The smartphone maker ‘Nothing’ is aggressively targeting India’s Gen Z demographic for growth, highlighting a strategic pivot towards the world’s fastest-growing mobile market and its youth-led demand for technology. Nothing’s focus on India, coupled with significant investment and product innovation aligned with Gen Z preferences, offers a window into broader trends shaping the Indian smartphone industry. This op-ed delves into the data, strategic moves by Nothing, and the evolving tastes of Indian Gen Z consumers to analyze the future trajectory of smartphone adoption in India.

Nothing’s Rapid Rise in the Indian Market

London-based Nothing, founded in 2020 by entrepreneur Carl Pei, has emerged as the fastest-growing smartphone brand in India in early 2025 according to data from Counterpoint Research and IDC. In the second quarter of 2025, Nothing’s shipments in India showed year-over-year growth exceeding 85%, making it the fastest-growing brand for six consecutive quarters, a feat unmatched by any other in the past decade. This growth was driven by the launch of models like the Nothing Phone (3a) and the CMF Phone 2 Pro, which offer modern specifications such as Snapdragon chipsets and advanced cameras, while maintaining accessible pricing typically under ₹25,000 (around $300).

Nothing’s devices appeal strongly to mid-tier consumers, a segment that accounts for over 42% of smartphone shipments in India in the $100-$200 price bracket, where value-conscious yet feature-demanding buyers, mostly young people, dominate. The brand’s success is linked to its minimalist and distinctive transparent design language, resonating well with tech-savvy youth seeking individuality and style alongside functionality.

Strategic Investment and Manufacturing in India

Nothing announced a joint venture with India's Optiemus Infracom, investing over $100 million over the next three years to expand local manufacturing capacities and create about 1,800 jobs. This move positions India not only as a critical consumption market but also as a global production and export hub for the company's smartphones and the independently branded affordable CMF line. By relocating product development and manufacturing closer to India's booming domestic market, Nothing is able to leverage India's production ecosystem, reduce costs, and strengthen its supply chain resilience.

This partnership also reflects the growing trend of foreign smartphone makers leveraging India's increasing manufacturing capabilities under government initiatives that promote local production and exports in electronics. Nothing's CEO Carl Pei highlighted that India's market would play a pivotal role in shaping global smartphone trends, underlining the country's rising significance beyond just a consumer base.

Gen Z: The New Drivers of India's Smartphone Market

India's Gen Z generation—those roughly between ages 10 and 25—has become the dominant force shaping smartphone demand in the country. Constituting about 44% of all smartphone purchases in India, Gen Z buyers prioritize not just technical specs but a device's design, brand values, and its role as a statement of identity. This generation is highly digital native, with 75% preferring mobile-optimized shopping and discovering products via social media influencers and peer recommendations.

Technology adoption among Indian Gen Z favors 5G-enabled smartphones and AI-enhanced features such as smart photography, real-time performance optimizations, and personalized interfaces, which are increasingly standard in mid-tier devices. These buyers also exhibit longer replacement cycles, typically holding phones for 3 to 3.25 years, demanding durability and sustained performance in their devices.

The offline retail channel remains crucial in India, accounting for 54-61% of smartphone sales, reflecting Gen Z's preference for hands-on product evaluation and store-based financial support like easy EMIs and no-cost installments. This intersection of digital and offline preferences drives the need for brands to innovate on both fronts.

The Broader Market Context and Competitors

India's smartphone market saw an 8% year-over-year volume growth and an 18% growth in wholesale value in Q2 2025, boosted by new product launches and aggressive marketing. The market is highly competitive, with major players like Vivo (21%), Xiaomi (13.5%), Samsung (12.9%), Realme (12.6%), and OPPO (11.5%) leading the volume share. Nothing remains a strong challenger with a market share above 2%, concentrated in the mid-tier affordable segment.

While premium smartphones like Apple's iPhone 16 top shipment charts, the affordable and mid-range segment—which includes brands like Nothing's CMF—is where the largest volume growth originates and where Gen Z's price sensitivity aligns with aspirational buying.

What Nothing's Strategy Means for the

Industry

Nothing’s rapid growth and deepening commitment to India through local manufacturing and product localization signals the critical role India’s Gen Z plays in the global smartphone industry. For a company founded outside India, making the country a production and R&D hub while catering to price-conscious but quality-demanding youth exemplifies a new model for tech firms aiming to disrupt legacy brands.

This move should urge competitors to re-examine their strategies, focusing less on just specs and more on design, brand ethos, and experiential value. It also showcases the importance of integrating manufacturing with market-specific needs, a trend likely to accelerate as Indian policymakers continue supporting electronics production.

Nothing’s focus on India’s Gen Z for growth encapsulates the shifting dynamics in the global smartphone market. Driven by a young, digitally native, and identity-conscious generation, India represents a critical battleground for smartphone makers. Backed by tribal loyalty to design and innovation, combined with tactical investments in local manufacturing, Nothing exemplifies how brands can align with evolving consumer behavior to capture growth in emerging economies. The coming years will reveal how successfully Nothing and its rivals navigate these trends as Gen Z increasingly sets the tone for tech consumption in India and beyond.