

# **The Transformation of Marketing Mode of FMCG Industry under the Background of Epidemic**

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## **Abstract**

COVID-19 has suddenly swept the world, not only endangering people's health, leading to the shortage of medical resources, but also posing unprecedented challenges to the world economy and foreign trade, the first affected is the FMCG industry. With the prevalence of mobile Internet, combined with the epidemic as a trigger, more and more FMCG enterprises begin to realize that the traditional sales channels, brand promotion and other problems, the original marketing model can no longer meet the existing FMCG industry environment, transformation is imminent. With the global spread of COVID-19 as the background and the prevalence of mobile Internet as the realistic background, this paper analyzes the marketing situation of consumer goods enterprises, and gives suggestions on how to adjust the marketing model of consumer goods enterprises in the context of the epidemic and the Internet + environment.

## **Keywords**

COVID-19; Marketing Model; Transformation.

## **1. Introduction**

In 2020, a sudden outbreak of COVID-19 broke the original calm. Many countries were struggling with COVID-19, and medical resources and infrastructure were faced with unprecedented challenges. The arrival of the epidemic makes the consumer goods industry suffered a strong impact. Consumer goods are characterized by high frequency of customer purchase, less single consumption, impulsive purchase and low customer loyalty. Objectively, intensive contact between products and consumers is needed to increase sales. Therefore, in the past 20 years, FMCG production enterprises have been attaching great importance to sales channels and retail terminals. "Channel is king, decisive terminal" is regarded as a magic weapon by various enterprises. However, the spread of the epidemic has made it impossible for products to contact with consumers, seriously affecting the sales of FMCG enterprises. The new retail era has arrived, and traditional e-commerce companies have begun to actively enter the offline market due to the slowing growth of online shopping. Traditional electricity have traffic advantage, capital advantage and information technology advantage, and whether large supermarkets, traditional retail or small convenience stores, fresh supermarket, advantages and network advantages, the biggest advantage is the scene of the combination of the both sides can lead to more efficient supply chain efficiency and better consumer experience, it also embodies the trend of consumption upgrade. The COVID-19 has accelerated the transformation of the marketing mode of FMCG enterprises, showing signs of unmanned retail, losing the advantages of traditional sales channels, and changing the niche of consumer demand and personalized brand promotion methods.

## **2. The Situation of Marketing of FMCG Enterprises in Epidemic Era**

### **2.1. Losing the Advantage of Traditional Sales Channels**

"Brand vendors -- agents and dealers at all levels -- stores -- consumers" is the traditional sales channel of FMCG products. Before the rise of e-commerce platforms, FMCG enterprises have been using this sales channel. After the rise of e-commerce platforms, the channel model of "brand merchants -- e-commerce merchants -- consumers" has greatly shortened the links of product circulation, brought convenience to shopping, and attracted more and more consumers to place orders on mobile phones or computers. It is very convenient to get the products home. The reality of the epidemic situation, the emergence of new retail continued to impact on the traditional sales channels, retail terminals become more diversified, and the combination of online and offline greatly improved the consumer shopping experience and the efficiency of commodity operation. Due to the characteristics of FMCG itself, the main sales channel of FMCG is still dominated by various terminal stores, supplemented by direct delivery by e-commerce. However, the current terminal stores are different from the previous terminal stores. The new retail giants combining online and offline have a greater impact on FMCG enterprises. To sum up, the traditional multi-link sales channel chain is being squeezed, channel members are facing strong competition from the modern logistics and express industry, and various new retail terminals at the end of the channel are playing an increasingly important role in the discourse power. Due to the arrival of the epidemic, the intelligence and automation of terminal stores have been further intensified, and unmanned retail and mobile stores have become the trend of The Times.

### **2.2. Consumer Demand is Small and Personalized**

Now is an era of consumption upgrading, including product quality upgrading, product category innovation, and consumption experience upgrading. In the face of the post-80s and post-90s becoming the main consumer force of FMCG, the strategy of FMCG enterprises has to be adjusted. This generation grew up in the era of prosperous market economy and the Internet era, and the consumer psychology and consumption habits show the characteristics of individualization and niche. With the great development of e-commerce platforms, the turnover of e-commerce platforms represented by Tmall supermarket and Jingdong has increased rapidly. The development of e-commerce further strengthens the shopping psychology and behavior of post-80s and post-90s consumers to develop into a niche. From the case of Three Squirrels' rapid growth into a national famous brand relying on e-commerce, We can feel the importance of improving user experience and paying attention to niche consumer demand. Now the epidemic has urged the transformation of the FMCG industry, and the new retail has come again. It combines online and offline, complements each other's advantages, and improves the user experience in various shopping scenarios, which is more powerful than e-commerce and traditional retail, and can better attract the participation of the younger generation. Therefore, for FMCG enterprises, the status of traditional sales channels is undoubtedly declining, while the importance of brand, product and service for marketing is rising.

