

The Role Of Digital Marketing In The Growth Of FMCG Companies And Its Impact On E-Commerce

Abhishek Kumar

Abhishekjaiswar@gmail.com

Research scholar

Faculty of Management Studies (FMS), University of Lucknow

ABSTRACT

The world is shifting from analog to digital and marketing isn't any exception. As technology development is increasing, the employment of digital marketing, social media marketing, computer program marketing is additionally increasing. Internet users are increasing rapidly and digital marketing has profited the foremost because it mainly depends on the net. Consumer's buying behavior is changing and that they are more inclined towards digital marketing instead of traditional marketing. The aim of this review paper is to check the impact of digital marketing and the way important it's for both consumers and marketers. This paper begins with an introduction of digital marketing then it highlights the mediums of digital marketing, the difference between traditional and digital marketing, and also the pros, cons, and importance of digital marketing in today's era as well as how digital marketing has helped to grow companies especially in FMCG sector and made its impact on electronic commerce.

INTRODUCTION

Advanced promoting alludes to upgrade and development of business by publicizing conveyed through computerized channels like web indexes, sites, virtual entertainment, email, and versatile applications. Utilizing these web-based media channels, advanced advertising is that the strategy by which organizations embraces products, administrations, and brands. With relevance the fate of computerized promoting, we are able to hope to determine a proceeded with expansion within the assortment of wearable gadgets accessible to customers.

The new advancement of enormous information investigation and involving it because the best device for target advertising has upgraded the actual client reach up to 80%.

Forbes additionally gauges that web-based entertainment will end up to be progressively conversational within the B2B space, video content is going to be refined for site design improvement (SEO) purposes, and email advertising will end up to be significantly more customized. The expression "advanced showcasing" has developed over the future from a specific term portraying the advertising of things and administrations utilizing computerized channels - to an umbrella term depicting the foremost common way of utilizing advanced innovations to secure clients and assemble client inclinations, advance brands, hold clients and increment deals (Financial Times, lexicon.ft.com).

It has been almost 25 years since the business utilization of the Internet and the World Wide Web. During this time the business scene has changed at an excited speed. Huge global companies, for example, Google, Facebook, Amazon, Alibaba, e-Bay and Uber, unbelievable twenty a long time back, have arisen as central members in our



cutting-edge economy. In 2015, online deals represented 7.4% of generally speaking retail spending in the U.S., the most noteworthy rate since following started in 1999 (Phillips 2015). Deals made through cell phones have expanded at a quick rate to around 22% to 27% of every single web-based deal (Rao 2015; Malcolm 2015). A few examinations have observed that the valence of online surveys influences business execution. Positive customer surveys increment business results, though regrettable web-based audits decline them (Anderson, 2012; Chevalier and Mayzlin, 2006). Positive remarks can improve the standing of an organization, while negative remarks can lessen customer interest in the organization's items/administrations, which can influence its benefits.

This proposition explores the part of showcasing communication in social media on the change of clients in FMCG e-commerce. The hypothetical portion includes the chapters almost current promoting communication, web showcasing, social media, and the current patterns on social systems. The primary segment of the viable portion centers on the content examination of the well-known players in FMCG e-commerce and investigates the foremost utilized types of communication on the social media, such as utilizing image-based substance, utilizing joins to increase the change or utilization of substance showcasing to extend the adore brand.

The development of web 2.0 brought significant changes in how content is consumed, shared, and created online (Bright, 2011). The growth of digital communication has enabled the emergence of various digital marketing platforms (Hanlon and Tuten, 2022; Katoch and Sharma, 2024; Ryan and Jones, 2012). This progress has made it possible to connect with larger audiences across the globe (Juska, 2021). The increase in digital marketing channels has transformed both the media environment and the way advertising is done, as people who receive content are now also creating it and spreading it (Scott, 2015). This behavior of sharing and creating content also helps in spreading messages quickly among customers and marketers (Borges-Tiago et al., 2019). To reach more people, marketers are spending large amounts of money on online advertising (McGruer, 2020). According to Statista, the global cost of digital advertising was approximately \$549.51 billion in 2022 and is expected to rise to over \$870.85 billion by 2027 (Statista, 2024). To improve marketing effectiveness, marketers are using creative strategies like viral marketing, aiming to boost organic reach (Berger and Milkman, 2012). These viral messages tend to help in keeping customers engaged, attract more attention, and are seen as effective (Gunawan and Huarng, 2015). Consumers usually trust content that reaches them naturally, rather than content created by companies (Jurvetson and Draper, 1997; Palka et al., 2009). Because of this, viral marketing is becoming more popular as it allows companies to promote their products and services with less effort and cost (Rouva et al., 2016). Wilson (2000) described viral marketing as a method where users share content, enabling it to spread quickly, similar to how a virus spreads. It also provides greater flexibility in strategies and media while keeping brand visibility on par with traditional high-frequency television ads (Kaplan and Haenlein, 2011; Subramani and Rajagopalan, 2003).

