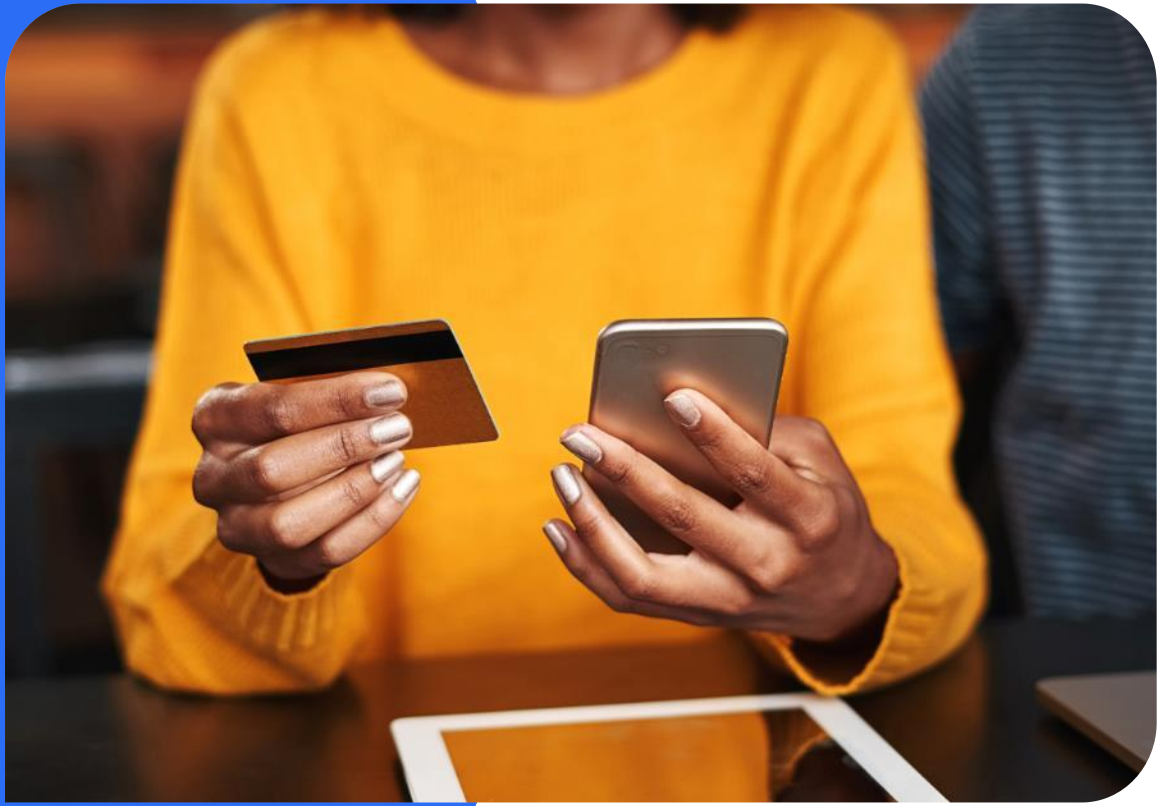
Clicks, Carts & Consumers: State of E-commerce in India



Kanaka Bhagwat, Mohitosh Das and Sayali Devalekar
3rd July 2025

Today’s Agenda and Presenters

1. Why India **"Clicks"**

2. **Convenience & Cost** – The Core Drivers of Online Growth

3. The Power of **Catalogue**

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Head of E-commerce & Omni, India

Mohitosh Das

ECommerce Sales Specialist, India

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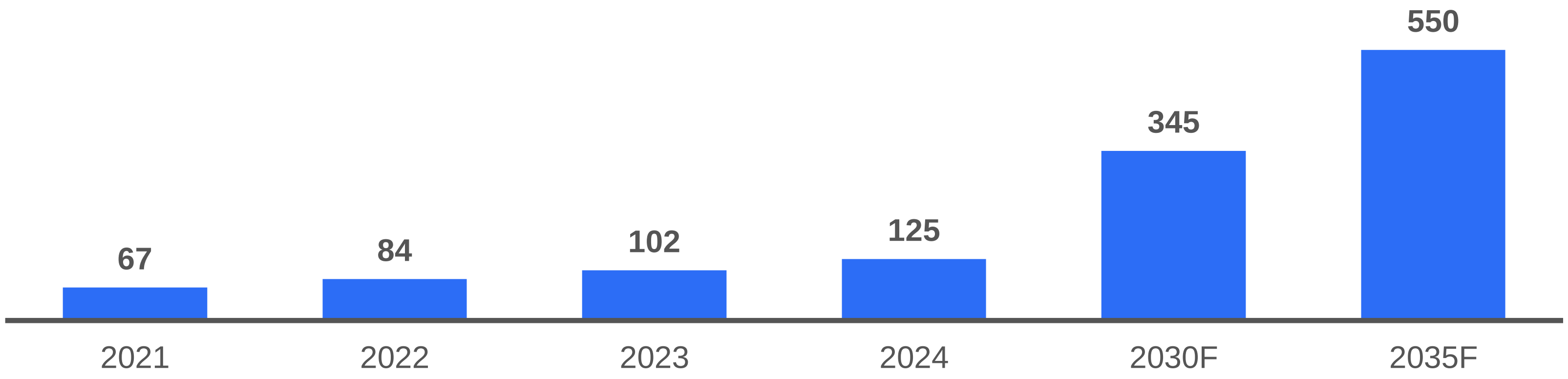
E-commerce Customer Success Lead, India

India's Digital Surge – The Growth Engine behind ECommerce

Indian E-commerce Market (US$ billion)



Internet users

880M
(61% penetration)

Rural users

(8%)
Leads in user base and growth rate

Social Media

E-comm shoppers

318M
(22% penetration)

Gen Z: Digital Natives

27% of Indian Workforce

UPI transactions

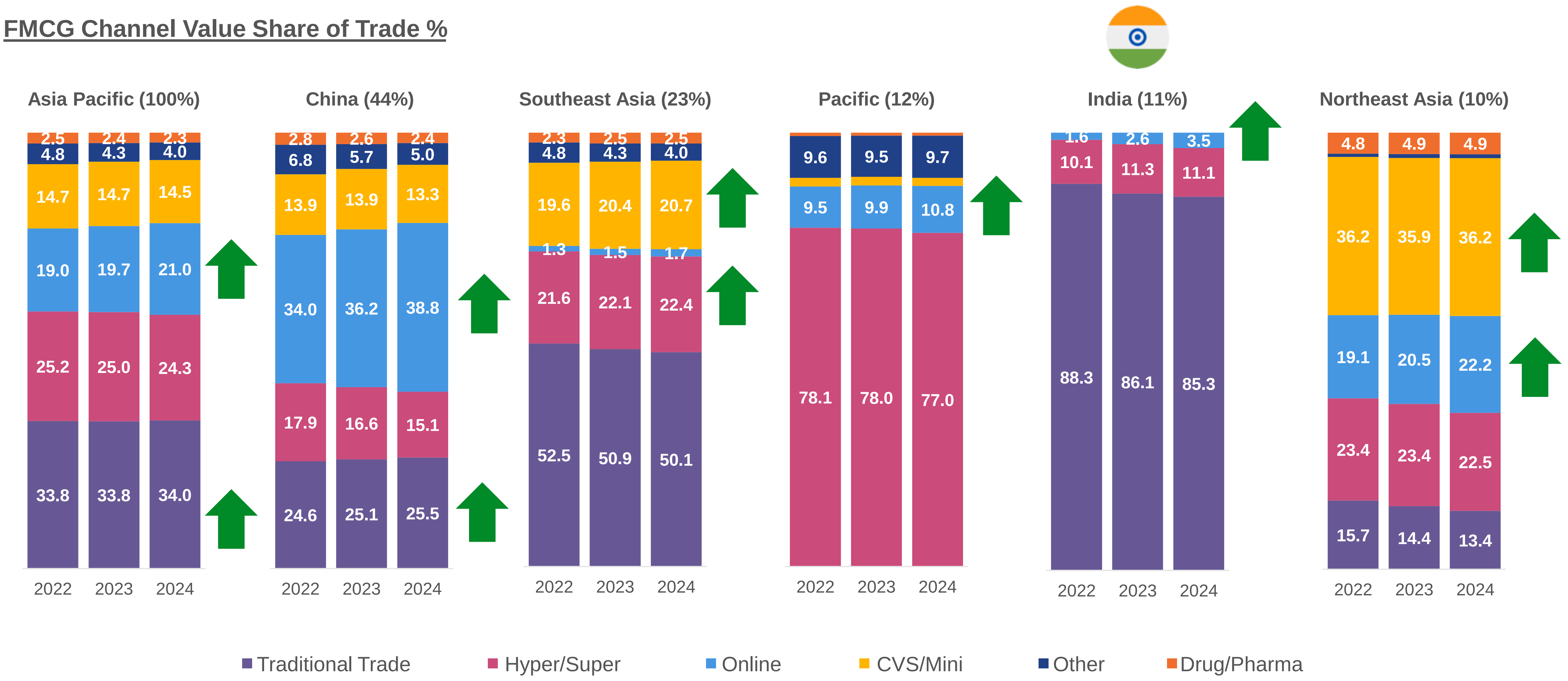
172B (46%)

US $125 billion >>> US $345 billion by 2030

Note: Data for 2024
Source: IBEF, Forbes, gov.in

Strategize for an omnichannel region as shoppers look for convenience and value for money

