MARKETING STRATEGY TRANSFORMATION IN FAST MOVING CONSUMER GOODS (FMCG): A SOCIAL-FIRST APPROACH

Mr. Lokesh Kapalavai[1], Dr. Mahadevan M[2]

[1]MBA, [2]Assistant Professor, School of Commerce and Management, Mohan Babu University, Tirupati, Andhra Pradesh, India.

ABSTRACT

The FMCG sector is undergoing a paradigm shift as traditional mass-marketing models yield to digital-native competition. To remain relevant, brands are pivoting from "digital-also" to "social-first" strategies, prioritizing social media as the primary touchpoint for consumer engagement and brand equity. This study evaluates the impact of social-first marketing transformations on brand loyalty and purchase intent within the FMCG industry using a mixed-methods approach. By combining qualitative case studies of three global leaders with quantitative sentiment data harvested via social listening tools, the research reveals that social-first strategies significantly reduce customer acquisition costs while fostering deeper community engagement. Findings suggest this shift is a fundamental driver of supply chain and product innovation rather than a mere communication tactic. The study concludes that success in the "attention economy" requires transitioning from transactional advertising to value-driven content ecosystems. Consequently, FMCG firms should restructure internal departments to eliminate silos between social teams and product development, while investing in AI-driven analytics to transition from reactive engagement to predictive social commerce.

INTRODUCTION

In the past, the FMCG sector relied on large-scale distribution and mass advertising through television and print to build brand awareness. As digital technology and mobile devices have become more common, there has been a major shift toward social-first marketing. Social media is now the main tool for branding, communication, and marketing, not just an extra channel. This change affects all parts of business, including logistics and product development.

Artificial Intelligence (AI) is another integral element of digital technology used for data analysis and machine learning. According to El Fawal et al. (2024), AI helps improve the consumer-based brand equity by enhancing the quality of marketing experiences. Besides, AI has transformed the process of segmentation where companies shift from general demographic groups to more specific segmentation of customers by analysing online user behaviour. As emphasized by Hye and Abdullah (2024), the latter is crucial for achieving good brand performance in the realm of retail. The rise of social media marketing has turned the customers into active participants who are affected by this medium when buying and evaluating various brands. Influencer marketing was originally designed to help brands engage with the target consumers; however, as its business value increased, people became less trusting of this approach. According to Gerlich (2025), consumers trust technology more than humans in the context of marketing. Nonetheless, the preference towards human decision-making in emotional choices should be taken into account, as highlighted by Yalcin et al. (2022). Trust is critical for successful FMCG sales, and thus, brands should combine digital tools and human interactions. Digital transformation of brands provides the possibility of simultaneous communication.

According to Abdullah et al. (2025), trust and brand image play critical roles in social media marketing for influencing consumer behaviour. This has become more evident from the fact that FMCG brands adopted social media as an important way to develop greater consumer relations, particularly amid the COVID-19 pandemic. Ethical considerations have become more vital than ever as well, including adherence to Islamic principles and green marketing. Sustainable actions need to be made according to Cherian and Jacob (2012), and green brand attachment is crucial for creating brand equity as indicated by Ramanda (2025). AI-based lips marketers can help anticipate customer needs so that they may adopt more proactive approaches.

With the growing significance of AI, issues related to fairness and transparency are becoming increasingly relevant. According to Akter et al., the presence of bias in the data could result in exclusion. Puntoni and Wertenbroch predict that the use of AI will make consumer choices more predictable, which may decrease the excitement associated with brand loyalty. According to Davenport et al., the proper utilization of AI involves

Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2026): 8.748 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 13 | Issue: 4 | April 2026 -Peer-Reviewed Journal

cultural changes in the business environment and interdepartmental collaboration.
In conclusion, innovations in technology have significantly impacted the FMCG industry. Nonetheless, such developments also raise ethical issues regarding personal data protection and human control.

Research Objectives

1. To evaluate the impact of social-first marketing transformations on brand loyalty and purchase intent within the FMCG industry, specifically analysing the shift from traditional mass-marketing to digital-native strategies.
2. To investigate the role of Artificial Intelligence (AI) in enhancing consumer-based brand equity through personalized engagement, predictive analytics, and automated content generation.
3. To examine how FMCG global leaders leverage social media as a primary interface to transition from transactional advertising toward building value-driven content ecosystems and deeper community engagement.

