



ConsumerSignals – India Chapter

September 2026

Foreword

India's consumer landscape continues to evolve amid changing economic conditions and shifting household priorities. While consumers remain mindful of inflation and affordability, these considerations have not led to a broad-based pullback in spending. Instead, caution coexists with a continued willingness to spend, creating a more nuanced relationship between consumer sentiment and consumption. Findings from the **Q1FY27 edition of ConsumerSignals** indicate a more considered approach to spending. **Rather than responding to affordability pressures through broad-based cutbacks, households are allocating their budgets more selectively.** Value, prioritisation and conscious decision-making are gaining prominence as consumers distinguish between discretionary purchases that can be deferred and those that continue to merit investment. This shift is particularly evident in experiences and major purchases. Consumers **are willing to spend on travel, hospitality and big-ticket categories** where they perceive clear value, utility or personal enrichment. **Three in five consumers remain comfortable making large purchases, while vehicle purchase intent stands at 56 percent**, indicating that aspirations for long-term and high-value spending remain intact. **Premiumisation remains relevant but is becoming more targeted.** Rather than upgrading across categories, consumers are selecting premium offerings where the benefits are tangible. The result is a consumer who is not necessarily spending less, but spending with greater intent. At the same time, underlying financial confidence remains relatively resilient. **Most consumers continue to**

express confidence in their ability to meet financial obligations, maintain savings and pursue important purchase decisions, providing stability despite persistent inflation and affordability concerns. These behaviours suggest that households are responding to economic pressures through optimisation and prioritisation rather than retrenchment. Viewed through a broader lens, this resilience is also reflected in India's broader economic performance. **India's 7.8 percent GDP growth in Q1FY27 was underpinned by healthy consumer demand.** Private consumption grew by 7.1 percent, suggesting that household spending remained resilient even as consumers became more discerning. Manufacturing growth of 9.2 percent reflects sustained industrial momentum, while 11.9 percent growth in Gross Fixed Capital Formation (GFCF) underscores continued business investment and confidence in the country's economic prospects. Together, these indicators reinforce a theme evident throughout this report – **consumers and businesses are responding to uncertainty not by pulling back, but by becoming more deliberate in how they spend, invest and allocate resources.** For companies, this evolution highlights the importance of understanding how changing consumer priorities are reshaping demand across categories and purchase occasions. These insights will be important for remaining relevant and capturing growth as value and experience become increasingly central to decision-making.

Taken together, these five pillars reveal how Indian consumers are balancing caution with confidence, offering a unique lens into the behaviours underpinning the growth trajectory

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FINANCIAL WELL-BEING INDEX

Inflation pressures dampen consumer confidence

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FOOD FRUGALITY INDEX

Value-seeking behaviour continues to rise

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VEHICLE PURCHASE INTENT INDEX

Vehicle purchase intent stays intact

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Essentials and savings remain priorities

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TRAVEL & HOSPITALITY

Experiences remain resilient despite caution

Financial Well-being Index (FWBI)



Q1FY27 highlights



Financial well-being declined slightly amid rising cost-of-living concerns, prompting consumers to adopt a more considered, value-conscious approach to spending.



Rising inflation concerns are emerging as the primary headwind for consumers, with 73 percent expecting higher prices and pressure concentrated in essentials such as food, utilities and fuel.



The impact is showing up more in consumer psychology than financial distress, as anxiety levels have increased, particularly around personal finances and employment prospects.