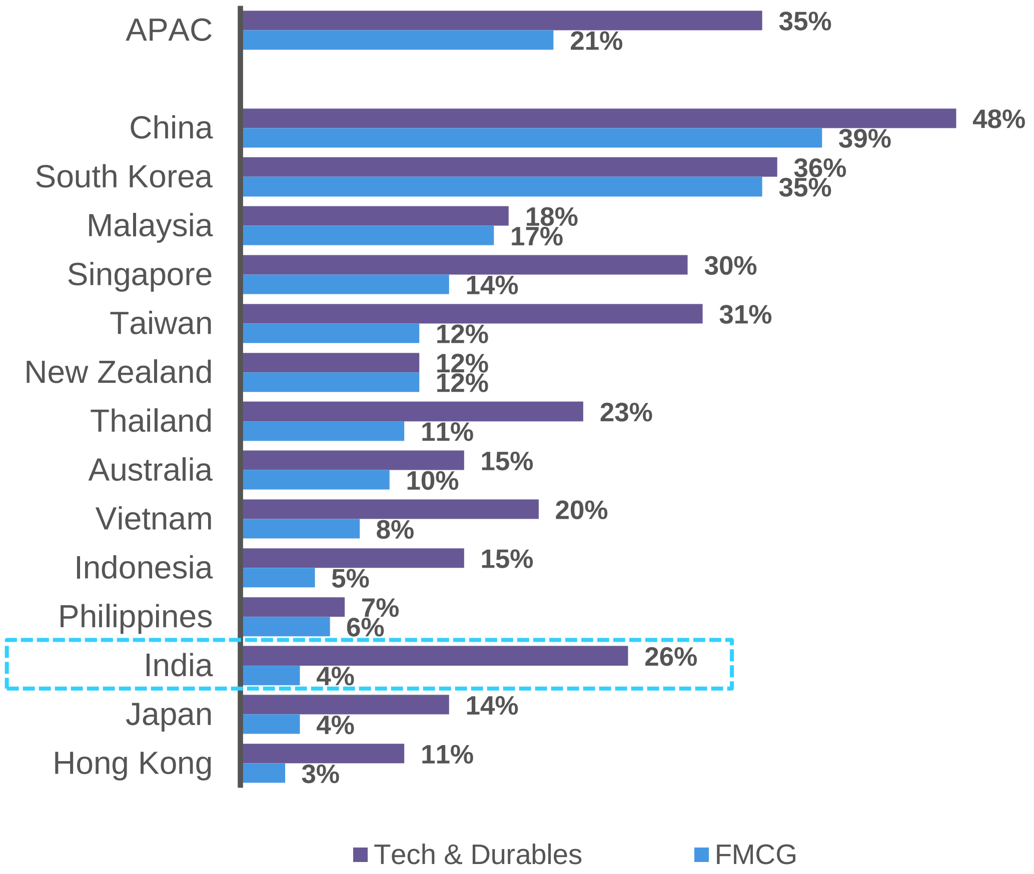
FMCG Channel Value Share of Trade %



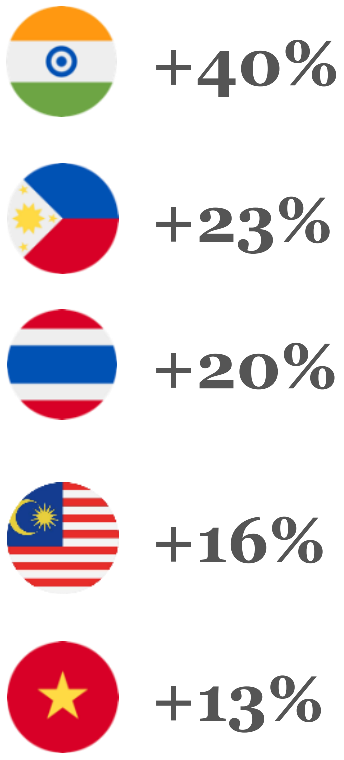
Source: NIQ Data to December 2024

FMCG in India has a potential to match the pace of Tech & Durables

E-commerce value share of trade in Asia Pacific



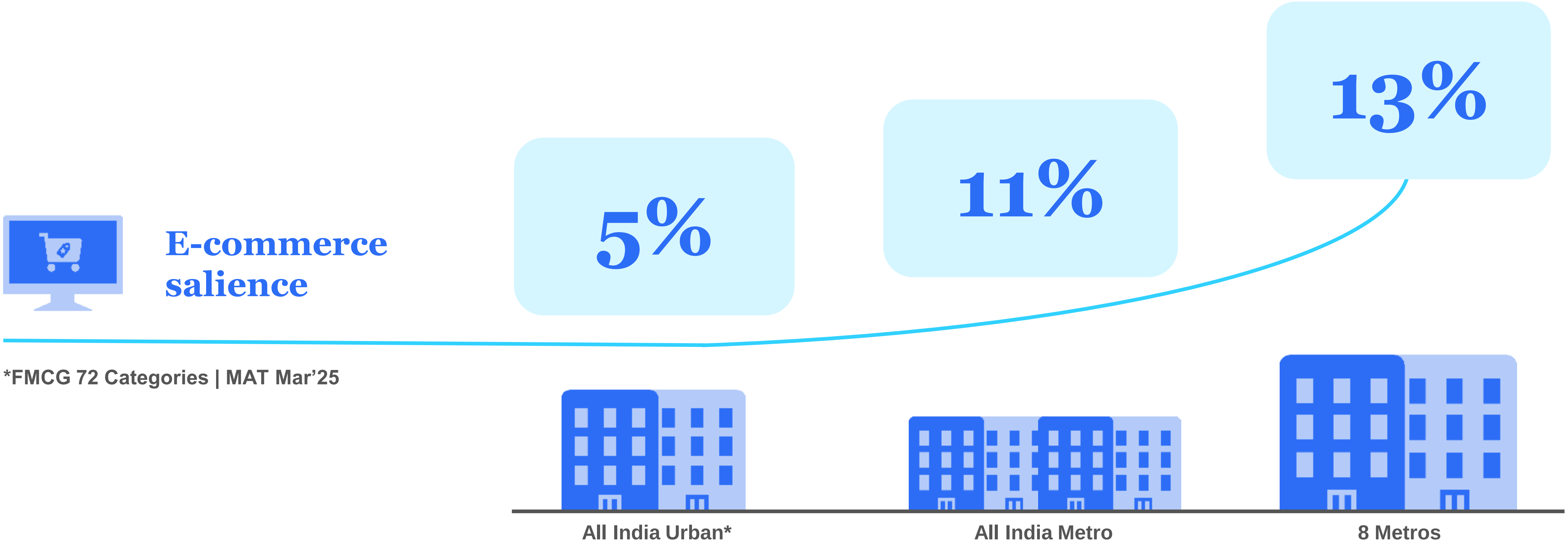
FMCG Gr. MAT MAR'25



Source: NIQ, GFK 2025 data, EMarketer 2025, Forrester, Statista, Metric, Meti 2023 & 2024 data

Zooming into Metros – Leading the ECommerce Charge

E-commerce continues to be in *high gear*, more so in Metros



*FMCG 72 Categories | MAT Mar’25

Note: Data of TT & MT is projected while E-comm is only Co-op data.

All India Urban* includes E-comm ie. TT(Urban)+MT+E-comm metros

All India Metro ie. 52 metros aggregate with 1Mn+ population

8 metros includes Ahmedabad, Bangalore, Chennai, Hyderabad, Delhi NCR, Kolkata, Mumbai, Pune

Caveats in EMS data

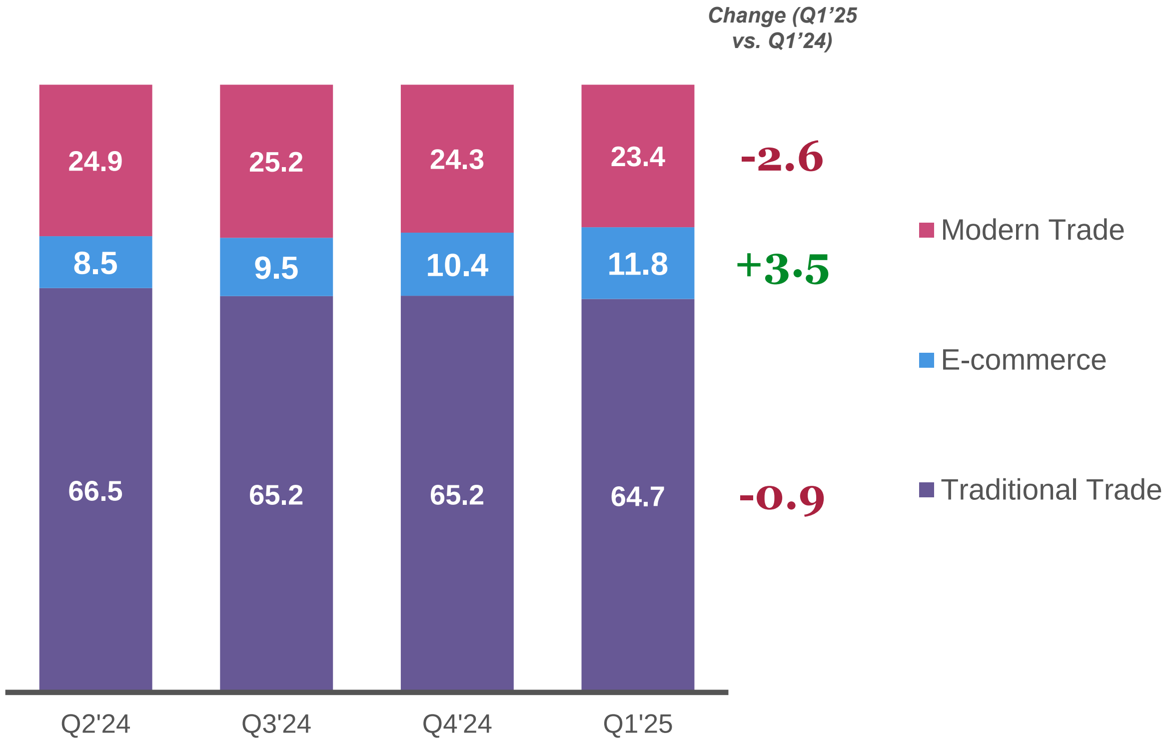
- e-POS data from co-operating retailers (marketplaces, majority of Q-coms and grocery dot coms)
- Value information is End Consumer Price (net of discounts)
- No estimation for non co-op retailers

Source: NIQ RMS, NIQ’s E-commerce Measurement Solution (EMS)

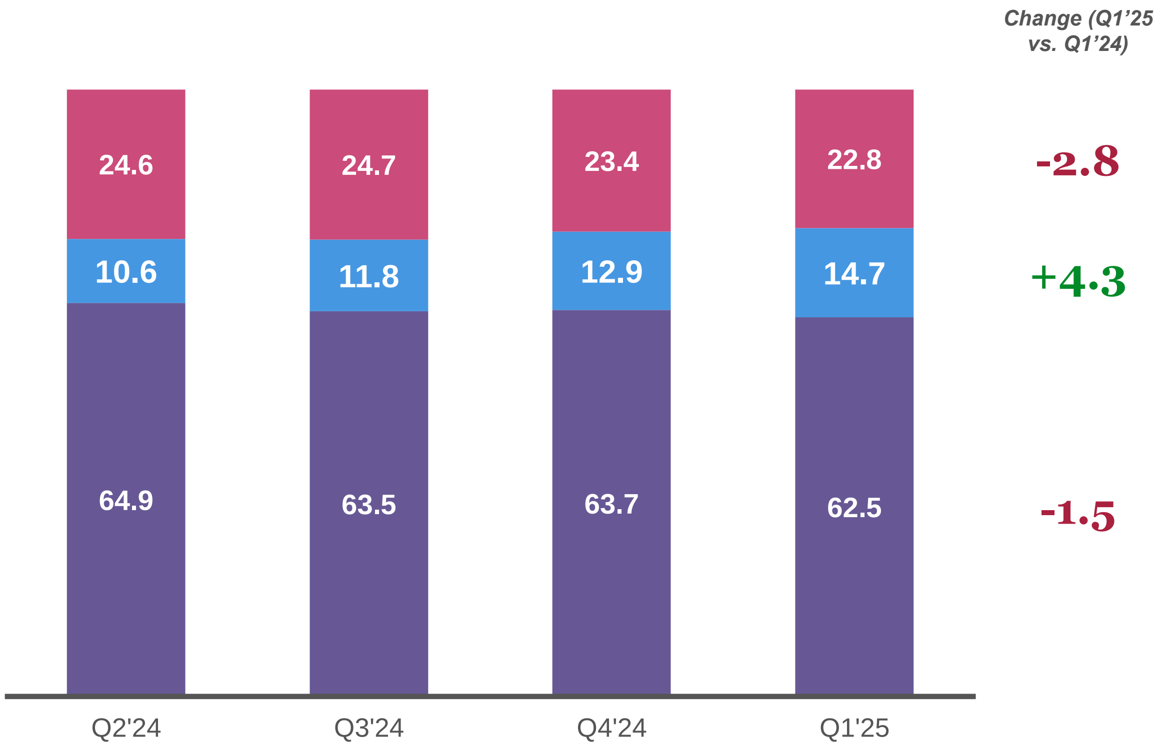
E-comm inching up by *1% every quarter*, impacting both TT & MT in metros

FMCG Channel Value Share of Trade %

All India Metro (52 Metros)



8 Base Metros

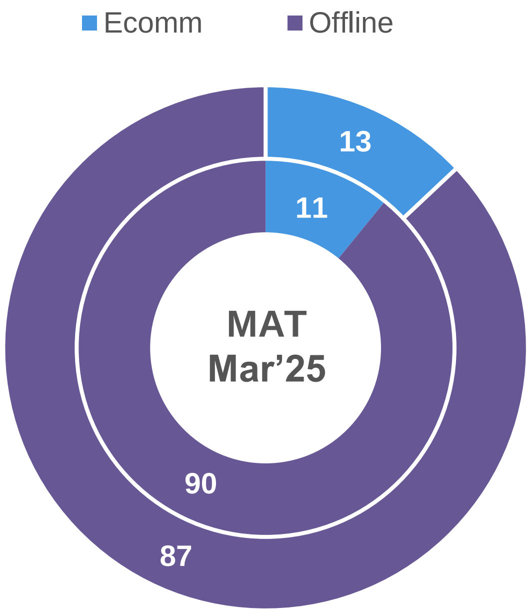


*FMCG 72 categories
All India Metro ie. 52 metros aggregate with 1Mn+ population
8 Base Metros includes Ahmedabad, Bangalore, Chennai, Hyderabad, Delhi NCR, Kolkata, Mumbai, Pune

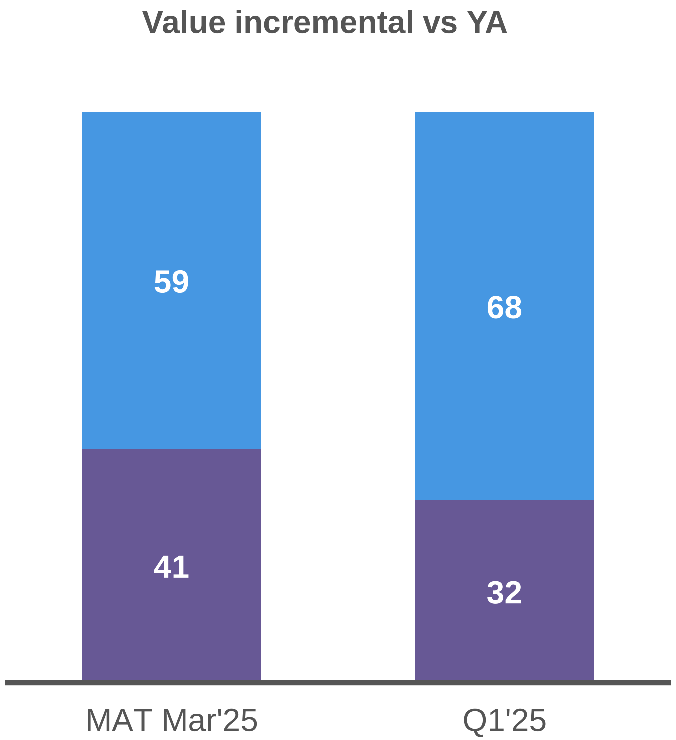
Source: NIQ RMS & EMS data

Small share, Mighty impact: 11% contributing channel drives nearly half of the Omnichannel growth

Channel Value Share of Trade %



Inner circle - All India Metros
Outer circle - 8 Base Metros



*FMCG 72 Categories, All India Metro (52 metros)

Source: NIQ RMS & EMS data

Inside the Consumer's Mindset

1. Motivations
2. Generational nuances
3. Platform choice

Top concerns in India

1. Increasing food prices 37%
2. Global warming/Environment 27%
3. Increasing utility bills 26%
4. Job security 23%

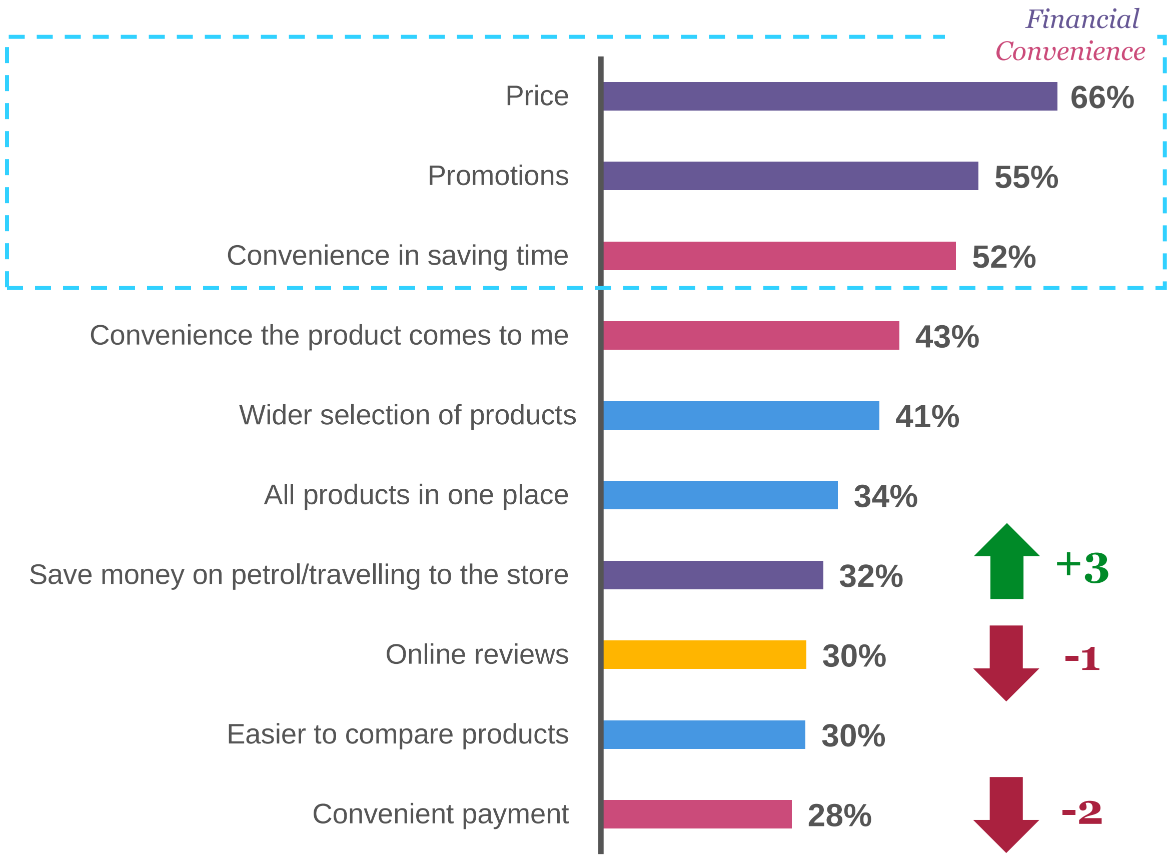
Top factors where to shop

1. Value for money 69%
2. Fresh products 54%
3. Safe & hygienic 57%

Price and Promotions are the key drivers

Convenience both in time and effort also appeal widely

What makes APAC shoppers buy online?



