IJARCCE ISSN (O) 2278-1021, ISSN (P) 2319-5940

International Journal of Advanced Research in Computer and Communication Engineering

Impact Factor 8.471 ⁙ Peer-reviewed & Refereed journal ⁙ Vol. 14, Issue 6, June 2025

DOI: 10.17148/IJARCCE.2025.14699

Digital Marketing Expenditure and Financial Performance: A Secondary-Data Comparative Analysis of Hindustan Unilever, ITC, Dabur, Britannia and Marico

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Abstract: Over the past ten years, the fast-moving consumer goods (FMCG) industry in India has seen a significant reallocation of marketing budgets from traditional media to digital channels. This trend has been fueled by the rapid expansion of quick-commerce platforms, the growth of social media and influencer ecosystems, and the increasing penetration of smartphones and the internet. Using company disclosures, annual reports, investor presentations, and industry data released prior to 2025, this paper presents a secondary-data comparative analysis of the relationship between marketing/digital marketing expenditure and financial performance among five large, listed Indian FMCG companies: Hindustan Unilever Limited (HUL), ITC Limited, Dabur India Limited, Britannia Industries Limited, and Marico Limited. The study combines company-level findings within sector-wide digital advertising data from industry reports and analyzes trends in advertising and promotion (A&P) spending for FY2022–2023 and FY2023–2024 (plus a few FY2024–2025 indicators) with trends in revenue and profitability. The results show a generally positive but uneven relationship between marketing spend growth and financial performance: HUL and Dabur show parallel double-digit growth in both A&P spend and profit in FY2023–2024; Marico shows margin expansion along with a purposeful digital and premiumization tilt; and Britannia shows that category share-of-voice leadership and spend efficiency, rather than spend magnitude alone, can sustain revenue growth even with the sample's most modest advertising-intensity increase. In contrast, Dabur's early FY2024–2025 results. The study concludes that, while channel allocation, brand portfolio mix, and macroeconomic demand conditions play a mediating role, digital marketing investment is a required but insufficient driver of financial performance in the Indian FMCG sector. Future primary-data research directions and implications for marketing budget-setting are examined.

Keywords: digital marketing expenditure, financial performance, FMCG, India, secondary data, advertising-to-sales ratio, comparative analysis

1. INTRODUCTION

The fast-moving consumer goods (FMCG) sector, which includes food and beverage, health care, and household and personal care categories, is India's fourth-largest business. It has traditionally risen at a compound annual growth rate of about 7–9% (IBEF, 2024). Over the past ten years, the industry's marketing function has significantly shifted from a television and print-dominated model to a multi-channel model where digital media, including search, social media, video, e-commerce, and influencer platforms, account for an increasing portion of total advertising expenditure (AdEx). FMCG accounted for 34% of digital ad spending in 2024, or an anticipated ₹16,606 crore, a 13% increase over 2023, according to the dentsu-e4m Digital Report, making it the single biggest contributor to India's digital AdEx (Dentsu & Exchange4media, 2025). In 2024, the FMCG industry spent 53% of its total advertising budget on digital platforms, surpassing television's 40% share at the sector-wide level (Dentsu & Exchange4media, 2025).

The rapid growth of quick-commerce (Q-commerce) platforms, which has changed the media mix and the point-of-sale conversion paths available to marketers, is one of the structural shifts in FMCG retail that have coincided with this reallocation (IBEF, n.d.). While some companies concurrently moderated the growth of their overall advertising and promotion (A&P) budgets in response to input-cost inflation and softer urban demand during FY2023–FY2025, large FMCG companies have responded by scaling influencer marketing, performance marketing, and direct-to-consumer (D2C) digital brand investments (Storyboard18, 2024a).

International Journal of Advanced Research in Computer and Communication Engineering
Impact Factor 8.471 ⪾ Peer-reviewed & Refereed journal ⪾ Vol. 14, Issue 6, June 2025
DOI: 10.17148/IJARCCE.2025.14699

In light of this, the current study poses a simple but empirically understudied question in the Indian context: are larger listed FMCG companies' marketing and digital marketing expenditures linked to better financial performance, and does this relationship hold true for businesses with varying brand portfolios and strategic priorities? Hindustan Unilever Limited (HUL), ITC Limited, Dabur India Limited, Britannia Industries Limited, and Marico Limited are five companies that collectively account for a significant portion of organized FMCG revenue in India. The study answers this question using only secondary data, including audited financial disclosures, investor presentations, and industry/media reports, published prior to June 2025.