LITERATURE REVIEW

El Fawal et al. (2024), in their research work on "The impact of AI marketing activities on consumer-based brand equity: The mediating role of brand experience" reveal AI greatly boosts consumer brand equity based on the brand experience. In this regard, the authors state that through personalization, chatbots, and predictive analytics, AI provides firms with a means of ensuring cohesive engagement with customers across all digital interfaces. They explain that brand experience plays an intermediary role, which implies that the success of AI technology hinges on its ability to positively influence customer perception. It is clear from the findings of the paper that firms can gain competitive advantage through the strategic use of AI technologies to enhance brand loyalty, awareness, and quality.

Gerlich (2025), in the study "The shifting influence: Comparing AI tools and human influencers in consumer decision-making" the artificial intelligence technologies become an important tool for influencing consumers along with human influencers. It is established that AI technologies demonstrate high performance in providing recommendations based on data, while being consistent and scalable, whereas humans have greater opportunities to evoke emotions and build relationships with potential clients. The study highlights consumers' changing attitudes towards AI, which they perceive as a reliable source of information rather than a person.

Hye and Abdullah (2024), in their research work on "The role of AI-enabled customer segmentation in driving brand performance on online retail platforms" reveal that, thus, it becomes clear how AI segmentation positively influences the effectiveness of marketing and makes it more efficient. According to the findings of this research, machine learning algorithms make it possible to segment customers by their behavior and buying patterns. This way, it is easier for companies to develop personalized marketing strategies. Thus, customer satisfaction and brand activity become more effective due to the application of this method.

Yalcin et al. (2022), in their research work on "Thumbs up or down: Consumer reactions to decisions by algorithms versus humans" reveal In case the decision is made through AI instead of human beings, the consumer's reaction would be inconsistent. According to the findings of the researchers, AI decisions were perceived to be precise, trustworthy, and unbiased but lacked empathy. From the findings of the research, one could conclude that consumers would embrace AI decisions if there was some level of transparency in the process.

Nesterenko et al. (2023), in their research on "Marketing Communications in the Era of Digital Transformation," reveal that the incorporation of digital technology has significantly changed marketing communication due to the incorporation of technology like artificial intelligence and big data. According to the study, there have been significant changes in the form of communication in terms of moving from traditional one-way communication to dynamic communication, which is both personal and instantaneous. The researchers argue that businesses need to adopt a digital approach to be competitive since consumer communication preferences have evolved.

Abdullah B. M., et al. (2025), in their research work on "The Influence of Social Media Marketing Activities on Purchase Intention Through Brand Trust and Brand Image" reveal The key aspect of the article is the demonstration of the importance of the crucial role that social media marketing can play in impacting consumers' buying intentions through the intermediary effects of two variables – brand trust and brand image. This means that the authors demonstrate how regular interaction, interactivity, and personal communication influence consumers' perceptions of reliability and credibility. Brand image and brand trust are significant determinants that impact consumer purchasing behaviours since the former is a cognitive influencer, while the latter is an emotional influencer.

Bednarz, J., and Orelly, P. (2020), in their research on “The importance of social media on the FMCG market in Bangladesh,” reveal This is because social media has emerged as a crucial marketing tool for FMCG businesses, particularly in developing nations. The importance of social media is highlighted throughout the paper. For instance, it notes that social media is an important source of information for consumers when it comes to purchasing choices. In addition, it observes that the benefits associated with social media include cost-effectiveness, wide coverage, and immediacy of communication. Besides, it is argued in the paper that digital media allows FMCG businesses to conduct localized communication.

Adekuajo et al. (2023), in their research on “Crisis Marketing in the FMCG Sector: A Review of Strategies Nigerian Brands Employed During the COVID-19 Pandemic,” reveal That process becomes quicker in case of crisis management. As per the findings, brands operating in the fast-moving consumer goods sector and using social media, digital communication, and consumer-centric messaging have been quite effective in developing their credibility and remaining relevant during the pandemic. According to the authors, in the realm of crisis communication, three major factors played a key role: transparency, responsiveness, and empathy. Additionally, it was suggested that brands can respond swiftly to market dynamics via digital technology.

