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Product Rescue: making Snapdeal a reliable value-shopping destination

Detailed supporting analysis · Independent educational analysis—not affiliated with Snapdeal · Prepared by Varun Kumar · October 2026

Recommendation (same as the 5-page PDF)

Do not compete on the lowest price; three well-funded rivals already offer low prices with zero seller commission. Compete on **reliability**: the buyer gets what the listing shows, on the promised date, with an easy refund if not. Start with a "Verified Value" pilot in two categories (ethnic wear; home & kitchen) with ~300 sellers. Approve **₹35 lakh for a 90-day research and prototype quarter**, then release later quarters (≈ ₹2.2 cr total) only if gates are met.

1 How to read this document

Label	Meaning
FACT	Stated in a filing, company material or credible report; source cited with date.
INTERPRETATION	My reading of facts (e.g. why losses narrowed).
HYPOTHESIS	A belief to be tested with real users or data before acting.
ASSUMPTION	An input chosen for modelling (costs, reach, rates). Replace with internal data.
TARGET	A proposed goal for the pilot; to be agreed by leadership.

2 Method

- **Desk research only.** Sources: AceVector IPO documents as reported by Chittorgarh, Oquilia, equityresearchindia and MediaNama; reporting by CNBC, Business Today, Financial Express, TechCrunch, Walmart corporate news and others (full list on page 12).
- **Financial basis.** Group numbers are AceVector *restated consolidated* figures from the IPO prospectus (FY24–FY26). Snapdeal marketplace numbers are the *segment* figures in the same filings. Older or different-basis numbers are shown separately and flagged.
- **No primary research.** No interviews, quotes, internal data or customer numbers were invented. All segment needs, costs, reach and targets are hypotheses or assumptions.
- **Cut-off.** Research checked up to 12 October 2026. AceVector listed on 5 October 2026; prices and ratios change daily.

3 Key limitations

- Snapdeal does not disclose GMV, average order value, take rate, return rates or contribution per order. The economics on page 11 are therefore illustrative.
- The full RHP PDF could not be opened directly in this research session; figures come from secondary summaries of it and were cross-checked between at least two sources where possible.
- Market-share data from 2014–15 is a broker estimate whose exact metric (likely GMV) is not stated in the report.
- Competitor positioning is from public statements at different dates; features and fees change often and must be re-checked in a live journey audit.

1. History and turning points

Date	What changed	Why it mattered
4 Feb 2010	Founded by Kunal Bahl and Rohit Bansal as a daily-deals platform FACT	Built a base of local merchants and deal-seeking buyers.
Oct 2011	Becomes an online marketplace FACT	Asset-light model: third-party sellers, Snapdeal earns fees.
2011–14	Raises from Nexus, Bessemer, eBay, Kalaari, BlackRock, Temasek and others FACT	Funds a GMV race against Flipkart and the newly arrived Amazon (2013).
Oct 2014	SoftBank invests ~US\$627M for ~30%, becoming largest shareholder FACT	Big capital; also big expectations on scale.
2014–15	Morgan Stanley data puts Snapdeal second with ~32% share vs Flipkart 44% and Amazon 15% FACT	Verifies the "second-largest" claim (see box below).
Mar–Apr 2015	Buys Unicommerce and FreeCharge; takes stake in GoJavas logistics FACT	Diversification into payments, logistics and SaaS.
Feb 2016	Raises US\$200M at ~US\$6.5B valuation (peak) FACT	High-water mark.
2016–17	Amazon overtakes Snapdeal as No. 2 FACT ; heavy discounting across the market	Lost scale advantage against better-funded rivals.
31 Jul 2017	Ends merger talks with Flipkart (offer reportedly US\$900–950M); sells FreeCharge to Axis Bank for ₹385 cr; announces "Snapdeal 2.0" FACT	Pivot to an independent, leaner, value-focused marketplace.
2017–2020	Sells non-core assets (e.g. Vulcan Express); focuses on value buyers outside metros FACT	Lower burn; niche positioning.
Jan 2021	Named in USTR "notorious markets" review for counterfeits; dropped from the list released in 2022 FACT	Trust risk for a value marketplace.
2021–24	Shopsy (2021), Meesho growth, Amazon Bazaar (2024) target the same value buyer FACT	Value commerce becomes crowded and zero-commission.
Jul 2022	AceVector group formed: Snapdeal, Unicommerce, Stellaro Brands FACT	Group results now mix marketplace with SaaS.
Aug 2024	Unicommerce lists on stock exchanges FACT	Profitable SaaS unit gets its own market value.
25–29 Sep 2026	AceVector IPO: ~₹420 cr (₹287 cr fresh, ~₹133 cr OFS), price ₹32; subscribed 5.07× FACT	New capital; public scrutiny of results.
5 Oct 2026	Lists on NSE/BSE; opens ₹28.32 (NSE), closes ₹26.08 on day 1 (~18.5% below issue) FACT	Market is cautious about the loss-making marketplace.

