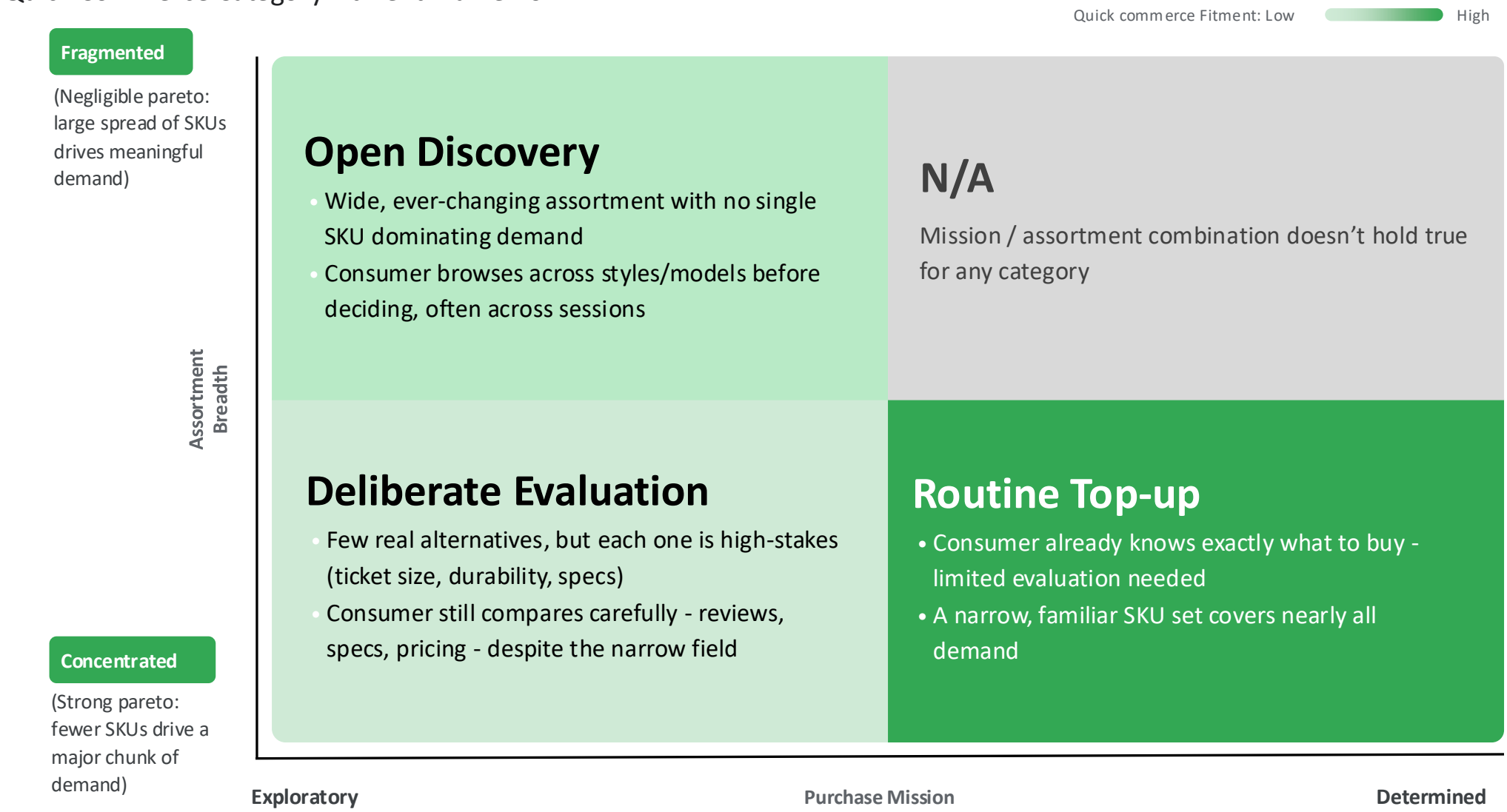
Section 2.2

Deepening Non-grocery Wallet in Metros



Quick commerce's strongest opportunities sit where purchases are determined and assortment needs are concentrated

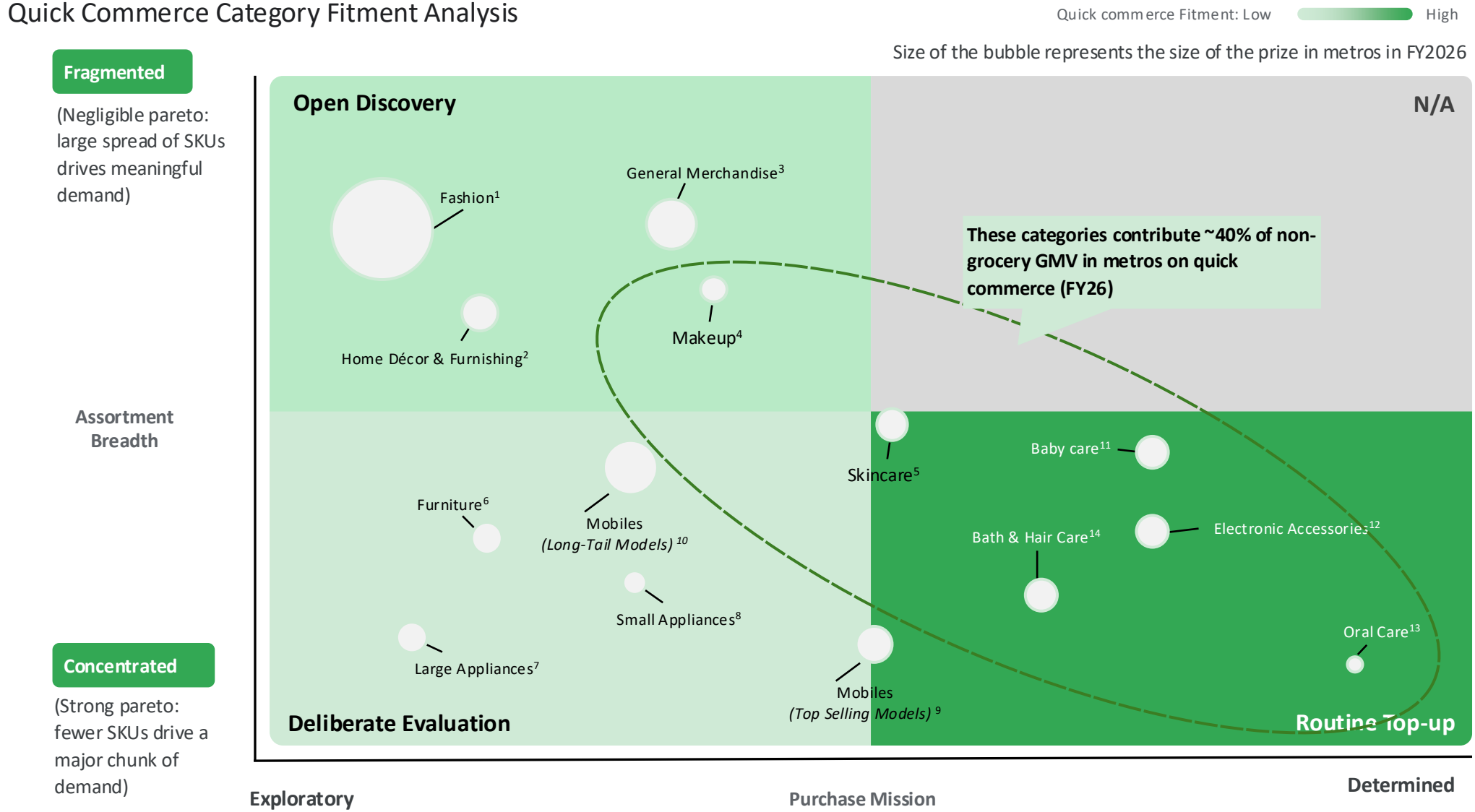
Quick Commerce Category Fitment Framework



Source(s): Redseer Research & Analysis

BPC, Baby Care & Electronic Accessories are immediate opportunities to double down on

Quick Commerce Category Fitment Analysis



Fashion – Includes apparel, footwear, jewellery and fashion accessories; 2. Home Décor & Furnishing – Includes home décor and furnishing items such as curtains, bedsheets, cushions, wall décor, lamps, etc.; 3. General Merchandise – Includes books & media, auto accessories, toys, sports & fitness, household supplies, etc.; 4. Makeup – Includes eye care, lip care, face care, nail care, fragrances and other makeup products; 5. Skincare – Includes face cleansers, moisturisers, sunscreens, serums and other skincare products; 6. Furniture – Includes large furniture such as recliners, beds, study tables and dining tables, and small furniture such as portable laptop tables, pet crates, kids' tables, notice boards and laundry trolleys; 7. Large Appliances – Includes refrigerators, washing machines, ACs, TVs and home entertainment systems; 8. Small Appliances – Includes water heaters, vacuum cleaners, air purifiers, ironing/heating devices and kitchen & cooking appliances; 9.Mobiles (Head SKUs) – Top-selling smartphone and feature phone models; 10. Mobiles (Long-Tail SKUs) – Smartphone and feature phone models outside the top sellers; 11. Baby Care – Includes baby care supplies, baby gear, diapers and nappies, as well as books, educational CDs and school supplies; excludes baby fashion; 12. Electronic Accessories – Includes IT & mobile accessories, gaming, IoT devices and smart home automation; 13. Oral Care – Includes toothpaste, toothbrushes, mouthwash and other oral hygiene products; 14. Bath & Hair Care – Includes body wash, lotions, soaps, shampoo, conditioner, oils.

Source(s): Redseer Research & Analysis

Each sub-category requires a custom approach to unlock its potential on quick commerce

Quick Commerce Fitment Evaluation by Sub-category

Quick commerce Fitment: Low — High

SUB-CATEGORY	ASSORTMENT BREADTH	PURCHASE MISSION
Accessories (Mobile Accessories, Chargers, Cables, Audio)	Universal formats (cables, chargers, earbuds) are concentrated; device-specific items (cases, screen guards) are fragmented	Urgent replacement; impulse add-on
Electronic Devices (Audio, Displays, Cameras, Gaming)	Variants and configurations need depth	Spec-led; research-intensive
Skin Care (face cleanser, sunscreen, creams & moisturizers, serums)	Concern and trending ingredients reopen the choice set often	Determined for daily regime replenishment; exploratory for concern-led actives
Makeup (lip, eye, nail, face)	Occasion/look drives shade-formulation choice	Determined for daily basics (e.g. kajal); Exploratory for occasional looks
Oral Care (Toothpaste & Brushes)	Familiar brands cover nearly all demand	Habitual, brand-led replenishment
Bath & Hair Care (Body wash, lotion, soaps, shampoo & conditioner, oils & serums)	Wash-routine staples settle into a fixed brand match; newer formulations (lotions, hair fall solutions etc.) stay fragmented	Determined for routine replenishment; exploratory for newer, problem-specific formulations
Baby Care (Diapers, Gear & Learning Supplies)	Age-stage and format shift every few months, with gear and learning items added alongside	Determined, with brief re-evaluation at each stage transition

Source(s): Redseer Research & Analysis

Gaps in assortment, discovery, and assurance hold back the non-grocery adoption on quick commerce

Non-Grocery Barriers to Adoption on Quick Commerce

01

Assortment Gap

- Quick commerce dark stores typically carry 35-40K SKUs vs. significantly broader e-commerce assortments, requiring tight curation toward leading brands and fast-moving variants
- As a result, non-grocery takes a back-seat and is typically confined to 15-20K SKUs – not enough to create a meaningful play

02

Discovery Gap

- Non-grocery purchase mission is very different from grocery; given the wider choice set, it involves greater exploration of products, reviews & ratings, creator recommendations etc.
- Quick commerce doesn't fundamentally enable this mission, as it is designed for high-intent need-now moments

03

Assurance Gap

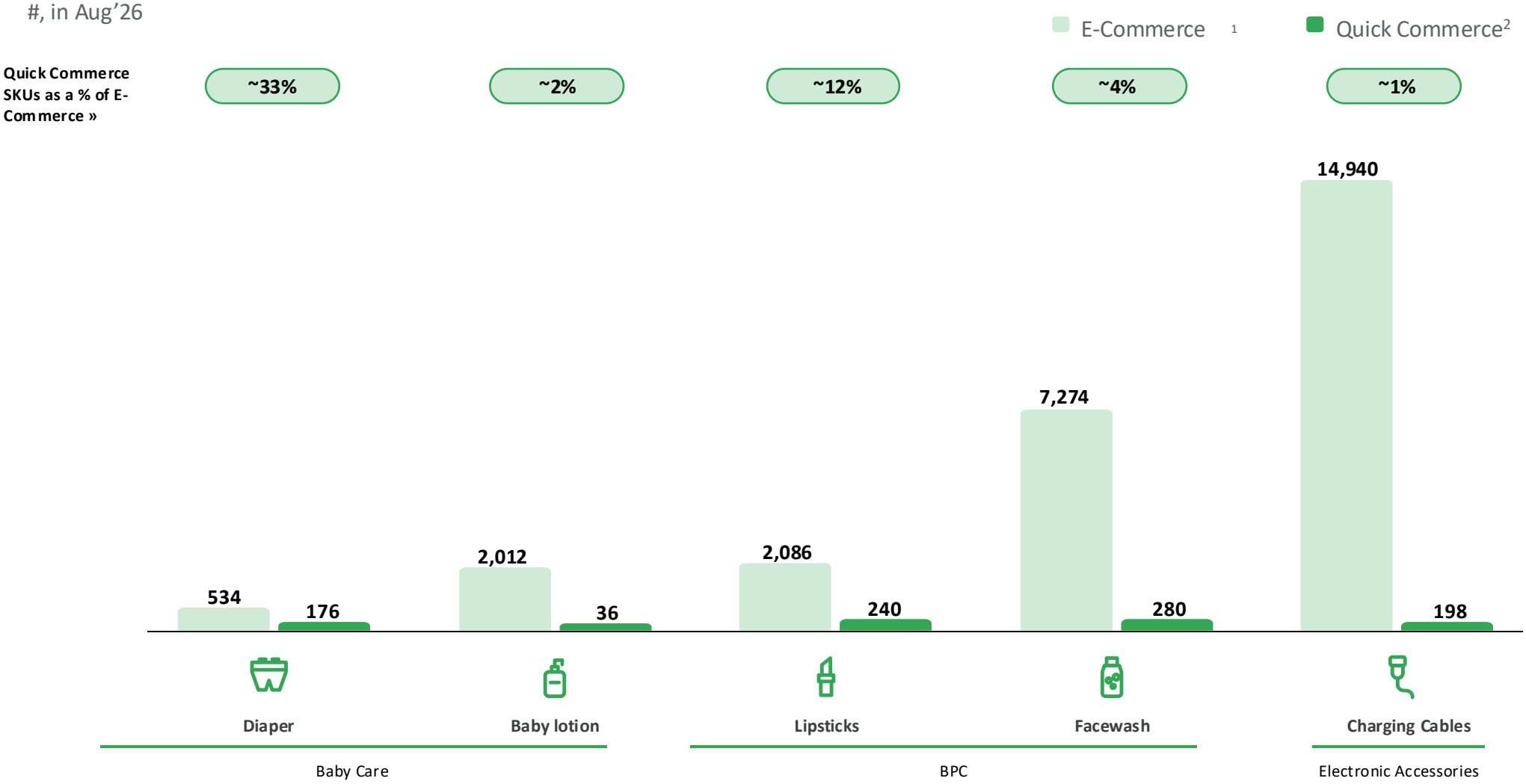
- Non-grocery segments contain a wide range of high-ASP products, making assurance significantly more important than it is for groceries
- Current assurances provided by quick commerce remain basic – falling short of what's needed to earn consumer confidence on higher value purchases

