



**ORIGINAL RESEARCH PAPER**

**Management**

**IMPACT OF DIGITAL MARKETING ON AYURVEDIC FMCG PRODUCT**

**KEY WORDS:** Digital, online products, Sustainable, Ayurvedic Products.

**Nishanth N**

Research scholar, Department of Studies in Business Administration, BIMS, University of Mysore.

**Dr. Amulya. M\***

Assistant Professor, Department of Studies in Business Administration, BIMS, University of Mysore. \*Corresponding Author

**ABSTRACT**

We all know about regular marketing and its importance, but in recent trends “Digital Marketing” has emerged as important concept in India like as in other parts of developed and developing countries. There has been a change in consumer buying behaviour in towards Digital shopping.

Digital marketing is an excited topic in recent days as almost every country and society has started to be more aware of digital marketing and its benefits. Here, the term “Digital” is indicative of online. The Ayurvedic industry will be benefited, once digital marketing strategy is implemented in promoting and selling of products. Nowadays consumers prefer purchase of Ayurvedic products through online but due to lack of awareness towards online shopping many elderly people use traditional method of visiting shops and buying the products.

The present paper is to understand the practices of Digital marketing in India to target the customer in large and to create awareness about digital marketing in buying Ayurvedic FMCG products, and it is also to know how digital marketing is raising its trend and practicing to be sustainable. The study is based on secondary sources.

**INTRODUCTION**

Today's time of Internet has opened the gateway of tremendous digital marketing opportunities for businesses. By utilizing different channels of digital marketing, businesses cannot just share their product and services online, additionally they can gain clients for their business. One of the key points in the start of was in 1971, where Ray Tomlinson sent the very first email and his technology set the platform to allow people to send and receive files through different machines. However, the more recognisable period as being the start of Digital Marketing is 1990 as this was where the Archie search engine was created. In the 1980s, the storage capacity of computer was already big enough to store huge volumes of customer information. Companies started choosing online techniques, such as database marketing. These kinds of databases allowed companies to track customers' information more effectively, thus transforming the relationship between buyer and seller.

In 1990s, the term Digital Marketing was first coined, Digital marketing became more sophisticated in 2000 and in 2010 when the spread of devices capable of accessing digital media led to sudden growth. Statistics produced in 2012 and 2013 showed that digital marketing was still growing. With the development of social media in the 2000, such as LinkedIn, Facebook, YouTube and Twitter, consumers became highly dependent on digital electronics in daily lives. Therefore, they expected a seamless user experience across different channels for searching product's information. The change of customer behaviour improved the diversification of marketing technology.

Rachit Jain, Head - Consumables Category, Global Selling - Amazon India said B2C e-commerce is the best way for Ayurvedic manufacturers to establish their presence online and also said “Herbal and Beauty” is the biggest category on Amazon.com. The market place with presence in 185 countries, reaching 350 billion consumers. There are more than 50,000 global sellers on Amazon from India to help take Ayurveda globally. Amazon.com is opening a store specifically for Indian Ayurvedic manufacturers, according to a report by Confederation of Indian Industry (CII). The report said 77 % of Indian households used Ayurvedic products in 2017 up from 69 % in 2015.

The size of global Ayurvedic market is expected to almost treble from \$3.4 billion in 2015 to \$9.7 billion by 2022. According to the Gujarat Food and Drug Control

Administration (FDCA), The Ayurvedic industry has been rising progressively at 10-12 per cent annually and has now touched Rs 8,000-10,000 crore turnover including both domestic and exports.

In India, the vast majority of Ayurvedic products are manufactured by regional pharmacies. Indian consumers are demanding natural products henceforth many pharmacies are launching FMCG products associated with natural ingredients. Currently, the Ayurvedic FMCG sector is divided into food and beverages, health care and household along with personal care categories. Food processing (packaged foods, tea, sauces, cooking paste), health drink industry (soft drinks, fruit juices, mineral water) are coming under food and beverages segment. The main brands dominated by leading Ayurvedic industries such as Dabur, Emami, Himalaya, Baidyanath, Patanjali.

