

# Expanding Acceptance and Outreach: A Case of Patanjali Ayurved Products

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Ritesh Dwivedi\*

## Abstract:

Customers of this era have turned out to be more worried about their wellbeing and furthermore slanted to keep up personal satisfaction which is reflected through the special utilization of those items that ensures the great condition of their wellbeing and additionally give most extreme fulfilment. In quest for a healthy way of life Indians have turned out to be more disposed to Ayurvedic or Herbal treatment as an option for common cure. This specific inclination has been in charge of exceptional prominence of Baba Ramdev's Patanjali Ayurvedic items. In today's hugemarket with changing client needs, Baba Ramdev has built up a special mix of innovation with Ayurveda, affordable pricing, easy accessibility under the brand Patanjali to pull the market. The Ayurveda theory and the key to healthy lifestyle has attracted many customers and changed their perspective about their lifestyle and product usage. Purpose of the study is to evaluate the preference of Patanjali over other leading products while understanding the its marketing mix. The consumer belief in natural and herbal products has become stronger day by day and created huge change in customer preference over other brands.

**Keywords:** Patanjali Products, FMCG, Herbal Products, Marketing Mix, Patanjali Ayurved

## 1. Introduction

In ancient Vedic culture of India, Ayurved is really considered by many to be the most established mending science. In spite of the fact that individuals living in India have depended on customary Ayurveda practices to recuperate everything from barrenness to stomach related problems for quite a long time. Maladies are created because of despicable eating and way of life overlooking one's particular body sort, age, and condition. By following ayurveda practices one can build up a flawless harmony amongst internal and external world personality, body, and soul. It is not only providing healthy way of living one's life but presenting a roadmap of avoiding critical diseases at the same time. Ayurveda has been

getting a serious attraction from across the world as well as Indian government and policy makers. This study has been taken to understand the expansion of patanjali.

### 1.1 Patanjali Ayurved

Patanjali Ayurved is a big name in Indian FMCG. It specialises in all natural herbal products with an insight to provide nature's best to their customers. Their all natural approach has stormed the Indian market and is planning to make it big in overseas too. Baba Ramdev who establishes patanjali strives towards the objective of bringing ancient wisdom of Ayurveda with a hint of latest technology. From personal care to food products patanjali is standing staunch and tall, head to head with leading global

\*Assistant Professor, Amity Business School, Amity University UP, NOIDA, Email: [ritesh\\_hariom@rediffmail.com](mailto:ritesh_hariom@rediffmail.com)

products. It has grown beyond expectations and touched the gross revenue of Rs 100 billion, whereas its competitors are now understanding and analysing about the reasons of their losses (Ahmed et al, 2018).

Patanjali Ayurved Limited is the main Ayurvedic Company in India established in the year 2006. Patanjali Ayurved Limited produces an extensive variety of Ayurvedic products catering to home care, basic supply, individual care, human services, drug, dietary items etc.

### 1.2 Unique Outreach

Yog Guru baba ramdev has enormously single handed has shaken the Indian market with patanjali ayurved. His teachings and philosophy plus the marketing strategy are working wonders. He started off as an yoga expert and became a business tycoon in recent years with Patanjali his grand idea to promote swadeshi and herbal products which are safe for mankind.

The swadeshi agenda has worked well for the Yog guru as he is able to invade such areas where other brands were nowhere to be found. He targeted the heavily populated rural belt which acquires the major consumption of patanjali products and provided them a pocket friendly, natural solution for their household.