The rest of the paper is structured as follows. In Section 2, pertinent research on marketing spending, digital marketing, and financial performance is reviewed, with a focus on studies conducted within the Indian FMCG industry. The goals of the study are outlined in Section 3. The limits of the secondary-data methodology are explained in Section 4. The five sample companies are described in Section 5. Comparative information on A&P/digital marketing spending and financial results is included in Section 6. The results are discussed in Section 7. The study's shortcomings are noted in Section 8, and consequences and future research directions are discussed in Section 9.

2. LITERATURE REVIEW

2.1 Digital Marketing: Conceptual Foundations

Kotler et al.'s (2017) Marketing 4.0 framework, which describes a shift from traditional, one-way brand communication to a connective, digitally mediated marketing paradigm in which customers co-create brand value thru social and online communities, encapsulates the conceptual shift that underpins this study. Building on this, later studies have looked at how digital channels alter marketing effectiveness measurement and attribution, shifting businesses from broad reach-based metrics to more detailed ROI metrics like click-through, conversion, and customer acquisition cost (Digital Marketing Metrics and ROI Analysis: Evaluating Effectiveness and Value, 2024; Measuring the ROI of Paid Advertising Campaigns in Digital Marketing and Its Effect on Business Profitability, 2024).

2.2 Advertising Expenditure and Financial Performance

The question of whether advertising intensity results in better financial outcomes has long been the subject of marketing-finance studies. According to Tripathi et al. (2020), advertising intensity in listed Indian consumer goods companies has a quantifiable relationship with market risk. This suggests that instead of treating marketing investment as a purely discretionary expense, capital markets should price it as a signal with risk implications.

A comparative panel study of ten top Indian FMCG companies from FY2015 to FY2024 revealed a statistically significant positive correlation between marketing expenditure intensity and return on assets ($r = 0.23$, $p < .05$), a positive but statistically insignificant relationship with return on equity, and a weak negative relationship with net profit margin and short-term sales growth (Marketing Expenditure and Financial Performance: Evidence from Indian FMCG Companies, 2025).

The study's company-level evidence in Section 7 directly tests the authors' conclusion that the financial payback from marketing investment in Indian FMCG is "asset efficiency driven" and may occur with a lag rather than showing up in the same fiscal year. The relationship between advertising expenditure and stock market performance is neither consistently positive nor immediate, according to a related study that used bibliometric techniques. This study warned against making straightforward linear assumptions about spend-to-return relationships (Advertising Expenditure and Stock Performance: A Bibliometric Analysis, 2022).

2.3 Digital and Social Media Marketing in FMCG

An increasing amount of research has focused on social media and digital marketing in FMCG. According to the full article Enhancing Brand Trustworthiness, Relationships, Congruence and Positioning thru Social Media Marketing in the FMCG Sector (2024), social media marketing initiatives significantly improve customer relationship quality and brand trust in FMCG categories, which the authors contend is a key predictor of downstream sales performance. In addition, FMCG companies are increasingly using digital spend as a driver of both brand equity and short-cycle promotional response, especially for the food and personal care categories, according to Digital Marketing and Its Impact on the FMCG Sector (2025). Influencer marketing has become one of the fastest-growing sub-channels. According to EY India (2024), over 70% of Indian brands, many of which are FMCG majors, were investing in influencer marketing. Industry estimates put the Indian influencer marketing industry at about ₹2,344 crore in 2023 and projected it to reach about ₹3,375 crore by 2026 (Social Samosa, 2023). By 2024 (Forbes, 2024).

2.4 Quick Commerce and the Changing FMCG Retail–Marketing Interface

Since 2022, quick-commerce platforms have grown rapidly, adding a new dimension to the relationship between digital marketing and performance in Indian FMCG. This is because Q-commerce serves as both a distribution channel and a

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DOI: 10.17148/IJARCCE.2025.14699

media channel at the same time (through in-app placements and "digital shelf" optimization). The magnitude of this change is documented by IBEF (n.d.), which notes that Q-commerce has emerged as one of the fastest-growing retail formats in urban India, leading FMCG businesses to reallocate trade and digital marketing spending toward platform-specific visibility spend. The corporate disclosures examined for this study qualitatively reflect these shifts, including sample companies' references to bolstering their online and quick-commerce presence as part of a larger digital strategy.

