

A study of the strategic branding techniques used by indian fmcg companies in the digital era

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Abstract

Investigating how digital branding tactics impact consumer behavior is the goal of this study, which focuses on the FMCG (fast-moving consumer goods) sector in India. Considering social media's growing effect on purchasing choices, the research aims to examine the connections between brand memory, digital marketing, social media engagement, and consumer interaction with online content. The research used a survey to examine 500 customers' knowledge, engagement, and responses to several digital branding tactics. The purpose of the data collection was to evaluate the ways in which various digital strategies affect customer behaviour. The results indicate that a sizable portion of customers follow FMCG businesses on social media. Higher degrees of engagement with digital material have been linked to increased brand loyalty and a higher propensity to buy. Important digital branding techniques that were shown to be successful in influencing customer decisions were influencer endorsements, e-commerce agreements, tailored suggestions, and social media ads.

Keywords: Digital Branding, Social Media Engagement, FMCG, Brand Recall, Consumer Behavior, Influencer Marketing, E-Commerce Offers, Personalized Recommendations, Brand Loyalty, Purchasing Decisions.

1. INTRODUCTION

The FMCG sector of India has long been the backbone of the economy, providing the basic products to millions of customers with day-to-day needs. In the competitive and changing market, strategic branding is one of the factors helping companies make a difference in their offerings and build loyalty among their customers. Conventional ways of communicating with people included television advertising, print media, and in-store promotions. But all these have altered a great deal with the emergence of the digital revolution and with increasing penetration of the internet.

The growth of digital technologies, particularly social media, mobile platforms, and e-commerce, has changed the entire manner in which consumers interact with brands. Today, digital platforms hold potential for FMCG firms in connecting with their consumers in more personalized, engaging, and interactive ways. Social media marketing, influencer collaborations, online advertisements, and personalized digital experiences have become integral to the branding strategies of Indian FMCG companies. These digital strategies not only

enable targeting but also allow brands to achieve much deeper connections with their consumers through emotions.

Indian FMCG companies are now trying to change their branding techniques as the digital space continues to grow keeping in mind the changed preferences and expectations from that tech-savvy consumer base. The purpose of this study would be to dwell upon the strategic branding techniques used by these firms in the digital age. This research, therefore, analyses the use of digital platforms for leveraging brand building, consumer engagement, and loyalty and puts forward the trends and challenges for FMCG companies in India today. The paper will also evaluate the effects of such digital branding strategies on consumer behaviour and perception of a brand, and it will greatly benefit companies that want to strengthen their online presence as well as make their branding very effective in this high digitized world.

Definitions:

- **Brand Building:** This process involves the consistent delivery of value to build and strengthen a brand by aligning the brand with the needs of customers and developing an emotional relationship with the target audience. This involves activities such as positioning, brand identity development, marketing campaigns, and customer experience management in order to create a strong, recognizable, and respected brand.
- **Brand Loyalty:** The tendency of consumers to repeatedly choose a particular brand over competitors because of positive perceptions, satisfaction, and trust developed over time. Loyal customers tend to repeat purchases and even recommend the brand, thus ensuring its long-term success.
- **Brand Engagement:** It refers to the emotional connection and interaction that customers have with a brand. It is actively participating in brand-related experiences or communications, such as liking, commenting, sharing, or discussing a brand's products or services. A high level of brand engagement usually leads to more significant customer relationships and advocacy.
- **Brand Recall:** It refers to the consumer's ability to remember a brand at a noncued situation. This, on its part, measures the state of recognition or awareness of the brand in a consumer's memory. That is, it reflects how conscious the consumer may be about that particular brand: higher the consumer's brand recall, the better it means for the brand that lies within the consciousness of the customer.
- **Brand Awareness:** The degree of consumers' familiarity with a brand and its name, logo, products, or services. Brand awareness can vary between recognition-recognizing the existence of a brand when confronted by it and recall-the ability to remember the name of a brand without reminders. It is necessary to attract new customers and make the brand distinguishable from the others.
- **Brand Memory:** It refers to the psychological process through which the consumer retains and retrieves information related to a brand. Brand memory encompasses the retention of both short-term and long-term brand information, which could be brand attributes, experiences, or associations. It influences the consumer's perception of the brand over time and hence, their purchasing decision in the future.

2. LITERATURE REVIEW

Lodhi, R. (2024) examined how customer perceptions are affected by promotional tactics in the Fast-Moving consumer Goods (FMCG) industry, which is characterized by fierce competition and low barriers to brand switching. The study's main goal was to examine how

different promotional strategies—from conventional advertising and in-store promotions to cutting-edge digital marketing and public relations initiatives—shaped customer perceptions and impacted their purchasing decisions. The research emphasized the importance of this study in addressing a crucial gap in the existing academic discourse by highlighting the quick changes in customer preferences and the on-going development of marketing strategies. It provided a thorough examination of how marketing tactics influenced customer attitudes in the FMCG industry.