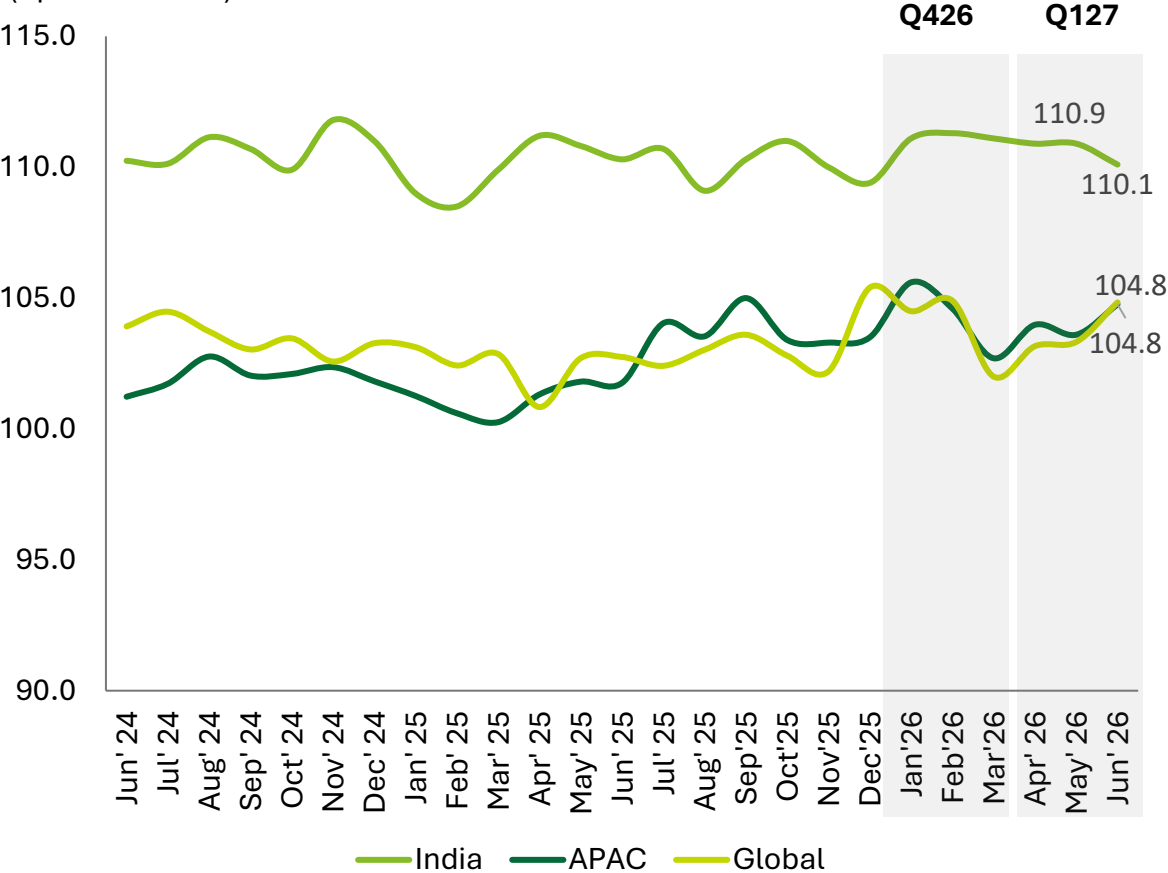


Despite softer sentiment, underlying household finances remain relatively healthy, with consumers continuing to express confidence in meeting payments and maintaining savings.

Despite a modest decline in financial well-being, consumers largely maintained confidence in their ability to spend, save and meet financial obligations

FINANCIAL WELL-BEING INDEX (FWBI)

(April 2020=100)



India's FWBI slightly declined to 110.1 in Jun'26 as compared to 111.1 in Mar'26.

India's financial well-being sentiment showed slight stress in the recent quarter after remaining stable previously. In contrast, the global index improved over the past few months but continued to trail India's levels.

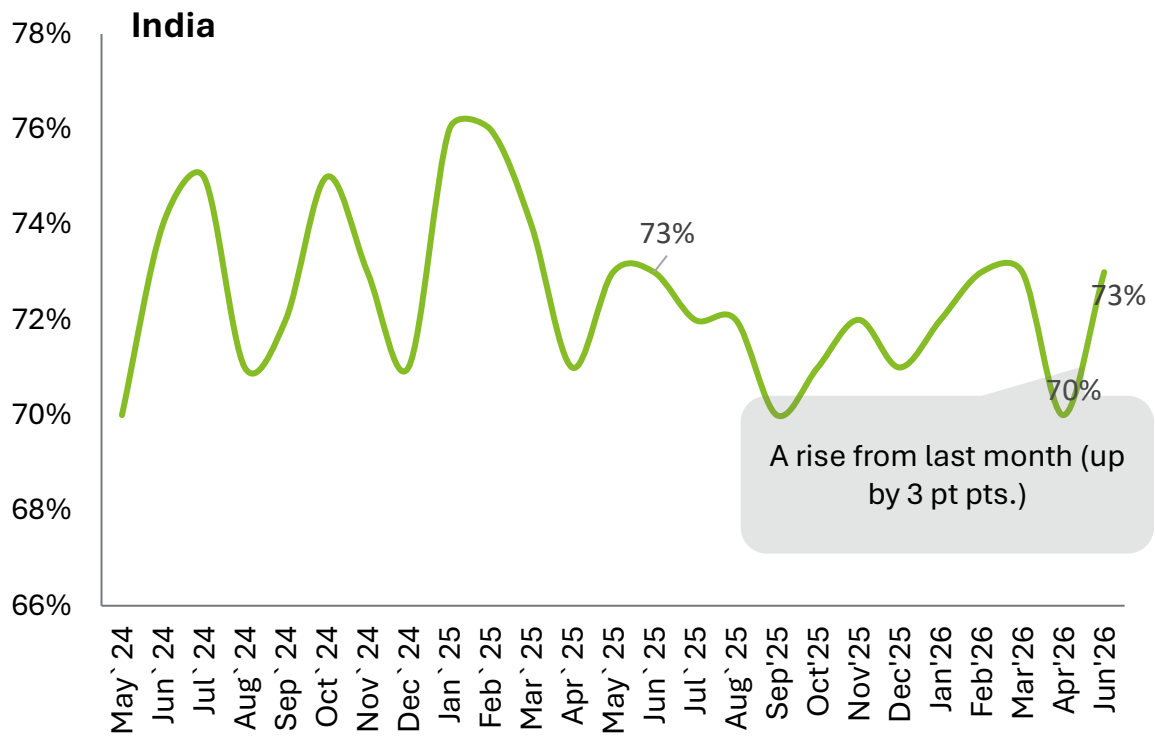
Underlying metrics (% strongly agree/agree)	Jun'26	MoM	YoY
Confident about making upcoming payments	81%	=	1%
Making large purchases	62%	1%	4%
Finances same/improved within past year	76%	1%	-3%
Can afford to spend on things that bring me joy	42%	-1%	=
Comfortable with amount of money in savings	57%	5%	3%