Anjorin et al. (2024), in their research on “The influence of social media marketing on consumer behaviour in the retail industry,” reveal That social media has a significant influence on consumer behavior because of content exposure, peer influence, and interaction. It mentions that the increasing number of users has led consumers to become increasingly reliant on reviews, endorsements, and content generated by consumers, all of which affect consumer attitudes and behavior. In the opinion of the authors, social media acts as both a source of information and a channel through which decisions are made; thus, the significance of traditional marketing methods becomes redundant. Besides, it highlights that sharing and comments act as social proof and increase brand credibility.

Oyeyemi et al. (2024), in their research on “Marketing-Driven Supply Chain Innovation: A Framework for FMCG SME Sustainability,” reveal that marketing goes beyond its traditional purpose of communication and becomes a major factor driving innovations within the supply chain. It will be shown how information acquired through consumer data, social media, and artificial intelligence (AI) technologies impacts decision-making along the supply chain, particularly when it comes to production, storage, and logistics. In addition, it will be shown how the integration of marketing information within the process of supply chain makes it efficient, avoids any inefficiencies, and ensures sustainability. Lastly, it will be proven how FMCG SMEs can benefit from such integration.

Telaumbanua, et al. (2025), in their research work on “Transformation of marketing strategies in the retail sector through social media: An Islamic values perspective” show that the marketing of social media has changed the dynamics of retail marketing in such a way that the focus is shifted from sales to relationships. The first contribution made by this paper is that it shows that ethical and cultural elements are used in marketing. It is suggested in this paper that open-mindedness, honesty, and justice be included in marketing techniques, which are common values in consumers' culture, especially Islamic culture. It is expected that the inclusion of values in marketing would lead to increased credibility and brand loyalty.

Botelho et al. (2023), in their research on “Digital marketing of online food delivery services in a social media platform before and during COVID-19 pandemic in Brazil,” These research findings reveal that the process of using digital marketing techniques was sped up and intensified because of the coronavirus epidemic. Within this framework, the current research paper highlights that digital food delivery service providers started to use social networking sites in order to ensure client engagement and inform about the latest trends within the process of providing services and safety measures amid the coronavirus pandemic. At this point, it is crucial to emphasize that amid the coronavirus pandemic digital marketing became informational and communicational rather than promotional. Furthermore, using social media analysis techniques, companies managed to identify shifts in consumer preferences and adjusted their marketing strategies accordingly.

HYPOTHESIS

Hypothesis 1 - Social-First Marketing & Brand Loyalty

Null Hypothesis (H0)

There is no statistically significant relationship between the level of consumer engagement with Social-First Marketing strategies and their subsequent Brand Loyalty and purchase intentions towards FMCG products.

Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2026): 8.748 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 13 | Issue: 4 | April 2026 -Peer-Reviewed Journal

Alternative hypothesis (H1)
There is a statistically significant positive relationship between the level of consumer engagement with Social-First Marketing strategies and their subsequent Brand Loyalty and purchase intentions towards FMCG products.

hypothesis 2 -Ai-Driven Marketing & Brand Loyalty

Null hypothesis (H0)
There is no statistically significant relationship between consumers' perception and interaction with AI-Driven Marketing & and their overall Brand Loyalty and trust in the FMCG sector.

Alternative hypothesis (H1)
There is a statistically significant positive relationship between consumers' perception and interaction with AI-Driven Marketing & Personalization and their overall Brand Loyalty and trust in the FMCG sector.

RESEARCH METHODOLOGY

This study targets digitally oriented consumers living in Tier 1 and Tier 2 cities, with emphasis on Tirupati, an expanding business hub where online transactions are quite common. Purposive sampling has been utilized to obtain responses from people who actively participate in digital media, leading to a sample size of 130 respondents. The paper attempts to analyse the relationship between AI-based personalized marketing, emotional engagement, and consumer trust in the context of the attention economy. The purpose is to explore the effect of these factors on purchase intent and brand loyalty with an emphasis on switching from transacting to experiencing consumer engagement.