Source(s): Redseer Research & Analysis

Physical dark store constraints limit Quick Commerce assortment to a fraction of traditional e-commerce SKUs

Number of SKUs available – E-Commerce vs Quick Commerce (Select Verticals)

#, in Aug'26

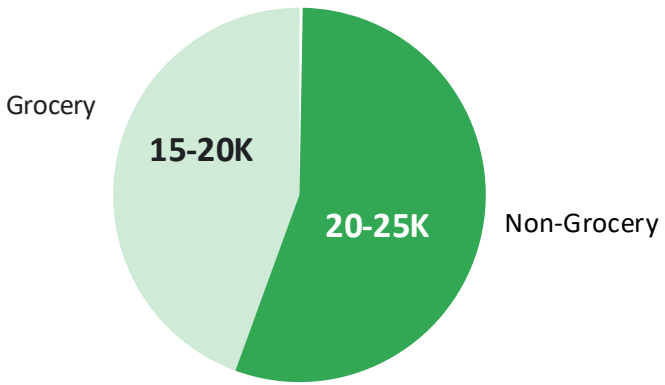


Note(s): 1. Leading E-commerce platform 2. Leading quick commerce platform 3. Scraping conducted on 30th August 2026, across leading quick commerce and E-commerce player; Location: Bengaluru (560035)

Source(s): Redseer Research & Analysis

Long-tail dark stores can expand non-grocery range by 1.5-2x by trading extreme speed for assortment breadth

Typically, quick commerce provides access to 35-40k SKUs in metros (per pin-code) through a polygon fulfilment model[1]



20-25K SKUs must serve all non-grocery categories, through tight curation toward brands and fast-moving variants.

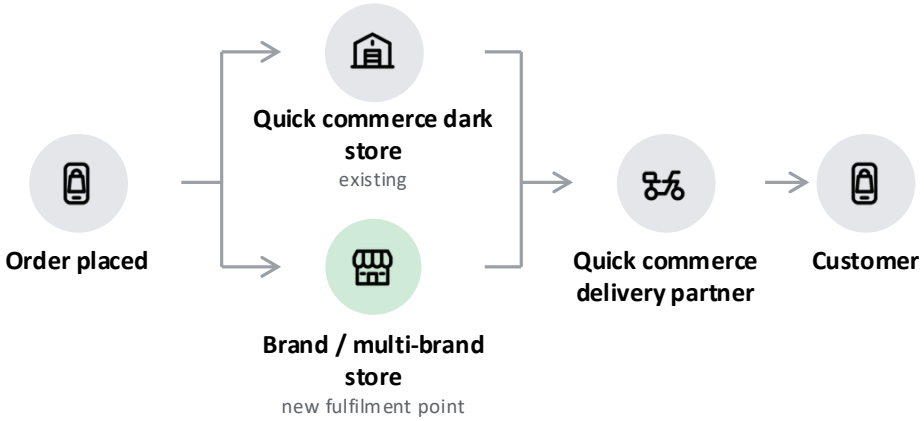
Long-tail dark stores add a hub layer for torso and tail SKUs, letting standard stores stay dedicated to fast-moving head SKUs.

	Typical fulfilment Setup	Long-Tail dark store (as per the fulfilment model by leading quick commerce players)
Store Size	Polygon network of multiple 3-5K sq. ft. dark-stores	~12K sq ft
Non-Grocery SKUs (per pin-code)	20-25K	1.5-2x higher → 35-40K
Micro-markets served	1	2-3
Delivery Window	10-15 min	Up to ~1 hour

Note(s): 1. A fulfilment model where each dark store serves a defined catchment to maximize customer assortment while maintaining fast delivery.
Source(s): Redseer Research & Analysis

Storefront partnerships offer an alternative path to expand assortment without compromising on speed

Quick commerce platforms can partner with exclusive / multi-brand stores, leveraging their existing stores as fulfilment points - unlocking deeper assortment without dark-store expansion

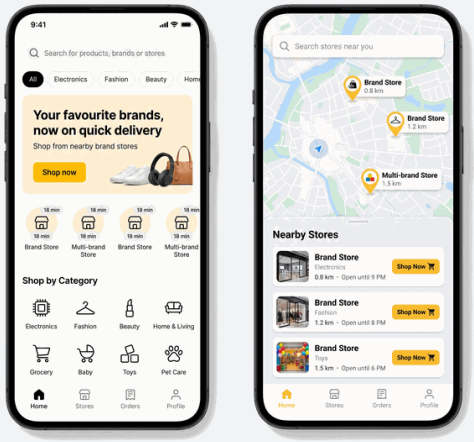


Key challenges with this model (to be addressed by Quick commerce)

- **Thin retailer margins**, that need to be shared with quick commerce platforms (relatively feasible in high-margin non-grocery)
- **Inventory digitisation & sync** with quick commerce platforms
- **Speed / SLA risk** at the partner store

MARKET PRECEDENT · CHINA

A leading quick commerce platform partnered with brand and multi-brand stores to fulfil non-grocery orders from the store itself, listing physical outlets as storefronts on the platform



WHAT THIS MODEL UNLOCKED

Instant fulfilment from brand stores across **electronics, fashion, toys and more**

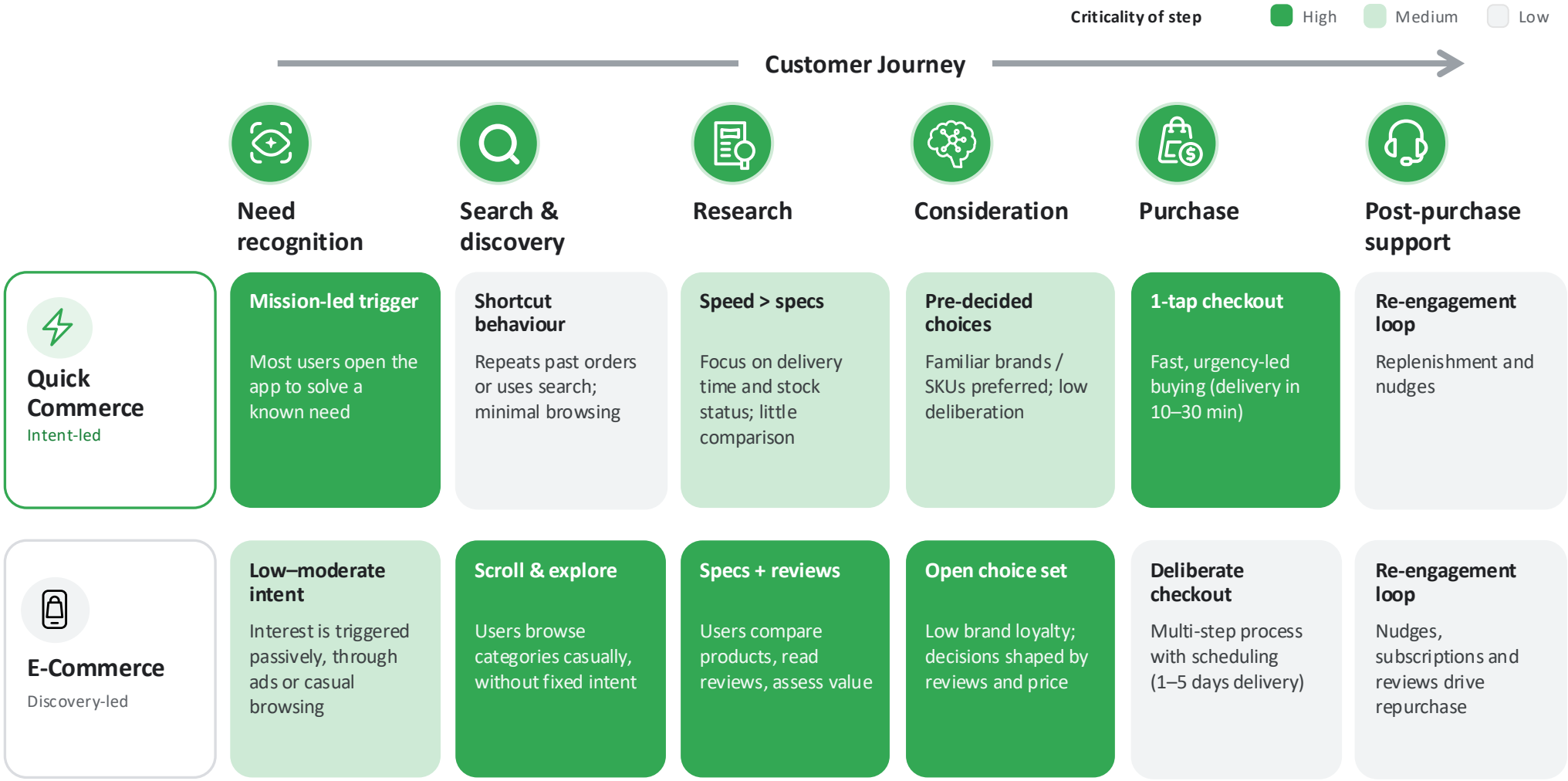
Store network digitized without dark-store build-out`

A leading Quick Commerce player has partnered with an electronics storefront, leveraging partner inventory for direct order fulfilment

Source(s): Redseer Research & Analysis

The current quick commerce UI limits the product exploration required for complex non-grocery purchases

Customer journey across platforms: intent-led vs discovery-led



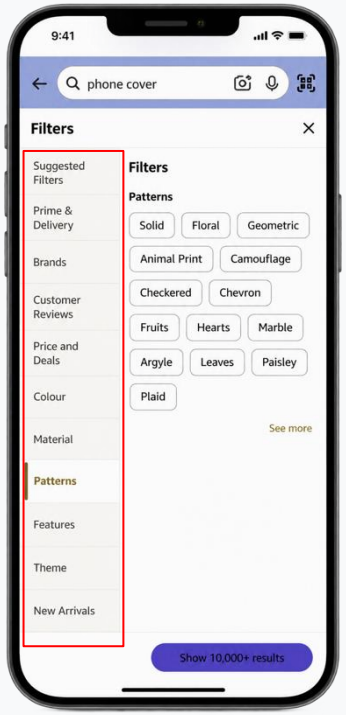
Source(s): Redseer Research & Analysis

Integrating richer discovery features, such as multi-attribute filters and verified reviews, can help address this limitation

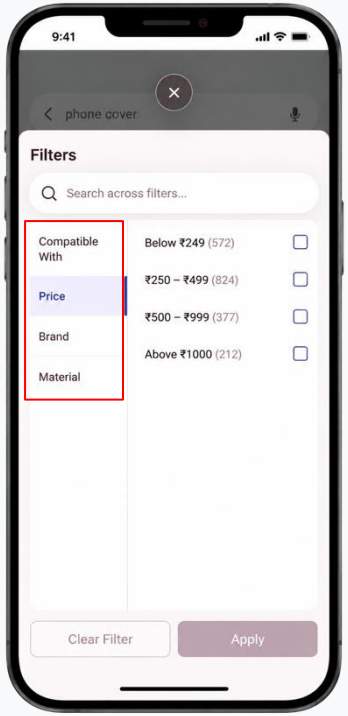
Exploration Solutioning

1. Filtration Criteria

E-Commerce



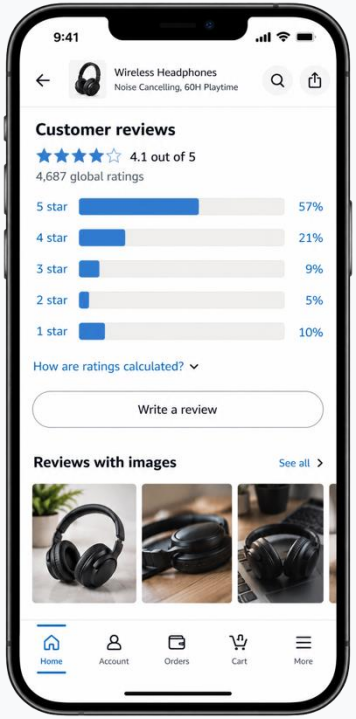
Quick Commerce



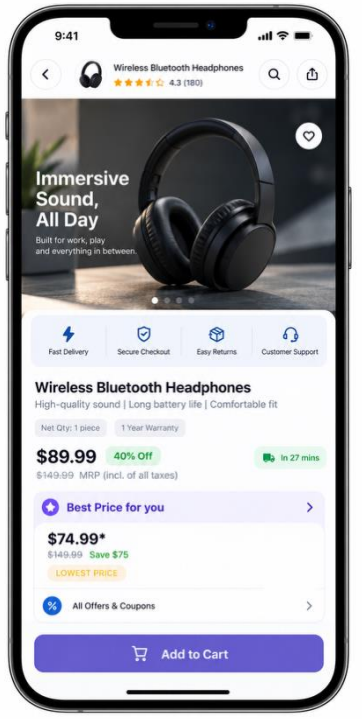
Gap: E-commerce offers multi-attribute filters across the entire catalog. Quick commerce restricts advanced filtering to niche sub-categories, limiting browse-heavy shopping

2. Intuitive Ratings & Reviews

E-Commerce



Quick Commerce



Gap: E-commerce builds trust via rating distributions, verified reviews, and user photos. Quick commerce relies on a single aggregate star rating with no supporting context

Source(s): Redseer Research & Analysis

Category-level friction points need to be addressed through the appropriate assurance mechanisms

Category-wise Friction to Quick Commerce

FRICTION TO ADOPTION

Beauty & Personal Care

- Authenticity of premium brands; near-expiry or tampered packs
- Little flexibility to exchange a wrong-shade product
- Shade, suitability to skin tone and pack size can't be judged without physical trial

Electronics & Accessories

- High defect rate on cables and chargers; no proof the unit is sealed

Baby Care

- Expiry, batch recency and seal integrity on safety-sensitive items
- No assured replacement, so the risk isn't worth taking

HOW TO TACKLE?

