New Consumer Imperative:
Rewiring Commercial Models for Growth

A&M

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Bharat Garg is a Managing Director with Alvarez & Marsal in Mumbai. He specializes in commercial model transformation, consumer insight architecture, and go-to-market excellence, working with organizations to close the gap between how consumers behave and how commercial models are built to serve them.

Mr. Garg brings more than 16 years of experience advising C-suite executives on end-to-end transformation across FMCG, direct-to-consumer brands, fashion and apparel, retail, building materials, and automotives. His work spans the full commercial agenda from segmentation and demand system design to channel investment strategy, product portfolio decisions, and operating model redesign.

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As a specialist working with multinational corporations, promoter-led organizations, and high-growth direct-to-consumer businesses, Ms. Singhal has helped clients optimize their commercial models, accelerate multi-channel expansions, enhance cost structures, and navigate evolving consumer trends.

In the consumer practice, she advised on strategy and execution for clients across sectors, including fast-moving consumer goods, beauty and personal care, consumer health, alcoholic beverages, fashion and lifestyle, and home improvement.

Foreword

The Indian consumer is not who they were a decade ago.

Across income levels, age groups, and geographies, how they spend, what they buy, and why they choose one brand over another has shifted permanently and structurally. The frameworks that built India's most successful consumer businesses over the last three decades are losing their power. And the commercial models built on those frameworks are beginning to show the strain.

For years, we understood the Indian consumer through familiar lenses. Income brackets, age cohorts, metro and rural geographies, aspirational versus value segments. These lenses helped build brands, shape channel strategies, and define competitive battlegrounds that felt stable and manageable. But the consumer who existed inside those frameworks has changed. In their place stands a new entity: more informed, more demanding, less predictable, and for the first time genuinely democratized across demographic lines that once held firm.

In this report, developed by Alvarez & Marsal (A&M) in partnership with Confederation of Indian Industries (CII), we identify six structural shifts that define this new consumer reality. Each shift carries direct implications for how companies must compete. These six shifts are deeply intertwined, each reinforcing and amplifying the others. Taken individually, each shift demands attention. Taken together, they lead to the enhanced lenses through which we need to view this new consumer. Based on this, the commercial landscape must follow. But recognizing the shifts is only half the challenge. The greater imperative is what organizations do in response. The second half of this report makes the case for rewiring the commercial model across four dimensions: product portfolios rebuilt around consumer outcomes rather than category definitions; marketing redesigned to earn preference at the intersection of intent, channel, and proof; go-to-market models that compete where the decision is actually being made; and operating structures capable of sensing and acting at the speed the consumer now demands.

This report is the product of sustained engagement with the consumer economy, built on a proprietary survey of over 2,000 consumers across 54 cities, deep discussions with industry leaders across sectors, and years of hands-on work in strategy, commercial transformation, and consumer insight with leading organisations across India.

The central argument is simple, even if the implications are not. If the consumer has changed, the commercial model built to serve the old consumer must be rewired. The companies that recognize this and act with speed and conviction will define the next era of Indian consumption. The companies that do not will find themselves investing with precision into a model whose foundations have already shifted beneath them.

We are grateful to the industry leaders who contributed their perspectives to this work, and to the CII membership whose insights shaped our thinking throughout. We hope this report serves as both a rigorous diagnosis and a practical guide for every organization navigating the distance between the consumer that was and the consumer that is.

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Foreword

In today's rapidly evolving marketplace, marketing and branding have transcended their traditional role as communication tools to become powerful strategic drivers of business growth and competitive advantage. They are central to shaping consumer engagement, influencing brand loyalty, and building enduring brand value. As consumers become increasingly informed, digitally empowered, and experience-driven, organisations must continuously evolve their strategies to remain relevant and competitive.

At CII MarketEdge 2026, industry leaders and marketing professionals came together to deliberate on the changing dynamics of consumer behaviour and the evolving role of marketing and branding in a rapidly transforming business landscape. The discussions highlighted the need for organisations to reimagine their strategies by harnessing technology, data-driven insights, and innovation to create deeper consumer connections and deliver differentiated experiences.

The theme of this report, "The New Consumer Imperative: Rewiring Commercial Models for Growth," reflects this critical shift. Businesses today must move beyond conventional approaches and integrate data, technology, creativity, and consumer insight to deliver personalized, seamless, and meaningful experiences across every touchpoint of the consumer journey.

This report by Alvarez & Marsal captures valuable insights on how organisations can navigate these shifts and build stronger, more agile, and consumer-centric strategies in an increasingly dynamic marketplace.

As India stands at a pivotal moment in its growth journey, this document serves not only as a knowledge resource but also as a call to action. Together, we must reimagine and strengthen India's marketing and branding ecosystem to match the scale of the country's economic ambitions—building globally competitive brands while remaining deeply connected to the aspirations of Indian consumers.

I extend my sincere appreciation to Alvarez & Marsal for their partnership with CII in developing this insightful report. I am confident that the perspectives captured here will serve as a valuable reference for industry leaders and marketing professionals as they navigate the opportunities and challenges of the evolving consumer landscape.

Pushpa Bector

Chairperson, CII MarketEdge 2026
Senior Executive Director & Retail Head, DLF Ltd.

Executive Summary

India's consumer market is about to reach an inflection point. At ~US$2,800[1] per capita income and on a clear trajectory toward US$4,000 by 2030[2], India has entered the threshold where consumer economies fundamentally transform, premiumization accelerates, and brand markets widen and deepen rapidly. The scale and speed of this shift have no recent parallel in the global history. The consumer at the center of this inflection is a unique entity, shaped by the world's cheapest data, democratized credit, and an aspirational shift happening simultaneously across every age cohort, income bracket, and geography.

To understand this consumer, Alvarez & Marsal conducted a proprietary survey of more than 2K respondents across 54 cities, supplemented by primary government data, platform disclosures, and industry research. The findings confirm six structural behavioral shifts that together define the new Indian consumer: a generation-agnostic consumer who defies age-based assumptions; a proof-seeking consumer who begins every purchase from skepticism; a zero-latency consumer who has permanently reset expectations of speed; a selectively premium consumer who upgrades with surgical precision; a channel and brand fluid consumer who switches without hesitation; and a consumer navigating the tension between wanting personalization and fearing surveillance.

These six shifts compound each other and expose the distance between how the new Indian consumer behaves and how most commercial models were built to serve them.

The second half of this report addresses that distance directly. It argues that the frameworks companies use to segment consumers, build products, allocate marketing investment, design go-to-market models, and structure their organizations were built for a consumer who has evolved faster than the companies could keep up. Specifically, it makes the case for rewiring four dimensions of the commercial model: product portfolios built to serve the outcomes the new consumers are seeking; marketing built for meeting the new consumer at their channel and intent of preference; go-to-market redesigned around consumer states rather than channel presence; and operating models capable of sensing, deciding, and acting at the speed the consumer now demands.

The companies that recognize this and act will define the next era of Indian consumption. The ones that do not will find themselves executing against the harsh winds of a model whose foundations have already shifted.

How is this report structured?

1

WHO IS THE NEW CONSUMER?

The consumer wallet has expanded driven by four macro shifts. Six radical shifts in how Indians think, choose, and spend.

2

THE NEW LENS TO VIEW THE CONSUMER

A new framework to understand and segment this consumer.

3

THE REWIRED COMMERCIAL MODEL

Rebuilding the product, marketing and go-to-market to serve the new consumer.

4

THE OPERATING SUPPORT

Aligning structure, capability, and decision rights to support the rewired commercial model.

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Who Is the New Consumer?

For years, India has been putting in place the pieces needed for a major shift in consumer habits. Incomes have risen, digital access has grown, and infrastructure has improved.

At US$2,600 per capita income in FY2025[3], and on a clear trajectory to approach US$4,000 by 2030, India has entered the critical threshold where consumer economies fundamentally inflect. The US$2,500 to US$4,000 band is globally recognized as the zone where behaviour shifts from need to want, where discretionary spending accelerates, premiumization takes hold, and brand markets deepen rapidly[4].

India is in that zone now.

India's private consumption has doubled to US$2.1 trillion, and the consumer market is projected to reach about US$4.3 trillion by 2030[5],[6]. The middle class will grow from 432 million to 715 million by 2031. The next 300 million consumers are entering discretionary categories for the first time, simultaneously and at remarkable speed[7].

The scale and speed of this shift have no recent parallel in emerging market history. And at the centre of this inflection, a distinctly new consumer is emerging, one with no direct global precedent.

The instinctive temptation is to apply familiar templates drawn from China's consumption boom or Southeast Asia's digital transition. However, India's consumption trajectory is shaped by a distinct set of structural and behavioural dynamics. A billion people came online at the world's cheapest data prices. A consuming class gained superior access through democratized credit, and leapfrogged the debit cards, moving straight to UPI. An aspirational shift is happening concurrently across rural and urban India, across every age cohort, and across income brackets that global models would have dismissed as too early. The new Indian consumer is a distinct entity and cannot be considered as a version of the later-stage archetype that has appeared elsewhere. Hence, the commercial model that wins here will have to be built from scratch.

Consumption Curve of India

Per Capita GDP

— Private final consumption
— % of middle class households
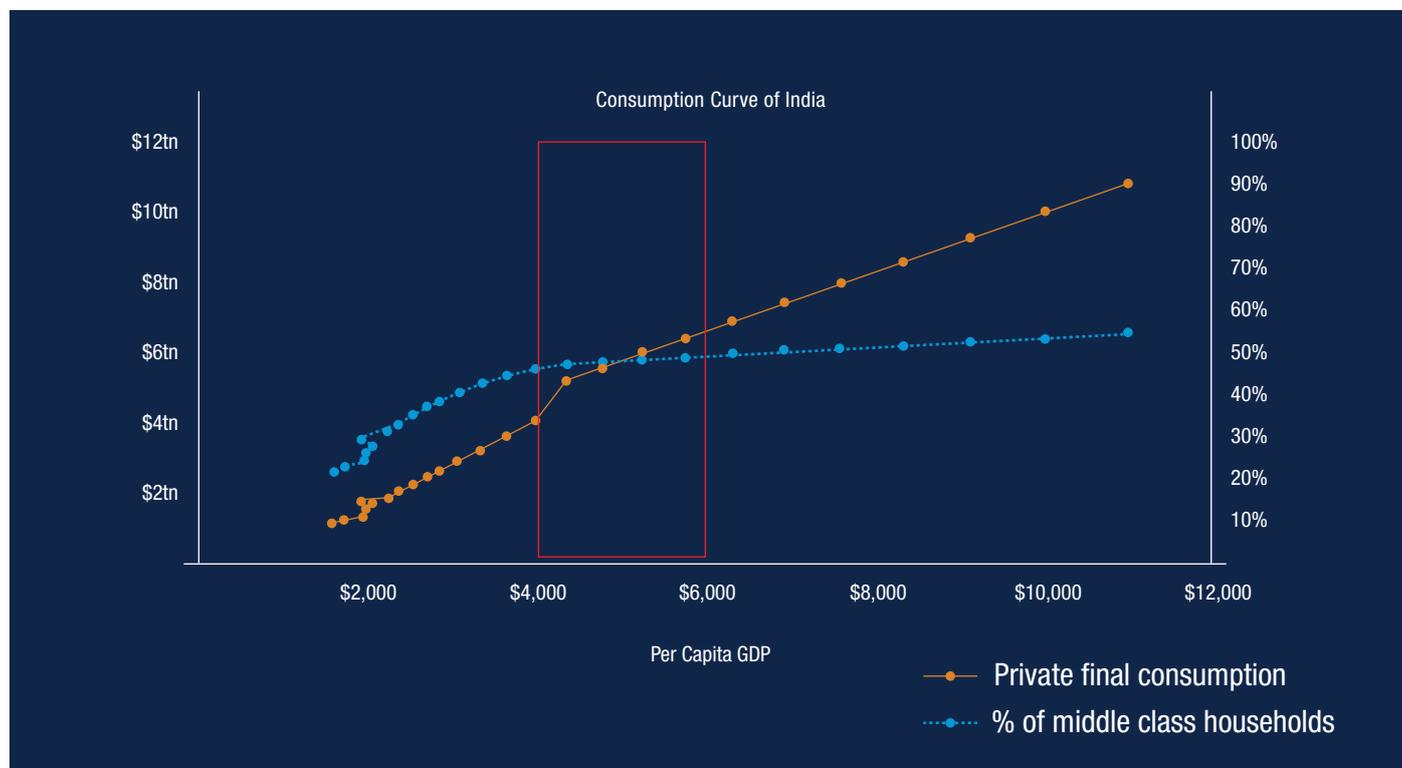
As India's per capita GDP ascends to US$ 4000 by 2030, the nation crosses a well documented threshold which unlocks a sharp increase in household consumption patterns.
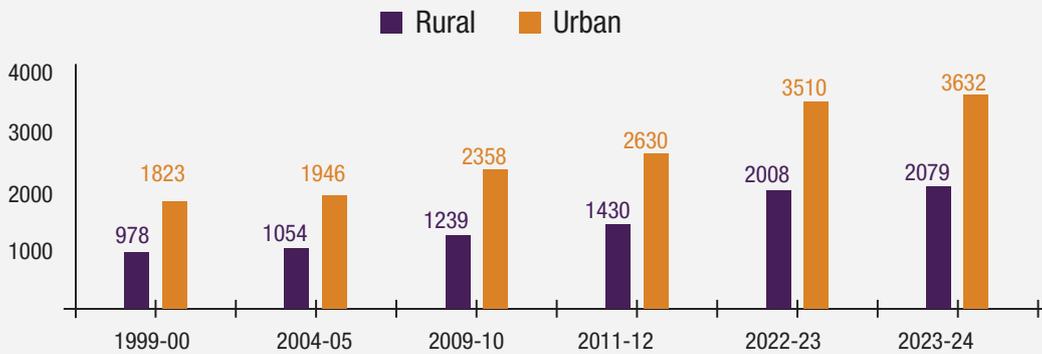
Currency: USD[8]

This inflection is driven by four structural forces. They do not operate in isolation. They compound and amplify each other and together they are reshaping not just what consumers buy, but how they think, choose, and engage with brands.
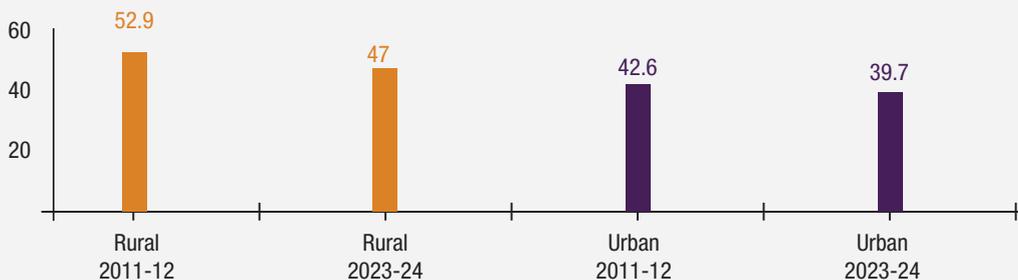
The Indian Wallet Has Shifted

For most of India's modern history, household spending was anchored in necessity. Food, fuel, and basic goods consumed the bulk of the budget. That structure is now changing. Food's share of the rural monthly budget has declined from 59.4% in 1999 to 47.4% by 2023[9]. Per capita durable spending rose 218% in rural India and 178% in urban India between 2011-12 and 2023-24. Among the bottom 40% of urban households, personal goods spending has quintupled since 2011-12[10]. Consumption is growing, but more importantly, it is growing in new directions. The Indian consumer is no longer allocating surplus income to more of the same. They are allocating it to categories, experiences, and products that did not feature in old consumer's budgets.

Monthly Per Capita Expenditure (MPCE) - Real, Inflation-Adjusted (Rs.)

Legend: ■ Rural ■ Urban

	1999-00	2004-05	2009-10	2011-12	2022-23	2023-24
Rural	978	1054	1239	1430	2008	2079
Urban	1823	1946	2358	2630	3510	3632

Food as Share of Total MPCE: Rural vs Urban (%)

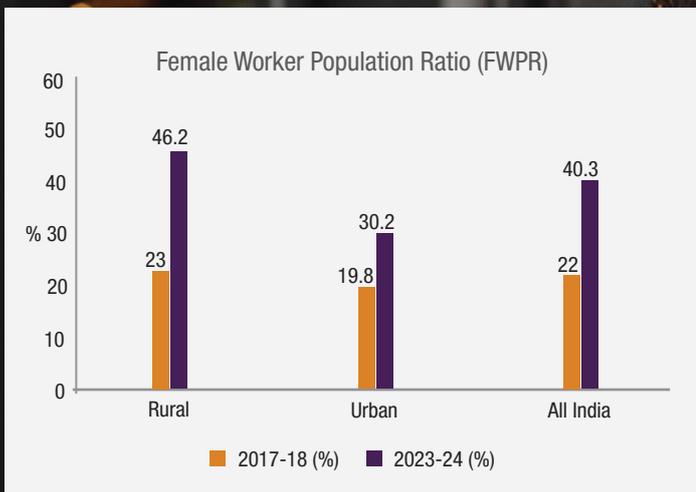| Rural 2011-12	Rural 2023-24	Urban 2011-12	Urban 2023-24
52.9	47	42.6	39.7

Source: MOSPI, PFCE 2023-24

The Household India Understood Has Evolved

The joint family that organized Indian economic life through most of the twentieth century has quietly fragmented, and with it, the decision-making architecture that commercial models were built around. Small households of one to three members now account for 50% of Indian homes and spend at twice the rate of larger units[11]. Female labour force participation surged from 23.3% in 2017-18 to 41.7% in 2023-24[12], producing a new class of independent earners making purchase decisions entirely on their own terms. Credit, EMI, and buy-now-pay-later (BNPL) have decoupled aspiration from present salary. India's silver economy, valued at INR 73,000 crores in 2024[13], is spending with a confidence no previous generation of that age cohort demonstrated. Both who makes the purchase decision and the basis on which it made has changed.

Average MPCE for households of different sizes- All India

- Rural Avg MPCE (Rs.)
- Urban Avg MPCE (Rs.)

Source: MOSPI, PFCE 2023-2024

Female Worker Population Ratio (FWPR)

	Rural	Urban	All India
2017-18 (%)	23	19.8	22
2023-24 (%)	46.2	30.2	40.3
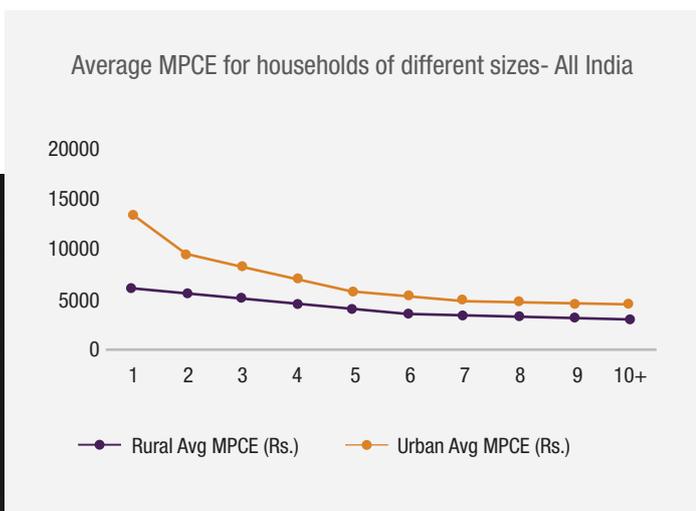
Source: Press Release: Press Information Bureau

The Information Gap Is Gone

Consumers who once depended on brands and retailers as the primary source of product information now rely on a broader set of information channels. 1.02 billion Indians are online, 57% from rural India, accessing data at INR 8.3 per gigabyte, the cheapest in the world[14]. Over 100 million use AI tools weekly. 73% use AI when shopping online[15]. UPI processed 28,800 crore transactions in 2025 across 709 million payment touchpoints[16]. The consumer now arrives at every purchase already informed, already compared, and often decided. The information asymmetry that quietly protected incumbents for decades, has closed. It has been replaced by earned trust, demonstrated consistently across every interaction.

