

About Borzo

[Borzo](#) is a global delivery service that enables intra-city delivery for businesses. Deliveries range from on-demand to same-day and can be performed fast for a competitive price. Borzo uses highly advanced algorithms to enable affordable, fast, and precise delivery for the mass market. These algorithms optimize numerous parallel deliveries taking into account the geographical routes, packages' contents, couriers, and many others to ensure the feasibility of the same-day deliveries.

In the present day, Borzo presence in various international markets such as India, Brazil, Mexico, Indonesia, Malaysia, Turkey to name a few and continues to expand rapidly. It is used by over 2 million customers ranging from individuals to enterprises with the main focus on SMEs. and by more than 500 thousand couriers.

In India, Borzo serves 22 Indian cities - Mumbai, Delhi/NCR, Bengaluru, Hyderabad, Ahmedabad, Chennai, Kolkata, Pune, Surat, Jaipur, Goa, Indore, Bhopal, Chandigarh to name a few and plans to expand operations in these cities. Deliveries range from on-demand to same-day and can be performed fast and precisely serving all the pin codes of a particular city, for a competitive price.

<https://borzodelivery.com/in>

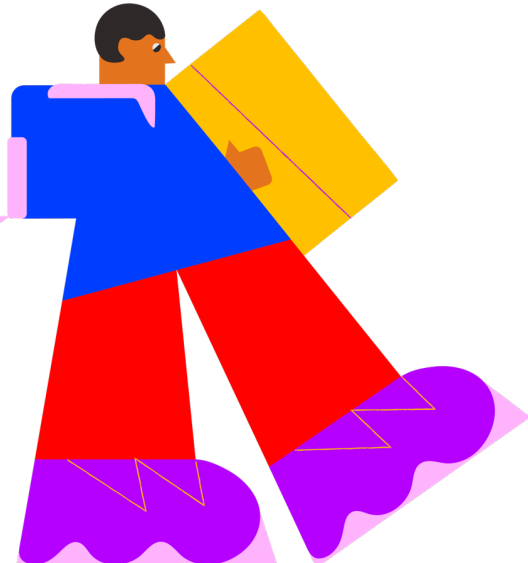


About The Report

The core of India's economic landscape is formed by the Micro, Small, and Medium-Sized Enterprises (MSMEs), which serve as a pivotal engine of growth and innovation, contributing significantly to the nation's GDP. Borzo (formerly known as WeFast), a leading global intra-city delivery service, has undertaken an extensive study to delve into the operational intricacies of these MSMEs and understand their specific pain points, delivery needs and dynamics.

As per the data by Ministry of Micro, Small and Medium Enterprises, India has 633.88 lakh registered MSMEs engaged in different economic activities. The micro sector, comprising approximately 630.52 lakh enterprises, represents over 99% of the total estimated MSME count. In contrast, the small sector comprises around 3.31 lakh enterprises, constituting 0.52% of the total, while the medium sector, with approximately 0.05 lakh enterprises, represents 0.01% of the total estimated MSMEs.

The report aims to spotlight the challenges and practices prevalent within the MSME sector, offering valuable insights into the pain points faced by businesses, such as customer acquisition, recruitment, packaging, and inventory management. Additionally, it sheds light on the growing adoption of sustainable packaging materials and the increasing demand for precise, cost-effective same-day deliveries to meet evolving customer expectations. Furthermore, the report emphasizes the importance of leveraging technology and innovative solutions to address these challenges effectively, ensuring the continued growth and success of MSMEs in a dynamic economic landscape.



Management's Note



“At Borzo, we hold the belief that the SME sector constitutes the foundation of the Indian economy. From the bustling streets of Mumbai and burgeoning markets of Delhi, to the buzzing Tier 2 cities, MSMEs stand as pillars of innovation and growth. While challenges such as financing, sales and customer acquisition, inventory management persist, MSMEs are also embracing the need for sustainable packaging, precise, and cost-effective same-day deliveries to meet evolving customer demands. Companies allied to serving MSMEs need to envision and ensure that MSMEs thrive amidst evolving processes and technology and are gaining significant knowledge to do so. Given the diverse nature of cities, varying routes, and delivery requirements, MSMEs need robust logistics assistance to fuel their expansion.”,



Mr. Eugene Panfilov

Managing Director, Borzo India and
Regional Director, Borzo Brazil.

