

The Decline of Indian Smartphone Brands in a Competitive Market

Naveen NMK¹, Dr. S.P. Jain²

¹Research Scholar, SoS in Commerce & Research Centre, Maharaja Chhatrasal Bundelkhand University, Chhatarpur

²Professor, SoS in Commerce & Research Centre, Maharaja Chhatrasal Bundelkhand University, Chhatarpur

Abstract

The Indian smartphone industry has experienced significant growth in manufacturing capacity, alongside major changes in market competition and brand performance. Indian smartphone brands, including Micromax, Intex, Karbonn, Spice, Celkon and Videocon, initially gained recognition through affordable pricing and extensive distribution. However, many subsequently lost market share or discontinued their smartphone operations. This study examines the major factors responsible for the decline of Indian smartphone brands, the challenges faced by surviving companies and the entry of new domestic competitors. A qualitative, descriptive and analytical approach was adopted using secondary data from research papers, industry reports, market-share estimates, company announcements and publicly available financial information. The findings indicate that intense competition from Chinese manufacturers, delayed technological adaptation, limited product differentiation, financial constraints and weaknesses in research and development contributed to the decline of several domestic brands. Meanwhile, Lava and Karbonn continue to represent efforts to maintain a market presence, while Micromax has attempted to revive its smartphone business. The entry of Ai+, Wobble, boltt and Mivi reflects renewed interest in the Indian smartphone market. The study concludes that sustainable growth requires stronger domestic technological capabilities, efficient manufacturing, competitive products, reliable software support, effective distribution and dependable after-sales services.

Keywords: Indian Smartphone Industry, Smartphone Brands, Market Share, Brand Decline, Smartphone Manufacturing, Brand Revival, Domestic Manufacturing, Competitive Strategy

1. Introduction

India has emerged as one of the world's largest smartphone markets and a major mobile-phone manufacturing centre. Domestic production increased from approximately ₹18,000 crore in FY 2014-15 to ₹5.45 lakh crore in FY 2024-25, while exports rose from ₹1,500 crore to approximately ₹2 lakh crore. More than 300 manufacturing units were reported nationwide, making India the world's 2nd largest mobile-phone manufacturer by volume. However, substantial production remains associated with international brands, limiting the equivalent growth of Indian-owned smartphone brands.

The market has become increasingly competitive and valuable. In 2025, smartphone shipments increased by 1%, while market value grew by 8%. Vivo led by volume with a 20% share, whereas Apple led by value with 28%. In Q2 2026, shipments declined by 11% year-on-year amid rising memory costs and

affordability pressures. Consequently, pricing, quality, technology, distribution and brand positioning remain critical.

During the industry's early growth, Micromax, Intex, Lava, Karbonn, Spice, Celkon, Maxx and Videocon gained recognition through affordable handsets and extensive retail distribution. Micromax reached approximately 18% smartphone market share in early 2014. However, Chinese manufacturers expanded their portfolios, accelerated launches and strengthened marketing and online distribution. The combined share of Micromax, Intex, Lava and Karbonn declined from above 35% at the end of 2015 to below 10% by late 2018. Delayed 4G adoption, weak differentiation, financial pressures, limited distribution capabilities and inadequate research investment contributed to this decline. Several brands subsequently reduced or discontinued smartphone operations.

Lava, Karbonn and Micromax have continued different efforts to retain or rebuild their positions. Lava has introduced smartphones, Karbonn remains associated with affordable devices, and Micromax has attempted revival through its IN series without restoring its former position.

More recently, Ai+, Wobble, bolt and Mivi have entered affordable and mid-range segments. Mivi launched the Mivi One 5G in September 2026, with Flipkart availability in October at a promotional starting price of ₹11,999. Their long-term success depends on reliable products, competitive pricing, effective distribution and consumer confidence.

2. Objectives of the Study

1. To examine the growth, decline, and current market position of Indian smartphone brands, with particular reference to brands that discontinued or reduced their smartphone operations.
2. To analyse the major factors responsible for the decline of Indian smartphone brands and identify the strategies required for their revival and competitiveness in the Indian market.
3. To examine the market entry of new Indian smartphone brands and assess their opportunities and challenges in establishing a sustainable position in the Indian smartphone industry.

3. Literature Review

Narayanan (2024) examined brand transitions in emerging markets through case studies of ten Indian brands and developed a framework based on government involvement and firms' market orientation. The study provides a useful foundation for examining the decline and transformation of Indian smartphone brands, including the importance of strategic adaptation to changing market conditions.

Chakraborty and Henry (2019) investigated the effects of Chinese import competition on Indian manufacturing firms using firm-level product data. Their findings showed that increased Chinese import competition reduced product variety among smaller firms, suggesting that domestic smartphone brands with limited resources face greater difficulties in sustaining broad product portfolios.

Raju and Saradhi (2020) examined the technological capabilities of India's electronics manufacturing industry and identified low research and development expenditure, limited domestic technological capabilities, and dependence on imported inputs as important constraints. Their findings highlight the need to strengthen product design, development capabilities, and domestic supply chains to improve the long-term competitiveness of Indian electronics manufacturers.

Anagha (2018) examined the role of innovation strategy in the growth and decline of Micromax Informatics Ltd. The study discussed how Micromax initially achieved success by addressing the needs

of rural consumers but subsequently lost market share, highlighting the importance of a comprehensive innovation strategy for sustaining organisational growth.

Nandi and Pattanayak (2015) investigated brand loyalty and switching behaviour among 600 young adults in Bengaluru. Their findings identified technical incompatibility and the availability of new technical and value-added features as major reasons for switching mobile-phone brands, indicating that established brands must continuously adapt their products to retain consumers.

Santhosh Kumar and Menon (2017) examined smartphone brand loyalty through brand image, perceived quality, brand experience, switching costs, and customer satisfaction. Their research highlights the importance of building a consistent customer experience, suggesting that Indian smartphone brands must strengthen product quality and customer satisfaction to encourage repeat purchases.