Verified authenticity & recency

Brand-authorized sourcing, with batch, MFG / expiry, and FSSAI details communicated actively on every listing (rather than implied)

Open-box check at the door

At delivery verification on high-value electronics, premium BPC and safety-sensitive baby care – seal and condition confirmed before the order is final

No-questions replacement

Hassle-free replacement or exchange for **wrong, damaged, defective, tampered or unsuitable items**, with warranty handled in-app

Source(s): Redseer Research & Analysis

Vertical quick commerce has potential to accelerate non-grocery adoption journey: ~10x assortment unlocked in BPC

Case study on Vertical Quick Commerce in BPC
All KPIs as of AMJ, 2026

# of BPC SKUs
~50,000
vs **~5K** on leading quick commerce in metros

# of Dark Stores
~100

Indicates a sustainable play

AOV
₹1600-1700
vs ~₹550 on leading quick commerce in metros

~3
Basket Size

Avg. Fulfilment Time
~60 Minutes
vs **10-15 Minutes** on leading quick commerce through dark store

~80%
of orders fulfilled in metros

Assortment Curation Approach

Revenue-led curation: Prioritize mainline SKUs and brands contributing ~90% of category GMV

Micro-market specific: Tailor assortment to catchment-level demand, consumer profile and preferences

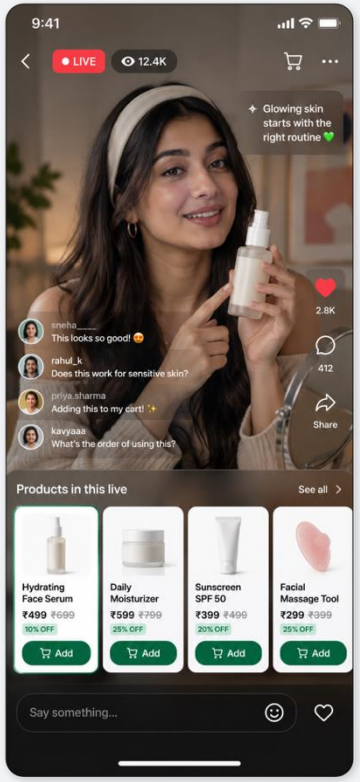
Personal care-led expansion: Deepen high-frequency personal care where demand justifies, while deprioritizing makeup on quick commerce

Source(s): Redseer Research & Analysis

Vertical platforms can also solve the discovery gap through in-built education and assisted discovery

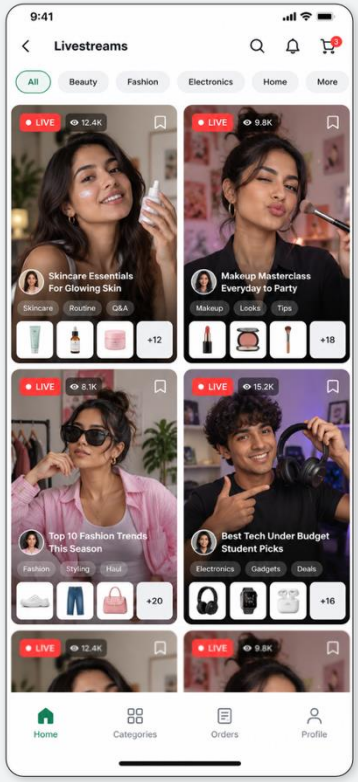
Case study on Vertical Quick Commerce in BPC

1 Creator Integration



Live commerce

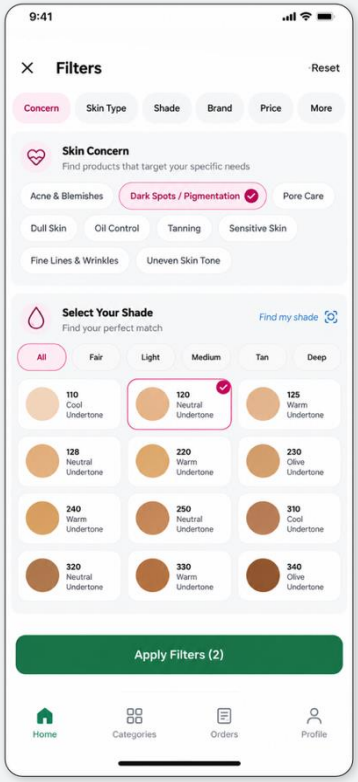
Products demoed during the stream appear in a carousel with the live offer price attached, so viewers can check out the moment they see the demo.



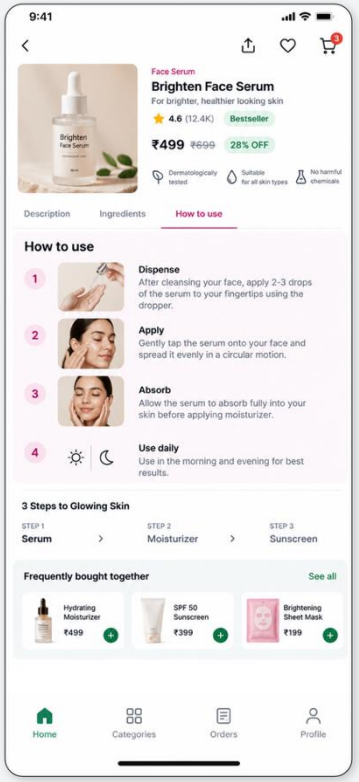
Creator education

Creators run trend roundups and expert masterclasses that build category demand before the shopper has searched for anything.

2 Assisted product discovery



Category-native filters: Shoppers filter by concern and shade rather than by price or brand, narrowing a large catalogue to a shortlist in a few taps.



Education-led description: A how-to-use tab walks through application and recommends a three-step regimen, teaching the shopper while cross-selling two more items.

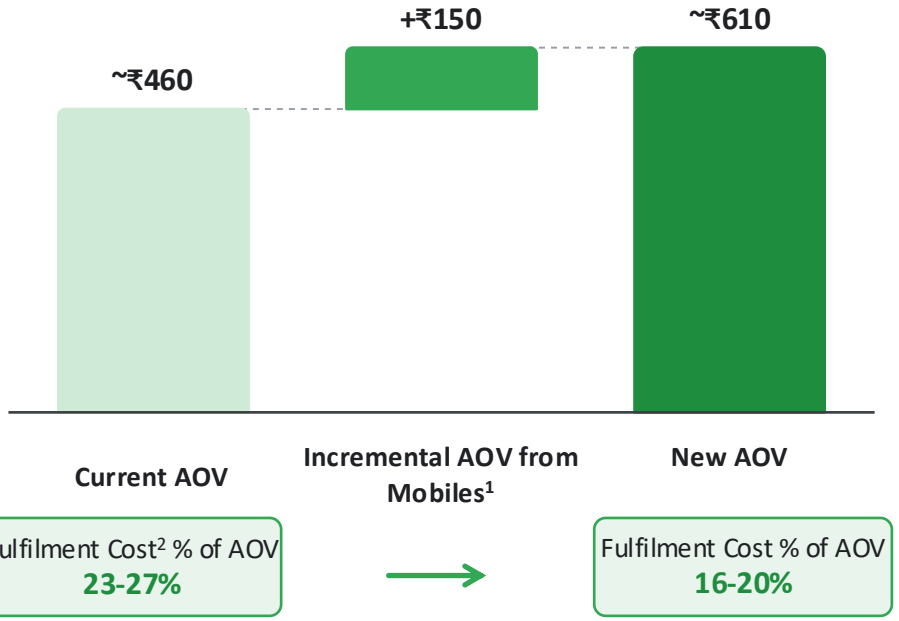
Source(s): Redseer Research & Analysis

Mobiles are emerging as a key growth lever for quick commerce, driving AOV and fulfilment economics

Impact of Mobiles on Quick Commerce AOV and Fulfilment Economics

Mobiles: unlock AOV growth thereby reducing fulfilment cost per order and improving overall unit economics despite thinner category margins

+₹150 AOV uplift is driven by a 1% shift in category mix towards mobiles



The resulting fulfilment cost efficiency can unlock up to **7% higher EBITDA on quick commerce**

01 Quick commerce arms of legacy horizontals are scaling mobiles significantly on quick commerce

Horizontal platforms already lead in mobiles and electronics, backed by appropriate **supply chains and OEM partnerships**. They are now bringing this **edge to quick commerce**

Mobiles' GMV Contribution (As of Sep'26) leading horizontal vs. overall quick commerce

15-16% | ~6x higher than overall QC

02 Expanding assortment to mid and low-range

Leading quick commerce players are also moving mobiles from **premium launch events** to a **wider mid to low-range assortment**, unlocking **everyday mass demand**

Winning in mobiles will require capability build-up across **supply chain and strategic partnerships**, enabling open box delivery, structured returns, EMI, and cashback financing at scale

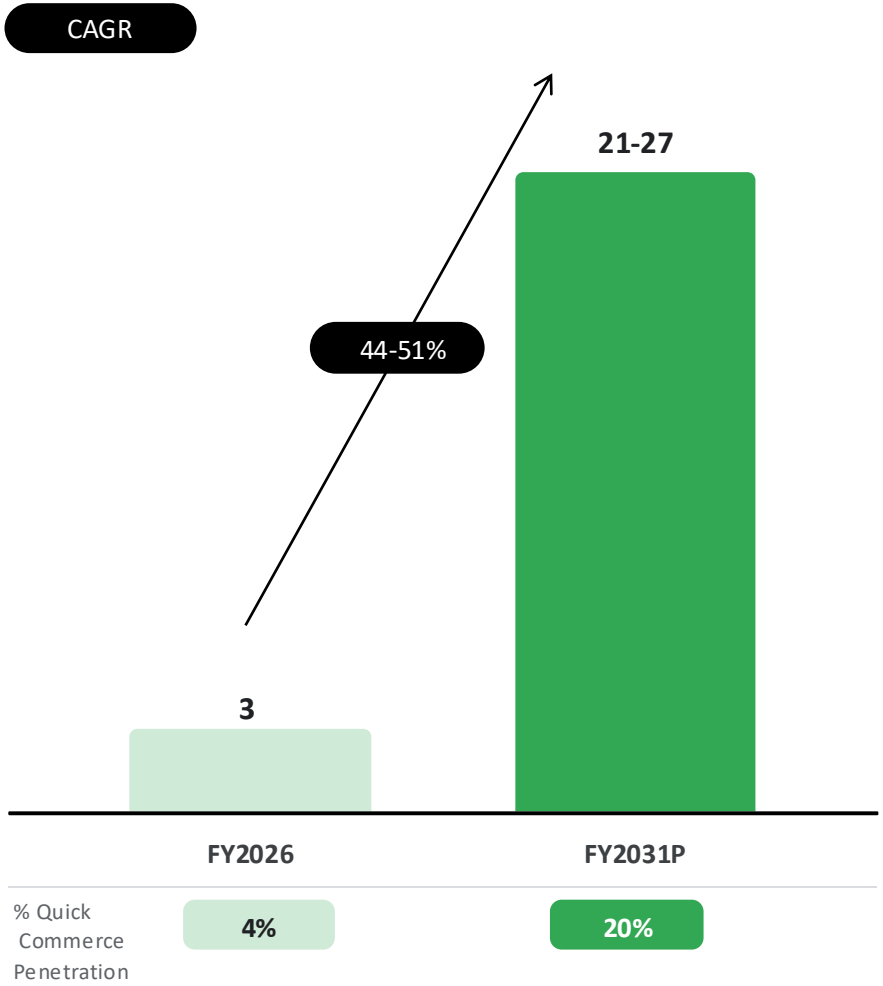
Note(s): 1. Assuming a 1% increase in volume contribution from mobiles in overall quick commerce GMV; 2. Fulfilment cost covers delivery, dark store ops (picker and packer, store ops, rent), mid-mile, overheads, and other variables (payment gateway charges, inventory loss, refunds, etc.)

Source(s): Redseer Research & Analysis

These efforts will help unlock US$ 21–27B in non-grocery quick commerce GMV in metros by FY2031

Quick Commerce Spends on Non-Grocery in Metros

US$B, FY2026, FY2031P



Key Unlocks

1. Expand Assortment

- Doubling down on long-tail dark stores
- Experimenting with storefront partnerships

2. Enable Exploration on Quick Commerce Platform

- Discovery layer built on specifications, filters, ratings and reviews

3. Category-level Assurance Mechanisms

- Brand verification, open box delivery and a flexible replacement policy

4. Vertical Quick Commerce

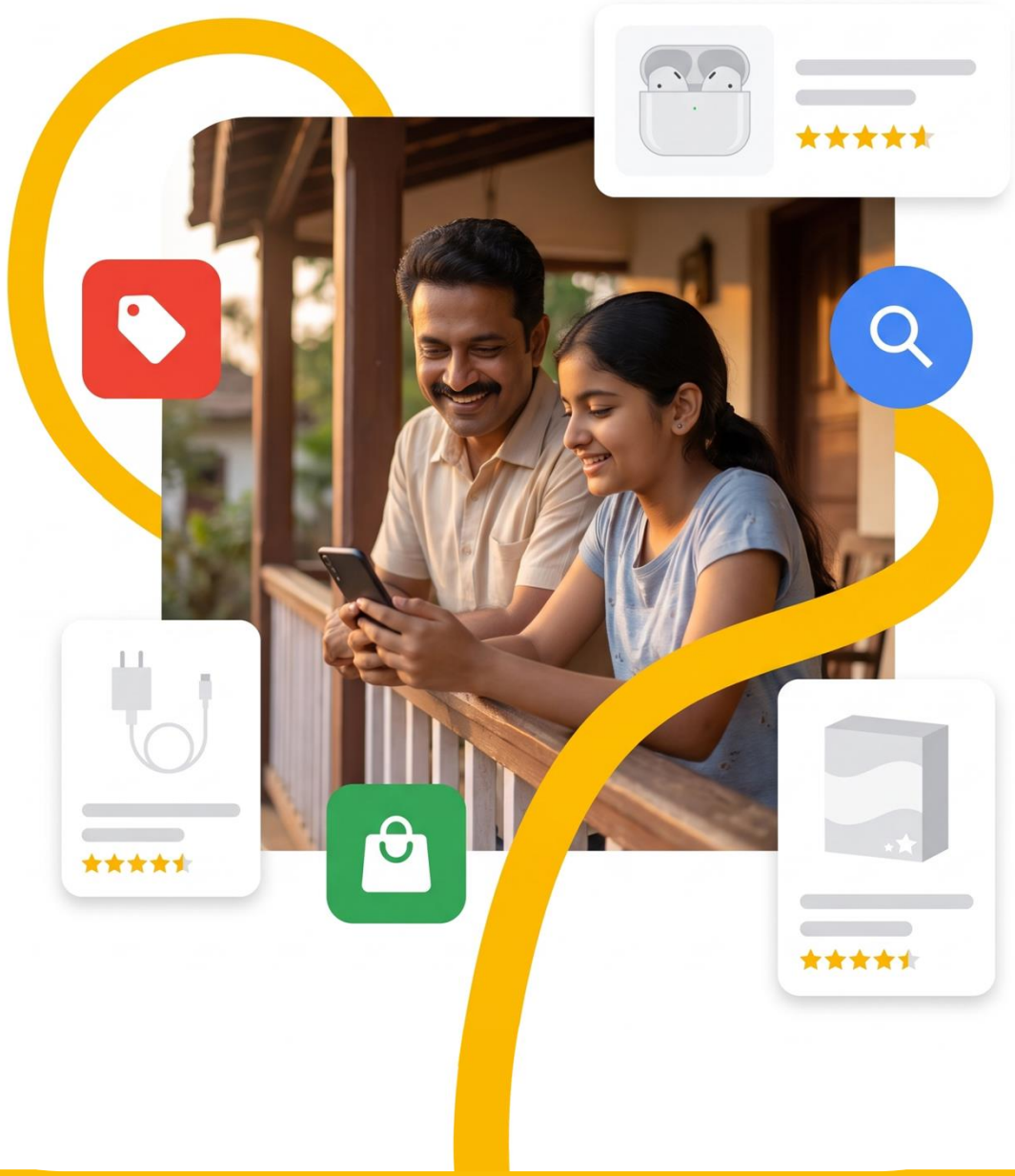
- Natural fit to provide broader assortment and enable exploration