1.02 B

Indians with internet access, **57%** from rural India.[17]

24 GB

Average monthly data per subscriber FY25, up from **62 MB in 2014.**[18]

INR 8.3/GB

Average cost of **1 GB data**, the lowest globally.[19]

AI Usage Across Consumer Categories: India vs APAC (%)

■ India ■ APAC

| Category	India	APAC
Online Shopping	73	61
Travel	92	84
Banking	49	40
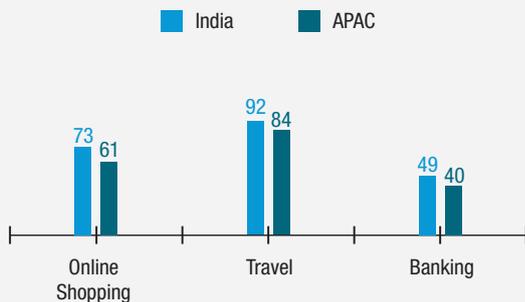
Source: India Leads Adoption of Agentic AI Ahead of APAC Peers: Adobe Report, ETEnterpriseai

Time Is the New Currency

Rising incomes have, oddly enough, produced more time pressure. 86.3% of Indian employees work more than 48 hours a week[20]. Urban commuters lose 100 to 170 hours per year to traffic alone[21]. The rise of dual-income households has created a consuming class with more spending power than any previous generation and less discretionary time than any previous generation. Consumer attention for media has fallen to 8 seconds, down from 12 seconds in 2000[22],[23]. The implication for how consumption happens is direct: the consumer has not limited themselves in just choosing what to buy differently. They are choosing how much of themselves they are willing to invest in the act of buying. The threshold of 'consumers' invested time' has fallen sharply, and every brand that has not yet priced this correctly is paying for it.

Number of Hours lost per year in traffic

	Metro	Tier 1
2024	127	125
2025 (Hours)	136	129
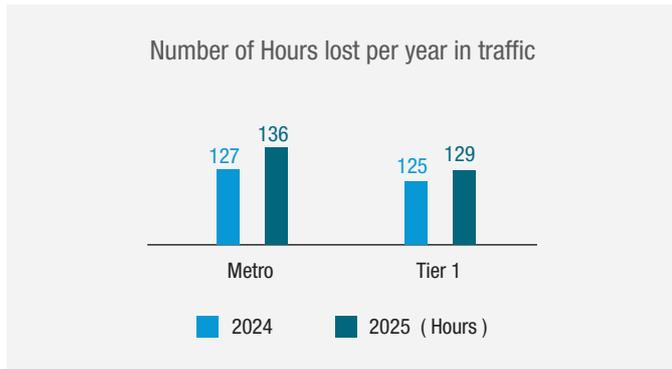
Source: Tom Tom Index

56.2 hrs

Average working week for employed Indians in 2024.[24]

86.3%

Share of Indian employees working more than **48 hours** per week.[25]

36.8 hrs

Working week of rural women during Covid, a level India has since significantly exceeded[26].

These four forces have converged to produce a consumer who is materially different from the one that most commercial models were built to serve.

The following section maps six observable behavioural shifts that define this new consumer.

Shift 01

The Generation-Agnostic Consumer

Age is Just a Number
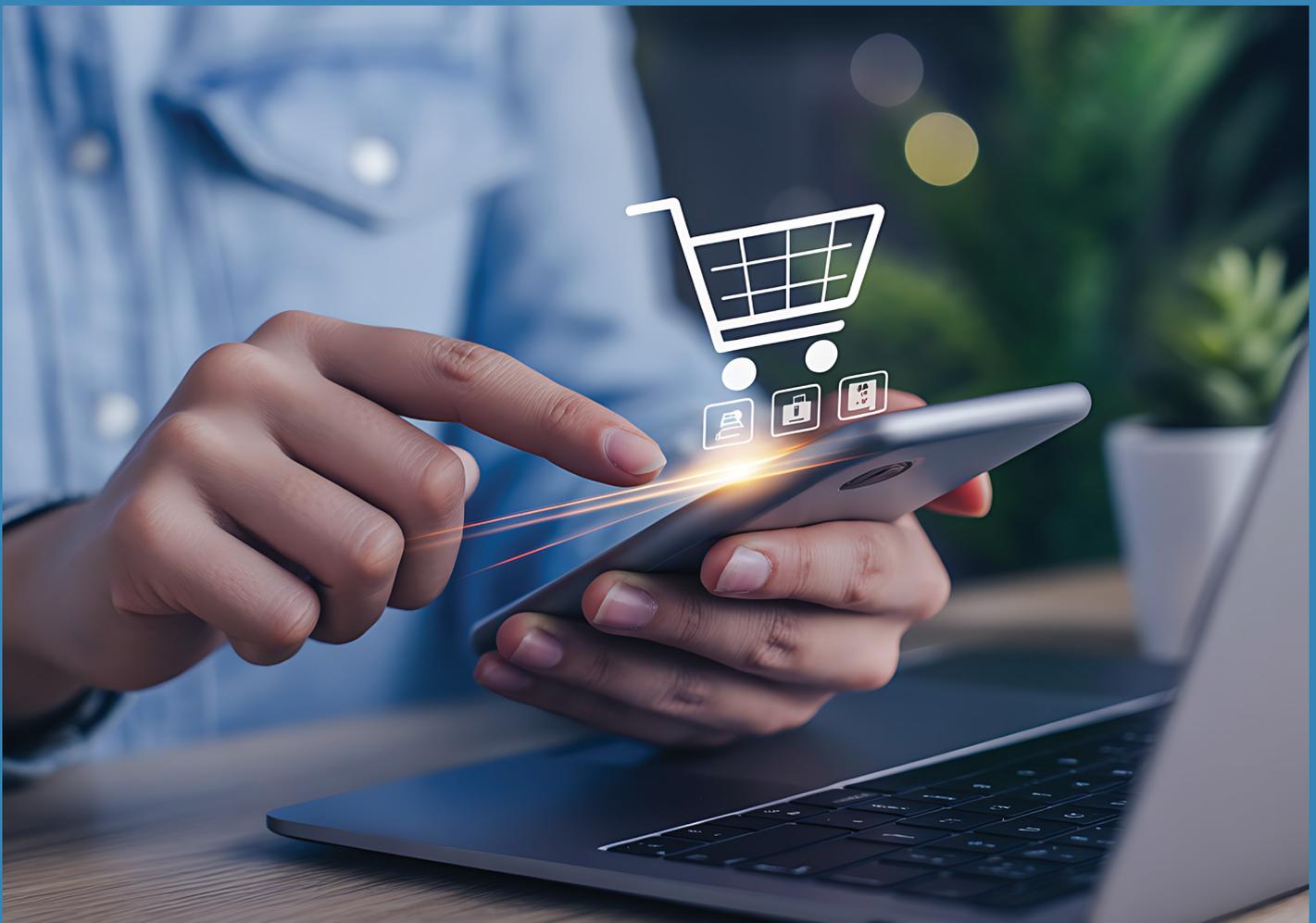
FROM THE GROUND

Consider a 62-year-old man from Punjab.

He orders groceries on a quick commerce app, opened an investment account last year, watches short-form video content for his daily news, and just booked a trek to Spiti Valley through an online travel platform. His teenage granddaughter introduced him to half of these. They shop on the same platforms. They spend on the same categories.

The only difference is that his wallet is bigger.
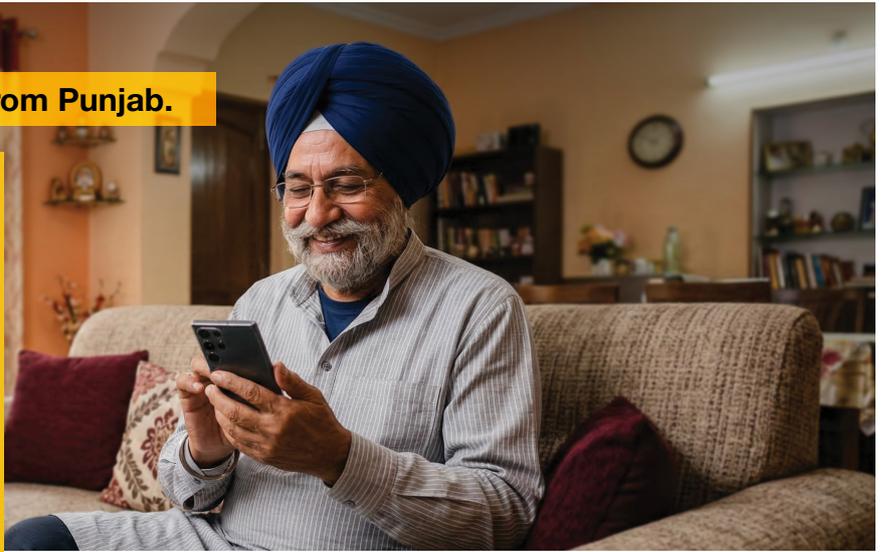
For most of commercial history, age was a reliable predictor of consumer behaviour. A 55-year-old and a 25-year-old consumer occupied very different commercial universes, engaging with different media, categories, decision-making styles, and relationships with money and aspiration. Life stage dictated consumption almost as reliably as income did. That separation is now weakening. Across India, consumers of vastly different ages are converging on the same platforms, the same categories, and the same behaviours. The shared information environment, universal access to digital commerce, and the democratization of credit have together reduced the generational boundaries that once made age such a useful lens.

The Convergence Is Running in Both Directions: India's silver economy reflects a cohort that is financially engaged, digitally active, and spending in categories that no previous generation of that age approached. A technically fluent boomer who follows finance influencers, trades on investment platforms, and orders via quick commerce is behaviourally indistinguishable from a millennial in the same income bracket. At the same time, India's 377 million Gen Z consumers[27] have stopped waiting for life stages to catch up with their ambitions. They are already investing, already spending on premium, already making decisions associated with consumers a decade older.

INR 73K Cr:

The Value of India's silver economy in 2024[28].

48%:

Retail mutual fund investors aged 18-30, Aug 2024 to Jul 2025[29].

35.5%:

Consumers aged ≤25, accounting for the largest share of new-to-credit loan originations by volume in India[30].

Instead of being limited to the behaviour of a single generation, this shift reflects a changing relationship between age and behaviour itself. Age now provides progressively less insight into what consumers want, what they will spend on, or how they will go about acquiring it.

A shared information environment, common digital platforms, and expanding access to credit have created a consumer population where intent is becoming a more powerful predictor of behaviour than age. Unlike age, intent does not follow a predictable life-stage arc.

Shift 02

FROM THE GROUND

Consider a 32-year-old woman in Mumbai.

Before buying a new face moisturizer, she spent 45 minutes watching three YouTube reviews, read 23 customer comments on an e-commerce platform, checked one Reddit thread, and compared ingredient lists using an AI chatbot. The brand had a glossy TV ad. She did not see it. She bought a competitor brand, the one recommended by a creator she follows, because the evidence was clearer.

As disposable incomes rise and category choices multiply, the Indian consumer is spending more and questioning more in equal measure. More than half of Indian consumers report low or zero trust in advertising across all media formats. 83% use social media specifically to seek reviews before purchasing[31]. Higher purchasing power has led to more deliberate buying decisions. The consumer with more to spend has more to lose from a wrong decision, and they are no longer willing to absorb that risk on the basis of a brand's own word. The Indian consumer no longer extends default trust to brands or to advertising. They begin from skepticism and build confidence through evidence.

The Research Habit Is Now Structural: This behaviour cuts across income segments, regions, and age cohorts, and extends beyond traditionally high-involvement purchase categories. It has migrated to everyday purchases. 56% of shoppers report having encountered positively biased reviews on e-commerce platforms in the past 12 months, and only 9% believe platforms make it easy to identify incentivized reviews[32]. They cross-validate, drawing on video reviews, community forums, and peer networks simultaneously. In metro cities, 67% of Indian consumers trust independent content creators more than traditional celebrities for purchase decisions[33]. Shopping-related video watch time grew by more than 250% year-on-year between February 2024 and February 2025[34].

83%
of Indian shoppers rely on reviews before purchase[35].

200M+
Indians conducted shopping-related YouTube searches in 2025[36].

66%
of online consumers begin product searches on marketplaces for reviews and information[37].

The Indian consumer has become easier to reach. However, the threshold for persuasion has changed. A decade ago, consumers often approached purchases with a baseline level of trust and looked for reasons to doubt. Today, many enter the decision process with greater skepticism and look for reasons to believe. As a result, the burden of proof has shifted from consumers to brands.

Shift 03

The Zero Latency Consumer
Now or Never

FROM THE GROUND

Consider a 34-year-old in Pune.

She leaves home at 7:45 am and returns at 8:15 pm. On Tuesday, she realized she had run out of cooking oil at 9 pm. It arrived in 11 minutes. On Wednesday, she saw a skincare serum recommended in a video, added to cart mid-scroll, and the order was placed before the video ended. On Thursday, she filed an insurance claim during her morning commute and received confirmation before she reached her desk. On Friday, she booked a restaurant, pre-ordered her meal, and walked to a table that was ready.

Waiting has largely disappeared from her consumption experience. Delays now create immediate switching opportunities for her.
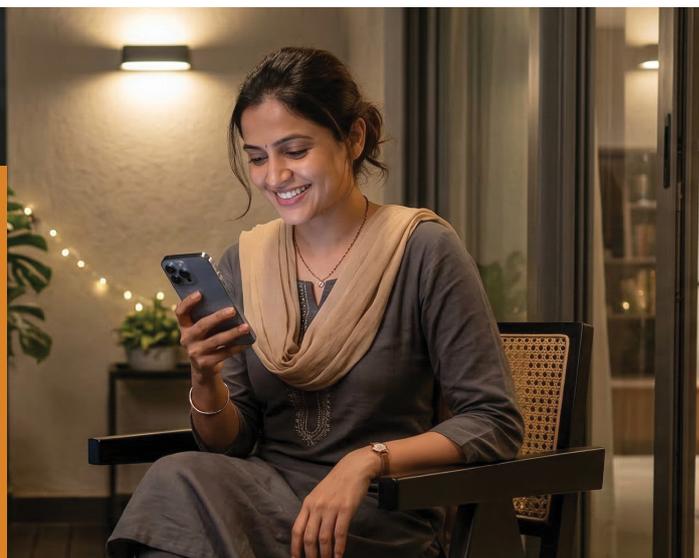
The Indian consumer's relationship with time has permanently changed. What was once tolerance for process has become intolerance for friction, across every category and every type of interaction, whether buying a product, accessing a service, resolving a complaint, or making a financial decision. The share of frequent shoppers preferring online channels for daily needs rose from 33%, before quick commerce, to 87% after its expansion[38]. But the more significant shift is happening elsewhere. Consumers are living at a faster pace and buying faster. As that pace accelerates, interactions led by brand which don't match the consumers' speed are increasingly perceived as friction.

Immediacy Has Become the Baseline: 41% of Indian consumers now shop online at least 2 to 3 times a week, with delivery cost and turnaround time influencing nearly 50% of all purchase decisions[39]. But the zero-latency expectation extends well beyond commerce. In financial services, consumers expect loan approvals in minutes, and insurance claims resolved on a phone screen. In healthcare, booking, consultation, and prescription fulfilment are expected within the same session. In hospitality, the consumer who has the ability to pre-order and walk into a seated table has no patience for the experience that does not offer it. Each improvement in speed raises the bar of what is considered acceptable. Expectations only move in one direction, and that's always upwards.

INR 65.7K Cr:
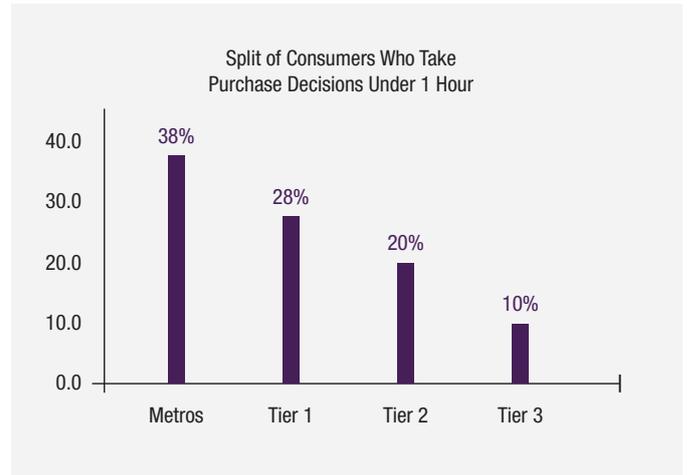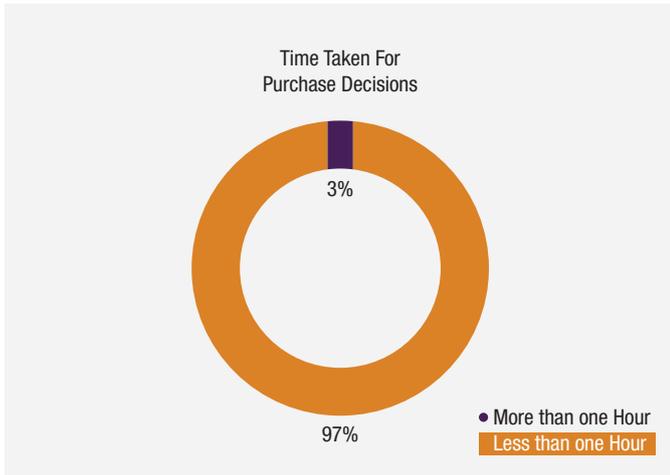Quick commerce GMV in FY25, 24x growth since 2022[40].

77%:
of online consumers expect delivery within two hours or less[41].

97%:
Consumers today evaluating purchases in under an hour, up from 80% pre-covid.

(Source: A&M Consumer survey)

Time Taken For Purchase Decisions

3%

97%

- More than one Hour
- Less than one Hour

Split of Consumers Who Take Purchase Decisions Under 1 Hour

	38%	28%	20%	10%
	Metros	Tier 1	Tier 2	Tier 3

Source: A&M Consumer survey

Basket sizes are shrinking even as purchase frequency accelerates. Consumers are no longer stocking up; they are increasingly consuming on demand, confident that the next need can be fulfilled as quickly as the last. Subscription models are expanding because they remove the need for repeated decision-making. The daily commute has also become a commerce window.

Interactions that require stopping, waiting, visiting a store, or making a call are no longer perceived simply as inconvenient; they increasingly feel misaligned with the pace at which consumers now live and transact. What has shifted is the consumer's reference point for speed and effort.

Brands that cannot meet that reference point are risking consumers consider their experiences as replaceable. In a market where alternatives are often one tap away, a replaceable experience can quickly translate into a permanently lost consumer.

