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Impact of Globalisation on India's Perfume Industry: Opportunities and Challenges for Domestic Fragrance Brands (2018–2026)

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Abstract

Significant transformation has occurred within the Indian perfumery sector since 2018; previously comprising cheap antiperspirants, 'attars' and foreign-branded premium products, it is now one of Asia's most rapidly developing perfume sectors. Drawing on international trade, foreign direct investment (FDI), multinational retail and brand expansion, and internet and international culture, this paper examines the opportunities and threats globalisation has presented to Indian perfumery companies from 2018 to 2026. A secondary data methodology has been applied to undertake both descriptive and analytical research. Data were sourced from market research reports (IMARC, Euromonitor and Brickwork Ratings); international trade figures (HS chapter 33 and HS 3303 relating to perfumes and toilet waters); government sources including information on FDI, goods and services tax (GST) and free trade deals; and selected company information and media articles. [1, 2, 3, 4, 5]

India's perfume market increased in value from approximately US$1,184 million in 2024 to around US$1,250 million in 2025. Euromonitor also indicated that in 2025, India's fragrance retail market was valued at Rs 6,640 crore – a rise of an estimated 15 per cent. Perfume and toilet waters imports grew by 29 per cent in 2023, compared with export growth of around 16 per cent. Much of this development has been driven by digital-first Indian companies. For example, Bella Vita saw its business activity grow 2.5-fold to Rs 456 crore in FY25. Furthermore, India's free trade pacts with the UK and EU will progressively remove import tariffs of up to 22 per cent for cosmetic and perfumery items. International premium retail chains have also extended their presence via Indian joint-ventures. In contrast, there has been marked decline in India's 'attar' manufacturing in Kannauj. Overall then, while globalisation has provided positive opportunities for Indian mass and 'masstige' perfumery companies, it is increasingly presenting threats to Indian premium and 'attar' businesses. Continued success will hinge upon a commitment to strengthening perfumery expertise, brand development, anti-counterfeit measures and leveraging Indian heritage. [1, 3, 6, 7, 8, 4]

1 Introduction

India has a long history in producing attars in the city of Kannauj (Uttar Pradesh). Ingredients such as Indian jasmine, rose, vetiver and sandalwood have historically also been exported to France and the Middle East to formulate perfumes. However, for much of post-independence India, modern alcohol-based perfumes were a specialist market. Perfume is still largely imported and those in higher socio-economic groups are more likely to buy it. More commonly, people would apply talc, deodorant and/or miniature attar vials. Unlike today, perfume was not typically used on a regular basis by the general population and so was more of a special or infrequent item. [3, 9]

Whilst there is variation in how research companies categorise perfumes, all suggest that the sector is booming. IMARC has calculated that in 2025, India's perfume market was valued at US$1,250.0 million. This is set to rise to US$1,316.7 million in 2026 and is forecast to reach US$1,999.3 million by 2034. Further, IMARC's combined perfume and deodorant market was valued at US$2,890.8 million in 2025. According to Euromonitor (as referenced within ThePrint) India's 2025 retail fragrance market was worth Rs 6,640 crore, reflecting around 15% value growth. Brickwork ratings, again applying a more specific definition of fine perfume, predicts that the Indian market will grow from an FY24 value of US$281 million to c.US$873 million by FY32 – equivalent to a compound annual growth rate of around 15%. [1, 10, 2, 3]

Growing disposable income, India's young and extensive urban population, social media and celebrity culture, and the move away from deodorants towards perfumes amongst the youth, all contribute to this growth. Again, much of this can be attributed to globalisation. Indians now experience identical new perfume releases, social media commentary and dupe (fake versions of popular perfumes) culture to that seen by people in cities such as New York and Dubai. International luxury perfume and deodorant companies have also established themselves within India, often teaming up with major Indian retail chains. Freeing of trade enables lower duties to be charged on imports of beauty goods. Finally, digital commerce and D2C sites facilitate national market access for even small Indian perfume brands, without requiring a distribution network. [2, 3, 11, 12]

Consequently, globalisation brings both benefits and risks for Indian perfume brands. On the positive side, it has enabled the development of new Indian perfume brands such as Bella Vita, Skinn by Titan and Villain (alongside numerous smaller, speciality perfume houses). However, Indian brands must now contend head-to-head with international perfume houses who possess superior knowledge, more substantial marketing spend and higher levels of luxury status. Moreover, indigenous attar production is being challenged by both the lower cost of man-made perfumes and shifting consumer preferences. Recognising the nature of these opportunities and risks is key for brand owners, investors and decision-makers. [2, 3, 13]

Between 2018 and 2026 there have been several significant developments. In 2018 the Government of India allowed 100% FDI in single-brand retailing on an automatic basis, facilitating international brand entry. The period has also witnessed an online shopping surge, the fast development of D2C perfume brands, GST rate simplification in September 2025, and the signing of free trade pacts with both the UK (July 2025) and EU (January 2026). These latter two agreements lead to reduced Indian duty charges on cosmetics and perfumes. [14, 8, 15, 16]

2 Objective

This dissertation will explore the impacts of globalisation on India's perfume industry and explore both the opportunities and difficulties which this has brought to Indian brands within the period 2018-2026.