Source(s): Redseer Research & Analysis

Google | redseer Strategy Consultants

Section 03

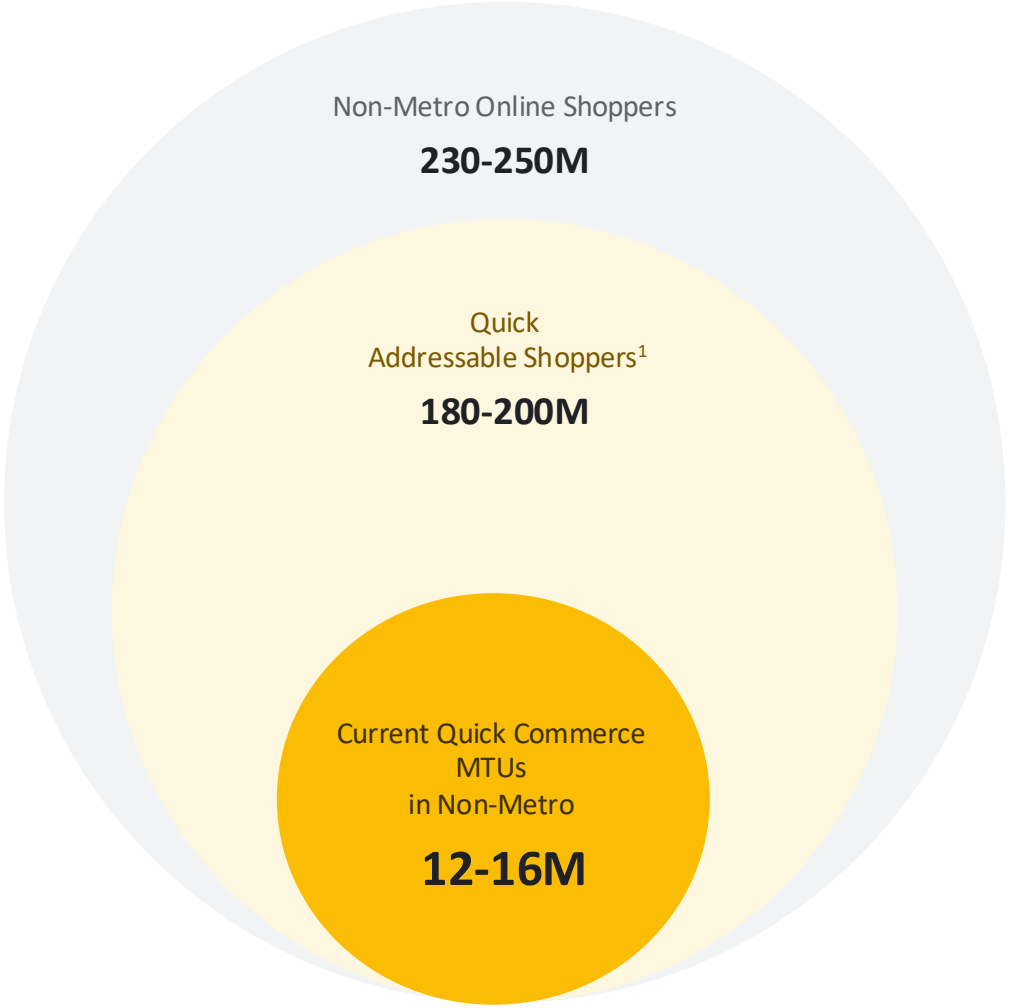
Non-Metro Playbook: Expand the Frontier



Quick commerce has barely scratched the surface in non-metros, with ~17x shopper headroom yet to be unlocked in serviced cities

Target Shopper Base for Quick Commerce Expansion in Non-Metro

FY2026



300+ cities with quick commerce presence

Estimated to house 180–200M online shoppers

35-40% of addressable shoppers are in Top 50 cities

Significant headroom remains across Top 50 and 50+ cities

95%+[2] non-users are aware

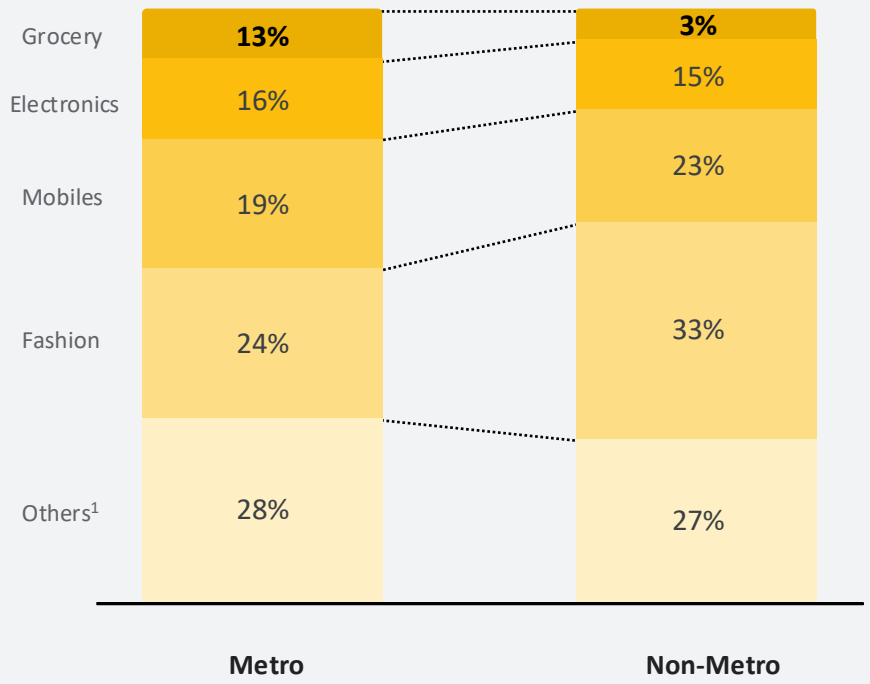
of quick commerce platforms, indicating awareness not a barrier to adoption

Note(s): 1. Present in existing ~300 cities, 2. From surveys conducted
Source(s): Redseer IP, Customer Survey (N=651; Quick Commerce Non-users=402, Users=249)

Grocery is likely to remain quick commerce's adoption hook in non-metros, as it stays largely untapped on e-commerce

E-commerce[2] Category Mix- Metro Vs Non-Metro

In %, FY2026

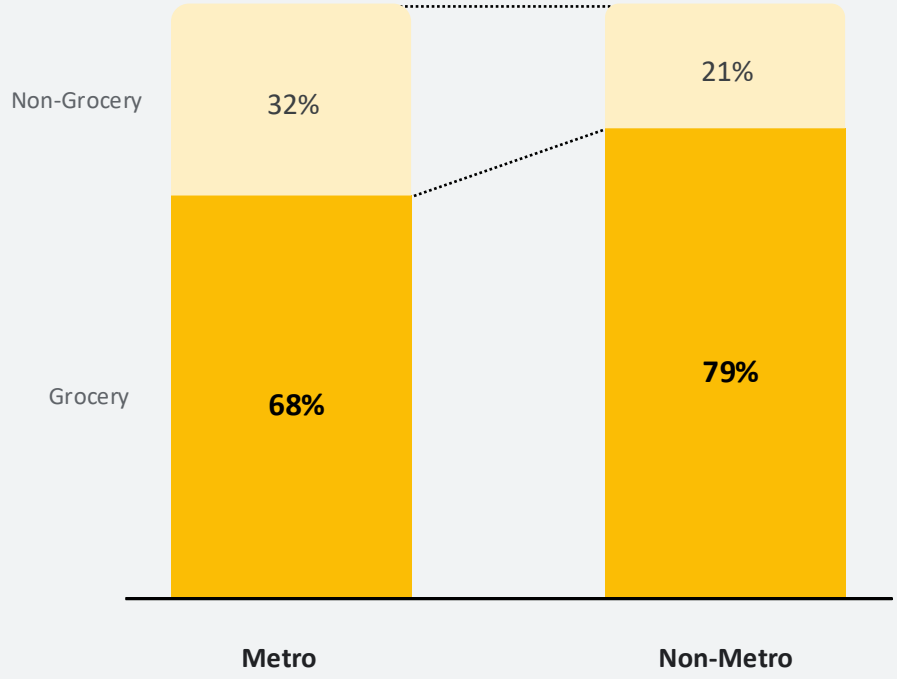


Grocery is under-indexed on e-commerce in non-metros, while other major categories are relatively well tapped.

Quick Commerce Category Mix- Metro Vs Non-Metro

In %, FY2026

Grocery commands a significantly larger share of retail wallet in non-metros: 60-65% share of retail in non-metros vs 40-45% in metros.



Early quick commerce adoption in non-metros is disproportionately indexed to grocery

Note(s): 1. Others include books and general merchandise, e-pharma, beauty and personal care and home and furniture., 2. Includes Quick Commerce
Source(s): Redseer IP

Non-Metro adoption is throttled by three distinct barriers which will need to be addressed

Perception – Led barriers

01 Low-ticket cart servicing

Small baskets make top-ups expensive: they fall below minimum-order thresholds and attract delivery and platform fees.



54%
USERS

would increase quick commerce usage with lower minimum order value



39%
NON-USERS

would try quick commerce with lower minimum order value

02 Apprehensions with product freshness

F&V-heavy spend and the habit of inspecting products by hand make freshness harder to assure online.



45%
USERS

were hesitant before their first quick commerce order due to freshness concerns



55%
NON-USERS

cite concerns with freshness / quality at quick commerce

03 Lack of trust in the platform

Returns, refunds, redressal and payment concerns limit quick commerce platform trust.



25%
USERS

worry about refunds / returns being difficult



45%
NON-USERS

cite platform trust as a key barrier to quick commerce adoption

04 Non-intuitive purchase flows

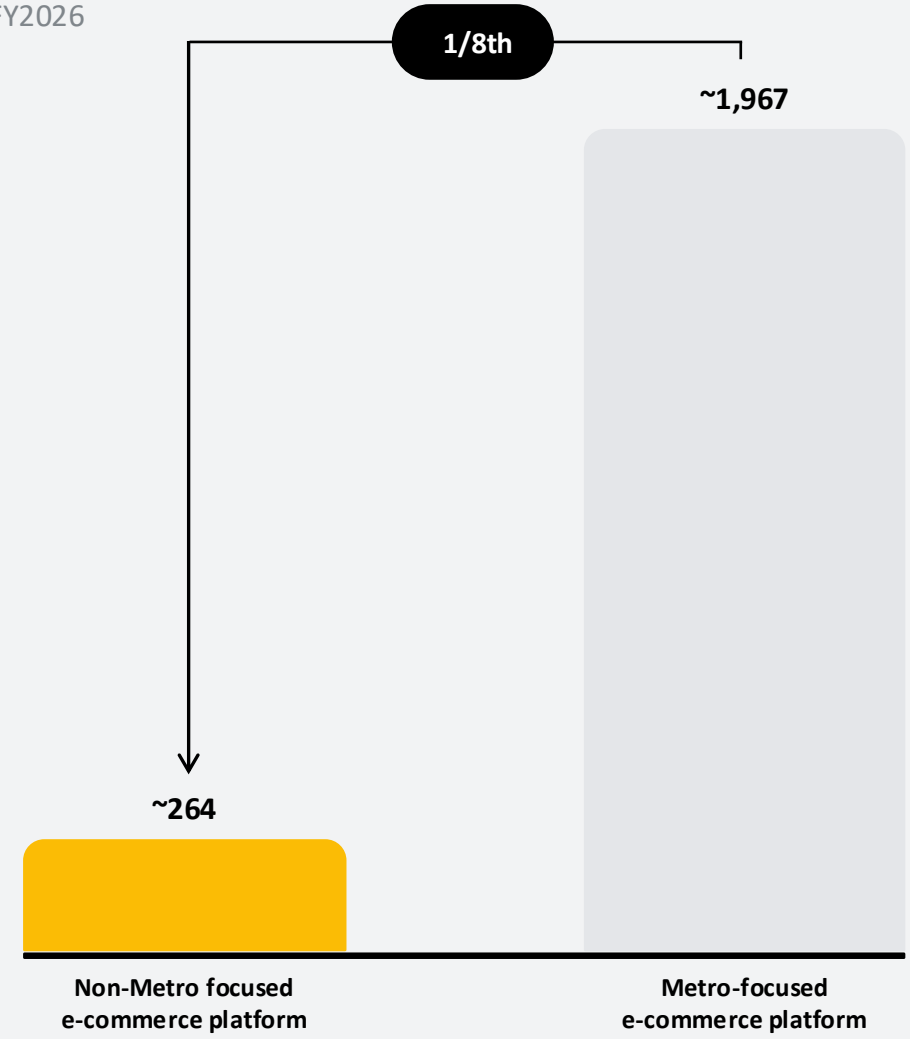
- Most non-metro consumers are digitally passive, and hence resort to browse-first purchase journeys on e-commerce platforms
- This is quite contrary to the high-intent / search led purchase flows on quick commerce

Source(s): Redseer Research & Analysis, Customer Survey (N=651; Quick Commerce Non-users=402, Users=249)