As per a research published in International Journal of Business and Management Invention, they discussed “it is expected that the annual total market for Indian systems of Ayurveda is in the order of Rs. 5000 Crores in domestic market and around Rs. 500 Crores in exports. Both in turnover and in the number of units, Ayurveda comprises over 85 % of the total, which is followed by Homeopathy, Unani and Siddha. One of the reports from TechSci Research “India Ayurvedic Products Market Forecast & Opportunities, 2011 - 2021”, India's Ayurvedic product market is estimated to register a CAGR of 16% in 2016-2021. Prologue of Ayurvedic nutraceuticals & dietary supplements as well as Ayurvedic cosmetics & skin care products is likely to boost the marketing near five years. Increasing separate stores, accessibility of Ayurvedic products at departmental stores and selling of Ayurvedic product through digital market are the reasons of boosting the sales of Ayurvedic products in the country.

**What Is Digital Marketing?**

Any form of marketing that exists online is called Digital marketing, it's the Business leverage digital channel such as social media, search engine, websites and emails to connect with their customers.

**Why 'Digital marketing' is important?**

Digital marketing can reach any geographical boundaries, there are many ways to contact customer through digital forms. More and more the digital platform is available business can reach to mass audience and increase the sales and promotions. Digital marketing helps in competing globally and enhance small business to larger.



### Digital Marketing Mix

A model digital marketing mix contains four P's

- **Product:** When it comes to deciding which products to display in digital market, research plays a big role, through efficient research they could easily get people's opinion, use of graphs and statistics found online to see which products people actually want, so they could save more time and effort and their products would actually be used by many.
- **Price:** These days its easy to compare prices and research online to know about the actual cost of the product. Proper pricing has a lot to do with knowing how a product could affect people, and knowing people's buying capacity for said product. It's also important that a product should be priced not much higher or lower than its competitors.
- **Place:** Online product distribution is very challenging, customers must be guaranteed on the quality of the product. The digital market is constantly regulated market and as such high level of compliance is necessary when carrying out distribution of product through online. Being online could also help out a lot in knowing the easiest routes to deliver the products to customer or which places on a certain city, town or country should the product be placed?
- **Promotion:** Promoting online products is very important, as to know the benefits of the Ayurvedic products to consumer and its effects. Companies that do Ayurvedic advertisement through online tend to portray an image of environmental friendliness, influences their customer purchase decisions. The promotion of products from the old-school ways of advertising products on TV, Radio, or via the newspapers, digital marketers can now make use of social media platforms to let people know about the product in details. They can also hold contests on these social media platforms to get their potential customers' attention and make them involved in the projects.

### Objective

- To understand the concept & fundamental nature of consumer behaviour towards online marketing.
- To analyse the reasons why digital marketing is important in today's business world..
- To evaluate the challenges in digital marketing.
- To examine the effects of digital marketing on Ayurvedic products.

### Methodology

Secondary data sources like Books, Magazines, Newspapers, Journals and Digital sources are used.

### Literature Review

Vineet Sharma discuss about the current trends in Ayurvedic FMCG market, FMCG industry is growing 4% per year which is more than the global GDP. With the increasing growth of Ayurvedic market, FMCG players like Dabur, Emami and patanjali are expanding their portfolio. FMCG sector is divided into food and beverages, health care and household

along with personal care categories. Ayurvedic FMCG industry is based on the expansion and marketing of products through digital marketing between food drinks, health, domestic and personal care etc. The author also talks about the reason for Ayurvedic companies capitalizing in the food and household section as easy accessibility of raw materials, affordable labour expenditure provide a competitive advantage to Ayurvedic companies. The convenience of these raw materials gives an advantage to the people to find work and jobs in India. The substantial cost of production is the result of the easy availability of raw material and lesser labour charges. In this way, many Ayurvedic and multinational companies have established huge low-cost fabrication bases in India for domestic expansion with export markets.

