

THE FUTURE OF FMCG PERSONAL CARE MARKETING: EMERGING TRENDS AND OPPORTUNITIES

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ABSTRACT

Growing expectations for sustainability are causing a significant transition in the fast-moving consumer goods (FMCG) industry. This article examines new developments in sustainability, including customer engagement, supply chain transparency, circular economy models, sustainable packaging, and creative product development. These methods improve brand loyalty and corporate competitiveness while also lessening their negative effects on the environment. The article hopes to encourage a wider adoption of sustainable practices that help both businesses and the environment by showcasing how top FMCG companies are implementing these trends. The fast-moving consumer goods (FMCG) industry has grown significantly in recent years; in fact, it continued to grow during the recession and the COVID-19 pandemic. The FMCG industry is growing mostly due to changing consumer lifestyles, increased awareness, and easier availability. Numerous companies that offer a broad range of products and services to the general people to fulfill their everyday requirements make up this industry. Numerous aspects of daily life are impacted by FMCG items. FMCG products are regularly consumed by all societal segments, and they account for a sizable portion of consumer spending. Furthermore, this industry makes a substantial contribution to the Indian economy. A new generation of multinational corporations is based in emerging market nations, which also have millions of increasingly affluent consumers.

Keywords: FMCG Sector, Future Growth Emerging sustainability trends, Emerging market

INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) industry is at a turning point as sustainability becomes a top priority for customers, authorities, and companies alike. Businesses in this industry are altering their operating frameworks in response to the increased awareness of environmental challenges and its effects on future generations. Nowadays, sustainability is more than just a catchphrase; it is a requirement that is spurring innovation and changing corporate tactics. With the goal of demonstrating how these practices lead to a brighter future, this essay examines new developments in sustainability practices within the FMCG industry. According to Emerging Retail Management in the Perspective of FMCG (Fast-Moving Consumer Goods) Products, the retail sector is dynamic and constantly changing. From groceries to personal care items, fast-moving consumer goods (FMCG) have gradually become a part of our everyday lives. This study examines the remarkable evolution of retail management strategies tailored to the unique needs of fast-moving consumer goods (FMCG), shedding light on the innovative approaches that have emerged. Globalization, shifting consumer preferences, and digitalization have all contributed to a major transformation in the retail industry in recent years. These developments have compelled retailers to use state-of-the-art technology and reconsider their business strategies in order to remain competitive. The assessment looks into how e-commerce, omni-channel retailing, and data analytics have changed how FMCG products are distributed, sold, and promoted. The growing focus on

sustainability and ethical consumption has also compelled retailers to reevaluate their supply chain practices and product offerings. When discussing the role of responsible retail management in the FMCG business, the article examines the importance of fair trade standards, eco-friendly packaging, and transparent sourcing. India's massive population has traditionally given FMCG companies in our nation a huge potential market. FMCG companies have been able to further expand their market into the country's hinterlands because to the improving economic circumstances of both rural and urban consumers. Toiletries, personal care goods, soaps, grooming products, detergents, oral hygiene, packaged meals, beverages, healthcare items, plastic products, bulbs, batteries, glassware, and more are among the many products that Indian FMCG companies provide to their customers. These markets are frequently identified by their extreme price sensitivity, restricted purchasing capacity, and particular local demands. In contrast to well-established businesses in developed markets, Indian enterprises are having difficulty organizing their new product development processes in a setting where design expertise and skills are scarce. They are also limited by a lack of market orientation, a lack of financial and human resources, strong centralized control by business family heads, functional chimneys that lack deep functional expertise, and pressure to change on multiple fronts simultaneously in order to cope with the competitive environment (FMCG).

LITERATURE REVIEW

Wrushank R. Sorte (2024) This essay provides a thorough analysis of digital marketing tactics and how they affect India's fast-moving consumer goods (FMCG) industry. FMCG companies are increasingly using digital marketing to increase brand visibility, engage consumers, and boost sales as a result of the quick development of digital technology and the rising popularity of internet usage. This review provides a comprehensive knowledge of how digital marketing strategies are changing the FMCG environment in India by synthesizing industry reports, case studies, and current research. The study looks at a number of digital marketing strategies used by FMCG companies, including influencer partnerships, email marketing, PPC advertising, social media, content marketing, and SEO. It looks into how these strategies are applied to increase brand awareness, draw in new clients, and foster brand loyalty. The expansion of mobile commerce, the growing power of social media, and the significance of data-driven marketing are some of the major trends impacting digital marketing in India's FMCG industry. Issues like data protection, digital saturation, and quickly evolving consumer behavior are also covered. The assessment also offers tactical advice on how to get beyond these obstacles and use digital marketing to gain a competitive edge. Best practices that demonstrate successful digital marketing strategies and their quantifiable influence on brand performance are highlighted.