Source: Deloitte ConsumerSignals June 2026

Inflation concerns have risen but have not yet led to a meaningful decline in spending intentions

CONSUMER PRICE EXPECTATIONS

% concerned about higher prices next month



India | 73%

APAC | 65%

Global | 74%

Concerns over rising prices increased MoM, reinforcing the decline in financial well-being sentiment.

Indian consumers are under greater price pressure than those in the APAC region.

% expecting higher prices next month		Jun'26	MoM	YoY
	Food/groceries and non-alcoholic beverages	74%	1 ▲	2 ▲
	Utilities	74%	2 ▼	5 ▲
	Restaurants	76%	1 ▼	3 ▲
	Clothing, apparel and footwear	65%	2 ▼	3 ▼
	Gasoline/fuel	76%	5 ▼	4 ▲

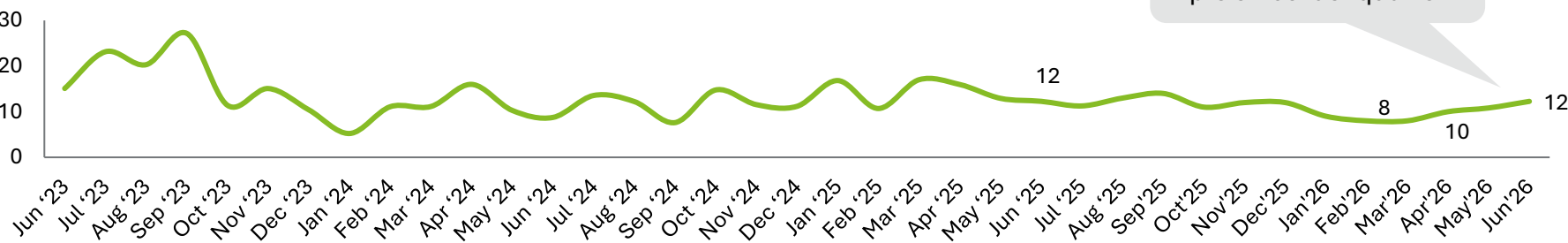
▼ Indicates positive dip
▲ Indicates negative rise

Source: Deloitte ConsumerSignals June 2026

Financial and employment uncertainties are contributing to a measured increase in consumer caution

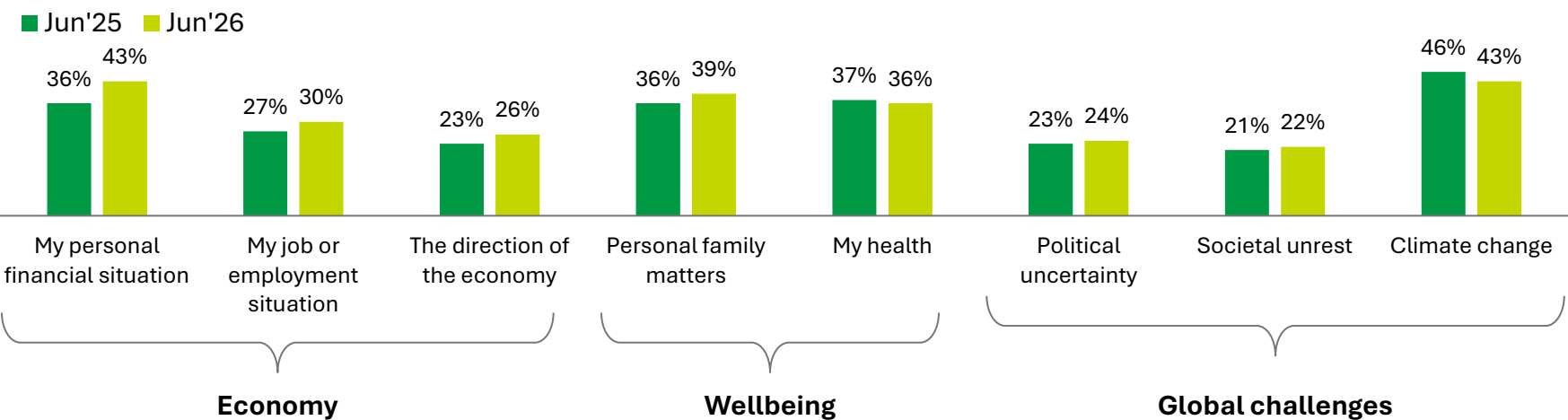
NET ANXIETY LEVEL

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



Anxiety levels have increased in the last quarter, showing signs of discomfort.