Objectives are as follows:

1. Outline the development and nature of India's perfume and fragrance market between 2018-2026.
2. Determine the principal factors by which globalisation is influencing the Indian perfume industry, namely: international trade, foreign direct investment and retail, digital trade and global culture.

3. Evaluate India's perfumes and fragrances trade (HS Chapter 33, and sub-heading HS 3303) including both its import and export competencies.
4. Investigate the methods which a range of Indian brands (Fogg, Bella Vita, Skinn by Titan, Ajmal and specialist D2C brands) have employed to adapt to globalisation.
5. Evaluate the effect that the India-UK and India-EU trade deals have had on the competitive advantage of Indian brands.
6. Recognise the key issues which Indian and Indian attar brands currently face and suggest appropriate approaches to enable them to continue to be competitively positioned.

3 Impact

Globalisation has influenced Indian consumers' choices of, access to and expectations about fragrances. Online sales are growing at between 30-35% and have even exceeded online deodarant sales (Redseer). Whereas Indian consumers previously purchased cheaper (under Rs 500) imports such as those from Bella Vita and Renee, they are upgrading to Indian fragrances costing Rs 1,000-5,000. They are also looking to purchase global premium brands including Dior, Burberry and Carolina Herrera. Online forums such as Reddit and Instagram are used by Indian consumers for self-education on fragrances. Furthermore, global phenomena such as 'dupes' (imitation versions) of Baccarat Rouge 540 influence the types of fragrances that Indian brands produce. [3]

Indian fragrance brands have also become integrated into the global industry. Increasingly they are collaborating with global fragrance companies including International Flavors & Fragrances (IFF). Some brand founders even employ European perfumers or complete training in Grasse. Domestic fragrance brand Keva (part of S H Kelkar) had fragrance sales of Rs 2,052 crore in 2025-26 and supplies to major FMCG companies. Indian ingredients are still included within global supply chains. Tamil Nadu based Jasmine Concrete Exports exports jasmine essence which is utilised by Guerlain, Bulgari, Dior and Lush. [3]

Reliance Retail acquired Sephora's 26 outlets within 13 cities in India and has been granted an exclusive licence to further develop the chain. It is also developing its own beauty digital store Tira. Furthermore, in 2025 luxury brand Creed collaborated with LUXASIA to enter the Indian market via Tata CLiQ Luxury and physical stores. Fenty Beauty also entered India through Sephora and Tira, with 50 outlets in 16 cities. As well as making luxury global brands more accessible to Indian consumers, upcoming trade deals are set to reduce the cost of importing these. [1, 11, 12]

There are two areas of interest in this research. Firstly, brand owners and policy makers will find insights into both the strengths and weaknesses of Indian fragrance brands as India opens up its market. Secondly, academically, it acts as an example of how an industry sector within an emerging economy adapts to globalisation. It also assesses whether Indian brands can rival global brands by meeting international quality benchmarks, as well as being pertinent to Indian consumers.

4 Literature review

Levitt suggested that technology and communication were leading to a homogenised global market-place where transnational corporations could offer uniform products and services. Global brands would thus progressively replace local ones in places such as India. The perfume industry fits into this discussion as it has traditionally been led by a limited number of prestigious global firms from France, America and Italy. [17]

More recent work has questioned the homogenisation concept. Robertson coined the term 'glocalisation', which focuses on modifying global products and concepts to suit a particular locale. Furthermore, Ger and Belk identified that even in more economically deprived areas, consumers do not directly imitate Western behaviour. Instead, they place their own cultural slant upon global items. This implies that although Indian consumers may follow the global trend to wear perfume, they will favour fragrances, together with price points and narratives, which are in keeping with their culture, for example oud, rose, sandalwood and mitti (petrichor). [18, 19]

Perceived globality was also shown to add value to a brand, as it is associated with quality and exclusivity. In developing countries, research has indicated that non-local brands can be particularly highly regarded, particularly by those who aspire to Western ways of life. This accounts for the traditionally high status given to imported perfumes within India, and also explains why some Indian perfume brands choose to name themselves in a French or European style. It highlights the difficulties that local brands might experience if aiming to compete in the high-end sector. [20, 21]

Dawar and Frost analysed the role of local companies within emerging economies. They suggested that when confronted by multinationals, local businesses could act as 'defenders', utilising local expertise in their home country; as 'extenders', exporting local competencies to analogous overseas markets; as 'dodgers', shifting along the value chain; or as 'contenders', engaging in worldwide competition. Subsequently, Kumar and Steenkamp illustrated how emerging economy brands can successfully globalise by capitalising on their cost, cultural and diaspora market strengths. Again, both of these models are pertinent to the Indian perfume brands discussed later within this paper. [22, 23]

