

Uniqlo and Nike Lead India's Fashion Market Amid Uneven Growth

Published on 16 Jan 2026 | By IFI Correspondent



India's Western fashion market is undergoing a notable shift as consumer preferences evolve in the post-pandemic environment. While some global brands are gaining momentum, others are struggling to maintain growth amid changing buyer behavior and economic headwinds.

Growth Leaders: Uniqlo and Nike

Brands like **Uniqlo** and **Nike** are standing out in India's competitive fashion landscape. Uniqlo's sales growth jumped to **45% in FY25 from 31% the previous year**, reflecting strong customer response, expanding store networks, rising brand awareness, and an uplift in online sales. Nike India also reported solid performance, with a **14% sales increase in FY25**, up from 4% growth the year before.

Industry experts note that these brands have tapped into a growing demand for **functional and quality clothing**, particularly among young consumers who value practicality alongside style.

Struggles for Legacy and Trend-Led Labels

In contrast, several well-established fashion names are facing muted results. **Marks & Spencer** saw sales fall by around **12%**, while **Benetton** experienced a **3% decline**. Adidas's growth rate slowed sharply, and Spanish fast-fashion giant **Zara** reported flat sales after a period of earlier expansion.

These performance gaps point to a broader structural shift in the market, rather than a simple short-term slowdown in demand.

Changing Consumer Preferences

Retail analysts highlight that Indian consumers are increasingly **selective**, prioritizing **value, innovation, design, and quality** over brand prestige alone. This trend is especially pronounced among **Gen Z shoppers**, who exert significant influence on fashion adoption and favor brands that combine practicality with contemporary style.

While overall retail growth remained modest—single-digit across apparel, footwear, and beauty segments—demand improved after the festive season, indicating pockets of recovery in discretionary spending.

Outlook for International Brands

Despite these mixed results, India continues to be an attractive market for global fashion players due to its large, youthful population and rising interest in Western-style apparel. However, most premium brands now compete for a **more limited share of demand**, concentrated in major urban centres, making broad-based growth more challenging

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