### **2.3. Brand Promotion Changes**

In the era of traditional media, traditional media such as TV, radio, newspaper and outdoor have always been the main position for FMCG enterprises to carry out brand promotion. After entering the era of mobile Internet, traditional media advertising business has received the huge impact of new media, from slowing growth turned into contracting, and at the same time, along with the mobile Internet technology and upgrade their technology and mobile information, such as social, video, electric business platform rapid expansion, the user attention turned to the mobile terminal. Mobile Internet new media advertising revenue growth rate is

much higher than traditional media. In recent years, the traditional FMCG enterprise TV advertising is stuck, but it is worth noting that the Jingdong, Tmall, Su Ningyi buy brand electrical products such as in the television advertisement supply growth is strong, electrical goods brand hope that through traditional media to further expand the attention of this platform and user traffic, television advertising is to attract consumers to use the shopping platform ticket. In the final analysis, where the user's attention, where the position of brand promotion. The arrival of the epidemic has also changed the traditional promotion strategies. New software such as Douyin, Xiaohongshu and Weibo have become the meeting place of the new generation of young people, and future brand promotion and release can also be considered in this sector.

### **3. FMCG Enterprise Marketing Mode Transformation in Epidemic Era**

#### **3.1. Adopt Diversified Promotion Methods**

The development of information technology has driven the derivation and expansion of the "We Media" industry. In the context of the Internet economy, the marketing strategies carried out through social software and other media platforms have been highly recognized by consumers and played a very important role in the transformation of enterprise marketing strategies. In the era of epidemic disease, it has become the consumption pattern of the new era to buy daily necessities without leaving home. FMCG enterprises can make full use of the network "We Media" platform to expand the scope of publicity and promotion of their products, so that consumers have a deeper understanding of the products. Moreover, it can also increase the channels of purchase, bring convenience to consumers and give their products more opportunities, so as to open the market of Internet users. This is also to enable enterprises to better adapt to the changes in the market environment, to better change the marketing strategy.

#### **3.2. Integrated Use of Online and Offline Integration, a Variety of Marketing Methods Integration**

Make full use of the integration of online and offline and a variety of marketing methods, based on customer demand, comprehensive application of a variety of marketing tools and means. In the era of network economy, single online or offline marketing cannot meet the rapid development of market changes. Therefore, in the face of differentiation and colorful market demands, offline and online integration has become the most effective marketing mode for FMCG enterprises. Generally speaking, offline experience, direct stores, community farmers' markets, personnel marketing, public relations, knowledge training, etc., are mainly used for customers face to face brand promotion and product sales support services. Online marketing mainly adopts TV, telephone, advertisement, newspaper, Internet, e-commerce platform, self-established official website, WeChat, Weibo, etc. Compared with offline marketing, online marketing has a more significant effect on the promotion of enterprise products and brands in the contemporary era when the network is so popular. If an enterprise wants to make its marketing successful, it needs to integrate online and offline, make overall consideration, and create profits for the enterprise while retaining customers. In addition, a fast disappear is the magic weapon of the successful enterprise another lies in the application of emerging technologies (big data technology, mobile communications technology, intelligence technology, etc.), introduced the experience marketing, intelligent marketing, word-of-mouth marketing and event marketing of the integration of a variety of marketing methods, further enhance consumer awareness and satisfaction of products and brands, increase sales and market share.

#### **3.3. Always Focus on the Customer**

In order to gain competitive advantages, FMCG enterprises should always focus on consumers because of their fast updating and iteration, low competitive incentive and low customer loyalty.

In the whole process of marketing, the products and services provided by the enterprises must be consistent with the existing and potential needs of the target consumers. Any production and operation activities must take into account whether they can meet the interests of consumers, whether they can help to improve customer loyalty, whether they can establish a long-term good interaction with customers and so on. FMCG enterprises should adhere to the concept of customer demand-oriented, from product development and production, to sales, and then to after-sales service, and pay attention to consumers' recognition and perceived value for the brand in every link. Through market research, understand the enterprise macro environment, competition situation and consumer demand and purchasing behavior, the characteristics of the combination of enterprise resource conditions, under the background of mobile interconnection, big data, using big data analysis, makes the consumer companies more in-depth understanding of the customers, the first indirect received market demand change, will be classified according to the demand of customer group differentiation, Customize the production of different FMCG products, adopt the membership system. At the same time, in the development of marketing methods, differentiated marketing means, such as experience marketing, intelligent marketing, event marketing, etc., are also carried out according to the needs of different consumers. These all reflect the high degree of importance FMCG enterprises attach to consumers.

#### 4. Conclusion

This paper studies the marketing mode transformation of FMCG enterprises in the context of the epidemic. Firstly, it analyzes the current situation of the marketing mode of FMCG enterprises. Secondly, it analyzes the marketing mode transformation of FMCG enterprises in the context of the epidemic and the prevalence of mobile Internet, which mainly includes the following aspects. (1) FMCG enterprises abandon the traditional sales channel of "brand owners - agents and dealers at all levels - stores - consumers" and make full use of the Internet and third-party media platforms. In the future, new retail, online channels and unmanned supermarkets will become the trend of The Times. (2) Fully adopt diversified promotion methods to comprehensively publicize the corporate image and its products. (3) From production to sales to after-sales, FMCG enterprises take consumers as the center and listen to their needs. (4) Integrate a variety of marketing communication means, comprehensively use experience marketing, intelligent marketing, word-of-mouth marketing, event marketing and other marketing methods, to present a clear, clear and unique corporate image to consumers, and improve customer satisfaction.

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