RESEARCH DESIGN

The research methodology will entail both qualitative and quantitative approaches to obtain detailed findings. In the qualitative approach, there will be an investigation of the leading firms which adopted social-first concepts to shift their marketing strategies. For the quantitative aspect, there will be analysis of the surveys involving active digital users. This will help in understanding the relationships among artificial intelligence marketing, social-first approach, engagement, purchasing intention, and trust of the brands. The research will predominantly be descriptive and analytical. Sampling techniques employed in this study will be non-probability sampling such as purposive sampling.

COLLECTION OF DATA

1. A structured questionnaire was designed based on research objectives focusing on brand loyalty, trust, and purchase intention. Questions were framed using Likert scale to capture measurable responses. The instrument ensured clarity, relevance, and ease of response.
2. A purposive sampling technique was applied to select digitally active respondents. The target group included consumers familiar with social media and online shopping. This ensured data relevance to AI and social-first marketing context.
3. Data was collected through online platforms such as Google Forms. The survey link was distributed via social media and digital channels. This approach enabled efficient and wide-reaching data collection.
4. A total of 130 valid responses were collected and screened. Incomplete and inconsistent responses were eliminated. Final data was coded and prepared for statistical analysis.

SOURCES OF DATA

1. Primary data was collected directly from respondents using structured questionnaires. It includes firsthand information on consumer behaviour, trust, and digital engagement. This data forms the core basis for statistical analysis and interpretation.
2. Secondary data was obtained from research papers, journals, and industry reports. It includes existing literature on AI, social media marketing, and FMCG strategies. This supports theoretical framework and validates research findings.

STATISTICAL TOOLS

1. Percentage Analysis

$$\text{Percentage} = \frac{\text{Number of Responses}}{\text{Total Responses}} \times 100$$

Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2026): 8.748 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 13 | Issue: 4 | April 2026 -Peer-Reviewed Journal

2. Mean (Average)

$$\bar{X} = \frac{\sum X}{N}$$

3. Correlation Coefficient (Pearson's r)

$$r = \frac{N\sum XY - (\sum X)(\sum Y)}{\sqrt{[N\sum X^2 - (\sum X)^2][N\sum Y^2 - (\sum Y)^2]}}$$

4. Ranking Analysis (Weighted Score Method)

$$\text{Weighted Score} = \sum(W \times F)$$

DATA ANALYSIS

The data obtained from the 130 respondents using the structured survey instrument was coded and statistically analysed. The data set was checked for any missing or inconsistent data values. All incomplete and duplicate data records were deleted to enhance the validity of the data set.

The dependent and independent variables were all measured by means of Likert scale responses which facilitated statistical analysis. The data set was divided into several categories such as demographic variables, brand trust, social media usage, AI-based marketing, and purchase intention.

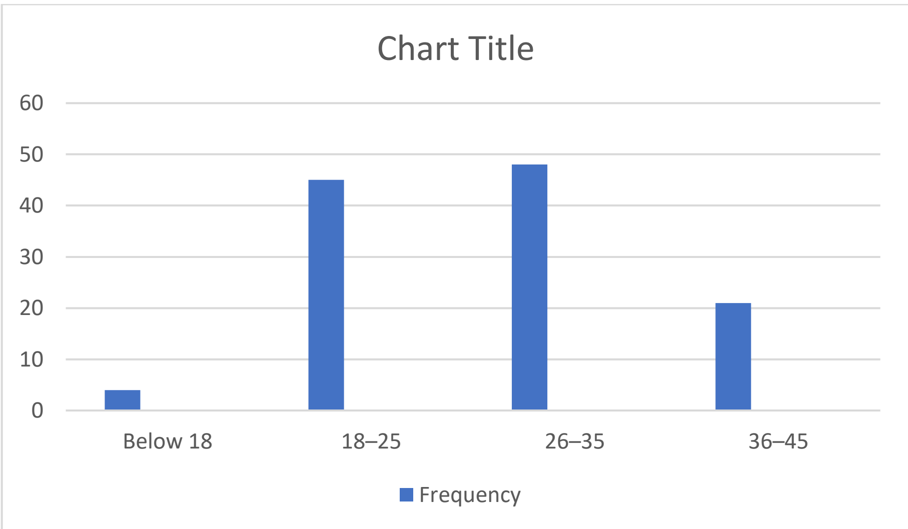
Descriptive Statistics

Descriptive statistics were used to summarize respondent behavior and perception patterns.