Mitkari, S. S., & Bhat, B. (2024) studied the significance of branding in the FMCG industry and its function in the marketing of both physical and intangible items. The research highlighted the particular difficulties in pharmaceutical branding by contrasting the branding strategies and methods used in the pharmaceutical business with those in FMCGs. The writers examined a number of widely used branding ideas and tactics, including brand portfolio management, co-branding, brand extension, and strategic brand research management. In addition to presenting suggestions on how branding may support the pharmaceutical business going forward to face contemporary difficulties, their investigation included insightful information about the distinctions between branding in the pharmaceutical and FMCG industries.

George, A. S., & George, A. H. (2023) examined changes in marketing tactics in the FMCG industry, emphasizing the ways in which these adjustments boosted GDP and brand recognition. Product-focused strategies are giving way to more technology-driven and socially conscious ones, with a growing focus on corporate social responsibility (CSR), according to the study. Based on secondary data and content analysis, the studies sought to identify research gaps and emphasized contemporary FMCG marketing strategies that successfully and favorably advance companies. Additionally, it explained how CSR initiatives affect customer attitudes and brand image.

Rawal, T., Agarwal, S., Choudhury, T., & Pant, B. (2024) examined the level of brand awareness for FMCG items in India's rural and urban regions. The top five FMCG brands were examined in the research using consumer choice, recall, and recognition metrics. Personal referrals and word-of-mouth were shown to be important determinants of brand recognition in rural regions. On the other hand, advertising, digital media, and experiential marketing had a bigger impact in metropolitan regions. Urban areas usually showed greater levels of brand attention, recognition, and preference, according to the research, which examined the mean values and standard deviations of brand awareness indicators across rural and urban locations. However, both rural and urban populations showed notable differences in the distribution of brand awareness indicators.

Vincent, M. P. R., & Aurangabadkar, S. T. (2022) investigated the primary factors—price, brand image, service quality, and customer satisfaction—that influence brand switching behavior in the FMCG industry. These four characteristics had a substantial impact on brand switching behavior, according to the study, which used a qualitative research technique and in-depth interviews with 200 FMCG consumers. The most important component was found to be price, which was followed by customer happiness, service quality, and brand image. For data analysis, the study used multiple regressions, Pearson correlation, reliability analysis, and theme analysis. Based on the results, the research made a number of suggestions for FMCG firms to improve customer happiness, improve service quality, improve brand image, and increase consumer loyalty while lowering brand switching. The report also underlined how important it is for FMCG businesses to keep an eye on rivals in a fiercely competitive industry and adjust to shifting consumer tastes.

3. RESEARCH METHODOLOGY

3.1. Research Design

The influence of digital branding strategies on customer behaviour is investigated in this study using a descriptive research approach. It seeks to comprehend the ways in which digital tactics such as influencer endorsements, social media advertisements, and tailored suggestions affect brand recognition, interaction, and loyalty.

3.2. Population and Sample Size

Indian customers who interact with FMCG companies and are engaged on digital platforms make up the target demographic. In order to guarantee a range of viewpoints across age, gender, and geographically location, a sample of 500 respondents was selected, offering thorough insights into consumer behaviour.

3.3. Sampling Technique

Stratified sampling was used to guarantee representation by location, gender, and age. In order to guarantee that the data represents the larger population, the sample was separated into strata according to these characteristics.

3.4. Data Collection Method

A structured online survey that was disseminated via email and social media was used to gather data. The survey focused on digital branding strategies, social media participation, and brand recall and it had both multiple-choice and Likert scale questions .

3.5. Variables and Measures

The dependent variables evaluate consumer's buying behaviour, brand memory, engagement, and loyalty, while the independent variables include digital branding strategies (social media advertisements, influencer endorsements, e-commerce deals, and tailored recommendations). Responses were measured using a Likert scale.

3.6. Data Analysis Techniques

Descriptive statistics were used in data analysis to compile replies and demographic data. While correlation analysis evaluated the connection between social media participation and brand loyalty, cross-tabulation investigated the correlations between digital branding strategies and purchase choices. Data analysis was done using SPSS with the help of a SPSS expert.

