

About: Nykaa is India’s top beauty and fashion retailer, offering **6,700+** brands across online and offline channels. Known for its curated products, strong private labels, and trusted shopping experience, Nykaa operates through two key verticals: Beauty & Personal Care and Fashion. It recently expanded globally with its Nysaa launch in the GCC.

Nykaa Overview Stats (2023-24) Source

₹1,24,461 Mn	₹63,856 Mn	50.7 Million	44 across 16 cities	1.1 Bn visits
GMV	Ops Revenue	Total Orders	Warehouse	Visits
3,600+	3,200+	2 to 5 days	187 across 68 cities	11.7 Million
Beauty Brands	Fashion Brands	Delivery Time	Retail Stores	AUTC

Actors Involved

	Customer		QA Team
	CS Team		Product/Ops Team
	Warehouse Teams		Tech & CRM
	Delivery Partners		Brand Partners

India’s Beauty and Personal Care (BPC) Market – Overview

Market Size & Growth

- Current Market Size (2024): ~\$20 Bn USD
- Projected Size by 2037: ~\$90 Bn USD
- Expected CAGR: ~12–15%
- Digital/e-commerce share projected to reach \$40 Bn by 2037

E-commerce Contribution

- Online BPC market accounts for late teen % penetration (~15–18%) in 2024
- Nykaa is the largest specialty BPC platform, with 30%+ online market share

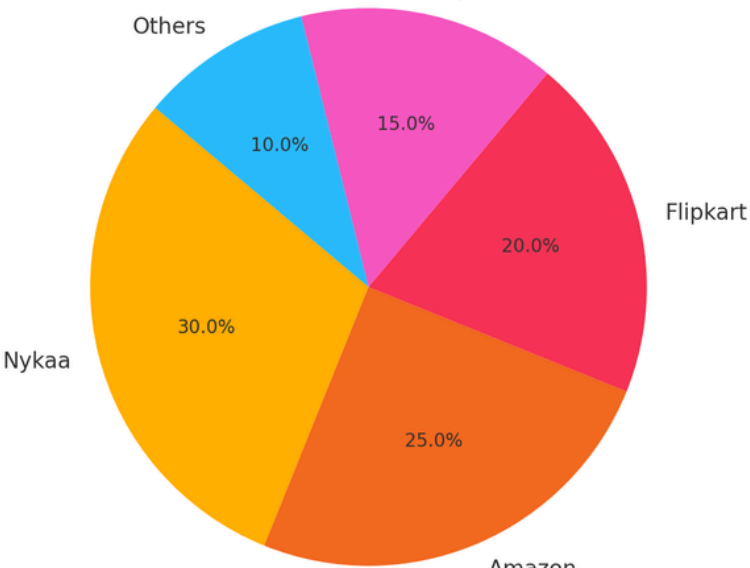
Growth Drivers

- Rising disposable income
- Expanding internet & smartphone penetration
- Tier 2 & 3 market adoption
- Premiumization & global brand availability
- Increased focus on self-care, wellness, and grooming

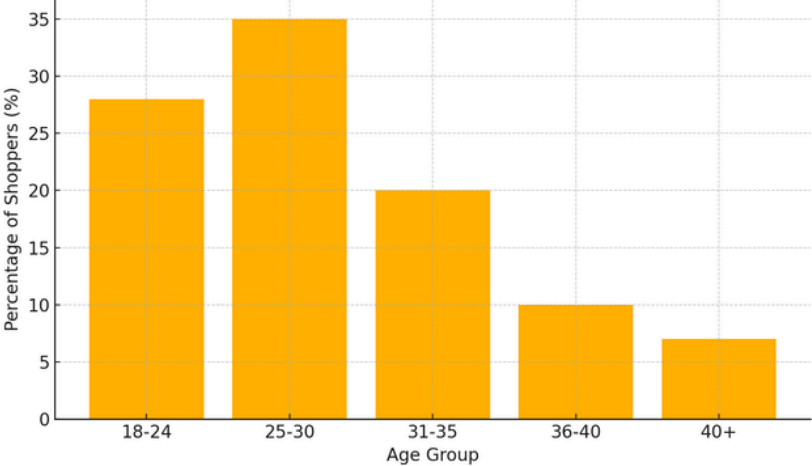
Business Value

- High repeat rate and customer lifetime value
- Strong unit economics in beauty vs. other categories
- Fast growth in subcategories like skincare, makeup, fragrance, and haircare