Dr. A.Shaji George (2023) Information technology (IT) is a key factor in determining the competitiveness and expansion of businesses in the Fast-Moving Consumer Goods (FMCG) sector, which is rapidly experiencing a digital transformation. However, a major obstacle that could prevent the effective adoption and integration of digital solutions is the shortage of skilled IT workers. With an emphasis on the effects on business operations, supply chain management, marketing, data-driven decision making, and cybersecurity, this study attempts to investigate the ramifications of inadequate IT competence in the FMCG sector. A mixed-methods strategy has been used to accomplish the study goals, integrating qualitative insights

from in-depth interviews, case studies, and expert opinions with quantitative data from industry reports, surveys, and firm performance measurements. FMCG firms, IT specialists, industry experts, and pertinent stakeholders are the main sources of data. Thematic analysis, comparative case study analysis, and descriptive and inferential statistics are all examples of data analysis methodologies. The primary conclusions show that there is a significant lack of IT experience in the FMCG sector, which has a number of detrimental effects on businesses who do not have the required IT staff.

Vishal Kesari (2022) The fast-moving consumer goods (FMCG) industry has grown significantly in recent years; in fact, it continued to grow during the recession and the COVID-19 pandemic. The FMCG industry is growing mostly due to changing consumer lifestyles, increased awareness, and easier availability. Numerous companies that offer a broad range of products and services to the general people to fulfill their everyday requirements make up this industry. Numerous aspects of daily life are impacted by FMCG items. FMCG products are regularly consumed by all societal segments, and they account for a sizable portion of consumer spending. Furthermore, this industry makes a substantial contribution to the Indian economy. Over the next five to ten years, the FMCG sector is predicted to grow by 13 to 14 percent, reaching a valuation of \$220 to 240 billion by 2025. This study highlights the current state of the FMCG business as well as the different trends and growth in this era of digitalization. Descriptive methods and secondary data were used in the study.

G K Venkatesha (2021) The Indian economy is expanding rapidly on a national and global scale due to factors including rising per capita income, more literacy, and fast urbanization. There has been a noticeable increase in the number of multinational corporations (MNCs), which has resulted in the expansion of the range of brands and products that consumers can choose from. The widespread recognition of fast-moving consumer goods (FMCG) can be attributed to its increased presence in both organized and unorganized retail outlets, as well as commercials on television and print media. Large conglomerates that deal in fast-moving consumer goods are expanding and achieving impressive top line growth. They are also developing creative strategies to fulfill and satisfy consumer demands. The FMCG trends and the main possible drivers that will quicken the current trend and future expansion are the main topics of this study. The future ramifications of FMCG will also be covered in the paper.

Fmcg Sector In India

The FMCG industry is broad and includes important sectors like food and drink, household goods, personal care products, and health and wellness products. Due to rising demand for ready-to-eat goods and convenience foods, the food and beverage industry continues to be the largest. The market for personal care goods, such as skincare and hygiene products, is expanding significantly as consumers place a premium on natural and high-quality components. Essential household items like paper goods and cleaning supplies need to be managed well in the supply chain to guarantee steady availability. As people grow more health conscious and use more dietary supplements and over-the-counter drugs, the health and wellness market is growing. FMCG consumption has historically been concentrated in urban areas, but because to better distribution systems and growing wages, semi-urban and rural areas are now experiencing significant increase. Consumers' growing desire for ethically and environmentally generated products is driving businesses to embrace more environmentally

friendly practices, making sustainability a major trend. E-commerce's growth has further changed the FMCG market by giving customers more convenience and access to a larger selection of goods.

