Digital Marketing Communicationin FMCG Industry– A Case of Kaya Youth, Marico Industries Limited, India

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Abstract - The present study has been carried out at Marico in the New Product Development and Market Communication function of the E-commerce department. The study basically involved optimization of various business processes like Benchmarking, tracking, actionable, brand management, communication management, advertising, campaigns and strategizing and to study how new product development and market communication can impact the brand perception and overall sales.E-commerce sales are highly dependent on various activities like running advertisement campaign, sponsored advertisements, banner advertisement, organic search, display, content marketing, combos, exclusive e-commerce-based products, cost per click, conversion, conversion optimisation, conversion rate, PPC and traffic acquisition.

Key words: FMCG goods, SKUs, Power SKUs, Digital Promotion and Marketing Communication

I. INTRODUCTION TO MARKETING COMMUNICATION

Marketing communication is an essential part of marketing mix. It can be best defined as all the messages and media that is deployed to communicate with the market. Digital mediainclude websites, blogs, text messages, television, e-mails etc. Digital promotion is the use of one or more forms of electronic media to market or advertise a product or brand. It includes social media, electronic billboards, mobile phones and tablets. A major benefit of running a business promotion digitally is not only its ability to instantly reach millions of potential customers but the ability to capture and contain data such as target audiences, geographic locations and age groups that are viewing the advertisements. A business can use an application such as google analytics to retrieve and view information like this. Selecting the most important communications elements is crucial for the success of company's business. The marketing communication process identifies where the investments are being done and what is bringing more return on investment

FMCG Sector
Fast-moving consumer goods (FMCG) sector is the 4th largest sector in the Indian economy with Household and Personal Care accounting for 50 per cent of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The government has allowed 100 per cent Foreign Direct Investment (FDI) in food processing and single-brand retail and 51 per cent in multi-brand retail. This would bolster employment and supply chains, and also provide high visibility for FMCG brands in organised retail markets, bolstering consumer spending and encouraging more product launches.

Digital Promotion ofFMCG
Digital media is changing the landscape for marketers everywhere, especially in the FMCG sector. Traditionally, campaigns for every FMCG product would depend upon determining the right marketing mix of the 4 P's (Product, Price, Place and Promotion) that would best influence the target audience's purchase decisions. 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 physical store. Thus, most brands today are slowly discovering the advantages of showcasing their products 24/7 on their websites and various e-commerce platforms.

Digital Trajectory of Marico India Limited

Marico has expanded beyond the national frontiers and has adopted an overarching drive towards digitalisation. Marico is embracing the digital movements as a means to achieve future success. They have clearly shifted their priorities towards digitalisation as they have realised the increasing penetration of internet and digital marketing and promotion in India. In order to keep pace with changing times, companies are adopting to solution-based approach beyond products. The need for study arises in order to determine whether or not the company is leveraging the digital tools to its best and thereby harnessing the opportunities.

Marico is spread across key categories- Hair Oil, Edible Oil, Hair Care, Deo, Body Lotion and Skin Care. Out of the above-mentioned Kaya Youth Brand was the lead brand for this given project. Thus, Kaya Youth was an exhaustive brand under study. For other key categories market analysis and product proposition followed.E-commerce sales accounts for 4.5% out of total sales. As far as e-commerce is concerned, Marico has its products available on Amazon, Flipkart, Nykaa, Grofers, Big Basket. There are total 329 products under Marico in India. Power SKUs are 20% total SKUs that give 80% of the business. They are the strategic SKUs where competition is stronger and also encompasses new launch/ focus SKUs. At present there are 73 Power SKUs for e-commerce. Power SKUs are determined on the basis of factors such as sales, timeline, maximum performance (with least push), reviews and the like. Power SKUs contribute to 90% Sales, 80% Profit and 90% Volume

II. OBJECTIVES OF THE STUDY

The present research attempts to study the existing Marico brands that of its competitors and to propose upscale or downscale of products and suggest an approach towards New Product Development. The power SKUs of Marico across select E-commerce platforms such as Amazon, Flipkart, Nykaa, Grofers and Big Basket will be done with the objective to establish best practices for power SKUs onthe select E-commerce platforms, which would ensure the ideal practices or the benchmark for market communication are met. It would lead to a shift in nature of search results from sponsored advertisements to organic search.