Estimated Market Share in Indian BPC E-commerce (2024)



Age Distribution of BPC Shoppers in India (2024)



Competitor Analysis: BPC E-commerce (2024)

Platform	Orders/Yr	Delivery	Return Policy	Edge
	50M+	2–5 days	15-day, app-enabled	BPC focus, 30% share, 44 warehouses
	200M+	1–3 days	7–10 days, easy pickup	Fastest delivery, wide reach
	100M+	2–4 days	10-day replacement	Price-driven, wide catalog
	40M+	2–5 days	14-day returns	Strong in fashion-BPC combo
	~5M	2–4 days	14-day easy return	Luxe focus, early stage
	20M+	3–6 days	15-day returns	Value BPC, private labels

Secondary Research

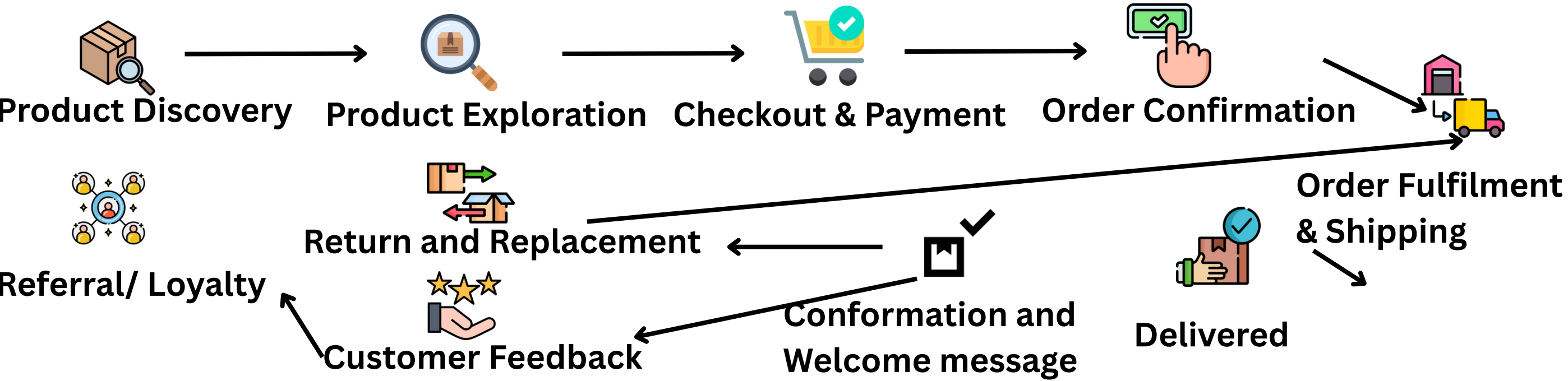
✗ Common Complaints

- Delayed Deliveries during sales events – frustrating for users. (LinkedIn)
- Slow Customer Support with unresolved issues. (LinkedIn)
- Return & Refund Delays, often unclear and inconvenient.
- App Issues – removal of pictorial reviews & timestamps. (Reddit)

✓ Positive Feedback

- Wide Product Range, especially valued in Tier 2/3 cities. (Nykaa)
- Easy-to-use Website, helpful for first-time shoppers.

Nykaa User Flow (Flow)



Nykaa App Ratings (April 2025)

4.5 Android (1.55 M+ reviews)
4.5 IOS (143K+ ratings)

User Persona 1



Name: Riya Shah
Age: 22
Profession: Student
Location: Mumbai
Order Value: ₹1,000–₹2,000
Delivery Experience: Good
Post-Order Feeling: Nervous about delays or damage
Key Frustrations:

- Inaccurate or delayed tracking updates
- Confusion around returns

Support Preference: WhatsApp updates & live agent access
What She Wants:

- Real-time visual tracking
- Proactive alerts if something goes wrong
- Schedule-friendly return pickups
- Reward for leaving a product review

