INDIA'S HOME DECOR INDUSTRY

Growth, Trends and Opportunities

India Brand Equity Foundation (IBEF) | Consumer Markets | 30 December 2025

Industry Overview

India's home decor industry is evolving into a dynamic consumer-market segment, supported by rising incomes, rapid urbanisation and growing demand for premium and stylish products. The industry is highly diverse because individual tastes vary significantly, ranging from minimal and traditional interiors to vibrant and ultra-modern spaces. E-commerce, social media and Indo-Western trends are also influencing how consumers discover and purchase decor.

Indian Home Decor Market Landscape

The Indian home decor market was valued at Rs. 2,26,415 crore (US$ 25.50 billion) in 2024. Citing IMARC Group estimates, IBEF states that the market is expected to reach Rs. 3,62,263 crore (US$ 40.80 billion) by 2033, representing a CAGR of 5.40% between 2025 and 2033.

Indicator	Details
India market value, 2024	Rs. 2,26,415 crore (US$ 25.50 billion)
India market forecast, 2033	Rs. 3,62,263 crore (US$ 40.80 billion)
India CAGR, 2025-2033	5.40%
Global market, 2025	Rs. 50,32,617 crore (US$ 566.8 billion)
Global market, 2026	Rs. 51,53,372 crore (US$ 580.4 billion)
Global market forecast, 2035	Rs. 63,73,346 crore (US$ 717.8 billion)
Global CAGR, 2026-2035	2.4%

India's Export Position

IBEF describes India as the world's second-largest exporter of home decor by volume. As of July 14, 2025, around 20,940 shipments of handmade and factory-made products had been exported from India. The report attributes India's international appeal to its ability to combine traditional craftsmanship with contemporary design.

Domestic Market Dynamics

India's home decor industry remains highly fragmented. Smaller workshops, family-run businesses and regional handicraft sellers coexist with larger organised retail brands. The source highlights strong regional specialisation, including Rajasthan's blue pottery and textiles, Bihar's Madhubani paintings and Kerala's woodwork.

Consumer Preferences

Consumers are moving beyond plain furniture and decor toward interiors that are more personal, functional and expressive. IBEF identifies the following major preference shifts:

- Personalisation: modular furniture, made-to-fit curtains, wallpapers and rugs that reflect individual preferences and apartment requirements.
- Premiumisation: higher-income consumers increasingly view decor as part of a fashionable lifestyle and are willing to pay more for branded, high-quality and personalised products.
- Artisanal products: handmade products retain strong appeal, particularly among affluent consumers seeking authenticity and cultural connection.
- Technology integration: customizable lighting, mood lamps, voice-activated gadgets and technology-enabled furniture are becoming more popular, with AI and IoT supporting centralized control.

Source: India Brand Equity Foundation (IBEF)

Opportunities

IBEF identifies opportunities across the value chain for artisans, manufacturers, exporters, retailers, startups and digital platforms.

Platform-Driven Models

Online and direct-to-consumer platforms are changing how decor is purchased. Retailers can present large catalogues digitally without depending entirely on large physical stores. The source cites IKEA's online store and augmented-reality visualisation, as well as Pepperfry's combination of online discovery with physical showrooms, as examples of increasingly personalised shopping journeys.

Supply-Chain Visibility

Clearer supply chains and stronger logistics can improve product quality, delivery speed and customer satisfaction. Retailers can also benefit through better inventory management and more reliable delivery, which is particularly important for furniture and handmade products.

Sustainability as a Growing Trend

Environmentally conscious consumers are increasingly interested in sustainable products. IBEF highlights bamboo furniture, hemp fabrics, recycled fabrics and sustainably sourced wood as examples. The source also notes that circular-business approaches can help reduce waste and recycle existing products, while sustainability can provide a competitive market advantage.

Cultural and Artisanal Opportunity

The source links renewed interest in authentic crafts with the Make in India initiative and support for local artisans. India's regional craft diversity strengthens both domestic appeal and international demand by combining cultural heritage with modern design.

Outlook

IBEF expects the industry to continue developing as incomes rise, lifestyles change and technology reshapes shopping and interior design. The report frames the next phase of growth around personalised experiences, functionality, sustainability and digital-first business models, with traditional craftsmanship continuing to coexist with modern consumer preferences.

Key Points at a Glance

- 2024 Indian home decor market: Rs. 2,26,415 crore (US$ 25.50 billion).
- 2033 forecast: Rs. 3,62,263 crore (US$ 40.80 billion).
- Forecast CAGR for India, 2025-2033: 5.40%.
- India is described as the second-largest home decor exporter globally by volume.
- 20,940 home decor shipments were recorded as of July 14, 2025.
- Major opportunity themes: premiumisation, artisanal products, technology integration, online/D2C models, supply-chain visibility and sustainability.