About Borzo Connect

To address various MSME pain points Borzo is organizing a large-scale MSME meet called Borzo Connect in [Mumbai on June 21st, 2024. at NESCO.](#)

The conference creates an outstanding opportunity to get powerful insights and hands-on advice from the top experts in the Indian business landscape.

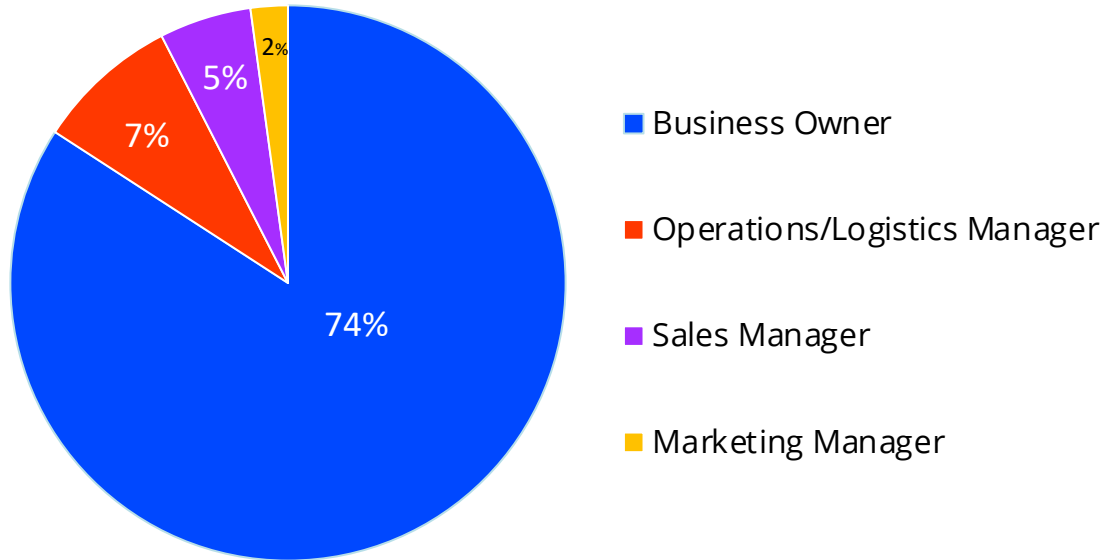
The Borzo event promises to be an enlightening experience for MSMEs in Mumbai, offering a unique gathering where thousands of SMB owners and managers will convene under one roof. Renowned industry experts will deliver keynote speeches tailored to address the pressing pain points encountered by MSMEs in their day-to-day operations. These insights will provide attendees with actionable solutions and strategies to navigate challenges effectively.

Through hands-on sessions, participants can expect to gain practical knowledge and learn about proven solutions that have a significant impact on business operations. Additionally, the event presents extensive networking opportunities, providing MSMEs with the chance to connect and collaborate with peers, industry leaders, and potential partners. With free entrance for all attendees, the event ensures accessibility and inclusivity, making it a must-attend for MSMEs seeking to enhance their business acumen and drive growth in Mumbai's dynamic business landscape.

