

# TRENDS IN STRETEGIC MARKETING, CONSUMER BEHAVIOR, AND CORPORATE RESPONSIBILITY

Ayaan Naqvi, Aadil Khan, Prof. Hansika Disawala





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*Ayaan Naqvi, Aadil Khan, Prof. Hansika Disawala*

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## CHAPTER 1

### EXPLORING SEASONAL MARKETING IN THE TRAVEL INDUSTRY: A COMPREHENSIVE REVIEW

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#### ABSTRACT:

Seasonality is an important part of the travel and tourism industry. It means that businesses plan their strategies to match what customers want, helping them make more money throughout the year. Tourism demand changes with the seasons, so companies should create their marketing plans based on what travelers want and expect during different times of the year. The study looked at different ways travel companies take advantage of seasonal trends. This includes changing their marketing messages for specific campaigns, sending out special offers that are only available for a limited time, and changing their products to match the features of each season. Things like the weather, school breaks, and cultural events often influence people's travel choices. Because of this, businesses need to know what factors affect these choices so they can create effective marketing strategies. For example, some places for winter sports get a lot of bookings ahead of time in the winter, while tropical beach resorts get crowded during the summer vacation. Also, holidays like Christmas and New Year make people want to find special travel experiences, which allow for themed deals and products. Finally, digital marketing helps seasonal campaigns by increasing social media interactions, working with influencers, and using data to target specific customers better. Travel companies can look at customer data to create special offers tailored to different groups, focusing on their travel habits and preferences during different seasons. Also, using flexible pricing helps businesses make more money by adjusting prices based on changes in demand during the year. Besides how much money people have and general trends in the economy, businesses need to understand how people's travel habits change with the seasons. This will help them be flexible and respond to these changes. This paper looks at the overall situation to give ideas on strong seasonal marketing strategies that travel companies can create to better connect with customers and help their business grow. This study looks at real examples and existing studies to share the best ways and new ideas for seasonal marketing in the travel and tourism industry.

#### KEYWORDS:

Advertising, Businesses, Companies, Seasonal Marketing, Marketing.

### 1. INTRODUCTION

Seasonal marketing means doing marketing according to different times of the year. The goal is to take advantage of how people behave and what they like during those seasons. This is especially important for the travel and tourism industry because the need for travel goes up and down. This change is influenced by different seasons, holidays, school breaks, and local events. Knowing how seasons change helps travel companies build strong relationships with their target customers. This allows them to make the most of their marketing efforts during busy and slow times, which can increase profits throughout the year [1]. Most travel and tourism businesses experience changes in demand during the year, which is called seasonality. For example, a ski resort in the Alps or the Rocky Mountains is very popular in the winter. On the

other hand, the Caribbean and Southeast Asia will welcome many visitors during their summer seasons, as tourists come to enjoy the warm weather and sunny beaches. The same goes for cities that are popular for their culture. For example, if a city is famous for certain festivals or historic places, it may have its busiest times during important cultural or religious celebrations. Seasonal changes create both chances and difficulties for travel, so businesses need to plan and carry out their marketing strategies well. Seasonal marketing is more than just advertising during busy times of the year. For example, people often travel during the holidays, especially in winter, because they want to escape the cold or enjoy the holiday spirit.

Summer trips are usually about fun family vacations, outdoor activities, and exploring new places when it's warm outside. Travel companies can create strong stories and marketing messages by using this type of inspiration to connect with what their audience wants during travel seasons. The use of digital technology and data analysis in seasonal marketing has become more important [2]. Digital marketing platforms and tools help travel companies gather and analyze a lot of information about what consumers like, how they behave, and their booking habits. This allows them to create very specific marketing campaigns tailored to each consumer based on their past actions and expected needs. For example, if a family booked a beach resort for their summer vacation last year, they would get a special discount for booking early at the same place again, based on what they liked. Dynamic pricing is when prices change based on how much people want something and other factors. It's often used in seasonal marketing.

This plan helps businesses make more money during busy times by raising prices when demand is high. They also hold sales with lower prices during slow times to bring in more customers. This is very important for travel businesses because there is a lot of competition, and customers often care a lot about prices [3]. Working together with local businesses and tourism groups can make seasonal marketing campaigns stronger. Package deals from travel companies include hotels, flights, and local attractions, which help improve customers' travel experiences. For example, a winter vacation package might have lower prices for hotels, ski passes, and meals. This makes it more appealing to travelers, who might choose to go when these deals are available. Seasonal marketing is very important in the travel and tourism industry. It helps businesses connect their strategies with what customers want, allowing them to take advantage of busy times when demand is high [4]. Travel companies can create very successful advertising campaigns that connect with their target customers and help their business grow by using important details about seasonal travel, along with smart marketing strategies based on data. Given this situation, the industry needs to adapt to future changes by using new and flexible approaches for seasonal marketing.

## 2. LITERATURE REVIEW

Momani *et al.* [5] discussed the effect of seasonal changes on mouse tourism in Jordan. Seasonal tourism is when the number of tourists changes based on the weather and other factors. It refers to how visitors decide to travel because of things like the climate and different events. Most tourist places around the world experience changes based on the seasons. Places that have big changes in visitors throughout the year often deal with problems. During busy times, they may have high prices, too many people, and not enough facilities. In quieter times, they struggle with fewer tourists, fewer services, and not enough jobs. This article aims to study how the demand for MICE tourism in Jordan changes with the seasons. In this study, researchers used a study to collect information from 331 people. These people were tourists, both from the country and other countries, who visited Amman, stayed in a hotel for at least one night, and took part in meetings, incentives, conferences, and exhibitions (MICE activities). They chose who to study using a random method that didn't involve probability. We



analyzed the data using SPSS version 24 and Smart PLS software. The study showed that both political and economic seasonal changes have a big positive impact on MICE tourism.

Fernández-Morales *et al.* [6] discussed the analysis of seasonal tourism demand and its implications for marketing strategies. This paper looks at how different times of the year affect tourism in the United Kingdom, especially in England. It focuses on where the tourists come from and why they travel. The method used breaks down the Gini index, making it easier to see how different parts affect each other. This helps to find market groups that are ready for marketing efforts that happen at different times of the year. This method has been used with a visual technique called a biplot, which organizes groups based on their seasonal patterns. Seasonal trends in different parts can vary a lot when looked at separately. So, it's important to break things down into smaller parts when creating strategies for dealing with different seasons. This study looks at places in Britain, but the way it was done can also work for other places. It can help check and adjust local tourism marketing to reduce the ups and downs of tourist seasons. This means focusing on getting the kinds of tourists who aren't affected by seasonal changes.

Gómez *et al.* [7] discussed seafood systems through a social network analysis case study of cuttlefish marketing in Catalonia. New ideas in seafood marketing have increased a lot. Fishing companies and seafood distributors are coming up with new ways to deal with shortages, uncertainty, and climate change. Wholesalers and retailers use social media sites like Facebook, Instagram, WhatsApp, Twitter, YouTube, and TikTok to share information about the benefits of fish products. This study looks at how cuttlefish is sold in Catalonia (Spain) and who is using social media. The method uses a mix of studying social networks, observing online communities, and analyzing information from both structured and open-ended interviews and pictures. The results show a contradiction between the value of seafood that is local, nearby, and in season, and the market values that focus on convenience and easy access. The popularity of food culture has increased the demand for cuttlefish, leading to more variety in the market and growing competition among buyers and sellers.

Neelima *et al.* [8] discussed the efficiency and challenges of various egg distribution channels in the East Godavari District of Andhra Pradesh, India. In this study, we tried to look at how effective different ways of selling eggs are and what challenges farmers and sellers face in the East Godavari area of Andhra Pradesh. The study used information gathered from 90 poultry farmers and 30 people involved in marketing from two randomly chosen areas in the East Godavari district. Interviews with these individuals took place in 2018-19.

The people who answered the questions were chosen using a method called multistage random sampling. In the study area, four main ways to sell products were found compared to Channel-I's score of 2.66 and Channel-III's score of 3.45. Producers faced major marketing problems like big changes in egg prices, middlemen taking advantage of them, buying habits that depend on the time of year, and the spoilage of eggs.

Kovač *et al.* [9] discussed the role of marketing mix components as crucial in promoting and selling fashion products. Big and quick changes in the retail market, especially for fashion products, mean that companies need to always pay attention to create the best marketing mix. This paper aimed to study how important different parts of the marketing mix are for selling fashion products in Croatia. To achieve this, a study was done with 537 people. It was done using an online questionnaire that was shared on Facebook and also sent by email. We used SPSS software to process the data. The study shows that consumers care most about the overall features of the clothing range in fashion stores. The study shows that customer services are not as important, and price is the least important part of selling fashion in stores. The study

indicates that how a retail store looks and feels is not very important for selling fashion products. The proximity of clothing stores is important primarily due to their distance from residential areas.

### 3. DISCUSSION

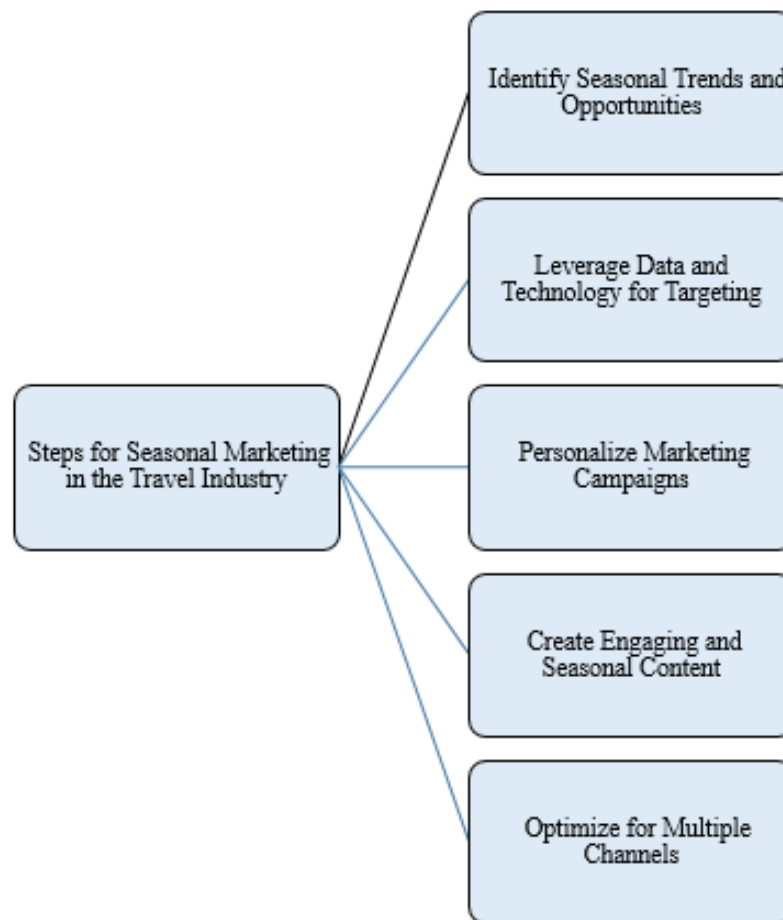
Travel and tourism businesses see big changes in how many of customers they have throughout the year. These changes are influenced by holidays, the weather, and local events. This seasonal pattern of demand is important for figuring out how to serve customers and understand what the target group likes and how they buy [10]. Busy times happen during summer vacations and winter holidays when more people want to travel and book trips. People often book their trips during school holidays, holidays, and nice weather because they want to travel then. Travel companies that understand these trends will be able to set their prices wisely and use their resources effectively. For example, plane tickets and hotel prices usually go up during busy travel times because many people want to travel. Shoulder seasons are times when fewer people want to buy or use something. During these times, businesses need to take steps like offering special deals or discounts to bring in travelers.

These actions help keep costs down while running operations and also lead to profits because the customers who were won over might have chosen to put off their travel plans. Another widely used method is dynamic pricing, which allows prices to change based on supply and demand. Knowing how past data and changes in time affect the market helps them make better choices about raising or lowering the rate. It helps make more money during busy times and keeps the business strong during quiet times [11]. Most importantly, good inventory management is key to making sure occupancy levels are high and preventing losses during slow periods. Impact of Seasonal Marketing Plans Seasonal marketing is a powerful way to affect how people buy things and make reservations. Studies show that many travelers are affected by seasonal deals when planning their trips.

For example, special holiday promotions make people feel excited to book quickly for exclusive deals. These promotional activities could include special savings, limited-time offers, or extra benefits for customers. Seasonal campaigns that match specific seasonal trends help attract customers and build loyalty. For example, travel companies will run advertising campaigns during holidays like Christmas or Thanksgiving to promote family travel experiences. The programs match what people feel they need and also consider how long they might live and how they spend their money during these times [12]. Also, social media is great for sharing special deals during certain seasons and talking with people who might want to travel, which helps reach more people. Seasonal marketing can work well for businesses that sell to other businesses because it attracts the types of customers those businesses want. In seasonal marketing, businesses create messages that connect with different types of travelers, like families or couples.

In the future, using technology in seasonal marketing will be really important for companies to do well in the travel industry. Improvements in AI and data analysis help companies understand what customers want. They can use this information to improve their marketing. For example, AI programs can analyze lots of data to find patterns and trends in what consumers like. Businesses can use this information to create targeted marketing campaigns. Personalization will be one of the biggest trends in seasonal marketing in the next few years. Because of this trend, shoppers are noticing more offers that match their interests and likes, and these are happening more often [13]. Travel companies that help with this will see more people interested and more people making purchases. For example, sending travel emails that are tailored to each customer based on their past behavior can help build loyalty and create a stronger connection

with them. Changing marketing strategies is another increasing factor in how sustainability affects travel decisions. People are becoming more aware of how their travel affects the environment. They are looking for eco-friendly travel choices and prefer companies that practice sustainability and promote responsible tourism [14]. Travel companies that highlight these values in their seasonal marketing are likely to improve their brand image and attract more environmentally conscious customers. As the travel industry continues to evolve in an increasingly digital and socially conscious world, the use of advanced technology in seasonal marketing strategies is becoming not just a trend but a necessity. Companies operating within the travel and tourism sector must adapt to a fast-changing landscape where consumer preferences are influenced by technological innovation, personalized experiences, and a growing awareness of environmental sustainability [15]. Leveraging advancements in artificial intelligence (AI), data analytics, and targeted communication will be vital for businesses that wish to stay competitive, attract loyal customers, and build long-term relationships. Figure 1 shows the Steps for seasonal marketing in the travel industry.



**Figure 1: Shows the Steps for Seasonal Marketing in the Travel Industry**

In recent years, the integration of technology into marketing strategies has transformed how companies interact with their customers. In particular, seasonal marketing, which is defined by time-sensitive campaigns tied to holidays, weather patterns, or travel seasons, is being enhanced by technologies that allow for greater efficiency, targeting, and measurement of success. Artificial intelligence plays a central role in this transformation. AI-powered tools can process large volumes of customer data in real time, uncovering insights that were previously

difficult or impossible to obtain. By analyzing consumer behavior patterns, search histories, past purchases, and even social media activity, businesses can build comprehensive customer profiles [16]. These profiles enable companies to predict future behaviors and preferences, helping them craft more relevant marketing content. For instance, a travel company might use AI to identify that a particular customer tends to book beach holidays in the winter months. Using this insight, the company can automatically generate and send personalized promotional emails featuring sunny destinations, hotel deals, and flights to coastal regions. These tailored recommendations increase the likelihood of conversions by resonating more deeply with the recipient's interests. Real-time data analytics allows companies to track the effectiveness of their seasonal campaigns as they unfold. This dynamic feedback loop helps marketers adjust their strategies mid-campaign, testing different messages, visuals, or offers to determine what resonates best with various customer segments. As a result, travel companies are not only able to optimize their return on investment (ROI) but also provide more relevant and timely experiences to their audiences.

Among the most prominent trends expected to dominate seasonal marketing in the coming years is the push toward hyper-personalization. Consumers today expect more than generic advertisements; they want experiences that are tailored to their preferences, lifestyles, and past behaviors. The rise of digital technology, combined with customer expectations for relevance and immediacy, has made personalization a cornerstone of modern marketing strategy [17]. In the context of the travel industry, personalization can take many forms. For example, sending individualized travel itineraries based on previous trips, offering loyalty rewards based on a user's travel frequency, or curating destination suggestions that match a user's search behavior are all methods of creating a more engaging customer journey.

One of the most effective personalization tactics involves email marketing. A well-crafted email campaign that reflects the recipient's past behavior, such as destinations they've browsed or types of vacations they prefer, can significantly increase engagement rates. Emails might include exclusive offers, reminders about previous interests, or curated content like travel blogs and customer testimonials [18]. These efforts can strengthen emotional connections with the brand, improve customer loyalty, and ultimately lead to increased conversions. With the integration of machine learning, travel marketers can now anticipate what a customer might want before they explicitly search for it. For example, a user who frequently books family vacations might receive early access to school holiday deals, while a solo traveler may get personalized suggestions for wellness retreats or adventure travel options.

Personalization also contributes to a seamless omnichannel experience. Whether a customer interacts with a brand through social media, a website, or a mobile app, consistent and relevant messaging across platforms helps reinforce the brand's value proposition and increases trust. For travel companies, this translates to more bookings, greater brand affinity, and enhanced customer retention. While technology and personalization are revolutionizing how companies approach seasonal marketing, there is another equally important shift occurring in consumer behavior: the rising demand for sustainability in travel. As awareness of climate change and environmental degradation grows, travelers are becoming more conscientious about their choices and the impact of their journeys.

This shift in values has profound implications for how travel companies market their offerings. Sustainability is no longer a niche concern but a central factor in many consumers' decision-making processes. Seasonal campaigns that ignore this reality risk alienating a growing segment of eco-conscious travelers. To adapt, companies must not only practice sustainability but also effectively communicate their efforts to consumers. This can include highlighting eco-friendly accommodations, promoting carbon-offset programs, supporting local communities,

or showcasing certifications like "Green Tourism" or "EcoLabel." Marketing messages that emphasize these values resonate strongly with consumers who are looking to make responsible travel decisions without compromising on experience or comfort.

In addition, storytelling plays a vital role in sustainability marketing. Sharing authentic narratives about how a company supports local ecosystems, reduces its carbon footprint, or collaborates with indigenous communities can humanize a brand and foster a deeper emotional connection with travelers [19]. These stories can be shared across social media, blogs, or seasonal marketing emails, enhancing brand authenticity and credibility. Importantly, sustainability can also be incorporated into loyalty programs. For instance, companies might offer incentives such as discounts for travelers who choose eco-friendly travel packages or provide donations to conservation efforts for every booking made. These initiatives not only align with consumer values but also differentiate brands in a highly competitive marketplace.

The convergence of these trends, technological advancement, personalization, and sustainability requires travel companies to rethink their seasonal marketing strategies from the ground up. No longer can businesses rely on mass messaging or traditional advertising methods to attract customers during peak seasons. Instead, a more nuanced, agile, and customer-centric approach is needed for digital tools, marketers can collect real-time input through studies, reviews, and social media interactions [20]. By understanding how customers perceive their messages and experiences, companies can iterate and refine their strategies to be more effective. Seasonal campaigns must also be responsive to external factors such as global events, economic shifts, and public health considerations. For example, during the COVID-19 pandemic, many companies had to pivot quickly, focusing on local travel, flexible booking policies, and safety protocols.

Marketers must embrace the potential of emerging technologies such as virtual reality (VR) and augmented reality (AR) to enhance the travel planning experience. Offering immersive previews of destinations or accommodations through VR can excite and inspire potential travelers, making them more likely to book. Similarly, AR features in mobile apps can help travelers navigate new locations or learn about cultural landmarks in real time, adding value beyond the booking phase. The future of seasonal marketing in the travel industry lies in embracing the full potential of technological innovation, delivering deeply personalized experiences, and aligning brand messaging with sustainability values. These elements are not isolated but interconnected, each reinforcing the other in creating a compelling, customer-first approach to marketing necessary to gather, analyze, and act on customer data [21]. They must prioritize transparency, authenticity, and responsiveness in their communications. And perhaps most importantly, they must understand that seasonal marketing is not merely about timing; it is about relevance, resonance, and responsibility.

The travel industry is on the brink of a significant transformation, driven largely by advancements in technology, changing consumer expectations, and a heightened awareness of sustainability. As travel companies aim to remain competitive and thrive in an increasingly crowded and dynamic market, it is becoming increasingly evident that technology will play a pivotal role in shaping future marketing strategies. Among these, seasonal marketing campaigns designed to capitalize on specific times of the year, like holidays, weather changes, or high-demand seasons, stand out as an area where the integration of cutting-edge tools can drive substantial growth. In this article, we will explore how leveraging new technologies, embracing personalized marketing strategies, and incorporating sustainability will be essential for travel companies looking to succeed in seasonal marketing campaigns.



In the past decade, technological innovations have fundamentally altered how businesses approach marketing. From artificial intelligence (AI) to advanced data analytics, these tools are revolutionizing the way companies understand, interact with, and ultimately sell to their customers. In the context of seasonal marketing, technology empowers companies to create more tailored, efficient, and impactful campaigns. Understanding the exact timing, messaging, and targeting needed to reach customers at the right moment is now more precise than ever.

Artificial Intelligence, in particular, has become a central player in this shift. AI systems are capable of processing vast amounts of data in real time and extracting valuable insights from it. Travel companies can utilize this technology to predict consumer behavior, personalize offers, and optimize campaigns to match consumer preferences. For example, by analyzing past booking history, online interactions, and social media activity, AI can forecast which destinations a customer is likely to be interested in based on time of year, travel habits, and personal preferences. This allows businesses to target travelers with highly specific offers, such as discounts on winter holidays in tropical destinations for individuals who have previously shown an interest in sunny getaways during cold seasons.

AI also facilitates more sophisticated segmentation of customer bases. No longer do companies need to rely on broad demographic data to create campaigns. With AI, travel companies can segment their audience by behavioral patterns and emotional triggers, and even predict the likelihood of a customer purchasing based on how they interact with the brand. This data-driven approach increases marketing efficiency, reducing waste on ineffective campaigns and ensuring that the right messages are delivered to the right consumers at the right time.

Beyond AI, advancements in data analytics have also contributed to the effectiveness of seasonal marketing. The integration of real-time data means that businesses can track the success of their campaigns on a granular level. Analytics tools provide insights into which ads are performing best, which messages resonate most with specific demographics, and how consumers are engaging with seasonal promotions. This dynamic monitoring allows businesses to adjust campaigns mid-flight, testing different approaches and optimizing based on immediate feedback. With this ability to refine marketing efforts on the fly, companies can ensure that their seasonal campaigns not only reach their target audience but do so most compellingly and engaging way possible.

Personalization is perhaps one of the most talked-about marketing trends of the past few years, and its importance will only continue to grow in the future. Consumers are increasingly seeking individualized experiences, particularly when it comes to the travel industry. In an age where consumers are bombarded with ads, promotions, and offers, it's no longer enough to create a generic campaign that targets broad groups of people. Customers expect brands to recognize their preferences, past behaviors, and desires, and tailor marketing messages accordingly. In the travel industry, this trend is evident across multiple channels. A key example is email marketing, where businesses can leverage personalized content to boost engagement. Imagine receiving an email offering exclusive deals on ski resorts or winter travel packages, based on your previous vacations or search behaviors. These personalized communications are more likely to grab attention, foster brand loyalty, and drive sales. According to studies, personalized emails have higher open rates, click-through rates, and conversion rates compared to generic marketing messages.

#### **4. CONCLUSION**

Seasonal marketing is very important for the travel and tourism industry. It greatly influences how people make decisions and helps businesses do well. Travel companies can successfully reach customers by using marketing strategies that focus on seasonal trends. Looking at

seasonal buying trends shows how important it is to be flexible and creative in marketing. This is especially true when consumer needs and economic situations change. In today's tough competition and changing customer tastes, the only way for a company to stand out is by offering special experiences and eco-friendly practices. Other parts of technology, like using data to analyze information and applying artificial intelligence, will make seasonal marketing even stronger. This helps companies customize their messages and get to know their target audiences better.

To look ahead, more studies on seasonal marketing are needed to find new trends and effective practices in the tourism industry. Businesses that can adapt and respond to seasonal changes will be more likely to grow steadily and last longer. By taking advantage of seasonal marketing, travel and tourism companies can build a stronger presence in the market and create lasting relationships with their customers.

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## CHAPTER 2

### EXPLORING THE IMPACT OF SOCIAL MEDIA ON BRAND AWARENESS: A COMPREHENSIVE REVIEW

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#### ABSTRACT:

They focus especially on how social media platforms like Facebook, Instagram, and Twitter shape people's views of these brands. The study shows that using social media helps promote the brand and connect with customers, which increases brand awareness. How well it works can change based on the type of platform. First, data gathered from the study, and second, information from published articles. The results show that social media makes brands more visible and helps them connect with customers, which boosts brand awareness. However, this increase depends on which social media platform is used. This study looks at how social media helps create awareness about brands instead of just making them visible. Also, social media marketing gives brands the chance to use current content and customer feedback, helping them connect emotionally with their audience. Although the results suggest that creating a recognizable brand in the busy world of social media is simple, these lively efforts face challenges with planning and sharing content, as well as dealing with a lot of competing content and changes in the social media platforms used. The study shows that awareness of the brand has grown a lot because of social media. However, this growth depends more on having meaningful content and good timing than on the amount of activity. Having the right content and timing is important, but it's not enough. Additionally, one must navigate an excess of information and the frequent changes in the design of social media sites.

#### KEYWORDS:

Brand Awareness, Customer Engagement, Platform Algorithms, Consumer Perception, Targeting Strategic Content.

### 1. INTRODUCTION

In communication and marketing, social media is important and its different types have changed how we communicate. And improving marketing. Twenties refer to people who are between 18 and 29 years old [1]. Twitter has many active users for sharing information. 450 million people are using it every month, and it's available for health activities and a lot more. It is more likely to be used by It is a social network for working professionals. The user group has more than 900 million people, mostly made up of workers in business and jobs. The platform keeps a record of High efficiency in use for people aged 25 and younger. 54 years is mostly made up of people in charge [2]. They have many features that attract different groups of people and help us use various marketing methods. Brand awareness shows how well people recognize and remember a specific brand. It's noticed that more people knowing about the brand can lead to increased sales and a larger market share. Traditional ways to create brand awareness often include TV commercials, print ads, or putting up billboards. These strategies are helpful, but they often don't work as well when they have a specific focus and interaction

as do digital options. Social networks help brands talk to customers directly. This lets customers try the product and share their thoughts at the same time. Making interesting and creative content helps a brand connect with more people and get them involved in the community [3]. When users recommend something, it often convinces their followers. That's why using celebrities in ads to share the message works well. Many studies have looked into how social media affects people's knowledge of brands [4]. Studies show that young people use social media to get to know brands better and become loyal to them through their interactions. However, there are only a few studies about how platforms work and how they help people recognize brands. This study aims to find out how well different social media strategies work in making people aware of brands across various industries and age groups.

## 2. LITERATURE REVIEW

Michal Wasserbauer [5] discussed about billboard advertisements and social media platforms play a crucial role in enhancing brand recall among consumers. The focus of this article is on the influence of billboard advertisements and social media on people's familiarity with different brands. The goal of this article is to suggest a possible link between different factors that can be used in future studies about marketing management. These students ask questions about billboard ads and social media. The study had 200 people in total, and 50 of them were chosen to answer questions. The method used to select samples is called accidental sampling. The tests done are t-tests, F-tests, and tests for the determination coefficient. The study found that Billboard advertising helps people remember a brand a little bit. Social media also helps with brand awareness, but not completely. Both Billboard ads and social media work together to make people more aware of a brand.

Yusuf BİLGİN [6] discussed about social media marketing significantly influences brand awareness, public perception, and customer loyalty. This study looks at how social media marketing affects people's awareness of a brand, their view of the brand, and their loyalty to it. Also, this study looks at how brand awareness and brand image affect people's loyalty to a brand. The study includes people who actively follow the five brands that have the best social media scores. This information comes from Marketing Turkey's data on how well brands perform on social media platforms like Facebook, Twitter, and Instagram. This study used a numbers-based method to gather data. The students created online studies and shared them on social media. They got responses from 547 people who follow a brand by using an easy-to-reach sampling method. The collected data have been examined using a method called structural equation modeling (SEM). The analysis showed that social media marketing helps improve how people see a brand and helps build loyalty to the brand. It also found that it has the biggest impact on brand awareness. Also, study shows that knowing a brand and how people see it are very important for brand loyalty. Also, the study showed that knowing about a brand has a small impact on how people view that brand.

Mulyono *et al.* [7] discussed the impact of social media on brand awareness, suggestions, consumer intent, and donation preferences at Rumah Zakat. This study looked at how social media affects people's awareness of brands, their discussions about them, and their willingness to donate to Rumah Zakat in Indonesia. Social media is an outside factor. Endogenous variables include things like how well people know a brand, what they say about it to others, their readiness to donate, and their choice to give money. This study uses original data collected from 156 people who are active on social media. People who know about Rumah Zakat help a lot in getting recommendations from others and encouraging them to donate. Talking about a cause can really influence how willing people are to donate.

Hana Othman ElAydi *et al.* [8] discussed the impact of Facebook marketing on brand awareness. Look at Mobile Services in Egypt from an Individual Perspective. More people are using social media, and this is changing how businesses meet what customers need and want. It also gives companies more opportunities to advertise their products and services in a personalized way. However, still need to understand how much companies are using social media for marketing and how it affects brand awareness in the mobile service industry in Egypt. The goal of this study is to explore how marketing on Facebook affects people's awareness of brands, while also considering how age and gender might influence this effect. The study found that social media marketing companies mainly focus on six key areas for their marketing work.

Dewi Herlina *et al.* [9] discussed the impact of social media marketing on consumer choices within the fashion sector. The study looks at how social media affects marketing and brand awareness, which then impacts people's intention to buy in the fashion industry. It takes a detailed look at three things: how marketing on social media affects people's desire to buy something, and how well they know the brand. This study needs 270 people to respond and will use SPSS software to analyze the data for things like accuracy, consistency, normal distribution, basic assumptions, and both single and multiple linear regression. The results from SPSS are also used in the Sobel Test. The hypothesis is tested using additional information from study studies. The test shows that every idea has a strong positive effect. In summary, a brand can greatly affect people's desire to buy by using social media marketing. This helps people to recognize a brand, so they are more likely to buy its products.

### 3. DISCUSSION

New technology is now a key way for brands to get noticed and be more popular. The studies looked at show that social media mostly helps increase brand awareness, but the effect varies based on the type of social media, how much it's used, and the strategy for the content. Using social media helps people learn about a brand. Studies show that hotels get more visitors when their brands are well-known on social media, which also improves how people see those places. Engaging with MINI's Facebook page helps people learn about the brand and increases their chances of buying it [10]. A study found that when consumers interact with the page, they become more aware of the brand, talk more about it with others, and are more likely to make a purchase [8].

These factors affect how well people know the brands that use social media (like Facebook) to promote their brands. Some main goals will help us understand how using social media can help companies become more well-known. Here are some of the main goals [11]. Use social media sites to connect with more people and promote the brand and its products or services. More followers, more people seeing things, and better numbers help more people find out about the brand and what it offers. Customers start to recognize the brand's logos, taglines, and messages more quickly, which helps the brand stay in their minds. Create content that gets people excited, and leave comments, likes, shares, and more [12]. A lot of activity on social media boosts the brand's visibility and helps more people learn about it. Show what the brand is like, what it believes in, and how it sounds on social media. People have a better view of a brand when it has a strong and clear identity. This helps them remember the brand and what it sells compared to its competitors. This is important for social media, but remember that having good interactions with customers helps build a strong and loyal group of supporters. This is important for the value of the brand. Encourage customers to share their experiences with the brand. UGC is a genuine way of showing love for a brand that helps attract new customers and build their trust. Raise awareness by tracking and managing social interactions [13]. This helps

brands notice negative comments, support the positive ones, and improve how people see the brand as a whole. Partner with influencers to reach more people and show them the brand. Having this power lets these people share specific brand messages with their followers, making them seem more trustworthy and visible. Set up tools to track how many times people mention the brand on social media. Result: More people mentioning the brand shows that awareness has gone up and there's more activity on social media [14] can understand how social media affects marketing better by setting and managing clear goals for social media.

The first analysis helped to confirm and support some points discussed in the second analysis. The analysis of the main data shows that most people, 78% of those studied, want to use social media to help make more people aware of their brand [15]. People have said that these two cloud-based social networking sites are the best at getting people to know about brands. 65% of them think these sites are the most effective for this. People say that Twitter is really helpful for talking to customers and getting them involved. Using the platform helped improve the brand in a good way. The study found that pictures and visuals were the most effective at grabbing people's attention and helping them remember the brand's name. The people studied said that things like voting, contests, and content made by users helped them learn more about a brand. However, the analysis does recognize the challenges of using social networks to build brand awareness.

In the rapidly evolving digital landscape, the role of social media in shaping brand awareness continues to grow, with prospects pointing toward even deeper integration between online platforms and branding strategies. As consumer behavior becomes increasingly digital-first, social media has transitioned from being merely a communication tool to a fundamental component of marketing ecosystems [16]. Changing consumer expectations and the emergence of new platforms and content formats. The traditional boundaries between brand and audience are dissolving, creating opportunities for real-time, interactive, and deeply personalized engagement that has never been seen before. Social media's unique ability to facilitate two-way communication between brands and consumers allows for unprecedented levels of connectivity, trust-building, and loyalty development. In the future, this dynamic will be enhanced by emerging technologies such as artificial intelligence (AI), augmented reality (AR), virtual reality (VR), and machine learning, enabling brands to deliver hyper-personalized and immersive experiences that resonate with individual users on a deeper level.

One of the most significant future developments in the realm of social media marketing is the rise of AI-driven content personalization and automation. Platforms like Instagram, TikTok, and YouTube are already using AI to curate user feeds, but brands are expected to leverage AI tools even further to analyze consumer behavior and preferences in real-time [17]. This will allow for the automatic generation of tailored content, targeted advertisements, and user-specific product recommendations. As a result, brands can maintain consistent visibility while ensuring that their messaging remains relevant to each consumer. This level of personalization will not only strengthen brand recall but also enhance emotional engagement, leading to greater brand loyalty and awareness. AI-powered chatbots and virtual assistants will play a larger role in brand-customer interactions on social media, offering seamless support and personalized recommendations, all of which contribute to a more holistic and recognizable brand presence.

In addition, the future of social media and brand awareness will be heavily influenced by the increasing popularity and evolution of video content and live streaming. Video has already

proven to be a powerful medium for engagement, with platforms like TikTok and YouTube leading the charge. Moving forward, live video streaming will take center stage in social media strategies, offering brands the ability to connect with audiences in real-time [18]. Whether it's through product launches, behind-the-scenes tours, Q&A sessions, or influencer collaborations, live content fosters a sense of immediacy and authenticity that static posts often lack. Brands that can capitalize on this by providing value-driven, entertaining, or educational live content will not only increase their reach but also create more memorable brand experiences that drive awareness and affinity. The integration of AR and VR into social media platforms will further enhance the immersive nature of content, enabling brands to offer virtual try-ons, 3D product demonstrations, and interactive brand storytelling that bridges the gap between the digital and physical worlds.

The continued rise of influencer marketing will also significantly shape the future scope of brand awareness through social media. Influencers ranging from mega-celebrities to micro and nano-influencers of foreign brands have direct access to niche audiences that trust and engage with their content regularly. In the future, influencer collaborations will become more sophisticated, moving beyond one-off sponsored posts to long-term partnerships that reflect authentic brand alignment [19].

Advanced analytics and AI tools will help brands identify the most effective influencers based on engagement metrics, audience demographics, and brand fit. The growing demand for authenticity and transparency will lead to a shift in how influencers promote products, with consumers favoring genuine endorsements over overt commercial promotions. Brands that invest in authentic influencer relationships will benefit from more organic exposure and increased brand trust, ultimately enhancing their awareness among targeted consumer segments.

