



INTERNATIONAL JOURNAL OF TRENDS IN EMERGING RESEARCH AND DEVELOPMENT

INTERNATIONAL JOURNAL OF TRENDS IN EMERGING RESEARCH AND DEVELOPMENT

Volume 2; Issue 3; 2024; Page No. 144-148

Received: 19-03-2024

Accepted: 29-04-2024

Case study analysis of digital engagement strategies and brand loyalty in the FMCG sector: A focus on Indian suburban consumers

¹Mulani Navaj Maula and ²Dr. Priyanka Srivastava

¹Research Scholar, Department of Management, Kalinga University, Raipur, Chhattisgarh, India

²Professor, Department of Management, Kalinga University, Raipur, Chhattisgarh, India

Corresponding Author: Mulani Navaj Maula

Abstract

This paper investigates the influence of digital engagement strategies on brand loyalty in the FMCG sector among suburban consumers in Bhandup and Mulund, Mumbai, India. Using a case study approach, the research analyses how digital marketing tactics-such as social media campaigns, influencer collaborations, and e-commerce promotions-impact consumer engagement and loyalty. Focusing on younger, educated segments, the study reveals that digital platforms significantly shape brand perceptions and drive purchase decisions. By assessing the effectiveness of these engagement strategies, the paper highlights consumer preferences, price sensitivity, and brand-switching tendencies in response to digital advertising efforts. These findings offer insights into how FMCG companies can effectively use digital channels to foster brand loyalty in a diverse and evolving market.

Keywords: FMCG, brand loyalty, digital engagement, case study, consumer behaviour, suburban India, social media marketing, e-commerce

Introduction

The fast-moving consumer goods (FMCG) sector is one of the largest and fastest-growing industries in India. It is currently valued at more than USD 110 billion and makes a considerable contribution to the economy (IBEF, 2020). Items that fall under the category of fast-moving consumer goods (FMCG) are vital commodities, including food, beverages, and personal care items. These products are characterised by frequent consumer purchases and low profit margins. The rise of the sector has been driven by a number of causes, including urbanisation, lifestyle shifts, and increased disposable incomes, particularly in suburban areas. In Mumbai, suburban areas such as Bhandup and Mulund give rise to distinctive consumer dynamics. These areas are characterised by younger, more educated populations that exhibit a wide range of brand preferences and purchasing behaviours. According to Kumar and Shah (2018) ^[13], in this setting, digital engagement techniques have become increasingly vital for brands that aim to establish and maintain consumer loyalty.

The manner in which customers interact with brands has been remodelled as a result of the rise of social media and e-

commerce platforms, which have made digital engagement possible. According to Statista's research from 2020 ^[17], consumers in India's suburbs are now more easily connected to the digital world, with increased access to smartphones and the internet. According to Chaffey and Ellis-Chadwick (2019) ^[4], digital engagement not only increases the visibility of a brand but also helps to cultivate an interactive relationship between brands and consumers by means of real-time feedback, personalised content, and targeted advertising. Brands that are able to effectively utilise these platforms may increase brand loyalty, which is a major driver of long-term customer retention and profitability in the fast-moving consumer goods (FMCG) industry (Kotler & Keller, 2016) ^[12]. As digital engagement becomes a primary marketing strategy, brands that are able to do so can strengthen them. The purpose of this research is to gain knowledge of how digital engagement affects brand loyalty among consumers of fast-moving consumer goods (FMCG) in suburban India. More specifically, the study will investigate the efficacy of various digital marketing strategies.

There is still a lack of study on the influence that digital

engagement methods have inside the suburban FMCG markets in India, despite the fact that these strategies have attained widespread acceptance. The purpose of this case study is to fill that vacuum by examining the responses of consumers in Bhandup and Mulund to digital marketing strategies such as influencer collaborations, social media campaigns, and e-commerce promotions. Through the use of various digital methodologies, the research endeavours to gain an understanding of the ways in which consumer preferences, price sensitivity, and brand-switching behaviour are influenced. This will provide marketers with valuable insights that can be utilised in the development of strategies that are tailored to the ever-changing digital landscape of suburban India.