Pattanaik (2019) examined price sensitivity in smartphone purchasing among Indian consumers using data from 1,494 respondents. The study found that price influenced purchase decisions and that consumers could switch to cheaper smartphone models or alternative brands, demonstrating the importance of competitive pricing for manufacturers operating in India's price-sensitive market.

Shrivastava (2024) examined India's position in the global information and communication technology sector and the challenges associated with reducing dependence on China. The study highlighted India's reliance on Chinese technology and components, providing a broader industrial context for understanding the difficulties faced by domestic smartphone brands seeking greater technological independence.

4. Research Methodology

The present study adopts a qualitative, descriptive, and analytical approach based on secondary data. Information was collected from published research papers, academic journals, industry reports, market-share estimates, company announcements, and publicly available financial and manufacturing data. Historical market-share trends, reported sales, smartphone launches, pricing, and changes in business operations were examined to understand the decline of older Indian smartphone brands, the challenges faced by surviving brands, and the entry of new competitors. A comparative analysis was used to identify the major factors associated with brand decline and to develop recommendations for improving the competitiveness of Indian smartphone manufacturers.

5. Decline of Indian Mobile Phone Brands

The Indian mobile phone industry underwent major changes between 2009 and 2018, during which domestic brands gained recognition through affordable handsets, dual-SIM technology, extensive retail networks and competitive prices. However, their market positions were weakened by technological developments and the expansion of international brands. The transition to smartphones increased the importance of software, 4G connectivity, product design and after-sales service. Their decline was influenced by differences in business models, manufacturing arrangements, financial resources and product strategies.

Videocon Mobiles: Videocon entered India's mobile handset market by extending its consumer electronics business, which was associated with televisions and household appliances. Its feature phones and Android smartphones targeted affordable and mid-range segments through brand recognition and retail distribution. Its overall mobile phone market share increased from 1.4% in 2012 to 2.3% in 2013, before declining to 1.8% in 2014, 1.2% in 2015 and 0.6% in 2016. This decline indicated a weakening

competitive position.

BPL Telecom Handsets: BPL Telecom entered handset manufacturing before many Indian smartphone brands. In November 2004, a nationwide GSM mobile phone launch was announced. Its Palakkad, Kerala, facility was reported to have a planned annual capacity of 1.8 million handsets. Monthly production was stated at approximately 10,000 units, with targets of 25,000 by March 2005 and 150,000 by October 2005. BPL Telecom's handset business was separate from BPL Mobile, whose cellular service was rebranded as Loop Mobile in March 2009. No subsequent smartphone launches, market-share figures or continuing handset production.

Reliance LYF: Reliance Retail introduced LYF smartphones in 2016 alongside Jio's expanding 4G services. Its initial Earth, Flame, Water and Wind series targeted affordable smartphone consumers transitioning from 3G to LTE devices. Association with Jio's telecom services supported its market position. LYF captured approximately 7% of India's smartphone market during January-March of FY 2015-16, becoming the fifth-largest smartphone brand during that period. This figure represented smartphone share, not overall handset share. However, sustained market leadership was not established. Smartphone launches subsequently became less visible as JioPhone and JioBharat developed as separate product families.

Zen Mobile: Zen Mobile, associated with Telecare Group, entered the handset market in 2009 with affordable dual-SIM feature phones offering music, camera and radio functions. The Zen S10 was priced at ₹4,999 in 2010, while the M16 was launched at ₹2,449. By 31 March 2010, sales of 750,000 units across India had been reported. Zen subsequently entered Android smartphones through the Ultrafone series. The Ultrafone 701HD was launched in 2013 at ₹11,999 with a 5-inch HD display, quad-core processor and Android 4.2. Cinemax and Admire models followed, including affordable 4G VoLTE phones in 2016 and 2017. The Admire Unity, launched in November 2017, was the latest prominent smartphone launch identified.

Creo: Creo entered the smartphone market in April 2016 with the Mark 1, priced at ₹19,999. It featured a 5.5-inch Quad HD display, MediaTek Helio X10 processor, 3 GB RAM and a 21-megapixel rear camera. Its Fuel OS operating system was differentiated through monthly over-the-air updates and features including Retriever, Echo and Sense. This strategy emphasised software differentiation rather than price competition alone. However, continued investment in software updates, customer support, distribution and subsequent models was required to sustain its position.

Maxx Mobile: Maxx originated from a mobile battery business established by Ajjay Agarwal in 2002 and expanded into accessories and handsets in 2008. By 2014, its portfolio reportedly contained 84 models, including dual-SIM budget phones, touchscreen devices and Android smartphones. Approximately 550 employees and 1,000 service centres were also reported, although these figures were not independently audited. Turnover declined from ₹1,260 crore in 2011-12 to approximately ₹435 crore in 2012-13, while a loss of ₹160 crore was reported for the year ending March 2013. Currency fluctuations, obsolete handset and spare-part inventories, and high marketing expenditure were identified as contributing factors. In 2014, plans were announced for up to 250 models, including 150 Android smartphones, alongside ambitious revenue targets.

Smartron Smartphones: Established in 2013, Smartron entered the smartphone market with t.phone in 2016 at approximately ₹22,999, featuring a Snapdragon 810 processor and 5.5-inch Full HD AMOLED display. The srt.phone followed in 2017 from ₹12,999, while t.phone P was launched in 2018 at ₹7,999. Expansion into laptops, wearables, connected devices and the tronX platform was also planned.

Financial difficulties were associated with an investment commitment that did not materialise, supply-chain disruption and debt pressure. The company reportedly raised over US\$50 million and achieved approximately US\$25 million in annual revenue across its wider business, not smartphones alone. Its first product business was stated to have stopped in 2024.

Spice Mobiles: Spice Mobility gained recognition through affordable handsets featuring dual-SIM functionality, basic multimedia features and extensive retail availability. Its overall mobile phone market share declined from 2.9% in 2012 to 2.3% in 2013, 2.2% in 2014, 1.5% in 2015 and 1.2% in 2016. These figures represented overall handset retail-volume shares rather than smartphone-only shares. Its position weakened as smartphone adoption increased and international competitors expanded their portfolios. The Spice F311, launched in 2018, was the latest prominent smartphone launch identified in the available records.