For more information about the event, visit <https://www.borzoconnect.com/>

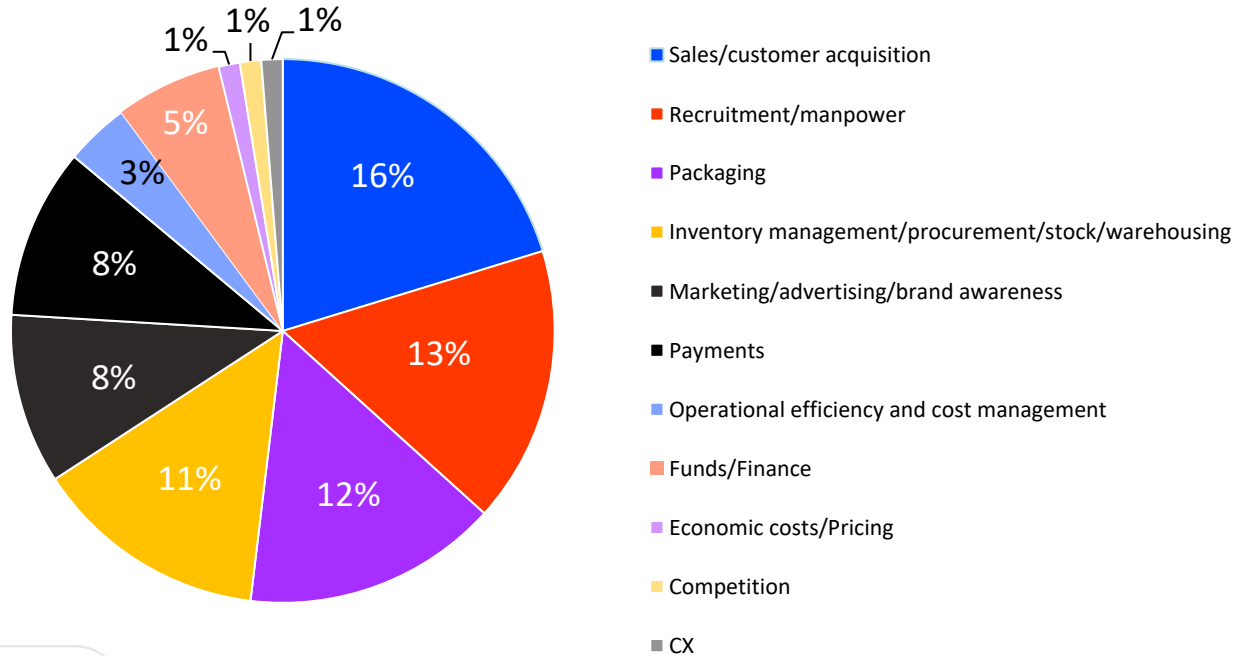


Q1. What is your role in the company?



1. **74%** of the MSMEs are operated and lead by business owners.
2. **7%** MSMEs are headed by operations/logistics managers

Q2. What are the biggest Pain Points?



1. The biggest pain point for MSMEs are sales/customer acquisition at **16%** followed by recruitment and manpower problems at **13%**.

2. Packaging and Inventory Management at **12%** and **11%** respectively pose significant operational challenges for MSMEs.

3. Marketing, payments, funds/finance, economic costs/pricing are few more challenges faced by MSMEs

Q3. Name the locations where you often ship the products

Over 70% of shipping by MSMEs takes place in

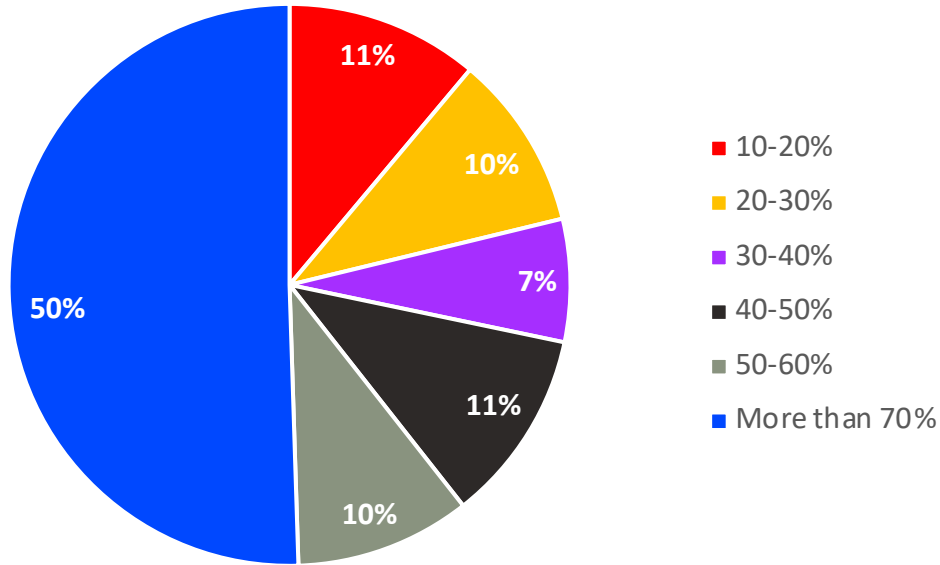
Mumbai
Delhi
Bangalore
Hyderabad
Kolkata
Chennai
Pune
Ahmedabad and
Jaipur

Some of the notable Smart cities, Tier 2 and Tier 3 cities that are gaining momentum amongst MSMEs include

Raipur
Guntur
Mangalore
Jodhpur
Malegaon
Dehradun
Haridwar
Ranchi
Aurangabad
Ratlam
Faridabad

Vadodara
Nagpur
Kochi
Jammu
Nashik
Rajkot
Indore
Surat
Chandigarh
Ludhiana
Roorkee

