

September 2025



India Creative Media & Digital Marketing Industry Outlook to 2030

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INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is derived from the “India Creative Media & Digital Marketing Industry Outlook to 2030F” (Ken Research Report, August 2025) as well as other publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been reclassified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed and their reliability cannot be assured. These sources are typically based on data as of specific dates, which may no longer be current or reflect prevailing trends. In addition, such publications may incorporate estimates, projections, and assumptions that may not hold true.

The Ken Research Report, August 2025, has been commissioned specifically for our Company by Ken Research Private Limited. The report’s findings are based on a mix of secondary (desktop) research and primary research, which includes interviews and consultations with industry stakeholders, including creative agencies, digital marketing firms, advertisers, and platform operators.

The research methodology used for this study is the Expert Opinion Methodology. Quantitative insights were sourced both from primary interactions and from credible databases and portals. However, the information is susceptible to fluctuations due to potential changes in the business environment, regulatory landscape, or macroeconomic factors. Ken Research’s forecasts and assumptions are built on a combination of qualitative and quantitative techniques, drawing from industry publications, regulatory filings, and public domain sources.

Any forecasts, forward-looking statements, or projections presented in this study inherently involve uncertainties arising from potential changes in assumptions or unforeseen events. Actual developments could diverge significantly from these estimates.

Ken Research has prepared this study in an independent and objective manner and has made reasonable efforts to ensure the accuracy and comprehensiveness of its analysis. The report aims to provide a fair and balanced view of India’s creative media and digital marketing industry including market size and growth, competitive dynamics, and emerging trends. However, it does not claim to be exhaustive or tailored to reflect the performance of individual entities. Ken Research bears no liability for any losses resulting from reliance on the contents of this study. This report should not be interpreted as a recommendation for investment decisions regarding any company or its securities.

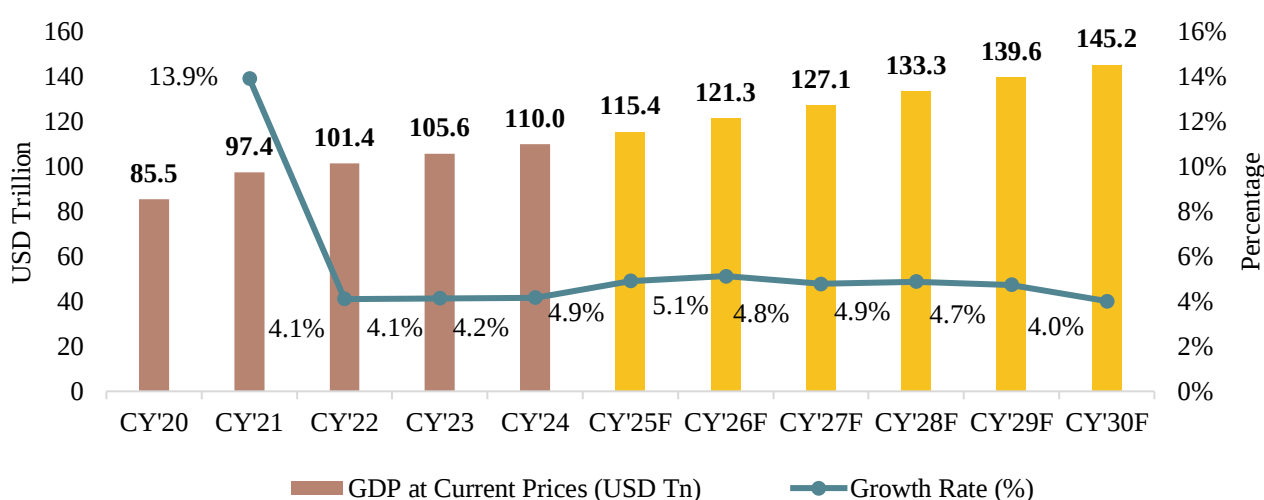
1. GLOBAL MACROECONOMIC LANDSCAPE

1.1. GLOBAL ECONOMIC LANDSCAPE

The nominal Gross Domestic Product (GDP) at a global level stood at USD 110.0 Tn in CY'24 and witnessed a CAGR of 6.5% between CY'20-CY'24. The same is expected to grow at a CAGR of 4.7% during CY'25-CY'30.

The global economic growth is primarily driven by fiscal and monetary stimulus, stabilized supply chains, increased consumer spending, and renewed Global economic growth is driven by fiscal and monetary stimulus, stabilized supply chains, increased consumer business investments. Additionally, subsiding inflation rates and eased fiscal policies in advanced economies support this growth.

Figure 1-1: Global GDP (in USD Tn at current prices) and Growth Rate in (%) Outlook, CY'20-CY'30F



Source: World Economic Outlook, 2024 (IMF)

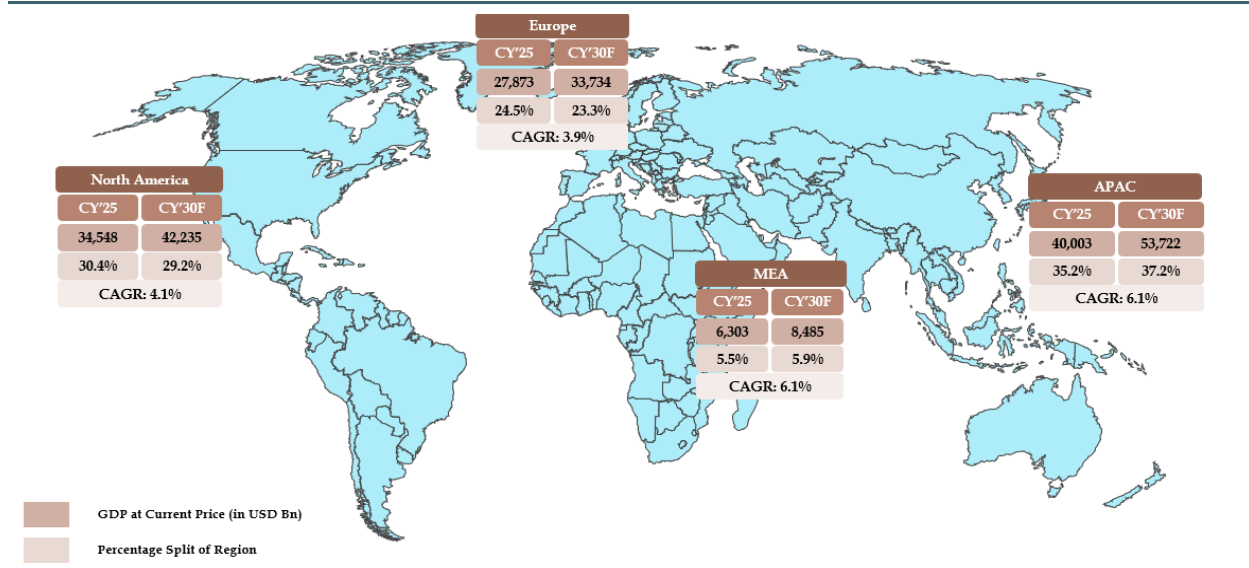
Note: F represents Forecasted figures

1.2. GDP GROWTH RATE OF KEY REGIONS - APAC, NORTH AMERICA, MEA, & EUROPE

The Asia-Pacific (APAC) region is projected to grow to USD 53,722 billion by CY'30F, registering a CAGR of 6.1% between CY'25 and CY'30F. APAC's economic momentum is rising by consumer spending, urbanization, and digital adoption are driving demand for creative content and digital marketing services. A rapidly expanding middle class is driving consumption across sectors such as e-commerce, healthcare, and financial services. Initiatives such as India's UPI and Indonesia's Palapa Ring are improving digital connectivity which is likely to support adoption of digital marketing and e-commerce. These dynamics have collectively pushed APAC's share of global GDP from 35.2% to 37.2% between 2020 and 2024. (Source: IMF)

By contrast, North America and Europe are expected to grow more moderately. These regions are facing structural constraints such as ageing populations (mainly in Western Europe) slower productivity growth (such as the UK, Italy, etc.) and saturated domestic markets, leading to a relative decline in their global GDP shares by CY'30F.

Figure 1-2: Outlook of GDP (at current prices) & Growth Rate (in %) of APAC, Europe, North America, and MEA (in USD Bn), CY'25-CY'30F



Source: International Monetary Fund (IMF) and Ken Research Analysis

Note: F represents Forecasted figures

The GDP figures are presented in nominal terms and incorporate inflation and projected economic growth; These numbers are, expressed in current US dollars and are not adjusted for future currency fluctuations. For the purpose of this analysis, exchange rates are assumed to remain stable over the forecast period.

2. INDIAN ECONOMIC OUTLOOK LANDSCAPE

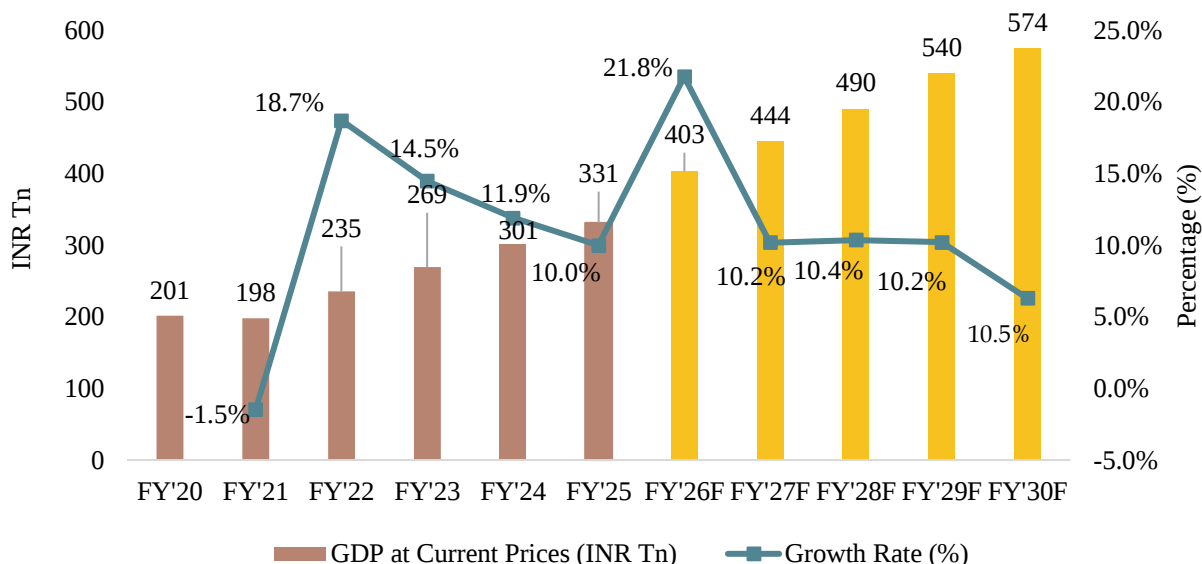
2.1. OVERVIEW OF INDIAN ECONOMIC ENVIRONMENT

“India has emerged as the fastest-growing major economy in the world with nominal GDP growth rate of 9.8% in FY’25, backed by its robust democracy and strong partnerships.”

India's investment appeal has strengthened amid global volatility, with record funding in 2022 highlighting investor confidence in the "Invest in India" narrative.

Among the three major sectors of India, the service sector has been the fastest-growing sector in the last 5 years registering a CAGR of 10.4% between FY’20 and FY’25. This growth is expected to accelerate driven by increasing **digital adoption**, evolving **consumer preferences**, and a **services-led playbook** shaping India's economic trajectory. (Source: MoSPI)

Figure 2-1: Indian GDP (at current prices in INR Tn) and Growth Rate (in %), FY’20 - FY’30F



Source: Ministry of Statistics and Programme Implementation (MoSPI), World Economic Outlook, 2024 (IMF), Ken Research Analysis

Note 1: F represents Forecasted figures

Note 2: FY represents the Financial Year ending on March 31

2.2. OVERVIEW ON KEY DEMOGRAPHIC DRIVERS

Dependency Ratio

A demographic measure that expresses the ratio of dependents those aged 0-14 years and 65 years and above to the working-age population, those aged 15-64 years. It serves as an indicator of the economic pressure on the productive segment of the population.

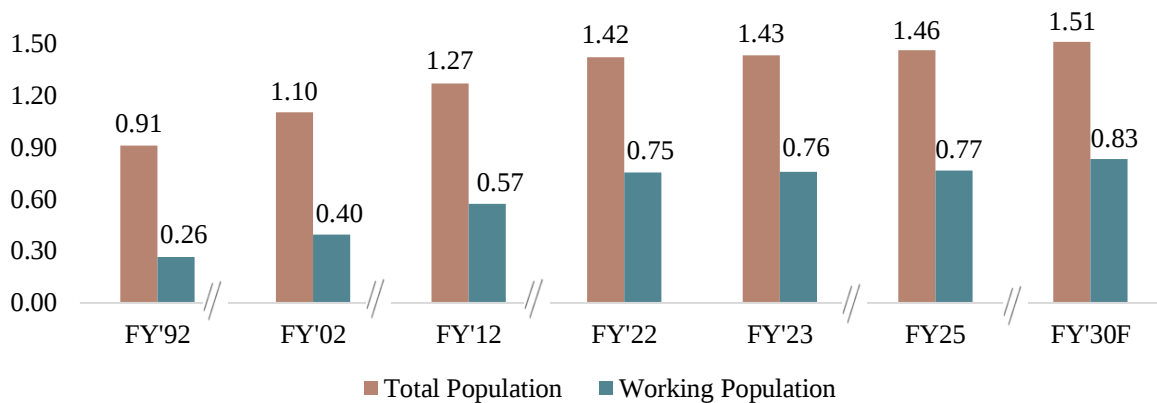
The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization.

In FY’25, India's dependency ratio was estimated around 47.5%, which reflects a growing share of working-age population, which supports economic growth by increasing labour supply, boosting household incomes, and driving higher demand for goods, and services.

"India's GDP growth is driven by its rapidly expanding working-age population, with the Age Dependency Ratio expected to fall to 45.0% by FY30F".

India's population in FY'25 has reached 1.46 billion, surpassing all nations to become the world's most populous country.

Figure 2-2: India's Demographic Trend: Total and Working Population



Source: World Bank Database & Ken Research Analysis

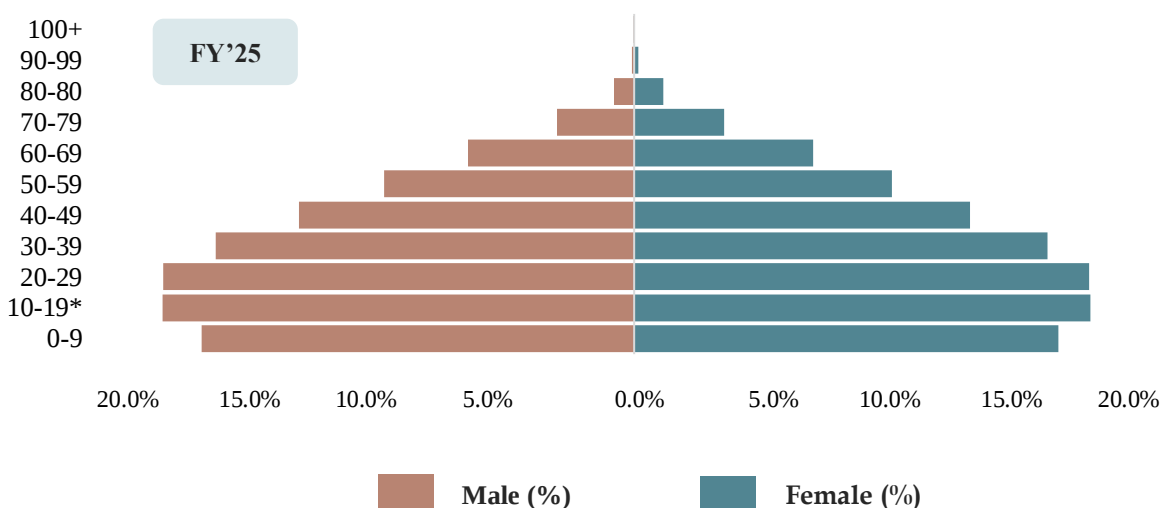
Note 1: F stands for Forecasted

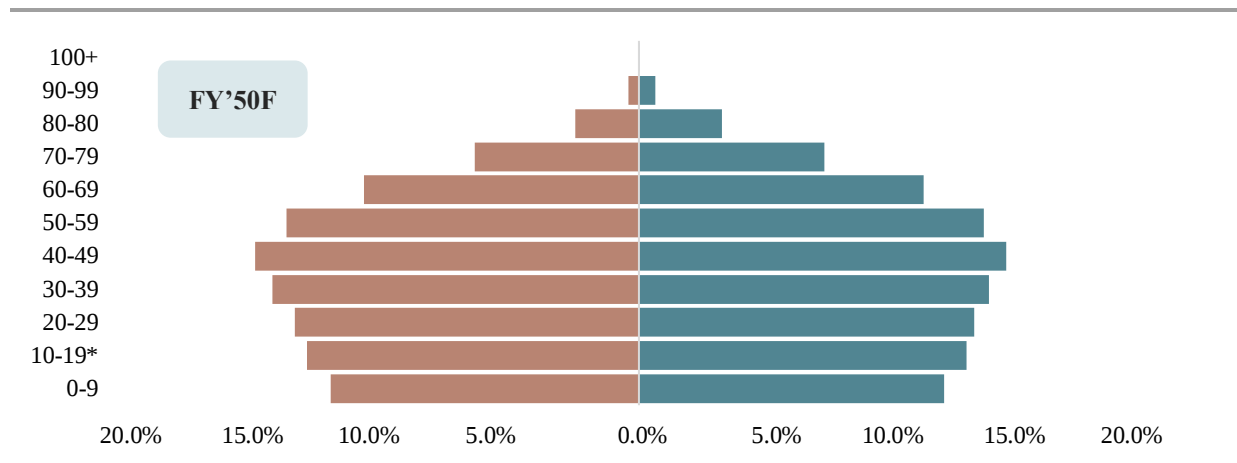
Note 3: FY represents the Financial Year ending on March 31

With a median age of 29, India boasts one of the youngest population globally. Each year, a substantial number of young citizens enter the workforce, contributing to the potential for a significant 'demographic dividend'.

A larger working population translates into a greater number of income-earning individuals, which drives demand for residential properties, commercial office spaces, and the broader urban infrastructure that supports these activities.

Figure 2-3: Population Pyramid Trend of India, FY'25 & FY'50F





Source: UNPFA & Ken Research Analysis;

Note 1: F refers to Forecasted figures

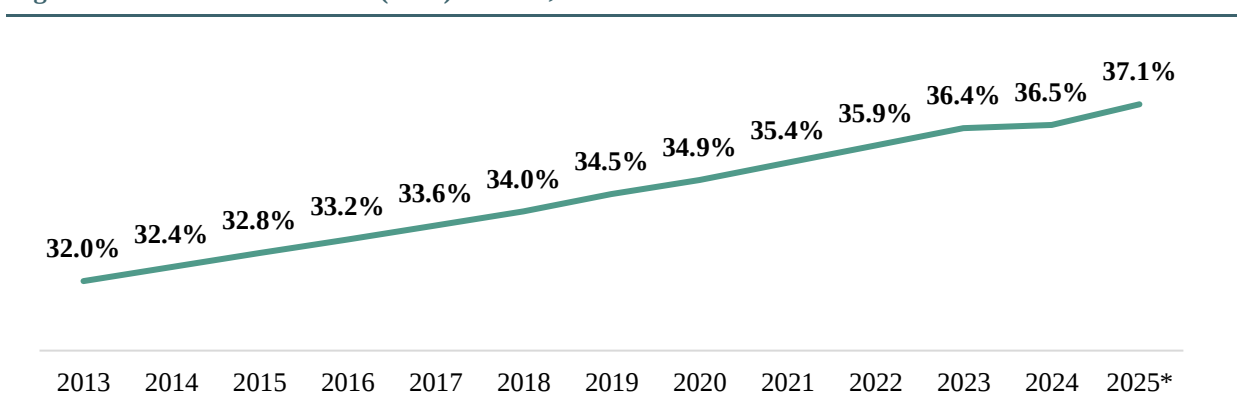
Note 2: FY represents the Financial Year ending on March 31

“By 2036, India’s towns and cities will be home to 600 million people, or 40.0% of the population, up from 31.0% in 2011, with urban areas contributing almost 70.0% to GDP.” (Source: World Bank)

The urban population is significantly growing in India. It is estimated to have increased from 403 million (31.6% of total population) in 2012 to 508 million (35.9% of total population) in the year 2022. (Source: Ministry of Housing and Urban Affairs)

India’s urbanization level is expected to reach 37.1% by 2025, indicating a steady shift of population and growth towards urban cities. Urbanization creates the need for jobs, thereby attracting investment and development of multiple business sectors, including manufacturing and services.

Figure 2-4: Urbanization Trend (in %) in India, 2013-2025



Source: World Bank Database & Ken Research Analysis

Note 1: E refers to Estimated figures

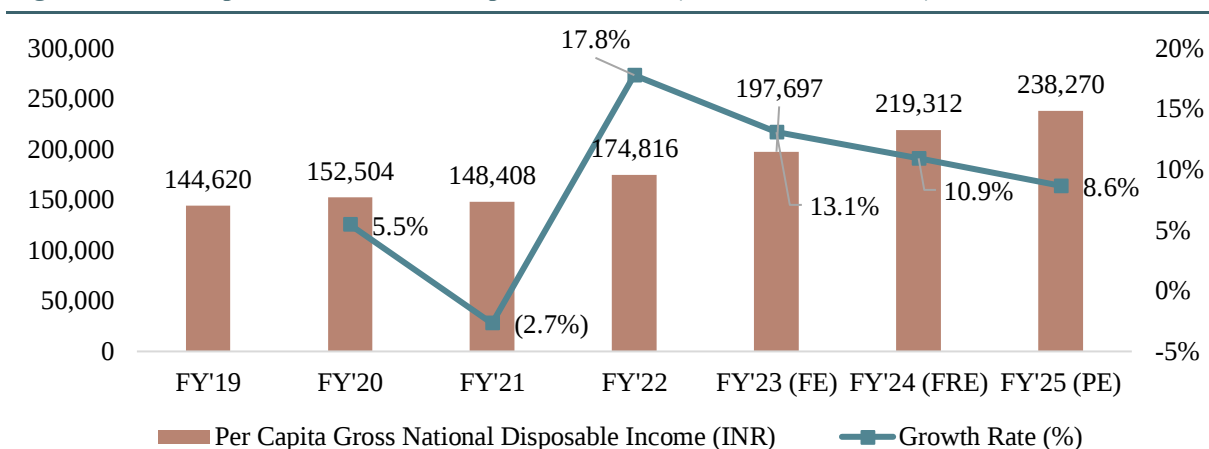
Note 2: Data for year 2025* is Extrapolated

“Consumer demand in India expected to remain high with rise in per capita disposable income”

Gross National Disposable Income (GNDI) continues to reflect rising living standards in India. Between FY’24 and FY’25, per capita GNDI at current prices increased from INR 219,312 to INR 238,270, reflecting a growth rate of 8.5%. This uptick is nearly at par with the previous year and indicates sustained income expansion driven by strong

macroeconomic fundamentals and job market stability. As a result, higher disposable incomes are expected to further stimulate household consumption and support domestic demand in FY'25.

Figure 2-5: Per Capita Gross National Disposable Income (Current Price in INR), FY'19-FY'25



Source: MOSPI & Ken Research Analysis;

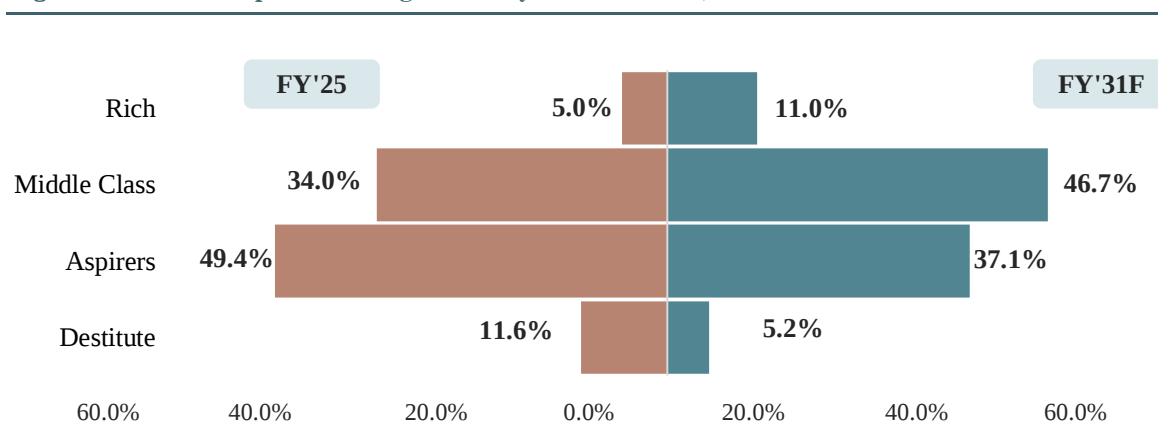
Note 1: FRE: First Revised Estimates; PE: Provisional Estimates; FAE: First Advance Estimates

Note 2: FY represents the Financial Year ending on March 31

Rising incomes and shifting lifestyles are driving demand for premium, targeted digital marketing in India. As more households enter higher income brackets, brands are prioritizing experience-led campaigns to engage this evolving middle class.

The rich-income population, projected to grow fastest at 11.0% by FY'31, is further fueling the need for upscale, high-impact digital strategies.

Figure 2-6: Indian Population - Segmented by Income Levels, FY'25 and FY'31F



Source: ICE 360° Survey and Ken Research Analysis

Note 1: F refers to Forecasted; FY represents the Financial Year ending on March 31

Note 2: Data for year 2025* is Extrapolated

Note 3: The findings in this report are based on survey responses collected from **40,000 households** across **25 Indian states**

The **Destitutes** are defined as those earning less than INR 125,000 annually, representing the lowest income bracket. The **Aspirers** fall into the next tier, with annual earnings ranging from INR 125,000 to INR 500,000. Moving up the income ladder, the **Middle Class** encompasses individuals earning between INR 500,000 and INR 3,000,000

annually. Finally, the **Rich Class** includes those with annual earnings exceeding INR 3,000,000, representing the highest income group.

2.3. OVERVIEW OF INDIA'S DIGITAL INFRASTRUCTURE

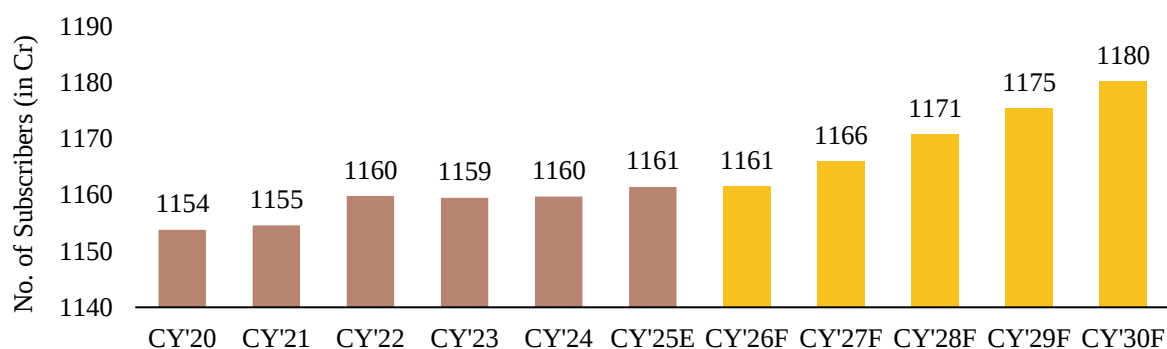
India's digital ecosystem is undergoing a significant transformation, fueled by **increasing connectivity**, **affordable devices** and a **tech-savvy population**. This shift is not only expanding access to information and services but also creating new avenues for **consumer engagement**, making **digital infrastructure** a critical enabler of **economic** and **social activity**.