Another area poised for growth is the role of user-generated content (UGC) in amplifying brand visibility. As consumers become more empowered and active in the digital space, they are increasingly creating content that features or references their favorite brands. This can include reviews, unboxing videos, tutorials, testimonials, or casual mentions on platforms like Instagram, Twitter, and TikTok. Brands that encourage and curate UGC can tap into the power of social proof, as consumers trust other consumers more than they trust advertising. In the future, social media campaigns will likely prioritize UGC as a central element, with brands launching hashtag challenges, community-driven campaigns, and interactive content that invites user participation. The scalability and authenticity of UGC make it a cost-effective yet powerful way to build brand awareness, especially when integrated into broader cross-platform strategies.

The evolution of social commerce will also play a major role in the future scope of social media's impact on brand awareness [20]. Social commerce, where users can discover, study, and purchase products directly within social media platforms, streamlines the customer journey and shortens the path to purchase. Platforms like Instagram Shops, Facebook Marketplace, TikTok Shop, and Pinterest Shopping are already enabling this integration. As these features become more advanced, the line between content and commerce will blur even further. Brands that utilize social commerce tools effectively will benefit from higher visibility and smoother customer experiences, which in turn will reinforce their brand presence. Personalized shopping experiences, powered by AI and integrated with influencer content, will help brands capture



attention, convert leads, and create lasting impressions all within the same platform. In this seamless environment, brand awareness isn't just about being seen; it's about being experienced in a way that aligns with consumer expectations.

Data privacy and ethical marketing will shape the future of social media branding. With increased scrutiny on how companies collect and use consumer data, social media platforms and brands will need to navigate privacy concerns carefully. Regulations such as GDPR and CCPA have already changed how brands approach data collection and targeting. In the future, brands that are transparent about data use and prioritize ethical marketing practices will gain consumer trust, a critical component of brand awareness [21]. Consumers are more likely to engage with and recommend brands that they perceive as trustworthy and socially responsible. As such, building brand awareness will not only be about reach and visibility but also reputation and values. Social media provides a unique platform for brands to communicate their stance on important social and environmental issues, and future consumers will increasingly seek out and support brands that reflect their personal beliefs and ethics.

The integration of emerging social platforms and technologies will also expand the future scope of brand awareness strategies. While platforms like Facebook, Instagram, and Twitter have been dominant, the rise of newer platforms such as Be Real and Clubhouse, and the continuous evolution of TikTok show that consumer preferences can shift rapidly. Brands must remain agile and willing to explore emerging platforms where new audiences, especially younger generations, are engaging. These platforms often come with unique content formats and engagement mechanisms, requiring brands to innovate and tailor their messaging accordingly.

Future strategies will need to include platform diversification, ensuring that brand awareness efforts are not confined to a single channel but spread across multiple touchpoints in the consumer journey.

In addition, the rise of social listening and sentiment analysis tools will enhance brands' ability to gauge public perception and adjust their messaging in real-time. These tools allow marketers to monitor conversations about their brand, industry, or competitors, helping them identify trends, uncover pain points, and spot opportunities for engagement. In the future, these insights will become increasingly integral to brand awareness strategies, enabling companies to create content that is not only timely but also highly relevant and emotionally resonant. Real-time engagement, such as responding to trending topics or addressing customer concerns publicly, will position brands as attentive and approachable, further enhancing their awareness and favourability.

They value authenticity, inclusivity, social impact, and creativity. These consumers are less influenced by traditional advertising and more responsive to genuine storytelling, community-driven content, and interactive formats such as polls, filters, and challenges. For brands to increase awareness among these generations, they must adapt their voice, visual identity, and content strategy to align with these evolving expectations. The ability to foster a community, rather than just promote a product, will be a key differentiator in building strong brand awareness in the coming years.

As global brands look to expand into new markets, they must adapt their content to reflect local languages, customs, values, and trends. Social media provides an ideal platform for localized campaigns, allowing brands to tailor their messaging for specific geographic and cultural

audiences. In the future, hyper-localized social media campaigns powered by AI and deep market insights will help brands gain relevance and visibility in diverse markets, thereby enhancing global brand awareness.

The future scope of social media's impact on brand awareness is vast, dynamic, and increasingly central to overall marketing success. As technology continues to advance and consumer expectations evolve, brands will need to be more agile, authentic, and data-driven in their approach to social media. The fusion of personalization, influencer partnerships, immersive content, ethical practices, and social commerce will define the next generation of brand-building strategies. Ultimately, social media will not only remain a key driver of brand awareness but will become the primary arena in which brands compete for attention, loyalty, and cultural relevance in an increasingly digital world.

In the digital age, social media has emerged as a transformative force, reshaping the ways in which brands communicate, engage, and build relationships with consumers. The impact of social media on brand awareness applications is both profound and multifaceted, offering companies of all sizes unprecedented opportunities to increase visibility, foster loyalty, and carve out competitive advantages in saturated markets. Social media platforms like Facebook and Instagram, one of the primary ways social media influences brand awareness is through its capacity for real-time engagement. Unlike conventional media, where communication is often one-sided and delayed, social media allows brands to interact with their audiences instantly. This two-way communication fosters a sense of connection and responsiveness, which strengthens brand trust and recognition.

When consumers see that a brand actively engages with comments, shares user-generated content, and participates in trending conversations, it humanizes the brand, making it more relatable and memorable. Additionally, social media allows for highly targeted advertising, where brands can direct promotional content to specific demographics, locations, interests, and even behaviors. Through advanced algorithms and data analytics, platforms like Facebook and Instagram allow advertisers to fine-tune their campaigns for maximum relevance and reach, thereby enhancing the chances of building awareness among the right audience segments. These tailored interactions help brands not only increase visibility but also resonate more deeply with users, leading to better recall and affinity.

The visual nature of many social media platforms enhances the effectiveness of brand awareness campaigns. Instagram and Pinterest, for example, are inherently visual platforms where brands can showcase their aesthetics, product features, and lifestyle associations through carefully curated imagery. The power of visuals to capture attention quickly is crucial in a digital environment saturated with content. Content that resonates emotionally or aligns with the interests of users is often shared, liked, or commented on, extending its reach beyond the brand's immediate followers. This virality can exponentially increase brand visibility at no additional cost. Influencer marketing is another major application of social media that has transformed how brand awareness is generated. By partnering with influencers who have dedicated followings, brands tap into trust-based relationships that influencers have cultivated with their audiences. Influencers act as brand ambassadors, providing authentic reviews, tutorials, or endorsements that often carry more weight than traditional ads. Micro-influencers, in particular, are increasingly valuable for niche marketing and localized brand awareness, offering higher engagement rates and authenticity. Additionally, social media fosters

community building, which is essential for sustained brand awareness. Brands can create groups, forums, or hashtag campaigns that encourage consumer participation and dialogue. For example, branded challenges on TikTok or user-generated content contests on Instagram can mobilize users to create content around a brand, thereby amplifying its reach while also building a community around shared values or experiences. These communities often act as organic brand advocates, continuously spreading brand awareness within their networks.

Data and analytics also play a crucial role in enhancing brand awareness strategies on social media. Platforms provide detailed insights into user engagement, reach, impressions, and sentiment, allowing brands to measure the effectiveness of their campaigns and make informed decisions. These metrics help brands refine their content strategies, optimize posting times, and understand what resonates with their audience, thereby increasing the overall efficiency of brand awareness initiatives. With, real-time feedback and sentiment analysis allow brands to understand public perception and adjust their messaging to align with audience expectations. Crisis management and reputation management have also become integral aspects of brand awareness on social media.

When brands face criticism or controversy, their response on social platforms can significantly impact public perception. Timely, transparent, and empathetic communication can help mitigate damage and even turn a negative situation into an opportunity to reinforce brand values and authenticity. Social media's role in brand awareness also extends to customer service. Brands that offer responsive, accessible, and helpful support through social platforms often experience increased customer satisfaction and loyalty.

When customers receive prompt and personalized service via social media, it enhances their overall perception of the brand, making them more likely to remember and recommend it to others. Live features on platforms such as Instagram Live, Facebook Live, and YouTube Live offer brands new avenues to engage their audiences in real time, allowing them to launch products, host Q&A sessions, or showcase behind-the-scenes content. These interactive sessions foster immediacy and intimacy, creating memorable brand experiences that enhance awareness and loyalty.

Unlike traditional advertising, social media allows brands to tailor content specifically to different demographics, interests, and behaviors, ensuring that the right message reaches the right people. This targeted approach improves engagement and brand recall. Additionally, social media provides real-time interaction with consumers, allowing brands to respond to questions, feedback, and trends instantly, which fosters trust and loyalty. The visual and interactive nature of platforms like Instagram, TikTok, and Facebook also helps brands create compelling content that captures attention and encourages sharing, leading to organic growth in visibility.

Influencer marketing further amplifies this reach by leveraging the trust that influencers have built with their audiences. Another significant advantage is the data and analytics provided by social media platforms, which help brands measure performance, understand audience preferences, and refine their strategies. User-generated content and viral trends can also significantly boost brand exposure without additional costs. Overall, social media offers a powerful, flexible, and cost-efficient way for brands to enhance awareness, build stronger relationships with consumers, and maintain a consistent presence in an increasingly digital world.



#### 4. CONCLUSION

The growth of the digital world means can't ignore how social media affects how people know about brands. This study shows that social media is a key tool for brands that want to get more visibility, engage with users, and create customer loyalty. If good brand communication, effective advertising, and thoughtful design are used, people will remember the brand well, whether they are current customers or potential ones. But social media is more than just a low-cost advertise. It creates a new space where how people connect with brands and what those brands mean is completely different. These platforms are very active and engaging, so can say that social media will play a big role in how brands market themselves and raise awareness in the future. With the rise of social media, companies must strategically define their core values to remain relevant and competitively engage in the market

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## CHAPTER 3

### THE INFLUENCE OF THE COVID-19 CRISIS ON SOCIAL MEDIA MARKETING: A COMPREHENSIVE REVIEW

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#### ABSTRACT:

In a world affected by COVID-19 and the rules that had to be followed to stay safe, it's important to see how the pandemic impacted different businesses. It also changed how social media marketing works, including how platforms are used, what kind of content is shared, and how ads are made. When people had to stay home and keep a distance from each other, they searched for ways to connect, learn, and have fun on social media. The increase in people using the platform gave brands a chance to use social media for their marketing. This helped them talk to their customers and keep their loyalty. The study looks at a specific example using a mixed methods approach, where some numbers were examined in a detailed way, and information gathered from interviews with marketing professionals was studied using numbers. It was observed that brands that quickly adjusted to changes in social media marketing due to COVID-19 got more attention and loyalty from their customers. During the COVID-19 pandemic, many businesses built customer loyalty on social media by using engagement tactics and paid ads. Consumers wanted brands that showed their products, interacted with them genuinely, and provided reliable recommendations. Social commerce is buying and selling products through social media, while influencers are people who have a lot of followers and can affect others' buying decisions. Marketing strategies became more useful when people's buying habits changed quickly because of the global crisis. As the pandemic slows down and people change how they shop, brands will need to keep building real connections with their customers through social media marketing. So, the way people use social media, the strategies for marketing, and how resources are used have changed because of COVID-19. This will lead to more changes in the future, even without rules from the government. The authors look at what changed during the pandemic and give advice to brands on how to progress in the new world after the pandemic.

#### KEYWORDS:

COVID-19, Facebook, Social Media Marketing, Instagram, Zoom.

#### 1. INTRODUCTION

When COVID-19 started in early 2020, it changed how people lived every day all over the world. Social distancing and lockdowns made people depend on social media more for talking and entertainment. Platforms like Facebook, Instagram, and TikTok became very popular as people looked for ways to connect with others on Instagram while staying at home [1]. Businesses ran into big problems because old ways of advertising stopped working well. Social media quickly became an important way for brands to connect with their audience. As more people started using their services, brands had to change how they communicated. They focused on being genuine and understanding to connect better with the specific challenges customers were experiencing. This change opened up new chances for brands, but they needed to rethink their marketing messages [2]. An important finding was that people connected better with brands that showed understanding and recognized the difficulties of the pandemic. As a

result, many brands moved away from ads to focus more on supporting their communities. Social media shopping has become an important way to sell directly on platforms like Instagram and Facebook.

This paper looks at the many ways COVID-19 has affected social media marketing. By looking at changes in how people act online, how companies share their content, and what kinds of ads are popular, it gives a clear picture of how brands changed during the pandemic and how these changes will affect marketing in the future [3]. This process helps to identify common patterns and insights about what brands and their customers did during the lockdowns. Combine statistical data from reputable organizations to back up each topic, if possible. For example, market reports show that there is a lot of activity on TikTok, with many users engaging on the platform. Present the results exactly as they are, without changing, altering, or misunderstanding what the original studies concluded. The study can't gather its data, so it relies on other studies and reports [4]. This makes the results less trustworthy. Using Outdated Information: Social media is changing really quickly, so some sources might not have completely recorded trends after 2021 or the long-term effects of COVID-19 on marketing.

The pandemic changed the way people used social media. With restrictions on meeting in person, people looked for ways to connect and have fun online. Platforms like TikTok and Instagram saw a big rise in activity, with users preferring short videos and live streams. Brands that noticed these changes changed how they create content, putting more emphasis on fun and engaging experiences [5]. Organizations have had to rethink their content strategies by including not just regular sales messages but also more caring and relatable ones. People watched more videos during lockdowns, leading to a big rise in video content. For example, Nike made ads for indoor activities that related to the real-life problems people face [6]. The pandemic made being real and honest very important. Brands that understood and cared about what customers needed did better than those that only focused on selling their products. Interviews with customers showed that they liked stories about real experiences and community support more than stories that were just about selling products. Advertising has changed a lot. As the impact of TV and radio decreased, spending on social media ads grew rapidly. Brands appear to be less strict about sales and are openly promoting their products. They are focusing more on messages of friendship and positivity. A good example of a brand that focused on people instead of just promoting its product is Coca-Cola's campaign, which put humanity at the centre.

## 2. LITERATURE REVIEW

Li *et al.* [7] discussed that social media marketing strategy encompasses its definition, how to grasp its concepts, various types, and methods to assess its effectiveness. Social media is becoming more important for companies as part of their overall strategies. However, there hasn't been much study that puts together and expands knowledge about social media marketing strategies. To address this study gap, first, explain what SMMS means by looking at social media and marketing strategy aspects. Next, explain how SMMSs grow and change. This process has four important parts: drivers, inputs, throughputs, and outputs. Next, suggest a way to categorize Social Media Management Systems (SMMSs) into four types based on how advanced their strategies are: social commerce strategy, social content strategy, social monitoring strategy, and social customer relationship management strategy then check this classification of SMMSs using information from earlier studies, along with data from detailed interviews and a study with social media marketing managers. Finally, offer helpful ideas for future study based on feedback from experts in the area.

Wibowo *et al.* [8] discussed the influence of social media marketing on customer behavior with the effects of marketing strategies and customer interactions. Social media is very important for marketing plans. Social networking sites (SNS) are a part of social media that businesses can use to connect directly with their customers and build good relationships. So, businesses using social media need to choose the right marketing messages to build good relationships with customers. This can help create long-term success for the businesses. This study looked at how social media marketing and customer experience affect the quality of the relationship with customers. The results show that SMMA and CX greatly affect how well customers feel about their relationship with the company, which also helps improve how customers behave. This study helps businesses understand that their social media marketing content should align with social media marketing strategies and customer experience to reach their marketing goals and achieve long-lasting success.

Dwivedi *et al.* [9] discussed the crafting of the upcoming trends in digital and social media marketing studies. The internet and social media have changed how people shop and how businesses operate. Social and digital marketing provide great chances for organizations by being cheaper, helping people learn more about the brand, and boosting sales. However, there are big problems caused by negative online comments and annoying brand advertisements. This article shares ideas from many top experts about digital and social media marketing. They also discuss specific areas like artificial intelligence, marketing using augmented reality, managing digital content, mobile marketing and advertising, business-to-business marketing, online recommendations, and the ethical issues related to these areas. This study provides important and useful information for studies and professionals by pointing out problems and chances for improvement, discussing the weaknesses in the current study, identifying what hasn't been studied enough, and suggesting questions and ideas to help grow an understanding of digital and social marketing.

Patma *et al.* [10] discussed the effect of social media marketing on the survival of small and medium-sized businesses (SMEs) in Indonesia. Lessons learned from the COVID-19 pandemic. The COVID-19 pandemic forced the government to create strict rules. In response, businesses started using technology and social media for marketing. This study looks at what factors influence the use of technology and social media marketing, and how businesses can remain successful. The study used numbers and a special method to analyze data in order to understand this issue better. The study included small businesses in East Java, Indonesia, and used an online study. The results show that people are more likely to use the internet and online business technology if they think it is helpful, easy to use, and affordable. It connects online business technology, social media marketing, and the lasting success of small and medium-sized businesses. However, the cost factor did not show how small and medium-sized businesses use social media marketing. This study shows that using the internet and online business technology, along with social media marketing, effectively helps explain the connection between different factors. Even though this work was done only in East Java, it is the first step in a study about how small and medium-sized businesses (SMEs) are coping with the COVID-19 pandemic in Indonesia.

Reham Shawky Ebrahim [11] discussed the significance of trust in understanding the impact of social media marketing on brand value and customer loyalty. Today, businesses use social media as a key part of their marketing plans. This new technology provides companies with new ways and tools to communicate and connect with current and potential customers. This study looked at how social media marketing (SMM) affects brand loyalty by influencing brand trust and brand value. A study was done online with 287 people in Egypt who follow telecom companies on social media. The information was collected and looked at using a method called

structural equation modeling. The results showed that social media marketing activities have just three parts: being trendy, being personalized, and spreading the word. These qualities of social media marketing directly affect how loyal customers are to a brand and indirectly affect the brand's value through trust in the brand. The study highlights how important trust is and gives advice on how to measure how well social media marketing works.

### 3. DISCUSSION

Brands that cared for their customers and met their needs did better than those that only focused on advertising. Interviews with shoppers showed that they preferred stories about real experiences and community help more than those who were just trying to sell something [12]. Advertising has also changed a lot. As broadcasting platforms became less popular, spending on digital ads for social media platforms increased greatly. Brands appear to have become more relaxed about selling and are openly promoting their products, focusing on messages of friendship and positivity instead. A good example of a brand that focused on people instead of just selling products was Coca-Cola's campaign, which emphasized its connection to humanity. Figure 1 shows the influence of the COVID-19 crisis on social media marketing.



**Figure 1: Shows the influence of the COVID-19 crisis on social media marketing**

Social commerce grew stronger as more people started using smartphones and social media to shop instead of going to physical stores. Twitter, Instagram, and Facebook added features to help people buy things directly on their platforms. At the same time, brands tried to build a sense of community and encourage users to create content. The COVID-19 pandemic changed influencer marketing by making it more focused on being genuine. Brands started working with micro-influencers, who are people who have a close connection with their followers.



Micro-influencers usually relate better to their audience and share more personal stories, which leads to more people interacting with their content. Because in-person events were canceled, companies moved to online events instead [13]. Platforms like Instagram Live and Zoom became very popular for launching products and creating interactive experiences. They helped brands keep in touch with consumers and reach more people [14]. The pandemic has caused lasting changes in how social media marketing works. Brands that focus on putting customers first, being genuine, and selling online are ready to succeed in the economy after the pandemic. In the future, marketers should focus on genuine talks, put more effort into selling on social media, and build real connections with influencers.

Social commerce has undergone a remarkable transformation in recent years, becoming a vital aspect of modern retail and digital marketing. This shift has been largely driven by the widespread adoption of smartphones and the increasing reliance on social media platforms for everything from entertainment to news, communication, and, significantly, shopping [15]. As consumer behavior evolved, platforms like Twitter (now X), Instagram, and Facebook began integrating e-commerce features directly into their systems. This allowed users to browse and purchase products without ever leaving the app, seamlessly blending the social and commercial aspects of the user experience. Shoppable posts, in-app checkout options, product tagging in photos and videos, and live shopping experiences became the norm [16]. These innovations not only made the shopping process more convenient but also encouraged impulsive purchases and improved the overall customer journey. Consumers, now more than ever, are influenced by what they see on social media. Whether it's a trending product, a viral video, or a recommendation from someone they follow and trust. This shift prompted brands to rethink their digital strategies, focusing on storytelling and community-building rather than traditional hard-selling.

At the same time, the rise of social commerce created new opportunities for brands to engage with their audiences by fostering genuine connections and encouraging user-generated content (UGC). Rather than relying solely on glossy advertisements and highly curated brand images, companies started to recognize the value of authentic interactions [17]. They began to nurture online communities, where customers could share their experiences, ask questions, and even contribute content. Campaigns that included hashtags encouraging users to post their photos, videos, or reviews helped create a sense of belonging and loyalty. These grassroots-style efforts not only generated organic promotion but also strengthened brand authenticity in the eyes of potential customers [18]. Social proof became a powerful force, and people started to trust peer recommendations and real-life user experiences more than polished advertising campaigns. As a result, brands that were able to engage audiences in a two-way dialogue, listening to feedback, responding to comments, and resharing user content built stronger, more enduring relationships with their customers.

The COVID-19 pandemic dramatically accelerated these changes with lockdowns, social distancing measures, and the closure of physical retail locations, consumers turned to online shopping more than ever before [19]. This shift further cemented the importance of social media in the buying journey. Suddenly, social platforms weren't just a place to connect with friends or follow trends, they became the primary means through which people discovered and purchased products. This seismic shift also had a profound impact on influencer marketing. As people spend more time online, they become more discerning about the content they consume. Glossy influencer posts that once dominated platforms started to feel out of touch with the

realities of the pandemic. In response, the industry pivoted towards authenticity, transparency, and relatability. This ushered in a new era dominated by micro-influencer creators with smaller, niche followings who often have a closer, more personal connection with their audiences. These influencers typically share real-life stories, behind-the-scenes content, and honest opinions, making them more trustworthy and relatable. Their followers are more engaged, and their recommendations are perceived as more genuine, resulting in higher conversion rates for brands.

Brands began to see the value in partnering with these micro-influencers rather than celebrities or mega-influencers with millions of followers but lower engagement [20]. Micro-influencers' authenticity and ability to foster meaningful interactions allowed brands to reach target audiences more effectively. In many cases, they became the linchpin of successful social commerce strategies. With in-person events cancelled, brands were forced to explore new ways to launch products, connect with their audience, and create buzz. Online events emerged as a powerful alternative. Tools like Instagram Live, Facebook Live, YouTube Live, and Zoom became integral to digital marketing strategies. Virtual product launches, Q&A sessions, behind-the-scenes looks, and interactive webinars became commonplace.

These adaptations weren't just temporary measures they have become permanent fixtures in the marketing playbook. The pandemic served as a catalyst that forced brands to embrace digital-first strategies, focus on community engagement, and prioritize customer-centric messaging. Consumers today value brands that show empathy, communicate transparently and are aligned with their values [21]. This trend has created a new paradigm where traditional marketing methods no longer suffice. Instead, success depends on building trust and delivering value through every interaction. The businesses that thrive in this new landscape are those that understand the power of social connection and the importance of being genuine.

The future of social media marketing lies in continuing these trends and expanding them further. Marketers must double down on creating genuine conversations, building community-led growth, and optimizing the social shopping experience. This involves investing in advanced social commerce tools, such as AI-powered chatbots for customer support, augmented reality (AR) features for virtual try-ons, and personalized content powered by machine learning algorithms. Social platforms themselves are evolving rapidly to support this future. Instagram and TikTok, for example, have introduced features that allow influencers to tag products directly in videos, making it easier than ever for users to shop the look. Facebook and Pinterest are refining their in-app shopping experiences, enabling users to browse curated storefronts and complete purchases without leaving the platform.

Influencer marketing, too, will continue to evolve. Long-term partnerships are replacing one-off collaborations as brands recognize the value of consistent messaging and deeper relationships. Influencers are becoming brand ambassadors, co-creating content, participating in product development, and even launching their product lines in collaboration with brands. Authenticity remains the cornerstone of this new approach. Consumers are increasingly savvy and quick to spot inauthenticity. As such, successful influencer campaigns must align with the influencer's brand and voice. Transparency around sponsored content, including proper disclosures and behind-the-scenes insights, helps build trust and ensures compliance with advertising regulations. Social media marketing is also becoming more data-driven. Brands have access to an unprecedented amount of information about their audience's preferences,



behaviors, purchase history, and more. This data allows marketers to create hyper-targeted campaigns that speak directly to consumers' interests. By leveraging advanced analytics and insights tools, brands can optimize their strategies in real time, test different content formats, and identify which platforms and influencer partnerships yield the best results. This data-centric approach ensures that marketing budgets are used efficiently and that campaigns deliver measurable ROI.

The acceleration of digital adoption, the emphasis on authenticity, and the growth of social commerce have set the stage for a new era. The brands that will lead in the post-pandemic economy are those that put people at the center of their strategy. They understand that social media is not just a sales channel, but a space for building relationships, sharing experiences, and adding value. These brands are agile, customer-focused, and willing to experiment with new formats and technologies. Whether it's through virtual events, community-driven content, or immersive shopping experiences, they are redefining what it means to connect with consumers in the digital age.

Social media marketing has become more complex, dynamic, and human-centric than ever before. The convergence of e-commerce and social networking has given rise to a powerful new model that prioritizes engagement over interruption, conversation over conversion, and authenticity over perfection.

The changes driven by the pandemic, while initially reactive, have set in motion lasting transformations that are now shaping the future of marketing. By focusing on genuine interactions, leveraging the power of micro-influencers, and continuously adapting to evolving consumer expectations, brands can not only survive but thrive in this new environment. Marketers must remain vigilant, creative, and empathetic, always seeking to understand their audience and deliver meaningful, personalized experiences. As technology continues to evolve and platforms introduce new features, the opportunities for innovation in social commerce and influencer marketing are virtually limitless.

The most successful marketers in the years to come will be those who understand that real influence is built not just on reach, but on relationships and that in the age of social commerce, the customer truly comes first.

The proliferation of smartphones and the ubiquitous presence of social media platforms have revolutionized the way people shop. Consumers now can browse, compare, and purchase products directly through platforms like Instagram, Facebook, and Twitter, without ever visiting a physical store. This seamless integration of social interaction and commerce has given rise to the phenomenon known as social commerce. Social commerce refers to the use of social media platforms to facilitate online buying and selling of products. Unlike traditional e-commerce, which relies on standalone websites, social commerce leverages the power of social networks to drive sales.

Features such as shoppable posts, in-app checkout options, and live-streamed product demonstrations have made it easier for consumers to make purchasing decisions within the platforms they already use daily. This shift has not only enhanced the shopping experience but has also opened new avenues for brands to reach and engage with their target audiences. The integration of e-commerce features into social media platforms has been a game-changer for brands. Platforms like Instagram and Facebook have introduced tools that allow businesses to

set up virtual storefronts, tag products in posts, and even host live shopping events. These features enable brands to showcase their products more interactively and engagingly, leading to increased visibility and higher conversion rates. The ability to track user interactions and gather data has provided brands with valuable insights into consumer preferences and behaviors, allowing for more personalized marketing strategies.

The appeal of micro-influencers lies in their authenticity and the close-knit communities they have cultivated. Their followers often view them as peers rather than distant celebrities, leading to higher levels of trust and engagement. Brands have recognized this and are increasingly collaborating with micro-influencers to promote their products. These collaborations often result in more genuine content that resonates with audiences, leading to improved brand perception and increased sales.

The effectiveness of micro-influencers is evident in various campaigns. For instance, during the COVID-19 pandemic, many brands turned to micro-influencers to create content that was both relevant and relatable to their audiences. This approach not only helped maintain brand visibility during challenging times but also fostered a sense of community and connection among consumers. The onset of the COVID-19 pandemic brought about unprecedented challenges across the globe. Lockdowns and social distancing measures forced businesses to rethink their operations, with many turning to digital solutions to stay afloat. In the realm of retail, this meant a rapid acceleration of online shopping and a significant shift towards digital marketing strategies.

For brands, the pandemic underscored the importance of having a robust online presence. With physical stores closed or operating under restrictions, businesses had to rely heavily on their digital channels to reach consumers. This led to an increased focus on social media platforms as primary avenues for marketing and sales.

The integration of e-commerce features into these platforms, such as Instagram's shoppable posts and Facebook's marketplace, allowed businesses to continue selling their products despite physical store closures. The pandemic highlighted the need for authenticity in marketing. Consumers, facing uncertainty and challenges, gravitated towards brands that communicated transparently and empathetically. This shift further amplified the role of micro-influencers, who were able to create content that resonated with their audiences on a personal level. Their genuine and relatable content helped brands maintain consumer trust and loyalty during a time when many traditional marketing messages fell flat.

This led to the rise of online events, which became a vital component of digital marketing strategies. Platforms like Zoom, Instagram Live, and Facebook Live provide businesses with the tools to host virtual product launches, Q&A sessions, and interactive workshops. Online events offered several advantages over traditional in-person gatherings. They allowed brands to reach a global audience without the constraints of location and travel. The interactive nature of these events enabled real-time engagement with consumers, fostering a sense of community and connection. Brands could showcase their products, answer questions, and gather feedback instantaneously, leading to more dynamic and responsive marketing efforts. The success of online events during the pandemic has had a lasting impact on marketing strategies. Even as restrictions eased, many brands continued to incorporate virtual events into their marketing plans. The flexibility and reach offered by online platforms have proven to be invaluable, and businesses have recognized the potential of these tools to enhance customer engagement and

drive sales. The landscape of social media marketing is poised for continued evolution. The convergence of social interaction and commerce is expected to deepen, with platforms introducing more advanced features to facilitate seamless shopping experiences. Augmented reality (AR) and artificial intelligence (AI) are anticipated to play significant roles in this transformation, offering consumers immersive and personalized shopping experiences.

#### 4. CONCLUSION

The COVID-19 pandemic has changed how social media marketing works. As more people started using social media, brands had to change what they do to stay important and genuine. This study shows important changes in how users behave, how content is created, and how marketing is done during the pandemic. Because people are using social media more, brands could engage with customers in a better and more meaningful way. At the same time, using caring and genuine messages became important for building trust during the uncertain times of the pandemic. As progress, businesses are adapting their marketing strategies to emphasize innovation and prioritize customer satisfaction.

The marketing playbook was rewritten as brands learned to humanize their messaging, respond to real-time crises, and serve as sources of comfort and clarity amid uncertainty. No longer was it enough to have a curated feed and flashy graphics; the pandemic demanded depth, responsiveness, and a keen understanding of evolving user behavior. As social media usage surged, user expectations evolved too—people began seeking out content that felt personal, helpful, and aligned with their emotional needs during a period of collective anxiety. This meant marketers had to shift from promoting products to offering value-driven storytelling, actionable advice, and messages rooted in compassion and community. But with this opportunity came a profound responsibility: brands could no longer afford to appear tone-deaf or self-serving. Messages needed to reflect the shared reality of the pandemic, showing awareness of the situation and offering genuine support. Companies that adapted quickly and communicated with clarity and care were able to maintain or even strengthen relationships with their audiences.

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## CHAPTER 4

### A COMPREHENSIVE REVIEW OF INFLUENCER IMPACT ON CONSUMER BEHAVIOR

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#### ABSTRACT:

Social media influencers in shaping consumer purchasing behavior, particularly focusing on the factors of trust, authenticity, and engagement. Over the past several years, influencer marketing has experienced exponential growth, transforming how brands interact with consumers and affecting purchasing decisions. The rise of influencers has led to a significant shift in the consumer executive process, as individuals increasingly look to these influencers for product recommendations and lifestyle guidance. This study synthesizes data from both academic studies and market reports spanning from 2019 to 2024, with a special emphasis on the growing influence of micro-influencers. Unlike their macro counterparts, micro-influencers tend to have smaller, more niche followings, which fosters greater engagement and trust with their audiences. This paper highlights how the authenticity of influencers and the perceived trustworthiness of their endorsements drive consumer responses, especially among younger and family-oriented demographics. Trust, in particular, plays a crucial role in shaping how consumers view influencers, with authenticity being a key factor in determining whether an influencer's recommendation leads to a purchase.

The implications of these findings suggest that youth- and family-focused brands should prioritize working with influencers who are seen as authentic, fostering deeper relationships with their target audiences, and driving more successful branding strategies.

#### KEYWORDS:

Influencers, Consumer Behavior, Purchase Decisions, Trust, Authenticity, Social Media, Engagement, Micro-Influencers.

### 1. INTRODUCTION

The rise of social media has changed how brands connect with customers, leading to the trend of influencer marketing. Influencers are people with many followers on social media sites like Instagram, TikTok, and YouTube. They are important in influencing how people think about products and whether they decide to buy them. Unlike regular advertising, which can seem distant, influencer marketing focuses on building trust and connection between influencers and their followers. People trust these individuals more than regular ads because they show products in real-life situations that relate to everyday life. More and more young people, like Millennials and Gen Z, are looking to influencers for advice on products and what to buy. The growth of social media has allowed people to form one-sided relationships with influencers. Brands have noticed this change and adjusted their marketing plans [1]. They are spending a lot of money on working with influencers. In 2021, influencer marketing was worth \$13.8 billion, showing that it is becoming more important. As this marketing strategy changes, new problems are also appearing. For example, too much focus on selling and losing genuine qualities is starting to affect people's trust [2]. This paper looks at how influencer marketing



impacts what people buy by studying important things like trust, realness, and interaction. It looks at how well micro-influencers work compared to celebrity influencers in getting people to buy products.

The primary purpose of this study is to explore the multifaceted impact of influencers on consumer purchase decisions, particularly examining how trust, authenticity, and engagement contribute to shaping consumer behavior. In today's digital marketing ecosystem, influencers have emerged as pivotal agents in driving consumer choices and understanding their influence is crucial for brands aiming to refine their marketing strategies [3]. This study, grounded in secondary data collection, synthesizes a wide range of findings from academic literature, industry reports, and relevant case studies published between 2019 and 2024.

The decision to adopt a secondary study methodology allows for a comprehensive and macro-level analysis of current trends and recurring patterns within influencer marketing, drawing on the collective insights of numerous scholarly and professional sources [4]. Through this approach, the study evaluates how influencer characteristics influence key consumer behavior metrics such as purchase intent, brand loyalty, and the development of parasocial relationships.

At the core of influencer marketing is the concept of trust, arguably the most critical determinant in whether a consumer chooses to act on an influencer's recommendation. Trust in an influencer stems from perceived expertise, transparency, and the consistency with which they present content that aligns with their brand. Influencers who maintain a high level of credibility and honesty tend to foster stronger relationships with their audiences, who, in turn, are more likely to trust the products or services being endorsed. Numerous studies highlighted in this study demonstrate a clear correlation between perceived trustworthiness and purchase decisions. For instance, peer-reviewed articles suggest that micro-influencers with smaller, more niche followings often outperform macro-influencers in driving conversions, primarily because they are seen as more relatable and trustworthy [5]. This trend indicates that consumers are increasingly wary of overtly commercial content and instead favor influencers who engage authentically and disclose sponsorships transparently.

Authenticity closely complements trust and plays a vital role in how consumers perceive influencer content [6]. Tending to gravitate toward influencers whose lifestyles and beliefs appear sincere and unscripted products they promote, the likelihood of consumer engagement and subsequent purchase behavior increases significantly. Case studies have shown that influencers who share personal stories, user-generated content, and behind-the-scenes insights foster a sense of intimacy and credibility, which enhances the overall authenticity of their brand [7]. This authenticity helps bridge the gap between consumers and brands, creating a more seamless and convincing path to purchase.