Table 1: Overview of India's FMCG Market

Parameter	Data (2020)
Market Value	USD 110 billion
Annual Growth Rate	12%
Major Segments	Food & Beverages, Personal Care, Home Care
Digital Penetration	52% of FMCG sales
Key Demographic Segment	Youth (18–30 years)

Literature Review

Consumer Behaviour and Digital Engagement in the Fast-Moving Consumer Goods Industry

Consumers' purchase decisions are influenced by psychological, social, and economic variables, with digital engagement adding a new layer of interaction (Ajzen, 1991; Kotler & Keller, 2016) [1, 12]. This is revealed by theoretical perspectives on consumer behaviour, which demonstrate that purchase decisions are influenced by these factors. According to research conducted by Lemon and Verhoef (2016) [18], digital engagement, which includes interactions on social media platforms, online reviews, and endorsements from influential individuals, has an effect on consumer trust and perceived brand value, which ultimately has an effect on brand loyalty. In the fast-moving consumer goods (FMCG) industry, consumers frequently demonstrate a low level of brand devotion due to the availability of various substitutes and the quick introduction of new products. Because digital platforms, on the other hand, provide a distinct advantage by enabling the creation of individualised experiences for customers, it is crucial for fast-moving consumer goods (FMCG) companies to comprehend and make efficient use of digital interaction (Batra & Keller, 2016) [12].

Brand Loyalty Factors in Fast-Moving Consumer Goods

In the fast-moving consumer goods industry, brand loyalty is influenced by a number of elements, including emotional attachment, perceived quality, and trust in the brand (Chaudhuri & Holbrook, 2001) [5]. According to research conducted by Aaker (1991) [2], brand loyalty is a result of consumers having favourable experiences with a product on a consistent basis, which in turn leads to consumers making additional purchases. The creation of brand communities and the provision of opportunities for instant feedback are two of the ways in which digital marketing has been demonstrated to strengthen these loyalty drivers in recent years (Bennett & Rundle-Thiele, 2002) [3]. Brand loyalty

may be strongly impacted by digital engagement tactics that correspond with the lifestyle and preferences of suburban consumers in India (Kumar & Shah, 2018) [13]. This is because suburban consumers frequently have varying preferences due to the socio-economic variety that exists in India.

Strategies for Digital Marketing and Engagement Techniques for Customers

According to Evans (2019) [7], digital marketing techniques, which include activities such as influencer marketing, customised social media content, and e-commerce discounts, have a significant part in increasing the level of consumer engagement. According to Freberg *et al.* (2011) [8], social media campaigns on platforms such as Instagram and YouTube allow firms to reach younger audiences. Additionally, influencer collaborations provide credibility to brand messaging, which in turn makes consumers more responsive to items that are being sold based on those messages. Lim *et al.* (2017) [15] Research has shown that customers who are exposed to influencer marketing are more likely to make impulsive purchases. This is a phenomenon that fast-moving consumer goods (FMCG) firms can use to their advantage when promoting their products. According to Dwivedi *et al.*'s research from 2020, suburban customers are expanding their search for information that is both relatable and aspirational on the internet. This tendency is more prominent among suburban consumers.

Online shopping and the Decision-Making Process

Purchase decisions in the fast-moving consumer goods industry have been revolutionised as a result of the proliferation of e-commerce platforms. Customers are now more likely to discover new brands and items, typically spurred by discounts and time-limited offers (Statista, 2020) [17]. This is due to the convenience of online shopping and digital payment alternatives, which have made it easier for customers to shop online. According to the findings of research conducted by Gupta and Shaw (2017) [9], digital incentives and exclusive online promotions play a significant effect in altering the preferences of consumers, particularly among price-sensitive groups of the population. There is a clear indication of this tendency among customers of fast-moving consumer goods (FMCG) in suburban areas, who value the convenience and chances to save money that internet channels provide.