Patanjali has made its mark and is striving to

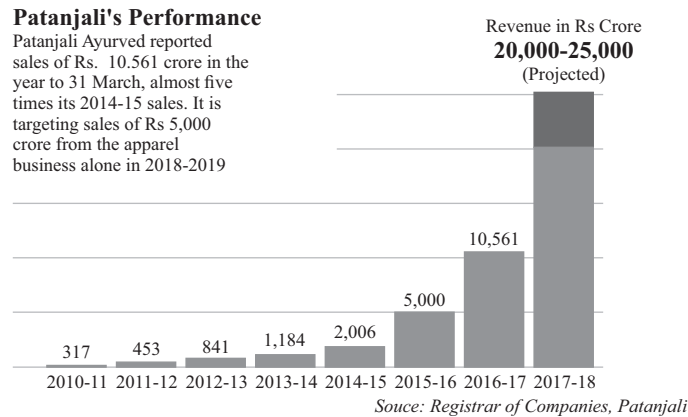
achieve the better revenue in the country. It can be found on the shelves of reliance fresh, Hypercity and in the corner of a small grocery shop in a village. Patanjali products are 20-30% cheaper than other products because of supply chain strategy and they are getting raw materials directly from the farmers. Patanjali has ventured with online e-commerce also to attract the young users in today's digital world. Patanjali stands to gain through its approach and justifying the theme of "Prakriti ka Aashirwad".

### 1.3 Market Highlights

In its report IIFL said "Patanjali Ayurved Ltd has, in a short span of less than a decade, recorded a turnover higher than what several companies have managed to achieve over several decades. There is no doubt that Patanjali is a disruptive force in the FMCG space and is a credible threat for the incumbents." IIFL study has its view that patanjali product's unique focus on ayurved and natural ingredients has made them very attractive and consumers are feeling good while purchasing these products. Patanjali strategy is based upon selling products on nationalism theme and sales of 20000 cr. by FY 20 are looking possible (Rukhaiyar, 2016).

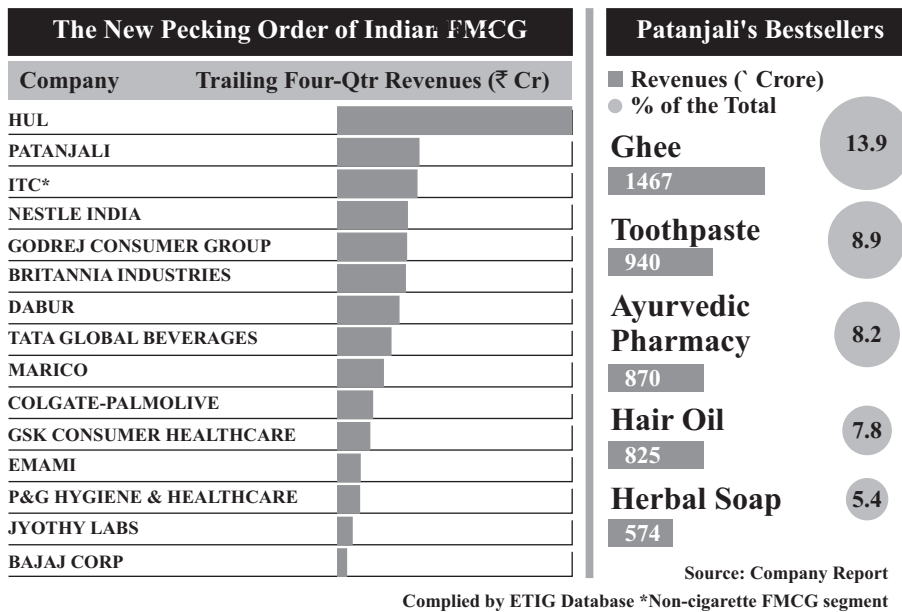
It is evident from the graph shown below that sales revenue crossed 10000 cr and projection for next year is 20000-25000cr range (refer the Fig 1).

Fig. 1



Colgate has been affected very highly and sales of other players like ITC, Godrej etc have also come

down as patanjali products are priced cheaper than their competitors



As shown in fig 2, ghee (13.9 %), toothpaste (8.9%)Ayurvedic pharmacy (8.2 %) and hair oil (7.8 %) are the principle donors to Patanjali's turnover.Patanajli products are available in different categories and posing a good challenge to other FMCG companies.

