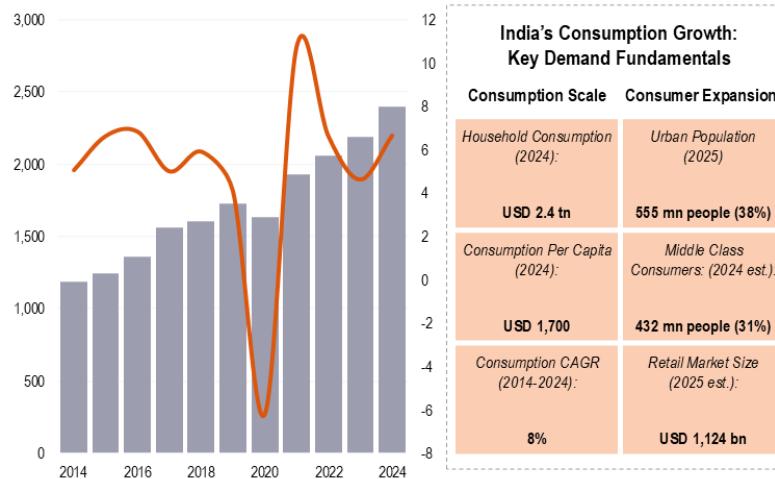




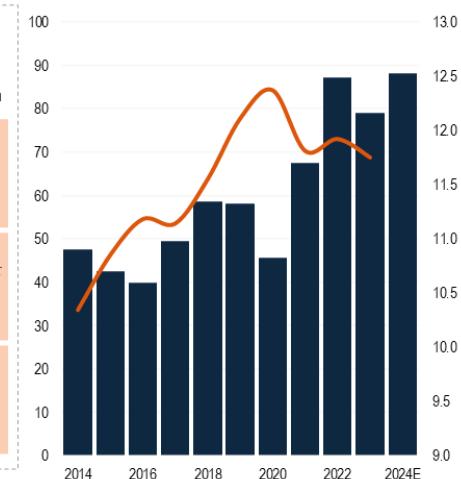
India Is Emerging as the World's Next Major Consumer Market

Unlike past growth cycles driven by exports and investment, India's momentum is increasingly anchored in broad-based household demand, supported by urbanisation, middle-class expansion and rising consumer import intensity.

India Household Consumption, USD bn and Per Capita Growth, % (2014-2024)



India Consumer Goods Imports, USD bn and Share of Total Imports, % (RHS) (2014-2024)



Note: No consumer goods share of GDP data for 2024. Source: World Bank, IMF, UN Comtrade, UN Population Division, People Research on India's Consumer Economy (PRICE), IMARC Group, ANDAMAN PARTNERS Analysis

India's consumer economy is no longer a supporting act in its growth story; it is becoming a core engine of demand. Household final consumption has roughly doubled to an estimated USD 2.4 trillion in 2024, up from under USD 1.3 trillion a decade ago, with per-capita spending near USD 1,700. This reflects not just broad aggregate growth but deeper, more distributed purchasing power across Indian society.

Two structural forces underpin this expansion. First, urbanisation and demographic shifts are enlarging India's consumer base. An estimated 38% of the population, around 555 million people, now live in urban areas, and a significant share of Indians are entering middle-income brackets. The middle class, defined by rising discretionary incomes, is estimated at around 432 million people in 2024 and projected to expand further, potentially reaching over 700 million by 2030 and more than a billion by 2047. Second, the organised retail economy is scaling rapidly, with the broader Indian retail market estimated at around USD 1.1 trillion in 2025 and expected to exceed USD 3.5 trillion by 2034 on a 13% CAGR.

India's consumption growth is clearly reflected in the country's changing trade profile. Consumer goods imports have risen in absolute terms, and their share of total imports has edged higher, signalling growing demand for products not yet fully supplied domestically. In the future, Indians are likely to import and consume more electronics and appliances, personal vehicles and parts, luxury and branded goods, specialised food products, health and wellness goods and high-end services. This has significant implications for global exporters: markets in East Asia, Europe and



the Americas stand to benefit from India's rising demand for both durable and discretionary consumer goods.

In short, India is transitioning into a large, diversified consumption market; a shift that matters not just for GDP numbers but for global trade and investment flows over the coming decades.

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