Non-metro shoppers are used to transacting in small amounts

Average Order Value: Non-Metro vs Metro-focused E-Commerce Platforms

₹, FY2026



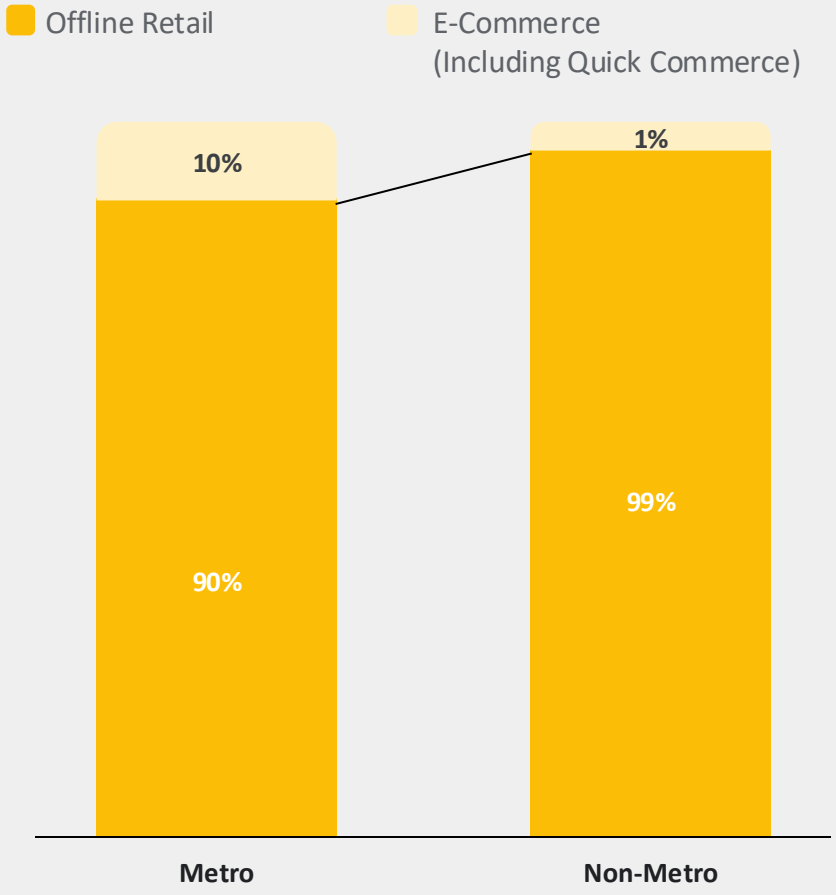
- Low-ticket transactions in non-metros are a function of lower incomes, and strong GT-led habit of frequent, need-based purchases
- These are prevalent across grocery and non-grocery categories
- The **stark difference vs metros is visible in e-commerce and further underscores the purchase habit**

Source(s): Redseer IP

Offline retail serves the low-ticket basket, thus leading the grocery market by a wider margin in non-metros

Current Grocery Market Split by Channel

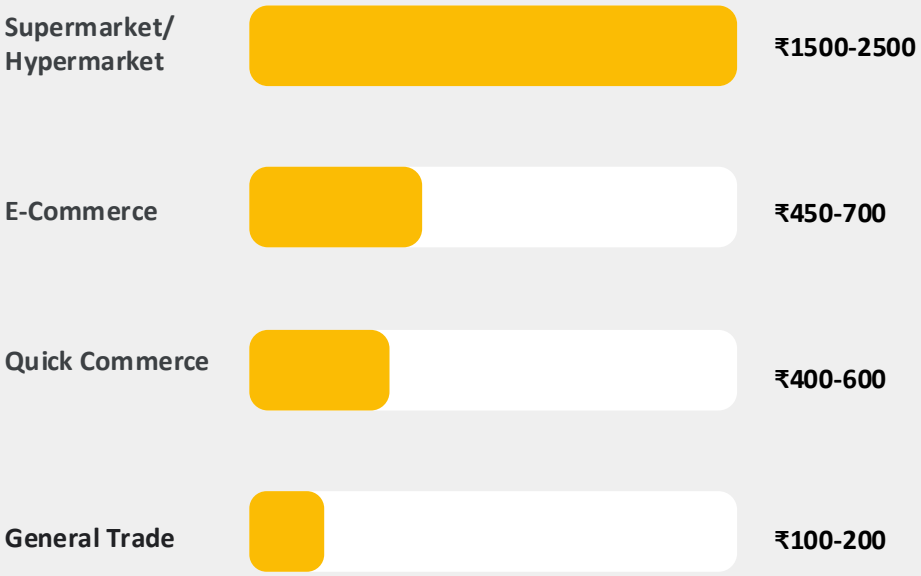
In %, FY2026



Offline retail leads the grocery market all the way in non-metros

Average Order Value – Non-Metros

₹ per order, FY2026

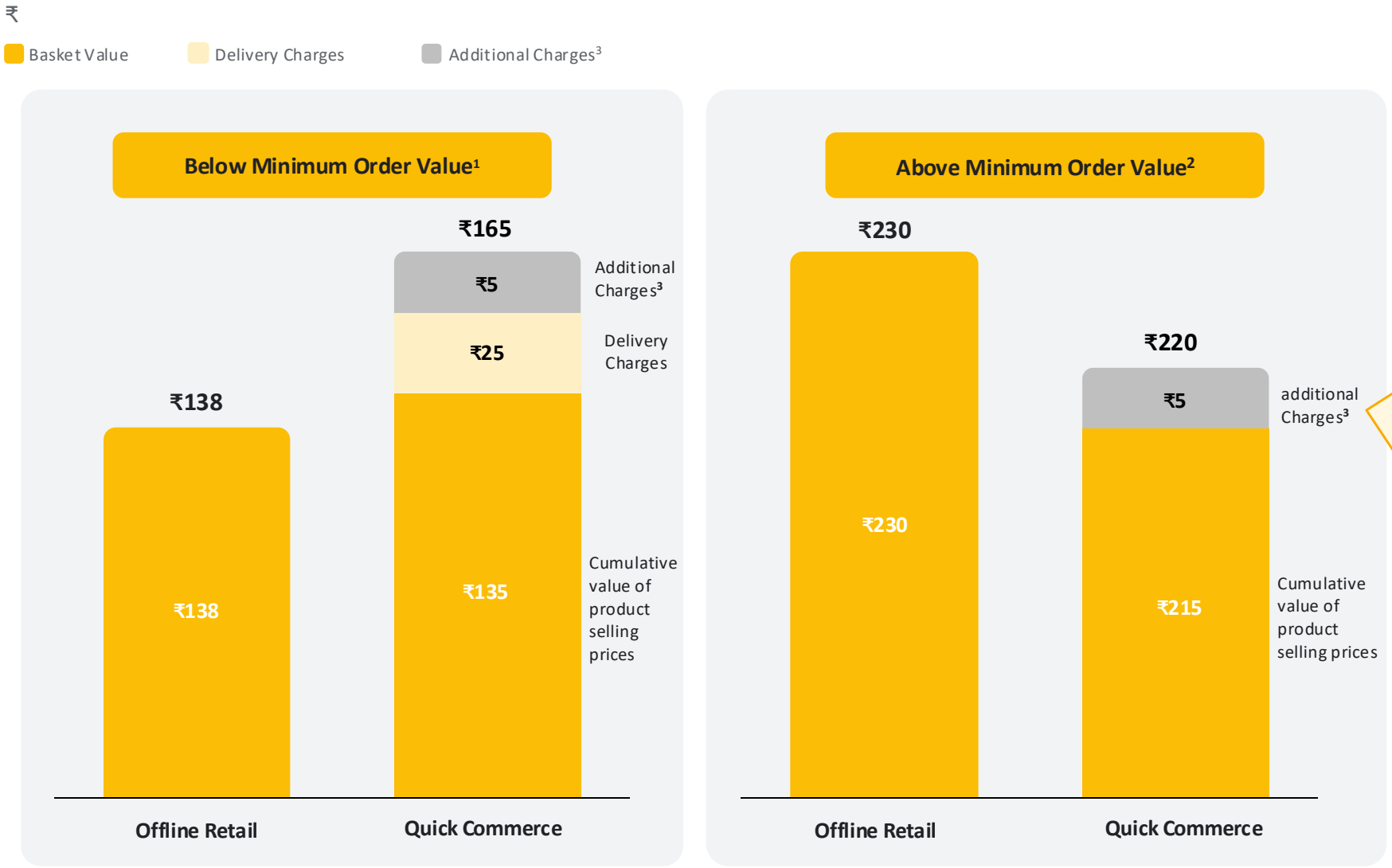


₹100–200 carts structurally fit General Trade's lean cost structure – no delivery / supply chain costs, negligible marketing spends, and low manpower, rents & utility expenses

Source(s): Redseer IP

However, Quick Commerce is less competitive for low-ticket baskets

Basket comparison across Quick Commerce vs Offline Retail (Illustrative)



While pricing is competitive, it appears expensive due to explicit application of additional charges

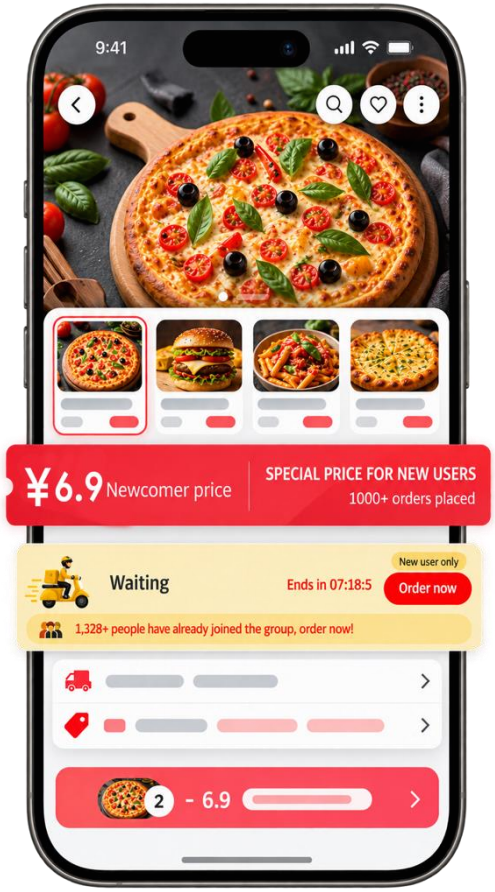
Note(s): 1. Basket (Below Minimum Order Value assumed at ₹ 149) comprises Dishwash Gel (275g) and Fabric Conditioner (500g); 2. Basket (Above Minimum Order Value assumed at ₹ 149) comprises Dishwash Gel (275g), Fabric Conditioner (500g), and Organic Flour (1kg); 3. Additional charges refer to handling charges only; Cities covered: Meerut; Pincode covered: 250001; Data as of 31st August 2026

Source(s): Redseer Research & Analysis

Demand pooling can help by spreading fulfilment costs across baskets

Case Study: Leading Food Delivery Platform in China

WHAT THE CONSUMER SEES



¥6.9 all-in — delivery & packaging fees waived, no minimum order value

HOW POOLING WORKS

1. **Standardise the assortment**
   Similar to the platform's fixed meal sets, keep a constrained pool of fast-moving SKUs
2. **Pool & lock demand**
   2–4 users, same dish, within 1–3 km and a 40-min window; auto-refund if no pool forms
3. **Batch pick & pack**
   Pooled orders picked together on one aisle route, staged for a single rider pickup
4. **One trip, multi-drop**
   A single rider serves all nearby doorsteps — 30–35 min delivery vs ~10 min express

WHY IT WORKS

Pooling turns a low-value basket into an economically viable order without charging a delivery fee — by spreading the cost of one pick and one trip across **2–4** consumers.

*The consumer trades **~25** min of extra wait for zero fees.*

~60% **Non-quick commerce users in India non-metro are willing to trade speed for price**

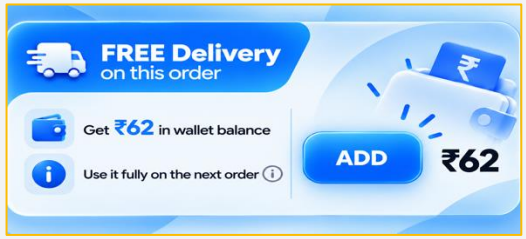
Source(s): Redseer Research & Analysis, Customer Survey (N=651; Quick commerce Non-users=402, Users=249)

Wallet top-ups can remove low-ticket checkout friction; BNPL can replicate GT credit model

A. Wallet Top-up for Free Delivery

A leading quick commerce platform prompts users to **top up the shortfall in their in-app wallet**, enabling free delivery even when the basket falls below the MOV

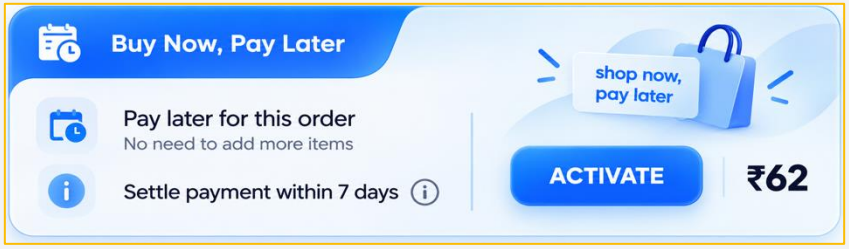




Reduces delivery-fee friction on small, need-based high frequency orders

B. Buy Now, Pay Later

BNPL mirrors the credit relationship customers already have with local stores, unlocking orders that low disposable income would otherwise defer.