Was Snapdeal "India's second-largest e-commerce player"?

Yes, around 2014–15, by market share in a Morgan Stanley estimate reported by CNBC (17 Nov 2015): Flipkart ~44%, Snapdeal ~32%, Amazon ~15%. The report does not state the exact metric; GMV share is likely [INTERPRETATION](#) . By July 2017 Business Today reported Snapdeal had lost the No. 2 spot to Amazon. Snapdeal's CEO also claimed it would become No. 1; that was a management goal, not a result.

Did Snapdeal close?

No. It still operates as AceVector's marketplace, with 1.22 crore annual transacting customers and ₹1,093 cr NMV in FY26 [FACT](#) . It lost its competitive position in horizontal e-commerce, not its business.

2. Current business model

2.1 Who does what

Buyers Value-conscious, mostly Tier 2+ (65% of units FY26) FACT	Snapdeal app/web Discovery, payments incl. COD, support, returns	Sellers Small brands, emerging and unbranded makers; list, price, pack	Logistics partners Third-party carriers for forward and reverse trips
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Area	What is known	Status
Revenue streams	Marketplace services to sellers (commissions/fees, logistics and other services, advertising). Group also earns SaaS revenue from Unicommerce and brand revenue from Stellaro.	FACT types; mix not split publicly
Major costs	Logistics (forward + reverse), marketing and customer acquisition, employees, technology, payment and COD handling.	INTERPRETATION from filings' cost lines
Price position	83.75% of units sold priced below ₹599 in FY26.	FACT
Assortment	Fashion, home, kitchen, beauty and general merchandise; mix of emerging brands and unbranded products, not only unbranded.	FACT
Scale	Annual transacting customers 78.5 lakh (FY24) → 121.6 lakh (FY26); NMV ₹633 cr → ₹1,093 cr.	FACT
Seller incentives	Fee levels vs zero-commission rivals not disclosed.	Gap
Acquisition & repeat	Repeat-purchase share and CAC not disclosed in the sources reviewed.	Gap
Returns	Return rates by reason not disclosed.	Gap: the most important one

2.2 Derived ratios (my calculations from disclosed numbers)

Ratio	FY24	FY26	Note	
NMV per transacting customer per year	₹807	₹899	₹63,333.7 lakh ÷ 78.5 lakh; ₹1,09,311 lakh ÷ 121.6 lakh	INTERPRETATION
Marketplace adj. EBITDA ÷ NMV	n/a	-4.6%	-₹50.25 cr ÷ ₹1,093 cr	INTERPRETATION
Marketplace revenue ÷ NMV	n/a	26.9%	Not a take rate: revenue includes logistics and other services	INTERPRETATION

2.3 Why unbranded is not inherently poor quality

- Many low-price goods are made in the same clusters (Surat textiles, Moradabad metalware, Delhi NCR home goods) that supply branded labels; the price gap is often brand, ad and retail markup, not material **HYPOTHESIS**.
- Quality varies *between sellers*, not by "brand vs no brand". The buyer's problem is **uncertainty**, not low price.
- A marketplace can reduce uncertainty with signals buyers trust.

Quality signals a marketplace can build

- Structured specs checked against photos (fabric, size chart, dimensions).
- Verified-buyer photos shown before seller photos.
- Seller accuracy score from "not as described" returns.
- Category-specific checks (e.g. size charts in apparel, capacity in kitchenware).
- Clear, predictable returns so trying is low-risk.