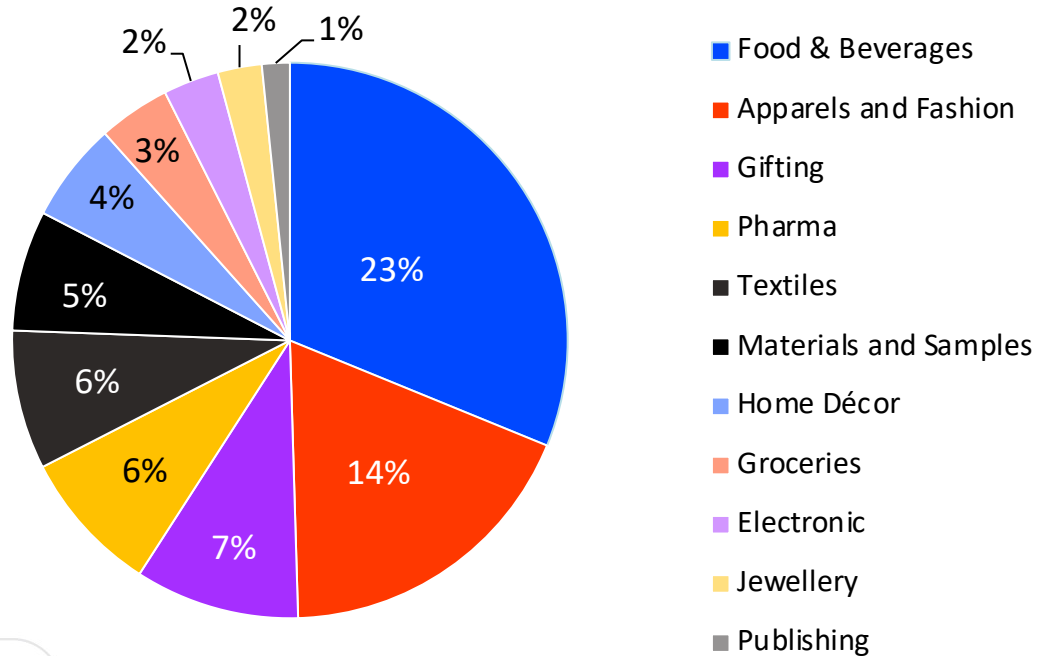
Q4. What percentage of your total orders consist of parcels within the same city?



1. Nearly half of the respondents (**50% MSMEs**) reported that more than 70% of their total orders are within the same city, highlighting the significance of intra-city deliveries for MSMEs.

2. Only 11% MSMEs state that their order from within the same city are lower in the range of 10-20%

Q5. Which category of products do you sell?

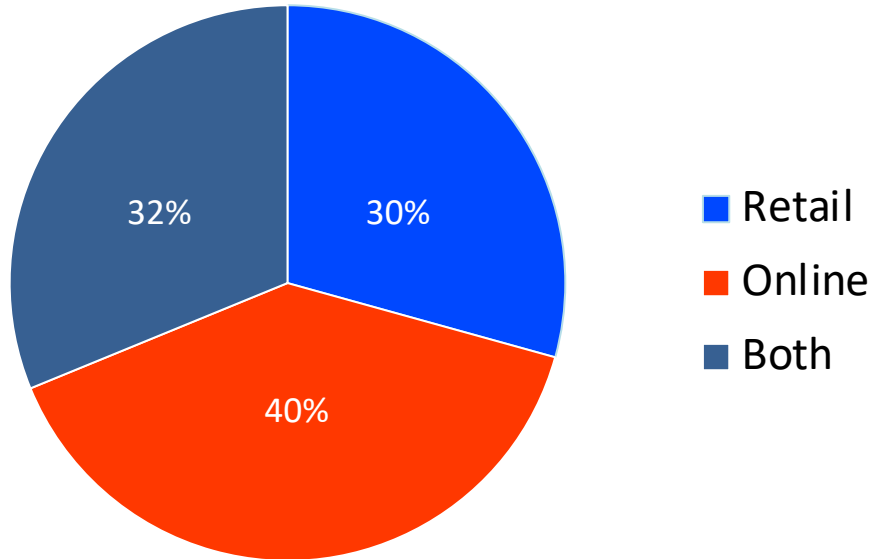


1. 23% MSMEs are engaged in food & beverage category followed by apparels and fashion at **14%**