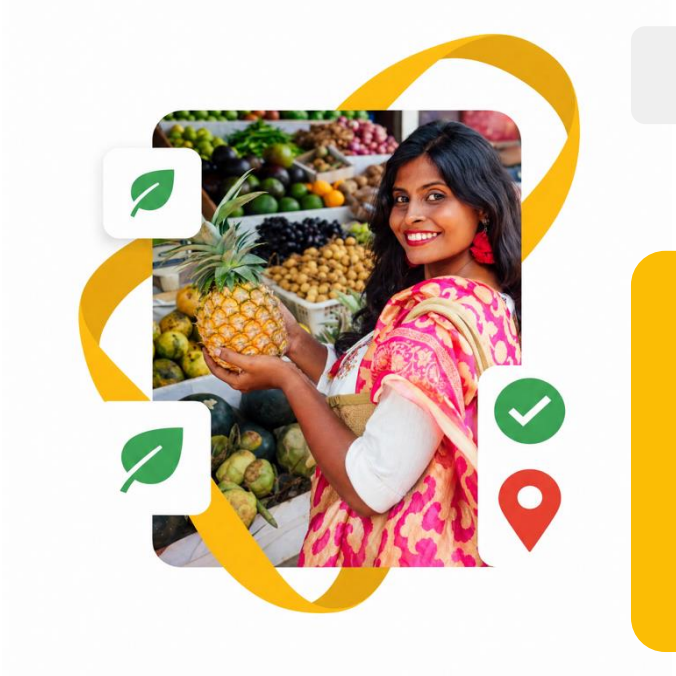


Replicates the familiarity of credit system for habitual users in non-metros

Source(s): Redseer Research & Analysis

Non-metro consumers hand-pick fresh produce almost daily, ensuring quality

Buying fruits and vegetables is a daily, hands-on ritual for non-metro consumers - **freshness and quality are judged in person, at the point of purchase**



An everyday errand, steps from home	"Will I get fresh produce?"	"Can I choose what I want?"	"Can I buy only what I need?"
Step out to the local market Buying Fruits and vegetables is part of the daily routine	**See, touch, feel** Ripeness, appearance, and condition judged by eye and hand – hard to replicate digitally	**Hand-pick every piece** Each piece inspected for size and quality – full control over what goes home	**Buy just enough** Small quantities for the day's cooking — nothing sits at home going stale

Source(s): Redseer Research & Analysis

Farm-direct sourcing, rigid cold-chain logistics, and transparent quality tracking & visibility are required to bridge the trust gap

Case Study: Leading Grocery E-Commerce Platform in China

Each trust-enabling step performed in-person is replicated inside the platform's supply chain and shown to the consumer

Farm-direct sourcing

Partner directly with local farms and producers, matching orders to nearby supply to reduce transportation time and preserve freshness.

Next-day freshness model

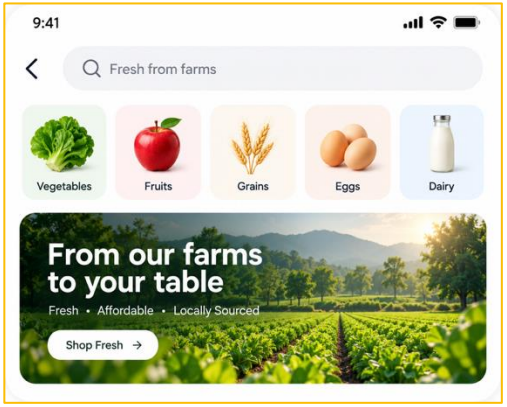
Local inventory is refreshed at 11 PM daily, enabling fresh produce to be matched to demand and fulfilled the next day via local pickup points

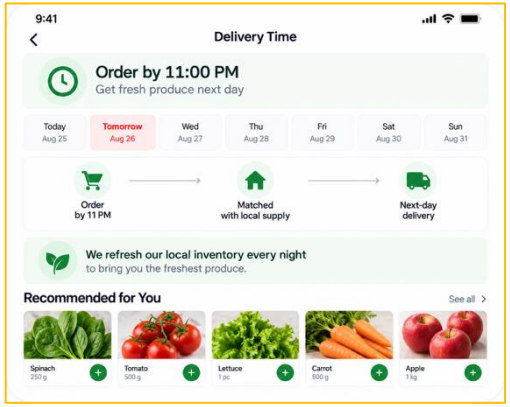
Cold-chain logistics System

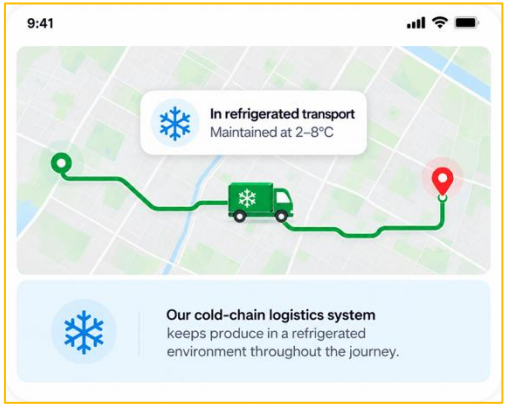
Fresh produce is transported through refrigerated environments end-to-end, avoiding room-temperature handling at transit points.

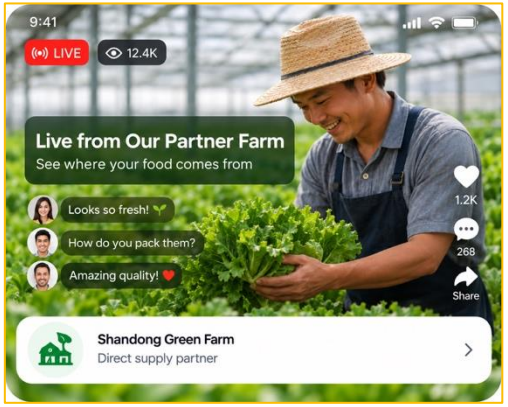
Live sourcing & quality visibility

Livestreaming and interactive content showcase farms, produce and sourcing activities, making the freshness journey more visible







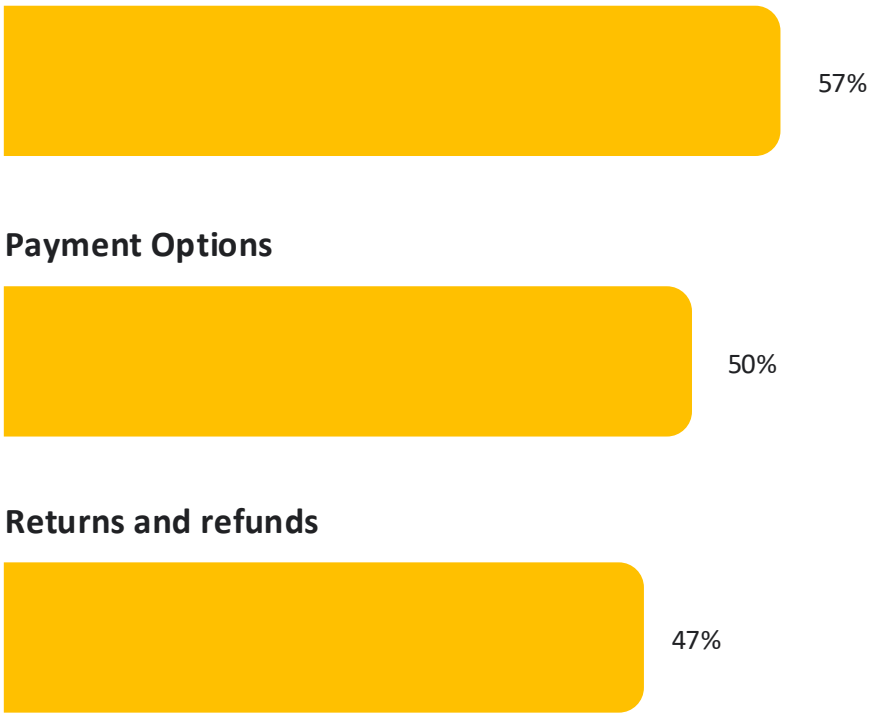


Source(s): Redseer Research & Analysis

Platform trust deficit stems from perceived gaps in customer support, rigid returns, and payment inflexibility

Platform Trust: Underlying Issues

Q. Which of the following platform-trust concerns, if any, do you have when ordering through quick commerce?



KEY PERCEPTIONS

The customer support feature isn't reliable– difficult to access & takes longer for issue resolution

COD is friction-heavy and discouraged in the UI

The return policies are not clear on the platforms and refunds also take longer

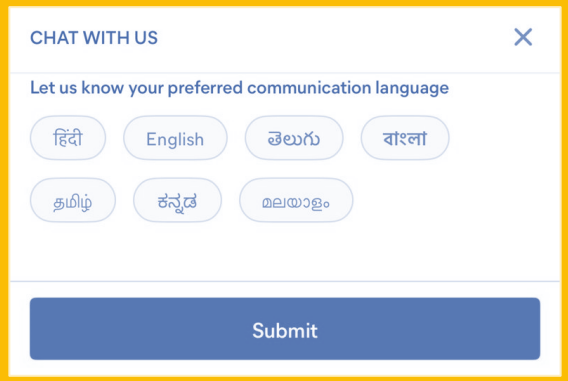
Non-users' perception is driven by their past experiences, coupled with experiences shared by family and friends, word-of-mouth and online reviews.

Source(s): Redseer Research & Analysis, Customer Survey (Quick Commerce Non-users=402)

Closing the Trust Gap requires vernacular support, guaranteed swift returns, and COD-first messaging

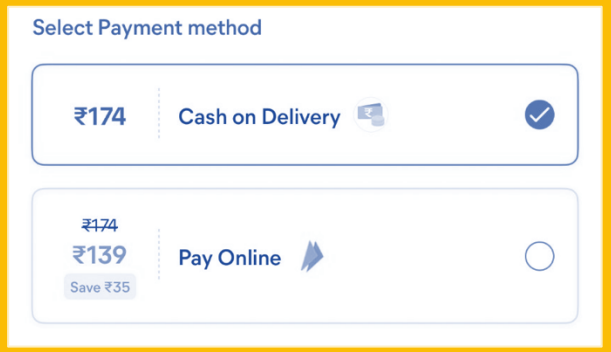
Vernacular Customer Support & Faster Resolution

- Tier-2+ users default to their own language when describing a problem
- English-only support raises the barrier to even initiating resolution



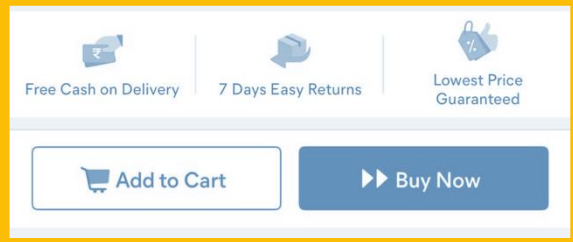
COD-First Messaging for Payment Security

- COD as the default, preferred payment option can reduce payment apprehension
- Clear COD messaging can reassure first-time users and reduce payment-related drop-offs



Clear Returns & Faster Refunds

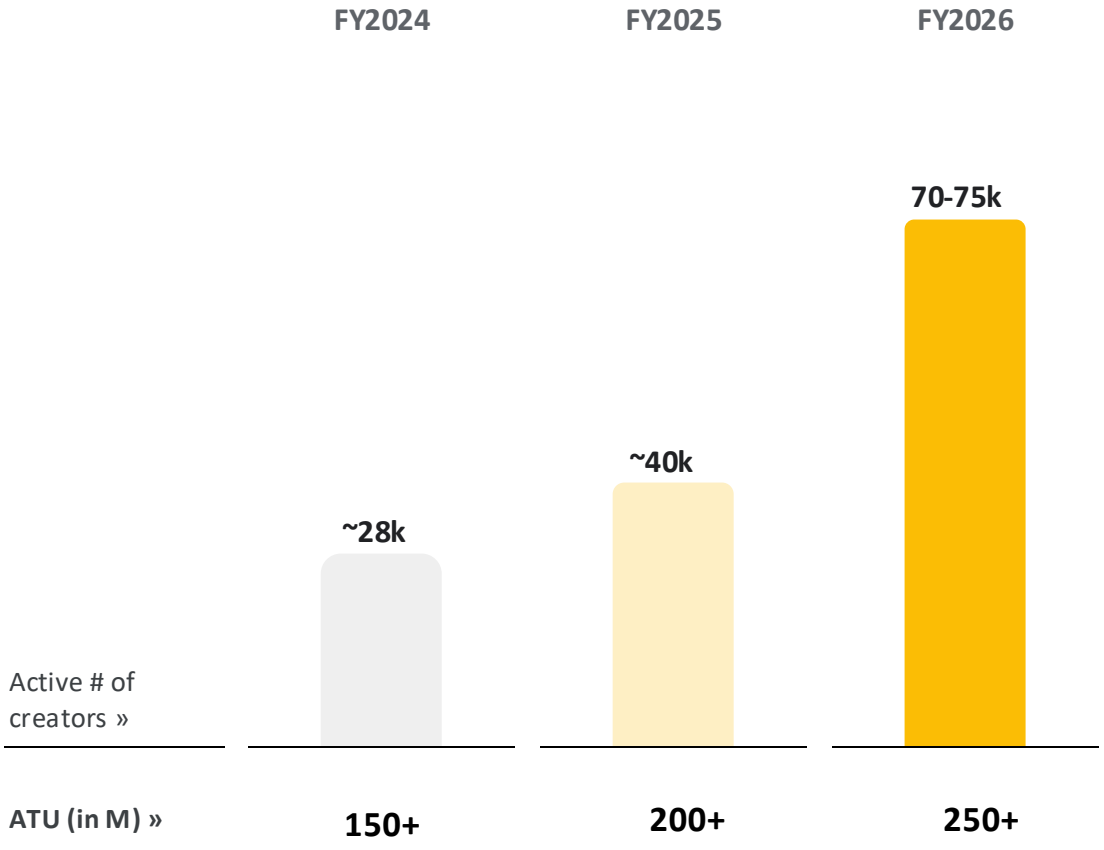
- Active return messaging builds confidence before purchase
- Faster refund TAT and a relatively lenient return policy reduce post-purchase risk



Note(s): screenshots represent the offerings by a leading e-commerce platform in non-metros
Source(s): Redseer Research & Analysis

Partnering with digital micro-creators can provide cultural relevance and peer-led credibility necessary to drive user acquisition in non-metros

Case Study: Leading E-Commerce Platform in Non-Metros – Use of Micro-creators



How creators help in trust building?



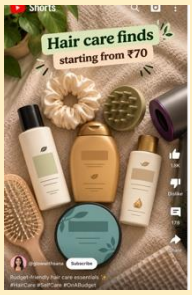
Peer-led credibility

Creators act as trusted voices within close-knit communities, making product recommendations feel more authentic



Vernacular & cultural relevance

Creators use regional languages, local lifestyles and cultural contexts, making products more relatable to Tier 2/3 audiences.



Relatable product discovery

Creators integrate products into everyday use-cases, occasions and needs, helping surface relevant products beyond active search

Source(s): Redseer IP

Community-led fulfilment can help build trust locally for the much-needed perception reset

Community-led Fulfillment Model – Case Study

Model Overview: One of the leading grocery e-commerce platforms uses local Community Partners (CPs) as distributed fulfilment points for last-mile delivery. The platform owns and positions inventory through its warehouse network, while CPs hold allocated inventory, fulfil local orders and earn per order, leveraging local proximity and trust

Fulfilment Model Value Chain



Spokes · Inventory allocated against a security

~5,000 active CPs as of August' 2025

Within 1–2 km last-mile radius

What CP does?

- ✓ Last-Mile Order fulfilment
- ✓ Stores inventory and manages capital

CP Profile

- ✓ Local shopkeeper (non-grocery)
- ✓ Neighbourhood connect

How can CP model reinforce platform trust?