Table 2: Key Factors Influencing Brand Loyalty in FMCG

Factor	Description	Supporting Literature
Brand Trust	Consumers' belief in product quality and consistency	Aaker (1991) [2]; Chaudhuri & Holbrook (2001) [5]
Emotional Attachment	The emotional connection consumers feel towards a brand	Keller (2008) [11]; Kumar & Shah (2018) [13]
Digital Engagement	Interactions via social media, influencer endorsements, and online communities	Lemon & Verhoef (2016) [18]; Evans (2019) [7]
Price Sensitivity	Consumers' responsiveness to price changes and discounts	Gupta & Shaw (2017) [9]; Statista (2020) [17]

Methodology

This study utilises a case study approach, focusing on two popular FMCG brands in the suburban regions of Bhandup and Mulund, Mumbai. These brands were chosen based on their established presence in the area and their active use of digital engagement strategies. The methodology involves collecting qualitative data through in-depth interviews, aiming to understand how digital marketing strategies affect brand loyalty among suburban FMCG consumers.

Data Collection

Data was collected through semi-structured, in-depth interviews conducted with brand managers and a sample of 50 consumers (aged 18–30) who are digitally active. Brand managers were selected to provide insights into the brand’s digital engagement tactics, including social media campaigns, influencer partnerships, and online promotional strategies. Consumer participants were chosen from key demographic segments known for high digital engagement, particularly younger and educated individuals. The consumer interviews focused on understanding their preferences, responsiveness to digital marketing, and brand-switching behaviours influenced by online marketing.

Sampling

Purposive sampling was used to ensure the inclusion of key demographic segments that are likely to engage with digital content. The sample comprised 25 male and 25 female participants from diverse socio-economic backgrounds, all residing in Bhandup and Mulund. These participants were recruited through local digital channels and community networks to ensure they represent the suburban demographic of digitally active FMCG consumers.

Table 3: Methodology Overview: Case Study on Digital Engagement in FMCG

Parameter	Description
Research Approach	Case Study
Focus	Two FMCG brands in Bhandup and Mulund, Mumbai
Data Collection Method	In-depth interviews
Interview Subjects	Brand Managers, Consumers (aged 18–30)
Sampling Method	Purposive Sampling
Sample Size	50 Consumers (25 male, 25 female) + 2 Brand Managers
Consumer Selection Criteria	Digitally active individuals residing in Bhandup and Mulund
Key Topics Explored	Digital engagement (social media, influencers, e-commerce), brand loyalty, brand-switching behaviour
Data Analysis Technique	Thematic coding

Results and Analysis

The findings offer insights into how suburban consumers respond to various digital engagement tactics, with particular focus on social media marketing, influencer partnerships, and e-commerce promotions. The analysis

compares consumer reactions to these strategies, highlighting trends in brand loyalty and brand-switching behaviour.

Consumer responsiveness to digital engagement tactics

The results indicate a high level of responsiveness to digital marketing efforts, with social media campaigns being particularly effective among younger consumers. Respondents reported feeling more connected to brands that maintained an active social media presence, especially those that interact with consumers through comments and messages. Influencer endorsements were identified as a key factor in purchase decisions, with many consumers viewing influencers as relatable sources of product recommendations.

Comparison of Reactions to Different Marketing Strategies

When comparing different digital strategies, influencer partnerships and targeted social media ads emerged as the most influential in driving brand interest. Younger participants, especially those who actively follow influencers on platforms like Instagram and YouTube, were more likely to try new brands based on influencer recommendations. E-commerce discounts, on the other hand, were more appealing to price-sensitive segments, encouraging bulk purchases and enhancing brand value.

Case Analysis of Brand-Switching Trends

Brand-switching behaviour was notably influenced by online promotions and limited-time offers. Consumers reported switching brands within categories like snacks and personal care when presented with exclusive e-commerce deals. This trend was more pronounced among lower-income segments, for whom price was a major determinant. However, for categories where brand trust is high, such as skincare and health-related FMCG products, consumers demonstrated greater brand loyalty despite digital promotional offers from competitors. In summary, the results illustrate that digital engagement tactics not only enhance brand awareness but also play a crucial role in shaping brand loyalty and influencing brand switching tendencies among suburban FMCG consumers.