User Persona 2



Name: Neha Verma
Age: 30
Profession: Full-time Marketing Executive
Location: Jaipur
Order Value: ₹2,000–₹3,500
Delivery Experience: Excellent
Post-Order Feeling: Confident but wants quick resolution if needed
Key Frustrations:

- Return process takes too long
- Limited support on high-value orders

Support Preference: Instant call-back & 1-click return status
What She Wants:

- Premium care feature for fastrefunds
- Packaging safety confirmation (photo/video)
- Loyalty points or gifts for repeat orders

Nykaa Post-Delivery User Insights (n=33)

- **66%** are aged **18–34** → Young, digital-first audience
- **57%** from Tier **1** cities → Expect high service standards
- **~80%** ordered items under **₹2000** → Even budget users expect good experience
- **79%** rated delivery as Good/Excellent
- **60%+** felt anxious or unsure post high-value orders
- **42%** faced issues with tracking or damaged products
- **36%** rely on delivery timeline updates
- **33%** want photo proof of packaging
- **27%** prefer WhatsApp support; others want instant returns & call-backs
- **33%** want rewards for reviews; **30%+** want easier returns

Key Takeaways – Nykaa Post-Delivery Survey

- Young, urban users lead – 66% aged 18–34; 57% from Tier 1.
- Delivery rated well – 79% say Good or Excellent.
- 60 %+ feel anxious post high-value orders.
- Pain points – tracking (42%), damage (24%), return issues (30%).
- Users want WhatsApp support, instant refunds, and call-backs.
- High interest in premium features like instant returns & protection.
- Engagement gap – demand for review rewards & flexible returns.

Type of User Segment



Price-sensitive buyers

Frequently purchase under ₹1000



Beauty enthusiasts

Actively buy skincare/cosmetics



First-time users

New to Nykaa or e-commerce



High-value purchasers

Order value ₹1500+

🎯 Target User Segment: High-Value Purchasers & First-Time Users

1. High-Value Purchasers

Profile

- Spend ₹1500+ per order, prefer premium products, shop during Luxe launches.

🌟 Key Characteristics

- Higher sensitivity to delays, damage, or poor packaging
- Less tolerant to friction in return/refund workflows
- Likely to churn after a single bad experience
- Strong potential for repeat purchases & higher AOV

💡 Why Target?

- They contribute ~40% of Nykaa’s GMV
- Satisfying them boosts retention, loyalty, and CLTV
- Ideal for upselling NykaaCare+



2. First-Time Users



Profile

- New to Nykaa, often from Tier 2/3 cities, buying mid-range or budget products.

🌟 Key Characteristics

- Feel anxious post-purchase (tracking, delivery doubts, return fears)
- Low brand trust initially — needs reassurance
- Critical segment for conversion into repeat buyers



Why Target?

- First impressions shape future buying behavior
- A smooth post-delivery journey can increase repeat rate from 18% → 25%
- Converting them builds a long-term user base and referral potential

Impact Analysis: Post-Delivery Optimization



Assumptions

- Total Annual Orders: 150 million
- High-AOV Orders (>₹1500): 25% → 37.5 million orders
- Users impacted by post-purchase gaps: 30% → 11.2 million orders
- Attrition risk if unresolved: 20% → 2.2 million lost orders
- Average Order Value (AOV): ₹1800



Revenue at Risk

- 2.2M × ₹1800 = ₹396 Crore
- This is the annual revenue at risk due to poor post-purchase experience among high-value users.



Potential Gains If Solved

- Retention of ₹396 Cr (saved leakage)
- NPS Lift: +15 to +20 points in high-AOV cohort
- Reorder Boost: 5–10% increase = ₹100–₹150 Cr incremental revenue



Total Value Opportunity

~₹500–550 Cr/yr in retained + incremental revenue if post-delivery issues are addressed

What is the True Problem?

Customers, especially first-time and high-value buyers, face post-delivery anxiety due to poor tracking, unclear returns, and weak support, leading to churn, low trust, and lost revenue.

How Do We Know It's a Real Problem?

