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Weaving a new India identity: The rise of fast fashion and affordable premium

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Foreword

India's fashion industry is witnessing a structural shift, driven by evolving consumer expectations, expanding access to products and value-seeking behaviour that goes beyond price. While the industry continues its steady trajectory, it reflects a transformation in consumer mindset. An abundance of information and products has reshaped decision-making, with consumers choosing at the intersection of aspiration, functionality and perceived value. This fundamental shift is driven by rising affluence and a digitally native generation that navigates trends with unprecedented speed, demanding a strategic response from brands that goes beyond transactional thinking.

Many consumers are shifting away from mere basket expansion towards selective product upgrades. They are making more rational choices, focusing on quality and uniqueness, while balancing their purchasing frequency with affordability and desire. This suggests that premiumisation is no longer merely a monetary upgrade; it has become a default expectation, offering more value in terms of quality and experience, rather than just the price tag. Consumers are looking at purchases holistically, where they want quality that feels premium, pricing that feels fair and experiences that upgrade the whole shopping journey. With the growing availability of options to shop from and the increasing influx of domestic and global brands, consumers are highly open to trying new brands, often supported by trusted recommendations, accessible price points and familiarity with product attributes. Building credibility and reassurance through transparent communication, uniqueness and consistent quality thus becomes a key to long-term relationships and more loyalty.

Consumers are moving away from generic shopping behaviour, which earlier felt more like a chore. Experience has become a new normal and a competitive currency when it comes to fashion purchases. Eventually, brands that transform stores into destinations and operations into a digital backbone could win across both customer delivery and back-end. Therefore, the future needs to orchestrate everything from creating influence to providing experience, stitched into trust and confidence, all flowing together seamlessly.

An equally important imperative is to view sustainability and inclusivity as a core principle, shaping brands that are perceived as responsible and purpose-led. This is not a call for incremental change but for a step towards anchoring businesses in a conscience that prioritises sustainability and environmental stewardship. While doing this, India's fashion consumption will evolve from what consumers wear to how brands lead it.

The industry is poised for transformative growth, and the next phase of success will be led by brands that establish credibility across touchpoints and deliver experiences that become the core of shoppers' memories. Amid all these developments, India stands at a pivotal moment. With a large textile base, rich raw materials and a skilled workforce, the country is poised to lead in both scale and sophistication, carving a dual identity, using manufacturing strength to increase its share in global mass exports while building distinct recognition through luxury brands and D2C players in premium segments. This blend of tradition, technology and design-led innovation positions India to shape the future of fashion worldwide.

Anand Ramanathan
Partner and Consumer Industry Leader
Deloitte India
ranand@deloitte.com

Praveen Govindu
Partner
Deloitte India
pbgovindu@deloitte.com

Executive summary

India's fashion industry is observing a growth-led transformation, driven by a consumer base that reflects individuality, cultural relevance and a growing premium mindset in fashion consumption. Consumers are seeking a blend of modern aesthetics and functionality at accessible price points. For them, value no longer equates to the lowest price, but to a perception of being premium, functional and fairly priced. This change in mindset is fuelled by rising affluence and urbanisation, as well as digital exposure, social influence and a growing younger shopper base. Consumers now have more money to spend, but equally important, they have greater access to ideas and influences that shape decisions.

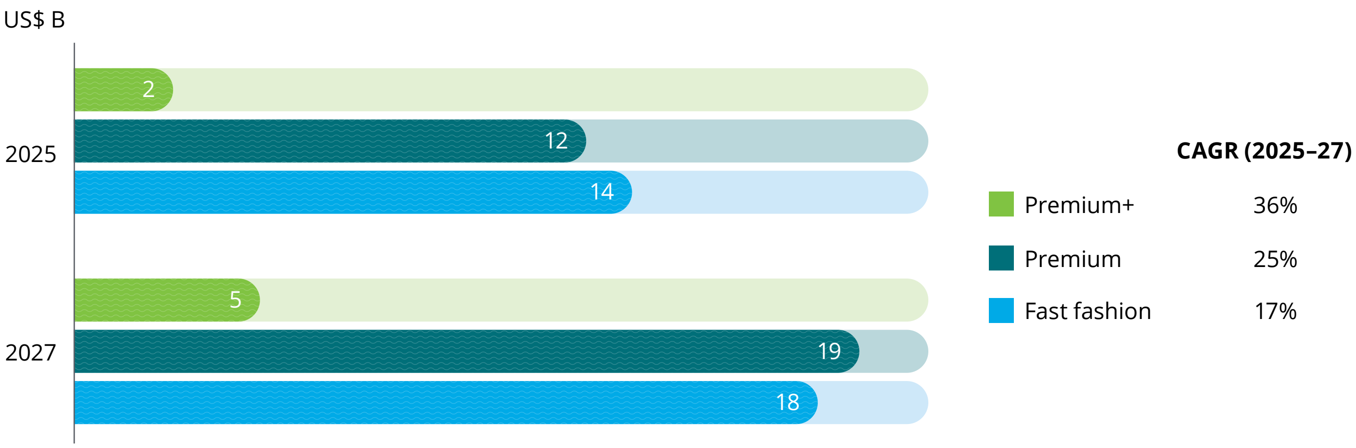
Consumers are turning aspirational, but with caution surrounding perceived value. These factors are being shaped by forces of trust and influence, alongside access, all of which play a meaningful role in the final purchase decision.

Consumer behaviour is being redefined by the new forces of 'access' and 'influence'. Social media creators and in-store storytelling formats have become powerful engines for discovery and influence, creating a strong desire. Moreover, this influence is getting converted to purchase through wider and easier access. Several brands are making premium fashion accessible across tier-2 cities and beyond through new channels, while rentals, thrift platforms and value-fashion chains are now making it easy for consumers to shop for trendy looks at value pricing. This democratisation means brands must consider how to position themselves to appeal to a broader, more diverse consumer base that looks for value and reward in everything they buy.

With shifting consumer mindsets, millennials are increasingly opting for premium products, while Gen Z is more influenced by trends. This creates a growing opportunity in premium segments and fast fashion, pointing to a strong growth trajectory in the coming years.

However, the new-age consumer is far from impulsive. Insights from our consumer behaviour index indicate a shift towards more premium consumption rather than frequent purchases. While more consumers increased their fashion spend than reduced it, the additional spend is largely directed towards upgrading quality rather than expanding baskets. Gen Z stands out as an exception, with more frequent and trend-driven purchases.

Fast fashion and premium segments, both see a strong trajectory[1,2]



[1] ICICI securities, retail equity research. Numbers have been estimated through the CAGR% for the numbers used in the report

[2] Coherent insights. Numbers have been estimated through the CAGR% for the numbers used in the report

Quick findings from the consumer behaviour index across several pillars

Scoring

0– Low — 100–High

Where do shoppers currently sit across various purchase parameters

Parameter	Score (0–100)
Change in fashion purchase intensity	44
Offline purchase impulse	33
Fashion purchase trigger	32
Openness to new fashion upgrade	35
Online purchase impulse	32
Premium brand affinity	51
Trial willingness for new brands	39

Detailed cuts with methodology and interpretation is covered in the later sections

Premium remains an important aspiration, but it comes with price sensitivity, which is evident in the behaviour where most purchases occur during discounts or special occasions. Discovery sparks interest, but conversion depends on trust, affordability and functional value, which encompass comfort, durability and fit. This highlights the importance of brands focusing on building confidence through reliable quality and transparent pricing to improve conversion rates.

Additionally, consumers' decisions are strongly shaped by their perceptions of brands. Our Brand Perception Index reveals that they prioritise experience, assortment and durability; however, gaps in inclusivity, staff knowledge, checkout and post-purchase support can leave them feeling uncertain. Addressing these gaps could help brands foster trust and confidence across mass and premium brands, encouraging loyalty and favourable perception.

Quick findings from the brand perception index across several pillars

Scoring

0– Dissatisfied — 100–Highly satisfied

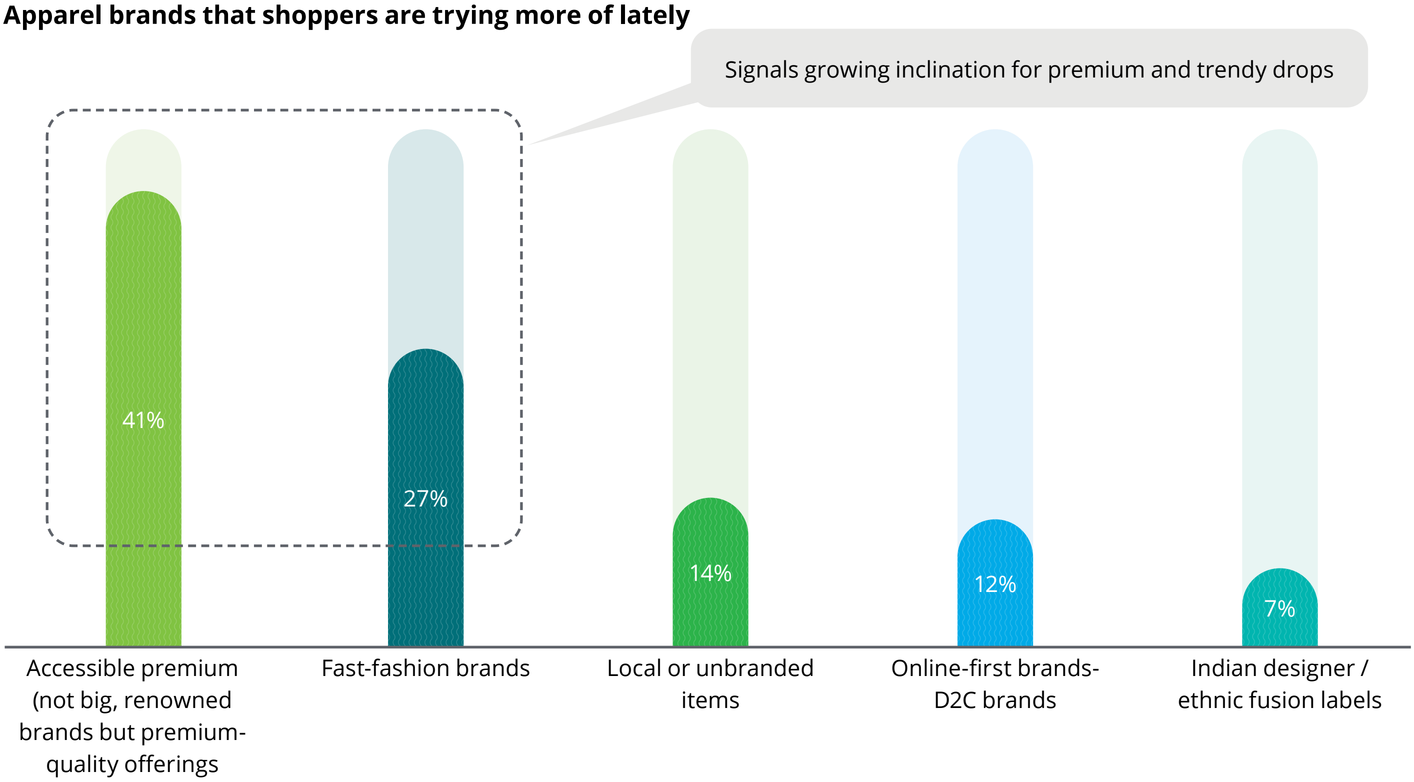
	Mass brands	Mid-premium/premium brands
Store experience	57.9	67.4
Assortment	59.4	64.2
Value perception	60.6	68.4

Detailed cuts with methodology and interpretation is covered in the later sections

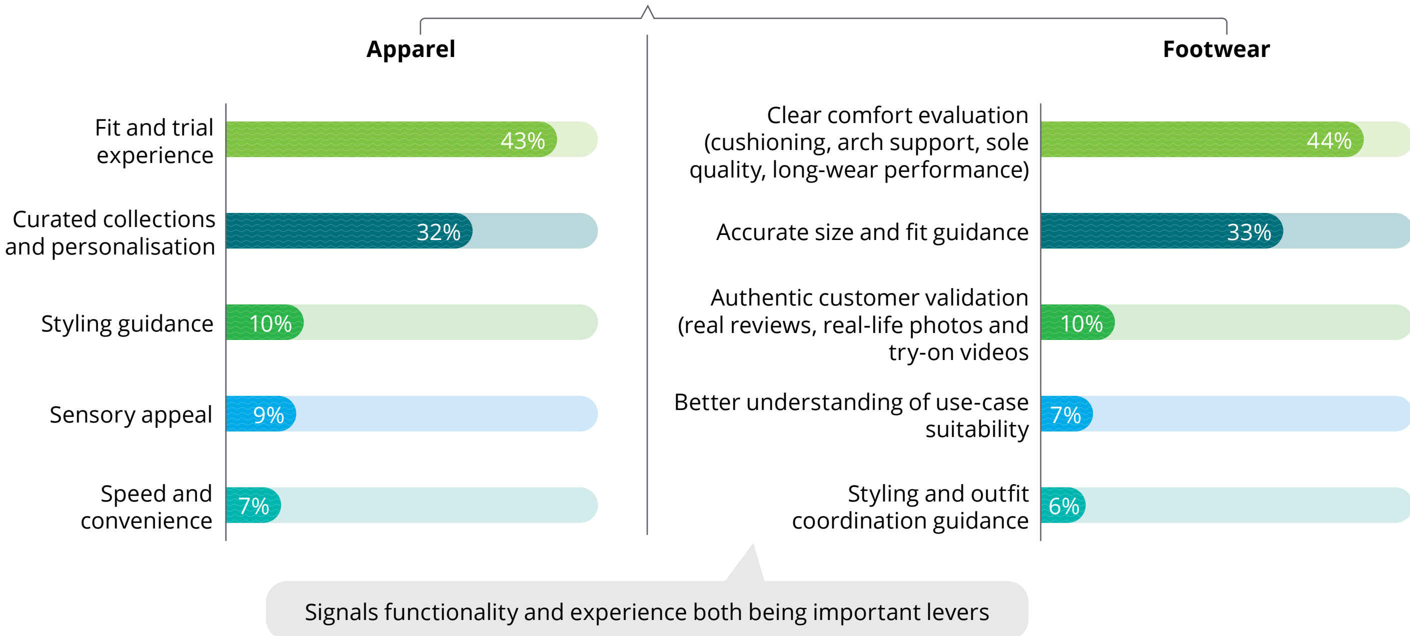
Category trends are mirroring these expectations, recognising how shoppers' baskets are changing and how it ties up with the brand perception, indicating that the depth of assortment and experience is now a default expectation.

Apparel is seeing a premium, occasion-led wardrobe expansion, while footwear is shifting towards comfort and lifestyle positioning, and accessories are becoming a style statement rather than just a heavy investment.

Apparel brands that shoppers are trying more of lately



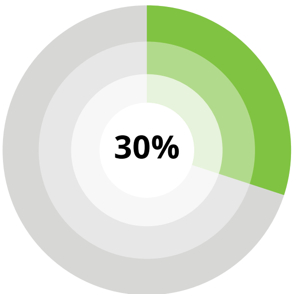
Important factors when shopping fashion



Consumers demand freshness, functionality, convenience and personalisation, and brands are responding to those expectations with technology-driven product and store experiences, personalisation-led engagement and loyalty, which makes shopping decisions smarter and more confident. Immersive stores with storytelling, new concepts, technology-led experiences and sensory engagement are turning retail stores into destinations, while omnichannel integration is closing friction gaps. These innovations align with what consumers expect, including seamless navigation, personalisation and trust-led interactions.

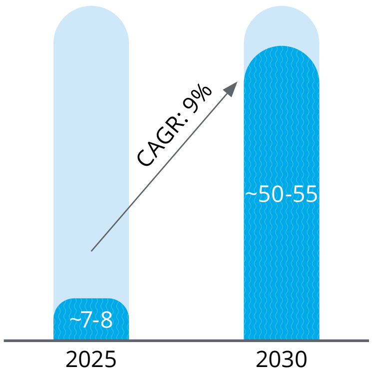
The growing popularity of quick commerce and social commerce highlights the need for brands to make these formats a core part of their strategy. With increasing social media consumption and peer influence, social commerce[3] can be a key layer to marketing, making discovery and purchase more trust-led and seamless.

Quick commerce



About 30 percent shoppers have started to purchase apparel from Q-com to meet urgencies

Social commerce in India (US$ B)[3]



In essence, India's fashion ecosystem is striking a balance between aspiration and access. Brands that actively track consumer trends and expectations and address gaps across assortment, experience and value will capture a significant market share while shaping the overall growth of the fashion sector in the country.