Shift 04

The Selectively Premium Consumer

Premium on My Terms
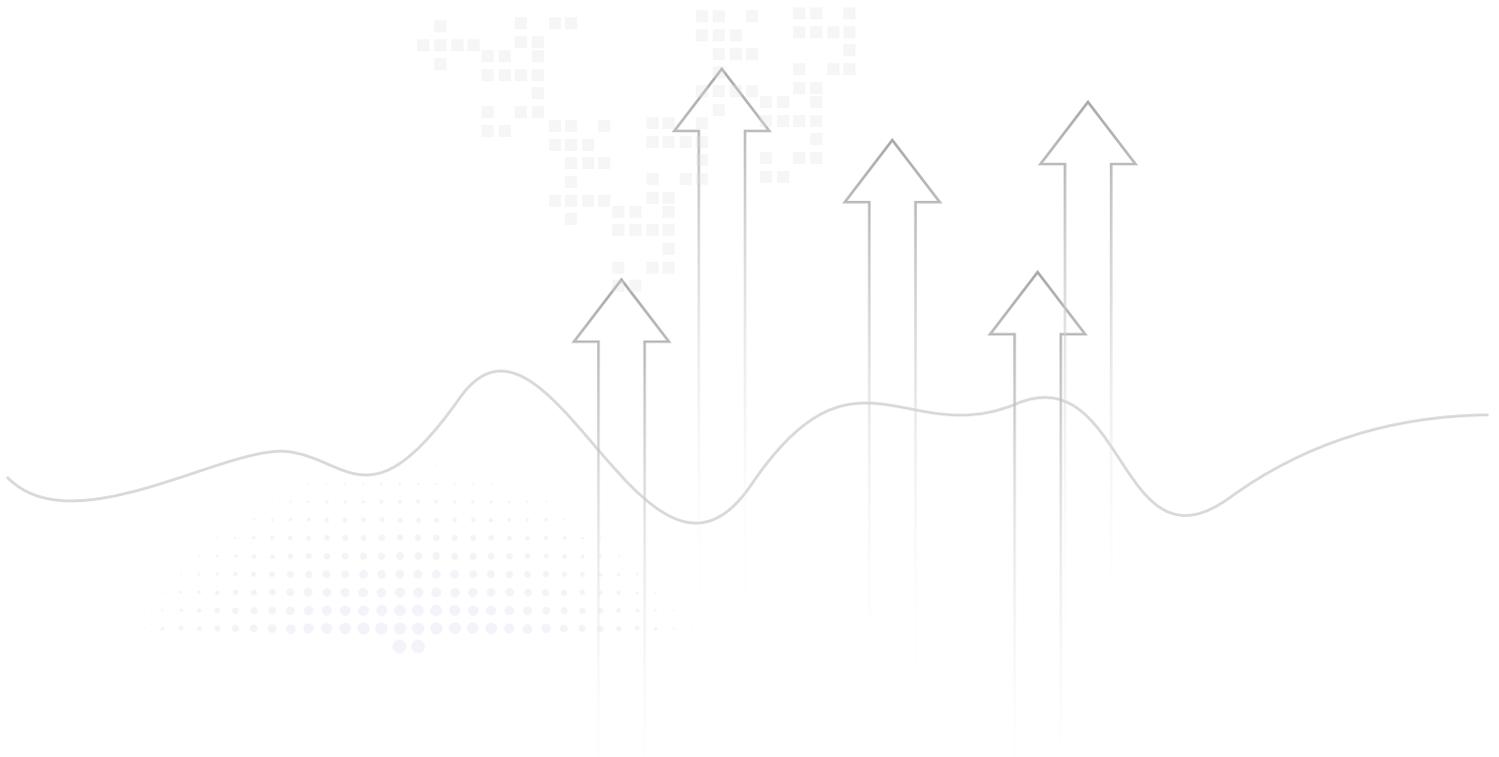
IN THE FIELD

Consider a 44-year-old living in Indore.

He drives a 10-year-old hatchback because it functions fine. But he just bought a flagship smartphone on a 12-month EMI, upgraded to a premium gym membership, and spent INR 4,800 on a single bottle of skincare serum his dermatologist recommended. He is intentionally upgrading to premium where it changes his experience and optimizing everywhere else without apology.

Premiumization is one of the most misread dynamics in Indian consumption. The long-standing assumption has been that premium is a destination, something consumers graduate into uniformly as incomes rise. The reality is more selective. Indian consumers have become sophisticated editors of their own spending, identifying the categories in products and services, where a better option genuinely improves their experience, while optimizing relentlessly everywhere else. The upgrade decision is driven by perceived incremental value, and consumers are increasingly precise about where that value exists and where it does not. Income has ceased to exist as the sole decisive factor of premiumization.

Consumers upgrade where the outcome is tangible and personal: Premium smartphone volumes rose 8% year-on-year in Q2 2025[42]. In the same period, order volumes for healthy food staples and snacks surged by 60 per cent year-on-year[43]. Premium fitness, personalized healthcare, and wealth management services are all growing among consumers who would not describe themselves as wealthy but have decided these experiences are worth the price. This shift isn't limited to urban cohorts. Rural India's share of super-premium FMCG rose from 21% in 2021 to 42% in 2025[44].

17%:
Market share of ultra-premium smartphones above INR 45K in Q4 2025[45], **highest ever.**

80%:
Increase in luxury housing above INR 3 crore sales in 2024[46].

75%:
Selective premiumization is **consistent across** ₹3.1L–₹50L households with consumers trading up or down within categories depending on cost and convenience.

(Source: A&M Consumer survey)

Selectively Premium Consumers Per Income Level (Due To Availability, Time & Cost Constraints)

Income Level	Percentage
1.5L-3L	68%
3.1L-5L	75%
5.1L-10L	74%
10.1L-20L	79%
21L-50L	71%
50L+	68%
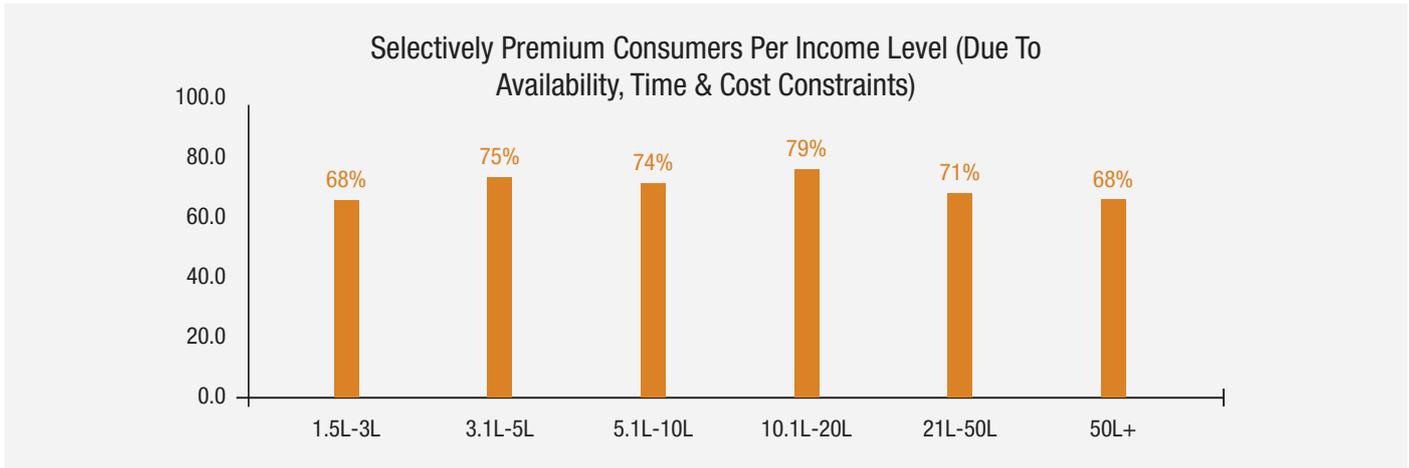
Source: A&M Consumer survey

The shift lies less in consumers' willingness to spend and more in the logic guiding where that spending occurs. Premium is a deliberate, category-by-category allocation decision based on what value the upgrade delivers. The consumer who will not pay more for a commodity will pay significantly more for an outcome. They are also becoming increasingly precise about distinguishing between the two.

Shift 05

The Channel & Brand Fluid Consumer

Loyalty to No One
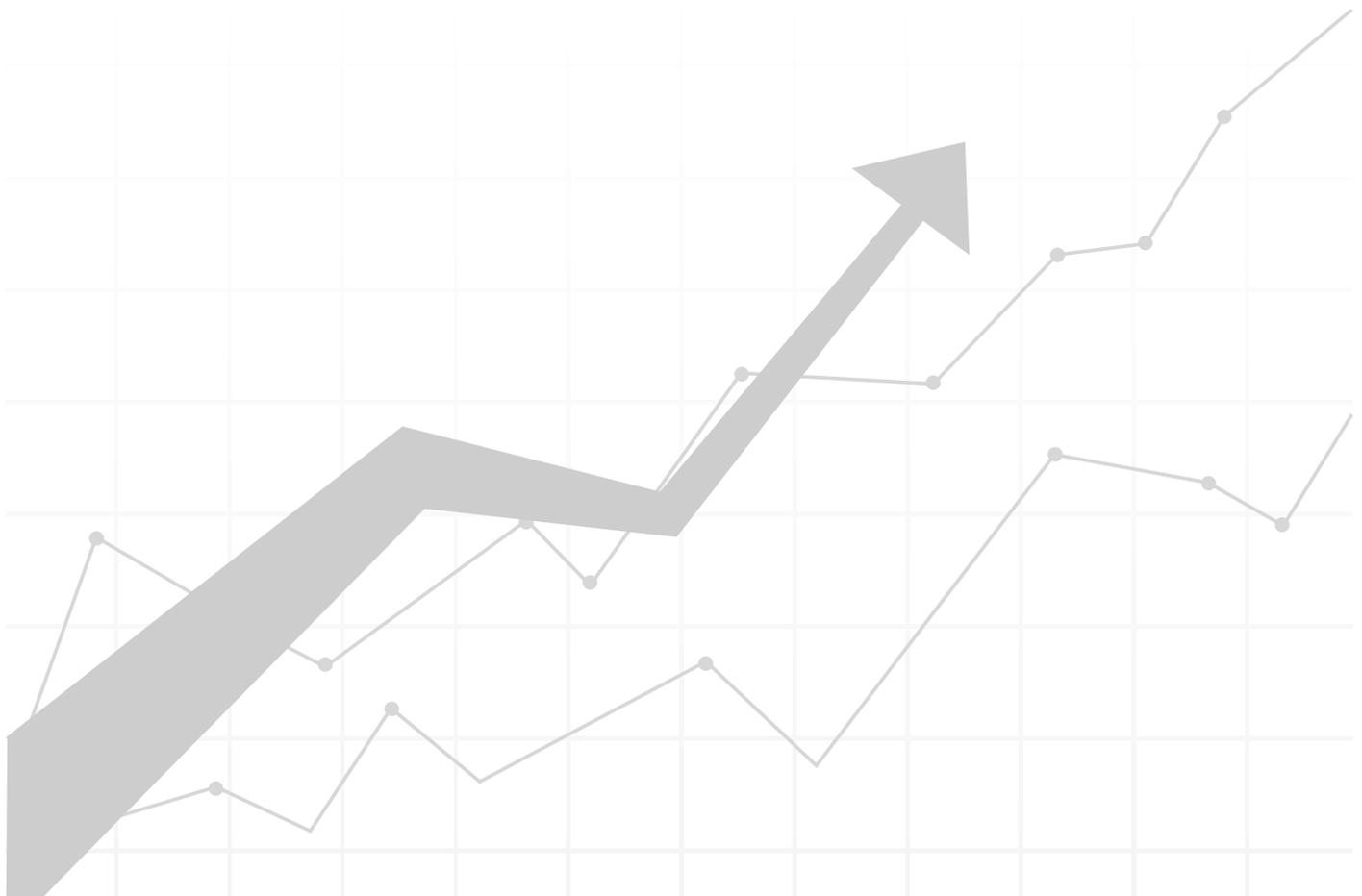
IN THE FIELD

Consider a 28-year-old woman living in Delhi.

Monday, she browses social media, sees a skincare brand, googles it, reads community reviews. Wednesday, she visits a store to try it in person. Thursday, she orders it on a quick commerce app because it is 40 rupees cheaper and arrives in 12 minutes. Next month, if a competing brand makes a more compelling case on her feed, she will switch without second thoughts.

58% of global consumers say brand name is secondary to their purchase decision compared to outcomes[47]. 73% of Indian retail consumers prefer to explore multiple channels while shopping[48].

The Indian consumer is loyal to neither brand nor channel. They move fluidly across both, optimizing each decision independently based on what delivers the best outcome at that moment. Loyalty historically reflected habit, familiarity, and constrained choice. It is now contingent on sustained performance. The emergence of a superior alternative often results in immediate switching.

The Brand Contract Has Been Rewritten: Indian consumers are increasingly willing to try unknown names if ingredient transparency, creator credibility, and value positioning are compelling. A product that delivers the same outcome at a lower price, or a better outcome at the same price, is simply the better decision for a consumer who is no longer loyal by default. The same applies in services. A consumer will switch their insurance provider mid-policy for a better digital experience, move their savings to a new-age platform for a marginally better interest rate, or change their healthcare provider because booking was easier. Switching costs that once protected incumbents have eroded significantly across both products and services.

56%:
Indian consumers buying private labels in 2024[49] (more than ever before).

70%+:
Indian consumers who research online before purchasing offline[50].

63%:
consumers agree that channel switching has increased over last 5 years.

(Source: A&M Consumer survey)

Consumers continue to value strong brands, but their tolerance for waiting for better quality, innovation or value has declined. The Indian consumer will upgrade, update, and change with a speed and ease that no previous generation of Indian consumers demonstrated. Every purchase is a fresh evaluation, and every brand starts that evaluation from zero.

Shift 06

IN THE FIELD

Consider a 38-year-old living in Bengaluru.

He enjoys how his food app seems to read his mind. He appreciates that his bank surfaces relevant offers before he searches for them. But last week, a targeted ad for divorce lawyers appeared the day after a private conversation with his wife. He felt, for lack of a better word, watched. He wants to be understood. He does not want to be under surveillance.

India sits at a unique crossroads. It is simultaneously the country most enthusiastic about personalization and one of the most anxious about data privacy. 98% of Indian consumers are more likely to buy when engagement is personalized in real time. But 88% of consumers will abandon a purchase if the interaction feels impersonal and intrusive[51]. This tension plays out across every category in the products consumers buy, and equally in the services they use. A consumer who welcomes their insurance provider anticipating a renewal is the same consumer who is disturbed by their bank inferring a job loss from spending patterns. The data is different. The anxiety is the same.

India Wants Both, Simultaneously: The Indian consumer is now opposed to being known without consent, without transparency, and without receiving something real in return.

The distinction matters because it changes what brands need to build. Limited transparency in the collection, interpretation, and use of data remains a key concern for consumers. When a consumer understands what is being collected and why, and the resulting personalization is genuinely useful, the trade feels fair. When the connection between the data and the outcome is invisible, or when the data surfaces in a context that feels intrusive, the trust breaks, and in India, broken trust tends to spread quickly.

98%:	**88%:**	**72%:**
of Indian consumers are more likely to buy when engagement is personalized in real time[52].	Consumers willing to drop a brand that crosses the line and feels impersonal[53].	of Indian consumers want transparency about when they are interacting with AI or automated systems[54].

India is the second most targeted country for cyberattacks globally[55]. The average cost of a data breach hit an all-time high of INR 19.5 crore in 2024, up 39% since 2020[56]. Consumers are aware of this landscape. Their anxiety grounded in lived experience of breaches, spams, and intrusions they did not consent to.

The brands navigating this well are those that have built personalization as a service. They are explicit about what they know, generous about giving consumers control, and disciplined about using data only where the consumer would recognize the value.

Six Shifts. One Consumer.

More informed, more empowered, more time-conscious, and more precise than any previous generation of Indian consumers. Shaped by forces that are uniquely Indian in both their combination and scale, this consumer operates within a commercial environment for which many existing assumptions, local and global, were not originally designed.

These six shifts represent six expressions of the same underlying transformation: a consumer who has changed not only what they buy, but also how they choose, how they evaluate, and how quickly they move on. The generation-agnostic consumer who defies age-based assumptions. The proof-seeking consumer who begins each purchase from a position of skepticism. The zero-latency consumer who has reset expectations of time across product and service interactions. The selectively premium consumer who upgrades with surgical precision. The channel- and brand-fluid consumer who switches without hesitation the moment a better option presents itself. And the consumer who expects to be understood without being under surveillance.

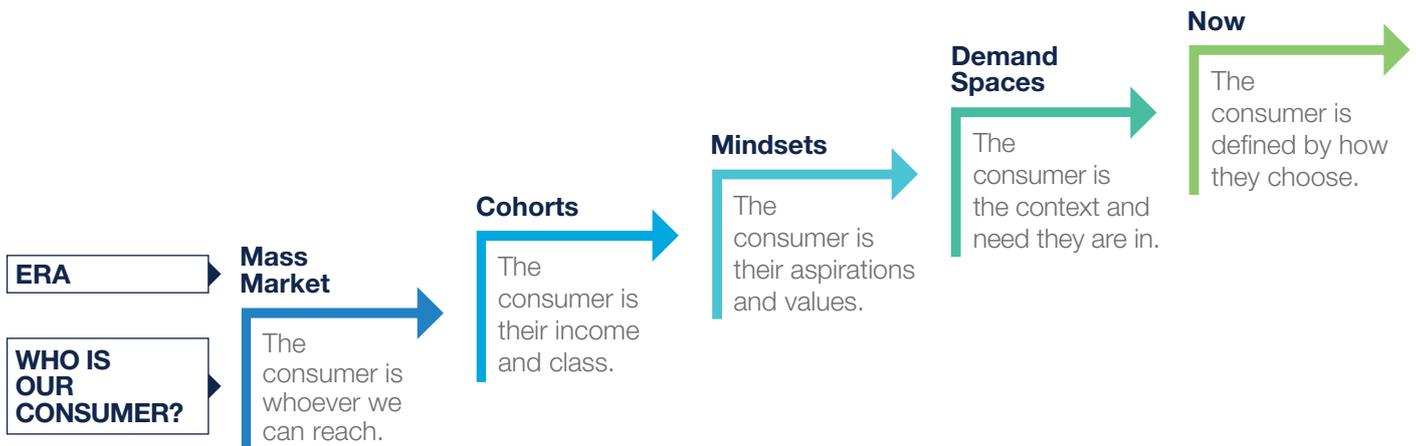Recognizing these shifts is necessary. The deeper challenge lies elsewhere. It lies in acknowledging that while the consumer has evolved rapidly, many of the frameworks' companies use to see, segment, and serve that consumer have not kept pace. The commercial model is still asking the right question, "Who is our consumer", but the tools it is using to answer that question are incomplete and need to be fortified.
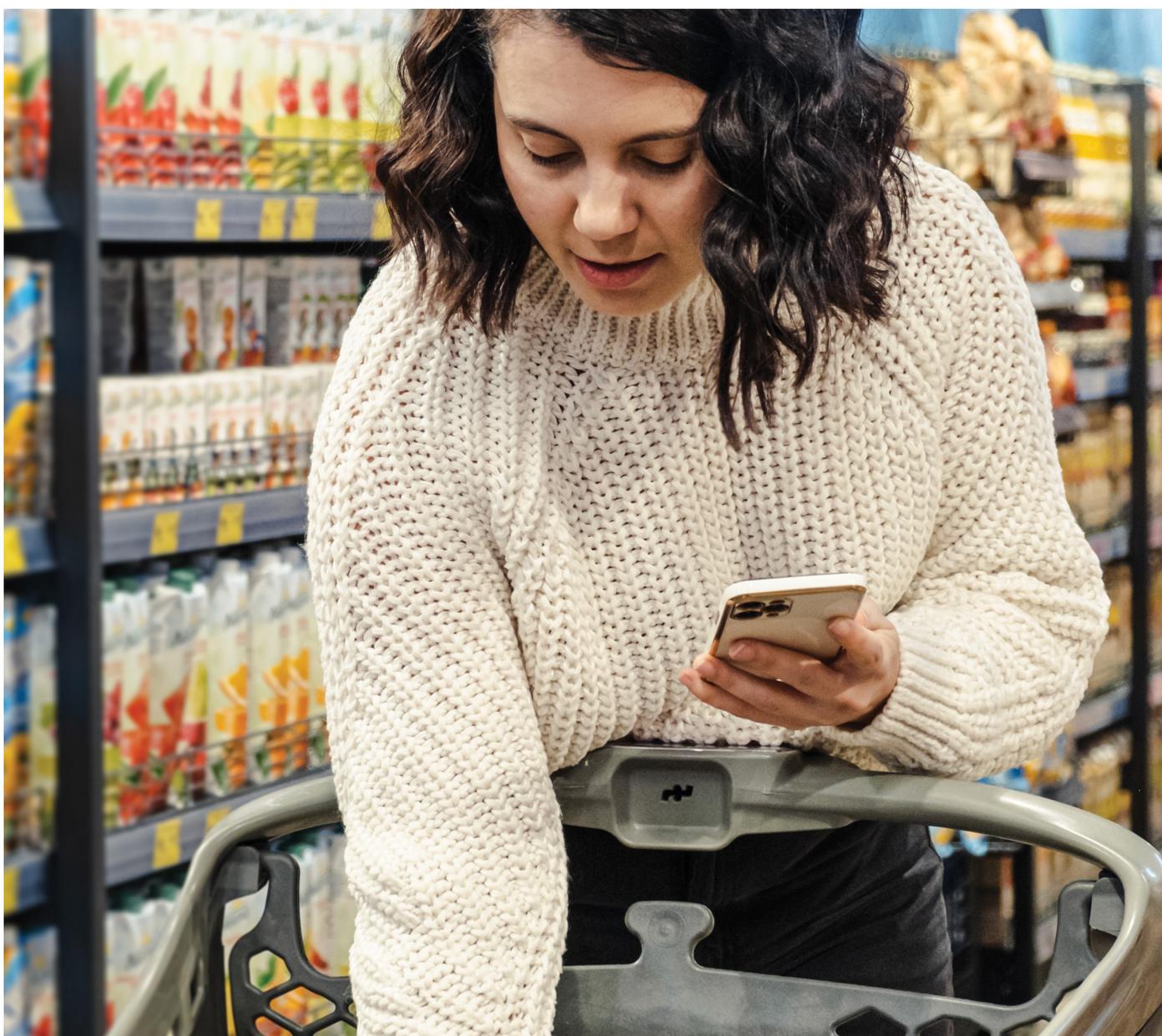
The New Lens to Understand and Segment the Consumer