Table 4: Demographic Profile of Consumer Sample

Demographic Factor	Category	Number of Respondents	Percentage (%)
Age	18–24	30	60%
	25–30	20	40%
Gender	Male	25	50%
	Female	25	50%
Education Level	Bachelor’s Degree	35	70%
	Master’s Degree	15	30%
Socio-Economic Background	Lower-Income	15	30%
	Middle-Income	25	50%
	Higher-Income	10	20%

Table 5: Consumer Responsiveness to Digital Engagement Tactics

Digital Engagement Tactic	High Responsiveness (%)	Moderate Responsiveness (%)	Low Responsiveness (%)
Social Media Campaigns	70%	20%	10%
Influencer Partnerships	65%	25%	10%
E-commerce Promotions (Discounts)	60%	30%	10%
Email Marketing	25%	40%	35%
Targeted Ads	55%	30%	15%

Discussion

Interpretation of Findings in the Context of Digital Marketing Theory

The findings are congruent with well-established theories of digital marketing, in particular with the ideas of relationship marketing and brand engagement, both of which place a focus on the role that continuous interactions play in the process of cultivating brand loyalty. According to the Engagement Theory (Mollen & Wilson, 2010) ^[16], digital platforms improve customer contact, which in turn strengthens customer loyalty by generating a sense of connection between the customer and the brand. The findings of this study revealed that social media campaigns and relationships with influencers are important tools that increase engagement. These strategies resonate with customers because they are perceived as being personal and relatable from their perspective. Additionally, the Theory of Planned Behaviour (Ajzen, 1991) ^[1] is applicable in this context. This theory proposes that digital marketing has an effect on consumers' attitudes, subjective norms, and perceived control over their purchasing decisions. This is especially true in younger demographics that are frequently engaged with digital technology.

Additionally, these findings lend support to the Uses and Gratifications Theory (Katz, Blumler, & Gurevitch, 1973) ^[10], which proposes that consumers interact with digital content in order to satisfy particular needs, such as the desire for amusement, the desire for information, and the desire for social contact. FMCG companies are able to satisfy these requirements by efficiently utilising influencer marketing and interactive content on social media. This results in brand experiences that are more memorable, which in turn increases the likelihood of increased brand loyalty.

Relevance for Fast-Moving Consumer Goods Brands in Suburban Markets

The findings of the study highlight the significance of individually tailored digital engagement strategies for fast-moving consumer goods (FMCG) firms that operate in suburban markets. Instagram and Facebook are two examples of social media sites that act as crucial touchpoints for communicating with younger consumers living in suburban areas. These consumers frequently look for material that is both relatable and aspirational. In light of these findings, it is recommended that digital marketing campaigns be tailored to the demographics of suburban areas, as suburban consumers may have different preferences and sensitivity levels compared to urban or rural consumers. In particular, customers of fast-moving consumer goods (FMCG) in suburban areas exhibit a combination of price sensitivity and brand loyalty, which suggests that engagement strategies should contain a combination of material that builds the brand and

promotional offers.

Additionally, influencer relationships are extremely effective for fast-moving consumer goods businesses who are attempting to break into suburban areas. It is possible for brands to cultivate a more genuine relationship with their target audience by working together with micro-influencers who have a significant presence in their local community or who have cultural significance. Furthermore, this technique makes it possible for fast-moving consumer goods (FMCG) firms to obtain the trust of an existing community by utilising influencers as brand advocates who are able to promote both product awareness and trial among customers.

An Analysis of the Effects of Digital Engagement on the Loyalty of Customers

The use of digital engagement tactics has a significant impact on the level of brand loyalty among consumers of fast-moving consumer goods (FMCG), particularly in product categories where there is limited product difference. The increased brand attention and decreased brand switching rates that were seen among participants are clear indicators of the efficacy of digital strategies, such as influencer marketing and social media campaigns. A strong emotional connection with businesses can be cultivated through the use of interactive material, such as influencer endorsements and engaging commercials, according to the findings of a study (Chaffey & Ellis-Chadwick, 2019) ^[4]. This is an essential component for maintaining brand loyalty in price-sensitive markets.

Despite the fact that e-commerce discounts have been shown to be efficient in generating rapid purchases, particularly in price-sensitive categories, they may also unwittingly induce consumers to switch brands. The goal of fast-moving consumer goods (FMCG) firms should be to combine digital interaction with loyalty programs in order to preserve customer loyalty. This would allow the brands to reward customers for making repeat purchases while also providing pricing incentives. According to the findings of the study, maintaining a sustainable level of brand loyalty in the digital era requires striking a balance between publishing promotional content and cultivating long-term relationships.

