

## INFLUENCE OF ADVERTISEMENT STRATEGIES ON THE BUSINESS PERFORMANCE OF FMCG COMPANIES MARKETING INSTANT NOODLES

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### ABSTRACT

*This research paper focused on advertisement strategies adopted by FMCG companies Marketing Instant Noodles and their influence on their business performance. FMCG means fast-moving consumer goods which include goods that are produced, marketed, distributed, and consumed in a short period. The noodle industry is also a part of the FMCG sector. India is one of the largest consumers of noodles in the world, India ranked 4<sup>th</sup> in the world in terms of noodle consumption. To fulfil this increasing demand for noodles many noodles manufacturing companies increasing their production capacity in India and maximizing their marketing to reach a greater number of customers. Today if we see there is a lot of competition in every industry. To sustain in this competition and gain a competitive advantage over a competitor, every industry tries to expand its marketing strategies so that it can cover maximum market share in that particular segment. And same as in the case of the Noodles segment industry also. Advertisement can be done in various sizes, shapes, forms. Noodles manufacturing companies doing their advertisement in various ways like Print media, broadcast media, digital media, guerrilla marketing, outdoor media, etc. Each media has some advantages and some disadvantages. Advertisement has some features like they are paid one means we have to pay for showing our products advertisement on particular media. the cost of the advertisement varies from media to media, the company uses advertisement for promotion of the product and service offered by the company so that it can reach targeted customers and they take action accordingly, generally, advertisements are one-way communication where brands are communicating with the targeted customers through various medium, advertisements either nonpersonal like advertisements on TV, Radio, Newspaper, or personal like advertisements share through social media. Based on a line of penetration advertisement classified into above the line, below the line, through the line advertisements. Above-the-line advertisements are nontargeted and have a large reach. Below the line advertisements are specified with a particular group and through the line advertisement, there is the use of both above the line and below the line advertisement.*

**Keywords:** - FMCG companies, Instant noodles, Broadcast advertising, Print advertising, Outdoor advertising, Digital advertising.

### Introduction

Generally, the customer purchases any goods or services to fulfil their needs. A customer started their journey of purchasing anything with their needs, after knowing their needs they look for the product and service which can satisfy their needs. And the product they know or they hear about something they will think about them and the product which feel them interesting they will consider it for buying. Here our product is noodles which satisfy the hunger of customer. But the thing is how the company can generate interest in their product among customers? why customers choose the product of a particular company? Why does a customer consider the product of a particular company for buying? the answer to this all question lies in the advertisement strategies adopted by the company. According to Philip Kotler advertisement is "any paid form of non-personal presentation and promotion of ideas, goods, and services through mass media such

as newspaper, magazine, Radio, by an identified sponsor." How particular company advertising their product, what strategies are applied by companies to advertising their product, and how deeply the company generated brand image in customer mind which play important role in buying a particular product. Noodle companies use all the possible advertisement strategies for marketing their product, like print media marketing, digital media marketing, outdoor marketing, broadcast media marketing, Brand integration, etc. companies do advertisement with the objective of brand building, to create demand for the product, to increase sell of the product and service, to engage customer, to increase customer base, to change the attitude of the customer toward companies' product and service, etc. Advertisement helps companies in brand building, boosts existing customer base, attracts new customers, etc. But advertisements have some disadvantages also like it create confusion among customers sometimes, it

increases the cost of the product, sometimes advertisements mislead customers, and big organizations with great profit can afford advertisements as it is expensive in nature. In this report, we are focusing on advertisement strategies used by the top 5 Noodles companies of India, which are Maggi Noodles, Sunfest Yippie Noodles, Knorr soup noodles, Top Ramen Noodles, Wai Wai Noodles. Which strategies they are using, and the impact of their advertisement on their business performance.

### Literature review

B Balaji (2012) in his research paper he observed that The product launched in the market must have Unique Selling Proposition and they must show that USP in their advertisement also. This helps them to get success as Knorr advertises itself with a USP of soupy noodles. which helps it to get success in the market.