Engagement is the third pillar that underpins effective influencer marketing, and it encompasses likes, comments, shares, direct messages, and other forms of interaction between influencers and their audiences [8]. High engagement rates often signal an active and invested follower base, which can amplify the reach and impact of sponsored content. However, engagement is not merely a quantitative measure; it also reflects the depth of the influencer-consumer relationship. Studies reviewed in this study indicate that consumers are more likely to be influenced by content that sparks meaningful conversations, fosters community, and offers value beyond simple promotion. The data also suggests that influencers who actively respond to comments, initiate discussions, and create interactive content such as Q&As or live streams cultivate stronger engagement, which in turn strengthens consumer trust and loyalty. This two-way interaction reinforces the parasocial relationships that consumers develop with influencers, where followers perceive influencers as friends or role models, despite the lack of

a real-life relationship. Such relationships are powerful because they blur the boundaries between advertising and word-of-mouth recommendations, thereby enhancing the persuasive power of influencer content.

The influence of parasocial relationships cannot be overstated in this context. These one-sided emotional bonds formed between consumers and influencers play a critical role in shaping consumer behavior. Unlike traditional celebrity endorsements, where the interaction is distant and impersonal, influencer marketing thrives on perceived accessibility and relatability. Consumers feel connected to influencers through daily updates, candid content, and personal storytelling [9]. This perceived intimacy makes followers more receptive to product recommendations, as they are more likely to view influencers as trusted peers rather than commercial entities. According to various reports analyzed in this study, the strength of these parasocial relationships significantly correlates with increased purchase intent, brand engagement, and post-purchase satisfaction. As influencers become embedded in consumers' digital lives, their endorsements often carry more weight than traditional advertisements, making them indispensable partners in a brand's marketing toolkit.

From a strategic standpoint, the findings of this study underscore the importance for businesses to carefully select influencers whose personal brand, values, and content style align with their own [10]. A misalignment between the influencer and the brand can lead to perceptions of inauthenticity, which can diminish consumer trust and result in poor campaign performance. Businesses must prioritize long-term partnerships over one-off promotions, as sustained collaborations foster familiarity and deepen the consumer-influencer relationship. Brands are also encouraged to co-create content with influencers, allowing for more organic storytelling and mutual value creation [11]. The success of influencer marketing hinges not just on reach and impressions, but on the depth of the influencer-consumer connection and the credibility of the message being delivered.

In analysing market reports from 2019 to 2024, this study also identifies evolving trends in consumer expectations and influencer marketing practices. For example, there is a growing demand for socially responsible influencers who advocate for sustainability, diversity, and ethical consumption. Consumers increasingly expect influencers to use their platforms to address social issues and align with causes they care about. Influencers who engage in performative activism or fail to practice what they preach often face backlash, which can negatively impact both their brand and the companies they endorse. As a result, businesses are under pressure to collaborate with influencers who not only fit their target demographic but also represent their corporate values in a meaningful way.

The rise of platforms like TikTok and Instagram Reels has shifted the emphasis toward short-form, visually engaging content that is both entertaining and informative. Influencers who can creatively integrate brand messages into this format tend to see higher engagement and conversion rates. While secondary study offers a robust foundation for understanding broad trends, it also presents certain limitations. The findings are inherently interpretive, reliant on the accuracy and context of existing data. Differences in sample populations, methodologies, and cultural contexts across studies can lead to variability in results. Nonetheless, by triangulating data from multiple reputable sources such as peer-reviewed journals, industry white papers, and market analytics this study aims to present a balanced and comprehensive perspective on influencer marketing's impact. It consolidates key insights to assist businesses in designing more effective influencer strategies that emphasize trust, authenticity, and engagement as core tenets.



## 2. LITERATURE REVIEW

Michael Gerlich *et al.* [12] discussed the influence of virtual influencers in recent years, a new type of influencer has emerged in the field of social media marketing virtual influencers. Though it is spreading fast, the trend is still new, and, therefore, limited studies have been conducted on the topic. This study aims to investigate the impact of virtual influencers on customers and whether there is a direct impact on human influencers due to the rise of virtual influencers in the industry. The study employed a questionnaire-based study method to collect and analyze responses from a sample of 357 participants. The questions focus on trust, credibility, expertise, and contribution to purchase intention by the virtual influencers. The results indicate that customers are increasingly attracted to virtual influencers and that virtual influences are perceived as more trustworthy, credible, and relevant to customers' preferences, leading to an increase in purchase intention. The study also discusses the implications of these findings for managers designing marketing campaigns.

Vaishnavi Parwal *et al.* [13] discussed the effect of Instagram influencers on what people buy. This study looks at how well influencer marketing campaigns influence how people buy things. By looking at how Instagram influencers affect what people buy, their favorite brands, and how they judge products, students can learn important information about how well this marketing approach works. Figuring out what makes consumers react to influencer posts will help marketers improve their plans and get better results from their partnerships with influencers. Also, it's important to know what traits and qualities make Instagram influencers successful. What traits or skills do these people have that help them gain loyal fans and connect with their audience well? Looking at the qualities of influencers will help us understand what makes them powerful and how they can make a bigger impact. This study looks at how Instagram influencers affect what people buy. It hopes to give useful information to marketers and brands. The results will help both study in this area and give useful advice on how to use influencer marketing well.

Kádeková *et al.* [14] discussed the rise of influencer marketing has introduced a variety of new online possibilities. Social media influencers are gaining popularity online because of their great work and presence. More and more people are following these influencers so they don't miss their posts. Brands seek out these influencers to get their products mentioned, reviewed, or recommended. Influencer marketing is a new way to promote products, but it still works well for marketers who want to be creative and connect with their audience. The purpose of this study is to explore the chances in influencer marketing and see how influencers affect the buying habits of people from Generations Y and Z. We wanted to see if influencers, who recommend products, can get people interested in buying them and if there are differences between different age groups of consumers.

Leparoux *et al.* [15] discussed the ways online influencers work and how they affect people's choices when buying things. In the last few decades, people called social media influencers have become popular on social networks. It's important that they have grown and now have a big impact on how consumers make decisions. This study seeks to understand how customers respond and how influencers affect their behavior to meet the needs and wants of their followers. The methods used include both numbers and descriptions. The main points show that influencers affect their followers' decisions to buy things by suggesting products. Also, the study shows that people are starting to doubt the trust they have in influencers.

Zainab Saleem *et al.* [16] discussed about fashion influencers on Instagram shape and sway the way people shop. Customers mainly get information from social media, and they use this information to make their decisions. Many influencers have appeared, and they provide helpful

advice for consumers. Instagram is one of the most popular apps used by fashion influencers, and it will continue to be popular in the future. Also, these influencers impact how consumers plan to act based on the fashion tips they share. This study looks at what customers think about fashion influencers on Instagram. Companies need to understand what people think about Instagram fashion influencers to create successful online strategies. They need to find out how much people trust influencers and how that trust affects their decision to buy things. This study aims to build a model showing how consumer behavior connects with factors like trust, trust in influencers, and the intention to buy, and test and confirm this model with actual customers. An online study was done with 23 people who follow fashion influencers on Instagram to achieve the aim of this study.

### 3. DISCUSSION

The influence of social media influencers on consumer behavior is likely to evolve significantly in the coming years, driven by technological advancements, changing consumer expectations, and the growing importance of digital experiences [17]. In the future, influencers will not just shape trends but will play an even more integrated role in guiding purchasing decisions. With the advent of artificial intelligence (AI), augmented reality (AR), and virtual reality (VR), influencers could utilize advanced tools to create highly personalized, immersive experiences that foster deeper connections with their audiences. These technologies will enable influencers to create more interactive content, such as virtual try-ons or real-time product demonstrations, thus enhancing the consumer's ability to make informed purchases.

As AI and data analytics improve, influencers will have access to even more granular insights into their followers' preferences, behaviors, and purchasing habits. This will allow them to offer tailored recommendations with a higher degree of relevance, increasing the chances of conversion. The increasing importance of sustainability and ethical consumption could lead influencers to take on a more active role in promoting brands that align with these values, influencing consumer behavior toward more conscientious purchasing. In parallel, the rise of new social media platforms and the fragmentation of digital spaces will give influencers more opportunities to reach niche audiences with specialized interests [18]. Micro- and nano-influencers will continue to thrive as brands recognize the value of engaging with hyper-targeted segments, leading to more authentic, community-driven marketing strategies. The future of influencer marketing will also likely see a shift toward more transparency and authenticity, with consumers becoming more discerning about sponsored content. In response, influencers will need to focus on building trust and credibility to maintain their relevance in an increasingly competitive digital marketplace. As digital technologies continue to evolve, the future of influencer impact on consumer behavior will be marked by greater personalization, ethical considerations, and a deeper integration of emerging technologies to engage and influence consumers in innovative ways.

The future scope of influencer marketing and its impact on consumer behavior is poised to undergo transformative shifts as technological advancements, evolving consumer preferences, and deeper integrations of digital platforms continue to reshape the marketing landscape. As we move further into the digital age, influencers who once merely endorsed products will become central figures in the creation of highly personalized, data-driven consumer experiences. Emerging technologies such as artificial intelligence (AI), augmented reality (AR), virtual reality (VR), and blockchain will redefine how influencers engage with their followers, allowing for more immersive, authentic, and interactive content that resonates deeply with targeted audiences. These technologies will enable influencers to offer real-time, hyper-personalized recommendations based on a wealth of data about their followers' behaviors, preferences, and past purchase history [19]. AI, in particular, will provide the ability

to predict consumer needs and tailor influencer campaigns with precision, enhancing the likelihood of conversion by providing the right product to the right person at the right time. With augmented and virtual reality, influencers will be able to offer virtual try-ons, real-time product demonstrations, and interactive shopping experiences that bridge the gap between online and in-store experiences.

This integration of AR and VR can make shopping more experiential, offering a sense of tactile interaction that has traditionally been missing from e-commerce platforms. With, blockchain technology is set to impact the future of influencer marketing by ensuring greater transparency and authenticity [20]. With the rise of concerns around fake reviews, fake followers, and misleading endorsements, blockchain can provide a verifiable ledger for influencer activities, ensuring that brands and consumers alike can trust the authenticity of influencers' engagements. In terms of consumer behavior, the growing importance of values such as sustainability, social responsibility, and ethical consumption will likely lead influencers to adopt a more conscientious approach to promoting products. Brands that align with these values will find themselves at the forefront of future influencer campaigns, as influencers will continue to play an essential role in shaping the ethical and social narratives that drive consumer choices.

The rising popularity of micro- and nano-influencers will also persist, as consumers increasingly seek authenticity, relatability, and personal connections with content creators who understand their niche interests. These smaller influencers often have highly engaged, loyal communities, and their power in influencing purchasing behavior will remain vital, especially within specific target markets. With this, influencers will face growing pressure to remain transparent and authentic in their endorsements, particularly as consumers become more aware of sponsored content and the implications of paid partnerships. This transparency will necessitate greater collaboration between influencers, brands, and regulatory bodies to ensure that advertising practices evolve in ways that align with the values of trust and integrity that consumers demand. Ultimately, the future scope of influencer marketing will be characterized by a more integrated, data-driven, and immersive approach to engaging consumers, where influencers leverage cutting-edge technologies to create deeper connections with their followers, foster ethical consumption, and drive purchasing behavior in more personalized, meaningful ways. As digital ecosystems become more fragmented and niche, the power of influencer marketing will continue to grow, leading to even more sophisticated, targeted, and impactful campaigns that shape the way consumers engage with brands and make purchasing decisions.

Influencer Marketing in shaping consumer behavior is vast and multifaceted, with an array of technological, social, and economic factors converging to redefine how consumers engage with brands, make purchasing decisions, and form brand loyalty. As we look to the future, influencer marketing will evolve beyond its current form, driven largely by advancements in artificial intelligence (AI), augmented reality (AR), virtual reality (VR), blockchain, and other emerging technologies. These developments will allow influencers to create even more personalized, interactive, and immersive experiences for consumers, taking the process of discovery, engagement, and purchase to new levels of sophistication. One of the most significant changes on the horizon is the increasing use of AI to analyze consumer data, allowing influencers to provide highly tailored recommendations and content that resonates more deeply with individual followers. By leveraging vast amounts of consumer data, AI can help influencers predict consumer preferences, and behaviors, and even anticipate future needs, thus enabling them to craft highly personalized campaigns that are more likely to drive conversions. For instance, AI-powered algorithms could suggest specific products to followers based on their

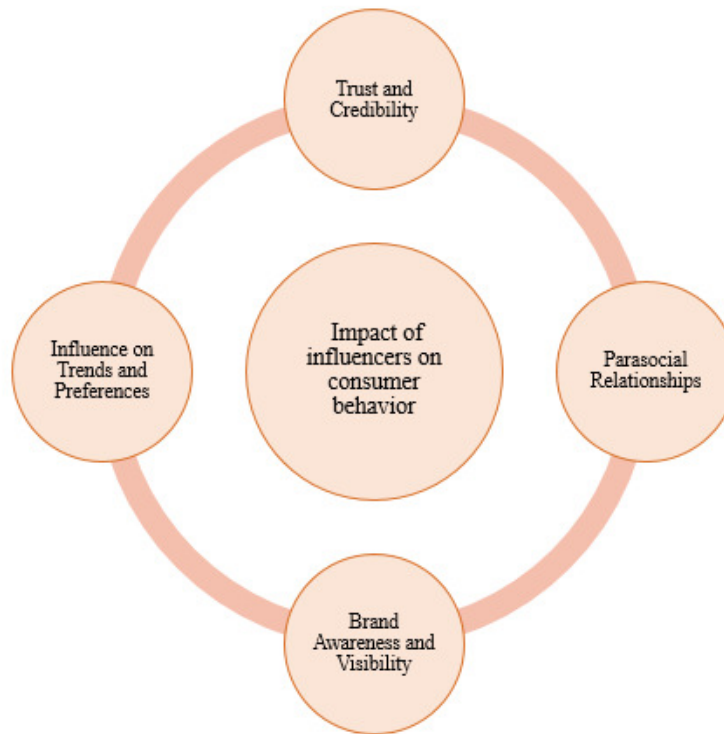
browsing history, social media activity, and past purchasing patterns, transforming influencers from mere content creators to data-driven curators and advisers who guide consumers in their buying journeys. With, AI can also facilitate better performance tracking, enabling both brands and influencers to assess the effectiveness of campaigns in real-time, optimizing marketing strategies on the fly, and improving the overall return on investment (ROI). Alongside AI, augmented reality and virtual reality are poised to revolutionize how consumers interact with products online, offering a level of interactivity and immersion that was previously unattainable.

AR and VR technologies will enable influencers to deliver highly engaging, real-time product experiences, such as virtual try-ons, 3D product walkthroughs, and immersive brand experiences. For example, a beauty influencer could use AR to show followers how makeup products will look on their faces in real-time, while a fashion influencer might allow followers to virtually "try on" clothes before purchasing. These technologies will make online shopping feel more tangible and personalized, simulating the in-store experience and thus influencing consumer behavior by providing a richer, more informed purchasing experience. This shift will be particularly relevant in industries such as fashion, beauty, furniture, and electronics, where the tactile experience of the product plays a significant role in the purchasing decision. Blockchain technology is also set to play a pivotal role in the future of influencer marketing, particularly in enhancing trust and transparency in the ecosystem.

Blockchain can provide a verifiable, immutable record of all influencer-brand transactions, ensuring that consumers can trust the authenticity of the content they see. This will be particularly important as consumers grow more discerning and demand greater transparency in the digital advertising space. Blockchain could also facilitate the rise of decentralized platforms where influencers and consumers interact directly, without the need for intermediaries such as social media platforms or agencies, giving influencers more control over their content and engagement with their audiences. The use of blockchain will also help combat the issue of data privacy, providing consumers with more control over how their data is used and ensuring that influencers adhere to ethical standards in handling personal information. As consumer values continue to shift toward sustainability and social responsibility, influencers will find themselves at the forefront of promoting ethical brands and products.

The future of influencer marketing will be marked by an increasing focus on sustainability, with influencers advocating for eco-friendly, socially responsible, and ethically produced products. Brands that align with these values will be well-positioned to capture the attention of increasingly conscientious consumers, especially as younger generations place greater importance on the ethical implications of their purchases. Influencers will also play a critical role in shaping the narratives around environmentalism, diversity, inclusion, and social justice, leveraging their platforms to foster positive change while encouraging responsible consumption. This shift toward ethical consumerism will push influencers to carefully consider the brands they partner with and the products they endorse, with authenticity and alignment of values becoming key factors in maintaining trust with their followers. Another crucial aspect of the future of influencer marketing is the continued growth of micro- and nano-influencers. While macro-influencers with millions of followers have dominated the landscape in the past, there is a growing trend toward smaller, niche influencers who have highly engaged, loyal communities. These influencers often have a more authentic and personal connection with their followers, which leads to higher engagement rates and stronger influence over consumer

purchasing behavior. As brands increasingly recognize the value of reaching hyper-targeted segments, micro- and nano-influencers will continue to thrive, providing a more cost-effective and impactful alternative to traditional celebrity endorsements. These smaller influencers will be able to leverage their niche expertise and deep connections with their followers to drive more meaningful, contextually relevant campaigns that speak directly to specific consumer needs and preferences. Figure 1 shows the Impact of influencers on consumer behavior.



**Figure 1: Shows the Impact of influencers on consumer behavior.**

As a result, influencer marketing will become even more fragmented, with brands focusing on a wide array of specialized influencers across multiple platforms, rather than relying on a handful of top-tier influencers to drive awareness. With, as the digital ecosystem becomes more fragmented, influencers will need to adapt to new social media platforms and digital spaces, where new opportunities for engagement and brand partnerships will arise. The growth of platforms such as TikTok, Clubhouse, and other emerging digital spaces will provide influencers with new tools to connect with audiences, while also presenting new challenges in terms of maintaining relevancy and engagement. Influencers will need to stay agile, continuously evolving their content strategies and learning how to harness the unique features of each platform to stay ahead of the curve. At the same time, the continued rise of social commerce, where consumers can purchase products directly through social media platforms—will further blur the lines between influencer marketing and e-commerce. The integration of e-commerce functionality into social media platforms will make it easier for influencers to recommend and sell products, streamlining the purchasing process and driving more immediate conversions. Consumers will increasingly turn to influencers for product recommendations, reviews, and shopping advice, using social platforms not just to consume content, but also to make purchasing decisions in real-time. This shift will also bring about new monetization



opportunities for influencers, who will be able to earn directly from the sales they drive through their content. However, as the landscape evolves, there will be a greater emphasis on maintaining trust and authenticity [21]. Consumers will become more discerning, particularly as they become aware of the pervasive nature of influencer marketing and the growing prevalence of paid content. This will lead to an increased demand for transparency, as consumers expect influencers to disclose sponsored content, product placements, and affiliate links. Influencers who prioritize transparency and authenticity will be better positioned to maintain their credibility and loyalty among their followers. In response to this demand for authenticity, influencer marketing will likely become more community-driven, with influencers forging deeper, more meaningful relationships with their followers.

The days of one-way communication, where influencers simply broadcast content to passive audiences, will be replaced by more collaborative, interactive relationships, where followers play an active role in shaping content and brand partnerships. Influencers will increasingly act as brand ambassadors who engage in ongoing dialogue with their audiences, building stronger communities around shared values, interests, and experiences. In conclusion, the future scope of influencer marketing will be characterized by a more personalized, transparent, and immersive consumer experience, driven by the integration of advanced technologies such as AI, AR, VR, and blockchain. The growing emphasis on sustainability, ethical consumption, and community-driven engagement will reshape the way influencers interact with brands and their followers, creating opportunities for more authentic and impactful marketing strategies. As the digital landscape continues to evolve, influencers will remain at the forefront of consumer behavior, driving trends, shaping purchasing decisions, and building the future of marketing in ways that are more personalized, interactive, and values-driven than ever before. The future of influencer marketing will be an exciting, dynamic space where technological innovation, consumer preferences, and social values converge to create a more meaningful and engaging marketing experience.

As influencer marketing continues to grow in prominence, its influence on consumer behavior is expected to become more profound, and its role in shaping purchasing decisions will expand beyond the simple endorsement of products into a fully integrated experience that blends technology, personalization, and social responsibility. One of the most pivotal changes lies in the increasing application of artificial intelligence (AI) to influencer marketing. AI's capabilities in data processing, machine learning, and predictive analytics will enable influencers to provide consumers with hyper-personalized content, guiding them toward products that align with their unique preferences, needs, and even future desires. AI will facilitate the creation of highly targeted campaigns that resonate with individual consumers, resulting in more effective strategies that drive conversion rates.

For example, influencers will be able to use AI tools to analyze vast datasets from social media interactions, purchase histories, and even sentiment analysis to craft messages that speak directly to each follower's desires. This technological shift will not only empower influencers to curate content with precision but will also enable brands to engage with their audiences on a deeper level, cultivating long-term relationships with consumers. In parallel with the growth of AI, augmented reality (AR) and virtual reality (VR) will take influencer marketing to new heights by offering more immersive and interactive consumer experiences. AR and VR will create dynamic ways for influencers to showcase products and services, providing consumers with virtual experiences such as trying on clothes, testing makeup, or exploring furniture in



their own homes all from the comfort of their screens. The ability to "virtually try before you buy" will become more common, allowing consumers to make more informed decisions and bridging the gap between the tactile experiences they typically have in physical stores and their online shopping habits. Influencers, armed with these tools, will not simply tell their followers about products they will allow them to experience products in virtual spaces that simulate real-life usage, making the consumer's purchasing journey more engaging, fun, and convenient. The ability to experience products virtually before purchasing will directly impact buying behavior, increasing confidence in online shopping and enhancing consumer satisfaction. With, blockchain technology will increasingly be used to address growing concerns regarding transparency and trust in influencer marketing. With the proliferation of sponsored content, fake followers, and artificial engagement metrics, blockchain has the potential to establish verifiable systems for tracking influencer engagements, ensuring authenticity and accountability in influencer partnerships. By creating transparent records of transactions, endorsements, and content creation, blockchain can provide both brands and consumers with an immutable record that guarantees the legitimacy of the content they engage with. This level of transparency will be essential as consumers become more discerning and skeptical of influencer-driven marketing tactics, particularly as they demand more honesty and integrity from the brands they support. Blockchain can also be used to safeguard consumer privacy, allowing individuals to control their data while still benefiting from personalized content and recommendations.

#### 4. CONCLUSION

Social media influencers have become key players in influencing consumer purchasing decisions, with their impact extending beyond traditional advertising methods. The success of influencer marketing is largely driven by trust, authenticity, and engagement, with a particularly strong emphasis on fostering parasocial relationships one-sided, yet meaningful relationships between influencers and their followers. These relationships create a sense of connection and personal investment, which significantly affects consumers' perceptions and their likelihood of making a purchase based on an influencer's recommendation. Micro-influencers, in particular, have emerged as highly effective in driving consumer behavior. Their ability to connect with smaller, audiences allows them to cultivate high levels of engagement and trust. This makes them particularly influential among younger generations, who value authenticity and relatability over celebrity endorsements. However, as influencer marketing grows in popularity and becomes more commercialized, maintaining authenticity presents a growing challenge. Over-commercialization can lead to a decline in trust, with followers becoming more skeptical of sponsored content, especially if influencers are perceived as promoting products solely for financial gain to sustain long-term success, brands must focus on building genuine, transparent partnerships with influencers, ensuring that campaigns remain aligned with both the influencer's brand and the interests of their audience. Only by prioritizing authenticity and avoiding over-commercialization can brands maintain the trust and engagement necessary for effective influencer marketing.

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## CHAPTER 5

### ADVERTISING'S IMPACT ON CONSUMER BEHAVIOR AND PURCHASE CHOICES: A REVIEW STUDY

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#### ABSTRACT:

Advertising is very important in shaping how people decide to buy things. This paper looks at how different advertising methods affect what people choose to buy. It focuses on using feelings, showing that others like a product, and convincing messages. This study looks at how advertising affects both careful and spontaneous buying choices by checking existing studies and studying 200 people. The results show that ads help people stay loyal to a brand and encourage them to buy. However, they can also make people buy things on impulse and see too many ads. The study shows that we need to use honest advertising to reduce problems like buying too much and spreading wrong information. The findings underscore the importance of aligning marketing approaches with consumer welfare, emphasizing that ethical practices play a crucial role in developing sustainable advertising techniques.

#### KEYWORD

Advertising Influence, Brand Loyalty, Consumer Behavior, Consumer Overexposure, Impulsive Buying.

#### 1. INTRODUCTION

Advertising is now a key part of marketing, and it greatly affects how people behave and what they choose to buy. People see convincing messages everywhere, from newspapers and TV to social media. These messages influence how they think, what they like, and what they do. This situation brings up concerns about how much advertising affects the decisions people make, both on purpose and without realizing it [1]. The digital revolution has increased the effect of advertising. Advertisers can now make highly personalized ads that target specific groups of people and their interests.

The connection between advertising and how people buy things is complicated and has many different parts. Advertising can tell people about products and services, helping them make good choices. It can influence how people shop by using feelings, showing what others buy, and creating a sense of urgency, which can sometimes make people buy things on impulse without thinking [2]. This two-sided nature of advertising brings up worries about what is right and wrong, especially when ads take advantage of people's feelings and create a made-up need for things. There is so much advertising everywhere that people are seeing too much of it. The average person sees thousands of ads every day, which can make them tired of advertisements and less responsive to them. Much advertising can make ads less effective and may lead people to have a bad opinion of brands that seem too pushy with their marketing. Also, more people are using ad-blockers, which shows that they don't like bothersome ads [3]. Advertising plays a pivotal role in shaping consumer behavior and influencing purchase choices, offering several key advantages that benefit businesses, consumers, and the broader economy. One of the most significant advantages of advertising is its ability to raise awareness and educate consumers

about products, services, and brands. In today's highly competitive and saturated marketplace, consumers are presented with countless options in virtually every product category, from household essentials to luxury goods [4]. Advertising serves as a crucial communication tool that helps differentiate products and convey their unique selling propositions. By delivering persuasive and informative messages through various media channels such as television, radio, social media, print, and digital platforms advertising informs consumers about the availability, features, benefits, pricing, and usage of products. This increased awareness enables consumers to make more informed decisions, reducing the uncertainty or perceived risk associated with trying new products or brands. With, advertising not only promotes new offerings but also reinforces brand loyalty by reminding existing customers of the value and satisfaction associated with their prior purchases [5]. A well-crafted advertising campaign can create a lasting impression in the consumer's mind, using emotional appeals, storytelling, and visual elements to evoke desire and establish a strong brand identity.

This emotional connection often leads to brand preference, which can significantly influence repeat purchases and long-term customer retention. With, advertising contributes to shaping consumer preferences and tastes over time [6]. Through repeated exposure to brand messages, consumers may develop associations between certain brands and desirable attributes such as quality, innovation, style, prestige, or affordability. These associations can influence both conscious and subconscious decision-making, guiding consumers toward products that align with their values, lifestyles, and aspirations [7].

In this way, advertising helps create perceived value that can outweigh tangible factors like price or functionality, thus justifying premium pricing or encouraging the adoption of novel products. With, advertising can stimulate demand by creating perceived needs or highlighting latent desires. By showcasing how a product can enhance one's lifestyle, solve a problem, or deliver social status, advertising taps into emotional and psychological triggers that drive consumer behavior. This demand generation can be particularly powerful in industries where products are discretionary or luxury-based, such as fashion, cosmetics, technology, and automobiles.

With, advertising allows businesses to segment and target specific consumer groups effectively, tailoring messages to resonate with particular demographics, psychographics, or geographic markets [8]. This targeted communication increases the relevance and appeal of advertisements, making consumers feel understood and valued, which in turn increases engagement and likelihood of purchase. Personalization made possible through data analytics and digital advertising further enhances this advantage, allowing brands to deliver customized content that speaks directly to individual interests, preferences, and behaviors. As a result, advertising can lead to more efficient marketing spending and higher return on investment (ROI) for businesses. For consumers, this targeted advertising can lead to more relevant and timely information, reducing the effort required to discover products that meet their needs. Another important advantage of advertising is its role in creating competition, which drives innovation and improves product quality [9]. When companies advertise their offerings, they not only promote their strengths but also benchmark against competitors, encouraging continuous improvement in order to gain market share. This dynamic benefits consumers by expanding their choices and ensuring that businesses remain responsive to consumer feedback and expectations. Advertising supports economic growth by driving sales and encouraging consumption, which in turn fuels production, employment, and investment across various industries. The advertising industry itself also creates numerous jobs, ranging from creative professionals to media planners and digital marketers. At a macroeconomic level, advertising serves as a stimulus that can help stabilize demand during economic downturns and boost

confidence in times of uncertainty. For emerging brands and small businesses, advertising offers a pathway to visibility and market entry. Through strategic campaigns, these businesses can challenge established players and carve out niche markets by highlighting their unique value propositions.

In the digital age, platforms such as social media, influencer marketing, and search engine advertising have leveled the playing field, allowing smaller enterprises to reach targeted audiences with limited budgets [10].

This democratization of advertising empowers entrepreneurs and fosters innovation by encouraging diversity in offerings. Advertising facilitates global trade and cultural exchange by enabling international brands to enter new markets and adapt their messages to local contexts. This global presence introduces consumers to a broader range of products and services, enriching their consumption experiences and fostering cross-cultural understanding. In addition to commercial advantages, advertising can also serve social and public interest goals. Public service announcements and cause-related marketing campaigns use the tools of advertising to promote health, safety, environmental awareness, and social responsibility. These campaigns influence consumer behavior in positive ways by encouraging beneficial actions such as recycling, voting, exercising, or adopting sustainable consumption habits.

As technology continues to evolve, so does the effectiveness and reach of advertising. Artificial intelligence, machine learning, and big data have transformed advertising into a more precise and adaptive discipline [11]. Real-time insights into consumer behavior enable brands to adjust their messages, formats, and timing for maximum impact. Augmented reality (AR), virtual reality (VR), and immersive experiences further enhance consumer interaction, turning advertisements into engaging and memorable encounters. These innovations not only capture attention but also facilitate experiential learning, allowing consumers to explore products before purchase, which increases confidence and reduces post-purchase dissonance. With the integration of advertising with e-commerce platforms enables seamless shopping experiences, from discovery to purchase, making the consumer journey more efficient and enjoyable. In summary, the advantages of advertising in influencing consumer behavior and purchase choices are extensive and multifaceted [12].

Advertising educates and informs, fosters brand loyalty, shapes preferences, stimulates demand, promotes competition, supports innovation, and drives economic activity. It empowers businesses to connect with their audiences strategically and enables consumers to make choices that reflect their needs, desires, and values. While advertising must be used ethically and responsibly to avoid manipulation or misinformation, its role as a positive force in the marketplace is undeniable.

By bridging the gap between producers and consumers, advertising not only facilitates transactions but also enriches the consumer experience, making it an indispensable element of modern commerce and communication.

## 2. LITERATURE REVIEW

Samuel *et al.* [13] discussed programmatic advertising identifying what causes anxiety among consumers. Programmatic advertising represents a novel and fast-growing technological approach that influences people's actions and their responses. Even though it is popular and used a lot, there isn't much study on this topic, and most of what we know comes from materials created by professionals in the field. This study helps us understand how this technology works and how it connects with users. The study looks at paradox theory to break down the conflicting issues in programmatic advertising. Organizations that adopt new practices struggle with how



to gather detailed information to offer more personalized services. However, collecting too much information can make consumers feel scared and distrustful. Automating personalized ads seems appealing, but it can lead to problems where ads are shown in the wrong places. In the end, it's hard to know the real cost and benefits of programmatic advertising.

James Alan Laub *et al.* [14] discussed that servant organization leadership is about having the right knowledge, and abilities to make changes. It's also more about how people see the world or their ideas about life. They also shape how we live. This was the main topic of a panel talk at an International Leadership Association Conference in November 2009 in Prague, called Leadership for Transformation: The Impact of Worldviews. This issue features a symposium where we share four papers and a response that was presented at the conference. The people on the panel came from different backgrounds in terms of gender, fields of study, religions, and countries.

Sharma *et al.* [15] discussed the quality of life at work, job-related stress, confusion in roles, and the balance between work and family for women employed in public and private banking sectors. The study was to look at the differences in quality of work life, job stress, conflicting roles, and work-family balance between women working in public and private sectors. The data included 300 working women, with 150 from the public sector and 150 from the private sector. A T-test was used to compare the differences between the groups.

The results showed that there were important differences in the Quality of Work-life, Role Conflict, and Work-family Balance between women working in public and private banks. However, there was no significant difference in Occupational Stress for these women.

Hoban *et al.* [16] discussed the influence of display advertising: how prejudices and temporal factors affect their effectiveness. The two-month collection of browsing data includes almost one million users and more than 24 million display ads shown for 400 advertisers. We talk about why it's important to consider two kinds of selection biases: the rules for targeting and how much time a customer spends looking around. When not considered, selection effects can make the impact of display advertising seem more than five times larger than it is. About one-third of this exaggeration comes from how much people browse, and the other two-thirds comes from targeting practices.

We also check if this effect is similar for ads that target different stages of the buying process, whether early or late. We found that people are almost twice as likely to respond when they are in a fun, entertainment mood. A campaign aimed at these fun-loving users is expected to bring in 15.3% more sales and these effects are strongest during the early stages of deciding to buy.

Li *et al.* [17] discussed the impact of targeted digital advertisements on consumers' browsing desires in a study utilizing the regret theory framework. The growth of digital technology allows ads to be shown specifically to the right people, making advertising more effective. The timing of ads can greatly affect how many people click on them, especially when companies show ads that match what people do online. The authors did two studies and found that showing ads to shoppers before they buy something makes them want to look around more than showing ads after they buy. This process happens at the same time based on how useful people think the ad information is and how much they worry about feeling regret after looking at the ad. When you can't change your mind about buying something. The decision to buy something can easily be changed (it's reversible), or it's not often that someone decides to buy the same thing again (it's not repeatable). As the pressure to hurry increases, consumers are more likely to look at ads while browsing.

### 3. DISCUSSION

The study was tested with a small group of people to find any unclear or confusing questions. We made the needed changes based on the feedback. We confirmed that the study was valid by making sure the questions matched with well-known theories and ideas from previous studies. This way, we ensured that the study correctly measured what we wanted to find out. The study followed the rules for conducting the study ethically. The participants were told why the study was being done, and they agreed to take part before joining. We kept the respondents' information private and stored the data safely to stop anyone from accessing it without permission [18]. The study found that ads that make people feel emotions strongly influence how they buy things. About 68% of people said they are more likely to buy a product if the ad makes them feel good, like happy, nostalgic, or excited.

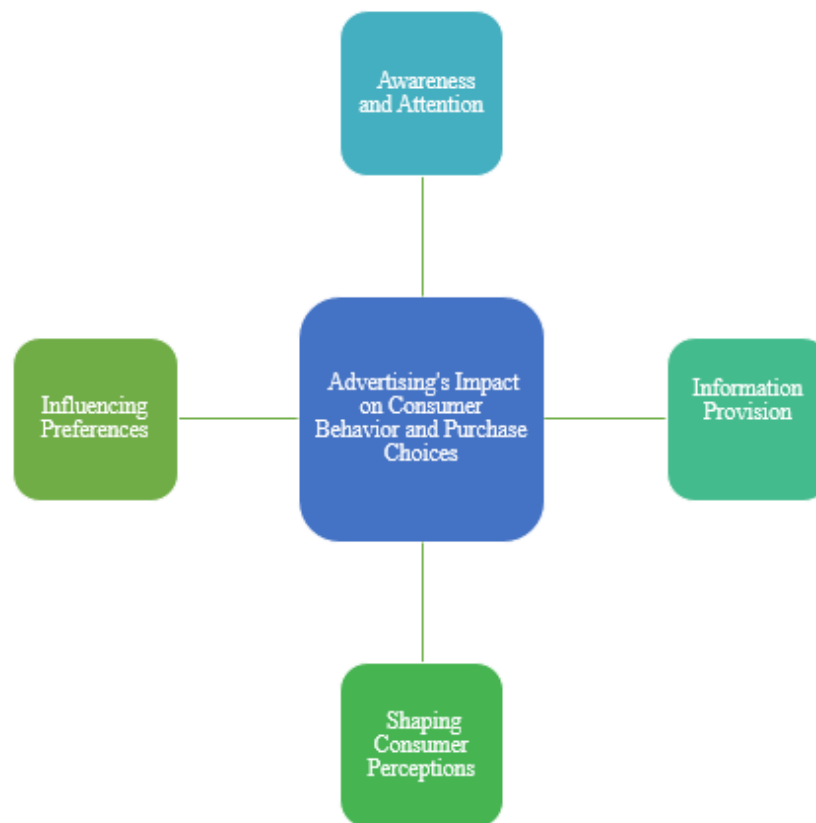
About 73% of people remembered ads that made them feel something even months later. This shows how strong emotional branding is in influencing what consumers remember and like. This means that ads that make people feel strong emotions help make a brand more valuable over time. The data also showed a strong link between how much people liked the emotions in ads and how likely they were to tell others to recommend the brand [19]. This means that ads that connect with people's feelings not only affect what they buy but also encourage them to talk about the ads, reaching more people. The idea of social proof became another important reason that influences how people make decisions when buying things.

