

# TO STUDY THE MARKETING STRATEGIES OF PATANJALI

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## Abstract -

It is an FMCG empire that was not in the *competition analysis powerpoints* of the big players even a couple of years back. Today, Baba Ramdev's Patanjali is sweeping away everything in its path. From local stores to Amazon, Patanjali Products are everywhere. The product quality is best in breed, the prices competitive and the distribution chain is probably the first that is rivalling even the Cola majors. And behind all of this, are the meticulous efforts of one man in creating his own brand. And his expertise in what we today call content marketing.

So what is content marketing? It is attracting consumers to your product, not by bombarding them with incessant ads (looking at you retargeting ad players) but by educating them on the general sphere where you operate. What many people forget is that the keyword here is 'general sphere'! You cannot keep harping about your product and expect the target consumers to not be bored to death. Let me repeat that again – Do not keep shouting about how your product is better than everything else.

And here, exactly, is where Baba Ramdev proved to be phenomenal.

For the last decade, Baba Ramdev did not focus on proclaiming that his brand was the best. Instead, he told us about the evils of MNCs, the virtues of products made in India, the corruption of corporates, the exploitation of farmers, the cancerous effects of fertilisers and chemicals and just about everything that surrounded his products. He just showed us the reasons and left us on our own to explore his products.

This was brilliant. See, when someone forces you to try out a product you might have a bias to reject it as 'overselling'. But here no-one was pushing anything, only an environment was created where you wanted to see if the alternative to above evils was usable. You might have been influenced by the fear of diseases or you might just have been patriotic enough to shun all evil US firms. Whatever the reason, you already

had a positive environment to try the Patanjali products.

Introduction – The Patanjali saga has its genesis in the word that is synonymous with India’s gift to the world- Yoga. In 2003, a relatively obscure TV channel called “Aastha TV” opened its early morning slot for Baba Ramdev. Wearing only a saffron dhoti, he would appear every morning, and demonstrate various yogic postures, their benefits, encouraging the audience to lead a healthy, simple and fit life. He soon became very popular for his free yoga lessons, his easy-to-follow breathing techniques based on his knowledge from several scriptures. In fact Baba Ramdev single-handedly revived the ancient Indian practice of Pranayam- anulom and vilom- the breathing techniques that were till then known only in limited circles. His simple earthy appearance, easy approachability helped his popularity increase in leaps and bounds. Ramdev started providing a heady cocktail of yoga, spirituality, health, Ayurveda and lifestyle to a parched Indian audience that was struggling with these very issues, especially in the fast paced metro cities in India. And millions started flocking to his ashram to savor this tonic without a second thought.

## THE EXPANSION

While Baba was the magnet that was pulling the audience to him, his close associate and also an ayurveda expert Acharya Balkrishna realized that this popularity wave and the sheer trust and confidence that Baba has earned can be expanded to encompass a whole range of offerings. He amalgamated the yoga guru’s popularity and his knowledge of ancient Ayurveda with best of technology and started providing a whole range of medicinal products. Thus was born Patanjali Ayurveda Limited (PAL), a company set up as a small pharmacy by Baba Ramdev and Acharya Balkrishna, in 1997. Balakrishna owns 92% stake and the rest is held by an expat Indian couple. Baba Ramdev

holds no stake in the company. PAL which began manufacturing medicinal products initially, slowly and steadily ventured into segments like dental care, cosmetics, and food products. The brand name Patanjali Ayurved combines the names of India’s ancient herbal medicinal system of Ayurveda, and the famed yoga saint of yore, Patanjali. The website of Patanjali Ayurved Ltd clearly mentions that “it is not a company. It is a *Concept* – a concept that links the rising destiny of millions of rural masses

on the one hand and many more suffering the onslaught of the unhealthy urban life style on the other”. It is about economically processing farm produce into daily use consumables ranging from Ayurvedic health supplements to foods and cosmetics. The produce is picked right from the farms, thereby increasing the effective income of the farmers. The health based products are made available to a large urban population at an unmatched cost not seen by the market. To quote from the company’s website “it is all about reinventing the traditional knowledge of Yog