Whilst much work on the Indian perfume industry exists, for the most part this consists of industry rather than academic sources. Brickwork Ratings highlights that factors driving industry growth include increasing consumer disposable income, gift-giving, youthful consumers and social media. Major threats are said to be counterfeiting, taxation, poor awareness in rural areas together with price competition and lack of brand commitment. Research on Kannauj has also revealed that, despite the area being granted a Geographical Indication (GI) label in 2014, conventional attar making is currently in decline due to competition from artificial fragrances, increased costs for ingredients and shifting consumer preferences. [2, 9, 24, 13]

Whilst there is valuable information available about global and local branding together with some industry insights, there is limited research analysing the Indian perfume industry in detail. Moreover, there is no research which analyses the impact upon Indian brands of the development of D2C, global retail expansion together with the 2025-6 trade deals.

5 Research gap

Analysis of globalisation and branding in developing economies is usually broad in scope and/or relates to specific sectors (including food, clothing and motor vehicles). Analysis of the Indian fragrance industry largely involves market size analysis and therefore typically predicts growth without examining the competitive position of Indian brands. Kannauj analyses emphasise tradition and skill, not competition. To date there has been no analysis which has integrated trade statistics, policy (for example FDI, GST and UK/EU trade) and brand information to explore how and to what extent globalisation has altered the allocation of economic opportunities in Indian perfumes between 2018-2026. [2, 9, 24]

This paper fills this research gap through integrating market analysis, HS 3303 trade statistics, policy review and case material relating to Indian mass, masstige, premium and heritage brands.

6 Research methodology

6.1 Research design

This is a descriptive and analytical study. It outlines the development and nature of the Indian fragrance industry and examines the impact that particular forms of globalisation have had on Indian brand fragrances. Comparative analysis is then undertaken of brands within varying price bands.

6.2 Nature of research

Only secondary research has been undertaken. Primary research methods including surveys, interviews and questionnaires were not utilised. Quantitative data has been obtained regarding the size of, and trade in, the fragrance industry. This has been analysed alongside qualitative information relating to trade policy, retail and brand strategy.

6.3 Data sources

Data regarding the size of the fragrance industry is sourced from IMARC Group, Euromonitor International (noted in ThePrint) and Brickwork Ratings. HS Chapter 33 and HS 3303 trade statistics are obtained from the Ministry of Commerce's TradeStat (EIDB) system together with collations from UN Comtrade. Trade policy data is sourced from the Department for Promotion of Industry and Internal Trade, GST announcements together with those of the UK Government and European Commission. Business related media reports are used to source information from Registrar of Companies records. Financial and brand information is also sourced from company accounts and press releases. [1, 2, 3, 8, 4, 5, 16]

6.4 Scope of data

The research spans from 2018 to 2026. However, in 2026 data was only available for part of the year. Perfume, deodorant, body spray and attar fragrances are included. Quantitative variables analysed include: the size and growth of the fragrance industry; and import and export values of HS 3303. Relevant tariff and GST rates are also considered. Qualitative variables include the business strategies of named Indian brands. These include Fogg (Vini Cosmetics), Bella Vita, Skinn, Fastrack (Titan), Ajmal and specialist D2C fragrance brands (Fraganote, Typsy, 33North and Maison de Fouzdar).

6.5 Analysis

Trend analysis is undertaken on both industry and trade data. Comparative brand strategy analysis is done across price bands. Changes to tariffs and taxation are analysed. Brand strategies are recognised and analysed according to the Dawar and Frost model. Findings are then reviewed in relation to each of the research hypotheses. [22]

6.6 Limitations

There is considerable variation in market data due to differing criteria being applied for what is regarded as part of the fragrance industry (such as whether deodorant and/or attar is included). Furthermore, many Indian fragrance businesses are private and so financial data is not fully

accessible. Trade statistics for HS 3303 cover both bulk and retail fragrances. Impacts resulting from the UK and EU trade deals are largely forward-looking as reductions in tariffs occur gradually over a number of years. Consequently, research outcomes must be viewed as indicative.

7 Findings

The following findings are based on data gathered from published market reports, trade databases and company disclosures in November 2026.