Social proof helps people feel more confident and trust a brand by showing that others like or use the product. The bigger study showed that people between the ages of 18 and 35 were especially influenced by recommendations from social media stars. People in this age group use social media more and trust influencers more than traditional celebrities. This trend shows that micro-influencers are becoming more important [20]. Because people see them as genuine, they can affect what others buy more than regular celebrities do. The data showed that people think influencer endorsements are somewhat trustworthy, with an average rating of 3.4 out of 5. Even though influencers have a lot of power, people are still a bit doubtful. This shows that being real and honest is very important in influencer marketing. When influencers clearly say that their posts are sponsored, people view them more favourably. This shows that being honest makes their recommendations more effective.

The study showed that ads can make people buy things on impulse, especially when they use limited-time deals and messages that create a sense of urgency. In 2021, some people said that ads that create a sense of urgency take advantage of consumers' fear of missing out (FOMO), which makes them buy things on impulse. Also, 52% of people said that messages about urgency were "Very Effective" or "Moderately Effective" in affecting their choice to buy products. This shows that limited supplies and special time-limited deals are strong ways for marketers to get people to buy right away [21]. But we can't ignore the moral issues related to these tactics. Some people said they felt sorry after buying things quickly because of urgent ads, showing that these ads can lead to bad experiences for shoppers. Nearly half of the people studied (52%) said they bought things during sales, even if they didn't really need them at that moment. This shows how advertising creates a false sense of need, making people feel they must act quickly to grab limited-time deals. Advertising has long been a cornerstone in shaping consumer behavior and influencing purchase decisions. As we navigate through 2025, the landscape of advertising continues to evolve, driven by technological advancements, changing consumer expectations, and a dynamic market environment. This essay delves into the multifaceted impact of advertising on consumer behavior, examining current trends and projecting future developments. Historically, advertising served as a one-way communication channel from brands to consumers. Traditional media such as television, radio, and print

dominated the advertising space, delivering messages to a broad audience. However, with the advent of the internet and digital technologies, the advertising paradigm has shifted towards a more interactive and personalized approach.

The rise of social media platforms, search engines, and e-commerce websites has transformed consumers from passive recipients to active participants in the advertising process. Consumers now have access to a wealth of information, enabling them to make informed decisions and engage directly with brands. One of the most significant shifts in advertising is the move towards personalization [22]. Brands leverage data analytics, artificial intelligence (AI), and machine learning to tailor advertisements to individual preferences and behaviors. This targeted approach enhances the relevance of ads, increasing the likelihood of consumer engagement and conversion. Figure 1 shows the advertising's impact on consumer behavior and purchase choices.



**Figure 1: Shows the advertising's impact on consumer behavior and purchase choices**

For instance, platforms like Amazon and Facebook utilize user data to display personalized product recommendations, while Google employs search history to present relevant ads. This level of personalization not only improves the consumer experience but also drives sales and brand loyalty. Influencer marketing has emerged as a powerful tool in modern advertising strategies. Consumers, particularly younger demographics, often trust recommendations from influencers over traditional advertisements. Brands collaborate with influencers to promote products in an authentic and relatable manner, leveraging the influencers' credibility and reach.

This trend underscores a shift towards peer-driven marketing, where consumer trust is built through personal connections rather than corporate messages. Social media platforms have

become integral to advertising strategies, offering brands a direct line to consumers. User-generated content (UGC), such as reviews, testimonials, and unboxing videos, plays a crucial role in influencing purchase decisions. Consumers increasingly rely on UGC to assess the authenticity and quality of products before making a purchase. Brands encourage UGC by creating shareable content and engaging with consumers online, fostering a sense of community and trust. Consumers are becoming more conscientious about the ethical practices of the brands they support. Issues such as environmental sustainability, fair labor practices, and corporate transparency are influencing purchasing decisions. Brands that align their advertising messages with social responsibility initiatives resonate more with consumers, particularly those in younger generations.

This trend highlights the importance of authenticity and ethical considerations in advertising, as consumers seek brands that reflect their values. The integration of AI and predictive analytics into advertising is poised to revolutionize consumer interactions. By analyzing vast amounts of data, AI can anticipate consumer needs and deliver timely, relevant advertisements. Predictive models can forecast purchasing behavior, enabling brands to proactively engage consumers with personalized offers. As AI technology advances, its role in shaping consumer behavior through advertising will become increasingly prominent. AR and VR technologies offer immersive advertising experiences that allow consumers to interact with products in a virtual environment. For example, AR enables consumers to visualize how furniture would look in their homes, while VR can simulate travel destinations for potential tourists.

These technologies enhance consumer engagement by providing interactive and experiential advertising, bridging the gap between online and offline shopping experiences. The proliferation of voice-activated devices has introduced new avenues for advertising. Consumers can now search for products and make purchases using voice commands. Brands are optimizing their content for voice search and developing conversational advertising strategies to engage consumers through voice interfaces. This shift necessitates a rethinking of advertising strategies to accommodate voice interactions and ensure brand visibility in voice search results. As advertising becomes more personalized, concerns about data privacy are escalating. Consumers are increasingly aware of how their personal information is collected and used by brands. In response, advertisers must prioritize transparency and data protection to maintain consumer trust. Implementing robust data privacy policies and obtaining explicit consent for data usage will be crucial in fostering a positive relationship between brands and consumers. The interplay between advertising and consumer behavior is complex and continually evolving.

As technological advancements reshape the advertising landscape, brands must adapt to meet the changing expectations of consumers. Personalization, ethical considerations, and technological innovations are at the forefront of this transformation. The future of advertising will likely be characterized by a deeper integration of AI, immersive technologies, and a heightened focus on consumer trust and ethical practices. Brands that embrace these changes and align their advertising strategies with consumer values will be well-positioned to thrive in the dynamic market environment. Historically, advertising served as a one-way communication channel from brands to consumers. Traditional media such as television, radio, and print dominated the advertising space, delivering messages to a broad audience. However, with the advent of the internet and digital technologies, the advertising paradigm has shifted towards a more interactive and personalized approach. The rise of social media platforms, search engines, and e-commerce websites has transformed consumers from passive recipients to active participants in the advertising process. Consumers now have access to a wealth of information, enabling them to make informed decisions and engage directly with brands.

One of the most significant shifts in advertising is the move towards personalization. Brands leverage data analytics, artificial intelligence (AI), and machine learning to tailor advertisements to individual preferences and behaviors. This targeted approach enhances the relevance of ads, increasing the likelihood of consumer engagement and conversion. For instance, platforms like Amazon and Facebook utilize user data to display personalized product recommendations, while Google employs search history to present relevant ads. This level of personalization not only improves the consumer experience but also drives sales and brand loyalty over traditional advertisements. Brands collaborate with influencers to promote products in an authentic and relatable manner, leveraging the influencers' credibility and reach.

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#### **4. CONCLUSION**

This study finds that advertising greatly affects how people buy things, guiding both thoughtful and spontaneous choices. Using feelings and showing what others think or do are very good ways to get people interested and loyal to a brand. Ads that make people feel good and have



trustworthy influencers promoting them can greatly affect how people buy products and view brands. Using messages that create a sense of urgency and seeing too many ads can cause people to make quick, unplanned purchases and feel tired of shopping. Using these tricks might help increase sales quickly, but they can lead to problems later on, such as customers feeling guilty about their purchase and losing trust in the brand. To maintain consumer confidence and avoid issues like excessive purchasing, should emphasize ethical approaches to advertising. Marketers need their plans to mix connecting with people's feelings and being open about how they use information, especially when they are creating ads that are personalized based on data. It's important to respect people's privacy and choices to create lasting relationships. The growth of online ads brings both chances to succeed and difficulties to overcome. Likewise, the widespread presence of ads needs to be handled carefully to avoid people getting tired of them and having bad feelings about the brand. Future studies should look at how new technologies, like artificial intelligence and machine learning, are used to make very specific ads that affect how people shop. Advertising is still a strong way to influence what people buy. By using its power in a good and fair way, marketers can reach their goals and also help improve consumer experiences and society.

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## CHAPTER 6

### A COMPREHENSIVE REVIEW OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SYSTEMS

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#### ABSTRACT:

CRM is a way for a company to use technology and plans to improve its relationships with customers. It helps the business work better and grow by making customers happier and keeping them coming back. CRM systems gather information from the Internet, emails, social media, phone calls, and other sources into one place. This helps keep track of how people interact with the business. Besides giving information on how to keep an eye on interactions, it also follows sales steps and automates messages. The systems have helped people work together during COVID-19 restrictions, even when they are in different places. Other advantages of using CRM are the ability to send customized messages and track changes in how customers act, along with getting assistance when you need it. However, CRM has some problems, like being hard to set up, connecting different types of data, and people having trouble using it. Implementing a CRM is very expensive and takes a lot of time. CRM is a system that helps a company keep track of how it interacts with customers from the start to the end, including getting new customers and assisting them after they buy something. Since customers connect with a company in many ways, like social media, websites, emails, and in-person meetings, this is very important for businesses today. CRM tools can affect what a customer wants and needs by using data to understand those needs and by finding solutions to problems. The CRM system has three parts: operational, analytical, and collaborative. Operational CRM makes the tasks of sales, marketing, and customer service easier by connecting them into simple steps. This helps provide a smooth experience for customers. Analytical CRM gathers and studies data about how customers act.

#### KEYWORDS:

Customer Satisfaction, CRM systems, Communication, Customer, Sales.

### 1. INTRODUCTION

CRM involves the administration of relationships with clients, a method that companies use to handle their communication with customers they have now and those they might have in the future. The main aim of CRM is to make business relationships better, simplify tasks, and help the company grow by making customers content and keeping them loyal. CRM systems gather customer information from websites, emails, social media, and phone calls, and then store it all in one place [1]. This information is used to keep track of how we interact with different customers and sales processes and to automate communication. Some examples of CRM are managing contacts, tracking leads and sales, automating marketing tasks, providing customer service, and creating reports. CRM helps a business understand what customers like and how they behave. This information allows the business to keep its customers for a longer time. CRM is important for businesses to help them take care of their relationships with customers [2]. By collecting all customer information in one place, CRM helps businesses improve their sales,

marketing, and support, making sure they don't miss any chances to connect with customers. It helps make tasks easier, improves teamwork, and gives useful information by analyzing data [3]. In the end, CRM helps keep customers coming back, boosts growth, and makes the business run better by providing great customer experiences and helping with smarter decisions. During COVID-19, customer relationship management (CRM) systems helped businesses connect with their customers by adjusting to rules like avoiding physical contact and having employees work from home. They let teams work together no matter where they were located because all customer information was stored in one place, and communication between sales, marketing, and support was made automatic.

Another benefit of CRMs is that they can create personalized messages, keep track of how customers change their behavior, and provide help when it's needed [4]. As communication moved online, CRM tools showed they were very helpful for businesses to keep selling, providing services, and managing things more easily and effectively. This provided important consistency and kept many customers who might have looked for other, easier options. However, CRM systems face some problems, like difficulties in getting started, combining data, and getting people to use them. Setting up a CRM can cost a lot and take a lot of time because many companies need to change the system to fit their needs. Gathering information from different places can be difficult because the data does not match up, so the customer information might be incomplete [5]. Other challenges come from getting users to accept the new system. Employees might be hesitant to change, or the system could be too complicated for them. It's important to manage data well and keep it safe, and following privacy rules can be difficult. Ineffective CRMs can create confusing experiences for clients, reduce how well the organization works, and make it harder to build good relationships with customers. We should always work hard to keep our customers. Not having good information about customers and poor communication skills can hurt a business and often lead to missed sales.

Customer Relationship Management (CRM) helps businesses build strong connections with their customers. This affects how loyal customers are based on how content they feel. In simple terms, customer satisfaction means meeting or exceeding what customers expect, while dissatisfaction happens when expectations are not met. So, the idea of customer satisfaction means that meeting what consumers expect from products and services is important [6]. To make customers happy, businesses providing services need to give something back and create extra benefits that help attract new clients and keep the existing ones. When customers are content, it means that they have gone through a good customer relationship program. This helps them to become loyal. In other words, managing customer relationships will only help keep customers loyal if those customers are content. So, the customer relationship management program helps connect how happy customers feel to their loyalty.

## 2. LITERATURE REVIEW

Khodakarami *et al.* [7] discussed that CRM systems play a crucial role in gathering insights about customers. This study looks at how customer relationship management (CRM) systems help create knowledge about customers. It focuses on four main processes: talking and sharing ideas (socialization), turning personal knowledge into shared information (externalization), mixing different pieces of information together (combination), and using shared knowledge to improve understanding (internalization). CRM systems are divided into three types: collaborative, operational, and analytical. A study of CRM software in three companies shows that analytical tools greatly help in combining different processes. Teamwork systems offer the best help for sharing ideas and information. Operational systems help communicate with customers, while collaborative systems are for communication within a company. Working together and thinking critically helps with learning by offering chances to gain knowledge.

Hamed Taherdoost [8] discussed customer relationship management (CRM) in online business means using technology to help companies create and keep good connections with their customers on the Internet. It gives a summary of CRM in online business, covering its parts, how to use it well, and its advantages and difficulties. The chapter explains what CRM is in e-business and highlights how it helps companies understand what customers want and prefer. It shows how important CRM is for online businesses, helping them provide tailored experiences for their customers. It also looks at the good and bad sides of each part and how they work together. The best ways to use CRM systems and connect them with other tasks are looked at, along with ideas for future studies. This text talks about the good things about using CRM in an online business, like making customers happier and more loyal. It also mentions possible problems with keeping data safe and private. By the end of this chapter, readers will clearly understand what CRM is in online businesses and why it is important in today's business world.

Urbanskiene *et al.* [9] discussed the process of developing a customer relationship management (CRM) system. A client relationship management system helps us understand how relationship marketing is important for building the basic ideas of CRM. It shows how customers (either companies or people) and suppliers (either factories or service providers) interact based on trust, teamwork, sharing power, communication, commitment, reliance, and other factors. It also discusses how this affects customer loyalty. CRM should not just show the relationships with customers; it is more important to understand how to manage and improve those relationships. Customer relationship management (CRM) is a system that helps manage groups of customers and organize marketing campaigns. It shows how both customers and employees can benefit from using CRM.

Pai *et al.* [10] discussed a study focused on the implementation and acceptance of customer relationship management (CRM) systems within Taiwan's distribution service sector. The fast changes in competition, combining company resources, and finding new ways to run a business have become very important for companies. Many businesses have started using new technology and are creating innovative online business systems like ERP (enterprise resource planning), CRM (customer relationship management), KM (knowledge management), and SCM (supply chain management) to improve their competitive edge. CRM systems can help businesses find new customers, encourage current customers to buy more, keep good relationships with customers, and increase customer value. This can also improve the company's reputation. Also, the growth and use of CRM systems have become important topics for studies and professionals in recent years. Taiwan's industry is slowly changing from focusing on making products to providing services.

Li *et al.* [11] discussed the study on the effectiveness of sustainable customer relationship management, revealing evidence from the online retail sector. Sustainable development combines business needs, caring for the environment, and social well-being to work towards a shared goal. Sustainable customer relationship management (CRM) is about how a company works with its customers. It mixes the company's plans, how it treats its customers, and the use of technology. From the customer's point of view, it reduces mental effort, energy, time, and other expenses. From the company's point of view, it provides a way to connect with customers and create strong, trustworthy relationships. The sustainable CRM program helps businesses in different fields, especially online shopping, by giving them benefits. It refers to a complete plan that encourages good relationships between people who buy and sell products and services. Since it's cheaper to keep existing customers than to attract new ones, especially in competitive online shopping, it's important to understand what helps maintain good relationships with loyal customers. This study aims to see how management information systems (MIS), along with employee knowledge and behavior, and customer satisfaction and

loyalty, affect the success of sustainable customer relationship management (CRM) in online shopping. The model is checked using the PLS-SEM method, with a study group of 293 employees and managers from private companies.

### 3. DISCUSSION

Customer Relationship Management (CRM) systems have become indispensable tools for businesses aiming to thrive in today's highly competitive and customer-centric environment. These systems are designed to streamline and enhance a company's interactions with current and potential customers. CRM systems integrate technology, processes, and data to manage customer relationships more effectively, providing actionable insights that drive growth, customer loyalty, and operational efficiency [12]. In this comprehensive essay, we will delve into the major advantages of CRM systems, exploring how they revolutionize business operations and improve customer engagement.

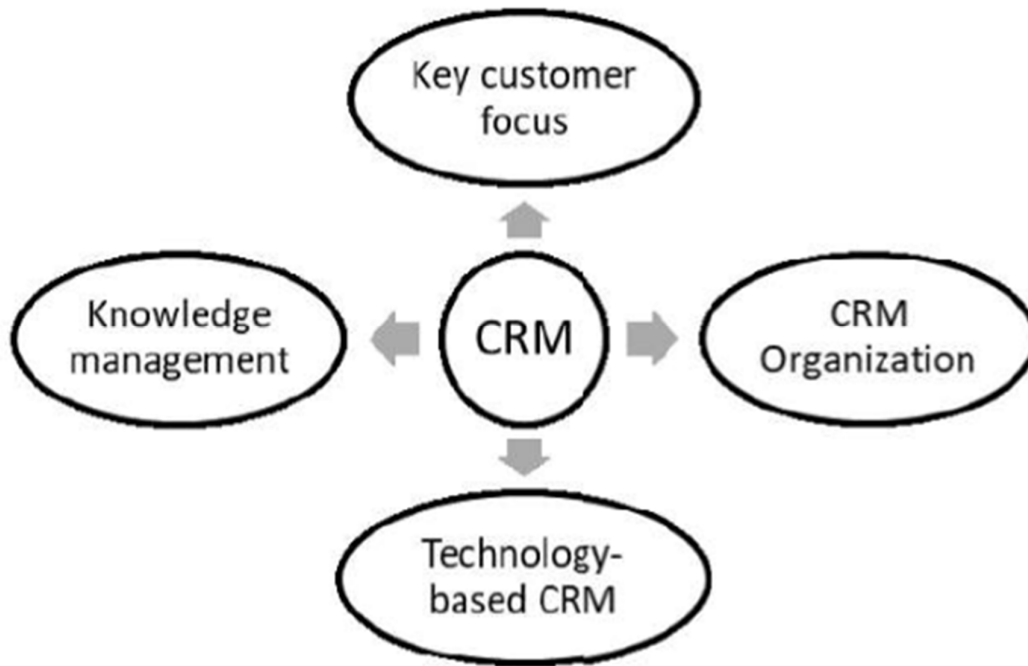
One of the most significant advantages of a CRM system is the centralization of customer data. In a traditional business setting, customer information might be spread across multiple departments and tools emails, spreadsheets, handwritten notes, and so on. A CRM consolidates all this data into a single, unified platform [13]. Having all this data in one place allows employees to easily access up-to-date and accurate customer profiles. Sales, marketing, and support teams can work collaboratively with a shared understanding of the customer's journey, leading to better service and more personalized interactions. It also reduces the chances of data duplication, loss, or errors, ensuring that the business maintains a high level of data integrity.

CRM systems significantly enhance customer service capabilities. With instant access to a customer's entire history, support agents can resolve issues more quickly and effectively. They don't have to ask the same questions repeatedly or dig through multiple systems to find relevant details. This leads to faster response times, improved first-contact resolution rates, and a more satisfying experience for the customer. Many CRM systems come with built-in ticketing systems, automated responses, knowledge bases, and chatbots that handle common queries. This ensures 24/7 support availability and enables businesses to manage large volumes of customer interactions without compromising quality. A CRM system acts as a hub for interdepartmental communication and collaboration. Sales, marketing, and customer service teams can share notes, tasks, and updates related to customer interactions. This seamless communication ensures that everyone is on the same page and contributes to a consistent and professional customer experience [14]. For example, when a marketing campaign results in a lead, that information is immediately available to the sales team. Similarly, if a customer contacts support with a complaint, the account manager can follow up with a personalized email or call, showcasing a coordinated and attentive approach. Many CRMs also integrate with productivity tools like calendars, email clients, and communication apps, further enhancing collaboration. Figure 1 shows the key elements of a customer relationship management (CRM) system.

Artificial emotional intelligence, a frontier technology, may be embedded to detect customer emotions through voice tone or text sentiment, helping agents respond with greater empathy and effectiveness. Self-service capabilities will expand, enabling customers to manage their accounts, orders, support requests, and preferences through intuitive CRM-powered portals and apps. The future CRM will also support seamless collaboration between businesses and customers, fostering the co-creation of products, content, and solutions through integrated communities and feedback loops. Enhanced automation tools, including robotic process automation (RPA), will handle complex back-end workflows such as data entry, compliance documentation, and invoice generation, freeing human workers for more strategic tasks. CRM



platforms will also support the growing gig economy and freelance workforce by offering modular, role-based access and contract management features that support flexible staffing models. As the boundary between B2B and B2C continues to blur, future CRM systems will support hybrid models that address both individual and organizational buying behaviors with equal precision.



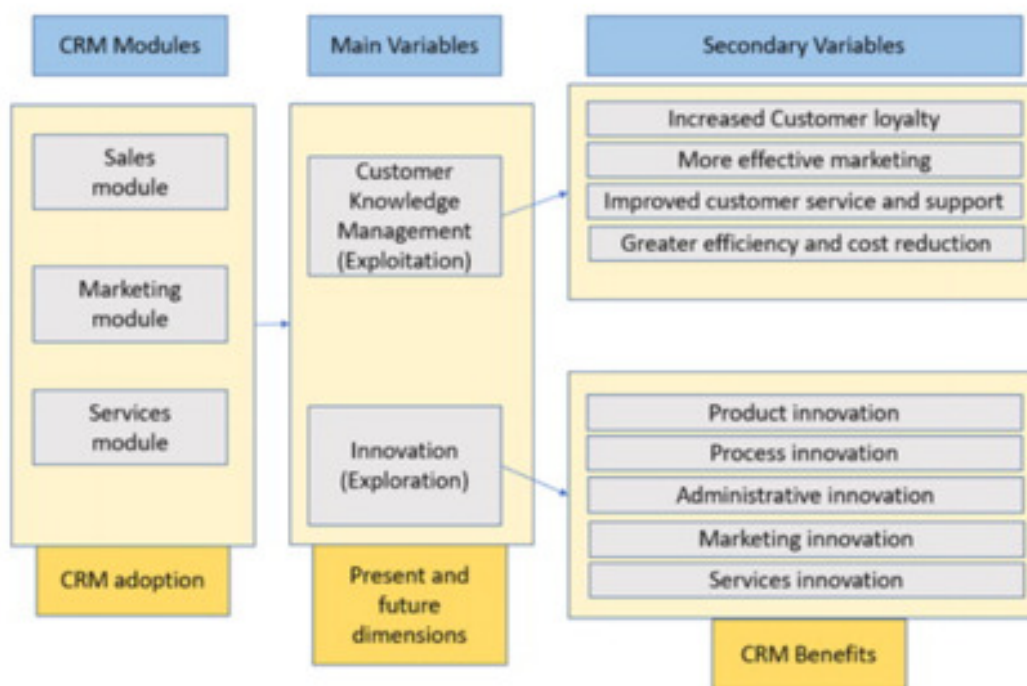
**Figure 1: Shows the key elements of a customer relationship management (CRM) system.**

CRM systems play a pivotal role in automating and optimizing the sales process. From lead generation to closing deals, CRMs help sales teams manage their pipeline more efficiently. Features such as lead scoring, sales forecasting, and automated follow-ups reduce manual effort and ensure that no opportunity slips through the cracks [15]. A CRM system can automatically assign leads to appropriate sales representatives based on predefined rules, ensuring fair distribution and a timely response. It also allows tracking of each lead's status, past interactions, and buying behavior, which helps tailor the sales pitch and increase conversion rates. Marketing teams can harness CRM data to create targeted, personalized campaigns that resonate with specific customer segments. By analyzing customer demographics, purchase history, and behavior, marketers can craft relevant messages, choose the right channels, and time their campaigns effectively. CRM systems often integrate with email marketing, social media, and analytics tools, allowing marketers to monitor the performance of their campaigns in real time [16]. Metrics such as open rates, click-through rates, conversion rates, and ROI help refine marketing strategies and allocate resources more effectively.

CRM tools support marketing automation, enabling businesses to send personalized emails, alerts, and reminders automatically based on customer actions. This enhances engagement and nurtures leads without manual intervention [17]. A major advantage of CRM systems is the ability to generate insightful reports and analytics. Businesses can access dashboards and reports that track sales performance, customer satisfaction, campaign effectiveness, and other key performance indicators (KPIs). These insights empower managers and decision-makers to



identify trends, spot problems early, and make informed strategic choices. For instance, by analyzing customer churn rates and feedback, a business can proactively address pain points and implement retention strategies [18]. Similarly, sales managers can identify top-performing salespeople, forecast revenue, and adjust goals based on real-time data. Customer retention is more cost-effective than acquiring new customers, and CRM systems help businesses build stronger relationships with their existing customer base. By tracking every interaction, understanding customer preferences, and providing personalized service, companies can increase customer satisfaction and loyalty. CRM systems also allow businesses to implement loyalty programs, send targeted offers, and conduct satisfaction studies. Automated follow-ups, anniversary messages, and thank-you emails help maintain regular contact and make customers feel valued. By identifying at-risk customers based on behavior or inactivity, businesses can take timely action to re-engage them, reducing churn and increasing lifetime customer value. Figure 2 shows the CRM benefit map.



**Figure 2: Shows the CRM benefit map.**

Modern CRM systems are highly scalable and flexible, making them suitable for businesses of all sizes and industries. Whether a startup with a handful of customers or a multinational corporation with millions, a CRM can be customized to fit specific business needs. Most CRM platforms offer modular structures or tiered pricing, allowing companies to start with basic features and scale up as they grow. Many CRMs are cloud-based, offering easy access from anywhere and supporting remote or distributed teams. Customization options, integrations with third-party tools, and APIs also mean that businesses can adapt the CRM to their unique workflows and preferences, rather than having to change their processes to fit the software. Data privacy and regulatory compliance are critical concerns in today's business environment, especially with laws such as GDPR, CCPA, and HIPAA. CRM systems help organizations manage customer data securely and in compliance with applicable regulations [19]. They provide features like user access control, audit trails, data encryption, and secure backups. These systems also allow companies to manage consent, honor opt-out requests, and keep

accurate records of customer communication, thereby reducing the risk of legal penalties. While CRM systems require an initial investment, they offer significant cost savings in the long term by improving operational efficiency and productivity. By automating repetitive tasks, reducing errors, and streamlining workflows, CRMs allow employees to focus on high-value activities like customer engagement and strategic planning.

The efficiency gained from having all customer information in one place also reduces the time spent searching for data or coordinating between departments. This leads to faster decision-making, shorter sales cycles, and lower overhead costs. Many CRM systems offer mobile apps or mobile-optimized interfaces, enabling sales and support staff to access customer information and perform tasks while on the go. This is particularly beneficial for field sales representatives, customer service teams, and remote workers.

Real-time synchronization ensures that any updates made from the mobile app are instantly reflected across the system, keeping everyone informed and reducing communication delays. Mobile access also allows for quick responses to customer inquiries, better planning of appointments, and efficient follow-ups, further enhancing the customer experience. CRM systems make it easier to segment customers based on various criteria such as demographics, location, purchase behavior, or engagement levels [20].

This segmentation allows for personalized marketing, tailored product recommendations, and individualized customer support. For example, a retailer could identify a segment of high-value customers who frequently purchase luxury products and create a special VIP program for them. Similarly, dormant customers can be re-engaged with targeted offers or reactivation campaigns. Personalization increases the relevance of interactions and improves customer satisfaction, which can lead to higher conversion rates and brand loyalty.

Implementing a CRM system can provide a significant competitive advantage. In today's market, customers expect fast, personalized, and seamless experiences. A CRM helps businesses deliver just that by enabling them to understand, anticipate, and meet customer needs better than competitors. Companies that leverage CRM insights can launch new products faster, respond to market changes more effectively, and develop customer-centric strategies that differentiate them in the market [21].

The ability to build long-term, loyal relationships with customers translates into a stronger brand, better customer reviews, and increased market share. CRM systems offer a multitude of advantages that collectively transform how businesses interact with and serve their customers. From centralized data management and enhanced communication to automation, personalization, and deep insights, CRMs empower organizations to build stronger, more profitable relationships. They not only improve internal efficiency and decision-making but also drive customer satisfaction, loyalty, and growth. In a world where customer expectations are continuously rising and competition is fierce, adopting a CRM system is not just a strategic choice but a necessary step for businesses seeking sustainable success. The integration of CRM technology into business operations signifies a commitment to customer-centricity, a vital trait for thriving in today's dynamic marketplace.

The future scope of Customer Relationship Management (CRM) systems is vast and transformative, driven by rapid technological advancements, evolving customer expectations, and the increasing need for personalized, data-driven engagement across all industries. As businesses continue to adapt to the digital age, CRM systems are expected to evolve into even more intelligent, predictive, and integrated platforms that go beyond managing customer interactions to shaping holistic customer experiences [22]. Artificial Intelligence (AI) and Machine Learning (ML) will play a central role in the future of CRM, enabling real-time

analytics, predictive modeling, sentiment analysis, and automated decision-making. These technologies will allow businesses to anticipate customer needs, automate repetitive tasks, and offer hyper-personalized services at scale.

CRM systems will evolve from reactive tools to proactive engines that recommend next-best actions, identify churn risks, and dynamically adapt to changing customer behavior. Integration with Internet of Things (IoT) devices will further enhance CRM capabilities by providing real-time data from connected products and environments, giving businesses deeper insights into how customers interact with their offerings in everyday life. With this, the future CRM will seamlessly blend physical and digital touchpoints, delivering consistent and contextual experiences whether a customer engages through a website, mobile app, chatbot, call center, or in-store visit [23]. Voice-enabled CRM, powered by natural language processing, will allow users to interact with the system using voice commands, making it more intuitive and accessible for sales and support teams. The rise of mobile and remote work will continue to influence CRM development, with cloud-based and mobile-first platforms becoming the norm, enabling employees to access customer data and manage relationships from anywhere, at any time. Security and data privacy will remain critical, prompting CRM vendors to invest heavily in encryption, compliance features, and user consent management to meet global regulations like GDPR and CCPA.

Blockchain technology may be integrated to enhance data transparency and secure customer transactions. Social CRM will also gain prominence, allowing businesses to monitor, engage, and analyze customer interactions across social media platforms in real-time, thus enabling reputation management and social listening strategies. Industry-specific CRMs will grow in demand, offering tailored features and workflows for sectors such as healthcare, finance, retail, education, and real estate, thereby increasing adoption across diverse business landscapes [24]. Small and medium enterprises (SMEs) will increasingly leverage CRM solutions due to their affordability, scalability, and the growing availability of low-code or no-code customization options, which reduce the need for technical expertise. The emergence of unified customer data platforms (CDPs) will enable CRMs to serve as a single source of truth, consolidating data from multiple systems such as ERP, marketing automation, and e-commerce platforms into one cohesive ecosystem.

Natural user interfaces (NUIs), including gestures and biometrics, may further simplify CRM usage, particularly in sectors like healthcare or field service, where hands-free interaction is beneficial. In the future, CRMs will contribute to greater customer empowerment, enabling individuals to control how their data is used, shared, and monetized, potentially creating new value exchange models. As digital ecosystems grow, CRMs will become central hubs that connect not only internal systems but also external partner platforms, creating collaborative value networks across industries. The ongoing convergence of CRM with Enterprise Resource Planning (ERP), Marketing Automation, Business Intelligence, and Customer Success platforms will give rise to fully integrated digital business suites that manage the end-to-end customer lifecycle. As customer trust becomes a currency in the digital world, CRM systems will be at the heart of building, measuring, and nurturing that trust. Finally, the evolution of CRM will be marked not just by technological innovation but by a shift in mindset toward empathy, inclusivity, agility, and lifelong customer value creation, making CRM a cornerstone of the modern, intelligent enterprise.

#### 4. CONCLUSION

The CRM system enhances our approach to handling leads by making tracking and following up with leads easier, which leads to more successful sales. Productivity gets better: A CRM

system helps agents a lot because it automates tasks and keeps all the information in one place. CRM system helps an agent stay connected with customers by providing personalized services, which encourages them to come back and recommend the agency to others. A CRM system helps agents make personalized marketing campaigns and keep track of how well they work, so they can get better returns on their investments. Better reporting and analysis: A CRM system can provide helpful information about where leads come from, how customers act, and how sales are doing, helping agents make better decisions. In short, a real estate CRM system can help boost sales, make customers happier, and enhance how the business works. But in reality, the outcomes would change based on how well the business used the technology. Real estate agents and brokers can earn more money with a good CRM system because it makes their work easier and lets them focus on what they do best, helping clients buy or sell properties.

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## CHAPTER 7

### GENDERED CONSUMER BEHAVIOR IN THE FASHION AND BEAUTY INDUSTRY

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#### ABSTRACT:

This study looks at how gender roles affect what people buy in the fashion industry, especially as society's views on gender change. Traditionally, gender has played a big role in how people shop, affecting what they buy and how loyal they are to brands. As ideas about gender change and include more people, companies need to adjust to reach a wide range of customers. To study these patterns, this study uses a mixed-methods approach, which combines study with numbers and qualitative methods. The studies gather information from a large group of people, allowing us to thoroughly study traditional buying habits and what makes people loyal to a brand. The study also looks at how race, class, and sexuality connect in conversations about gender and fashion. Different cultures influence ideas of beauty and what customers expect, so it's important for brands to be thoughtful and inclusive in their marketing. By including different viewpoints, brands can connect more with overlooked groups and create stronger loyalty among customers. This study helps us better understand how people act as consumers in the fashion industry, especially when it comes to changing roles for men and women. The information learned is very useful for marketers and brand managers. As fashion changes, brands that focus on being inclusive and flexible will have a better chance of succeeding in a tough market. This study is a helpful tool for understanding gender issues in fashion and creating ways to connect with different kinds of people.

#### KEYWORDS:

Beauty Norms, Brand strategists, Brand Loyalty, Consumer Expectations, Fashion Industry.

### 1. INTRODUCTION

The way gender roles affect what people buy in fashion is complicated and keeps changing. Traditionally, gender has greatly influenced buying choices, with different expectations for men and women. Women are often seen as the main buyers of fashion because of social expectations and marketing aimed at them. Men's fashion has usually been overlooked, but this is rapidly shifting [1]. As people's views on gender change, the way they spend money also changes. The increase in gender fluidity and awareness of different identities is making companies change how they market their products. Brands need to find new ways to connect with their customers. This study examines how changes affect shopping habits, brand plans, and the larger fashion industry. It highlights the importance of being inclusive and flexible in a more diverse market [2]. Gender roles have been important in defining how people act in society, affecting both how individuals express themselves and what is expected of them culturally. These roles influence how people are viewed by others and how they view themselves, often strengthening old ideas about what it means to be a man or a woman. Learning how these roles have changed helps us understand the complicated issues of identity, power, and resistance in our world today. Fashion has been used in the past to show differences



between genders. In the early 1900s, women's clothing was all about corsets and long skirts, showing what society expected of modesty. These styles made it clear that women should be quiet and pretty, while men were expected to be confident and useful [2]. In the 1960s and 70s. Women began wearing more men's clothes, like pants and fitted jackets, to show their struggle for equal rights and independence. This change was not just about clothing; it was about taking back a place in public life. Designers like Yves Saint Laurent made androgynous styles popular. This challenged traditional ideas about gender and let people express their identity in new ways. The fashion industry has been working hard to include everyone and show a variety of identities. This shows that more people are accepting of non-binary and gender-fluid identities [3]. This change mixes up the usual separation of men's and women's clothing, letting everyone create their style without being limited by old-fashioned ideas about gender.

