The Rise Of Quick-Service Food Delivery In Mumbai: Literature Review

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ABSTRACT

This study reviews literature on the growing quick-service food delivery (QSFD) segment in Mumbai, focusing on consumer behaviour, platform strategies, cloud kitchen expansion, delivery innovations, and gig workforce implications. The Indian online food delivery industry has witnessed rapid expansion due to increasing urbanization, smartphone penetration, and convenience-driven lifestyles (IMARC, 2024). Mumbai, being a major commercial hub with dense consumption clusters, has emerged as a focal market for players like Zomato and Swiggy (RedSeer, 2024). Findings indicate that while demand and order volume continue to rise, sustainability and profitability remain challenges due to high logistics, marketing, and labour costs (Reuters, 2024).

INTRODUCTION

Quick-service food delivery refers to food-order placement through digital platforms with rapid delivery turnaround times, usually between 15 to 45 minutes (Swiggy Annual Report, 2024). The rise of QSFD is attributed to lifestyle shifts influenced by dual-income households, time scarcity, and the preference for convenience-based consumption (NCAER, 2023). Mumbai's young workforce, large student population, and multicultural culinary base have made it a dense consumption micro-market for QSFD (KPMG, 2024). Recent trends additionally show that quick commerce (10–20 minute grocery delivery) overlaps with ready-to-eat delivery models, shaping new consumer expectations around speed and instant gratification (Economic Times, 2024).

OBJECTIVES

• To evaluate existing literature on QSFD in Mumbai.

• To analyze recent market data and platform performance indicators.

• To understand the role of cloud kitchens and delivery logistics in shaping speed and availability.

• To identify challenges and provide research-driven recommendations.

REVIEW OF LITERATURE

Market Growth

The Indian online food delivery market reached an estimated valuation of USD 45–48 billion in 2024 (IMARC, 2024). Increased smartphone penetration and UPI-based digital payments have contributed to this growth (RBI, 2023). Mumbai, along with Delhi and Bengaluru, accounts for the largest share in food order frequency and value (RedSeer, 2024).

Platform Competition

Zomato holds an estimated ~58% market share in the national food delivery market (Reuters, 2024), while Swiggy continues to invest heavily in Instamart and dark store networks (Economic Times, 2025). Platform competition has led to optimized routing algorithms, reduced estimated delivery times, and dynamic discount strategies (McKinsey, 2024).

Cloud Kitchens

Cloud kitchens enable restaurants to operate without dine-in facilities, reducing rental and staffing costs (Technopak, 2023). Multi-brand cloud kitchens such as Rebel Foods have expanded extensively in Mumbai to meet hyperlocal demand (Business Standard, 2024). The proximity-based placement of cloud kitchens within 3–5 km delivery zones reduces delivery time and improves satisfaction (RedSeer, 2024).

Delivery Speed & Quick Commerce

Average delivery times declined from ~60 minutes in 2018 to ~30–35 minutes by 2024 due to fleet density and algorithmic improvements (McKinsey, 2024). Quick-commerce grocery delivery services such as Blinkit and Instamart normalized 10–15 minute windows (Bloomberg, 2024).

Consumer Behaviour

Consumers prioritize speed, hygiene, value transparency, and real-time tracking. Trust is significantly influenced by platform ratings and reviews (Buhalis & Law, 2024). Mumbai consumers also show high sensitivity to surge pricing (KPMG, 2024).

Gig Workforce Challenges

Delivery partners face fluctuating earnings, weather exposure, and psychological stress (ILO, 2023). Attrition rates remain high in Mumbai, increasing recruitment costs (Economic Times, 2024). Platforms have begun experimenting with health incentives and insurance schemes (Swiggy Annual Report, 2024).

KEY FINDINGS

QSFD demand in Mumbai is increasing due to convenience-driven consumption (NCAER, 2023). Cloud kitchens significantly reduce delivery times and support menu localization (RedSeer, 2024). Quick-commerce has recalibrated consumer expectations regarding speed (Bloomberg, 2024). Profitability remains a challenge due to commission structures, discounts, and fleet expansion overheads (Reuters, 2024). Workforce stability impacts delivery consistency and customer satisfaction (ILO, 2023).

Mumbai's dense geography provides logistical advantages for last-mile delivery efficiency. However, traffic congestion, peak-hour surges, and urban zoning constraints affect consistency. Platforms continue to balance between scaling quick commerce and improving profitability. Cloud kitchens will likely continue expanding, but dependency on aggregator apps remains a risk for standalone restaurant brands.

SUGGESTIONS

For Restaurants

- Optimize packaging quality to maintain food temperature, freshness, and presentation during delivery (Technopak, 2023).
- Redesign menus to focus on delivery-friendly items that travel well and retain taste after transit.
- Consider using cloud kitchens or satellite kitchen setups to reduce delivery radius and improve speed.
- Build direct customer loyalty through QR-based reordering, WhatsApp ordering, and membership/points programs to reduce dependency on aggregators.
- Improve brand visibility through storytelling, consistent visual identity, and social media engagement.

For Platforms (Swiggy, Zomato, Blinkit, etc.)

- Shift focus from heavy discounts to loyalty-based subscription models (e.g., free deliveries for frequent users) (McKinsey, 2024).
- Implement dynamic pricing tiers based on distance, demand, and meal type to improve profitability.
- Provide transparent commission structures and better revenue-sharing models for small restaurants.
- Use AI-based demand forecasting to position riders and cloud kitchens more efficiently.

For Policymakers / Government Bodies

- Introduce social-security safety nets for delivery partners, including accident insurance and medical coverage (ILO, 2023).
- Create guidelines for standardized wages / minimum earnings protection for gig workers.
- Regulate urban zoning policies to support legal establishment of cloud kitchens and dark stores.
- Encourage fair labour practices across platforms through compliance frameworks.

For Researchers / Academic Institutions

- Conduct Mumbai-specific studies on delivery satisfaction, pricing sensitivity, and convenience expectations.
- Evaluate workforce well-being, retention factors, and income variability among delivery partners.
- Analyze the economic impact of cloud kitchens on traditional restaurants in Mumbai.
- Study consumer behavioural shifts before vs. after the rise of quick-commerce delivery.

CONCLUSION

The quick-service food delivery (QSFD) sector in Mumbai has grown rapidly due to rising urbanization, digital payment adoption, and lifestyle shifts toward convenience-based consumption. Platforms such as Zomato and Swiggy have leveraged cloud kitchens, real-time tracking, and optimized delivery logistics to meet the demand for speed and variety. The expansion of quick-commerce and 10–15 minute delivery models has further shaped consumer expectations, influencing eating behavior, meal planning patterns, and market competition in the city. At the same time, restaurants have increasingly adopted delivery-friendly menus and multi-brand kitchen strategies, indicating that QSFD is now a core part of the city's food ecosystem rather than a supplementary service.

However, sustaining growth in this sector requires addressing several structural challenges. Platforms continue to struggle with profitability pressures due to high operational costs, discount-driven customer acquisition, and workforce turnover. Delivery partners face economic and occupational vulnerabilities, emphasizing the need for stronger welfare mechanisms and balanced incentive systems. For long-term stability, platforms, policymakers, and restaurant partners must work collaboratively to create fair pricing models, standardized quality practices, and inclusive labour protections. If these issues are addressed

strategically, Mumbai's QSFD market can evolve toward a more efficient, equitable, and sustainable service ecosystem.

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