- 60%+ feel anxious post high-value orders
- 42% face tracking issues, 30% struggle with returns
- Users ask for WhatsApp support, real-time return tracking, and reassurance
- Reviews on LinkedIn, Reddit & App Stores highlight delays, poor support
- High-value users (25% of orders) are most affected
- Repeat rate and NPS drop due to poor post-delivery experience

Why Solve This NOW?

- ₹396 Cr in revenue is at risk annually
- Improving the flow can unlock ₹100–150 Cr via repeat orders
- Competitors like Tira & Amazon are catching up
- Nykaa's next growth lever is experience, not just catalog
- Better post-purchase UX reduces support load & boosts loyalty

Who is Facing This Problem?

First-Time Users

- New to Nykaa or online beauty shopping
- Lack trust and confidence in post-delivery experience

High-Value Purchasers

- Order AOV ₹1500+
- Expect premium service, instant clarity, and low tolerance for friction

Tier 2/3 Urban Users

- May not be digitally fluent
- Require more handholding and proactive support

Job-To-Be-Done

When I buy beauty products online, please help me track my high-value order clearly and understand the return process, so that I feel reassured about my purchase, avoid post-order anxiety, and trust the brand enough to shop again.

What's in scope and out of scope?

✓ In Scope:

Post-delivery updates, return/refund flow, packaging reassurance, support touchpoints, and loyalty nudges.

✗ Out of Scope:

Logistics ops, app discovery changes, backend return engine, and offline store workflows.

Solution 1: Smart Post-Delivery Assistant (SPA): A proactive, personalized post-delivery experience layer integrated via WhatsApp + App Notifications.

- 📌 Features:**
- “Your order is safe” reassurance message with delivery summary
 - Photo proof of packaging on dispatch
 - AI-generated product usage tips, care instructions, and routine builder (based on product type)
 - Quick access to return/refund tracker + “Need help?” smart bot
 - Feedback/review prompt after usage with reward points

- 💡 Why This Works:**
- Addresses user anxiety, lack of updates, and return confusion
 - Leverages WhatsApp (preferred by 27%+ users) for trust and ease
 - Drives retention and repeat purchases via education + engagement

- 🚀 Business Impact**
- Lift in CSAT/NPS
 - Reduced support tickets
 - Improved repeat rate → ₹100–150 Cr gain

Solution 2: NykaaCare+ – Premium Post-Purchase Protection Plan: An optional add-on for high-value users, giving them priority care and trust-focused features.

- 📌 Features:**
- Priority delivery with extra packaging care
 - 1-tap return/refund + live status updates
 - Dedicated WhatsApp/call support window
 - Delivery assurance badge & protection cover
 - Free product usage consultation (chatbot/beauty advisor)

- 💡 Why This Works**
- Targets the 25% of users who make high-AOV purchases
 - Converts pain points into value-adds with monetization potential
 - Builds a strong experience moat against Tira/Amazon

- 🚀 Business Impact**
- Revenue retention of ₹396 Cr (reduced churn)
 - Premium upsell opportunity (~₹99–₹149 plan per order)
 - Boosts loyalty and long-term CLTV

RICE framework analysis for both the Nykaa Assurance Room and NykaaCare+ Guardian ideas

Idea	Nykaa Assurance Room	NykaaCare+ Guardian
Reach	10	5M
Impact	High (3)	Very High (4)
Confidence	Medium-High (0.8)	High (0.9)
Effort	8	5
RICE Score	3 M	3.6
Priority	Second Phase	First Phase

Implementation Plan

User Stories

- As a first-time user, I want timely updates and support after delivery, so I feel confident and informed.
- As a high-value buyer, I want quick access to return/refund options and delivery assurance, so I feel protected.
- As a repeat shopper, I want personalized product care tips and reward nudges, so I’m encouraged to reorder.
-

How can we increase CSAT by prioritizing SPA?

By offering proactive delivery updates, real-time support access, and post-delivery reassurance, SPA enhances user satisfaction, reduces anxiety, and builds trust – especially for new and high-AOV users.

How does SPA help cut costs?

