



ConsumerSignals – India Chapter

October 2026

Foreword

India's consumption story continues to stand out for its resilience. Supported by a stable economic backdrop, improving household financial confidence and enduring aspirations, consumers are willing to spend even as they navigate persistent inflationary pressures and an uncertain global environment. The findings from this edition of ConsumerSignals highlight the emergence of a more discerning Indian consumer. Financial well-being has strengthened and anxiety levels have eased, yet consumers remain deliberate in their purchase decisions. Rather than broad-based expansion in spending, we observe a clear prioritisation of categories that deliver tangible value, meaningful experiences or long-term utility.

Spending priorities and value-seeking

- This shift is evident across sectors. Households continue to exhibit prudent spending behaviour in everyday purchases while remaining willing to allocate discretionary budgets toward experiences and aspirational categories.
- At the same time, value-seeking has become a defining characteristic of consumer behaviour, with spending decisions increasingly shaped by affordability, convenience and perceived return on expenditure rather than discretionary indulgence alone.

The coexistence of prudence and aspiration

- Perhaps the most notable characteristic of today's consumer landscape is the coexistence of prudence and aspiration. While value consciousness remains deeply embedded in everyday spending, consumers continue to invest in experiences, celebrations and planned upgrades they consider worthwhile.
- Increasingly, consumers are distinguishing between purchases worth prioritising and those that can be deferred, reinforcing the importance of delivering differentiated value rather than competing on affordability alone.

Festive outlook

- As India approaches the festive season, the consumer outlook remains cautiously constructive. Improving financial confidence provides a supportive foundation for spending, particularly in categories linked to celebrations, experiences, rituals and planned purchases. However, elevated inflation expectations and continued budget discipline suggest festive spending is likely to be more thoughtful than impulsive.
- Consumers appear prepared to spend, but are expected to scrutinise purchases more closely, directing budgets towards occasions, upgrades and experiences that justify the outlay while postponing purchases where existing needs are already being met.
- Consequently, festive demand is unlikely to be uniform across categories, favouring those that offer a compelling combination of relevance, utility, aspiration and value.

Implications for businesses

- For businesses, this presents both an opportunity and a challenge. Growth will increasingly depend not only on stimulating demand, but on understanding how consumers are redefining value. Brands that can deliver trusted quality, differentiated experiences, and clear affordability are likely to be best-positioned to capture share in an environment where confidence is improving, but consideration remains paramount.

Taken together, these signals point to a consumer landscape defined not by caution or exuberance, but by increasingly intentional spending decisions. The Indian consumer remains optimistic about the future, willing to spend on priorities and resilient in the face of uncertainty, creating a strong foundation for consumption-led growth in the months ahead.

A closer look at the key shifts shaping consumer confidence, value perceptions and spending decisions

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Inflation pressures dampen consumer confidence

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Experiences remain resilient despite caution

Financial Well-being Index (FWBI)



Q2FY27 highlights



Consumer financial wellbeing improved meaningfully in September, with India's Financial Well-Being Index rebounding to 111.2 from 108.5 in August and continuing to outperform both APAC (103.9) and global (101.9) benchmarks.



Household finances appear resilient, with 83 percent of consumers confident about meeting upcoming payments and 78% reporting stable or improved finances over the past year, indicating a stronger financial cushion than earlier in the quarter.



Despite improving financial sentiment, consumers remain measured in discretionary spending, reflecting continued caution around non-essential purchases.

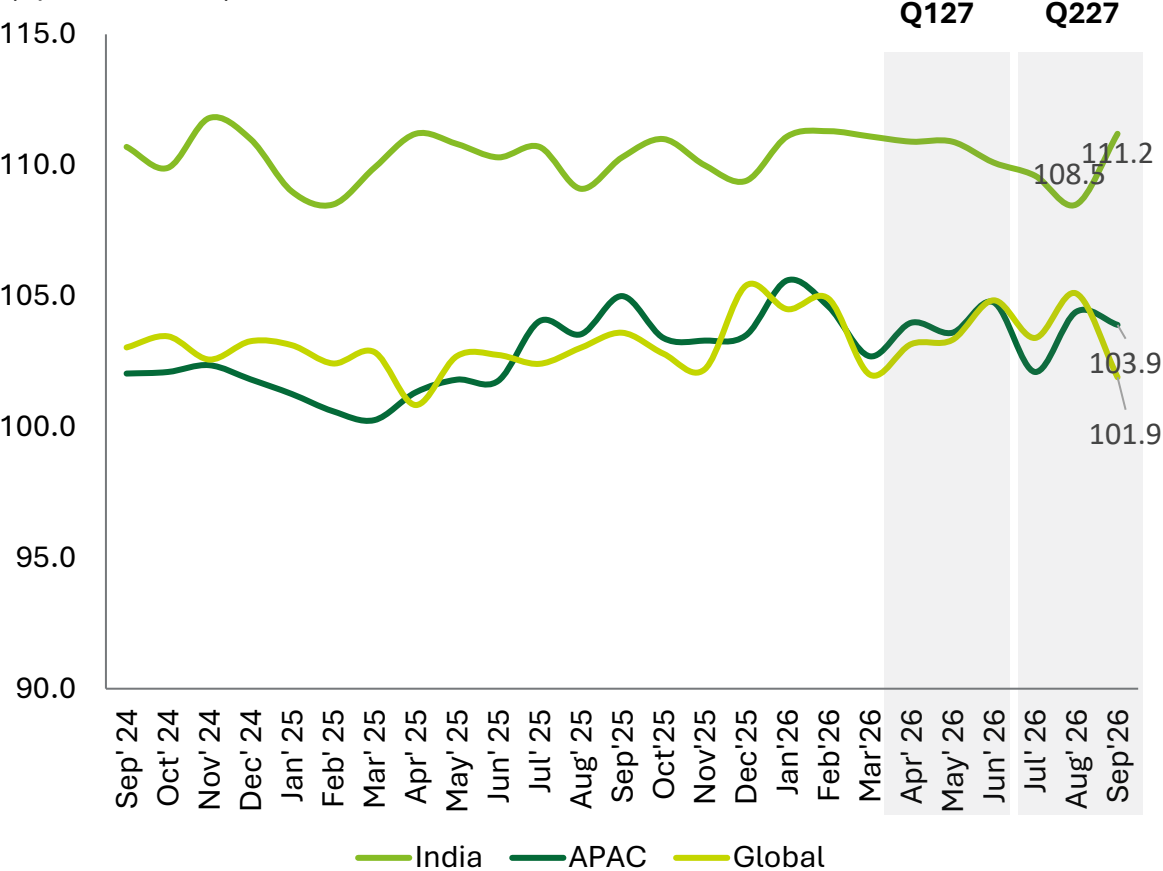


With anxiety levels easing over the quarter and financial confidence recovering ahead of the festive season, spending sentiment is improving; however, persistent inflation expectations suggest consumers are likely to prioritise value and planned purchases over broad-based discretionary splurges.