2.5 Research Gap

Few published studies triangulate company-specific, most recent disclosed advertising and financial data across a small set of large-cap Indian FMCG peers to show how the aggregate statistical relationship plays out at the level of individual, named companies, despite the fact that the studies reviewed above individually establish (a) a theoretical basis for digital marketing's growing centrality in FMCG strategy, (b) mixed but generally positive econometric evidence linking marketing intensity to financial ratios in Indian FMCG panels, and (c) sector-level evidence on the scale of the digital and Q-commerce shift. Using a structured secondary-data comparison of five significant firms during the most recent full fiscal years for which audited or company-disclosed statistics were available prior to June 2025, the current analysis fills this gap.

3. RESEARCH OBJECTIVES

The study is guided by the following objectives:

- To examine trends in advertising, promotion, and digital marketing expenditure among HUL, ITC, Dabur, Britannia, and Marico over the most recent comparable fiscal years.
- To compare these trends against each company's revenue and net profit performance over the same period.
- To compute and compare marketing/advertising intensity (A&P expenditure as a proportion of revenue) across the five companies.
- To evaluate, using secondary evidence, whether higher digital/marketing expenditure growth is associated with stronger financial performance, and to identify company-specific exceptions to this pattern.
- To situate company-level findings within sector-wide digital advertising trends reported by industry sources, and to draw implications for marketing budget-setting in Indian FMCG firms.

4. RESEARCH METHODOLOGY

4.1 Research Design

This study employs a descriptive, comparative, ex-post facto research design that relies exclusively on secondary data. No primary data (surveys, interviews, or experiments) were gathered. The design is suited for the study's goal of comparing revealed, historical financial and marketing expenditure outcomes among organizations rather than testing a controlled causal hypothesis (Secondary Data in Research - Uses and Opportunities, 2018; Emerald Publishing, n.d.).

4.2 Sample Selection

Five firms were specifically chosen: Hindustan Unilever Limited, ITC Limited, Dabur India Limited, Britannia Industries Limited, and Marico Limited. These companies were chosen because they are (a) listed on Indian stock exchanges and subject to mandatory financial disclosure, (b) derive a majority or significant share of revenue from FMCG categories, (c) publish advertising/promotion expenditure as a distinct line item or disclose it thru investor communications and media reporting, and (d) are consistently tracked by Indian business and marketing trade media, allowing cross-verification of disclosed figures.

4.3 Data Sources and Period.

Data were gathered from the following sources: (a) company annual reports, investor presentations, and stock-exchange filings; (b) financial and business news portals (Business Standard, Upstox, ICICI Direct); and (c) specialist marketing/media trade publications that track quarterly and annual advertising spend disclosures. The dentsu-e4m Digital Report and IBEF industry papers provided sector-specific context for digital advertising.
The basic comparison window is FY2022-23 to FY2023-24 (that is, financial years ended 31 March 2023 and 31 March 2024), augmented in select circumstances with early FY2024-25 (year ended 31 March 2025) statistics revealed by corporations prior to June 2025. All values given are as originally recorded in the source texts; no data released or initially reported after May 31, 2025 was used.

IJARCCE ISSN (O) 2278-1021, ISSN (P) 2319-5940

International Journal of Advanced Research in Computer and Communication Engineering

Impact Factor 8.471 ⫶ Peer-reviewed & Refereed journal ⫶ Vol. 14, Issue 6, June 2025

DOI: 10.17148/IJARCCE.2025.14699

4.4 Analytical Tools.

The findings are interpreted descriptively and triangulated against the correlational evidence presented in previous Indian FMCG research (Section 2.2), rather than using new inferential statistical tests, which would necessitate a bigger panel than the five-company, two-year sample employed here.

4.5 Limitations of Methodology

Three limits should be addressed up front. First, none of the five companies discloses 'digital marketing expenditure' as a separate line item; the disclosed figures are for aggregate advertising and sales promotion (A&P) expenditure, with the digital share reported only qualitatively (e.g., as a percentage of media spend) in select company communications. Second, ITC does not separately publish A&P cost for its FMCG products.Others section in the sources evaluated, because ITC is a diversified conglomerate whose consolidated results encompass cigarets, paperboards, agri-business, and hotels; ITC is thus analyzed primarily thru FMCG-segment revenue and EBITDA rather than A&P intensity. Third, as a secondary-data study, the analysis is only as reliable as the underlying disclosures and media coverage; figures have been cross-checked against at least two independent sources where possible, but minor reporting differences (for example, standalone versus consolidated figures) may exist.