% feeling anxious about...



Anxiety around financial situation has seen a sharp increase YoY (+7 pt pts.)

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

Spending Intentions Index



Q1FY27 highlights



Essential spending continued to outperform discretionary categories, reflecting consumers' focus on needs amid ongoing cost pressures.



Savings and investing intentions remained elevated in Jun'26, sustaining the sharp uplift seen since late-2025, and signalling continued focus on financial security.



Leisure travel continued to outperform all discretionary categories, staying comfortably in positive territory in Jun'26 despite a moderation from early-2026 peaks.



Most discretionary retail categories remained weak in Jun'26, with clothing, electronics and household goods hovering below overall spending levels.



Total spending improved modestly versus Jun'25, but growth remains heavily supported by essentials and travel rather than broad-based discretionary consumption.

Food Frugality Index (FFI)



Q1FY27 highlights



Food frugality remains elevated despite a slight dip in Jun'26, with India's FFI at 98.5, remaining above the global benchmark (93.5), indicating sustained cost-conscious behaviour.



Rising inflation concerns (73 percent expecting higher prices) are translating into tangible behavioural changes, with consumers increasingly focused on optimising budget and spending.



Consumers are prioritising efficiency over trading down, with 32% reducing food waste (+5 pts YoY) and 26 percent buying only essentials (+5 pts YoY), significantly higher than those switching to lower-cost meats (12%) or store brands (16 percent).

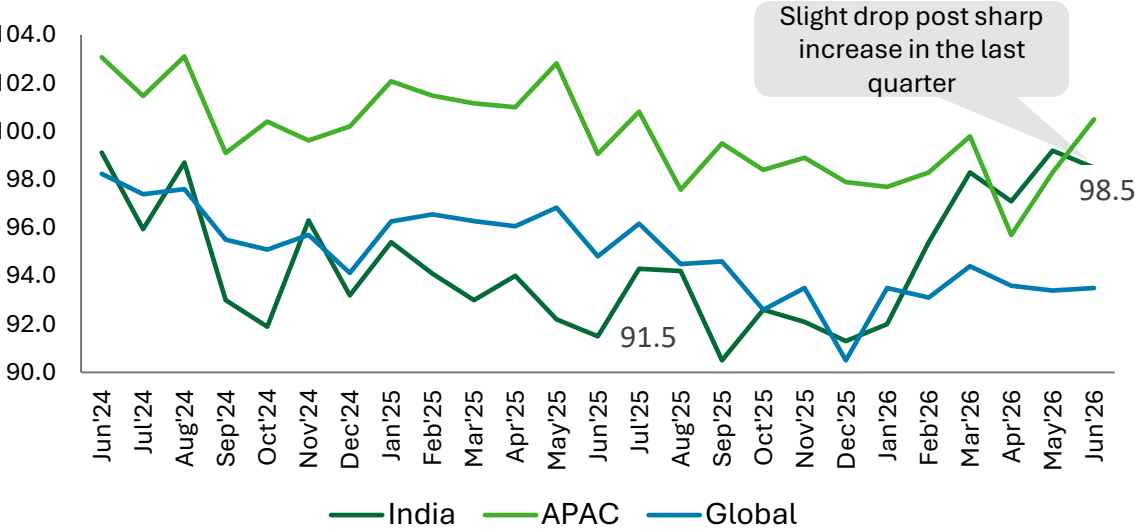


Cost management is being driven more by disciplined spending than financial distress, reinforcing earlier findings that savings confidence remains relatively healthy despite softer sentiment.

Consumers are becoming more value-conscious, prioritising essential purchases and reducing waste as cost pressures persist

FOOD FRUGALITY INDEX (FFI)

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



India's FFI eased slightly last month but remained consistently high, surpassing global levels.

Indian consumers are becoming more frugal, reducing food waste, prioritising essential purchases, and a few are switching to lower-cost alternatives.

Underlying Food Frugality Index behaviour vs the prior month and year

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

Trade off

			
	13% Purchased lower cost ingredients	16% Purchased mostly store brands	12% Purchased lower-cost meats or cuts
MoM	+2	=	+2
YoY	+4	+3	+3

Economise

			
	32% Saving by reducing home food waste	26% Only buying essentials	11% Buying less than wanted
MoM	+2	+2	+1
YoY	+5	+5	+1

Note:

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

Travel and hospitality



Q1FY27 highlights



Travel continues to outperform broader discretionary spending, with hotel (74 percent), rail (72 percent) and domestic flight (65 percent) intent remaining elevated in Jun'26 despite a softening versus the previous quarter.