Financial well-being strengthened in September, supported by greater household financial confidence, while discretionary spending remained measured and selective.

FINANCIAL WELL-BEING INDEX (FWBI)

(April 2020=100)



India's FWBI increased to 111.2 in September 2026 compared to 108.5 in August 2026.

India's financial well-being sentiment improved over the quarter, after a slight dip in August. In contrast, the global and Asia Pacific (APAC) indices declined in September after improving in August, with both continuing to trail India's levels.

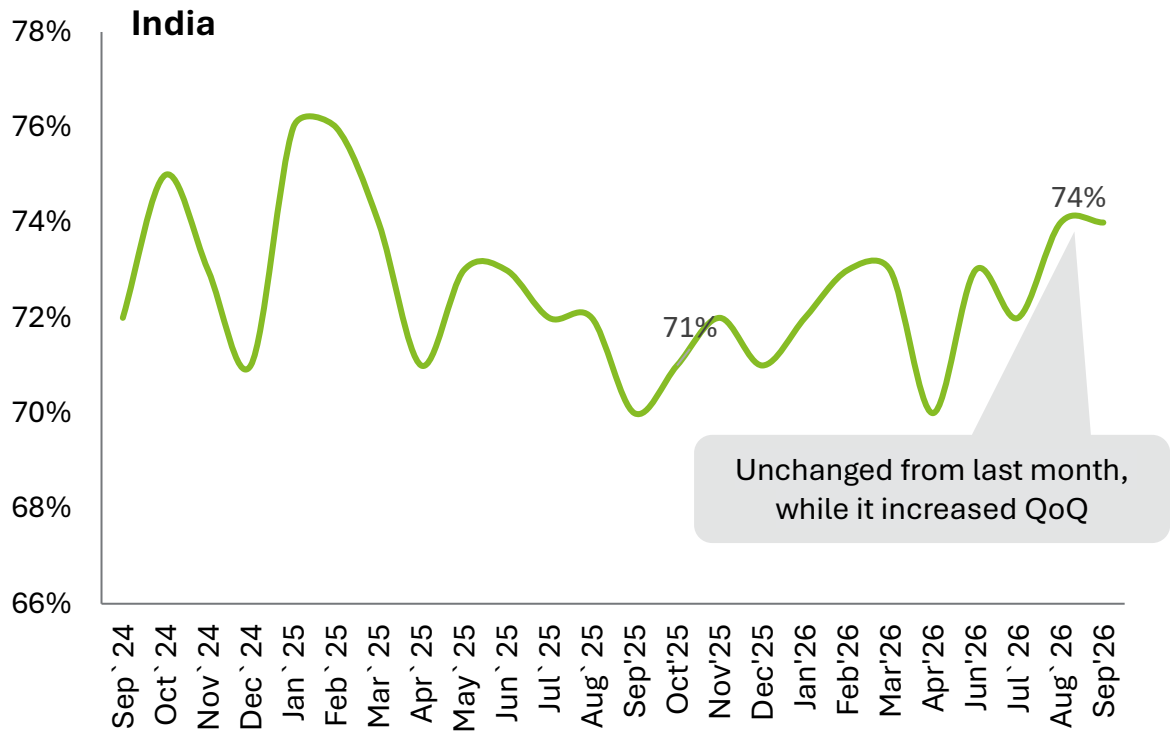
Underlying metrics (% strongly agree/agree)	Sept'26	MoM	YoY
Confident about making upcoming payments	83%	3%	2%
Making large purchases	60%	-1%	-2%
Finances same/improved within past year	78%	4%	1%
Can afford to spend on things that bring me joy	39%	-3%	-3%
Comfortable with amount of money in savings	55%	-2%	-1%

Source: Deloitte ConsumerSignals September 2026

Inflation concerns remain elevated, with consumers expecting broad-based price increases, particularly across fuel, restaurants and essentials.

CONSUMER PRICE EXPECTATIONS

% concerned about higher prices next month



India | 74%

APAC | 64%

Global | 73%

Concerns over rising prices increased QoQ and remained stable MoM, indicating persistent price pressures among Indian consumers.

Price expectations increased YoY across all listed categories, with restaurants and fuel recording the highest levels of concern.

	% expecting higher prices next month	Sept'26	MoM	YoY
Food/groceries and non-alcoholic beverages	73%	1	▼	9 ▲
Utilities	71%	3	▼	7 ▲
Restaurants	77%	1	▲	11 ▲
Clothing, apparel and footwear	65%	=		3 ▲
Gasoline/fuel	76%	=		10 ▲

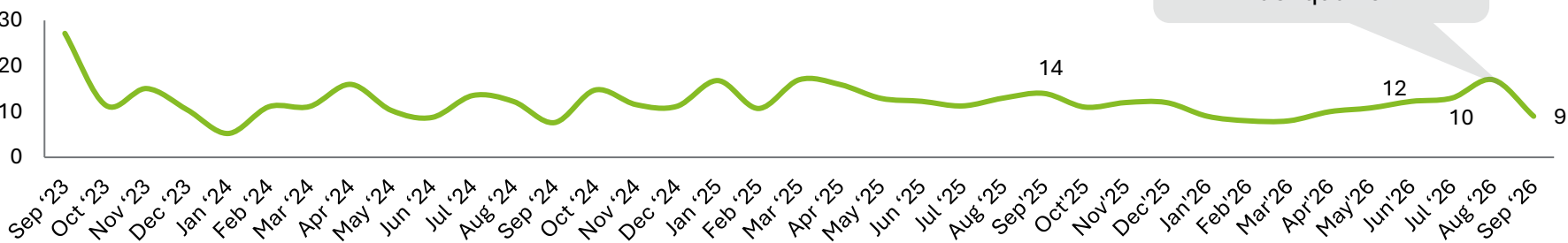
▼ Indicates positive dip
▲ Indicates negative rise

Source: Deloitte ConsumerSignals September 2026

Consumer anxiety eased to the lowest level in over a year, though rising concerns around political uncertainty continue to weigh on sentiment.