Personal Care and Hygiene

The most popular FMCG sector is personal care and hygiene, which also offers a large selection of goods that sell out fast. Let us take a closer look at some of the most important hygiene and personal care items. These necessary personal care items are used to keep oneself hygienic and clean. Shampoos, conditioners, body lotions, shower gels, soaps, and shaving supplies are all included. In addition, deodorants and perfumes are included as toiletries. Hair care products support the health and vitality of hair by cleansing, conditioning, and styling it. Shampoos, conditioners, masks, oils, serums, gels, and sprays fall under this category. These products target a range of hair types and issues, including frizz, dandruff, dryness, and hair loss. Dental hygiene requires the use of oral care products. These consist of teeth-whitening products, mouthwashes, toothbrushes, toothpaste, and dental floss. They encourage cleanliness and freshness by preventing gum disease, dental decay, and foul breath.

Challenges in FMCG Operations

The fast-moving consumer goods (FMCG) sector is renowned for its dynamic character, which includes fierce rivalry, fluctuating demand patterns, and ever-evolving consumer preferences. For FMCG companies, these variables provide serious difficulties, especially when it comes to successfully and efficiently managing operations. This essay will examine the three main issues that FMCG operations deal with: complex supply chains, short product life cycles, and demand instability. The term "demand volatility" describes the erratic swings in consumer demand for fast-moving consumer goods. Seasonal variations, shifting customer preferences, and external influences like the state of the economy and geopolitical events all contribute to this difficulty. For FMCG companies, controlling demand volatility is essential since it has a direct impact on distribution, production scheduling, and inventory management.

Future Trends and Opportunities

For FMCG companies to remain competitive in a market that is changing quickly, strategic operations management, or SOM, is crucial. Future trends and prospects in SOM for FMCG will be examined in this essay, along with new technologies, possible areas for innovation and development, and a prediction for the sector's SOM future. SOM procedures in the FMCG sector are changing as a result of emerging technologies like blockchain, robotics, and artificial intelligence (AI). Large volumes of data can be analyzed by AI and machine learning algorithms to improve supply chain visibility, increase demand forecasting accuracy, and optimize production schedules. In manufacturing and warehousing, robotics can automate repetitive processes, increasing productivity and reducing costs. Block chain technology can increase supply chain transparency and traceability, lowering the possibility of counterfeiting and enhancing product safety. IoT and cloud computing are two examples of technology that FMCG companies may utilize to build more responsive and flexible supply chains that can swiftly adjust to shifting market conditions.

METHODOLOGY

Emerging Trends and Opportunities

Some potential areas of focus for the research article could include:

Digital Transformation: The role of e-commerce, social media, and data analytics in shaping FMCG personal care marketing. Digital transformation in FMCG personal care marketing refers to the integration of digital technology into all areas of business, fundamentally changing how companies operate and deliver value to customers

Sustainability: The growing demand for eco-friendly and sustainable products in the personal care industry.

Personalization: The use of data analytics and AI to create personalized marketing campaigns and product recommendations.

Health and Wellness: The increasing importance of health and wellness in consumer purchasing decisions.

Augmented Reality (AR) and Virtual Reality (VR): The potential for AR and VR to enhance consumer engagement and product experiences.

FMCG personal care marketing research articles often focus on understanding consumer behavior, preferences, and loyalty in the fast-moving consumer goods sector.

Brand Loyalty: Building and sustaining loyalty through genuine relationships, transparency, authenticity, and social responsibility.

Digital Marketing: Leveraging digital channels to engage with consumers, promote products, and gather data-driven insights.