3C's- *Cost* and *Catalogue* take the lead as *Convenience* becomes table stakes

What makes INDIAN shoppers buy online?

■ Financial ■ Choice ■ Convenience ■ Trust

Source: NielsenIQ APAC Omnichannel survey June 2025
APAC Sample Size- 4211; India Sample- 300

Price drives Millennials—Gen Z wants it *all in one place*

What makes INDIAN shoppers buy online?

Generations

Gen Z (13-28)

1. Products in 1 place +2
2. Online reviews -2
3. Price
4. Saves money on petrol
5. Saves time

Millennials (29-44) & Gen X (45-60)

1. Price
2. Products in 1 place +1
3. Saves money on petrol
4. Saves time -2
5. Wider selection

Female Shoppers

1. Saves time
2. Price
3. Wider Selection
4. Find new brands
5. Online reviews

Financial
Convenience
Choice
Trust

Source: NielsenIQ APAC Omnichannel survey June 2025
Sample- 300

Cost-conscious and Review-driven: How Young Indian shoppers are choosing Online Platforms

Where do INDIA Consumers buy online?

What influences which platform they purchase from?

		INDIA	Gen Z (13-28)	Millennials (29-44)	Gen X (45-60)
Financial	1	Price	Online reviews	Delivery cost	Price
	2	Delivery Cost	Price	Safe payment	Delivery Speed
Trust	3	Online reviews ↑1	Delivery cost	Online reviews	Delivery cost
	4	Trust on authenticity of products ↑4	Trust on authenticity of products	Price	Ease of payment
	5	Safe payment ↑1	Safe payment	Trust on authenticity of products	Online reviews
Convenience	6	Delivery Speed ↓3	Delivery Speed	Promotions	Promotions
	7	Promotions	Ease to navigate site	Delivery Speed	Safe payment
	8	Ease of Payment ↓3	Promotions	Ease of payment	Trust on authenticity of products

Source: NielsenIQ India Omnichannel survey June 2025
Sample-167

Convenience

1. Speed
2. Traditional basket buying vs. Instant replenishment
3. Round-the-clock buying
4. Big packs at your doorstep

Quick Commerce Evolves: From Groceries to Health, Giants race to own the 30-minute window

Incumbents enter quick commerce

Flipkart Minutes eyes 550 dark stores before 'Big Billion Days'

BigBasket set to fully pivot to quick commerce amid rising competition

Amazon goes live with quick commerce service Now in Bengaluru

Reliance's JioMart to enter quick commerce; launch 30-minute delivery staring June

Source: ET Retail & other print news

Quick delivery services go **beyond FMCG**

Quick Commerce Meets Digital Health

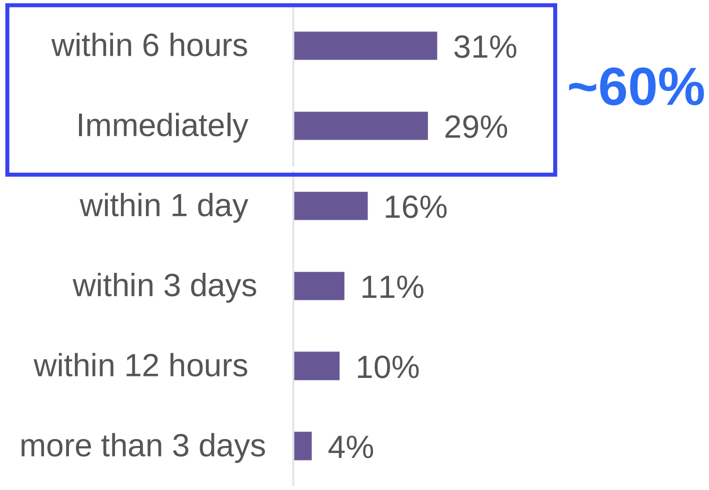
LEADING MARKET PLAYERS & THEIR PRESENCE

PLATFORM	PARENT COMPANY	HEALTHCARE PARTNER	SERVICE TYPE	CITIES COVERED
SWIGGY INSTAMART	SWIGGY	PHARMEASY	MEDICINES & OTC	METRO CITIES
BLINKIT	zomato	IN-HOUSE PARTNERSHIPS	MEDICINES, AMBULANCE SERVICE	SELECT CITIES
FLIPKART MINUTES	Flipkart	TATA 1MG	PRESCRIPTION & OTC DRUGS	EXPANDING
ZEPTO	zepto	YET TO PARTNER	OTC MEDICINES	METRO CITIES
DUNZO	Reliance	IN-HOUSE	MEDICINES & HEALTH PRODUCTS	SELECT CITIES
AMAZON PHARMACY	amazon	APOLLO 24/7	PRESCRIPTION & OTC DRUGS	NATIONWIDE

Myntra expands 30-min delivery service to Delhi-NCR and Mumbai

Time taken from **plan to purchase**

From first thought to purchase, how long did it take you to buy this category?

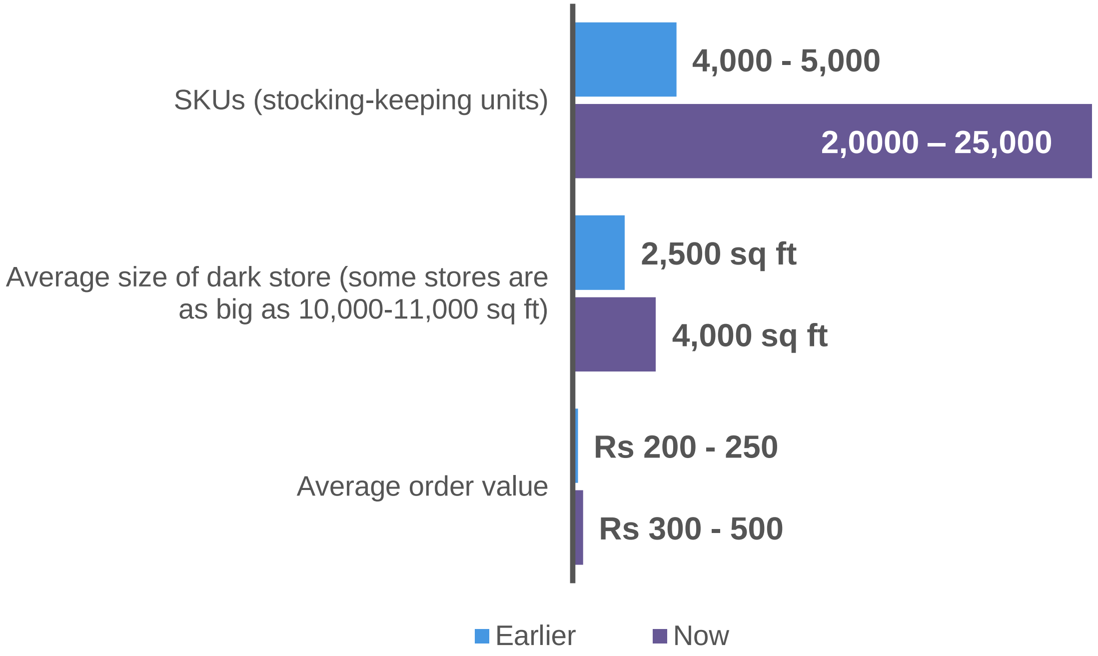


Source: NielsenIQ APAC Omnichannel survey June 2025
India Sample- 300

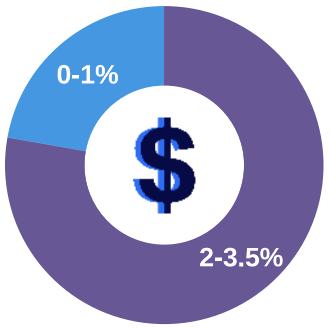
Green shoots for *Quick comm* in India

More SKUs mean larger dark stores for quick comm players

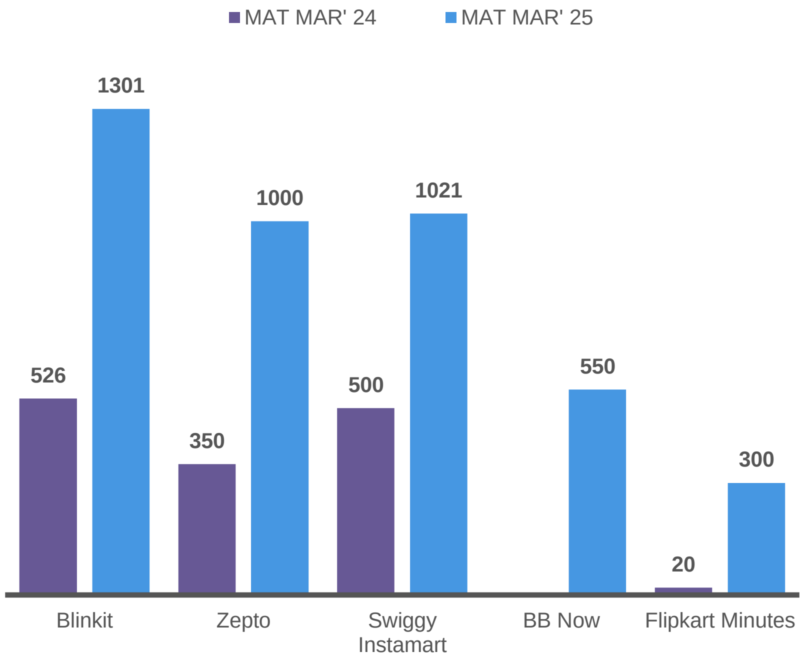
Quick commerce: the evolution



Ad income
(as a percentage of revenue)



Quick comm dark stores double in just one year

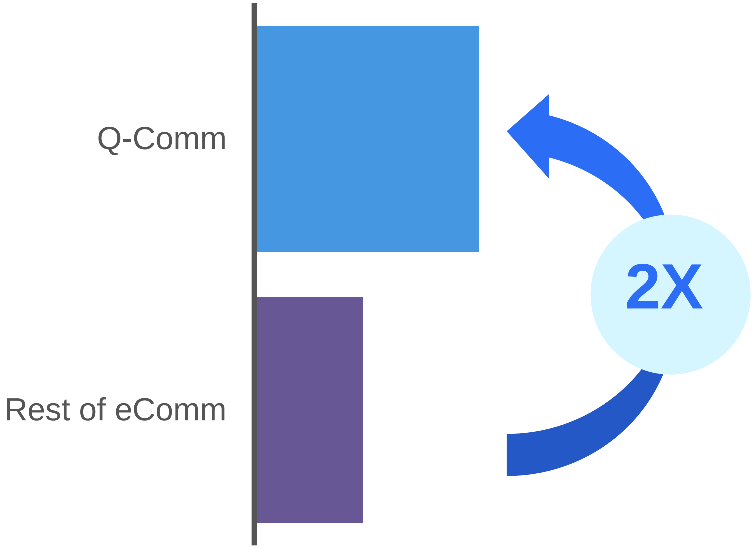


Source: ET Research, company reports

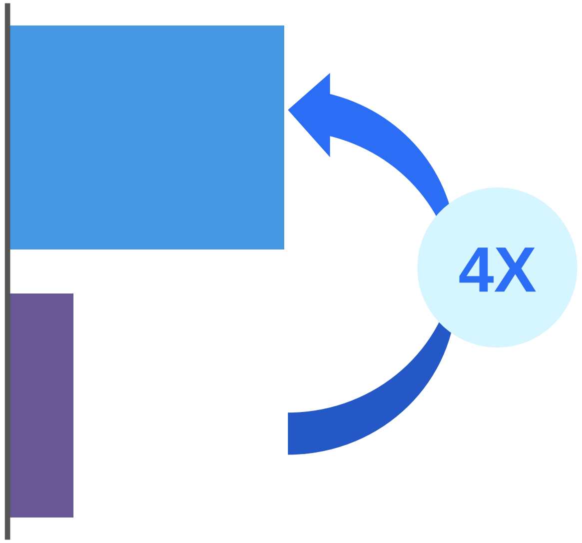
https://economictimes.indiatimes.com/tech/technology/cash-rich-quick-commerce-firms-rush-to-grab-dark-store-sites-personnel-amid-rapid-growth/articleshow/113002415.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Quick comm users order *twice* as *Often* and buy *4X More*