For decades, the answer to "Who is our consumer" got progressively sharper. Income and class added precision to mass reach. Aspirations and values added depth to demographics. Context and occasion added situational nuance to mindsets. Need-based segmentation, understanding the consumer through the jobs they are trying to do and the contexts they are in, represented the most sophisticated answer the industry had developed.

ERA

WHO IS OUR CONSUMER?

Mass Market
The consumer is whoever we can reach.

Cohorts
The consumer is their income and class.

Mindsets
The consumer is their aspirations and values.

Demand Spaces
The consumer is the context and need they are in.

Now
The consumer is defined by how they choose.

The previous methods worked because the conditions it were built for were stable.
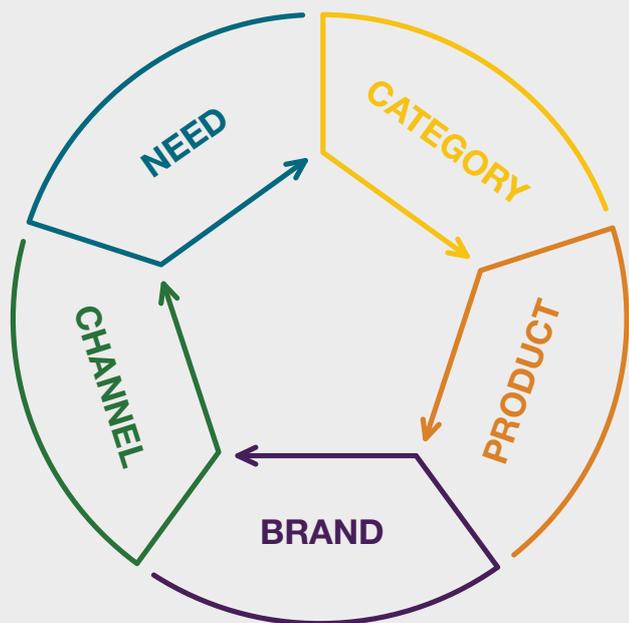
The purchase journey was linear. The category was a reliable container. The consumer's context was evident and consistent across touchpoints.

Those conditions are changing. Every company is at a different point on this curve. For some, the traditional approach to need-based segmentation remains largely sufficient. For others, particularly in food, financial services, personal care, and anywhere quick commerce or social commerce has taken hold, the assumptions are already being tested in ways that show up in the data. The consumer shifts described in the previous chapter introduce new complexity, requiring the existing segmentation framework to be expanded with additional considerations.

Today, demand is shaped by how the consumer chooses, and the structures that shape that choice. By the time a need registers consciously, the system has already shaped the set of possible responses. This operates equally in the pharmacy where the chemist recommends a generic medicine, the kirana where the owner substitutes a brand, the store layout that intercepts a planned purchase with an unplanned one, and the digital platform that surfaces a product before the consumer searches for it.

The consumer is moving through structures that are shaping demand before they know they have it.

The purchase journey that the need-based segmentation was built around, assumed a stable, linear sequence. A need arose. A category was entered. Options were evaluated. And purchase was made. The need space was the entry point, and the journey from there was predictable enough to plan against. That sequence has become more fluid. Discovery now happens before a need is consciously registered. Evaluation crosses category boundaries simultaneously. Transaction occurs on a channel different from discovery.

Two fluidities are driving this shift, adding dimensions that the existing approach was not built to see.

1 Channel Fluidity

In the traditional model, channels had clear, stable roles within the consumer journey. A television advertisement discovered. A store transacted. A website assisted. The consumer's channel behaviour was predictable enough to organize investment around, and the need space a consumer was in could be reasonably inferred from the channel they were using.

Those roles have dissolved. A channel can now enter the consumer's journey at any point, play any role, and exit just as quickly. The same consumer in a single week discovers a product on social media, searches for it on a marketplace, checks availability on a quick commerce app, and buys it in a physical store on the weekend. This consumer can also discover a savings product through a

content creator, validate it on a community forum, apply for it through a mobile app, and visit a branch to complete documentation. The need space is now determined by the consumer intent instead of the channel, and that intent shifts across every touchpoint.

This also means that where a consumer shops no longer gives us a complete and reliable signal about the consumer. The same consumer, in the same need space, will behave differently depending on the 'moment' they are, all within a single channel. A channel is now only one of the variables among several that determine how a need space is being approached at any given moment.

64% consumers use 2 or more channels before the purchase of an item worth **INR 500+.** This number remains consistent even at the age group above 50 years, where **~60%** consumers do the same.

(Source: A&M Consumer survey)

70%+ Indian consumers researching online before purchasing offline[57].

62% consumers agree that their channel switching has increased over the past **5 years**, further pushed by increasing platform choices and unfretted digital access.

(Source: A&M Consumer survey)

2 Basket Fluidity

Need-based segmentation assumed that a consumer in a given need space would exhibit broadly consistent basket behaviour. The planned grocery mission produced a certain kind of basket. The financial security need space organized itself around a primary bank and an insurance provider. Basket composition, across both products and services, was previously, a visualization of the need space itself.

That predictability is weakening in two ways.

The first shift is compositional. The basket increasingly reflects a snapshot of multiple simultaneous missions rather than a single need state. A single consumer's purchase and service usage history over a short period can appear as though it belongs to multiple different people: premium and value, planned and impulsive, functional and indulgent. This is because, with the increased access to shop all the time, consumers are responding to different shopping jobs, which were at different moments, within the same sessions. The same consumer holds a zero-fee digital account for daily transactions, a premium wealth management relationship for investments, a BNPL product for discretionary purchases, and a separate platform for insurance comparison. Four different financial need states, assembled by the consumer entirely around their own life architecture, with no single provider seeing the complete picture.

What makes this compositional shift particularly hard to track is that the lines between impulse and planned purchases are blurring. Discovery, evaluation, and purchase now often happen simultaneously, within a window so short it barely registers as a sequence. A consumer who opens a quick commerce app for flour, sees a limited time offer on a premium protein bar, and adds it to the cart. In the same session, the consumer has operated in planned and impulse mode.

The need state is the same. But the timing behaviour is entirely different from what any category manager assumed when they designed the communication architecture for either product. This distinction, once reliably organized commercial strategy. Pricing ladders, pack architectures, channel investments, and promotional strategies were all calibrated around knowing which side of this line a consumer's need state sat on. That distinction is becoming less reliable as a segmentation anchor. The same need space can be entered in impulse mode, planned mode, or both simultaneously, and the commercial architecture built around knowing which it was, needs to account for that ambiguity.

The second shift is structural. The roles that products and services play within the basket, the anchor that organizes the mission, the complement that follows it, the substitute that covers when the anchor is unavailable, are no longer as stable as category management previously assumed. Substitution is increasingly happening across category boundaries rather than within them. A consumer whose basket was anchored by a traditional breakfast cereal now organizes the same morning meal mission around a protein smoothie, a millet porridge, or a high-protein snack bar, none of which sit in the cereal category but compete for the same basket role. The anchor is competing across categories serving the same mission.

The anchor exists just in name. In practice, it has been hollowed out by substitution from outside the category.

Losing a mission to a product or service from outside the category is structurally different from losing share within it, because the category tracking system does not see the substitution happening. By the time it is visible in the data, the basket architecture has already been rebuilt around a different set of anchors.

Split of Shopping Missions

| Planned Stock-up	Repleni Shment	Urgent Need	Social Discovery	Combined Shopping
16.94%	16.20%	19.47%	16.64%	30%

Source: A&M Consumer Survey

~30% Shopping missions have a combined intent and need, creating baskets which possess fluid product roles.

These two fluidities add complexity that the need space segmentation was not originally designed to absorb. The consumer is still organized around needs and contexts. But those needs are now being pursued across fluid channels, assembled into fluid baskets, approached with a collapsed distinction between deliberate and spontaneous behaviour, and served by anchors that are being substituted from outside the category before the tracking system registers the loss. The segmentation framework that does not account for these additional dimensions will produce a consumer picture that is accurate in its broad outlines and increasingly unreliable in its commercial specifics.

This leads to a set of additional considerations that need to be layered onto the existing approach, beginning with the question of whether the category is still the right boundary within which to organize consumer understanding.
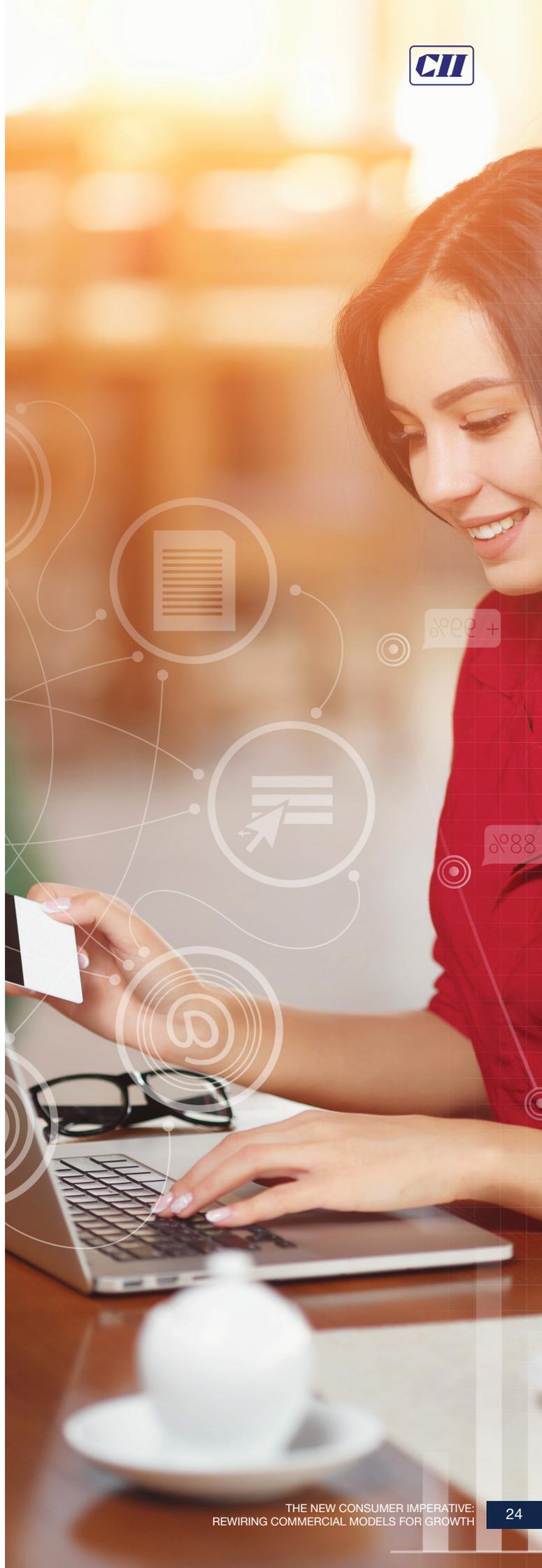
Additional Considerations for Segmenting the New Consumer

The two fluidities described, add complexities around what companies need to look for when they segment them and reach them. They give rise to five dimensions of consumer behaviour that are newly relevant to segmentation but not captured by traditional models.

1 The Basket Is Defined by Outcome And Not Category

As basket fluidity has made consumers assemble purchases across category boundaries, and as channel fluidity has made discovery happen outside any single category context, the assumption that the category reliably contains the consumer's outcome is weakening in both directions.

Below the category line, consumers are self-organizing into outcome clusters so granular that category-level segmentation cannot see them. They are organizing their purchasing behaviour around a specific outcome that cuts across multiple categories simultaneously. The consumer managing a chronic health condition is assembling a solution from food, supplements, and services at once, and no single category sees them whole. These clusters become visible first through community behaviour, early platform signals, and direct-to-consumer (D2C) traction, long before they appear in category data.

Above the category line, the consumer base is larger than the category has ever counted. The category defines its consumer too narrowly and in doing so excludes consumers pursuing the same core outcome from a different starting point. A diabetic patient pursuing a safe, satisfying between-meal option is entirely a snacks consumer. A first-generation earner wanting to make money work harder is entirely a wealth management consumer. The category defined itself by its historical consumer rather than by the outcome it exists to serve, and left motivated, underserved consumers outside its frame.

Health-focused consumer outcomes are supported by a healthcare startup ecosystem that has grown more than tenfold, from 900 startups in 2020 to over 10,000 in 2024[58].

62% Consumers identify with an outcome first and a category second.
Source: A&M Consumer Survey

The segmentation implication runs in both directions. Below the line, the question is whether the organization can see outcome clusters forming before they appear in category data. Above it, the question is more fundamental: who is pursuing the outcome this category serves that we have never thought to recognize as our consumer? Answering both requires moving the unit of segmentation from the category to the outcome and rebuilding the research, tracking, and innovation brief around that shift.

64% Consumers purchase across two or more channels to fulfil a single underlying outcome in the last six months.
Source: A&M Consumer Survey

2) One Consumer, Multiple Personas Across Channels

The traditional model mapped a consumer persona to a channel. The modern trade consumer behaved one way. The e-commerce consumer behaved another. The assumption was that the channel was a reliable proxy for a type of consumer, and that each consumer had a primary channel through which they were best understood and reached.

Channel fluidity has made this model incomplete. The same consumer now moves across multiple channels within a single purchase journey and within a single week, and they are not the same commercial entity in each. What was previously understood as different consumer types across channels is increasingly one consumer expressing different personas depending on where they are. The Sunday morning planned grocery consumer, the Wednesday evening quick commerce consumer, the weekend physical store consumer —these are not three segments, they should be

considered as three channel states of the same person, each requiring a different commercial response.

The segmentation implication is that segmentation models that assign a consumer to a primary channel will systematically misread behaviour that is, in reality, the same consumer in a different state. The prudent and more productive method is to identify which persona does this consumer express in each channel in each moment, and how does the proposition, the message, and the product offering need to shift accordingly. A single consumer may need to be served as a deliberate, price-conscious planner in one moment and as a convenience-seeking, discovery-open browser in another moment, all within the same channel. Mapping those differing personas to the channels they express them in, rather than mapping a consumer to a single channel, is the adjustment that channel fluidity makes necessary.

75% consumers browse instore but make purchases online at least once in the past **six months.**

58% Consumers browse online but make purchases in-store at least once in the past **six months.**

Attributing either of the consumers to only a certain channel will understate the impact omnichannel makes on the consumer.

Source: A&M consumer survey

3   The Intersection of Quality, Convenience, and Value Is Now a Segment

For most of commercial history, consumers made predictable trade-offs across quality, convenience, and price. The premium consumer accepted a higher price for better quality. The value consumer accepted lower convenience for a lower price. The time-poor consumer paid a premium for speed. These trade-offs were stable enough to organize segmentation, portfolio strategy, and pricing architecture around. The consumer who demanded all three simultaneously was an outlier, and too small and too demanding to constitute a meaningful segment.

As delivery expectations have compressed from days to minutes, as immediate availability has become the default rather than the premium, and as platform competition has simultaneously driven down price without compromising quality, the consumer who refuses to trade off across all three has moved from edge case to mainstream. The intersection of high quality, immediate availability, and competitive pricing is now large enough to constitute a distinct and growing segment in several categories, and one that is served inadequately by commercial models still built around the 'assumption of trade-off'.

The segmentation implication is to identify and size this intersection explicitly rather than absorbing it into existing quality or value segments where it does not fit cleanly. The commercial model that recognizes this consumer and builds to serve them without asking them to choose will have a structural advantage over the one that continues to offer them a trade-off they have already decided they are unwilling to make.

78% of consumers prioritize product availability or faster delivery over price or brand familiarity when faced with an urgent purchase situation.

Source: A&M consumer survey

Quality and availability are cited as switching factors **2X** more than cost constraints.

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4   Consumer Clusters Form and Fragment Faster Than Planning Cycles

Segmentation has historically been a periodic exercise. Research conducted, clusters identified, strategies built, plans executed. The assumption running through this process was that the consumer cluster would remain sufficiently stable between the moment of research and the moment of market response to make the investment worthwhile. That assumption held when the forces shaping consumer behavior moved slowly enough for the planning cycle to keep pace.

The combination of basket fluidity and channel fluidity has compressed this window significantly.

In the field:

Between 2020 and 2023, D2C had transformed protein snacks and dairy from a specialist supplement category into an impulse buy. Only by 2024, legacy FMCGs entered the segment, signalling mainstream arrival almost three years after the sub-segment was formed[59].

New platforms continuously surface alternatives that consumers had not previously considered. New basket missions pull consumers across category boundaries faster than tracking systems register the movement. Consumer clusters that appear coherent at the parent level in early research fragment into more granular outcome groups as they mature, often before the strategy built against them has landed.