3. Social commerce in India, IMARC

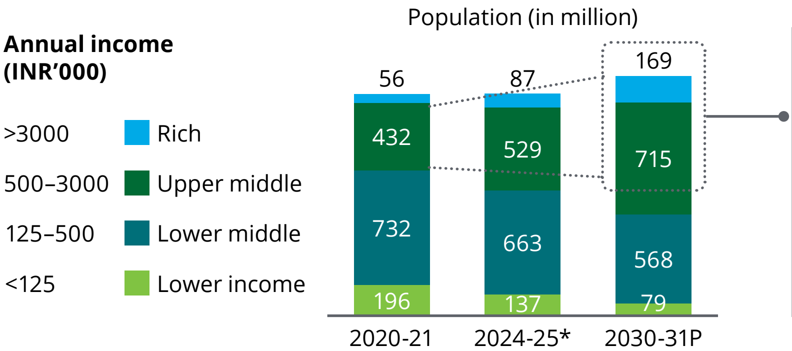
Chapter 1: The new Indian consumer: A mindset in transformation amid growth in fast fashion and accessible premium

India's fashion consumption has evolved from being price-driven and influenced by mass global trends to becoming a modern, independent market. India's 60 million+ affluent households[4] and a 35 percent urban population[5] together are expanding consumers' discretionary spending power. While part of this shift is driven by changing demographics and a growing urban culture, it also reflects a shift in mindset.

Moreover, a young population, digital exposure, the influence of social media and a growing emphasis on cultural identity have all reshaped how Indians shop and interpret value in fashion. As a result, India's new fashion aesthetic is being built on identity, values, sophistication and cultural pride, all of which are shaping the way fashion looks now.

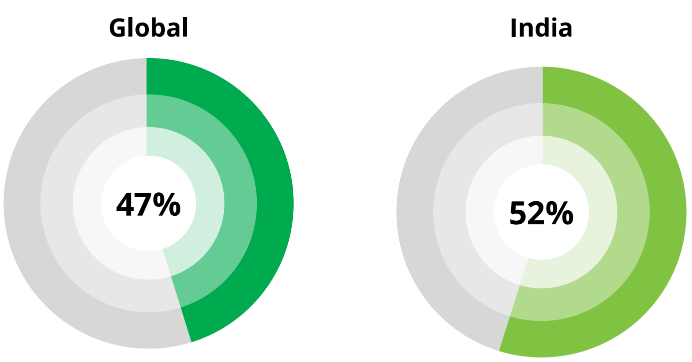
The change is a reflection of shifting demographics and growing digital influence[6,7]

1 The rise in upper middle class and affluent households is fueling growth

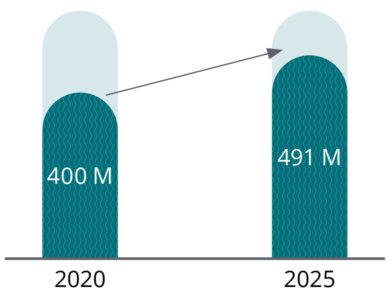


Composition (%)		Annual growth (%)
2020–21	2030–31	2021–31
4	11	11.7
31	47	5.2
52	37	-2.5
14	5	-8.6

2 A higher Gen Z and millennial population, with 65 percent young generation in India currently



3 About 35 percent of population now use social media, a key lever for changing mindset



Note: *2024–25 numbers estimated using the 10-year CAGR

4. India's affluent population is likely to hit 100 million by 2027, Goldman Sachs
5. EIU database
6. The rise of India's middle class, PRICE survey report
7. Social media statistics, GrabOn

Moving from explicit branding to refined, quality-led choices, consumers want fashion which is stylish and culturally attuned, accessible in price and premium in perception.

From loud branding to quiet confidence

India's consumer has entered a new phase of aesthetics, marked by a shift away from logos to a fashion which is more minimalistic and premium. Where people once sought conspicuous branding, today's landscape is defined more by quiet luxury and refined aesthetics. This is reflected in the rapid rise of global and in-house brands that prioritise clean silhouettes, quality fits and better fabric over brand logos. Consumers are spending more on fewer, higher-quality pieces, rather than being indulgent. What is driving this trend is a more individuality-driven shopper cohort, dominated by the millennials and higher-income groups who no longer rely only on big logos to communicate status.

Rich and high-income groups are now favouring subtle craftsmanship over logos, choosing quiet luxury that reflects refined taste. However, middle-income consumers still select logos at times, to convey social standing in some categories, but are increasingly prioritising quality-driven premium products. Metro consumers are moving from logo-led choices to quality and customisation; non-metro shoppers are accelerating towards premium and international labels. This is more evident in apparel categories, while footwear is also seeing some traction with homegrown and digital-first brands.

From bargain to value perception

The Indian consumer is conscious of value, but they have redefined its meaning. Value no longer means the lowest price, but the premium they are getting on the price they pay. This mindset has created an entirely new demand for the premium middle. This is driven by a base of consumers who want to keep it premium, classy, but accessible. At the same time, there is an equally strong group of consumers who want fashion that looks trendy and design-forward yet remains affordable, especially among young urban consumers who want the look and feel of elevated fashion without the heavy price tag. Overall, both these consumers try to find value in what they buy.

From imitation to uniqueness: The rise of Indian modernity

For long, India's fashion has been shaped by Western influence when it comes to modern outfits. However, today, the modern Indian consumer is blending cultural touch with global styles to create a fashion vocabulary that feels blended. This is most evident in the rise of new-age brands, which blend pop-ethnic scenarios, modern design and a contemporary touch. Luxury or semi-luxury segments are using it the most, taking this trend to urban millennials and Gen X, where a blend of culture and functionality is key.

In apparel, the blend is happening in two directions, with modern silhouettes such as dresses, skirts and co-ords picking up Indian designs through colour depth, prints and fabric texture. At the same time, ethnic formats are being modernised by converting kurtas into straight, shirt-style silhouettes, lehengas into skirts and festive wear into minimal blouses and versatile bottoms designed for repeat use. Footwear is seeing a parallel shift, with sneakers and heels adopting Indian detailing, while traditional forms such as juttis and kolhapuris are refined into sleeker styles.

Shopper profiles out of 100 percent respondents based on Deloitte's consumer survey research on fashion, 2025

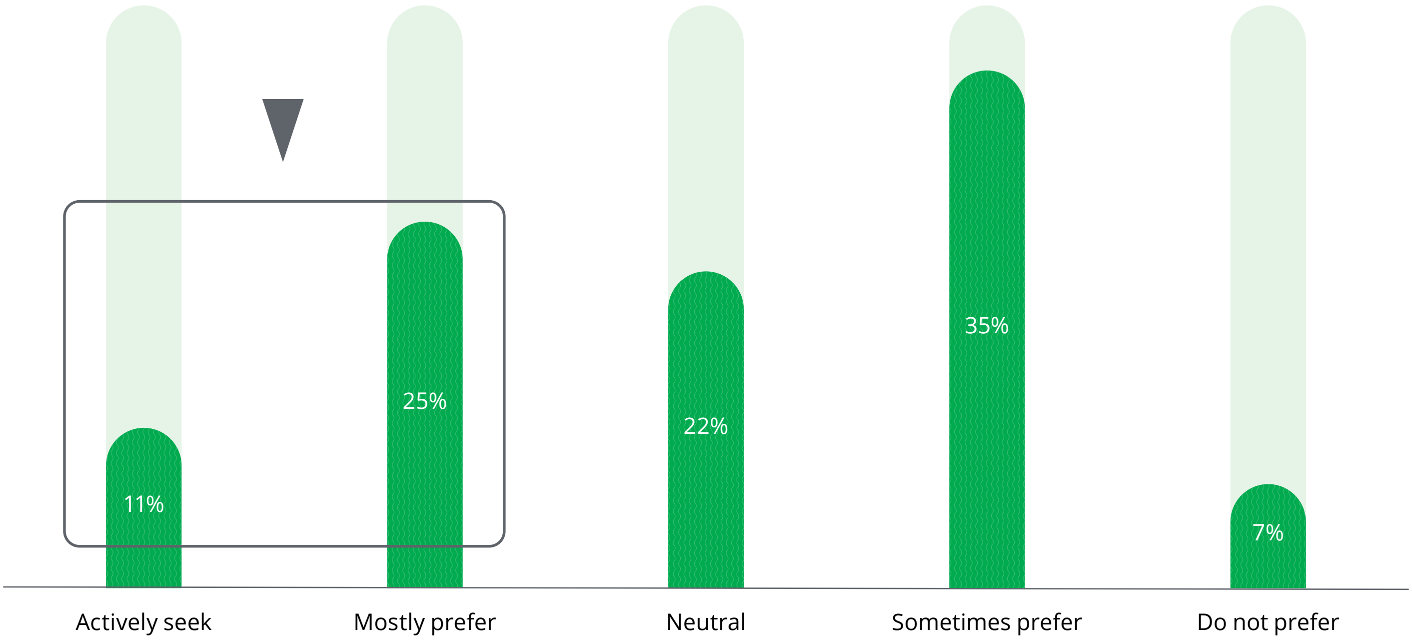
Together, these shifts have positioned India as a global fashion voice. The country is now establishing its own design identity globally.

Amid these developments, India has set a new global identity within the fashion space, evolving into a creative and quality-driven expertise. Beyond its long-standing strength in large-scale garment manufacturing, India is also being recognised for its quality and unique designs. This shift indicates that consumers are increasingly choosing Indian brands for their ability to redefine style, quality and uniqueness globally, while resonating strongly with them.

The 'Make in India' narrative has further strengthened this narrative across both apparel and footwear. Indian brands which resonate culturally with Indian consumers are successfully competing with global giants by offering high-quality options. In apparel, homegrown brands are pushing beyond traditional categories and introducing Indian crafts in a globally competitive market, with contemporary tailoring and fusion wear catalogues. The well-known handwoven Indian fabrics, such as Indian Khadi, are now being evolved into a national symbol of sustainable and ethical fashion. Khadi is seeing a strong revival, especially in the designer space, with international demand for eco-friendly textiles, and has shown a strong growth momentum on the back of domestic manufacturing initiatives. Within the footwear industry, brands have modernised their designs, upgraded cushioning technologies and expanded premium lines that can compete with international players on comfort, durability and style. New-age brands, also known as digital-first brands, have played a pivotal role in propelling Indian fashion into the global market.

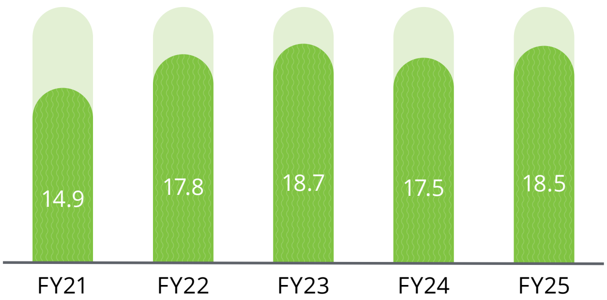
Further strengthening this cultural focus is the two-way global collaboration. With growing recognition of Indian brands and designers globally, brands are increasingly seeking creative collaborations, both from a distribution or co-creation perspective. India is scaling its fashion presence globally, while global brands are also entering the Indian market, given the lucrative opportunity presented by Indian consumers. This exchange reflects that India, as a market, has grown its influence. International brands, as well as domestic brands, are seeking a sizable share of India's market, particularly among the country's expanding affluent population. Whether it is luxury brands or premium brands, companies are looking to use the scale and diversity of the Indian market to drive their next phase of growth.

More than 1/3rd of consumers explicitly consider shopping Indian brands[8]

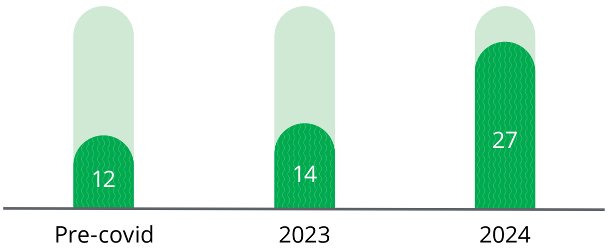


[8] Data sourced from Deloitte's consumer survey research on fashion, 2025

India's apparel and footwear exports (US$ B)[9]



Number of global brands entering India on average[10]



A few case examples

India going global

- An Indian D2C bridalwear and Indo-Western brand announced multiple international activations planned across the US, UK, UAE and Southeast Asia, taking its business beyond domestic boundaries.
- An Indian contemporary label is going global, taking ahead the 'Indianness' and learnings of the Indian ecosystem. While globally, Indian tailoring is known for its grandeur, the brand blended this with its own design language, graphic prints, geometric silhouettes and clean minimalism.

Global coming to India

- A UK-based brand has entered India's mid-market fashion segment with a physical store in Pune, while it is also using online presence through a newly inked collaboration with a marketplace.
- A US-based activewear brand, launched in Delhi, brings tech-driven activewear such as ULTRALUX fabrics aimed at India's growing fitness-conscious urbanites.

What does this global collaboration mean? It presents a significant opportunity for local brands to expand their markets and increase revenue streams by catering to global consumers. On the other hand, it presents opportunities for local brands to collaborate with global brands entering the Indian market, whether in the form of operational or distribution support, or a collaboration that offers limited or exclusive drops for Indian consumers.

Increasing India's share in global exports to compete with neighbouring countries

India's advantage stems from its strong domestic textile base and end-to-end manufacturing ecosystem, anchored by abundant raw materials and a large, skilled workforce. This foundation allows greater flexibility across product categories and supports the creation of differentiated, value-added apparel, increasingly complemented by India's growing global recognition for design capability, craftsmanship and aesthetic diversity.

Although India has been experiencing a rise in textile and apparel exports, recent US tariff measures may pose some challenges. The industry is assessing the impact of these tariffs and is pursuing a multi-pronged mitigation strategy, including trade negotiations, export promotion schemes and relief measures. Given the potential stress on competitiveness and export volumes, fashion brands that rely on export markets need to diversify market focus, strengthen domestic demand and use government support schemes to navigate the evolving tariff environment.

Additionally, India has a strong potential to grow its exports and outpace neighbouring countries such as Vietnam and Bangladesh.

9. DGCI&S and Citi analysis and foot wear statistics from Ministry of trade
10. 20 International Brands That Entered India in 2025, Images BoF

Using current strengths and closing the gaps can increase India's export potential[11,12]

	India	Bangladesh	Vietnam
Global apparel share	4%	6-7%	6%

Potential to increase this share and outpace neighbouring countries through focused interventions and using current advantages.

Cost and time dynamics

Labour cost (hourly avg, in US$)	1.5–2	~2x than neighbouring countries
Lead time	45–60 days	Relatively higher than neighbouring countries can be bridged
Logistics cost	~14%	

Export share by type of textile

Ready-made garment	45%	
Cotton textiles	35%	
Man-made textiles	15%	Focus on expanding MMF
Others	5%	

The current cotton-heavy export mix can be diversified to include the production and export of Man-Made Fibre (MMF) and performance fabrics, where global demand is accelerating.

Increasing the number of green-certified products and promoting sustainability can become a pathway to attracting premium buyers and expanding global exports. Currently, 15 percent of apparel is ESG certified compared with 20 percent for Vietnam.

Reduce cost disadvantages by improving scale efficiency, logistics performance and factory-level productivity within a highly fragmented manufacturing landscape.

Use the PLI scheme and broader policy push to drive scale, accelerate technology adoption and strengthen growth in high-margin and fast-growing segments.

Together, these forces can enhance the country's global competitiveness in mass exports, building stronger recognition on the international stage, while luxury and D2C brands continue to carve distinct pathways through uniqueness, craftsmanship and design-led differentiation.

11. India's share of global trade in textiles and apparel, Ministry of Textiles, January 2025
12. India's Apparel Exports at USD 13 Bn, Ken research

Chapter 2: The interplay of 'access' and 'influence'

Access and **influence** define the new landscape of fashion consumption. **Influence** drives desire through creators, communities, storytelling, social media and regional icons, and **access** ensures that desire translates into actual purchases via innovative channels and pricing.

Together, influence widens the top of the aspirational funnel, while access broadens the bottom of the funnel, spreading premium fashion to a wider audience. For brands, this means that players need to spark desire through influential marketing while simultaneously delivering real access through affordability, reach and acceptability to succeed.