NET ANXIETY LEVEL

I am more anxious than I was last week (% Agree - % Disagree)

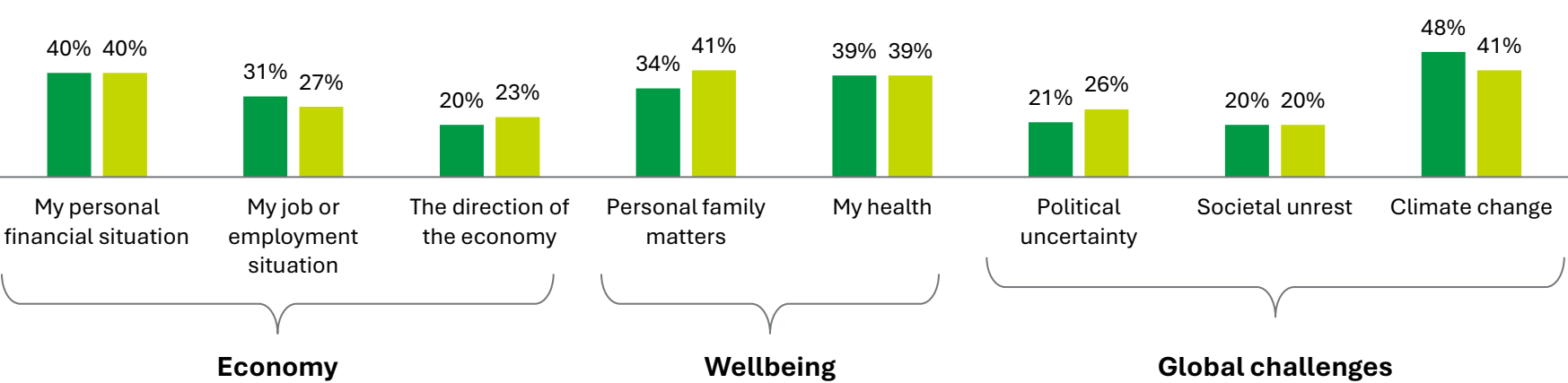


Eased by 3 pt pts since last quarter

Anxiety levels eased towards quarter-end, suggesting a recovery in consumer sentiment after heightened concerns in July and August.

% feeling anxious about...

■ Sept'25 ■ Sept'26



Anxiety around personal family matters and political uncertainty has seen a sharp increase YoY (+7 pt & +5 pt) respectively.

Note:
Net anxiety measures positive when the percentage of respondents who feel more anxious exceeds those who feel less anxious.

Source: Deloitte ConsumerSignals September 2026

Spending Intentions Index



Q2FY27 highlights



Essential spending continued to outpace discretionary expenditure, with both strengthening through the quarter as consumers remained focused on priority needs.



Savings and investment intentions remained robust through Q2, underscoring consumers' continued focus on financial preparedness despite minor fluctuations.



While leisure travel spending intentions moderated from peak levels seen in early-2026, they remained among the strongest spending categories in Sep'26, reflecting sustained consumer appetite for experiences.



Discretionary spending intentions strengthened in Q2, with consumers showing a greater willingness to spend on experiences and purchases perceived to deliver meaningful value.



Heading into the festive period, consumers appear increasingly willing to open their wallets, with spending intentions improving across both essential and discretionary categories, although experience-led spending continue to drive the strongest momentum.

Food Frugality Index (FFI)



Q2FY27 highlights



Food frugality eased through Q2, with India's FFI declining from 100.5 in Jul'26 to 98.0 in Sep'26, though remaining above year-ago levels and signalling continued value-consciousness heading into the festive season



Value-conscious behaviour remained deeply entrenched, with consumers continuing to prioritise essentials and household savings despite improving financial confidence.



Frugality is increasingly driven by smarter consumption rather than aggressive trade-downs, as consumers focus on reducing food waste and curbing excess spending while maintaining product quality.

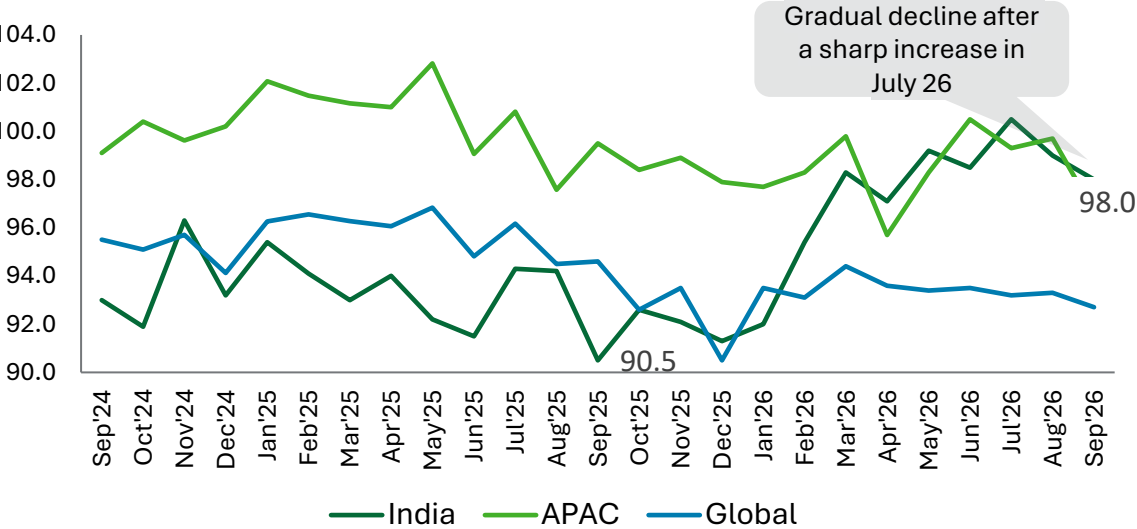


The persistence of value-seeking behaviours, even as broader financial sentiment improves, suggests discretionary demand is likely to recover gradually, with consumers favouring products that clearly demonstrate value, affordability or utility.