2. MSMEs sell **7%** and **6%** gifting items & pharma products respectively

3. Textiles, samples, home décor, groceries & jewellerys are few of the more product categories sold by MSMEs

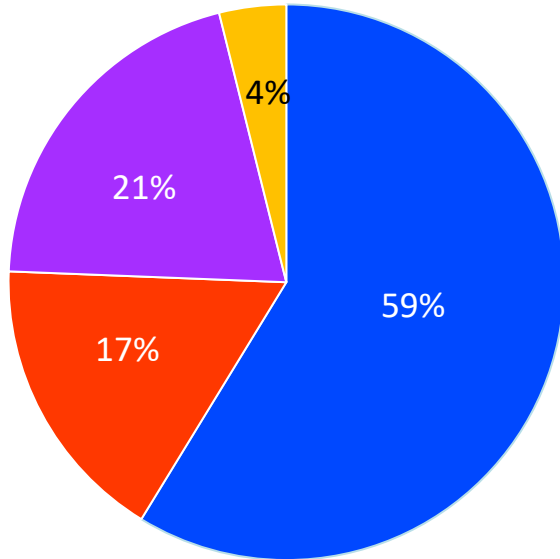
Q6. Do you have a Retail store or Online business?



1. **32%** of MSMEs operates through both channels Retail and Online which indicates a multi-channel approach adopted by many MSMEs

2. **30%** of MSMEs run their businesses totally through Retail channels whereas, **40%** MSMEs were online businesses

Q7. What type of Delivery suits your business the most?



- Delivery within 60 Mins
- Delivery within 4-6 hours
- Delivery within Same-Day
- Next day or 3rd Day Delivery

1. 59% of the MSMEs preferred delivery within 60 minutes, emphasizing the importance of meeting customer expectations and business requirements.

2. 21% MSMEs prefer any timeline but within the same-day.

3. 17% MSMEs prefer items to be delivered within 4-6 hours

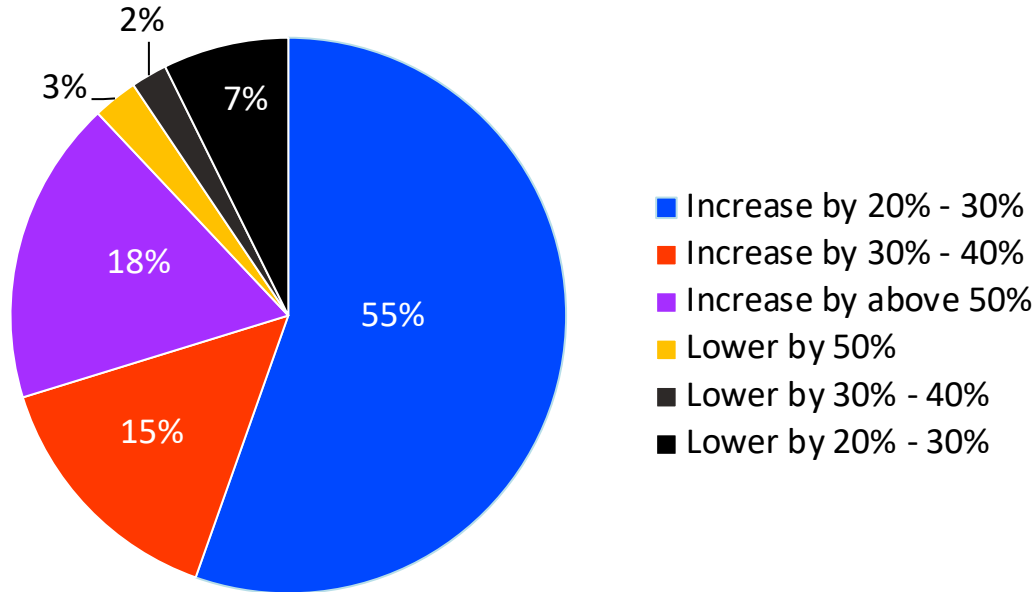
4. Only 4% MSMEs prefer next day delivery

Q8. What is the total value of Shipments that you do in a month?

The average Monthly shipment value of MSMEs is approximately **Rs 1.4 million per month.**

- On the lower side it ranges between **Rs 50,000 to Rs 2,00,000 per month.**
- On the higher side it was in the range of **Rs 50 Lakhs to Rs 1 Crore per month.**
- Over 80% MSMEs said that the Monthly shipment value is in the range of **Rs 50,000 to Rs 10 lakh per month.**

Q9. By what percent the value of shipments **increased or decreased** since last year same time?