M Shirisha highlights the importance of digital market in current world. Explaining digital market as important in modern commerce system. Digital marketing system makes business more fast and accurate. Digital marketing is infinitely more affordable than traditional offline marketing methods. One of the main benefits of conducting marketing digitally is the ease with which results can be tracked and monitored. Rather than conducting expensive customer research, market can quickly view customer response rates and measure the success of marketing campaign in real-time, enabling to plan more effectively for the next one. The author also speaks about the role of digital marketing helped in development of India.

According to Pranay Deep & Dr.P.Usha, It is the corporate responsibility to spread the knowledge of digital technology to rural and remote areas and distribute the technological benefits evenly which helps to expand the business world. Especially Fast-Moving Consumer Goods(FMCG) industries should focus on rural consumers as majority of them are unable to enter the digital marketing/on-line shopping because of technological illiteracy due to their existing socio-economic conditions. Author finally conclude with the suggestion as educating the rural people about the digital marketing/ on-line shopping through technological literacy by giving training to use the digital technology. If the corporate sectors provide financial assistance to the rural people to purchase personal computer systems or mobile phones, it facilitates the adequate use of internet.

Dr.Amit discuss the issues in relation with multimedia coverage and promotions of Ayurvedic brand. Multimedia is a powerful tool, which offers collaboration between users and is a social interaction mechanism for a range of individuals. As publicity and marketing of Ayurveda products on mass level must be essential to update the knowledge about Ayurveda. In today's digitalised world, all the things were routinely searched, likes, dislikes and rated by the viewers on google. The advertisements of Ayurveda and the updated bulletins through different sources of multimedia as well as social media are the only main and successful weapon in today's modern lifestyle for promotion of brands. Overall in today's digital world, the promotion of other Ayurveda product, have to be launched in population should also use the different tools of multimedia as well as social media as far as possible.

Manish Ghanbahadur discuss the potential of rural entrepreneurship development through the adoption of digital marketing strategies and E-marketing tools through a descriptive research. Author discuss and analyse pertinent to benefits of adoption of E-marketing tools, positive results and success stories highlighting how small business and rural entrepreneurs have gained wider market access using e-commerce websites, affiliate marketing and e-mail marketing, challenges and barriers in adoption of such technology driven tools and how these barriers can be overcome. Finally drop with the note that there's no single way of being successful on the internet, and rural entrepreneurs

do need to figure out what works best for them.

### Idea Of Digital Marketing In Ayurvedic Products

The main Idea of digital marketing is to connect large people in one platform, Digital marketing allows small business to compete with bigger with less advertisement budget.

As per lyfe marketing study in 2019, the average Internet user has at least 7 social media accounts, 97% of US adults aged under 65 are on social media at least once a month. The vast majority are on it every day. Social media is strongly preferred as a means of customer care although as many as 89% of customer messages are ignored by businesses. 76% of Facebook users and 51% of Instagram users are on it every day. The trend right now is the average person spends over 2 hours a day on social media, teenagers average 7 hours. Social media is integrated into everything they do from school, to work, to entertainment, to hanging out with friends.

Social Media is where people are. But do people buy things there, especially Ayurvedic product? One of the top 10 reasons people say they're on social media is to buy products advertised to them. They spend around 37% of their social media time interacting with branded content. Digital marketing is easy to scale and adopt, For example, with social media campaigns, display ads and search ads you can choose a daily budget. You know exactly how much that campaign will cost you. You don't have to go in and renegotiate an ad spot to keep the ad running. Your ad continues uninterrupted. As you continue to convert that traffic, you just increase your daily spend and revenues with it.

If massive order placed from customer and need to scale back to avoid getting backlogged, it's just as easy to do that in online marketing. If something isn't working in your marketing, you don't have to wait for the ad contract to run out. You don't have to start from scratch, You've got the power, just make that small change and re-launch the ad. The importance of digital marketing lies in the fact that you can get instant results. Analyze data and make changes fast to reduce wasted ad spend and lost revenues.

This leads us to know how cost-effective digital marketing is for a small business and also study from lyfe marketing says, 88% of people consider online reviews an important part of the buying decision. 23% of people visit website after reading a good review.