India's mobile market is transitioning from rapid user addition to more stable expansion, with the subscriber base expected to reach **1,161 million by CY'25E**. In **CY'24**, **urban subscribers stood at 639 million** and **rural at 520 million (Source: TRAI)**, driven by deeper network coverage, bundled data packs, and entry-level smartphone availability.

Popular brands like **Xiaomi, Samsung, and Realme** continue to dominate sales, offering high-spec devices at affordable prices boosting smartphone penetration even in Tier 2/3 towns. This surge is shifting consumer behavior, as more users now **engage with product videos, reviews, and social media ads** before making purchases.

The smartphone has become the primary screen for discovering, comparing, and buying products, making it a critical touchpoint for **digital marketing strategies** across sectors like e-commerce, FMCG, and financial services.

Figure 2-7: Total Number of Mobile Subscribers in India (in Millions), CY'20-CY'30F



Source: TRAI & Ken Research Analysis

Note 1: CY represents the Calendar Year ending on December 31

Note 2: Data for Forecasted Years are Extrapolated

Note 3: F refers to Forecasted; FY represents the Financial Year ending on March 31

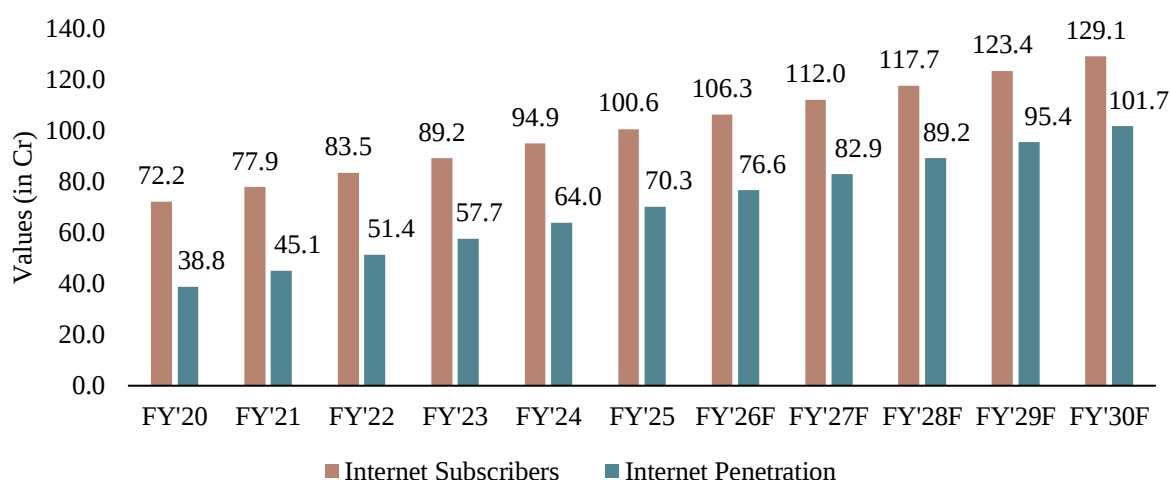
INTERNET USERS AND PENETRATION

From FY'20 to FY'25, the number of internet subscribers in India rose from 722 million to 1,006 million, showing a steady upward trend. Internet penetration reached 703 million (about 70% of subscribers) in FY'25. In FY'24, India had the world's second-largest internet market with 949 million subscribers: urban penetration exceeds 100% while rural penetration remains at 42%, indicating both subscription growth and wider population access.

By FY'30F, the subscriber base is projected to reach 1,291 million, with penetration at about 1,017 million (approx 80% of subscribers). The narrowing gap between total subscribers and penetration shows better reach and usage

nationwide. This reflects improved digital infrastructure, affordable 4G/5G rollout, BharatNet and fiber expansion, more digital literacy, and the availability of low-cost smartphones and data plans.

Figure 2-8: India's Growth Trend in Internet Subscribers and Penetration (in Cr), FY'20-FY'30F



Source: CRISIL & Ken Research Analysis

Note 1: FY represents the Financial Year ending on March 31

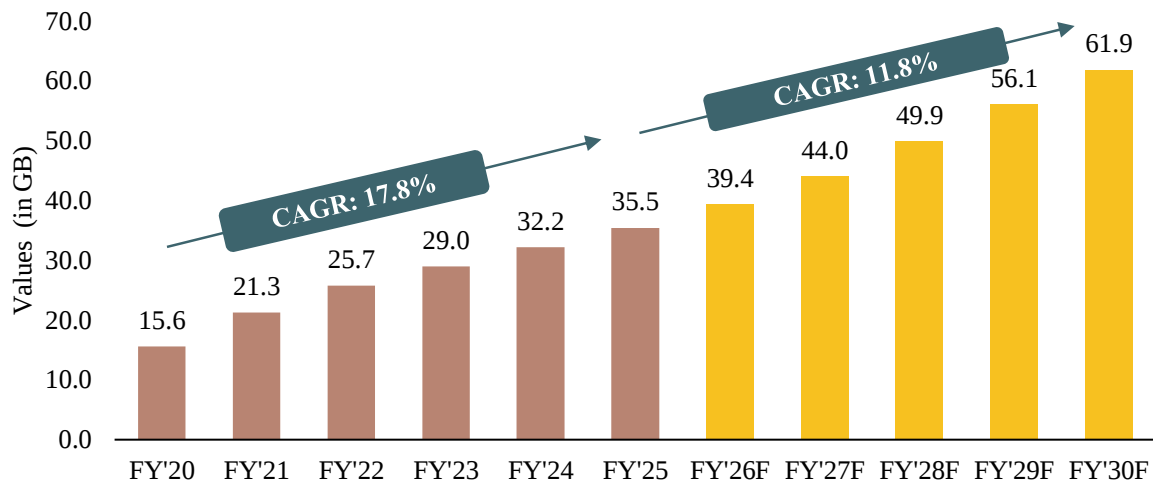
Note 2: Data for Forecasted Years are Extrapolated

AVERAGE DATA TRAFFIC PER SMARTPHONE

In FY'25, average data traffic per smartphone in India reached 35.5 GB, growing at a CAGR of 17.8% between FY'20 and FY'25. This figure is projected to rise further at a CAGR of 11.8% between FY'25 and FY'30F, nearly doubling to 62 GB by FY'30F, highlighting the country's rising demand for digital services and data-intensive applications.

This growing uptake is driven by multiple, factors:

- Adoption of 5G witnessed a rise in subscriptions of 290 million by end-2024, enabling high-speed, low-latency applications that drive up data use (Source: Ericsson).
- The rise of OTT video, live social streaming, e-learning, telemedicine, and early AR/VR and GenAI pilots has increased per-user data consumption.
- Availability of low-cost smartphones with HD/UHD displays, along with site densification, spectrum refarming, and Open RAN deployment, has improved network throughput and streaming quality.
- Initiatives like the National Broadband Mission and digital literacy drives have widened internet adoption across Tier II and Tier III markets.
- Intense operator competition has driven down per-GB prices, encouraging uptake of unlimited-style plans and increased video and gaming usage.

Figure 2-9: India's Growth Trend in Average Data Traffic Per Smartphone (in GB), FY'20-FY'30F

Source: Ericsson & Ken Research Analysis

Note 1: FY represents the Financial Year ending on March 31

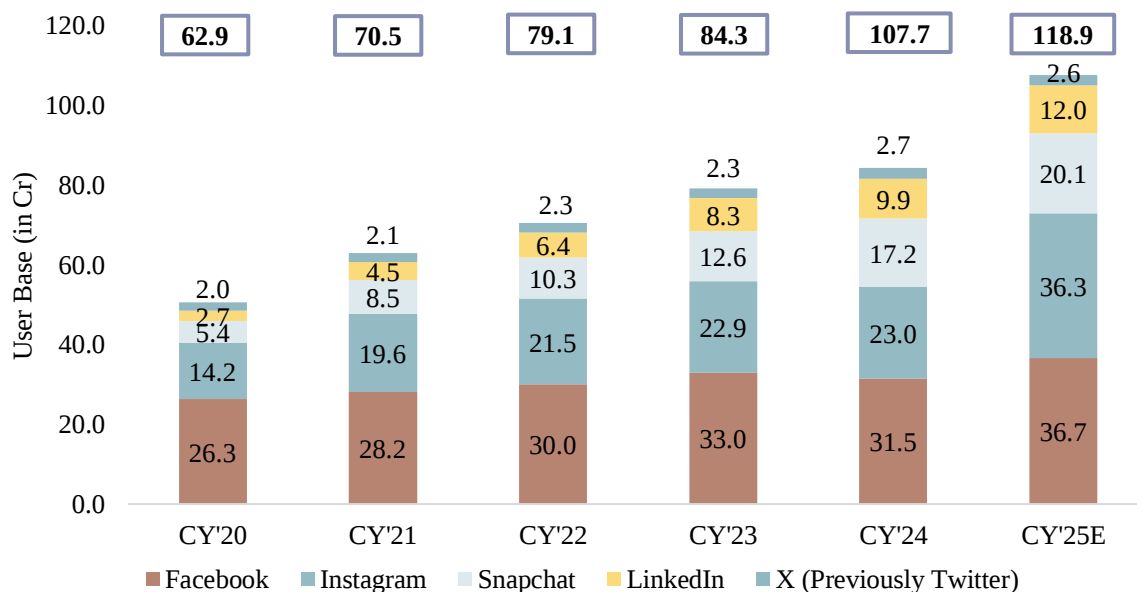
Note 2: Data for Forecasted Years are Extrapolated

Note 3: GB refers to Gigabyte

TREND IN SOCIAL MEDIA USERS AND SPLIT BY PLATFORM

With increased internet penetration, India's social media user base (i.e. total number of users) is also growing, supported by lower data costs and 4G/5G rollout.

- Facebook remains the largest network and is expected to reach by 367 million by CY'25P
- Instagram has also expanded and expected to projected by 363 mn user base by CY'25P, where both platforms are increasingly used by small and local businesses to connect with customers across India. (Source: IPSOS Report)

Figure 2-10: India's User Base (in Cr) by Type of Social Media Platforms, CY'20-CY'25P

Source: IPSOS Report & Ken Research Analysis

Note 1: CY represents the Calendar Year ending on December 31

Note 2: Data for CY'25P is Extrapolated

Note 3: E indicates Estimated

OVERVIEW OF OTT & WHATSAPP USERS IN INDIA

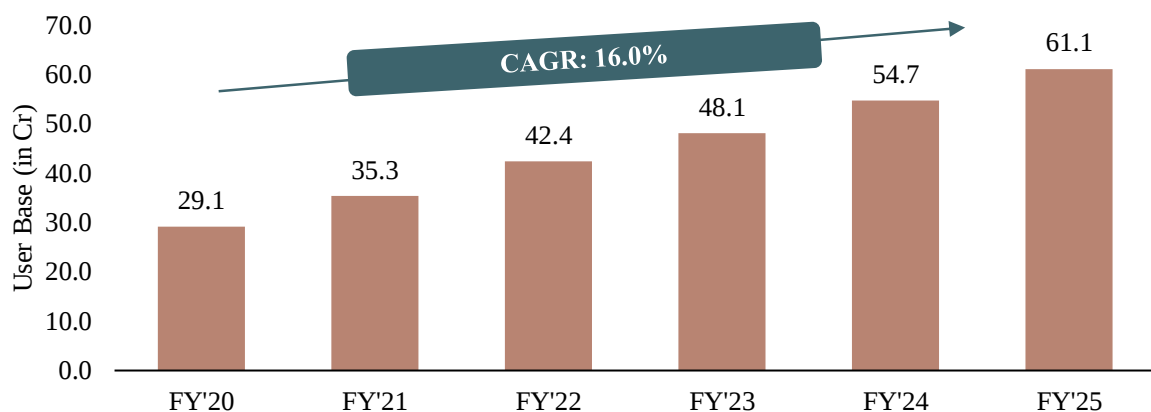
OTT USERS IN INDIA

AVOD (Advertising-Based Video on Demand) lets users watch content for free with ads. Platforms earn through advertising. Common in India due to cost sensitivity.

SVOD (Subscription-Based Video on Demand) requires users to pay regularly for ad-free or premium content. Offers higher revenue per user through subscriptions.

India's OTT user base is witnessing healthy growth reaching 611.3 million users in FY'25 with registering a CAGR of 16.0% between FY'20-FY'25. This growth is primarily driven by ad-supported video-on-demand (AVOD) platforms, which saw a 21% rise in users, while the subscription-based (SVOD) segment remained flat at around 150 million. OTT penetration stood at 38% in FY'24 up from 34% in FY'23 as a percentage of country's population. Smartphones remain the dominant access point, with 97% of users watching content on mobile devices and 81% relying exclusively on OTT Platforms. India's premium SVOD revenue touched INR 88.4 billion in the first half of 2024, with Jio Cinema, Netflix, and Hotstar accounting for nearly 70% of the market share (Source: Ormax Media).

Figure 2-11: India's OTT User Base (in Cr), FY'20-FY'25

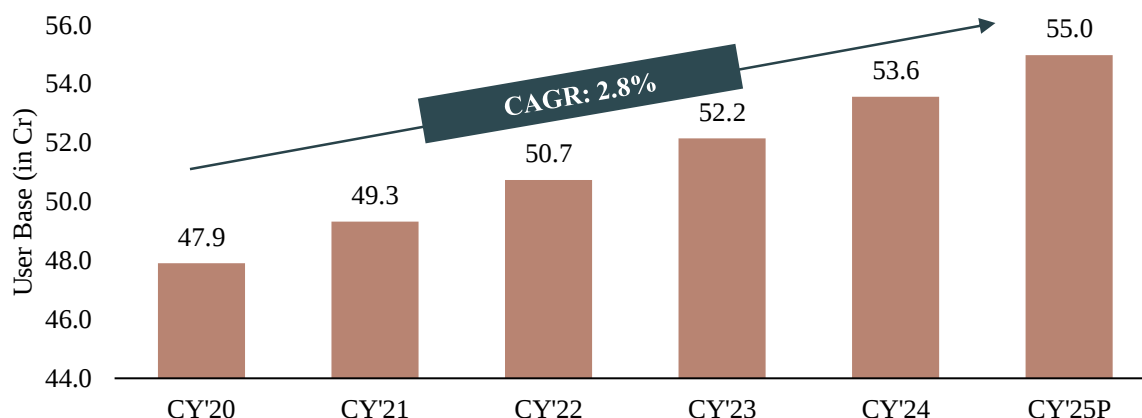


Source: Ormax Media Report & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

WHATSAPP USERS IN INDIA

India's WhatsApp user base has shown consistent growth, which is projected to reach 550 million by CY'25, expecting a growth in CAGR of 2.8% between CY'20-CY25P. In CY'24, India hosts over 535.8 million WhatsApp users, making it the largest market for the platform globally. This growth reflects the broader trend of digital adoption across the country, supported by affordable smartphones, low-cost data, and expanding rural internet penetration. WhatsApp's role has evolved beyond messaging, now serving as a key tool for small businesses, digital payments, and local commerce, supporting the expansion of India's digital economy.

Figure 2-12: India's Growth Trend in WhatsApp User Base (in Cr), CY'20-CY'25P

Source: GrabOn & Ken Research Analysis

Note: CY represents the Calendar Year ending on December 31

RISE IN GEN Z AND YOUTH SOCIAL MEDIA CONSUMPTION AND SOCIAL MEDIA ADOPTION

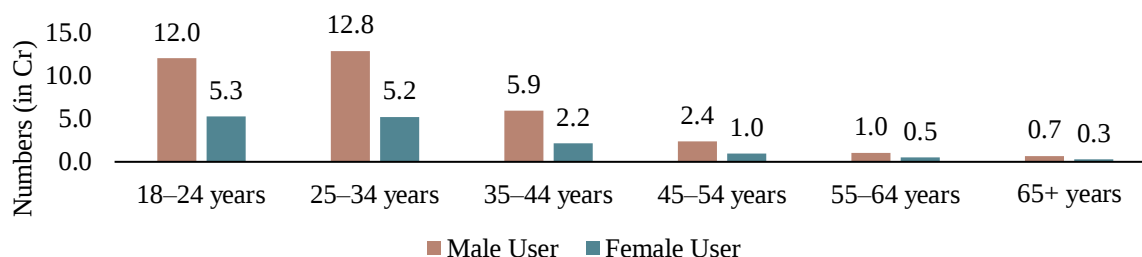
As India's social media landscape saw a rise in user base (i.e. total users) from 62.9 crore to 118.9 crore between CY'20 and CY'25E as in figure 2-15, **the unique user base** (i.e. number of unique users) **grew from 400 million in FY'20 reaching to 491 million in FY'25**. The demographic distribution for FY'25 reveals shows that the 18-24 age group includes 119.8 million male and 52.5 million female users, while the 25-34 age group comprises 128.2 million male and 52 million female users. Together, these two groups, representing Gen Z and youth account for over 352 million users, nearly **72%** of the total social media user base making them the largest demographic on social platforms.

Figure 2-13: India's Social Media Users (in Cr), FY'20-FY'25

Source: Datareportal & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

This demographic plays a key role in shaping digital marketing strategies. Gen Z favors **short-form video platforms** that have witnessed a 3.6x surge in daily active users, underscoring the format's widespread appeal, **reels, vlogs** and **creator-led content**, with platforms like **Instagram Reels, YouTube Shorts, Snapchat**, and **YouTube** dominating their screen time. Their likeness for **memes, live streams**, and authentic, purpose-driven content prompts brands to embrace video-first, platform-specific approaches leveraging **influencers, gamification, AR filters**, and **AI-driven recommendations**.

Figure 2-14: India's Social Media Users Demographic Distribution on the basis of Age and Gender (in Cr), FY'25

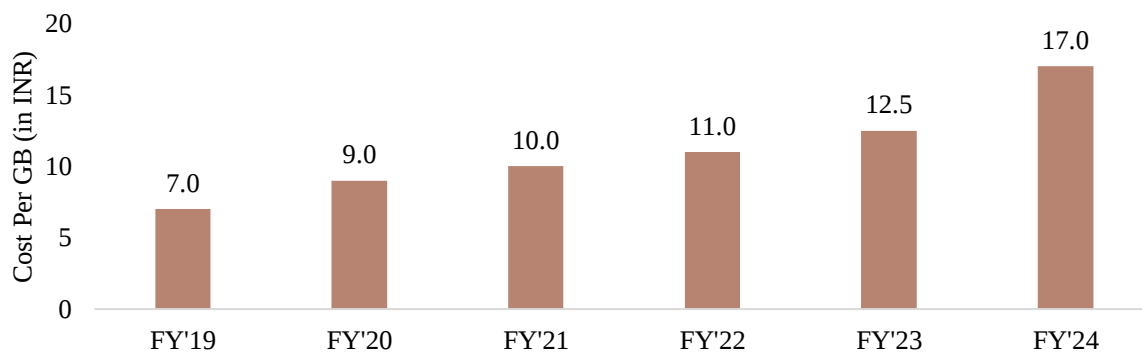
Source: Datareportal & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

AVERAGE COST PER GB IN INDIA (INR) AND AVERAGE MONTHLY DATA USED PER PERSON, FY'19 – FY'24

Data costs in India have dropped significantly from INR 225 per GB in FY'16 to an average of INR 10 per GB in FY'19. A low-cost 4G entrant that year led to other providers to cut their rates, and later industry together maintained downward pressure on prices.

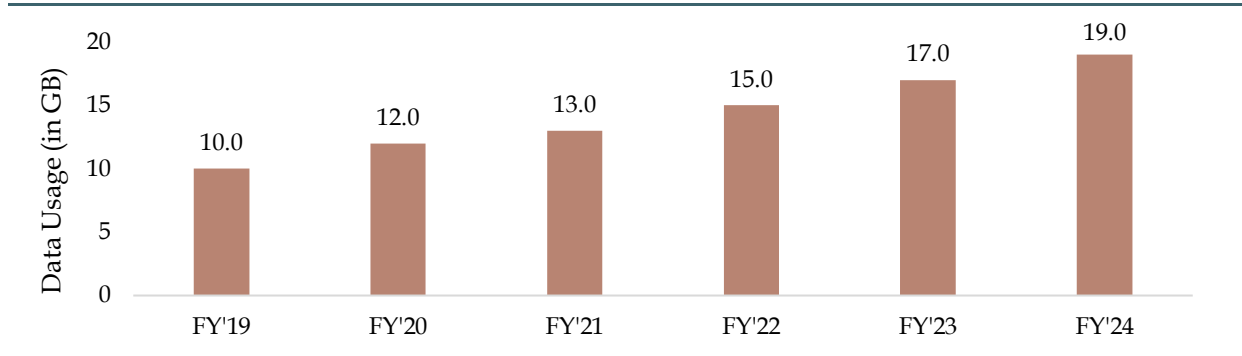
Even with the arrival of 5G technology, which has slightly increased the average cost to INR 17 per GB in FY'23, India remains one of the most affordable countries globally for mobile data. This affordability has contributed to wider access to digital platforms, supporting increased internet penetration, particularly in rural and semi-urban areas (Source: TRAI).

Figure 2-15: India's Average Data Cost Per GB (in INR), FY'19-FY'24

Source: TRAI & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

India's average monthly mobile data usage increased from 17 GB in FY'23 to 19 GB in FY'24 (Source: TRAI). The average data traffic per smartphone is estimated to reach to touch 62 GB per month by FY'30 (Source: Ericsson Mobile Data Traffic Outlook). The gradual rollout of 5G-enabled Fixed Wireless Access (FWA) is contributing to higher data usage by extending connectivity to household broadband, in addition to smartphone-based consumption.

Figure 2-16: India's Average Monthly Mobile Data Usage (in GB), FY'19-FY'24

Source: TRAI & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

3. MARKET ANALYSIS

3.1. MARKETING SPEND AS PERCENTAGE OF COMPANIES REVENUE IN INDIA

The Marketing Spend as a percentage of Companies revenue in India refers to the share of corporate revenue in India that is allocated to marketing spend.

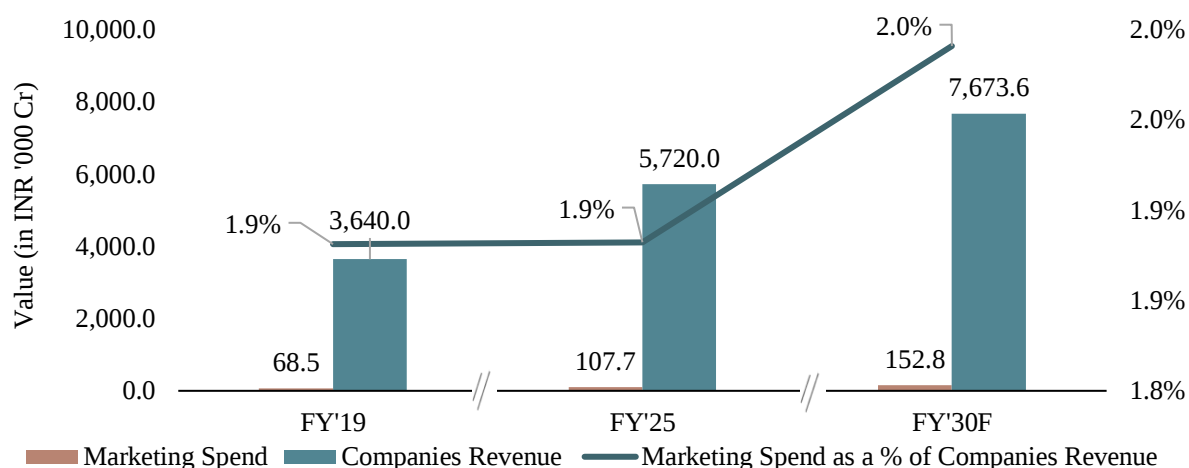
The Marketing Spend as a percentage of Companies Revenue in India has reached 1.9% in FY'25. Indian corporates are now **spending more** but **proportionally**.

The key reason for this marketing spends increase is:

- Companies are actively investing in platforms like **YouTube, Instagram, Google**, and **commerce media**, moving away from traditional-only advertising.
- **Retail, fintech, travel** sectors prefer performance-based spends paying only on clicks, sign-ups, or purchases.
- **FMCG** and **Automobile** firms invest in CRM, data tools, and programmatic media, needing ongoing spend.
- **Real Estate, Healthcare** and **Education** are expanding to Tier 2/3 cities, requiring wider marketing reach and brand building.

As both marketing spends and company revenues grow alongside GDP, the share of marketing in corporate budgets is also expanding, signaling a shift toward more aggressive customer acquisition, brand building, and retention strategies.

Figure 3-1: Marketing Spend as percentage of Companies Revenue in India (in INR '000 Crores), FY'19 - FY'25 – FY'30F



Source: Ken Research Analysis

Note 1: Marketing spend is estimated using companies' revenue as a proxy, based on data from 748 listed companies, excluding Oil & Gas, Banking, Financial Services, and Insurance sector

Note 2: FY represents the Financial Year ending on March 31

Note 3: Data for Forecasted Years are Extrapolated

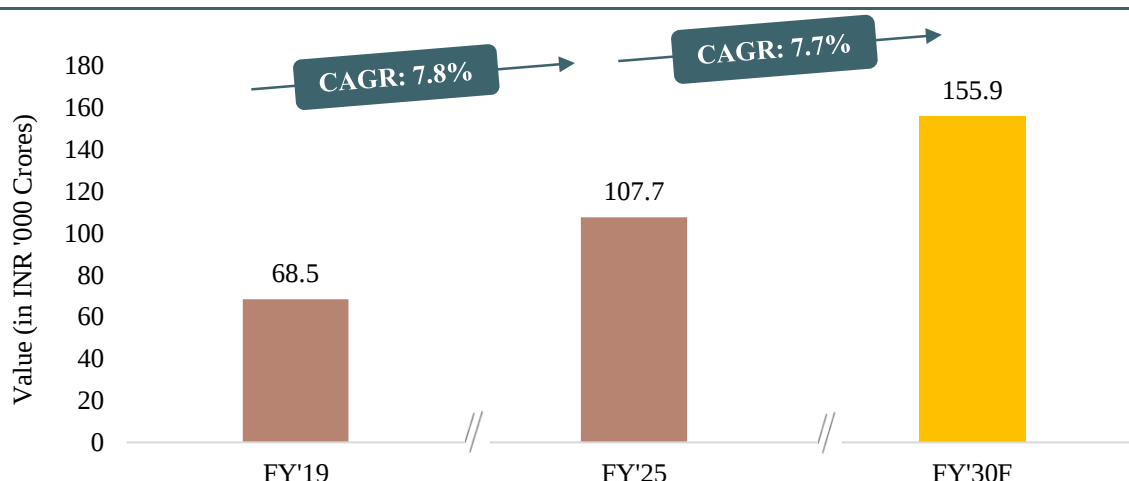
3.2. INDIA ADVERTISING SPEND BY VALUE, FY'19 - FY'25 - FY'30F

India's Advertising Spend reached **INR 107.7 thousand crore in FY'25**. This marks a significant increase from **FY'19**, reflecting a CAGR of **7.8%** between **FY'19 - FY'25**.