Third, as a secondary-data study, the analysis is only as reliable as the underlying disclosures and media coverage; figures have been cross-checked against at least two independent sources where possible, but minor reporting differences (for example, standalone versus consolidated figures) may exist.

5. COMPANY PROFILE

Hindustan Unilever Limited (HUL), a subsidiary of Unilever plc, is India's largest FMCG company by market capitalisation, with a portfolio spanning home care, beauty and personal care, and foods and refreshment, including brands such as Lux, Surf Excel, Dove, and Lipton (HUL, 2024; Business Standard, 2023a).

ITC Limited is a diversified conglomerate with businesses in cigarettes, FMCG (branded packaged foods, personal care, education and stationery products, and 'Others'), paperboards and packaging, agri-business, and hotels; its FMCG-Others segment includes brands such as Aashirvaad, Sunfeast, Bingo!, Yippee!, and Savlon (ITC Limited, 2024).
Dabur India Limited is among India's oldest FMCG companies, with a portfolio concentrated in Ayurveda-based health care, personal care, and food and beverage categories, including brands such as Dabur Chyawanprash, Real, and Vatika (Equitymaster, 2024).

Britannia Industries Limited is India's leading biscuits and bakery products company, with a portfolio spanning biscuits, bread, cakes, and dairy products under brands including Good Day, Marie Gold, and Tiger (Business Standard, 2024a).
Marico Limited operates in edible oils, hair care, health foods, and premium personal care, with flagship brands such as Parachute, Saffola, and a fast-growing portfolio of digital-first brands including Beardo and Plix (Storyboard18, 2024b).

6. DATA PRESENTATION AND ANALYSIS

6.1 Advertising and Promotion (A&P) Expenditure Trends

Table 1 presents disclosed advertising and promotion (A&P) expenditure for the four companies that report this figure as a distinct line item, along with the qualitative digital-marketing emphasis noted in each company's disclosures. ITC's FMCG-Others segment does not separately disclose A&P spend and is therefore excluded from Table 1; its brand-investment activity is instead reflected through segment EBITDA trends in Table 2.

Table 1. Advertising & Promotion (A&P) Expenditure, FY2022–23 to FY2023–24 (₹ crore)

Company	FY23 A&P	FY24 A&P	YoY Growth	Disclosed Digital Emphasis
HUL	4,907	6,489	+32.2%	Largest absolute A&P outlay in sample; scaled digital/social-led brand campaigns
Dabur	640.3	849.6	+32.7%	Premiumisation & D2C brand investment

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DOI: 10.17148/IJARCCE.2025.14699

Company	FY23 A&P	FY24 A&P	YoY Growth	Disclosed Digital Emphasis
Marico	842	952	+13.0%	~25% of media spend digital; >50% of new-brand spend online
Britannia	594.3	619.4	+4.2%	Led biscuit category with 44% share of digital ad insertions, 34% share of TV ad volumes in FY24

Sources: Marketing Mind (2024); Afaqs (2024a, 2024b); Best Media Info (2023, 2024); Storyboard18 (2024b, 2024d, 2025a); Social Samosa (2025).

In FY2023-24, HUL and Dabur raised A&P spend by over 30% year-on-year, with HUL at ₹6,489 crore and Dabur at ₹849.6 crore (Marketing Mind, 2024; Storyboard18, 2024d). Marico increased A&P spend by 13% to ₹952 crore, with digital platforms accounting for one-quarter of media advertising spend. Higher-margin foods and premium personal-care categories grew from 15% to 20% of domestic revenue over the year (Storyboard18, 2024b).
Britannia increased A&P spend by 4.2% to ₹619.4 crore in FY24, maintaining a 44% share of digital ad insertions and 34-38% share of television ad volumes in the biscuit category, according to two independent trade reports (Storyboard18, 2025a; Social Samosa, 2025).