Product Quality Trust

CP accountability reinforces trust in freshness & quality, reducing product-risk concerns

Delivery Trust

Known neighbourhood partners improve delivery reliability, security and confidence

Value Trust

CP can voice out lower-price messaging and strengthen value perception

Source(s): Redseer IP

Shifting from search-heavy interfaces to discovery-led feeds will assist in driving further expansion

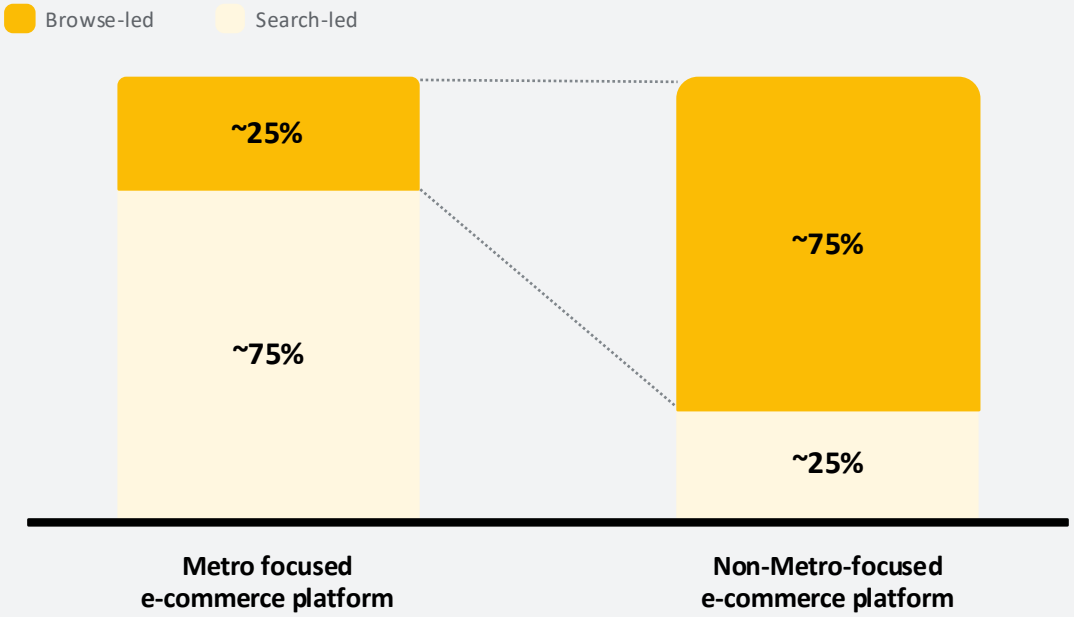
Discovery-led Commerce in Mon-Metro

TYPICAL ONLINE PURCHASE JOURNEY FOR NON-METRO SHOPPERS

1. **Active / Passive Need**
   An active purchase need may or may not exist
2. **Browse & explore**
   Feeds, categories, deals & recommendations
3. **Compare & shortlist**
   Explore options, details & reviews
4. **Decide & buy**
   Build confidence, add to cart & purchase

Where purchase sessions start — entry-point mix

In % of sessions, FY2026



Align shopper journeys with browse-first behaviour through personalized feeds, recommendations and inspiration-led discovery

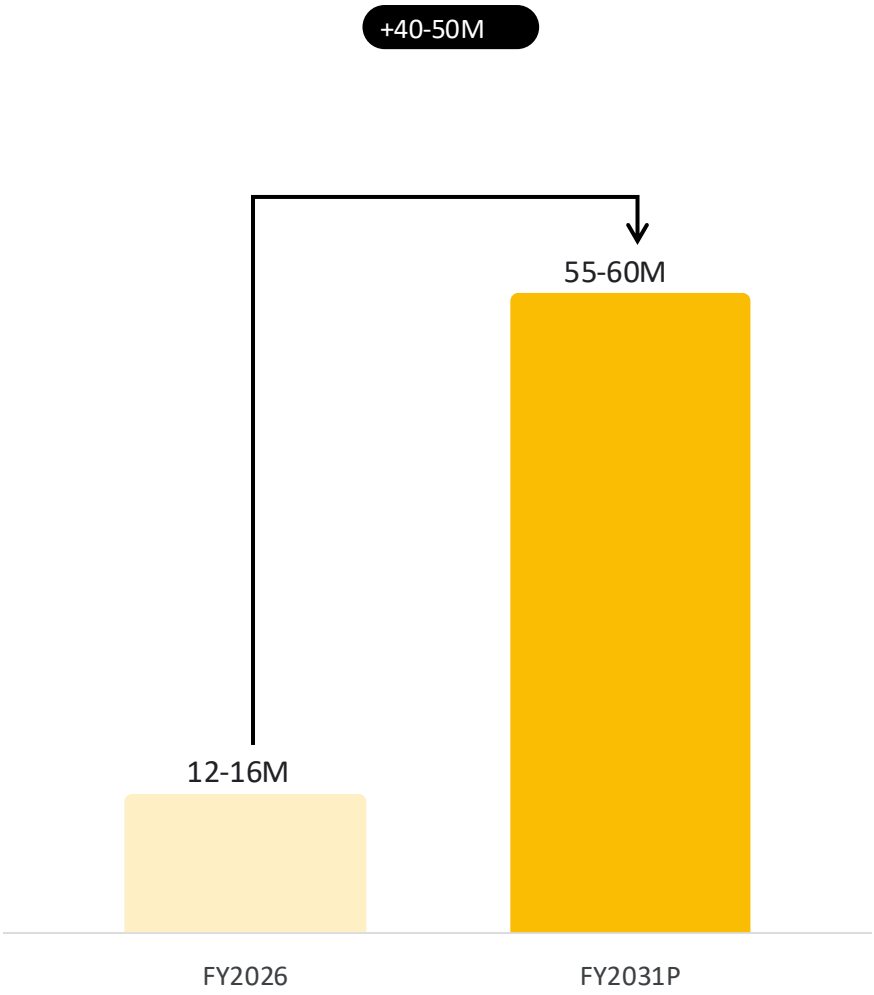
~3 in 4 sessions on a non-metro focused platform begin on the home feed or a product page; the inverse of metro-focused platforms, where search and category pages lead.

Source(s): Redseer IP

Executing these strategies will help unlock 40–50M new transacting users in non-metro by FY2031

Quick Commerce MTU growth in Non-Metro

In M users, FY2026, FY2031P



Key Unlocks for Platforms

Enable Low-Ticket Cart Servicing

- Make low-AOV orders viable through **demand pooling and wallet top-ups** enabling free delivery for smaller carts

Perception Reset

- **Freshness assurance** through stronger supply-chain controls and visible freshness cues
- **Platform trust** through vernacular support, easier returns, faster refunds and COD-first payments
- Model education through **community partners/ micro-creators**

Adapting Browse-First Journey

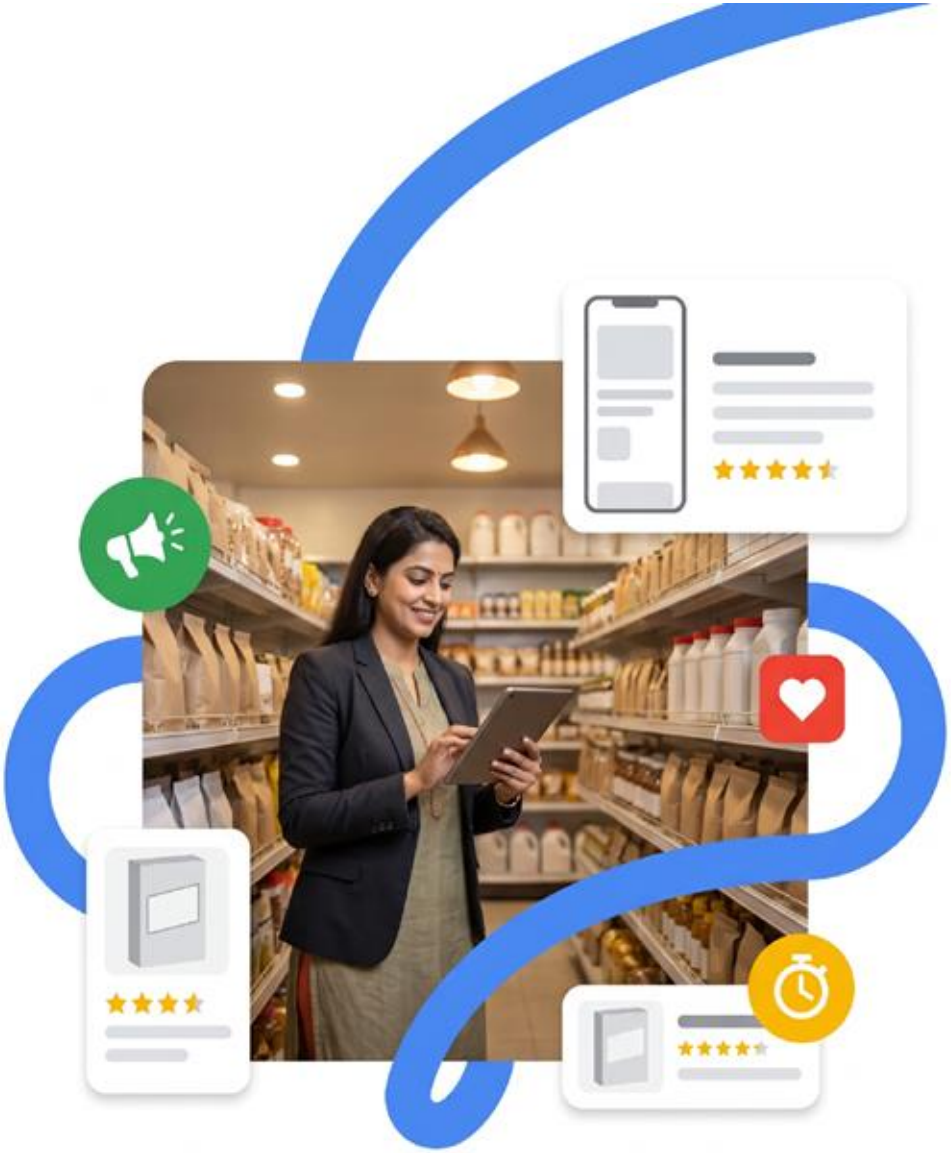
- Enable relevant product discovery and build stronger purchase intent through personalized, exploratory journeys

Source(s): Redseer Research & Analysis

Google | redseer Strategy Consultants

Section 4.1

Strategic imperatives for brands & platforms



Key pillars for strategic unlocks

Connecting core consumer bottlenecks to business strategy

EXPAND

National Scale Engine

100M+ MTU Frontier

The Bottleneck: Headroom is nationwide, both mature metros and non-metro regions offer massive headroom. The challenge is building sustainable customer acquisition that drives repeat, high-LTV users rather than empty app installs

Business Mandate: Establish a predictable, high-velocity acquisition pipeline, supplemented by targeted tactics for high-disposable-income households

ENGAGE

Wallet Share & Value

24M Instant-Occasional Households

The Bottleneck: High share of grocery spend remains locked in offline supermarkets or general trade. Non-grocery usage stalls when consumers treat quick commerce as a search driven mission rather than a browsing

Business Mandate: Focus on re-engaging buyers to lift average order values (AOV), capture planned stock-up missions, cross-sell non-grocery high-margin lifestyle categories

ELEVATE

Perception Deficit

Building Platform & Product Trust

The Bottleneck: The primary barrier preventing users from higher Quick commerce adoption across metros and non-metros have been trust and perception deficits

Business Mandate: Overcome perception and education barriers through authentic, third-party human storytelling that demystifies product utility and builds institutional category trust

Media solutions to deliver across each objective

EXPAND

National Scale Engine
100M+ MTU Frontier

Baseline Scale Engine (UAC):
Deploy Google App Campaigns (ACi) to acquire high-propensity users nationwide.

Additional Strategic Lever (iOS Layer):
Add iOS as a dedicated lever to capture premium, high-ticket urban users.

ENGAGE

Wallet Share & Value
24M Instant-Occasional Households

Performance Max with Dynamic Feeds:
Use 1P data & dynamic feeds to retarget dormant buyers.

Demand Gen with visually rich media:
Deploy visual image/video feeds across YouTube, Discover, and Gmail to inspire cross-category discovery among 1P users.

ELEVATE

Perception Deficit
Building Platform & Product Trust

YouTube Creator Network & Shorts:
Mobilize trusted creators for product demos, and routines to build consumer confidence.

Creator Partnership Ads:
Amplify creator assets through Google Ads to scale peer endorsement and drive purchases.

Build the right strategy for your App campaigns

In-App Actions

"I need users to make purchases in the app."

Conversion Intent

Finds users with high propensity to complete critical down-funnel milestones

ROAS Bidding

"I have strict user value goals—certain payback."

Efficiency Target

Balances volume against transaction values to meet direct ROI thresholds

High AOV

"I want to maximize my average order value"

Basket Expansion

Targets audience segments likely to build larger shopping baskets

User Lifetime Value

"I want to maximize revenue and retention"

Long-term Value

Acquires high-tier cohorts built on predictive behavioral scoring

Case Study



To grow in small-town India, Zomato faced high acquisition costs and low user lifetime value. We partnered with Google to run deep funnel diagnostics, identifying where users were dropping off between menu browsing and ordering. We then re-engineered our Firebase events and assigned weights to key actions to optimize Google's machine learning bidding. As a result, we slashed our cost per install by 50% and improved customer acquisition costs by 53%.

Source(s): Redseer Research & Analysis

Adopt new iOS launches to improve efficiency: On-device measurement & Integrated conversion measurement

ODM and Integrated Conversion Measurement adoption to drive increased conversion observability

Conversion Observability

On-Device Measurement is able to observe more iOS conversions, helping campaigns to optimize better to drive iOS campaign performance

Integrated Conversion Measurement

After implementing **Integrated Conversion Measurement** , advertiser achieve higher uplift in reported installs within their third-party App Attribution Partners

Case Study



Zomato partnered with Google to implement ATT, ODM, and ICM for their iOS platform. By doing so, Zomato resolved critical measurement hurdles & closed reporting gaps with third-party tools, driving ~500,000 iOS installs, achieving a 44% improvement in acquisition costs and a 33% improvement in CPIs.