About 58% of Indian consumers now seek healthier alternatives to traditional snacks, with health emerging as a key consumption outcome[60].

A cluster identified as health-conscious urban professionals in 2020 had, by 2023, fragmented into the diabetic-management consumer, the clean-label consumer, the ultra-processed avoider, and the regional-food-identity consumer. Each sub cluster had their own distinct behavior, distinct trust thresholds, and distinct brand relationships that a single strategy could not serve.

As consumer clusters around protein consumption began to emerge, one of India's largest dairy companies evolved from traditional dairy products to dairy-flavoured beverages and eventually to high-protein dairy offerings such as protein lassi. This early move positioned the company as a market leader in a segment that reached INR 44,048.3 crore in 2025[61].

The response is to organize differently. Segmentation needs to shift from a periodic validation exercise to a continuous sensing capability. It should be able to identify forming clusters from weak signals, act on them before full validation, and recognize when a segment that looks stable in the data is already fragmenting below the surface. The organizations that build this capability will consistently find themselves in new consumer territory before the rest of the market has named it.

5   Habit Loops Can Obscure the True Stability of a Segment

Consistent purchase behavior over time has traditionally been read as evidence of a stable, well-understood segment. A consumer returning to the same product, through the same channel, at the same frequency, was a loyal consumer, one the commercial model could invest in retaining with confidence.

That reading requires more care now. Consistent behavior can reflect two very different underlying dynamics. The first is genuine preference: a consumer who has actively evaluated their options, chosen this product and channel, and continues to reaffirm that choice. The second is a habit loop: a pattern that has become self-reinforcing not because the consumer is satisfied but because the loop itself has removed the need for re-evaluation. The consumer is not choosing.

They are defaulting. And defaulting looks identical to choosing in the purchase data.

The distinction matters because the two respond entirely differently to disruption. A consumer in a genuine preference loop will re-evaluate when challenged and return if the original choice still holds. A consumer in a habit loop will exit the moment a new channel, a new format, or a new platform interrupts the pattern and introduces an alternative that makes re-evaluation unavoidable. Channel fluidity and basket fluidity are generating more of these interruption moments than any previous commercial era. A new quick commerce platform enters a market. A social commerce feed shows a competing product. A basket mission shifts and pulls the consumer outside their habitual category.

58% consumers exist in a habit loop, as they simply re-order their routine purchases without re-evaluating.

41% consumers defend their habit by leaving the current platform or store to find their preferred brand elsewhere when it is unavailable.

However, when asked separately, 53% consumers also mention that they are more experimental in trying new brands, compared to 5 years ago.

Source: A&M Consumer Survey

Often, consumers stuck in their habit loops break the loop because the default is no longer the path of least resistance for the consumer and now, another brand is offering a better deal in cost, convenience, flexibility or outcome.

The practical implication is that segment stability cannot be inferred from purchase consistency alone. Understanding re-evaluation frequency, stated openness to alternatives, and the historical triggers that have shaped a consumer's behavior provides the additional inputs needed to distinguish segments that will hold under competitive pressure from those that are one interruption away from fragmenting.

These five considerations do not replace the traditional approach to consumer segmentation. They extend it, adding dimensions that the two fluidities have made newly relevant. The consumer is still organized around contexts and jobs to be done. But those contexts are now being pursued across fluid channels, assembled into fluid baskets with shifting anchor and substitute roles, approached with a blurring distinction between impulse and planned, and held within category boundaries that are increasingly porous at both ends.

The company that layers these considerations onto its existing segmentation approach will see a more complete and more commercially actionable picture of the new Indian consumer. The company that does not, will find that its consumer understanding, however sophisticated, is describing a version of the consumer that is accurate in outline and increasingly unreliable in the specifics that determine commercial outcomes.

The Rewired Commercial Model

The commercial model was built for a consumer who moved predictably from need to category to brand to channel. Category boundaries were reliable containers. Trade investment was a dependable lever. Brand preference was a durable asset. What has changed is the degree to which each can be taken as given.

Channel fluidity means the same consumer is a different commercial opportunity depending on where and when they are encountered. Basket fluidity means the mission they are shopping for shifts within a single session across category boundaries. The planned and impulse distinction that organized pricing and channel investment has blurred. And the category boundary is porous in both directions, with outcome clusters forming below it that the tracking system cannot see, and consumer populations above it that have never been counted as addressable.

The need to rewire arises as the consumer outpaces the model built to serve them. The way they choose, the way they switch, and the way they assemble outcomes has moved faster than the assumptions underneath the commercial model.

Rewiring the commercial model means rebuilding this system from the consumer backwards. It is not about rebuilding everything but about identifying where the assumptions have shifted. When they do not match how the consumer behaves the gaps show up as execution problems before anyone identifies them as design problems.

Dimension	The Question
Product	Are we building for the outcome the consumer wants or the category we have always competed in?
Marketing	Are we reaching the right consumer, saying the right thing, in the right place, and giving them a reason to come back?
GTM	Are we competing in the right places with the right model?

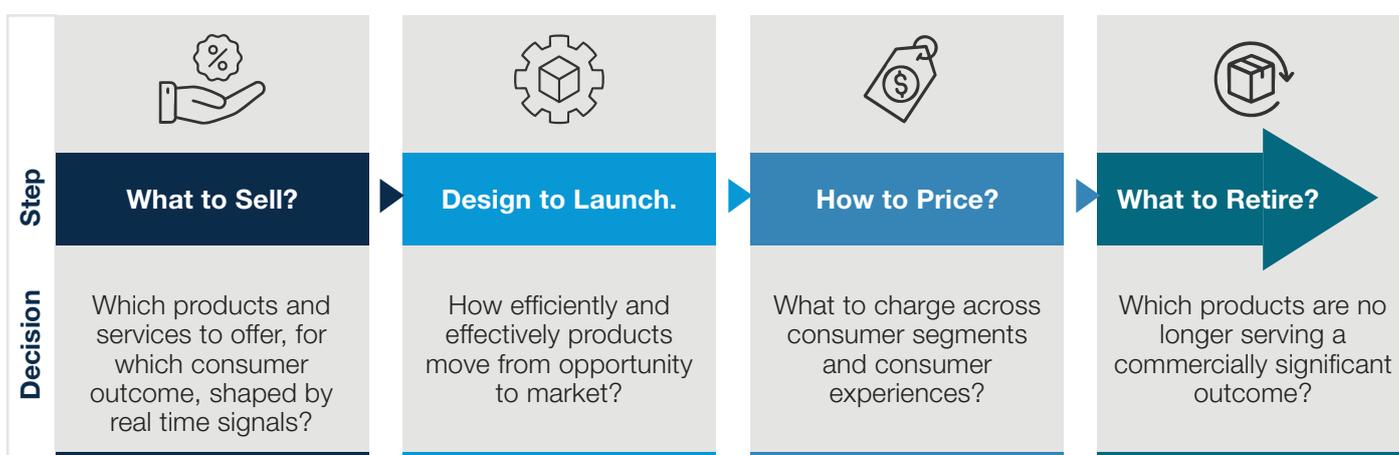ALVAREZ & MARSAL | LEADERSHIP. ACTION. RESULTS.℠

Product: Are We Building for the Outcome the Consumer Wants or the Category We Have Always Competed In?

The product portfolio most companies operate today was built around category logic. Products were designed for defined consumer segments, priced for defined occasions, and launched through pipelines that moved from insight to shelf in cycles measured in years. That logic produced portfolios that were coherent, manageable, and commercially predictable. What it did not account for is that the consumer's horizon has expanded beyond the category. They still shop within it, but they are increasingly assembling outcomes that pull from adjacent categories, specialist providers, and formats the category has never considered competitive.

Organizations need to answer additional questions across four key decisions as they rewire their product and innovation strategy.

Product has a four-step framework which needs to be rewired

Step	What to Sell?	Design to Launch.	How to Price?	What to Retire?
Decision	Which products and services to offer, for which consumer outcome, shaped by real time signals?	How efficiently and effectively products move from opportunity to market?	What to charge across consumer segments and consumer experiences?	Which products are no longer serving a commercially significant outcome?

What to Sell?	Which products and services to offer, for which consumer outcome, shaped by real time signals?

The "What to sell" decision has historically been made through a combination of category tracking, consumer research, and competitive benchmarking. The category defined the brief. The consumer segment defined the target. The competitive set defined the frame.

What this approach underestimates is: the speed at which consumers are reorganizing their purchasing around outcomes, cutting across category boundaries, and the precision with which real time signals now reveal those outcomes and the products serving them. When product decisions begin only with the category, they risk starting one step behind the consumer.

70% of consumers say they have bought a product from a completely different category to fulfil the same underlying need in the last 12 months.

(A&M Consumer survey)

The consumer below the category line can be considered over-precise rather than be bucketed as underserved. Instead of shopping for "healthy snacks", they are shopping for a specific outcome: a precise nutritional target, a functional benefit, a post-workout

recovery window. Most categories are not built for briefs as specific as these. The diabetic consumer managing blood sugar and the gluten intolerant consumer reading every ingredient label are both already in the market finding solutions from whatever is available. The brand that designs for them first secures the relationship as purchasing power grows.

The consumer above the category line has outgrown what the category currently offers and is assembling a broader outcome that pulls in products from multiple categories the brand has never seen as its competition. A healthy lifestyle, financial resilience, a fitness routine, these outcomes do not respect category boundaries. A portfolio that stops at the category ceiling leaves this consumer to assemble their solution from specialist brands, D2C providers, and formats the mainstream portfolio has never considered competitive.

> The category boundary is not always the competitive boundary. A brand that redraws its brief around the outcome, serves both populations that the category brief has never reached.

An INR 30 single unit protein bar attaches as an impulse purchase within a quick commerce basket. A larger multi pack format function as a planned weekly purchase for a health-conscious consumer. A premium variant acts as a lifestyle upgrade within a fitness focused routine. The same product plays different roles depending on the channel and the occasion. Product design must account for which role the offering will play and in which context, whether it anchors the basket, attaches as an impulse addition, supports routine consumption, or serves as an upgrade within an existing routine.

The implication for how the brief is written is direct. A product designed to win in one role, framed around a category, will not be visible to the consumer who is shopping for an outcome across a broader competitive set. The brand that starts the brief with the outcome, and designs format, price point, and channel role around that outcome, is present at more points in the consumer's demand system. The brand that starts with the category will be found only where the category is looked for.

> The brief needs to start with the outcome, not the category. A brief framed around guilt-free between-meal consumption immediately opens the competitive set to protein bars, dry fruits, Greek yogurt, makhana, and functional beverages. A brief framed around snacks does not. Mapping the substitute ecosystem around the outcome reveals the true competitive frame.

Channel is no longer a distribution decision made after the product has been designed.

The consumer today discovers on Instagram, evaluates on a marketplace, and purchases on quick commerce within the same session. Each of those environments makes a different demand on the product. Quick commerce compresses the evaluation window to a thumbnail and a price. A marketplace gives the consumer time to compare ingredients, read reviews, and assess alternatives. A social platform introduces the product through a creator narrative before the consumer has formed any purchase intent. A product designed for one of these environments and retrofitted for the others

is often disadvantaged in the remaining channels.

A leading quick commerce platform illustrated this by launching a private label designed from the brief stage for rapid in app discovery. Clean health forward packaging optimized for thumbnail visibility. Price pack architecture spanning entry and slightly premium tiers to drive both trial and repeat within the same basket. The channel was not a distribution afterthought. It was the starting point of the product design.

83% of consumers say platform recommendations have influenced their final purchase decision at least once. (A&M Consumer Survey)

> Channel is a design input at the brief stage not a distribution decision made later. The channel in which the product will be discovered shapes what it needs to look like, how it needs to be priced, and what claims need to be made.

The same channels that shape the purchase decision are also the richest source of real time signals. Quick commerce basket composition shows what outcomes consumers are assembling today. Marketplace search trends reveal what they are looking for that existing products are not serving. Cross shopping patterns show which categories are being pulled into the same outcome. Creator content themes surface emerging needs before they reach mainstream awareness. Ratings and reviews show where existing products are losing the consumer's confidence. Taken together these signals reveal emerging opportunities months before any research cycle confirms them.

> The signal arrives in the basket before it arrives in the research. Basket composition, search trends, ratings, cross shopping patterns, and creator content are the earliest indicators of where the category is moving and which outcomes are forming.

Design to Launch — How efficiently and effectively products move from opportunity to market?

The balance of effort in product development needs to shift. Companies have historically invested most of their time and money in development, testing, and validation. Getting the product right before it went to market was the hard part. That is not the only place where the challenge now sits.

The greater complexity in product development is no longer execution. It is identifying the right opportunity across fragmented consumer behaviors before the window closes. Traditional product development followed a structured sequence. Concept development, internal testing, validation, and launch. These processes prioritized technical certainty and risk reduction under the assumption that consumer demand would remain stable long enough for development cycles to run their course. That assumption holds less consistently today. Consumption patterns evolve far faster. New needs appear first through marketplace searches, quick commerce baskets, and creator ecosystems. Companies that translate these signals into products quickly capture the opportunity before competitors recognize it.

95% of new products fail, often because they attempt to create demand where none exists rather than addressing genuine consumer needs[62].

Product validation is increasingly moving into real consumer environments. Earlier approaches relied heavily on focus groups and simulated testing. Today, pilot launches, targeted channel releases, and marketplace experiments allow companies to observe adoption patterns, repeat purchase behavior, and price sensitivity much earlier in the product lifecycle. These pilots increasingly function as minimum viable product releases that allow companies to refine the proposition before scaling.

Ratings, reviews, creator discussions, and user generated content surface product improvement opportunities within days of launch. Quick commerce ecosystems provide another testing mechanism, with many brands introducing small format trial packs that attach to baskets as impulse additions, allowing companies to observe repeat purchase and basket attachment patterns before committing to larger formats in modern trade.

A service provider introduced an Instant House Help feature within a defined group of affluent societies in Gurgaon. Short validation cycles refined pricing and positioning based on observed behavior. Only after confirming repeat engagement and clear outcome fit was the feature expanded across Delhi NCR. The validation happened in market, not in a research environment.

> **Validation increasingly happens in market rather than only in research environments. Real consumer behavior in a pilot launch tells you more in two weeks than a focus group tells you in six months.**

Development speed has become a commercial capability in its own right. Traditional innovation pipelines required twelve to eighteen months to move from concept to launch. In fast changing consumption environments that timeline consistently misses the opportunity. Many organizations are redesigning development systems to shorten the path from signal to product. Instead of beginning with large national launches, companies increasingly start with pilot markets or limited releases that allow faster experimentation with smaller production runs.

> **Speed has become an important commercial capability. The consumer cluster that exists today may have fragmented by the time an eighteen-month innovation cycle completes.**

Globally, AI adoption is accelerating rapidly, with 78% of organizations reporting active use in 2024, up from 55% the previous year[63]. Artificial intelligence is accelerating development cycles at both ends. At the front end, AI tools analyze consumer reviews, marketplace searches, and social conversations to identify emerging product opportunities and support concept generation. A leading beverage company launched the experimental Y3000 flavour concept using AI driven consumer insight modelling. A fashion company combines algorithmic design with shopper voting to determine which products should be manufactured and in what quantities[64]. At the back end, AI assisted design tools are speeding up formulation and prototyping, compressing the time between signal and shelf. An entertainment platform applies a similar approach by analyzing viewing behavior such as completion rates, pauses, rewatches, and browsing patterns to predict what users are most likely to watch. Recommendations are continuously refined through real-time interactions, while different thumbnail images are tested to identify which visuals drive higher engagement. Behavioral data becomes a continuous experimentation engine that improves both discovery and product experience[65].

> **AI is accelerating both ends of the development process. The organizations that have embedded it into signal sensing and concept generation have a compounding advantage over those that have not.**
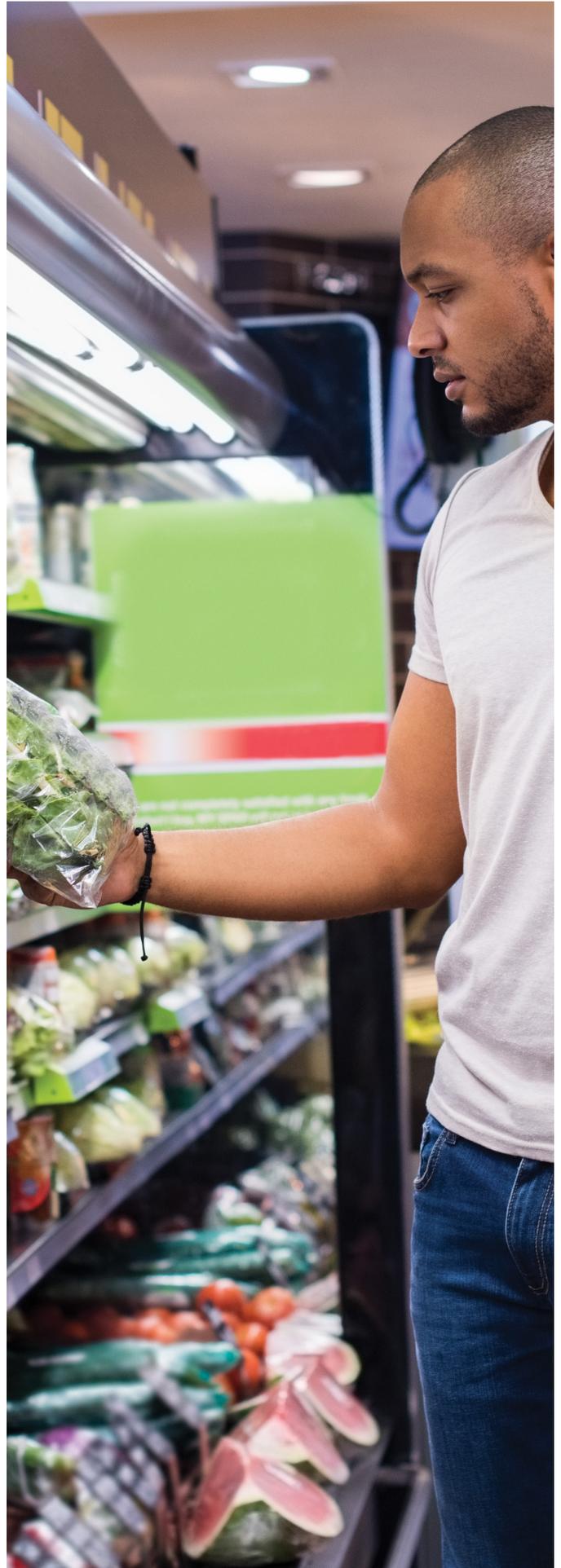
How to Price?
What to charge across consumer segments, channels, and occasions?

Pricing has historically been organized around the category value ladder. Entry, mid, and premium tiers were defined by cost structures, competitive benchmarks, and the consumer's perceived willingness to pay within the category. That model assumed pricing power was determined by income and that consumers behaved consistently within a category's price hierarchy. Both assumptions hold less consistently today.

Within a single quick commerce basket a premium personal care product appears alongside a value staple. A consumer who buys low-cost cooking oil spends significantly more on specialized nutrition or skincare products that deliver outcomes they value more strongly.

74% of consumers say they buy both premium and budget products within the same category.
(A&M Consumer Survey)

Portfolios organized around a single tier are leaving value at both ends simultaneously. The consumer willing to pay a significant premium for the outcome they care about is being served by a mid-tier product that does not deliver it. The consumer who cannot afford the entry point is assembling a workaround from adjacent categories. Pricing architecture must accommodate both ends simultaneously.