3. Financial analysis: what is verified and what is not

3.1 Definitions used

Term	Meaning here
GMV	Gross value of orders placed, before cancellations and returns. Not disclosed by AceVector.
NMV	Net merchandise value: value of orders after cancellations/returns (company-defined). Disclosed for the marketplace.
Revenue	Revenue from operations: what the company earns (fees and services), far smaller than NMV.
Contribution	Revenue per order minus variable costs (logistics, payments, returns). Not disclosed.
Adjusted EBITDA	Company-defined operating profit before depreciation, interest, tax and certain adjustments (e.g. share-based pay).
Net profit/loss	Bottom line after all items, including exceptional items.
Operating cash flow	Cash generated or used by operations.

3.2 AceVector group, restated consolidated (₹ crore) FACT

Metric	FY24	FY25	FY26	Change FY26 vs FY25
Revenue from operations	379.8	395.0	510.4	+29%
Total income	384.7	406.8	537.7	+32%
Adjusted EBITDA	-26.5	-39.2	-15.9	Loss 59% smaller
Loss before tax	-45.8	-120.6	-37.6	
Net loss	-51.3	-126.3	-45.5	Loss 64% smaller
Net worth	-142.1	126.3	102.1	

3.3 Segment view, FY26 (₹ crore) FACT

Segment	Revenue	Share	Adj. EBITDA	Trend
Snapdeal marketplace	293.7	57.5%	-50.3	NMV ₹633 cr (FY24) → ₹1,093 cr (FY26)
Unicommerce SaaS	204.3	40.0%	+41.3	Adj. EBITDA 16.2 → 25.3 → 41.3 (FY24-26)
Stellaro Brands	12.8	2.5%	n/a	Small

3.4 Where did the improvement come from? INTERPRETATION

- **One-off:** FY25 included a ₹57.9 cr provision on an unutilised advertising deposit. Its absence in FY26 explains ~70% of the ₹80.8 cr narrowing of net loss.
- **Growth:** group revenue +29%; marketplace NMV grew ~73% over two years.
- **SaaS:** Unicommerce adj. EBITDA rose ₹16 cr in a year; it carries the group.
- **Asset sales:** none material in FY24-26 found. Earlier (2017) sales of FreeCharge and logistics funded the pivot.
- **Cost cuts:** operating cash burn fell from ₹209 cr (FY23) to ₹27 cr (FY25) and turned slightly positive (₹5 cr) in H1 FY26.

"Profit doubled": not verified

No AceVector or Snapdeal profit figure doubled in FY24-FY26. The group made a net loss each year, and the marketplace is still loss-making at adjusted EBITDA level. Possible sources of the claim: FY26 loss narrowing (-64%), Unicommerce EBITDA growth (2.5× in two years), or NMV growth (1.7×). None is "profit doubled". The Financial Express (2024) "losses cut 43% to ₹160 cr in FY24" appears to be on a different entity/basis (likely standalone) and is not comparable with the consolidated ₹51.3 cr.

Other basis: UDRHP (MediaNama, 9 Dec 2025) net loss ₹267.5 cr FY23, ₹51.3 cr FY24, ₹125.9 cr FY25 (RHP restated FY25: ₹126.3 cr; small restatement difference). Marketplace revenue FY23 ₹279.5 cr, FY24 ₹252.9 cr, FY25 ₹249.9 cr. Market-opportunity forecasts are not used as facts here.

4. Why Snapdeal lost ground, and what a PM could have done

4.1 Symptoms vs root causes

Symptoms **FACT** : fell from No. 2 to a niche player; valuation from ~\$6.5B (2016) to ~\$1B in 2017 merger talks; years of losses. These are outcomes, not causes.