The market is projected to grow at a CAGR of **7.7%** between **FY'25** and **FY'30F**, potentially crossing **INR 155.9 thousand crore** by the end of the **FY'30F**. This outlook is driven by rising **digital** and **mobile penetration**, **AI adoption** that enables **hyper-personalized, automated, performance-led campaigns** and a surge in **regional** and **vernacular content**, prompting brands to localize messaging and target diverse language audiences more effectively. The following are the factors influencing the Advertising spends in India:

- **Private Final Consumption Expenditure (PFCE)** accounts for nearly **56%** of India's GDP in FY'24, making it a consumption-led economy. This drives large-scale advertising in FMCG, retail, and auto, particularly on TV, print, and outdoor. (Source: MoSPI)
- In **2025**, **85% of Indian households now own at least one smartphone**, reflecting widespread mobile access at home. (Source: MoSPI)
- India is a hub of festivals and events, In FY'25 the Indian Advertising Market saw an acceleration due to **IPL**, **ICC Cricket World Cup** and **Assembly elections**. (Source: Dentsu)

Figure 3-2: India Advertising Spend (in INR '000 Crores), FY'19 - FY'25 – FY'30F



Source: Industry Articles & Ken Research Analysis

Note 1: F indicates forecasted data for financial year

Note 2: FY refers to financial year ending March 31

SEGMENTATION OF INDIA ADVERTISING MARKET BY TYPE OF MEDIA, FY'25 & FY'30F

The India Advertising Market is divided into two segments: **Traditional Advertising** which includes Print, Cinema, OOH, Radio and Television and **Digital Advertising** which includes search ads, social media ads, video ads, display banners, programmatic media and Others (Display & App Spend and E-Mail Marketing)

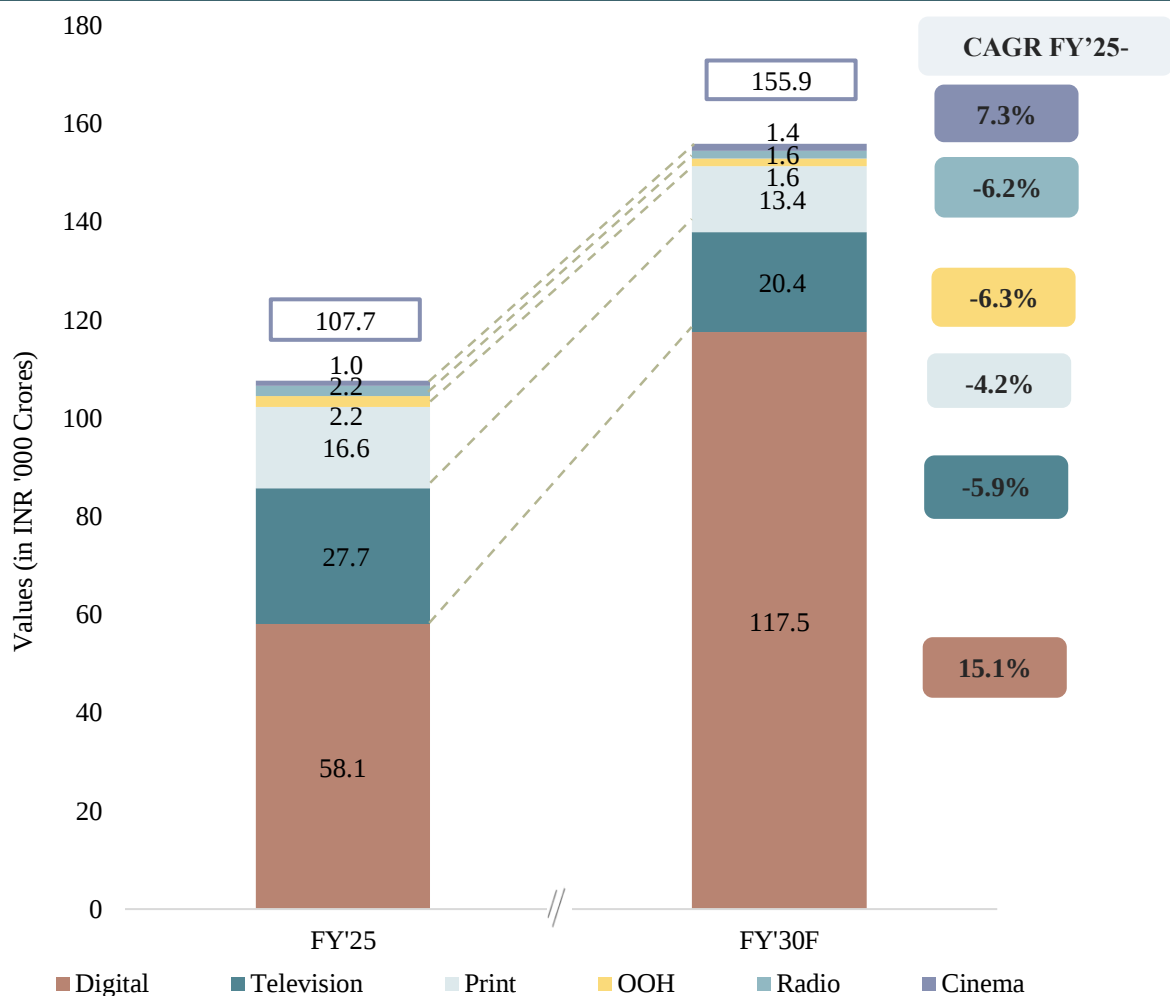
India's Traditional Advertising Market reached **INR 49.6 thousand crore in FY'25**, reflecting a CAGR of **-5.0%** between **FY'25 - FY'30F**. There has been a declining market share for media formats in Print, Cinema, OOH, Radio and Television, due to change in viewership of consumers and increasing digital media formats. Conversely, India's

Digital Advertising Market reached **INR 58.1 thousand crore in FY'25**, reflecting a CAGR of **15.1%** between **FY'25 - FY'30F**.

The reason why consumer is shifting from traditional media formats to digital media formats are:

- Indians now spend **~7.3 hours/day** online, mostly on **mobile apps, social media, OTT, and short video** driving a shift in ad spends towards digital where user attention lies. (Source: Datareportal).
- Digital media offers content on smartphones, tablets, or laptops, unlike **fixed** schedules of **TV, radio, or daily newspaper** delivery.
- Multi-format platforms (**video, text, audio**) are gaining preference, creating **new advertising inventory** and **monetization** avenues for both advertisers and consumers.
- As users migrate from traditional to digital media, advertisers are reallocating budgets to measurable, performance-led digital channels.

Figure 3-3: India Advertising Market Segmentation by Media Type (in INR '000 Cr), FY'25-FY'30F



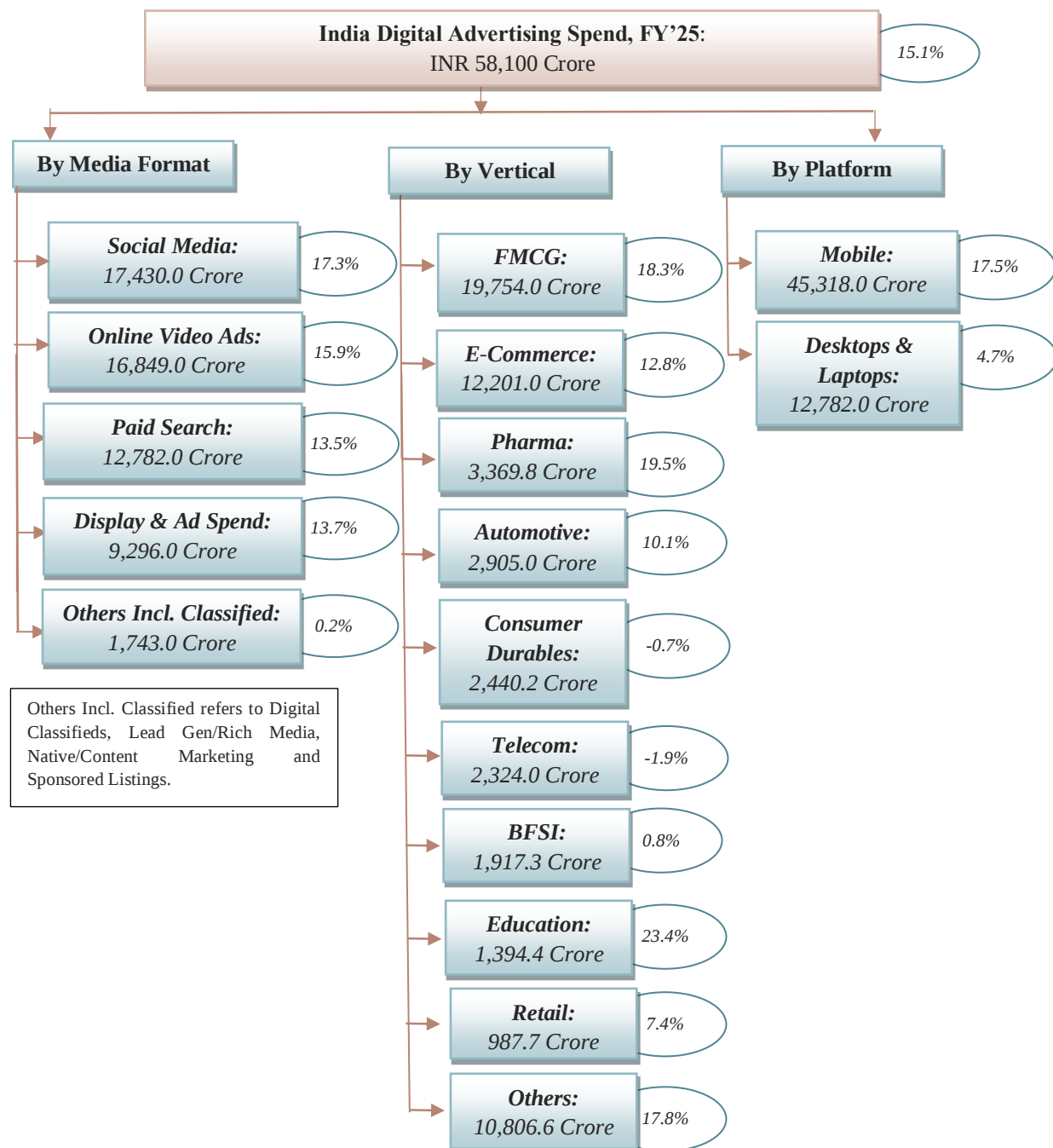
Source: Ken Research Analysis

Note 1: FY refers to financial year ending March 31

Note 2: F indicates forecasted data for financial year

3.3. INDIA DIGITAL ADVERTISING SPEND, FY'19 - FY'25 - FY'30F

Figure 3-4: Taxonomy & Market Size of India Digital Advertising Spend, FY'25 & CAGR, FY'25 – FY'30F



Source: Ken Research Analysis

Note: Consumer Durables include advertising for Home Appliances, Furniture and Electricals; FMCG includes advertising for F&B, Personal & Home Care Products; Retail includes advertising for online and offline retail forums

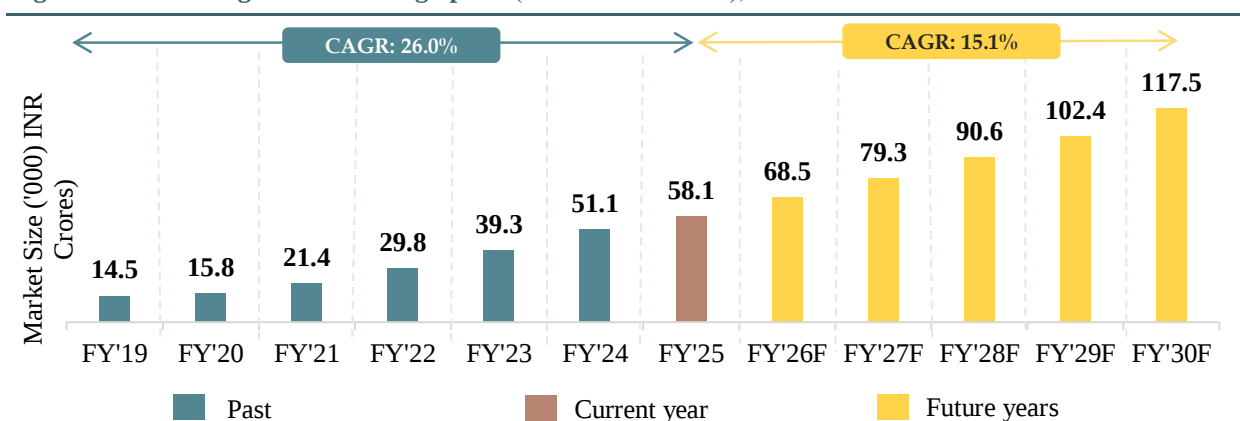
Note: FY refers to financial year ending March 31

○ Indicates CAGR from FY'25-FY'30F

In FY'25, India's Digital Advertising Spend has reached INR 58,100.0 crore registering a CAGR of 26.0% between FY'19 to FY'25. By FY'30F, the market is projected to reach INR 1,17,526.6 crore at a CAGR of 15.1% between FY'25 and FY'30F. The growth drivers for the rise in Digital Advertising Spend are:

- **703 million internet users in FY'25**, 76% of Indians now use the “open internet”, a blend of web, OTT, and music/gaming platforms driving deeper engagement and higher advertising spending. (Source: Social Samosa)
- **Government initiative: Digital India** and the **National Broadband Mission** have ensured **95% 4G coverage** and extensive fiber deployment, enabling enhanced accessibility for both consumers and advertisers. (Source: Ministry of Electronics & IT)
- This next phase of growth will be driven by Indians increasingly preferring to consume content in their **local languages**, along with a strong governmental push through the **ongoing rollout of 5G, fiber broadband**, and other national digital initiatives. 5G alone is expected to contribute up to **2%** of India's GDP amounting to **USD 180 billion** by 2030. (Source: DoT, Government of India)

Figure 3-5: India Digital Advertising Spend (in INR '000 Crore), FY'19-FY'25-FY'30F



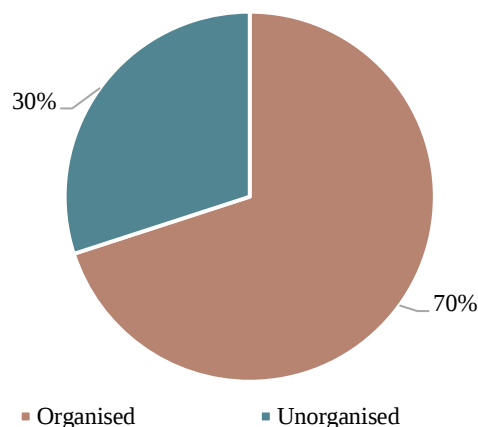
Source: Ken Research Analysis

Note 1: FY refers to financial year ending March 31

Note 2: F represents Forecasted figures

The Indian Digital Advertising Market is segmented into organized and unorganized sectors. The market is largely organized with **70%** share, characterized by **global ad and media networks, large domestic agencies, and technology/platform companies**. While the **30% unorganized segment** is captured by **freelancers, small scale-agencies, and informal service providers**.

Figure 3-6: India Digital Advertising Market Segmentation by Market Structure (in %), FY'25



Source: Ken Research Analysis

Note 1: F indicates forecasted year

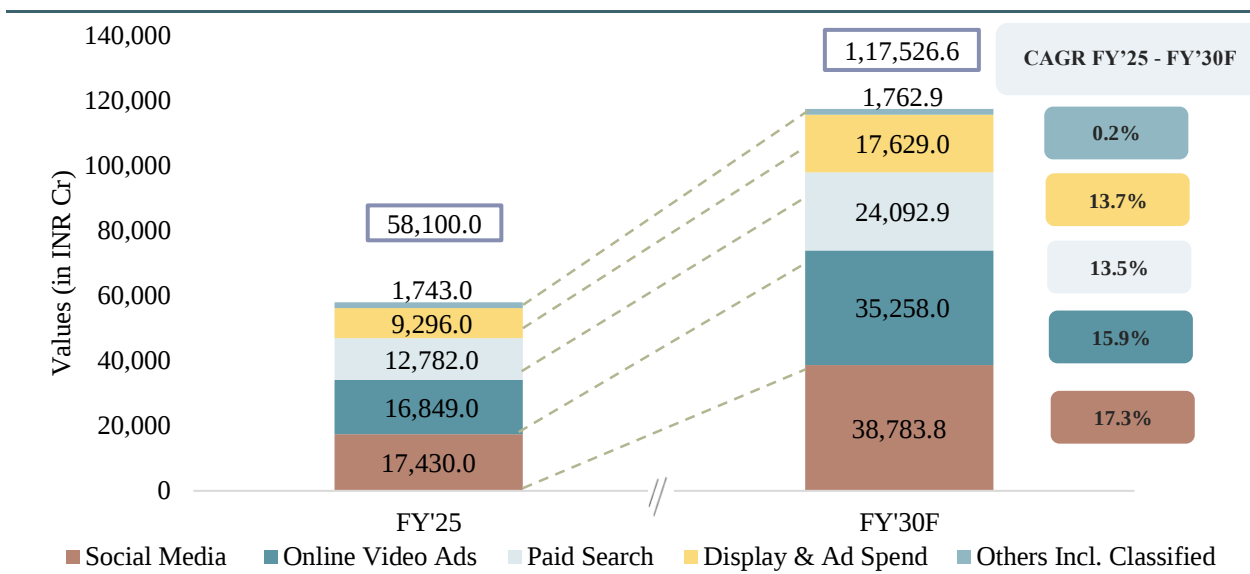
Note 2: FY refers to financial year ending March 31

SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF MEDIA FORMAT, FY'25 & FY'30F

In FY'25, India's Digital Advertising Market reached **INR 58,100 crore**. The Market is divided into various Media Formats: social media, Online Video Ads, Paid Search, Display & Ad Spend, Others Incl. Classified (E-Mail Marketing, Affiliate Network and Influencer Promotions).

By FY'30F, Social Media advertising spend will reach INR 38,783.8 crore, growing at a CAGR of **17.3%** between FY'25 and FY'30F. Users consume an average of **17.0 GB** of data per month, on social platforms and short-form video apps, which is increasing the use of advertising on these platforms. (Source: Datareportal)

Paid Search advertising is projected to reach INR 24,092.9 crore, with a CAGR of 13.5% between FY'25 and FY'30F. Search activity is shifting from traditional search engines to social media and shopping apps, and now includes voice and image search due to recent advances in AI.

Figure 3-7: India Digital Advertising Market Segmentation by Media Format (in INR Cr), FY'25 & FY'30F

Source: Ken Research Analysis

Note 1: F indicates forecasted year

Note 2: FY refers to financial year ending March 31

Note 3: Others Incl. Classified refers to Digital Classifieds, Lead Gen/Rich Media, Native/Content Marketing and Sponsored Listings

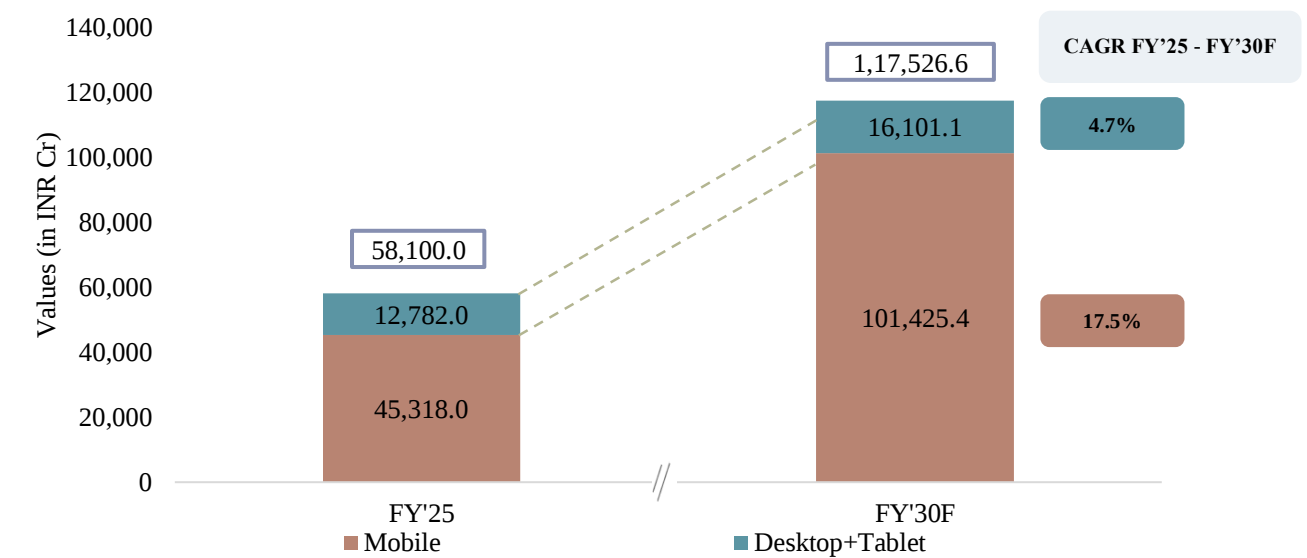
SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF PLATFORM, FY'25 & FY'30F

Digital Advertising is done primarily via Smart Devices such as Mobiles, Desktops and Tablets.

A significant contributor to Digital Advertising is the rise in mobile advertising. By 2030F, Mobile Advertising will reach INR 1,01,425.4 Crore, registering a CAGR of 17.5%. Desktop & Tablet Advertising will reach INR 16,101.1 Crore, registering a CAGR of 4.7% between FY'25 – FY'30F.

This divergence reflects India's mobile-first consumer behavior, fueled by the availability of affordable smartphones and data plans. 97.4% of internet users aged 16+ own a smartphone in India. Meanwhile, only 44.7% of internet users aged 16+ own a desktop and 19.9% of them own a tablet. (Source: Datareportal).

Additionally, platforms like Instagram Reels, YouTube Shorts, and mobile-based gaming ecosystems are pushing advertisers to prioritize mobile-specific formats. This shift is further accelerated by performance marketing and social commerce trends, which favor mobile-first consumer targeting and real-time engagement.

Figure 3-8: India Digital Advertising Market Segmentation by Platform (in INR Cr), FY'25 & FY'30F

Source: Industry Articles & Ken Research Analysis

Note 1: F indicates forecasted year

Note 2: FY refers to financial year ending March 31

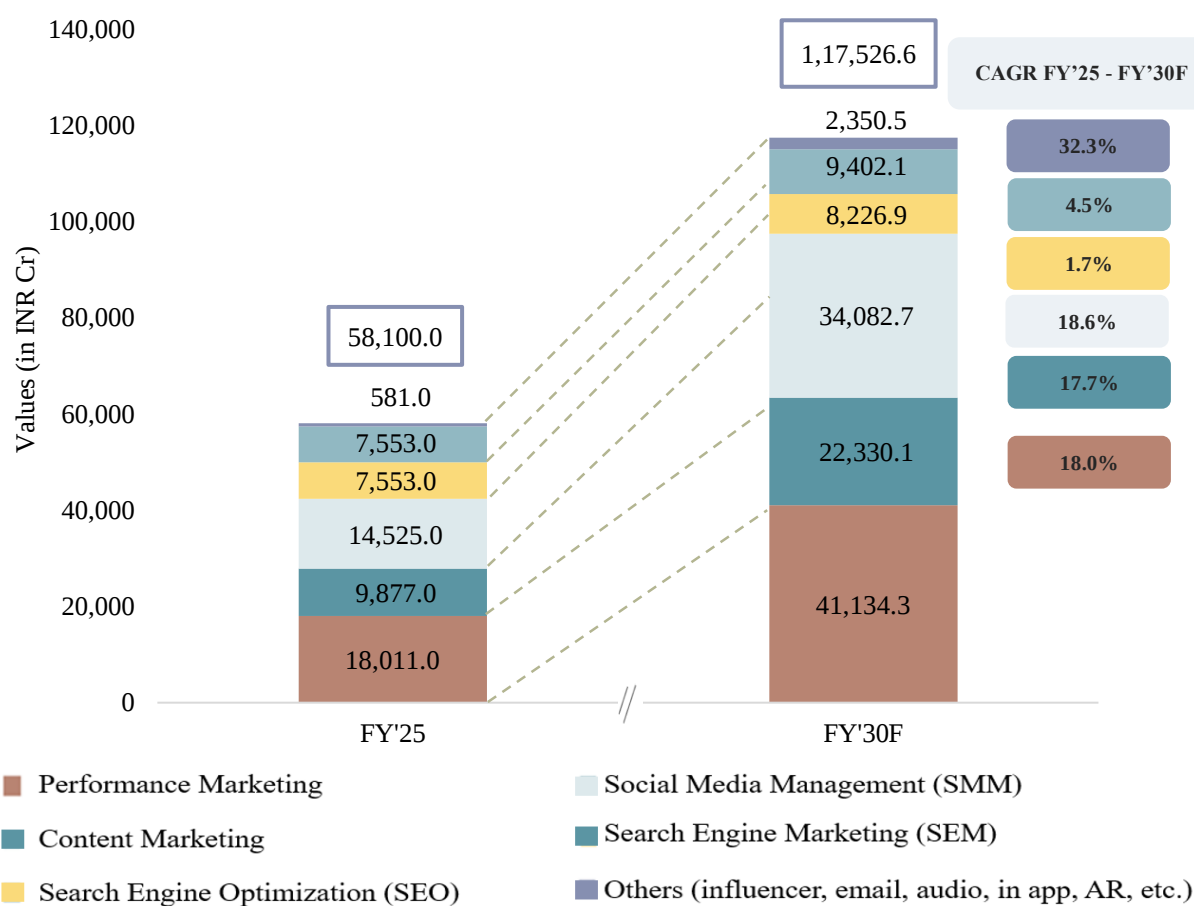
SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF SERVICE, FY'25 & FY'30F

India Digital Advertising by type of service is segmented by Performance Marketing, Content Marketing, Social Media Management (SMM), Search Engine Optimization (SEO), Search Engine Marketing (SEM) and Others (influencer, email, audio, in app, AR, etc.)

Performance Marketing is expected to have a robust growth, estimated to reach INR 41,134.3 crore by FY'30F. It includes a wide range of models such as **pay-per-click, cost-per-lead, cost-per-install, cost-per-sale** and **fixed-fee placements, etc.** on digital platforms. Unlike traditional advertising where brands pay simply for visibility, performance marketing allows **advertisers** to spend based on clear outcomes like **clicks, leads, installs** or agreed campaign deliverables, making it cost-effective.

Social Media Management (SMM) will experience robust growth as it is driven by Gen Z and youth, who make up nearly 72% of India's total social media users in FY'25.

Content Marketing is expected to register 17.7% CAGR between FY'25 and FY'30F, it plays a key role in driving both Performance Marketing and Social Media Management (SMM) as it fuels retargeting, supports SEO, and reduces paid media costs, making it a high-impact, cost-efficient lever across digital channels.

Figure 3-9: India Digital Advertising Market Segmentation by Services (in INR Cr), FY'25 & FY'30F

Source: Dentsu Reports, Industry Articles & Ken Research Analysis

Note 1: F indicates forecasted year

Note 2: FY refers to financial year ending March

SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF ENTERPRISE, FY'25 & FY'30F

India's digital ecosystem maturing rapidly, both **Startups/MSMEs** and **Large Enterprises** are increasingly turning to **self-serve advertising platforms** such as Meta Ads, Google Ads, Amazon Ads, and retail media networks to engage highly targeted audiences with measurable returns. What was once limited to large-budget advertisers is now accessible to businesses of all sizes, fueling broader participation in the digital advertising economy.

In FY'24, **Large Enterprises contributed two-thirds** of India's digital advertising spend, while **Startups/MSMEs accounted for one-third**. However, the balance is shifting.