Influence

- Brands are replacing traditional levers of influence with modern and more authentic influence
- Driving more acceptance through trust
- Physical stores are influencing through their brand story and immersive interactions

Access

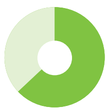
- Reimagining fashion for the masses with styles that are trendy yet affordable
- Rentals, resale and thrift stores making fashion more accessible
- A new spectrum of global platforms making reach beyond borders possible

Influence

Authenticity-driven creators are replacing traditional marketing

Brands are shifting away from mass marketing and broadcasts to targeted messages and campaigns. This is being built through both macro creators and non/regional creators, communities, who feel more relatable and authentic. Brands are going beyond celebrity endorsements by channelling their marketing efforts through various formats, including short-form videos, livestreams and community groups that are more engaging and relatable. These generate cultural momentum, which is becoming more powerful than conventional advertising.

About 63 percent of the total product discovery across all categories is driven by creators, with Gen Z relying on them the most.[13]



Case examples

- A leading fashion marketplace's live platform brings creators who act as style guides, creating style looks, answering questions and driving instant purchases through their guidance.
- A leading marketplace has been using regional creators to showcase products and information in vernacular language, making discovery more relatable and trusted.

Access

Redesigning fashion for many, through value fashion

Value in India is undergoing a redesign. Rather than climbing a traditional ladder, consumers are skipping the traditional chain through brands that deliver premium and trendy cues at affordable prices. A new wave of players is elevating aesthetics, visual identity, store culture and global-inspired styling, while keeping price points within reach. The value is defined less by price tags and more by design language, aesthetics and experience. Many fast fashion and mass value brands are also entering the space, giving trendy and frequent drops, with affordable value.

Key consumers for it are Gen Z and young millennials within the middle-income groups.

Case example

A fast-growing value-fashion chain has scaled to over 500 stores in five years, winning by adopting premium-looking merchandising and trend-first designs at very accessible price points.

13. WPP and Kantar influencer marketing report

‘Trust’ and ‘acceptance’ are becoming the new drivers of conversion

Trust has become the core. Brands are actively creating confidence in the product by making every step of the purchase journey trust-led through clearer policies, stronger reliability, quality authenticity checks and post-purchase support that reduces perceived risk. Acceptance is being generated through inclusivity, ethical positioning and community validation. With this, brands are imbuing confidence and enabling faster decision-making and stronger loyalty.

Case examples

- A women’s fashionwear brand is building trust through emotions by addressing the real needs by driving campaigns that break the cultural stereotypes. Instead of focusing on product-led marketing, it communicates through personal connections, making consumers feel more confident making trust a key influencer.
- A fashion rental brand is building trust through initiatives such as strict hygiene procedures, detailed quality checks before each order and giving assurance that outfits arrive clean and are safe to wear.

A new access model that prioritises rotation over ownership via rentals and thrift

The market is expanding beyond full ownership, with rental, resale and thrift platforms making premium and designer styles accessible without the high upfront cost. This new access layer enables brands and platforms to extend product life, reach new user segments and accelerate circulation, unlike what traditional retail does.

Case examples

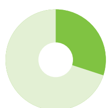
- A leading rental-fashion platform has scaled to 30+ cities, becoming one of India’s largest providers of designer occasion-wear on rent, demonstrating strong consumer adoption of the rent-instead-of-buy model, and making designer wear more accessible.
- A pre-loved fashion brand in Mumbai has built a premium urban customer base and is featured in multiple retail analyses as proof of India’s fast-growing second-hand fashion market.

Physical stores as story arenas

Physical stores are becoming a key source of influence with the use of concepts such as interactive displays, lighting and experience zones, shaping how consumers discover and get engaged. Styled mannequins, themed zones and sensory experiences create an emotional narrative around the products. This storytelling concept guides aspiration and can translate into higher purchase intent and higher spend on premium products.

Case examples

- **~30 percent of shoppers highlight sensory experience as an important aspect of their experience when shopping for fashion apparel.**[14]



- A global footwear brand creates an immersive experience by blending heritage, limited-edition displays and community-led events into the space. By turning the store into an experience, it encourages emotional engagement, shaping trust, preference and influence.

A borderless, multi-format access ecosystem

Global fashion, previously inaccessible to Indian consumers, is now available locally. Global brands bring international trends to India within days through newer platforms that now host numerous international brands. Regional fulfilment networks enable delivery beyond metros, unlocking premium adoption across various regions. On the other hand, creators are acting as modern retailers, helping to discover and shop new-age brands that are not easily accessible in physical stores. Fashion is now becoming accessible everywhere.

Case example

- A global fashion platform is scaling without stores through cross-border sourcing, bringing global styles from various countries to domestic consumers within days, something which earlier took a much longer time.

14. Data sourced from Deloitte’s consumer survey research on fashion, 2025

Chapter 3: Decoding the new consumer: Triggers to purchase and spending choices

Indian consumers are spending slightly more than last year, but this increase is not just about buying more. Instead of expanding their baskets, they are directing extra spending towards upgrading essentials and improving quality. Fit, comfort and durability now matter more than novelty.

Premium fashion remains key to aspiration, yet it comes with guardrails. Buyers want an upgrade, but they also need value for money and trust before making any purchase; hence, many of them wait for deals, lower prices or credible proof of value. Discovery through influencers or in-store displays can spark interest, but conversion requires a clear use case and accessible pricing. Brand experimentation is selective. People try new labels only when assurance, social validation and transparency are present. Value and trust motivate them to make a purchase.

Deep diving into the consumer behaviour through our consumer index

Our **consumer behaviour index** is designed to assess where consumers position themselves on the spectrum across various aspects of purchase behaviour, including spending, fashion upgrades, triggers behind purchase, premium affinity, discovery and conversion.

As this is the first year of creating this index, we are starting with the base, stating what the current mindset is; however, this index will be more useful when we begin to see a longitudinal analysis on a year-on-year basis to understand key shifts. In its current form, it highlights the key mindset and behaviour towards purchases that would define the key themes and help brands strategise accordingly.

The index cuts into three main pillars:

1. Spending behaviour index
2. Fashion purchase trigger index
3. Discovery to intent index

Refer to the detailed methodology towards the end of the report

Spending behaviour index[15]

Scoring

0– Low 100–High

Where shoppers rank

Fashion purchase intensity	44 (0–100)	Lower values position consumers closer to stable or constrained fashion spending versus last year Higher values reflect stronger upward momentum in fashion spending versus last year
Openness to new fashion upgrade	35 (0–100)	Lower values position consumers closer to planned, need-led buying Higher values reflect greater frequency of upgrades and trend experimentation
Premium brand affinity	51 (0–100)	Lower values suggest weak inclination towards premium brands Higher values suggest strong purchase inclination towards premium brands

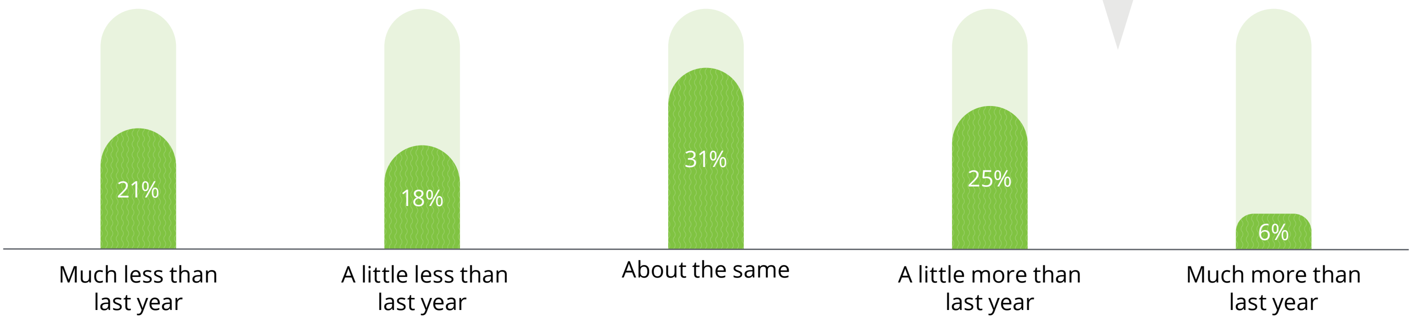
Methodology and interpretation is covered towards the end of the report

	Overall score	Gen Z	Millennials	Gen X	INR3–10 lakh	INR11–20 lakh	INR21–30 lakh	INR31–50 lakh	INR51–70 lakh	INR 71 lakh+
Spending behaviour index										
Fashion purchase intensity	44	47	43	51	37	47	42	47	53	45
Openness to fashion purchases	35	38	33	43	27	33	36	42	46	39
Premium brand affinity	51	45	52	64	35	48	56	57	66	75

Gen X often do some occasional, impulse purchase when they like something

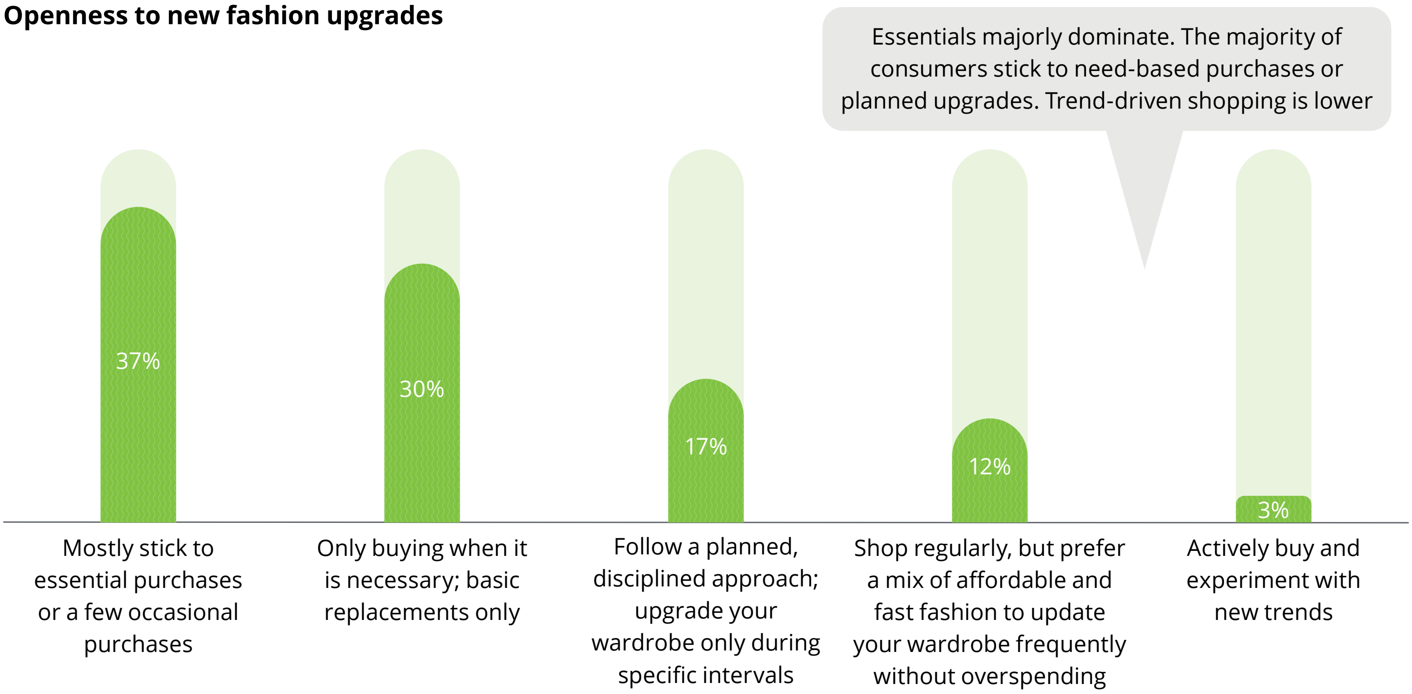
Fashion purchase intensity

Spending momentum is improving, restrained by caution
Gen Z is upgrading while blending trends with affordability
Millennials are upgrading to premium quality but avoiding frequent purchases

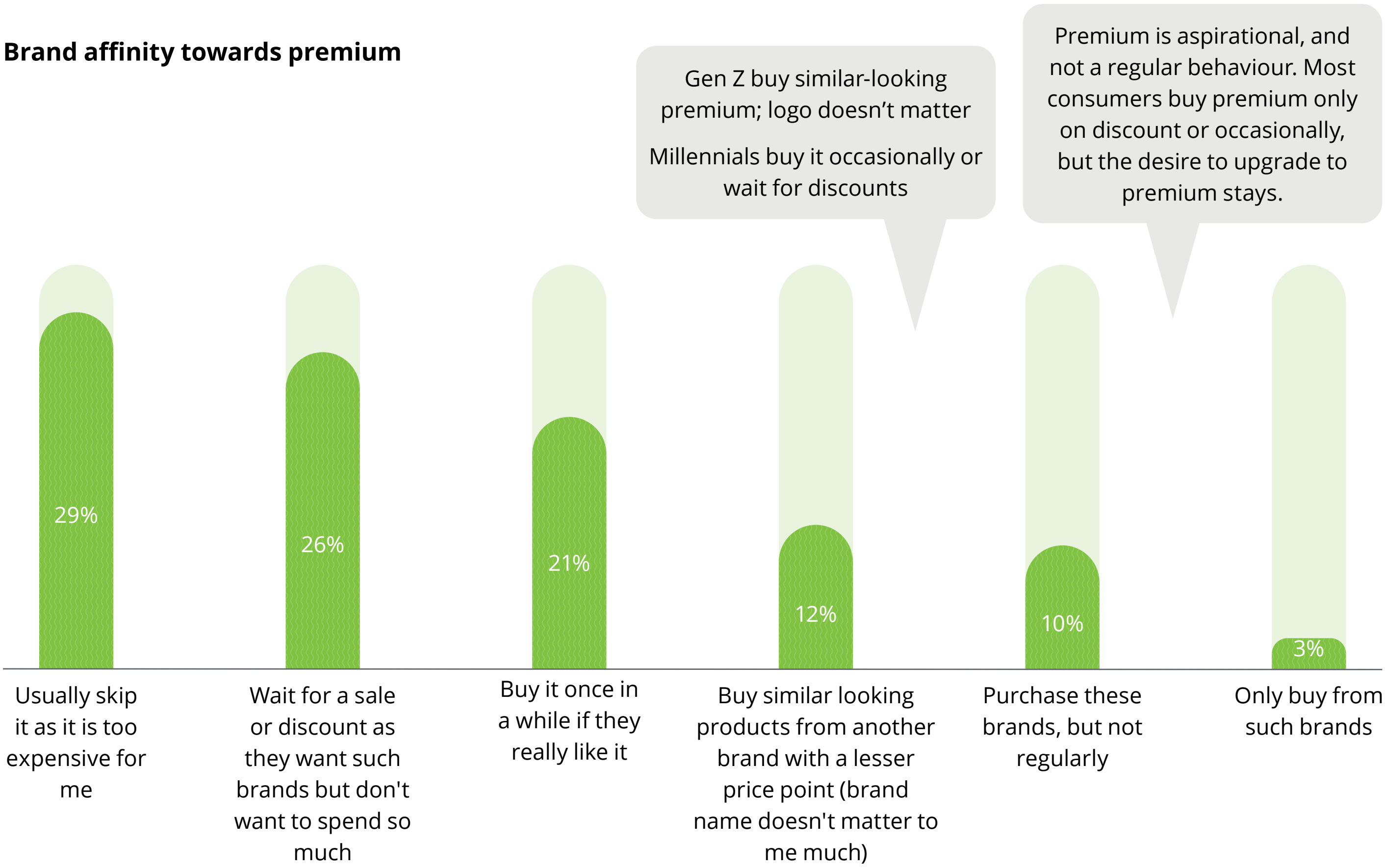


15. Data sourced from Deloitte's consumer survey research on fashion, 2025

Openness to new fashion upgrades



Brand affinity towards premium



Spending behaviour in a nutshell

Consumers are spending slightly more, but on better-quality upgrades, and not expanding the basket very frequently. This suggests they are upgrading within the wardrobe, choosing fewer, better items over splurging on variety.

While a major part of the consumer base is shopping for essentials and making planned purchases, Gen Z stays ahead to be influenced by trends and look for more frequent updates, filling it with fast fashion and affordable brands.

Premium often sparks motivation. Although not many people regularly buy expensive premium brands, a strong desire for premium remains, as reflected in the way consumers wait for price drops or occasionally make such purchases.

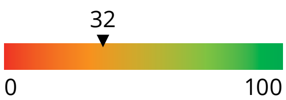
For many consumers, quality is perceived more through appearance than brand reputation. As a result, a significant number opt for similar-looking products from lesser-known brands. This indicates that brand equity is flexible and value creation often outweighs brand name. A notable portion of buyers trade down to lookalikes at lower price points, showing that a brand name alone doesn't guarantee a sale. Consumers are willing to switch if they find a comparable style at a better value.