The moderation in travel intent appears cyclical rather than structural, as travel remains one of the few discretionary categories sustaining strong consumer demand amid broader spending caution.



Consumers are prioritising the travel experience over premium travel options, with net intent remaining positive for experiences (38%), destinations further from home (47 percent), and longer trips (30 percent).

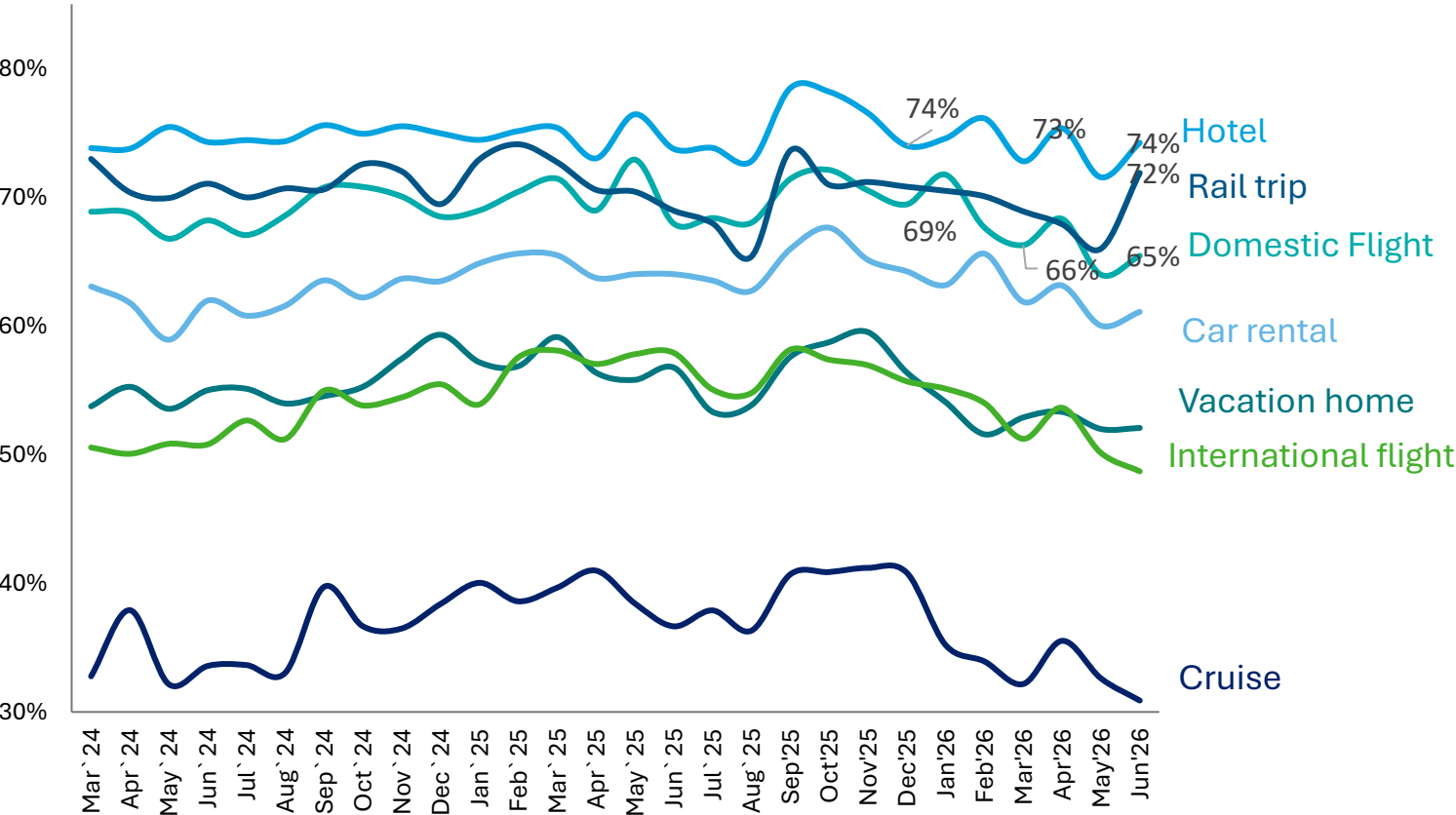


Consumers are becoming more selective in how they travel, with preference for full-service airlines (-11 pts YoY), upgraded seats (-9 pts YoY) and upper-class lodging (12%) declining, reinforcing the broader shift toward value-conscious spending without sacrificing travel experiences.