Final Thoughts

Summary of Key Findings on Digital Engagement and Brand Loyalty

This study found that digital engagement, particularly through social media campaigns and influencer partnerships, plays a critical role in strengthening brand loyalty among suburban FMCG consumers. Younger consumers, in particular, show high responsiveness to digital tactics, indicating that brands can significantly enhance loyalty by engaging them on social media and through influencers. Furthermore, price sensitivity remains a key driver in the

FMCG sector, with e-commerce discounts encouraging brand switching in categories where products are less differentiated.

Recommendations for FMCG Companies Seeking to Strengthen Brand Loyalty through Digital Strategies

1. **Utilise Influencer Partnerships for Local Engagement:** Collaborating with local influencers who resonate with suburban audiences can build trust and drive product trials. FMCG brands should focus on micro-influencers with strong community ties to increase relatability.
2. **Enhance Social Media Interactivity:** Develop engaging content tailored for platforms popular among younger consumers, such as Instagram and YouTube. This includes interactive ads, live product demos, and user-generated content to strengthen brand connections.
3. **Balance Promotions with Loyalty Programs:** While discounts and promotional offers drive immediate purchases, brands should integrate loyalty programs to reward repeat buyers and foster long-term relationships.
4. **Invest in data-driven targeting:** Use analytics to segment suburban consumers effectively, tailoring digital content based on demographic insights such as age, income, and engagement preferences.
5. **Adopt a holistic digital strategy:** A balanced mix of brand-building campaigns, influencer content, and price incentives can attract both brand-loyal and price-sensitive consumers, increasing overall engagement and loyalty in the suburban FMCG market.

References

1. Ajzen I. The theory of planned behaviour. *Organisational Behaviour and Human Decision Processes*. 1991;50(2):179–211.
2. Aaker DA. *Managing brand equity: capitalising on the value of a brand name*. The Free Press; c1991.
3. Bennett R, Rundle-Thiele S. A comparison of attitudinal loyalty measurement approaches. *Journal of Brand Management*. 2002;9(3):193–209.
4. Chaffey D, Ellis-Chadwick F. *Digital marketing: strategy, implementation, and practice*. 7th ed. Pearson Education; c2019.
5. Chaudhuri A, Holbrook MB. The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*. 2001;65(2):81–93.
6. Dwivedi YK, Rana NP, Janssen M, Lal B, Williams MD, Clement M. An empirical study of social media engagement among Indian consumers. *International Journal of Information Management*. 2020;50:110–125.
7. Evans D. *Social media marketing: The next generation of business engagement*. 3rd ed. Wiley; c2019.
8. Freberg K, Graham K, McGaughey K, Freberg LA. Who are the social media influencers? A study of public perceptions of personality. *Public Relations Review*. 2011;37(1):90–92.
9. Gupta M, Shaw JD. Price promotions and their impact on brand loyalty in the Indian FMCG market. *Journal of Retailing and Consumer Services*. 2017;34:261–269.
10. Katz E, Blumler JG, Gurevitch M. Uses and gratifications research. *Public Opinion Quarterly*. 1973;37(4):509–523.
11. Keller KL. *Strategic brand management: Building, measuring, and managing brand equity*. 3rd ed. Prentice Hall; c2008.
12. Kotler P, Keller KL. *Marketing management*. 15th ed. Pearson; c2016.
13. Kumar V, Shah D. Brand loyalty in emerging markets: challenges and strategies. *Journal of Brand Management*. 2018;25(4):405–417.
14. Lemon KN, Verhoef PC. Understanding customer experience throughout the customer journey. *Journal of Marketing*. 2016;80(6):69–96.
15. Lim XJ, Radzol AR, Cheah J, Wong MW. The impact of social media influencers on purchase intention. *Journal of Business Research*. 2017;71:461–470.
16. Mollen A, Wilson H. Engagement, telepresence, and interactivity in the online consumer experience: reconciling scholastic and managerial perspectives. *Journal of Business Research*. 2010;63(9-10):919–925.
17. Statista. *Digital user penetration in India by segment 2020*. Statistics Research Department; c2020.
18. Verhoef PC, Lemon KN. The impact of digital transformation on customer experience. *Journal of Interactive Marketing*. 2016;50:110–125.

Creative Commons (CC) License

This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY 4.0) license. This license permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.