Proposed root cause HYPOTHESIS	Supporting evidence	Counter-argument	Confidence
1. Horizontal GMV war vs better-funded rivals	Amazon entered 2013 with a global balance sheet; Snapdeal lost No. 2 by 2017; Flipkart later backed by Walmart.	Every player discounted heavily; Flipkart survived the same war.	High
2. Capital and focus spread to adjacencies	FreeCharge, GoJavas and other bets in 2015; FreeCharge sold for ₹385 cr in 2017.	Payments was strategic (Flipkart built PhonePe). Unicommerce, also bought in 2015, became valuable.	Medium
3. Weak quality and trust signals	USTR counterfeit listing 2021 (removed 2022). Value assortment carries more uncertainty.	No public data on Snapdeal's return or rating levels vs rivals.	Medium-low (key research gap)
4. Less logistics control	Amazon and Flipkart (Ekart) built owned networks; Snapdeal sold logistics assets in 2017.	Third-party logistics in India has matured; Meesho grew asset-light.	Low
5. Undifferentiated value proposition after 2021	Shopsy, Meesho, Amazon Bazaar all target low prices with zero commission.	Snapdeal still grew NMV 73% in two years.	Medium

4.2 Historical decision points a PM could have influenced

A. 2015–16: depth vs breadth Known then: No. 2 with ~32% share; Amazon scaling fast; huge funding. Possible action: focus marketing and seller quality on 3–4 categories where Snapdeal led, instead of matching rivals everywhere. Trade-off: slower headline GMV, investor pressure. Early warnings: repeat-buyer rate, CAC payback, share trend by category, "not as described" returns.	B. 2017: shape of Snapdeal 2.0 Known then: merger off, cash tight, value focus chosen. Possible action: make trust the core of the value promise (seller standards, verified photos) from day one. Trade-off: fewer sellers and SKUs short term; cost of QC with little cash. Early warnings: complaint rate per 1,000 orders, seller churn, NPS by category.	C. 2021–24: zero-commission rivals Known then: Shopsy (2021), Meesho, Amazon Bazaar (2024) offering zero commission. Possible action: differentiate on reliability rather than fees; use Unicommerce data to help sellers. Trade-off: may lose price-only sellers. Early warnings: seller multi-homing and churn, share of wallet, app uninstall reasons.
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No hindsight certainty: none of these actions would alone have prevented the decline; capital, competition and market timing were strong forces. They are decision points where better early metrics could have changed the bet.

5. Customer segments and real-user research plan

5.1 Behavioural segments HYPOTHESIS

Segment	Frequency	Price sensitivity	Categories	Trust concern	Digital comfort	Returns behaviour
Occasion buyer	Few times a year	Medium	Ethnic wear, gifts	"Will it look like the photo?"	Medium	Returns if colour/fabric differs
Household restocker	Monthly	High	Home, kitchen, daily use	Consistency between orders	Medium-high	Low if consistent
New online shopper	Occasional	Very high	Basics, small appliances	Fraud, COD, refunds	Low; prefers local language	Avoids returns; may just not reorder
Trend browser	Weekly browsing	High	Fashion, accessories	Size and fit	High; uses many apps	Frequent size/fit returns

Tier 2 shoppers are not one group; the same town will have all four. Segments are to be validated by Q1 data (order frequency, category mix, return reasons) before sizing.

5.2 Research plan (Q1, weeks 1–8)

Method	Sample	Goal
Buyer interviews	24 (6 per segment), 4 Tier 2–3 towns, Hindi + 1 regional language	Product quality, listing accuracy, delivery reliability, refund experience, reasons for choosing alternatives
Seller interviews	10 (5 top-rated, 5 with high returns)	Cost of returns, listing effort, view of standards and fees, multi-homing
Survey	1,500 recent buyers, incl. lapsed	Size the issues by segment; compare with rivals used
Data baseline	12 months of orders	Returns by reason, repeat rate, complaint rate, refund time, by category and seller
Journey audit	Same item bought on 4 apps	Compare info, delivery, COD and return experience (page 7)

5.3 Unbiased question bank (past behaviour, not opinions)

Buyers

- Tell me about the last thing you bought online. Where, and why there?
- How did you decide it would be good quality before buying?
- Tell me about the last item that was different from its photo. What did you do?
- Walk me through your last return or refund. How long did it take?
- When did you last stop using a shopping app? What happened?
- When did a delivery arrive later than shown? What did you do?

Sellers

- Walk me through how you create a new listing.
- Tell me about your last "not as described" return. What caused it?
- What does a return cost you, including the product?
- Which other platforms do you sell on? How do results compare?
- Tell me about a time a platform rule hurt your business.