6.2 Revenue and Net Profit Trends

Table 2. Revenue and Net Profit Trends, FY2022–23 to FY2023–24 (₹ crore)

Company	FY23 Net Profit	FY24 Net Profit	Profit Growth	FY24 Revenue/Turnover	Revenue Growth
HUL	10,143	10,282	+1.4%	61,896 (Total income 62,707)	+2.6% (total income)
ITC	n.a.	20,422 (PAT)	+8.9%	69,446 (gross rev., ex-agri)	+6.8%
Dabur	1,707	1,843	+7.9%	12,404	+7.6%
Britannia	n.a.	2,134.2	n.a.	16,546.0	+3.5%
Marico	1,302	1,481	+13.7%	9,653	n.a.

Note: 'n.a.' indicates the figure was not separately disclosed, or a directly comparable prior-year figure was not identified, in the secondary sources reviewed for this study. ITC figures are on a gross-revenue, ex-agri basis for comparability; FMCG-Others segment EBITDA and margin are shown separately as ITC does not disclose FMCG-specific A&P spend. Sources: Upstox (2024); Business Standard (2024a, 2024b); ITC Limited (2024); Bajaj Broking (2024); Storyboard18 (2024b, 2024d).

In fiscal year 2023-24, all five companies reported positive revenue and profit growth. ITC's FMCG-In FY24, ITC Limited reported that the Others segment EBITDA increased by 19.7% to ₹2,338.5 crore. The segment EBITDA margin increased by 94 basis points to 11.2% due to premiumization, portfolio expansion (including over 100 new product launches), and continued investment in brand-building and digital-to-consumer distribution. This builds on FY23, when ITC's FMCG segment revenue increased by around 20%.

Marico's net profit increased 13.7%, aided by an operating margin increase from 19.8% to 22.4%, with foods and premium personal care - the categories receiving disproportionate digital marketing investment - increasing their value share from roughly 15% to 20% of domestic revenue (Storyboard18, 2024b). Dabur's net profit increased by 7.9 percent on 7.6 percent revenue growth, roughly in line with its A&P spend growth of 32.7 percent, whereas HUL's net profit increased by a comparatively modest 1.4% despite A&P spend growth of more than 32%, demonstrating that spend growth and profit growth do not move in lockstep even within the same fiscal year.

IJARCCE ISSN (O) 2278-1021, ISSN (P) 2319-5940

International Journal of Advanced Research in Computer and Communication Engineering

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6.3 Advertising Intensity (A&P as a Percentage of Revenue)

Table 3. A&P Expenditure as a Percentage of Revenue, FY2023–24

Company	FY24 A&P (₹ cr)	FY24 Revenue (₹ cr)	A&P as % of Revenue
HUL	6,489	61,896	10.5%
Marico	952	9,653	9.9%
Dabur	849.6	12,404	6.9%
Britannia	619.4	16,546.0	3.7%

Note: Computed by the authors from the revenue and A&P figures reported in Tables 1 and 2. ITC excluded as FMCG-segment A&P is not separately disclosed.

HUL has the highest advertising intensity among the four companies, accounting for approximately 10.5% of revenue, followed by Marico at 9.9%, reflecting Marico's continued push into premium and digitally native brand categories, which typically require higher brand-building spend relative to sales. Dabur's intensity (6.9 percent) and Britannia's (3.7 percent) are notably lower, consistent with Britannia's biscuit-led, high-penetration portfolio, where incremental advertising spend generally yields smaller marginal gains in awareness; Britannia instead maintains category leadership primarily thru a disproportionately high share of voice relative to its spend, retaining the largest share of both TV and digital ad insertions in its category despite modest absolute

6.4 Sector-Wide Digital Advertising Context

Table 4. India FMCG Sector Digital Advertising Indicators, 2024

Indicator	2024 Value
FMCG share of total Indian AdEx	31% (₹31,467 crore)
FMCG share of digital AdEx	34% (₹16,606 crore; +13% YoY)
FMCG digital budget — online video	44%
FMCG digital budget — social media	30%
FMCG digital budget — display banner	16%
FMCG digital budget — paid search	8%
FMCG overall mix — digital	53%
FMCG overall mix — television	40%

Source: Dentsu & Exchange4media (2025).

