

## India's Fashion Industry Hits Reset Mode as Brands Shift from Speed to Sustainability

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India's fashion sector is undergoing a *strategic transformation* after a decade of rapid direct-to-consumer (D2C) expansion driven by heavy discounts and aggressive scaling. As brands rethink their approach to growth, 2025 has been marked not by slowdown but by a *structural reset* that prioritises durability, profitability and brand trust over sheer velocity.

### From Growth at Any Cost to Smart Growth

After years of prioritising rapid expansion, the industry is shifting focus toward *sustainable and consistent growth*. Experts report that India's online fashion market — already an estimated **USD 11 billion** segment of the broader **\*\*USD 110 billion** apparel industry — is projected to reach USD 35 billion by 2028, growing at nearly **25 per cent CAGR**.

Brand leaders say that while discovery is still fuelled by social media and influencer marketing, *repeat purchases now hinge on product quality, consistency and everyday relevance* rather than momentary hype. According to Mohit Jain, Founder & CEO of Miraggio, "Consumers today discover brands faster, but they decide more slowly," underlining the importance of *brand memorability and reliability*.

### End of Discount-Led Momentum

One of the clearest indicators of this reset is the industry's shift away from dependency on heavy discounting. Instead, brands are focusing on **AI-driven demand forecasting**, predictive assortment planning, *better inventory control* and *faster replenishment* to reduce markdowns and strengthen margins.

Legacy players also eye long-term planning with a renewed focus on *sell-through rates, inventory velocity and supply chain agility*. According to Hemant Jain of Kewal Kiran Clothing, consumer preference trends and real demand signals are now central to strategic planning.

### Omnichannel Presence: Online + Offline

A major takeaway from 2025 is the recognition that **omnichannel presence is no longer optional**. Successful brands today deploy an integrated approach where:

- **Marketplaces drive discovery,**
- **Social platforms support storytelling, and**
- **Offline retail builds consumer trust and credibility.**

Investments reflect this trend, with newer funds supporting brands that deepen offline footprints alongside digital reach.

### **Intentional Consumers, Premiumisation, and Broadening Horizons**

Consumer behaviour is also evolving. Data shows earlier festive-season buying and a shift toward *intentional, planned purchases* rather than impulsive ones, particularly in natural fabrics, rich textures and handcrafted details. This trend spreads beyond fashion into home and gifting categories as well.

Meanwhile, the industry's spectrum is widening:

- **Mass-market players like Tata Group's Zudio** continue scaling through consistency, and
- **Premium brands like Sabyasachi** maintain strong positioning through craftsmanship and storytelling.

### **What the Future Holds**

Looking forward, industry experts agree that *disciplined growth* — not just ambitious expansion — will define success in 2026 and beyond. Brands that blend *creative design, operational discipline, data-led decision-making and clear strategic focus* are most likely to thrive in a competitive landscape that rewards durability and relevance over rapid but unstable growth.

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