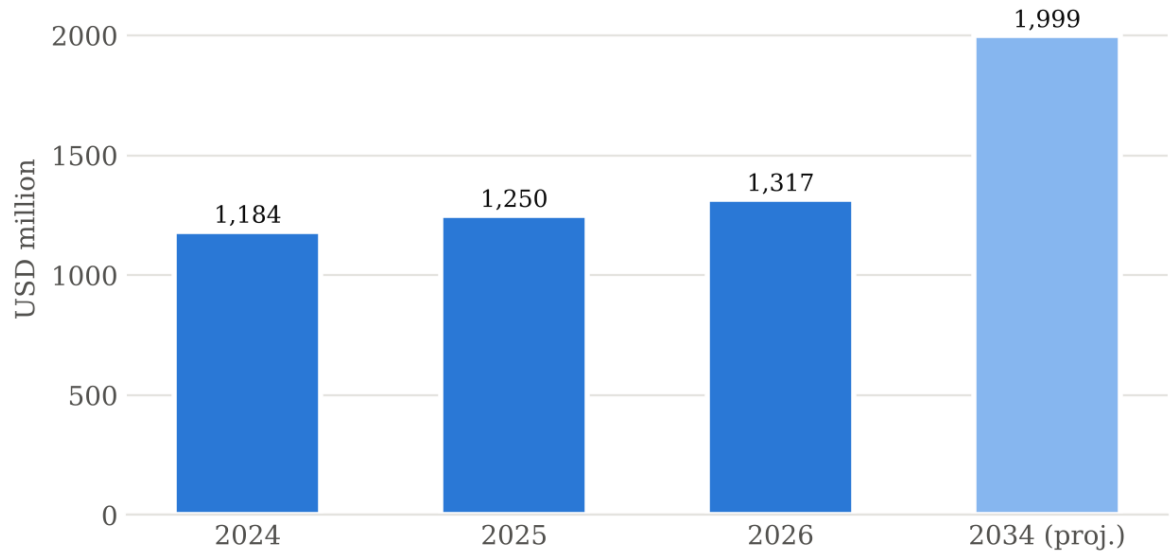

Figure 1. India perfume market size, 2024–2026, with 2034 projection (US$ million). Source: IMARC Group.

Information: This graph outlines estimates of the Indian fragrance market in 2024, 2025 and 2026 and IMARC's prediction for 2034. [1]

Analysis: Between 2024 and 2026 the market increased in value from approximately US$1,184 million to US$1,250 million and then US$1,316.7 million respectively. It is predicted that by 2034 it will grow to an estimated value of US$1,999 million, representing a CAGR of 5.36 per cent from 2026. In 2025, the high-end range accounted for 58 per cent of the market, according to IMARC. [1]

Applicability: Whilst IMARC provides a cautious forecast, Euromonitor and Brickwork suggest higher growth. Euromonitor indicate that the market is set to grow in value by around 15 per cent in 2025, and Brickwork predict that it will continue to expand at a CAGR of approximately 15 per cent until FY32. Either way, it is clear that the market continues to grow. Moreover, as is typical, the high-end range – in which international brands dominate – is currently responsible for the majority of this growth. Thus, this information both substantiates H1 (expansion) and highlights the importance of the high-end range for H2. [1, 2, 3]

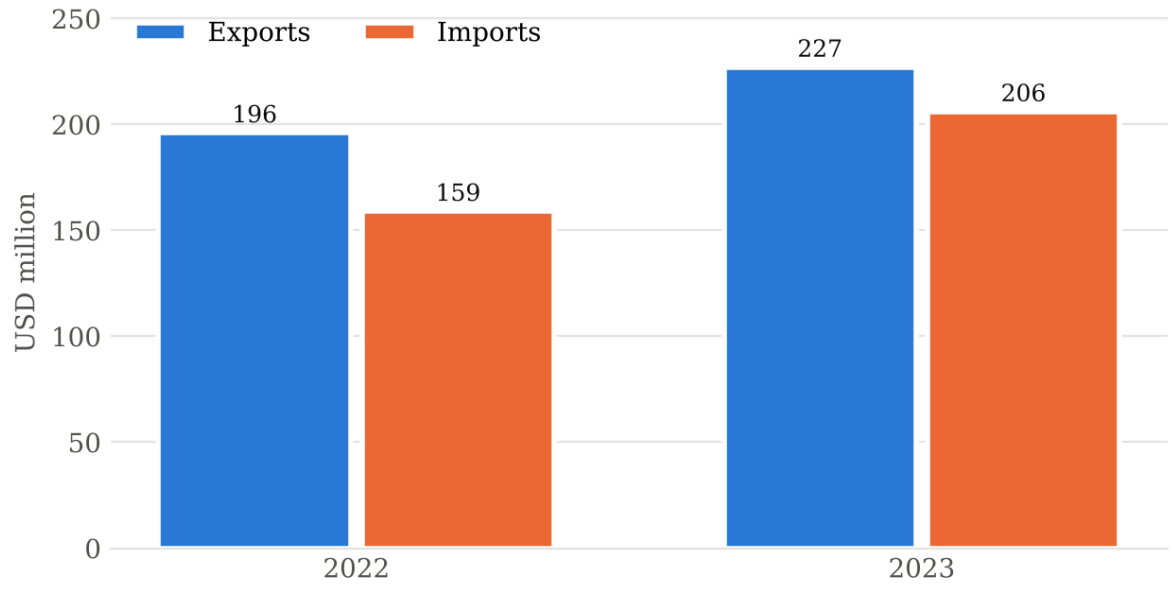

Figure 2. India's exports and imports of perfumes and toilet waters (HS 3303), 2022–2023 (US$ million). Source: TrendEconomy, based on UN Comtrade.