Between FY'25 and FY'30F, digital ad spends by **Startups/MSMEs** are projected to grow at a **CAGR of 20.1%**, reaching **INR 65,227.3 crore** by FY'30, while **Large Enterprises** are expected to grow at a **CAGR of 11.9%**, reaching **INR 52,299.3 crore**.

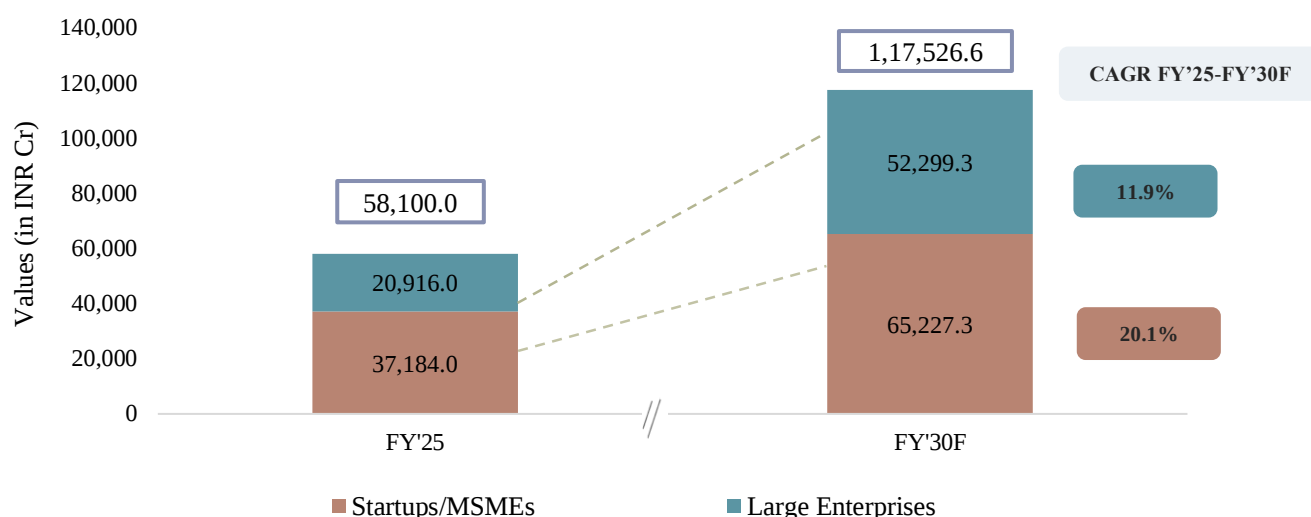
This surge is driven by several key factors:

- **High digital dependency among SMBs:** Nearly **80% of Indian SMBs** now rely on online advertising, and **42% allocate over 40%** of their marketing budgets to digital channels.

- **Growing programmatic and retail media access:** Platforms like **The Trade Desk, DV360, InMobi, Amazon Ads, and Flipkart Ads** have democratized access to advanced ad tech, enabling businesses to precisely target high-intent consumers at scale.
- **Supportive government initiatives:** Policies such as **ONDC enablement, Udyam portal integration**, and broader digitization efforts have improved digital adoption among small businesses, indirectly accelerating their participation in digital marketing.

As digital commerce and consumption deepen across Tier II–IV cities, India's digital advertising landscape is poised to become even more inclusive with **Startups/MSMEs emerging as critical growth engines**, alongside large advertisers.

Figure 3-10: India Digital Advertising Market Segmentation by Enterprise Type (in INR Cr), FY'25 & FY'30F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note 1: F indicates forecasted figure

Note 2: FY refers to financial year ending March 31

SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF VERTICALS, FY'25 & FY'30F

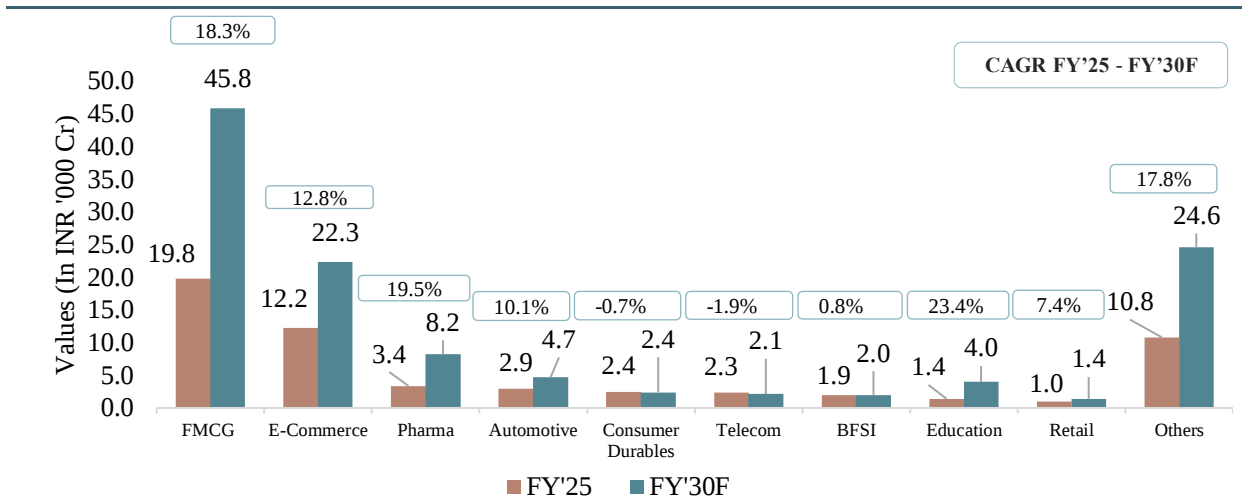
India Digital Advertising Market is divided by various Verticals, such as: FMCG, E-Commerce, Pharma, Automotive, Education, Consumer Durables, Telecom, BFSI, Retail and Others (Government, Tourism, Real Estate and Media & Entertainment).

Sectors such as **FMCG, Pharma, Education, and Others** are estimated to drive the majority of incremental spend, while **Consumer Durables, Telecom, and BFSI** are projected to contract or stagnate due to continuing advertising via traditional media formats.

- **FMCG** remains the dominant contributor to digital ad spend. By FY'30F, FMCG vertical is estimated to reach INR 45,835.4 crore, registering a CAGR of 18.3% between FY'25 – FY'30F. Between FY'19-22, brands such as Godrej Consumer Products, Marico and Nestle have spent 5-9% as advertising spend as a % of operating income, **highlighting their role as major contributors to India's growing digital ad ecosystem.** (Source: CRISIL Report)
- **E-commerce** and **Pharma** are also significant gainers. By 2030F, E-Commerce vertical is estimated to register a CAGR of 12.8% between FY'25 – FY'30F and Pharma vertical is estimated to reach INR 8,226.9 crore by

FY'30F. Between FY'19-22, The Torrent Pharmaceuticals spent 10% of advertising spend as % of operating income. (Source: CRISIL Report)

Figure 3-11: India Digital Advertising Market Segmentation by Verticals (in INR '000 Cr), FY'25E & FY'30F



Source: Ken Research Analysis

Note 1: F indicates forecasted figure

Note 2: FY refers to financial year ending March 31

Note 3: Others refer to Government, Tourism, Real Estate and Media & Entertainment

SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF VERTICALS & MEDIA TYPE, FY'25

In FY25, the Indian digital advertising landscape shows significant divergence in media format preferences across key verticals. While **FMCG** and **Retail** leads in **online video** and **social media**, **E-Commerce** and **BFSI** concentrate heavily on **paid search**, reflecting conversion-led priorities. The **Pharma** sector stands out for its higher reliance on **display** and **app spend**, signaling a focus on reach and awareness.

Table 3-1: India Digital Advertising Sector-wise Market Segmentation by Media Format (In INR Cr), FY'25

Verticals	Social media	Online Video	Paid Search	Display & App Spend	Others Incl. Classified	Total
FMCG	6,321.3	9,679.5	592.6	2,765.6	395.1	19,754.0
E-Commerce	3,172.3	2,562.2	5,124.4	1,220.1	122.0	12,201.0
Pharma	505.5	909.8	370.7	1,583.8	N/A	3,369.8
Automotive	668.2	929.6	610.1	435.8	261.5	2,905.0
Consumer Durables	658.9	414.8	585.6	463.6	317.2	2,440.2
Telecom	N/A	790.2	348.6	395.1	790.2	2,324.0
BFSI	N/A	383.5	594.4	479.3	460.2	1,917.3
Education	502.0	404.4	223.1	251.0	13.9	1,394.4
Retail	444.5	158.0	187.7	177.8	19.8	987.7
Others	3,674.2	2,809.7	1,945.2	1,945.2	432.3	10,806.6

Source: Ken Research Analysis

Note 1: N/A refers to Data Not Available

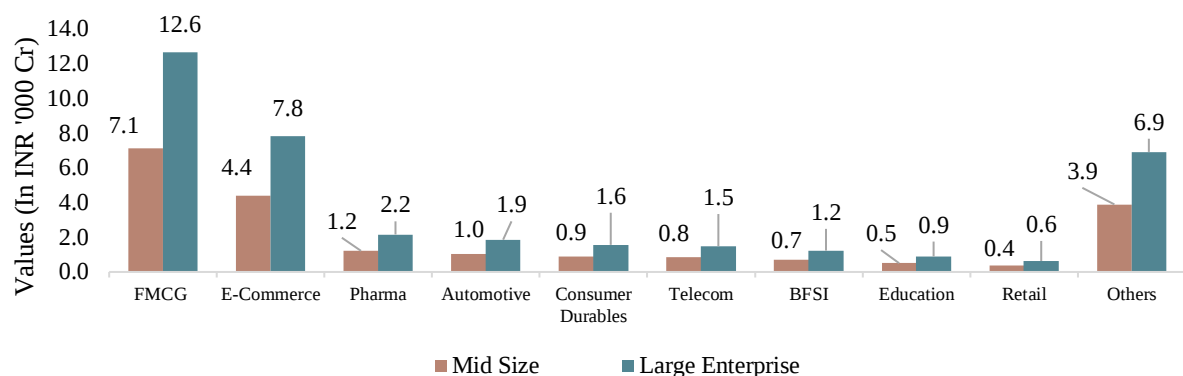
Note 2: FY refers to financial year ending March 31

SEGMENTATION OF INDIA DIGITAL ADVERTISING MARKET BY TYPE OF VERTICALS & ENTERPRISE, FY'25

In FY'25, India's digital advertising landscape reflects notable differences in spending patterns between mid-sized and large enterprises across industry verticals.

The highest estimated spends were seen in **E-Commerce** and **FMCG**, with a larger share contributed by **large enterprises** in both cases. Other notable sectors include **Pharma** and **Consumer Durables**, each showing contributions from both enterprise types, though skewed toward larger players. **Mid-sized enterprises** show relatively stronger representation in sectors such as **Retail**, **Education** and **Automotive** indicating broader participation in digital advertising beyond the largest brands. The '**Others**' category, which includes **Government**, **Tourism**, **Real Estate**, and **Media & Entertainment**, accounts for INR 6.9 thousand Crore, underscoring growing digital engagement across diverse industries.

Figure 3-12: India Digital Advertising Market Segmentation by Verticals and Enterprise (in INR '000 Cr), FY'25



Source: Interviews with Industry Experts & Ken Research Analysis

Note 1: FY refers to financial year ending March 31

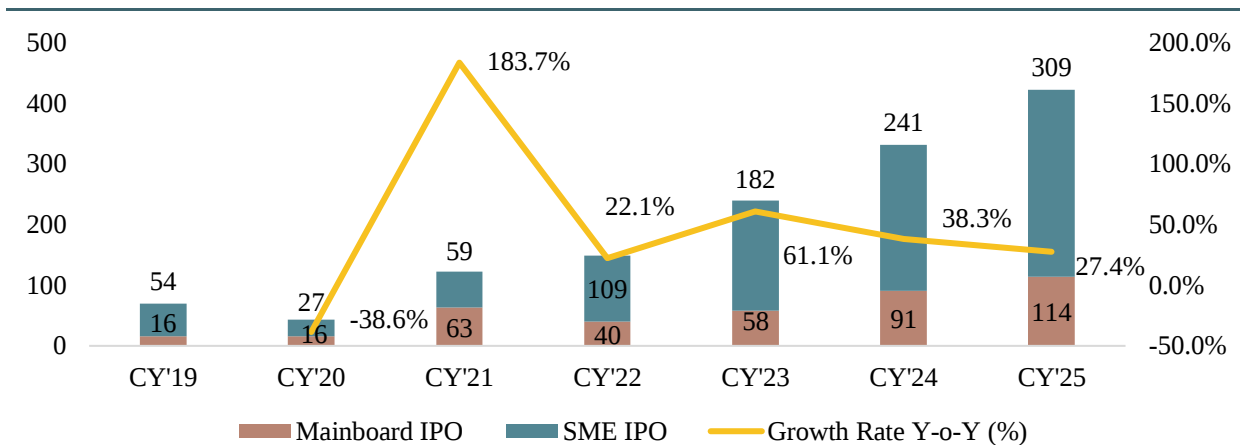
Note 2: Others refer to Government, Tourism, Real Estate and Media & Entertainment

SEGMENTATION OF DIGITAL ADVERTISING MARKET BY IPO BOUND COMPANIES

SME IPOs have emerged as the primary growth driver of India's capital markets, recording year-on-year growth of 38.3% in CY'24.

In CY'24, **241 SME IPOs** were listed, reflecting the increasing participation of smaller enterprises in the public market ecosystem.

This acceleration has been supported by rising retail and regional investor interest, while mainboard IPO activity has remained steady with 91 IPOs listed in CY'24, the surge in SME issuances highlights a structural shift, with SMEs steadily gaining market share of 73.0%.

Figure 3-13: India's IPO Bound Companies Segmentation by Mainboard and SME IPOs, CY'19-CY'25

Source: Chittorgarh & Ken Research Analysis

Note 1: CY refers to calendar year ending December 31

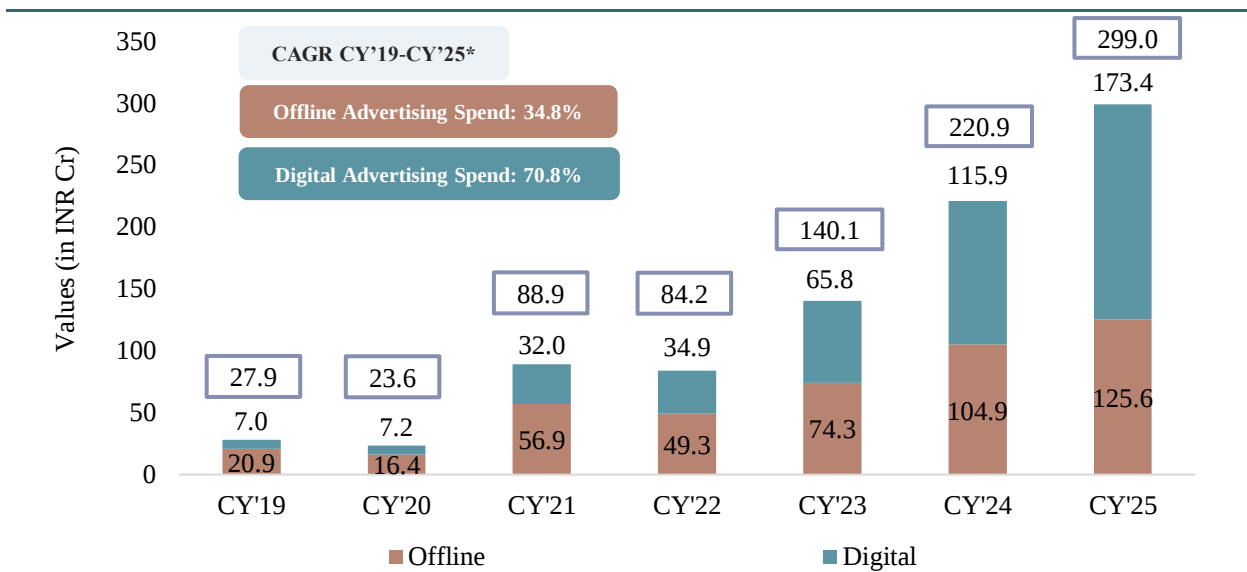
Note 2: Data for CY'25 is extrapolated based on the ongoing quarterly IPO activity in 2025 to date, along with the historical growth rate in the number of IPOs issued

SPENDING TREND OF IPO BOUND COMPANIES BY DIGITAL AND OFFLINE ADVERTISING SPEND, CY'19-CY'25

IPO-bound companies in India are steadily increasing their advertising budgets, with spends rising from **INR 27.9 Crore in CY'19** to a projected **INR 299.0 Crore in CY'25**, registering strong growth across both offline and digital channels.

Digital advertising has emerged as the key driver, expanding at a **CAGR of 70.8%** between CY'19–CY'25, compared to **34.8% CAGR** for offline advertising. Digital spends are projected to reach **INR 173.4 Crore by CY'25**, outpacing offline spends at **INR 125.6 Crore**.

This shift reflects the increasing reliance on digital media for investor outreach, as companies leverage mobile, social, and online platforms to maximize awareness and participation. While offline campaigns such as print and outdoor remain relevant, the rapid rise of digital advertising underlines its growing importance in IPO marketing strategies.

Figure 3-14: India's IPO Bound Advertising spend segmentation by Digital and Offline Advertising, CY'19-CY'25

Source: Chittorgarh & Ken Research Analysis

Note 1: CY refers to calendar year ending December 31

Note 2: Data for CY'25 is extrapolated*

DIGITAL MEDIA BUYING TREND – PROGRAMMATIC AND DIRECT, FY'19-FY'25

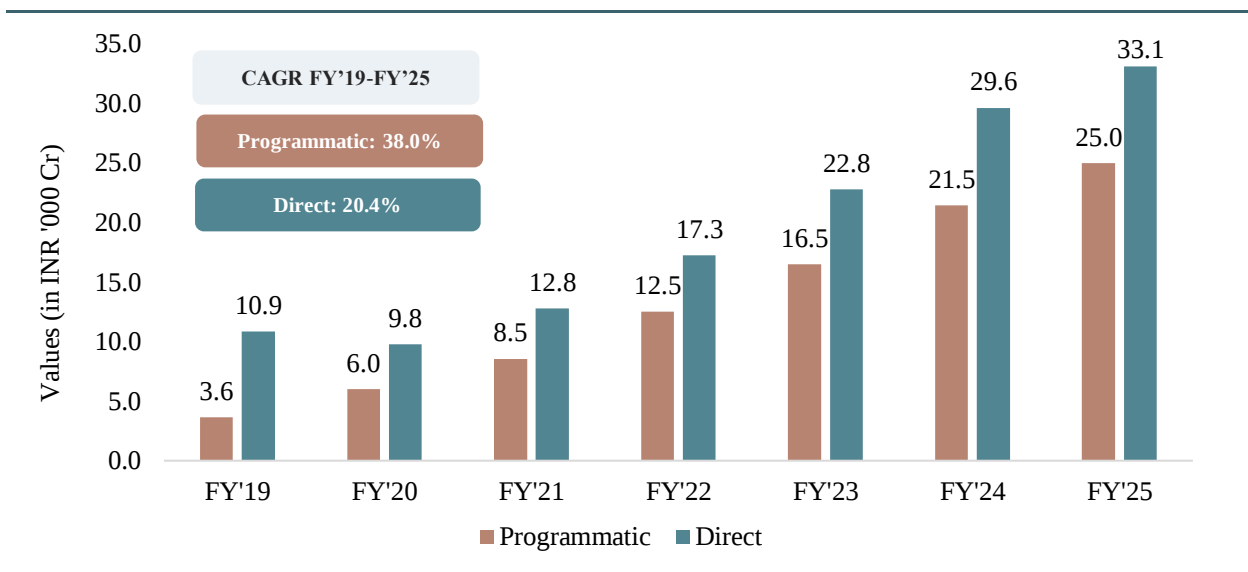
Direct Media Buying: Ads are brought by negotiating with publishers through emails, calls, or contracts.

Programmatic Media Buying: Ads are bought automatically using tech platforms that match ads to audiences in real time.

In FY'25, programmatic buying gained momentum, contributed 43% of digital ad spend driven by its efficiency and targeting capabilities while direct buying, at 57%, is gradually losing share to automation-led solutions.

Programmatic media buying supports more efficient and data-informed media planning through automated bidding, audience targeting, and performance tracking. It also offers access to varied inventory across formats like Connected TV (CTV), Digital Out-Of-Home (DOOH), and retail media. Direct media buying continues to be used for campaigns that require greater control, brand safety, or custom placements.

Figure 3-15: India's Digital Media Buying Trends on the Segment of Programmatic and Direct Buying (in INR '000 Cr), FY'19-FY'25



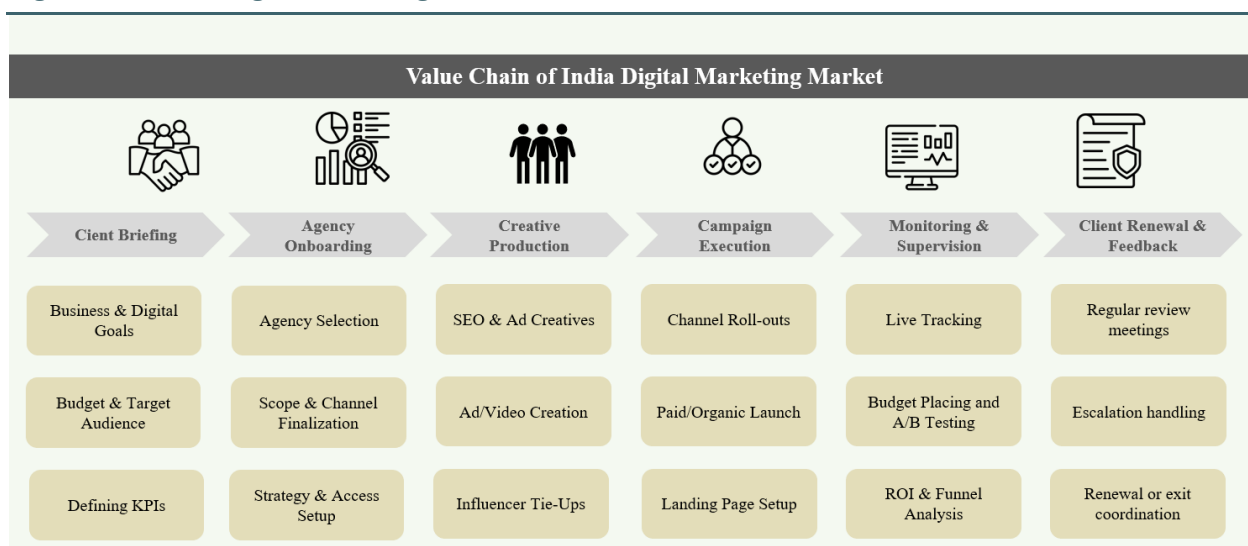
Source: Dentsu Report & Ken Research Analysis

Note: FY represents the Financial Year ending on March 31

3.4. INDIA DIGITAL ADVERTISING MARKET - VALUE CHAIN & TAXONOMY

The India Digital Advertising Market spans both traditional and digital formats, supporting brand needs across awareness, acquisition, engagement, and loyalty. Given the diversity of Indian audiences, media fragmentation, and the shift toward performance-driven marketing.

Figure 3-16: India Digital Marketing Value Chain



Source: Ken Research Analysis

3.5. REVENUE MODEL OF INDIA DIGITAL ADVERTISING MARKET

The Indian Digital Advertising Market operates under a diverse set of commercial models that vary based on the nature of engagement, deliverables, and client expectations. Agencies today adopt flexible pricing structures to accommodate strategic retainers, project-based work, content production, consulting, and performance-led campaigns. These models are tailored to suit different applications, ranging from long-term brand support to one-off campaign execution or on-demand talent deployment. The following table outlines the key revenue models, highlighting their applications, pricing approach, and associated revenue streams.

Table 3-2: Revenue Models Prevalent in the India Digital Advertising Market

Service	Usage	Revenue Model
Commissions and Retainer Fees-Based Model	The client pays a fixed monthly fee or a percentage of ad spends for regular support and strategy.	Commission: % of client's media and production spends Retainer: Fixed monthly/quarterly fees based on scope of engagement
Project Fees Model	The client pays for one-time marketing work like launching a campaign, website, or app.	Fixed fee based on scope, effort, media rates, and 3rd party payouts
Production Income	Payment for creating marketing materials such as videos, ads, or social media content.	Cost-plus pricing or per-unit creative pricing
Rate Card Based Charges	The client is charged as per a fixed price list for defined services like SEO, audits, or design.	Pre-approved fixed fee per task or hour/day
People Placement/Deployment Model	The client hires marketing professionals from the agency to work on-site or remotely.	FTE billing based on skill, level, and deployment duration
Performance Based Model	The agency is paid based on results, such as leads, conversions, or sales achieved.	Mixed model: Fixed base fee + variable bonus for target achievement

Source: Ken Research Analysis

3.6. USA SEM, SEO AND PERFORMANCE BASED DIGITAL ADVERTISING SPEND, CY'25 & CY'30

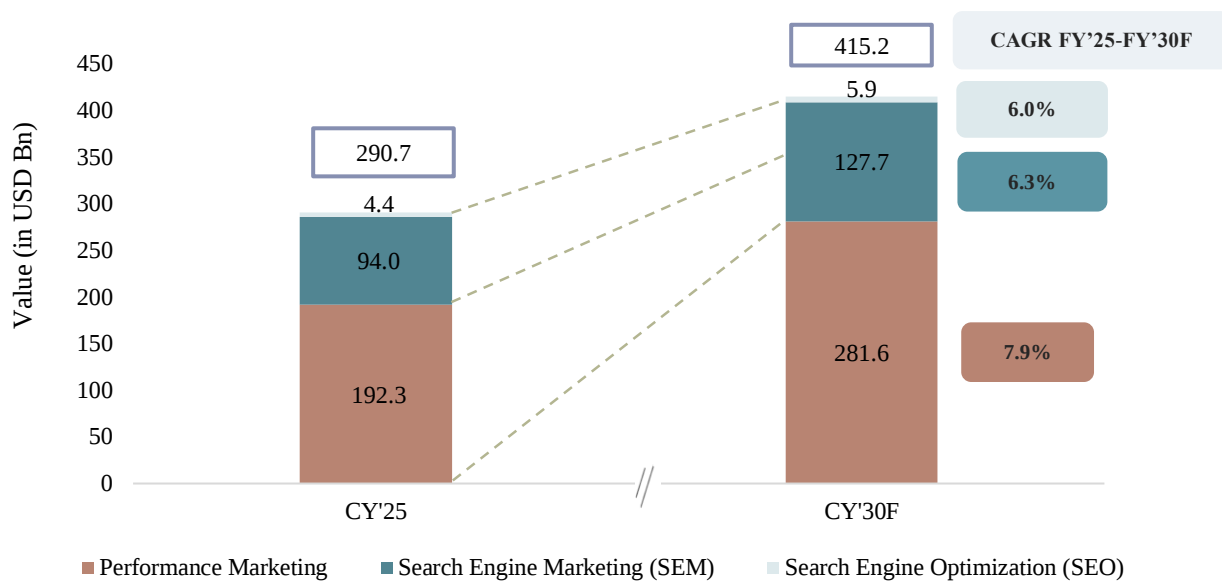
The USA SEM, SEO and Performance Based Digital Advertising spend comprising Performance Marketing, Search Engine Optimization (SEO), and Search Engine Marketing (SEM) reached USD 290.7 billion in CY'25.