Fashion purchase trigger index[16]

Scoring

0– Low 100–High

Fashion purchase trigger



Lower values indicate that consumers are positioned towards making purchases that are need, utility, or price driven

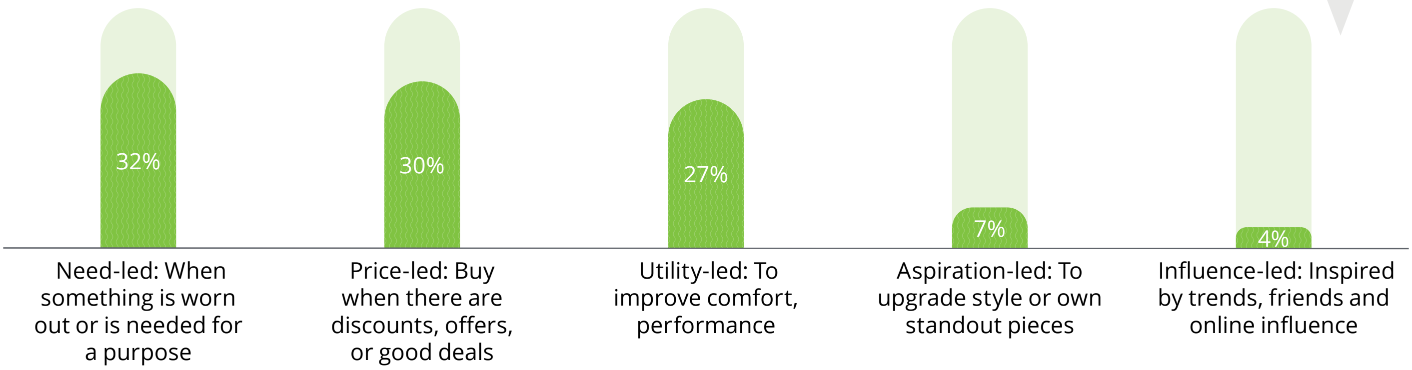
Higher values indicate that consumers are moving towards influence and aspiration-led purchases

Methodology and interpretation is covered towards the end of the report

	Overall score	Gen Z	Millennials	Gen X	INR3–10 Lakh	INR11–20 Lakh	INR21–30 Lakh	INR31–50 Lakh	INR51–70 Lakh	INR 71 lakh+
Fashion purchase trigger	32	35	30	36	28	30	33	35	32	41

Fashion purchase triggers

Influence-led purchases are low, meaning, trend-led, creator-led influences need stronger hook to purchase.



16. Data sourced from Deloitte's consumer survey research on fashion, 2025

Purchase trigger in a nutshell

Discovery translates into conversion only when it solves a real need, such as comfort, durability, style and when the price feels fair. Inspiration without these two enablers largely ends at entertainment. Brands can make functional improvements more explicit and the price-to-value quotient transparent for stronger purchase triggers.

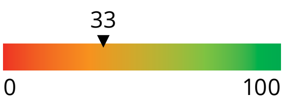
Influence and aspirations are catalysts, but need to have a stronger impact. Standout styles are bought selectively when they show a distinctive upgrade or seem a better fit in the wardrobe, not just because they are new. Consumers may want to collect a few distinct pieces rather than chase every new trend. Brands need to focus on distinctive SKUs with visible style and quality upgrades, while using the right formats to capture attention and spotlight from consumers.

Discovery to intent index[17]

Scoring

0– Low 100–High

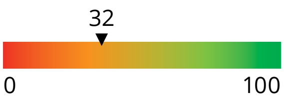
Offline purchase impulse



Lower values suggest low discovery to conversion behaviour in offline stores (through displays, kiosks)

Higher values suggest high discovery to conversion behaviour in offline stores (through displays and kiosks)

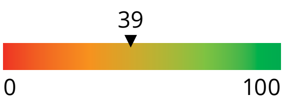
Online purchase impulse



Lower values suggest low discovery to conversion behaviour in online shopping (through creators and online content)

Higher values suggest low discovery to conversion behaviour in online shopping (through creators and online content)

Trial willingness for new brands



Lower values position consumers closer to preference for familiar brands.

Higher values reflect greater openness to discovering and trying new brands.

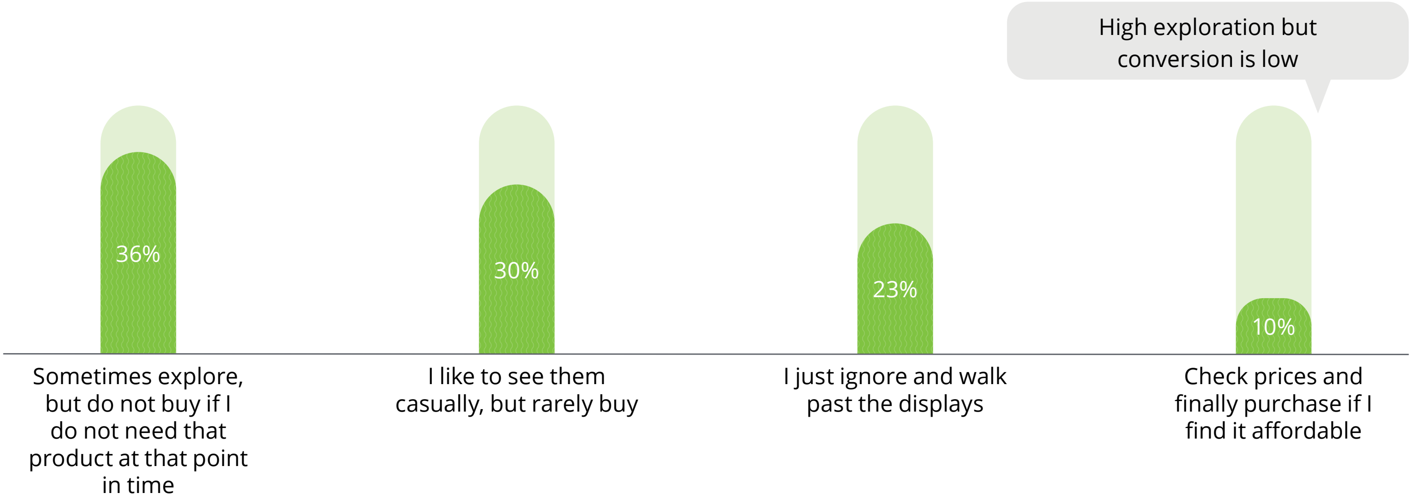
Methodology and interpretation is covered towards the end of the report

	Overall score	Gen Z	Millennials	Gen X	INR3–10 Lakh	INR11–20 Lakh	INR21–30 Lakh	INR31–50 Lakh	INR51-70 Lakh	INR 71 lakh+
Discovery to intent behaviour										
Offline purchase impulse	33	33	34	34	28	35	36	35	29	32
Online purchase impulse	32	33	32	34	31	32	36	31	31	32
Trial willingness for new brands	39	39	38	45	35	35	42	45	44	41

17. Data sourced from Deloitte's consumer survey research on fashion, 2025

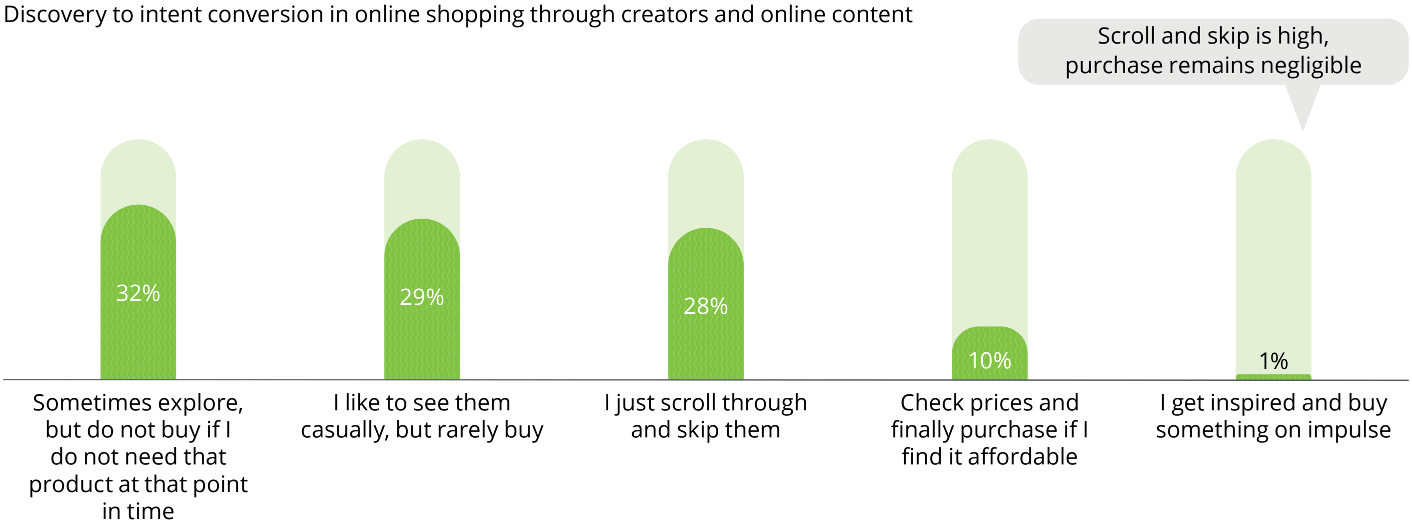
Offline purchase impulse

Discovery to intent conversion in offline stores through new displays and kiosks



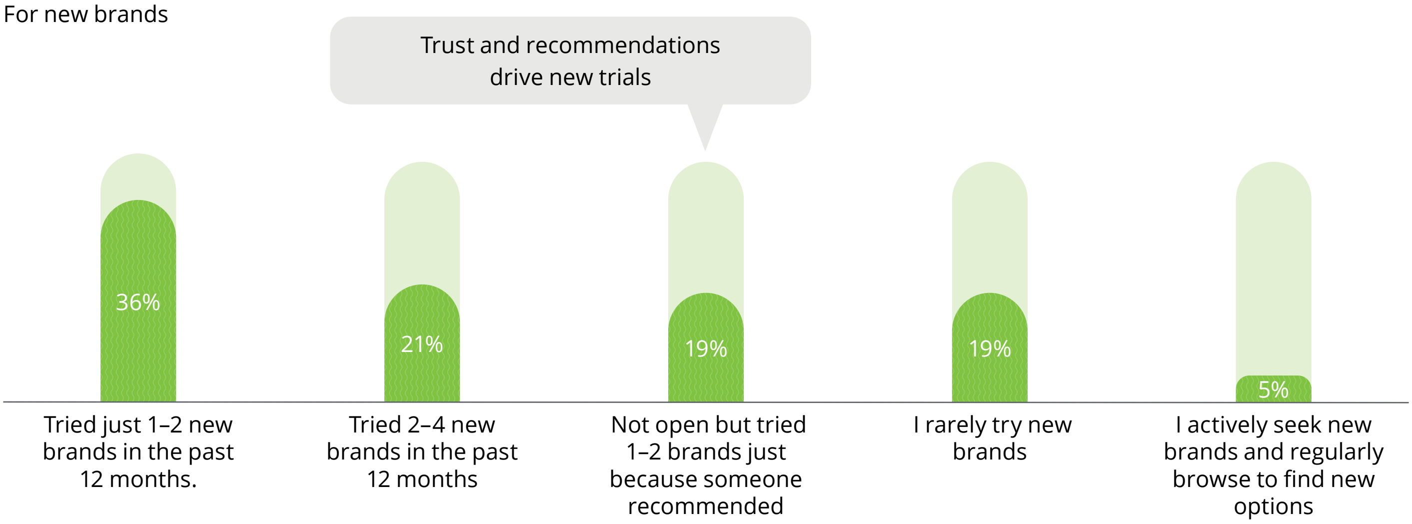
Online purchase impulse

Discovery to intent conversion in online shopping through creators and online content



Trial willingness

For new brands



Discovery to intent in a nutshell

Across both store displays and online drops, discovery happens but rarely results in immediate purchase. Only 10 percent of consumers move towards buying, but the conversion is even lower. Most consumers browse or explore, but they defer the decision unless the product meets a clear need and feels worth the investment.

Online discovery is much faster to ignore or dismiss. Online collection and influencer drops are scanned quickly, with scroll and skip behaviour more common in this format. Purchase intent remains similar to offline, but the decision window is shorter. Hence, brands need to capture shopper attention in the first few seconds, which underscores the importance of strong visuals, compelling creatives, personalised messaging and shoppable options to minimise friction.

Consumers are open to trying new brands. Many consumers have tried new brands in the past year, mainly due to trusted recommendations or affordable price point. Trust remains key to converting more trials, and therefore, brands need to build credibility through influencers, authentic reviews and relevant promotions to encourage trial without devaluing brand equity.

Brand Perception Index[18]

Consumers want a balance of experience, assortment and value for money. While there is a strong preference for visual appeal and in-store experience, expectations around convenience, inclusivity and differentiation also remain important. Shoppers seek seamless navigation and knowledgeable staff inside the store, but gaps in payment ease and post-purchase support downgrade overall satisfaction. Assortment scores well on freshness and cultural relevance, yet depth and availability often fall short of expectations. On value, durability and fit matters, but consumers also weigh whether premium pricing truly delivers superior craftsmanship and uniqueness.

In essence, a premium brand is one that exhibits strong visual engagement within the store, with seamless navigation and is accompanied by staff interaction that demonstrates expertise and knowledge. From an assortment perspective, newness and style depth, combined with durability, are key attributes. Premium brands ensure efficient stock planning, making the right sizes and styles available based on demand and external trends.

18. Data sourced from Deloitte's consumer survey research on fashion, 2025

Brand perception index

Scoring

0– Dissatisfied 100–Highly satisfied

Store experience

Mass brands

Attribute	Overall	Gen Z	Millennials	Gen X
Ease of navigation	61.7	62.8	61.3	61.0
Staff interaction and product knowledge	55.1	57.2	54.1	56.9
Store's visual engagement, displays	61.6	64.3	60.6	59.0
Checkout and payment convenience	60.1	63.0	58.7	61.1
Post-purchase support	51.2	53.6	50.3	49.3

Mid-premium/premium brands

Attribute	Overall	Gen Z	Millennials	Gen X
Ease of navigation	67.4	66.9	67.3	67.1
Staff interaction and product knowledge	66.3	65.6	66.7	65.4
Store's visual engagement, displays	71.7	70.8	71.7	76.3
Checkout and payment convenience	69.0	69.5	68.2	74.4
Post-purchase support	63.0	64.5	62.5	62.5

Assortment

Mass brands

Attribute	Overall	Gen Z	Millennials	Gen X
Newness of assortment/products	61.2	63.3	60.0	64.0
Style depth (Enough options within the budget you usually shop)	59.3	60.6	58.4	62.9
Stock/size availability online and in-store	58.4	57.2	58.4	64.3
Inclusiveness of sizing (plus-size, fits)	58.8	58.2	58.7	62.5
Indian-inspired designs, fabrics and crafts, regional touch	59.4	58.2	59.7	61.0

Mid-premium/premium brands

Attribute	Overall	Gen Z	Millennials	Gen X
Newness of assortment/products	69.8	69.7	69.7	70.5
Style depth (Enough options within the budget you usually shop)	66.0	65.5	65.7	70.5
Stock/size availability online and in-store	65.0	64.9	64.8	67.9
Inclusiveness of sizing (plus-size, fits)	63.6	61.5	64.2	81.3
Indian-inspired designs, fabrics and crafts, regional touch	56.7	52.8	57.7	62.5

Value perception

Mass brands

Attribute	Overall	Gen Z	Millennials	Gen X
Consistency of quality across purchases	59.6	58.8	59.3	67.1
Durability with repeated use	57.4	56.3	57.0	66.9
Fit and comfort compared to other similar-priced brands	62.0	62.8	61.0	68.4
Basic style and variety available at this price level	63.4	64.2	62.9	66.2

Value perception

Mid-premium/ Premium brands

Attribute	Overall	Gen Z	Millennials	Gen X
Quality and craftsmanship for the higher price paid	66.9	65.9	67.2	69.2
Design / style differentiation	67.8	66.6	68.1	70.5
Sense of premium experience (fit, feel, service, packaging)	69.9	67.5	70.9	69.9
Perceived long-term value and durability (investment quality)	69.0	69.0	68.9	69.9

Refer to the detailed methodology towards the end of the report

Key takeaways

Store experience
Premium brands deliver a more curated in-store experience, which ranks higher in terms of quality. Navigation and visual engagement are also well-perceived, and staff interaction demonstrates confidence and expertise. However, the experience falters at the finish, with checkout convenience and post-purchase support lagging, creating friction after a convincing start to the purchase journey. Shoppers highlighted mass formats as more functional and transactional, and several shoppers cited gaps or dissatisfaction in staff guidance/knowledge and post-purchase support.

