

Value-Focused Shoppers Drive Outlet Mall Resurgence Across India



India is witnessing a notable resurgence in the popularity of outlet malls, with eight to ten new projects currently in development nationwide. This trend, gaining significant traction as of Sunday, July 27, 2025, is a clear indicator of accelerating value retail, where consumers are increasingly seeking substantial discounts on prominent brands. These dedicated shopping destinations offer year-round price reductions of 50-70%, a compelling proposition for bargain hunters.

Historically, factory outlets of major brands such as Nike, Puma, Adidas, and Calvin Klein have been found on traditional high streets. However, a new retail concept, the purpose-built outlet mall, is now capturing the attention of both developers and retailers. These malls are designed as one-stop shopping destinations, typically housing 80-100 different brands across clothing, footwear, and accessories. A key factor in their appeal is their typical location on the periphery of large consumption centers, often near highways or expressways, which allows for significantly lower rents for retailers compared to prime city locations.

Prakash Patel, Managing Director of Bhumi World, highlighted this strategic advantage, stating, "Outlet malls the world over are typically located outside large cities, near highways and expressways, offering low rents to their retailers, who are assured of a dedicated space for discount selling. In India, the concept is picking up, mostly at the periphery of large consumption centers to take advantage of low rents in these places." He also noted that increasing chaos and crowding on high streets within cities further aid the growth of these more accessible, off-city retail hubs.

The benefit for retailers is clear: lower operational costs, primarily in rent, can be passed on to consumers, while providing a dedicated space to efficiently liquidate inventory. While some experts, like Gulam Zia of Knight Frank India, express caution regarding the competition from online channels and in-store sales, many retailers remain optimistic. Manish Kapoor, MD of Marks & Spencer India, confirmed that "popular and premium brands are looking at outlet malls seriously." However, he noted that "luxury brands remain skeptical of outlet malls, fearing that they may dilute their brand proposition."

Beyond just discounts, outlet malls are evolving to enhance the overall shopping experience. They are increasingly incorporating food and beverage options and entertainment facilities, transforming them into comprehensive leisure destinations. As more retail brands expand their presence in India, the need for effective inventory liquidation will continue to grow, solidifying the role of outlet malls in meeting consumer demand for quality products at attractive prices.