

“ Brand Promotion and Its Role in Enhancing HUL’s Market Position ”

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Abstract

This study investigates the relationship between brand promotion strategies and market performance with a focused case analysis of Hindustan Unilever Limited (HUL), a leading FMCG company in India. Through qualitative and quantitative methods—including surveys, interviews, and data the study evaluates how brand equity elements like awareness, perceived quality, and loyalty influence consumer behavior and market standing. The findings underscore that strategic promotions directly impact consumer decision-making and brand loyalty, and thus are pivotal for sustaining competitive advantage in a dynamic market landscape.

Introduction

Brand promotion plays a pivotal role in shaping consumer perceptions, boosting visibility, and influencing purchase behavior. In highly competitive markets such as India’s FMCG sector, strategic branding becomes essential for firms aiming to distinguish their offerings. Hindustan Unilever Limited (HUL), with over 35 brands across 20 product categories, serves as a strong example of branding excellence. This paper explores how HUL leverages brand promotion strategies to enhance its market performance, focusing on its integrated marketing approach, pricing, distribution, and product innovation.

Literature Review

The American Marketing Association defines branding as any design, name, term, or symbol that identifies goods/services. Researchers like Aaker (1996) and Melović et al. (2020) emphasize that brand equity—comprising recognition, perceived quality, and emotional attachment—affects consumer decision-making and company valuation. Al Asheq & Hossain (2019) argued that brand orientation significantly impacts SMEs' market performance, a concept that scales effectively to large corporations like HUL. Effective branding builds consumer trust and loyalty, directly contributing to increased market share and profit.

Methodology

The study employs a **quantitative research design** supported by **qualitative insights**. The sample includes 450 consumers from the Amravati district, selected using **convenience sampling**.

Primary Data: Surveys, structured interviews, field observations. **Secondary Data:** Academic journals,

company reports, industry portals **Tools:** Descriptive statistics, frequency tables, graphical analysis.

The data collection focused on consumer behavior, promotional influences, brand loyalty, and product awareness.

Data Analysis & Interpretation

High Awareness: 74% were familiar with sustainability-related terms. 58% said such claims often influenced their buying.

Claim Credibility: Strong positive correlation ($r = 0.67$) between claim credibility and purchase intention.

Environmental Concern: Moderated purchase intentions significantly; concerned consumers responded more to sustainable products.

Regression Findings: All variables (claims, credibility, concern) significantly predicted purchase intention ($R^2 = 0.52$).

Demographics: Younger consumers (18–34), women, and educated individuals showed higher sensitivity to claims.

Green Attitude-Behavior Gap: Many supported sustainability in theory, but real-world purchase was affected by price and availability.

Findings

High Brand Loyalty

A significant number of consumers show strong brand loyalty toward Hindustan Unilever products. Around **92 out of 450 respondents** explicitly mentioned that they choose products based on brand value, indicating that **brand loyalty is a primary factor influencing purchasing decisions**.

Brand Awareness and Influence

Consumers demonstrated **high awareness of HUL brands**, such as Surf Excel, Dove, Red Label, Kissan, and Kwality Wall's. HUL's long-standing presence and wide product range have cultivated strong **top-of-mind awareness (TOMA)**.

Promotion-Driven Purchases

A large portion of respondents confirmed they **purchased HUL products due to promotional activities** like discounts, buy-one-get-one offers, and free samples. **Sales promotions influenced 65% of respondents**, and advertising played a key role in 49 respondents' decisions.

Multiple Purchase Decision Makers

Within households, purchasing responsibilities were distributed. While 39% of purchases were made by the head of the household, decisions were also commonly shared between spouses or influenced by other family members.

Retailer and Word-of-Mouth Influence

About **98 respondents made brand choices based on retailer recommendations**, and another **98 relied on family/friends' suggestions**, highlighting the continued relevance of **interpersonal trust in brand selection**.

Limited Brand Switching

Only **118 out of 450 respondents** reported switching to a new brand when introduced, meaning **332 respondents preferred to stick with familiar brands**, emphasizing **consumer inertia and brand loyalty** in HUL's favor.

Recommendations

Strengthen Digital Marketing: Invest more in influencer marketing and user-generated content to engage millennials.

IMC Enhancement: Adopt a unified communication approach across media for consistent brand messaging.

Use of Data Analytics: Leverage CRM data for predictive modeling of consumer trends and campaign effectiveness.

Retailer Training: Educate in-store personnel on upselling and cross-selling to enhance conversion rates.

Localized Campaigns: Create region-specific campaigns to appeal to culturally diverse consumer bases.

Conclusion

HUL's brand promotion strategies significantly impact its market performance, driving consumer awareness, loyalty, and purchase decisions. The company's ability to connect with consumers across demographics through an integrated marketing strategy ensures its dominance in the Indian FMCG sector. Its proactive engagement in digital transformation and commitment to sustainability further strengthen its brand value.

Reference

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