> Pricing power is tied to outcome proximity. The consumer who pays a premium for specialized nutrition and optimizes on cooking oil is not inconsistent. They are precise.

The informed consumer has also changed how price is interpreted. Verified reviews, ingredient transparency, clinical substantiation, and delivery reliability increasingly act as signals that justify price. Products priced at a premium without visible proof signals struggle to convert even if product quality is strong. Conversely products supported by credible claims, strong ratings, and reliable fulfillment command higher prices even in competitive categories.

53% of consumers say strong ratings and fast delivery make them comfortable purchasing without additional research. (A&M Consumer Survey)

> Proof is a pricing input. The investment that builds ratings, ingredient transparency, and delivery reliability is the investment that sustains pricing power.

Consumer promotion investment was built for a consumer who decided at the shelf. The consumer today has formed a view through ratings, reviews, and creator content long before they reach the purchase moment. The investment that converts the proof seeking consumer is not a discount at point of purchase. It is algorithm visibility, review quality, and experience investment earlier in the journey. Brands that have not rebalanced their investment from promotion to experience are protecting a conversion moment while losing the decision that happens before it.

69% of consumers check online ratings or prices while standing inside a physical store.
(A&M Consumer Survey)

> Investment architecture needs to move upstream. Many consumers have already formed a view before they reach the shelf. The investment that wins them is algorithm visibility, review quality, and experience, not a discount at the point of purchase.

What to Retire?

Which products are no longer serving a commercially significant outcome?

Product portfolios expand through launches, extensions, and format variations. Each addition made sense when it was introduced. The category was growing, the consumer segment was identifiable, and the channel existed to distribute the product. What happens far less frequently is the systematic removal of products once the conditions that justified their launch begin to change.

Over time this creates portfolios that are wider than necessary, spreading investment across stock keeping units (SKUs) that no longer hold a clear role in the consumer decision.

In many portfolios, performance is highly concentrated within a small number of products. In an industry analysis the top 25% of SKUs generated 70.63% of total sales, while the bottom 25% contributed just 1.47%[66].

Retirement is not an operational clean up. It is a consumer relevance decision.

Stable sales volumes are often interpreted as evidence that a product remains healthy. In practice many products remain in baskets because of habit not preference. Routine purchases and familiarity sustain sales even as the underlying value proposition weakens.

> **Stable volume is not a signal of health. Many products are held in the basket by habit not preference. The two look identical in the data but respond entirely differently under competitive pressure.**

One of the earliest indicators of this decline is outcome migration. When the outcome a product originally served begins shifting toward adjacent categories or new formats, the product may remain within the category but has already lost the consumer's decision. Snacks that once competed primarily within the packaged snack aisle now compete with protein bars, Greek yogurt, dry fruits, and nutritional beverages for the outcome of healthy consumption. Traditional savings products increasingly compete with digital investment apps, micro investment platforms, and embedded financial services for the outcome of financial growth. These shifts appear in adjacent category data long before they appear in the product's own revenue line.

> **Outcome migration is often the earliest signal of declining relevance. By the time it appears in revenue data the consumer has already moved.**

Digital commerce environments provide additional early signals. Because consumers interact with products long before purchasing them, behavioral data reveals whether a product still participates meaningfully in the decision process. Declining search interest on marketplaces, lower algorithmic ranking, weaker basket attachment rates, falling product ratings, worsening review sentiment, and increasing cross shopping with adjacent categories all indicate that the consumer has already begun solving the outcome elsewhere. A snack product that previously appeared frequently in quick commerce baskets may gradually lose attachment rates as consumers begin adding protein snacks, yogurt, or granola bars instead. These signals emerge months before revenue declines become visible.

> **The earliest signals of declining relevance arrive in basket data, search behavior, and ratings long before they appear in sales. The brand reading these signals acts before the revenue line moves. The brand waiting for the revenue line to move is usually late.**

Retiring redundant SKUs is not subtraction. It is reallocation. Trade investment, shelf presence, and supply chain capacity concentrated behind fewer stronger SKUs produces better commercial outcomes than the same investment spread across a portfolio that competes with itself. Many consumer goods companies periodically rationalize flavour variants or pack formats that add complexity but contribute little incremental demand. Eliminating these variants concentrates distribution and visibility behind fewer stronger SKUs. Timely retirement also returns the organization to the starting point of product ideation, allowing the framework to begin again with a clearer understanding of the outcomes that consumers are now assembling.

> **Retirement is less about subtraction and more about reallocation of investment, shelf presence, and supply chain capacity from products that are losing the consumer's decision to products that are winning it.**
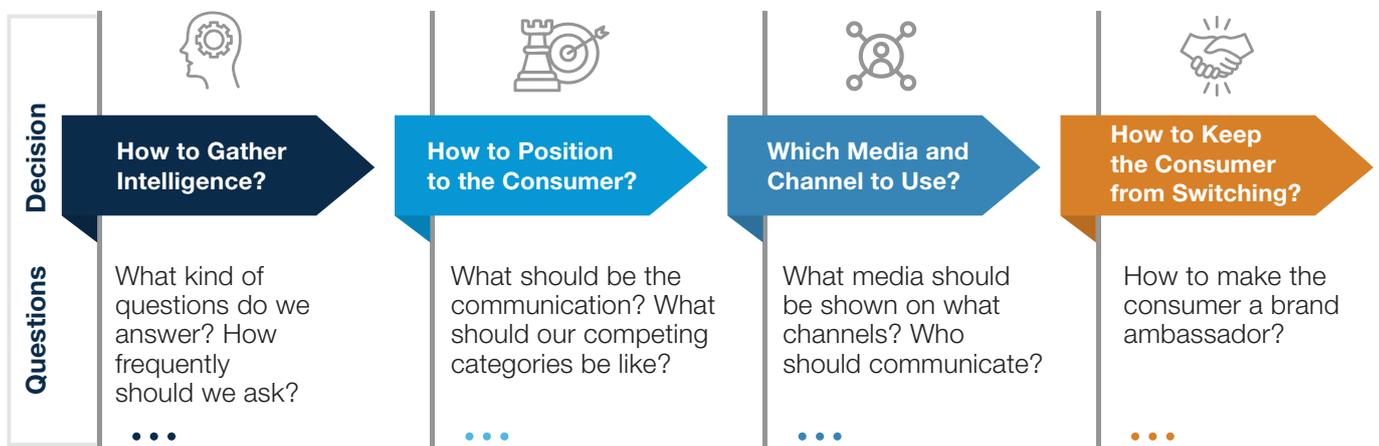
Marketing: Are We Reaching the Right Consumer, in the Right Place, Saying the Right Message, and Giving Them a Reason to Come Back?

There is a certain kind of confusion that grips a brand when it realizes its marketing is technically doing everything right and still losing ground. The media plan is sound. The creatives score well in testing. The promotions are moving volume. And yet the connection to the consumer is thinner than it used to be, and the consumer who once felt like yours now feels merely transactional.

That confusion has a cause. The Indian consumer has changed more substantially in the last four years than in the two decades before them. The behaviors that shaped brand-building intuitions like the annual tracking study, the category-first positioning, the awareness-to-purchase funnel, the loyalty program tied to points, were all built for a consumer who is difficult to capture through the traditional means.

The marketing function to serve this consumer is expected to add additional discerning layers to how companies design their approach to a market, how they create and sustain demand, how they shape the consumer's experience from first encounter to repeat purchase, how they measure and compound commercial learning, and how they build the infrastructure that makes all of it possible. Organizations need to answer additional questions across four key decisions as they rewire their marketing strategy.

Decision	How to Gather Intelligence?	How to Position to the Consumer?	Which Media and Channel to Use?	How to Keep the Consumer from Switching?
Questions	What kind of questions do we answer? How frequently should we ask?	What should be the communication? What should our competing categories be like?	What media should be shown on what channels? Who should communicate?	How to make the consumer a brand ambassador?

How to gather intelligence and built an insight architecture?

> **What kind of questions do we answer? How frequently should we ask?**

For most of brand research history, the question was: who buys this, and what do they prefer? The answer produced a demographic portrait comprising of age, income, city tier, household structure, plus a preference map of flavours, pack sizes, and price sensitivity. The research was useful because the consumer was, broadly, predictable. She bought the same shampoo from the same kirana for a decade.

That predictability has reduced. The same consumer who orders organic flour on quick commerce platform at 11 pm also buys a premium moisturizer on Beauty marketplace on the weekend and picks up the same moisturizer's cheaper competition at D-Mart when she happens to be there.

The question that research must now ask is not who she is, but what she is trying to accomplish.

Old research Questions	New Research Questions
Who is our customer segment?	What all outcomes is our customer trying to achieve?
What do they buy in our category?	What basket mission and basket roles does our product satisfy for customers?
Which channel do the customers prefer?	What role does each of the channel play at every intent stage?
What will increase their loyalty to our brand?	What triggers them to switch from us?
What kind of media do they consume?	What role is media playing in the intersection of the consumer intent and channel?

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> Each mission produces a different basket, a different channel, a different role for the brand. At these intersections of channel, intent and category, brands need to capture intelligence, for their stable replenishment base as well as the edges where category substitution is already happening.

However, there is a growing dissonance in the annual research cycle that most brand teams have not yet confronted. By the time a trend shows up in a quarterly tracking study, it has been running on certain channels for months. These channels are usually the ones most attuned to shifts in daily demand and trends, like quick commerce and social commerce platforms. These platform's data can monitor consumer real time due to the high frequency of use within a single day. It can tell within days that demand for a sub-category spiked, that an adjacent category is being bought by the same consumer, that repeat rates on a new entrant are climbing.

When the Indian telecom industry raised data tariffs in July 2024, a telecom brand lost 3.45% of its total subscriber base over four months . That churn number, read in isolation in the annual report, looks like a loyalty failure. Read with the always-on intelligence and consumption patterns across months, it reveals a consumer segment had been acquired on price and retained by service experience, digital ecosystem lock-in, and the friction cost of switching. A brand that could not distinguish between these two groups before the tariff hike would have flown blind into deep discounting and promotion led marketing decision.

> For a consumer who is already too difficult to keep up with, the insight function cannot be a periodic exercise. It must be a real-time sensing layer. The brands need live always-on behavioral data to replace annual consumer studies, if they would be able to devise strategies for the consumer now, rather than the consumer past.

How to position to the consumer to earn preference rather than just generating demand?

> What should be the communication? What should our competing categories be like?

For decades, positioning worked on grabbing the need space or emotional space of a consumer through brand claims. Claims were staked on a category attributes like the whitening toothpaste, the affordable moisturizer, and the trusted cooking oil. These claims were then defended with media weight. The category was the frame, and the brand's job was to be the most salient choice within it.

That logic is now incomplete for two simple reasons: categories are dissolving, and the consumer is aware. The consumer who would have bought a digestive pill now picks a probiotic shot and the one who would have had tea for energy picks a protein bar. They are also more informed and have access to information about the category as well as —and other categories leading to the common outcome as well.

> Hence now, the role of the positioning has evolved to earning the right to be trusted and chosen for the consumer outcome with a proof based, scientific ecosystem urging the consumer's decision.

For this, four moves need to be made to enhance the positioning function.

The first move is outcome over category. In a market where consumers are increasingly relating to the outcome of the product over the category nuance, the brands which are able to position themselves as the ultimate solve to the outcome, retain the consumer brand recall.

An ingredient-based skincare brand positioned itself as the answer to a specific skin concern, one that is visible, transparent, and supports user-generated and creator-generated claims. They saw profitability from the first year itself, and were built almost entirely on organic ingredient search traction, without the traditional advertising machinery.

> Positioning that is anchored to the consumer outcome instead of a brand USP will continue to stay relevant even after the category it originally competed in has been redefined, fragmented or has been inundated entirely by adjacent alternatives.

The second move is intent over segment.
Demographic segments still exist, but they are decreasingly useful as positioning targets because the same person occupies multiple intent states across a single week.

A 32-year-old product manager in Mumbai is, in different moments: price-sensitive (at modern trade outlet on a Sunday), premium-indulgent (ordering from a premier beauty site on a Thursday night), and urgency-driven (on quick commerce platform at 10 pm).

71% consumers in Tier 2 and Tier 3 have started being selectively premium across categories, which is only 4 percentage points less than metro and Tier 1 consumers at 75%.
Source: A&M Consumer Survey

The third move is proof over claim. The proof-seeking consumer has always existed. But now, unfettered digital access has changed the consumer's relationship to proof. She The consumer is suspicious of claims she cannot verify. Amazon reviews, Beauty marketplace community posts, Reddit threads, YouTube ingredient breakdowns, comparison sites, all enable her to arrive at the point of purchase better-informed than the brand anticipated. Proof infrastructure is not always created by influencer and peer validation. In many legacy offline supermarkets, the proof infrastructure is their price point and store consistency.

50% consumers strongly agree that they base their purchase decisions solely on strong ratings and faster delivery when purchasing online.
Source: A&M Consumer Survey

> **The Proof infrastructure of online platforms is often captured in the consistent peer validation (ratings) and a strong platform architecture (availability and fast delivery).**
> **This supersedes any other brand communication.**

What proof infrastructure looks like differs by category, and the type of consumer. For a selectively premium gamer consumer, the proof infrastructure would be long form, detailed reviews of gaming tech. For a skincare consumer stuck in a habit loop, the proof infrastructure to change their habits would be nestled in citing ingredient transparency and dermatologist citations. The underlying principle is the same:
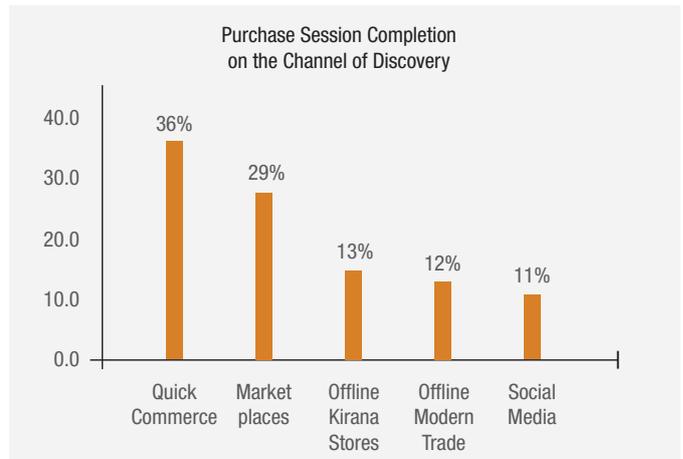
> **The brand must build a system around its positioning that allows the consumer to verify the claim herself, without depending on the brand's own communication.**

The fourth move is channel-reflective positioning. The same brand proposition cannot be communicated acrossthe brand must build a system around its positioning that allows the consumer to verify the claim herself, without depending on the brand's own communication.

On a quick commerce platform, the consumer is seeking quick gratification, and the positioning hence needs to reflect cues which promise ready-to-use, seamlessly capturing the intent. On YouTube, the consumer has given attention and is open to a longer proof narrative. On the kirana shelf, the positioning can be delivered in a tactile manner by letting the consumers smell or touch the contents of the products before purchase.

> **Positioning that speaks to her demographic reaches none of her actual decision moments. What will work is the positioning that speaks to her intent state: "Right now, you need something that works quickly, without having to read through marketing claims".**

> **The brand must know which version of itself to show in which context, channel and consumer intent, and must be consistent enough across all of them that the consumer recognizes it, while being relevant enough in each that she chooses it.**

Purchase Session Completion on the Channel of Discovery

Channel	%
Quick Commerce	36%
Market places	29%
Offline Kirana Stores	13%
Offline Modern Trade	12%
Social Media	11%

(Source: A&M Consumer Survey).

Channels which do not showcase a channel optimized positioning leave consumers to jump to other channels to evaluate and finally transact.
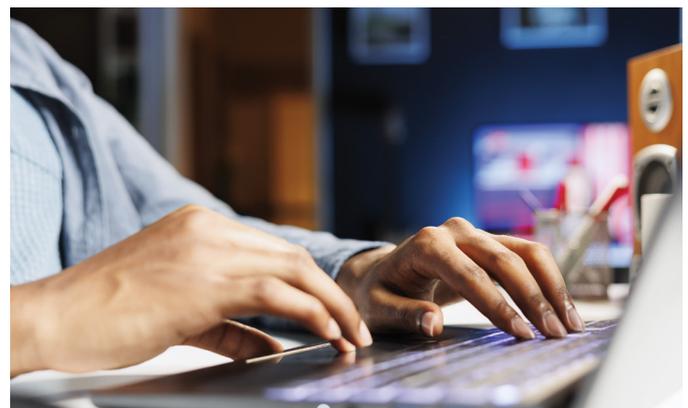
Which media and channel to use?

What media should be shown on what channels? Who should communicate?

Most brands have a default channel. It is usually the channel where it first found traction or where its category has historically spent. Till 2024, FMCG brands chose television as the foremost channel of marketing with over 40% of total spends. This shifted decisively in 2025, when television spends reduced and digital spends grew by 17%. Today, digital allocation of FMCG media spends is close to 64%[68]. Similarly, D2C brands default to Instagram and performance marketing. Pharma defaults to doctor engagement. The problem with defaults is that they are built for the category's historical consumer, not the consumer who exists now.

Brands need to stop treating any single channel as the campaign's destination and must start thinking about the full journey–from the first moment the consumer encounters the need, to the point where they re-order without thinking. Previously, campaigns used to build towards a single climatic communication moment across all possible channels, simultaneously. This was a version of full-funnel marketing which leaked return over investment (ROI) and increased customer acquisition cost (CAC).

> **Brands now need to build coherent communication that is present at every relevant moment and in the right form to meet the consumer intent and need.**

This is further complicated by the influence exerted on consumers by creators, communities, kirana owners, and peers. The proof-seeking consumer trusts independent voices over brand claims by default. The zero-latency consumer will not wait for a brand on a quarterly brief cycle. The channel-fluid consumer follows whoever is most credible in their path at that moment, instead of those with the largest media budget. Hence, brands need to stop trying to control the conversation, and start being the most credible voice in it.

The first place that rewiring shows up is in how channel investment is allocated. A budget that follows transaction volume alone is funding one role while three others go unfunded: discovery, evaluation, and retention. A brand operating primarily through quick commerce is in a structurally different position than one whose core volume flows through kirana or modern trade, because the intent state of the consumer at point of purchase differs fundamentally across those environments. Neither is reachable with the same message, the same creator, or the same format.

> **The reallocation of media budgets is about accurately mapping the consumer intent to the right communication and channel.**

Nano-influencers in closed communities have been shown to deliver nearly five times the ROI of conventional formats in retention contexts precisely because the influencers' trust quotient matches the consumer intent of someone who is already inside the brand's orbit. A budget which is allocated solely based on reaching the highest number of consumers at the lowest cost (Cost per million views or CPM) will be unable to track this distinction. Brands that measure every channel by the same yardstick of how many people saw this message, are generating presence without return

84% of Gen Z trust product reviews from niche online communities (Reddit, Discord, TikTok creators) more than corporate advertising .

Measurement architecture must follow the same logic. Each stage of the consumer's journey demands its own metrics. Discovery is best measured in attention quality and brand search lift, not CPM alone. Evaluation belongs to intent signals like dwell time, comparison behaviour, click through rate.. Retention belongs to repeat purchase rate, and the ratio of what is costs to acquire the consumer versus what they have spent on the brand over a lifetime (CAC to LTV ratio).