OBJECTIVE OF THE STUDY

- Principle objective of this study is the principal motivation behind this paper is to perceive the value of computerized promoting in the serious market.



- To analyze the role of digital marketing and social media communication in influencing customer conversion in FMCG e-commerce.
- To give some essential information about the items as per web showcasing. Gather and carry out the input given by the shopper in the correct manner.
- To concentrate on the effect of computerized advertising on purchasers' way of behaving. The total depiction needs to give about the item to the web-based customers.
- To analyze the influence of viral marketing on customer behavior, brand awareness, and organic reach.
- To examine the communication strategies used by major FMCG e-commerce players on social media platforms.

PRELIMINARY LITERATURE REVIEW

Internet marketing:

The Internet may be a worldwide arrangement of interconnected PC organizations. A corporation of organizations comprises of many private, public, scholarly, business, and government organizations. "Web works on account of mixture of a scope of advances and it's the best wellspring of information humanity has at any point had for its removal. Web additionally established the underpinnings of more data channels than individuals have made until the 20th 100 years." (Kim, J., Franklin, D., Phillips, M., & Hwang, E. (2020))

Viral Marketing:

Viral marketing has emerged as a powerful digital strategy that significantly influences customer behavior by leveraging social networks and user-generated content. According to Rayport Jeffrey F. (1996) and later expanded by Ralph F. Wilson (2000), viral marketing refers to the process by which information is rapidly spread among individuals, similar to the transmission of a virus. This approach relies heavily on consumers to share content voluntarily, thereby increasing brand exposure and credibility. Research by Berger and Milkman (2012) highlights that emotionally engaging and high-arousal content is more likely to be shared, thus increasing its viral potential and influencing consumer decision-making. Similarly, Kaplan and Haenlein (2011) argue that viral marketing campaigns enhance brand awareness and customer engagement by utilizing social media platforms effectively.

Furthermore, studies by Subramani and Rajagopalan (2003) suggest that online social networks play a critical role in facilitating knowledge sharing and influencing purchasing behavior. Consumers tend to trust information received from peers more than traditional advertising, as supported by Jurvetson and Draper (1997) and Palka et al. (2009), who emphasize the importance of word-of-mouth communication in digital environments. This trust significantly impacts customer attitudes and purchase intentions. Additionally, Gunawan and Huarng (2015) found that viral marketing messages improve customer engagement and attention, making them more effective compared to conventional marketing techniques.

Rouva et al. (2016) further state that viral marketing reduces promotional costs while increasing outreach, making it an efficient strategy for businesses. Positive online reviews and shared experiences can enhance brand reputation and encourage purchase behavior, whereas negative content can adversely affect consumer perception (Anderson,



2012; Chevalier and Mayzlin, 2006). Overall, viral marketing plays a crucial role in shaping customer behavior by influencing awareness, trust, engagement, and ultimately purchase decisions in the digital marketplace.

Consumer Behavior:

It requests to comprehend the effect of advanced innovations, it is critical to comprehend how customers' purchasing interaction - pre-buy, buy fulfillment and post-buy stages - are changing as an element of new conditions and gadgets. Purchasers' data procurement, search and data handling are likewise impacted, and therefore, choice guides can assume a significant part in the new conditions.

Consumer behavior in the Fast-Moving Consumer Goods (FMCG) sector is defined by regular buying, low levels of involvement, and fast decision-making. These decisions are often driven by factors like price, brand recognition, product availability, and promotional efforts. According to Kotler and Keller (2016), consumer buying behavior is influenced by cultural, social, personal, and psychological aspects, all of which are significant in FMCG purchases because these products are bought routinely. Items such as food, drinks, and personal care products are usually inexpensive and used often, leading consumers to depend on habit and brand loyalty (Chaudhuri & Holbrook, 2001). Solomon (2018) notes that packaging, labeling, and brand identity have a big impact on how consumers view products and make purchasing choices, especially in crowded FMCG markets. Marketing tactics such as sales, deals, and in-store promotions also trigger impulsive buying, which is common in this industry (Bell, Corsten, & Knox, 2011). With the rise of digital technology, consumer behavior has moved toward online platforms, where ease of access, customer reviews, and digital ads shape buying decisions (Juska, 2021). Studies also show that price sensitivity is a key factor in FMCG decisions, especially in developing countries like India, where consumers often compare different options before making a purchase (Kumar & Kapoor, 2015). At the same time, the growing use of social media and digital marketing has made consumer feedback and word-of-mouth more important, affecting trust in brands and product choices (Chevalier & Mayzlin, 2006). Brand switching is common in FMCG markets because of the many alternatives and competitive pricing, but strong branding and reliable quality can help keep customers (Ehrenberg, Uncles, & Goodhardt, 2004). Overall, consumer behavior in FMCG is constantly changing and depends on a mix of price, promotions, brand image, convenience, and digital trends. This means marketers must use comprehensive strategies to both attract new customers and keep existing ones.