Ideas about beauty have been influenced by what is expected of men and women. In the past, women were often made to feel they had to look a certain way, focusing on being young and traditionally feminine [4]. This created a lot of products in the market aimed at helping them look like that. Men have usually paid less attention to looks, with their grooming mainly being just basic cleanliness. In recent years, more men have been using grooming and beauty products because society is changing its ideas about what male beauty means. Social media has been very important in changing these stories. Platforms like Instagram and TikTok let people show different ways of expressing their gender and beauty, pushing against traditional ideas. Influencers and activists support body confidence and acceptance of all genders, helping to create groups that celebrate being unique [5]. Although inclusive campaigns and representation in ads have started to tackle these differences, there is still a lot of work left to do. In summary, the way we think about gender in fashion and beauty changes over time because of cultural and social changes. They should remove obstacles and show a wider variety of people. This change allows people to express themselves and helps create a more accepting society, where everyone can feel included in the lively world of fashion and beauty.

## 2. LITERATURE REVIEW

Wang *et al.* [6] discussed the impact of augmented reality (AR) applications on consumer purchasing intentions within the beauty product sector. Given the limited information available on the application of mobile augmented reality (AR) in the beauty industry, this study seeks to explore how mobile AR influences consumer purchasing decisions and brand awareness in the beauty market. This study aims to find out how the experience of being in the moment (like focusing, having fun, and being curious) affects how comfortable people feel when making choices and their intention to buy, depending on different personal traits (such as being individualistic and open to new fashion trends). This study created a study model using the SOR model. The study used a mobile app called. Each person should try the app for about 5 minutes to learn about AR, and then they will complete a questionnaire. SPSS and AMOS were used for analyzing the data. This study focuses on young women from the millennial generation.

Zhixin Gao [7] discussed how mass media, especially new digital platforms, shape and impact current fashion trends. This study looks at how mass media and the fashion industry are connected. With the growing number of media platforms, mass media are everywhere in our daily lives, including in the fashion industry. Mass media have greatly influenced fashion trends, but it has also caused fast fashion, which harms the environment and affects workers' well-being. Also, the emphasis on unrealistic beauty ideals in the media has caused people to have problems with how they see their bodies. This study is split into three main parts to help us understand how mass media affects fashion. The first part gives a short history of mass media and how it has affected fashion. The second part looks at how mass media influences

what people buy and how fast fashion became popular. Finally, the third part looks at the difficulties and chances for making the fashion industry more environmentally friendly and welcoming during the time of mass media. This study looks at how mass media and fashion interact with each other. It adds to the talks about making the fashion industry fairer and more responsible. It's important to understand how mass media influences cultural values, social behaviors, and environmental habits to build a sustainable and inclusive fashion industry.

Paço *et al.* [8] discussed the engagement with fashion and beauty influencers for marketing strategies. This study aims to understand how important the influence of marketing is in fashion and beauty blogs. It looks at whether these blogs affect their readers and why people choose to read them. The study also wants to find out if the influence of these blogs changes how people think and act when they buy things. A study was created to understand how important marketing is in fashion and beauty blogs. It looked at both descriptions and numbers. To achieve this, we conducted a study with people who follow different fashion and beauty blogs. The results show that influencer marketing affects how people want to buy products and their feelings and actions related to fashion and beauty. People like blogs, no matter their age. Older people visit blogs more often because they want to stay updated on trends and find information.

Diaconu *et al.* [9] discussed the obstacles faced by brand managers in the luxury sector, including understanding the mindset of luxury apparel consumers and the factors that influence their purchasing. The fashion industry is always changing and growing around the world. The industry grew after the recession because more people moved to cities, luxury brands became popular worldwide, and traditional wholesale markets lost strength. Also, younger consumers (millennials) have different buying habits, and companies started creating products to better meet their needs. New stores opened, existing store chains expanded, and technology also improved. The internet is a great place to promote expensive products.

Lee *et al.* [10] discussed the impact of beauty expectations on cosmetic usage and the acquisition of colorful makeup items when masks are not being worn. The goal of this study is to look at how not wearing a mask affects people, especially regarding their makeup habits and how they feel about their appearance. It will also explore how these makeup habits relate to the desire to buy colored cosmetics. This study aims to look at how not wearing a mask in recent years has affected people. It will explore how it influences makeup habits and how people feel about their looks without a mask. After looking at how people's expectations about their looks affect their makeup choices, we found that being happy with themselves matches up with different kinds of makeup behaviors. These include trying to fit in, following fashion trends, expressing their personality, wanting to change their look, and trying to impress others in relationships.

### 3. DISCUSSION

This study uses different methods to look at how gender roles affect what people buy in the fashion and beauty industries. The goal is to use both numbers and people's opinions to understand how changing ideas about gender influence what people buy and how they connect with brands. The study begins with a numbers-based part, using online studies to gather information from a wide range of consumers [11]. The study asks about buying habits, loyalty to brands, and how marketing strategies impact choices. To make sure the sample reflects the whole group, we include important factors like age, gender, and income level. The study aims to show trends in what people like, especially about traditional and new ideas of gender roles. To reach more people, the study is shared on social media, fashion websites, and community groups that are about beauty and fashion [12]. This method makes sure that people from different backgrounds are included in the data.

The goal is to get answers from at least 500 people to help us understand common patterns and connections. Along with the study, we also conducted interviews to understand more about how consumers think and feel [13]. The interviews are semi-structured, meaning they have some set questions but also allow people to share their thoughts and experiences in their own words and their thoughts on brands that support inclusiveness. The interviews are designed to be relaxed so people can share their own stories and ideas [14]. By looking at the stories of participants, the analysis seeks to understand the details of consumer experiences and how they relate to larger changes in gender roles in society. Reflecting on the concepts of right and wrong is crucial for this study.

The study findings indicate distinct variations in shopping behaviors between men and women, although some of these differences have diminished over time. In this study, men tend to focus more on how useful and efficient a product is when they shop. About 68% of men said they usually consider these factors when deciding what to buy for practical needs and to save time [15]. 73 percent of women say they care more about feelings, sticking with a brand, and how things look when choosing products, especially for clothes and makeup.

The buying habits of the people who answered the study were more different among those who identify as non-binary and gender-fluid. These people like to buy from brands that don't clearly show different genders. About 80% of them said they like to buy from brands that use gender-neutral marketing. This goes along with new trends in the market, where young people, especially those in Gen Z, prefer inclusiveness and diversity.

A study by Smith in 2020 found that young consumers prefer brands that promote inclusiveness and diversity. The interviews helped us learn more about the mental and social reasons behind these behaviours [16]. Women often talked a lot about how feeling good and expressing themselves are important parts of shopping for them. Many of them felt that marketing only targets specific types of products for men, which bothered them. One clear thing that emerged from talking to non-binary and gender-fluid people is that they strongly dislike advertising that promotes old-fashioned ideas about gender roles. Many people who answered felt strongly that brands should sell products, but do so in a way that doesn't support traditional gender roles. They also said that changes in how people think about gender have made them more aware of marketing messages and led them to choose brands that promote inclusiveness and diversity.

The primary objective of this study is to examine how gender shapes consumer buying behavior, in light of shifting societal views and the growing recognition of gender fluidity. This discussion will explore both old and new ideas about gender [17].

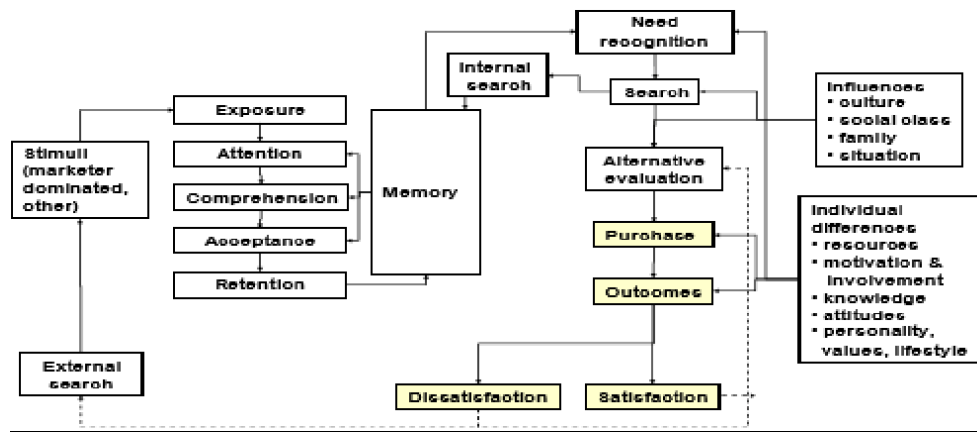
The study used a combination of methods, including studies with numbers and interviews for deeper insights, to achieve specific goals of how historical expectations of masculinity and femininity have shaped people's buying decisions over time. This goal focuses on the typical differences between how men and women shop and make choices as consumers. This is because a lot of people's experiences with their gender are shaped by their culture, race, and economic situation. It will look at how these different identities influence what customers expect and how loyal they are to a brand. The future scope of consumer behavior in the fashion and beauty industry is poised to undergo a profound transformation, shaped by rapidly advancing technologies, changing societal values, environmental consciousness, cultural shifts, and the dynamic interplay between digital and physical experiences. As we move deeper into the digital age, the modern fashion and beauty consumer is becoming more informed, connected, and value-driven, shifting the industry's traditional paradigms toward hyper-personalization, inclusivity, sustainability, and experiential engagement. Future consumers will

no longer be passive buyers swayed solely by branding or celebrity endorsements; instead, they will demand authenticity, transparency, and ethical accountability from the brands they support.

With the rise of artificial intelligence, augmented reality, virtual reality, and biometric technology, shopping in the fashion and beauty sector will become more immersive and tailored [18]. Virtual fitting rooms, digital skin analysis tools, and AI-powered style or skincare recommendations will allow consumers to virtually “try on” products before making a purchase, reducing friction in the buying process and lowering return rates. This interactive experience will merge entertainment with shopping, blurring the lines between e-commerce and social media, as platforms like TikTok, Instagram, and emerging metaverse environments become key points of purchase and product discovery. Simultaneously, the future consumer will place high importance on individuality and self-expression, pushing brands to offer more customizable and diverse product ranges that cater to various skin tones, body types, cultural identities, and gender expressions. Inclusivity will no longer be optional but a baseline expectation, as consumers gravitate toward brands that reflect real-world diversity and challenge outdated beauty and fashion standards.

Sustainability, meanwhile, will play a defining role in shaping future buying behavior. With growing awareness of fashion’s environmental impact from water usage and carbon emissions to microplastic pollution and ethical labor concerns, consumers will increasingly choose brands that demonstrate clear environmental and social responsibility. This shift will fuel the growth of circular fashion models, including secondhand markets, rental platforms, upcycling initiatives, and zero-waste packaging in beauty. Fashion and beauty brands will be expected to trace their supply chains and share transparent data on sourcing, production, and distribution practices, reinforcing consumer trust and loyalty [19]. In this evolving landscape, the integration of blockchain technology could offer consumers verifiable proof of product authenticity, origin, and ethical standards, thereby redefining trust and integrity in fashion and beauty transactions. The future fashion and beauty consumer will also be influenced by global cultural trends and values, leading to a greater appreciation for local, artisanal, and indigenous designs and ingredients. Regional identity and craftsmanship will rise in importance as consumers seek meaningful products that tell stories and preserve heritage, especially in a globalized marketplace increasingly critiqued for cultural homogenization.

Meanwhile, as younger generations like Gen Z and Gen Alpha come into economic power, their digital nativity and values-driven mindset will push brands to adapt to short attention spans, digital fluency, and an expectation for brand activism and engagement with societal issues. These consumers will be influenced by peers and content creators more than traditional celebrities, making influencer marketing a dominant force but one that must evolve to emphasize authenticity and alignment with brand ethics rather than mere reach. The continued rise of data analytics and machine learning will also redefine how brands understand and predict consumer behavior. Real-time consumer data gathered through online interactions, wearable tech, and smart devices will help brands develop ultra-personalized product recommendations, marketing strategies, and shopping experiences that resonate deeply with individual preferences and lifestyles. Figure 1 shows the various stages and factors involved in a consumer's purchase decision.



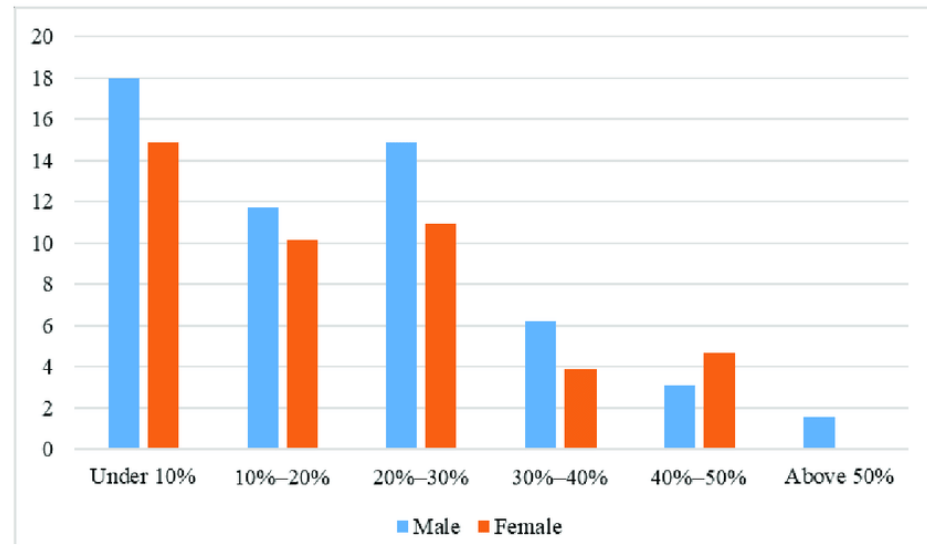
**Figure 1: Shows the various stages and factors involved in a consumer's purchase decision.**

Health and wellness trends will further intersect with beauty and fashion consumption, driving demand for products that not only enhance appearance but also promote holistic well-being. The growing emphasis on mental health, self-love, and body positivity will influence product development, marketing narratives, and influencer collaborations, requiring brands to abandon unattainable ideals and instead promote realness and empowerment [20]. As digital and physical retail environments continue to merge, the future shopping experience will be increasingly hybrid, combining the convenience of e-commerce with the sensory, emotional appeal of in-store engagement.

Flagship stores will transform into experiential hubs where consumers can interact with technology, explore brand stories, and receive personalized consultations, while online platforms will leverage AR/VR to simulate physical shopping and create community-driven, gamified interactions. Subscription models and direct-to-consumer (DTC) brands will thrive, offering curated experiences that align with consumers' lifestyles and preferences, while reducing reliance on traditional retail channels. With this, the emotional connection between consumer and brand will become even more central to purchasing decisions; consumers will support brands whose missions align with their own beliefs, whether related to environmental action, social justice, animal welfare, or mental wellness. The era of performative marketing will wane as consumers scrutinize brand actions more than statements, and reward those that take consistent, measurable steps toward their stated values. Meanwhile, as climate change, economic inequality, and global health issues continue to impact society, these macro trends will influence fashion and beauty consumption patterns, pushing demand toward minimalism, long-term value, and durability over disposability and trend-chasing. Figure 2 depicts the gender distribution across different income levels.

Globalization, while fostering access to new markets and trends, will also be tempered by a renewed interest in local production, slow fashion, and community-based beauty initiatives, as economic and environmental resilience become more valued. Personal identity will become more fluid and self-defined, influencing brands to adopt inclusive marketing that moves beyond binary definitions of gender, age, or beauty. Brands that succeed in the future will not only understand their consumers at a surface level but will develop deep emotional intelligence, creating inclusive narratives that resonate across age groups, geographies, and cultural backgrounds.





**Figure 2: Shows the depicts the gender distribution across different income levels.**

The digital collectibles market, including NFTs and virtual fashion, will open up new dimensions in consumer behavior, particularly among younger demographics eager to express their identity in virtual environments. In the metaverse, digital garments and avatar beauty products will become valuable expressions of personal style, allowing consumers to engage with brands in entirely new ways while unlocking new revenue streams for companies. At the same time, collaborations between fashion, beauty, tech, gaming, and wellness brands will redefine the industry's boundaries, creating interdisciplinary experiences that respond to multifaceted consumer lifestyles [21]. In education and career development, consumers will also demand more transparent information about the ethics and sustainability of fashion and beauty careers, prompting institutions and brands alike to promote responsibility from the ground up.

The application of consumer behavior in the fashion and beauty industry is multifaceted and deeply integrated into every aspect of strategic planning, product development, marketing execution, and customer relationship management, serving as a foundational pillar for business success in an industry driven by trends, emotions, identity, and rapidly shifting preferences. Consumers think, feel, and act about fashion and beauty products, allowing brands to develop offerings that not only meet functional needs but also fulfill emotional, social, and psychological desires, making consumer behavior analysis a powerful tool for gaining a competitive advantage. The industry's reliance on aspiration, self-expression, cultural symbolism, and image enhancement means that decisions are rarely purely rational; they are often influenced by perception, self-concept, lifestyle alignment, peer influence, cultural background, and even subconscious drivers. As such, the application of consumer behavior begins with in-depth market segmentation brands analyze demographic, psychographic, geographic, and behavioral data to define their target audiences with precision, determining the varying motivations and preferences of groups based on factors such as age, gender, income level, cultural values, personality traits, fashion consciousness, beauty goals, and media consumption habits. This segmentation allows companies to tailor their product offerings, advertising language, brand tone, visual identity, and pricing strategies to resonate with each specific consumer profile.



For example, a luxury fashion brand might apply consumer behavior insights to position itself as a symbol of status, exclusivity, and refinement for affluent, brand-conscious consumers who value prestige and heritage, while a fast fashion label would emphasize trendiness, affordability, and instant gratification for younger shoppers who prioritize variety and social relevance over durability. Beauty brands targeting skincare-savvy consumers might develop science-based, ingredient-focused products, while brands focused on cosmetics for self-expression would create bold, vibrant palettes promoted through user-generated content and influencer collaborations. The application of consumer behavior extends into product design, where brands leverage insights into aesthetic preferences, cultural sensitivities, and emotional associations to craft products that align with consumer expectations. Color psychology, texture preferences, scent trends, and packaging aesthetics are all developed based on studies into how consumers perceive beauty and fashion items in different contexts. For example, minimalist packaging and neutral tones may appeal to consumers who value sustainability and sophistication, while colourful, playful branding may attract younger audiences drawn to creativity and individuality.

Consumer behavior informs product lifecycle decisions, helping companies predict when a trend will rise, peak, and decline, enabling faster innovation and timely product discontinuation. Retail experience is another crucial area where consumer behavior plays a defining role; brands analyze shopper behaviors such as browsing patterns, impulse triggers, decision fatigue, and sensory cues to create in-store layouts and digital interfaces that optimize engagement and sales. Brick-and-mortar stores might incorporate sensory branding, music, lighting, and scent to create immersive atmospheres, while e-commerce platforms apply behavioral analytics to personalize product recommendations, simplify checkout processes, and implement retargeting campaigns that reflect prior user behavior.

Loyalty programs, membership benefits, and subscription models are also designed using behavioral insights, rewarding frequent engagement, and reinforcing positive buying habits. In marketing and advertising, consumer behavior is perhaps most directly applied; every campaign is crafted with a nuanced understanding of consumer attitudes, beliefs, desires, and pain points. Emotional appeal, storytelling, aspirational imagery, celebrity or influencer endorsements, and value-driven messaging are used strategically to resonate with consumers' identities and values. Behavioral segmentation helps marketers identify which consumers respond best to which types of content, channels, and messaging formats, be it influencer collaborations on social media, experiential campaigns in urban hubs, educational content through blogs and tutorials, or nostalgia-infused storytelling in print ads. The rise of digital and social media platforms has further expanded the application of consumer behavior by enabling real-time feedback loops and data analytics that reveal user engagement, sentiment, and response to marketing stimuli. Platforms like Instagram, TikTok, and YouTube offer brands a window into how consumers interact with fashion and beauty products what they love, what they critique, what they recreate in their personal lives thus guiding content strategy, product evolution, and influencer partnerships.

#### 4. CONCLUSION

The shopping behaviors of men and women regarding clothing and beauty items significantly influence the design, marketing strategies, and brand presentation of these products. While old ideas about how men and women should look and act used to be strict, today's shoppers are

more flexible, open-minded, and able to define their styles. Brands are realizing that gender isn't just two options (male or female) but a range of identities. As a result, they are creating more unisex clothing, beauty products for everyone, and ads that celebrate different identities and self-expression. People's buying choices are now shaped more by who they are, how they live, and what they believe in, rather than by traditional ideas about gender. Some old cultural beliefs still affect how people shop. Men usually look for practical and simple products, while women often focus on having options, taking care of themselves, and how things look. However, these trends are changing. They should be understanding and flexible to make sure their products appeal to everyone. The future of how people shop based on their gender is about making things personal and showing different identities.

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## CHAPTER 8

### CORPORATE CITIZENSHIP IN ACTION: A REVIEW OF UNILEVER'S CSR COMMITMENTS

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#### ABSTRACT:

The focus of this study is to analyze the influence of Unilever's commitment to Corporate Social Responsibility (CSR) on its position in the consumer products market. This study looks closely at things like SWOT analysis, Triple Bottom Line, and market trends to understand how Unilever's efforts in community outreach, ethical sourcing, and sustainability have helped build brand loyalty and attract new customers. The study shows that Unilever's efforts to be a socially responsible company have helped it make more money and gain a bigger share of the market. This matches what consumers want, as they are increasingly looking for businesses that act ethically. This study highlights how corporate social responsibility (CSR) affects a company's money-making ability and its image in an increasingly competitive market.

#### KEYWORDS:

Brand Loyalty, Community Engagement, Consumer Goods, Market Share, Social Responsibility.

### 1. INTRODUCTION

A prominent global brand, Unilever manufactures products that people use in their daily lives. It has been around since the 1800s and is now a big player in the world market. Unilever is present in over 190 countries and offers a variety of products, including food, drinks, cleaning supplies, and personal care items. Recent data shows that Unilever holds about 9% of the global market for consumer products, making it a top company in the industry. The company helps society and the environment, and how this affects its business growth. Unilever shows its dedication to helping society through several programs [1]. These include being environmentally friendly, buying materials in a fair way, getting involved in local communities, and conducting business responsibly.

Unilever has done a great job of being more sustainable over the past ten years. They have made big improvements in reducing their impact on the environment, being more open about their supply chain, and helping with social issues. This focused effort matches what customers now expect. More and more, shoppers think about a company's ethics and how it helps society when choosing what to buy. Statistics show that Unilever has grown a lot in its share of the market. Unilever's worldwide sales are expected to be \$62 billion in 2020, showing that they keep making more money [2]. In addition, the company's wide range of products and growing presence have helped it stay strong in different industries. The company's image and its overall success in the market. Unilever, one of the most prominent global brands, has a legacy dating back to the 1800s, and today it stands as a leading player in the world market, with a presence in over 190 countries. The company is renowned for manufacturing products that are a part of daily life for millions of people across the globe, including food, beverages, cleaning products, personal care items, and more. However, what sets Unilever apart from many of its competitors

is its strategic focus on sustainability, social responsibility, and ethical practices and values that resonate deeply with modern consumers. This commitment to societal and environmental well-being has not only shaped the company's image but has also been a key driver of its growth, market share, and overall business success.

Unilever's impressive market position holding approximately 9% of the global market for consumer goods can be attributed to its expansive product portfolio, which spans multiple industries [3]. But what truly sets Unilever apart in a competitive landscape is its ability to combine business growth with a genuine commitment to addressing the challenges facing society and the planet. Over the past decade, Unilever has made substantial progress in reducing its environmental footprint, promoting sustainable sourcing, and supporting social causes. This has, in turn, enhanced its brand reputation, attracted a loyal customer base, and ultimately contributed to a surge in market share.

As consumer behavior increasingly gravitates toward brands that prioritize ethics and sustainability, Unilever has been ahead of the curve in aligning itself with these evolving expectations. With changing consumer preferences, shoppers now look beyond the product itself, considering the broader impact of the company on the environment, society, and local communities [4]. They demand transparency, accountability, and responsibility from the brands they support. Unilever's commitment to addressing these concerns has allowed it to foster deeper connections with its customers, build brand loyalty, and capitalize on a growing trend toward purpose-driven consumption.

Unilever has long been committed to sustainability, but it is in recent years that the company's initiatives have truly come to the forefront of its business strategy [5]. The company recognizes the growing urgency of addressing climate change, resource depletion, and social inequalities. These environmental and social issues have an undeniable impact on global markets, and Unilever has taken a proactive role in being part of the solution.

One of the most prominent examples of Unilever's sustainability efforts is its commitment to reducing its carbon footprint. The company has set ambitious targets to become carbon neutral by 2030, a goal that aligns with the broader global effort to limit global warming to 1.5°C above pre-industrial levels [6]. To achieve this, Unilever is focusing on transitioning to renewable energy, improving energy efficiency in its manufacturing processes, and reducing emissions across its value chain. By investing in cleaner technologies and greener production processes, the company is not only minimizing its environmental impact but also staying ahead of regulatory pressures and increasing consumer demand for sustainable products.

Unilever's sustainability strategy extends beyond carbon emissions and encompasses water usage, waste management, and responsible sourcing of raw materials. The company's Sustainable Living Plan, launched in 2010, has been instrumental in driving its commitment to environmental stewardship and social responsibility [7]. Through this initiative, Unilever has made significant strides in reducing waste sent to landfills, optimizing water usage in its factories, and promoting sustainable agriculture practices through its supply chain. The company has also made progress in reducing its plastic packaging footprint, intending to ensure all of its packaging is recyclable, reusable, or compostable by 2025. This focus on circularity is critical as the world grapples with the growing problem of plastic pollution, and Unilever's efforts to reduce its plastic consumption have resonated with environmentally-conscious consumers.

Sustainable sourcing is another area where Unilever is making a tangible difference. The company has long partnered with farmers, suppliers, and other stakeholders to ensure that the raw materials used in its products are sourced responsibly. This includes sourcing ingredients

like palm oil, tea, and paper from certified sustainable sources that promote biodiversity, protect ecosystems, and improve the livelihoods of smallholder farmers [8]. Unilever has also committed to promoting gender equality and fair labor practices within its supply chain, ensuring that workers are paid fairly, treated with respect, and work in safe conditions. These initiatives not only enhance the company's reputation but also help to create a more resilient and sustainable supply chain that is less vulnerable to the risks posed by climate change and other global challenges. Beyond sustainability, Unilever has placed a strong emphasis on social responsibility. This is evident in the company's commitment to improving the health and well-being of individuals and communities around the world. Unilever's brands, such as Dove, Lifebuoy, and Hellmann's, have been instrumental in addressing important social issues, from promoting body positivity and mental health awareness to improving hygiene practices in underserved communities.

## 2. LITERATURE REVIEW

Adomako *et al.* [9] discussed handling relationships with significant organizations, a commitment to corporate social responsibility (CSR), and evaluating social performance have limited understanding of the impact that involving various stakeholders has on a company's performance in social issues (CSP). Despite the extensive literature on corporate social responsibility (CSR), our knowledge remains sparse regarding the effect of engaging diverse stakeholders on a company's social performance (CSP). While there is abundant discourse on corporate social responsibility (CSR), we lack comprehensive insights into how stakeholder inclusion affects a company's effectiveness in social matters (CSP). Our study helps to fill this missing piece in the CSR study by testing a model that shows how this works. We analyzed information from 228 companies and discovered that involving stakeholders helps a company be more committed to social responsibility. However, this connection is weaker when there is more uncertainty about CSR rules. Also, the results showed that a company's dedication to social responsibility plays a role in how stakeholder involvement affects its corporate social performance.

Loor-Zambrano *et al.* [10] discussed the connection between CSR (Corporate Social Responsibility) and how committed employees are involved in the influence of internal motivation and trust. The purpose of the study is to examine whether the link between a company's social responsibility initiatives and employee commitment is affected by two additional elements: their intrinsic motivation and their trust in the organization. A study of 318 workers from Ecuador gives information that can be used to check if certain connections exist using a method called structural equation modeling. Findings: The study shows that there is a strong and positive link between CSR (Corporate Social Responsibility) actions and two employee feelings: trust and motivation from within. Also, both factors help explain how CSR affects organizational commitment. Managers in Ecuador can learn from this study that good CSR practices have helpful effects on employees. These include better motivation at work, increased trust in the company, and stronger commitment to their jobs. Study limitations/implications: The results may not apply broadly to all of Ecuador because the companies studied are from one area of the country and focus on a specific type of work.

Ahn *et al.* [11] discussed the public perceptions of CSR and the factors influencing their intention to revisit, especially the importance of trust and loyalty. Corporate social responsibility (CSR) is an important part of marketing for hotels. How customers view CSR can change their decision to come back, depending on different factors and situations. This study looks at how hotel companies can encourage customers to choose them by using customers' views on corporate social responsibility (CSR), trust, and loyalty. Method: To do this, we are doing an online study with hotel guests in the USA. Partial least squares structural



equation modeling is used to study the gathered data. The authors discovered that how customers see a business affects whether they want to come back, but only by helping them feel more trust and commitment. Also, trust seems to be more important for good behavior than commitment.

Shah *et al.* [12] discussed the influence of employees' perceptions of corporate social responsibility (csr) on their sustainable behaviors and the importance of understanding and dedication to environmental concerns. Employees' actions that help the environment support sustainability. This study uses social exchange theory to build on what we know about corporate social responsibility (CSR). It looks at how employees' beliefs about their company's CSR efforts can encourage them to act in ways that help the environment. It also examines how two factors awareness of environmental issues and commitment to being environmentally friendly play a role in this relationship. This study helps support social exchange theory and shows new evidence that environmental awareness and commitment play a role in the relationship between how companies are seen to care for the environment (CSR) and actions that are good for the environment. This paper gives guidance for future studies and suggests useful ideas for organizations.

George *et al.* [13] discussed the attitudes towards corporate social responsibility, along with trust in the organization and a personal connection to it, which influence one another. This study aims to understand how people's views on a company's social responsibility (CSR) affect their emotional commitment to the organization. It uses social identity theory and social exchange theory to explore these connections. It's suggested that organizational trust (OT) and organizational identification (OID) will work together to explain the relationship mentioned earlier. Also, this paper tries to understand how employees' feelings about the importance of corporate social responsibility (CSR) affect the connections being studied. Study design/method: This study gathered information from 519 workers in the manufacturing industry in India. We gave out standard questionnaires for people to fill out. The people chosen to participate were selected using a method based on judgment.

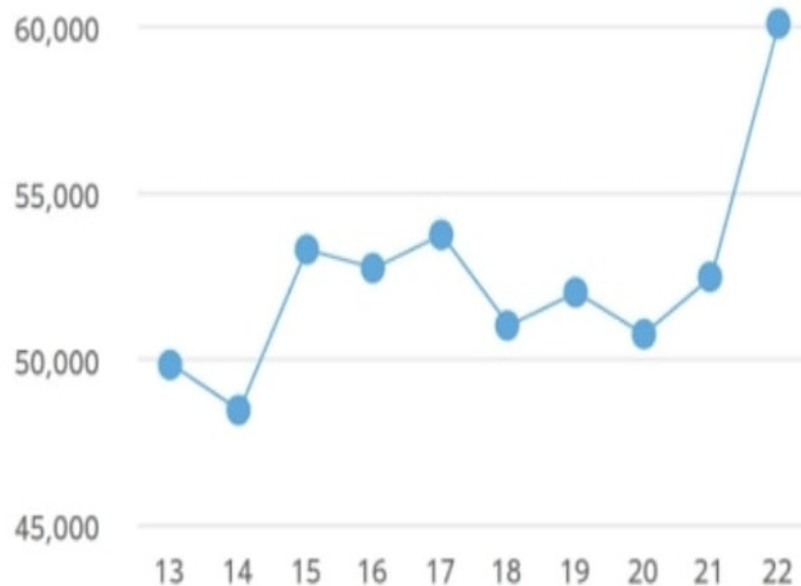
The results showed that all aspects of CSR have a strong indirect impact on how committed employees feel, with the effect happening through Organizational Trust (OT) and Organizational Identification (OID). The indirect effects changed a lot, and it was found that Corporate Social Responsibility (CSR) aimed at customers and employees greatly influenced emotional commitment. This happened through people's feelings about the Internal Corporate Social Responsibility (ICSR), Organizational Identification (OID), and Organizational Trust (OT).

### 3. DISCUSSION

The main goal of this study is to see how much Unilever's increase in market share in the global consumer products market is due to its Corporate Social Responsibility (CSR) efforts. The main aim of this study is to look at how Unilever's efforts to be sustainable like helping communities, caring for the environment, and sourcing products ethically affect what customers buy and how loyal they are to the brand [14]. The study focuses on growing sales and expanding into new markets. It also looks at how these CSR activities impact the company's finances. In this study, we will use the Triple Bottom Line framework to look at Unilever's impact on the economy, society, and the environment, and also see how these efforts align with the company's overall goals. Study, we will look at how Unilever's successful market performance through its social responsibility efforts compares to its main competitors. This will highlight special features that give Unilever an advantage. Finally, this study will explore how Unilever's commitment to corporate social responsibility (CSR) helps the company face

challenges in a market that is becoming more competitive and aware of social issues. This study looks at existing data and uses numbers to explore how Unilever's growth in market share in the global consumer goods industry is related to its CSR (Corporate Social Responsibility) efforts.

Trusted sources are used to collect information, like market studies, industry reports, academic articles, sustainability reports, and Unilever's yearly reports. First, we look at Unilever's strengths and weaknesses, along with outside chances and risks related to CSR projects, using a SWOT analysis [15]. Second, Unilever looks at the social, environmental, and financial parts of its CSR activities using a method called the Triple Bottom Line (TBL). Finally, we look at how Unilever's efforts in social responsibility compare to those of its competitors. This will help us understand what makes Unilever stand out and has helped it gain more market share. These tools help us deeply understand how Unilever's CSR activities influence its customers, market standing, and overall business success. This comparison is being done to identify the special parts of Unilever's CSR policies that help it stay competitive and stand out in the market. Figure 1 shows the turnover or total revenue, of a company over approximately 10 years.