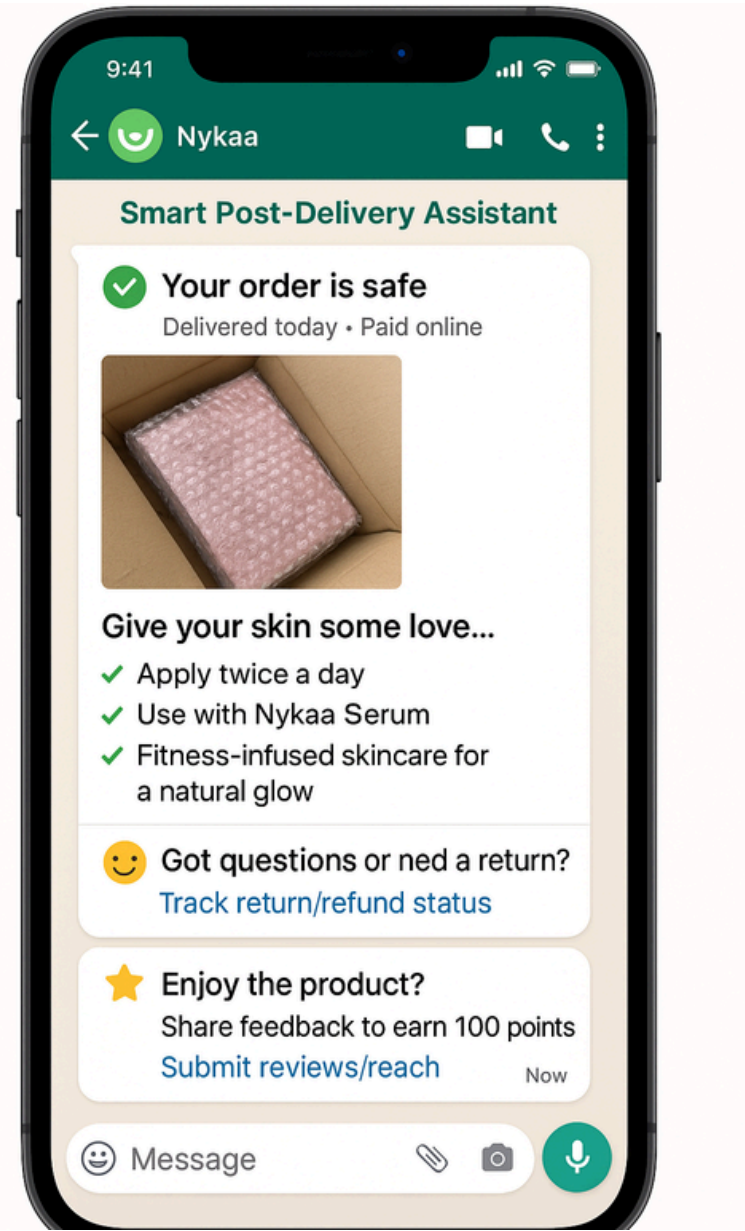
It reduces dependency on manual customer support by automating tracking updates, usage guidance, and returns – leading to fewer inbound tickets and improved team efficiency.

How will SPA generate revenue faster?