Avoid

- "Would you shop more if listings were verified?" (leading)
- "Is Snapdeal worse than Meesho?" (biased)

6. Competitor analysis

6.1

Verified availability and positioning

FACT

Player	Public positioning	Seller fee	Source (date)
Meesho	Value marketplace for Tier 2–3 buyers; asset-light logistics; listed 10 Dec 2025 at ~46% above ₹111 issue price; IPO 79× subscribed	Zero commission	Torus Digital (10 Dec 2025)
Flipkart Shopsy	"Hyper-value" app launched 2021; 60%+ products under ₹200; ~70% customers from Tier 2–3; 40%+ of Flipkart Group's new customers came via Shopsy	Zero commission	Walmart corporate (8 Jun 2023); Business Today (28 Feb 2023)
Amazon Bazaar	Store for unbranded fashion and lifestyle under ₹600 inside Amazon India	Zero referral fee	TechCrunch (20 Feb 2024)
Snapdeal	Value marketplace; 84% of units under ₹599; 65% of units to Tier 2+; 1.22 cr annual transacting customers (FY26)	Not disclosed	AceVector RHP (Sep 2026)
Others	JioMart, Myntra and quick-commerce apps compete for parts of the same spend	Varies	Not analysed in depth

6.2

Equivalent-journey audit (to run in Q1)

Buy the same item type (e.g. a ₹399 cotton kurta and a ₹299 kitchen storage set) on each app, to the same Tier 2 pincode, then return one. Record what each app shows. **Cells are left blank where I have not verified the feature; no claim is made that a competitor lacks it.**

Dimension	What to record	Snapdeal	Meesho	Shopsy	Bazaar
Assortment & pricing	Items found; landed price incl. fees				
Product info & quality signals	Specs, size chart, buyer photos, ratings depth				
Seller controls	Seller rating shown? Standards?				
Delivery promise	Date shown vs actual				
Payments & COD	COD available? COD fee?				
Returns, refunds, support	Window, steps, days to refund, support channel				
Language & accessibility	Languages; font scaling; screen reader				
Retention & seller economics	Loyalty, notifications; fee per order (seller interviews)				

Snapdeal strengths to build on

FACT

- Long-standing value seller base and Tier 2+ reach.
- Group access to Unicommerce, used by many sellers for inventory and orders.
- Growing NMV and customers; narrowing group losses; fresh IPO capital.

Implication

INTERPRETATION

Price and seller fees are no longer differentiators; rivals match or beat them. The open question is whether buyers will choose an app because it is **more reliable**. Q1 research must answer this.

7. Strategy: a reliable value-shopping destination

7.1 Interventions considered

Intervention	User benefit	Cost/risk	Decision
Stronger seller standards	Fewer bad experiences	Seller churn to zero-fee rivals	Part of S1
Accurate listings (AI + human checks)	Item matches photo/specs	Model errors; review cost	Part of S1
Verified customer photos	See the real item	Moderation; privacy	Part of S1
Category-specific QC	Fewer defects	High cost per order	S3 (later)
Clearer delivery promises	Plan around the date	Needs carrier data	S2 (Q3)
Transparent returns	Lower risk to try	Abuse; reverse-logistics cost	S2 (Q3)

7.2 Chosen problem and solution

- **Problem** **HYPOTHESIS**: buyers can't judge quality before buying value goods, causing hesitation, "not as described" (NAD) returns and switching.
- **Target segment**: occasion buyers and household restockers in Tier 2+ (pilot categories: ethnic wear; home & kitchen).
- **User benefit**: "what you see is what you get", proven by real buyer photos and an accuracy badge.
- **Business mechanism**: fewer NAD returns save forward + reverse logistics; trust lifts repeat purchase.

- **Operational dependencies**: returns-by-reason data; moderation team; seller ops for coaching; carrier data for S2.
- **Risks**: sellers leave; false AI flags; cost exceeds savings; buyers see little difference.
- **Not doing**: price war, private labels, own logistics.