### Digital Marketing Experience

Digital marketing is the most effective and trending way of improving the business in current scenario, Digital media is changing the landscape for marketers everywhere, also in Ayurvedic FMCG sector. Consumers now are exposed to their phone and laptop screens more than they are to traditional media like television, newspapers and billboards. There are also a growing number of consumers who prefer to shop online for FMCG products rather than visit a store. According to a report by Google and Bain and Co. \$11 billion, or two-thirds, of the total sales in beauty and hygiene products will be influenced through online marketing. In today's digital era, a strong full-funnel digital marketing strategy is indispensable for FMCG brands.

### How Digital Marketing Can Benefit Ayurvedic Fmcg Products?

- It provides an innovative way to display brand

In traditional marketing for FMCG, the product display was considered one of the most important factors which influenced purchase decisions. Consumers are visual creatures, so the more attractive packaging, the higher the chance of it being noticed by customer. In much the same way, digital marketing for FMCG companies can be approached as a virtual shelf display. It is even more effective than a physical

display because it helps to reach specific target audience, making overall marketing strategy more cost-effective. Different varieties of colours, flavour, taste etc can be displayed in one image.

- It helps distinguish brand

The FMCG sector is marked by a large variety of similar products, which offer consumers a wide range to choose from. One of the biggest advantages of having an effective digital marketing strategy in place is that it helps brands create a unique brand identity. This helps consumers form a strong opinion on the brand, which will ultimately influence their purchase decision.

- Global reach

Online business is not only promoted locally but also establishes a global presence. A website allows you to find new markets and trade. E.g. Amazon market place allows you to sell your products online and this can be accessed by anyone, anywhere. Ayurvedic FMCG products are the best example, which are getting access to global customer through digital marketing trends, due to which large companies are investing on Ayurvedic products.

- Cost efficient

The cost when compared to any other mode of marketing is much lower in digital marketing. E.g. A display ad or an ad on social media will be cheaper than a print ad with a targeted customer reach. Digital ads can be modified anytime as per the discounts and seasons in the market. It's also more effective than traditional ways in today's world.

- Tracking and measurable

Detailed information can be tracked and measured of how customers use website and respond to advertising with the use of web analytics tools. With Google Analytics, can check the reach of campaigns done and store them as well for future analysis. If customer database linked to website, then whenever someone visits the site, you can greet them with targeted offers.

### Role Of Social Media In Digital Marketing Of Ayurvedic FMCG Product.

Social media are a great opportunity to establish significant relationships and create ways of social interaction defined through dynamic exchanges between their customers. Researcher like Shivani saini has proved the fact that people rely on the brands who have enhanced and better version of their presence on the social media sites. This is because social media marketing addresses the customers well and in return customers learn a lot about their brands. An active social networking account adds value to business. A socially active brand makes to the top of the industry. Like a newspaper, people go through their social media accounts daily in the morning or at least twice a day. They mark their presence more often online rather than being in real life. Taking advantage of this, social media plays a very important role in uplifting digital marketing

Social media is booming in terms of the number and variety of platforms and users. Thus, one can find audio visual platforms such as YouTube, Vimeo and SoundCloud, image platforms such as Picassa, Pinterest or Instagram, general social networks such as Facebook, Twitter, Google+ or specialised ones such as LinkedIn. Social networks have developed through platforms that show different types of functions, but common features. These features aim at creating a community by connecting users, who can interact, discuss, and offer insights or knowledge. Social media is quickly becoming an integral part of digital marketing as it provides far-fetched marketing benefits to help brand and companies reach millions of customers across the globe.

