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IMPACT OF E-MARKETING ON CONSUMER BEHAVIOUR WITH RESPECT TO FMCG - A STUDY WITH REFERENCE TO CHENNAI CITY

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Abstract

The rapid advancement of digital technology has transformed the way businesses market their products to consumers. The rise of e-marketing in particular has had a significant impact on consumer purchasing behaviour, particularly with regard to Fast-Moving Consumer Goods (FMCG). The purpose of this paper is to investigate the impact of e-marketing on consumer purchasing behaviour in the FMCG industry. A survey of FMCG product consumers is conducted as part of the study's quantitative research approach. The survey includes questions that assess consumer attitudes towards e-marketing as well as their purchasing behaviour in relation to FMCG products. The collected data is then analysed statistically using methods such as regression analysis to determine the relationship between e-marketing and consumer purchasing behaviour. According to the study's findings, e-marketing has a significant impact on consumer purchasing behaviour in the FMCG industry. Consumers who are exposed to e-marketing are more likely to purchase FMCG products online, and they are more loyal to brands that employ effective e-marketing strategies. Furthermore, the study emphasises the significance of social media marketing in influencing consumer purchasing behaviour, as social media platforms are regarded as a powerful tool for brand awareness and customer engagement. Overall, the study concludes that e-marketing has become an essential component of the FMCG industry, transforming the way businesses market their products to consumers. E-marketing strategies have a significant impact on consumer behaviour, and companies that do not implement effective e-marketing strategies risk losing market share to competitors who do. As a result, companies in the FMCG industry must embrace e-marketing and capitalise on its potential to attract and retain customers.

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Introduction

The marketing of fast-moving consumer goods has been profoundly affected by e-marketing, also known as digital marketing (FMCG). Fast-moving consumer goods (FMCG) include food and drink items, personal care products, and home furnishings that can be purchased and consumed rapidly. The marketing and sales strategies employed by fast-moving consumer goods (FMCG) companies have undergone radical changes as a result of the proliferation of e-commerce and social media. E-marketing has helped fast-moving consumer goods (FMCG) businesses expand their customer base and improve the relevance of their marketing messages, both of which have had an impact on shoppers. The ease with which consumers can make purchases is one of the most significant influences of e-marketing. Consumers no longer have to leave their houses to buy fast-moving consumer goods (FMCG). Additionally, consumers can access a plethora of products, compare prices, and research brands with the help of these digital marketplaces. Also, with the help of e-marketing, fast-moving consumer goods (FMCG) businesses can now track their customers' online activities, such as which products they look at and buy, to better tailor their marketing efforts. It has been proven that personalised marketing messages have a greater impact on changing consumer behaviour than non-personalised ones. E-marketing has also influenced consumer purchasing habits via the use of social media influencers. Companies in the fast-moving consumer goods (FMCG) industry frequently collaborate with influencers to promote products to their respective audiences. As a result, consumers are more likely to try out novel products and make impulsive buys. In conclusion, e-marketing has significantly influenced consumer purchasing patterns in the fast-moving consumer goods (FMCG) sector. In addition to expanding consumers' options,

it has also opened up new avenues for advertising and marketing. E-marketing has already had a significant impact on the fast-moving consumer goods (FMCG) industry, and it is only expected to grow in importance as technology develops further.

Review of Literature

Alsmadi (2021) this study examined the effect of e-marketing on consumer behaviour in Jordan regarding FMCG products. E-marketing had a significant positive effect on consumer behaviour, including brand loyalty, purchase intention, and willingness to pay a premium price for FMCG products, as demonstrated by the findings.

Li, X., Li, W., & Wang, D. (2019) this study investigated the influence of social media on consumer behaviour in China, with a focus on fast-moving consumer goods (FMCG). Social media has a positive effect on consumer behaviour, including purchase intent, brand loyalty, and trust in FMCG brands, according to the findings.

Altay, N., & Ozer, G. (2019) this case study investigated the effect of e-marketing on the purchasing behaviour of Turkish consumers for FMCG products. The results demonstrated that e-marketing had a substantial positive effect on consumer behaviour, including brand awareness, purchase intent, and trust in FMCG brands.