Assortment
Premium wins on freshness and style depth, delivering a strong sense of newness and breadth of assortment. However, limited size inclusivity and weak local relevance make the experience feel generic and globally templated. Mass brands offer breadth but lack depth within the budget classes. Stock reliability and size inclusivity are inconsistent, falling short of shoppers' baseline expectations for basics.

Value perception
Premium is trusted for quality and craftsmanship, and consumers recognise this design and differentiation in the details. While premium has that trust, shoppers still need a fair justification from a perceived value standpoint. Durability and long-term value must be proven, or shoppers will otherwise wait for discounts and deals to get a fair value. Some consumers cite variability in product consistency and longevity in mass formats, which can affect repeat purchase trust.

Consumer expectations versus brand perceptions
Retail displays and creator drops show low conversion because consumers browse but do not buy unless affordability and convenience are met. Premium brands score higher on navigation and checkout ease, showing that reducing friction and answering doubts at the point of decision matters more to convert desire into intent.

Consumers hesitate to try new brands unless trust is established, and this is aggravated by the gap in staff knowledge and post-purchase support, where mass brands underperform compared to premium brands. Building confidence through trained staff, post-sales engagement and clear policies can unlock trial and repeat purchases faster than discounts.

Consumers are largely driven to essential upgrades and are price-conscious; however, they look up to premium brands for their superior experience and finesse. This means they aspire to buy premium but will only indulge when it feels rational financially, creating an opportunity for bridge pricing and value storytelling that makes indulgence feel worth it.

Chapter 4: Understanding the category shifts and innovation steering the modern shift

The apparel upgrade

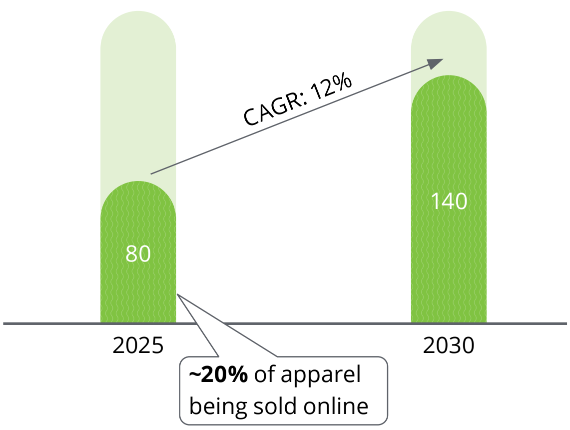
India's apparel industry is undergoing transformation, shaped by evolving consumer needs and expectations, coupled with the growth of organised retail and e-commerce. What was once a largely unorganised, price-led market is now transcending towards fashion-forward and quality choices, wardrobe depth and experiential shopping. Consumers are no longer satisfied with basic functionality; they seek individuality, trend focus and value across multiple occasions, from workwear to athleisure and travel.

This shift is powered by a new ecosystem where homegrown digital-first brands are growing and bringing freshness, the entry of global players is diversifying style and access, all redefining customer engagement. At the same time, value fashion is also thriving, driven by players innovating at mass price points to cater to India's vast base that is increasingly preferring this category. Distribution channels are formalising at scale, with exclusive brand outlets and online platforms becoming key touchpoints.

The result is a market in transition, where new brands, formats, channels and technology layers are changing how fashion is consumed by different cohorts based on their needs.

The apparel market in India is marking its growth trajectory[19]

Apparel market in India (US$ bn)



Key growth levers

- Organised value fashion into Tier 2+ cities is making apparel widely accessible to new branded shoppers
- Strong growth of online platforms and fast-fashion labels is increasing consumption across cohorts
- Diversification from casuals and formals to fusion and occasion-led styles, broadening wardrobe needs
- Influx of international and high-street formats with modern styles, pointing to premium growth, increasing AOVs

19. Spotting India's PRIME innovation moment, Deloitte-FICCI report

Emerging trends within the category

Occasion-led wardrobe expansion

Indian consumers are no longer confined to daily, formal, or festive wear. They are assembling occasion-led pieces that upgrade their wardrobes across everyday casuals, athleisure, weekend wear, party edits, festive looks and travel outfits. This expansion is driving more experimentation across variants. Brands are expanding their portfolio mix and offering dedicated lines for distinct occasions, resulting in broader SKU ranges and faster style rotations, which makes apparel shopping more enjoyable.

Trendy look with value-price engineering

Consumers are looking for premium aesthetics, social media-influenced styles, better quality fabrics, but all at affordable price points. Brands are narrowing the gap between aspiration and affordability. Retailers are reverse-engineering premium looks into mass-market SKUs that are fashion forward, on-trend and globally inspired, while holding price points. Fast-fashion and value fashion brands are hence gaining scale, offering that value proposition. Affordable, trend-led and widely accessible, value fashion holds a dominant share in the apparel market and has posted a CAGR of 13 percent in the last 5 years.[20]

A value fashion player has surpassed the billion-dollar revenue threshold and established a pan-India physical footprint with several hundred stores.

Another newer entrant in value fashion, launched in the early 2020s, has already built a multi-city presence and is pursuing an aggressive expansion strategy, targeting more than 1000 stores over the medium term.

Ethnic wear is finding new growth avenues

Ethnic wear is no longer reserved for occasions and festivals or weddings, but is becoming part of everyday lifestyle. There is a strong inclination to fusion wear, which is leading to more contemporary silhouettes such as shararas, kaftans and corset blouses. Consumers are going for customised and personalised fits, weaving traditional designs, embroidery, vibrant fabrics, with modern fits. With the rise of new-age players, this trend is being further fuelled, with Indian ethnic fusion wear crossing global borders.

Fast-cycle design redefining perception of fashion freshness

Indian consumers expect continuous style refreshes and newness, driven by social media, short-form video, peer influence and global style drops, which have shortened fashion cycles. Brands are now introducing new styles at a rapid pace, transitioning from seasonal collections to weekly drops, supported by real-time insights into trends and consumption patterns. For Gen Z and young millennials, freshness is more about social visibility, fuelling a culture to replace SKUs more frequently. This is pushing brands to accelerate design, concept and production through continuous assortment refreshes.

The Indian fast fashion market is expected to be US$14 billion by 2025, posting a CAGR of nearly 17 percent through 2032.[21]

Mid-premium and premium apparel are scaling fast with global and homegrown brands

The mid-premium segment (~INR3,500–7,000) appears as one of the fastest-growing segments in apparel. Consumers, specifically the metro cohort, are seeking premium styles that reflect an upgrade from mass fashion without entering the luxury territory, which comes with a heavy price tag. Both international and Indian brands are increasingly capturing this space. Fuelling this momentum is a new wave of D2C players, which have made premiumised fashion more unique in their own style with accessible prices through modern aesthetics. A mix of style uniqueness, quality, price point and agile supply is becoming a USP for brands catering to this segment.

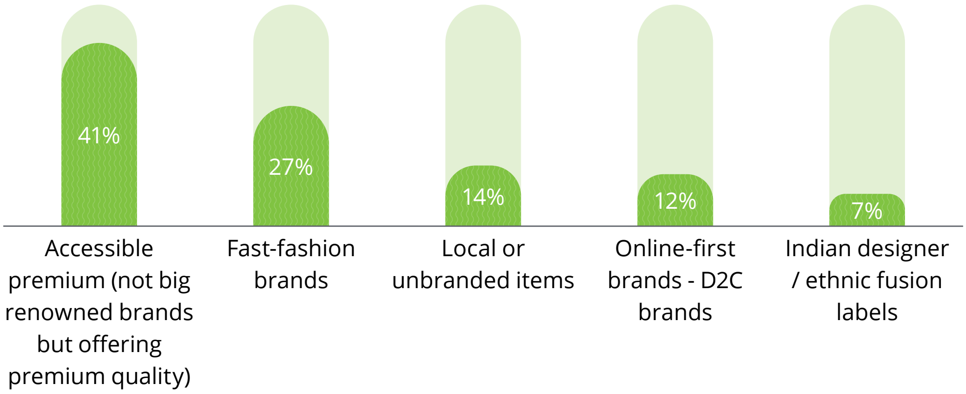
The mid-premium apparel segment is expected to post a CAGR of 25 percent from FY23–27. Meanwhile, the premium category is expected to post a CAGR of 45 percent by FY27.[22]

20. India's Value Fashion Juggernaut Is Just Getting Started, Apparel Resources

21. India Fast Fashion Market, Coherent market insights

22. India's apparel retail will continue to grow with rising incomes, increased demand for affordable fashion, Centrum

Apparel brands that consumers are trying more of lately[23]



Inclination towards consuming more style and premium led apparel while preserving value for money

About 44 percent of millennials are trying more accessible premium brands

Nearly 36 percent of Gen Z consumers are trying more fast fashion brands

Technology-infused functional wear is evolving

Indian consumers are shifting to better functionality, especially in athleisure, which is driving demand for tech-engineered, performance fabrics such as sweat-absorbent, quick-dry, odour-control, UV-protection, comfort styles. Fabric technology is becoming more prevalent due to changing lifestyles, and in India, this shift is even more evident. Performance-led apparel is expected to deliver comfort, consistency and adaptability across regions and everyday contexts.

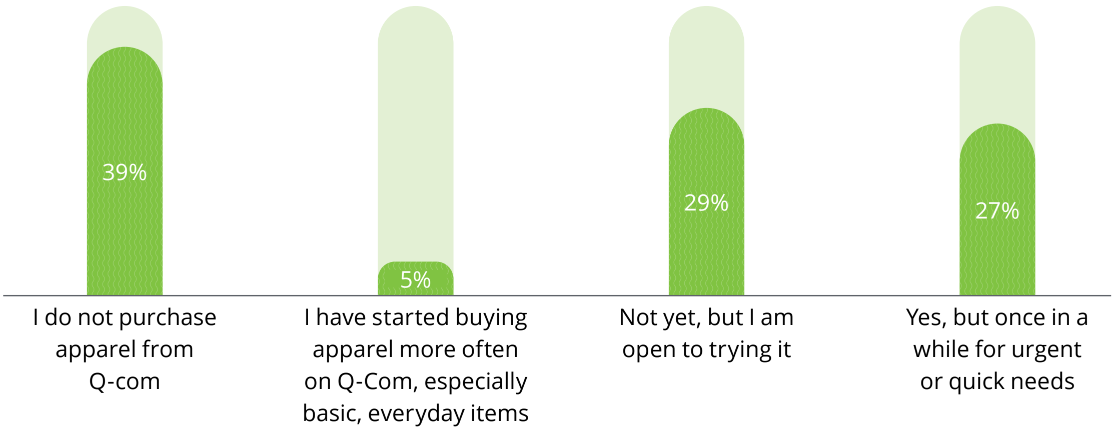
As a result, the Indian smart textiles market size reached US$160 million in 2024 and is expected to reach US$858 million by 2033, exhibiting a CAGR of 21 percent during 2025–2033, driven mainly by performance and functional fabrics.[24]

A global athleisure brand has introduced clothes with built-in infrared technology that reflects the body's energy to help work harder and recover smarter. Some of the brands are also launching more of 'Stay Dry' and 'QuickDry' lines, or breathable, moisture-management apparel for everyday basics.

Quick commerce is emerging as a useful channel for basics and urgencies

Quick commerce is starting to create its own unique space in the apparel market. Most daily clothing purchases still happen through regular online or offline methods.

Apparel purchase on QCom[23]



23. Data sourced from Deloitte's consumer survey research on fashion, 2025
24. IMARC research

However, Quick commerce is expanding by addressing 'urgencies' and some are also moving towards building habits for basics through faster channels. This includes last-minute outfits, essential items forgotten before an event, or quick replacements while travelling or for any other occasion. This trend is forming a shift towards convenience-focused apparel shopping. Consumers do not shop frequently; they are eager to buy when urgency and speed come together.

Fitness apparel and Athleisure is becoming big

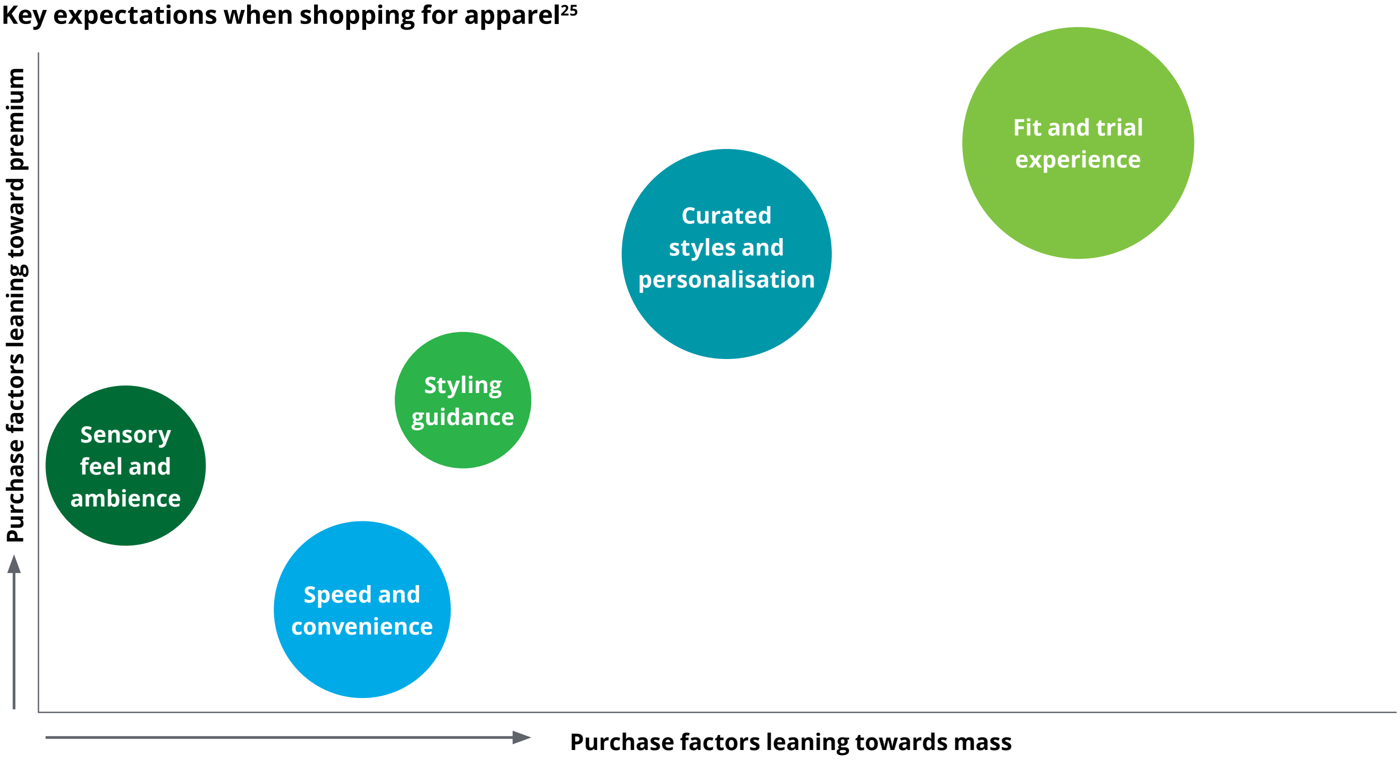
India’s fitness market is valued at approximately US$2.0 billion in CY24 and is projected to reach US$4.5 billion by CY30 (as per Deloitte's India's emerging fitness economy report 2025), posting a 15 percent CAGR. This expansion is expected to be driven by increased gym and fitness memberships and rising consumer willingness to spend on structured fitness. The 28–35 age cohort forms the core of demand, with higher-income group households investing more in premium fitness, while others balance a mix of value and premium fashion.

As fitness participation rises and consumer preferences shift towards function-led apparel with everyday relevance, sportswear and athleisure are rapidly transitioning from niche performance categories to mainstream fashion segments. Activewear and sports apparel are posting double-digit growth rates (~12 percent+ CAGR through 2030), reflecting the growing acceptance of athleisure as casual, non-sportswear. Indian consumers, particularly millennials and Gen Z, are increasingly embracing apparel that combines comfort, performance and style, wearing athletic clothing for workouts, daily errands, social interactions and casual professional settings. This convergence of fashion and function has emerged as a key growth engine for the sportswear market.

Demand is rising for high compression leggings, tapered hybrid joggers, performance hoodies, seamless sets, sports dresses and technical knit shorts. Newer styles, including oversized jerseys, cropped performance tees, mesh-panel tanks and athleisure blazers, are gaining traction, effortlessly blurring the line between gym and streetwear.

