

The Path to Success for Global Companies in India

India's macroeconomics are easy to like. A young country, it's poised to become [the world's third-largest economy](#), with many forecasters calling for GDP to grow to \$7 trillion by 2030.

Beyond its traditional strength in services, ongoing shifts in global trade patterns favor India's manufacturing sector. An early 2024 BCG analysis predicted [India's external trade will grow by nearly \\$400 billion](#) in the next ten years. Business-friendly policy reforms and investments in physical and digital infrastructure should also pay economic dividends well into the future.

But—and there is often a “but” when commenting on India's strengths—the country's complexities still make it a tough place to do business. “The macro and the micro don't talk to each other,” in the words of Janmejaya Sinha, a BCG managing director and senior partner and the firm's India chair.

A mosaic of ethnicities, languages, and local customs, India is also a country where the states exercise considerable influence over the business environment. “It's getting easier to do business in India, but it's not easy,” Sinha said.

I recently returned from my second trip this year to India, where I met with many CEOs and entrepreneurs. As always, I found it very energizing and inspiring! They expressed optimism about growth opportunities both within India and through global trade. They expect India's favorable demographics to stoke consumer demand for goods and services and supply talent to the manufacturing sector.

However, many global companies have struggled in India, treating

it as just another market. It isn't. In [The CEO's Guide to India](#), my colleagues reveal what successful companies do differently there.

They recognize India's uniqueness. Copying strategies from other markets rarely works. India demands its own business models and go-to-market approaches.

They work with the states. India has 28 states and twice the population of the EU. The most successful companies build relationships state by state, adapting their approach to local conditions.

They embrace localization. India has many markets, defined by regions, states, cities, languages, and income levels. The most successful companies carefully segment their approach while avoiding excess complexity. This is necessary but not simple.

They understand what consumers value. While Indian consumers are price-sensitive, they're not just bargain hunters. They have sophisticated ways of assessing value, especially the growing affluent segment that will generate over half of household spending by 2030.

They empower local leaders. Too many companies try to run Indian operations through layers of regional management. The India team needs the autonomy to adapt quickly, to invest in local talent development, and to establish local practices.

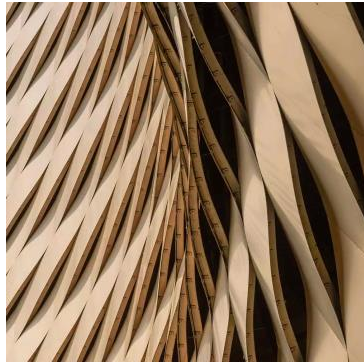
Finally, CEOs must invest time and energy in India. It's not enough to sit in a boardroom in Delhi or Mumbai. CEOs need to visit the field and meet with customers. They need to understand and manage the tradeoffs between local innovation and global scale that are necessary in this land of opportunity.

Until next time,



Christoph Schweizer
Chief Executive Officer

Further Insights



The CEO's Guide to India

It's getting easier to do business in India, but it's still challenging. Here's how CEOs can avoid common mistakes and successfully navigate India's burgeoning opportunities.

WHAT YOU NEED TO KNOW



The \$2 Trillion Opportunity: How Gen Z Is Shaping the New India

Learn about the economic power of Gen-Zers in India and how they're rapidly transforming the way brands must think, act, and engage.

MARKETING IS KEY



The CEO Agenda

A forward-thinking CEO agenda has never been more crucial. Our insights give you greater clarity on what lies ahead, helping you lead with confidence.

INSIGHTS THAT MATTER