Celkon: Celkon entered India's handset market with affordable feature phones and budget Android smartphones, competing with Nokia, Samsung and other international brands through pricing and retail distribution. Its overall mobile phone market share increased from 1.0% in 2012 to 1.7% in 2013, before declining to 1.6% in 2014 and 1.4% in both 2015 and 2016. These figures represent the overall handset market, not smartphones alone. Its position weakened as consumers shifted towards advanced 4G devices and competitors introduced products more frequently.

iBall Mobile Phones: iBall expanded from computer peripherals into mobile phones and tablets, with its Andi smartphone series targeting affordable segments. The Andi Wink 4G was launched in September 2016 at approximately ₹5,999, featuring a 5-inch display, 2 GB RAM and 16 GB internal storage. Prominent smartphone launches were concentrated between 2013 and 2017. Reliable annual smartphone market-share and production-capacity figures remain unavailable. In January 2026, Zebronic announced the acquisition of iBall, presenting it as a revival of the wider technology brand.

Micromax: Micromax became a leading domestic mobile brand during the late 2000s and early 2010s through affordable feature phones, dual-SIM handsets and Android smartphones distributed beyond major cities. Annual sales reportedly exceeded ₹10,000 crore in 2014-15, while smartphone market share reached approximately 18% in early 2014 before falling below 5% in 2018. Intense competition, delayed adaptation to 4G, frequent Chinese product launches and competitive hardware contributed to its decline. Reliance on imported components also constrained technological development among domestic manufacturers. Micromax struggled to maintain comparable innovation, and subsequent launches did not restore its former position.

Intex Technologies: Intex expanded from electronics and computer-related products into affordable mobile handsets and Android smartphones. Its overall mobile phone market share rose from 1.5% in 2012 to 2.6% in 2013, 4.9% in 2014, 10.7% in 2015 and 11.6% in 2016. These figures represent the overall handset market rather than smartphones alone. Subsequently, international competitors offered stronger specifications at competitive prices, contributing to declining sales. Company sales reportedly more than halved between FY 2015-16 and FY 2017-18. This decline reflected the difficulties faced by domestic manufacturers during the transition to 4G smartphones.

Other Indian Mobile Brands: Several other Indian mobile brands entered the handset market but failed to establish a sustained smartphone presence. Lemon Mobiles targeted budget consumers with affordable handsets offering calling, messaging and multimedia functions. Xolo, associated with Lava International, competed in budget and mid-range smartphones through Android devices using Intel and MediaTek processors. YU Televentures, introduced by Micromax, adopted an online-first strategy with

models such as Yureka, launched in 2014 at ₹8,999, and Yutopia in 2015. YU reportedly sold over two million units in 2015, but sustained product development and market presence were not maintained.

Mitashi entered mobile phones through specialised and general-purpose devices. Its PLAY Senior Friend AP103 was launched in October 2014 at ₹4,999 with large text, a simplified dialler, an SOS button, a 4-inch IPS display, a dual-core processor and 512 MB RAM. The PLAY Thunderbolt followed in December 2014 at ₹12,990, featuring a 5-inch HD display and a 4,200 mAh battery. Swipe also competed in the affordable smartphone and tablet segments, although its sustained market position and no recent product activity.

Ringing Bells attracted attention in February 2016 with the Freedom 251, announced at ₹251. Proposed manufacturing plants in Noida and Uttarakhand, claimed production capacity of 500,000 phones and proposed investment of ₹230-250 crore were announced but were not independently verified as achieved outcomes. Ordering difficulties, questions about production costs and delivery, distributor disputes and fraud allegations affected the venture. These allegations should not be treated as final judicial findings without supporting court records.

Onida extended its established consumer-electronics brand into basic phones and smartphones but did not establish a sustained position comparable with leading manufacturers. Billion, introduced by Flipkart in 2017, focused on Indian consumers through online retail. Its Capture+ smartphone was launched in November 2017 at ₹10,999 for the 3 GB RAM and 32 GB storage variant and ₹12,999 for the 4 GB RAM and 64 GB variant. It featured a Snapdragon 625 processor, a 5.5-inch Full HD display, dual 13-megapixel rear cameras and a 3,500 mAh battery, with Smartron contributing to design and engineering. Across these brands, reliable current market-share, annual revenue and production data remain limited. Recent smartphone activity could not be consistently verified for Lemon, Xolo, YU, Mitashi, Ringing Bells, Swipe, Onida and Billion. Their experiences highlight the challenges of sustaining product development, technological competitiveness, distribution, software support and consumer confidence.

6. Survival of Older Indian Mobile Brands

The position of older Indian mobile brands changed considerably after the early 2010s. Micromax, Lava and Karbonn initially benefited from affordable prices, extensive retail distribution and rising demand for feature phones and entry-level smartphones. However, their market positions weakened as Chinese manufacturers expanded their portfolios, improved specifications and invested heavily in online sales and promotion. Their subsequent performance differed, with some brands retaining a presence in selected segments while others experienced substantial declines in market share.

Lava International: Lava International established itself as a significant domestic handset brand through affordable products and expanding retail distribution. Its overall mobile-phone market share increased from 5.3% in 2012 to 6.5% in 2013, 7.2% in 2014, 10.6% in 2015 and 11.6% in 2016, including both feature phones and smartphones. However, rising demand for 4G connectivity, improved cameras, better processors and regular software updates intensified competition from Chinese manufacturers. By 2018, Lava's smartphone share was estimated at approximately 3%, compared with around 7% in feature phones. Lava continued introducing affordable smartphones with a relatively clean Android experience and after-sales support. Shipments in the below-₹10,000 segment reportedly grew by 156% year-on-year in Q2 2025 and 135% in Q3 2025. However, this segment-level growth did not establish an equivalent increase in overall smartphone market share.

