



## Luxury Brands in India

 E. Rajalakshmi<sup>1</sup>  B. Kasthuri<sup>2</sup>  T. Gowri Thangam<sup>3\*</sup>

<sup>1</sup>Master of commerce, PG & Research Department of Commerce, Sakthi College of Arts and Science For Women, Oddanchatram, India.

<sup>2</sup>Assistant Professor, Department of Commerce, PG & Research Department of Commerce, Sakthi College of Arts and Science For Women, Oddanchatram, India.

<sup>3</sup>Head & Assistant Professor, Department of Commerce, PG & Research of Commerce, Sakthi College of Arts and Science For Women, Oddanchatram, India.

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\*Corresponding Author: [gowri81900@gmail.com](mailto:gowri81900@gmail.com)

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The luxury goods and services sector in India has grown from an urban, niche phenomenon into a diversified market driven by rising incomes, global exposure and shifting consumer values. This article maps the concept and scope of luxury brands in India, provides a working definition and lists research objectives. It examines benefits for firms, artisans and the economy, outlines strategic merits and structural risks and summarizes evidence-based findings. The piece closes with practical recommendations for brands and policymakers to capture growth responsibly while addressing tax, sustainability and inclusion challenges.

**Keywords:** *Luxury brands; Indian luxury market; aspirational consumption; premium retail; experiential luxury; brand equity; counterfeit; sustainability; Omni channel; craftsmanship.*



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### 1. Introduction

Luxury in India no longer means only haute couture and imported watches. It spans jewellery, premium automobiles, high-end hospitality, personalized, experiences, contemporary Indian luxury design and resale markets. High-net-worth households remain important, but a growing aspirational segment buys entry-level luxury, seasonal splurges and experience-led offerings. Global brands, local maisons, designer collaborative, and digital natives compete for

attention across festivals, weddings and travel retail. This paper expands the discussion with more detailed points on market structure, consumer drivers, operational issues and policy implications.

### 2. Meaning

Luxury brands are those that deliver more than basic utility: they promise superior materials, craftsmanship, scarcity, heritage, iconic design, exceptional service or a status signal. In India,

buying luxury often mixes practical quality expectations with symbolic motives such as status, self-reward and social signaling at life events. Luxury consumption therefore blends product attributes with rituals, provenance stories and curated experiences.

### 3. Definition

For this study, a luxury brand in India is defined as a product or service that commands a significant price premium because of perceived superior quality, rarity, provenance, design or service and that targets consumers who value exclusivity, symbolic status or exceptional experience rather than price alone.

### 4. Objectives of the Study

- Clarify what constitutes a luxury brand in the Indian market and its core attributes.
- Identify dominant product categories and fast-growing segments.
- Examine consumer motivations across income tiers and generations.
- Assess the role of festivals, weddings and travel in driving demand.
- Evaluate distribution models: flagship stores, concessions, travel retail and e-commerce.
- Analyze the impact of duties, taxes and regulation on pricing and consumer behavior.
- Explore sustainability, ethical sourcing and resale trends relevant to luxury. □ Review counterfeit prevalence, enforcement mechanisms and brand protection strategies.
- Recommend practical strategies for brands and policy adjustments to support sustainable growth.
- Highlight opportunities for local artisans, designers and small luxury entrepreneurs.

### 5. Benefits

- Job creation across high-skill and craft-intensive roles: design, retail, brand management, logistics and hospitality.
- High-value exports potential for India-made luxury goods that combine craft with contemporary design.
- Significant tax revenues and foreign exchange when luxury travels retail and exports are active.

- Upgrading of service standards across retail and hospitality sectors through luxury-led training and customer-experience models.
- Revitalization of traditional crafts and cottage industries when brands source locally and invest in skill development.
- Attraction of international tourists and premium events that raise city profiles and business travel.
- Development of ancillary industries: bespoke packaging, private banking, premium logistics and luxury real estate.
- Consumer benefits such as durable, high-quality products and memorable service experiences.
- Rise of a domestic resale ecosystem that extends product lifecycles and creates circular value.
- Brand investments in storytelling and heritage preservation that increase cultural capital.