The instinct to optimize everything against the easiest-to-measure metric, usually impressions or return on ad spend (ROAS) on the final purchase, systematically undervalues the channels and moments that make those final purchases cheaper over time.

> **Brands that over-invest in conversion without having built adequate upstream credibility are effectively buying consumers they have not yet persuaded.**

The investment reallocation, however, only works if the brief that precedes it changes too. The standard creative brief asks what the consumer should feel or do.

> **The new brief asks which voice, at which moment, for which intent state, and with which proof. These are different questions that produce different content types, different creator profiles, and different success metrics.**

Search and AI-generated answers are now proof-validation surfaces that sit between a consumer's interest and their purchase decision. 77% of urban Indian shoppers said that they will use AI to help navigate mega sales events in 2025[70].

A brand absent from these surfaces is absent from the moment the proof-seeking consumer is most actively deciding, and that absence is invisible in standard campaign reporting because it shows up as a conversion gap rather than a media gap.

Both of these shifts, in investment allocation and in the brief, are undermined if the operating rhythm does not change alongside them. The consumer is generating signals continuously, and an organization responding on a quarterly planning cycle is consistently arriving after the moment has passed.

> **The campaign calendar needs to change into continuous content capability. This should be able to identify a forming signal, brief a creator, and deploy content in weeks, if not days.**
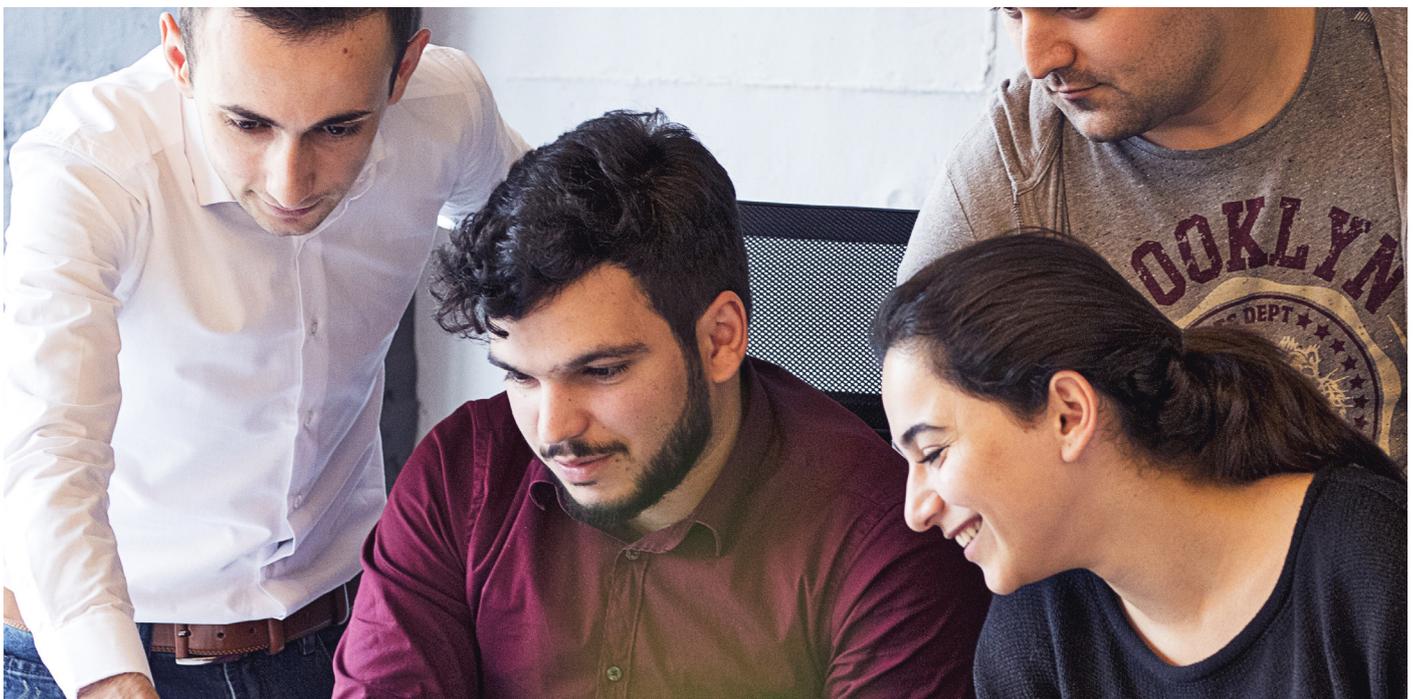
How to keep the consumer from switching?

How to make the consumer a brand ambassador?

The most expensive insight in Indian brand-building right now is one that many teams have already paid for without realizing it: deep discounting cannot buy loyalty. It can buy volume, trial and quarterly numbers. But it trains the consumer to wait for the discount cycle and to treat the discount as the product's real price, and the full price as the unreasonable ask.

In the age of immediate social media access to call out a brand's sub-par experience, and extended media voices, the disgruntled consumer can easily break a brand's reputation. At the same time, authentic consumer reviews, testimonials and peer content stand stronger than the brand's own voice.

> The true goal of loyalty and retention has shifted from getting the consumers to buy more, to getting more consumers to buy.

Intent at the moment of purchase is the variable that most loyalty frameworks fail to account for.
A consumer buying groceries on a Tuesday evening via quick commerce is in a replenishment state and her repeat behavior on a specific quick commerce platform is driven by habituation to the platform, rather than by any emotional connection to a brand on the shelf. Loyalty that is built in this context has to be built into the product experience itself, in ways like the consistency of quality, packaging clarity, and reliable availability, amongst others.

Loyalty is not a single state that a consumer enters and stays in. It is a relationship that shifts expression depending on the channel, the intent, and the category. A consumer can be a genuine brand advocate for a product while being channel-agnostic about where she buys it. She can be platform-loyal because of habit rather than preference. She can be community-loyal because she participates in a brand's content ecosystem even in months when she does not make a purchase.

> The brands that are winning on retention are doing so by reading which version of loyalty applies to which consumer in which context and serving a different value proposition at each.

The consumer above the category line is loyal to the outcome, not the brand.
The moment a specialist, an adjacent category, or a new format serves that outcome better, they leave cleanly and without friction.

> Loyalty investment for the consumer above the category line is a product and innovation investment.

The brand must move fast enough on the outcome axis that no adjacent category or specialist entrant can make a more compelling claim. A points program will merely make the customer stay for yet another accrual cycle. A superior product which satisfies the consumer outcome will make them stay till they seek the outcome.

The consumer below the category line has had additional considerations when evaluating a category, leading to a micro category preference.
Largely, these consumers haven't been targeted well enough to build a deep loyalty. This distinction matters because the strategic response is entirely different. Taking the example of Tier 2 and Tier 3 consumers who have been purchasing certain products available at the local kirana. The overall category was never built for their income level, their language, their pack size preference, or their distribution reality. Rural volume growth consistent has been outpacing urban growth, for the seventh consecutive quarter. That growth is coming from first-time category access.

> The brand that reaches the consumer below the category line first, with a loyalty model suited to their intent of purchase

writes the category's first loyalty relationship with an entirely underserved consumer base.

The habit loop consumer looks loyal in the data but is not.
Repeat purchase rate, share of wallet, and category penetration all read as retention. But in reality, the cost of switching has not yet been outweighed by the pull of an alternative. The distinction is critical because the strategic response to genuine loyalty and managed inertia are different. Genuine loyalty can be deepened. Managed inertia needs to be converted into something stickier before a competitor does it first.

> For any consumer who is stuck in a habit loop, the brand needs to understand both the reason for a consumer to stay, and their switching triggers.

A fashion brand holds the habitual shopper through a 15-day inventory refresh cycle, making the physical visit rewarding enough to become routine. The visit is driven by the reliable anticipation of newness on a cadence the consumer has internalised. Remove the cadence, thin the inventory, or let a competitor match the refresh rate on a more convenient platform, and the habit breaks cleanly.

Quick commerce has used the same logic to interrupt decades of kirana-built habit loops by being faster and more frictionless at the moment of need.

Community and identity are amongst the closest forms of control that the brand directly possesses. The Indian brands that have built genuine community loyalty have done so by giving the consumer something to belong to, not just something to buy. An electronics startup built a youth-focused identity around accessible audio gear at a time when the category was dominated by imported aspirational brands. A healthy snacking company built its loyalty base by being transparent about ingredients in a category saturated with misleading health claims, and the community that formed around that transparency became its most durable retention asset.

> Building community gives the brand a direct consumer relationship the brand can actually control, independent of the platform. In a market where platform costs are rising, algorithms are changing, and the proof-seeking consumer trusts independent voices over brand claims, the brand that has not built that direct relationship is more exposed than its retention metrics currently reveal.

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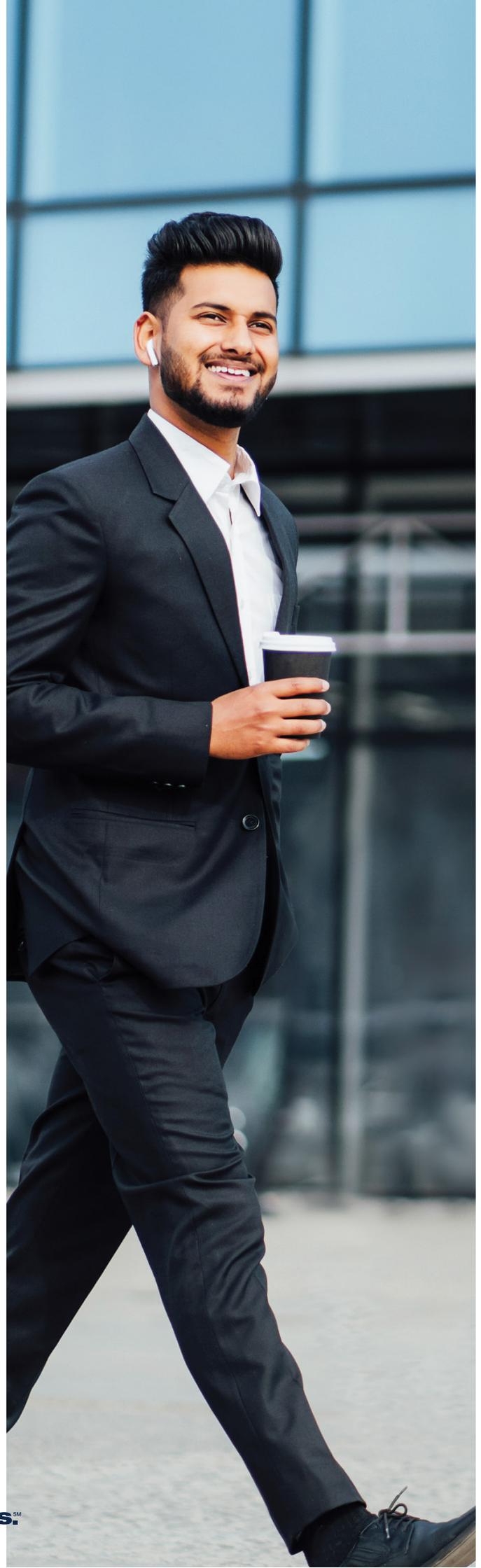
GTM: Are We Competing in the Right Places With the Right Model?

Go-to-market is the commercial model's most consequential decision. It determines where the brand is encountered, by which consumer, in which channel, at which moment. Getting GTM wrong means every other dimension is performing against the wrong opportunity.
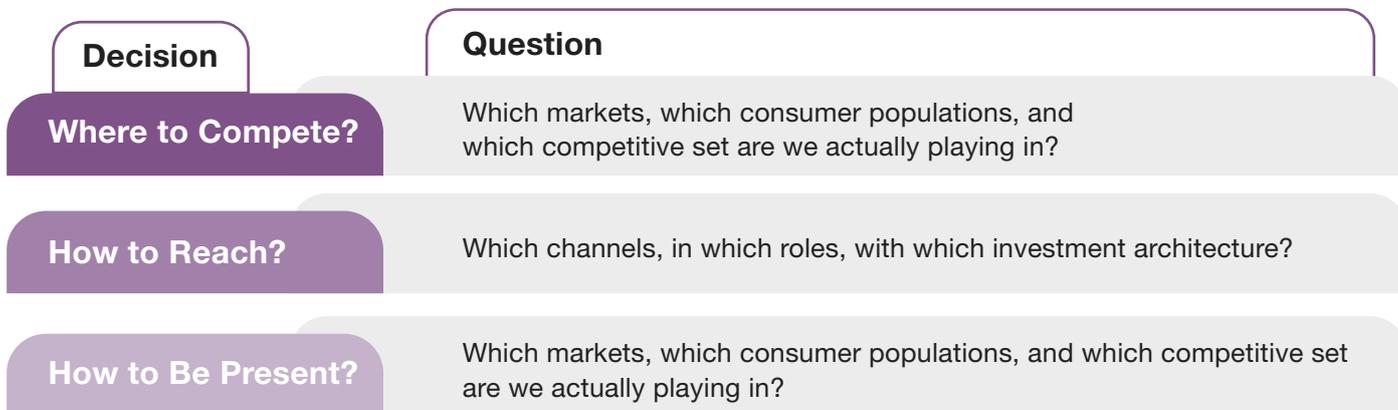
The GTM model most companies operate was built for a consumer who moved predictably through a stable channel architecture. Coverage was a geography question. Distribution was a channel question. Presence was a shelf question. Those questions remain relevant. However now, the same consumer is now a different commercial opportunity depending on where and when they are encountered, the competitive set has expanded beyond the category, and the moments where choice is being shaped are increasingly outside the channels the coverage model was built to measure.

Channel proliferation has been followed by channel specialisation. Each channel has developed a distinct role in the consumer's decision journey. Quick commerce is not just a faster version of modern trade. It is a different commercial occasion, different basket composition, different price sensitivity, different category mix, different trigger. Instagram is not just a digital version of a billboard. It is where consideration is shaped, proof is sought, and preferences are formed before the consumer reaches any point of purchase.

The rewired GTM model is built around understanding the role each channel plays in the consumer's decision and being present with the right proposition at the right moment. A brand that is present in every channel but optimised for none is not omnichannel. It is just distributed.

Organizations need to answer additional questions across three key decisions as they rewire their GTM strategy.

Three decisions. Each builds on the previous.

Decision	Question
Where to Compete?	Which markets, which consumer populations, and which competitive set are we actually playing in?
How to Reach?	Which channels, in which roles, with which investment architecture?
How to Be Present?	Which markets, which consumer populations, and which competitive set are we actually playing in?

Where to Compete?

Most companies believe they know which markets they are in. The coverage data says so. But physical presence in a market and commercial presence in the moments where the consumer is actually deciding are no longer the same thing. A D2C brand or a fintech platform with no physical presence is competing for the same consumer in the same geography through quick commerce, social commerce, and aggregators. The modern trade distributor who has built coverage across every pin code in a state is competing with a brand that exists only in a Quick commerce platform dark store and a Beauty marketplace listing–and losing to it in the same households it has been serving for a decade. The coverage model that measures only physical distribution is measuring presence in a market that has already expanded beyond it.

E-commerce had reached 18% share in top 8 Indian metros in Q4 2025. Quick commerce contributes over three-fourths of e-commerce FMCG sales.

In these metros, traditional trade share fell to 62.5% and Modern Trade to 22.8%, both losing share to e-commerce[71].

> The coverage model needs to be rebuilt to include digital shelf presence, algorithm visibility, and platform reach alongside physical distribution. Brands need to run two coverage audits in parallel, one against physical distribution and one against digital shelf. Until both are running together, the organization does not have a complete picture of where it is present and where a competitor is winning ground it cannot see.

Basket fluidity has expanded the competitive set beyond the category. The snacks brand is competing with the protein supplement for the guilt-free consumption outcome. The insurance provider is competing with the investment app for the financial resilience outcome. The bank is competing with the UPI wallet for the payments outcome. None of these competitors appear in the category share report. The brand that has not reorganized its competitive frame around outcomes is defending a boundary that exists only in its own planning documents.

> The competitive tracking system needs to include outcome-based competitors alongside category peers. The starting point is mapping the outcome the brand is serving and identifying every substitute the consumer could use to meet it, regardless of which category it sits in.

Addressable market for brands is also larger than the category suggests and has been systematically undersized as a result. The consumer below the category line is assembling a workaround because the portfolio has never been built to serve them at the right price point, format, or channel. The consumer above the category line has outgrown what the category offers and is assembling a broader outcome from multiple sources. Neither group appears in a market sizing exercise that starts with the category definition. Both represent commercially significant populations that the GTM model has never been designed to reach.

> The market sizing exercise needs to be rerun around the outcome to surface the consumer populations above and below the category line. These populations are already in the market finding solutions from whatever is available. The GTM model that has not been built to reach them is leaving commercially significant demand unaddressed.

In January 2025, a NielsenIQ survey revealed that 49% of Indian consumers are actively seeking high-fiber foods, 37% are exploring plant-based proteins, and 35% prefer superfoods . These fall under the healthy foods category, but at the same time have become large enough to be called a micro-segment of their own Knowing where to compete is not only a question of where the consumer is today. It is a question of where demand is forming before it becomes a category. The brand that identifies an emerging outcome cluster early and builds GTM presence around it before competitors have defined it as a market, is capable of setting the terms of that cluster. The rewired 'where-to-compete' decision is therefore not just a coverage exercise or a market sizing exercise. It is an early demand sensing capability that the organization needs to build and act on continuously.

> The forward demand sensing capability needs to be built into the commercial rhythm of the organization. Basket anomalies, unmapped search terms, and creator content trends are the earliest signals of where the next competitive set is forming, and they need to be read continuously.

How to Reach?

Channels used to have fixed roles. Television built awareness. Modern trade drove trial. The kirana converted. Each had a defined job in the purchase journey and trade investment followed those jobs. That architecture made channel planning relatively straightforward because the consumer moved through the journey in a predictable sequence. That predictability is gone.

The same channel now plays multiple roles simultaneously. Quick commerce was designed as a transaction channel. Today it is simultaneously a discovery channel where a consumer finds a product they had not planned to buy, a validation channel where they check ratings and reviews before deciding, a price reference channel where they benchmark what they are paying in modern trade, and a transaction channel where they complete the purchase. A commercial model that has assigned quick commerce a transaction role is optimising for one of four jobs the channel is doing and underinvesting in the other three. Instagram is not just a brand building channel. It is a conversion surface. A modern trade store is not just a transaction point. It is a validation moment for a consumer who discovered the product online.

> The investment architecture needs to reflect all the roles a channel plays not just the transaction it closes. That requires a sales appropriation exercise across channels before investment can be allocated correctly.

This shift is visible in consumer behavior itself. 70% of consumers describe their weekly shopping journey as dynamic, combining planned purchases with impulse decisions across multiple platforms.
A&M Consumer Survey

> The investment architecture needs to reflect all the roles a channel plays, not just the transaction it closes. A sales appropriation exercise across channels, mapping every role each channel plays in the consumer's decision journey, needs to happen before investment is allocated.

The channel that drives the transaction is rarely the channel that shaped the decision. A consumer who buys a skincare product on quick commerce at 10 pm made that decision earlier in the day when a creator they follow posted a review. The transaction happened in quick commerce. The decision happened on Instagram. Trade and channel investment allocated by transaction volume is concentrating spend at the end of the journey while the moments where the consumer is forming their view go underfunded. The algorithm, the creator review, and the community recommendation are reach moments that happen before the consumer arrives at any channel the brand owns. A brand not investing in these moments is absent from the decision before it has even begun.