and Ayurved, rejuvenation of rural economy by arresting the flight of rural job seekers to the urban slums, strengthening the health grid of the nation and the world, mending the environmental imbalance.....and finally fighting the tirade of western culture on Indian panorama.” Thus it can be seen that PAL has built a strong emotional connect with the consumers based on three clear platforms - first- a “swadesi” platform, secondly- resuscitating the rural poor and their economy and finally caring for the health of all by providing the products at very affordable prices. This emotional branding is what has emerged as the strongest differentiating factor. “Emotional

Branding” emerged in the late 1990’s and is establishing itself as the new paradigm for branding. It is defined as engaging the consumer on the level of senses & emotions; forging a deep,

lasting, intimate emotional connection to the brand that

transcends material satisfaction; it involves creating a holistic experience that delivers an emotional fulfillment so that the customer develops a special bond with and a unique trust in the brand. “Emotional Branding says that branding strategies should be more about mindshare and “emotions share”, rather than market share.

The advantage it has is that once a consumer buys into the ayurveda philosophy, it's not restricted to just one product. With acceptance comes extension as consumers end up buying many categories simultaneously — a phenomenon not seen with other FMCG companies where individual categories gain or lose a consumer to competition. The company assures the consumers

that getting rid of the food of the pollutants, poisonous pesticides and chemical fertilizers are their goal and commitment. Thus

they are always striving to achieve this by providing consumers with eatables that are cultivated using organic, natural manures and pest repellents. Another factor that is strongly in Patanjali's favor is its objective is to make products available to the consumer at the most reasonable price, and therefore most of its products come at a substantial discount to existing alternatives. The price differential itself may be enough for some consumers to make the shift and for those in the low income class to become loyal customers of the given product category. For example, Chyawanprash, one of Dabur’s flagship products is nearly 25% more expensive than that of Patanjali’s. Similarly,

- Objective of the study is – To study the brand perception of ‘PATANJALI’ in minds of Consumers
- To know the attributes that a customer keeps in mind while buying ‘PATANJALI’ Products
- To study the satisfaction level of consumers after using ‘PATANJALI’ Products

### Literature Review

Patanjali has piggy backed not only the awareness of Baba Ramdev but it is built on the brand strength, firstly of Yoga and its proponent, Baba Ramdev, and of Ayurveda. Followers of yoga, Ayurveda and Baba Ramdev were/are its most ardent early adopters, and they spread the word to others on the efficacy of the products. There is the added belief that something from this heritage is likely to be pure, and Patanjali has been quite welcoming of analysts and media to its offices to back this belief. They also have a research lab, Patanjali Research Foundation, which, based on its website has a smallish team building a framework to prove that yoga works.

### ○ BRAND IMAGE AND CONSUMER PERCEPTION

In Indian scenario, perceptions about a particular brand are important because Indian customers rely on the perception of their near and dear ones before actually buying or using the product. The perceptions of the people around us affect our decision to buy or not to buy the product. Perceptions are highly subjective and thus easily distorted. The qualm of buying and not buying continues into the mind or the black box of the prospective consumer unless his decision is not supported by many. Thus in order to survive in the marketing environment of a country like India, brands need to be positioned in the minds of people. India is already an attractive destination for brands

to set in due to favorable marketing conditions. India has known to be a hub of Herbal brands as well since the herbal products are deeply associated with the spirituality sentiments of the people. A WHO (World Health Organization) study estimates that about 80 percent of world population depends on natural products for their health care instead of modern medicines primarily because of side effects and high cost of modern medicine (Sharma, Shanker, Tyagi, Singh, & Rao, 2008) The worldwide herbal market products are around \$6.2 billion and estimated to reach \$5 trillion by the year 2050 (WHO & Kumar & Janagam, 2011). This paper carries out a study on what factors affect buying decision of the buyers for brand PATANJALI.