Increasing demand for measurable returns, tighter marketing budgets, and a rising focus on ROI-led ad spending are supporting the market growth. **Performance Marketing** is the largest segment, benefiting from the adoption of mobile-first strategies that want consumers to opt for smartphones before larger screens and enhanced data analytics that helps brand visibility by AI-driven targeting and automation.

SEO strategy remains an advertising mode for brands aiming to scale via organic visibility, and complemented by Google's algorithms.

SEM is growing steadily as brands prefer paid placements to capture high-intent traffic in competitive keyword spaces.

Figure 3-17: USA SEM, SEO and Performance Based Digital Advertising Spend (in USD Bn), CY'25 & CY'30F



Source: Industry Articles & Ken Research Analysis

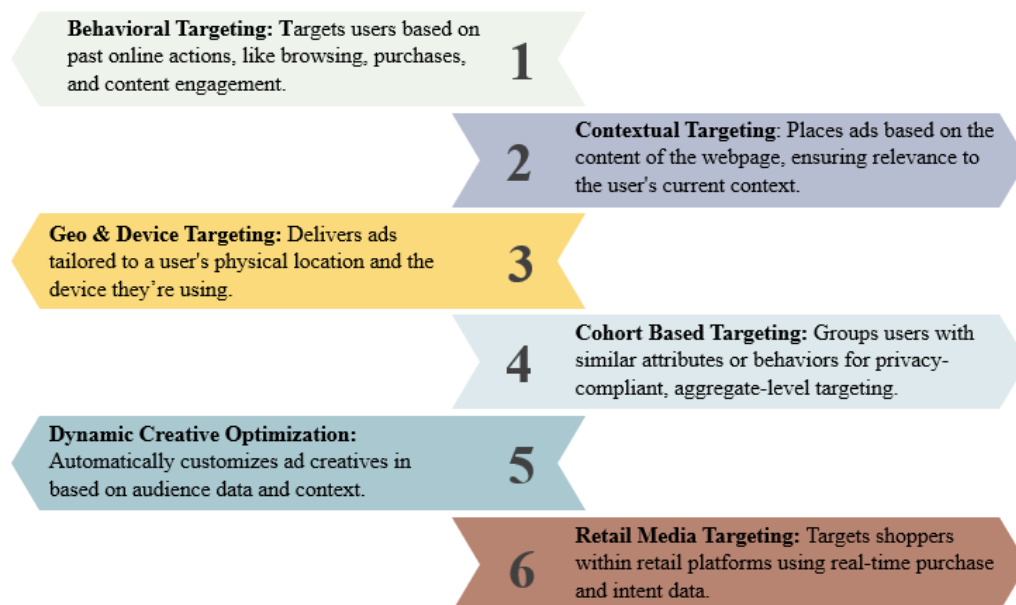
Note: F indicants forecasted data for financial year

4. INNOVATION IN DIGITAL ADVERTISING/MARKETING SPACE

Targeting Relevant Audiences at Scale - Using data and AI to reach large, diverse consumer groups with personalized messages

Targeting relevant audiences at scale is done to maximize reach while still delivering relevant messages, helping brands grow awareness, drive conversions, and achieve better ROI across diverse consumer segments. There are several ways to reach audiences such as:

Figure 4-1: Types of Targeting Audiences at Scale



Source: Ken Research Analysis

Targeting Audiences at Scale is done via platforms like **Google DV360**, **The Trade Desk** and **InMobi** which help brands target users based on location, online behavior, and device usage. Companies which have leveraged these platforms got significant results such as:

- Samsung India reached **301 million** users for its Galaxy Z Flip 4 & Fold 4 launch, achieving **12% higher reach** and **47% cost savings**. (Source: AdSpyder)
- Zepto used **The Trade Desk** to target **60M+** users across **80 cities** with real-time insights. (Source: Social Samosa)
- Godrej Consumer Products partnered with **InMobi** for **personalised video ads**, resulting in a **29% boost** in first orders and **30% lower cost** per new user. (Source: InMobi)

These brands highlight how precision targeting, a significant part of digital marketing is enabling brands to reach the right audience at massive scale while optimizing costs.

Click to buy - Viewers buy products while watching ads on digital platforms

Viewers in India are increasingly shopping directly from video content using QR codes, mobile prompts, and embedded commerce links - enabling instant purchases of fashion, electronics and FMCG, closing the gap between

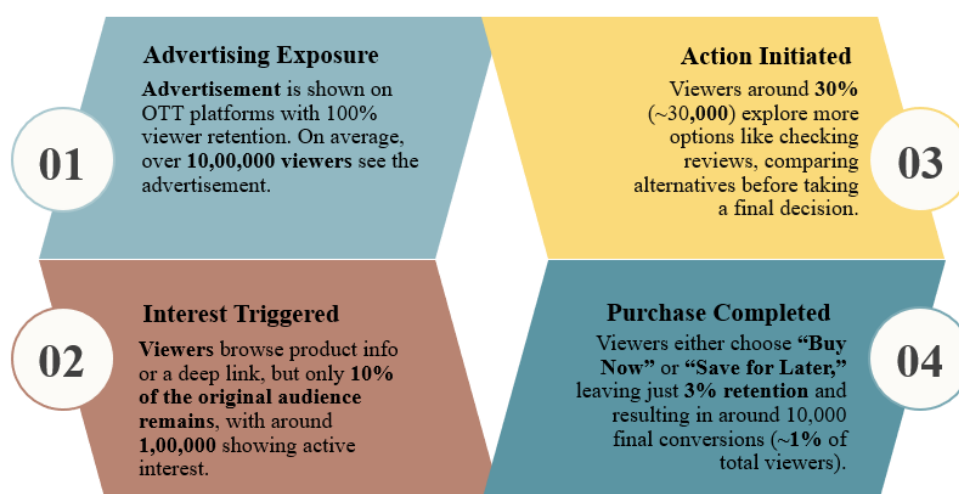
discovery and purchase. With 87% of Indian consumers using **YouTube** or **Shorts** during their shopping journey, digital platforms are tapping into this behavior by turning ads into instant shopping touchpoints.

Some of the notable implementation of “Click to Buy” are:

- **Google India** launching **shoppable ads on YouTube CTV** and **mobile mastheads** in May 2025, enabling direct product interaction via QR codes and link sharing. (Source: Google India)
- Vserv Digital integrating “**Buy Now**” features into mobile and DTH ads, powering commerce for over 500 million user profiles. (Source: Medinama)
- **Meadbery India** using **Meta’s Click-to-WhatsApp ads**, gaining **5,280 leads**, **INR 3.57L** in sales, and **74× ROI** from a spend of just **INR 4,831**. (Source: Quickreply.ai)

Consumers are seen interacting with “Click to Buy” option in the following ways:

Figure 4-2: Overview of Consumer Interacting with “Click-to-Buy” option



Source: Datareportal & Ken Research Analysis

Media Mix Modeling - Data-driven technique used to measure the impact of different marketing channels

Media Mix Modeling (MMM) enables marketers to evaluate the effectiveness of various marketing channels by analyzing aggregate time-series data. As privacy regulations tighten and user-level tracking becomes less viable, brands are increasingly turning to MMM as a reliable, privacy-safe alternative for measuring returns on marketing investments. Some notable companies driving MMM are:

Table 4-1: Campaigns driven by Companies in Media-Mix-Modeling

Company	Platform	Usage
Publicis Media Group	Introduced Markriti, built on Meta's open-source Robyn.	Enhanced MMM functionality tailored for the Indian market, enabling better performance analysis and insights.
NielsenIQ	Expanded its MMM offerings, integrating granular store-level point-of-sale data across 75+ countries.	Provides more accurate and localized insights, improving media spend allocation decisions.
Google	Released Meridian, an open-source MMM framework, designed for easy implementation and tested with hundreds of global brands.	Streamlines MMM implementation and helps marketers quantify cross-channel impact, including on platforms like YouTube.

Source: Publicis Media Group, Google, NielsenIQ & Ken Research Analysis

AI Image Search - Artificial Intelligence to analyze, identify, and retrieve images based on visual content, keywords or context

Over **70 million households** in India now consume visual content daily, prompting platforms to increasingly integrate **visual search features** (Source: Datareportal). **Google Lens**, the most widely used visual tool in the country, sees **over 12 billion visual searches per month**, reflecting its vast reach and adoption (Source: Google India).

AI image search is transforming digital marketing by enabling **visual product discovery** where users search through **images instead of text**. This shift helps brands deliver **highly personalized** and **visually relevant ads**, boosting **engagement** and **conversions**. Platforms like **Google Lens** and **Myntra** now use AI to match uploaded images with products, allowing marketers to **target high-intent users** and enable **seamless commerce experiences**.

Ad Fraud Prevention - ML and Pattern recognition to detect, prevent, and respond to fraudulent activities

In early 2025, India recorded an alarming 42% invalid traffic (IVT) rate on mobile apps. Ad fraud prevention enhances the effectiveness of digital marketing by ensuring that ads reach real users not **bots** or **fake traffic**. Machine learning models analyze user behavior patterns to detect anomalies like repeated clicks or invalid impressions in real time. By filtering out fraudulent sources, marketers can optimize their budgets, maintain accurate performance metrics, and improve return on ad spend (ROAS), ultimately making digital campaigns more reliable and transparent.

Growth of AI Usage and Addressable opportunity of AI based marketing in India

The Artificial Intelligence (AI) market is defined as technologies and solutions that enable machines to simulate human intelligence, including machine learning, natural language processing, computer vision, and robotics.

India's AI market is expected to reach INR 14.4 thousand crore by **FY'27**, growing at a **25–30% CAGR**, with marketing and advertising seen as key areas of application. As digital adoption grows, AI tools are increasingly being used to assist with targeting, planning, content recommendations, and customer engagement. (Source: India's AI Leap: BCG Perspective on Emerging Challengers)

AI is gradually being integrated into digital campaigns in India helping with faster decision-making, better product suggestions, and improved user support. As more organizations explore such technologies, their role in everyday marketing operations is expected to grow.

Several companies are already using AI to support their marketing and customer interaction efforts:

Table 4-2: Companies using AI based Marketing in India

Company	Application	Usage
Hindustan Unilever (HUL)	Sangam (AI Driven Marketing & Media Planning)	Media turnaround time reduced from 25 days to just 5 days using Sangam for automating media planning.
TATA Digital	Tata Neu (AI-driven recommendation engines)	Repeat purchase rate stood at ~60% , and multi-category purchases increased from 10% to over 25% post-revamp.
Reliance JioMart	Haptik AI (AI Agent)	1500 AOV , 68% Repeat Rate & 15% Conversion Rate
Nykaa	AI in content creation and influencer marketing	The "Nykaa Virtual Try-On" tool, powered by AI and AR, has been used by over 8 million unique users since launch, reducing product return rates by 22% .

Aditya Birla Capital

AI/ML Powered “Money-for-Life Planner”

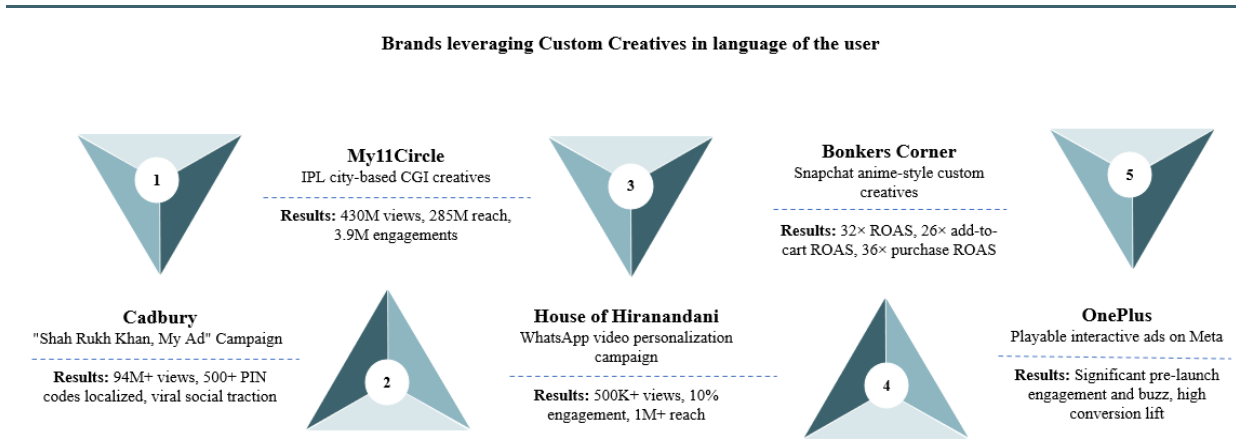
6.5 Lac individuals started planning, for their life’s goals on the Money Planner tool.

Source: HUL, TATA, Reliance, Nykaa, Aditya Birla Capital & Ken Research Analysis

Custom creatives in various language - Designing ads, text, visuals, and audio in the local language of the audience

Consumers in India speak **22 official languages** and hundreds of dialects, which has prompted the need for region specific digital content, in part due to platforms like **ShareChat**, **Moj**, **DailyHunt**, and **YouTube**, brands are increasingly shifting to local-language creatives.

Tools like **Google DV360**, **Meta Ads Manager**, and **Display & Video 360** now support **language detection and multi-language creatives**, allowing advertisers to deliver **personalized messages** in users’ preferred languages. This shift enhances ad relevance, improves user experience, and boosts campaign performance across diverse regional audiences. Some notable achievements of custom creatives are seen by brands such as Oppo, Policy Bazaar, PepsiCo, Myntra and Zomato.

Figure 4-3: Brands interacting with consumers via custom creatives

Source: Think with Google, Social Samosa, Campaign India, Tyroo, Cyberwebserve & Company's Website

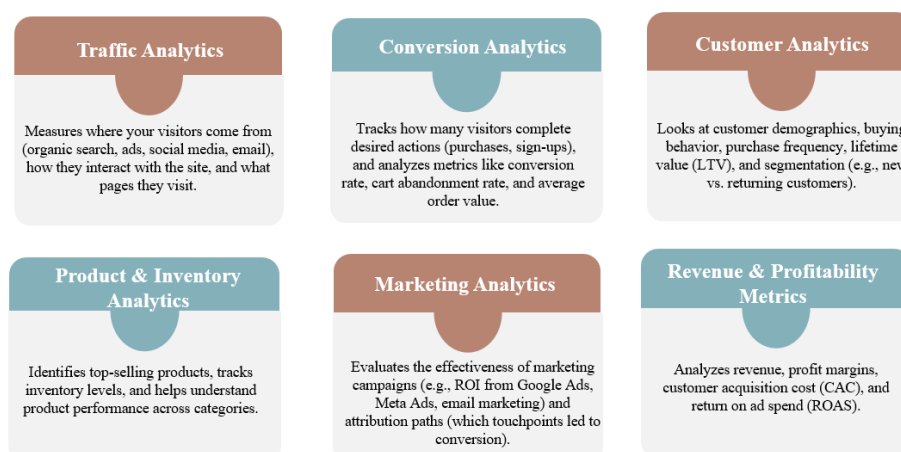
E-commerce analytics - Tracking, Analyzing, and Interpreting data from online sales activities

In FY'25, the E-Commerce sector reached USD 163 billion in Market Size. The drivers which are fueling the market size are: **Internet Penetration, Digital Payments and Urbanization**. (Source: Brick Work Ratings)

A notable shift is occurring in consumer demographics, with around 60% of e-commerce transactions now originating from **Tier 2 and Tier 3 cities**. (Source: SARC Associates)

To serve these new segments better, brands are increasingly leveraging **e-commerce analytics** to track buyer behavior, personalize offerings, and optimize last-mile delivery strategies. There are several types of E-Commerce Analytics.

Figure 4-4: Types of E-Commerce Analytics



Source: Ken Research Analysis

E-commerce analytics helps brands and is a prominent part of digital marketing because they understand customer behavior, optimize product listings, and track campaign performance. It enables data-driven decisions to improve targeting, reduce cart abandonment, and increase conversions across digital platforms:

Table 4-3: Platforms driving ROI using E-Commerce Analytics

Platform	Usage
Google Analytics 4 (GA4)	Tatvic, an Indian e-commerce giant using GA4, BigQuery, and Looker Studio achieved a 26% uplift in revenue through better data-driven attribution and marketing spend optimization.
Moglix	Moglix , a B2B unicorn, saw 40% ROI from retention-focused campaigns.
Bummer	Bummer , a D2C innerwear brand, achieved a 7X increase in ROI using segmentation, email journeys, and funnel analytics.
WebEngage	Across 850+ brands, WebEngage's contextual marketing drove a 163% surge in revenue , 40% higher conversions , and 25% increase in retention .

Source: Tatvic, WebEngage, Company's website & Ken Research Analysis

Programmatic Digital Out-of-Home (DOOH) growth - Automated buying of digital outdoor ad spaces

Programmatic Digital Out-of-Home (pDOOH) is the automated buying and selling of digital advertising space on out-of-home (OOH) screens, using **technology and data**. It combines interactive nature of digital displays with the efficiency and targeting power of programmatic advertising.

pDOOH is used in digital marketing because it combines the **impact of outdoor advertising** with the **precision of digital targeting**. India’s Digital Out-of-Home (DOOH)’s growth is driven by urbanization, cheaper LED panels, and the need for flexible messaging. DOOH is expected to account for **17% of total OOH ad revenue by 2027**. India has around **1,85,000 DOOH screens**, with **16% being large-format**, showing a move toward better-quality outdoor displays. (Source: Exchange4Media)

DOOH is becoming part of digital campaigns through **programmatic buying**, which allows advertisers to plan, buy, and deliver DOOH ads in real-time using data signals like **location, time of day, weather** and **audience behavior**. In 2025, **50% of DOOH campaigns** in India use programmatic. Platforms like **AdServe by AdOnMo** manage ads on **50,000+ screens** in **25 cities**, making DOOH easier to run and adjust. (Source: AdOnMo)

Conversational Marketing with AI Chatbots - AI tools that simulate real-time customer conversations

AI chatbots are playing a vital role in digital marketing by powering 24x7 customer support, lead generation, personalized product recommendations, and instant checkouts. India ranks among the top five countries globally in chatbot usage, with over **500 million WhatsApp users**, making platforms like **WhatsApp Business, Messenger**, and website chat tools key channels for user interaction. These tools are increasingly AI-driven, allowing businesses to automate and personalize conversations at scale improving user engagement, reducing response time, and boosting conversions across digital campaigns. (Source: Datareportal)

Direct Shopping links on Social Media

Direct shopping links also known as **shoppable posts, reels** and **stories**, have been widely adopted formats for digital advertising in India. These formats allow consumers to **seamlessly transition from discovery to purchase** without leaving the social media platform, significantly shrinking the customer journey.

Table 4-4: Platform-Specific Adoption of Direct Shopping Links on Social Media in India

Platform	Direct Shopping Link Format	Key Features
Instagram (Meta)	Shoppable Reels, Product Tags, Checkout	Seamless in-app purchase; Meta Advantage+ Ads
YouTube	Product Tagging in Shorts	Integrates with Google Shopping
Facebook	Marketplace + Dynamic Ads with Buy Now	Audience retargeting + carousel ads
Snapchat	AR Try-on + Tap-to-Buy Links	Immersive, Gen-Z focused
Pinterest India	Product Pins & Catalogs	Long shelf-life discovery

Source: Company Website’s & Ken Research Analysis

Interactive and Gamified Ads – Engaging users through interactive elements or game features to boosting participation

Interactive and gamified ads designed with game mechanics are reshaping digital marketing by engaging users more deeply than static formats. These formats deliver measurable impact, with CTR rates as high as 28.8%, far above the 3.9% for standard ads. (Source: Ad Exchanger)

In India, brands have blended offline and digital innovations:

- Swiggy used a mango-scented newspaper ad tied to app offers. (Source: afaqs!)
- Cadbury Bournville and Zepto used AR videos and QR-linked delivery bags to engage users in real time. (Source: QRTiger)

5. AI BASED HYPER-PERSONALIZED AD SPEND

5.1. DIGITAL TRANSFORMATION TREND OF META AND GOOGLE –AI SUITES FOR ALL TYPE OF ADS

Meta and **Google**, the two incumbents of digital transformation, together commanded more than **INR 50,000 crore**, ~**86%** of the total digital advertising spend in FY'25, while the rest market is captured by legacy media houses such as OTT Platforms, News Channels among others. (Source: Exchange4media)

- Meta's suite, including **Advantage+**, **Shopping**, **Advantage+ Creative** and **Meta Lattice**, leverages AI to automate creative generation, optimize dynamic user targeting, and personalize placements across feeds and stories. **These tools have proven effective, delivering up to 9% lower CPA compared to manual setups.** (Source: Meta)
- Google has integrated AI across its advertising ecosystem through tools like **Performance Max**, **Demand Gen** and **Smart Bidding**. These solutions are designed to optimize campaigns across multiple platforms, including **Search**, **YouTube** and **Display**, **resulting in up to 27% higher conversions at comparable costs.** (Source: Google India)

AI is reshaping digital marketing by boosting efficiency, accuracy, and personalization across campaign planning, audience targeting, and performance tracking. It enables trend forecasting, CLV estimation, and churn prediction, helping brands make proactive decisions and scale services without compromising quality. At the same time, agencies are moving beyond client servicing by creating proprietary IP such as award shows, festivals, and conferences unlocking recurring revenue streams and stronger brand control.

Figure 5-1: Shift from Traditional to AI-Driven Advertising

Before Digital Transformation	After Digital Transformation
Traditional advertising relied on mass media like TV, radio, and newspapers, offering limited personalization and one-way communication. Campaigns were broad and generic, with minimal data on performance, making ROI difficult to measure or optimize.	AI-driven digital advertising, used extensively on platforms like Google Ads and Meta, enables hyper-personalized campaigns and real-time optimization. Brands can tailor messages to individual users, improve targeting accuracy, and effectively measure ROI

Source: Ken Research Analysis & Company's Website

5.2. DIGITAL TRANSFORMATION A SWEET SPOT FOR MID-SIZED ENTERPRISES

Mid-sized Indian enterprises (INR 50–500 crore revenue) are under pressure to adopt **AI-led marketing** and automate operations, while competing with digital-first D2C brands. However, dependence on **imported SaaS tools** like HubSpot, Salesforce, Adobe CC, and Google Cloud priced in USD is straining margins, especially with the rupee at **INR 83–85/USD**.

As **80% of Indian businesses** plan to increase tech investments (up from 73% in early 2023), and **61%** see tech disruption as a risk, there's rising demand for **affordable, India-focused solutions.** (Source: Grant Thornton)

Indian agencies like **Liqvd Aisa**, **Schbang**, and **Performics** offer full-stack services at **INR 50,000–1,00,000/month**, while local MarTech is gaining traction due to **vernacular demand** and **industry-specific AI tools**. With **65% of brands** now allocating over **16% of their marketing budget to MarTech**, the pivot to local, rupee-priced innovation is accelerating. (Source: CommerceTech)

5.3. AI DRIVEN HYPER-PERSONALIZATION OF ADS BASED ON STATES OF CUSTOMER EMOTIONS

In FY’25, more than 79% of Indian marketers are using or testing AI in their workflows, where high impact teams were ~**3.1 times more likely** to have fully implemented AI than others. Key use cases include performance analytics, content generation, and programmatic media buying. (Source: Salesforce)

This widespread AI adoption is also powering hyper-personalized advertising at scale factoring in user behavior, time, device, location, sentiment, and even **micro-emotions** far beyond traditional segmentation.

Across the **customer journey**, AI decides **who sees what, when, and how**, using:

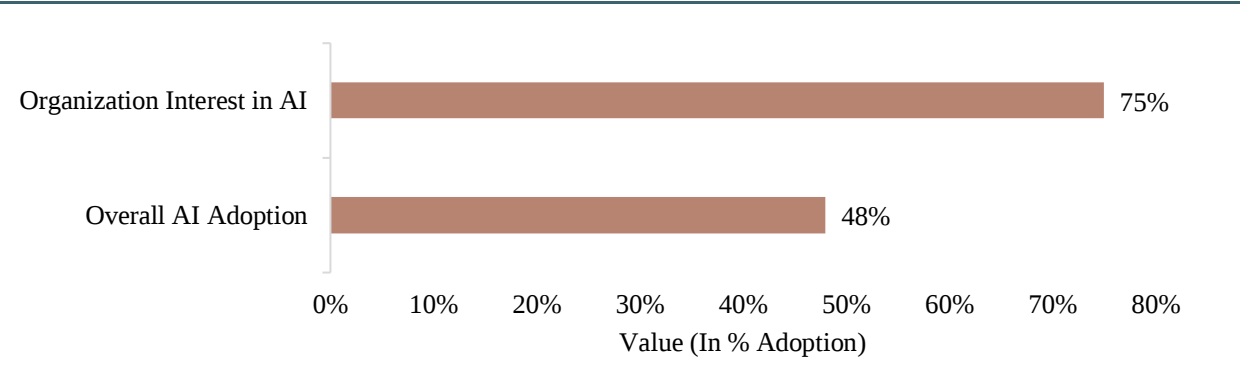
- **Dynamic Creative Optimization (DCO):** PepsiCo swaps visuals based on weather/location via Google DV360 (e.g., cold drink during Delhi heatwave).
- **Emotion-Aware Messaging:** Cadbury’s AI-generated Diwali ads were personalized by store, region, and mood.
- **Generative AI Content:** Myntra used AI to craft ad copies and recommendations for their "End of Reason Sale".

This AI-led creative approach powers **millisecond-level personalization** for millions of users via programmatic platforms continuously optimizing brand engagement based on the emotions of the consumer across each stage of the customer journey.