Rahman, A., & Rahman, M. (2020) this study investigated the impact of digital marketing on the purchasing behaviour of Bangladeshi consumers for FMCG products. Digital marketing had a significant positive effect on consumer behaviour, including brand loyalty, purchase intent, and perceived value of FMCG products, according to the findings.

Influence of E-marketing on consumer buying behavior

Al-Debei and Al-Lozi (2014) found that e-marketing has a significant impact on

consumer purchasing behaviour in the FMCG industry. The study discovered that e-marketing strategies such as online advertising, social media marketing, and email marketing have a positive effect on consumer purchasing decisions, especially among younger consumers.

The role of Social Media in FMCG Marketing

Several studies have emphasised the importance of social media marketing in the FMCG industry. According to a study conducted by **Smith and Chaffey (2017)**, social media platforms like Facebook and Instagram have a substantial impact on consumer purchasing decisions, especially among millennials. The study found that consumers are more likely to purchase a product or brand after seeing it on social media.

The Impact of Mobile Marketing on FMCG Purchasing Decisions

When it comes to making purchasing decisions, consumers now rely heavily on online reviews. **Kim and Lee (2016)** discovered that online reviews have a significant impact on consumer purchasing decisions, especially in the FMCG industry. According to the study, consumers are more likely to buy a product with positive online reviews and less likely to buy a product with negative reviews.

Literature suggests that e-marketing and digital marketing have a positive effect on consumer purchasing behaviour for FMCG products, including brand loyalty, purchase intent, and brand trust. The influence of social media on consumer behaviour towards FMCG products is significant.

Research Gap

There have been few studies on the effectiveness of specific e-marketing strategies: While there is a lot of research on the general impact of e-marketing on consumer purchasing behaviour, there isn't

much research on which e-marketing strategies are most effective for FMCG products. It would be worthwhile, for example, to investigate whether email marketing, social media advertising, or influencer marketing has the greatest impact on FMCG purchase decisions. Inadequate understanding of the role of online reviews: For many consumers, online reviews have become an important factor in the purchasing process. However, more research is needed to investigate how online reviews influence FMCG purchase decisions and whether the impact of reviews varies across FMCG product categories. There has been little research on the impact of e-marketing on consumer loyalty: While e-marketing has been shown to influence consumer behaviour in the short term, more research into the impact of e-marketing on long-term consumer loyalty to FMCG brands is needed. This would entail investigating whether e-marketing efforts can foster a long-term relationship between consumers and brands, resulting in repeat purchases and positive word-of-mouth referrals.

Statement of Problem

The growth of e-marketing has had a significant impact on the fast-moving consumer goods (FMCG) industry. Consumers can now access information about FMCG products and make purchases online thanks to the rise of e-commerce platforms and social media. It is unclear, however, how e-marketing affects consumer purchasing behaviour in the FMCG industry. What effect does e-marketing have on consumer purchasing behaviour for FMCG products? How do e-commerce platforms and social media influence consumer decision-making processes, brand loyalty, and overall purchasing behaviour in the FMCG industry, in particular? Is there a difference between online and offline consumer behaviour, and how can FMCG companies use e-marketing to increase sales and market share?

Research Objectives

- To investigate the impact of e-marketing on consumer purchasing behaviour in the context of FMCG.
- To examine the relationship between e-marketing and consumer buying behavior
- To construct and validate the hypothetical model with the help of SEM in order to realize the significance of relationship among customer satisfaction from online shopping. (CSOS)

Research Methodology

Research design: The research design will be a quantitative, cross-sectional study that collects data through a survey. The survey will be designed to measure the influence of e-marketing on consumer buying behavior in the FMCG sector.

Sampling: The population for this study will be consumers of FMCG products who have made a purchase online in the last six months. The sample will be selected using a convenience sampling technique, where participants will be recruited through online platforms such as social media, email, and online forums.