### **MARKETING MIX OF PATANJALI**

Patanjali has a manufacturing unit in Nepal, working under the brand name of Nepal Gramudhyog. India's fastest growing FMCG company is valued at 3000 Crore and generated a revenue of 5000 Crore for the fiscal year of 2015-16. Hindustan Uniliver and P&G are the FMCG companies, whose market share has been potentially affected by Patanjali. P&G and Hindustan Uniliver are on back foot and trying to lure customers back by providing huge discounts and impressive offers.

### **PRODUCTS IN THE MARKETING MIX OF PATANJALI AYURVED**

Baba Ramdev is constantly pushing Indian people to start using Indian brands and save the economical growth of the company. Patanjali is planning to take over all reputed brands dealing in beverages and foods.

Some of the sectors where Patanjali products are already doing great:

- Foods – Including jams, biscuits, noodles, oats, pulses and many other lines of food products.
- Beverages
- Healthcare & Medicines
- Personal care products Cleaning agents

□

Products that are already making news and have forced competitors to bring their prices down in order to save their presence in the market:

Products where Patanjali is present and beating competition are Dabur Honey: Patanjali Ayurved is providing people with option to buy

## RESEARCH METHODOLOGY

This paper is based on primary data collected through questionnaires from 100 users of Patanjali Products within Punjab. The questionnaire design is built up to know the type of products people use, the reason for their buying such product and their post buying satisfaction level from that product. Secondary sources have been used to collect information about 'Patanjali' brands. Journals, articles, research reports and government documents were reviewed to get the insight of the previous interventions that the stakeholders and policy makers have already in place. Also websites of natural products manufacturing company and online document were investigated to conduct this research. To analyze the questionnaire results tools of descriptive statistics, correlation, regression and non-parametric (chi-square) test have been used

**CONCLUSION** The Findings in the paper show that there are many significant factors that together make up the buying decision of the product. Customers' perception towards a brand is built largely on the satisfactory value the user receives after paying for the product and the benefits the user looks for. In the above study, a large portion of the user is satisfied from Patanjali products. It may be because of reasonable price of the product. It may be due to ability of the product to cure the problem. The satisfaction brings in the retention of customer. Patanjali is enjoying the advantageous position in market through spirituality element involved in its products. However, it should not ignore the competitors like Naturals, pure roots, Vindhya herbals. Patanjali in order to retain more customers and satisfy them, must fulfill the claims made by the company before any other brand may mushroom up and take away the benefits of marketing through spirituality.

Firms are increasingly recognizing that brands are among their most valuable assets and are, therefore, intensifying the level of resources directed toward building them. At least partially in response, academics are also intensifying the attention directed toward understanding the meaning and value of brands and the process of branding. This development in the branding literature, together with a more general evolution in academic marketing

thought, is causing marketing scholars to rethink the logic of brand and branding.

Notwithstanding the trajectory that PAL treads in future, it undoubtedly is an exciting development. Its central theme of "swadeshi" produce has resonated very well with consumers, and more important, its quality benchmark is firmly established. A market-disrupting force has emerged from the hinterlands of

India that has shaken the foundations of the well established players in the FMCG sector- global and domestic. As of now at least, PAL rivals are frantically looking for a soothing balm to calm their frayed nerves. Perhaps they can rush to the nearest Patanjali store for a magic potion. Unlike global and domestic consumer firms, Patanjali has welcomed touring analysts and potential business collaborators to its factories in Haridwar in India's northern Uttarakhand state. Again, unlike its rivals, Patanjali Ayurved has not yet spent a dime on marketing or advertising, and its products currently sell on word-of-mouth. But this could change soon. Now with hostile market conditions and mushrooming competition, the company is relying on a blitzkrieg of advertising campaigns directed at end-consumers. It has hired actor Hema Malini to endorse its biscuits and has also increasing its visibility on mainstream television channels. According to BARC, Patanjali became one of the top three most advertised brands on television in late January 2016. "The (Patanjali) products have the right to succeed, especially in ayurvedic categories such as chyawanprash, honey and ghee," said Britannia's Berry, who has been tracking Ramdev's biscuits closely

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