What does the graph illustrate?: It illustrates India's 2022 and 2023 perfume and toilet water export and import figures. [4]

Analysis: Between these years, India's exports increased by 15.7 per cent reaching around US$227 million (from US$196 million).

Similarly, India's imports increased by 29 per cent, reaching US$206 million (from US$159 million).

In FY 2024-25, overall India exported goods from HS Chapter 33 worth Rs 22,863 crore and imported those worth Rs 11,934 crore. Therefore, there was an overall surplus of around Rs 10,928 crore. Between FY 2018-19 and 2024-25, Chapter 33 exports had grown by an approximate annual compound growth rate (CAGR) of 8 per cent.

Applicability: Despite being predominantly a net exporter of fragranced goods (due to its production of essential oils and perfumery material as well as supplying to international fragrance companies), in 2023 India's importation of ready-made perfumes nearly doubled in comparison to its exportation. This demonstrates how the Indian market is becoming increasingly attracted to internationally branded goods. As UK and EU cosmetic and perfumery items are set to be charged lower customs duty, it seems probable that import competition will heat up. This corroborates H2. [4, 5]

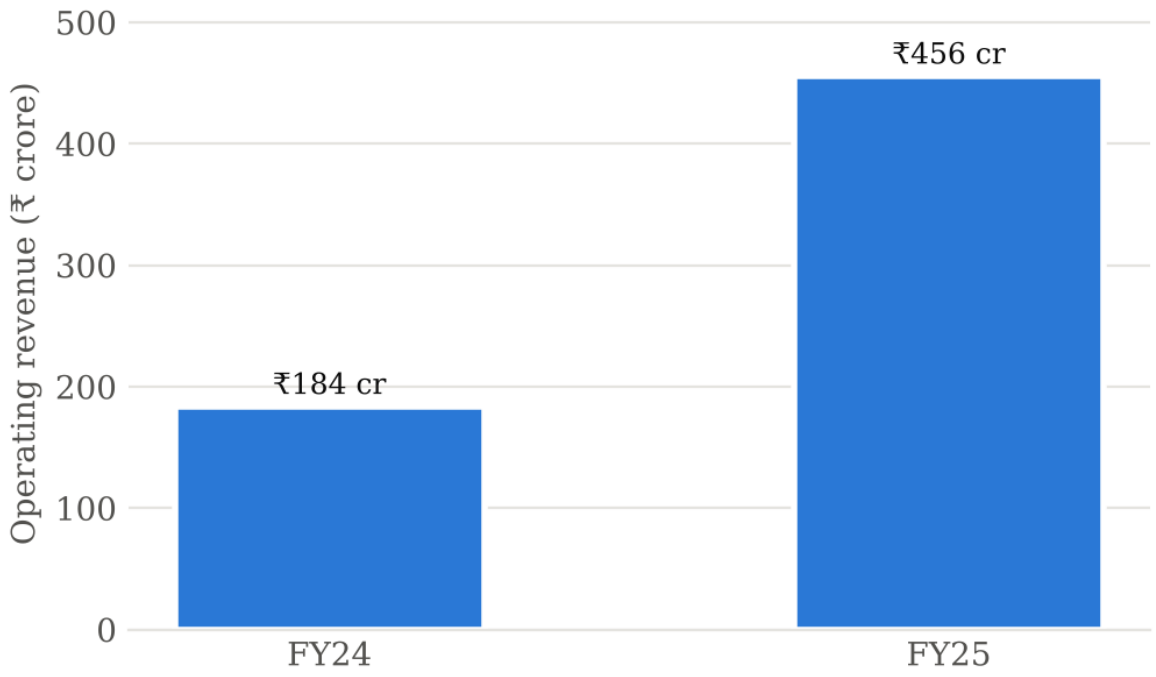

Figure 3. Bella Vita operating revenue, FY24–FY25 (Rs crore). Source: Entrackr, based on RoC filings.

Overview: This is a graph of the operating revenue of Bella Vita – a D2C beauty business specialising in perfumes which was set up in 2018. [6]

Analysis: In FY25, operating revenue increased 2.5x to Rs 456 crore from Rs 184 crore in FY24. The firm turned a profit of around Rs 25 crore. In FY25, the firm also invested only 0.96 rupees for every rupee of revenue, down from 1.24 the previous year.

Bella Vita sells 100ml perfumes for around between Rs 449 and 549, therefore classifying itself as offering 'affordable luxury'. It has received investment from Ananta Capital in a US$10million Series A round in 2021.