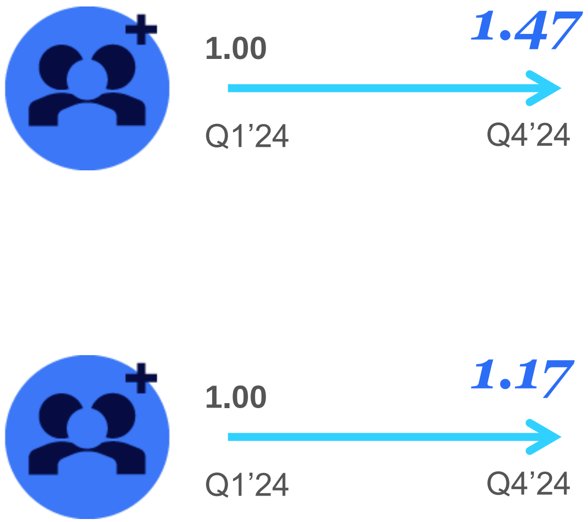
Frequency of Purchase



Unit Per Customer



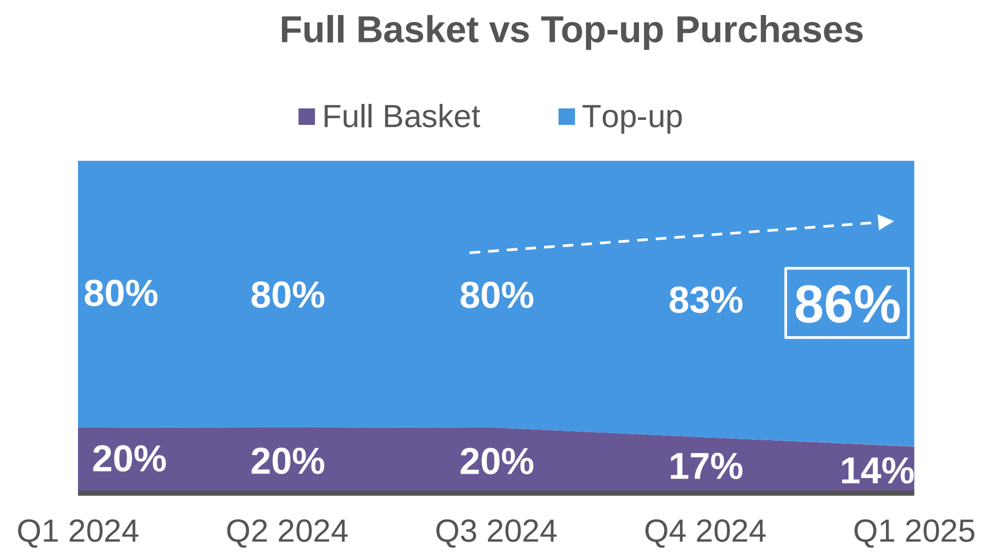
Shopper Penetration



Source: NIQ Digital Purchases (350K Online Shopper Panel)

Shift in shopper behavior from traditional basket buying to *just-in-time replenishments*

Full Baskets are Larger but Top-Ups are More Frequent



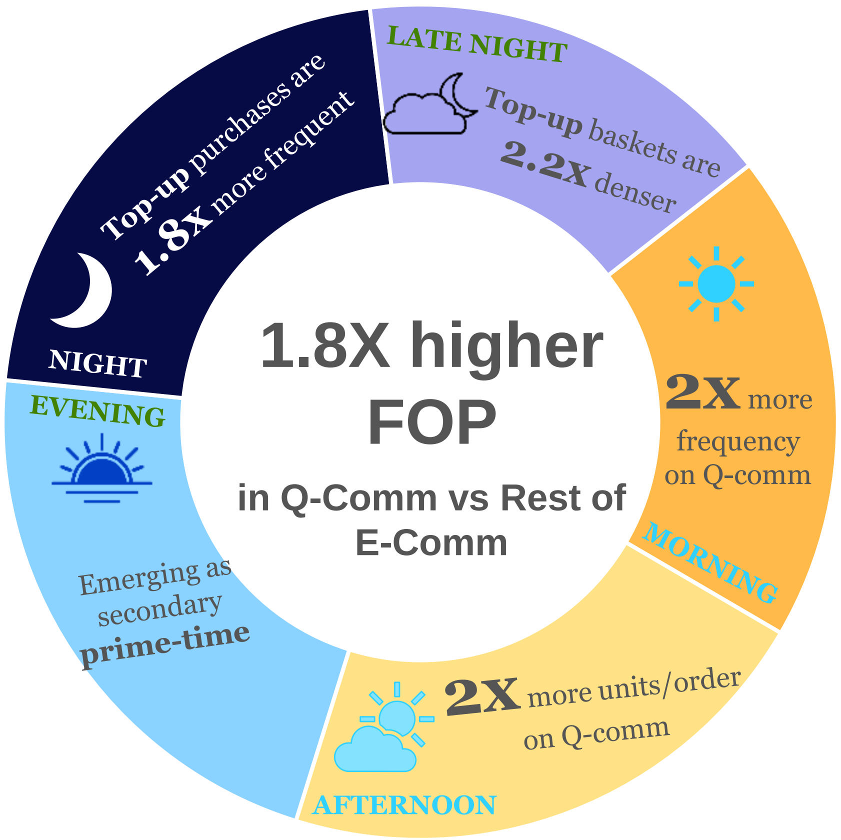
FMCG

	Top Ups	Full Baskets
Units per order	2.5	~14
Avg. Order value	~425	~1400
Average Spends per Shopper	~2600	~5000

Source: NIQ Digital Purchases (350K Online Shopper Panel)

Higher frequency and ***denser baskets*** can be attributed to Impulse purchases in Q-comm

Salty Snacks ranks top in majority of time cuts while **Ice Cream** emerges as the indulgent hero of the **late-night**



TOP CATEGORIES* ACROSS TIME CUTS (Q-COMM)

Staples | Habit Forming | Impulse

*by Value contribution

Category/ Time of the Day	Morning	Afternoon	Evening	Night	Late Night
Beverages			5	2	4
Biscuits		3	2	3	
Chocolate		5	3		5
Ice cream				5	2
Packaged Atta	4				
Packaged Rice	5				
Ref. Edible Oils	1	4			
Salty Snacks	3	1	1	1	1
Soft Drinks				4	3
Spices	2	2	4		

80% of the top 5 categories during Morning time are Staples

60% of the top 5 categories during night-time are Impulse

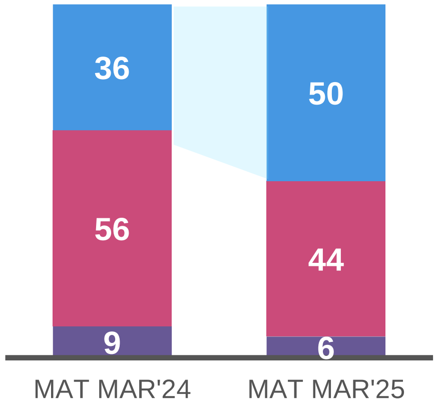
Source: NIQ Digital Purchases (350K Online Shopper Panel)

Big Packs, Delivered Fast: Convenience at Your Doorstep

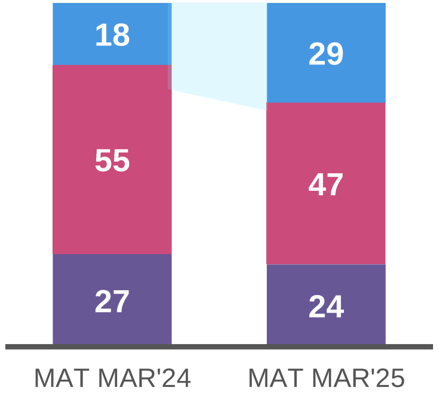
Channel value contribution %

■ Traditional Trade ■ Modern Trade ■ E-commerce

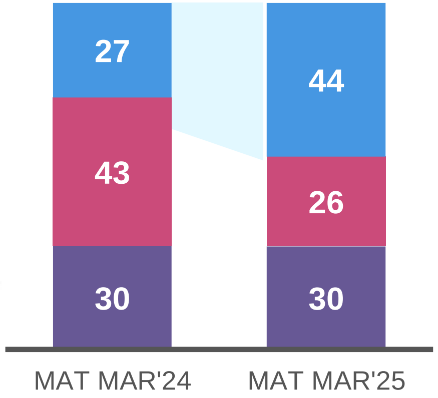
Large packs – 5kg, 10kg



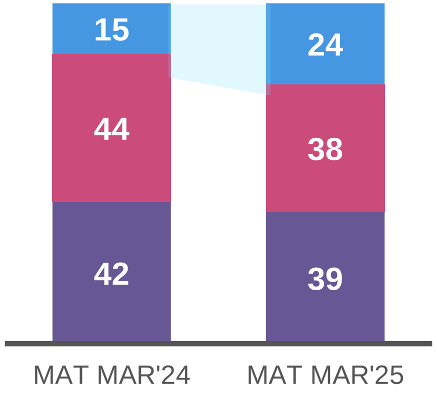
Assorted pack



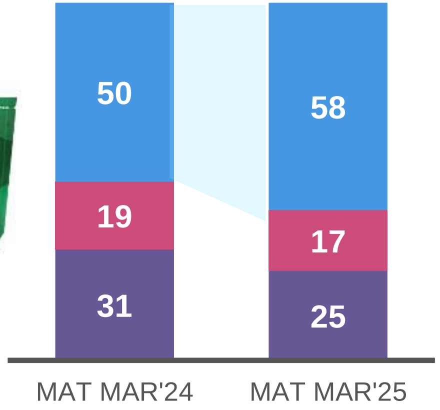
Large packs – 7kg



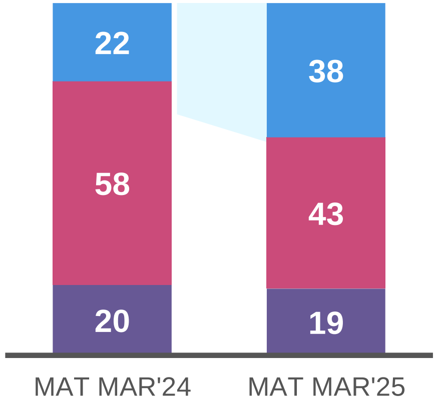
Large packs - 140, 280, 420, 560, 840 gm



Large Pack - 1 KG, 2KG pack



Large packs – 900ML



Source: NIQ RMS & EMS data

Discounts matter, but *Convenience* drives the Click

DAAWAT ROZANA RICE- 5 KG		
PPU	Dis. vs. TT	Val Gr.
TT *[413]*		-15%
MT *[368]*	11%	-14%
E-comm *[390]*	6%	30%

MAGGI MASALA 560 GM		
PPU	Dis. vs. TT	Val Gr.
TT *[111]*		-8%
MT *[96]*	14%	-14%
E-comm *[108]*	3%	23%

Source: ET Retail

FERREO ROCHER -ASSORTED PACK-300 GM		
PPU	Dis. vs. TT	Val Gr.
TT *[920]*		-22%
MT *[804]*	13%	-14%
E-comm *[833]*	9%	106%

ID MIXES 1 KG		
PPU	Dis. vs. TT	Val Gr.
TT *[95]*		6%
MT *[85]*	9%	25%
E-comm *[87]*	4.6%	48%

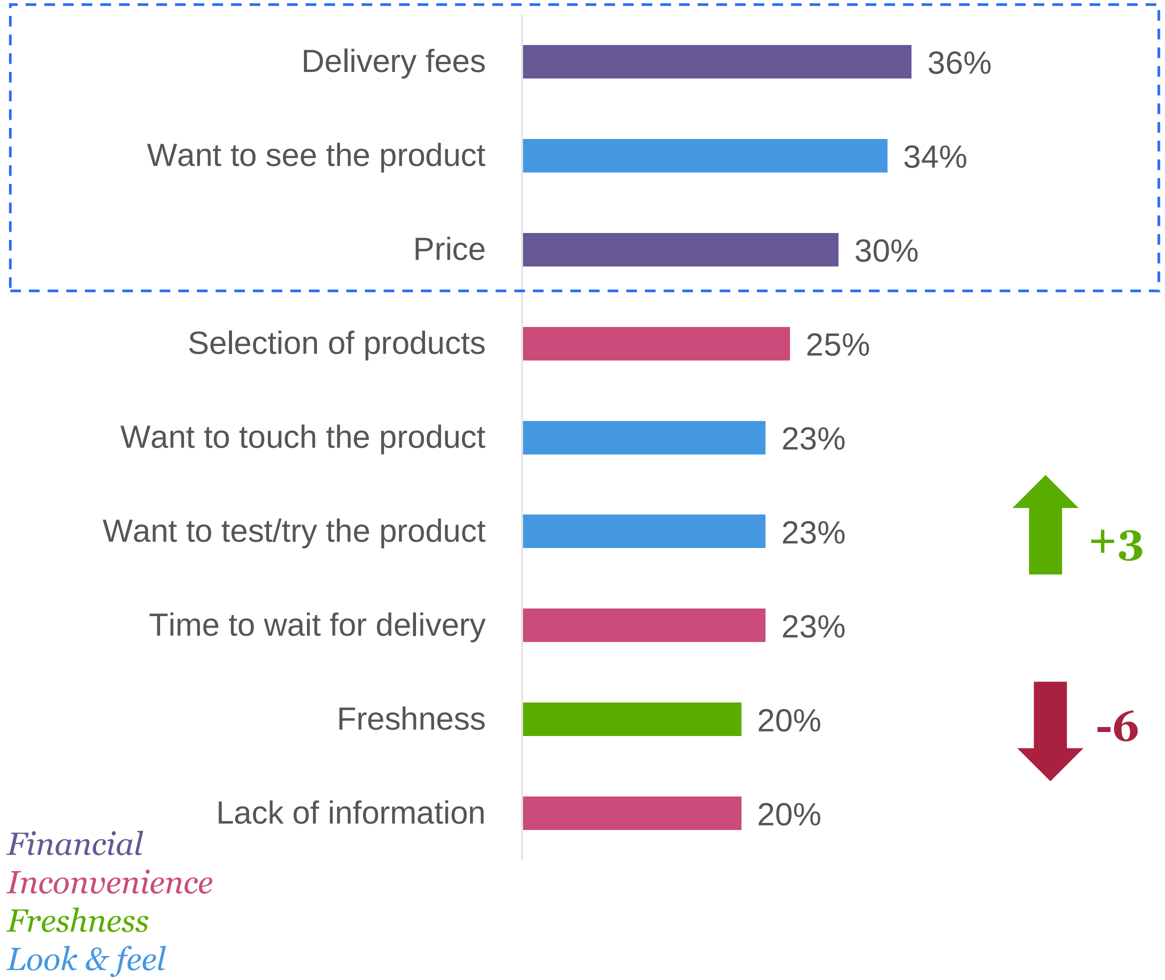
Source: NIQ RMS & EMS data

Cost

1. Delivery Fees
2. Discounts

Why Shoppers Click Away? Delivery Fees and Price sensitivity are key motivators to deter

What deters INDIAN shoppers from shopping online?