Karbons Mobiles: Karbons expanded through affordable handsets and Android smartphones, including the Titanium series. In March 2014, investments of ₹300 crore in marketing and sales and approximately ₹400 crore in research and development were planned for the following financial year, alongside a revenue target of ₹8,000 crore for FY 2014-15. These were announced targets, not verified final results. In 2014, feature phones represented 80% of handsets sold and smartphones 20%. Smartphones contributed approximately 40% of revenue, with an increase to 65% anticipated. Overall handset market share rose from 7.7% in 2012 to 9.0% in 2013 and 9.1% in 2014, before declining to 6.2% in 2015 and 4.5% in 2016, a reduction of approximately 50.5% from 2014. By 2018, smartphone share was estimated at negligible levels, while feature-phone share stood at approximately 3%. The combined smartphone share of Micromax, Intex, Lava and Karbons fell from 26% in 2016 to 8% in 2018, while their combined feature-phone share declined from 42% to 14%.

Micromax: Micromax grew through affordable smartphones, competitive specifications and extensive distribution. Its overall mobile-phone market share increased from 6.6% in 2012 to 11.8% in 2013 and 15.2% in 2014, before declining to 14.4% in 2015 and 14.8% in 2016. Smartphone share fell from 17.7% in Q3 2015 to 9.9% in Q3 2016, while overall handset share declined from 13.8% to 10.2%. Sales reportedly grew by 47% in FY 2014-15 before declining by 6% in FY 2015-16. Reported sales were ₹104.51 billion in FY 2014-15, ₹98.26 billion in FY 2015-16 and ₹56.14 billion in FY 2016-17, representing the wider business rather than smartphone-only revenue. Stronger Chinese competition, delayed adaptation to 4G and a substantial reliance on 3G devices contributed to the decline. Xiaomi, Vivo, Oppo and Lenovo expanded through frequent launches, competitive specifications and aggressive marketing. Micromax later attempted a revival through the IN series, including IN Note 1 and IN 1b in 2020 and IN 2b in 2021. However, its former market position was not restored.

7. New Indian Smartphone Brands

The entry of new Indian smartphone brands reflects renewed efforts to capture the affordable and mid-range segments of the domestic market. Different approaches have been adopted by Ai+, Wobble, bolt and Mivi, ranging from budget smartphones to devices offering comparatively stronger specifications. Their entry has taken place in a market where established brands already possess extensive distribution networks and substantial consumer recognition. Therefore, product launches and competitive pricing are considered evidence of market entry, but significant market share cannot be established through these factors alone.

Ai+: Building a Smartphone Portfolio Across Price Segments: Ai+ entered the Indian smartphone market with budget and higher-priced models. Its Nova 2 5G was listed at ₹9,999, the Nova 2 Ultra 5G at ₹20,999 and the Nova 2 Power 5G at ₹16,999, with a reported release date of September 19, 2026. These prices indicate a strategy targeting multiple segments rather than entry-level buyers alone. Its product availability establishes market entry, but sustained sales and consumer adoption remain necessary to establish its competitive position.

Wobble: Higher Specifications With Limited Market Impact: Wobble launched the Wobble One on November 19, 2025, targeting the mid-range segment. The device featured a MediaTek Dimensity 7400 processor, a 120 Hz AMOLED display and configurations offering up to 12 GB RAM and 256 GB storage. Listed prices ranged from approximately ₹22,899 to ₹24,999. Despite these specifications, its impact on the broader Indian smartphone market was assessed as limited. Product specifications alone

have not established substantial market penetration. Consumer trust, distribution, after-sales support and brand visibility remain important competitive factors.

boltt: Affordable 4G and 5G Smartphones: Fire-Boltt, previously associated with smartwatches and audio products, entered the smartphone market in August 2026 under the boltt brand. Its initial portfolio included the boltt Evo 4G at ₹10,999 and the boltt Ace 5G at ₹13,999. Both featured a 6.79-inch 120 Hz display and a 6,000 mAh battery, while the Ace 5G included a 64 MP rear camera. A target of one million smartphone sales was announced, although actual achievement was not verified. In October 2026, selected Flipkart listings displayed prices of ₹9,999 for the Evo and ₹11,999 for the Ace. The Evo received 2,048 ratings and 987 reviews, while the Ace received 477 ratings and 226 reviews.

Mivi: Smartphone Launch and Online Distribution: Mivi entered the smartphone market with the Mivi One 5G in September 2026, expanding from its established audio-products business. The device featured a Snapdragon 4 Gen 2 processor, a 6,000 mAh battery, a 50 MP rear camera system, Android 16 and 128 GB storage. Launch prices were ₹14,999 for 4 GB RAM, ₹15,999 for 6 GB RAM and ₹16,999 for 8 GB RAM. On Flipkart in October 2026, the respective variants were listed at ₹12,999, ₹14,999 and ₹16,499. A separate price-tracking listing recorded ₹14,999 for the 8 GB variant on October 9, 2026. These differences reflect promotional offers and changing sale prices.

8. Major Factors Responsible for the Decline of Indian Smartphone Brands

The decline of Indian smartphone brands resulted from interconnected technological, competitive, financial and operational challenges. Although mobile manufacturing expanded in India, domestic brands struggled to maintain their market positions. International competition, changing consumer preferences, limited innovation and weak business strategies reduced their competitiveness. Financial constraints and inadequate customer support further complicated their recovery.

Intensifying Competition from International Brands: The expansion of Xiaomi, Vivo, Oppo, Realme and Transsion intensified competition for Micromax, Intex, Karbonn, Lava and other Indian brands. International manufacturers offered competitive prices, frequent product launches, advanced specifications and substantial marketing support. They responded quickly to changing consumer expectations and strengthened their distribution networks. Consequently, the combined smartphone market share of Micromax, Intex, Lava and Karbonn fell from more than 35% at the end of 2015 to below 10% by late 2018. Domestic brands struggled to maintain their earlier advantages in an increasingly competitive market.

Delayed Technological Adaptation: The transition from 3G to 4G, including VoLTE technology, changed consumer expectations regarding internet speed, video streaming, online payments and app-based services. Reliance Jio accelerated this transition through affordable data services. Several Indian manufacturers struggled to introduce compatible devices quickly enough. Smartphone shipments in India exceeded 100 million units in 2015, reflecting rapid market expansion. However, growth increasingly favoured brands offering updated technology and reliable performance. Micromax's delayed response weakened its market position, demonstrating that domestic assembly alone could not ensure competitiveness without technological adaptation.