5.4. FUTURE OF AI AND ADOPTION OF AI-BASED ADVERTISING IN INDIA

Nearly 75% of Indian companies plan to adopt AI within the next year. In FY’25, AI adoption stood at 52% in pharma and healthcare, 43% in FMCG and retail, 28% in manufacturing, 20–22% in infrastructure and transport, and 10–12% in media and entertainment. However, India still lags behind global markets like the US. (Source: Teamlease Digital)

Figure 5-2: India AI based Advertising Adoption Rate on the Basis of Percentage, FY’25



Source: Teamlease Digital & Ken Research Analysis
Note: FY refers to financial year ending March 31

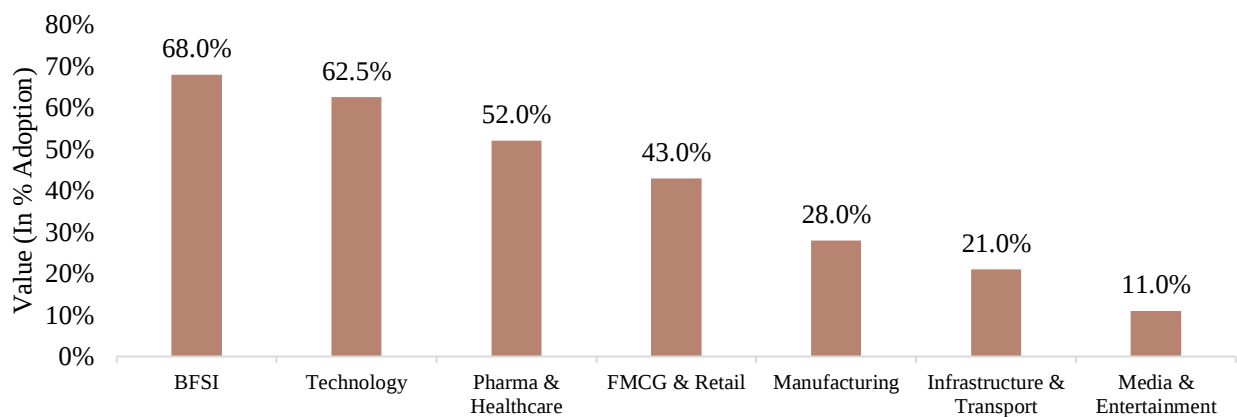
To bridge this, the **Indian government allocated INR 10,300 crore in FY’24** under the **India AI Mission** to boost **AI infrastructure, skills, and innovation**. (Source: Ministry of Electronics & IT)

Further, The Indian government is investing heavily in AI infrastructure, developing foundational models like LLMs tailored to local needs. Key initiatives include BharatGen, the world's first government-funded multimodal LLM program, Digital India BHASHINI for vernacular digital access, and models like Sarvam-1, Chitrlekha, and Everest 1.0, which support multiple Indian languages to enhance public services and content accessibility. (Source: Ministry of Electronics & IT)

It is estimated that the potential impact of AI adoption on India's gross value added (GVA) by FY'26 would be USD 500 billion. (Source: Nasscom)

The rate of artificial intelligence (AI) adoption in key industries across India reached approximately 48% in FY'25, with expectations to expand by an additional 5-7% in FY'26. (Source: Teamlease Digital)

Figure 5-3: AI based Advertising Adoption Rate across Verticals in India on the Basis of Percentage, FY'25



Source: Teamlease Digital & Ken Research Analysis

Note: FY refers to financial year ending March 31

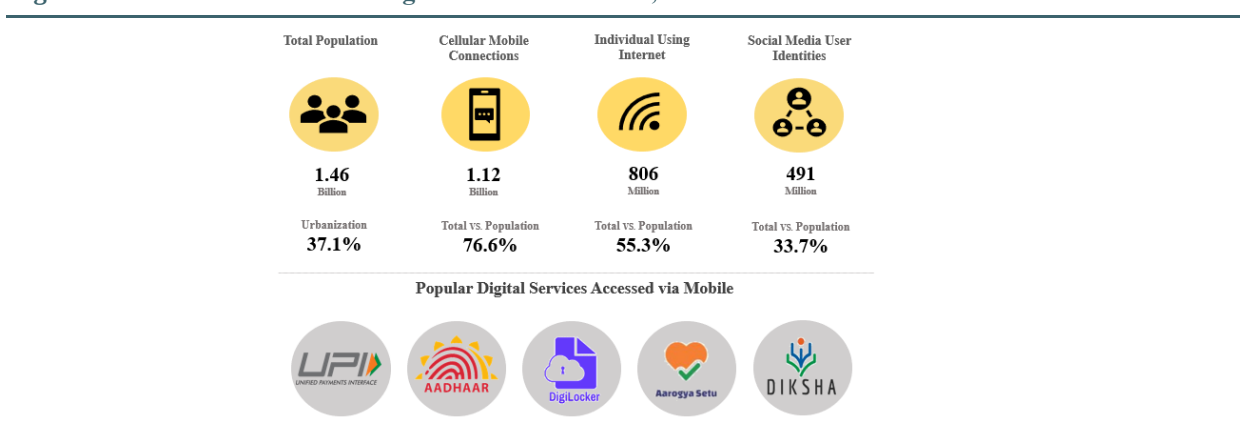
6. TRENDS AND DEVELOPMENTS/ DRIVERS IN DIGITAL MARKETING

Digital India and UPI Boom Fueling Mobile-First Campaigns

India's fast-growing mobile connectivity, driven by affordable smartphones, widespread digital infrastructure, and UPI-based services, is shaping how people and businesses engage online.

- **Nearly 1.19 Bn wireless subscribers and around 950 Mn broadband subscriptions** support India's mobile and internet infrastructure (Source: TRAI)
- **Over 85% of Indian households now own at least one smartphone**, reflecting widespread mobile access at home (Source: MoSPI)
- **National Broadband initiatives and rapid 5G rollout are expanding coverage in underserved areas**, improving mobile connectivity.
- **Rural digital inclusion is rising**, supported by programs like Common Service Centres and mobile literacy initiatives.

Figure 6-1: Overview of India's Digital Market Scenario, CY'24

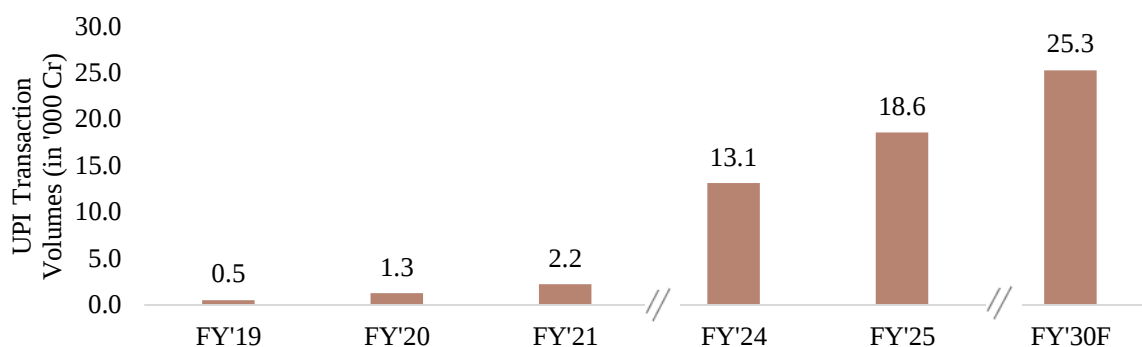


Source: Datareportal & Ken Research Analysis

India's UPI transactions by volume grew from 5.4 billion in FY'19 to 185.9 billion in FY'25, marking a 34-fold increase over six years. The volume is projected to reach 252.8 billion by FY'30F. This growth has led to increased use of mobile phones for payments and contributing to broader changes in mobile-led outreach in the following ways:

- **QR codes and UPI handles are deployed in retail, packaging, and OOH media** to trigger mobile re-engagement through **payment-linked incentives**.
- Brands increasingly use UPI based CTAs, like **"Pay Now" or "Scan & Win"** to shorten the journey from engagement to transaction.
- **UPI drives nearly half of digital transactions for MSMEs**, and many expect it to form over 50% of future retail sales by FY'26 (Source: Neo Growth).
- **UPI and Aadhaar-based banking are widely used by small businesses**, with 48% preferring UPI and 39% relying on Aadhaar-enabled transactions (Source: PayNearby).

By FY'30F, UPI is expected to enable real-time credit access for small businesses, reduce cash usage in smaller towns, and integrate into platforms like ONDC. Its growth signals a shift toward seamless, transaction-linked service delivery across several sectors.

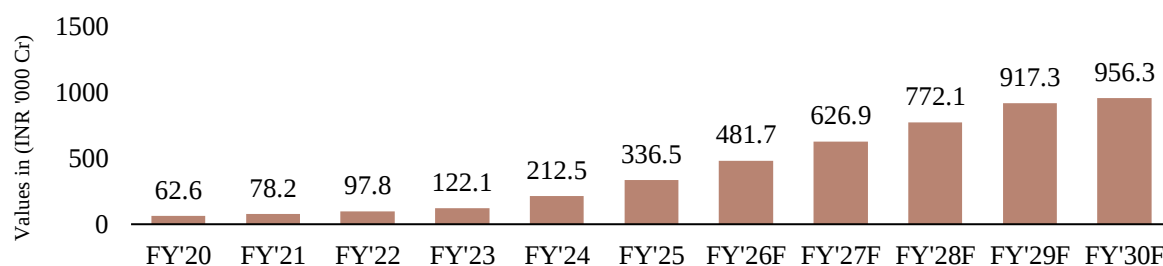
Figure 6-2: India's UPI Transaction by Volume (in '000 Cr), FY'19-FY'30F

Source: NPCI & Ken Research Analysis

Note: FY refers to financial year ending March 31

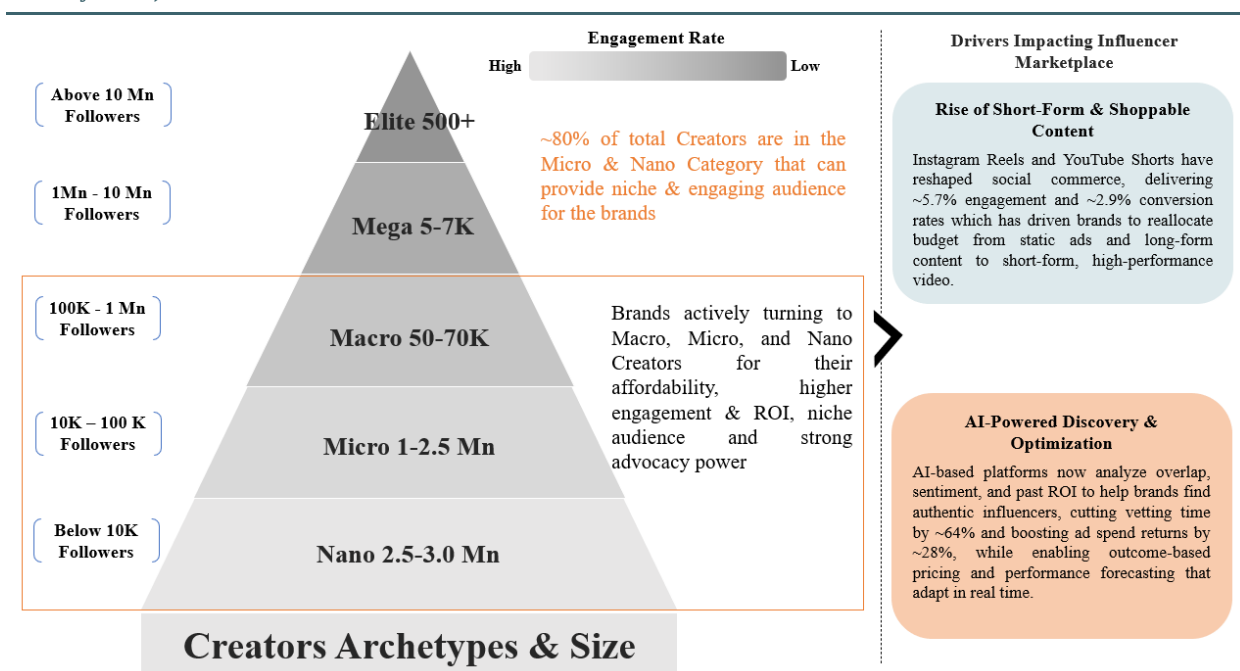
Creator Economy and Micro-Influencer Growth

India's creator economy is accounted to reach nearly INR 336.5 thousand crores by FY'25. Influencer marketing has become a new and powerful phenomenon in the Indian advertising industry. Instagram, YouTube, TikTok, and other social media channels have provided opportunities for influencers to connect and inspire their followers. A transition in consumer psychology and technological transformation is some of the key contributing factors for influencer marketing emerging as new faces in advertising today. Around 80% of creators fall under the micro (10K–100K followers) and nano (under 10K) categories, with engagement rates between 2–4%, higher than larger influencers. Regional creators account for ~65% of digital campaign engagement, especially in Tier 2 and 3 cities. Additionally, the emergence of short-video platforms such as Instagram Reels, YouTube Shorts, and Moj has further boosted the consumption of digital content. Advertisers are spending more on video commercials and multimedia campaigns, as these formats provide higher conversion and engagement rates. Analytics and data-driven insights now serve to personalize content to user preferences, resulting in more efficient and targeted advertising. This change provokes conventional models of marketing and promotes innovation in content creation and distribution strategies. (Source: D&B Report)

Figure 6-3: India's Creators Economy Market Size (in INR '000 Cr), FY'20-FY'30F

Source: BCG Reports & Ken Research Analysis

Over 1 million creators are registered under MSME Udyam, qualifying for formal benefits. AI-based tools now reduce brand-creator match time by over 60% by analyzing audience overlap and sentiment. Approximately 90% of creator income comes from brand deals; only a small share earns through subscriptions or product sales. Government schemes, such as the INR 400 crore Indian Institute of Creative Technologies, indicate increasing institutional support (Source: Ministry of Information & Broadcasting).

Figure 6-4: India's Influencer Demographic on the basis of Type, No. of Followers and Engagement Rate (As on July 2025)

Source: EY Report, & Ken Research Analysis

Integration of AR/VR in Campaigns

Augmented Reality (AR) is a technology that overlays digital information such as images, sounds, or data onto the real-world environment, allowing users to view and interact with both simultaneously.

Virtual Reality (VR) is a technology that immerses users in a completely computer-generated environment, typically experienced through headsets, where the real world is fully replaced by a virtual setting.

The integration of Virtual Reality (VR) and Augmented Reality (AR) is reshaping digital marketing campaigns by enabling immersive brand storytelling, interactive engagement, and emotional connection. Brands are increasingly using VR/AR to create lifelike, gamified experiences that go beyond static content, allowing consumers to explore products virtually and participate in personalized narratives.

The use of advanced analytics, such as heat mapping and behavioral tracking, helps optimize user journeys and refine content delivery. Coupled with AI and machine learning, these technologies allow for **real-time personalization and adaptive campaign strategies**. As AR/VR becomes more embedded in marketing campaigns, it is gradually influencing the market by enabling more interactive experiences and supporting data-informed audience targeting and personalization.

Table 6-1: Cross Comparison by Drivers Impacting on Traditional Campaigns and AR/VR Campaigns

Drivers	Traditional Campaigns	AR/VR Campaigns
User Interaction	Passive viewing experiences with limited opportunities for interaction.	Highly interactive environments where users actively participate and engage.
Emotional Response	Moderate emotional impact often relies on storytelling and visual appeal.	Emotional solid resonance due to the immersive nature of experiences; users feel emotionally connected to content.

Brand Recall	Moderate brand recall; effectiveness may diminish over time without reinforcement.	High brand recall rates as immersive experiences create memorable associations with brands.
Personalization	Limited ability to tailor content to individual preferences.	Highly customizable experiences based on user preferences, behaviors, and demographics.
Analytics & Insights	Basic analytics capabilities with limited insights into user behavior.	Advanced analytics tools provide detailed insights into user interactions and behavior.

Source: Ken Research Analysis

Growth and Proliferation of Short Form Video Content

Short-form video refers to **vertical clips typically lasting between 5 and 90 seconds, though sometimes defined as up to 10 minutes**, used for quick, mobile-friendly consumption on platforms like Instagram Reels and YouTube Shorts. In India, usage has skyrocketed from around 200 million viewers in 2020 to an estimated **600–650 million daily consumers by end of the year 2025**, each spending roughly **55–60 minutes per day** (Source: Bain & Co.). India Short Form Video platforms are generating more than USD 90–100 million in advertising revenue in FY 2025. Looking ahead, it is projected to expand at an annual rate of 40–45%, reaching an estimated value of USD 3–4 billion by FY 2029. India's digital content ecosystem is thriving, with **200,000** hours of content created daily and 491 Million YouTube users. The country boasts over 750,000 YouTube creators with 100,000+ subscribers, while users spend 5–7 hours daily consuming content, predominantly short-form videos (under 60 seconds) on platforms like Instagram Reels and YouTube Shorts, which attract **250 Million** monthly users, approximately **60%** from **Tier II/III** cities. Digital consumption trends show that over 80% of internet users regularly watch online videos, with a significant jump in consumption during the pandemic. (Source: D&B Report) On average, people in India spend about **38 minutes per day** watching short-form videos, making them a key source of discovery and engagement (Source: Economic Times). **As short video consumption grows, brands are reshaping their digital strategies, shifting budgets toward creator-led content and adopting faster content cycles to stay relevant.** AI is transforming India's content production with automated dubbing, virtual studios, and AI tools for VFX, animation, and masking, making creation scalable and cost-efficient across diverse languages. Meanwhile, the rise of VR and AR is driving metaverse growth, where brands like Nike and Gucci use immersive digital worlds to boost visibility.

Another key driver of adoption is the lower production cost and faster execution time associated with short-form content, making it accessible not only for large enterprises but also for D2C brands, startups, and SMEs. The flexibility of this format is that it starts ranging from creator-led content to animated explainers which has allowed brands across industries such as FMCG, fintech, tourism, fashion, and health to adapt it for different use cases. As the demand for fast, scalable, and personalized content solutions continues to grow, there is a clear industry-wide shift towards in-house content creation capabilities. Agencies are increasingly required to produce platform-specific content in real time, at high volumes, and with personalized variations. (Source: D&B Report)

Table 6-2: Comparison of Engagement Metrics on Major Short-Form Video Platforms

Platforms	Average Engagement Rate	Average View Per Video	Average Shares Per Video	Average Comments Per Video
Instagram Reels	12.5%	3,00,000	45,000	20,000
YouTube Shorts	10.8%	4,00,000	40,000	15,000
Snapchat	8.3%	2,50,000	30,000	10,000

Source: Journal of Informatics Education and Research & Ken Research Analysis

Increasing Popularity of Live Stream and Video Commerce

Live stream and video commerce is gaining ground in India. In 2024, over **146 million users** engaged with such platforms, expected to rise to **216 million** by 2025. Flipkart alone saw **2 million hours** of video shopping watched in a year, with **65%** of views coming from **Tier 2 and Tier 3 cities** (Source: Flipkart).

A majority of shoppers prefer live product demos **61%** are open to attending them, and **58% of women** have purchased accessories during live sessions. Popular categories include fashion, beauty, and home products. This rise reflects broader digital habits: video-on-demand spending grew **19.5%** year-on-year to **USD 4.6 billion**, and users now stream **1 hour 43 minutes daily**, making live shopping a regular part of online behaviour (Source: Datareportal). **The rise of live stream and video commerce is pushing brands to provide entertainment with shopping, leading a shift toward real-time, influencer-led product discovery especially across Tier 2 and 3 markets.**

Focus on ROI, Funnel Metrics, and Marketing Automation

Focus on ROI: One of the key advantage digital marketing offers over traditional media is the ability to track ROI in real time. While legacy platforms like TV or print rely on proxy metrics (TRPs, reach estimates), digital platforms allow brands to tie every rupee spent to specific outcomes, from clicks and app installs to purchases and leads. The key factors brands consider for ROI:

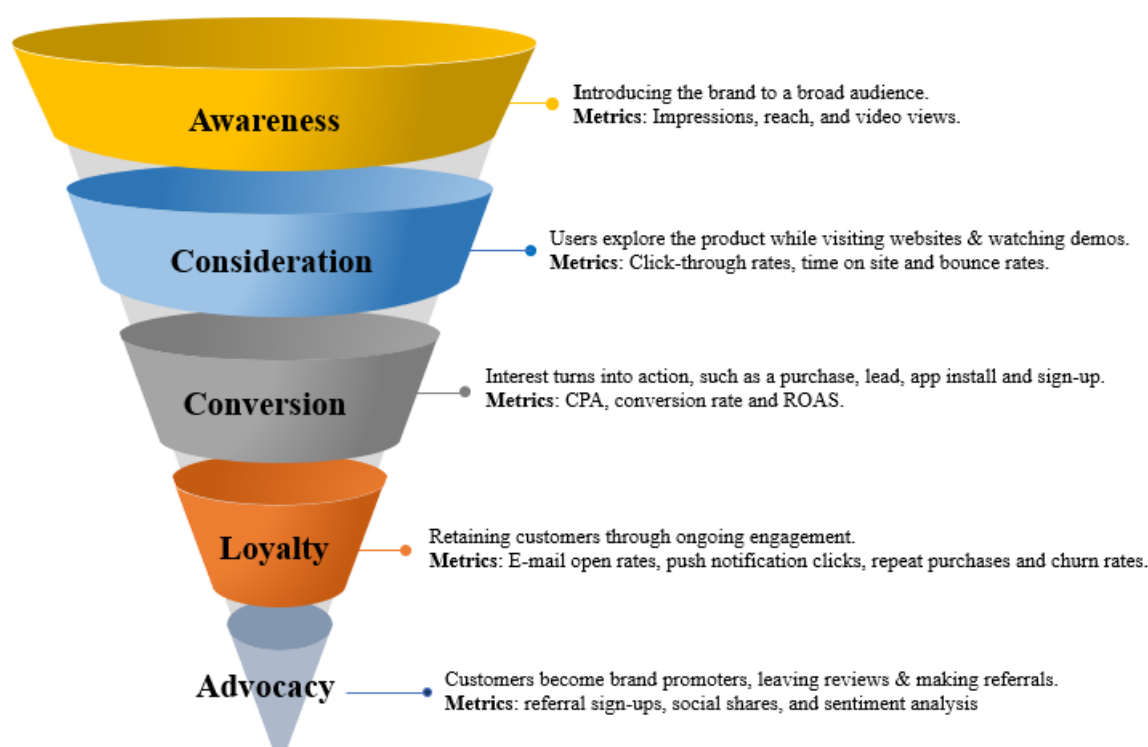
Table 6-3: Key success metrics consider for ROI

Parameter	Usage
Cost per Acquisition (CPA)	The amount of money a brand spends to acquire one paying customer (or a lead, sign-up, or conversion, depending on the goal)
Customer Lifetime Value	The total revenue a customer is expected to generate for the brand over the entire duration of their relationship.
Return on Ad Spend (ROAS)	A measure of revenue earned per rupee spent on advertising.
Incremental Lift	The extra value or conversions generated by a campaign, beyond what would have happened organically (without ads).

Source: Ken Research Analysis

Funnel Metrics: Digital campaigns today are no longer judged just on impressions or clicks, they're evaluated through **full-funnel metrics**, covering awareness to loyalty.

Figure 6-5: End-to-End value chain for Funnel Metrics



Source: Ken Research Analysis

- With the help of Marketing Mix Modeling (MMM) and Multi-touch Attribution (MTA), brands now measure incremental contribution of each channel.
- Google's Conversion Lift and Meta's Brand Lift Studies are widely used to measure real impact on awareness, purchase intent, or sales.

Marketing Automation: With large volumes of data and multiple audience touchpoints, brands are adopting AI-powered marketing automation to improve targeting, testing, and execution.

Key Areas of Automation:

- **Audience Targeting:** AI builds lookalike audiences, remarketing lists, and predictive segments.
- **Creative Optimization:** Tools like Meta's Dynamic Creative and Google's Responsive Ads auto-test headlines, formats, and CTAs.
- **Journey Mapping:** Platforms like HubSpot, MoEngage, and Salesforce automate user journeys using behavioral triggers.
- **Lead Scoring & CRM:** AI ranks lead by conversion probability and integrates them into CRM flows especially useful in B2B and financial services.

Automation enables **personalized messaging at scale** across channels email, SMS, push, social, ads—**delivering timely content based on user behavior** throughout the customer lifecycle in digital marketing.

Table 6-4: Key Parameters taken in consideration for Marketing Automation

Parameter	Developments
AI-Powered Personalization	Automated tools are enabling personalized content delivery based on user behavior, demographics, and intent signals (e.g., dynamic ads, custom email journeys).
Rise of No-Code Platforms	Mid-sized brands are adopting no-code/low-code automation platforms to streamline campaign deployment, customer segmentation, and drip marketing without developer dependency.
Conversational Marketing	Chatbots, WhatsApp APIs, and voice assistants are now integrated into marketing workflows to automate lead qualification and user engagement.
Automated Creative Testing	Tools like ReBid and Adobe Firefly are enabling A/B testing of creative variants at scale, reducing manual effort and improving click-to-conversion ratios.
Lifecycle Campaign Automation	Brands are automating user engagement across the lifecycle, welcome emails, cart abandonment, upsell nudges, enhancing retention and LTV.

Source: Ken Research Analysis

Expansion into Tier 2/3 Cities and Regional Markets

India's next wave of digital marketing growth is led by Tier 2 and Tier 3 cities, driven by vernacular content, mobile-first consumption, and changing audience habits in "Bharat."

Tier 2/3 users consume 38–42 GB/month, higher than metro averages (30–34 GB), fueling demand for **accessible and localized formats**. (Source: Adhyayan Foundation for Policy and Research)

Platforms like ShareChat, Moj, and YouTube regional have surged in these regions. The **local influencer economy** is growing at **20% CAGR through 2025**.

The **microdramas market** is projected to hit **USD 10B in 5 years**, with users binge-watching short videos during transit and breaks—powered by **vernacular storytelling**.

Over 83% of internet users now come from non-metro regions, more fluent in Indian languages than English, with viewership rising from **cities like Jaipur, Kanpur, Kota, and Lucknow**. (Source: Adhyayan Foundation for Policy and Research)

With growing reach in Tier 2/3 cities, brands are using LLMs to scale local content, enabling more targeted campaigns and creating new opportunities across regional platforms and creators.

Increased Emphasis on Sustainability and CSR

India's advertising spend continues to shift from traditional to digital formats, driven by changing consumption habits and CSR-aligned expectations.

By **FY'25, Digital Media** became the top category at **INR 62,045 crore**, while **Print** dropped to **INR 16,580 crore**. **Digital revenue of print publishers is growing 10–15% annually**, but still accounts for just **6% of total revenue** and **9% of ad revenue**. For most publishers, **digital contributes less than 5%**. (Source: EY Report)

Print circulation is largely **flat or marginally lower**, with readers now consuming newspapers **3–4 times a week** instead of daily. Many households have dropped **second or third newspapers**, as digital news consumption increases. (Source: EY Report)

While still limited, **digital revenues are rising**, signaling a long-term transition to a **more connected and sustainable ad ecosystem**.

7. MARKET CHALLENGES AND THREATS

Ad Fatigue and Overexposure

Ad fatigue and over-exposure are major challenges in India’s Creative Media & Digital Marketing Industry. Consumers face repetitive ads across platforms like YouTube, Instagram, and Meta, with 47% of connected users reporting they feel “constantly followed” by online advertising. Even with frequency caps set at 3–7, users often see the same ad up to 7 times in a single video stream. During high-traffic events like the IPL, fixed-slot CTV buys bypass these caps entirely, intensifying overexposure and eroding brand effectiveness. (Source: Best Media Info. Bureau)

This reactive content cycle limits experimentation, shortens creative shelf life, and discourages bold, long-form narratives shifting focus from innovation to iteration.

Intense Competition and Commoditization of Services

Large agencies such as Interactive Avenues and Dentsu Webchutney operate alongside thousands of small and mid-sized agencies, as well as individual freelancers. The growth of digital tools with low-cost or free access—such as Google Ads, Meta Business Suite, Canva, and automation platforms—has reduced the barrier to entry.

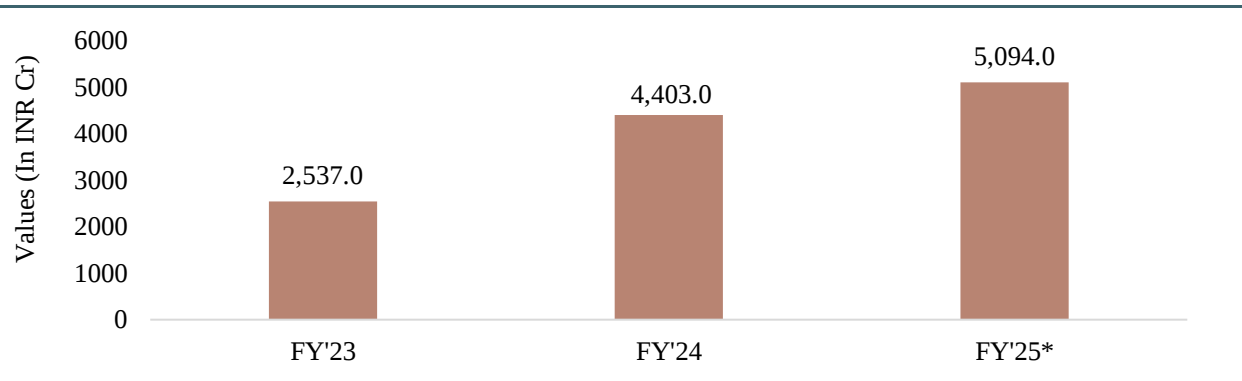
As a result, many providers offer similar services like social media management, SEO, paid advertising, and content creation. This overlap makes it difficult for agencies to differentiate themselves. Most firms deliver comparable solutions, and clients often select vendors based on pricing rather than capabilities. Without a clear area of specialization or demonstrable outcomes, it is challenging for agencies to communicate a unique value proposition to potential clients.