Travel remains the most resilient discretionary category despite a moderation in near-term intent

LEISURE TRAVEL INTENTIONS

% likely to travel for leisure in the next 3 months



Travel intent declined across all formats compared to the last quarter; however, rail, flight, and hotel bookings showed a slight revival in the last month.

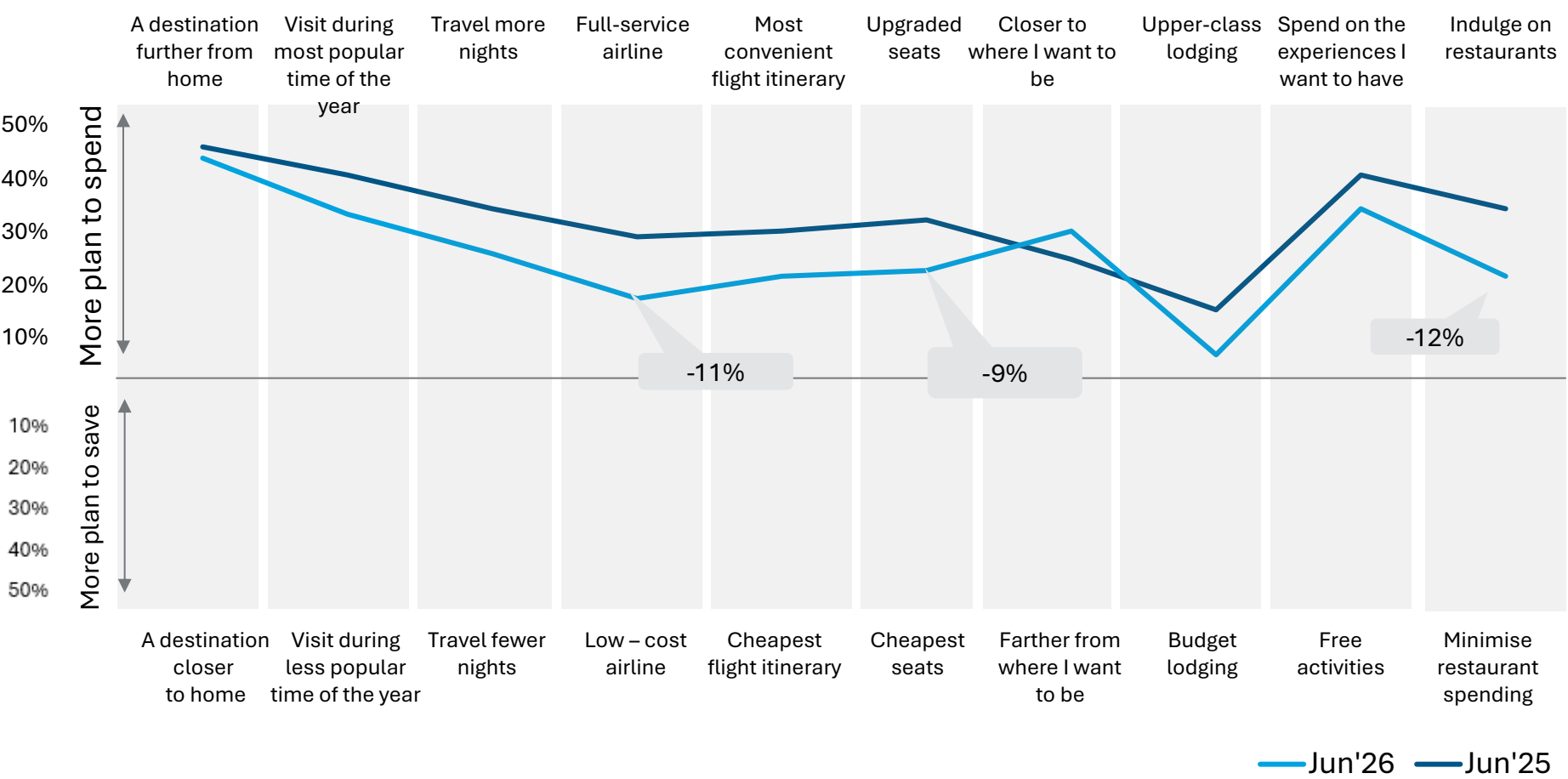
Note:
Data represents percentage of respondents very likely or likely to engage in each travel segment within the next three months.

Source: Deloitte ConsumerSignals June 2026

Consumers are still willing to spend on travel experiences, but are becoming more selective on premium choices

TRAVEL PLANNING (NET INTENT)

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



XXX

Methodology

Paired, opposing statements (6-point scale)

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

Vehicle Purchase Intent Index (VPI)



Q1FY27 highlights



Vehicle purchase momentum remains resilient despite softer consumer sentiment, with VPI rising 3 pts QoQ to 88.2 in Jun'26; the recent recovery suggests financial pressures have not materially altered consumers' willingness to make big-ticket purchases.