Consumers remain value-conscious, prioritising essentials and waste reduction, as inflationary pressures continue to shape food spending behaviour.

FOOD FRUGALITY INDEX (FFI)

Food Frugality Index, relative change for each country from September 2022 (Base=100)



India's FFI eased through Q2 but remained higher YOY, indicating continued cost-consciousness in food spending.

Indian consumers continued to prioritise reducing food waste and focusing on essentials, while reliance on lower-cost alternatives eased marginally.

Underlying FFI behaviour vs the prior month and year

Fewer consumers are compromising on quality; more are opting for less waste and buying more mindfully

Trade off

	11% Purchased lower cost ingredients	15% Purchased mostly store brands	11% Purchased lower-cost meats or cuts
MoM	-2	-1	-1
YoY	+2	+2	+2

Economise

	32% Saved by reducing home food waste	25% Only bought essentials	11% Bought less than wanted
MoM	=	-1	=
YoY	+3	+4	+1

Note: Deloitte's Food Frugality Index measures longitudinal change in the percent of respondents engaging in the six cost-saving grocery behaviors featured.

Source: Deloitte ConsumerSignals September 2026

Travel and hospitality



Q2FY27 highlights



Travel remains a highly resilient discretionary category, with ~70% of consumers intending to undertake leisure travel across key formats such as hotels and domestic flights over the next three months.



Consumers are becoming more selective within travel spending, prioritising the core experience while pulling back on premium choices such as full-service airlines, upgraded seats and higher-end accommodation.



Value and convenience are increasingly shaping travel decisions, with travelers showing a stronger preference for staying closer to desired destinations and optimising trip economics rather than reducing travel altogether.

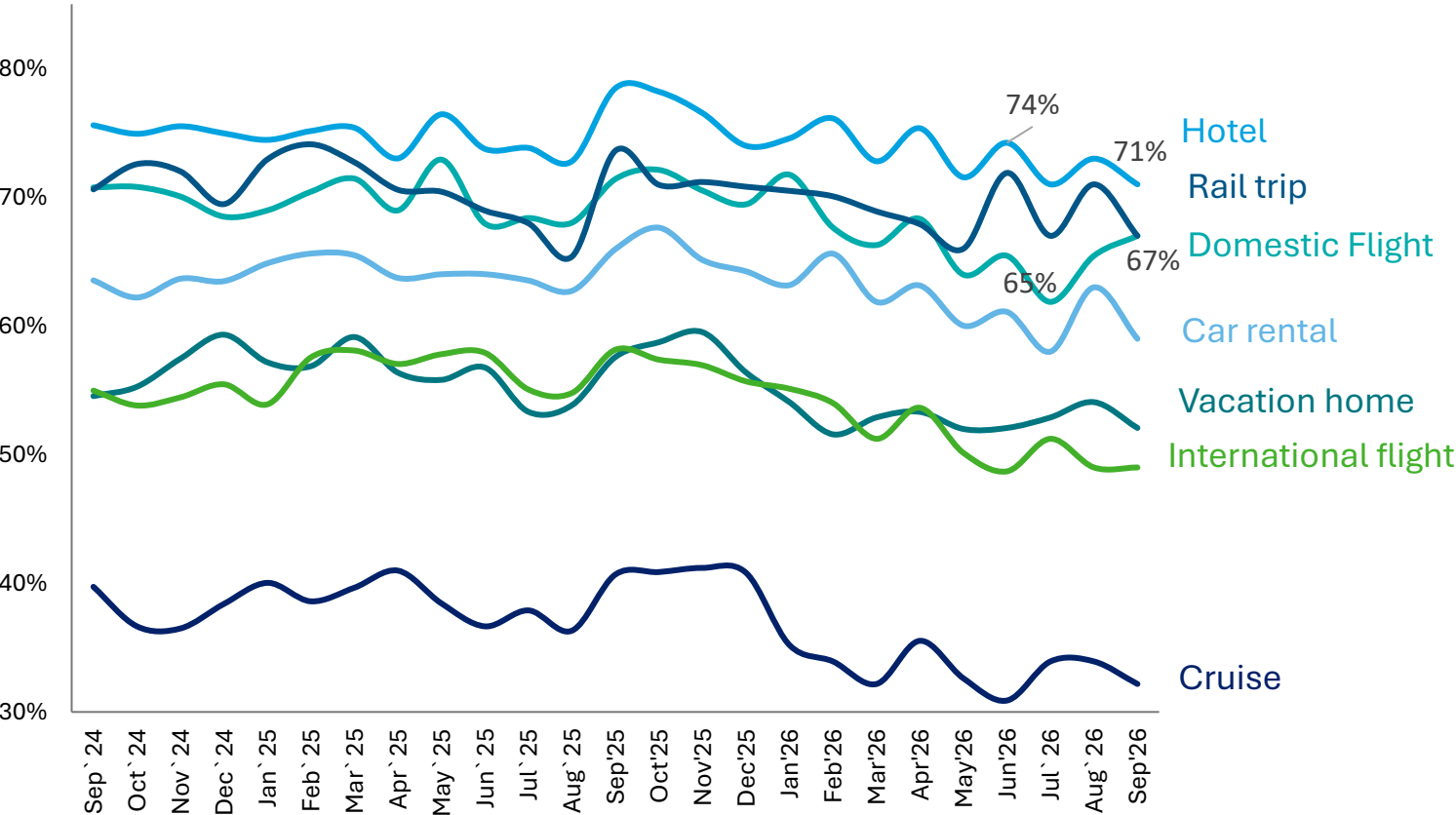


Consumers are choosing to ‘travel smart’ rather than ‘travel less’ - preserving spend on the trip itself while trimming discretionary upgrades and premium add-ons, reinforcing travel’s position as one of the last discretionary categories to face cutbacks.