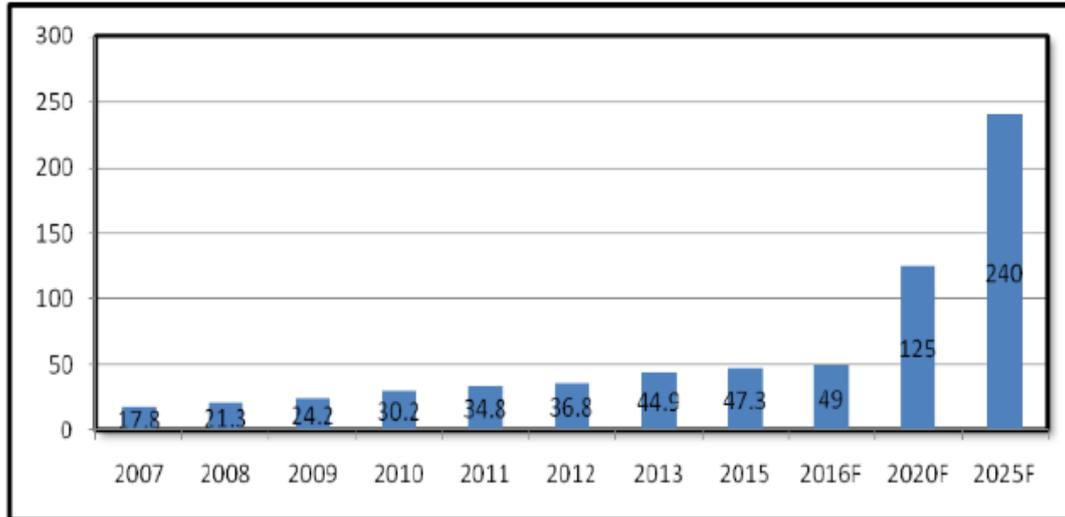
RESULTS & DISCUSSIONS

FMCGs account for a large portion of the average consumer's overall spending. Fast-moving consumer goods (FMCG), also referred to as consumer packaged goods (CPG), are goods that are bought with the intention of using them practically immediately. Products classified as Fast Moving Consumer Goods (FMCG) have a quick turnover and are reasonably priced. FMCG products typically need to be changed within a year. A broad variety of frequently bought consumer goods, such as toiletries, soap, cosmetics, oral care products, biscuits, drinks, and other non-durables including glassware, lightbulbs, batteries, paper goods, and plastic items, are examples of fast-moving consumer goods (FMCG). Pharmaceuticals, consumer electronics, packaged foods, and other items may also be included in FMCG.

Trends in FMCG sector

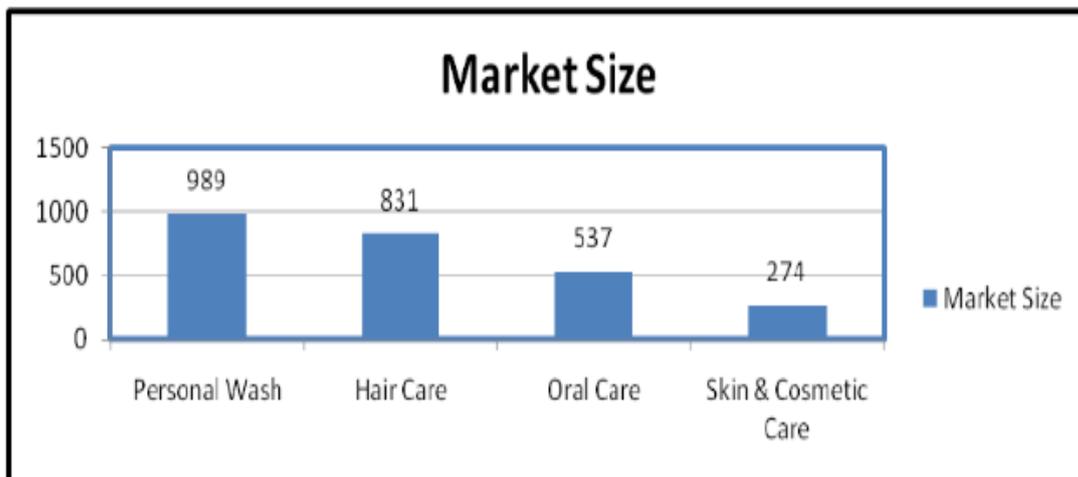
In India, FMCG has been one of the best-performing industries in comparison to other industries. In the short and long terms, it has produced greater returns than the majority of industries. With an estimated value of USD 185 billion, the FMCG sector in India ranks as the fourth largest in the economy. In 2015, the FMCG industry in India brought in USD 47.3 billion. (Figure 1) The sector is anticipated to achieve a CAGR of 11.9% in revenues over 2007–16F. The FMCG industry as a whole is anticipated to expand at a CAGR of 14%. Accordingly, it is anticipated that FMCG will grow by 1.8 times by 2020 (to 110–125 USD billion) and 3.6 times by 2025 (220–240 USD billion). From 2016 to 25F, the rural FMCG market is anticipated to grow at a compound annual growth rate (CAGR) of 14.6% to reach USD 100 billion. In 2015, the total amount of FMCG consumed in rural areas was USD 18.92 billion. India's retail market is predicted to rise from USD 60 billion in 2015 to USD 180 billion by 2020, with modern trade predicted to expand at a rate of 20% annually, which will probably increase FMCG businesses' profits. Three million people are being employed by the industry, which accounts for 5% of all factory jobs in the nation, particularly in rural and small towns in India. India's

FMCG sector is very fragmented, volume oriented, and characterized by poor margins, in contrast to Western markets that are largely controlled by a few number of powerful companies. The industry is highly competitive between organized and unorganized, has a well-established distribution network, and a significant presence of multinational corporations.