Techniques of Internet Marketing:

Web advertising plan will assist with characterizing explicit e-promoting targets and foster methodologies to guarantee that assets are sent to make the most of the showcasing potential open doors given by the Internet, and to counter its dangers. E-showcasing is centered around how an organization and its brands utilize the web and other advanced media, for example, email and versatile media to communicate with its crowds to meet its promoting objectives.

FMCG segment in India:

The FMCG segment in India extended due to consumer-driven development and higher item costs, particularly for fundamental products. FMCG division gives business to around 3 million individuals bookkeeping for roughly 5% of the overall factory work in India. FMCG deals within the nation was anticipated to develop 7-9% by incomes in 2022-23. The key development drivers for the segment incorporate positive Government activities & arrangements,



a developing provincial market and youth populace, unused branded products, and development of e-commerce stages. Strength has to be the key figure within the fabricating prepares every day operations, retail and calculated channels, consumer experiences and communication that will offer assistance FMCG companies to resist the test of time and create more esteem for buyers within the long run. India's fast-moving consumer merchandise (FMCG) division developed 7.5% by volumes within the April-June 2023 quarter, the most elevated within the final eight quarters, driven by a restoration in rustic India and higher development in present day trade.

Fast-moving consumer merchandise (FMCG) division is India's fourth-largest segment and has been growing at a solid rate over the long time since of rising disposable income, a rising youth populace, and rising brand awareness among customers. With family and individual care bookkeeping for 50% of FMCG deals in India, the industry is an critical supporter to India's GDP. India could be that no FMCG player can bear to disregard due to its middle-class populace which is bigger than the entire populace of USA. The Indian FMCG showcase proceeds to rise as more individuals begin to move up the financial stepping stool and the benefits of financial advance ended up open to the open. More vitally, with a middle age of fair 27, India's populace is getting to be more consumerist due to rising aspirations. This has been encouraged supported by government activities to extend budgetary consideration and build up social security nets. Developing mindfulness, simpler access and changing ways of life have been the key development drivers for the division. The urban section (accounts for a revenue share of around 65%) is the largest donor to the by and large income created by the FMCG sector in India. In any case, within the final little a long time, the FMCG advertise has developed at a faster pace in rustic India compared to urban India. Semi-urban and provincial sections are growing at a quick pace and FMCG products account for 50% of the full country spending.

Evolvement of digital payments:

In the ongoing period of innovation digitalization; many individuals have begun utilizing plastic cash rather than cash exchanges like credit or check card. The credit only exchanges fame was expanded by Paytm through different administrations including service bill installment, portable re-energize, link bill installment, etc. (Agarwal and Tuteja, 2018) E-wallets permit the office to make exchanges anyplace and whenever without really any constraint of odd hours or occasion. Credit only installment process likewise gives assurance of return office to model on the off chance that client isn't happy with some item or administration then he can get his sum return in couple of hours.

Computerized wallet installment system

Through this stage cash is stacked in wallets. So also with the dispatch of e-wallets you'll be able money utilizing computerized wallet apps. In any case, the limitation is you'll transfer fund to the same wallet as it were. It means that if you've got Paytm or SBI's Buddy app on your phone at that point you'll as it were exchange cash to another person's Paytm wallet or SBI's Buddy app who is having these app's introduced separately. Basically in CA_NEWLINE_CA another way circular, you cannot exchange cash from Paytm wallet to SBI buddy wallet app. There are some other e-wallets accessible within the computerized commercial center such as Mobikwik, Freecharge, Oxigen, Jio-Money, Pay-pal, Buddy, Pockets etc.

UPI App based installments platform

UPI has come up with an interesting include of making virtual address through which you'll be able money without uncovering your account number and Uncertainties code to the recipient. UPI works on a real



time premise which implies the money is exchanged immediately. UPI too bolsters the other medium of doing funds exchange. UPI office is accessible with all the managing an account apps like HDFC UPI, SBI UPI, ICICI UPI, Hub UPI, and nearly all the other private and open banks. Presently, most of the banks are inserting their UPI highlight within their portable managing an account app only.