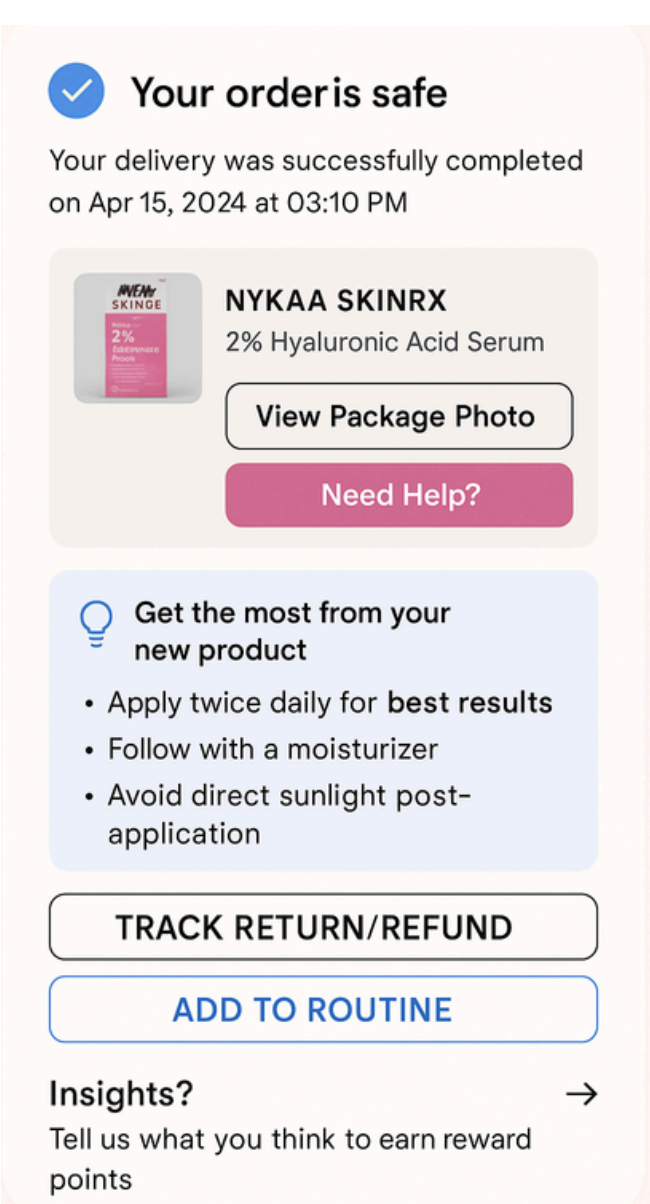
Improved post-delivery experience increases repeat purchases, review conversions, and loyalty program adoption – leading to higher lifetime value and incremental revenue from reorders and upsells.

SUCCESS METRICS – SMART POST-DELIVERY ASSISTANT (SPA)

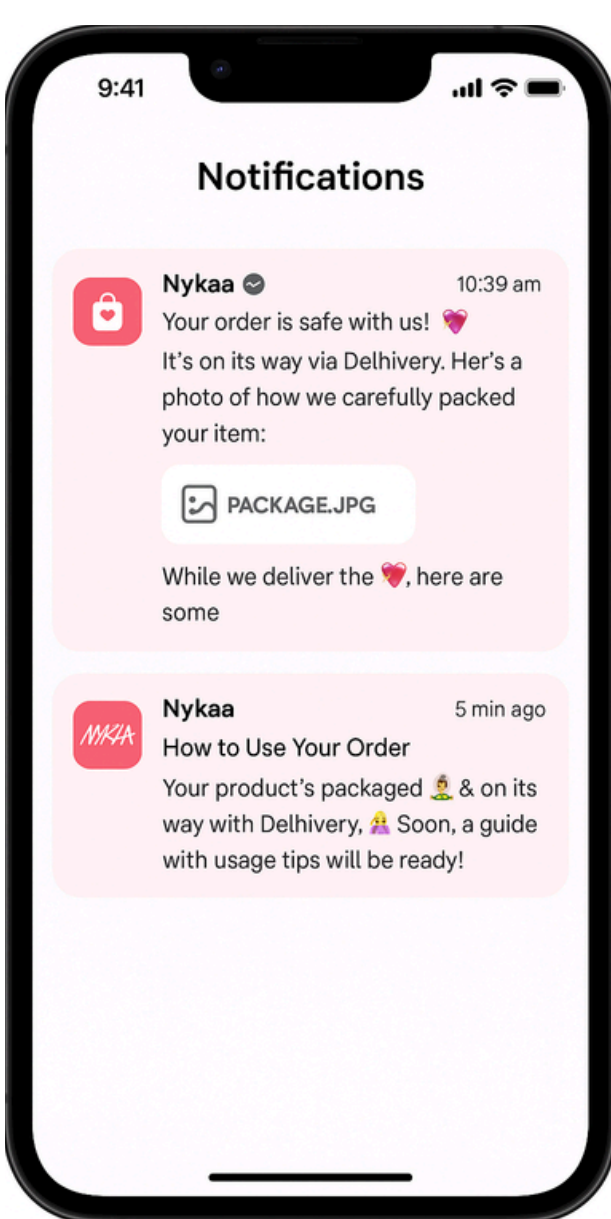
Metric	Description	Goal/Benchmark
CSAT (Post-delivery)	User satisfaction score after delivery	≥ 4.5 / 5
Return-related ticket volume	Support queries related to returns/refunds	↓ 20%
Repeat purchase rate	% of users who re-order after engaging with SPA	↑ from 18% → 25%
WhatsApp opt-in rate	% of users who opt-in to post-delivery WhatsApp flow	≥ 60%
Feedback response rate	% of users who leave a review after reminder	≥ 30%
Time-to-resolution	Avg. time to resolve post-delivery issues	↓ by 25%