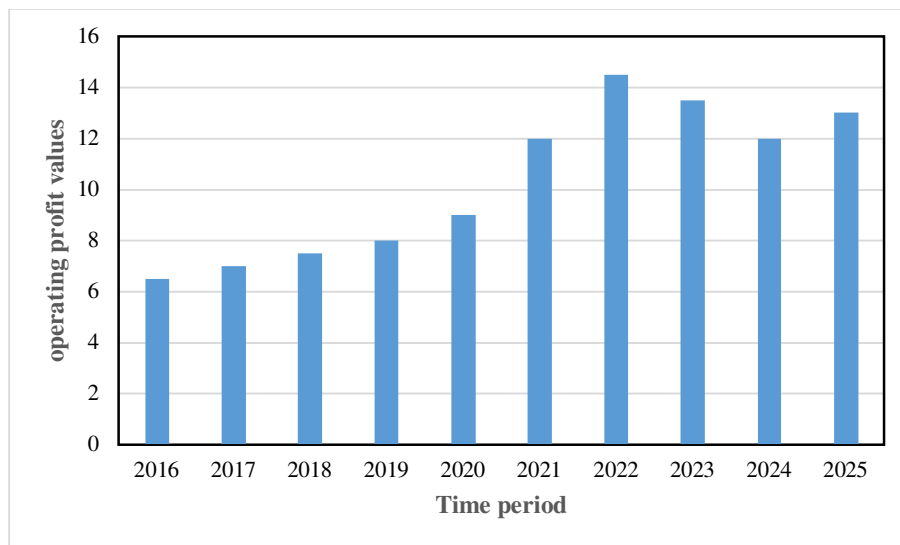


**Figure 1: Shows the turnover or total revenue, of a company over approximately 10 years.**

Unilever's strong commitment to social responsibility is closely linked to the study question about how it affects its market share in the consumer goods industry. The company has a good reputation because it has acted honestly and has programs that help society and the environment [16]. This reputation attracts customers who care about doing good things. Having a good reputation helps a business stand out from its competitors. It builds customer loyalty, which can lead to a bigger share of the market. Unilever operates in over 190 countries, which lets them engage with local communities and create special programs for social responsibility. This helps them grow their market share in different cultures. Unilever's new products help the company grow in a tough industry. They also draw in and keep customers, which boosts their market share. Unilever's strong finances allow the company to spend money on social responsibility projects and business growth. This supports their promise to be ethical, which

can help them gain customer loyalty and grow their share of the market. Together, these strengths show how Unilever's efforts in corporate social responsibility (CSR) help them grow their market share. This reflects a smart connection between being responsible and achieving business success. Who cares about social and environmental responsibility. Having a good reputation helps a brand stand out and keeps customers coming back, which can significantly boost its market share. Unilever is present in over 190 countries, which helps them connect with local communities and create specific social responsibility programs. This increases their chances of growing their market share in different cultures. Unilever makes new products that help the company grow in a changing industry [17]. These products also attract and keep customers, which helps them gain more market share. Also, Unilever's strong finances allow the company to spend money on social responsibility projects and grow the business. This helps keep their promises to be ethical and could lead to more customers and a larger share of the market. Together, these strengths show how Unilever's efforts in corporate social responsibility (CSR) help increase its market share. This means that being ethical and doing good things for society is connected to making more money.

The company's Unilever Foundation is dedicated to supporting initiatives that aim to improve the lives of vulnerable populations. One example of this is the Lifebuoy soap brand's efforts to improve hygiene practices in developing countries, where access to clean water and sanitation facilities is limited [18]. Through the Lifebuoy Global Handwashing Program, Unilever has educated millions of people about the importance of handwashing with soap, especially in the context of preventing the spread of diseases such as diarrheal infections and COVID-19. These efforts have not only had a positive impact on public health but have also strengthened Unilever's connection to the communities it serves, building goodwill and customer loyalty. Figure 2 shows the operating profit of a company or organization over a multi-year period.



**Figure 2: Shows the operating profit of a company or organization over a multi-year period.**

Study, Unilever has made significant strides in promoting gender equality and diversity within the workplace and through its marketing. The company has been at the forefront of the "Real Beauty" movement with its Dove brand, challenging traditional beauty standards and promoting inclusivity. Through campaigns that feature women of different shapes, sizes, skin tones, and ages, Dove has helped reshape societal perceptions of beauty and self-worth. By embracing diversity and fostering an inclusive culture, Unilever has garnered widespread

admiration from consumers and stakeholders alike. These socially conscious initiatives resonate particularly with younger generations, who prioritize ethical business practices when making purchasing decisions.

Unilever's focus on community engagement also extends to its work with local farmers, suppliers, and entrepreneurs. Through its Sustainable Agriculture Code, Unilever provides training, support, and financial assistance to small-scale farmers to help them improve their agricultural practices and increase their yields [19]. This not only helps to improve the livelihoods of farmers but also contributes to the sustainability of the company's supply chain by ensuring a steady supply of high-quality raw materials. These community-based efforts are particularly important in the context of a globalized economy, where businesses are increasingly being called upon to play an active role in supporting local economies and addressing social inequality.

The consumer landscape has undergone a significant shift in recent years. With the rise of social media and increasing access to information, consumers are more empowered than ever to hold brands accountable for their actions. In particular, millennials and Gen Z consumers have become increasingly conscious of the ethical and environmental implications of their purchasing decisions. These consumers expect brands to act in ways that align with their values, and they are quick to call out companies that fail to meet these expectations.

Unilever has successfully tapped into this shift in consumer behavior by aligning its brand values with the broader societal and environmental concerns that matter to its customers. As a result, the company has built a strong and loyal customer base that not only values its products but also respects its commitment to sustainability and social responsibility [20]. Studies have shown that Unilever's sustainable brands, those that have a clear focus on sustainability, are growing faster than the rest of the company's portfolio. These brands, such as Dove, Ben & Jerry's, and Seventh Generation, have seen higher levels of consumer engagement and loyalty, demonstrating that ethical and sustainable practices can drive both brand equity and business performance.

The company has embraced transparency and open communication with its customers, allowing them to track the impact of their purchases. This commitment to openness has helped build trust with consumers, who are increasingly demanding greater transparency from the companies they support. Whether it's providing detailed information about sourcing practices, production methods, or environmental impacts, Unilever has worked to ensure that its consumers are fully informed about the broader implications of their purchasing choices. In 2020, the company's global sales were projected to reach \$62 billion, demonstrating continued growth despite challenging market conditions. The company's strong performance can be attributed to its ability to adapt to changing consumer preferences and meet the demand for sustainable, ethically produced goods. Unilever's diverse product portfolio, which spans food and beverages, cleaning products, and personal care items, has allowed the company to remain resilient across multiple industries [21]. Study, Unilever's investment in innovation and digital transformation has positioned it well for future growth. The company has made significant strides in leveraging digital technologies, such as e-commerce platforms and data analytics, to improve its customer experience and reach new markets. This technological shift has enabled Unilever to engage with consumers in innovative ways, providing personalized recommendations, streamlining the purchasing process, and enhancing customer satisfaction.

Unilever's continued success will depend on its ability to balance financial growth with its commitment to social and environmental responsibility. As the company continues to expand its market share and innovate its product offerings, its commitment to sustainability will remain

a key differentiator in a crowded and competitive marketplace. In an increasingly values-driven consumer world, Unilever competes in a very tough market for everyday products against strong companies like Procter & Gamble and Nestle. This tough competition is always a challenge for Unilever as it tries to stay on top in the market. This problem is made worse because Unilever's products can easily be copied. The fact that competitors can easily copy their services makes it harder for Unilever to keep a long-term advantage over them. This is especially true for products that don't have unique features like being environmentally friendly or any other social responsibility qualities. Unilever has a complicated supply system, which makes things more difficult. The company is struggling to keep up with eco-friendly buying practices, which can cost a lot and take a long time. Not handling these supply chain problems well could harm Unilever's reputation.

As a result, Unilever needs to carefully plan its strategy to navigate these tough challenges and maintain its place in the consumer products market. As people care more about being eco-friendly and buying products responsibly, Unilever has a good opportunity to use its social responsibility efforts to stand out against competitors. Unilever's dedication to social responsibility can help it stand out from other companies and draw in more thoughtful shoppers. People are becoming more careful about how their purchases impact society and the environment. Unilever can grow its market and attract more customers by clearly sharing its values related to social responsibility and using these ideas to develop new products. The company is at an important point where three key strategies come together to influence its future. The growing need for eco-friendly products, driven by increased concern for the environment and consumers wanting to make ethical choices, gives Unilever a great chance to promote its socially responsible products. At the same time, the appeal of fast-growing markets gives Unilever a chance to build trust with customers through its community programs and grow its presence. Using acquisitions is another way for Unilever to expand its product offerings, quickly enter new markets, and improve its sustainability efforts.

#### 4. CONCLUSION

Unilever's social responsibility initiatives and their impact on market share within the consumer goods sector have yielded significant insights. By using tools like SWOT Analysis, Triple Bottom Line Analysis, and detailed Sales Revenue Analysis of Unilever, this Extended Essay has explored the complex connection between them. The study found that Unilever's efforts to do good for society have really helped them gain a bigger share of the market and, even more importantly, have led to significant growth in their sales. The Triple Bottom Line Analysis showed that Unilever is dedicated to being sustainable and ethical in business by pointing out the positive social and environmental impacts of their practices. The swot analysis showed the strengths of Unilever's CSR projects, which helped them gain a competitive edge. Also, the sales revenue analysis showed clear evidence that CSR efforts have helped Unilever boost its sales and gain more market share. Unilever has done a good job, but the consumer goods industry is always changing and competitive. This means they need to keep working on their social responsibility and adjust to new trends. In summary, Unilever's efforts to be responsible and help society have definitely helped them sell more products and grow their business in the consumer goods industry. This study highlights the importance of including sustainability and social responsibility in business plans. It can also help businesses succeed. As Unilever moves through these tough times, its CSR (Corporate Social Responsibility) efforts show that businesses can succeed while also making a positive difference in society and the environment. This report is an important tool for organizations and governments that want to understand the basic effects of CSR (Corporate Social Responsibility) in today's business world.

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## CHAPTER 9

### EXPLORING THE BEST INSURANCE PLANS IN INDIA: A COMPREHENSIVE REVIEW

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#### ABSTRACT:

This study presents an organized examination of previous studies to analyze consumer behavior in purchasing life insurance products. The reasons, choices, and results related to how people buy life insurance are explained using the ADO framework. The review collects 136 different factors from 76 important articles and groups them into eight main categories. This study examines the various things that influence people's choices to purchase insurance. This study examines various factors like people's age, mental health, social interactions, and financial situations. The goal is to help marketers and insurance companies create products that better meet customers' needs. The results show that understanding these factors can make customers happier, improve marketing strategies, and ultimately increase profits in the insurance industry. The reasons why something can lead to a good or bad effect on buying decisions for life insurance are also looked at in detail. In the end, TCM and ADO frameworks are used to find what is missing in the current studies about life insurance. Some key areas for future study, especially focusing on behavioral economics and situations like the COVID-19 pandemic.

#### KEYWORDS:

Economy, Insurance, Financial Risk, Life Insurance.

#### 1. INTRODUCTION

The significance of life insurance lies in its ability to support people and their loved ones in fulfilling two essential requirements. First, it lowers the financial risk for the family's income if the main breadwinner dies unexpectedly. Second, it helps consumers save money over the long term, based on what they need while facing risks and uncertainty. There is enough proof from studies that when people make risky decisions, like buying life insurance, they often do not act in a logical way [1]. As a result, people often guess too high or too low about the chances of losing something, because they base their choices on their personal opinions instead of real calculations. This means that sometimes people buy too much or not enough life insurance. Also, the growth of the life insurance industry can have a big impact on a country's economy. Life insurance not only protects families from financial loss when someone dies, but it also helps people save money for the long term [2].

However, many wealthy countries that help the global economy still have low rates of people buying life insurance. Because buying life insurance can be complicated and is important for both people and the country's economy, it's essential for individuals, regulators, and insurance companies to know how consumers decide to buy life insurance. Later, the study found many factors and tested how they affect things. Buying habits of people when it comes to life insurance. This text talks about things that affect people's decisions to buy life insurance. These include what people want and need, like their age, money situation, and personal views. It also

looks at the costs of insurance, how people see the company, and other factors. Some studies have shown that people's feelings and thoughts, like being scared of losing money or being too sure of themselves, can influence their choices about life insurance [3]. This paper aims to give a general understanding of how the study looks at how people decide to buy life insurance.

Life insurance plays a crucial role in modern financial planning by addressing two fundamental human concerns: income protection and long-term savings [4]. At its core, life insurance acts as a safety net for dependents in the unfortunate event of a policyholder's untimely death, significantly reducing the financial vulnerability of the household. This is especially critical when the deceased individual is the primary earner, as the sudden loss of income can be devastating. In addition to providing this protection, life insurance often serves as a structured mechanism for long-term savings and wealth accumulation, especially in policies that blend insurance coverage with investment components [5].

However, despite its critical benefits, many people either delay or avoid purchasing life insurance, or they choose coverage that does not align with their actual needs. Behavioral economics sheds light on this paradox [6]. Study consistently shows that when individuals are faced with decisions involving risk and uncertainty, such as buying life insurance, they often do not behave in a strictly rational manner. Instead of relying on actuarial data or informed financial advice, people tend to rely on subjective judgments. This includes overestimating rare risks, underestimating more probable outcomes, or being swayed by emotions such as fear, overconfidence, or denial.

This irrationality leads to a mismatch in insurance coverage. Some people overinsure, spending more than necessary due to fear or lack of understanding, while others underinsure, exposing their families to severe financial risk due to denial or underestimation of potential hazards. Such decisions are not made in a vacuum; they are shaped by a range of personal, social, and market-related factors [7]. Individual demographics such as age, income level, marital status, and number of dependents often influence the perceived need for insurance. Younger individuals might ignore life insurance, assuming they have time, while older consumers might recognize the importance but struggle with affordability or insurability.

Individuals with a higher understanding of financial concepts are more likely to view life insurance as a necessary and strategic tool. Those lacking this knowledge may find insurance products confusing or overwhelming, leading to avoidance [8]. The cost of premiums, perceived fairness of policy terms, and trust in the insurance provider heavily influence buying decisions. People are more likely to purchase from companies they perceive as transparent, ethical, and stable.

The life insurance industry itself contributes to consumer behavior through the complexity of its offerings. With various types of policies, term, whole life, universal, and endowment, the lack of standardization and clarity can deter consumers from taking action. This is compounded by inconsistent or aggressive marketing practices that may create mistrust or confusion. Therefore, insurance providers have a responsibility to simplify their offerings and communicate their value clearly, especially in an age where customer experience is paramount [9]. Cultural and psychological factors are also powerful drivers of life insurance behavior. In societies where discussing death is considered taboo, people may avoid thinking about life insurance altogether.

Conversely, cultures that emphasize family responsibility and intergenerational wealth may encourage early adoption of life insurance. Psychological biases such as loss aversion, the tendency to fear losses more than value gains, can push people toward insurance. However, optimism bias the belief that negative events are less likely to happen to oneself can cause

others to postpone or ignore the need for coverage. The importance of life insurance for economic stability, and penetration rates remain surprisingly low in many high-income nations. This underutilization may be due in part to the false sense of security provided by state welfare systems, or to the misconception that life insurance is only necessary for the elderly or those with health issues. This highlights the need for public policy and regulatory bodies to encourage financial literacy and responsible insurance behavior, as increased participation in life insurance markets can benefit not just families, but national economies as well [10]. Life insurance also contributes significantly to capital markets, as premiums collected are often reinvested in bonds, equities, and infrastructure, fueling broader economic growth. Therefore, promoting informed life insurance purchases is not only a matter of individual financial well-being but also a strategic economic imperative. Understanding the factors that drive or hinder life insurance uptake is essential for stakeholders, including insurers, regulators, financial advisors, and policymakers.

## 2. LITERATURE REVIEW

Pattnaik *et al.* [11] discussed the straightforward approach to selecting life insurance in India considering various factors while relying on ambiguous or imprecise information. Life insurance is a deal between a person who gets the insurance and a company that sells it. The company agrees to pay a certain amount of money either after a set time or when the person dies. These days, people can buy a policy online. There are many insurance companies out there, and each one offers different plans. Choosing the right insurance company to buy an online term plan can be really tricky. People might find it tricky to pick the best insurance company for buying a term policy online. It's a decision-making problem with several factors to consider and different choices available. In this paper, we suggest a model to help solve this decision-making problem. In this model, a fuzzy decision-making method was used along with a ranking technique called TOPSIS. This approach ranked different insurance companies based on their online term plans. The test results show that the Life Insurance Corporation of India (LIC) is the best among the 12 companies for buying an online term plan.

Luke *et al.* [12] discussed the grasp and application of health insurance among patients at a prominent hospital in South India. Health insurance might look like just another form to fill out, but it can save lives during serious medical emergencies. It helps protect people from expensive medical bills that could lead to poverty. The goal of this study is to find out how many patients know about health insurance and have signed up for it. This was a one-time study done at a major hospital in South India from July 2019 to September 2019. A quick and easy method called convenience sampling was used with a group of 58 people. We collected information using a questionnaire that an interviewer helped with. The results showed that 89.7% of people were aware of health insurance options. But only 51.7% were signed up for a health insurance plan. Out of the total, 70% were part of a government insurance plan, and 30% had private health insurance. Even though people know about insurance, that doesn't mean they will sign up for a plan. The public should learn about the new, cheaper government plans that are best for their money situations.

Suresh Dahake *et al.* [13] discussed the significance of equitable compensation, incentives, and bonuses in driving motivation among sales professionals in banking, financial services, and Insurance. This study intends to examine the essential elements that define fairness. A reward system that motivates people who sell in banking and finance to be effective and see if they are making sales. Sales jobs, especially for financial products, are. It's very hard for salespeople because there is a lot of competition. Smart sales managers can use their skills, abilities, and knowledge too. Gaining an edge in boosting sales and making more money. The information was gathered using a study conducted by someone. A study to gather direct information on

Perception means how we see or understand things. ANOVA is a method used to check if differences between groups are important and to test ideas. Testing means checking something to see if it works correctly. The study included people from various places. The study focused only on Nagpur city. Important Nagpur city is on the first list. New smart cities are developing quickly and are important places. In the direction of improving investment and banking opportunities in the center of India.

Devi *et al.* [14] discussed the study conducted in the Kurnool district of Andhra Pradesh focuses on empowering women by means of self-help groups. Women's lives in local areas have been greatly enhanced by the assistance provided by microfinance. Self Help Groups (SHGs) help rural women gain access to low-cost banking, insurance, and business skills. Self-help groups (SHGs) aim to improve the lives and power of women for the betterment of everyone. Women make up half of the world's population, and do about two-thirds of the work, but earn only a tiny portion of the income and own very little property, according to a UN report. Women joining Self Help Groups have made a big difference in the lives of poor women. It has helped them grow as individuals and also improved their roles in their families, communities, and society. They join together to solve their shared problems by helping each other. A simpler option that takes less work is a Self Help Group (SHG). It is a way to help reduce poverty and support women in starting their businesses and getting financial help in India. This study looked at the living conditions of members of self-help groups and how these groups help women become more powerful in Kurnool District, Andhra Pradesh. The two study questions are microfinance helps empower women. Self-help groups are the best way to reduce poverty and create jobs. The study looks at how self-help groups help women in the Kurnool district. The main finding is that these groups have a good effect on empowering women in that area. Introduction: India has been dealing with social and economic problems for many years. It is known as the biggest democratic country in the world.

Siwach *et al.* [15] discussed the significant evaluation of the existing crop insurance framework, particularly concentrating on Pradhan and its effects in Haryana. Indian farming is often seen as risky and unpredictable because about 90% of changes in how much is produced are caused by different natural factors. Floods, dry spells, bad weather, etc. Some farmers are feeling very sad and are taking their own lives because they are not earning enough money, not doing well in their work, and have taken on a lot of loans for farming. The Prime Minister's Crop Insurance Plan (PMFBY) works with insurance companies to help farmers when their crops are affected by natural disasters, pests, or diseases. It shows that only 4% of the rabi crops and 11% of the kharif crops that are at risk have insurance. NCIP aims to cover 50% of farmers by the end of the 12th Plan. The Government of India has made important updates to the agricultural insurance plans MNAIS, WBCIS, and CPIS.

### 3. DISCUSSION

India's insurance industry encompasses both life and non-life (general) segments, each catering to distinct consumer needs. The life insurance sector has traditionally been dominated by public sector players like Life Insurance Corporation of India (LIC), but private insurers have been gaining ground with innovative products and improved customer service. The non-life sector, which includes health, motor, and property insurance, has seen increased participation from private companies, offering competitive pricing and specialized products. Despite this growth, insurance penetration remains relatively low [16]. According to McKinsey, the industry's penetration rate slipped from 4.2% in 2022 to 4.0% in 2023, indicating that its progress has not been on par with the country's economic growth. This underscores the need for strategies to enhance awareness, accessibility, and affordability. These are pure risk protection plans



offering high coverage at affordable premiums. Insurers like HDFC Life, ICICI Prudential, and SBI Life provide comprehensive term plans with flexible policy terms and riders.

Combining insurance with savings, these plans offer lump sum benefits at the end of the policy term or on death. Companies like LIC and Bajaj Allianz offer popular endowment policies [17]. These plans offer investment opportunities along with insurance coverage. They are suitable for individuals looking to build wealth while securing their family's future. Insurers like HDFC Life and ICICI Prudential provide a range of ULIPs. Ensuring financial independence post-retirement, these plans accumulate funds over time and provide regular income after retirement. Companies like LIC and Tata AIA offer well-structured retirement plans.

These plans cover medical expenses for an individual and are offered by insurers like Star Health, ICICI Lombard, and HDFC ERGO [18]. Covering the entire family under a single sum insured, these plans are cost-effective and offered by companies like Star Health and Religare Health Insurance. Providing a lump sum amount on diagnosis of specified critical illnesses, these plans are available from insurers like HDFC Life and ICICI Lombard. Supplementing existing health coverage, these plans offer additional coverage at a lower premium and are offered by companies like Star Health and Bajaj Allianz. Covering both own damage and third-party liabilities, these plans are offered by insurers like Bajaj Allianz and ICICI Lombard. Figure 1 shows the percentage of YouTube videos that will be stored in Memo over time.



**Figure 1: Shows the depicting percentage of YouTube videos made that will be stored in the Memo over time.**

Mandatory under the Motor Vehicles Act, these plans cover damages to third parties and are available from all general insurers. Covering damages to the home structure and contents, these plans are offered by insurers like Bajaj Allianz and HDFC ERGO [19]. Protecting against damages due to fire and other specified perils, these plans are available from general insurers. The insurance industry in India is undergoing a digital revolution. The implementation of online platforms and mobile apps has made it easier for customers to explore, compare, purchase, and renew insurance products at any time and from any location. Automation of underwriting processes reduces human error and claim-processing time, enhancing operational efficiency.

The involvement of fintech and insurtech firms is transforming distribution and introducing innovation in sales channels. Strategic collaborations between banks and fintech firms have helped provide innovative products and value-added services to customers, improving reach and accessibility. The use of data analytics allows insurers to understand customer behavior, detect fraud, and manage risks. This information is used to develop products aligned with customer preferences. The integration of IoT devices enables insurers to offer personalized health plans, rewarding healthy behaviors with lower premiums. The Insurance Regulatory and Development Authority of India (IRDAI) has implemented measures to enhance efficiency and



optimize expenditure in the insurance sector. A cap on management expenses for insurers, limiting them to 30% of premium income, is leading companies to reassess and recalibrate their business strategies [20]. The Indian government has launched several initiatives to increase insurance penetration. The "Insurance for All by 2047" mission aims to ensure that every citizen and enterprise has appropriate insurance coverage. Schemes like Pradhan Mantri Fasal Bima Yojana (PMFBY) provide crop insurance to farmers, and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) offers life insurance to individuals aged 18 to 50. Despite the positive outlook, the insurance industry faces several challenges. Limited financial literacy and suboptimal advisory services have contributed to concerns around mis-selling in the market. Addressing these issues through education and awareness campaigns can enhance consumer trust and participation. The growing middle class, increasing awareness, and technological advancements present significant opportunities for the insurance sector. By leveraging digital platforms, data analytics, and innovative products, insurers can cater to the evolving needs of consumers and drive growth.

The insurance industry in India is on the cusp of a transformative phase with a diverse range of products, technological advancements, and supportive government initiatives. The sector is poised for significant growth [21]. However, overcoming challenges related to awareness, accessibility, and affordability is crucial to achieving the goal of "Insurance for All by 2047." By focusing on innovation, customer-centricity, and regulatory compliance, the insurance industry can play a pivotal role in securing the financial future of individuals and businesses across India.

India's insurance sector is undergoing a significant transformation, driven by technological advancements, regulatory reforms, and changing consumer expectations. As we look toward 2025 and beyond, the landscape of insurance in India is poised for substantial growth and evolution. This comprehensive analysis delves into the best insurance plans available in India, the future scope of the industry, and the key trends shaping its trajectory. Life insurance remains a cornerstone of financial planning in India, offering protection against unforeseen events and serving as a tool for long-term savings. This comprehensive term insurance plan offers life cover along with health benefits. It provides coverage for terminal illnesses and includes a waiver of premiums in case of permanent disability. The plan boasts a high claim settlement ratio, making it a reliable choice for policyholders. Known for its extensive coverage, this plan offers multiple payout options, including lump sum and monthly income. It allows policyholders to increase the sum assured during significant life milestones, such as marriage or the birth of a child, ensuring that the coverage evolves with changing needs.

A top-tier term insurance plan that offers flexible features, including coverage for terminal and critical illnesses. It provides an increasing cover benefit, allowing the sum assured to rise with age, and offers low premium costs, making it an affordable option for many. These plans reflect the industry's shift toward offering more personalized and flexible products that cater to the diverse needs of Indian consumers. The growing awareness of health risks and the rising cost of medical treatments have made health insurance a necessity for many Indians. The leading health insurance provider in India for 2025, one of the largest health insurers in India, Star Health offers a wide range of health insurance products, including individual and family floater plans, critical illness coverage, and top-up policies. The company is known for its extensive network of hospitals and efficient claim settlement process. ICICI Lombard offers comprehensive health insurance plans that cover hospitalization expenses, pre- and post-hospitalization costs, and daycare procedures. The company provides cashless treatment across a vast network of hospitals and has a reputation for prompt claim settlement. Bajaj Allianz provides a variety of health insurance plans, including individual and family floater policies,

critical illness coverage, and top-up plans. The company is known for its customer-centric approach and efficient claim processing. These insurers are leveraging technology to enhance customer experience, streamline claim processes, and offer products that align with the evolving healthcare needs of the Indian population. With the increasing number of vehicles on Indian roads, motor insurance has become a mandatory requirement. The top motor insurance providers in India for 2025 include:

Offering comprehensive motor insurance plans that cover own damage and third-party liabilities, Bajaj Allianz provides a wide range of add-ons, such as zero depreciation cover and engine protection, to enhance the policy's coverage. Lombard offers motor insurance plans that provide coverage against accidents, theft, and third-party liabilities. The company also offers add-ons like roadside assistance and return to invoice cover. HDFC ERGO provides motor insurance plans that cover own damage, third-party liabilities, and loss of accessories. The company offers a network of cashless garages and a user-friendly mobile app for policy management. These insurers are adopting digital platforms to simplify the policy purchase and renewal process, making it more convenient for customers. Property insurance is essential for protecting one's home and belongings against unforeseen events like fire, theft, and natural disasters.

Bajaj Allianz offers comprehensive property insurance plans that cover buildings and contents against fire, burglary, and natural calamities. The company provides customizable policies to suit individual needs. HDFC ERGO provides property insurance plans that offer coverage against fire, theft, and natural disasters. The company offers a wide network of studios and a streamlined claim process. ICICI Lombard offers property insurance plans that cover buildings and contents against various risks. The company provides flexible policy terms and a hassle-free claim settlement process. These insurers are leveraging technology to enhance the policy issuance and claim settlement processes, ensuring a seamless experience for policyholders.

The adoption of digital technologies is revolutionizing the insurance sector in India. Insurers are leveraging artificial intelligence (AI), machine learning (ML), and big data analytics to streamline operations, personalize products, and enhance customer experience. The use of digital platforms for policy purchase, renewal, and claim settlement is making insurance more accessible and convenient for consumers. The Insurance Regulatory and Development Authority of India (IRDAI) has implemented several reforms to enhance the efficiency and transparency of the insurance sector. These include the introduction of composite licenses, allowing insurers to offer multiple types of coverage under a single license, and the proposal to increase the Foreign Direct Investment (FDI) limit in the insurance sector to 100%, which is expected to attract more capital and expertise into the industry. Insurers are integrating insurance products into non-insurance services, such as travel bookings and e-commerce platforms, making it easier for consumers to access coverage when purchasing other products.

The use of telematics in motor insurance allows insurers to offer usage-based policies by collecting data on driving behavior. Similarly, IoT devices in health insurance enable insurers to monitor policyholders' health metrics in real time, offering personalized plans and rewards for healthy behaviors. Consumers are increasingly seeking autonomy in managing their insurance policies. Insurers are responding by offering self-service platforms that allow policyholders to purchase, renew, and manage their policies online, improving customer satisfaction and operational efficiency. According to Swiss Re, total insurance premiums in India are projected to grow by 7.1% in real terms from 2024 to 2028, well above the global average of 2.4%. This growth is driven by factors such as economic expansion, an increasing middle class, and rising awareness about the importance of insurance. The insurance industry in India, while experiencing growth and modernization, faces several significant disadvantages

that impact its effectiveness and accessibility. These challenges hinder the sector's potential to provide comprehensive coverage and financial security to the population. Despite the increasing awareness about financial planning, insurance penetration remains low in India. The insurance penetration is only 4 percent, which is significantly lower compared to global standards. Many people are still unaware of the importance of insurance and its benefits, leading to a large uninsured population. This lack of awareness is particularly prevalent in rural areas, where access to information and financial services is limited. As a result, a substantial portion of the population remains vulnerable to unforeseen financial risks.

Insurance products in India are often complex, with intricate terms and conditions that can confuse policyholders. This complexity makes it difficult for consumers to understand the full scope of coverage and the exclusions that may apply. Consequently, policyholders may find themselves inadequately covered or unaware of critical aspects of their policies. The lack of transparency and simplicity in insurance products contributes to consumer mistrust and reluctance to engage with the sector.

The cost of insurance premiums in India can be prohibitively high, especially for comprehensive coverage plans. This financial burden deters many individuals from purchasing insurance, particularly those in lower-income brackets. With the introduction of Goods and Services Tax (GST) at 18% on insurance premiums has further increased the cost, making insurance less affordable for a significant portion of the population. As a result, many individuals opt for minimal coverage or forgo insurance altogether, leaving them financially exposed.

The insurance sector in India grapples with issues related to fraud and mis-selling of insurance products. Unscrupulous practices by some agents and intermediaries can erode consumer trust and confidence in insurance products. Fraudulent claims and inefficient risk evaluation increase costs, causing leakages that diminish overall savings in the insurance ecosystem. These unethical practices not only harm consumers but also tarnish the reputation of the industry as a whole.

While regulations are essential for ensuring consumer protection and market stability, stringent regulatory requirements can sometimes be a barrier to innovation and growth in the insurance sector. The absence of a regulatory head at the Insurance Regulatory and Development Authority of India (IRDAI) since March 2025 has stalled key reforms within the sector, creating uncertainty and impeding progress. This leadership vacuum has left the sector in a state of limbo, underscoring the urgent need for new appointments to facilitate regulatory oversight and drive the planned modernization of insurance operations in the country.

Many insurance products in India lack customization options that align with the specific requirements of policyholders. This one-size-fits-all approach makes health insurance less attractive to potential policyholders, as it may not adequately address their unique needs. The absence of personalized insurance solutions limits consumer choice and satisfaction, hindering the sector's growth and development. The insurance sector in India has been slow to adopt digitalization compared to other industries, resulting in several challenges such as inefficient processes, a lack of transparency, and poor customer experience. Many insurance companies still rely on manual processes for tasks such as underwriting, policy servicing, and claims management, which can be time-consuming and error-prone. This lack of automation leads to delays, higher costs, and dissatisfied customers, further deterring potential policyholders.

The general public's low financial literacy hampers the ability to make informed decisions regarding insurance products. In India, 1 in 5 health insurance policy owners are unaware of basic policy terms despite purchasing the policy on their own. This lack of understanding can lead to poor decision-making, resulting in inadequate coverage and financial vulnerability. Enhancing financial literacy is crucial to empower consumers to make informed choices and improve their financial well-being. Assessing and pricing risks accurately is crucial for the sustainability of insurance companies. Inadequate data and analytics capabilities can lead to mispricing of risks, impacting profitability.

The need for granular, frequent updates demands advanced systems for data collection, storage, and analysis. Insurers face complexities in aligning legacy systems with new technology requirements, often necessitating costly upgrades. These challenges in data management and underwriting processes can affect the overall efficiency and effectiveness of the insurance sector.

The claims process in India is often seen as complicated, slow, and opaque, leading to customer dissatisfaction and loss of trust in the insurance industry. This can be due to a lack of transparency, inefficient processes, and poor communication with customers. The complexity and delays in claims settlement discourage policyholders from filing claims and can result in financial hardship for individuals who rely on insurance for support during emergencies.

The insurance sector in India faces a talent shortage, with a need for skilled professionals in areas such as actuarial science, underwriting, claims, and risk management. Attracting and retaining talented professionals is a challenge for the industry.

The lack of skilled personnel hampers the sector's ability to innovate, improve services, and meet the growing demands of consumers. Investing in education and training programs is essential to develop a competent workforce capable of driving the industry forward. Economic downturns, inflation, and fluctuations in interest rates can impact investment returns and the profitability of insurance companies, affecting their ability to meet policyholder obligations. These macroeconomic factors introduce uncertainties that can destabilize the financial health of insurers and undermine consumer confidence in the sector. Developing strategies to mitigate these risks is crucial for the long term.

#### 4. CONCLUSION

India's insurance sector has rapidly evolved, offering a wide range of plans that cater to diverse financial and protection needs. Among the best life insurance plans are HDFC Life Click 2 Protect Super, ICICI Prudential iProtect Smart, and Max Life Smart Secure Plus, known for comprehensive term coverage, critical illness benefits, and flexible riders. For health insurance, top providers include Star Health Comprehensive Plan, Niva Bupa ReAssure 2.0, and Care Health Insurance, offering broad hospitalization coverage, cashless facilities, and high claim settlement ratios. In the motor insurance segment, Bajaj Allianz, ICICI Lombard, and HDFC ERGO lead with comprehensive plans covering both third-party and own damage, enhanced with add-ons like zero depreciation. Property insurance from Bajaj Allianz and HDFC ERGO protects homes and belongings from fire, theft, and natural calamities. These insurers are integrating digital platforms, enhancing user convenience, and speeding up claim processes. With government initiatives, IRDAI reforms, and insurance innovations, the sector is heading toward greater inclusivity, efficiency, and customization. India's insurance landscape is

expanding with superior plans tailored to evolving needs, increasing awareness, simplifying products, and ensuring affordability remain vital to achieving universal insurance coverage and long-term financial protection for all citizens.

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## CHAPTER 10

### REVIEWING THE INFLUENCE OF LIMITED RELEASES IN THE FOOTWEAR MARKET ON CONSUMER BEHAVIOR

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#### ABSTRACT:

This study paper looks into the growing market of luxury shoes and sneakers. It discusses what makes them special, how they are marketed, and why more people are interested in them. By looking at the product features and why consumers buy them, the paper wants to find out what is causing the growth of luxury brands by looking at brand strategies and other important factors. The analysis shows how skill, uniqueness, and culture work together to shape things. Buying choices of people. The paper also considers about how marketing and branding help make these products seem like luxury items. It mentions using limited editions, working with other brands, and getting celebrities to endorse them. This study gives important information about how the luxury shoe market works, which could help businesses and marketers in this area. Recently, fancy shoes and sneakers have become very popular. They are no longer just regular shoes; people now see them as signs of status and wealth. The mix of fashion, luxury, and sports has created a special market that many people around the world find interesting. This paper looks at what is causing this market to grow. It will focus on the product details, marketing methods, and what makes consumers want to buy these products. Features of Luxury Shoes and Sneakers Luxury shoes and sneakers have special features that make them different from regular shoes sold in stores. Make products that look good and last a long time.

#### KEYWORDS:

Luxury Shoe Sneakers, Sustainable Ethical Sourcing, Marketing Strategies Consumer, Marketing Branding Strategies.