Vehicle purchase intent increased to 56 percent in Jun'26 from 55 percent in Mar'26, significantly ahead of APAC and global levels (~25 percent), highlighting sustained consumer willingness to make big-ticket purchases.



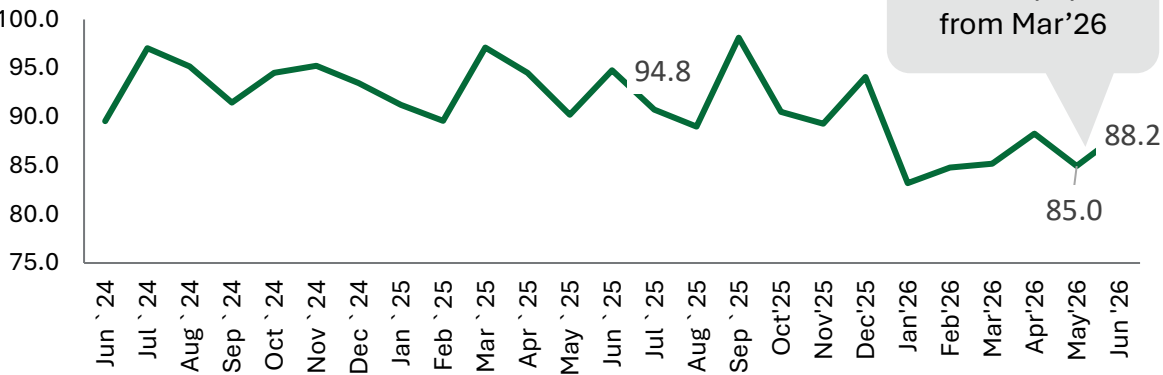
Demand is being driven more by aspiration than replacement necessity, with desired features (31 percent) and the desire to own something different (17 percent) emerging as the key purchase triggers.



EV adoption continues to gain momentum, with EV purchase intent increasing from 51 percent in Jun'24 to 64 percent in Jun'26, indicating a gradual shift towards alternative mobility options.

Vehicle purchase momentum remains resilient despite softer consumer sentiment and rising financial pressures

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



VPI rose by 3 pt pts. vs last quarter, however, dropped 6 pt pts vs last year

Indian consumers continue to prefer purchasing a vehicle, as they are much more affordable than their global counterparts. A slight dip versus last year corroborates with the current financial stress, however, momentum stays intact.

Key factors influencing vehicle sales

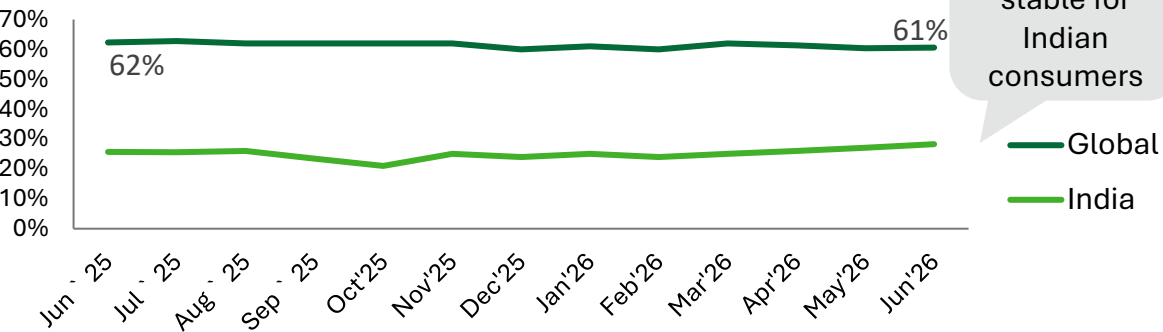
Drivers

- New vehicles have desired features (31%)
- Want to drive something different (17%)
- Current vehicle is not worth of cost of maintenance (14%)

Barriers

- Current vehicle meets the needs (43%)
- Cant afford to replace current vehicle right now (13%)

Affordability of new vehicles
(% respondents who find new vehicles unaffordable)