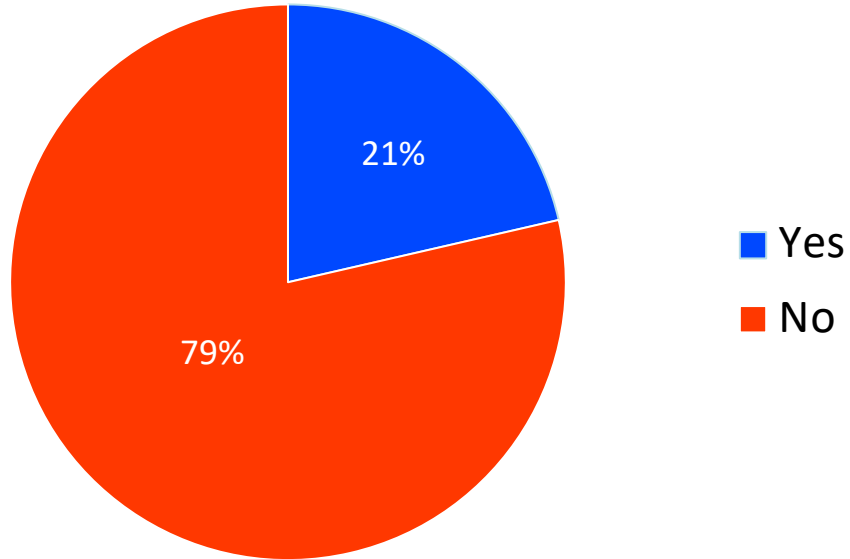
1. **55%** of MSMEs received an increase in shipment value by 20%-30%

2. **18%** MSMEs experienced surge in business by above 50%

3. **15%** MSMEs received an increase in shipment value in the range of 30% to 40%.

4. **12%** of MSMEs has seen a decrease in shipment value.

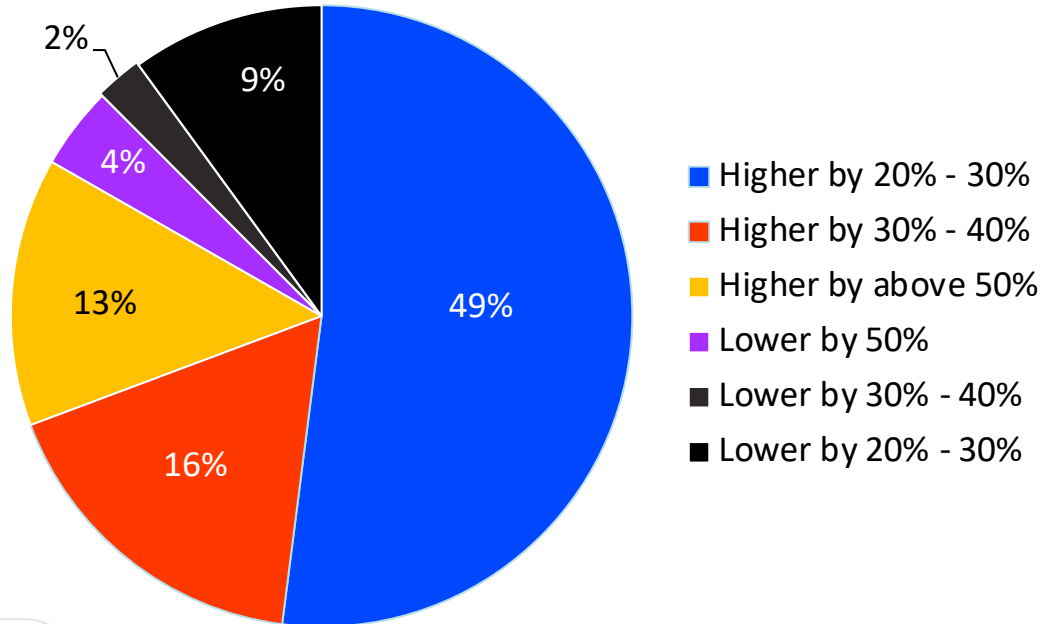
Q10. Do you think there is a slowdown in demand for your products?



1. **79%** MSMEs believe that there is no slowdown in their business but rather there is an increase in demand.

2. **21%** of MSMEs said that they are facing a slowdown in business.

Q11. By what percentage do you think demand was high or low for your products during the financial year?