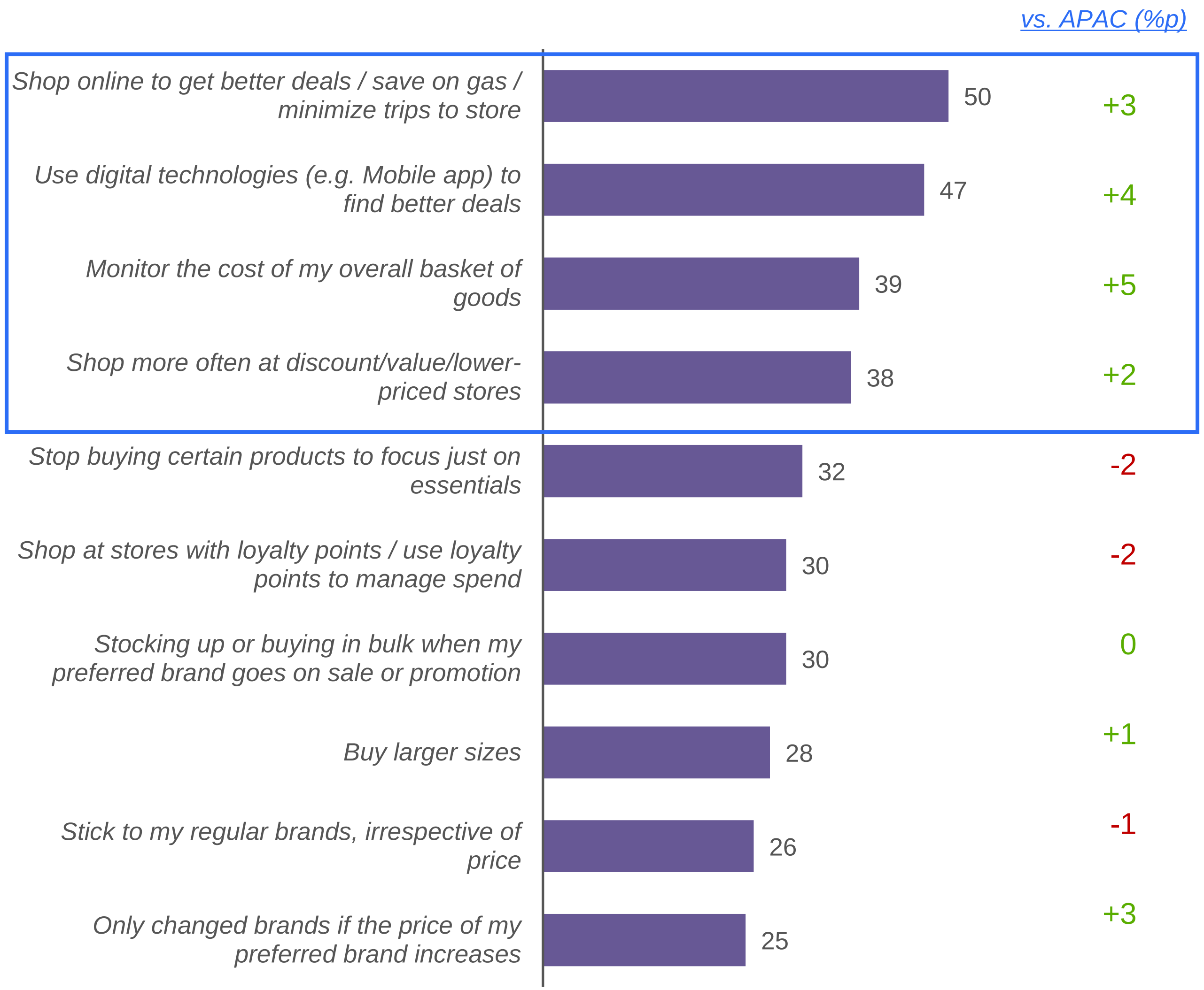


NIQ

Source: NielsenIQ APAC Omnichannel survey June 2025.
India Sample- 300

Price sensitivity is rising - but so are *digital opportunities*

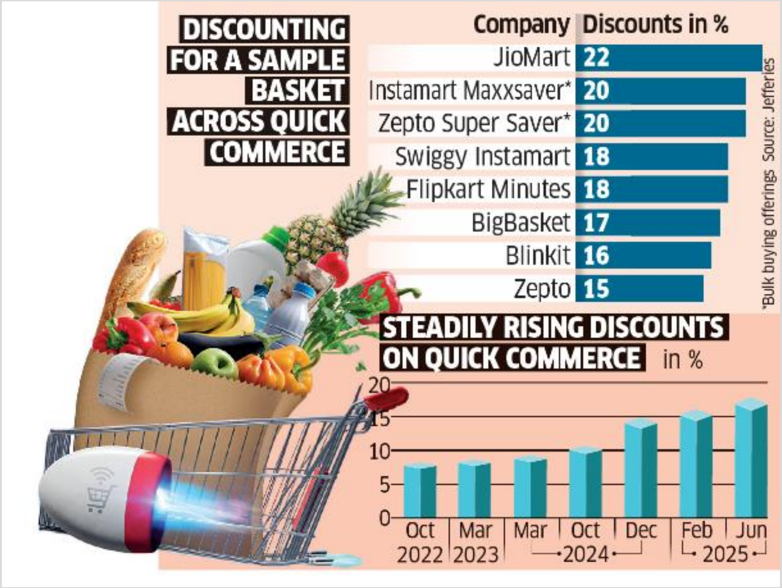
Top 10 consumer saving strategies for FMCG – INDIA



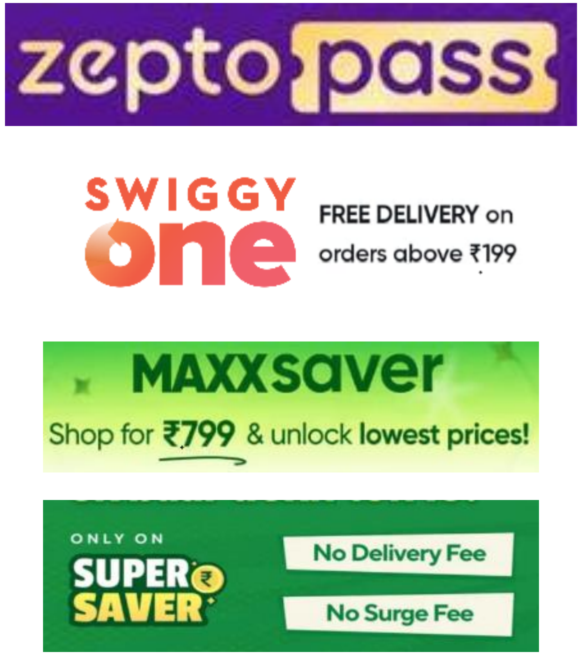
Source: NIQ 2024 Mid-Year Consumer Outlook, APAC | Find out more from Consumer Outlook: Guide to 2025

E-tailers Sharpen Their Edge: Strategic Levers in Pricing, Loyalty, and Differentiation

Price war fuels sharp discount spikes



Delivery fees & Loyalty



Experimenting with price-led features

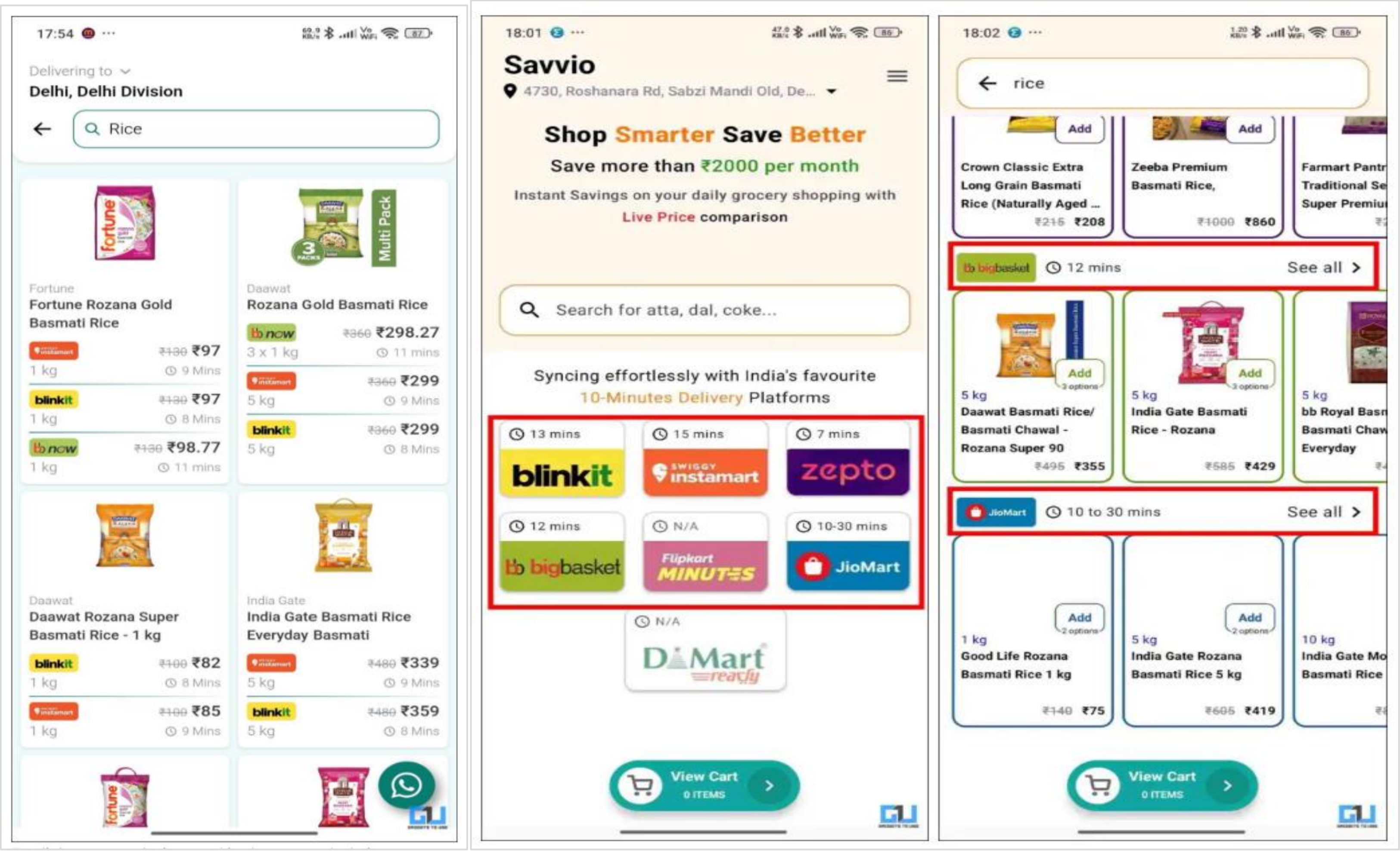
Source: ET Retail & secondary research

Rise of the Deal Hunter: Price-Tracking Apps Shape Q-Commerce Choices

SAVVIO

ShopSwiftly

Quick compare



Source: Secondary research

Discounts don't just sell — *they scale*

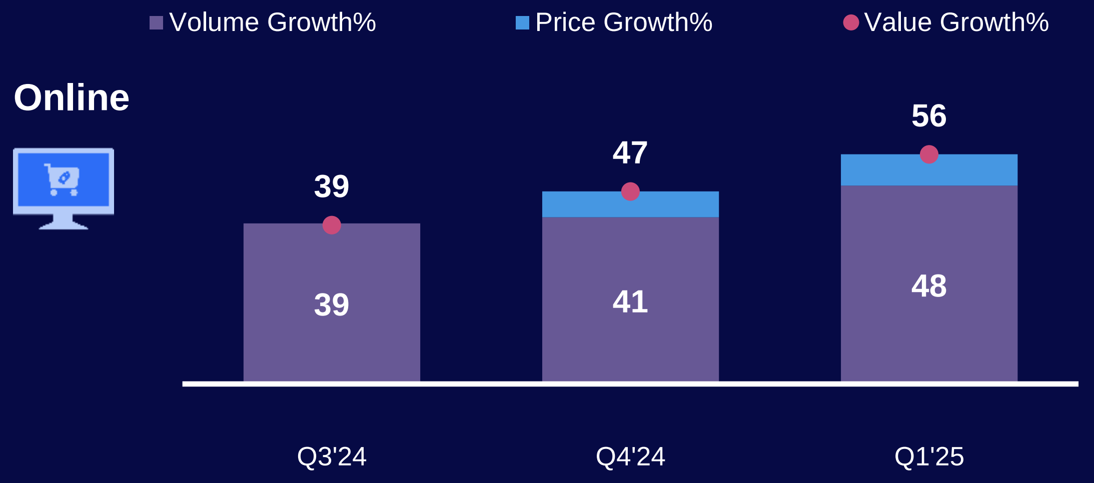
Lay's American Style Cream & Onion Potato Chips (143 g)