7.3 RICE comparison (all inputs are assumptions) ASSUMPTION

Solution	Reach (lakh buyers / quarter)	Impact (0.25–3)	Confidence	Effort (person-months)	RICE
S1 Verified Value listings + buyer photos + seller score	6.0	2 (high)	60%	6	1.20
S2 Clear delivery & refund promise	6.0	1 (medium)	70%	4	1.05
S3 Pre-dispatch QC by sampling	3.0	2	50%	10	0.30

- **Reach**: assumes pilot categories touch ~20% of 121.6 lakh annual customers ≈ 24 lakh a year ≈ 6 lakh a quarter. S3 assumes only half the pilot sellers can be sampled.
- **Impact**: S1 targets the main trust doubt; S2 improves an experience rivals already offer in some form; S3 is strong but slow.
- **Confidence**: S1 60% because return reasons are not yet known; S2 70% because delivery-date clarity is well-proven in e-commerce; S3 50% due to cost uncertainty.
- **Effort**: PM, 2–3 engineers, data scientist, designer, moderation lead. Formula: $\text{Reach} \times \text{Impact} \times \text{Confidence} \div \text{Effort}$.

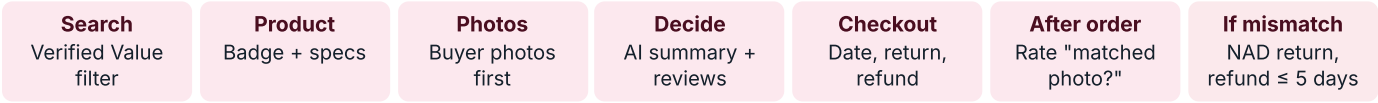
Sensitivity: if Q1 data shows late delivery, not listing accuracy, is the top complaint, S2 moves ahead of S1. The ranking must be re-run after the baseline.

8. Prototype specification (Figma-ready)

Current problem **HYPOTHESIS** : product pages rely mainly on seller photos and star ratings; buyers can't tell if the item will match. **All screens below are proposed features, not existing Snapdeal features.** Existing elements (search, ratings, COD, returns) are reused where they exist.

#	Screen	Content and sample copy	States / accessibility
1	Home (pilot category)	Filter chip "Verified Value ✓"; banner: "Checked listings. Real buyer photos. Easy returns."	Chip readable by screen reader as "Verified Value filter, off"
2	Product page	Badge "Listing checked"; "94% of buyers say it matched the photo (212 orders)"; specs table: fabric, size chart	Badge has text, not icon only; tap targets ≥ 44 px
3	Buyer photos	"Photos from verified buyers" shown first; filter by size; seller photos second	Alt text from buyer caption; blur faces by default
4	Review summary	Box labelled "AI summary of 180 reviews": "Most say colour matches; some say size runs small." Each point links to source reviews	"Was this helpful?" feedback; summary hidden if < 20 reviews
5	Checkout	"Arrives by Thu 15 Oct · 7-day easy return · Refund to UPI in ≤ 5 days · COD fee ₹X"	Plain words; Hindi + 1 regional language
6	Seller console	"Accuracy score 82/100. 3 listings need fixes: size chart missing." with one-tap fix and coaching tip	Explains why; links to appeal
7	Failure case	AI wrongly flags a correct listing as "colour mismatch". Seller sees: "Flagged for review. Your listing stays live while a person checks it within 48 hours. Appeal with photos." Buyer refunds on NAD returns are not delayed by the dispute.	No automatic penalty; human decides; seller notified of outcome and reason

8.1 Redesigned flow



8.2 Usability-testing tasks (8 buyers, 5 sellers) **TARGET**

Task	Success measure
Find a verified kurta under ₹500 in your size	≥ 85% complete without help
Decide if a storage set's size suits your kitchen	Correctly states dimensions
Tell us when the item arrives and how you'd return it	States date, window and refund method
Return an item that did not match the photo	Completes in ≤ 2 minutes
(Seller) Fix a flagged listing, then appeal a wrong flag	Both done; understands why flagged