Scope

The present research focuses on one of the lead brands of power SKUs- Kaya Youth in view of greater attention being paid to skin care concerns by the Millennials and also due to the paradigm shift in consumer's purchasing behaviour from general trade to modern trade to E-commerce which caters to a significant customer base (4.5% of total sales. The positioning for Kaya Youth is – Retention, Proposition and Economical. The study also pertains to the specifics of key categories of products such as FMCG due to continuous change in terms of consumer's taste and preferences and increasing competition with entry of new brands. The data were collected and analysed from the perspective of marketing communication in general and content management in specific as it is a scientific process. It encompasses various formats – qualitative, quantitative, objective and subjective. Putting across the right content to right customers will help in converting them from viewers to users and content check and tracking is paramount to establish best practices. There are various types of customers-prospect, competitor's customers and deal-seekers. Hence, it is vital to attract the right eyeballs. Customers perceive e-commerce websites uniquely, thus product display and content on e-commerce sites is critical

Sources of Data

The data were collected from select E-commerce websites such as Amazon, Flipkart, Nykaa, Grofers, Big Basket, E-commerce Head, and Team and Content Executive of Marico India Ltd. Market trends were largely captured from select E-commerce platforms, industry experts through webinar sessions, blogs and the like, published data from industry reports and from trend survey.

Sampling

- A sample of 12 new product formats had been selected in order to devise new product development approach for Kaya Youth
- A sample of 5 key categories had been picked on the basis of sales on e-commerce for their new product development
- A sample of 73 Power SKUs had been shortlisted out of total 329 products for the study of market communication
- All 5 e-commerce platforms- Amazon, Flipkart, Nykaa, Grofers and Big Basket have been taken for study

Data Analysis

The various tools adopted for Data Analysis are listed as follows:

✓ Benchmarking

It is the process of measuring the quality of an organisation's policies, products, programs, strategies etc. and their comparison with standard measurements or competitors. The objective of benchmarking is to - determine what and where improvements are called for, analyse how organisations achieve their high performance level and use this information to improve their performance

✓ Tracking

The process of closely analysing the output delivered by the platform. It involves having a close check on each of the online content across platforms

✓ Actionable

Actionable involves series actions which help in taking corrective action. This would lead to taking counter actions resulting out of the discrepancies discovered in terms of online content across e-commerce platforms

The 5 key categories of Marico brands as identified by the E-commerce team on the basis of the sales are listed as follows:

✓ Hair Oil
✓ Edible Oil
✓ Men's Haircare
✓ Deo
✓ Body Lotion

The various trend parameters that were considered under study are as follows:

✓ Variety of players
✓ Core Ingredients
✓ General Trends
✓ Consumer's perception
✓ Premium categories
✓ General expectations
✓ Pricing
✓ Packaging
✓ Offers & Promotions

Marketing Communication

The inputs from the company can be collectively termed as parameters. These parameters can be clearly compartmentalised into Quantitative and Qualitative parameters. The company sets a benchmark for each of these parameters across e-commerce platforms. The list of parameters are stated in the following table:

Quantitative	Qualitative
Product Title	Product Title Keywords
Primary Image	Bullet Points Keywords
Supplementary Images	Description Keywords
Video	
Bullet Points	
Description	
A+ Content	

Table 1: Parameters for online content

The next step involves, sequentially tracking each of the 73 power SKUs with the parameters for all 5 e-commerce platforms. This tracking involves:

✓ Keeping the benchmark on one side i.e., inputs given by the company and the desired benchmarking
✓ Analysing the output present on the portal and noting it
✓ Tracking for the net result between the input and the output
✓ Net result is stated in terms of:

➢ 1 – Positive match between input and output; no discrepancy
➢ 0 – Negative match between input and output; discrepancy prevails

Lastly, actionable need to be drawn out of tracking activities. This would comprise the corrective actions that need to be taken from either end of:

✓ The platform
✓ Key account executive of content
✓ Brand team

Kaya Youth

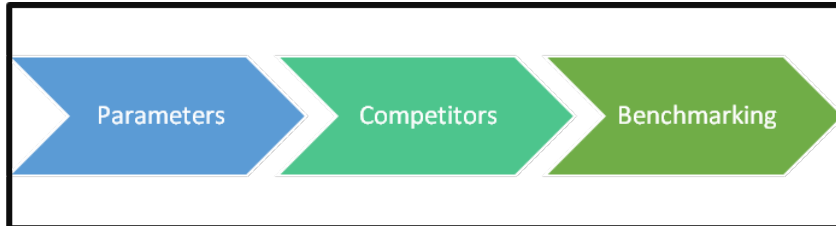Figure 14: Kaya Youth Process

▪ **Parameters -** The process starts with determining the parameters that would be kept as fixed basis of comparison
▪ **Competitors -** For every product format the competitors and its numbers would vary. Thus, uniquely deciding on competitors for every format
▪ **Benchmarking -** Determining the competitors position and their strategy