### Challenges In Digital Marketing Of Ayurvedic FMCG Product.

- Digital marketing involves marketing of products through online for which a lot of money has to be spent on R&D programs for their development of website and apps. Volume of customers for Ayurvedic FMCG products is lower when compared to regular FMCG products, more money and time has to be spent on connecting customer online.
- The customers may not believe in their website, the firm therefore should ensure that they provide genuine products and takes responsibility of the service provided
- Digital marketing for Ayurvedic products is still a new concept in India. People living in rural areas still lack in awareness regarding the benefits of digital marketing. The rural consumer needs to be educated and made aware of the products and benefits they get in digital market. They should be trained to use online website to order the product.
- Increased security risk, as more information is shared online, there is more incentive for hackers to find ways to get through customers security. Shopping online, paying bills to product, submit applications with private information, and much more. That helps to treasure the data for cyber criminals and can misuse the data collected in duplication of products.
- Web privacy issues have been a hot topic around the web for few years now. Facebook data leak that was widely publicized at the beginning of 2018 resulted in the collection of personally identifiable information of "up to 87 million people". Next, Google Plus failed to disclose user data leak later the same year, following the announcement of the project closure. Following the two huge privacy scandals, the legal regulations have finally started finding out. The General Data Protection Regulation (GDPR) took effect in May 2018 in EU. Since then privacy has become one of the biggest challenges online businesses have been facing.
- Overall Digital marketing is still new to country like India, where most of the elderly customer prefers to buy the product by feeling the touch of the product and communicating with the vendor face to face. Confidence and loyalty of seller also brings customers to their place rather than shopping online and this one of the biggest challenge faced in digital marketing.

#### Suggestions

Consumers are unaware of Ayurvedic FMCG products available in online market, hence consumer needs to be made more aware about the benefits of buying products online. Focus on customer engagement as how often customers connect with the messages displayed online on regular FMCG products, based on the analysis Ayurvedic companies has to build strategy for Ayurvedic FMCG products through digital market. Ayurvedic companies need to take a deep look at how customers are currently experiencing the brand and which is in high demand. Utilizing the situation and requirement, COVID 19 lockdown is the best example where customer are unable to reach the stores, in such situation promote more on online shopping, its benefits and offers provided. Create the website user-friendly which is easy to order the product and timely delivery of the products. Ayurvedic FMCG companies still need to concentrate more on digital market and its trends to compete with international products and reach the customer in vast. Finally, it is the responsibility of big companies taking initiative in large campaign of promoting online shopping of Ayurvedic products and their benefits in current situation.

#### CONCLUSION

This is the right time for Ayurvedic companies to select "Digital marketing" globally, The firm has to plan and then

carry out research to find out how feasible it is going to be. Adoption of Digital marketing to Ayurvedic products may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm, a clever marketer is one who not only convinces the consumer, but also involves the consumer in online market. With the threat of globalization, it is extremely important that digital marketing for Ayurvedic products should become the norm rather than an exception. With all this benefits in digital marketing, one should not forget the environment and its effects by digitalizing the nature. Effective and healthy utilization of digital resource gives a good benefits to both producer and buyer.

#### REFERENCES

1. <https://www.thehindubusinessline.com/news/e-commerce-the-best-way-to-boost-ayurvedic-product-sales/article29842830.ece#>
2. <https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/77-percent-indian-households-use-ayurvedic-products-pwc-report/articleshow/66773295.cms>
3. <https://www.lyfemarketing.com/blog/importance-of-digital-marketing/>
4. <https://www.socialbeat.in/blog/digital-marketing-for-fmcg/>
5. <https://technians.com/blog/role-social-media-digital-marketing/>
6. Vineet Sharma "Journal of Young Pharmacists • April 2019" [www.jyoungpharm.org](http://www.jyoungpharm.org) | [www.phcog.net](http://www.phcog.net)
7. M Shirisha (2018) "International Journal of Engineering Technology Science and Research" [www.ijetsr.com](http://www.ijetsr.com)
8. Pranay Deep & Dr.P.Usha(2019) "IOSR Journal of Business and Management (IOSR-JBM)" [www.iosrjournals.org](http://www.iosrjournals.org)
9. Dr. Amit "Journal of Drug Research 2016; 5(2): 16-29" <http://ibir.res.in/jdr.html>
10. Manish Ghanbahadur "National Conference on "India at a Global Crossroads" Institute of Management Research and Training (IMERT)