9. Four-quarter roadmap, technology and AI

Quarter	Owners	Deliverables	Dependencies	Cost ASSUMPTION	Go / no-go TARGET
Q1 Research	PM, UX research, Data	Interviews, survey, journey audit; returns-by-reason baseline; pick 2 categories and ~300 sellers; prototype tested	Order and returns data access; research budget	₹35 lakh	NAD is a top-3 return reason; ≥ 70% of invited sellers opt in; prototype ≥ 85% task success
Q2 Pilot	PM, Category, Seller Ops, Trust & Safety	Verified Value live for 50% of pilot buyers (A/B); listing checks; buyer photos; seller score + coaching	Listing-check model; 6–8 moderators; experimentation tool	₹60 lakh	NAD returns –2 pp vs control; conversion drop ≤ 1%; net ≥ 0 per 1,000 orders
Q3 Improve	PM, CX, Logistics	Delivery & refund promise (S2); faster appeals; retention nudges	Carrier delivery-date data; refund system	₹45 lakh	90-day repeat +3 pp; refund ≤ 5 days; seller retention ≥ 90%
Q4 Expand	Category heads, Finance	Add up to 4 categories; automate checks where accuracy proven	Q3 gates met	₹80 lakh	Contribution/order ≥ baseline; complaints flat or down

Costs are assumptions for team time, moderation, research and tooling (total ≈ ₹2.2 cr). Each quarter's budget is released only if the previous gate is met. If Q2 net is negative after 8 weeks, stop or redesign.

9.1 Systems and integrations (PM level)

Catalogue Listings, specs, images	Checks service AI + rules + review queue	Reviews & photos Upload, moderation	Seller console Score, fixes, appeals	Orders & returns Reason codes, refunds	Data & experiments A/B, dashboards
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9.2 Where AI helps, and where it must not decide

Use	How	Evaluation	Human role
Listing checks	Compare title, specs and images; flag mismatches (e.g. "cotton" but image shows sheen)	Precision ≥ 90% on 1,000 labelled listings before going live	Human confirms flags before any penalty
Review synthesis	Summarise reviews into pros/cons with links to sources	Faithfulness check on 200 summaries; no invented claims	Hidden for few reviews; user feedback loop
Support assistance	Suggest replies using policy + order status (RAG)	≥ 90% correct on 150-question test set	Agent sends; refunds approved by rules/humans
Seller-risk detection	Spot rising NAD returns or complaints by seller	Lead time vs manual review	Coaching first; penalties only after human review and appeal

Guardrails: AI never makes final refund or seller-penalty decisions. Data quality: return reasons must be cleaned (free text → codes) first. Privacy: buyer photos stored with consent; faces blurred; no personal data in prompts. Cost: model calls only on new/changed listings; estimate ≤ ₹0.5 per listing check ASSUMPTION . Appeals: every flag has a reason and a 48-hour human review.

10. Business impact and measurement

10.1 Metrics and guardrails

Metric	Type	Why	Pilot target TARGET
NAD return rate (returns by reason)	Primary	Direct measure of listing accuracy	−2 pp vs control
90-day repeat purchase	Primary	Trust should bring buyers back	+3 pp
Purchase conversion	Guardrail	Stricter listings must not cut choice too much	No drop > 1%
Successful delivery rate	Guardrail	Promise must hold	No decline
Complaints per 1,000 orders	Guardrail	Fewer returns must not mean blocked returns	Flat or down
Refund time	Guardrail	Trust in returns	≤ 5 days
Pilot seller retention	Guardrail	Sellers may leave for zero-fee rivals	≥ 90%
Contribution per order · cash burn	Guardrail	Must pay for itself	≥ baseline · within budget

10.2 Illustrative economics per 1,000 pilot orders (₹) **ASSUMPTION**

Line	Conservative	Base	Optimistic	Assumption
Reduction in NAD returns	1 pp	2 pp	3.5 pp	vs control group
Saved forward + reverse logistics	1,100	2,200	3,850	₹110 per avoided return
Extra repeat orders × contribution	150	450	750	+1/+3/+5 pp repeat × ₹15
QC, moderation, support, seller coaching	−3,000	−2,500	−2,000	₹3.0/2.5/2.0 per order
Net per 1,000 orders	−1,750	+150	+2,600	
Per quarter at 3 lakh pilot orders	−₹5.25 lakh	+₹0.45 lakh	+₹7.8 lakh	before one-off build cost

Break-even

At base cost (₹2.5/order) and +3 pp repeat (₹0.45/order), NAD returns must fall by $(2.5 - 0.45) \div 110 \approx 1.9$ pp. That is why the Q2 gate is −2 pp. The program does not pay back its ≈ ₹2.2 cr build cost within the pilot at any scenario; payback depends on expansion to more categories.