> The channel investment model needs to be rebalanced toward the moments where the decision is being shaped, not just the moment where it is being executed. Tracing the decision journey backwards from the transaction is where the underfunded moments become visible.

The channel is also not neutral. Every distributor, aggregator, and platform sitting between the brand and the consumer has its own commercial logic. That logic determines what gets surfaced, what gets recommended, what gets promoted, and what gets buried. A quick commerce platform optimizing for basket size will surface products that attach to existing baskets, not necessarily the products the brand wants to lead with. A marketplace algorithm optimizing for conversion will favour established reviews over new listings. An aggregator with its own private label has an incentive structure that is not aligned with the brands it carries. The GTM model that treats the intermediary as a neutral distribution pipe is being managed, in part, by someone else's agenda.

The commercial terms of every intermediary relationship need to be reviewed against whether the intermediary's incentive structure is aligned with the brand's growth objectives. A platform optimizing for its own basket size or conversion rate is making presence and recommendation decisions that the GTM model needs to account for explicitly

How to Be Present?

Being in the right channel and reaching the consumer through the right model is necessary. Being present within the channel in a way that reaches the consumer at the moment they are deciding is the harder and more commercially consequential problem. The gap between being in a channel and being present in it at the right moment is where most presence investment leaks. A product listed in a quick commerce dark store but not surfaced by the algorithm at the moment a consumer is in an impulse purchase state is distributed but invisible. It exists in the inventory. It does not exist in the consumer's decision. A brand present on a marketplace without verified reviews, ingredient transparency, and strong ratings is present in the channel but absent from the moment the proof seeking consumer is actually forming their view. They are looking for specific signals that confirm a decision they are already making. A listing without those signals is not presence. It is occupancy. The gap between what the company measures, numeric distribution, share of shelf, algorithm spend, and what the consumer encounters at the moment that matters is where the commercial effectiveness of presence investment is determined.

> Presence investment needs to be measured against what the consumer encounters at the decision moment not what the brand has deployed. The audit question is not, "Are we in the channel?". It is, "Are we visible and credible at the moment the consumer is deciding?".

Most companies respond to presence gaps by expanding into new channels. The instinct is understandable. A new channel feels like a new market. In most cases it is not. The consumer is already in the channels the brand is in. The presence problem is not breadth. It is depth. The brand that deepens its relevance in the channels it is already in, sharper algorithm positioning, stronger review architecture, better in store execution, more relevant content at the moment of decision, will consistently outperform the brand that spreads the same investment across more channels with the same shallow presence in each. The service model needs to match the consumer at the same time. An insurance agent made sense when the consumer needed hand holding through a complex product. The same consumer today is comparing and buying on a digital aggregator before an agent has made contact. The presence model that has not updated its service architecture is paying for a model the consumer has already moved past.

> Before expanding into new channels, the presence investment case needs to be made within the channels already in. Building that starts with a depth audit of current channels, measuring algorithm positioning, review quality, content relevance, and in-store execution against the standard required to win the decision moment.

The signals that reveal where presence is working and where it is leaking are in the platform data not the coverage report. The coverage report tells the brand where it was last quarter. The platform data tells it where the consumer is right now and who is winning the moment. Quick commerce basket composition reveals which products are being chosen together and which are being substituted. Marketplace search behavior shows what the consumer is looking for that the brand is not serving. Aggregator ranking shifts show where visibility is being lost before it shows up in sales. Social commerce trends show which outcomes are forming before they reach mainstream purchase behavior. This data needs to be negotiated as a commercial asset in platform relationships. Basket data, search trend data, and algorithm performance data build a presence intelligence advantage that compounds over time. The competitive threat arrives in this data months before it appears in category share reports.

A leading FMCG company has been able to connect 1.4 Million Indian retailers to a centralised platform which allows them to order products directly and access analytics backed recommendations. At this level of granularity, data from channel touchpoints acts as a driver to reframe channel dynamics[73].

> Platform data needs to be negotiated as a commercial asset in every platform relationship. The organization that does not have access to basket composition, search trend, and algorithm performance data is managing its presence blind.

The final presence problem is speed. The platform data, the basket signals, the ranking shifts, and the search trends are all available in real time. The consumer is acting on them in real time. The GTM model in most organizations is recalibrating quarterly. By the time a ranking drop appears in a monthly review, a competitor has already taken the position. By the time a new search trend appears in a tracking report, the outcome cluster it represents has already moved from early adopters to mainstream behaviour. Presence is not only about being in the right place. It is about being able to respond at the speed the consumer is moving.

The organization needs to close the gap between the speed at which commercial signals are available and the speed at which the GTM model is able to act on them.

Operating Model

Operating Model. Is the organization built to serve this consumer or the consumer of five years ago. GTM, product, and marketing have all been rewired. But none of that rewiring delivers commercial outcomes if the organization running it was built for a different era. The operating model is the thing that either enables or constrains everything else. The commercial rewiring has created demands on the organization that the operating model was not designed to meet. At the same time a new set of enablers has emerged that can absorb the complexity that rewiring has created. The question is whether the organization has restructured itself to use them.

What the Commercial Rewiring Has Done to the Organization.
The complexity of running the business has structurally increased. More channels, more consumer clusters, more content layers, shorter new product development (NPD) cycles, more data, and more decisions. The operating model built for a simpler commercial environment is now a constraint on the speed and precision the consumer demands. Four pressures have emerged simultaneously from the GTM, product, and marketing rewiring.

Complexity has increased. A brand that has added quick commerce, social commerce, and D2C to an existing modern trade and *kirana* architecture is not running one channel model. It is running five, each with its own consumer behavior, its own data streams, and its own execution requirements. The team, the tools, and the processes built for two channels are now being stretched across five. The gaps show up as inconsistent execution, missed signals, and investment allocated to the wrong moment in the wrong channel.

Speed has changed. A snack brand that spots a makhana trend in quick commerce basket data in January needs to be on shelf by March. A fashion brand managing a fifteen-day inventory refresh cycle to keep consumers returning to store cannot afford a planning process that moves quarterly. The product rewiring, the marketing rewiring, and the GTM rewiring all demand a pace of decision making that annual planning cycles and sequential approval processes were never built to support.

The need of the hour is for different functions to work cohesively and not in silos anymore. A D2C skincare brand launching on a marketplace cannot brief GTM, then marketing, then product in sequence. The channel shapes the product format. The product format shapes the content brief. The content brief shapes where and how the brand shows up on the platform. These decisions need to be made together in a single conversation, not passed sequentially across three functions over three months.

The data available has exceeded what the organization can absorb. When an Indian telecom brand raised data tariffs in 2024 and lost 3.45% of its subscriber base over four months[74] , the churn read as a loyalty failure in the annual report. Read with always-on intelligence it revealed something more precise. That base was never genuinely loyal. They were habit loop consumers, acquired on price and held in place by the friction cost of switching. The tariff hike was the moment switching cost fell below the pain of staying. An organization with always on intelligence would have seen that consumer segment forming months earlier in declining net promoter score (NPS) signals, rising complaint volumes, and comparison platform activity. The data was there. The organization was not structured to connect it to a decision in time.

What Has Emerged to Absorb That Complexity

The same period that created these pressures has also produced a new set of enablers that did not exist at scale five years ago. These enablers do not eliminate the complexity. They give the organization the means to operate within it at a speed and cost that would have been difficult to achieve before.

AI and technology have changed what is possible.
The volume and velocity of data generated across channels, consumer baskets, search behavior, and content interactions now exceed what traditional analytical processes can handle. AI enables organizations to process large volumes of fragmented signals, surface patterns that would otherwise remain invisible, and translate them into faster and more informed decisions across three areas of the commercial model.

In demand sensing, AI systems continuously ingest search behavior, quick commerce basket data, social conversations, and external signals such as weather patterns and mobility data to update demand projections in real time rather than in periodic forecasting cycles. This allows organizations to detect demand shifts earlier and adjust production, inventory, and distribution plans before the gap shows up in sales data.

In product development, generative AI accelerates ideation by synthesising consumer behavior data, social media trends, and competitive offerings to generate product concepts, packaging designs, and value propositions faster than any traditional R&D process. AI enabled experimentation platforms then allow brands to test product attributes across digital channels and consumer segments, compressing the feedback loop from months to weeks.

In marketing and personalization, AI enables organizations to move from broad mass marketing to targeted engagement at scale. AI powered systems analyze creative elements across multiple versions of an advertisement to predict consumer responses across four dimensions, attention, emotional response, memory formation, and behavioral intent, before large scale deployment.

A leading beverage company used AI driven consumer insight modelling to identify and launch an experimental flavour concept, compressing a process that would have taken months into weeks.

A leading coffee retailer uses an AI platform to analyze customer purchase history, location, time of day, and past app engagement to send personalized promotions and recommendations to individual customers in real time.

The organization that has housed AI in a technology function separate from commercial decision making has not absorbed it. It has contained it. **The organization that builds AI capability internally builds proprietary advantage over time. Accessed externally it is available to every competitor at the same price.**

The gig economy and creator ecosystem have made specialist capability available on demand. Not every new capability needs to be built and scaled internally. A healthy snacking brand built its entire proof infrastructure on creator content and ingredient transparency communities without a traditional advertising budget. A prominent B2B e-commerce platform has solved rural last mile for brands that would have taken years and significant capital to build that distribution themselves. The following capabilities are now accessible on demand without permanent headcount.
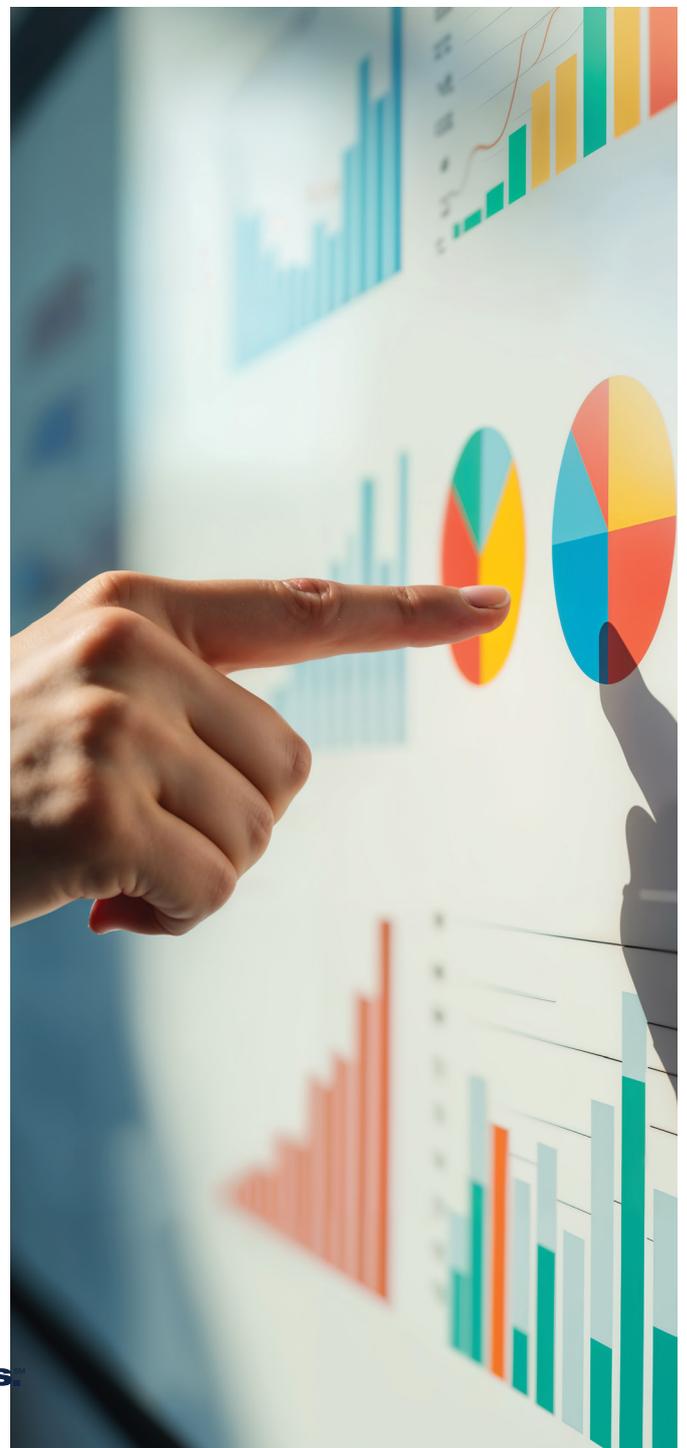
Data science and advanced analytics partners can deploy demand sensing, predictive modelling, consumer segmentation, and marketing attribution without requiring large internal data science teams. Creator networks and content ecosystems can produce product storytelling, short form video, reviews, and live commerce content at scale. Performance marketing specialists bring platform specific expertise in search, social, and programmatic advertising and can optimize campaigns based on real time data. Rapid product development and design partners can support concept development, packaging innovation, and consumer validation, helping accelerate NPD cycles. Channel and marketplace management agencies provide expertise in digital merchandising, assortment optimization, and platform analytics across quick commerce, marketplaces, and D2C storefronts.

The organization building owned versions of these capabilities is carrying permanent cost for capability it could deploy flexibly.

The build vs access decision is a strategic choice not a resourcing one. The organization that has not drawn that line deliberately is building what it could be accessing and paying for capability it does not need to own.

Platform infrastructure has created reach and intelligence that no owned model can replicate. Quick commerce platforms, marketplaces, and social commerce surfaces have built consumer relationships and data ecosystems that took significant time and capital to create. The basket data, search trends, algorithm performance signals, and consumer behavior data that sit inside these platforms are the most concentrated source of real time commercial intelligence available. Most organizations are distributing through these platforms without negotiating access to what they know.

Platform infrastructure is not just a reach model. The organization that has not negotiated data access as part of its platform relationships is competing without its most important signal.

The Operating Model Decisions

The demand side pressures and the supply side enablers together define three decisions the organization needs to make. These are not sequential. They need to be made together.

Decision	Question
What to Build Internally?	Which capabilities compound over time and need to be owned?
What to Access Externally?	Which capabilities are faster, cheaper, and better accessed through ecosystem partners?
How to Govern and Measure?	Are the KPIs measuring what the consumer experienced or what the organization did?

What to Build Internally?

The capabilities that generate commercial intelligence compound over time and need to be owned. Consumer sensing, channel performance reading, basket signal interpretation, and AI driven decision making lose their value when fragmented across functions. Owned centrally they compound. Distributed they disappear. The organization that has not centralized these capabilities is generating intelligence it cannot act on.

The structure needs to reflect this. An outcome P&L needs to sit alongside the category P&L. Across channel accountability layer needs to sit above individual channel P&Ls. GTM, marketing, and product need a standing joint decision mechanism, not a sequential briefing process. When each function owns its own P&L and its own metrics the consumer's journey across all of them is nobody's commercial responsibility.

The capabilities that compound over time need to be owned centrally. The category P&L will always optimize within the category boundary. The growth agenda needs its own commercial owner whose brief starts above and below the category line.

What to Access Externally?

Creator content, performance marketing, channel activation, data science, and rapid product development are all available on demand through ecosystem partners. The organization building what it could access is carrying permanent cost for capability it could deploy flexibly. The build vs access line needs to be drawn deliberately and revisited continuously. What needs to be owned today may be accessible tomorrow.

The build vs access line is a commercial decision not a resourcing one. The organization that has not drawn it deliberately is building what it could be accessing and paying for capability it does not need to own.

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The build vs access line is a commercial decision not a resourcing one. The organization that has not drawn it deliberately is building what it could be accessing and paying for capability it does not need to own.

How to Govern and Measure?

The organization optimizes for whatever it measures. The shift required is not just adding new metrics. It is replacing metrics that measure internal activity with metrics that measure external outcomes. And adding a second dimension that most KPI frameworks have never tracked, how fast value was created not just what was delivered.

The KPI evolution looks different across functions but follows the same logic. In marketing, the shift is from campaign outputs and reach metrics to micro segment sales lift per campaign and share of wallet growth. A global consumer goods company now tracks micro segment sales lift per campaign, aligning marketing spend to tangible consumer behavior changes rather than reach alone. In GTM, the shift is from numeric distribution and share of shelf to demand capture by occasion and consumer acquisition across the total demand system, not individual channel P&Ls. In product, the shift is from NPD launch counts to signal to shelf cycle time and repeat purchase rate in pilot markets. In customer experience, the shift is from interactions resolved to interactions avoided, measuring how well the system anticipates and removes friction before the consumer encounters it. In operations, the shift is from production volumes and distribution coverage to time to market for new products and speed of campaign adjustment, following a leading apparel retailer's model of measuring design to shelf cycles in days rather than months.

When the same consumer moves from modern trade to quick commerce the quick commerce P&L shows growth and the modern trade P&L shows decline. At the system level nothing has grown. The organization reading channel P&Ls independently is not reading the consumer at all. A continuous allocation capability needs to run alongside the annual plan. Decision rights need to sit closer to the signal.

The KPI set is where the rewiring either lands or stops. If it has not been updated the organization is measuring a commercial model that no longer reflects how the consumer behaves.

In Summary

Across this report we have examined a consumer whose behavior is changing in structural ways. Rising incomes, universal digital access, evolving household structures, and growing time pressures are reshaping how people make purchasing decisions. Together, these forces are producing a consumer whose expectations and behaviors differ significantly from those that shaped the commercial models of the past three decades.

Six behavioral shifts capture this transformation. The generation-agnostic consumer, the proof-seeking consumer, the zero-latency consumer, the selectively premium consumer, the channel- and brand-fluid consumer, and the consumer navigating the privacy–personalization paradox together describe an individual who is more informed, more empowered, and more willing to reconsider choices than any previous generation of Indian consumers.

These shifts have introduced two forms of fluidity into consumption. Channel fluidity has weakened the link between where a consumer shops and how that consumer can be understood. Basket fluidity has altered the assumption that a single need state produces a predictable basket. As consumers move across channels and assemble purchases across multiple missions, the boundaries that once organized markets are becoming increasingly porous.

The implication for businesses is that many existing frameworks remain valuable but require expansion. Traditional segmentation built around demographics, mindsets, and demand spaces needs additional behavioral dimensions. Outcome-based competition, multiple consumer personas across channels, the

intersection of quality, convenience, and value, faster-forming consumer clusters, and the distinction between habit and genuine loyalty are becoming increasingly important to understand how consumers behave. For organizations, this creates a widening gap between how the consumer behaves and how the commercial model was originally designed to respond. Addressing this gap requires coordinated changes across four dimensions.

Product portfolios must begin with the outcome the consumer is trying to achieve rather than the category in which the company historically competes. Marketing must focus on building preference through proof, relevance, and continuous engagement across channels. Go-to-market strategies must reflect where consumer decisions are formed, including digital shelves, platform visibility, and algorithm-driven discovery. Operating models must evolve to sense behavioral signals earlier and respond at the pace the consumer now expects.

Taken together, these shifts represent an evolution in how companies understand the consumer itself. The organizations that adapt most effectively will be those that align their commercial models with the way consumers now choose, evaluate, and assemble solutions.

India's consumer economy is entering a period of rapid expansion and transformation. Companies that recognize the implications of this new consumer early, and adjust their strategies with clarity and speed, will help shape the next phase of Indian consumption.

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For 2025-26, CII has identified "Accelerating Competitiveness: Globalisation, Inclusivity, Sustainability, Trust" as its theme, prioritising five key pillars. During the year, CII will align its initiatives to drive strategic action aimed at enhancing India's competitiveness by promoting global engagement, inclusive growth, sustainable practices, and a foundation of trust.

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