Krishna K. & Karthikeyan K. (2016) in their research paper they observed that the success of every brand depends on its brand awareness, sunfeast can increase its advertisement and can adopt sales promotion to increase its sales

Kaur P. (2016) in his research paper he observed that after a ban on Maggi noodles due to the excessive amount of lead contained in them, people become more aware of their health instead of taste. Though Maggi relaunch in the Indian market it is very important for it to follow the guidelines of content properly.

Puntambekar G & Pandey M (2016) in their research paper they observed that the sale of Maggi noodles after relaunch is increasing month on month. Maggi uses effective marketing strategies, sales promotion, influencing and attractive slogan, emphasis on health and quality of the product.

Jain A. (2016) in her research paper she observed that people are more concerned about their health in context with ready-to-eat products like noodles. When Maggi got banned in India Patanjali launched its atta noodles which are considered healthier and many customers of Maggi shifted toward Patanjali noodles in 2016 though after relaunch Maggi recovers its market share.

Shrestha M. (2018) in their research paper he observed that Wai Wai noodles are done

market research before launching their product in a particular area. And based on their research, they launch their products in that region. Wai Wai has great sell in the Northern and northeastern regions of India. And Wai Wai can increase their marketing in other parts of the country also.

Chaturvedi M & Prasad H (2018) in their research paper they observed that Ups and downs are common in business as Nestle is concerned about who is leading the food and beverages industry worldwide, especially Maggi take into accounts advertisement are very influencing and they are the backbone in the great business of Maggi.

Guruprasad & Tandon V. (2019) in their research paper they observed that after the relaunch of Maggi many people purchase Maggi not because of its price and taste but people have become so brand loyal to Maggi that they buy Maggi blindly after its relaunch in India.

### Research methodology

#### Research objectives

- To study the business scenario of FMCG companies marketing Instant noodles.
- To study the different advertisement strategies adopted by the top 5 noodle marketing companies in India.
- To study the influence of advertisement strategies on business performance of the companies
- To study which method of advertisement is most effective for a noodle company In India.

#### Secondary Data Analysis

This research paper is based on secondary data. The data is collected from Top 5 Brands' official websites, blogs, educational websites, news articles, etc. Here are the top 5 Noodles Brand in India

1. **Maggi Noodles:** - Noodles get the name Maggi after the name of Julius Maggi, who firstly prepared ready to make products with his colleagues Fridolin Schuler. Which called 'Maggi soup' Which become very popular among women who didn't get time for cooking as they working in factories, after this liquid seasoning Julius Maggi launched packaged Leguminous

flour which is easy to make and nutritious also but it didn't perform well in the market. In 1947 food giant Nestle decided to acquire Maggi, and hence Maggi becomes part of Nestle. After the acquisition of Maggi, 'Nestle' focused on producing such products which make Maggi a trusted brand among people. In 1961 Nestle started its Indian subsidiary and first manufacturing unit in Moga, Punjab. At present Nestle have 5 Maggi production plant in India at Pant Nagar, Moga, Tahliwal, Bicholim, and Nanjangud. When Maggi launch in India it faces many challenges, because of Indian's food psychology. Firstly, nestle tried to promote Maggi for working women as done by Julius Maggi. For that Nestle done large media marketing but, they didn't get a good result. Then Nestle India Limited (NIL) researched the positioning of Maggi Noodles in India. With media marketing, nestle started doing outdoor hoarding pasted on public vehicle marketing and giving free samples at public places under sales promotion. and Maggi covers 90% market share in 2014. In 2020 Maggi have a 60 % market share, present following advertisement strategies used by Maggi in India

**Broadcasting Media advertisement:** -In 2015 Maggi ban in India because of misrepresenting taste-related issues such as monosodium glutamate. After the ban on Maggi, it is the biggest challenge behind parent company Nestle how to relaunch it in the market? They started with the advertisement on Television by changing their brand message along with "2-minute Maggi". After the relaunch of Maggi, Nestle India limited decided to done Media marketing at a huge rate. To Increase their Brand value in the Market which gets Malign due to ban in India. In media marketing, they use various emotional advertisements, Nostalgic advertisements, with the message of special food for special people, how Maggi is the connecting agent of senior college students with junior college students, how Maggi can refresh you, etc.