1. **49%** of the MSMEs has seen an increase in demand of orders by 20%-30%

2. **16%** MSMEs has seen increase in demand of orders by 30%-40%

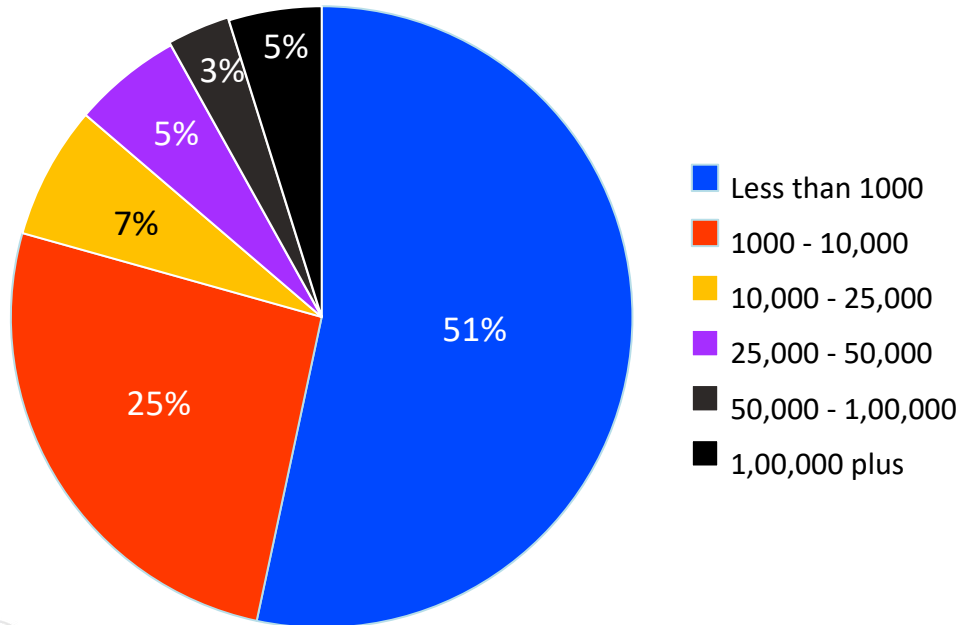
3. **13%** MSMEs has seen a demand surge by over 50%

4. **15%** MSMEs has faced a downfall in demand

Q12. What is your average ticket size of online order in terms of price

- The average per order ticket size is in the range of **Rs 750 to Rs 1500.**
- On some days, the average ticket size per order can drop below Rs 750 in the range of **Rs 180 to Rs 650** and can increase to the range of **Rs 2500 to Rs 3500.**
- The average ticket size of all orders in a day are in the range of **Rs 9500 to Rs 15,000.**
- On some days, MSMEs experience a rise in daily ticket size of orders in the range of **Rs 18,000 – Rs 22,000.**

Q13. What is your average monthly orders?



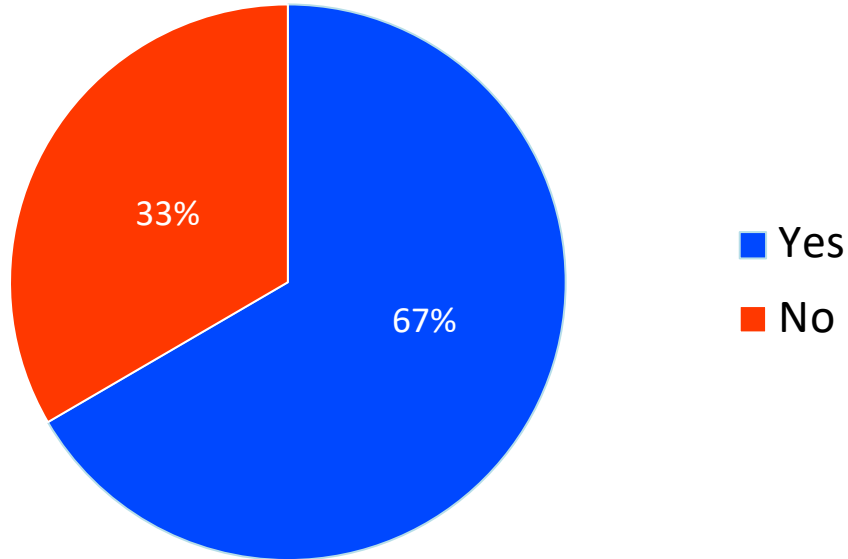
1. 51% of the MSMEs has average monthly orders less than 1000

2. 25% MSMEs has average of 1000- 10,000 monthly orders

3. 15% MSMEs has average 10,000- 1,00,000 monthly orders

4. Only 5% MSMEs has an average of 1,00,000+ orders per month

Q14. Do you use sustainable packaging to pack the orders?