Despite broader spending caution, travel continues to command consumer wallets and remains one of the strongest discretionary categories.

LEISURE TRAVEL INTENTIONS

% likely to travel for leisure in the next 3 months



Near-term travel intent softened across most formats, although overall demand remains elevated relative to other discretionary categories.

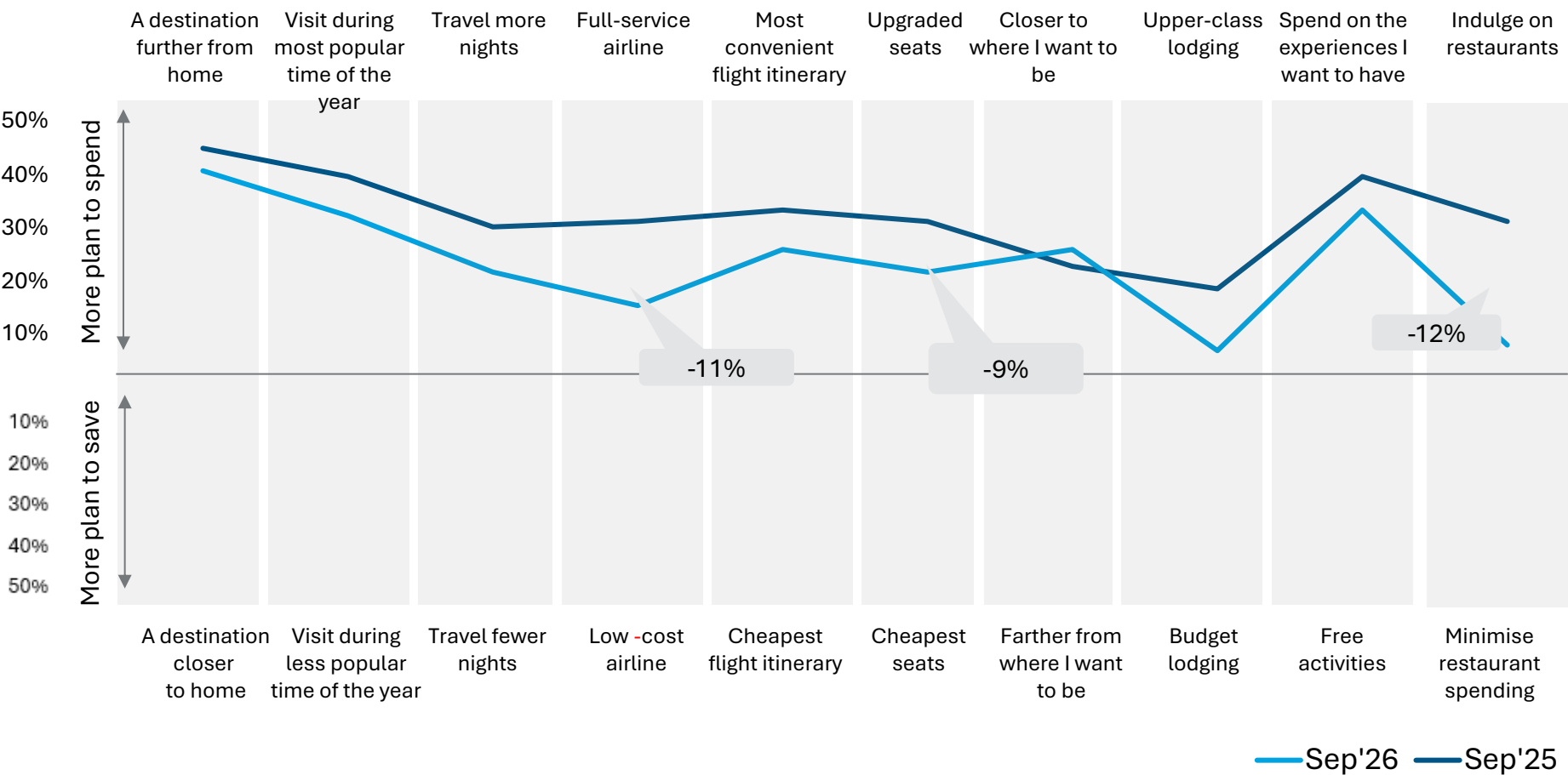
Note:
Data represents percentage of respondents very likely or likely to engage in each travel segment within the next three months.

Source: Deloitte ConsumerSignals September 2026

Travellers are trading down on premium choices, not on travel itself, reflecting a value-seeking approach to leisure spending.

TRAVEL PLANNING (NET INTENT)

Which statements best describes how you are thinking about your next leisure trip?



Preference for staying closer to desired destinations rose by +3 pp YoY, suggesting travellers increasingly value convenience when choosing accommodation.

Methodology

Paired, opposing statements (6-point scale)

For instance,
NET INTENT =
(% Full-service airline) –
(% Low-cost airline)

Source: Deloitte ConsumerSignals September 2026

Vehicle Purchase Intent Index (VPI)



Q2FY27 highlights



Vehicle ownership aspirations remain resilient despite recent moderation, with 55% of consumers still intending to purchase a vehicle over the next six months, significantly ahead of global and APAC benchmarks.



Purchase momentum has softened in recent months, with the Vehicle Purchase Intent Index declining both QoQ and YoY – suggesting consumers are becoming more cautious amid broader financial pressures.



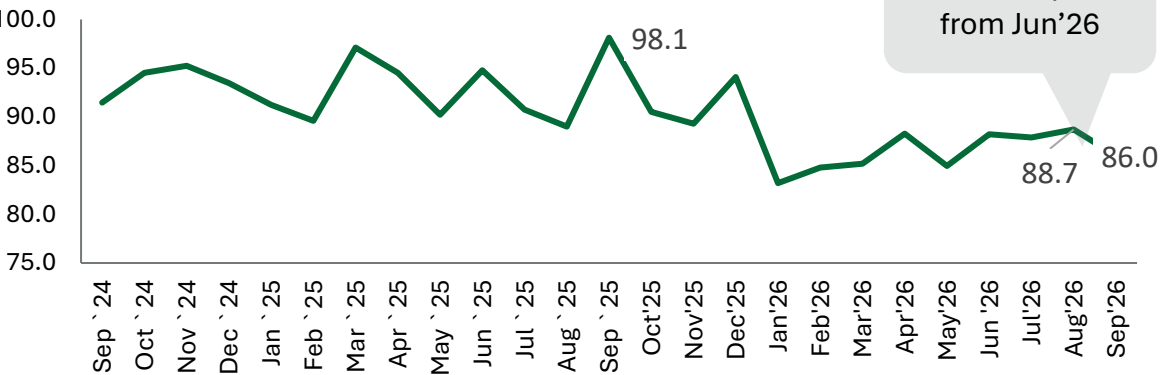
Demand continues to be driven by product-led factors, with consumers motivated by access to newer features, the desire to upgrade and concerns around maintenance costs of existing vehicles.