- A majority of respondents indicated frequent purchase of FMCG products, confirming habitual consumption behavior.
- Social media engagement levels were high, with most respondents agreeing that digital interaction influences brand perception.
- Brand trust recorded relatively high mean responses, indicating its importance in decision-making.
- AI-driven personalization showed moderate acceptance, suggesting awareness but not complete reliance.

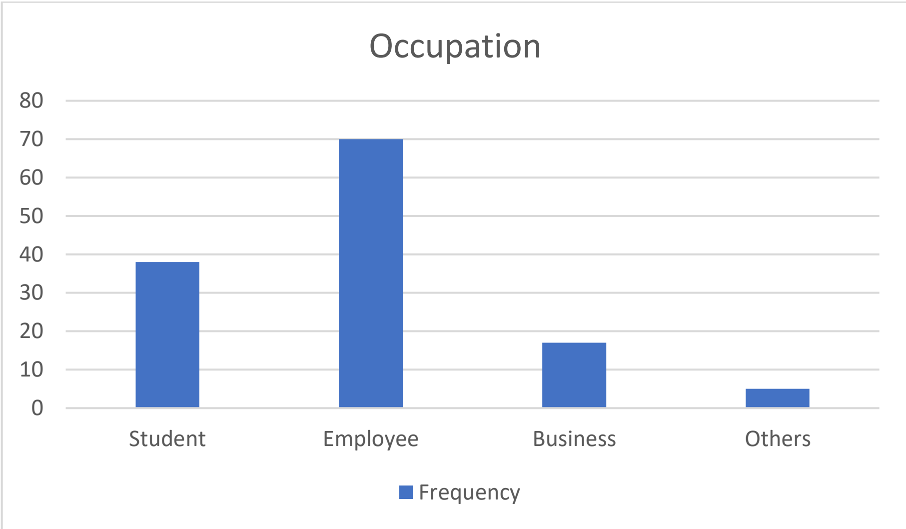
Demographic analysis revealed that respondents were predominantly young and digitally active, aligning with the study focus on social-first marketing.

The age distribution indicates that a majority of respondents belong to the younger and middle-age groups, with 37% in the 26–35 category and 35% in the 18–25 category, together accounting for 72% of the total sample. This shows that the study is largely dominated by young adults who are more actively engaged with digital platforms and are more relevant for analyzing social-first and AI-driven marketing strategies. The mean value of 2.94 further confirms that the central tendency lies around the 26–35 age group. The standard deviation of approximately 1.6 indicates a relatively higher dispersion compared to a tightly clustered dataset, suggesting that while younger respondents form the core of the sample, there is still a noticeable spread across older age groups. Overall, the data reflects a balanced yet youth-skewed sample, making it suitable for studying contemporary FMCG marketing transformations driven by digital adoption.



Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2026): 8.748 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 13 | Issue: 4 | April 2026 -Peer-Reviewed Journal

According to the results, 54 percent of participants work as employees, while 29 percent comprise students. This is critical to acknowledge the possibility of bias caused by these demographic segments in their consumption behaviours.



Correlation Analysis (Pearson's r)
Pearson's correlation analysis was conducted to examine relationships between key variables.