QR Code based installments system

QR code is once more a diverse instrument of making the exchange of installment where you simply have to be the QR code of the shipper and do the exchange of installments. It is being mostly used by the entire advanced payments app like BHIM, other keeping money apps to create the exchange of installments effortlessly. The dark square holds the data about the things whereby scanning the code data gets transmit naturally through the smartphones and installments get done. You aren't entering anything physically when you are using QR code. Bharat QR code has been propelled by the government to thrust the computerized installment activity in all the way round.

P.K.Kannan (2017) described in our study that a framework for research in digital marketing that highlights the touch points in the marketing process as well as in the marketing strategy process where digital technologies are having and will have a significant impact. Next, they organize the developments and extant research around the elements and touch points comprising the framework and review the research literature in the broadly defined digital marketing space.

In another paper researcher experience a radical change in India towards the digitalization. the patron is looking and searching more on internet to seek out the most effective deal form the sellers around India as compared to traditional or conventional methods. during this study, we acknowledged that companies can really have the benefit of Digital Marketing like search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, ecommerce marketing, campaign marketing, and social media marketing, social media optimization, e-mail marketing, display advertising, e-books, optical disks and games and are getting more and more common in our advancing technology (**Nandy, 2023**).

Kim and Lee (2002) also recommended that the plan of e-store impacts customer's " admittance to e-store. within the e-store, web architecture, plan of item and administration differentiation and data, time to complete online request structure, simple of exploring through item and administration, screen format, screen intricacy, page creation, data recovery techniques, data show, utilization of variety and back ground, help to the client and speed of attending to the e-store are striking variables drawing in e-buyers".

RESEARCH METHODOLOGY:

Types of industry: FMCG Industry.

Data collection technique: Primary data has been collected through a survey, in which customers were respondent. A primary survey was conducted in which the respondents were approached online. Data were collected through a well-structured questionnaire. In the online method, a Google form designed and sent to respondents to get the response. Secondary data collected from procured research papers, articles, books, websites and internet.

Sampling technique: Judgmental sampling was used for this study.

Independent and Dependent variable: Risk in online shopping is independent variable. Consumer buying Behavior and Online Shopping towards shopping Goods is dependent variable of this study.

HYPOTHESIS

H₀₁- No significant relationship exists between the “Search Engine Marketing” and Consumer Buying Behavior.

H₀₂- Significant relationship exists between the “Search Engine Marketing” and Consumer Buying Behavior.

DISSCUSSION AND CONCLUSION

Consumer behavior is the base of marketing which includes the variables that affect the consumer choices for product, brand, and store. Not only this, the consumer behavior also imbibes how consumer uses the product and disposes it off. Studying consumer behavior is also a complex task. This study will about finding the most critical factors that affect the consumer behavior towards shopping goods. The marketers must maintain their presence on various online platforms where in a consumer has its engagement such as search engines, social media platforms, Google business etc. Digital Marketing highly cost effective and customized. However, it also depends upon seasonality and timeline. During holidays and in the second half of the day times the message of digital marketing reach to the maximum number of customers. Hence, the marketers must schedule their advertisements on social media accordingly.

E-commerce is information grounded business, and accordingly, is deeply affected by information technology and digital marketing. The digital marketing revolution that's in escapable piercing all sides of assiduity is propelling the e-commerce too. The technology enabling the accruing and conveying of information expands in effectiveness, speed and boundary- gauging daily. New approaches to work, information, knowledge, IT and association structure are essential essentials to survive in this new terrain. Current advances in computer technology, low- cost transmission of deals fluently crossing main lands in seconds, as well as the growth of the World Wide Web have placed a lot of pressure on thee-commerce assiduity and challenge customary hypotheticals about e-commerce deals. Due to the universality of the Internet, they anticipate eroding power position of e-commerce professionals, as they acclimate to the loss of exclusive access to the Multiple Listing Service. Further way within the value- chain of thee-commerce sale process are being automated and, at least incompletely, disintegrated, suggesting the arrival of an electronic request. Unborn exploration may permit us to reveal how the influence, monopoly and part of thee-commerce professional in the sale process changes. These developments challenge thee-commerce establishment and may force digital marketing workers to look for ways to add value to the consumer. Information technology, in turn, may give a means to make this possible. Would it be possible to develop digital marketing to serve as the one-stop shop and in a central part for all thee-commerce deals? Will digital marketing workers be suitable to seize the consumers first in the provision of a large number of central and affiliated e-commerce services as an agreement services provider? With all these unknowns and further changes brewing, plainly the digital marketing workers of the future must come responsive, flexible and information technology- expertise.