Figure 1: Snapshot of Benchmarking

Parameters \ Competitors	Neutrogena	Plum	Lotus	Professional O3+	VLCC
Positioning	Premium skincare and #Dermatologistrecommended	"Being good" to yourself & environement	Natural solutions driven by sciene. Known for its simplicity & transparency	Non greasy and whitening formula	Natural science solutions and seeks to position as a global beauty and wellness brand. It maintains skin elasticity and firmness, hydrate the skin while fading dark spots and reducing skin pigmentation for an even skin tone.
Pricing	30ml- ₹159 80ml-₹359 Sensitive skin (80ml) -₹859	50ml-₹575 60ml-₹364	Spf 20- ₹142 (50gm) 100 gm: Spf 40-₹290 Spf 50-₹330 Spf 30-₹293 Spf 70- ₹540 (60gm) Spf 100-₹735 (100gm)	50gm- ₹445	Spf 25: ₹128 Spf 30: ₹191 (Matte) Spf 30: ₹243 (Radiance) Spf 40: ₹263 Spf 60: ₹341

Parameters \ Competitors	Neutrogena	Plum	Lotus	Professional O3+	VLCC
Promotion	Free samples to dermatologists, innovative & descriptive ad campaigns and notable associates #Dermatologistrecommended	Coupons, offers and social media	Free beauty consultation through emails & toll-free number and print and digital ads	Through Cosmopolitan & Vogue magazine, Motivating competitions for labour & children and educating them and bloggers on Instagram	Leading creative agency- Ogilvy & Mather, Media contacts, Aegis communication have been appointed.
USP	Complete range of beauty products under one brand	100% vegan, They do not promote fairness because they respect diversity	Embrace Nature & Science in the most balanced form	Well-being of environement is dependent upon well-being of people comprising it	Scientific weight management solutions, skin and hair-care treatment, beauty services and personal care
Packaging	Sophisticated tubes	Recylable, credits rewarded to consumers on returning their Plum empties	Standard tube	White coloured standard tube & recylable packaging	Standard tube

Parameters \ Competitors	Neutrogena	Plum	Lotus	Professional O3+	VLCC
Place	Physical stores, several tie-ups & Online platforms	Leading cosmetic stores & Online	Physical outlets & online platforms	Salons, beauticians & online platforms	Physical outlets, online & teleshopping
Target Group	Youth & working professionals	Youth & Working men & women	Young women (18-45)	Catering to professional beauty salons, stylists, dermatologists and	Working professionals 25+ for both the gender
Testing/Claims	Dermatologist tested and stabalised with helioplex	Free from Parabens and phthalates Cruelty & Vegan free	100% Paraben free	Formulation researched and developed by Dermatologists	Paraben Free. It has been awarded an ISO 9001:2000 certification

Figure 2: Benchmarking for Suncare format

The above is a sample of the benchmarking for Suncare format. It is based on various parameters like- Positioning, Pricing, Promotion etc. across competitors namely- Neutrogena, Plum etc. This would help in formulating New Product proposition for Kaya Youth's Suncare range. Likewise, 12 skin care formats have been benchmarked across the respective competition

Key Categories
- It involved preparation of a trend sheet as per the stated parameters
- The number of observations varied from one key category to other
- The following highlights the players in Hair Oil category – Indulekha, Biotique etc. Core ingredients namely, Onion, Bhringraj Oil etc. being used by the players have been listed. The general trends and consumer's perception for various categories have been observed and noted

Marketing Communication
- The Landscape (Benchmark) for tracking activity had been provided by the Key Account Content Executive
- The benchmarking involved Quantitative and Qualitative checks for various parameters across e-commerce platforms

- Tracking activity involved conducting manual tracking of power SKUs on the basis of qualitative and quantitative parameters
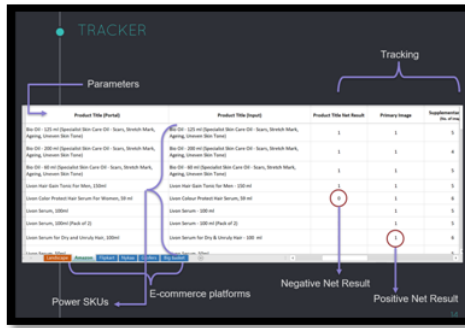