EV purchase intent has moderated from recent highs but remains at 58 percent, above year-ago levels (55 percent), suggesting EV interest remains structurally strong even as overall auto demand normalises.

Vehicle purchase intent has slightly moderated, but underlying ownership aspirations remain resilient despite financial pressures.

Vehicle Purchase Intent Index (VPI)
(October 2021=100)



VPI fell by 2.2 pts versus last quarter and 12.1 pts YoY.

Vehicle purchase intent softened both sequentially and year-on-year, indicating a moderation in auto demand momentum.

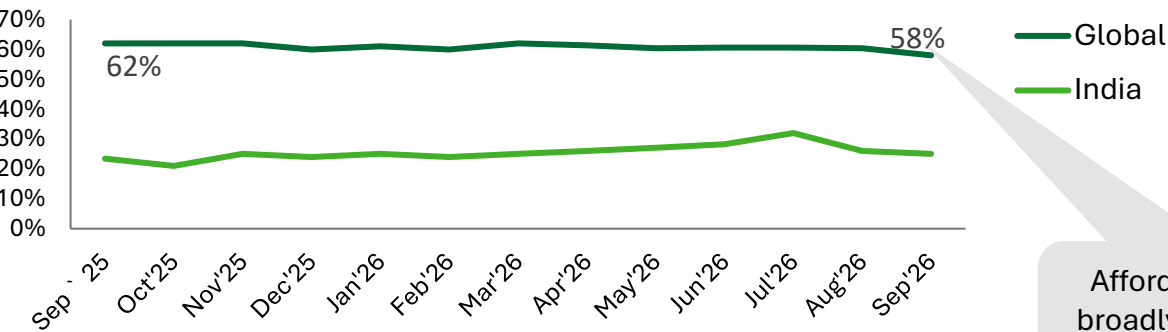
Key factors influencing vehicle sales

Drivers

- New vehicles have desired features (31 percent)
- Want to drive something different (17 percent)
- Current vehicle is not worth of cost of maintenance (12 percent)

Affordability of new vehicles

(% respondents who find new vehicles unaffordable)

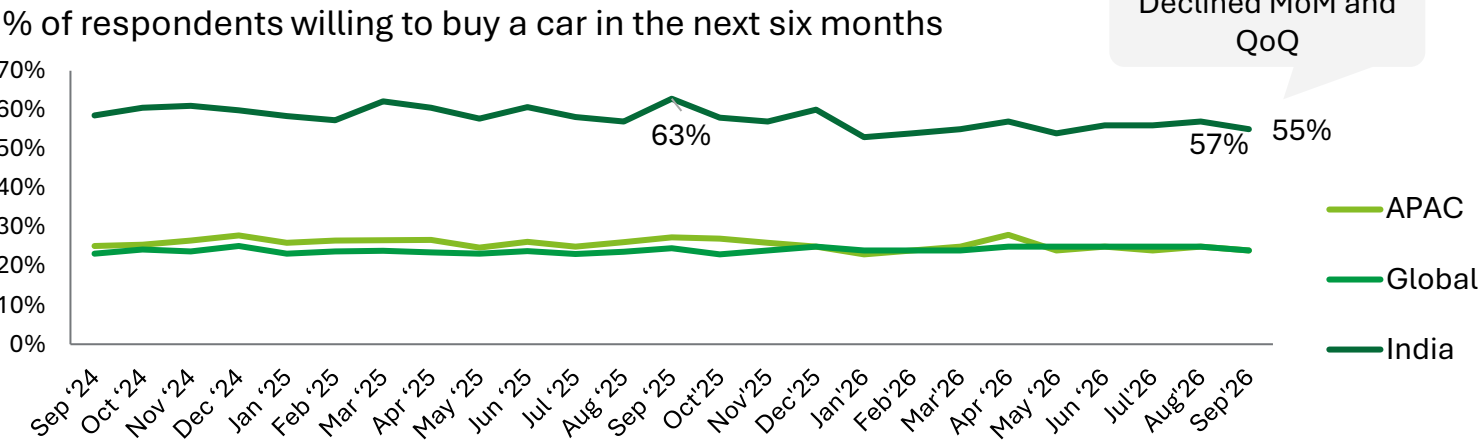


Affordability remained broadly stable for Indian consumers.

Source: Deloitte ConsumerSignals September 2026

Vehicle ownership remains a consumer priority, with EV adoption sustaining momentum despite recent moderation in purchase intent.