Cautions

Lower returns are good only if complaints also fall; otherwise buyers may be giving up, not satisfied. Higher AOV is not a goal. Logistics, QC and reverse-logistics costs are rough; replace with internal unit costs in Q1.

11. Bibliography, quality checks and open questions

#	Source (publication date · period covered)	Link
S1	Chittorgarh, "Acevector (Snapdeal) IPO" (Sep–Oct 2026 · FY24–FY26, listing 5 Oct 2026)	chittorgarh.com/ipo/snapdeal-ipo/2543
S2	equityresearchindia.com and oquilia.com RHP summaries (25–28 Sep 2026 · FY24–FY26, segments)	equityresearchindia.com ; oquilia.com
S3	MediaNama, AceVector UDRHP (9 Dec 2025 · FY23–H1 FY26)	medianama.com
S4	CNBC, "Snapdeal aims to surpass Flipkart..." (17 Nov 2015 · Morgan Stanley share data)	cnbc.com/2015/11/17/snapdeal-aims-to-surpass-flipkart...
S5	Business Today, Snapdeal–Flipkart talks called off (31 Jul 2017)	businesstoday.in/.../snapdeal-flipkart-merger-talks-with-softbank-85036-2017-07-31
S6	Global Venturing, "SoftBank pays \$627m for 30% stake in Snapdeal" (29 Oct 2014)	globalventuring.com/blog/2014/10/29/softbank-pays-627m...
S7	Wikipedia, "Snapdeal" (accessed 12 Oct 2026; used for dates, each traced to its cited news source)	en.wikipedia.org/wiki/Snapdeal
S8	Financial Express, "Snapdeal cuts losses by 43% to ₹160 crore in FY24" (2024)	financialexpress.com/...-3705207
S9	Torus Digital, Meesho IPO debut (10 Dec 2025)	torusdigital.com/toroscope/news/meesho-ipo-stellar-market-debut...
S10	Walmart corporate, "Flipkart's Shopsy continues to expand" (8 Jun 2023)	corporate.walmart.com/news/2023/06/08/...
S11	Business Today, Shopsy 40% of Flipkart's new customers (28 Feb 2023)	businesstoday.in/...-371774-2023-02-28
S12	TechCrunch, "Amazon Bazaar store India low-cost unbranded fashion" (20 Feb 2024)	techcrunch.com/2024/02/20/amazon-bazaar-store-india...
S13	Inc42, Unicommerce IPO and AceVector returns (Aug 2024)	inc42.com/?p=472961
S14	Snapdeal blog, Brand Registry for sellers (14 Oct 2019)	blog.snapdeal.com/.../snapdeals-brand-registry-helps-sellers

11.1 Quality checks done

- Calculations re-run: revenue +29% ($510.4 \div 395.0$), loss –64% (45.5 vs 126.3), NMV +73% ($1,093 \div 633$), RICE ($6 \times 2 \times 0.6 \div 6 = 1.20$; $6 \times 1 \times 0.7 \div 4 = 1.05$; $3 \times 2 \times 0.5 \div 10 = 0.30$), scenario nets and break-even 1.9 pp, roadmap total ₹2.2 cr.
- Numbers and recommendation match the 5-page PDF. Group vs marketplace and consolidated vs other bases are labelled.

11.2 Most important unanswered questions (evidence needed before implementation)

- What share of Snapdeal returns are "not as described" vs size, damage or late delivery, by category?
- What is contribution per order and the real forward/reverse logistics cost per return?
- What are Snapdeal's GMV, AOV, take rate and seller fees vs zero-commission rivals?
- Do buyers choose apps for reliability, or will price always win? (Q1 research + journey audit.)
- How much of the ₹287 cr IPO fresh issue is allocated to the marketplace, and for what?
- Will sellers accept standards if rivals have none or lighter ones? What is their multi-homing rate?
- What are repeat-purchase rates by segment and city tier?
- Where did the "profit doubled" claim originate? Confirm with the source before using it.