Figure 3: Tracking Sheet

- All those power SKUs having 0 as their Net Result i.e., Negative match imply that the input given by the company do not match with the display on the given platform. Thus, these power SKUs had been taken into consideration in the next step
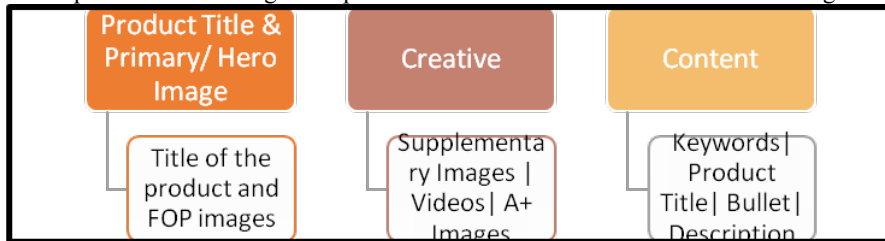- Actionable for the power SKUs having discrepancies had been formulated under 3 broad categories:

Figure 4: 3 Step Updation Mechanism

- The Key Account Content Executive had been the POC towards whom the Actionable had been directed. It was on her discretion as to identify the source of action. She would deploy it to either:
  - ✓ Platform
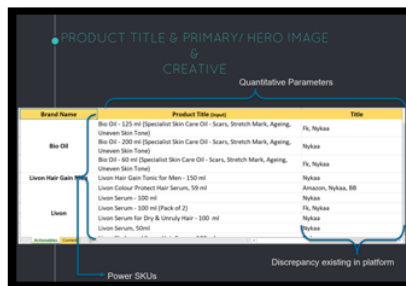 - ✓ Content executive
  - ✓ Brand team

Figure 5: 1st and 2nd step Actionable

- The discrepancy in existing Power SKUs have been listed
- Actionable include the corrections that need to be carried out in e-commerce platforms for various SKUs, in terms of Product Title correction, Primary Image correction, Description, etc.
- Brand teams should take the necessary action to ensure that the actionable have been implemented.
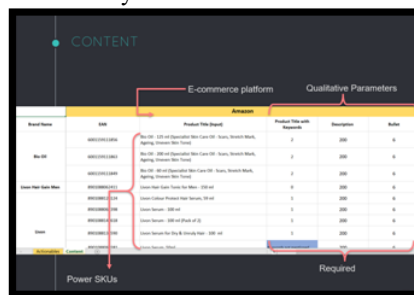

Figure 6: 3rd step Actionable

Figure 7: 3rd step Actionable (continued)

- The benchmark for content had been revised and planned i.e., 200 words in Description, 6 points under bullet for Power SKUs etc.
- Keywords for various brands revised and noted. The same has been communicated to the brand team so that they can come up with fresh description and bullet points

Data Analysis of Quantitative parameters-

- Errors in Quantitative parameters – Product Title, Primary/ Hero Image, Supplementary Images, Video and A+ Image have been deducted
- The data analysis for various Parameters have been illustrated as follows:
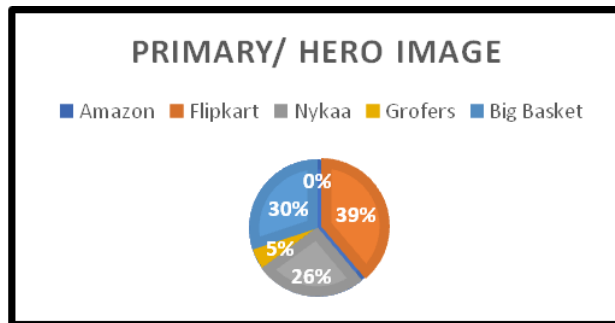 - ✓ Product Title
  - ✓ Primary/ Hero Image

Figure 8: Primary/ Hero Image discrepancy
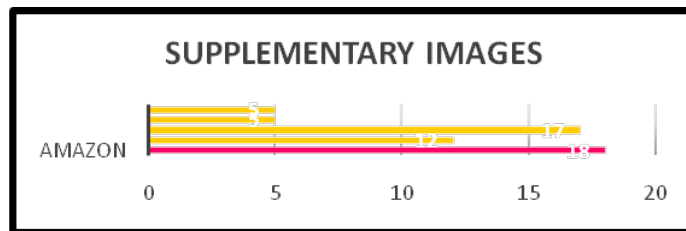
  - ✓ Supplementary Images