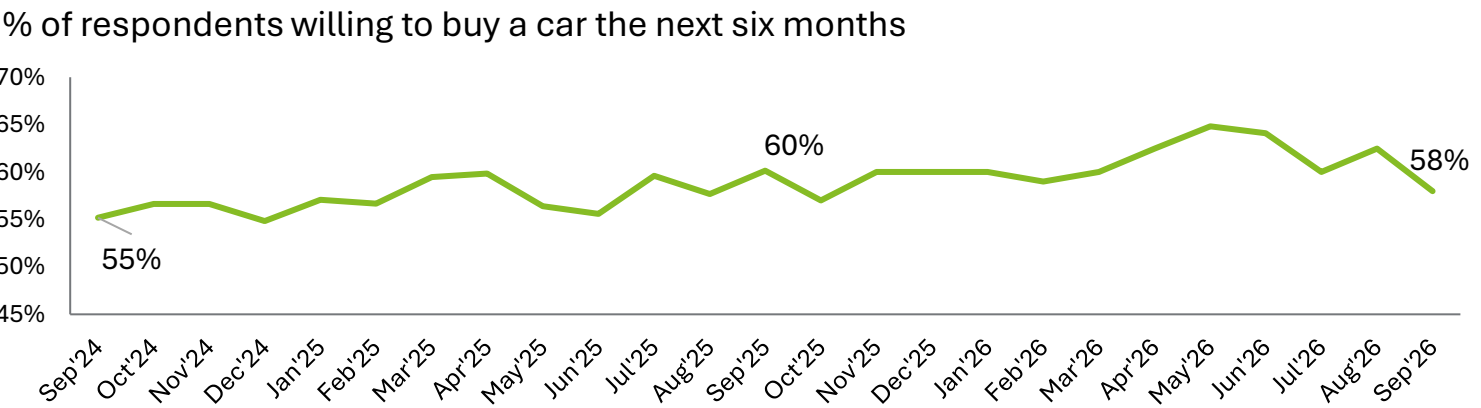
Vehicle Purchase Intent



Consumers remain committed to vehicle ownership, though both vehicle and EV purchase intentions have eased in recent months.

EV purchase intent has moderated from recent peaks, but at 58 percent remains above year-ago levels, indicating that consumer interest in EVs remains resilient despite softer near-term momentum.

EV Purchase Intent (India)



Source: Deloitte ConsumerSignals September 2026

Festive season expectations

A close-up, low-angle shot of a metal shopping cart with blue plastic handles and a blue plastic divider. A person's hands are visible at the top, gripping the handles. The cart is positioned in a supermarket aisle, with shelves of various products visible in the background. The background is blurred, showing rows of shelves and bright overhead lights.

Consumer demand enters the festive season on a firmer footing, with retail momentum improving and auto demand remaining resilient

Monthly sector performance, YoY growth (%)

Category	Feb	Mar	Apr	May	Jun	Jul	Aug
Retail: overall	9%	10%	7%	5%	6%	8%	10%
Apparel and clothing	12%	13%	8%	5%	6%	8%	10%
Food and grocery	11%	14%	9%	8%	10%	12%	12%
Footwear	10%	8%	7%	6%	8%	10%	8%
Durables and electronics	7%	9%	11%	3%	7%	7%	7%
Jewellery	9%	12%	6%	5%	6%	6%	9%
Beauty, wellness and personal care	8%	8%	5%	4%	5%	7%	8%
Quick Service Restaurant (QSR)	9%	11%	8%	9%	9%	13%	15%
Furniture and furnishing	9%	5%	4%	2%	1%	1%	—
Auto: overall	25.6%	25.3%	12.9%	9.6%	21.8%	25.9%	17.5%
Auto: Passenger vehicles	26.1%	21.5%	12.2%	23.3%	28.6%	19.1%	16.1%
Auto: Two-wheelers	25.0%	28.7%	13.0%	7.5%	21.2%	28.3%	19.7%

- Retail momentum strengthened through Q2, with growth re-accelerating in August after a softer mid-year period, indicating improving consumer willingness to spend ahead of key festive occasions.
- Food and grocery continues to provide a stable demand base, while apparel and beauty categories indicate sustained consumer interest in celebration-led and occasion-driven purchases.
- Auto demand remains resilient despite moderating from earlier highs, pointing to healthy underlying purchase intent and the potential conversion of deferred purchases during the festive period.
- The demand environment entering the festive season appears constructive, though growth is expected to be led by planned purchases, celebrations, and high-conviction spending rather than broad-based discretionary exuberance.

Sources: RAI Business Surveys, Rounds 68–74. FADA monthly vehicle retail releases, Jan–Sep 2026. Note: Monthly YoY growth in 2026. RAI measures retail sales value. FADA measures vehicle retail registrations in units.

Festive demand is expected to favour affordable celebration spending and selective upgrades

Mixed signals, but overall festive sentiment remains positive

Double-digit festive retail growth is anticipated by several retailers, while slightly lower online average order values suggest cautious, selective spending rather than widespread impulse buying.

	Category	Overall festive sentiment	Sales value outlook	Sales volume outlook
	Food and grocery	Resilient	Positive	Positive
	Jewellery	Selective	Positive	Moderate
	Apparel and fashion	Positive	Positive	Moderate
	Beauty and personal care	Positive	Positive	Positive
	Consumer electronics	Subdued	Selective	Subdued
	Appliances	Selective	Positive	Moderate
	Mobile phones	Subdued	Limited	Subdued



Food and grocery: Resilient occasion spending

- Family gatherings and food gifting are expected to sustain spending despite household budget constraints.
- Smaller packs and affordable premium products are likely to gain as consumers manage expenditure selectively.
- Quick commerce is expected to capture more convenience purchases, partly through migration of existing baskets online.



Personal Care: Affordable premium demand

- Beauty and personal care are expected to benefit from accessible gifting and discretionary purchases.
- Trial packs and gift sets are likely to facilitate premium purchases without substantial budget commitments.
- Demonstrable product benefits are expected to support upgrades, while premium pricing faces greater scrutiny.

Note: Indicative assessment based on published forecasts and early festive trading evidence; signals vary across channels, regions and price segments.

Consumers are becoming increasingly selective in festive spending, reserving budgets for purchases that clearly justify the outlay while extending replacement cycles where existing products continue to meet their needs.



Apparel: Resilient demand outlook

- Festive apparel demand is expected to remain resilient, with consumers prioritising accessible price points.
- Indian wear is likely to benefit from occasion purchases, particularly in smaller cities.
- Promotional intensity is expected to support sales, while limiting the extent of margin recovery.



Electronics and durables: Selective demand

- Higher device prices are likely to lengthen replacement cycles as consumers prioritise essential upgrades. Smartphones are expected to see a muted growth
- Appliances and homeware are expected to benefit where purchases address clear household needs or support festive entertaining.
- Financing is expected to aid conversion where the final price is affordable and product benefits justify expenditure.