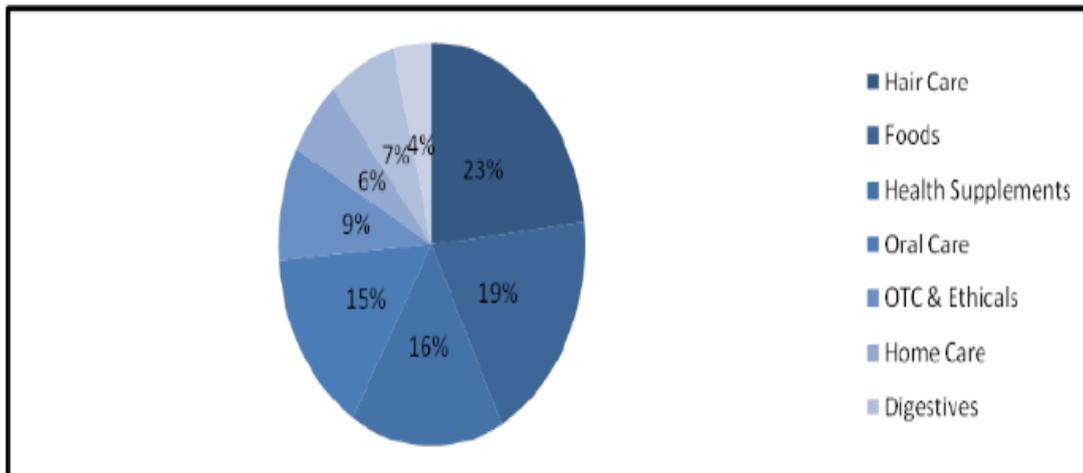


Graph: 1 Trends in FMCG revenues over the years (USD billion)

Personal Care: Cosmetics and toiletries, deodorants, perfumes, feminine hygiene, paper goods, hair care, oral care, skin care, and personal wash (soaps) are all included in the personal care category. Seventy-two percent of the hair oil market is made up of coconut oil. The market for hair care products can be divided into four categories: shampoos, hair gels, hair oils, and colorants and conditioners. With over USD \$1.8 million, personal wash and hair care products—the fundamentals of personal hygiene—have historically dominated the personal care market. In contrast to other personal care product categories, there has not been much demand for skin and cosmetic care goods. (Graph -2)



Graph 2 Personal Care Products' Market Sizes



Graph 3 Market Break up by revenue

Food and personal care make up two-thirds of revenues. Hair Care is the leading segment, accounting for 23.0 percent of the overall market in terms of revenue. Food Products is the second leading segment of the sector accounting for 19.0 percent followed by health supplements and oral care which has a market share of 16.0 percent and 15 percent respectively. (Graph 3)

CONCLUSION

The fast-moving consumer goods (FMCG) industry is changing dramatically as businesses realize how crucial sustainability is to ensuring a brighter future. The industry landscape is changing as a result of emerging trends like customer interaction, supply chain transparency, circular economy models, sustainable packaging, and creative product creation. FMCG companies may improve brand loyalty, lessen their environmental effect, and help create a more sustainable society by using these strategies. By offering consumers high-quality products at competitive prices, FMCG was able to stay onto its top spot. The primary factor that drives consumers to purchase FMCG products is quality. Another significant factor contributing to FMCGs' dominance in the consumer market is the launch of new products to meet consumer demands. FMCG products are typically consumed within a year and at brief intervals of days, weeks, or months. The short lifespan of FMCG products can be attributed to either high consumer demand or quick product deterioration. Buying FMCG products requires a variety of purchasing habits. A deeper comprehension of how customers view the recommendations was provided to the company, which aims to satisfy customers and meet their needs and expectations for the items.

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