Link to research: Bella Vita is a case study of how Indian brands can rapidly achieve national reach using globalised methods such as online marketplaces, social media and influencer promotion. Although the brand often uses international trends to develop its perfumes, it sets prices according to what is appropriate within India. Furthermore, Bella Vita is expanding into Thailand, the US and the Maldives. This links to H1. Further examples of D2C brands also follow this trend. For instance, Fraganote received US$3million in investment in 2026 following 5x revenue growth in FY26. [3, 6, 25, 26, 27]

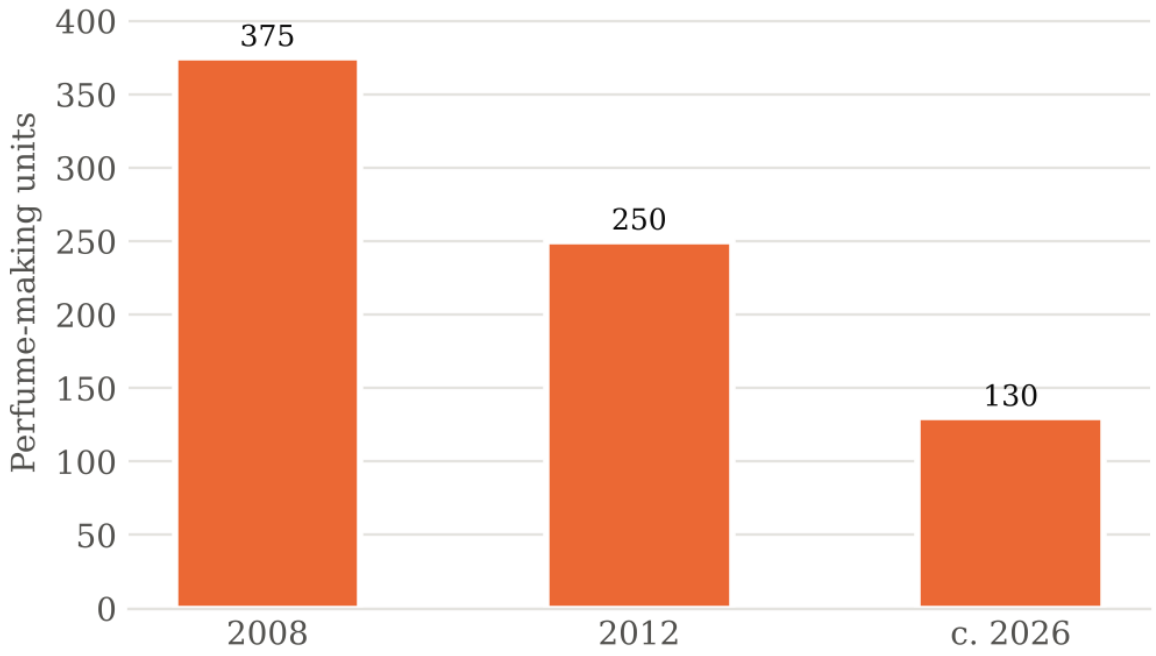

Figure 4. Number of perfume-making units in Kannauj, 2008–2026. Source: ThePrint, citing Anirban Mukherjee, The Ittar Industry of Kannauj.

What?: This graph demonstrates the approximated amount of attar production units in Kannauj, the Indian town renowned for its attar.

Analysis: Between 2008 and 2012, there was an approximate reduction in units from 375 to 250. Presently there are around 130.

Natural scents, derived from plants, make up a limited proportion of the market (around 10%) with the remaining predominantly made synthetically.

Significance: Although estimations differ (some sources state between 350-400 distilleries), there is consensus that Kannauj is experiencing a reduction in attar production. Although the area has benefitted from increased recognition due to receiving a GI label in 2014, this has not altered the downward trajectory. Consumers' preference for globalised, synthetic and alcoholic spray fragrances has also affected Kannauj. Therefore, this validates H2. Yet, contemporary consumers can still benefit from the area's heritage; for example, the Boond attar brand had a sell-out within just two days of its initial release. [3, 9, 24, 13]

Table 1. Key globalisation-related policy milestones, 2018–2026.

Year	Policy change	Implication for domestic brands
2018	100% FDI in single-brand retail trading permitted under the automatic route (Press Note 1, 2018)	Easier entry for global brands opening their own stores in India [30]
2023	Reliance Retail takes over Sephora India (26 stores, 13 cities); launches Tira	Global prestige brands gain a powerful domestic retail partner [17]
July 2025	India–UK Comprehensive Economic and Trade Agreement signed	22% duty on cosmetics to fall to 10% on entry into force and to be phased out over 10 years [9] [10] [11]

Year	Policy change	Implication for domestic brands
Sept 2025	GST 2.0: slabs rationalised; shampoo, soap, hair oil cut to 5%	Perfumes and deodorants remain at 18%, so fragrance stays relatively expensive [16]
Jan 2026	India–EU FTA negotiations concluded	Cosmetics tariffs of up to 22% to be removed mostly after 5 or 7 years [13]

Source: Compiled by the author from government and media sources.