4. DATA ANALYSIS

4.1. Consumer Demographics

The respondents' demographic profile provides a thorough understanding of Indian consumer's behaviour by displaying a fair mix by age, gender, and geography. While older groups provide insights from more seasoned customers who may have established brand preferences, younger age groups make up a significant share of the sample and constitute a digitally engaged population.

Table 1: Demographic Profile

Demographic Variable	Frequency (n=500)	Percentage (%)
Age		
18-24	120	24%
25-34	160	32%
35-44	100	20%
45-54	70	14%
55+	50	10%
Gender		
Male	250	50%

Female	250	50%
Location		
Urban	300	60%
Semi-Urban	200	40%

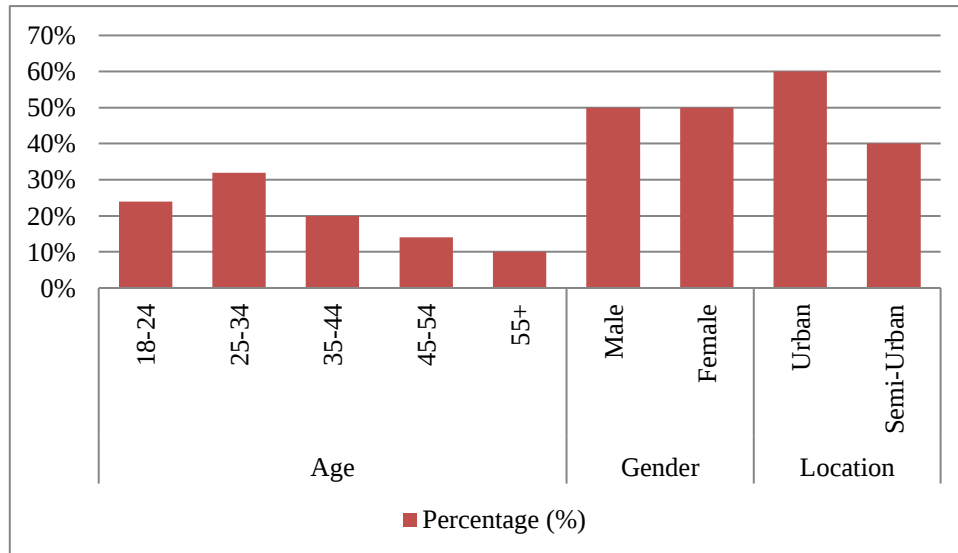


Figure 1: Graphical Representation of Demographic Profile

Male and female respondents are equally represented in the sample, guaranteeing gender-neutral insights. Furthermore, a significant portion of respondents are from semi-urban areas, which indicates growing markets with rising levels of digital engagement, while the bulk of respondents are from metropolitan areas, which probably have better access to digital platforms and a wider variety of brands. This distribution makes it possible to analyse how different demographic groups react to digital branding tactics in the FMCG industry, offering insights into variations in engagement, brand loyalty, and buying patterns.

4.2. Brand Awareness and Recall

Respondents were asked to name FMCG brands they often engage with online in order to assess brand recall. The outcomes are as follows:

Table 2: Brand Awareness and Recall

Brand Name	Frequency (%)
Hindustan Unilever (HUL)	75%
Dabur	65%
Britannia	55%
Patanjali	45%
Nestle	40%

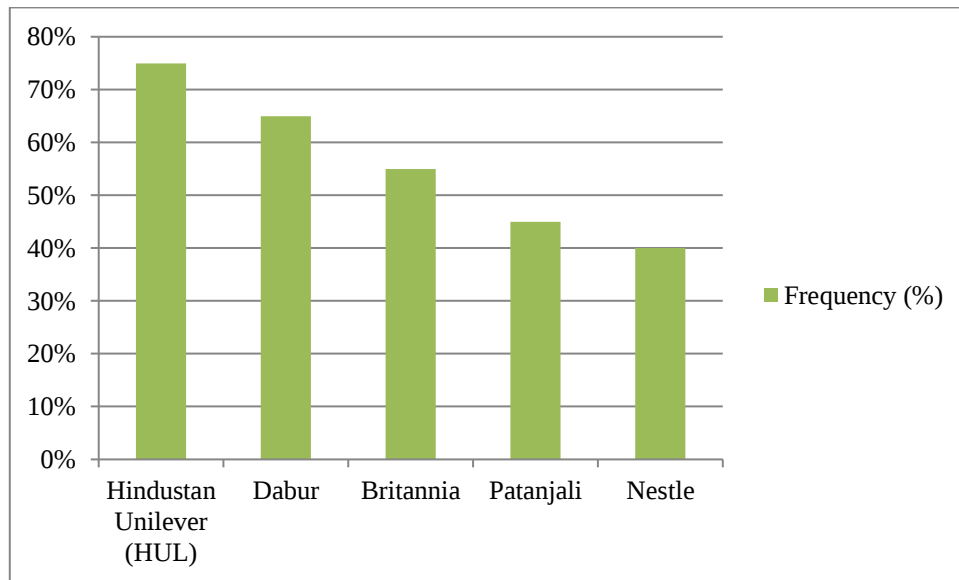


Figure 2: Brand Awareness and Recall

Inquiries about respondents' knowledge of these businesses' digital initiatives were also made. According to the survey, HUL leads in influencer partnerships and Dabur has the most social media platform engagement.