Limited Research, Product Development and Software Investment: Several Indian brands relied heavily on affordable prices and basic hardware specifications. Sustained competitiveness, however, required better cameras, battery performance, processing power, software reliability, security updates and product design. Limited investment in research and development restricted their ability to introduce

distinctive products. Micromax's smartphone market share declined from approximately 18% in early 2014 to below 5% in 2018. Falling sales subsequently restricted investment in innovation and marketing, creating a cycle of declining competitiveness and reduced financial resources.

Dependence on Imported Components and Limited Manufacturing Control: Several domestic brands relied on imported components, externally manufactured handsets or original design manufacturers. This approach reduced initial investment and supported faster product launches, but limited control over product design, component sourcing, manufacturing quality and technological development. India's import bill for electronic components and subcomponents increased from US\$8.8 billion in 2014 to US\$12.6 billion in 2017. Domestic assembly did not automatically establish advanced engineering capabilities or strong component ecosystems. The National Policy on Electronics 2019 sought to strengthen domestic electronics manufacturing, highlighting the importance of developing local capabilities.

Aggressive Pricing, Financial Pressure and Limited Economies of Scale: International competitors used discounts, online promotions and extensive advertising to attract consumers. Smaller Indian brands struggled to match these strategies while covering product development, distribution, warranty and service costs. Their limited sales volumes also increased per-unit expenses. Micromax's revenue declined from ₹10,450.47 crore in FY 2014-15 to ₹5,614 crore in FY 2016-17. This decline reduced its financial flexibility and restricted investment in new products, marketing and recovery efforts. Excessive price competition therefore intensified existing financial weaknesses and made sustainable profitability more difficult.

Inventory Obsolescence and Working-Capital Constraints: Rapid technological changes reduced demand for older devices, particularly during the transition to 4G. Delayed launches and inaccurate demand forecasts increased unsold inventory, forcing manufacturers to offer discounts on outdated products. Intex's revenue declined by approximately 30%, from ₹6,233.42 crore in FY 2015-16 to ₹4,364.08 crore in FY 2016-17. Unsold stock tied up working capital while payments to suppliers, employees and distribution partners remained necessary. These pressures reduced the resources available for product development and timely market responses.

Weak Online Strategies, Distribution and Retail Visibility: Online retail transformed smartphone purchasing through price comparisons, customer reviews, digital advertising and promotional offers. Almost one in three smartphones sold in India during 2015 was purchased online. Brands without effective e-commerce strategies struggled to benefit from this shift. Meanwhile, international competitors combined online sales with extensive physical retail networks. In 2018, several Indian brands reduced their in-store promotional staff, weakening product demonstrations and customer engagement. Limited retail visibility, inconsistent availability and inadequate dealer support further reduced their ability to attract consumers.

Insufficient Marketing and Weak Brand Differentiation: Chinese manufacturers strengthened brand awareness through advertising, celebrity endorsements, cricket sponsorships, digital campaigns and retail promotions. Indian brands lacked comparable marketing resources as their revenues declined. Moreover, several manufacturers competed mainly through low prices and similar specifications instead of establishing distinctive identities. This weakened consumer recognition and made products easier to replace with competing alternatives. Historical brand awareness alone could not compensate for outdated devices, inconsistent quality or limited innovation. Effective differentiation required demonstrable product advantages and consistent marketing.

Management Instability and Inefficient Product Portfolios: Management changes, disagreements over business direction and delayed product launches affected some domestic manufacturers. Smartphone businesses required coordination across research, pricing, marketing, software, inventory and distribution. Excessive product launches also increased procurement costs, complicated software maintenance and divided promotional resources. Similar specifications weakened differentiation, while inaccurate demand forecasts increased inventory risks. These operational weaknesses reduced efficiency and complicated investment decisions, particularly when companies were already facing declining sales and intense competition.

Changing Consumer Preferences and Weak After-Sales Support: Consumers increasingly prioritised camera quality, battery performance, display technology, processing power, 5G connectivity, software support and brand reputation. Demand also shifted towards higher-value smartphones, challenging manufacturers concentrated on entry-level devices. Inadequate security updates, unreliable software, limited repair facilities and warranty problems further weakened consumer confidence. Poor after-sales experiences reduced repeat purchases and recommendations. Brands therefore lost competitiveness not only through product limitations but also through their inability to provide dependable support throughout the device's useful life.

External Economic Disruptions and Financial Vulnerability: Demonetisation disrupted retail activity and consumer spending while competition was intensifying. Smaller manufacturers faced additional difficulties in supporting dealers, meeting employee expenses and financing product development. Declining revenues made these obligations harder to manage. In December 2018, salary-payment delays were reported at Lava, illustrating the financial pressures experienced by domestic manufacturers. Companies with limited financial reserves had fewer resources to withstand market disruptions, sustain operations and introduce competitive products.

Limited International Expansion and Diversification Challenges: Several Indian brands depended heavily on domestic demand, limiting opportunities to offset declining local sales through international markets. Foreign expansion required investment in distribution, regulatory compliance, marketing and after-sales services. Some companies diversified into televisions, appliances, audio products and other electronics. However, diversification demanded additional capital and management attention and did not automatically restore smartphone competitiveness. Manufacturing devices in India for international brands also did not necessarily establish successful Indian-owned brands with independent identities and customer bases.

Weak Brand Ecosystems and Difficulties in Revival: Leading manufacturers increasingly connected smartphones with wearables, tablets, televisions, audio devices, accessories and digital services. Several Indian brands remained focused on handset prices and specifications, limiting ecosystem-based differentiation. Micromax attempted to revive its smartphone business through the IN series introduced in 2020, but its former market position was not restored. Sustainable revival required consistent product launches, dependable software, reliable customer support, technological investment and effective distribution rather than isolated product introductions.

9. Strategic Recommendations for the Revival of Indian Smartphone Brands

The revival of Indian smartphone brands requires improvements in technology, manufacturing, product quality and customer service. Affordable pricing alone is insufficient to ensure long-term

competitiveness. Sustainable growth requires efficient operations, consumer trust, financial discipline and a clear business strategy.