Table 2. Strategic responses of selected domestic fragrance brands.

Brand	Segment	Key globalisation-related strategy	Dawar–Frost type
Fogg (Vini Cosmetics)	Mass deodorant	Launched 2011 as a 'no gas' deodorant; overtook HUL's Axe within about two years; around 20% share [4] [8]	Defender
Bella Vita	Mass / masstige perfume	D2C and marketplaces, influencer marketing, global-trend scents at Indian prices; overseas distribution plans [5] [7]	Defender moving to extender
Skinn / Fastrack (Titan)	Masstige / premium	Skinn bridges entry and imported price points (Rs 2,795–4,995 per 100 ml); Fastrack mass line launched 2019; fragrances performed well in FY25 [4] [23] [24]	Defender
Ajmal	Premium / oud	Moved manufacturing from Dubai to India to avoid import duties; targeting 170+ exclusive stores by end-2026 [25] [26]	Contender
Niche D2C houses (33North, Maison de Fouzdar, Typsy)	Premium / niche	European perfumers, Grasse training, global fragrance houses; compete with international niche brands [4]	Contender
Kannauj attar makers	Heritage	GI tag (2014); some repackaged by new brands such as Boond [4] [20]	Dodger

Source: Compiled by the author; classification based on Dawar and Frost.

8 Discussion

8.1 Opportunities created by globalisation

One key area has been in building a mass perfume market. Through social media, tourism and global companies, young Indians have been influenced to view perfumes as common. As well as being able to offer global style scents, local brands have successfully addressed this market as they can do so at cheaper rates. In the early 2010's, Fogg demonstrated that Indian brands can outperform global market leaders due to improved positioning. Since 2018, the D2C trend has also been applied within the perfume industry. [3, 29]

Alongside this, digital selling has reduced the requirements for big sales teams and retail outlets. Brands can now utilise online marketplaces and Instagram alongside their own website in order to sell. As online perfume sales are increasing by between 30-35% annually, D2C brands can therefore more fairly compete with global brands. [3]

Globalisation has also allowed local brands to benefit from global expertise. Companies can employ European perfumers and collaborate with international perfume groups such as IFF. Brands can then

compare themselves to world-class standards. Furthermore, Ajmal's relocation of production to India in order to avoid import taxes, and its alleged 32% cost benefit resulting from in-country manufacture, illustrate how local production can provide a competitive edge compared to imported brands. Brands can also export. Bella Vita has export strategies in place, and India already supplies raw materials for perfumery to global brands. [3, 26, 32, 33]

8.2 Challenges created by globalisation

The luxury sector accounts for around 58% of the market. Global fragrance brands benefit from the high status, quality and history which Steenkamp, Batra and Alden recognised. Many Indians wish to move upmarket from Indian to global brands according to ThePrint. Furthermore, some Indian brands are even re-branding themselves with a French-sounding name, highlighting just how highly the luxury sector is viewed as being European dominated. [1, 3, 20]

Globalisation will intensify this issue. Within the India-UK deal, the duty rate for cosmetics will decrease from 22% to 10% upon implementation and then progressively be eliminated. In 2024, India brought in around Rs 296 crores worth of cosmetics (perfume, essential oils and toiletries) from the UK. Likewise, most cosmetics duty rates of up to 22% will be eliminated under the India-EU deal after either 5 or 7 years. Given that France and Italy are centres of numerous top fragrance firms, this deal is of particular importance. Alongside these decreasing import costs, the pricing difference between Indian and global luxury fragrances will also decrease. Reliance also manages Sephora and Tira and therefore provides global brands with an Indian retail presence. [7, 28, 34, 8, 35, 11]

Domestically, taxation affects the market too. Whereas shampoo and soap were taxed at 5% under GST 2.0, perfumes and deodorants remain taxed at 18%. Consequently, for price conscious individuals, fragrance continues to be a costly commodity. Once again, this is most pertinent for mass Indian brands which have the biggest potential within smaller towns. [15]

Additionally, fake and knock-off products pose problems. Roughly 79% of Indians have previously purchased fakes, according to an ISB study. In May 2026, the Delhi High Court issued an injunction preventing people from selling fake 'Bombay Musk' perfumes. Similarly, Burberry has pursued legal action against Indian vendors of fake fragrances. Fake goods not only undermine consumer confidence but also negatively affect both Indian and global authentic brands. [36, 37, 38]

To conclude, globalisation has hastened the demise of conventional attar. Artificial fragrances are not only more cost effective but also offer greater uniformity. Alcohol-based sprays also fit with contemporary lifestyles. Kannauj's units have dropped by around two thirds since 2008. History could yet be leveraged. Consumers, as highlighted by ThePrint, would be willing to pay the same for an Indian as for a French perfume if it came with a strong narrative. [3, 13]

Table 3. Summary of opportunities and challenges.