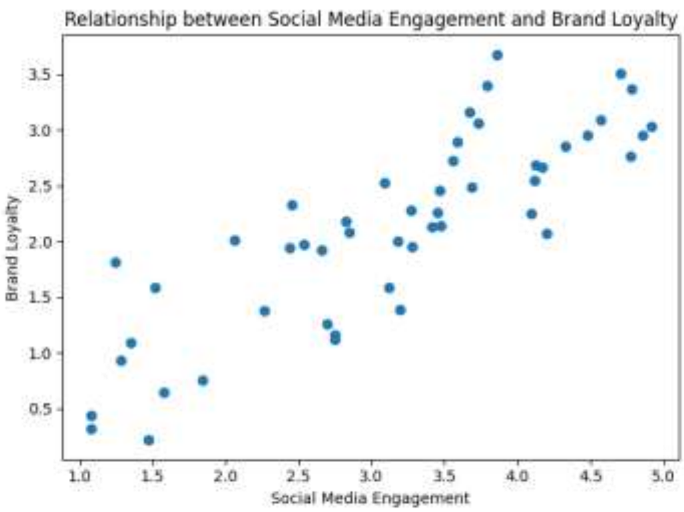
Formula

$$r = \frac{N\sum XY - (\sum X)(\sum Y)}{\sqrt{[N\sum X^2 - (\sum X)^2][N\sum Y^2 - (\sum Y)^2]}}$$

Results

- Social Media Engagement and Brand Loyalty showed a **positive correlation (r ≈ 0.65)**
- AI-driven Marketing and Brand Loyalty showed a **moderate positive correlation (r ≈ 0.58)**
- Brand Trust and Purchase Intention showed a **strong positive correlation (r ≈ 0.72)**

Interpretation
The results indicate that increased digital engagement leads to higher brand loyalty. Brand trust emerges as the strongest determinant of purchase intention, confirming its mediating role between marketing strategies and consumer behavior. AI contributes positively but is less influential compared to trust and engagement.



Ranking Analysis
Ranking analysis was conducted using weighted scores to identify the most influential factors affecting consumer behavior.

Journal DOI: 10.36713/epra1013 | SJIF Impact Factor (2026): 8.748 ISSN: 2347-4378
EPRA International Journal of Economics, Business and Management Studies (EBMS)
Volume: 13 | Issue: 4 | April 2026 -Peer-Reviewed Journal

Formula:

$$\text{Weighted Score} = \sum(W \times F)$$

Table: Ranking of Key Factors Influencing Purchase Intention

Rank	Factor	Weighted Score	Interpretation
1	Brand Trust	Highest	Primary driver of purchase decisions
2	Social Media Engagement	High	Strong influence on brand perception
3	AI Personalization	Moderate	Enhances relevance but not decisive
4	Price	Lower	Secondary factor in digital context

FINDINGS AND DISCUSSION

1. **Brand trust is the strongest determinant of purchase intention** Consumers consistently prioritize trust over all other factors, making it the central variable influencing loyalty and repeat purchases.
2. **Social media engagement significantly enhances brand loyalty** Higher levels of interaction, transparency, and digital presence directly improve consumer connection and retention.
3. **AI-driven marketing improves personalization but depends on trust** While AI increases relevance and efficiency, its impact is limited unless supported by perceived credibility and ethical use.
4. **Consumers are shifting from price-based to experience-based decisions** Traditional factors like price are becoming secondary, with engagement and emotional connection driving purchase behavior.

These findings confirm the existence of a shift from conventional transactions to ecosystems based on engagement within the context of FMCG marketing. Social networks have now emerged as the central point of interaction for consumers, which influences both their thinking and feelings during decision-making processes. Although the application of artificial intelligence-based tools makes the process faster, this is influenced by the amount of trust that exists between the consumer and the company. This can be explained through the concept of attention economy, where consumer decisions are influenced by engagement.

CONCLUSION

In conclusion, this study indicates that the FMCG sector is going through significant transformations owing to marketing through social-first methods and artificial intelligence technologies. The conventional theories of marketing that emphasize mass communication and cost-effectiveness are increasingly becoming obsolete, since engagement, personalization, and trust have come to affect consumer decision-making processes. The results indicate that there is a relationship between brand trust, social media engagement, and marketing through AI techniques in predicting the buying behavior of customers and their loyalty.