Improve Manufacturing Efficiency and Product Quality: Indian smartphone brands should modernise existing facilities, reduce production costs and improve quality control. Manufacturing volumes should match actual demand. Contract manufacturing should be used where appropriate to reduce capital investment without compromising product quality or design.

Develop Domestic Technology and Components: Investment in research, engineering and product development should be increased. Domestic production of batteries, chargers, circuit-board assemblies and other components should be strengthened. Partnerships with established suppliers should support access to advanced technologies and reduce excessive dependence on imported components.

Maintain a Focused Product Portfolio: Brands should concentrate on a limited range of affordable, mid-range and premium smartphones. Each model should serve a clear consumer requirement. Market research should guide new launches to reduce inventory costs, marketing expenditure and unnecessary product duplication.

Strengthen Budget Smartphones Without Excessive Discounting: Affordable devices should offer reliable hardware, adequate storage, long battery life and dependable software. Excessive discounting reduces profit margins and limits future investment. Better supplier agreements, standardised components and accurate demand forecasting should control costs without reducing product reliability.

Establish a Distinctive Brand Identity: Indian brands should build their identities around genuine advantages, including durability, battery performance, clean software, repairability and privacy. Historical brand recognition alone cannot restore competitiveness. Marketing should communicate verifiable product benefits and deliver consistent customer experiences.

Provide Reliable Software and Security Updates: Every smartphone should have a clearly defined policy for operating-system upgrades, security updates and software support. Testing should be completed before updates are released. Common software platforms across product ranges would reduce maintenance costs and improve the customer experience.

Strengthen After-Sales Services: Authorised service centres and certified repair partners should serve urban, rural and smaller-town customers. Spare parts, warranty claims and repair times should be managed efficiently. Customer complaints and satisfaction should be monitored regularly to improve service quality and build consumer confidence.

Integrate Online and Offline Distribution: E-commerce platforms should be combined with strong physical retail networks. Online channels provide wider reach, while stores allow demonstrations and personal assistance. Retailers should receive reasonable margins, training and promotional support. Consistent pricing and product availability should be maintained across both channels.

Use Consumer Research Before Product Launches: Consumer surveys, retailer feedback, product trials, online reviews and warranty complaints should guide product decisions. Pilot launches should assess demand, pricing and customer satisfaction before large-scale production begins. This approach would reduce inventory risks and improve the commercial success of new devices.

Build Strong Supplier Partnerships: Smaller brands should consider shared manufacturing facilities and contract-manufacturing arrangements. Reliable suppliers, clear quality standards and alternative sourcing options would reduce costs and supply disruptions. Government incentives should support commercially viable operations rather than replace sound business decisions.

Invest in Skilled Employees and Technical Leadership: Brands should recruit and retain professionals in hardware engineering, software development, product design, quality control and supply-chain management. Partnerships with technical institutions should strengthen employee training. Stable technical teams would preserve expertise and improve coordination across product development and manufacturing.

Use Technology Partnerships Strategically: Partnerships with chipset manufacturers, camera specialists, software developers and design companies should accelerate product development. External expertise should strengthen internal capabilities rather than create permanent dependence. Brands should retain control over quality, pricing, product differentiation and customer support.

Expand Internationally After Domestic Stabilisation: International expansion should follow the establishment of competitive products and reliable services in India. Foreign markets should be selected according to consumer demand, regulations, distribution costs and service availability. Export decisions should be based on profitability and customer retention rather than shipment volumes alone.

Develop Long-Term Customer Loyalty: Transparent pricing, clear warranty conditions, affordable repairs and dependable software support should form the basis of customer relationships. Exchange programmes and loyalty benefits should encourage repeat purchases without creating excessive costs. Customer feedback should guide future product improvements.

Maintain Financial Discipline: Brands should assess manufacturing costs, marketing expenditure, distribution margins and warranty obligations before expanding. Production should reflect actual demand, and slow-moving inventory should be managed promptly. Adequate working capital should be maintained to support suppliers, retailers and after-sales services.

Follow a Phased Recovery Strategy: Recovery should begin with operational stability, product quality and reliable services. The next stage should strengthen distribution, software support and product differentiation. Long-term development should focus on advanced technology, domestic suppliers and selective exports. Progress should be measured through profitability, customer satisfaction, repeat purchases and market share.

10. Conclusion

The study concludes that India has developed a strong mobile-phone manufacturing base, but this progress has not translated into comparable success for Indian-owned smartphone brands. Micromax, Intex, Karbonn, Lava, Spice, Celkon, and other domestic brands initially gained recognition through affordable prices and extensive retail distribution. However, several of these brands subsequently lost market share or discontinued their smartphone operations. Intense competition from Chinese manufacturers, delayed adoption of new technologies, limited product differentiation, financial constraints, and weaknesses in research and development contributed to this decline. The experiences of Micromax and Intex particularly demonstrate how declining sales and changing consumer preferences weakened previously established businesses.

Nevertheless, the Indian smartphone industry continues to provide opportunities for domestic brands. Lava and Karbonn represent continuing efforts to maintain a market presence, while Micromax has attempted to revive its smartphone business. The entry of Ai+, Wobble, boltt, and Mivi indicates renewed interest in the market. However, new product launches and competitive prices alone do not guarantee sustainable growth. Long-term success requires efficient manufacturing, stronger domestic

technological capabilities, reliable software support, effective distribution, and dependable after-sales services.

The study concludes that Indian smartphone brands must move beyond price-based competition and develop distinctive products supported by sustainable business models. Greater investment in research and development, component manufacturing, quality control, consumer research, and financial management is essential for improving competitiveness. Domestic manufacturing growth provides an important foundation, but market leadership will depend on the ability of Indian brands to convert manufacturing capacity into consumer trust, profitable sales, and sustained market-share growth.