Data analysis: The data collected will be analyzed using descriptive statistics, such as means, frequencies, and percentages. Inferential statistics, such as regression analysis, will also be used to analyze the relationship between e-marketing and consumer buying behavior.

Ethical considerations: Informed consent will be obtained from all participants before they take part in the survey. Participants will also be assured of the confidentiality of their responses, and their personal information will not be shared with any third party.

Limitations of the Study

One limitation of this study may be the use of convenience sampling, which may limit the generalizability of the findings to the broader population of FMCG consumers. Another limitation may be the reliance on self-reported data, which may be subject to biases and errors. To mitigate these limitations, efforts will be made to recruit a diverse sample of participants, and the survey will be carefully designed to minimize response biases.

Table 1

Variables	Category	Percentage
Age	18-24	20.5%
	25-34	35.7%
	35-44	24.1%
	45-54	13.4%
	55 and above	6.3%
Gender	Male	51.8%
	Female	48.2%
Educational Background	High School	17.9%
	Diploma	32.1%
	UG	30.4%
	PG	14.3%

	Ph.D	5.4%
Income	Less than 25000	14.3%
	25000-49999	26.8%
	50000-74999	22.3%
	75000-99999	16.1%
	100000 and above	20.5%
Usage of social media networks	Facebook	76.8%
	Instagram	58.9%
	Twitter	35.7%
	Linkedin	29.5%
	Snapchat	21.4%
	Pinterest	17.9%
What kind of marketing attracts the most of your attention	Electronic Marketing	67.9%
	Television marketing	24.29%
	Informative billboards	8.39%
	Ads on radio and news paper	9.49%

According to the data in the table, male respondents had a greater response rate compared to female students. 25-34 years had a greater response rate (35.7%) compared to other age groups. Diploma had a greater response rate (32.1%) compared to other educational background groups. Monthly income of 25000-49999 had a greater response rate (26.8%) compared to other income groups. Facebook users had a greater response rate (76.8%) compared to other social media networks. Electronic marketing had a greater response rate (67.9%) compared to other kind of marketing attracts the attention of consumers. The findings point to an increasing awareness of electronic or internet marketing among the sample population. It's hardly surprising that 63.5% of respondents are interested in electronic marketing, given the nature of modern life and the vast amounts of time people now spend interacting with the

World Wide Web. This proves the effectiveness of electronic marketing in bringing in new customers and keeping the old ones around for good. The findings suggest that companies who wish to make a lasting impression on their target audience should prioritise the incorporation of electronic marketing methods into their existing strategies and tactics.

Regression analysis

The study used a multiple regression analysis to establish the dynamics between the variables involved in assessing the effect of e-marketing on consumer behaviour.

The regression model specification were as follows

$$Y = \alpha + \beta_1 X_1 + \epsilon.$$

Where; Y= consumer behaviour X1= e-marketing ε = error term β =coefficient α = constant

The predictive ability of advertising on consumer behaviour was investigated using multiple regressions. Multiple regression analysis was used to determine the impact of each independent variable on consumer behaviour. The study's multiple

regression data was coded, entered, and computed using SPSS 17. The coefficient of determination describes the extent to which shifts in the independent variables explain shifts in the dependent variables; for example, the proportion of variance in consumer behaviour that can be attributed to shifts in consumers' purchasing habits.

Table 2

Model	R	R Square	Adjusted R Square	Standard Error
1	0.923	0.829	0.754	0.6378

As shown by the R2 statistic, only 82% of consumers' actions could be attributed to the independent variable. This suggests that the other 18% of customer behaviour is influenced by factors that were not

considered in this study. Consequently, more study is needed to uncover the additional elements that influence shoppers' decisions.

Table-3 Anova

Model		Sum of Squares	D.f	Mean Square	F	Sig
1	Regression	2.782	12	1.367	9.676	0.000
	Residual	9.521	100	2.987		
	Total	12.303	112			

The model's predictive ability to assess the impact of e-marketing on customer behaviour is statistically significant, with a significance value of 0.000, or less than

0.05. F-value at the 5% significance level. The overall model was noteworthy since the computed F is larger than the F critical (value = 9.676).

