

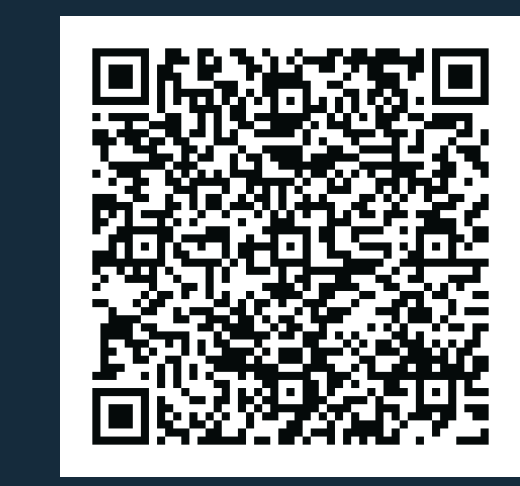
Abstract

Currently, Mumbai's urban grocery retail sector has been reshaped by the rapid growth of quick-commerce platforms offering ultra-fast delivery of everyday goods. This paper examines the way platform-based models have altered the competitive dynamics, affected the economic viability of informal kirana stores, and possible regulatory implications. By utilizing platform economics and informal economy theory as frameworks, the study argues that competition has shifted toward a combination of price-based and non-price mechanisms, including delivery-fee waivers, delivery speed, logistics infrastructure, discounts, and scale. The review finds that quick commerce has created competitive pressure on kirana stores through demand diversion, reduced footfall, and weaker bargaining power; however, evidence on long-term viability remains indirect because Mumbai-specific data on kirana income, margins, and closure rates is limited. [1]



Conceptual illustration

Read the full paper



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Platform Competition and Informal Retail Viability: Evidence from Quick Commerce Expansion in Mumbai

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Competitive strengths [1]

Platforms	Kiranas
Fast delivery	Local access
Scale and data	Trust and credit

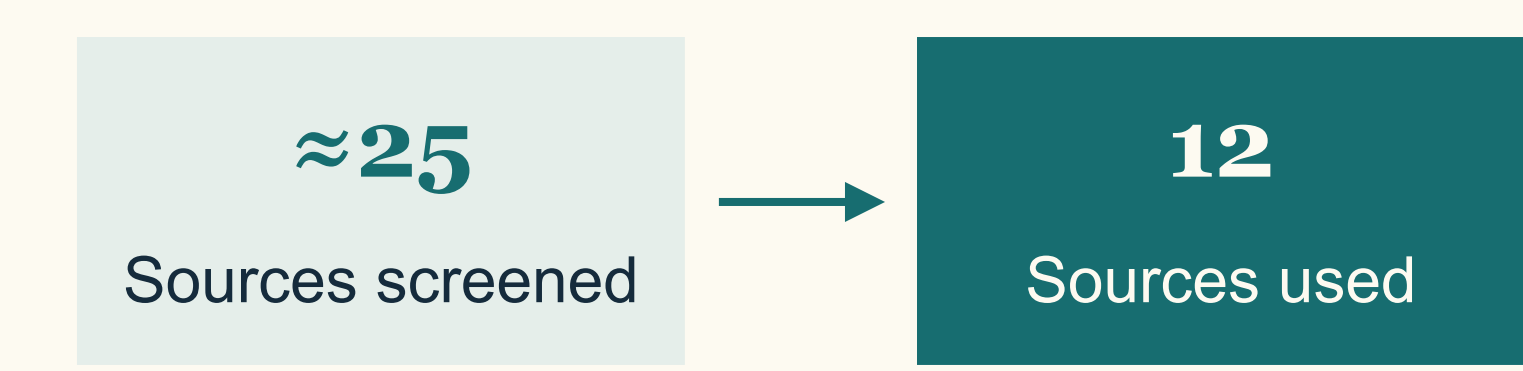
Introduction

Quick-commerce apps like Swiggy Instamart deliver groceries in minutes. Kiranas are small neighbourhood grocery shops. This review investigates their income security as Mumbai's grocery demand shifts.

Research question

Can kiranas stay open while sustaining incomes and profit margins? [1]

Methods



I reviewed studies and reports, mainly from 2015-2025. Searches covered Indian quick commerce, kirana competition and digital adoption. I selected relevant, credible sources and excluded unsupported opinion.

The review combined platform economics with research on informal businesses. I used national studies cautiously where Mumbai data were scarce, and collected no new survey or interview data. [1,2]

Results: quick commerce and kiranas

1. More than low prices

Low prices are only part of the story. Fast, reliable delivery and bulk buying help platforms win customers. Their delivery networks and data can weaken the advantage of having a shop nearby. [1,2]

2. How do kiranas respond?

Kiranas respond with longer hours, personal service and flexible credit. Digital payments and stock-management tools help, but these changes mostly retain customers. Small shops still struggle to match platforms' finance and buying power. [1,3]

3. What remains uncertain?

Studies report lower footfall: fewer visits to kirana shops. Fewer visits may mean fewer sales, but cannot prove lasting income losses. Mumbai-specific data on income, profit margins and closures remain scarce. [1]

How competition may affect kiranas



Review summary. Dashed link: lasting income effects remain uncertain. [1]

Discussion

Faster shopping benefits customers, but gains may be uneven. Kiranas cannot easily match platforms' funding and delivery networks.

Findings from other cities suggest possible responses, without proving Mumbai outcomes. Wider economic changes may also affect shops. [1-3]

Conclusion

Quick commerce changes how shops compete. Kiranas' responses may help them cope today, but their long-term financial security remains uncertain. [1]

Policy implication

Regulators should assess delivery speed, dark store density and platform concentration alongside prices, while tracking retailer income stability and job insecurity. [1,4]

What remains unknown

Longer-term studies could reveal how income stability differs between kirana households and delivery workers. [1]

References

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[4] Competition Commission of India (2020). Market Study on E-Commerce in India: Key Findings and Observations.