References

1. Anagha, K. (2018). Role of innovation strategy in organizational success: The case of Micromax Informatics Ltd. *International Journal of Advances in Social Sciences*, 6(2), 139-142. <https://doi.org/10.5958/2454-2679.2018.00014.2>
2. Aulakh, G. (2018, April 19). Lava, Intex, Micromax, Karbonn, others cut sales hands to save costs. *The Economic Times*. <https://economictimes.indiatimes.com/tech/hardware/lava-intex-micromax-karbonn-others-cut-sales-hands-to-save-costs/articleshow/63836675.cms>
3. Chakraborty, P., & Henry, M. (2019). Chinese competition and product variety of Indian firms. *Journal of Comparative Economics*, 47(2), 367-395. <https://doi.org/10.1016/j.jce.2018.12.003>
4. Das Gupta, S. (2026, September 9). Indian smartphone brands eye sub-₹20,000 gap as Chinese firms go premium. *Business Standard*. https://www.business-standard.com/industry/news/indian-smartphone-brands-sub-20000-market-memory-costs-chinese-brands-126090900247_1.html
5. Dubey, N. (2020, June 23). *Whatever happened to Indian smartphone brands?* TechPP. <https://techpp.com/2020/06/23/indian-smartphone-brands/>
6. Dutta, A. (2016, January 30). Micromax market share dips in professional regime. *Business Standard*. https://www.business-standard.com/article/companies/micromax-market-share-dips-in-professional-regime-116012700552_1.html
7. Dutta, A. (2018, December 18). China effect: Tough times for Indian brands Micromax, Lava, Intex, Karbonn. *Business Standard*. https://www.business-standard.com/article/companies/china-effect-tough-times-for-indian-brands-micromax-lava-intex-karbonn-118121801153_1.html
8. Dutta, A. (2018, January 30). Down but not out: The big four of Indian smartphone industry. *Business Standard*. https://www.business-standard.com/article/companies/down-but-not-out-the-big-four-of-indian-smartphone-industry-118013000415_1.html
9. Dutta, A. (2019, April 10). How Indian handset cos have lost their status as feisty challengers to MNCs. *Business Standard*. https://www.business-standard.com/article/companies/how-indian-handset-cos-have-lost-their-status-as-feisty-challengers-to-mncs-119041000827_1.html
10. ET Bureau. (2014, January 13). Ajay Agarwal's Maxx Mobile is a multi-crore brand in a decade. *The Economic Times*. <https://economictimes.indiatimes.com/small-biz/entrepreneurship/ajay-agarwals-maxx-mobile-is-a-multi-crore-brand-in-a-decade/articleshow/28672436.cms>
11. ETTelecom. (2019, February 6). *Domestic brands like Lava, Micromax eye international expansion; renew focus on entry-level smartphones*. *The Economic Times*. <https://telecom.economictimes.indiatimes.com/news/domestic-brands-like-lava-micromax-eye-international-expansion-renew-focus-on-entry-level-smartphones/67870704>

12. Gupta, D. (2014, April 21). Maxx Mobile aims six-fold jump in revenue this fiscal year. *The Economic Times*. <https://economictimes.indiatimes.com/tech/hardware/maxx-mobile-aims-six-fold-jump-in-revenue-this-fiscal-year/articleshow/34052026.cms>
13. High-Level Advisory Group. (2019). *Report of the High-Level Advisory Group*. Department of Commerce, Ministry of Commerce and Industry, Government of India. https://www.commerce.gov.in/wp-content/uploads/2020/02/MOC_637084606089692212_HLAG-Report-.pdf
14. Internet and Mobile Association of India. (2019). *Make in India 2.0: Revisiting mobile manufacturing*. <https://www.readkong.com/page/make-in-india-2-0-revisiting-mobile-manufacturing-iamai-9334025>
15. Mathapati, A. C., & Vidyavati, K. (2018). A review of Indian mobile phone sector. *IOSR Journal of Business and Management*, 20(2), 8-17. <https://doi.org/10.9790/487X-2002020817>
16. Ministry of Electronics and Information Technology. (2026, April 1). *Domestic value addition in electronics manufacturing has improved significantly over the years; currently at 18%-20%*. Press Information Bureau, Government of India. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2247771&lang=1®=46>
17. Ministry of Electronics and Information Technology. (n.d.). *Production linked incentive scheme (PLI) for large scale electronics manufacturing*. Government of India. <https://www.meity.gov.in/offerings/schemes-and-services/details/production-linked-incentive-scheme-pli-for-large-scale-electronics-manufacturing-gNyMDOtQWa>
18. Mukherjee, W. (2016, November 14). Micromax sales down 6 per cent in FY16. *The Economic Times*. <https://economictimes.indiatimes.com/tech/hardware/micromax-sales-down-6-per-cent-in-fy16/articleshow/55405810.cms>
19. Mukherjee, W. (2017, November 23). Micromax's profit triples to Rs 365.8 crore in FY17. *The Economic Times*. <https://economictimes.indiatimes.com/tech/hardware/micromaxs-profit-triples-to-rs-365-8-crore-in-fy17/articleshow/61760659.cms>
20. Mukherjee, W., & Malviya, S. (2017, November 8). Reliance Jio's ripple effect: Intex says sales plunged 30% in 2016-17. *The Economic Times*. <https://economictimes.indiatimes.com/news/company/corporate-trends/reliance-jios-ripple-effect-intex-says-sales-plunged-30-in-2016-17/articleshow/61553855.cms>
21. Nair, N. P. (2026, September 24). *Mivi One 5G launched in India with Snapdragon 4 Gen 2 SoC, 6,000mAh battery: Price, specifications*. Gadgets 360. <https://www.gadgets360.com/mobiles/news/mivi-one-5g-price-in-india-launch-specifications-features-sale-12091151>
22. Nandi, S., & Pattanayak, J. K. (2015). Brand loyalty and switching: An empirical study on mobile phone usage among young Indian adults. *Indian Journal of Marketing*, 45(3), 39-53. <https://doi.org/10.17010/ijom/2015/v45/i3/79966>
23. Narayanan, P. (2024). Brand transitions in emerging markets: An exploratory perspective and research framework. *Journal of Strategic Marketing*, 32(3), 333-357. <https://doi.org/10.1080/0965254X.2023.2229322>
24. Nasir, K. (2026, August 25). *Boltt launches Ace 5G, Evo phones with 6,000mAh battery and 120Hz display: Details*. India Today. <https://www.indiatoday.in/technology/news/story/boltt-launches-ace-5g-evo-phones-with-6000mah-battery-and-120hz-display-details-2979483-2026-08-25>