Rising Ad Fraud and Data Privacy Concerns

India’s digital marketing sector faces increasing exposure to ad fraud and regulatory pressure. Estimated annual losses from ad fraud stands at INR 4,403.0 crore in 2024 affecting campaign reliability and ROI tracking. In 2024, Google removed 247.4 million ads and suspended 2.9 million advertiser accounts in India, underlining the scale of policy violations and fraudulent activity. (Source: MN4U Bureau)

However, in optimised campaigns, India performed better than global averages, with ad fraud rates as low as 0.8% on desktop and 0.2% on mobile web. This indicates gradual improvement in fraud detection and campaign hygiene. (Source: Exchange4media, Google Ads Safety Report & IAS Media Quality Report)

Figure 7-1: Digital Financial Frauds in India (in INR Crore), FY’23-FY’25



Source: Ministry of Finance & Ken Research Analysis

Note 1: Number for 2025 is extrapolated*

Note 2: FY refers to financial year ending March 31

Dependence on Platforms like Meta, Google

India's marketing services industry is increasingly reliant on dominant platforms like Meta and Google, which together account for over ~65% of digital ad spends. In 2024 alone, Meta introduced more than 80 changes to its ad platform, disrupting campaign performance, targeting strategies and reporting workflows. (Source: Exchange4media)

This platform dependence not only limits creative autonomy but also erodes the human touch in brand storytelling, as agencies are compelled to operate within rigid, algorithm-driven frameworks.

At the same time, the fast pace of AI and ML innovation requires significant investment in tools and specialized talent. Yet adoption remains limited particularly among smaller agencies—widening the capability gap across the sector.

High Client Turnover and Pricing Pressures

Agencies in India's creative and digital marketing sector are increasingly strained by high client turnover and pricing pressures, particularly among small- and mid-tier accounts. Independent firms report that nearly 60% of clients now opt for short-term 3–6 months retainers tied to performance metrics—often with exit clauses—leading to unstable revenue cycles and elevated client acquisition costs (Source: BrandStory). Frequent switching, budget renegotiations, and performance-linked models have become common, with many clients evaluating agencies based on near-term ROI rather than long-term strategic value.

Rise of ad blocking software and regulatory compliance affecting advertising reach

India's digital advertising reach is facing challenges due to the combined impact of ad-blocking and regulatory restrictions. In 2023, 23.4% of Indian internet users used ad-blocking tools, limiting exposure to display and video campaigns, especially on mobile devices.

The Digital Personal Data Protection Act (DPDPA) 2023 imposes strict consent requirements, with penalties of up to INR 250 crore per violation (Source: Trustiics). These regulations have reduced access to user-level data, especially for cookie-based targeting and remarketing. As a result, advertisers face limited reach, weaker targeting precision and lower campaign efficiency.

Shortage of Skilled Digital Talent

The shortage of skilled digital marketing professionals is a persistent structural challenge in India's creative and media industry. Moreover, the **attrition rates in this industry are also very high at 30-35%**. Roles requiring expertise in SEO, performance marketing, media buying, and analytics remain difficult to fill, especially at mid and senior levels. As of 2021, only 12% of India's workforce was digitally trained, underscoring the scale of the skills gap. Meeting projected demand will require 3.9 billion digital professionals over the next five years. This deficit leads to extended recruitment timelines, higher training overheads, and uneven campaign delivery directly constraining the operational capacity and competitiveness of marketing service providers. (Source: Amazon)

8. REGULATORY LANDSCAPE

8.1. GOVERNMENT INITIATIVES AND REGULATORY LANDSCAPE PERTAINING TO CREATIVE MEDIA AND DIGITAL MARKETING

The Government of India has introduced various initiatives aimed at developing skills and infrastructure in creative media and digital marketing. Major initiatives include **The Digital India Mission**, create for **India – MyGov**, the **“Born on Instagram”** collaboration with MyGov, **Skill India** offers courses in areas such as content production, video editing and **WAVES** initiative focuses on building competencies in digital communication and media for young individuals entering creative sectors.

Figure 8-1: Key Government Initiatives to promote Creative Media and Digital Marketing in India

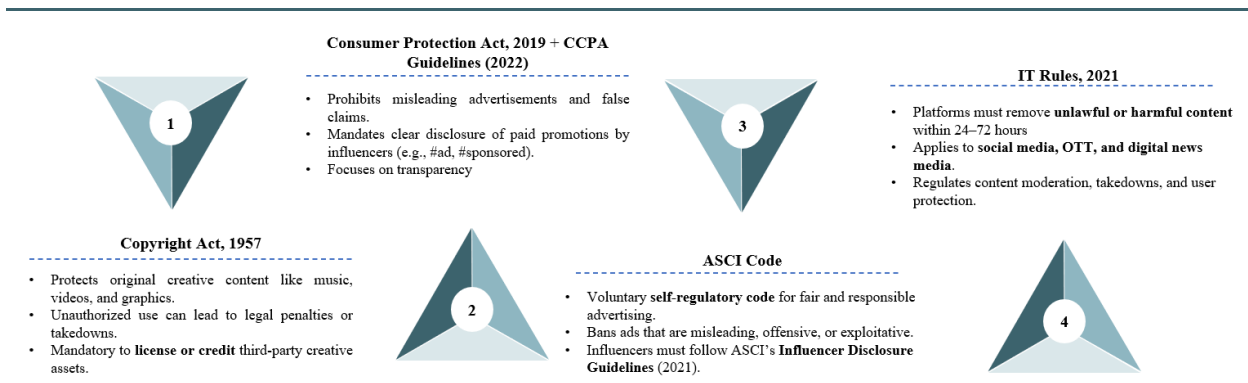


Source: Ministry of Electronics and Information Technology & Ken Research Analysis

Legal frameworks like the Consumer Protection Act, IT Rules 2021, and the Digital Personal Data Protection Act (DPDP) reflect a shift toward greater accountability, transparency, and professionalism in the digital advertising and content ecosystem.

Regulatory bodies such as the CCPA and ASCI now actively monitor and penalize non-compliance whether it’s undisclosed influencer partnerships, misleading ads, or misuse of user data indicating a maturing industry that values ethical practices and consumer trust.

Figure 8-2: Major Regulations pertaining to Creative Media & Digital Marketing



Source: Ken Research Analysis

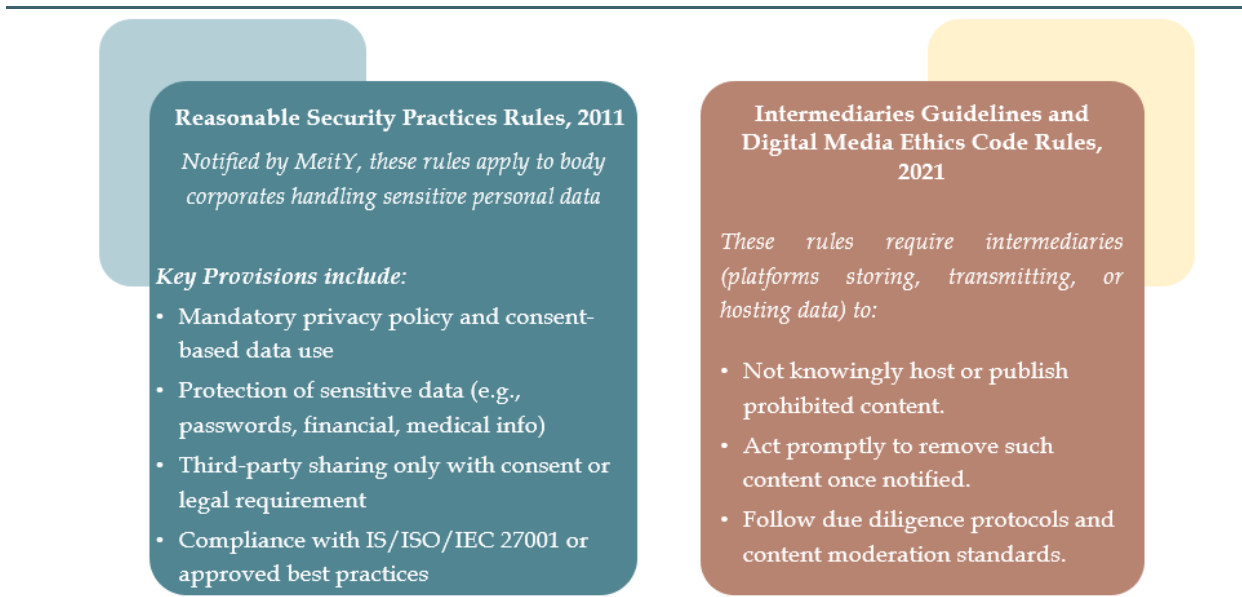
8.2. DATA PROTECTION AND PRIVACY RULES

Information Technology Act: The Act facilitates e-commerce by recognizing electronic contracts, protects intermediaries from liability for third-party content, and imposes penalties (including fines and imprisonment) for various cyber offences. It also empowers the government to frame rules on data protection and security. This Act aims to:

- Grant legal recognition to electronic transactions and records.
- Enable electronic filing of documents.
- Establish digital signatures for authenticating electronic records

It includes 2 major Rules including Reasonable Security Practices Rules, 2011 which focuses on privacy policy and Intermediaries Guidelines and Digital Media Ethics Code Rules, 2011.

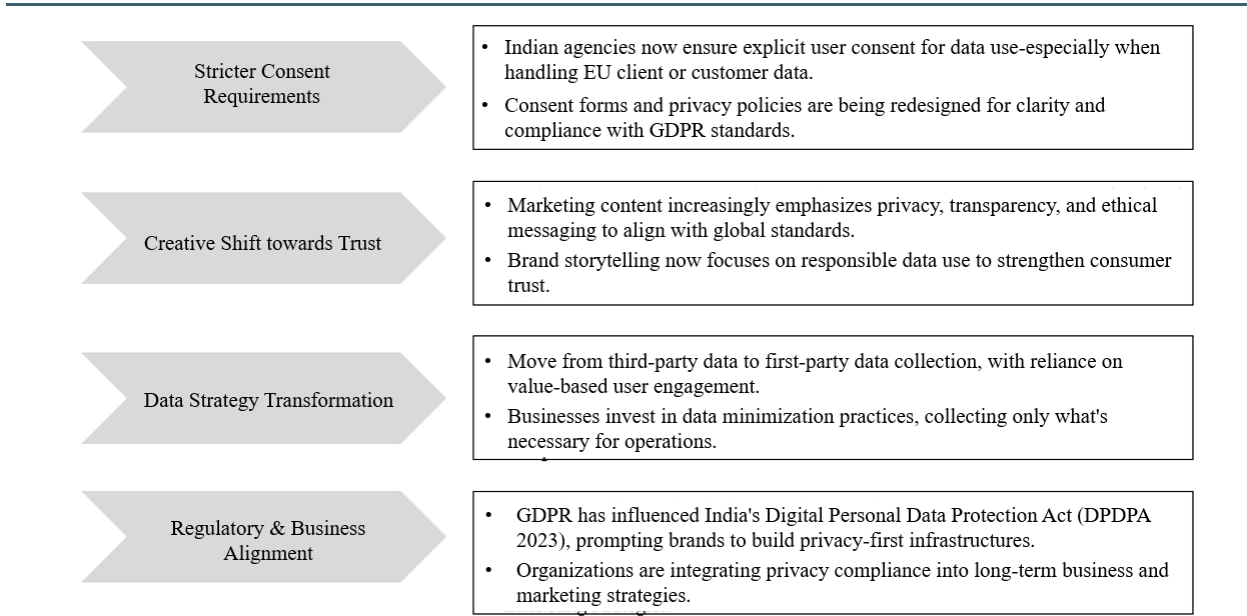
Figure 8-3: Major Rules under Information Technology Act pertaining Creative Media and Digital Marketing



Source: Ministry of Electronics and Information Technology & Ken Research Analysis

GDPR Act: The General Data Protection Regulation (GDPR) is a data privacy law enacted by the European Union, effective May 25, 2018. It sets strict rules for how personal data is collected, stored, processed, and shared.

Figure 8-4: GDPR Influence on Creative Media and Digital Marketing



Source: Ken Research Analysis

8.3. GUIDELINES ON PROGRAMMATIC, OTT AND DIGITAL CONTENT

There are currently no specific licensing requirements for programmatic advertising, OTT platforms, or digital content in India. However, entities in these sectors must comply with applicable regulations related to data handling, user consent, content classification, platform registration, taxation, and transparent advertising practices.

Figure 8-5: Guidelines for Programmatic Advertising, OTT Platforms and Digital Content

Programmatic Advertising	OTT Platforms	Digital Content
Data Protection Compliance: Ensure adherence to the Digital Personal Data Protection Act (DPDP Act), 2023, for user data collection and processing. Cookie & Targeting Consent: Obtain user consent for tracking and behavioral targeting, as per the DPDP Act and IT Rules (2021). Advertising Standards: Follow ASCI and MIB guidelines, avoiding misleading or harmful ads (e.g., betting, alcohol). DSP/SSP Setup: No specific adtech license required, but DSPs, SSPs, and ad exchanges must be incorporated in India.	Mandatory Registration: OTTs must register with the Ministry of Information & Broadcasting (MIB) and comply with IT Rules, 2021. Age Ratings & Controls: Display age ratings (U, 7+, 13+, 16+, A), content descriptors (e.g., violence, sex), and offer parental controls. Content Advisory: Mandatory advisories for offensive/sensitive content under IT Rules, 2021. Taxation: 18% GST on subscriptions; foreign OTTs must register under GST as Non-Resident OIDAR service providers.	MIB Registration: It is mandatory for publishing news/current affairs (text, audio, video) to register under MIB. IT Rules, 2021 Compliance: Ensure due diligence – grievance redressal, takedown, and content labeling. Code of Ethics: News platforms must follow Press Council norms, Cable TV Act, and journalistic conduct. Influencer Guidelines: Disclose paid content with clear tags (e.g., #Ad, #PaidPartnership) per ASCI, MIB, and CCPA rules.
Entities across Programmatic Advertising, OTT, and Digital Content must align with evolving regulatory frameworks – DPDP Act, IT Rules, MIB, and ASCI – ensuring compliance across data consent, platform registration, content governance, and disclosure norms.		

Source: Ken Research Analysis

9. COMPETITION LANDSCAPE

9.1. MAJOR PLAYERS IN THE INDUSTRY

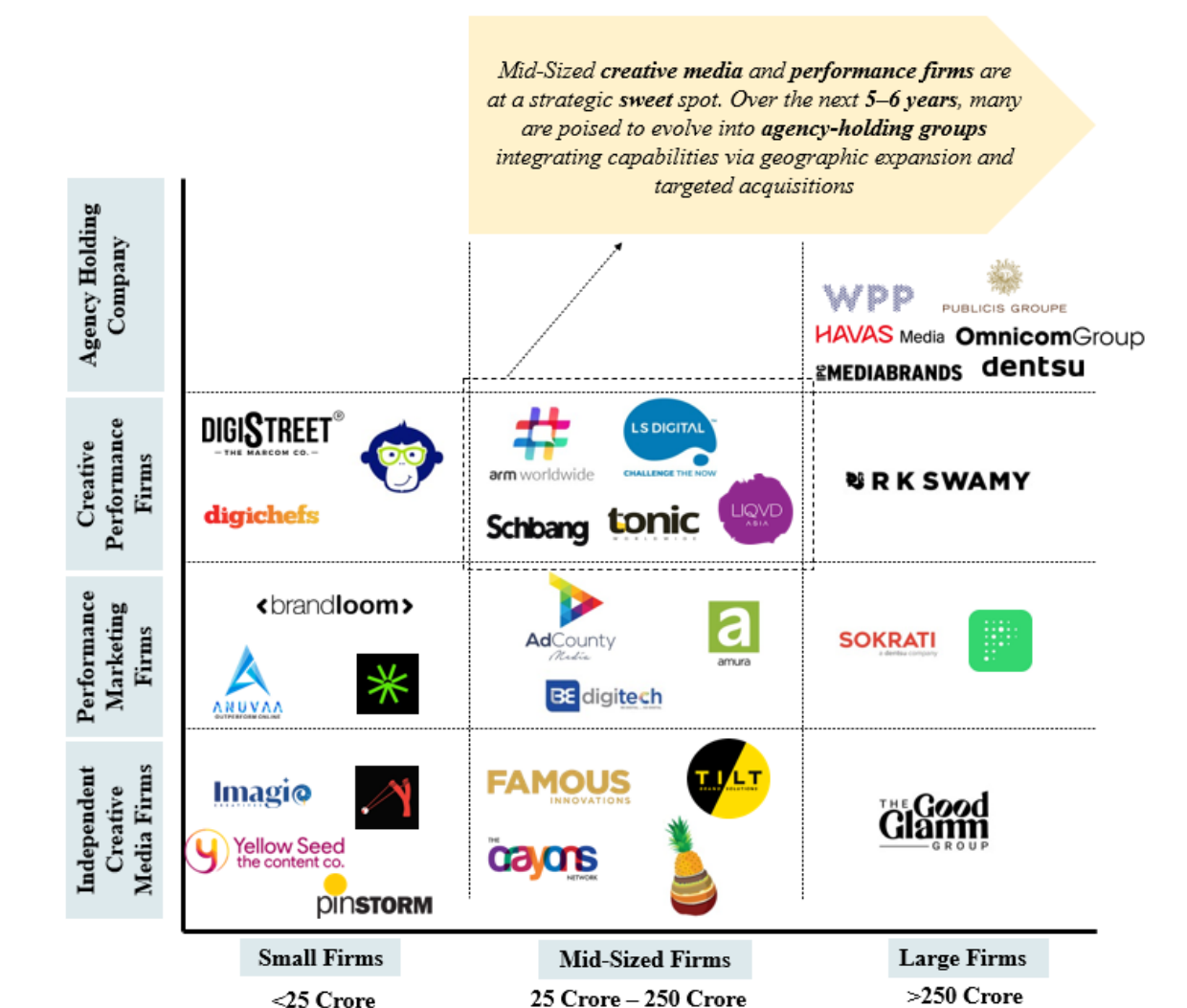
The Indian creative and digital marketing market remains **diverse** and **fragmented**, with a mix of large integrated firms, creative agencies, performance marketing firms and creative performance brands.

- **Large players** such as Ogilvy, Dentsu and HAVAS Media provide full-stack offerings including media planning, SEO, content strategy, and analytics.
- **Independent Performance Marketing Firms** like AdLift, Ethinos, Techmagnate and AdCounty along with Mid-Sized to Small sized cater to D2C brands and regional advertisers.
- Independent Creative Media Firms like Crayons Advertising, Digichefs and FoxyMoron focus on **visual storytelling, interactive content, digital films, and immersive brand identity design**.
- Creative Performance Firms provide **hybrid campaign delivery**, like Liqvd Aisa, Schbang, etc operate at the intersection of digital strategy, content, and commerce.

Smaller creative media and performance marketing firms are increasingly scaling their presence through acquiring smaller brands for growth and geographical expansion. Several of these mid-sized firms have begun to consolidate by acquiring boutique agencies to strengthen service depth, while others are expanding into new regional markets where organized players are still limited. This dual approach allows them to move beyond niche positioning, gain access to established client portfolios, and achieve operational scale at par with mid-sized competitors.

Government bodies such as the Central Consumer Protection Authority (CCPA) and Ministry of Information & Broadcasting regulate influencer disclosures, misleading ads, and digital content norms. **Industry groups like ASCI, IMAI, and TRAI** play critical roles in setting ethical guidelines, managing promotional communication, and ensuring fair digital practices.

Figure 9-1: Ecosystem of Key Players in Performance Marketing & Creative Services Agencies



Source: Ken Research Analysis and Companies' Websites

Note: Firm size segmentation in this ecosystem is based on a combination of operational scale, revenue, and organizational structure. Small firms are typically characterized by annual revenues below INR 25 crore. Mid-sized firms generally have revenues ranging from INR 25 crore to INR 250 crore. Large firms include those with annual revenues exceeding INR 250 crore, or those operating as part of global advertising and media networks.

Positioning of Liqvd Asia in the Digital-First Advertising and Creative Services Space

The Indian digital marketing industry has **over 500 agencies operating** across various niches, ranging from large multinational firms to specialized boutique agencies.

This market includes **horizontal players offering a broad spectrum of services** such as SEO, performance marketing, social media management, and content creation, as well as **verticalized agencies that focus on specific sub-domains**, leveraging expertise to cater to more defined needs.

Within this landscape, the company (Founded in 2013) is positioned as a creative-first agency offering end-to-end marketing solutions. Its services encompass content creation and production, media buying, content marketing, and performance reporting. Following the acquisition of Adlift, the agency has expanded its capabilities to include performance monitoring, SEO, and AI-driven content creation, positioning itself as a one-stop solution for clients seeking integrated marketing services.

Competitive Landscape and Differentiation

Liqvd Asia serves as **a partner for MNCs, mid-market clients and FMCG brands**. The agency's focus on AI-driven content production and integrated brand performance helps it to create personalized content at scale. This approach differentiates Liqvd Asia from traditional agencies.

AI Adoption and Digital-First Approach

- **Using its proprietary AI Studio**, the company creates personalized content that helps brands connect with their audience at scale.
- **Further, by focusing on end-to-end workflow**, the company offers services that covers creative development to distribution.
- By adopting **Proprietary Human Desire Framework**, it tracks consumer behavior and create content that resonates with target audiences.

Finally, Liqvd Asia helps its clients create personalized experiences by using creatives and technology to make content relevant and easier to reach at scale.

9.2. CROSS-COMPARISON OF PEERS IN INDIA CREATIVE MEDIA & DIGITAL MARKETING MARKET

Some of the key competitors competing in the India' Creative Media & Digital Marketing space are benchmarked on the basis of operational and financial parameters as follows:

Table 9-1: Cross-Comparison of Peers in India Creative Media & Digital Marketing Industry on basis of Founded Year, Headquarters, Geographical Presence and Key Product Offerings, as on July 2025

Players	Founded Year	Headquarters	Geographical Presence	Key Product Offerings
Liqvd Aisa	2013	Mumbai, Maharashtra	Present in 4 cities in India and 1 country	• Branded Content • Social Media Management • Creative Services • Media Planning and Buying • Technology Services • Search Engine Optimization • Performance Marketing • Web 3.0 Services • ORM & Digital PR • E-Commerce Management
LS Digital	2006	Navi Mumbai, Maharashtra	Present in 4 cities in India and 3 countries	• Media Platform • Data and Insights • UI/UX Design • Consumer Journey Mapping • Innovations in Technology • Data Assessment • Centre of Excellence • Web 3.0 strategy • Product Services • Media Execution
RK Swamy	1973	Mumbai, Maharashtra	Present in 7 cities in India and 4 countries	• Advertising Creative services • Media Planning and Buying • Digital Marketing • Brand Activation • Brand Consulting • Branding and Design • Content at Scale • CX Measurement • Customer Relationship Management (CRM) • Campaign Management
Schbang	2015	Mumbai, Maharashtra	Present in 3 cities in India and 2 countries	• Media Buying and Planning • Performance Marketing • MarTech for Media • Social Media Management • Original Content and Copywriting • Print, OOH, Mainline Advertising • New Brand Launching and Branding • Schbang Influence and ORM • Campaign Planning • Video Editing and Film Production

Players	Founded Year	Headquarters	Geographical Presence	Key Product Offerings
Vertoz	2012	Mumbai, Maharashtra	Present in 4 cities in India and 4 countries	- Managed Media Buying - Advertising (Programmatic, YouTube, Search, Social, Advertising Exchange, Performance Marketing, CTV/OTT, Influencer and OOH-DOOH) - Media Representation
AdCounty	2017	Jaipur, Rajasthan	Present in 2 cities in India	- Opsis-performance marketing Platform - BidCounty- in-house DSP - GenWin - Lead generation engine - iSearch Ads - Apple Search Ads platform - seeTV - Performance CTV - Gam360 - Gaming-focused ad solution/tool
Arm Digital Media	2013	Gurugram, India	Present in 4 cities in India	- FIDO - Agency-focused tool for seamless financial management - BRIMAS - campaign execution with strategic accuracy.

Source: Ken Research Analysis, Companies' Websites, Annual Reports

Table 9-2: Cross-Comparison of Peers in India Creative Media & Digital Marketing Industry on basis of Financial Parameters, FY'23 - FY'25

Company	Financial Year	Revenue From Operations (INR Lakhs)	Adjusted EBITDA (INR Lakhs)	Adjusted EBITDA Margin	Adjusted PAT (INR Lakhs)	Adjusted PAT Margin
Liqvd Digital India Private Limited	FY'25	2,486.95	393.13	15.81%	224.82	9.04%
	FY'24	1,805.46	381.12	21.11%	190.30	10.54%
	FY'23	1,593.81	105.38	6.61%	76.53	4.80%
R K Swamy Limited	FY'25	29,428.65	2,953.65	10.04%	1,866.02	6.34%
	FY'24	33,151.56	7,035.88	21.22%	3,972.48	11.98%
	FY'23	29,261.31	5,556.30	18.99%	3,126.00	10.68%
Vertoz Limited	FY'25	25,519.92	3,572.93	14.00%	2,566.36	10.06%
	FY'24	15,536.64	2,090.82	13.46%	1,611.77	10.37%
	FY'23	8,281.40	1,606.89	19.40%	1,103.68	13.33%
Schbang Digital Solutions Private Limited	FY'25	N/A	N/A	N/A	N/A	N/A
	FY'24	20,986.00	1,104.78	5.26%	564.78	2.69%
	FY'23	16,846.00	1,129.00	6.70%	609.00	3.62%
Logicserve Digital Consultancy Services Private Limited	FY'25	N/A	N/A	N/A	N/A	N/A
	FY'24	16,754.10	1,107.40	6.61%	168.00	1.00%
	FY'23	69,593.91	3,035.11	4.36%	2,211.26	3.18%
AdCounty Media India Limited	FY'25	6,889.51	1,812.15	26.30%	1,375.01	19.96%
	FY'24	4,265.95	1,071.72	25.12%	818.44	19.19%
	FY'23	5,356.52	1,034.03	19.30%	773.95	14.45%
ARM Digital Media Private Limited	FY'25	N/A	N/A	N/A	N/A	N/A
	FY'24	4,502.29	606.81	13.48%	591.98	12.18%
	FY'23	4,312.85	1.37	0.03%	94.24	2.05%

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases

Note 1: FY'25 indicates financial year which starts from 1st April 2024 and ends on 31st March 2025

Note 2: N/A indicates not available; annual filling not reported to MCA.

Adjusted EBITDA = PBT + non-operating expenses + extraordinary items + finance cost + Depreciation and Amortization – Other Income

Adjusted PAT = PAT + tax adjusted exception items/ extraordinary items

In case of non-bifurcation of Interest Expense, we have considered finance cost in place of interest expense, as the balance sheet did not provide a separate bifurcation of line items.

