TRADITIONAL vs. SOCIAL MEDIA AS A MARKETING COMMUNICATIONS TOOL IN FMCG SECTOR IN INDIA

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ABSTRACT

There is a dramatic change in the media landscape of today wherein traditional media is being supplemented by social media. Social media has emerged as a change agent. With the advent of Social media, there is shift from Customer Relationship Management to Partner Relationship Management. In the earlier years, companies used to employ only traditional media as a tool of marketing communications. They used to make use of Traditional media like Television, Newspaper, Magazines, Hoardings, etc as a tool of marketing communications. As far as FMCG Sector in India is concerned, organizations still have not optimally utilized the power of social media. They consider that social media alone cannot be effective as a marketing communications tool if it is not combined with traditional media. This Paper will compare traditional media and social media as a tool of marketing communications in FMCG Sector in India.

KEYWORDS: Media, change agent, Partner Relationship Management, traditional media, social media, marketing communications, FMCG

INTRODUCTION

Marketing communications helps firms to give information about their products and services to consumers. According to Rothery (2008), one should think of 4E’s instead of 4 P’s. A product is an experience (including online), place becomes everypplace, price becomes exchange and promotion becomes evangelism.
Integrated marketing communications (IMC) helps an organization to establish connection with its target market. Integrated marketing communications helps an organization to focus the various elements of marketing communications such as advertising, personal selling, sales promotion, public relations, direct marketing, personal selling, interactive marketing etc towards the target market.

The advent of Internet–based social media has made it possible for one person to communicate with hundreds and thousands of people. Social media is treated as the hybrid element of the promotion mix because at one end it allows companies to talk to their customers and at the other end it facilitates communication between customers. In the traditional marketing communications model, there is a high degree of control being present as a contrast to social media where the power remains in the hands of the customer. Social media incorporates a number of platforms like Facebook, Twitter, YouTube, LinkedIn, Pinterest, Instagram etc to engage with the consumer.

The entire process of communicating with customers have changed with the advent of social media. Social media is also known as user-generated media. It informs and attracts consumers about products and services in a novel way and establishes a platform of two-way communication.

The landscape of 21st century is observing a mix of traditional and social media as a tool of marketing communications. These two medias have become a major factor in influencing in influencing various aspects of consumer buying decisions with respect to problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behavior. Though there are extensive literatures on how traditional media is used as a tool of marketing communications, but with respect to social media there is lack of extensive information on how it is used as a marketing communications tool.

Social media refers to online tools and platforms where one can share their opinion or perspective. It establishes a connection between consumers and organizations. Social media is becoming increasingly widespread and popular with consumers. Social networking sites offers users a scope for personalization by allowing them to create their own profile and post their own information. Moreover users can interact with thousands of other users as well as the Firm in these platforms.

**STATEMENT OF THE PROBLEM**

Indian marketers are still apprehensive about the use of social media alone as a tool of marketing communications (Rishi, 2011). Indian marketers feel comfortable to use social media along with appropriate combination of traditional media– but not alone. FMCG Sector in India has also not fully utilized social media to its optimal extent. The present study will undertake a comparative analysis between traditional media and social media as a tool of marketing communications.

**OBJECTIVE OF THE STUDY**

- To undertake a comparative analysis between traditional media and social media as a tool of marketing communications in the FMCG Sector
METHODOLOGY

This paper is based on interviews with brand managers / media head of 7 selected FMCG companies through questionnaire. A selected group of customers (around 70 in number) of these FMCG organizations are also interviewed through questionnaire to gauge their perception with respect to the differences between traditional media and social media. Information from Secondary sources are collected through books, journals and websites.

INDIAN FMCG SCENARIO

Fast Moving Consumer Goods usually refer to non-durable products (Majumdar, 2004). Examples include soft drinks, toiletries, grocery items, etc. A customer usually spends a minimum of effort to procure them. The FMCG market is set to grow to US$ 33.4 billion in 2015. Fast Moving Consumer Goods (FMCG) goods are popularly named as consumer packaged goods. Items in this category include all consumables (other than groceries/pulses) people buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged foodstuff, and household accessories and extends to certain electronic goods. These items are meant for daily of frequent consumption and have a high return. The Indian FMCG sector has a strong MNC presence and is characterised by a well established distribution network, intense competition between the organised and unorganised segments and low operational cost. Availability of key raw materials, cheaper labour costs and presence across the entire value chain gives India a competitive advantage.

REVIEW OF LITERATURE

Wang (2012) provides insights into how Social Value Creation can help companies big or small in creating positive social media presence while providing insights into the 6Ps of Social Media (Person, Profile, Perception, Peer, Post & Pull) and their significance.

Wilson et al., (2011), analysed social media strategies and practices of a large number of organizations and conducted interviews with their key executives who were part of social media team in those organizations. The research revealed four distinct social media strategies which are “predictive practitioner”, “creative experimenter”, “social media champion” and “social media transformer”.

Anon (2011), highlights that although companies agree that social media is an important marketing tool, there is low clarity about either definitions or best practice. This report is aimed at companies that are active or seeking to become active in using social media as a marketing tool for food and beverages; and also at social media companies, to help them understand the specific needs and concerns of food and beverage companies.

Rishi (2011) observes that Indian marketers are still apprehensive about the usage of social media alone as a tool of marketing communications. Synergy between the conventional and digital medium is the preferred media-mix choice amongst marketers and advertising agency professionals too, must embrace this change and propose newer, more creative concepts to advertisers that could harness the strengths of the digital medium in totality.
Iffort Consulting (2010), published a study on how business organizations in India are using Facebook. The study includes 25 brands from 7 verticals namely Media, Consumer Durables, Food Chains, FMCG, Telecom, Online Portals and Publishing. These brands were analyzed for one month on various parameters like number of fans, nature of the content, total discussions on the page etc. The vertical that had the highest interaction was Media. The results also portrayed that FMCG as a vertical had a poor performance in Facebook.