24% OFF	3 x 143 g	₹176 ~~₹234~~	ADD
14% OFF	143 g	₹67 ~~₹78~~	ADD
19% OFF	2 x 143 g	₹125 ~~₹156~~	ADD

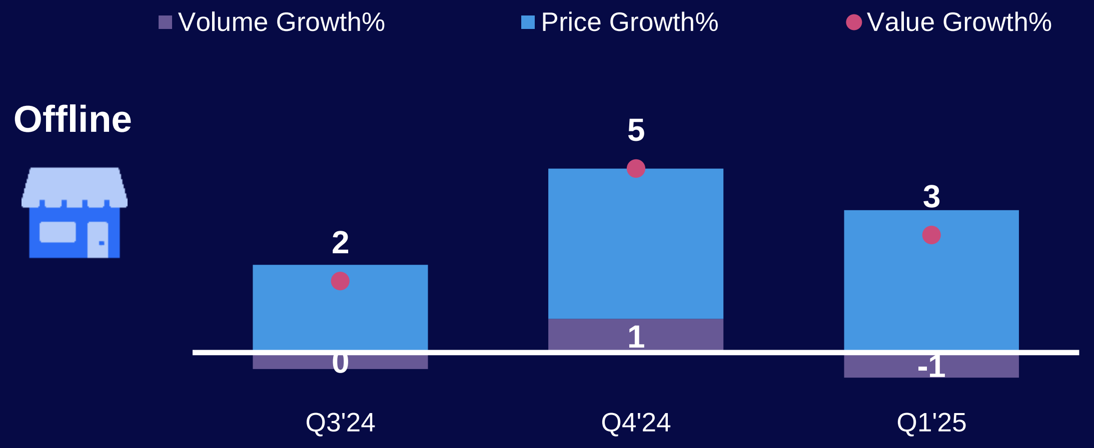
6x70 g (Multipack)	₹84 (₹0.2 / g)
420 g	₹90 (₹0.21 / g)
12x70 g (Multipack)	₹168 (₹0.2 / g)
840 g (Pack of 12)	₹160 (₹0.19 / g) ~~₹168~~ ₹8 OFF
2x840 g (Pack of 12) (Multipack)	₹320 (₹0.19 / g) ~~₹336~~ ₹16 OFF

Source: NIQ RMS & EMS data

Online



Offline



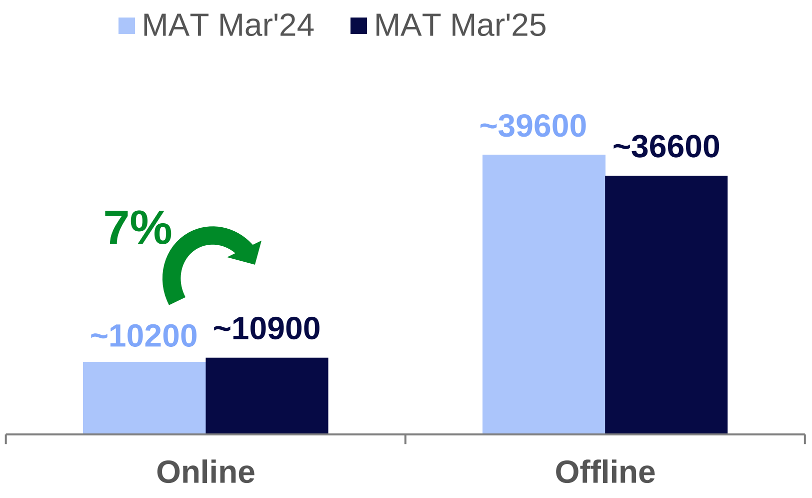
*FMCG 72 Categories, All India Metro (52 metros)

Catalogue

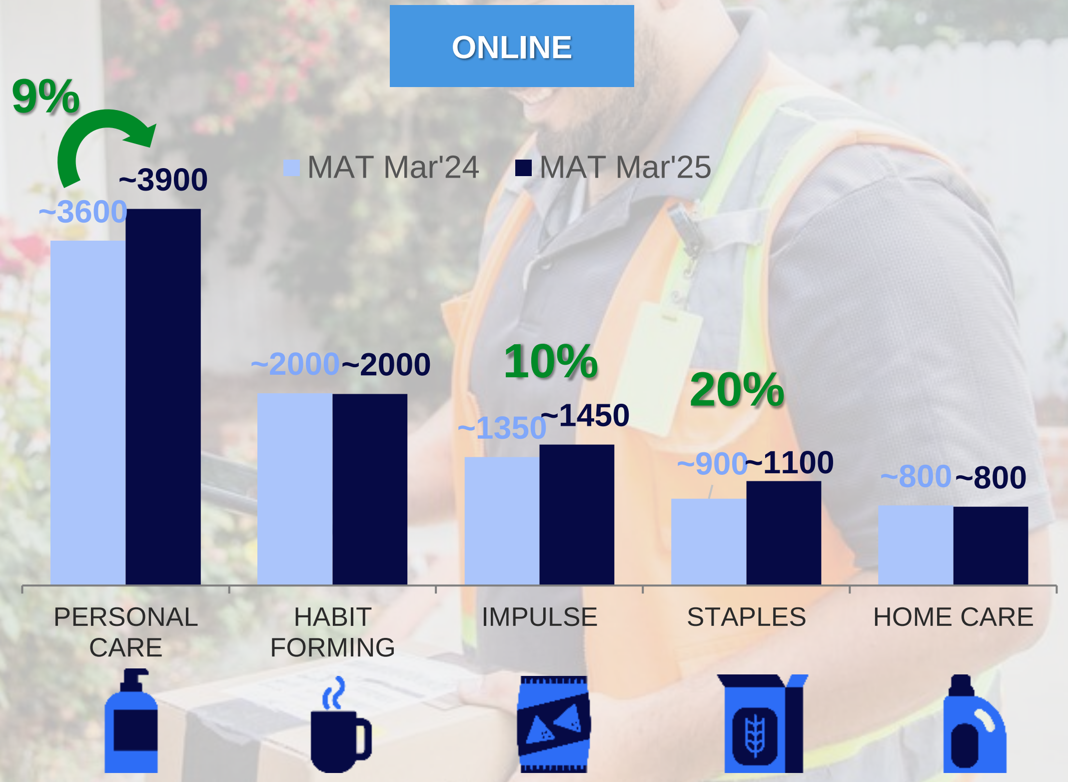
1. Digital Powerhouse brands
2. Premiumization & Launch Engine
3. Micro Activations/ Events

More Choices, Faster Clicks: Impulse & Personal Care Fuel Online Assortment Boom

COUNT OF THE ASSORTMENT (SUB-BRANDS)



COUNT OF ASSORTMENT ACROSS BASKETS



Source: NIQ RMS & EMS data

E-Commerce Baskets Evolve: Essentials take center stage. Impulse keeps it exciting

Basket	Value contribution%	Gr. Indexed to FMCG- e-comm
Personal care	23%	0.9X
Staples	22%	1.2X
Habit forming	20%	0.8X
Impulse	18%	1.5X
Home care	13%	0.6X
OTC	3%	1.0X

MAT Mar'25 vs. YA

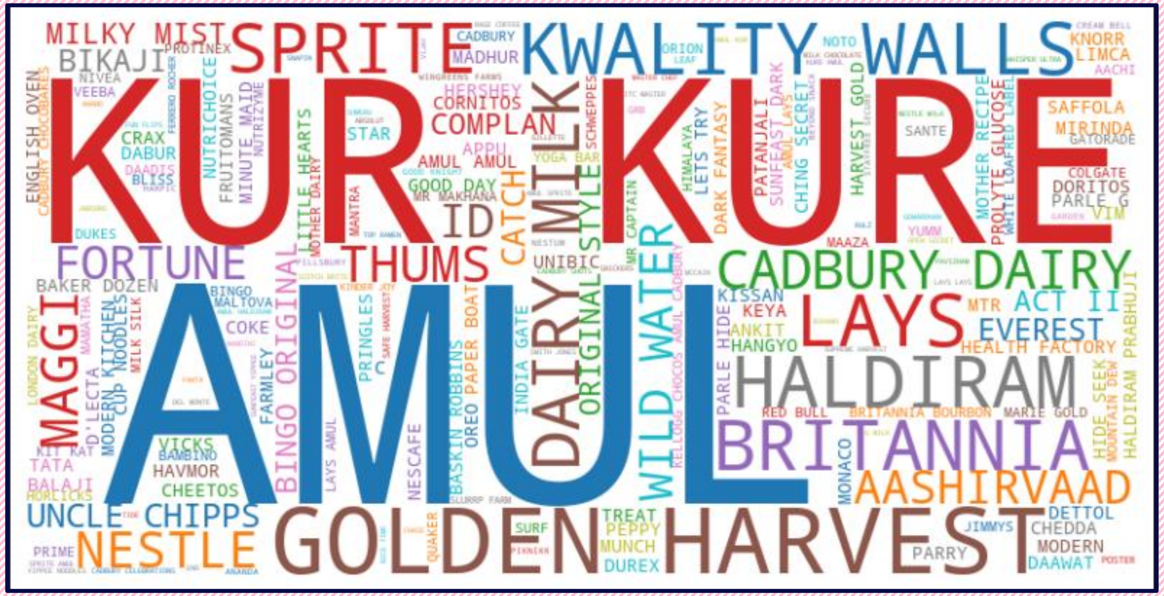
Top Categories	Gr. Indexed To FMCG- E-comm
Chocolate	1.5
Refined edible oils	1.5
Soft drinks	1.5
Salty snacks	1.5
Non-refined oils	1.4
Coffee	1.3
Hair conditioners	1.3
Skin creams	1.3
Packaged pure ghee	1.3

STAPLES

Source: NIQ RMS & EMS data

Flipkart leads in *Staples*; Swiggy Instamart captures *Impulse & Snacking Moments*

Swiggy Instamart



Flipkart

All India, Full Year 2024

Source: NIQ Digital Purchases (350K Online Shopper Panel)

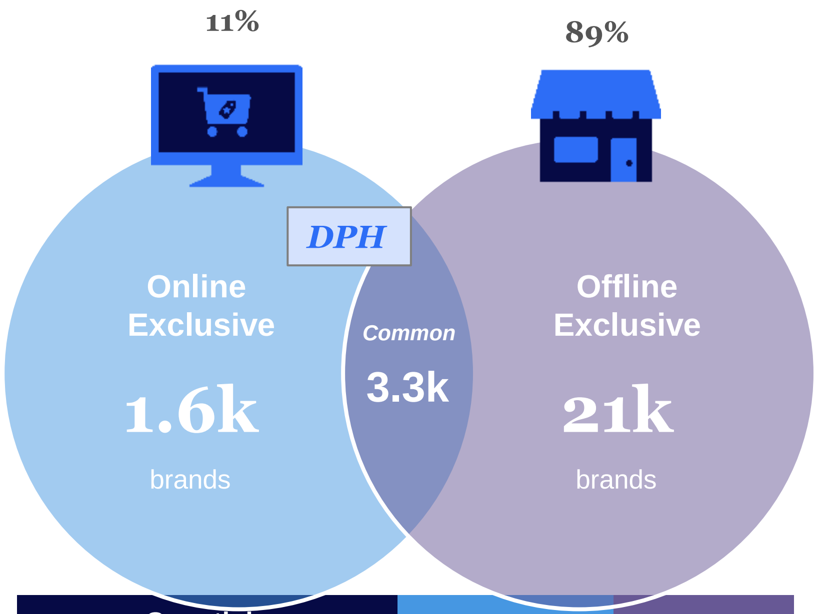
1. Digital Powerhouse brands

2. Premiumization and Innovation

3. Micro Activations/ Events

Digital Powerhouse brands- driving the growth for Omni

Online-Exclusive Brands: Small in Number, Big on Growth



Growth in MAT Mar25 vs. YA	Online Gr.	Offline Gr.
Common brands	+44%	+2%
Exclusive brands	+141%	+7%

	No. of Brands	Gr. Indexed to FMCG- OMNI
Online Excl.	1.6 K	23.8 X
Online Comm.	3.3 K	7.5 X
Offline Comm.	3.3 K	0.4 X
Offline Excl.	21 K	1.2 X

Base - OMNI = OFFLINE +ONLINE (6% gr.vs. YA)

Online *Common*

Brands	Category	Share Chg. Vs. YA
Harpic	Floor Cleaner	+0.5
Aashirvaad	Packaged Atta	+0.9
Cetaphil	Baby Massage Oil	+2.6
L'Oreal	Hair Conditioner	+0.7

Online *Exclusive*

Brands	Category	Share Chg. Vs. YA
Little Joy	Beverages	+1.1
Forest Essentials	After Shave lotion	+5.3
Natural Tattva	Iodized Salt	+2.0
Hyphen	Skin cream	+0.7
Nat Habit	Conditioner	+0.8

Common: Brands available across online and offline
Exclusive: Brands available only in one channel

Source: NIQ RMS & EMS data

Digital Powerhouse brands

Digital Front Runners- More 70% of the brand share is from E-comm
Web Exclusive- 100% E-comm driven
Omni Shelf Stars- More than 70% of the brand share is from TT & MT

Total Market Size of DPH Brands

21,794 Cr

E-commerce leading the DPH charge with ~40% salience

Personal Care + OTC

9,100 Cr

Digital Front Runners	Web Exclusive	Omni Shelf Stars
Minimalist	WishCare	Cetaphil
DOT & KEY SKINCARE	FOREST ESSENTIALS Luxurious Ayurveda	L'ORÉAL PARIS

Impulse & Habit Forming

6,472 Cr

Digital Front Runners	Web Exclusive	Omni Shelf Stars
Let's Try	Chaayos	NESCAFÉ
slurrp farm	LO FOODS	Haldiram's

Staples

4,291 Cr

Digital Front Runners	Web Exclusive	Omni Shelf Stars
WHOLE Farm	BAROSI	fortune
TATA Simply Better	DAILY GOOD	AASHIRVAAD

Home Care

1,932 Cr

Digital Front Runners	Web Exclusive	Omni Shelf Stars
finish	Dewfresh	Surf excel
BECO	MOTHER SPARSH	ARIEL

Source: NIQ RMS & EMS data

Digital Powerhouse brands - From Protein Bars to Baby Foods: Online channels drive explosive growth for Health-First brands

Online brands challenging Giant Manuf. with unique offerings

Rite Bite offers protein-rich healthy snacks.