**Print media advertisement:** -After the relaunch of Maggi in India Nestle done Print

media Marketing to reach the maximum number of customers. In print media marketing Nestle point out that "Your Maggi is safe, has always been" to gain the attention of targeted customers.

**Digital advertisement:** -After the relaunch of Maggi in India parent company plans to enter the market through Digital media also. For that Nestle India runs the "we miss you too Maggi" campaign which has become very popular among people. Maggi has a youtube page that has 5.65 lakh subscribers at present, Maggi has a Facebook Page with 17,838,747 likes till now, Maggi India is one page on Instagram with 60.4 thousand followers. Maggi has a presence on LinkedIn also.

**Outdoor advertisement:** - Maggi have hoardings in public places, stickers on public vehicles, at bus stops, and railways stations in metropolitan cities.

**Influence of advertisement strategies on business performance of Maggi:** -After the ban on Maggi in India the sale of Maggi goes down sharply. The major challenge in front of Nestle India is how to engage the targeted customer and improve brand value in the market. After Maggi gets permission from the court it plays the marketing card very smartly. They use each medium for marketing and engage the customer in a very large amount and get benefits from it. Creative TV advertisement impose on customers mind and digital media marketing help Maggi to attract youth in large number. And we can say by 2020 Maggi recover from the ban in 2015, in 2020 Maggi cover 60% market share in India.

**2. Sunfeast Yippee Noodles:** - Yippee Noodle is fully the own brand of Indian company ITC. ITC manufactures Noodles under one of the famous brand names sunfeast which launch by the company in 2003 for biscuit manufacturing. In 2010 sunfeast launch its Noodles. In 2010 Maggi covers a large share of the market and Maggi have only a single taste product. To compete with Maggi, yippee launch Noodles with various flavours and tastes. ITC has India's number 1 atta product namely 'Ashirwad atta' which helps to create delightful noodle blocks for Sunfeast.

Sunfeast launch yippee noodles firstly in Bengaluru city of Karnataka state. the variant of these noodles launched in the same state. At present yippee have a manufacturing plant at Pune, Bengaluru, Kolkata, and Haridwar. Previously sunfeast is well known for quality biscuits and they maintain the same vocal for the noodle category also. They manufacture noodles with high quality and safety. Because of the parent company of Sunfeast Yippee that is ITC its distribution network all over India is very strong. Because of strong competition sunfeast yippee have a competitive pricing strategy. Following the Advertisement strategy used by sunfeast yippee.

**Broadcast Media advertisement:** -Yippee does marketing their noodles through TV advertisements and radio advertisements. In advertisements mostly have kids and focusing on various masala of yippee with noodles. Yippee has various flavours like they have nonveg noodles, (wow chicken), mood masala, etc. they try to engross consumers' attention with various masala noodles provided by yippee. And they have Mahendra Sing Dhoni as an ambassador for yippee noodles

**Digital media advertisement:** -Yippee noodle does their marketing through their various social media handles, like Facebook, Twitter, Instagram, and youtube and to attract a large number of customers yippee launch various contests like "win your wish every day, every minute "

**Print media advertisement:** -Yippee have an advertisement in newspapers, they have hoarding and banners in a public place which helps to create a brand image of yippee in mind of individual

**Outdoor advertisement:** - Yippee uses outdoor advertisement strategies for that they use hoarding in public places, banners informing about sales promotion strategy of yippee to gain a greater number of customers.

**Influence of advertisement strategies on business performance of sunfeast yippee noodles:** -In 2020 Yippee noodles cover about 20% market share, as compared to the previous year it is increased by near about 30%. Sunfeast yippee focused on quality and health

in the advertisement which helps it to grow by 30% in a year.