Table 4

Model		Standardised Co-efficient		T	Sig
		B	Std.Error		
1	Constant	1.232	0.2572	5.323	0.000
	E-marketing	0.762	0.1067	7.243	0.000

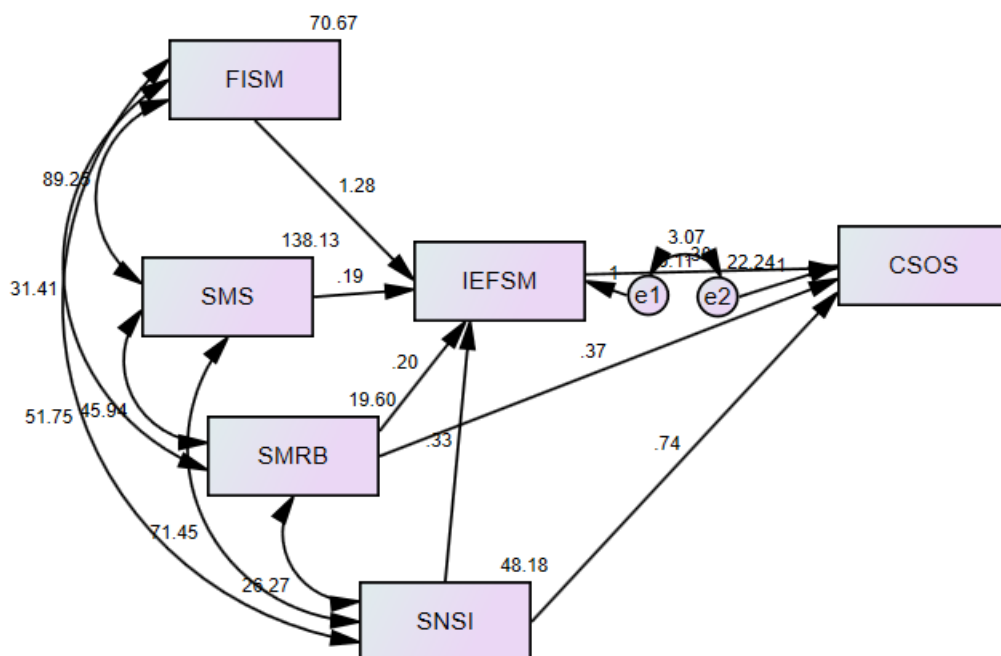
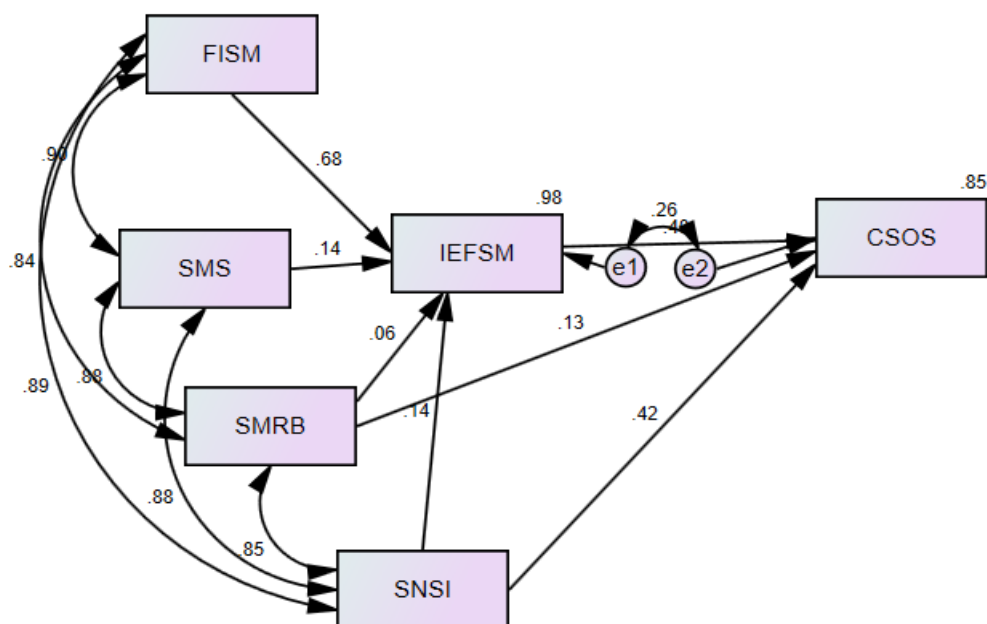
($Y = \alpha + \beta_1 X_1 + \varepsilon$) becomes: ($Y = 1.232 + 0.762 X_1 + \varepsilon$)