Table 9-3: Cross-Comparison of Peers in India Creative Media & Digital Marketing Industry on basis of Financial Parameters, FY'23 - FY'25

Company	Financial Year	Return on Equity (%)	ROCE (%)	Debt-Equity Ratio	ROA
Liqvd Digital India Private Limited	FY'25	20.92%	14.08%	0.45	9.54%
	FY'24	249.89%	47.18%	2.94	16.92%
	FY'23	-30.80%	37.25%	-6.87	9.28%
R K Swamy Limited	FY'25	7.60%	7.23%	0.13	4.66%
	FY'24	27.72%	16.94%	0.08	11.19%
	FY'23	101.54%	28.95%	0.76	8.68%
Vertoz Limited	FY'25	15.00%	16.00%	0.10	11.37%
	FY'24	12.00%	11.00%	0.09	9.82%
	FY'23	15.96%	17.37%	0.11	10.20%
Schbang Digital Solutions Private Limited	FY'25	N/A	N/A	N/A	N/A
	FY'24	16.13%	20.62%	0.96	8.43%
	FY'23	21.04%	26.72%	0.86	12.00%
Logicserve Digital Consultancy Services Private Limited	FY'25	N/A	N/A	N/A	N/A
	FY'24	1.46%	5.89%	2.02	0.42%
	FY'23	36.39%	28.52%	3.15	7.31%
AdCounty Media India Limited	FY'25	47.29%	46.89%	0.00	35.52%
	FY'24	50.72%	53.69%	0.00	29.05%
	FY'23	95.15%	84.35%	0.02	34.03%
ARM Digital Media Private Limited	FY'25	N/A	N/A	N/A	N/A
	FY'24	24.03%	16.11%	5.55	3.54%
	FY'23	3.87%	9.41%	6.05	0.48%

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases

Note 1: FY'25 indicates financial year which starts from 1st April 2024 and ends on 31st March 2025

Note 2: N/A indicates information Not Available

10. WAY FORWARD

By FY30, Liqvd Aisa is expected to operate within a **Serviceable Addressable Market (SAM)** of approximately **INR 36,46,727 crore** covering **India's Digital Advertising Industry** and **USA Performance Marketing, Search Engine Optimisation and Search Engine Marketing**. The company has prospective of reaching **Serviceable Obtainable Market (SOM)** of **INR 680 crores** by FY'30.

Performance Marketing, a leading segment, is expected to reach **INR 41,134 crore** by **FY'30**, as SEO spend is projected to reach **INR 8,227 crore**, maintaining its role as a cost-effective, long-term channel for building organic visibility. SEM is expected to reach **INR 9,402 crore** over the same period, supported by rise of retail media networks and precise targeting capabilities. Both channels provide complementary strengths - SEO offering compounding visibility benefits over time and SEM enabling rapid, high-intent reach, which together strengthen the addressable market potential.

TESSERACT, a proprietary tool of **Adlift**, adds another opportunity by enabling brand visibility across emerging AI search interfaces such as **ChatGPT, Gemini** and **Perplexity**. Recent collaborations with ICICI Lombard, demonstrate its adaptability in optimizing for new search behaviors by providing 90% client retention rate, these capabilities help position **Liqvd Asia** to capture incremental share, contributing directly to **INR 680 crores (SOM)** by **FY'30**.

Opportunities in the US market, where total digital advertising spend across **SEO, SEM** and **performance marketing** is projected to reach **INR 35,29,200 crore** by **FY'30**, creates potential for cross-border service delivery.

Figure 10-1: Target Market Opportunity for Liqvd Asia, 2025 & 2030F

Serviceable

Addressable

Market

(INR Cr.)

Serviceable

Obtainable

Market

(INR Cr.)

	FY'25		FY'30F	
	India Digital Advertising and US Performance Marketing Spend (SEO & SEM): INR 25,29,050 Crore		India Digital Advertising and US Performance Marketing Spend (SEO & SEM): INR 36,46,727 Crore	
	INDIA: 58,100	USA: 24,70,950	INDIA: 1,17,527	USA: 35,29,200
Performance Marketing	18,011	16,34,550	Performance Marketing	41,134 23,93,600
Search Engine Optimization (SEO)	7,553	7,99,000	SEO & AIO	8,227 10,85,450
Search Engine Marketing (SEM)	7,553	37,400	Search Engine Marketing (SEM)	9,402 50,150
Content Marketing	9,877		Content Marketing	22,330
Social Media Management (SMM)	14,525		Social Media Management (SMM)	34,083
Others (influencer, email, in-app, AR, etc.)	581		Others (influencer, email, in-app, AR, etc.)	2351
	~ INR 65 Crore		~ INR 680 Crore	

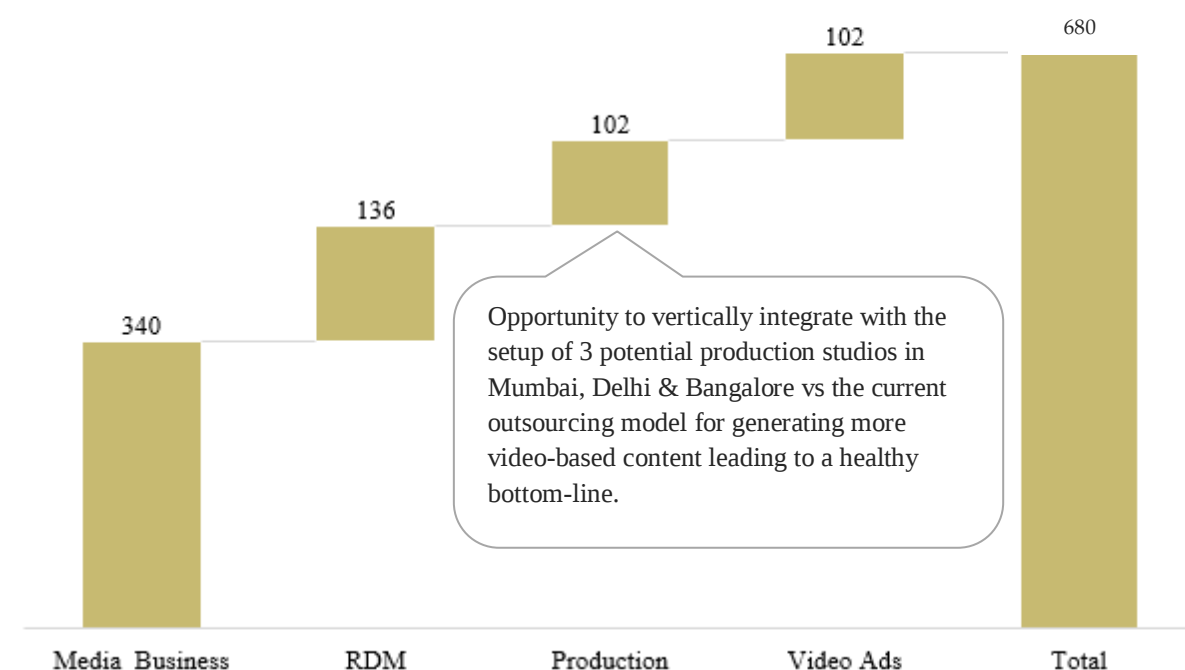
Source: Ken Research Analysis

Liqvd Asia currently holds approximately **INR 65 crore** (25 Cr. Liqvd Asia + 40 Cr. Adlift) of the **FY'25 digital advertising spends as SOM**. Having transitioned from a creative-first agency into a performance-marketing firm offering creative services, production services (including an AI Studio), and media-operations, **Liqvd Asia** could expand its share to **INR 680 crore** by **FY'30F** by **targeting Indian and the US market**. Of this target, approximately 55% is expected to come from retainer-driven creative and content mandates, comprising creative development, social-media management, content strategy, and **hyper-personalized campaigns using its Human Desire Framework and AI Studio**. Around 25% is projected from production services, covering digital commercials, social-media content, photoshoots, and brand films, done through AI-led content creation. The

remaining 20% is anticipated from the media business, which includes commission-based operations and the company's recent acquisition and partnership with AdLift.

AdLift, which generates 90% of its revenue from SEO and content generation and the remaining 10% from performance marketing activities across platforms such as Meta and Google Ads. Its proprietary **Content Lift** platform, leverages a network of 20,000 publishers to create and syndicate content, an in-house capability. Further Tesseract, an AI-powered model helps to track visibility across AI platforms such as ChatGPT, Perplexity, Google AI, and Gemini.

Figure 10-2: Potential Serviceable Obtainable Market (SOM) Split - Opportunity for Liqvd Asia by FY'30F in INR Crore



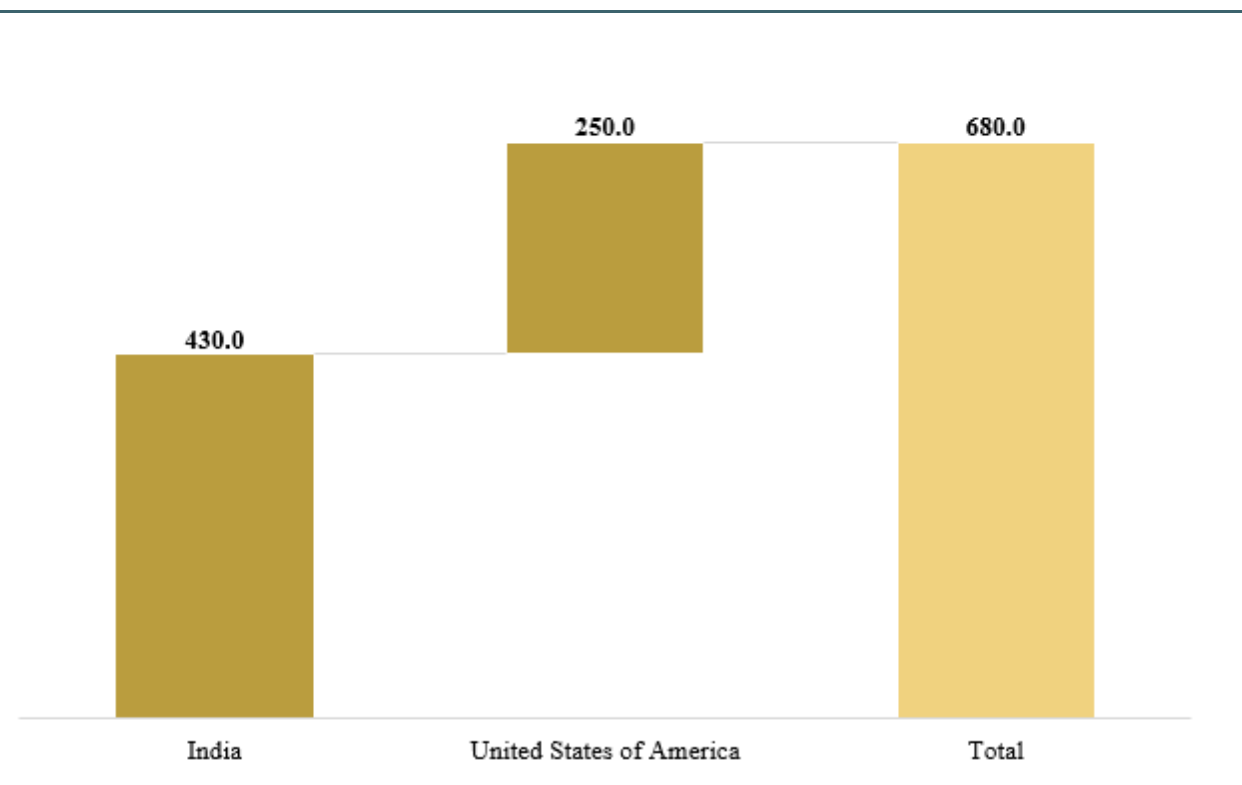
Source: Ken Research Analysis

Note: Media business Includes AI Solutions, commission-based, AdLift consolidation, RDM refers to retainer driven marketing, Production Includes digital commercials, Social Media content, photoshoots, etc.

Within this growth trajectory, Liqvd Asia's **Serviceable Obtainable Market** of **INR 680 crore** by **FY'30F** reflects a regional opportunity. While India's digital advertising market of **INR 1.17 lakh crore** anchors the majority of this potential, select participation in the much larger US performance marketing ecosystem of TAM, **INR 36.4 lakh crore**, provides an additional growth lever.

In the future, the mid-sized creative performance firms are poised to invest their CAPEX in building in-house capabilities especially in the field of Video production houses, AI studios as the 70-80% content will shift from static media content to movement based (video) content. In enabling such capability, the mid-sized firms will be able to save more on the bottom-line and with reduce turnaround time to service the clients need.

Figure 10-3: Potential Serviceable Obtainable Market Split for Liqvd Asia by Region by FY’30F (in INR Crore)



Source: Ken Research Analysis

Note 2: Note: FY represents the Financial Year ending on March 31

Note 3: F represents Forecasted figures

10.1. TAILWINDS FOR INDIA DIGITAL ADVERTISING LANDSCAPE

MediaTech Capabilities – AI use Cases in M&E

MediaTech refers to the integration of media and technology, encompassing the tools, platforms, and systems that brands use to optimize and manage their digital marketing efforts. It is a process that leverages advanced technologies like AI, machine learning, and automation to enhance media planning, buying, content creation, and audience engagement. This process enables brands to deliver more targeted, efficient, and data-driven marketing campaigns across various digital channels.

In this context, MediaTech in India is driven by the need to deliver relevance at scale, the core pillars of this transformation are: Digital advertising, Content personalization, Campaign Automation, Audience analytics & attribution and Hyperlocal & influencer strategies. Companies leveraging MediaTech are:

Table 10-1: Companies that have incorporated MediaTech for Personalization

Company	MediaTech	Results
AU Small Finance Bank	600+ branches needed hyperlocal campaigns - Used AI automation to launch 100+ micro-market ad sets, auto-translated in vernaculars, optimized by branch & product	20% of new accounts opened via video banking are from rural regions, significantly contributing to national financial inclusion goals.
Cadbury	Support local shops during Diwali; Used AI to create ads where Shah Rukh Khan names your nearby shop	The campaign covered 500+ pin codes and was launched on YouTube and amplified on Meta platforms simultaneously
ZEE5	ZEE5 apply MediaTech for real-time recommendations based on viewing behavior.	ZEE5 also uses AI to auto-create promos, episode highlights, and short clips from over 50 hours of daily content.

Source: Company Websites and Ken Research Analysis

Hyper-personalized content at scale and speed: Leveraging LLM-based marketing personalization

In India, digital marketing teams are using **AI and large language models (LLMs)** to automate the creation of content that is tailored to individual users based on real-time inputs such as browsing behavior, location, language preference, and past interactions. For example, e-commerce platforms generate multiple versions of product descriptions and app notifications in regional languages using LLMs, allowing them to address users in a contextually relevant way.

These tools also enable real-time adjustments such as modifying email content within minutes of a cart abandonment event—based on user activity. **By automating these tasks, brands significantly reduce manual workload and content development time, enabling them to run highly segmented campaigns at national scale, while maintaining local and behavioral relevance.**

Table 10-2: Adoption of LLMs/AI by Key Industry Players in India

Company	Speed & Scale Mechanism Using LLMs/AI	Outcomes
Flipkart	Utilizes LLM/AI-based recommendation engines; personalized search; real-time micro-segmentation; automates pricing/offers	Uses GenAI to deliver real-time personalized feeds and alerts for 600M+ users, boosting retention and cart size
Swiggy	LLM-trained conversational AI via Haptik/Yellow.ai powers food recommendations and promo campaigns	Improved discovery: users find what they want without exact keywords and broader reach across language preferences
Netflix	LLM-powered recommendation systems and artwork generation tailor both titles and visuals for each user, updating in real time as preferences shift	Drives 80%+ watch time through LLM-personalized feeds, instantly matching content and experience for 238M+ viewers
Spotify	LLM-generated personalized narratives instantly generate and explain recommendations in a narrative style tailored to each user	Users are up to 4x more likely to try new content when recommendations include these narrative explanations
HDFC Bank	Deploys LLM-powered chatbots for 24x7 personalized banking support and campaign delivery offers by behavior and language in real-time	Automated campaign delivery and conversational support scales improved customer retention, and reduced manual work

Source: Company Websites and Ken Research Analysis

End-to-End Creative to Distribution Workflow

The following outlines the typical step-by-step workflow for end-to-end execution adopted by players, from **creative development** to **distribution**, in the digital marketing space:

Figure 10-4: End-to-End Creative to Distribution Workflow



Source: Ken Research Analysis

11. RESEARCH METHODOLOGY

11.1. MARKET DEFINITIONS

India Creative Media & Digital Marketing industry spans branding, advertising, content creation, and digital strategy across platforms like social media, search, video, and print. It enables targeted brand engagement across India's evolving consumer landscape.

India Digital Market industry encompasses performance marketing, SEO/SEM, social media, influencer campaigns, and content strategy across digital platforms.

India Advertising Market industry spans print, TV, digital, radio, and outdoor media, covering brand strategy, media buying, and creative execution.

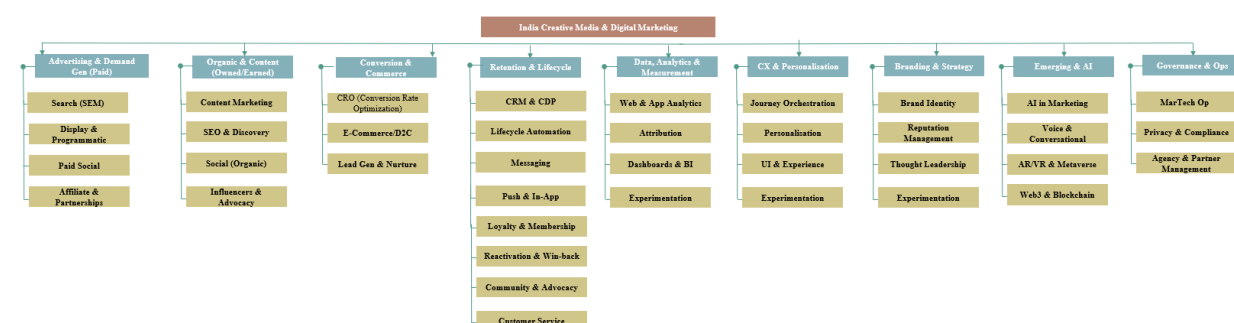
India Digital Advertising Spend refers to the total expenditure by companies on digital platforms such as social media, search, video, and display for advertising and promotions across India.

India Traditional Advertising Spend refers to the total expenditure by companies on traditional media channels such as television, print, radio, and outdoor for advertising and brand visibility across India.

Branding & Strategy refers to how shaping a brand is perceived in the market and aligning that perception with customer expectations through strategic planning, creative direction, and experience design.

The market value is calculated in INR Crores and refers to the **India Advertising Market spends** across various platforms and client segments within the country.

Figure 11-1: Market Taxonomy of India Creative Media & Digital Marketing



Source: Company's Website & Ken Research Analysis

11.2. ABBREVIATIONS

4G – Fourth Generation
 5G – Fifth Generation
 AI – Artificial Intelligence
 AOV – Average Order Value
 APAC – Asia Pacific
 API – Application Programming Interface
 AR – Augmented Reality
 ASCI – Advertising Standards Council of India
 AVOD – Ad-supported video-on-demand

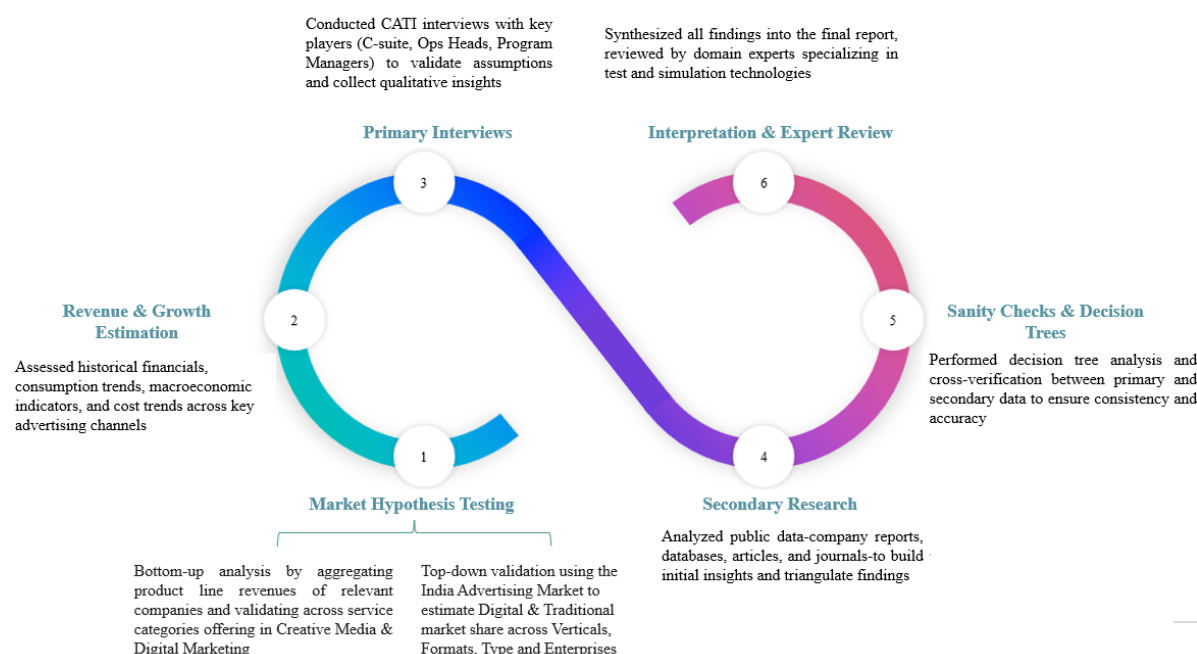
ATL – Above the Line
B2B – Business-to-Business
BFSI – Banking, Financial Services, and Insurance
BI – Business Intelligence
Bn – Billion
Bps – Basis Points
CAGR - Compound Annual Growth Rate
CCPA – Central Consumer Protection Authority
CMO – Chief Marketing Officer
CPA – Cost Per Acquisition
CPC – Cost Per Click
CPI – Consumer Price Index
CPL – Cost Per Lead
CPM – Cost Per Mille
Cr – Crores
CRM – Customer Relationship Management
CSR – Corporate Social Responsibilities
CTA – Call to Action
CTR – Click-Through Rate
CTV – Connected TV
CTWA – Click-to-WhatsApp Ads
CY – Calendar Year
D2C – Direct-to-Consumer
DCO – Dynamic Creative Optimization
DOOH – Digital Out-of-Home
DPDP – Digital Personal Data Protection Act
DRHP - Draft Red Herring Prospectus
DSP – Demand Side Platform
DTH – Direct-to-Home
EBITDA – Earning Before Interest, Tax, Depreciation, and Amortisation
ERP – Enterprise Resources Planning
EU – European Union
FAE – First Advance Estimates
FDI – Foreign Direct Investments
FMCG – Fast Moving Consumer Goods
FRE – First Revised Estimates
FWA – Fixed Wireless Access
FTE – Full Time Equivalent
FY - Fiscal Year
GB – Gigabyte
GCC – Global Capability Centres
GDP - Gross Domestic Product
GDPR - General Data Protection Regulation Act
GenAI – Generative Artificial Intelligence
Gen Z – Generation Z
GNDI – Gross National Disposable Income
GOI - Government of India
GST – Goods and Service Tax
HD – High Definition
IAMA – Internet and Mobile Association of India
IAS – Integral Ad Science

IBEF – India Brand Equity Foundation
ICC – International Cricket Council
IMF – International Monetary Fund
InMobi DSP – InMobi Demand-Side Platform
INR – Indian Rupees
IPL – Indian Premier League
IPO - Initial Public Offering
K - Thousand
KPI – Key Performance Indicators
LED – Light-Emitting Diode
LLMs – Large Language Models
M&A - Mergers and Acquisitions
MarTech -Marketing Technology
MCA – Ministry of Corporate Affairs
MEA – Middle East and Africa
MIB – Ministry of Information and Broadcasting
ML – Machine Learning
MMM – Media Mix Modeling
Mn- Million
MoSPI – Ministry of Statistics Programme Implementation
MoU – Memorandum of Understanding
MPC – Monetary Policy Committee
MPCE – Monthly Per Capita Consumption Expenditure
Msf – Million Square Feet
MSMEs – Micro, Small, and Medium Enterprise
MSPs – Minimum Support Price
MTA – Multi-touch Attribution
Nano DAP – Nano di Ammonium Phosphate
NLP – Natural Language Processing
NRI – Non-Resident of India
ONDC – Open Network for Digital Commerce
OOH – Out of Home
Open RAN – Open Radio Access Network
OTP – One Time Password/Passcode
OTT – Over-the-Top
PAT – Profit After Tax
PE – Provisional Estimate
PE -Private Equity
PFCE – Private Final Consumption Expenditure
PLI – Production Linked Incentive
PM-KISAN – Pradhan Mantri Kisan Samman Nidhi
PSU – Public Sector Undertaking
Q1 – Quarter 1
Q2 – Quarter 2
Q3 – Quarter 3
Q4 – Quarter 4
QR Code – Quick Response Code
R&D - Research and Development
RBI – Reserve Bank of India
ROA – Return on Asset
ROAS – Return on Ad Spend

ROCE – Return on Capital Employed
 ROI - Return on Investment
 SDC -State Data Centre
 SEBI – Security Exchange Board of India
 SEM – Social Engine Marketing
 SEO – Search Engine Optimization
 SMM – Social Media Management
 SSP – Supply Side Platform
 SVOD – Subscription-based
 Tn – Trillion
 TRAI – Telecom Regulatory Authority of India
 TRPs – Television Rating Points
 UHD – Ultra High Definition
 UK – United Kingdom
 UPI – Unified Payments Interface
 USD – US Dollar
 VR – Virtual Reality
 WAVES – World Audio Visual and Entertainment Summit
 Y-o-Y – Year on Year

11.3. MARKET SIZING AND MODELING

A CONSOLIDATED RESEARCH APPROACH



Hypothesis Testing: The research team has then conducted computer assisted telephonic interviews (CATIs) with the management of the Creative Media & Digital Marketing service providers such as MatrixBricks, Digital SEO, Rolecon, True Performance, Kairo5 Marcom, LS Digital, Digital Zero and others (C-level executives, National Heads, Regional Heads, Zonal Heads, VP/AVP Sales Heads, City Heads, Business Development Managers, and General Managers, and others) to get their insights on the market and to seek justification to the hypothesis framed by the team.

Sample Composition Table by Stakeholders and Respondents in (%)

By Stakeholders	Sample Size: ~35 Respondents	Description
Digital Marketing Players	50%	Strategy Heads, CXOs, Project Manager, Business Development Manager, Regional Heads, Executive and others
Customers for Digital Marketing	25%	Marketing Headings, Sales Heads, Procurement Managers, Strategy Heads of E-commerce, FMCG & Pharma companies
Industry Experts	15%	Respondents working as freelancers in Digital Marketing Market (~8+ years of experience), Professionals from MarTech firms, Digital Consultants and Market Researchers
Traditional Advertising Players	10%	National Heads, Regional Heads, Zonal Heads, Business Development Managers, City Heads, Strategy Heads, CXOs and others

Source: Ken Research Analysis

LIMITATIONS

- The operating and financial performance for each player has been compiled by reaching out to the sales head managers of each company. It can be the case that the sales head managers might be bullish over the numbers. However, to avoid this limitation we have cross checked and revalidated the data from other sources.
- Growth rate in future is estimated on the basis of the growth rate of India Advertising Market demand in the industry and validated through interviews with industry experts from different segments of the industry; who are also employees of these companies and their estimate may not be exact and they may be bullish with the numbers. The sampling technique has limitation to extrapolate the market hypothesis. Ken Research has used sufficient strata for sample to reduce the significance level in the model. The significance level should not be more than 5-10%.

CONCLUSION

The expected value of India Advertising Market which entails both Digital Advertising Market and Traditional Advertising Market is determined by using weighted average of the output of primary research, secondary research, expert opinions and subjective judgment. The weighted average method enables us to filter out the possible noise in each computation method and helps us to derive the best possible future projections