Source(s): Redseer Research & Analysis

Leverage PMAX, Demand Gen and ACe to match the right cohort to maximize reengagement impact

ACTIVATION

Installed – Not-Purchased

Demand Gen

Deploy visually rich, creator-led video assets to capture attention and spark initial interest

Pmax Retention-Only

Utilize feed assets to target users who installed but never purchased

✓ 1st Order Conversion

RETENTION & LTV

Existing Repeat Buyers

Pmax Retention-Only

Leverage deep feed integration to drive frequent repeat purchases from active cohorts

Demand Gen

Excite repeat buyers with premium, creator-first lifestyle showcases

✓ AOV & Retention

WIN-BACK

Lapsed Users (Uninstallers)

ACe (App Engagement)

Re-engage churned users and uninstalled cohorts. Optimize creatives specifically to highlight new app features, exclusive win-back discounts, and personalized recovery incentives

✓ Re-Activate Churned Cohort

Source(s): Redseer Research & Analysis

PMAX: Full power of Google's channels and AI

Retention only mode

Smart Lifecycle Goal Optimization

- Dedicate PMax campaigns entirely to re-engaging specific customer cohorts
- Enable "Retention Only" mode to upload first-party lists for strict hard-targeting
- Optimize exclusively for retention and capture high-value customers with precision

Signal Integration for Deeper Insights

- Feed Google's AI with first-party Customer Match data, web, and app conversion lists
- Guide machine learning models to identify and re-engage lapsed or high-value users
- Successfully convert your most valuable and sticky customer segments

Automated Dynamic Re-Marketing Feed

- Seamlessly integrate product and business feeds to dynamically serve recommendations
- Deliver personalized recommendations at scale across Google's visual surfaces
- Automatically target users based on prior app behavior to maximize repeat purchases

Case Study



Instamart enabled Pmax retention only mode to resolve audience targeting challenges and re-engage lapsed users. By bidding on lapsed users with target CPA goals, they successfully unlocked efficient growth, delivering 43% higher orders, 12% higher ROAS, and a 21% lower cost per conversion.

Source(s): Redseer Research & Analysis

Demand Gen: Reaching 1P Audiences

1P Targeting

Audience and Creative Controls

Comprehensive Audience Control: target any specific audience segments in campaigns or exclude specific audiences to refine.

Inventory & Placement Controls: ability to manage presence on specific channels and options to exclude specific placements for further control.

Immersive and Visually Rich Creatives

Built for **immersive** and visually rich image and video ads.

Capture **attention** on platforms where users are streaming, scrolling, and connecting.

Curated selection of Google's most visual surfaces

Reach consumers on YouTube (In-stream, Shorts, In-feed), Discover, Gmail and GDN.

Case Study



Instamart enabled Demand Gen for the first time during the Raksha Bandhan festival to capture high festive demand. They targeted existing customers with low order frequency on their App to drive qualified traffic sessions. This strategy successfully delivered 220% higher orders, 10% higher return on ad spend, and 15% better average order value.

Source(s): Redseer Research & Analysis

YouTube is the biggest opportunity in creator marketing

650M+

Shorts Users

monthly logged-in Shorts users in India. Crucially, 45% of the surveyed YouTube Shorts users don't use Instagram Reels.[1]

100M+

Channel Uploads

channels have uploaded content in the last 1 year.[2]

89%

Creator Content Fans

of surveyed viewers in India agree that YouTube has creator content that helps them research and discover products when shopping, outperforming the competitive average.[3]

Source(s): 1. As of June 2025; 2. As of Dec 2024; 3. Google/Kantar, India, Future of Video

Elevate your impact with Creators on YouTube

Build Trust & Perceptions

Creators help **build authentic trust** and break outdated brand perceptions

Content Longevity

Expand scope with Shorts, Shows, Ads and Takeovers to leverage creators for elevated impact

Expanded Scope & Impact

Expand scope with Shorts, Shows, Ads and Takeovers to leverage creators for elevated impact

Case Study



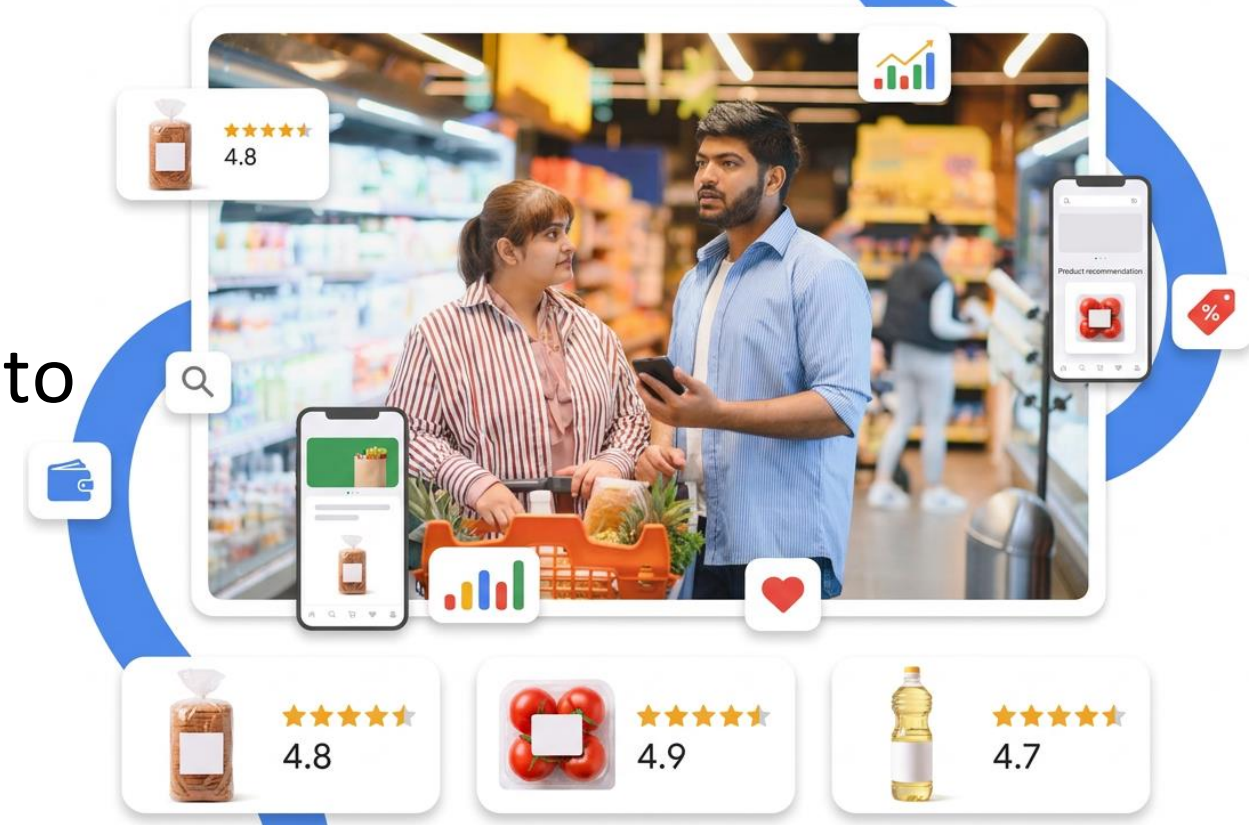
AJIO drives 1.5X ROAS with creator partnerships boost delivering 4x higher video view duration on YT Shorts vs industry standard. Avg. view duration on YT Shorts vs. Reels [22s vs 5s avg.]

Source(s): Redseer Research & Analysis

Google | redseer Strategy Consultants

Section 4.2

From Platform Scale to Commerce Media



Synergizing scale: Google inventory powered by retailer data

Partnering with brands to capture demand across Google's surfaces and drive verified sales on marketplaces.

The Collaborative Monetization Engine

While Expand, Engage, and Elevate drive consumer growth and retention for platforms, Commerce Media Networks (CMN) enables brands and marketplaces to collaborate together.

By leveraging Google's full surface ecosystem and retailer 1P signals, brands co-invest to capture ready-to-buy shoppers wherever they are and convert them directly into marketplace sales.

Unlocking High-Velocity 1P Data

Integrating retailer first-party purchase signals directly with Google Ads to target shoppers based on real-time behavior rather than passive demographics.

Decision-to-Cart

e.g. active product and solution queries

Inspiration-to-Purchase

e.g. creator unboxings and shade guides

Daily Routine Presence

e.g. stock-up cycles and weekend refills

Source(s): Redseer Research & Analysis

Leverage different CMN campaign types for different goals

Leverage marketplace partner's Commerce Audiences to run Google campaigns:

1. Establish brand awareness
2. Effectively convert category buyers & brand visitors.

pMax & Demand Gen

Automated Full-Funnel Reach via Performance Max & Demand Gen

SURFACES

- Discover
- Gmail
- Search
- Shopping
- YouTube
- Display

Premium Inventory: Shoppable CTV & Shoppable Masthead

Showcase products for seamless discovery and shopping inspiration. Interactive experience directly for the shopper.

FORMATS

- **Shoppable CTV**
- **Shoppable Masthead**

Source(s): Redseer Research & Analysis

The Media Playbook for Full-Funnel Growth

1 EXPAND

100M+ MTU Frontier

Establish a broad-based acquisition engine to capture mass-market scale.

2 ENGAGE

Deepen Grocery & Capture Non-Grocery

Re-engage existing transacting buyers to lift average order values and cross-sell shoppers.

3 ELEVATE

Build Trust & Break Perceptions

Demystify complex products and build deep credibility through creator storytelling.

4 COMMERCE

Brand Sales Powered by Retailer Data

Co-own ready-to-buy consumer intent across Google's entire ecosystem powered by Retailer's 1P signals.

Strategic Takeaway: Google Ads provides the complete full-funnel machinery—scaling consumer demand and monetizing the digital shelf.

Source(s): Redseer Research & Analysis

Acknowledgements

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Head of Strategy & Insights

Sanchit Mehta
Strategy & Insights Manager

Adrita Guha
Industry Manager

Ashish Tickoo
Industry Manager

Ritika Mahajan
Industry Manager

redseer Strategy Consultants

Anil Kumar
Founder & CEO

Kushal Bhatnagar
Partner

Artham Khetan
Engagement Manager

Aditya Mor
Associate Consultant

Harshita Yadav
Business Analyst

Purvi Mahajan
Business Analyst

Glossary (1/3)

Conversion Rate	US$1 = ₹88
Metro Cities	Metro includes top 8 cities with a population over 5 million, comprising of Mumbai (Maharashtra), Delhi (NCR), Bengaluru (Karnataka), Chennai (Tamil Nadu), Hyderabad (Telangana), Kolkata (West Bengal), Pune (Maharashtra), and Ahmedabad (Gujarat)
Non-Metro	Covers all cities and towns outside the top 8 metro cities
Retail Market	Comprises purchase of products across categories, including grocery, fashion, electronics, pharmaceuticals and over-the-counter medication, beauty and personal care and general merchandise
Hyperlocal Market	Comprises food delivery, ride hailing, quick commerce and home services fulfilled within a local catchment. Home services include on-demand repairs, maintenance, cleaning, beauty & wellness, and household assistance
General Trade (GT) / Unorganized Retail	Comprises the purchase of goods through small, independent outlets with minimal standardization and regulatory oversight. It includes Kirana stores, local vendors
Modern Trade (MT) / Organised Brick & Mortar	Includes the purchase of goods with large-scale, standardized operations, professional management, and regulatory adherence which provides better product assortment and access to the consumers. It includes chain stores, supermarkets, hypermarkets, malls, etc.
Supermarket	Organized physical retail outlets selling groceries and everyday household essentials, including both larger supermarkets and smaller convenience-oriented stores
Premium Grocery	Includes specialty grocery formats stocking gourmet, imported and higher-priced assortment, such as Nature's Basket and similar chains
Quick Commerce	Hyperlocal Players who deliver retail groceries (fresh foods like fruits & vegetables, meat, dairy etc., staples and packaged foods), fashion, electronics, beauty and personal care, and general merchandise, home/ kitchen goods and pharmaceutical products) to consumers within 30 minutes
Ecommerce (Excl. Quick Commerce)	Refers to online product sales through horizontal marketplaces, vertical marketplaces, and brand-owned websites or apps of digital-native and traditional brands, while excluding quick commerce platforms, offline sales, and service-based e-commerce

Source(s): Redseer Approach

Glossary (2/3)

Gross Merchandise Value (GMV)	Refers to the value of goods sold, calculated at the selling price before cancellations and returns
Monthly Transacting Users (MTU)	Monthly Transacting Users (MTU) refers to the number of unique users who have placed at least one order in a month - either on a specific platform or across any platform. When reported for a longer period (e.g., quarter or year), MTU is averaged across the months within that period
Annual Transacting Users (ATU)	Refers to the number of unique users who have placed at least one order in a year, either on a specific platform or across any platform. Used to size the online retail shopper base
Online Wallet Share	Refers to the share of a consumer's total retail spend routed through a given online channel
Instant-Default	Users that shop online for almost everything on a near-weekly basis, where instant is the default channel and marketplaces are kept for range and bulk
Monthly Stock-up	Refers to the large planned grocery purchase made once a month, typically 12-15 SKUs in larger pack sizes
Weekly Refill	Refers to the mid-cycle grocery purchase made to replenish items consumed between monthly stock-ups
Daily / Immediate Need (Top-up)	Refers to the small unplanned grocery purchase made to meet a need arising on the same day
Purchase Journey	Refers to the sequence of steps a consumer moves through from need recognition to post-purchase support, and the time taken across them
Planned vs Impulse Score	Measures the share of a category's use cases that are unplanned. A higher score indicates a shorter decision window and stronger fit with a 10-minute model
Assortment Breadth	Refers to the breadth of SKUs required within a category to adequately serve consumer demand, assessed relative to the SKU capacity available in a dark store
Head-SKU Led / Long-tail Led Category	Head-SKU led categories concentrate most of their GMV in a narrow SKU set a dark store can hold in full. Long-tail led categories spread GMV across size, shade and model, past the dark-store ceiling

Source(s): Redseer Approach

Glossary (3/3)

Grocery	Comprises fresh, staples and FMCG purchased for household consumption, excluding beauty and personal care
Fresh	Fresh includes fruits, vegetables, meat, seafood, dairy, and other perishable products
Staples & FMCG	Staples & FMCG includes grains, pulses, packaged foods, beverages, toiletries, cleaning supplies etc. excluding personal care & baby care consumables
BPC	Consists of beauty and personal care products such as Makeup, Hair Care, Skin Care, Fragrances Personal hygiene, Oral Care, etc.
Fashion	Includes apparel, footwear and accessories (belts, bags, watches, hair accessories, wallets, wearables, scarfs & stoles, caps & hats etc.)
Non-Grocery	Comprises all retail categories outside grocery, including BPC, electronics, fashion, furniture, home décor & furnishing, general merchandise and pharma
Electronics	Includes electronics devices like Laptops, Camera, Audio devices etc; Electronic non-devices like IT peripherals & accessories, Large & Small appliances
Large Appliances	Include refrigerators, washing machines, ACs, TVs, home entertainment systems, etc.
Small Appliances	Include water heaters, vacuum cleaners, air purifiers, ironing/heating devices and kitchen & cooking appliances
Electronics Accessories	Include mobile covers, screen protectors, chargers, cables, headphones, adapters, smartwatches, and batteries.

Source(s): Redseer Approach



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