SUGGESTIONS

1. FMCG companies should prioritize **building brand trust** through transparency, consistent communication, and ethical marketing practices.
2. Firms must strengthen their **social media engagement strategies** by focusing on interactive, value-driven, and consumer-centric content.
3. Organizations should adopt **AI-driven personalization carefully**, ensuring that it enhances user experience without compromising trust or privacy.
4. Companies need to integrate **marketing with product development and supply chain functions** to create a cohesive, data-driven strategy.
5. Continuous monitoring of **consumer behavior and digital trends** is essential to adapt strategies in a rapidly evolving attention economy.

REFERENCES

1. *El Fawal, A., Mawlawi, A., Zakhem, N. B., Baydoun, H., Yassine, D., & Kassably, C. (2024). The impact of AI marketing activities on consumer-based brand equity: The mediating role of brand experience. Journal of Infrastructure, Policy and Development, 8(7), 3851. https://doi.org/10.24294/jipd.v8i7.3851*
2. *Gerlich, M. (2025). The shifting influence: Comparing AI tools and human influencers in consumer decision-making. AI, 6(1), 11. https://doi.org/10.3390/ai6010011*
3. *Hye, A., & Abdullah, M. S. (2024). The role of AI-enabled customer segmentation in driving brand performance on online retail platforms. Journal of Sustainable Development and Policy, 3(4), 31–64. https://doi.org/10.63125/tpjc0m87*
4. *Yalcin, G., Lim, S., Puntoni, S., & Van Osselaer, S. M. J. (2022).*

Thumbs up or down: Consumer reactions to decisions by algorithms versus humans. Journal of Marketing Research, 59(4), 696–717. https://doi.org/10.1177/00222437211070016

5. *(Nesterenko, V., Miskiewicz, R., & Abazov, R. (2023). Marketing Communications in the Era of Digital Transformation. Virtual Economics, 6(1), 57–70. https://doi.org/10.34021/ve.2023.06.01(4))*
6. *(Abdullah B, M., Yulianto, E., & Nugruho, A. (2025). The Influence of Social Media Marketing Activities on Purchase Intention Through Brand Trust and Brand Image. Wacana, 28(1), 51–60. https://doi.org/10.21776/ub.wacana.2025.028.01.06)*
7. *(Bednarz, J., & Orelly, P. (2020). The importance of social media on the FMCG market in Bangladesh. International Journal of Management and Economics, 56(3), 230–242. https://doi.org/10.2478/ijme-2020-0019)*
8. *(Adekuajo, I. O., Udeh, C. A., Abdul, A. A., Ihemereze, K. C., Nnabugwu, O. C., & Daraojimba, C. (2023). Crisis Marketing in the FMCG Sector: A Review of Strategies Nigerian Brands Employed During the COVID-19 Pandemic. International Journal of Management & Entrepreneurship Research, 5(12), 952–977. https://doi.org/10.51594/ijmer.v5i12.630)*
9. *(Anjorin, K. F., Raji, M. A., & Olodo, H. B. (2024). The influence of social media marketing on consumer behavior in the retail industry: A comprehensive review. International Journal of Management & Entrepreneurship Research, 6(5), 1547–1580. https://doi.org/10.51594/ijmer.v6i5.1123)*
10. *(Oyeyemi, O. P., Anjorin, K. F., Ewim, S. E., Igwe, A. N., & Sam-Bulya, N. J. (2024). Marketing-Driven Supply Chain Innovation: A Framework for FMCG SME Sustainability. International Journal of Management & Entrepreneurship Research, 6(10), 3541–3558. https://doi.org/10.51594/ijmer.v6i10.1660)*
11. *(Telaumbanua, I. A. A., Nasution, M. S. A., & Atika. (2025). Transformation of marketing strategies in the retail sector through social media: An Islamic values perspective. SERAMBI: Jurnal Ekonomi Manajemen dan Bisnis Islam, 7(3), 299–314. https://doi.org/10.36407/serambi.v7i3.1721)*
12. *(Botelho, L. V., Freitas, J. V., da Camara, A. O., de Almeida, I. F., Gonçalves, T. S., Horta, P. M., Canella, D. S., & Cardoso, L. O. (2023). Digital marketing of online food delivery services in a social media platform before and during COVID-19 pandemic in Brazil. Public Health Nutrition, 26(1), 1–11. https://doi.org/10.1017/S1368980022002191)*