25. Nimkar, S. (2026, September 18). *The new entrants reshaping India's affordable smartphone market*. Counterpoint Research. <https://counterpointresearch.com/en/insights/the-new-entrants-reshaping-indias-affordable-smartphone-market>
26. NITI Aayog. (2026, February). *Trade Watch quarterly: July-September (Q2 FY 2025-26)*. <https://www.niti.gov.in/node/2193>
27. Pathak, T. (2015, April 30). *Market monitor: Q1 2015: Handset & smartphones India*. Counterpoint Research. <https://counterpointresearch.com/en/insights/market-monitor-q1-2015-handset-smartphones-india>
28. Pathak, T. (2016, February 2). *India surpasses USA to become the second largest smartphone market in the world*. Counterpoint Research. <https://counterpointresearch.com/en/insights/india-surpasses-usa-to-become-the-second-largest-smartphone-market-in-the-world>
29. Pathak, T. (2026, February 2). *Over one in every five smartphones shipped in India is now premium; Apple records its highest ever value share*. Counterpoint Research. <https://counterpointresearch.com/en/insights/Premiumization-Gains-Strength-in-India-Smartphone-Market-in-2025-Apple-Records-its-Highest-Ever-Value-Share>
30. Pattanaik, P. (2019). An analysis of price sensitivity of smart phone purchase in India. *Journal of Advanced Research in Dynamical and Control Systems*, 11(10-Special Issue), 359-363. <https://doi.org/10.5373/JARDCS/V11SP10/20192813>
31. Pratap, R. (2009, March 17). BPL mobile to morph into Loop Mobile. *The Economic Times*. <https://economictimes.indiatimes.com/industry/telecom/bpl-mobile-to-morph-into-loop-mobile/articleshow/4276483.cms>
32. Press Information Bureau. (2025, October 11). *India's electronics leap: Production soars to ₹11.3 lakh crore in 2024-25, six-fold over the decade*. Government of India. <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2177755&lang=2®=48>
33. Press Trust of India. (2004, November 24). *BPL Tele launches cellular phones*. The Economic Times. <https://economictimes.indiatimes.com/bpl-tele-launches-cellular-phones/articleshow/934638.cms>
34. Press Trust of India. (2010, June 22). Indian brands grab 14% share of mobile handset market. *The Economic Times*. <https://economictimes.indiatimes.com/industry/cons-products/electronics/indian-brands-grab-14-share-of-mobile-handset-market/articleshow/6078904.cms>
35. Prime Minister's Office. (2025, March 28). *Cabinet approves Electronics Component Manufacturing Scheme for making India Atmanirbhar in electronics supply chain*. Government of India. https://www.pmindia.gov.in/en/news_updates/cabinet-approves-electronics-component-manufacturing-scheme-for-making-india-atmanirbhar-in-electronics-supply-chain/
36. Prime Minister's Office. (2026, July 15). *Cabinet approves Mobile Phone Manufacturing Scheme (MPMS)*. Government of India. https://www.pmindia.gov.in/en/news_updates/cabinet-approves-mobile-phone-manufacturing-scheme-mpms/
37. Raju, S., & Saradhi, V. R. (2020). What ails India's electronic manufacturing industry: An assessment. *The Indian Economic Journal*, 68(4), 610-632. <https://doi.org/10.1177/0019466221998621>
38. Reuters. (2017, October 2). 'Made in India' smartphones still an unfulfilled dream, and here's why. *The Indian Express*. <https://indianexpress.com/article/technology/tech-news->

[technology/smartphones-made-in-india-manufacturing-ambition-hit-by-unskilled-labour-multiple-taxes-4870729/](#)

39. Santhosh Kumar, S., & Menon, R. P. (2017). Brand loyalty of customers in smartphone brands. *Indian Journal of Marketing*, 47(3), 8-15. <https://doi.org/10.17010/ijom/2017/v47/i3/111417>
40. Shrivastava, M. (2024). The strategic challenge of decoupling from China: The case of India's ICT sector. *India Quarterly*, 80(3), 380-399. <https://doi.org/10.1177/09749284241264045>
41. Singh, P. (2025, November 2). *India's smartphone shipments up 5% YoY in July-September; Apple breaks into top 5*. Counterpoint Research. <https://counterpointresearch.com/key-takeaways/insights/india-smartphone-market-q3-2025>
42. Singh, S. (2025, July 30). *India smartphone shipments rise 8% YoY in Q2 2025 with iPhone 16 as most-shipped device*. Counterpoint Research. <https://counterpointresearch.com/en/insights/india-smartphone-market-q2-2025>
43. Team Counterpoint. (2025, January 30). *India smartphone market's revenue hits all-time high in 2024, volume growth remains stable*. Counterpoint Research. <https://counterpointresearch.com/en/insights/post-insight-research-notes-blogs-india-smartphone-markets-revenue-hits-alltime-high-in-2024-volume-growth-remains-stable>
44. Team Counterpoint. (2026, August 27). *India smartphone market share: Quarterly*. Counterpoint Research. <https://counterpointresearch.com/en/insights/india-smartphone-share>
45. The Indian Express. (2016, February 18). *Freedom 251: India's cheapest Android smartphone launched at Rs 251*. <https://indianexpress.com/article/technology/mobile-tabs/ringing-bells-freedom-251-price-launch-register-2672147/>
46. VMPL. (2026, September 25). *Mivi enters India's smartphone market with Mivi One 5G, starting at a special BBD price of Rs. 11999 on Flipkart*. Business Standard. https://www.business-standard.com/content/press-releases-ani/mivi-enters-india-s-smartphone-market-with-mivi-one-5g-starting-at-a-special-bbd-price-of-rs-11999-on-flipkart-126092500486_1.html