The rapid expansion of e-commerce and digital retail infrastructure has further accelerated category adoption by widening access to branded sports apparel across both urban and non-metro markets. Demand in Tier-2 and Tier-3 cities is maturing, with aspirational consumers increasingly seeking durable, branded performance wear as lifestyle markers.

Key expectations when shopping for apparel[25]



Bubble size represents the combined importance of the factor

Fit and trial

- Non-negotiable driver of purchase
- Equal priority for both Mass and Premium

Curated style and personalisation

- Premium shoppers expect stronger curation
- Styling becomes differentiator in premium

Styling guidance

- Not much prevalent but growing expectation in premium
- Niche but relevant in premium stores

Speed and Convenience

- Mass shoppers prioritise speed
- Premium shoppers trade convenience for experience

Sensory appeal

- Less important when compared to other aspects
- More preference when shopping premium brands and stores

Note: The above analysis is done on the basis of responses received in the Deloitte consumer survey on fashion, 2025

[25] Data sourced from Deloitte's consumer survey research on fashion, 2025

Innovations in the category

AI style guides are becoming the new personal stylist

Consumers today want personalised guidance, and they expect instant, personalised outfit suggestions rather than having to scroll or navigate in confusion. This is leading to scenarios where brands deploy AI-powered style guides, which are becoming a key layer in fashion consideration. Platforms can analyse body shape, colour preferences, occasion and even trending ideas to build complete looks rather than generic suggestions. It will feel more like having a stylist inside the app.

An online marketplace, for example, has rolled out advanced AI styling and look-building tools that help consumers visualise outfits and find the right aesthetic faster, making decision-making more intuitive and reducing the "what should I wear?" dilemma.

Customisation and personal-fit apparel are becoming a default expectation

A growing slice of consumers want apparel 'made for them', not just in size, but with personalised stitching and details. This shift is visible across many categories, blurring the lines between ready-to-wear outfits and the made-to-measure concept. AI-enabled technology is helping brands offer personalisation, where consumers can customise fit, colour and design according to their choice.

A leading denim brand launched a custom jacket line, allowing consumers to choose from a range of colours, linings and designs. Similarly, an online apparel retailer uses AI to recommend outfits based on individual style preferences, delivering a truly personalised shopping experience.

Assisted offline discovery through QR-linked store journeys

Navigation in large stores can become clumsy at times, or locating a product may seem difficult. A quick QR scan inside the store can pull up the full range, location and availability, beyond what is physically displayed. Customers can save an outfit to their Wishlist, check if their size is available at another store or even complete the checkout on their phone without waiting in a queue.

This scan-and-shop technology could eventually become a key influence in the offline journey, especially in brands with large stores. The experience will dissolve the traditional boundaries between physical trial and digital convenience. Customers try offline but discover, decide and transact digitally or vice-versa.

An offline fashion retail chain has introduced a tech-enabled shopping experience with the 'Endless Aisle' feature, enabling customers to browse and order an extended range of products beyond what is available in-store.

Virtual fitting rooms

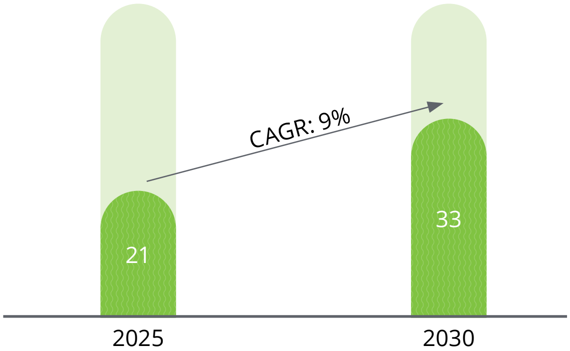
Digital fitting rooms using AR technology are offering 3D body scans that let shoppers virtually try on garments before purchasing. This allows them to visualise how clothes fit their specific body type with precision. AI-driven technologies are enhancing AR/VR try-on experiences, making them more realistic and immersive. These tools empower consumers to make confident, informed purchase decisions while helping retailers reduce costly returns.

For India's plus-size shoppers, this technology is a game-changer. An online plus-size fashion retailer uses virtual try-ons to showcase its trend-forward collections, from loungewear to designer lehengas. Shoppers on different marketplaces can experiment with styles, such as trying jeans or pre-stitched sarees, seeing how they complement their body.

The new footwear reality

The footwear market in India is marking its growth trajectory

Footwear market in India (US$ bn)[26]



Key growth levers

- India's young population, with the under-35 cohort driving self-expression and fuelling strong growth in sneakers and style-led categories.
- BIS compliance norms are reshaping the supply chain by curbing substandard imports and shifting toward higher-quality, locally manufactured footwear.
- Rise of online D2C footwear brands bringing fresh, design-led products to market faster and making trend-forward styles accessible nationwide
- E-commerce is broadening access, bringing larger assortments to Tier-2 and Tier-3 cities, which now contribute the bulk of online footwear demand.

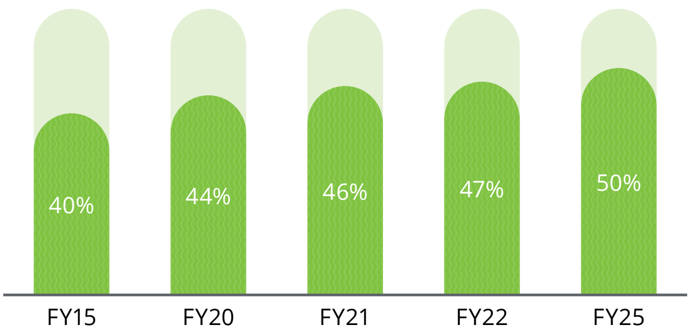
Emerging trends in the category

A shift towards premium comfort and quality

Consumers are shifting from unbranded footwear to branded options, seeking greater durability and enhanced comfort. The expansion of organised retail, the emergence of new brands and footwear's evolving role as a fashion statement are contributing to this shift. Additionally, price-point innovation, such as INR1,500–INR 3,000, is allowing mass consumers to trade up without feeling financially challenged.

Mid-premium price points in the category are growing at 13 percent compared to 8 percent for mass and economy price points.[27]

Share of branded footwear is growing[28]



A leading footwear brand disclosed close to 45 percent of its sales coming from products priced above INR3,000.

Consumer behaviour is also evolving. In areas with higher foot traffic, such as high-street locations, impulsive buying is a defining trend, with consumers often making unplanned purchases if products catch their attention.

Rising pairs per capita as footwear becomes a lifestyle category

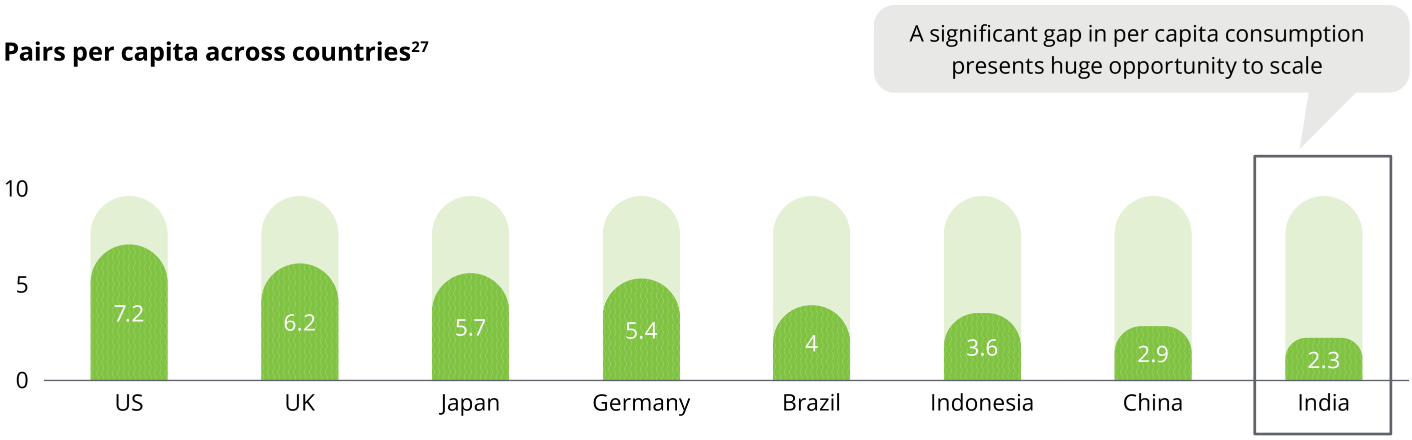
India ranks among the world's largest footwear markets. The category is evolving from a purely functional, replacement-driven segment to a lifestyle-oriented one, driving an increase in per capita consumption. Urban lifestyles and social influence are encouraging consumers to own multiple pairs for different styles and occasions. This behavioural shift is strong among Gen Z and young professionals, who view footwear as a style statement. The rise of athleisure, casual and daily-wear sneakers has further increased rotation cycles, encouraging consumers to own more pairs and refresh more frequently.

- India's pairs per capita has increased from **1.7 to over 2.3 pairs** in recent years, with urban youth averaging significantly higher.[27]

26. Spotting India's PRIME innovation moment, Deloitte-FICCI report
27. The Indian Footwear Industry is Stepping Into Greatness, Z47
28. Footwear sector poised for growth, Indsec, June 2025

While the per-capita consumption has increased, India still falls below many global countries, which means there is a huge[30] potential for growth in future.

Pairs per capita across countries[27]



The rise of new-age D2C brands

The rise of D2C and digital-first brands is reshaping demand. These brands deliver newness and quick style upgrades directly to consumers, reducing time to market through continued innovation. This model is fuelling demand across the country by making trendy and lifestyle-oriented footwear more accessible. As a result, consumers are increasing their purchase frequency, especially the Gen Z cohort.

Gen Z and millennials are driving demand for the INR3,000–5,500 price point, where D2C brands are scaling fast, attracting investors with rising loyalty, offline expansion and strong growth in tier 2+ markets.

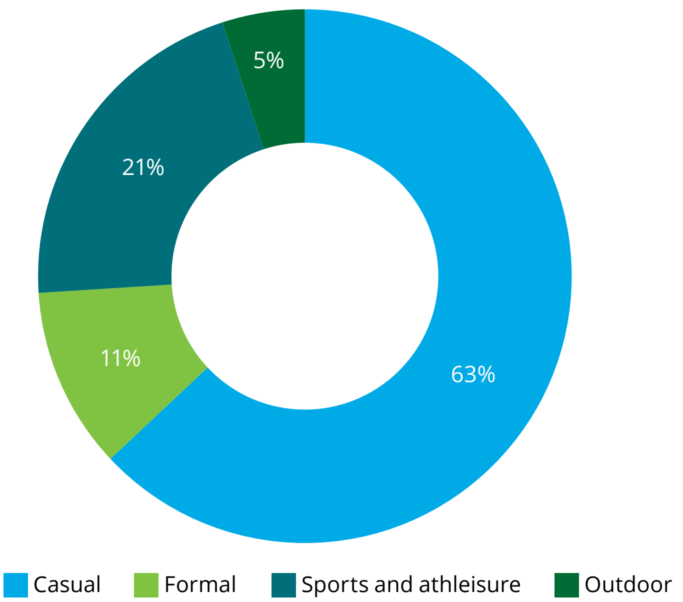
About 15 percent of consumers cited that they have started purchasing from new online D2C brands, given the freshness in assortment and appeal.[29]

Sneaker culture and casualisation

Footwear is going through casualisation in India. Both casual shoes and sneakers are capturing significant market share and present big opportunities for growth. The pop culture proliferation of sneaker culture, especially with global brands, has led to a massive cultural shift in the acceptance of sneakers as an occasion-agnostic footwear. This has opened up two price point opportunities in sneakers and casuals. Sneakers in the INR3–5 thousand range are flourishing. This segment is attracting both established companies and innovative digital-first challengers. There is a significant demand for high-quality, design-focused sneakers that appeal to millennials and Gen Z. Companies that build brands around strong design and compelling narratives are best positioned to deliver high-quality products with meaningful relevance.

Mass-Premium sneakers in the INR1.5K to 2.5K thousand range cater to a massive market of Indians looking to imbibe Western Street culture. As demand from tier 2+ cities burgeons, players are focusing on re-imagining their brand to cater to this segment of sneaker enthusiasts. This is a large SKU width plus innovative design play, similar to fast fashion.

Share of casuals remains high (Data as of FY25)[30]



[29] Data sourced from Deloitte's consumer survey research on fashion, 2025

[30] Footwear sector poised for growth, Indsec, June 2025

Innovation in the category

Upgrading midsoles with technology

Made from foam material such as EVA or TPU, midsoles provide cushioning support. Brands are developing proprietary midsole technology, blending it with design innovation. Midsole innovation has become one of the strongest performance and comfort levers in the footwear market. Brands are rapidly moving beyond basic EVA pads to advanced materials such as high-rebound foam, TPU and energy-return systems. As Indian consumers adopt athleisure, technology features such as advanced cushioning and shock absorption are becoming key drivers of purchase. This trend is pushing manufacturers to incorporate lighter, more responsive and durable midsole compounds.

3D printing for customised footwear

Brands are exploring 3D printing technology to offer personalised footwear which is tailored to individual needs in terms of style and fit. While this helps increase customer satisfaction, it also minimises material wastage during production. Brands, with the help of this technology, can now generate midsoles, outsoles and insoles tailored to individual foot type and size, removing the need for traditional moulds, thereby reducing waste and shortening time-to-market.

A global sports footwear brand has introduced **3D-printed uppers and near-fully printed shoes** through this technology.

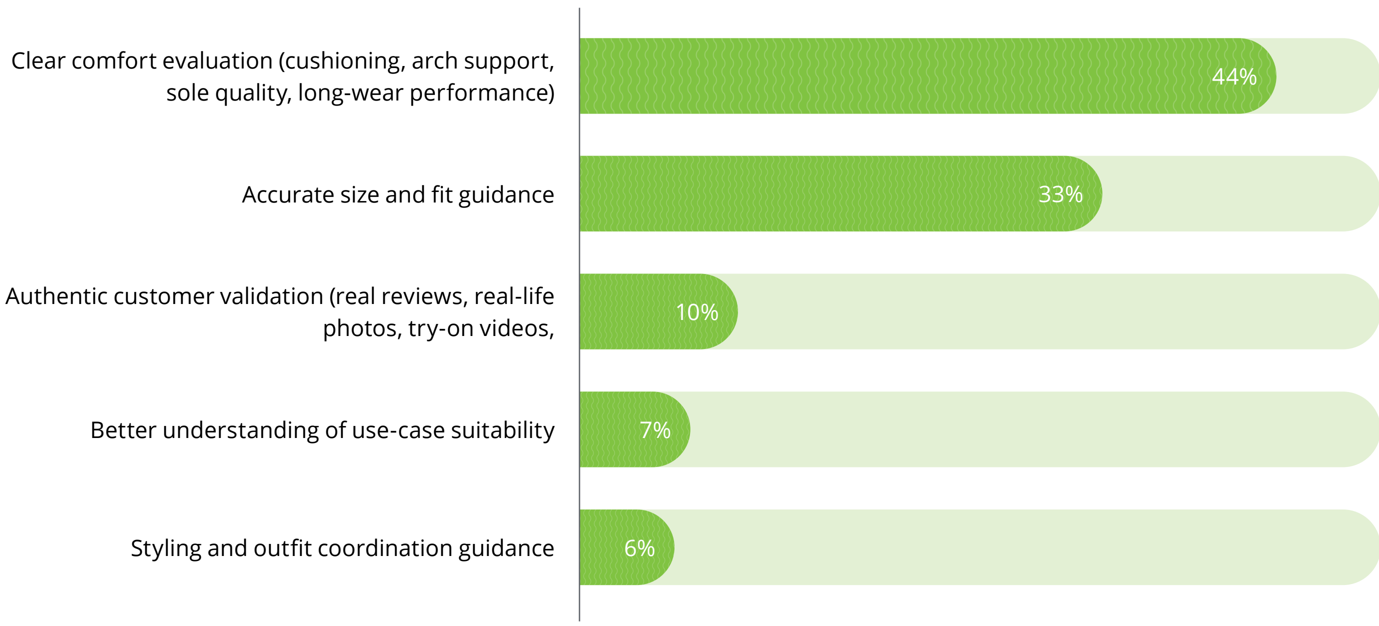
The making of smart footwear

The smart shoe concept, featuring sensors, adaptive materials and electronic components, is poised for growth in the future. These shoes, equipped with sensors and technology for fitness tracking, are gaining popularity. These products can appeal to health-conscious consumers, offering features such as step counting and activity monitoring. These shoes can monitor walking, provide feedback, adapt and also integrate with apps for health checks, performance tracking and comfort. This is allowing footwear to move beyond mere aesthetics to greater functionality.