1. **67%** of MSMEs are using sustainable packaging materials, indicating a growing emphasis on environmental responsibility within the business community

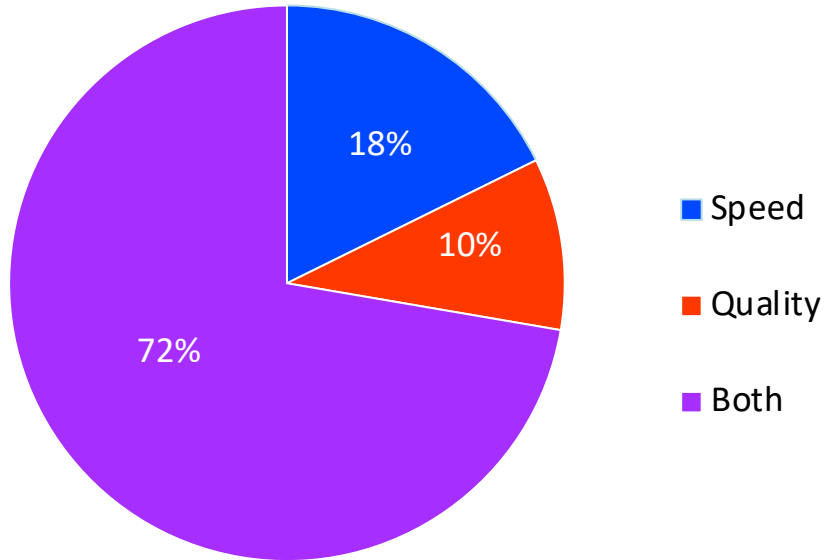
2. **33%** MSMEs have not yet transitioned towards eco-friendly packaging materials

Q15. If yes, what material is most popular in sustainable packaging?

Sustainable packaging materials that MSMEs use on a daily basis include

- Bagasse and Biodegradable boxes
- Cardboard boxes
- Corrugated boxes
- Cloth bags
- Large paper envelopes
- Jute bags and envelopes
- Paper bags
- Recyclable Plastic like Bubble wraps, Bio plastic to name a few.

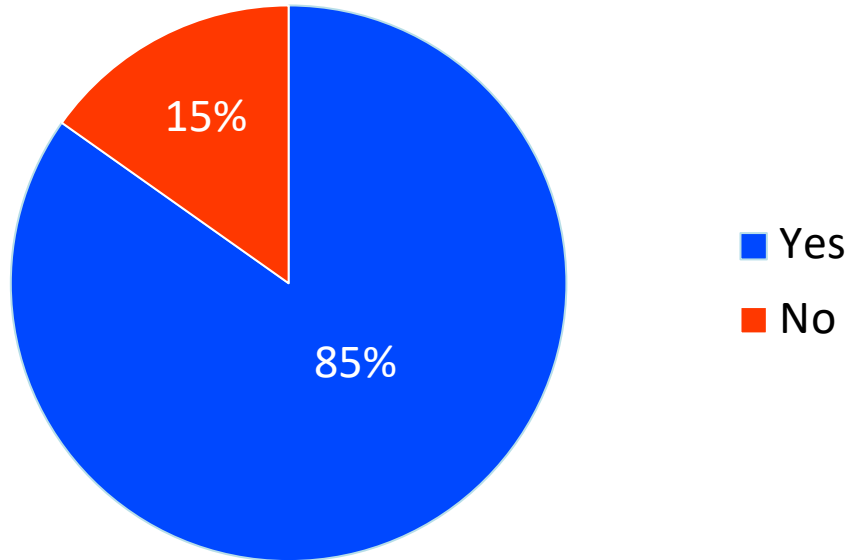
Q16. What is your business need - Speed of delivery or quality of delivery?



1. **72%** MSMEs prefer Speed and Quality of delivery to ensure a seamless experience for their customers and vendors.

2. **18%** MSMEs value speed as opposed to quality whereas **10%** value quality over speed of delivery.

Q17. Is your supply chain automated?



1. **85%** of MSMEs has their supply chain automated amplifying the tech adoption in MSMEs, efficiency and scalability in operations

2. **15%** MSMEs has not automated their supply chain management system yet

Thank you