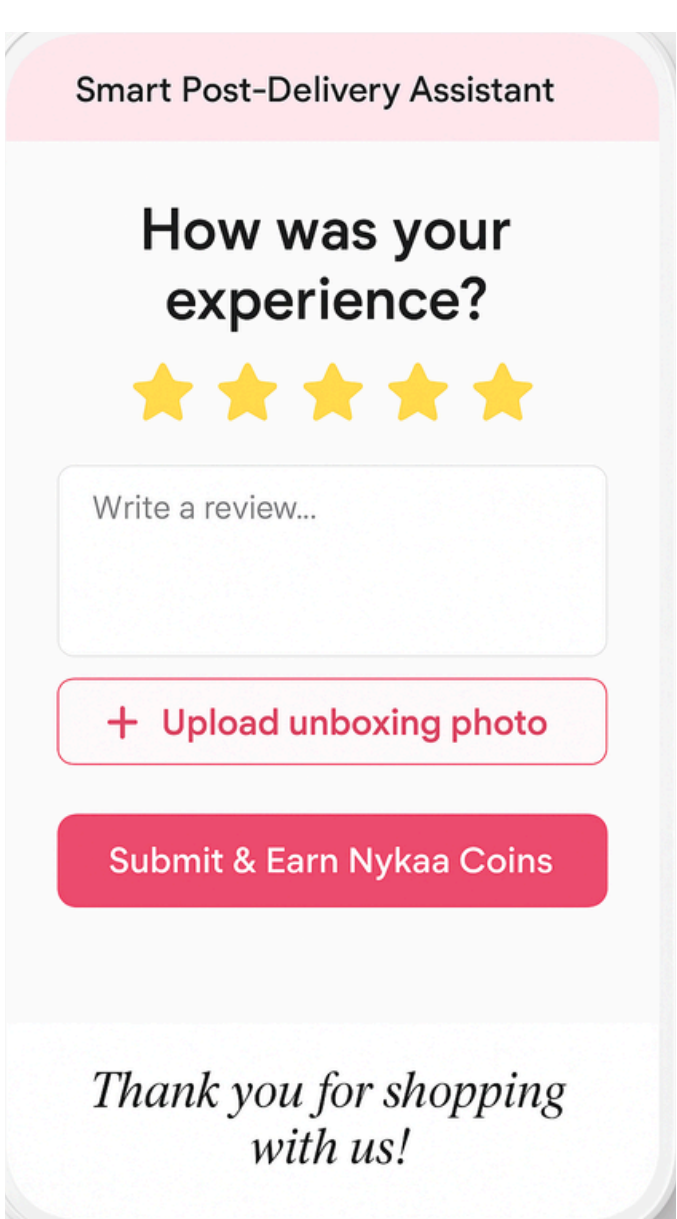
Order Reassurance Screen
 Confirms the order is safe with the packaging photo and delivery summary sent via WhatsApp or app notification.