Opportunities	Challenges
Rapid growth of a mass perfume habit among young consumers	Global brands dominate the premium segment (58% of market value)
Online and D2C channels lower barriers to entry	UK and EU agreements will phase out duties of up to 22%
Access to global perfumers and fragrance houses	Global prestige retail expanding through Indian partners
Local manufacturing cost advantage over imports	Perfumes remain at 18% GST
Export potential and Indian natural ingredients	Counterfeits and dupes undermine trust

Opportunities	Challenges
Indian heritage (attar, oud, jasmine) as a differentiator	Decline of traditional attar producers

Source: Author's analysis.

9 Conclusion

This paper has investigated the impact of globalisation on the Indian perfume market, and the resulting opportunities and threats to Indian perfume brands from 2018 to 2026.

The market is expanding; whilst different sources provide differing data, in 2025 the perfume sector is valued at around US$1.25 billion (IMARC). The Indian fragrance market is growing in value by approximately 15% and reached Rs 6,640 crore in 2023 (Euromonitor). Perfume e-commerce is also booming. Global culture is increasingly accessible to Indians via social media, and through tourism and online technology. [1, 3]

Indian brands are successfully meeting the rising need for both mass and masstige perfumes. Not only do Indian brands such as Fogg, Bella Vita, Skinn and an array of D2C brands successfully merge international perfume fashions with Indian pricing strategies and retail methods, but some are highly successful. For example, Bella Vita increased its turnover 2.5 fold to Rs 456 crore in FY25 and became profitable. This corroborates H1. [6, 29]

Moreover, globalisation is further straining the high end market and traditional perfume manufacturers. Perfume imports outpaced exports in 2023. Global luxury outlets have also been added to by Reliance. In addition, the UK and EU are reducing import taxes on cosmetics and perfumery to zero from current levels of up to 22%. Kannauj's attar factories have also greatly declined. This supports H2. [3, 7, 8, 4, 11]

As a whole, globalisation has presented more opportunities than threats for Indian low and mid-range perfume brands; where Indian expertise, costs and digital technologies are most influential. However, it has also introduced additional threats for Indian companies at the high-end, where international brands dominate and soon will benefit from reduced import taxes. As much of the information was sourced from market and press reports on non-state firms, these conclusions should be considered as general guidance.

10 Recommendations

- **Develop perfume skills.**Alongside improving the durability of fragrances, local brands should develop or collaborate on perfume skills so they are able to match imported brands in terms of quality.
- **Develop Indian identity.**Ingredients and methods including attar, oud, jasmine, vetiver and mitti provide an Indian identity which is difficult to imitate. Brands such as Boond are able to successfully use this.
- **Position for reduced import tariffs.**As tariffs are lowered over 5-10 years, there is an opportunity for local brands to further establish themselves as premium, ahead of imported brands becoming more competitively priced.

- **Export and utilise trade deals.**Trade deals between the UK and EU too open up export opportunities for Indian products. Companies can export to the Indian diaspora as well as oud and attar orientated markets for example the Gulf.
- **Combat counterfeiting.**Companies can combat fake goods by adding anti-counterfeit measures (for instance, coding) and collaborating with retailers to eliminate counterfeit items. Trademark legislation should also be rigorously policed. Furthermore, government policing should be further developed.
- **Assess GST on fragrances.**Policymakers may wish to assess if mainstream perfumes and deodorants should be classed in the same bracket as other commonplace personal care items. This would facilitate local brands' export to more out-of-town areas.
- **Enable Kannauj.**Encouraging contemporary design, brand development and accreditation, as well as collaborations with D2C brands, may allow historic attar producers to effectively export to new markets.

11 Limitations and further research

Secondary data was used in this study. Different sources have varying methods of measurement which leads to differing data. Many Indian fragrance businesses are privately owned, meaning that it can be difficult to obtain accurate sales and market share information. HS 3303 data covers both raw and finished perfumes. Impacts of UK and EU trade deals are largely for the future. Future analysis may include examining import information after 2026 (when reductions in tariffs will occur), investigating consumer attitudes towards Indian and global fragrances and conducting interviews with fragrance brand owners and Kannauj manufacturers to further explore how they are adapting their strategies.

12 Final thoughts

India has developed from a place where perfume was a luxury product to one where it is becoming commonplace. Indian brands have benefitted greatly from globalisation. Going forward, however, as import duties are reduced and international 'luxury' brands become more widely available, Indian brands must strive to match these on quality, innovation and distinctiveness. Those which can successfully merge international quality with Indian specific attributes which are difficult for foreign brands to imitate will stand the best chance of succeeding.

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