**3. Knorr soupy noodles:** -Knorr is a company founded by Carl Heinrich Theodor Knorr, In 1838. Knorr makes a revolution in the soup industry. Knorr opens a company with intention of providing chicory to the coffee industry but with his experiments on dried vegetables with preserved value, he became successful in preserving food value and flavour. Then Knorr launched its first soup and one by one he launches 10 different soups which got a good response. In 1957 Knorr marketed its soup in 8 countries but by 2000 Knorr acquires a market share in 90 countries. Knorr launched in India in 1996 with 10 exotic flavours of soups. In 2000 Knorr was acquired by FMCG giant Unilever, which is a milestone for Knorr. At present Knorr have 20 different soup brands in the market with some international delicious soups like Mexican tomato corn, Italian mushroom. In 2010 company launch a soupy noodle product which is one of the USP (unique selling proposition) of Knorr soupy noodles. For the Indian market, Knorr launches soupy noodles with Indian spices and Indian taste. Knorr uses the following advertisement strategies,

**Broadcast media advertisement:** -Knorr uses TV advertisements in large amounts for marketing purposes. Knorr uses an aggressive marketing strategy in their advertisement. Which generates attention toward the viewer of the advertisement. Knorr has Kajol Devgan as their ambassador for their soupy noodles. To some extent, Knorr has radio advertisement, as Knorr has strong competition from Maggi noodles and Yippee Noodles Knorr uses both Radio and TV to maximize their reach

**Print media advertisement:** -In print media marketing there are newspapers, Hoarding, billboards, Magazine, etc. Knorr uses all these print media for its marketing

**Digital media advertisement:** -Knorr uses digital media for marketing, knorr has a youtube channel with the name 'Knorr India' they have 58.4 thousand subscribers and a large number of viewers. Knorr has one Facebook page Knorr India with 340681 likes, Knorr is also on Instagram and Knorr also runs

their campaign on their social media handles like "Kha Ke Pio Ya Pi Ke Khao" which gain the attention of the audience.

**Influence of advertisement strategies on business performance of Knorr soupy noodles:** -Knorr is focused on providing noodles with natural content without preservatives which helps to maintain the taste of noodles. Knorr is more customer-centric than profit. It shows good performance in strong competition in the instant noodle segment, their campaign 'Kha Ke Pio, ya Pi Ke Khao' grabs more attention toward soupy noodles. TV advertisement helps them to cover the market.

**4. Top Ramen Noodle:** - Top Ramen noodle is a brand of food giant Nissin launched under the agency name Dentsu. Nissin distributed their Noodle under the distribution network of Marico. In 2008 the mutual alliance between Nissin and Marico was called off, and Indo Nissin started distributing Top Ramen Noodles through their distribution channel in India. Top Ramen advertise their noodle with uniqueness called "Smoodle" which means smooth noodles. Top Ramen uses the following advertisement strategies

**Broadcasting Media advertisement:** -Top Ramen has Sania Nehwal as their brand ambassador. The advertisement of top Ramen mainly focused on energizing kids, When Top Ramen launched in India it has only one competitor that is nestle Maggi and at that time TV is the most effective tool for advertisement. Top Ramen launch various flavours in noodles any gain a competitive advantage over Maggi.

**Digital advertisement:** -Top Ramen launched eat saucy campaign on their social media handles like youtube, Instagram, Facebook, etc.

**Guerrilla advertisement of Top Ramen Noodles:** -Top Ramen Noodles use a unique and interactive technique for marketing which grab the attention of many people and which is cheaper that is guerrilla marketing, for their cup noodle with large cup located in a public place with noodles in it and Top Ramen name on it.

**Influence of advertisement strategies on business performance of Top Ramen noodle:**

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At the time when top ramen launched in the market, it covers the maximum market share. Their advertisement becomes an effective tool for them. But with time yippee, Knorr comes into the market and Maggi Regains its market share with effective marketing. Guerrilla marketing is one of the effective marketing tools used by Top Ramen. Top Ramen can increase guerrilla marketing strategies.