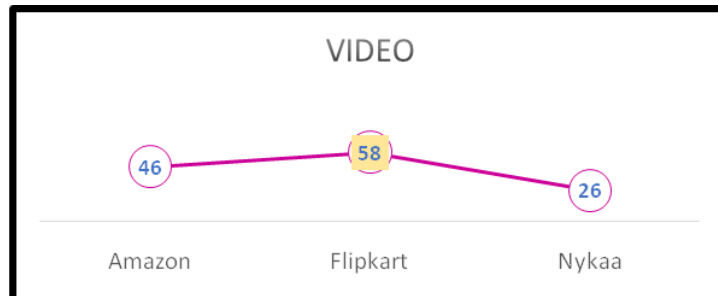Figure 9: Supplementary Images discrepancy

  - ✓ Video
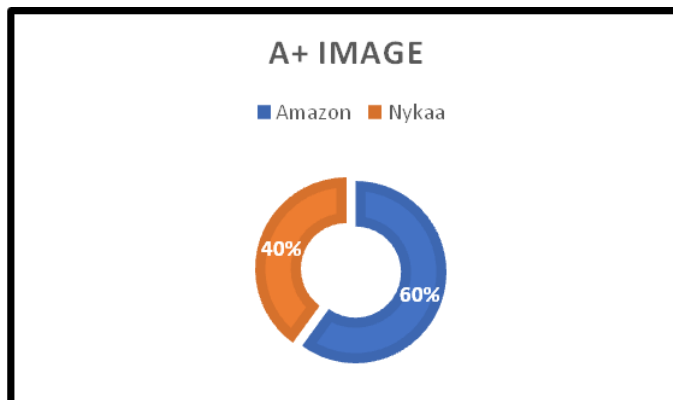

Figure 10: Videos discrepancy

✓ A+ Image

Figure 11: A+ Image discrepancy

Findings

Kaya Youth
▪ The general trends that have been observed are listed as follows:
✓ Consumers are on a journey of *exploration*
✓ The focus is on *natural and transparent* products
✓ Consumers are looking for *simplified yet personalised* skin care approach
✓ Consumers are gradually becoming aware of the fact that their *inner balance and well-being* would influence their external beauty
✓ Consumers appreciate their product's *visibility, accessibility and availability* on e-commerce
✓ *Ingredient conscious* consumer tend to link what they eat to their appearance
✓ Consumers have a close eye on the *claims* made and appreciate *'clean & honest'* brands

Market Communication

The inputs from the company's end must be explicit and clearly defined. It would include an exhaustive list of title, content, images, video etc. The company should also decide the sequence of images, videos, content, features, description etc. This would be taken care by the Key Account Content Executive
▪ The deductions are stated as follows:

Parameters	Deductions
Product	Simple & Personalised care across formats
Price	Appreciate a mid-range product
Place	Ease in availability and higher visibility on e-commerce
Composition	Seek more natural ingredients and transparency in product composition
USP	Seek a strong USP and hold onto it
Promotion	Ad campaigns, combos and offers, higher visibility on social media platforms
Packaging	Sustainable, sophisticated and attractive

Table 2: Deductions for New Kaya Youth Product Portfolio

▪ New Kaya Youth Product portfolio (proposition sheet) was drawn out of benchmarking and observations
▪ The new product portfolio encompasses the 12 product formats under study and the same parameters which were used for benchmarking

Figure 12: Snapshot of Proposition

Figure 13: New Kaya Youth Product Portfolio

- Out of the 12 product formats as put forward to the Brand team, the following have been taken into consideration by the Kaya Youth Brand Team-
  - ✓ Face Serum
  - ✓ Night Cream
  - ✓ Sheet Mask
  - ✓ Face scrub
- Suggestion and execution of ad campaign for Kaya Youth products:
  - ✓ The USP of Kaya Youth is *#SkinPranayam*. Kaya Youth is a skin care range with products that contain a micro-circulation complex that enhances Oxygen in the skin. The users would Feel the youthful glow of their 20s.
  - ✓ To further the promotion of oxy-infusion Kaya Youth products the researchers suggested the brand team to use occasions like International Yoga Day as a promotional tool.
  - ✓ Since Kaya Youth speaks of infusing skin with oxygen , letting the skin breathe and is a daily dose of *Skin Pranayam*, it would be ideal to promote this given proposition on Yoga Day
  - ✓ The campaign was termed as *Skin Pranayam* – a banner had been posted on Nykaa homepage and a post from Neha Sharma (Actress) had been shared across
  - ✓ Neha Sharma's post for 5.5 lakh viewers across Facebook, Instagram and Twitter combined