Table 4 compares the findings at the firm level to those throughout the sector. In 2024, FMCG accounted for 31% of overall Indian advertising expenditure (₹31,467 crore) and 34% of digital advertising expenditure (₹16,606 crore), a 13% increase from the previous year. In terms of digital spend, online video (44%) and social media (30%) combined accounted for over three-quarters of FMCG's digital spending, which is consistent with the video- and social-led campaigns announced by HUL, Dabur, and Marico. FMCG allocated 53% of total advertising spend to digital channels in 2024, compared to 40% to television, a crossover that provides useful sector-level validation for the company-specific digital emphasis documented in Sections 6.1-6.3 (Dentsu & Exchange4media, 2025).

7. FINDINGS AND DISCUSSION

7.1 A Broadly Positive but Non-Uniform Association

The comparison data in Section 6 indicates a generally favorable relationship between marketing/advertising expenditure increase and financial performance across the sample, but the strength of that association varies significantly by company. HUL and Dabur both increased A&P spend by more than 30% in FY2023-24 and reported positive profit growth, which is consistent with the positive correlation between marketing intensity and return on assets reported for the larger Indian FMCG panel (Marketing Expenditure and Financial Performance: Evidence from Indian FMCG Companies, 2025).

IJARCCE ISSN (O) 2278-1021, ISSN (P) 2319-5940

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However, the size of financial payback differed significantly: Dabur's profit increased by 7.9 percent alongside 32.7 percent A&P growth, whilst HUL's profit increased by only 1.4% despite a similar percentage increase in A&P spending. This divergence is consistent with the 'asset-efficiency-driven, lagged payback' conclusion of prior Indian FMCG research (Section 2.2): a large, one-year increase in advertising spend does not necessarily translate proportionately into same-year profit growth, especially for a company like HUL operating at a much larger revenue base where incremental spend faces diminishing marginal returns on awareness and volume.

7.2 Britannia and Dabur: Spend Efficiency and Diminishing Returns

Britannia and Dabur demonstrate why spend volume alone is an insufficient predictor of financial success. Britannia grew A&P spend by a modest 4.2 percent in FY2023-24—the lowest growth rate and lowest advertising intensity (3.7 percent of revenue) in the sample—but retained clear category leadership in share of voice, commanding roughly 34-38 percent of television ad volumes and 44 percent of digital ad insertions among biscuit advertisers (Storyboard18, 2025a; Social Samosa, 2025), while still growing revenue by 3.5%.
This implies that in a high-penetration sector like biscuits, incumbency and share-of-voice leadership can maintain performance without achieving the double-digit expenditure increase seen at HUL or Dabur. Dabur's early FY2024–25 results show the opposite trend: A&P spend increased slightly to ₹864.6 crore (from ₹849.6 crore in FY24), but full-year net profit fell by about 4% to ₹1,740.4 crore, with Q4 profit down 8.3% (Storyboard18, 2025b). These two examples are consistent with bibliometric evidence that the relationship between advertising expenditure and performance is not linear or immediate.

7.3 Marico and the Digital/Premiumisation Channel

Marico offers an example of an intermediate situation where a significant improvement in operating margin (19.8% to 22.4%) was accompanied by a moderate increase in total A&P spend (13%), along with a disproportionate shift toward digital channels, higher-margin foods, and premium personal-care categories (Storyboard18, 2024b). This pattern implies that the makeup of marketing expenditures, particularly their alignment with higher-margin portfolio segments and digitally native brands, may be just as important as their total amount. A&P-to-revenue ratios like those in Table 3 do not adequately capture this distinction.

7.4 ITC: Brand Investment within a Diversified Structure

ITC does not report its FMCG-segment advertising budget individually, thus it cannot be compared to A&P intensity; however, its FMCG-The business credits premiumization, new product releases, ongoing brand building, and digital-to-consumer investment for the Others segment's quickest EBITDA growth (19.7%) and largest margin increase (94 basis points) in the sample (ITC Limited, 2024). This serves as a helpful reminder that segment-reporting techniques limit financial-performance analysis of marketing spend for diversified conglomerates, and cross-company comparability is intrinsically flawed when disclosure rules vary (a constraint covered in more detail in Section 8).

7.5 Sector Corroboration

Online video and social media dominated the FMCG digital budget mix in 2024, and FMCG was both the largest sectoral contributor to and the fastest-growing major sector within India's digital AdEx (Dentsu & Exchange4media, 2025). The sector-level data in Table 4 supports the company-level pattern of increasing digital emphasis. This is in line with the particular digital strategies revealed by Dabur (D2C and premium brand digital investment), Marico (digital-first brand portfolio), and HUL (large-scale digital/social brand campaigns). It also implies that the individual strategies of the sample companies are representative of, rather than exceptions to, the wider sectoral shift toward digital marketing.