Rite Bite – Protein Bars		
Biscuits		
Value share change	Online	+1.0
Value Share	Online	5%
	Offline	0.5%

4700 BC Gourmet introduced Gourmet popcorn.

4700 BC Gourmet		
Salty Snacks		
Value share change	Online	+0.5
Value Share	Online	1%
	Offline	0.02%

Slurrp Farm		
Baby Foods		
Value share change	Online	+0.5
Value Share	Online	16.4%
	Offline	0.3%

variety of nutrient-dense superfoods like Ragi, Jowar, Foxtail Millet, and Lentils.

Source: NIQ RMS & EMS data

Digital Powerhouse brands- Trending segments and brands get a Digital push

Energy Drinks

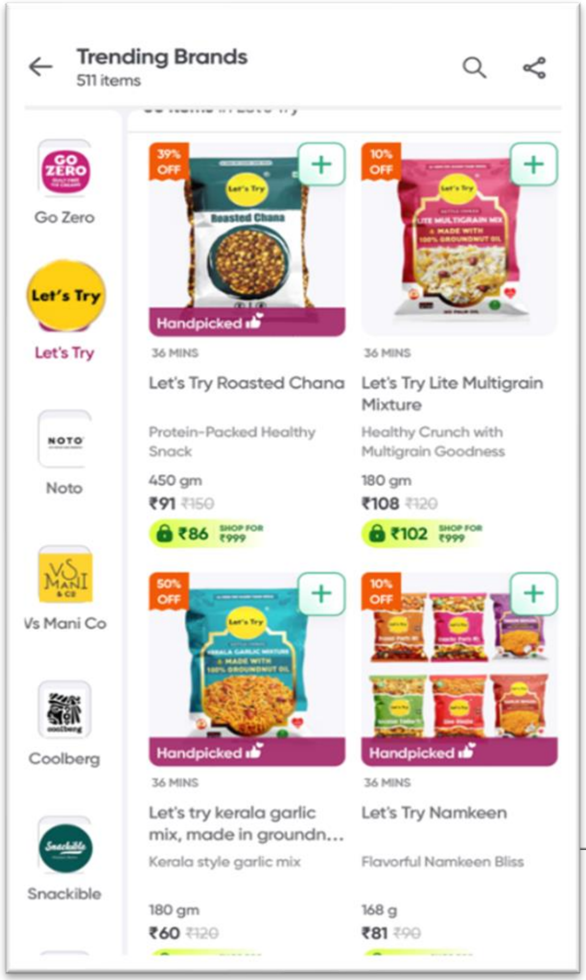
19.2% +2.3	10.7% +0.3
Online	Offline

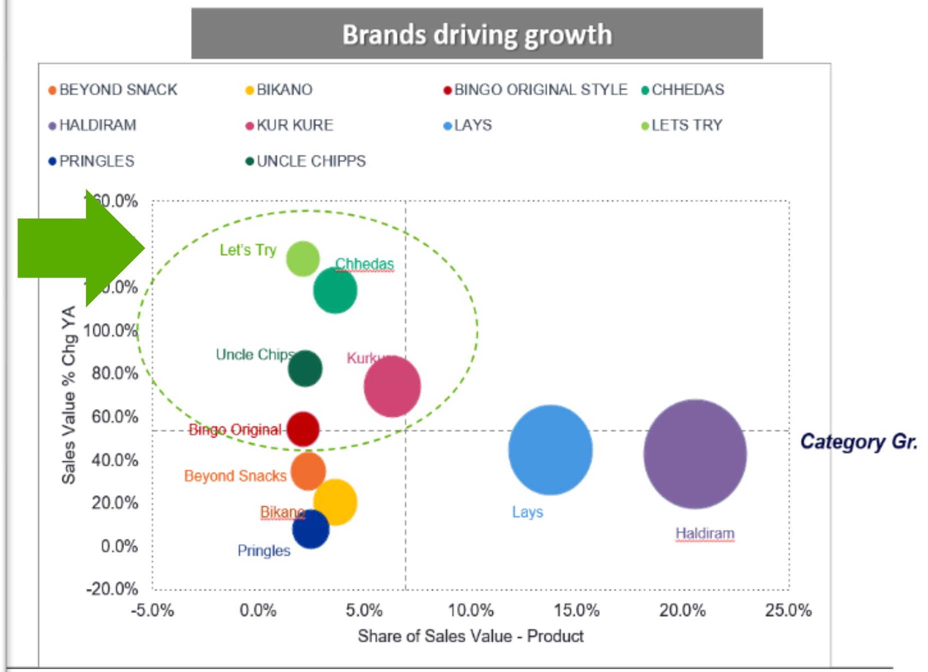
Sugar-free Beverages

14.6% +2.8	1.5% +0.0

Korean Instant Noodles

15.4% +1.0	3.9% +1.3





Segment contr.% to category in respective channels and contr.% change vs. YA

Source: NIQ RMS & EMS data

Digital Powerhouse brands- QSR Brands catalogue tap Quick Commerce Boom with Customized Instant-Delivery Offerings

QSR brands riding on qcomm wave with customized offerings

Wow Momo, **Chaayos**, **Chai Point**, **Boba Bhai**, and **Blue Tokai** are among **quick service restaurant** (QSR) brands introducing customised versions of their top-selling products on **quick commerce** platforms such as Blinkit, Zepto and Swiggy Instamart to capture a boom in instant delivery.

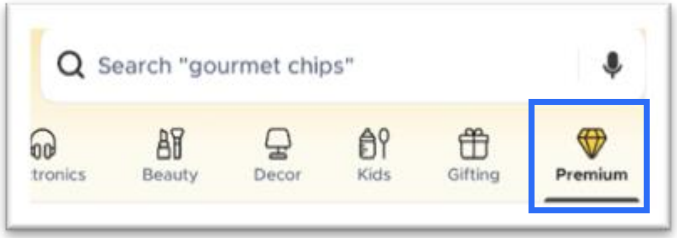
Source: ET Retail

Blue Tokai		
RTD coffee/tea		MAT Mar'25
Value share *(Base on segment)*	Online	5%
	MT	0.2%

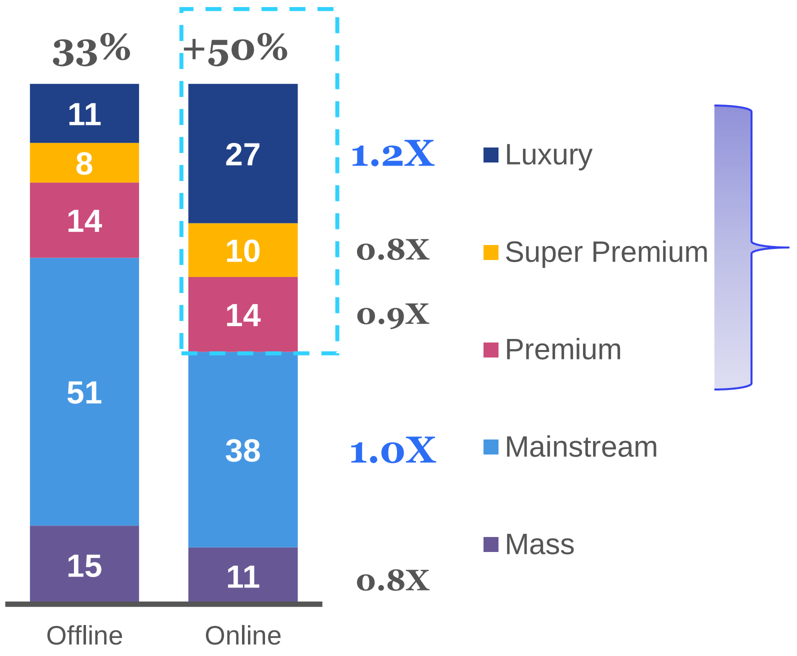
Wow! Momo		
Frozen Foods		MAT Mar'25
Value share	Online	2%
	MT	0.4%

Source: NIQ RMS & EMS data

Premiumization- Premium++ products shine online

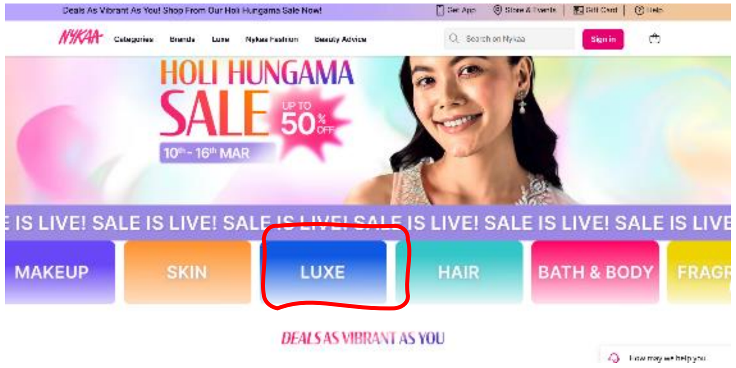


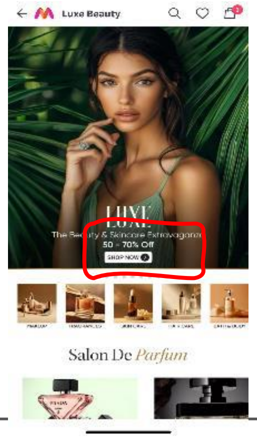
Gr. Indexed to FMCG- E-comm

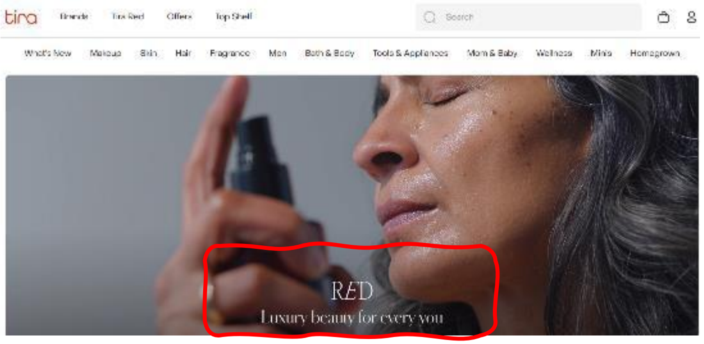


VALUE SHARE OF PREMIUM++ PRICE TIER

~45%	~70%	55%
Food	Personal care	Home Care

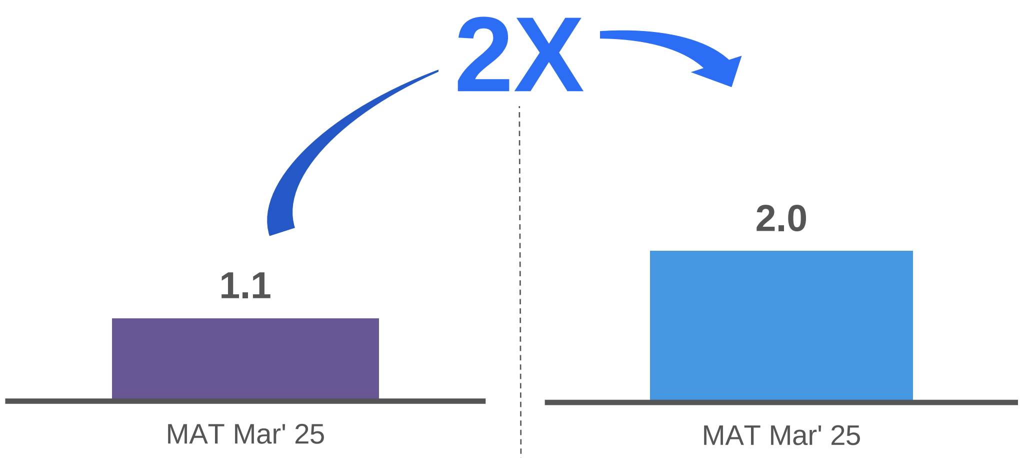






Premiumization- Hence share of Luxe' innovations are 3X higher in Online.