According to Business Source Complete, neither digital nor direct marketing has been popular with FMCG brands because it has been cheaper to reach a mass market with traditional media such as television and press.

Mangold & Faulds, (2009) highlights that earlier advertisers had the entire control of their marketing communication activities but with the advent of social media advertisers has control only on the placement of the advertisement but then the control shifts to the consumers. Social media marketing communications gives consumers the power not only to talk to the advertiser but also to an infinite number of other consumers who may be registered on that particular platform.

Li & Bernhoff (2008) highlights that in the age of social media communications marketing managers has least control over the information portrayed. This information originates in the marketplace and is totally consumer-centric. Thus it paves way for a two-way communication.

Shindler, & Tzeng (2007) highlights that the Internet has become a mass media vehicle for every consumer. Whether at home or at work, consumers are always active on this media. The entire communication is consumer-centric and offers a greater scope of personalization and customization than traditional media.

Mayzlin (2006) highlights that in traditional media campaigns the various elements of marketing communications are controlled by the Firm. In case of social media marketing communications, the elements are controlled by the consumers. Social media is perceived by consumers as a more trustworthy source of information regarding products and services than corporate-sponsored communications transmitted via the traditional elements of the promotion mix.
COMPARISON BETWEEN TRADITIONAL MEDIA AND SOCIAL MEDIA AS A TOOL OF MARKETING COMMUNICATIONS

From Figure 1, it can be depicted that for an organization, the traditional media comprises of Advertising, Sales Promotion, Public Relations, Direct Marketing, and Publicity/PR. But with respect to today’s context, Social Media has emerged as a more interactive tool than traditional media of communications. Initially the

Fig 1. Traditional vs Social Media as a Tool of Marketing Communications
traditional media of communications was one way but social media has emerged as a two way communication channel. As far as traditional media of communication is concerned the freedom of the customers are restricted. But with social media the customers are given enormous freedom of interaction.

![Fig: 2: Nature of Social Media](image)

From Figure 2, it can be depicted that when we compare traditional media with social media then social media involves brand and user generated content whereas traditional media involves professional content. Social media also involves personalization and the message that a marketer targets through Social Media is much more personalized and customized than traditional media. As far as interactivity is concerned, social media is much more interactive whereby a free flow of two way communications and freedom of expression of thoughts by the user is there compared to traditional media.

**FINDINGS**

**PERSPECTIVE OF SOME FMCG COMPANIES ON HOW THEY MAKE COMPARISON BETWEEN TRADITIONAL MEDIA AND SOCIAL MEDIA AS A TOOL OF MARKETING COMMUNICATIONS**

Company A dealing with cosmetic and baby products is of the opinion that the content in social media is user-generated and the frequency of updation of the content is more on social media compared to traditional media.

Company B, a food products company is of the opinion that social media in their organization provides more opportunities for Customer engagement and opportunities for creating conversation than traditional media.

Company C, a company dealing in cosmetics, has the perception that social media in their organization has more opportunity of building connection between the brand and customer compared to traditional media. Social media in their organization also provides an opportunity for two-way communication compared to traditional media.

Company D, a packaged food company, is of the opinion that Social media is more effective than traditional media in creating strong brand associations and advocacy compared to traditional media.
Company E, a food processing company, has the perception that Social media is more effective than traditional media in targeting specific segments of customers and creating competition among competing brands.

Company F, dealing with Tobacco, Hotels, Paperboards & Specialty Papers, Packaging, agri-business, packaged foods & confectionery is of the opinion that social media is more effective than traditional media in creating multiple exposures and strong attention and recall.

Company G, a coffee growing company, is of the opinion that social media is more viral compared to traditional media and social media marketing communications in their organization gives the opportunity of obtaining greater customer feedback compared to traditional media.

PERCEPTION OF CUSTOMERS ON SOCIAL MEDIA AS A TOOL OF MARKETING COMMUNICATIONS IN FMCG SECTOR IN INDIA

A few customers of the above mentioned FMCG organizations were interviewed with respect to how do they compare traditional media and social media as a tool of marketing communications. Customers were of the opinion that they perceive social media to offer a high degree of customer engagement, offer higher opportunities for conversation, higher opportunity of content sharing, bringing in better connection with the brand and consumer, offering higher degree of customization compared to traditional media. They are also of the opinion that the frequency of updation of the content is more on social media than on traditional media. They also feel that social media is more effective than traditional media in generating strong brand association and brand advocacy. They also have a perception that social media is effective than traditional media in creating multiple exposures. Moreover advertising through social media creates strong attention and recall value compared to traditional media. The customers perceived that the choice of a particular social media platform depends on the type of target segment and at what phase of purchase decision making the customer is in. Many customers were of the opinion that they purchased the product after getting information through social media.

SCOPE FOR FURTHER RESEARCH

Further research can be done with respect to what extent social media marketing communications influence purchase, how to measure the effectiveness of marketing communications through social media and how it is different from measuring effectiveness of marketing communications through traditional media.

CONCLUSION

There is a huge difference in the way the applicability of Social Media and Traditional Media as an effective tool of marketing communications in FMCG Sector in India. When a comparison is made between the two, then Social Media becomes much more customized and personalized compared to traditional media of communications. As far as FMCG Sector in India is concerned, traditional media of communication gains a powerful insight than social media. But FMCG Sector in India has slowly started embracing Social media and it will soon emerge as an effective marketing communications tool.
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