A global brand has introduced smart shoes with built-in sensors to track movement and sync real-time performance data to the app, while a dynamic lace-tightening system adapts the fit to the user's activity.

Consumers prefer a mix of comfort, style and the right technology to make a better footwear purchase.

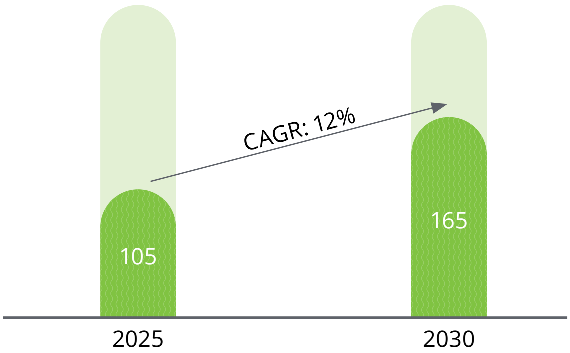
Factors that are important to make footwear purchase decisions[31]



31. Data sourced from Deloitte's consumer survey research on fashion, 2025

Accessories' new language

Accessories market (jewelry, watches and eyewear) in India (US$ bn)[32]



Key growth levers

- Growing demand for gifts across various occasions is increasing the purchase of jewellery, watches and other accessories.
- Increasing adoption of lightweight gold, charms, bracelets, silver jewellery and mix-and-match pieces is expanding purchases among younger consumers.
- Statement watches, style-led dials and hybrid analogue models driving experimentation and faster refresh cycles
- Occasion-specific sunglasses are turning fashion eyewear into a repeat-purchase accessory category.

Emerging trends in the category

Occasion-only and everyday purchases replacing heavy investments

Consumers are shying away from purchasing more heavy gold jewellery and are moving towards affordable, lightweight daily wear variants that suit an everyday look and style. With people experimenting with modern and cultural blends, minimised accessories are serving as a way to elevate everyday looks. Consumers are building small collections to swap frequently, instead of buying only for weddings or festivals. Brands with accessible price points and artificial jewellery are hence gaining prevalence.

Rise of premium, both in smartwatches and analogue watches

The premium smartwatch segment is accelerating, projected to grow at a 23 percent CAGR through 2030.[33] Growth is being driven by consumers upgrading to devices with stronger health tracking, longer battery life, seamless app integration and more fashionable and rich designs. Rising adoption of hybrid, blending analogue with smart sensors, is a new experiment. This shift is gaining traction due to a comeback of the analogue concept, as some consumers return to the old-school style as a new identity. Additionally, India has become the fastest-growing market for Swiss luxury watches, with Swiss watch exports to India in the first ten months of 2025 increasing 9 percent over 2024 and 35 percent over 2023[34]

A significant shift in India's watch market is the rapid rise of online shopping for luxury watches, with global high-end makers strengthening their digital presence through official sites and curated e-stores. The momentum has also extended to pre-owned luxury watches, where authenticated resale platforms are gaining popularity. With verification certificates and flexible payment options, premium timepieces are becoming far more accessible to a broader audience. The growth of luxury watches in India is expected to increase by 11–12 percent a year.[35]

Fashion eyewear is emerging as a statement

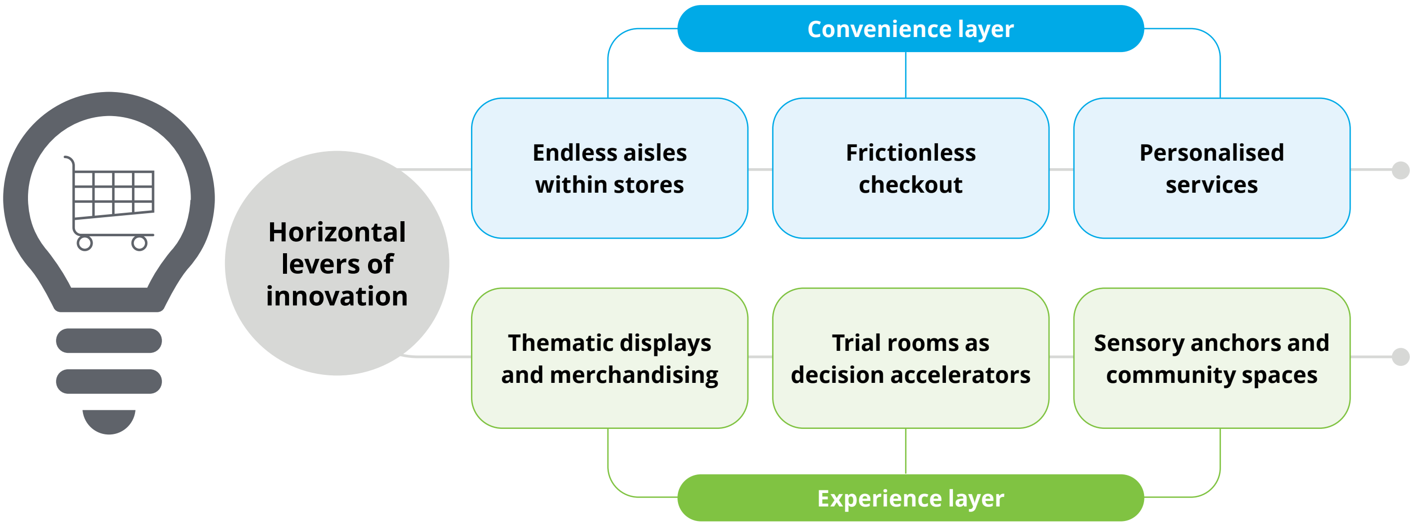
Eyewear is shifting from a mere utility to a strong style statement as consumers are exploring oversized frames, tinted lenses and newer shapes. Influencer culture, youth dominance and social behaviour are driving eyewear adoption. Stocking of multiple pairs is rising as people choose different frames for work, vacations, events and everyday looks. This shift has entirely changed the concept of one expensive pair for all occasions.

Gold remains a choice for weddings, but lower-karat gold is shaping preference

There is a shift towards plain, lightweight gold jewellery in 22, 18 and even 14-karat variants, as consumers increasingly prioritise pieces that offer better investment value and high resale potential over diamond-studded jewellery.[36] Rising gold prices are making consumers favour simplicity and liquidity rather than heavy investment. At the same time, demand for diamond jewellery is cooling, as buyers reassess the cost-benefit in an environment where gold is increasingly viewed as a safer financial asset.

32. Deloitte-FICCI report, 2025
33. India Smartwatch Market , IMARC
34. The Federation of the Swiss Watch Industry
35. Luxury watch boom: Indian market likely to grow 11-12 percent annually, TOI
36. Wedding season surge, TOI

Chapter 5: The horizontal levers of innovation across fashion categories



Experience layer

To elevate engagement with sensory and modern experiences

Thematic displays and merchandising, with storytelling

India's new experiential stores are shifting from standard, category-first layouts to multi-zone storytelling formats. Instead of 'Men', 'Women', 'Kids', stores now create interesting clusters such as workwear pods, ethnic occasion wear, casual corners, or influencer picks. This improves clarity and discovery in the first few seconds, helping consumers quickly understand the assortment breadth. Window displays featuring seasonal collections tell a story and inspire customer imagination, redefining the store experience. Colour-blocked merchandise arrangements are making a visual impact and providing ease of navigation. Some retailers, as well as shopping centres, are adopting themed environments or pop-up spaces to provide customers with a new experience. For Gen Z and millennials, it makes more sense as they seek experiences worthy of sharing across social platforms.

Strategic signage can increase impulse purchases by 20 percent, while compelling window displays boost foot traffic by 23 percent.[37]

Trial rooms are key conversion levers

Indian consumers often experience confusion or decision paralysis when shopping for new styles, combos or complementary looks. Stores are turning trial rooms into smart decision makers, with multi-angle mirrors, digital screens with styling tips, and assisted stylists on demand. These elements reduce the time between try-on and purchase while giving consumers confidence in their purchase decision. Stores are closing this decision gap with enhanced trial zones becoming a top conversion lever.

37. Visual Merchandising: Understand how it can impact your business, Channelplay

A fashion clothing store in India uses smart trial rooms. When a customer brings a garment into the trial room, the system recognises it and displays product details, size/colour checks and alternative suggestions or complementary looks. Their store design explicitly includes tech-enabled trial lounges.

Sensory anchors and community spaces

Retailers are integrating things such as music, art, entertainment and events to make the store feel like a destination rather than a space for transactions. Sensory triggers increase dwell time, while community-led activities such as workshops, creator kiosks, live counters and styling sessions create far more engagement. This shift is driven by younger urban consumers who seek cultural and social value from physical spaces and not just merchandise.

A clothing boutique in India is placed inside a restored colonial bungalow. The space is an interplay of art, fashion and gastronomy, inviting visitors to see lush gardens, enjoy the cafe, while it serves shoppers in the boutique. Shopping here feels less like a transaction and more like a leisure, where shoppers see artisanal garments with a coffee amidst century-old architecture.

A cultural and lifestyle destination in India lets you sip a cocktail while shopping, creating a boutique into a cocktail bar. This concept-driven space is a favourite among creatives, merging high fashion with an indulgent nightlife atmosphere.

Convenience layer

Designed to make shopping more seamless and effortless

Omnichannel and endless aisles extend inventory access at the shelf-level

Consumers expect a seamless journey across channels, prompting retailers to integrate their physical and digital channels. Stores are driving this convenience by including QR-linked product details, digital catalogues, in-store tablets and endless aisle systems. This setup is particularly valuable in compact stores where full inventory cannot be displayed. It prevents walkouts, supports informed purchasing and ties the store into the brand's larger omnichannel journey.

Many offline brands have introduced smart kiosks with an instant catalogue on a screen, where customers can search if apparel in a certain size is available in the store or not. If unavailable, the order can be placed in the kiosk, and it gets delivered at the exit or at home.

Checkout and fulfilment are becoming frictionless and speedy

Checkout has always been a very critical element of experience. With growing impatience towards queues, fashion stores are adding mobile POS, self-checkout systems and options like buy in-store, deliver at home. Consumers seek clarity on time, process and service and do not want to spend too much time in checkout queues. This is especially important in malls and big stores where wait lines are a known barrier.

A leading sportswear retailer has successfully implemented self-checkout and scan-and-go for a long time, setting a widely recognised benchmark in frictionless retail.

Personalised convenience

Brands are offering personalised services such as alterations, repairs, recommendations, return assistance and styling-on-demand, turning post-purchase moments into store revisit anchors. This approach increases LTV and gives offline retailers an advantage over online-only platforms. The more services linked to the store, the more reasons there are for consumers to return to stores and shop often.

Brands are using AI and data analytics to craft highly personalised experiences. These tools enable them to offer tailored recommendations to customers, whether through customised product suggestions, interactive in-store digital assistants or products made on the spot.

A known denimwear brand introduced in-store customisation services for denim jackets. Meanwhile, another sports brand launched personalised sneakers through its programme, where shoppers can customise the colours, materials and design of their shoes in-store.

Sustainability surrounding the value chain

Shift to lower-impact fibres

Brands are adopting the use of organic cotton, recycled polyester and natural fibres. Lower impact materials are less resource and energy intensive and do not have a significant impact on people, planet and animals when in circulation and when disposed of correctly.

Water-light and energy-efficient process

Water scarcity and rising energy costs are driving textile hubs into a closed-loop water system, zero-liquid-discharge plants and more use of renewables. Solar-powered units, digital dyeing and automated cutting systems are becoming standard in larger mills to reduce fabric waste.

Circularity models such as repair, reuse and resale

Circularity is acting as a key lever, driven by an increasing sense of responsibility among younger cohorts. Brands are exploring options such as buy-back programmes, pre-loved items, upcycling initiatives and textile recycling. Circular services create new revenue streams and increase lifetime engagement. Brands are experimenting with the concept, signalling early mainstreaming of recommerce in India.

Traceability and supply chain transparency

QR-based products, fibre-origin tags and backend traceability tools are becoming more common as brands face rising consumer scrutiny. Transparency, where this was made, with what fibre, in what conditions, is becoming critical and is no longer a compliance requirement. Forward-looking retailers view traceability as a way to build trust and differentiate themselves in premium segments.

With the rise of fast fashion, sustainability becomes a key imperative

Fast-fashion players are addressing it carefully by building efficiency into speed. They are trying to bring smaller production batches to avoid overstock, use recycled-polyester blends to reduce costs and water-light dyeing to cut resource use.

However, a significant gap remains. Globally, less than 1 percent of used clothing is recycled into new garments, and recycled fibres, despite underpinning many sustainability claims, account for only about 7.6 percent of total fibre production.[38]

The textile industry is only about 0.3 percent circular, which means that over 99 percent of materials are sourced conventionally and then discarded or landfilled. Additionally, the sector contributes about 3.5 percent of global greenhouse gas emissions and about 5 percent of nutrient pollution, which disrupts freshwater and marine ecosystems.[39]

While some brands are embedding sustainability into their supply chains, the sheer volume of garments produced under fast fashion still relies heavily on virgin materials, adding to the growing waste problem. As a result, true large-scale change remains distant.

38. Materials Market Report 2025, Textile Exchange
39. Circularity Gap Report, Textiles

Chapter 6: Regulatory changes and compliance considerations for the fashion industry in India

The fashion industry in India is undergoing a rapid transformation, driven by shifting consumer preferences, faster trend cycles, technological advancements and deeper integration with global supply chains. The industry is moving from traditional manufacturing to a more dynamic ecosystem focused on design and exports. At the same time, regulations on production, trade, sustainability and compliance are evolving to support growth while protecting domestic and global interests. In parallel, the Indian fashion industry is increasingly operating on an omnichannel model, where physical stores, brand websites, marketplaces, social commerce and quick commerce platforms coexist as a single consumer journey. This shift has blurred traditional distinctions between manufacturing, distribution and retail, resulting in integrated operating models with shared inventories, centralised technology platforms and cross-channel fulfilment. As a result, regulatory compliance and tax considerations are no longer confined to isolated functions but must be evaluated holistically across the value chain.

Some of the notable tax and regulatory developments witnessed during the last year are mentioned below:

1. In November 2025 (18 Nov), the Central Government rescinded the QCO for Viscose Staple Fibre (VSF) with immediate effect, removing the mandatory BIS certification requirement and easing compliance for the textile value chain.

2. The Department for Promotion of Industry and Internal Trade (DPIIT), under Ministry of Commerce and Industry, vide **Footwear made from leather and other materials (Quality Control) Order, 2024,** introduced and enforced new Quality Control Orders (QCOs) for 12 footwear products, requiring compliance with Indian Standards and obtaining BIS license (ISI mark) before domestic sale. This took effect from 1 August 2024, with transitional deadlines for existing stock.[40] These aim to raise production quality and boost consumer safety and the competitiveness of Indian-made footwear. However, this order shall not apply to goods or articles meant for export and to MSMEs.

3. The Director General of Foreign Trade (DGFT) vide a notification in August 2025, extended the Export Obligation (EO) period from 6 months to 18 months under the Advance Authorisation for products subjected to mandatory Quality Control Orders (QCOs) issued by the Department of Chemicals & Petrochemicals, thereby improving the ease of doing business and competitiveness of the Indian products. The uninterrupted access to duty-free raw materials, despite QCO requirements, shall help reduce input cost pressures and secure raw material availability.[41,42]

   Under the PM Mega Integrated Textile Region and Apparel (MITRA) scheme, anchored in the 5F vision (Farm to Fibre to Factory to Fashion to Foreign), the government has approved setting up 7 PM MITRA parks, one each in Karnataka, Madhya Pradesh, Maharashtra, Tamil Nadu, Telangana, Uttar Pradesh and Gujarat.[43] These parks shall help build an integrated textile value chain anchored on world-class infrastructure, thereby reducing logistics costs, boosting exports, attracting investment and promoting self-reliance (Atmanirbhar Bharat).

4. The Ministry of Textiles has notified key revisions to the Production Linked Incentive (PLI) Scheme for Man Made Fibre (MMF) apparel, MMF fabrics and products of technical textiles. These include:[44]

   - **Expansion of eligible products:** Inclusion of eight new Harmonised System of Nomenclature (HSN) codes for MMF apparel and nine new HSN codes for MMF fabrics.