Val share from new launches (%)



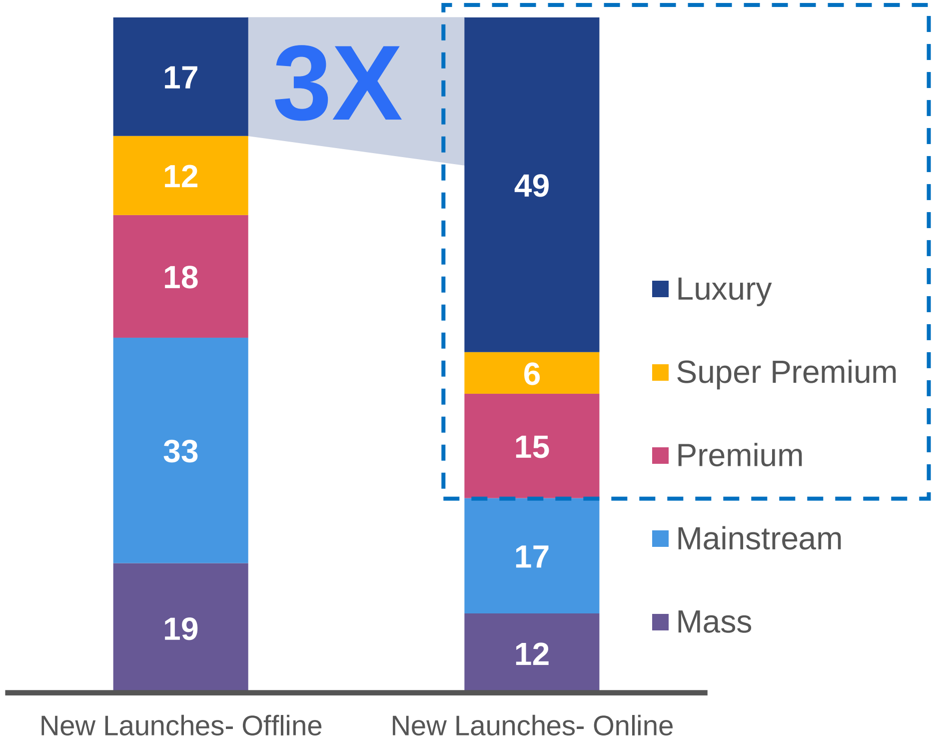
Offline

~7000 (19%) are New Sub-brands

Online

~3000 (25%) are New Sub-brands

Value share of price tier new launches



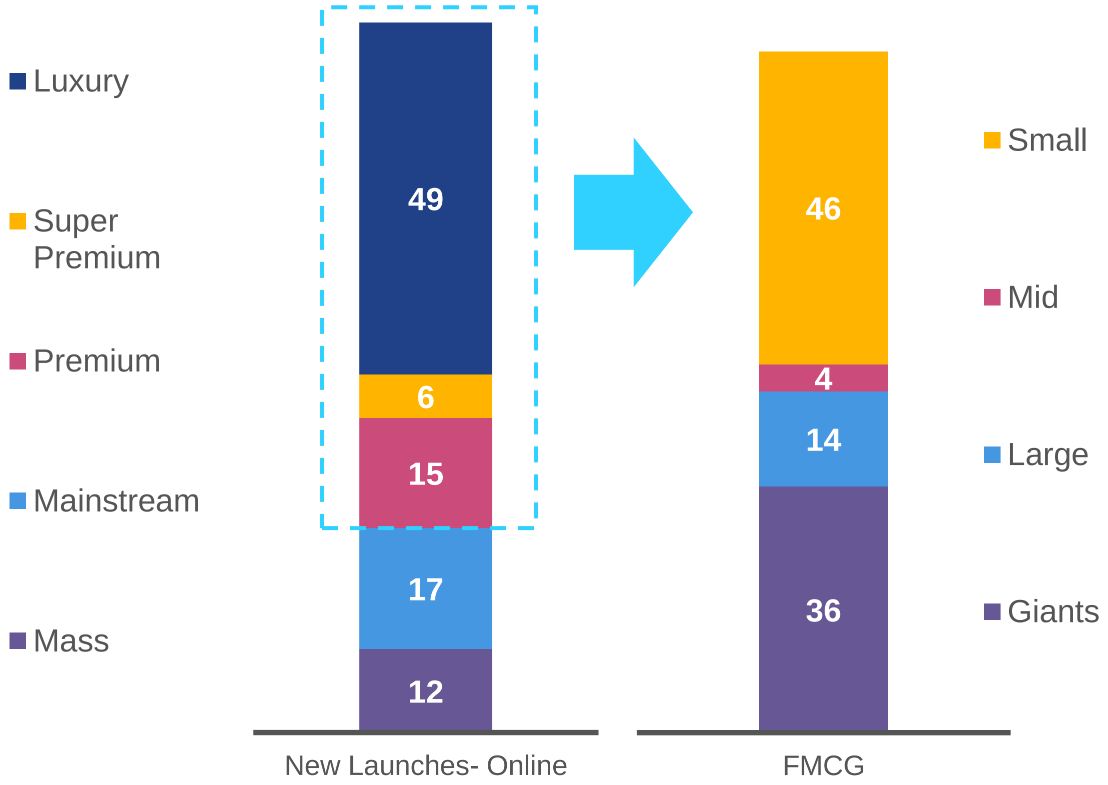
?

Which new launches are giving higher incremental and Excl. vs. Common

*New launches of Sub-brands are category wise

Premiumization- Both Giants and Small are key contributors for new innovations, but Small takes the precedence

Value share of manuf. in Premium++ New Launches



New Launches - Premium++		
Sub-Brands	**Category**	**Share Chg. Vs. YA**
Pintola	**Breakfast Cereals**	+1.8%
The Bath store	**Liquid Toilet Soap**	+1.5%
Little Joys	**Health Food Drinks**	+1.0%
Ghar Soap	**Toilet Soap**	+1%
Vim	**Cleaner-Floor**	+2.2%
Colgate Visible White Purple	**Toothpaste**	+1.8%

Small : Manufacturers with value sales <100 Cr in MAT Dec'24 | **Mid :** Manufacturers with value sales Rs. 100 - 1000 Cr in MAT Dec'24 | **Large :** Manufacturers with value sales Rs. 1000 - 5000 Cr in MAT Dec'24 | **Giants :** Manufacturers with value sales > Rs. 5000 Cr in MAT Dec'24

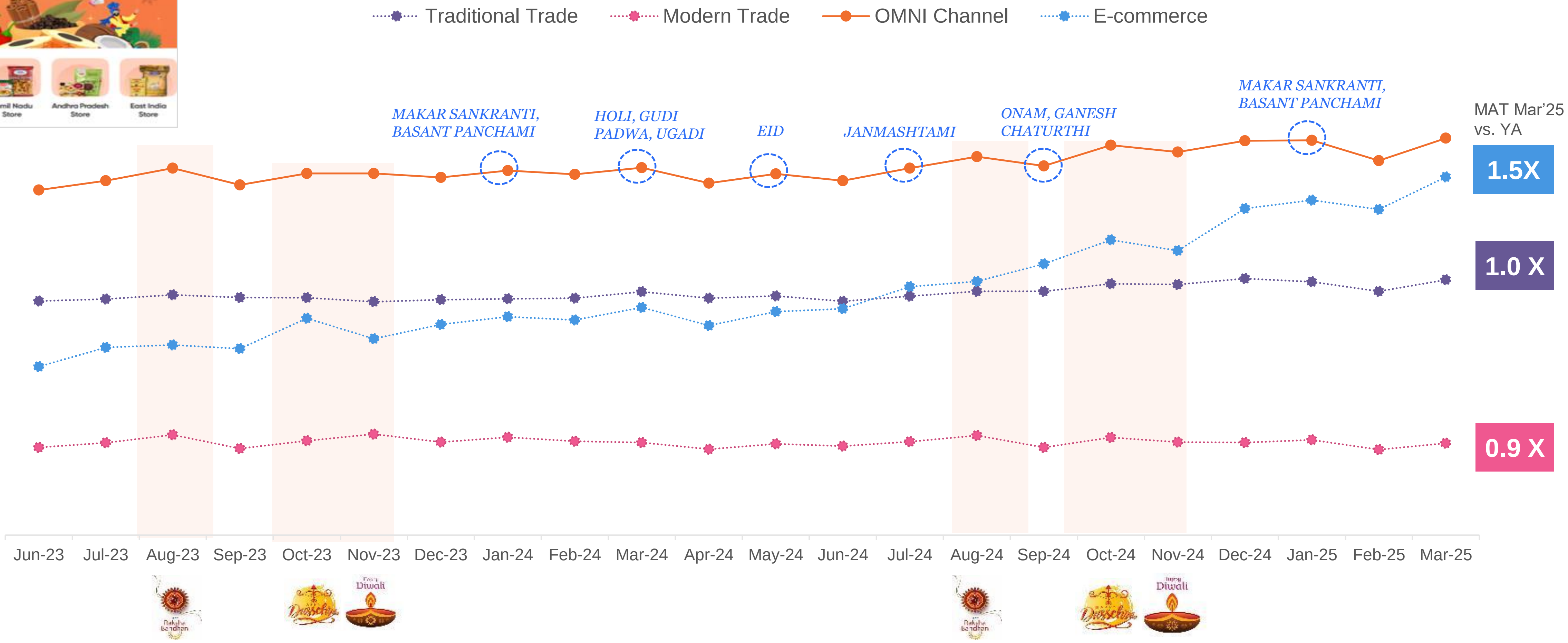
Source: NIQ RMS & EMS data

NIQ

Mass = <80 RPI, Mainstream = 81-120 RPI
Premium++ = RPI > 120 | Premium = 121-160 RPI, Super Premium = 161-200 RPI, Luxury = >200 RPI

Micro Activations/ Events- E-comm redefines festive sales: Regional peaks fuel consistent volume beyond Traditional big days.

Absolute Sales Value Trend of FMCG



*FMCG 72 Categories, All India Metro (52 metros)

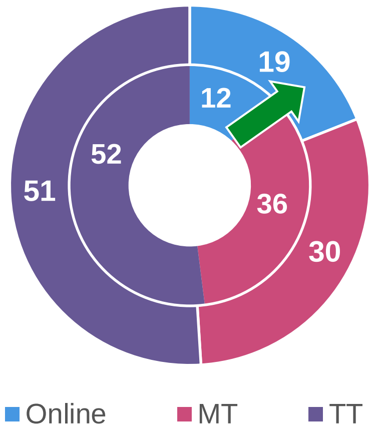
Note: E-comm sales value is represented on the secondary axis while offline on primary axis

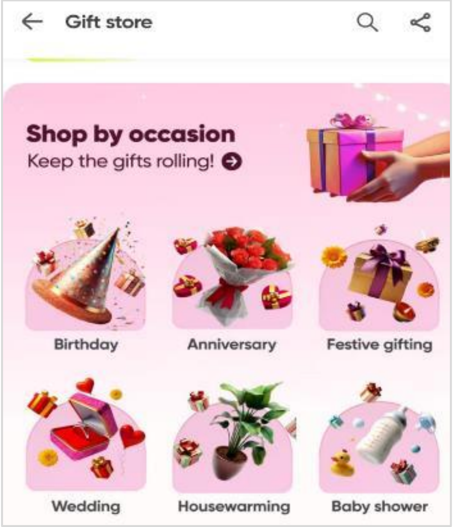
Source: NIQ RMS & EMS data

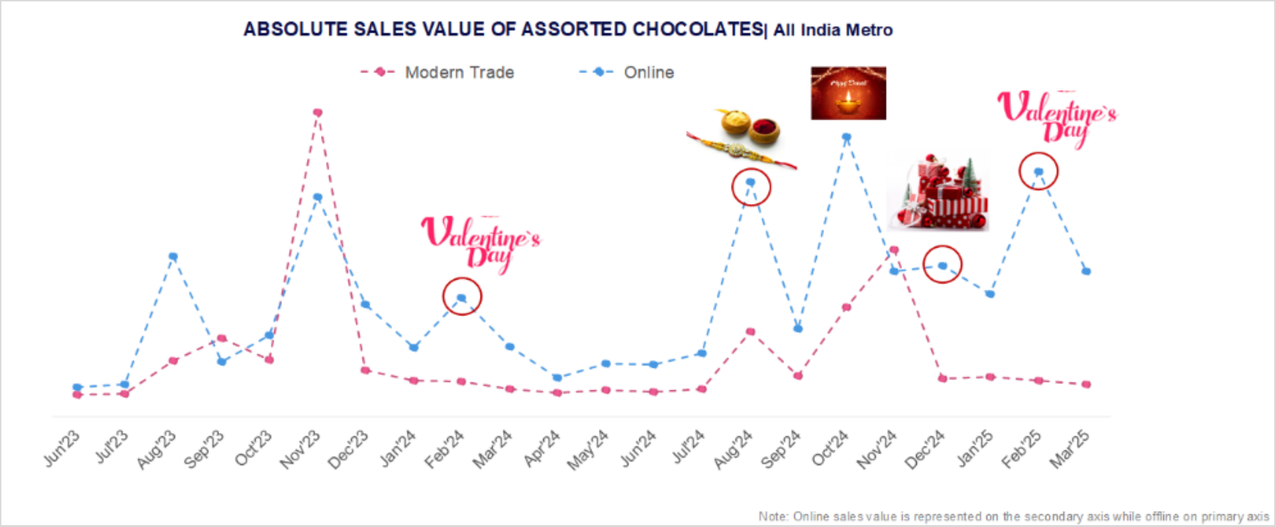
Micro Activations/ Events- Delivering on the “Instant now” promise- E-Commerce Becomes the Sweet Spot for Assorted Chocolates.

GIFTING

Assorted Chocolates







Cadbury Dairy Milk Silk offers assorted premium gifting.

Cadbury Dairy Milk Silk		
Chocolates		Festive’24
Value share change on online		+0.6%
Value growth	Online **(14%)**	**62%**
	Offline ***(16%)***	**8%**

Ferrero Rocher leverages its premium heritage experience.

Ferrero Rocher		
Chocolates		Festive’24
Value share change on online		+0.5%
Value growth	Online ***(11%)***	**63%**
	Offline (3%)	**3%**

Source: NIQ RMS & EMS data

What do these trends mean for brands and retailers in 2025?

Value is *non-negotiable*

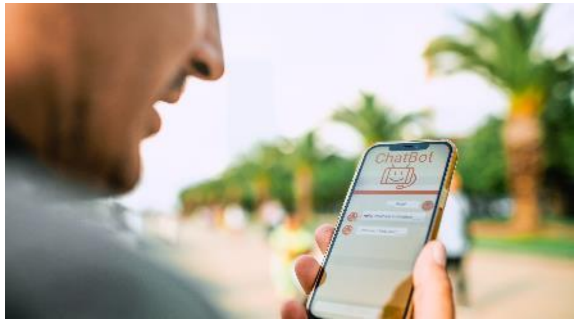
- Indian consumers are more price-conscious than ever due to inflation, rising costs and job insecurity.
- *Ensure competitive pricing and strong digital shelf presence to win in price-sensitive environments*

Discounts + Delivery = *Loyalty Drivers*

- With user experience at parity, discounts and free / fast delivery are key to customer retention.
- *Lower free delivery thresholds and encourage larger basket sizes*

Convenience *is baseline*

- Speed and ease are expected; the new battleground is perceived value + convenience.
- *Manuf. to partner with retailers to run "10-min delivery + ₹X off" campaigns featuring their brand.*
- *Use auto-replenishment nudges for regular buys.*



Micro Events / Activations *to win the moment*

- Product catalogues are no longer static; they are now dynamically curated around consumers' daily routines, time-of-day needs, life occasions & regional events.
- *Brands should prioritize digital-first strategies.*
- *Localize campaigns around routines, occasions, and festivals for growth.*

Thank you