#### 1. INTRODUCTION

Luxury shoes and sneakers are more than just things to wear they represent style, status, and high-quality making. Although these high-quality items can be quite expensive, they are worth the cost because of the great materials, careful craftsmanship, and special designs. While the basic features of luxury shoes stay the same, different styles and trends make them more attractive. Sustainability and Fair Sourcing: More people are becoming aware of environmental problems, so luxury brands are focusing on eco-friendly practices [1]. This means using materials that are good for the environment, getting products fairly, and cutting down on waste. The high-end shoe industry has started using the latest technology. New ideas like shoes that tie themselves and better padding make them more comfortable, help people perform better, and last longer [2]. Many luxury brands let customers customize their products, so they can create unique items that show off their style. This can include personalized initials or custom colors. Different ways to put things together. Fancy shoes, especially special editions or old ones, can become more valuable as time goes on. They are both stylish items and possibly good investments. Influence of Culture and Celebrity Support Fancy shoes have a big impact on culture.

They often start new trends and help shape what's popular. Famous people promoting products are important for increasing interest and improving the reputation of certain brands. Sneakers have changed from just being sports shoes to becoming popular fashion items. Stylish heels and sandals are very popular on the red carpet, often making news and influencing fashion trends. Designers like Christian Louboutin and Jimmy Choo are known for their fancy and famous styles. Shoes Fancy shoes and sneakers are not just things to wear on your feet; they show off your style, status, and skill in making them. This paper looks at the main features of high-end shoes, like quality materials, skilled work, and famous styles [3]. Exclusive items and comfort. It also looks at how fancy shoes affect culture, how famous people promote them, and the increasing focus on being environmentally friendly and sourcing materials responsibly. By knowing what makes luxury shoes special, buyers can see why these expensive items are valuable and important. Customization is now a key feature of luxury brands, letting customers make unique items that show their style.

This trend has grown a lot in recent years because people want to be unique. Customers can often pick from different high-quality materials like unique leathers, special fabrics, and valuable metals. Many brands provide a lot of color choices, which makes it easy to create unique and attractive designs [4]. Some brands let you change the design of the sole, adding patterns, logos, or your messages. Customized shoes make sure that every pair is unique, so no two are the same. Personal Expression: Customizing shoes lets people show their unique style and personality. Custom-made items can be considered investments. They might become more valuable over time because they are one of a kind. Being able to make something that a person really likes usually makes them happier and more loyal as a customer. Many high-end sneaker brands let you personalize your shoes in many ways. Classic custom shoe makers focus on making shoes just for you, using old methods and high-quality materials.

## 2. LITERATURE REVIEW

Surbhi [5] discussed the perceptions of young individuals in Ludhiana regarding the purchase of branded footwear. Shoe fashion is really important in influencing how people buy shoes. As people's lifestyles change, fashion in India is becoming more varied, like in Western countries. Technology, ideas, and ways of living are changing fast and all at the same time. Companies and brands that used to only sell boring products for a long time are now expanding their product lines. They are releasing new and exciting styles, shapes, and designs every season. Consumer behavior is how people decide to buy and use products. The main goal of the study is to look at what people like and which brands they prefer in the shoe market in Ludhiana City.

Ruixia *et al.* [6] discussed the impact of various age demographics on brand loyalty within Malaysia's footwear market. This study aims to determine whether various age groups, including Baby Boomers, Generation X, and Millennials, influence the factors that lead to consumer loyalty toward shoe brands. It also looks at whether product quality, style, price, brand reputation, service quality, and store atmosphere help create brand loyalty in the Malaysian shoe industry. Brand loyalty in Malaysia's shoe industry can help local brands keep customers and enter the global shoe market. Online study questions were sent out to 200 people to fill out by themselves. The results show that four main factors, product quality, product style, brand image, and store environment, have a big impact on brand loyalty in the Malaysian shoe industry.

Falahat *et al.* [7] discussed the aspects that affect spontaneous buying decisions within the shoe sector. Recently, the women's shoe industry has grown a lot in the fashion world, leading to many competitors trying to reach the same customers. With that in mind, women's shoe companies should encourage women to buy shoes on a whim. This study looks at how fun,

interest in products, and emotions are connected to the urge to buy shoes impulsively. The study results show that both enjoying things and feelings affect impulse buying. Ultimately, the article discusses the implications of this study, its limitations, and potential directions for future studies.

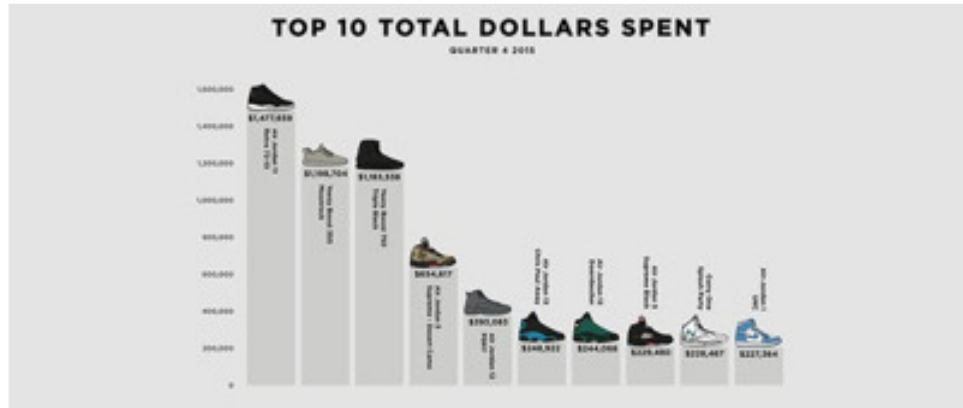
Adulyanukosol *et al.* [8] discussed the strategies of shoe design that can help Thai footwear brands thrive in the international marketplace. Thai industrial product design is not as strong as that of the top competitors in the global market. These competitors focus more on design when developing products, which helps them sell better. Thailand needs to improve its design to compete more effectively. Product design is a key part of growing in a way that is good for the environment in this industry. This study looks into ways to improve shoe design for the Thai shoe industry so it can do well in the global market. The study uses both interviews and numbers to gather information. The study gathered numbers by talking with 500 designers in a type of interview that had some set questions. These designers showed their work to enter an award competition. The results show that the ways to design shoes included four main things: design, studying the market, new ideas, and technology. This paper uses a method called structural equation modeling (SEM) to create a strategy for gaining a competitive edge in the Thai shoe industry. The analysis shows that the footwear design strategies model can help companies and designers create better policies and plans to improve and succeed in the global market.

Kutnjak-Mravlinčić [9] discussed the merging of footwear design and functionality, the function and appearance of shoes play crucial roles in determining the quality of footwear. Recent advancements in science and technology have led to more innovations, making shoe production more varied and complicated. The modern industrial shoe market has many new styles and designs that often look alike, but they can be very different in quality. This includes how they are made, the materials used, how long they last, and any special features they may have. The materials used to make shoes are designed to have special qualities. These include being able to fight germs, keep water out, resist fire, last a long time, and, more recently, help with health problems. New features for materials used in shoes are usually shared on tags and labels as part of advertising. Some of these features have even become symbols for certain brands.

### 3. DISCUSSION

The footwear industry has undergone a significant transformation in recent years, largely due to the strategic implementation of limited-edition releases [10]. These exclusive drops have not only redefined product marketing but have also profoundly influenced consumer behavior, creating a dynamic interplay between scarcity, desire, and purchasing decisions. At the core of limited-edition footwear releases lies the principle of scarcity. By intentionally restricting the availability of certain models, brands tap into a fundamental psychological trigger: the fear of missing out (FOMO). This sense of urgency compels consumers to act swiftly, often leading to impulsive purchasing decisions. The perception of owning something rare or exclusive enhances the product's desirability, making it more than just a functional item but a symbol of status and individuality. Limited releases have fostered a sense of community among consumers. Enthusiasts often engage in discussions, share experiences, and showcase their collections on social media platforms, creating a vibrant culture around these exclusive products [11]. This communal aspect strengthens brand loyalty, as consumers feel a deeper connection to the brand and its values. Collaborations with influencers and artists further amplify this effect, aligning the brand with cultural movements and enhancing its appeal. Figure 1 shows the depicting the "Top 10 Total Dollars Spent" across various categories, such as Sneakers, Accessories, and Apparel.

The scarcity of limited-edition footwear has given rise to a robust resale market. Consumers and collectors view these products not only as fashion statements but also as investment opportunities. Certain models appreciate over time, with some fetching prices significantly higher than their original retail value [12]. Platforms like StockX and GOAT facilitate this secondary market, where buyers and sellers can transact based on real-time market values.



**Figure 1: Shows the depicting the "Top 10 Total Dollars Spent" across various categories, such as Sneakers, Accessories, and Apparel.**

The digital era has revolutionized how consumers interact with limited releases. Brands leverage online platforms and apps to announce and distribute these exclusive products, often employing raffles or timed releases to manage demand [13]. The accessibility of information and the convenience of online shopping have broadened the consumer base, allowing individuals from various demographics to participate in these exclusive drops. However, this has also introduced challenges, such as the prevalence of bots and resellers, which can skew availability and pricing.

While limited releases drive demand and brand prestige, they also raise ethical questions regarding consumer access and market fairness [14]. The use of bots to secure products for resale purposes can frustrate genuine consumers and undermine the integrity of the release process. With the rapid pace of new releases can lead to market saturation, diminishing the perceived value of each new product and potentially alienating core customers. Brands must navigate these challenges carefully to maintain consumer trust and brand equity.

Limited edition releases have undeniably reshaped the footwear market, influencing consumer behavior in profound ways [15]. By understanding the psychological triggers, fostering community engagement, and navigating the complexities of digital commerce, brands can harness the power of exclusivity to drive demand and build lasting consumer relationships. However, it is essential for brands to balance scarcity with accessibility, ensuring that their strategies resonate positively with their audience and uphold ethical standards.

The future scope of limited releases in the footwear market, especially regarding their influence on consumer behavior, is poised to expand dramatically as brands, technologies, and cultural forces converge to create increasingly personalized, exclusive, and digitally immersive experiences. As consumer expectations evolve, limited releases will move beyond mere scarcity-driven sales models to encompass deeper storytelling, technological integration, sustainability, and emotional engagement [16]. One of the key future developments in this space lies in the integration of artificial intelligence and data analytics. With AI, brands can analyze consumer behavior at granular levels tracking preferences, purchase histories,

browsing behavior, and even social sentiment to create micro-targeted limited edition products that appeal to specific audience segments. This will allow footwear companies to customize limited drops based on regional trends, emerging subcultures, or even individual style profiles, increasing the emotional resonance and relevance of each release [17]. In the future, sneaker drops could become hyper-personalized events, where consumers feel not only the rush of exclusivity but also a strong sense of identity validation. Augmented reality (AR) and virtual reality (VR) technologies are also expected to redefine the consumer experience of limited releases. Imagine virtual sneaker try-ons in digital showrooms, NFT authentication linked to physical footwear, or exclusive digital releases of virtual sneakers for use in the metaverse each of these innovations will not only create novel ownership experiences but also introduce new behavioral patterns such as digital-first purchasing, collection of non-physical assets, and cross-platform brand loyalty that extends beyond the traditional retail space. These shifts will particularly appeal to younger, tech-native demographics such as Gen Z and Gen Alpha, who value unique digital identities as much as their physical ones. Simultaneously, the role of blockchain in ensuring the authenticity and provenance of limited-edition products will become increasingly important. In an age of rampant counterfeiting, consumers are placing greater emphasis on transparency and trust.

Blockchain solutions will enable brands to issue digital certificates of authenticity for each limited edition sneaker, which can be verified by any consumer globally [18]. This system will revolutionize the resale market by minimizing fraud, increasing buyer confidence, and facilitating secure peer-to-peer transactions. In this way, the secondary market already a billion-dollar industry will become more legitimate and brand-integrated, with companies potentially earning revenue from each resale through embedded smart contracts. With this, the social dynamics around sneaker culture will evolve significantly as limited releases increasingly become social events in themselves. The current model, wherein consumers line up physically or digitally to access a drop, will transform into experiential campaigns featuring live-streamed events, influencer-led storytelling, and immersive brand worlds. In the future, acquiring a limited-release sneaker may come bundled with access to exclusive content, invites to brand-sponsored events, or membership in elite digital communities.

Brands will respond by employing recyclable materials, modular designs, biodegradable packaging, and carbon offset programs in their limited edition lines. Study, AI-assisted demand forecasting will help brands minimize overproduction and waste, ensuring that each limited release is not only exclusive but also environmentally responsible. This alignment between scarcity and sustainability will create a new form of responsible consumerism, appealing to environmentally aware buyers who still value individuality and rarity [19]. The convergence of fashion and technology will give rise to co-creation platforms, where consumers actively participate in the design and development of limited-release sneakers. This democratization of the creative process, enabled by online design tools, 3D printing, and community voting systems, will empower consumers and transform them from passive buyers into active collaborators. This participatory model will redefine the emotional investment people have in their footwear, as owning a co-created product fosters pride, connection, and advocacy. From a marketing perspective, this evolution will yield significant behavioral shifts. Traditional push marketing will give way to conversational and community-based marketing, wherein limited releases are promoted not through mass advertising, but through organic engagement and storytelling within brand communities. Social media, especially emerging platforms that emphasize authentic, short-form, and creator-driven content, will be critical in shaping narratives around each release. Influencers, especially micro and niche influencers with highly



engaged audiences, will become key nodes in these ecosystems, bridging the gap between the brand and its target consumers. Study, the global nature of sneaker culture will intensify. Figure 2 shows the Top 10 Sneakers by Market Share during the first quarter of 2018.



**Figure 2: Shows the shows the "Top 10 Sneakers by Market Share" during the first quarter of 2018.**

These social incentives will not only deepen consumer-brand relationships but will also turn each product into a gateway to a lifestyle thereby elevating brand equity and fostering long-term loyalty. With this, the concept of exclusivity itself will undergo a philosophical transformation. While current limited releases are often defined by quantity-based scarcity, the future may see a shift toward meaningful exclusivity where rarity is tied to craftsmanship, cultural relevance, environmental responsibility, or social contribution [20]. As consumers become more ethically conscious, brands will be expected to justify the exclusivity of their products not just in terms of low supply, but in terms of the values they embody. For example, a limited edition sneaker could be part of a zero-waste initiative, a collaboration with indigenous artisans, or a fundraiser for social justice causes. These value-driven limited releases will resonate deeply with consumers seeking not just style but purpose. At the same time, sustainable practices will play a major role in shaping the future of limited footwear releases. With environmental concerns gaining traction, consumers are increasingly scrutinizing the lifecycle impact of their purchases.

As internet connectivity and mobile access expand across emerging markets, limited releases will increasingly cater to a broader international audience. Cultural localization of releases wherein brands design limited editions that reflect regional art, history, or social values will help brands forge deeper connections with global consumers. This global-local strategy, supported by decentralized distribution networks and localized storytelling, will redefine how limited releases function across geographies. However, with all these opportunities also come challenges. As limited releases become more frequent, there is a risk of “hype fatigue,” where consumers begin to feel overwhelmed or disillusioned by constant drops. To mitigate this, brands will need to be strategic in pacing releases and ensuring that each drop feels genuinely



special, culturally relevant, and emotionally resonant. Over-reliance on artificial scarcity could backfire, leading to consumer distrust or disengagement. This fosters not just purchase behavior, but long-term advocacy and emotional connection. Another critical area of future exploration is accessibility [21]. As exclusive products continue to drive demand, brands must grapple with the question of inclusivity. Ensuring that limited edition footwear is accessible not just to those with fast internet, digital skills, or disposable income will be important to uphold equity in the consumer experience. Initiatives such as community raffles, social cause-linked distributions, or tiered access based on consumer loyalty rather than spending power could help bridge this gap.

Finally, as AI, virtual influencers, and digital avatars become more prevalent, we will see limited-edition footwear designed specifically for non-human consumers, such as metaverse characters or gaming skins. This will redefine ownership and identity in entirely new dimensions, where a consumer's digital self is just as meticulously styled as their physical one. Limited releases will no longer be bound by physical production constraints, allowing for radical innovation in design, function, and narrative. In such a future, consumer behavior will no longer be influenced solely by aesthetic or brand loyalty but by an interconnected web of identity formation, digital expression, sustainability values, and social recognition.

The future scope of limited releases in the footwear market is not just a continuation of current trends but an imagination of the very concept of consumer engagement. As technological, cultural, and ethical dimensions converge, limited-edition footwear will evolve from being rare commodities to immersive experiences, emotional statements, and socio-digital assets. This transformation will profoundly shape consumer behavior, encouraging deeper emotional investment, more responsible purchasing patterns, and dynamic participation in the brand narrative. For brands, success in this space will depend on their ability to innovate meaningfully, remain culturally agile, and prioritize both exclusivity and inclusivity in equal measure [22]. The future is not just about owning a rare sneaker, it's about owning a piece of a story. The footwear industry stands at the precipice of a transformative era, where the concept of limited releases is evolving beyond mere scarcity to encompass technological innovation, sustainability, and deep cultural integration. As we look toward the future, several key trends are poised to redefine how limited-edition footwear impacts consumer behavior and shapes market dynamics.

Advancements in technology are set to revolutionize the footwear industry. Brands are increasingly leveraging augmented reality (AR) and virtual reality (VR) to enhance the consumer shopping experience. AR applications allow customers to virtually try on shoes, providing a more immersive and personalized shopping experience. This technological integration not only caters to the growing demand for personalization but also influences purchasing decisions by offering convenience and a novel way to engage with products. The rise of 3D printing technology enables brands to offer customized footwear solutions. Consumers can design shoes that fit their specific preferences and needs, from aesthetic choices to functional requirements. This level of personalization fosters a deeper emotional connection between the consumer and the product, leading to increased brand loyalty and satisfaction.

As environmental concerns become more pronounced, consumers are increasingly prioritizing sustainability in their purchasing decisions. Footwear brands are responding by adopting eco-friendly materials and ethical manufacturing processes. Limited edition releases that emphasize sustainability not only appeal to environmentally conscious consumers but also set new standards for the industry. This shift towards sustainability is influencing consumer behavior by aligning purchasing choices with personal values and societal trends. Limited releases are

no longer just about exclusivity; they are deeply intertwined with cultural movements and community engagement. Brands are collaborating with artists, musicians, and influencers to create footwear that resonates with specific cultural narratives. These collaborations foster a sense of belonging among consumers, who view their purchases as expressions of identity and affiliation with particular subcultures.

The rise of social media platforms has amplified the impact of limited releases. Consumers share their experiences and showcase their collections online, creating a virtual community that influences trends and drives demand. This digital engagement not only boosts brand visibility but also shapes consumer perceptions and expectations. The economic landscape of the footwear market is being reshaped by the proliferation of limited releases. These exclusive products often command premium prices, creating a dual market where scarcity drives value. The resale market, fueled by platforms like StockX and GOAT, has become a significant component of the footwear industry, with some limited edition sneakers appreciating over time. This economic model influences consumer behavior by introducing elements of speculation and investment into the purchasing process. Consumers are not only buying products for personal use but also as assets that may yield financial returns. This shift in mindset is prompting brands to consider the long-term value and cultural significance of their releases when planning production and marketing strategies.

The globalization of the footwear market has expanded the reach of limited releases. Consumers worldwide have access to exclusive products through online platforms and international shipping. This global accessibility broadens the consumer base and introduces diverse cultural influences into the market, further enriching the tapestry of limited-edition footwear. Brands are capitalizing on this global interconnectedness by tailoring releases to specific regional preferences and trends. This localized approach not only caters to the unique tastes of different markets but also enhances the sense of exclusivity and relevance of the products. The future of limited releases in the footwear market is characterized by a convergence of technology, sustainability, cultural integration, and economic innovation. Consumers will continue to seek products that offer personalization, ethical considerations, and cultural resonance. Brands that can navigate these complexities and align their offerings with consumer values will thrive in an increasingly competitive and dynamic market. Limited releases in the footwear market are evolving from simple scarcity-driven strategies to multifaceted approaches that encompass technological innovation, sustainability, cultural engagement, and economic opportunity. These developments are significantly influencing consumer behavior, prompting a shift towards more informed, value-driven, and community-oriented purchasing decisions. As the industry continues to adapt to these changes, the relationship between brands and consumers will become more collaborative and mutually influential, shaping the future of footwear commerce.

The future scope of limited releases in the footwear market, especially about consumer behavior, presents a dynamic and multi-dimensional evolution that transcends the traditional boundaries of fashion, marketing, and commerce, gradually redefining how brands engage with consumers and how consumers perceive, value, and respond to exclusive products. As the footwear industry becomes increasingly saturated and competitive, limited releases offer a strategic advantage by creating artificial scarcity, emotional urgency, and cultural relevance, but what lies ahead is a more technologically integrated, ethically conscious, and experientially driven consumer landscape. The demand for limited edition footwear is expected to continue

growing, not just as a fashion statement but as a symbol of identity, investment, and innovation. In the future, consumer engagement with limited releases will be heavily influenced by advancements in technology such as artificial intelligence, machine learning, and augmented reality, allowing brands to hyper-personalize product launches based on user data, behavioral patterns, geolocation, and even emotional metrics.

#### 4. CONCLUSION

The market for fancy shoes and sneakers keeps changing because of different product features, marketing plans, and what customers want. By knowing what makes this part of the market successful, businesses can create good plans to compete and take advantage of the increasing need for high-quality shoes. As the market for expensive shoes keeps growing, we will probably see new products, advertising ideas, and changes in what people want in the future. Luxury brands have used strategies like famous people promoting their products, creating limited edition items, and offering high-end shopping experiences to make their shoes highly desirable. People buy luxury shoes and sneakers for several reasons, such as showing off their status, expressing themselves, feeling comfortable, and seeing it as a good investment. As the high-end shoe market keeps changing, we will probably see new ideas in how shoes are designed, how they are marketed, and what customers like. Brands that can change with new trends and understand what their customers want will do well in this competitive market.

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## CHAPTER 11

### THE IMPACT OF FOOD AND BEVERAGE ADVERTISING ON CONSUMER DECISIONS: A COMPREHENSIVE ANALYSIS

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#### ABSTRACT:

The marketing strategies employed by food and beverage companies significantly influence consumer perceptions and behaviors. It looks at the different kinds of advertising, how people think about it, how they make decisions, and how they choose to buy things. There are additional key ethical concerns, including advertising particularly aimed at children and the promotion of unhealthy foods, that this study does not explore but are still important to consider. The study shows that people know how food and drink ads affect them. On how they think when they buy things. People in Bangalore City between the ages of 18 and 45 were given study questionnaires. The study included a total of 178 participants, chosen by convenience sampling. Data analysis involves explaining and summarizing information. This study will help us understand how customers think and behave. Advertising is very important in the food and drinks industry, especially for people working in marketing and advertising. This study shows that advertisements can help create interests and preferences among consumers.

#### KEYWORDS:

Brand Positioning, Consumer Behavior, Consumer Perceptions, Emotional Appeals, Selling Message.

#### 1. INTRODUCTION

The business world that sells food and drinks is how people shop and enjoy things today. The food and drink industry tries to shape what people think and how they act by using the brand's location, emotional messages, and sensory experiences. This study paper looks at the different types of advertising used by businesses and how these ads influence consumers. This raises serious questions about the wrongness of encouraging unhealthy dieting, like anorexia, and how this kind of approach can harm people's health over time. FMCG (Fast Moving Consumer Goods) is one of the largest industries in the world. It includes products that are usually cheap, go bad quickly, don't last long on the shelf, and are bought and used in large amounts by consumers [1]. When it comes to profits, stores earn the least money from these types of products, so they need to sell a lot to make up for it. Food, drinks, health care products, and household supplies are all part of the fast-moving consumer goods (FMCG) category. Wow, it looks like even though the product is almost the same, many sellers are competing with each other. In other words, they all try to stand out by advertising so that people become loyal to their brand and are willing to pay more [2]. A key thing about the FMCG (Fast-Moving Consumer Goods) industry is that it doesn't suffer as much during tough economic times compared to other industries. People still need to buy essential items, so they are more likely to spend less on luxury goods instead of necessities. The biggest challenge today is that every company is trying to sell to the same customers, each with different products. Moving Consumer Goods (FMCG) is now an essential part of our lives. Another person in the daily



hustle, someone working on improving their home. Rules in different areas [3]. Today, fast-moving consumer goods (FMCG) are almost essential for people because they are needed for daily life, and people are starting to see that they need to deal with them. The idea of sustainable development is very popular around the world right now [4]. So, that's when the marketers started creating this idea of "green" marketing to make things look better. Then, companies began to follow this idea of sustainable management, using terms like "green," eco-labels, and so on. Rules and tools [5]. All this eco-friendly progress and staying competitive in business. So, companies want to focus on those customers because it would help them make more money. The first step is to promote and create a certain image to gain customers' trust and loyalty. In marketing never be too aware the customer interested and make sure they remember the brand or product.

## 2. LITERATURE REVIEW

Nelson *et al.* [6] discussed about the residents of Jamaica interpret food and drink advertisements displayed outside their residences. People are overwhelmed with messages about food and drinks every day. Studies have found that TV ads often promote unhealthy foods and drinks, and these ads can affect what people choose to eat. People often make decisions about what to buy when they are not at home. We carefully watch and record the messages about food and drinks that people see when they are about to buy them, like on billboards in food places. To understand this, we look at Jamaica. It is a country that has a medium income level and is changing its diet. People are moving away from traditional foods to more Western-style foods that include processed ingredients like sugars, fats, and salt. The spread of food and drink brands around the world is one reason why people's diets are changing, and many people in Jamaica are becoming overweight or obese, which is a major health problem. However, there hasn't been any study on advertising in Jamaica that helps us understand how it affects people's health.

Medina *et al.* [7] discussed the social media ads have on people's emotions and their willingness to buy functional milk products. People care about health, wellness, and beauty, and they see a lot of ads about these topics on social media. When it comes to food, especially functional milk drinks, advertising focuses on sharing messages about the health benefits of these products. They aim to show how these drinks can help improve physical and mental well-being, particularly by supporting digestion, the immune system, and heart health. The advertising for these branded drinks on social media platforms like Facebook and Instagram has two sides. On one side, it focuses on enjoyment and personal satisfaction from the drinks. The study used a numbers-based approach with a semi-experimental design that included a control group. Young students from a private university in Bogotá took part. They were given tests before and after the study. These tests included a study about their beliefs and attitudes toward functional milk drinks, as well as their knowledge and buying habits related to these drinks.

Elham Aljaaly [8] discussed the food advertisements targeted at adolescent females in Saudi Arabia. The types and messages of food ads shown on popular TV channels that Jeddah teenage girls watch product ads were taken from the shows and looked at carefully by counting how often they appeared, how long they lasted, what type they were, and how the message was given to the viewers. The foods that were advertised were divided into two groups: those that are high in fat, salt, or sugar (called HFSS foods) and those that are not (called non-HFSS foods). This classification follows a system created by the Food Standards Agency in the UK. Results: Saudi girls aged 13 to 18 could see up to 21 ads for products every hour they watch TV, and these ads totalled 9.6 Food and drink products made up about 18% of the ads people saw, which is 1,106 out of a total of 6,272 ads. Of those food ads, 70% were for unhealthy foods high in fat, sugar, or salt. There was no important difference in the length of ads for non-



HFSS (3.53 hours) and HFSS (3.43 hours) ( $P = 0.26$ ) It was observed that ads for unhealthy foods (HFSS) usually featured young adult actors. These ads often used persuasive strategies like showing who paid for them, offering discounts, giving away gifts, and using celebrities to promote the food. These tactics were more common in ads aimed at young people compared to those aimed at adults.

Pinto *et al.* [9] discussed that the study focuses on television advertisements for food and beverages that target children and teenagers. The increase in child obesity in Canada has happened along with more kids eating unhealthy foods. The food and drink industry has helped create these trends by strongly advertising its products in many types of media and places where kids go. This study looked at how much food and drink advertising is shown on television in Canada. It compared how often these ads are shown during shows for pre-schoolers, children, teens, and adults. The yearly advertising data from 2018 came from TV program records that anyone can access. We compared the costs and frequency of food and drink ads based on the target age group, TV station, month, and type of food. We used linear regression and chi-square tests in SAS version 9.4 to do this analysis. The amount of food and drink ads was very different for the four age groups in 2018.

Boyland *et al.* [10] discussed the comprehensive investigation that examines the impact of advertisements for unhealthy food and beverages on the eating habits of both children and adults. Many studies have looked at how food and non-alcoholic drink ads affect what people eat, but the results have been different and unclear. This uncertainty might be slowing down decision-making on whether there is a connection between seeing ads for unhealthy food and how much of that food people eat. The study looked at other studies where studies changed how much people saw ads (on TV or online) and measured how much food they ate. An inverse variance meta-analysis was used to compare the average amount of food people ate when exposed to unhealthy food ads versus when they were not exposed to any ads.

### 3. DISCUSSION

This paper looks at how advertising affects what people think and how they respond, using both types of study, one that focuses on words and opinions from existing studies and data to find patterns in advertising strategies and how they affect customer behavior. This includes students, service workers, teachers, and others [11]. In the study. The aim of the study was to evaluate the study shows that advertising is the biggest factor that affects what people think about food and drinks. People who were asked said that the emotional messages in commercials, like those for parties or family dinners, were enough to make them stay loyal to the product. The facts show that digital ads, especially on social media, play a big role in how people make choices about what to buy.

Younger people are more likely to buy things they see advertised on social media or by influencers than from regular TV or newspaper ads. One of the biggest topics we talked about in class was whether it was right or wrong to advertise junk food and soda to kids in elementary school [12]. Several studies show that children are the most influenced. People are getting more worried about the long-term health problems caused by giving unhealthy, processed foods or sugary diets to vulnerable groups. Food and beverage advertising has long been a powerful tool in shaping consumer choices, influencing preferences, and driving purchasing behavior [13]. As we look toward the future, the landscape of advertising is evolving rapidly, driven by technological advancements, shifting consumer values, and an increasing emphasis on health and sustainability. This essay delves into the future scope of food and beverage advertising, exploring emerging trends, challenges, and the potential long-term impact on consumer

decisions [14]. The integration of AR and VR technologies into advertising strategies is set to revolutionize consumer engagement. Brands are increasingly utilizing AR to create interactive experiences, allowing consumers to visualize products in their environments before making a purchase. For instance, AR-enabled packaging can provide consumers with additional information, recipes, or interactive content, enhancing their connection with the product.

AI is playing a pivotal role in personalizing advertising content to individual consumer preferences. By analyzing data from various sources, including social media activity and purchase history, AI enables brands to deliver targeted advertisements that resonate with specific demographics. This level of personalization not only improves the effectiveness of advertising campaigns but also fosters a deeper connection between consumers and brands [15]. With the proliferation of smart devices, voice search is becoming an integral part of consumer behavior. Brands are optimizing their content for voice search to ensure they remain visible in this emerging medium. Smart assistants like Amazon's Alexa and Google Assistant are increasingly being used to provide product recommendations, making it essential for food and beverage brands to adapt their advertising strategies to these platforms.

Consumers are becoming more health-conscious, leading to a demand for products that promote well-being. In response, food and beverage brands are highlighting the nutritional benefits of their products, emphasizing organic ingredients, and reducing the use of artificial additives. Advertising campaigns are increasingly focusing on promoting healthier lifestyles, aligning with the growing trend of wellness among consumers. Environmental concerns are influencing consumer purchasing decisions. Brands that demonstrate a commitment to sustainability through eco-friendly packaging, ethical sourcing, and transparent supply chains are gaining consumer trust and loyalty. Advertising strategies are evolving to highlight these practices, appealing to environmentally conscious consumers [16]. Consumers are increasingly seeking transparency regarding the origins and production processes of the products they purchase. Brands are responding by providing detailed information about ingredient sourcing, manufacturing practices, and product origins.

This transparency builds trust and allows consumers to make informed decisions, influencing their purchasing behavior [17]. Social media platforms continue to be powerful tools for reaching consumers. Brands are leveraging influencers to promote their products, capitalizing on the trust and relatability that influencers have with their audiences. This form of marketing is particularly effective in reaching younger demographics who spend significant time on platforms like Instagram, TikTok, and YouTube. Consumers are seeking more immersive experiences with brands. Interactive marketing strategies, such as virtual tastings, cooking classes, and pop-up events, are gaining popularity. These experiences allow consumers to engage with products in meaningful ways, fostering a deeper connection and influencing their purchasing decisions [18]. The integration of online and offline advertising strategies is becoming essential. Consumers expect a seamless experience across various platforms, including websites, social media, and physical stores. Brands are adopting omnichannel approaches to ensure consistent messaging and accessibility, enhancing consumer engagement and satisfaction.

The use of advertising to target vulnerable populations, such as children and low-income communities, raises ethical concerns. There is a growing call for regulations to limit the marketing of unhealthy foods. The collection and use of consumer data for personalized

advertising raise privacy concerns. Brands must navigate these issues carefully, ensuring they comply with data protection regulations and maintain consumer trust. Transparent data practices and clear communication about data usage are essential in addressing these concerns [19]. As sustainability becomes a significant factor in consumer decisions, some brands may be tempted to exaggerate their environmental efforts. This practice, known as greenwashing, can lead to consumer skepticism and damage brand reputation. Brands must ensure that their sustainability claims are genuine and substantiated to maintain credibility. The future of food and beverage advertising is poised for transformation, driven by technological innovations, shifting consumer values, and evolving ethical considerations. Brands that embrace these changes by adopting personalized, transparent, and ethical advertising strategies will be well-positioned to influence consumer decisions positively [20]. As the industry continues to evolve, the focus will likely shift toward creating meaningful connections with consumers, promoting health and sustainability, and navigating the challenges of an increasingly digital and data-driven marketplace. Table 1 shows the reliability (Cronbach's Alpha) and the number of items for four constructs: Trademarks, Label & Tag line, Environmental Advertisement, and Purchasing Behavior.

**Table 1: Shows the reliability (Cronbach's Alpha) and the number of items for four constructs: Trademarks, Label & Tag line, Environmental Advertisement, and Purchasing Behavior.**

| Sr. No | Constructs                  | Cronbach's Alpha | Number of Items |
|--------|-----------------------------|------------------|-----------------|
| 1      | Trademarks                  | 0.85             | 6               |
| 2      | Label & Tag line            | 0.92             | 6               |
| 3      | Environmental Advertisement | 0.78             | 6               |
| 4      | Purchasing behavior         | 0.76             | 6               |

Food and beverage advertising plays a significant and multifaceted role in influencing consumer decisions, with a range of advantages that extend beyond simple promotion. At its core, advertising informs and educates consumers about product offerings, availability, and attributes. In an increasingly competitive and diversified food industry, consumers are constantly faced with a wide array of choices. Advertising helps to simplify this decision-making process by presenting clear information about a product's benefits, ingredients, nutritional content, and pricing. For instance, when a new health-oriented beverage hits the market, effective advertising not only brings it to public attention but also highlights why it might be a better choice over sugary alternatives. This kind of strategic promotion can encourage healthier consumer habits, especially when paired with informative messaging that connects product features with consumer wellness goals [21]. Food and beverage advertising fosters brand recognition and loyalty, two essential elements in consumer decision-making. Through consistent messaging and memorable branding elements such as logos, slogans, colors, and jingles, advertising embeds products into the consumer psyche.

This familiarity breeds trust and preference, which often translates into repeated purchases. For example, a consumer who consistently sees high-quality, creative ads for a specific organic

snack brand may begin to associate that brand with health, innovation, and reliability, eventually making it their go-to choice at the grocery store. Advertising also nurtures emotional connections with consumers by telling stories that resonate with their personal experiences, values, or aspirations. A campaign featuring family moments, cultural traditions, or local heritage attached to a food product can evoke a sense of belonging or nostalgia, making consumers more inclined to choose that product over another. Another major advantage is the role of advertising in supporting product innovation and market expansion. When food and beverage companies invest in new product development, whether it's a plant-based milk, a low-carb snack, or a caffeine-free energy drink, they rely heavily on advertising to generate consumer interest and demand. Without advertising, many innovative products might go unnoticed and fail in the marketplace [22]. Advertising campaigns introduce these products in creative ways, often explaining their unique selling points, production processes, or sustainability features. As a result, consumers are more open to trying something new, and companies are encouraged to keep innovating. This dynamic not only benefits the business but also enhances consumer choice and promotes progress within the industry, especially in response to emerging dietary preferences, health concerns, and lifestyle trends. Table 2 shows the number and percentage of respondents influenced by different factors, with Multimedia Presentation being the most influential.

