

India e-logistics industry set to touch \$9 billion with e-commerce boom

AGENCIES

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India's e-logistics sector has become one of the largest and fastest growing logistics markets globally and is all set to reach the \$9 billion industry, with a compound annual growth rate of 35 per cent, a report showed on Monday.

The number of e-commerce logistics shipments is expected to grow by four times in the next five years.

"Thanks to new-age tech enabled players who have entered India's logistics arena, it is now easier for small-



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and medium-sized businesses to transport goods, and there is a drastic increase in the speed and efficiency in which parcels are delivered," says the report by Bengaluru-based Redseer Strategy Consultants.

Among such players, Del-

hivery is well positioned at the cross-section of the various logistics sector growth drivers including infrastructure, offline commerce, digital consumption, and adoption of technology and data sciences.

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Proliferation of smartphones and localisation of the internet in non-English languages is drawing in new consumers from non-metro locations into the internet economy and creating new demand for online commerce, thus paving the need for disruption in logistics.

According to the report, the availability of multiple payment options such as UPI, no-cost EMI, BNPL (buy now, pay

later) etc. are further driving the adoption of digital commerce by more consumers, thereby creating a need for ecommerce logistics.

"Multiple segments in the India logistics market are addressable by full-stack-tech-enabled logistics service providers.

There seems to be great headroom for growth as tech-enabled logistics players venture into adjacent segments such as hyperlocal delivery, express delivery, trucking, and more," the report mentioned.