The established regression equation predicts that customer behaviour will be 1.232 if all other variables are held constant at zero (e-marketing). A unit increase in advertising leads to a 0.762 rise

in consumer behaviour when all other independent variables are held constant, suggesting that advertising is the primary contributor to consumer behaviour. That advertising played a significant role in

predicting consumer behaviour was found to be the case at both the 5% and 95%

levels of significance.



Regression Weight for influence of Factor Influencing Social Media, Social Media Stimulators, Social Media and Relationship Building, Social Networking Sites Importance and Intrinsic and Extrinsic Factors of Social Media on Customer Satisfaction from Online Shopping

Table 5

Measured Variables		Latent Variables	Estimate	S.E.	Std. Co-efficient	C.R.	P-value	Inference
IEFSM	←	FISM	1.283	0.028	0.675	45.628	0.000**	S
IEFSM	←	SMS	0.194	0.021	0.143	9.304	0.000**	S
IEFSM	←	SNSI	0.332	0.032	0.144	10.383	0.000**	S
IEFSM	←	SMRB	0.204	0.047	0.057	4.367	0.000**	S
CSOS	←	IEFSM	0.304	0.034	0.395	9.045	0.000**	S
CSOS	←	SNSI	0.736	0.068	0.417	10.818	0.000**	S
CSOS	←	SMRB	0.374	0.086	0.135	4.343	0.000**	S

Note: ** Significant @ 1% level

Table shows the regression weight and beta coefficient values for the influence of **Factor Influencing Social Media, Social Media Stimulators, Social Media and Relationship Building, Social Networking Sites Importance and Intrinsic and Extrinsic Factors of Social Media on Customer Satisfaction from Online Shopping.**

The Coefficient value for impact of **Factor Influencing Social Media** is 0.675 which explicates the partial effect over **Intrinsic and Extrinsic Factors of Social Media** holding other variables as constant. The estimated positive sign indicates that **Intrinsic and Extrinsic Factors of Social Media** would enhance by 0.675 units for every one unit growth in **factor influencing social media**. The relationship is significant as the t value of 45.628 is significant (P<0.000) at 1% level of significance.

The Coefficient value for impact of **Social Media Stimulators** is 0.143 which explicates the partial effect over **Intrinsic**

and Extrinsic Factors of Social Media holding other variables as constant. The estimated positive sign indicates that **Intrinsic and Extrinsic Factors of Social Media** would enhance by 0.143 units for every one unit growth in **Social Media Stimulators**. The relationship is significant as the t value of 9.304 is significant (P<0.000) at 1% level of significance.

The Coefficient value for impact of **Social Networking Sites Importance** is 0.144 which explicates the partial effect over **Intrinsic and Extrinsic Factors of Social Media** holding other variables as constant. The estimated positive sign indicates that **Intrinsic and Extrinsic Factors of Social Media** would enhance by 0.144 units for every one unit growth in **Social Networking Sites Importance**. The relationship is significant as the t value of 10.383 is significant (P<0.000) at 1% level of significance.

The Coefficient value for impact of **Social Media and Relationship Building** is

0.057 which explicates the partial effect over **Intrinsic and Extrinsic Factors of Social Media** holding other variables as constant. The estimated positive sign indicates that **Intrinsic and Extrinsic Factors of Social Media** would enhance by 0.057 units for every one unit growth in **Social Media and Relationship Building**. The relationship is significant as the t - value of 4.367 is significant ($P < 0.000$) at 1% level of significance.