**5. Wai Wai Noodles:** - Wai Wai Noodles is the product of CG Corp Global, whose headquarter is in Nepal. In 1980 CG Corp Global started their noodle product in Nepal, with two flavours that is chicken and vegetarian masala. Wai Wai gets popular in India also so CG Corp started its manufacturing plant in Sikkim. Today Wai Wai noodles cover market share in 80 countries, with 20 different flavours. Wai Wai noodles become very popular in India with their first campaign 'anywhere', 'anytime', 'anyhow' as the noodle does not need to cook like another brand in the market. following advertisement strategies of Wai Wai noodles.

**Broadcast advertisement:** - Wai Wai noodles launch a very successful campaign Through TV advertisement which helps the company to attract targeted customers in recent years Wai Wai launch the "Munch it, Soup It, Lunch it" campaign which mainly to gain the attention of youths.

**Guerrilla advertisement:** -To increase the reach of Wai Wai noodles they use guerrilla marketing tactics in which they created a city called "City of Wai Wai" in Hauz Khas village near Delhi. The main intention behind this is to build a cool hangout place for youths. Where they can get all the products of Wai Wai in discounts and have some chat with friends. Wai Wai has about 30 outlets of restaurants in India and Nepal.

**Social media advertisement:** -Wai Wai have various social media handles like youtube, Instagram, Facebook, etc, where they share their campaign and information about newly launched products

**Influence of advertisement strategies on business performance of Wai Wai noodle:** - Wai Wai covers a very large market share through their innovative products and their

innovative marketing strategies. Wai Wai is very popular in the Northern, and northeastern parts of the country because of their interactive guerrilla marketing strategies. TV advertisement helps them to cover some markets in another part of the country also.

### Findings

- Nestles Maggi is the largest selling brand In the Noodle segment in India. It covers about 60 % market share in India. After research on marketing strategies of noodles In India, it is cleared that Nestle Maggi Uses marketing strategies very effectively. So that they cover very large market India.
- Sunfeast Yippee is the second largest selling brand in the noodle segment in India. Sunfeast have a large scope to expand their marketing so that it can increase its reach to a targeted audience.
- Knorr soupy noodle is the unique noodle type available in the market and Knorr uses marketing strategies very effectively. They run the campaign "Kha Ke Pio, Ya Pi Ke Khao "which is a very attention-capturing campaign. Knorr can improve its marketing so that it grabs more market.
- Top Ramen has Launched its Noodles in the market with the different and unique word "smoodle" which means smooth noodles in the advertisement campaign they use 'it is not noodle it is smoodle' to gain the attention of people so that people can try their noodle and love it. Top Ramen can increase its guerrilla marketing with other marketing strategies so that it can improve its market share.
- Wai Wai noodles launched their unique noodle which does not need to cook, just

buy a packet and eat it. Wai Wai has anytime, anywhere, anyhow, campaign and "much it, soup it, lunch it "campaign for promoting their noodles and Wai wai grab the attention of many customers by providing Wai Wai restaurant with a cool hangout place for many youths with their friends in the northern and north-east part of India. Wai Wai can increase the number of their hangout places in other parts of the country also. So that they can increase their reach and maximize their market share.

### Conclusion

In this research paper, we have seen the advertisement strategy of the top 5 noodle companies in India and its influence on their business performance. In this, we see that though Maggi faces some complications in India in 2015 by 2020 it regains most of the market. And today Maggi covers about 60% market share in the noodle segment in India. We can say that in the success of Maggi, Marketing plays a vital role. Television advertisement is one of the most effective advertisement ways for noodles companies in India. If the product of the company is good but Marketing is not done effectively then the company cannot perform well. All other companies, Sunfeast Yippee, Knorr soupy noodles, Top-Ramen, Wai Wai noodles can increase their marketing so that they can reach a greater number of customers. The Guerrilla marketing strategy of Wai Wai and Top Ramen is one of the effective tools of marketing they can increase this technique to reach the maximum number of customers.

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