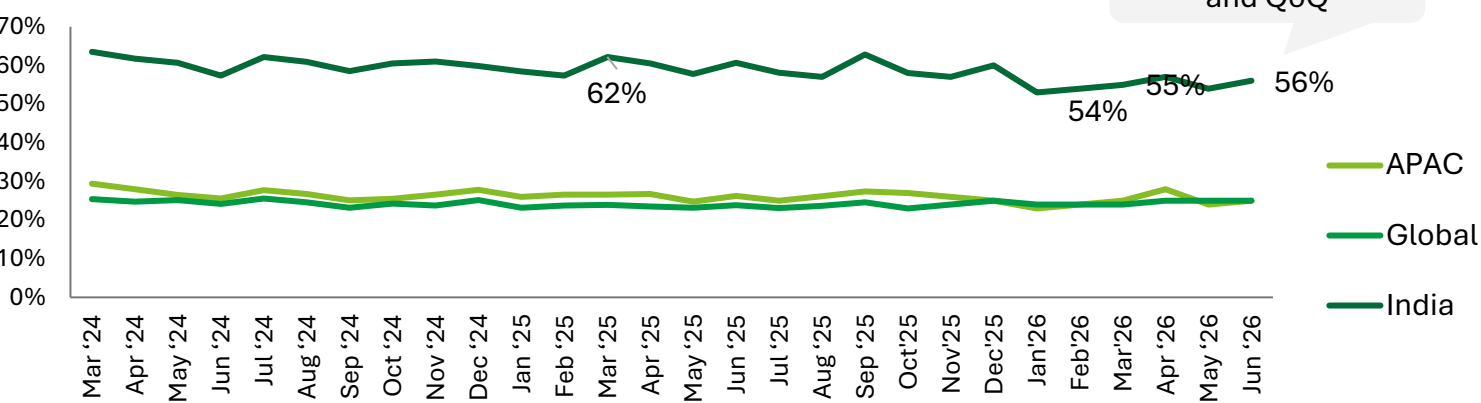
Affordability remains stable for Indian consumers

Source: Deloitte ConsumerSignals June 2026

Consumers continue to prioritise vehicle ownership, with EV adoption gaining further traction

Vehicle Purchase Intent

% of respondents willing to buy a car in the next six months

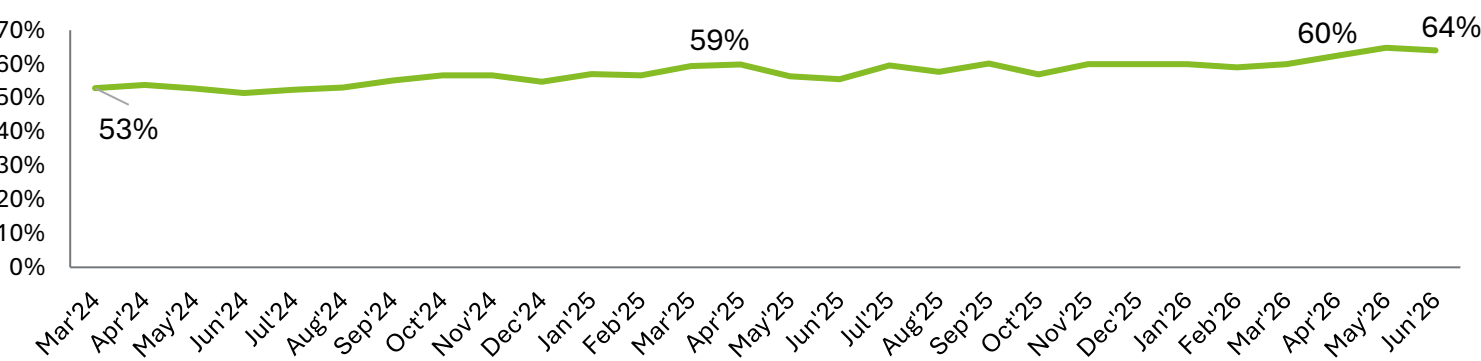


Aligning with the increase in VPI, Indian consumers show a rise in purchase intent versus the last year.

Preference for EVs continues to show a growth trajectory, rising consistently over the last few months.

EV Purchase Intent (India)

% of respondents willing to buy a car the next six months



Source: Deloitte ConsumerSignals June 2026

STUDY OVERVIEW

Survey Fielding

Waves 1–22 : April 2020 – Sept 2021

———— *New metrics added* ————

Wave 23-34 : September 2021 – August 2022

———— *New metrics added* ————

Wave 35-46 : September 2022 – August 2023

Wave 47-58 : September 2023 – August 2024

Wave 59 : September 26 – October 2 2024

Wave 60 : October 24 – October 30 2024

Wave 61 : November 21 – November 27 2024

Wave 62 : December 20 – December 26, 2024

Wave 63 : January 23 – January 29, 2025

Wave 64 : February 20 – February 26, 2025

Wave 65 : March 25 – April 2, 2025

Wave 66 : April 24 – April 30, 2025

Wave 67 : May 22 – May 28, 2025

Wave 68 : June 26 – July 2, 2025

Wave 69 : July 24 – July 30, 2025

Wave 70 : August 21 – August 27, 2025

Wave 71 : September 25 – October 1, 2025

Wave 72 : October 23 – October 29, 2025

Wave 73 : November 20 – November 26, 2025

Wave 74 : December 22 – December 31, 2025

Wave 75 : January 22- January 28, 2026

Wave 76 : February 19 – February 25, 2026

Wave 77 : March 26 – April 1, 2026

Wave 78: Apr 23 – Apr 29 2026

Wave 79 : May 21 – May 27 2026

Wave 80 : June 25 – July 01 2026

Methodology:

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

Countries in focus

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



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