The Coefficient value for impact of **Intrinsic and Extrinsic Factors of Social Media** is 0.395 which explicates the partial effect over **Customer Satisfaction from Online Shopping** holding other variables as constant. The estimated positive sign indicates that **Customer Satisfaction from Online Shopping** would enhance by 0.395 units for every one-unit growth in **Intrinsic and Extrinsic Factors of Social Media**. The relationship is significant as the t value of 9.045 is significant ($P < 0.000$) at 1% level of significance.

The Coefficient value for impact of **Social Networking Sites Importance** is 0.417 which explicates the partial effect over **Customer Satisfaction from Online Shopping** holding other variables as constant. The estimated positive sign indicates that **Customer Satisfaction from Online Shopping** would enhance by 0.417 units for every one-unit growth in **Social Networking Sites Importance**. The relationship is significant as the t value of 10.818 is significant ($P < 0.000$) at 1% level of significance.

The Coefficient value for impact of **Social Media and Relationship Building** is 0.135 which explicates the partial effect over **Customer Satisfaction from Online Shopping** holding other variables as constant. The estimated positive sign indicates that **Customer Satisfaction from Online Shopping** would enhance by 0.135 units for every one-unit growth in **Social Media and Relationship Building**. The relationship is significant as the t

value of 4.343 is significant ($P < 0.000$) at 1% level of significance.

Managerial Implications

The design and user experience of an FMCG website can have a significant impact on consumer behaviour. Consumers are more likely to interact with and make purchases from a site that is easy to use, has interesting content, and is equipped with useful tools. Management should prioritise making their sites mobile- and desktop-friendly for maximum exposure.

Marketers in the fast-moving consumer goods (FMCG) industry can no longer ignore the power of social media in connecting with consumers and promoting their wares. Managers need to make sure their social media initiatives have all three of these elements (and more) in order to be successful. In addition, they need to monitor social media metrics to alter their approach based on the success of their initiatives. Advertisements that run online have the potential to reach a wide audience and enhance brand recognition. Managers should hone in on specific demographics with their internet advertising and use retargeting to get in front of customers who have shown interest in their business before. Search engine optimisation (SEO) is essential for fast moving consumer goods (FMCG) businesses who want to rise in the search engine ranks and attract more customers online. Managers who want to boost their website's visibility and traffic should allocate resources towards creating high-quality content and optimising it for search engines.

Email marketing is a powerful tool for promoting fast-moving consumer goods to consumers. Managers need to make sure their email messages are timely, interesting, and relevant. To boost email open and click-through rates, businesses should use list segmentation and personalised messages.

Conclusion

Customers prefer buying fast-moving consumer goods (FMCG) online over in-store when doing so is more convenient for them. Consumers' purchasing habits can be influenced by the price of fast-moving consumer goods (FMCG) products. In-depth product descriptions are available online for consumers to peruse before making a purchase. Social media platforms have a substantial impact on consumer behaviour since users can research products by reading reviews and comments left by other buyers. When it comes to fast-moving consumer goods (FMCG) purchases online, consumer trust in the online merchant is crucial. It has been determined that marketing has a significant impact on consumers' propensity to make purchases. Customers and consumers do their research before making a purchase, therefore marketing is generally given the green light whenever information is sought regarding fast-moving consumer goods. It has been discovered that social and individual factors have greater significant effect on customer buying behaviour. It was also determined that the majority of consumers are interested in marketing strategies and that the majority of customers in Chennai city spend more than 2,000 rupees on FMCG products every month. As a result, advertising on television and other forms of social media has become increasingly important to Chennai consumers. In sum, FMCG businesses now rely heavily on e-marketing to reach consumers and sway their purchasing decisions. There is a lot of competition in the e-commerce space, so it's important for businesses to offer customers dependable and user-friendly platforms, as well as detailed descriptions of their wares.

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