LIMITATIONS OF THE STUDY



Each and every study has some limitations. This study also has some limitations. Firstly, this study is a qualitative study which is completely based on secondary data. Secondly, only two variables such as online shopping and Consumer buying Behavior have been considered for data collection. Lastly this study confined with FMCG companies.

DIRECTIONS FOR FUTURE RESEARCH

This research can also be conducted in quantitative as well as empirical study and can also be based on primary data as well. Other variables or moderating and mediating variables can also be used in this study. Not only in FMCG sector but this research can also be conducted in other industries as well such as IT, Banking and financial sector, Service industry, automobile sector, aviation industry and agricultural sector as well.

REFERENCES

- Financial Times. (2015). *Lexicon*. Retrieved from <http://lexicon.ft.com>
- Phillips, S. (2015). Online retail growth statistics.
- Rao, S. (2015). Mobile commerce trends and growth.
- Malcolm, J. (2015). Growth of smartphone-based sales.
- Anderson, M. (2012). The impact of social media on consumer behavior. *Journal of Business and Economics Research*, 10(2), 45–50.
- Chevalier, J. A., & Mayzlin, D. (2006). The effect of word of mouth on sales. *Journal of Marketing Research*, 43(3), 345–354.
- Bright, L. F. (2011). *The social media handbook*. Wiley.
- Hanlon, A., & Tuten, T. L. (2022). *Digital marketing* (9th ed.). Pearson.
- Katoch, R., & Sharma, R. (2024). Digital marketing trends. *Journal of Digital Business Studies*, 12(1), 45–60.
- Ryan, D., & Jones, C. (2012). *Understanding digital marketing*. Kogan Page.
- Juska, J. M. (2021). *Integrated marketing communication*. Routledge.
- Scott, D. M. (2015). *The new rules of marketing and PR*. Wiley.
- Borges-Tiago, T., et al. (2019). Digital marketing impact. *Journal of Business Research*, 101, 583–590.
- McGruer, D. (2020). *Dynamic digital marketing*. Wiley.
- Statista. (2024). Digital advertising spending worldwide. Retrieved from <https://www.statista.com>
- Berger, J., & Milkman, K. (2012). What makes content viral? *Journal of Marketing Research*, 49(2), 192–205.
- Gunawan, D., & Huarng, K. (2015). Viral marketing effects. *Journal of Business Research*, 68(11), 2239–2241.
- Jurvetson, S., & Draper, T. (1997). Viral marketing. DFJ Working Paper.
- Palka, W., et al. (2009). Mobile word-of-mouth. *Journal of Information Technology*, 24(2), 172–185.
- Rouva, G., et al. (2016). Viral marketing strategies. *International Journal of Marketing Studies*, 8(4), 123–135.
- Wilson, R. F. (2000). Viral marketing principles. *Web Marketing Today*.
- Kaplan, A. M., & Haenlein, M. (2011). Viral marketing strategies. *Business Horizons*, 54(3), 253–263.
- Subramani, M. R., & Rajagopalan, B. (2003). Knowledge sharing online. *Communications of the ACM*, 46(12), 300–307.



- Rayport, J. F. (1996). The virus of marketing. *Fast Company*.
- Kim, J., et al. (2020). Online pricing strategies. *Journal of Travel Research*, 59(4), 704–721.
- Kotler, P., & Keller, K. (2016). *Marketing management*. Pearson.
- Chaudhuri, A., & Holbrook, M. (2001). Brand trust. *Journal of Marketing*, 65(2), 81–93.
- Solomon, M. R. (2018). *Consumer behavior*. Pearson.
- Bell, D. R., et al. (2011). Impulse buying. *Journal of Marketing*, 75(1), 31–45.
- Kumar, N., & Kapoor, S. (2015). FMCG buying behaviour. *IJRCM*, 6(2), 45–49.
- Ehrenberg, A., et al. (2004). Brand performance. *Journal of Business Research*, 57(12), 1307–1325.
- Agarwal, R., & Tuteja, S. (2018). Paytm study. *The CASE Journal*, 14(1), 112–138.
- Kannan, P. K. (2017). Digital marketing framework. *International Journal of Research in Marketing*, 34(1).
- Nandy, M. (2023). Digital marketing impact. *International Journal of Electronic Business*, 18(3), 320–345.
- Kim, S., & Lee, C. (2002). E-store design. *Annals of Tourism Research*, 29(1), 257–260.