7.6 Synthesis

When considered collectively, the results indicate that rise in digital and marketing spending is linked to, but does not necessarily result in, improved financial performance among major FMCG companies in India. The degree to which incremental spend is directed toward higher-margin or higher-growth portfolio segments, (a) the base off which spend growth occurs (larger companies exhibit smaller marginal profit response to similar percentage spend increases), and (c) the efficiency of channel allocation, including the shift toward quantifiable digital and quick-commerce formats, appear to determine the strength of the association. The correlational evidence from earlier panel-based Indian FMCG research reviewed in Section 2.2 is supported by these findings, which also add company-specific texture.

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8. LIMITATIONS OF THE STUDY

Due to its comparative, secondary-data design, this study has a number of intrinsic limitations. First, the analysis uses aggregate A&P spend as a proxy, augmented by qualitative digital-emphasis disclosures, because there are no explicitly released "digital marketing expenditure" numbers. This proxy probably understates the underlying divergence in digital-specific spending between organizations. Second, the discussion in Section 7 should be interpreted as descriptive and illustrative rather than statistically inferential because the two-year primary comparison window (FY2022–2023 to FY2023–2024) is too short to establish statistically robust causal or lagged relationships of the kind found in longer panel studies (Marketing Expenditure and Financial Performance: Evidence from Indian FMCG Companies, 2025), despite being required by data availability and the pre-June 2025 data constraint.

Third, true five-company comparison on advertising intensity is limited by ITC's conglomerate structure and its failure to provide FMCG-specific A&P spend. Fourth, there is a certain amount of reliance on third-party transcribing accuracy when business disclosures are reported by the media and trade publications, even albeit these sources are cross-checked wherever feasible. Lastly, the analysis did not account for confounding macroeconomic variables that independently affected FMCG financial performance over the study period, such as input-cost inflation, rural demand trends, and category-specific competitive intensity.

9. CONCLUSION AND RECOMMENDATIONS

This study set out to assess, using secondary data published before June 2025, if digital marketing/advertising expenditure of five large Indian FMCG businesses — HUL, ITC, Dabur, Britannia, and Marico – is connected with financial performance. The comparison data shows a generally favorable but business-specific relationship: In FY2023–2024, HUL and Dabur combined significant increases in advertising spend with sustained profit growth; Marico achieved margin expansion thru a moderate spend increase concentrated in digital and premium channels; Britannia showed that category share-of-voice leadership, rather than spend magnitude, can sustain revenue growth even with the sample's lowest increase in advertising intensity; Dabur's early FY2024–2025 results showed spend growth decoupling from profit growth, a reminder that the relationship can deteriorate from year to year even within the same firm; and ITC's FMCG segment demonstrated significant profit expansion that was qualitatively attributed to brand investment, despite the fact that transparency restrictions prevent it from being benchmarked on advertising intensity. FMCG is the biggest and fastest-growing contributor to digital advertising spending in India, according to sector-level data, which gives the emphasis on digital marketing seen at the corporate level more legitimacy.

The results indicate that Indian FMCG marketing leaders should approach digital/marketing budget-setting as a portfolio-allocation decision rather than a straightforward magnitude decision. This is because financial performance seems to be more consistently correlated with aligning incremental spend with higher-margin categories, digitally native or premium brands, and efficiency-oriented channels (including quick-commerce visibility) than with aggregate spend growth alone. Future primary-data research, such as using company-level digital spend disclosures directly from investor relations teams or econometric panel models spanning five or more years, would enable more rigorous testing of the causal and lagged relationships that this descriptive, secondary-data comparison can only illustrate. The study supports the argument made in earlier Indian FMCG literature for lagged, multi-year panel analysis. To determine whether the trends shown among these five large-cap incumbents apply to the larger Indian FMCG market, the sample should be expanded to include mid-cap and D2C-focused FMCG firms.

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IJARCCE ISSN (O) 2278-1021, ISSN (P) 2319-5940

International Journal of Advanced Research in Computer and Communication Engineering

Impact Factor 8.471 ⁜ Peer-reviewed & Refereed journal ⁜ Vol. 14, Issue 6, June 2025

DOI: 10.17148/IJARCCE.2025.14699

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