Key Categories
- The general trends that have been observed across key categories have been listed as follows:
  - ✓ Consumers are increasingly seeking *natural and effective ingredients* for their products, Tea Tree and Charcoal to name a few
  - ✓ Consumers seek to formulate haircare with food ingredients, and provide more *natural, often organic-certified* beauty products
  - ✓ The increase in *hair fall, hairline receding challenges, early balding* etc. have accentuated the need for hair care procedures amongst the male community
  - ✓ Growing dependence on *fruit extracts and essential oils* for hair care
  - ✓ For beauty products *attractive packaging* plays a crucial role in catching the eyes of the users
  - ✓ Companies are going for *environmental-friendly packaging.* Example – Plum rewards customers on returning their product empties
  - ✓ *Offers, combos and packs* do get higher attention of the viewers as consumers feel they are receiving value for money
  - ✓ *In the deodorants category the focus of advertisements is moving away from* *advertisements that tend to objectify women*
  - ✓ Apart from price the demand for edible oil is also dependent on **regional preferences**

- ✓ The increase in awareness amongst the millennial for a *healthy lifestyle* has exalted their inclination for chemical –less products
- ✓ Consumers are *willing to pay more* to get the right product
- ✓ Consumers are seeking a natural way to protect them against *environmental concerns -* Anti-Pollution, Anti-Dust and Sustainable
- ✓ Formulate *low-unit price packs* for sake of ease and convenience
- Proposition sheet for the Key categories has been drafted based on benchmarking and trend study
- The updation mechanism in the proposition sheet is broad-based

Market Communication
- The discrepancy founded across platforms are graphically illustrated as follows:
  - ✓ *Flipkart* has maximum discrepancies in case of *Product Title*
  - ✓ *Flipkart* has maximum discrepancies in case of *Primary/ Hero Image*
  - ✓ *Amazon* has maximum discrepancies in case of *Supplementary Images*
  - ✓ *Flipkart* has maximum discrepancies in case of *Videos*
  - ✓ *Amazon* has maximum discrepancies in case of *A+ Image*

III. RECOMMENDATIONS & CONCLUSION

- Presence of Low SKUs in the Kaya Youth Range. Customers look for diversification within the brand. At present Kaya youth encompasses only 4 products thus, the brand should come up with new product categories.
- Kaya Youth has priced its products primarily for mid-segment customers. There is absence of premium range category. Premium users seeking for premium products find it unattractive. In order to convert such visitors to customers Kaya Youth can exclusively launch a premium range to cater similar customer demand. Key account executive of shopper marketing and content provides the list, order and style of content to be uploaded across e-commerce platforms. However, the platform may or may not deploy the content in similar manner.

Marico as a company have realised it for themselves that going digital on such a large scale involves not only adopting new strategies but also create a culture for change. The company is investing in terms of resources and time towards going digital. The fact that online shopping is increasing implies that there is an opportunity for FMCGs to be present there. Consumers may or may not buy the brands but it acts like an online shelf space where they need to be present and available for the consumers. Like an offline store, the company tries to occupy better online shelf space i.e., organic search. Marico tries to move from its products from online shelves to shopping basket and converting the viewers into consumers. Thus, it is the target of the company to optimally utilise digital tools and place themselves better on the digital platform.

Companies in FMCG sector can use digitalisation to bring consumers closer to retailers and be transformational in terms of digital distribution for various categories. Interesting digital innovations still has a long way to go as modern retail still contributes a small percentage of the overall share of sales. Companies must look at technologies that make it digital savvy in its interaction with various stakeholders- customers, consumers, employees and associates. In this process, companies can listen and engage with consumers, innovate business model, sell though new channels, including online and digitalise operations through automation and analytics.It is very important for the company to launch the right product at right time which will fulfil the demands of the market. Skin care industry has numerous players. It is crucial for the brand to practice product differentiation so that they can survive the competitiveness and continuous changes. Competitors are constantly acting to get their products more visible across e-commerce platforms. Brand team must pro-actively response to counter the competitor's actions.