**Table 2: Shows the number and percentage of respondents influenced by different factors, with Multimedia Presentation being the most influential.**

| Sr No. | Influencing Reasons           | No. of Respondents | Percentage |
|--------|-------------------------------|--------------------|------------|
| 1      | Multimedia Presentation       | 49                 | 27.33      |
| 2      | Attractiveness                | 42                 | 23.33      |
| 3      | Informative and instructional | 34                 | 19.34      |
| 4      | Brand Ambassadors             | 32                 | 18         |
| 5      | Others                        | 21                 | 12         |

In addition, advertising creates awareness of product quality and differentiation, helping consumers make informed purchasing decisions. In a market flooded with similar-looking options say, ten different bottled water brands or frozen pizzas advertising highlights what sets a particular product apart. This might include ingredients sourced from a specific region, artisanal methods of preparation, or environmental commitments like biodegradable packaging. By communicating such distinctions, advertising empowers consumers to choose products that align with their values or expectations. A growing number of consumers today, especially among younger generations, care deeply about how their food is made, where it comes from, and the ethical footprint of their consumption. Advertising becomes the bridge that connects these values with the marketplace, allowing consumers to find and support brands that match their ideals.

Advertising supports public health initiatives and behavior change campaigns when leveraged responsibly. Governments, non-profits, and responsible corporations have used food advertising channels to promote balanced diets, reduce sugar and fat intake, and encourage exercise and hydration. For instance, campaigns that promote the “5-a-day” fruit and vegetable guideline or educate people about reading nutrition labels have had measurable effects on public awareness and behavior. By embedding these messages in popular media formats TV, digital ads, and billboards, they reach broader audiences and normalize healthier habits. Importantly, food advertising can also work to shift perceptions around stigmatized diets or overlooked food cultures. A campaign promoting plant-based eating not only introduces new options but also helps reduce the stigma or misunderstanding about veganism or alternative proteins.

Digital transformation has further amplified the advantages of advertising by enhancing precision, feedback, and engagement. Online platforms allow brands to tailor their messages based on user preferences, location, past behavior, and real-time trends. This not only increases the relevance of ads but also improves the user experience by showing consumers content they are more likely to find useful or interesting. For example, a consumer browsing fitness content online might be shown ads for protein bars or healthy meal kits, which align with their interests and needs. Digital advertising includes two-way engagement, where consumers can provide feedback, ask questions, or share their content in response to a brand’s message. This creates a dialogue rather than a monologue, fostering trust and community around the brand. It also provides companies with valuable data to improve their products and marketing strategies in real time. Table 3 shows the respondents' views on how advertisements influence buying behavior, with most reporting a moderate impact.

**Table 3: Shows the respondents' views on how advertisements influence buying behavior, with most reporting a moderate impact.**

| Sr No. | Influence Of Advertisements over Buying Behaviour | No. of Respondents | Percentage |
|--------|---------------------------------------------------|--------------------|------------|
| 1      | Significant Impact                                | 44                 | 24.77      |
| 2      | Moderate Impact                                   | 106                | 59.47      |
| 3      | Minor Impact                                      | 28                 | 15.76      |

Economic advantages also emerge from food and beverage advertising, particularly in terms of job creation, business growth, and market dynamism. Advertising drives sales, which fuels production, distribution, and retail operations. This chain reaction contributes to employment across various sectors, from agriculture and manufacturing to marketing, logistics, and retail. For small and medium enterprises (SMEs), advertising offers a platform to compete with larger corporations by reaching local or niche markets with tailored messages. For instance, a regional coffee roaster can use targeted social media ads to reach ethically-minded consumers looking

for fair-trade products. This democratization of advertising platforms, especially with digital tools, means that businesses of all sizes can find their audience and grow sustainably. It also encourages competition, which drives overall quality and innovation in the market.

Culturally, food and beverage advertising contributes to the shaping of culinary identity and taste trends. Advertisements do more than sell products; they tell stories about food, lifestyle, and identity. They introduce new cuisines, promote cultural exchange, and sometimes elevate traditional dishes to global recognition. For example, the widespread popularity of sushi or hummus in Western markets was significantly driven by effective advertising and product placement. Similarly, fusion cuisines, dietary alternatives, and global flavors are often normalized through appealing ad campaigns that invite curiosity and experimentation. In this way, advertising serves as a cultural educator and tastemaker, expanding the culinary horizons of consumers and promoting a more inclusive food landscape.

From a technological standpoint, the integration of AI, machine learning, and immersive technologies like AR and VR into food advertising presents new levels of consumer engagement and personalization. Consumers can now see 3D renderings of a dish, explore the sourcing story of ingredients, or virtually walk through a farm or production facility. This immersive storytelling enhances transparency and creates memorable experiences that influence purchase intent. The ability to “try before you buy” through virtual sampling or ingredient scanning builds confidence in choices and reduces post-purchase regret, leading to higher satisfaction and brand loyalty. Finally, food and beverage advertising support social connections and shared experiences. Food, inherently communal, is often tied to celebrations, memories, and emotions. Advertising that taps into these emotional dimensions, such as a commercial showing a family gathering around a holiday meal, resonates deeply with viewers. These emotionally charged campaigns are not only effective from a business standpoint but also reinforce the idea that food is more than fuel; it’s an experience that binds people together. In doing so, advertising affirms cultural practices, promotes positive emotions, and contributes to the collective narrative of how we relate to food and each other. Table 4 shows rank factors influencing consumer decisions based on their total mean score, with price discrimination ranking the highest.

**Table 4: Shows rank factors influencing consumer decisions based on their total mean score, with price discrimination ranking highest.**

| Sr No | Factors Influencing                      | Total mean Score | Rank |
|-------|------------------------------------------|------------------|------|
| 1     | Mindful about product availability       | 126.88           | III  |
| 2     | Facts about brand loyalty                | 118.00           | VII  |
| 3     | Conscious of quality products            | 134.48           | II   |
| 4     | Familiarity with price discrimination    | 135.15           | I    |
| 5     | Information about product offers or gift | 122.89           | IV   |



|   |                                         |        |      |
|---|-----------------------------------------|--------|------|
| 6 | Easy to compare with a viable product   | 118.54 | V    |
| 7 | Conscious of the sales network          | 113.40 | VIII |
| 8 | Derive more knowledge about the product | 118.14 | VI   |

Another overlooked advantage is the capacity of advertising to stimulate demand forecasting and supply chain efficiency. When companies invest in advertising, they often do so based on predicted consumer demand. This anticipation allows for better planning in production, inventory management, and logistics, reducing food waste and improving profitability. Seasonal campaigns, for example, holiday beverages or summer snacks, can help smooth demand fluctuations and stabilize revenue streams across the year. Consumers benefit by having access to fresh, timely products that meet their seasonal cravings and preferences. The industry benefits through better alignment between supply and demand, ultimately supporting more sustainable and efficient operations. It's also worth noting the educational role of food and beverage advertising in enhancing consumer literacy around food choices. Through well-crafted messages, consumers can learn about macro- and micronutrients, portion sizes, food sourcing, and preparation techniques. For instance, a campaign by a dairy brand might teach consumers the difference between full-fat and low-fat options or the benefits of probiotics. These messages, even if commercially motivated, contribute to broader food literacy, helping individuals become more informed and intentional about their eating habits. In a world where misinformation and food myths abound, clear and evidence-based advertising can help cut through the noise and provide clarity. From providing essential information and fostering brand loyalty to supporting innovation and promoting healthier choices, advertising acts as both a commercial and social force in modern consumer culture. Its impact spans economic, educational, cultural, and emotional dimensions, offering benefits that go beyond simple persuasion. When executed ethically and responsibly, food and beverage advertising not only helps consumers navigate an increasingly complex marketplace but also elevates industry standards, public health, and societal values. As technology evolves and consumer expectations continue to shift, the strategic use of advertising will remain central to shaping the future of food consumption in a more informed, connected, and conscious world.

Food and beverage advertising, while often celebrated for its commercial benefits and ability to inform consumers, carries with it a multitude of disadvantages that deeply impact consumer decisions in ways that are not always immediately visible, with implications that stretch across health, society, culture, psychology, and economic behavior, making it necessary to examine these effects critically and comprehensively. One of the most pressing disadvantages is the promotion of unhealthy eating habits through the aggressive marketing of high-calorie, low-nutrient food products, particularly to children and adolescents, whose cognitive development and ability to critically assess persuasive messaging are not yet fully matured; this demographic is frequently targeted through colourful packaging, cartoon characters, and fun themes that make sugary snacks, fast food, and processed beverages appear exciting and desirable, thereby forming early food preferences that often persist into adulthood and contribute to long-term dietary issues such as obesity, diabetes, and cardiovascular diseases.

These advertisements rarely highlight the negative nutritional content of such products, and even when they do, it is in fine print or in ways that are overshadowed by emotionally appealing visuals and slogans, thus obscuring the truth from less discerning viewers and encouraging frequent consumption of foods that have been directly linked to public health crises around the world. With, food advertising creates unrealistic expectations about food quality, taste, and satisfaction, using high-definition visuals, stylized presentations, and even artificial enhancements like fake steam or gloss to make food items appear far more appealing than they are in reality, leading to consumer disappointment and misrepresentation, and in many cases, impulsive buying behaviors that prioritize aesthetic appeal over nutritional value or actual need. This misalignment between advertising portrayal and real-life experience fosters a consumer culture built on illusion, dissatisfaction, and waste, particularly when individuals continuously purchase items that fail to meet the standards set by their advertisements, contributing to broader issues such as food wastage and financial imprudence.

In many cases, health-conscious consumers, including parents trying to choose better options for their children, fall prey to this deceptive framing, believing they are making responsible choices when, in reality, they are purchasing products that do not align with their goals or values. This problem is exacerbated by influencer marketing and social media endorsements, where paid promotions are often disguised as personal recommendations, blurring the line between advertisement and opinion, and making it harder for audiences to discern credible information from promotional content. Such tactics also exploit the trust that followers place in influencers, leading to brand loyalty based on popularity rather than product merit, and encouraging herd behavior that prioritizes trend-following over informed decision-making. With, advertising can inflate product prices, as the cost of large-scale marketing campaigns is often passed on to consumers in the form of higher retail prices, meaning that those who are most influenced by advertising may also end up paying more for products that are not necessarily superior in quality or value compared to less-marketed alternatives.

#### **4. CONCLUSION**

food and drink advertising is vital for promoting product awareness and enhancing economic activity, it has notable negative effects that extend across numerous domains. Advertising often encourages people to choose unhealthy foods, especially children and those with lower incomes, by making high-calorie and low-nutrition foods look appealing. It also creates emotional dependence and encourages impulse buying by using tricky messages and false health claims, which makes it hard for people to make smart, informed choices. Also, advertising can maintain cultural stereotypes, harm the environment by encouraging too much buying and wasting packaging, and push aside traditional food systems by focusing on making money from different food cultures. The digital age makes these problems worse because ads tailored to individuals are often created by algorithms, and there isn't enough clarity or rules about how this works. As a result, it gets harder to tell the difference between convincing someone and taking advantage of them, which raises worries about fairness, health for everyone, and making sure things last. To reduce these problems, we need tougher rules, better public understanding, and more careful advertising. Ads should change to focus on helping consumers and providing true information instead of just trying to make quick sales. In the end, creating a more honest and health-focused advertising environment can help people make better food choices and support a fairer and more sustainable global food system.

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## CHAPTER 12

### INNOVATIVE BUSINESS MODELS INSPIRED BY BIOMIMICRY FOR SUSTAINABLE GROWTH

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#### ABSTRACT:

Biomimicry is nature's approach to solving life's problems and can be applied to help traditional businesses come alive with innovation and sustainability. This research paper explores the possibilities of business models embracing biomimicry as a way forward for fostering innovation and sustainability in contemporary organizations. This is a qualitative study, drawing its material from secondary sources, including journals, case studies, and industry reports that analyze successful applications of biomimicry in various fields. Suggested based on these findings, companies embracing the principles of biomimicry have seen radical improvements in their sustainability performance, effectiveness in operations, and market competitiveness. For example, firms like Interface and Tesla enable individuals to know that applications of biomimicry not only generate environmental impacts but also a sense of brand allegiance and customer involvement. Some of the specific strategies that organizations have developed in the pursuit of these goals include closed-loop systems, renewable resources, economic efficiency, and environmental advantages.

#### KEYWORDS:

Biomimicry, Business Models, Innovation, Natural Systems, Sustainability.

#### 1. INTRODUCTION

Biomimicry has now emerged as the new wave in business strategies for providing sustainable solutions to such contemporary challenges. Biomimicry, according to Banyu, is defined as "the imitation of the principles found in nature and her time-tested patterns and strategies as a framework for innovation and sustainability in human design. In this respect, businesses can evolve products or services, for which observation and learning on natural ecosystems are made; they are efficient and resilient, with no or minimal damage to the environment. There is a tremendous necessity to rethink business operations in the event of environmental degradation and resource depletion [1]. Most traditional strategies sacrifice short-term profitability over long-term existence, leading to catastrophic ecological consequences, including global warming, species extinction, and chemical poisoning. The need for sustainable business practices that meet ecological standards increases with each passing day due to increased consciousness about such problems. The relationship between business and the environment has dramatically changed over the past decades. The increase in exigent consumers and investors demanding sustainability makes businesses rethink their ways of doing business, affecting what the firms practice and their operational strategies. Sustainable practices are not only a way of risk mitigation but also reinforce the brand reputation and enhance customer loyalty. This changing pattern in consumers' preferences can be a door for business organizations to make a difference in market competition through biomimetic principles.

There are actual cases of successful biomimicry that, in fact, have represented the potential for innovation and economic growth. For instance, Interface is one of the world's largest manufacturers of sustainable flooring, where the company uses biomimetic designs to minimize waste and energy usage by employing natural systems as models. Similarly, Tesla conceptualized its electric cars applying biomimicry principles, making it the market leader since it promotes renewable energy sources for life [2], [3]. This case study demonstrates how biomimicry can enhance the effectiveness of managing

operations and generate a sustainability culture in organizations. However, there are several firm-level challenges that organizations face as they fail to adopt biomimetic mechanisms in a proper manner. These may include high initial investment costs, lack of knowledge, and cultural resistance [4], [5]. For example, Grimes mentioned organizational inertia to be one of the key challenges and asked many companies to switch their minds from the traditional business model that currently works on profitability instead of sustainability. In such a case, it becomes essential for the organization that wants to survive in this even more competitive ecosystem to know the functional applicability and the structure of putting biomimicry into the business model.

This paper offers a scope for the practical application of biomimicry in business models in terms of assessing prospects for generating innovation and sustainability. The literature study will analyze the possibility of how biomimicry can make a change in the contemporary business practice toward sustainability. The objectives of the research cover identifying specific biomimetic strategies that organizations may adopt, assessing the barriers towards adoption, and scrutinizing the facilitator role of leadership towards the adoption of such initiatives. In the end, the study shall offer inspiration to rethink the framework of organizations in prioritizing nature-inspired solutions for the future amid resilience and sustainability.

## 2. LITERATURE REVIEW

E. Olaizola *et al.* [6] described biomimicry as a scientific idea where we learn from how nature works and try to use those ideas in other fields, like science or business. Recently, this concept has been used to create a new way of running companies, called Organizational Biomimicry. This approach sees companies and their people as part of nature and encourages learning from nature to grow and improve. To make this model work well, companies need leaders who can make flexible decisions, inspire others, set clear goals, learn from different experiences, and solve problems. While some leaders may already be leading like this, there hasn't been a clear theory about biomimicry-based leadership until now. This research aimed to create a leadership model based on nature, where nature is seen as a guide, a standard, and a teacher. First, the study defined what a biomimetic leader is, based on the qualities found in nature-inspired organizations. Then, it looked at existing leadership styles from recent studies and picked out the qualities that match this nature-based model. These selected traits helped define what a biomimetic leader looks like. Finally, experts reviewed this definition and confirmed that it makes sense and is valid.

E. Kennedy *et al.* [7] investigated a very important step in the biomimicry process is finding and choosing the right examples from nature that can help solve a design problem. From real business examples and new studies, it seems that tools that guide this search could help research and development (R&D) teams do this step better. In our study, we created and tested a tool made up of four simple thinking steps to see if it could help R&D professionals find more and different types of nature-based ideas. While the tool didn't lead to a big improvement, there was a small increase in the number and variety of biological models found. Our study, along with earlier research, suggests that tools like this could help make the search for nature-inspired ideas better. We recommend doing more studies with bigger groups of people or different testing conditions to see stronger results.

G. Wamane *et al.* [8] explored how the circular economy, where resources are reused rather than wasted, can promote social inclusion, empathetic governance, economic sustainability, and environmental resilience by integrating the ESG (Environment, Social, and Governance) framework, biomimicry, and resourceful thinking into economic models. Using a descriptive approach, the study reviews existing literature and applies bibliometric analysis to identify research gaps, key topics, and linkages among widely cited authors and studies. Data was gathered from databases such as JSTOR, Web of Science, and J-Gate using search terms like "Circular Economy," "ESG," and "Biomimicry," revealing common themes essential for effective policy development in circular economy practices.

M. Nalliah *et al.* [9] explained what makes sustainable clothing brands successful in a fashion industry mostly ruled by fast fashion, which harms the environment. Researchers studied different companies from various industries that include sustainability in their business models. They found that these companies were successful not just because they were eco-friendly, but because they offered new,



useful, and appealing products to customers. Being sustainable was a bonus, but not the main reason people bought from them. Brands like Whole Foods, Tesla, and Patagonia succeeded by promoting health, luxury, quality, and style while also helping the environment. The study suggests that for a sustainable fashion brand to succeed, it needs to be affordable, attractive, creative, and make money. It also recommends using modern technologies like blockchain and biomimicry to make eco-friendly fashion that people want to buy.

S. van den Muijsenberg *et al.* [10] described how biomimicry, which means taking ideas from nature to solve human problems, can help support the Circular Economy (CE). It explains how businesses can use nature-inspired ideas to speed up the shift to a CE and create systems that heal and renew the environment. The chapter shares ways biomimicry can be used in both technology (like making better materials and safe chemicals) and in how companies are run (by copying how nature works). Biomimicry helps us see the Circular Economy in a new way. Instead of only thinking about simple, closed loops, it shows that nature uses open, ongoing, and often complex systems to keep everything in balance.

One of the main problems identified in this research is the limited adoption of biomimicry in mainstream business models due to high initial investment costs, lack of interdisciplinary knowledge, and resistance to change within organizational culture. Many firms still prioritize short-term profitability over long-term sustainability, making it difficult to shift toward nature-inspired solutions. There is often a lack of collaboration between biologists, designers, and business strategists, which hinders the practical application of biomimetic principles.

To address these challenges, organizations should invest in education and training programs that build awareness and understanding of biomimicry. Forming interdisciplinary teams can foster innovation by combining scientific insights with business strategies. Leadership also plays a crucial role; transformational leaders who champion sustainability can influence company culture and guide strategic transitions. Government policies and incentives can further encourage businesses to explore and implement biomimetic innovations, ultimately leading to more sustainable and resilient business ecosystems.

### 3. METHODOLOGY

#### 3.1. Design:

This exploratory study is based on a qualitative research approach, with the aim of trying to understand how biomimicry could be integrated into business models so that sustainable solutions and innovations can be better adopted by organizations. The use of this study involves a research design based on the collection and analysis of secondary data, which presents room for an in-depth approach toward already existing literature, case studies, and industry reports. Relevant peer-reviewed literature in the area of biomimicry and business applications was sourced from various journals and databases such as JSTOR, Google Scholar, ScienceDirect, and specific sustainability repos between the years 2000 and 2023 to capture current and emerging trends in the area. Specific keywords and phrases were used to refine a literature search for the relevant articles, including biomimicry, sustainable business models, nature-inspired design, innovation, and "ecological sustainability". Over 100 relevant publications are considered and screened according to relevance, rigor, and contribution to the field. This research methodology includes a thorough literature review and thematic as well as a case study analysis for the study of practical applications of biomimicry within business models. Based on a synthesis of the findings, this study is interested in developing an integrative framework that firms might need when seeking to leverage biomimicry for sustainable innovation. The knowledge that will be derived from this work will not only fuel any academic discourse but also stand as a key resource for practitioners who would like to adapt such biomimetic principles within their business strategies.

#### 3.2. Sample and Instrument:

In this qualitative research, the sample comprises secondary data sources, including peer-reviewed journal articles, case studies, white papers, industry reports, and sustainability documentation of organizations that have applied biomimicry in their business practices. The selection of these sources

was based on relevance, credibility, and contribution to the subject matter, specifically focusing on companies such as Interface, Patagonia, Unilever, and Tesla between the years 2000 and 2023. The instruments used for data collection and analysis include academic databases like JSTOR, Google Scholar, ScienceDirect, and the Ellen MacArthur Foundation's resource library. Table 1 demonstrates the types of secondary data sources, organizations studied, research tools, and analytical methods employed to explore the role of biomimicry in fostering sustainable business innovation.

**Table 1: Demonstrates the types of secondary data sources, organizations studied, research tools, and analytical methods employed to explore the role of biomimicry in fostering sustainable business innovation.**

| S. No. | Component                 | Details                                                                                 |
|--------|---------------------------|-----------------------------------------------------------------------------------------|
| 1.     | Sample Type               | Secondary data sources                                                                  |
| 2.     | Sources Covered           | Peer-reviewed articles, case studies, industry reports, and sustainability white papers |
| 3.     | Time Frame                | Literature published between 2000 and 2023                                              |
| 4.     | Key Organizations Studied | Interface, Patagonia, Unilever, Tesla                                                   |
| 5.     | Data Collection Tools     | JSTOR, Google Scholar, ScienceDirect, Ellen MacArthur Foundation                        |
| 6.     | Keywords Used             | Biomimicry, sustainable business models, and nature-inspired innovation                 |
| 7.     | Analytical Tool           | Thematic Analysis                                                                       |
|        | Selection Criteria        | Relevance to biomimicry, innovation, and sustainable business practices                 |

Thematic analysis was applied as the primary analytical tool, allowing researchers to identify recurring concepts and strategies within the literature related to biomimicry, innovation, and sustainability. The integration of these tools enabled the researchers to draw insights into the operationalization of biomimicry in business contexts and evaluate its impact on sustainable growth and innovation.

### 3.3. Data Collection:

The data for this research was conducted through an extensive review of secondary sources, which included scholarly journals, peer-reviewed articles, sustainability reports, industry publications, and credible online databases such as JSTOR, ScienceDirect, Google Scholar, and the Ellen MacArthur Foundation. The selected literature spanned from the year 2000 to 2023 to ensure a comprehensive understanding of both foundational theories and recent advancements in the field of biomimicry and sustainable business practices.

The research utilized specific keywords such as "biomimicry, nature-inspired innovation, sustainable business models, and ecological design" to refine the literature search. In addition to scholarly texts, in-depth case studies of organizations like Interface, Patagonia, Unilever, and Tesla were examined to extract practical insights into the real-world application of biomimetic strategies. These cases were selected based on their documented success and innovation in applying biomimicry to improve environmental impact and operational efficiency. The collection of data also included thematic analysis to identify patterns and recurring strategies that organizations employ to adopt nature-inspired solutions. This qualitative data collection approach enabled a deep, interpretive understanding of how biomimicry is reshaping business models and contributing to sustainable development.

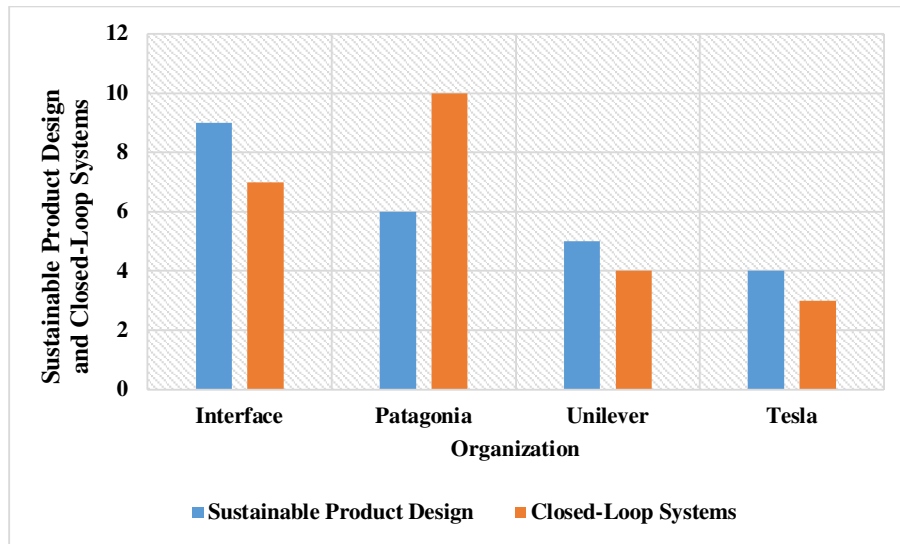
### 3.4. Data Analysis:

Apart from the literature review, unique case studies of organizations that have successfully imbibed biomimicry in their business models were researched. Such examples include Interface, Patagonia, and Unilever. Each case study was examined, with findings including best practices, implementation challenges, and measurable outcomes that resulted from biomimetic strategies. Table 2 demonstrates the frequency of biomimicry strategies applied by organizations.

**Table 2: Demonstrates the frequency of biomimicry strategies applied by organizations.**

| Organization | Sustainable Product Design | Closed-Loop Systems | Operational Efficiency | Leadership & Culture |
|--------------|----------------------------|---------------------|------------------------|----------------------|
| Interface    | 9                          | 7                   | 6                      | 5                    |
| Patagonia    | 6                          | 10                  | 5                      | 7                    |
| Unilever     | 5                          | 4                   | 9                      | 6                    |
| Tesla        | 4                          | 3                   | 5                      | 10                   |

This comparative analysis provides a practical perspective on how different organizations have navigated the complexities of adopting biomimicry. The process of thematic analysis is invoked to obtain patterns from the gathered data. Figure 1 demonstrates the organization, sustainable product design, and closed-loop systems.



**Figure 1: Demonstrates the organization, sustainable product design, and closed-loop systems.**

From the qualitative data coded literature, ongoing themes and insights into the adoption of biomimetic practices can be unraveled. Themes involved in the research included sustainable product design, closed-loop systems, operational efficiency, and leadership roles. In this paper, themes were investigated in detail to synthesize findings into practical recommendations for organizations interested in the effective implementation of biomimicry.

## 4. RESULT AND DISCUSSION

Analysis of Biomimicry's Function within Business Models Reveals Profound Insights into How Organizations Might Integrate Nature-Inspired Strategies to Enhance Sustainability, Efficiency, and Innovation. The following section discusses key themes emerging from the literature, illustrated with

specific examples, and analyzes the implications for organizations that intend to adopt biomimetic practices. Leadership became such a critical determinant of effective acceptance for biomimetic practices. Transformational leaders for sustainability can create an organizational culture that values innovation and the potential to be ecologically responsible. Tesla's case is an example of how visionary leadership will lead to systemic change in sparking employees to become consumers who make sustainable choices [11], [12]. At the same time, the study recognizes that there are entry barriers such as the high investment required to initiate a biomimicry activity and cultural resistance to biomimicry. All of this needs to be adequately considered through strategic planning, interdisciplinary cooperation, and education. Organizations should create environments that foster the sharing of knowledge and creativity among their employees as they become contributors to such initiatives. And thus, looking forward, the consequences are clear: to succeed in a resource-constrained world, businesses have to rethink their operational frameworks by adapting that biomimetic mindset. The change is an all-levels commitment to sustainability, from leadership to front-line employees [13], [14].

Biomimicry incorporation into business models is not just a stepping stone toward ecological sustainability; it also channels strategic innovation and resilience. With nature-inspired solutions, organizations will achieve their long-term sustainability and thereby contribute positively to conditioning the health of the planet for a long-run sustainable future. As this research will show, the path to embracing biomimicry is not a choice but something for which a future success-seeking organization has no alternative. One of the most prominent applications of biomimicry is in the field of sustainable product design. Interface, among other companies, has applied the principles of biomimicry by modeling carpet tiles after natural ecosystems [15], [16]. An initiative called "Climate Take Back" is underway, focusing on reversing global warming through the design of carbon-negative products. Interface came up with ways to reduce waste and decrease the energy consumption needed in production with methods derived from research into the life cycles of natural materials. This case illustrates how imitation of nature leads to innovative product solutions as related to ecological sustainability in business organizations.

#### *4.1. Closed-Loop Systems:*

Literature illustrates how the idea behind closed-loop systems inspired by natural processes is very important for companies. According to the Ellen MacArthur Foundation, the concept in nature is that there are cycles in which waste to one organism is a resource to another. Patagonia followed the same approach and asked its customers to repair products and recycle them. Through its circular economy, Patagonia reduces its environmental footprint while keeping customers more loyal through sustainable practices. That is how closed-loop systems can create economic value in a way that benefits the planet.

#### *4.2. Operational Efficiency and Resource Management:*

Its applications in day-to-day operations have reflected marvelous efficiency improvement. Take, for instance, Unilever [17], [18]. This company has applied biomimetic insights in the management of its supply chains. By studying natural systems, Unilever has been able to ascertain strategies for water consumption and energy use optimization in the manufacturing processes. This helps save on costs while enhancing sustainability. On that score, it can be deduced that such operational efficiency translates to saving cash or funds while facilitating sustainable working through environmental responsibility.

#### *4.3. Leadership and Organizational Culture:*

Biomimetic efforts depend on leadership and organizational culture for successful implementation. According to studies, transformational leadership works as a catalyst in championing sustainable practice. Biomimicry-representing leaders improve a culture of innovation that elicits everyone within an organization to think innovatively in favor of ecological challenges. For instance, Tesla, through the commitment from Elon Musk toward sustainability, is not only a market leader but also inspiring a movement towards electric vehicles and renewable energy solutions. This puts forward the importance of visionary leadership pushing biomimicry efforts. Despite the potential benefits of biomimicry for firms, several challenges stand out as major barriers to its adoption on a larger scale. The high upfront

cost of investment, unfamiliarity, and cultural barriers are likely to make it tough for organizations to adopt biomimetic practices entirely. Since most organizations face the issue of transforming their minds from more traditional profit-making modes of operation to sustainability-oriented modes, overcoming these challenges remains crucial to encouraging a shift towards more biomimetic strategies.

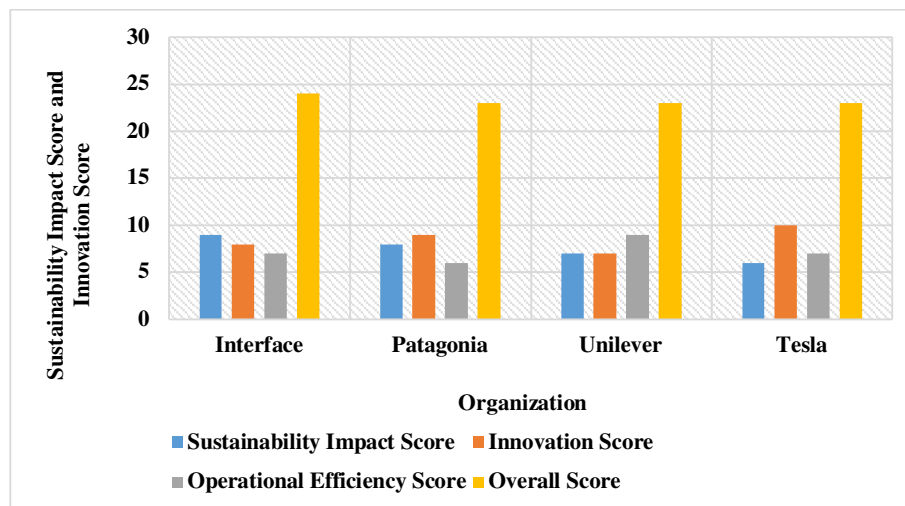
#### 4.4. Future Directions and Recommendations:

In return, these challenges can be taken care of by organizations by establishing interdisciplinary teams comprising biologists, designers, and business strategists in developing innovative biomimetic solutions. Investment in training and educating the employee force on the principles of biomimicry can also benefit an organization working toward a sustainable workforce. The result of the analysis is that, therefore, integration of biomimicry in business models can be a sound route for businesses to increase their sustainability and innovation. Companies would learn how to optimize their operations, create sustainable products, and further the culture of innovation that would help companies to thrive for generations in the resource-constrained world. It also outlines the advantages and barriers to its uptake, pointing up the strategic approach to biomimicry toward opening possibilities for a much more sustainable future. Table 3 illustrates the impact score of biomimicry strategies by organization.

**Table 3: Illustrates the impact score of biomimicry strategies by organization.**

| Organization | Sustainability Impact Score | Innovation Score | Operational Efficiency Score | Overall Score |
|--------------|-----------------------------|------------------|------------------------------|---------------|
| Interface    | 9                           | 8                | 7                            | 24            |
| Patagonia    | 8                           | 9                | 6                            | 23            |
| Unilever     | 7                           | 7                | 9                            | 23            |
| Tesla        | 6                           | 10               | 7                            | 23            |

The results of this research reveal that integrating biomimicry into business models significantly enhances sustainability, operational efficiency, and innovation. Thematic analysis from case studies of Interface, Patagonia, Unilever, and Tesla showed that biomimicry-inspired strategies led to measurable improvements in eco-friendly product design, waste reduction, energy efficiency, and customer loyalty. Figure 2 demonstrates the overall Score of each organization to visually compare their effectiveness in applying biomimicry principles.



**Figure 2: Demonstrates the overall Score of each organization to visually compare their effectiveness in applying biomimicry principles.**

Among the four firms, Patagonia and Interface emerged as leaders in closed-loop systems and sustainable product design, while Unilever demonstrated strong application in operational efficiency. Tesla, driven by visionary leadership, showcased the importance of fostering a sustainability-focused organizational culture. These findings suggest that adopting biomimicry is not only ecologically beneficial but also strategically valuable for long-term competitiveness. However, successful implementation requires overcoming knowledge gaps and cultural resistance through education, interdisciplinary collaboration, and leadership commitment.

#### 4.5. Limitations:

Although qualitative research may bring forth more revealing insights, there is a need to recognize a couple of its limitations. First, the reliance on secondary data may prove to bring biases based on the perspectives and contexts of the original authors. Further, the case studies reviewed represent a certain select group of organizations that cannot possibly reflect the full scope of industries and business sizes. Primary data collection during the future research will be done in interviews or through surveys with professionals in the industry to find deep insight into the possible practical challenges and successes of applying biomimicry.

## 5. CONCLUSION

The study has really gone deep into the immense potential of biomimicry as a transforming approach for new business models, underlining its role in sustainability, innovation, and operational efficiency. In this sense, it is found that through the use of time-tested strategies from nature, organizations can help reduce their detrimental environmental effects and, at the same time, achieve differentiation in the increasingly eco-conscious marketplace. Some of the benefits that have come out of such a study of biomimicry within business include sustainability through design. Sustainable product design, such as by companies like Interface, portrays how biomimetic principles can facilitate innovative solutions that yield waste and carbon footprint reduction. Closed-loop systems, such as in Patagonia's recycling initiative, highlight how businesses can do more with circular economies that enhance customer loyalty while minimizing ecological impact. Moreover, the study highlighted operational efficiencies as another critical domain where biomimicry has the potential to make significant impacts. Here, Unilever is an excellent example of how the application of natural systems could be tapped to improve supply chain management and make the most of resources with economic and environmental advantage. This mutual benefit illustrates that sustainability and profitability are not conflicting concepts but consonant ones if the former is accomplished through the application of biomimicry principles.

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