40. https://www.dpiit.gov.in/static/uploads/2025/07/d8adc9e69b1a1d42a50f90c55d384ded.pdf
41. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2162261&reg=3&lang=2
42. https://www.dgft.gov.in/CP/?opt=notification
43. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2202867&reg=3&lang=1
44. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2176795&reg=3&lang=1

- **Relaxation for setting up new companies:** Applicants can now establish project units within the existing companies.
- **Reduction in minimum threshold of investment:** For all new applicants, with effect from 1 August 2025, the minimum investment stands reduced from INR300 crore to INR150 crore in the Part-1 category and from INR100 crore to INR50 crore in the Part-2 category of the Scheme .
- **Reduction in incremental turnover criteria for incentive, from earlier 25 percent to 10 percent:** Commencing from FY2025–26, applicants now have to demonstrate a minimum of 10 percent incremental turnover over the previous year to qualify for incentives from Year 2 onwards.

5. The Director General of Foreign Trade (DGFT) vide notification dated 21 October 2025, partially amended the import policy condition for Synthetic Knitted Fabrics falling under ITC (HS) Code 60053600,[45] wherein the fabrics falling specifically within the 28 to 48 Grams per Square Meter (GSM) range are exempted from the Minimum Import Price (MIP) condition and can be imported without meeting the US$3.5 per kg CIF (Cost, Insurance and Freight) value requirement. This shall help reduce input costs for brands and manufacturers, facilitate quicker sourcing and improve product quality and design innovation.

6. In the move to help businesses transition in the wake of the Goods and Services Tax (GST) revisions, the Department of Consumer Affairs revised certain requirements for manufacturers/packers/importers of pre-packaged commodities, through an advisory dated 18 September 2025:[46]
   - Affixing revised price stickers on unsold stock manufactured before 22 September 2025 is optional, provided the original Maximum Retail Price (MRP) is not obscured.
   - The requirement under Rule 18(3) of the Legal Metrology (Packaged Commodities) Rules, 2011, to issue an advertisement about revised prices in two newspapers has been waived off. Consequently, they are now required to send circulars to wholesale dealers/retailers, etc., with a copy to the Director, Legal Metrology of the Central Government and Controller, Legal Metrology of all States/UTs, about revised prices. Additionally, manufacturers/packers/importers need to inform dealers, retailers and consumers of the revision in GST rates through all possible channels of communication.
   - They are allowed to use old packaging material printed prior to the GST change until 31 March 2026, or until stocks last (whichever is earlier) by correcting MRPs through stamping, stickering or online printing.

7. To facilitate a smooth transition for compliance with amendments in labelling Provisions under the Legal Metrology (Packaged Commodities) Rules, 2011, the government announced a structured timeline wherein the enforcement date for amendments related to labelling provisions under the Rules shall be 1 January or 1 July of a given year, with 180 days' notice.[47]

8. To facilitate cross-border transactions, the Reserve Bank of India (RBI) has extended the timeline for realisation and repatriation of export proceeds from 9 months to 15 months from the date of export. In another amendment, the RBI has now permitted Indian exporters to open and maintain foreign currency accounts outside India under general permission, for receiving export proceeds therein and use funds for import payments (subject to repatriation/utilisation norms).

   i. **Transfer pricing provisions**
      - **Characterisation:** From a transfer pricing perspective, omnichannel integration has resulted in Indian entities increasingly undertaking value-adding functions beyond traditional manufacturing or distribution roles. These include local market strategy inputs, digital marketing execution, inventory planning and omnichannel logistics coordination. Such evolution necessitates a reassessment of the functional, asset and risk profile of Indian entities to ensure alignment with their arm's length remuneration. Accordingly, robust intercompany agreements and contemporaneous documentation will be essential to substantiate the revised characterisation and support arm's length pricing outcomes.

45. https://www.dgft.gov.in/CP/?opt=notification
46. https://consumeraffairs.gov.in/public/upload/admin/cmsfiles/whatsnews/GST_revision_-_Permission_by_Central_Govtunder_Rules_33_of_the_Legal_Metrology_Packaged_Commodities_Rules2011to_relax_provisions_contained_in_Rule_183_whatsnews.pdf
47. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097258&reg=3&lang=1

- **Marketing intangibles:** Increased investments in digital marketing, influencer-led campaigns and brand-building initiatives tailored to the Indian market may give rise to transfer pricing considerations around the creation or enhancement of marketing intangibles. Multinational fashion groups may need to clearly delineate the ownership, control and economic benefits of such activities, and ensure appropriate pricing for marketing and promotion services undertaken by Indian entities.
- **TCS on high-value fashion purchases**
  - A 1 percent Tax Collected at Source (TCS) was introduced on specified luxury goods sales above INR10 lakh. The Central Board of Direct Taxes has notified a list that includes ultra-high-end fashion accessories (such as handbags, wristwatches, shoes and sunglasses) as part of broader luxury purchases.

Such TCS is likely to improve transparency and track high-value spending; however, it requires clarity on classification and compliance readiness for retailers.

The government of India has introduced several customs and trade policy measures to support the textile, apparel and footwear sectors amid global demand uncertainty and rising trade barriers.

Customs duty rationalisation has been a significant focus. Through Notification No. 45/2025-Customs, effective from 1 November 2025, the government has consolidated nearly 31 earlier exemption notifications into a single framework. This simplifies compliance and reduces administrative friction for exporters and manufacturers. Key garment and leather inputs, such as zippers, threads, labels, interlinings, buttons and hangers, are now eligible for zero Basic Customs Duty (BCD) when imported for export production until 31 March 2026. These measures directly lower production costs and enhance global competitiveness.

To support the broader textile value chain, the temporary **duty-free import of raw cotton (HS 5201)** has been extended until 31 December 2025. The exemption covers BCD, Agriculture Infrastructure and Development Cess (AIDC) and Social Welfare Surcharge, easing cost pressures across spinning, weaving and fabric manufacturing. Additional tariff reductions on products such as knitted fabrics and footwear, introduced through the Finance Act, 2025, further reinforce the government's intent to rationalise input costs.

India has also strengthened its trade position through **new and upcoming Free Trade Agreements (FTAs).** The India–UK FTA, signed in July 2025 but not yet in force, will eliminate duties of 8–12 percent on most Indian apparel and textile exports to the UK, improving price competitiveness. Similarly, the India–New Zealand FTA allows duty-free access for labour-intensive exports such as textiles, apparel, and leather goods. In addition, the India–EFTA FTA, signed in March 2024 and expected to take effect in early 2026 , will reduce or eliminate duties on exports to Iceland, Liechtenstein, Norway and Switzerland. Collectively, these agreements encourage market diversification beyond traditional destinations such as the US.

On the regulatory front, the government has **rescinded several BIS Quality Control Orders (QCOs)** on critical textile inputs, including polyester yarns, Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG), in 2025 . The removal of mandatory BIS certification for most intermediate materials has reduced non-tariff barriers, lowered compliance costs, accelerated import clearances and improved supply-chain flexibility, particularly benefiting MMF hubs such as Surat.

At the same time, **higher US tariffs** on Indian textiles, apparel and footwear have weakened India's competitiveness in its largest export market, diverting buyers towards countries with preferential access, such as Bangladesh and Vietnam. While these tariffs have disrupted sourcing relationships, especially in price-sensitive apparel segments, India's overall merchandise exports have remained resilient due to diversification towards markets in Europe, the Middle East, Russia and Asia. The government measures, such as customs duty relief on raw materials, have further cushioned the impact.

Looking ahead, **continued customs simplification and tariff rationalisation** are expected to support export growth and reduce logistics friction. Further refinement of duty drawback and remission schemes could help align India's trade framework with global practices, strengthening the long-term competitiveness of the fashion, apparel and footwear industry.

Way forward for brands

Make the influence stronger by using the creators effectively

Creators remain central to discovery; therefore, brands must invest in them to stay relevant. Influencer marketing is seeing significant investment, with the market currently valued at approximately US$498 million. For new brands, creators can be useful to offer visibility and a powerful entry point, given that consumers' willingness to try unfamiliar labels is high (as observed in the consumer index). However, brands need to understand that while creators are an important lever for marketing, conversion happens when discovery is paired with trust and validation. Working with relatable creators who exhibit real usage, explain quality and reduce uncertainty could help bridge the gap between interest and action.

The next shift is to convert passive scrolling into purchase intent by triggering need, not just awareness. This requires using the right data and 'algorithms' to align content with moments where the consumer is most receptive, based on browsing behaviour and context. Additionally, enabling frictionless next steps, such as saved looks, reminders, assisted checkout or contextual nudges. This will turn mere scrolling into a need.

Given the rapid growth of social commerce in India, growing from a ~US$7 billion to ~US$54 billion by 2033,[48] brands should use creators and social commerce together, blending it into their core go-to-market strategy rather than treating it as an adjunct channel. Social platforms can be a key discovery layer with added trust and relatability, where consumers browse and buy directly within social interfaces rather than switching to traditional e-commerce sites. Brands can further optimise this by enabling in-app purchasing, conversational commerce within chats, and streamlined checkout experiences, reducing friction, while integrating formats such as live selling and community commerce that combine entertainment with transaction.

Use technology selectively to deliver a solution

Technology need not be adopted everywhere, but to solve a specific consumer friction. Before incorporating technology, brands should consider the problem that needs to be solved and its significance in relation to the investment required. Accordingly, implement in areas where it would give the right returns.

For merchandising, use data to shape the right assortment basis cohort-level micro planning and external trends. Continuously read consumer signals such as emerging trends, changing consumption patterns and size demand, and translate them quickly into assortment and inventory decisions. This includes deeper stocking of high-demand sizes, faster response to trend shifts and ensuring the assortment reflects how consumers actually shop today.

For online channels, the priority should be to make the experience as trusted and convenient as offline, using tools such as fit guidance, tech-led trials, assisted navigation and convenient checkouts.

For offline retail, technology should enhance the visit, helping staff explain products better, enabling quick access to information and reducing checkout friction. Floor-level analytics and in-store behaviour tracking can help identify where interest drops off and where conversion breaks occur. When used well, store visits can drive higher-value and unplanned purchases, strengthening loyalty over time.

Make merchandise more effective through reengineered business processes

Reengineer processes by moving away from trend-led planning towards models anchored in real insights. Instead of relying primarily on datasets such as seasonal forecasts and historical sales, decisions across merchandising, demand planning, design, pricing and marketing could be informed by what consumers are actively searching for, the context in which they make purchases and the needs they are trying to fulfil across various buying occasions.

48. Social commerce market, IMARC

Technology can be a big enabler to shift merchandising to dynamic adjustments. Analytics and optimisation tools can support micro-adjustments every 30–45 days using recent sell-through and consumer search queries, while accounting for margin mix and category roles. Balance SKU breadth versus depth for category role to have traffic drivers and margin builders, rationalise slow SKUs and conduct scenario simulations to test assortment.

Use fast fashion as a precursor to mass premiumisation

Fast fashion can be a precursor to mass premiumisation, accelerating trend adoption and helping in frequent wardrobe refresh at accessible price points. By democratising style and trend-led designs, these brands can reach out to a broad base to value newness, style and reinvention. While fast fashion fulfils speed, variety and affordability, premium brands must cater to craftsmanship, durability and emotional resonance. An opportunity lies with brands using fast fashion as a tool for creating demand and reach, while further translating excellence by delivering superior quality, depth and experience when catering to the premium cohorts.

Take a distinctive approach to Gen Z versus Millennial and Gen X consumers

Brands need to take a distinctive approach across cohorts instead of serving all of them through a single assortment line. Gen Z is more driven by identity, trends and affordability, while millennials and Gen X are more cautious and prioritise quality and longevity. The opportunity lies in rebalancing assortment depth and strengthening value messaging without diluting the core brand. Use trend-driven, fast-refresh styles to signal experimentation and accessibility, while premium lines communicate craftsmanship, durability and long-term value. Make the distinction explicit through pricing, materials and storytelling so consumers immediately understand the offer.

To serve Gen Z in India more effectively, fashion brands should execute with greater speed and flexibility. Assortments need to balance trend relevance with accessible price points and faster refresh cycles, reflecting Gen Z's preference for frequent wardrobe updates. Authenticity and values-aligned storytelling must be central to campaigns, as Gen Z prefer brands that reflect their beliefs rather than traditional advertising. Prioritise digital-first engagement with Short Form Videos (SFVs) and social media, which is a key discovery engine.

Turn sustainability into a selling point, not a hidden layer

While many consumers look for sustainability, scepticism remains because it is often poorly explained or inconsistently applied. Brands can turn this into a growth opportunity by embedding sustainability directly into the selling process.

Sustainability narratives should be visible and easily accessible through technology. Tools such as QR codes can help trace ingredients, while more advanced approaches can transform in-store visuals or audio into guided stories about a product's history and sourcing, making sustainability engaging and immersive rather than just informational.

The product should communicate long-term value by making benefits explicit in the product, highlighting things such as durability, cost-per-wear, fabric advantages or environmental contribution to make shoppers more informed about the choices they make.

Sustainable behaviour should be made convenient and rewarding, and not a complex process. Resale options, take-back programmes, loyalty points or community participation must be a regular activity to draw active participation, ensuring sustainability feels practical. This can eventually lead to expanded revenue streams, both through resale and by earning loyalty through community engagement.

Do not just sell by category; design the wardrobe to create demand

Rather than organising apparel purely as tops, bottoms, dresses or as casuals and formals, brands can design and merchandise products around wardrobe roles and real-life use cases. Curated edits such as travel comfort, workday essentials, party-ready looks or adventure basics help shoppers visualise how products fit into their daily lives, not just their closets.

When executed well, both online and in-store, this approach can shift shopping from a planned, category-led exercise to a more intuitive and contextual experience. This 'creates' a need when a shopper may not even know if something is actually required. By framing products around moments, moods and missions, brands can passively surface unmet needs that shoppers may not have actively considered.

Methodology for the index

The consumer behaviour index and brand perception index have been arrived at through responses collected in our consumer research, where:

n=620	**Respondents:** From Metros, tier 1 and tier 2 cities in India	**Age brackets:** 18–28 years | 29–44 years | 45–60 years | 60+	**Income brackets:** From INR3 lakh per annum and above

Consumer behaviour index

- Each pillar is measured using a 5-point ordinal scale, where response options progress from low to high. In the case of the consumer index, it scales from a lower intensity of certain behaviour.
- As the scale is ordinal, responses are first calibrated to a 0–100 scale by assigning fixed scores to each option. On a 5-point scale, scores are evenly spaced across the full range between the lowest and highest behavioural state, reflecting a one-step progress with each response.
- The final index score is calculated as a weighted average, where each calibrated score is weighted by the number of respondents selecting that option. Response options chosen by more consumers have a proportionately larger influence on the final score.
- The same approach is applied consistently across each consumer pillar to ensure comparability.

Interpretation

- The index does not mean a score, but it positions consumers along a behavioural spectrum, indicating the degree to which a behaviour is present in the market.
- Lower values position consumers on the lower end of the spectrum, and as it moves higher, it denotes progression to the higher end of the behavioural spectrum.

Brand perception index

- Each pillar is measured using a 5-point ordinal scale, where response options progress from lower to higher intensity of the behaviour (lower means dissatisfied and higher means extremely satisfied).
- As the scale is ordinal, responses are first calibrated to a 0–100 scale by assigning fixed scores to each option. On a 5-point scale, scores are evenly spaced across the full range between the lowest and highest scores.
- The final index score is calculated as a weighted average, where each calibrated score is weighted by the number of respondents selecting that option. Response options chosen by more consumers have a proportionately larger influence on the final score.
- Respondents who have no experience with any particular parameter have chosen ‘Not applicable’, and those responses have been excluded from the scoring for accuracy.

Interpretation

- The index positions brands on a performance spectrum. Lower values indicate higher levels of dissatisfaction or inconsistency, while movement towards higher values indicates stronger and positive brand experiences.

Connect with us

Anand Ramanathan
Partner
Consumer Industry Leader
Deloitte India
ranand@deloitte.com

Praveen Govindu
Partner
Deloitte India
pbgovindu@deloitte.com

Gulzar Didwania
Partner
Global Trade Advisory Expert
dgulzar@deloitte.com

Goldie Dhama
Partner
Global Business Tax - Regulatory
goldiedhama@deloitte.com

Bhavik Timbadia
Partner
Tax Consumer Industry leader
btimbadia@deloitte.com

Sumeet Hemkar
Partner
Global Business Tax
sumeeth@deloitte.com

Contributors

Aanchal Behl
Rishi Malhotra
Vikram Chauhan

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Mou Chakravorty
Guncha Prakash
Harsh Trivedi
Neha Kumari
Ruchira Thakur
Shubhi Kalra
Shipra Bansal