With 75% of respondents regularly interacting with the brand online, **Hindustan Unilever (HUL)** has the greatest recall rate, according to the brand recall research. This is probably because of its wide range of products and robust online presence. **Dabur** comes in second at 65%, demonstrating its successful relationship with customers drawn to natural and Ayurvedic goods, which fits in well with the current trend of health consciousness. With recall rates of 55% and 45%, respectively, **Britannia** and **Patanjali** are memorable due to their associations with dairy and baked goods, while Patanjali appeals to customers who value traditional and herbal items. Although it competes with companies that use more aggressive digital marketing, **Nestle**, which has a 40% recall rate, has great engagement as well thanks to its emphasis on coffee, dairy, and packaged goods. In general, customers are more likely to remember businesses with strong digital strategies, a wide range of products, and a connection to convenience and health themes.

4.3. Social Media Engagement

According to the poll results, 78% of participants follow FMCG companies on at least one social media site, demonstrating the brands' significant online presence. With 65% of respondents engaging with product promotions, there is a notable level of engagement with digital material, suggesting that customers are receptive to firms' attempts to promote deals and discounts online. Furthermore, 45% of consumers take part in campaigns or competitions sponsored by brands, indicating that interactive material effectively encourages customer participation. Only 25% of consumers follow influencers linked to these firms, indicating the increasing power of social media stars in influencing customer opinions. Crucially, respondents also indicated that they are more likely to buy from companies who interact with them on social media sites like Facebook and Instagram. This highlights how crucial it is to keep up an active and interesting online presence in order to pique customers' attention and eventually affect their purchase choices.

4.4. Influence of Digital Branding on Purchasing Behavior

The poll looked at how customer's purchase choices are impacted by digital branding. The findings show that:

Table 3: Digital Branding on Purchasing Behavior

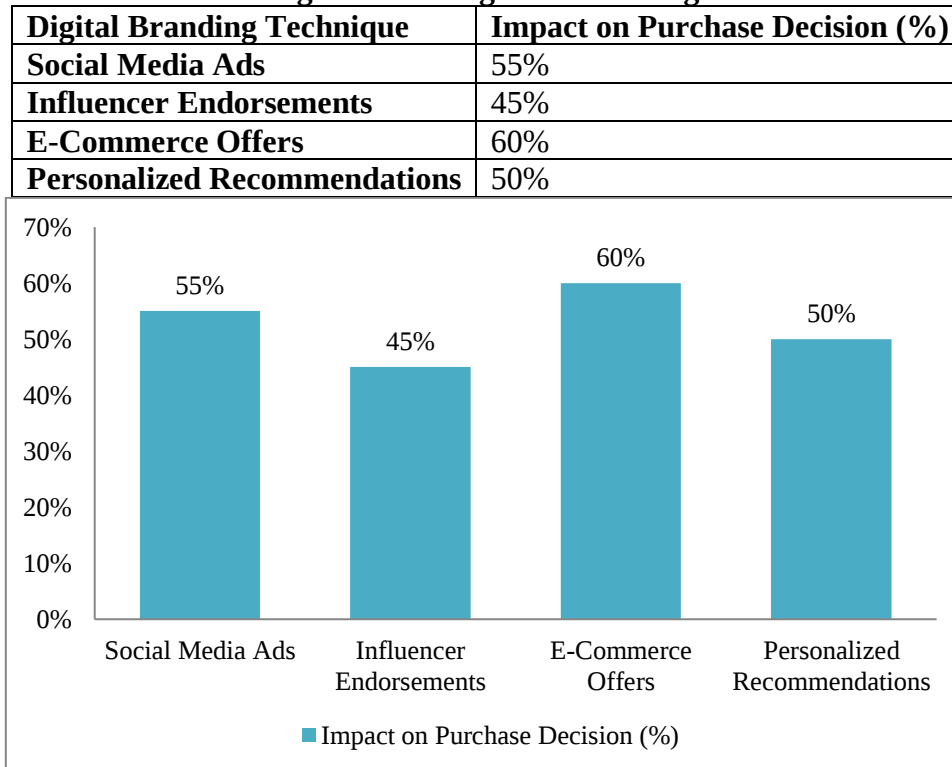


Figure 3: Digital Branding on Purchasing Behavior

According to the survey's findings, e-commerce offers have the most effect on customers purchase choices, influencing 60% of the participants. This demonstrates the powerful allure of sales and discounts, which provides instant benefits and encourage online purchases. Ads on social media come in second, affecting 55% of respondents by delivering relevant and eye-catching material to them on popular sites. Fifty percent of customers are impacted by personalized suggestions, demonstrating the power of customized brand messaging that takes into account personal preferences. Influencer endorsements, which have an impact of 45%, are also very important since they provide relatability and authenticity. In general, the most successful strategies for influencing customer purchasing behavior are those that provide clear advantages, customization, and genuineness. Customers are one and a half times more likely to buy a product after interacting with sponsored material on social media. Personalized suggestions also make a big difference, particularly when companies target advertisements using customer data.

4.5. Brand Loyalty

According to the report, brand loyalty and digital engagement are strongly correlated. Customers are more likely to exhibit strong brand loyalty if they often interact with a business's digital material. In particular:

Table 4: Brand Loyalty

Engagement Level	Percentage of Respondents (%)
Strong Brand Loyalty (engage regularly on social media)	70%
Likely to Recommend Brand to Others	50%

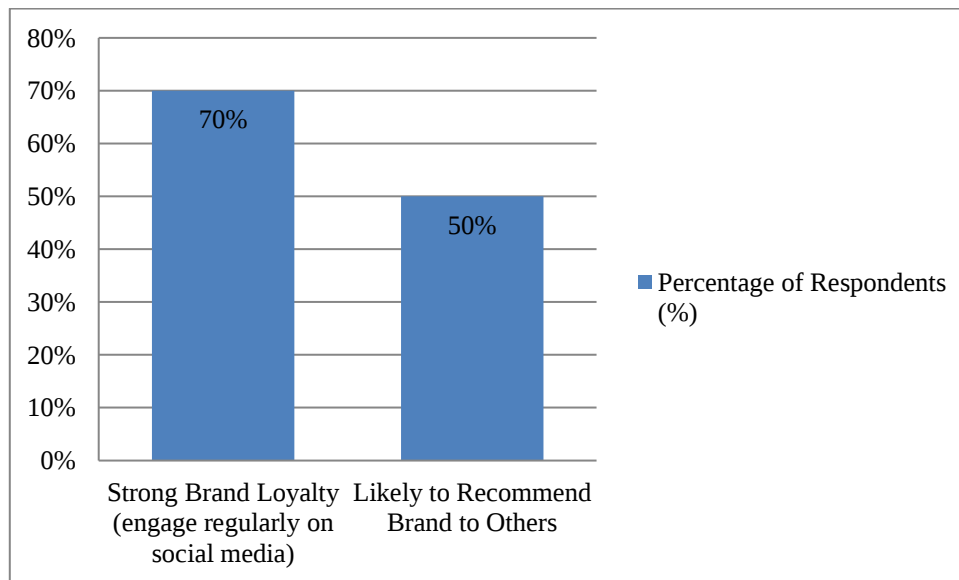


Figure 4: Graphical Representation of Brand Loyalty

Consumer brand loyalty and social media involvement seem to be strongly correlated, according to the statistics. Frequent online involvement develops a stronger connection and dedication to the brand, as seen by the significant 70% of respondents who frequently communicate with businesses on social media platforms reporting high brand loyalty. Additionally, half of these engaged customers are likely to tell others about the company, demonstrating the influence of digital engagement on word-of-mouth advertising as well as personal loyalty. This research emphasizes how crucial it is for FMCG companies to have a consistent, active social media presence in order to cultivate devoted clientele and promote naturally via customer referrals.

5. CONCLUSION

The research emphasizes how important digital branding is in influencing customer's behaviour in the FMCG industry, especially via social media. The results show that a significant portion of customers follow and interact with FMCG businesses on social media, especially via influencer partnerships, product promotions, and competitions. Customers clearly favor companies who have an active and engaged presence on social media sites like Facebook and Instagram, and this engagement is directly related to brand loyalty and a higher chance of making a purchase. The survey also shows that initiatives like e-commerce deals and tailored suggestions have a significant influence on buying choices, underscoring the need of focused digital marketing. All things considered, FMCG companies may improve their market position by using digital technologies to provide real, customized, and engaging experiences that increase sales and brand advocacy in addition to fostering customer loyalty.

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