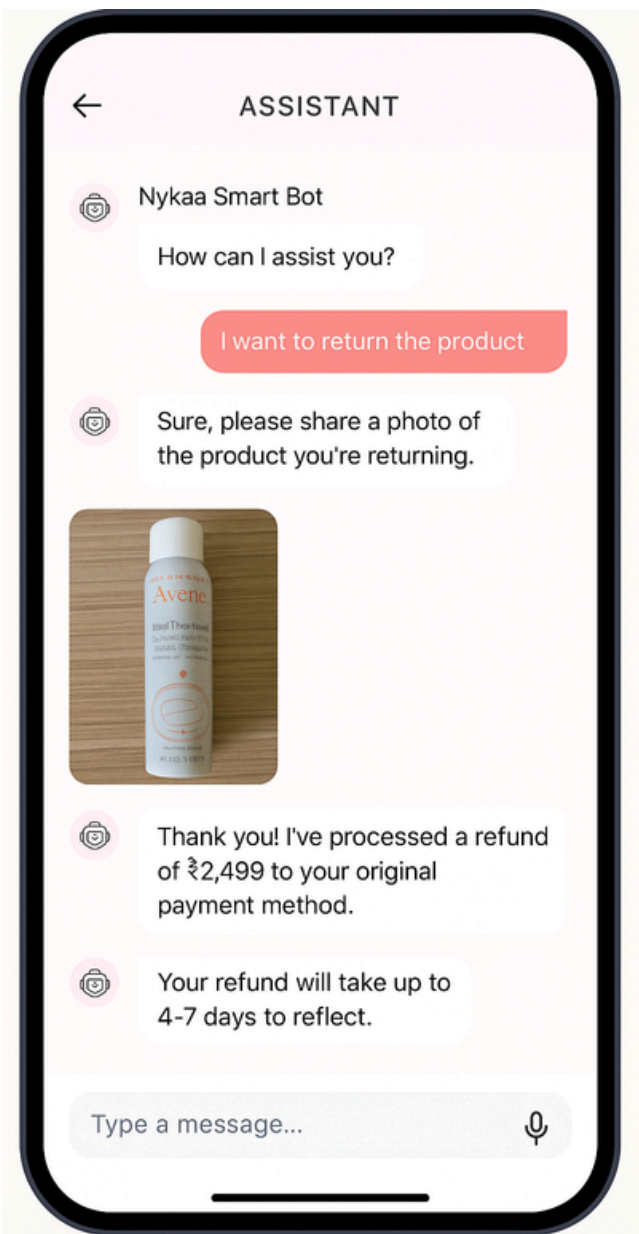
Product Companion Screen
 Provides AI-generated usage tips, care instructions, and a custom routine builder based on product type.



Product Tracking Notification
 Nykaa sends a proactive delivery reassurance and product usage alert with packaging proof to boost user trust.



Review & Reward Prompt Screen
 Prompts users to submit reviews or unboxing photos in exchange for Nykaa Coins or loyalty points.



AI Refund Chat Assistant Screen
 WhatsApp-style AI chat that handles refund requests instantly with image upload and refund ETA visibility.

Risk	Impact	Mitigation
Low WhatsApp opt-ins	Low user engagement	Auto-opt-in + highlight benefits
Tech/API issues	Broken flow, poor user experience	Phased rollout + fallback communication
Support overload	Delays in query resolution	AI chat + early team training
NykaaCare+ confusion	Low adoption rate	In-app tooltips & benefit comparison
Weak feedback collection	Missed insights, CSAT drop	Auto-feedback prompts post-resolution
Inconsistent app/web UX	User frustration, trust issues	Unified cross-platform design
Data privacy concerns	Compliance risk, user drop-off	Ensure opt-in + secure data handling

Go-to-Market Strategy – SPA & NykaaCare+


Target Segments: High-AOV users (₹1500+), first-time buyers, Tier 1/2 cities


Messaging
SPA: “Smarter tracking, smoother experience”
 NykaaCare+: “Priority care for your beauty buys”


Channels: In-app banners, emails, WhatsApp, influencer reels, homepage feature


Rollout Plan:
 Phase 1: Pilot (10%) → Phase 2: Metro → Phase 3: All-India + Care+ monetization


Launch Offers: ₹50 cashback on Care+ use, 2x points for reviews, free trial for 10K users


Success Metrics: ≥20% adoption, repeat order uplift, fewer support tickets, CSAT/NPS gain

- ## Key Failure Points

 - Low SPA adoption due to unclear value or ignored prompts
 - Confusion around NykaaCare+ activation and benefits
 - Delivery or return delays reduce trust in the flow
 - Poor team alignment leads to inconsistent user experience
 - Missing feedback loop limits continuous improvement