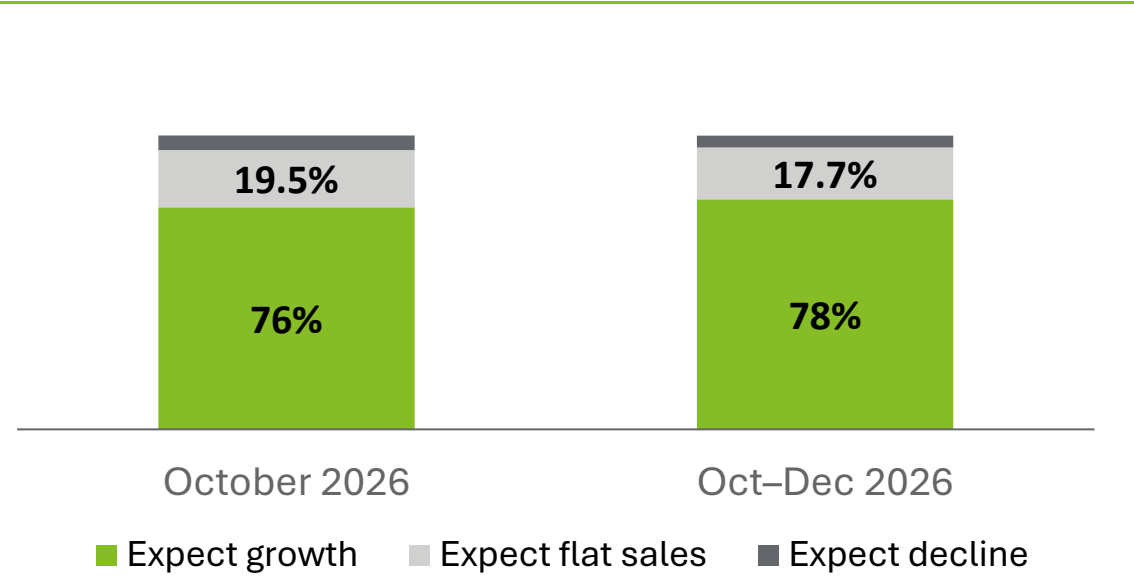


Jewellery: Occasion demand, constrained volumes

- Festive demand and weddings are expected to support purchases, with lighter designs helping households manage high gold prices. Studded jewellery is expected to drive more sales
- Revenue growth is likely to exceed volume growth when higher prices offset lower quantities purchased.
- Demand is expected to concentrate around key occasions, with wedding and ritual purchases more resilient than discretionary buying.

Auto demand is expected to benefit from festive purchases, while weddings and winter travel extend momentum across the travel ecosystem

Auto dealers' forward sales expectations (%)



63% of auto dealers report festive booking pipelines building



Auto: Stronger conversion, limited pricing power

- Deferred purchases are expected to convert around auspicious dates, concentrating deliveries during the festive peak.
- Elevated inventories and a demanding comparison base are likely to sustain promotional activity and constrain pricing power.
- Rural cash flows and financing are expected to support demand, while further price increases remain an affordability risk.



Travel: Budgets to influence trip planning

- Family visits are expected to sustain essential travel, while leisure demand is likely to favour affordable experiences.
- Higher fares are likely to favour shorter itineraries, closer destinations and flexibility in travel dates.
- Travel spending is expected to be distributed across multiple short breaks rather than a single extended holiday.



Hotels: Peak periods to anchor demand

- Diwali, weddings and winter holidays are expected to extend demand beyond a single festive occasion.
- Peak dates are likely to support room rates, with sustained revenue growth dependent on occupancy outside these periods.
- Leisure destinations and wedding markets are expected to benefit from occasion-specific demand.

STUDY OVERVIEW

Survey Fielding

Waves 1–22 : April 2020 – Sept 2021

Wave 2 **New metrics added**

Wave 3 **New metrics added**

Wave 53 : March 21 –March 27 2024

Wave 54 : April 25 –May 01 2024

Wave 55 : May 23 –May 29 2024

Wave 56 : June 20 –June 26 2024

Wave 57 : July 25 – July 31 2024

Wave 58 : Aug 22 – Aug 28 2024

Wave 59 : Sep 26 – Oct 02 2024

Wave 60 : Oct 24 – Oct 30 2024

Wave 61 : Nov 21 – Nov 27 2024

Wave 62 : Dec 20 – Dec 26 2024

Wave 63 : Jan 23 – Jan 29 2025

Wave 64 : Feb 20 – Feb 26 2025

Wave 65 : Mar 27 – Apr 02 2025

Wave 66 : Apr 24 – Apr 30 2025

Wave 67 : May 22 – May 28 2025

Wave 68 : Jun 26 – Jul 02 2025

Wave 69 : Jul 24 – Jul 30 2025

Wave 70 : Aug 21 – Aug 27 2025

Wave 71 : Sep 25 – Oct 01 2025

Wave 72 : Oct 23 – Oct 29 2025

Wave 73 : Nov 20 – Nov 26 2025

Wave 74 : Dec 22 – Dec 31 2025

Wave 75 : Jan 22 – Jan 28 2026

Wave 76 : Feb 19 – Feb 25 2026

Wave 77 : Mar 26 – Apr 01 2026

Wave 78 : Apr 23 – Apr 29 2026

Wave 79 : May 21 – May 27 2026

Wave 80 : June 25 – July 01 2026

Wave 81 : July 23 – July 29, 2026

Wave 82 : Aug 27 – Sep 02, 2026

Wave 83: Sep 03 – Sep 30, 2026

Methodology:

- Online consumer panel
- N=1,000 consumers per country each wave, Adults age 18+
- Fielded in 16 countries
- Margin of error $\pm 3\%$
- Response data for Australia, Canada, France, Germany, Italy, Japan, Netherlands, Spain, United Kingdom, and the United States are weighted at the country level according to publicly available age and income profiles
- Response data for Brazil, China, India, Mexico, and South Africa are not weighted by income. Data represents higher-income consumers compared to national income distributions. Soft quotas and weighting are used to hold sample income distributions consistent wave-to-wave

Countries in focus

- Australia (AU)
- Brazil (BR)
- Canada (CA)
- China (CN)
- France (FR)
- Germany (DE)
- India (IN)
- Italy (IT)
- Japan (JP)
- Mexico (MX)
- Netherlands (NL)
- South Africa (ZA)
- South Korea (KR)
- Spain (ES)
- United Kingdom (UK)
- United States (US)



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