### 6. Merits

- Premium pricing and higher margins support long-term brand investment and product innovation.
- Selective distribution preserves scarcity and strengthens perceived exclusivity.
- Strong brand equity creates cross-category opportunities, licensing deals and hospitality ventures.
- Collaborations with Indian designers offer authenticity while widening appeal to local tastes.
- Omni channel models combine digital discovery with in-store conversion to satisfy both convenience and tactile needs.
- Experiential retail and private events create emotional ties that translate into loyalty and advocacy.
- Data-driven personalization improves service and product recommendations for high-value clients.
- Luxury loyalty programs and concierge services encourage repeat purchases and lifetime value.
- Investment in provenance and traceability supports claims on quality and ethical sourcing.

- Ability to sponsor cultural events, exhibitions and philanthropy enhances reputation and social license.

## 7. Demerits

- High import duties, customs complexity and layered taxes inflate retail prices and encourage cross-border shopping.
- Counterfeit and grey-market imports erode exclusivity and reduce willingness to buy from official channels.
- Environmental footprint: resource-intensive materials, long supply chains and overconsumption attract scrutiny.
- Social backlash over conspicuous consumption can impact brand perception during periods of inequality or crisis.
- Concentration of stores in top metros limits geographic reach and concentrates benefits unevenly.
- Currency volatility and global economic slowdowns create demand sensitivity in high-ticket categories.
- Talent shortages in specialized crafts and luxury retail management can constrain quality delivery.
- Complex regulatory compliance across imports, advertising, labeling and consumer protection adds cost.
- Rapid expansion without brand control risks dilution of heritage and loss of aspirational value.
- Overreliance on seasonal spikes such as weddings and festivals increases revenue volatility.

## 8. Findings

- Jewellery, premium automobiles and beauty/personal care remain major spend categories, while experiential services such as curated travel and fine dining are growing fastest.
- Digital platforms drive discovery and research, but high-value purchases still need in-person validation due to tactile and trust factors.
- Festival seasons and weddings account for a large share of annual luxury sales, making calendar-aligned marketing essential.

- Travel retail and overseas shopping capture notable spend, driven by price differentials and product availability.
- Luxury resale marketplaces and authenticated pre-owned channels are gaining traction, especially among eco-conscious and value-seeking buyers.
- Collaborations between global brands and Indian designers or artisans improve cultural fit and create unique collections that resonate locally.
- Sustainability claims influence younger affluent shoppers; transparency on sourcing and ethical practices boosts preference.
- Strong anti-counterfeit enforcement and consumer education materially increase domestic sales of authentic products.
- Omni channel approaches that pair virtual appointments, video consultations and private in-store experiences improve conversion and satisfaction.
- Duty structures and GST treatment significantly shape pricing strategies and can either support or hinder formal market growth.
- Private wealth advisory and concierge banking influence high-end purchases through curated access and ownership services.
- City-level clustering in Mumbai, Delhi NCR, Bengaluru, Hyderabad and luxury retail corridors indicates the need for geographic expansion plans.
- Local manufacturing and limited editions help control supply, reduce lead times and reinforce authenticity.
- Data analytics and CRM systems enable hyper-personalized offers that increase repeat purchase rates among high-value customers.

## 10. Conclusion

The Indian luxury market offers strong growth potential if brands balance global prestige with local relevance, ethical practices and smart distribution. Winning strategies include investing in Omni channel experiences, collaborating with Indian designers and craftsmen, improving traceability and engaging younger buyers through authentic storytelling and resale options. Policymakers can support sustainable expansion

by simplifying cross-border duties, strengthening intellectual property enforcement and encouraging skill development for craft sectors. Brands that combine selective scarcity, clear sustainability commitments and customer-first service models will outperform peers and build lasting equity in India.

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