Patanjali is coming with its packaged drinking water brand 'Divya Jal' and they are hoping good sales for it.They have jumped in dairy sector and their cow milk is getting good reviews. Eyeing the

Rs 40,000 crore private security business, Patanjali is going to launch its own private security business with help of professionals under the banner of Parakram Suraksha Private Limited (Business Today, 2017).

**1.4 Objective of the Study**

Objective of the study are listed below.

- To study the consumer's awareness and preference towards Patanjali over other leading

ayurved product brands.

- To analyse the different aspects of marketing outreach of Patanjali Ayurveda products.

### 1.5 Limitations of the Study

- The research is limited to the people in researcher's network as the questionnaire link was sent to people through mails also. My network includes family, friends and their knowns.
- Research is based upon the NCR region only the sample size of 100 out of ayurvedic products users. Respondent's age group was also mixed no specific group has been targeted.

### 2. Literature Review

There is great demand for herbal and ayurvedic medicine in the developed world as more and more people becoming aware of the side effects of English medicine. Developing countries like India and China do have enormous opportunity in this area because of their traditional knowledge and practices in this sector (Gadre et al, 2001).

A WHO (World Health Organization) study shows that natural products are preferred by 80 percent of world population for their health care instead of allopathic medicines as they have dangerous side effects and are very expensive (Sharma et al, 2008). Sinha & Singh (2015) found demand is mostly based among young boys and girls in herbal cosmetics. It is expected to expand at the rate of 15% and may possibly cross 20%.

Patanjali is enjoying the advantageous position in market through spirituality element involved in its products and they are available easily across all patanjali stores. (Gurusanthosini & Gomathi, 2017). Patanjali has additionally acquainted FMCG items with fast expansion in the market. There are numerous rivals in every one of the classifications

and although they all have comparative items accessible at practically comparable costs, Patanjali is attempting to demonstrate its different through their showcasing systems.

“If babas and swamis are willing to become brand ambassadors, then obviously there will be a large number of devotees who will follow their advice. However, I think by doing this they will be seen as commercialising their image, which will have a negative effect,” said advertisement guru Alyque Padamsee.

Patanjali has actually developed its customer communities. It is selling its ayurvedic treatment services through Yogpeethand yoggram and treating people across the geographies covering not only normal but lifestyle problems also (Acharya, 2011).

Khanna (2015) find a large section of the user satisfied with Patanjali products. Major factors behind this are reasonable price of the product and easily availability with accuracy in treating the problem.

Patanjali's products are cheaper than others and very low expenses on its advertisements are key feature of Patanjali promotion strategy. At the same time, other leading FMCG brands are spending a lot on advertisements and promotion (Sinha & Singh, 2015).

Patanjali supply chain has three steps such as product flow, information flow and cash flow. Patanjali has signed an agreement with Future group to sell the products. It is already selling its products through outlets available across the districts in India. A very good MIS system is in place which route orders to central office in Haridwar and products are supplies in the basis of demand through patanjali's own transport (Sethi, 2016).

In this study, understanding and analysing the Patanjali appeal and outreach among the masses and its related aspects have been identified as research gap. In following pages analysis and discussion is presented to fulfil the research gap.

### 3.1 Research Methodology

#### Research Design:

For this study descriptive research design has been used to understand the wider perspective of ayurved products market. The purpose of this study is to compare how Patanjali is growing and

competing with other leading FMCG companies.

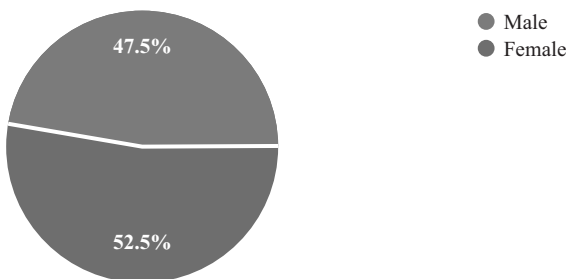
#### Sampling Method and Data Collection:

Tuned in to goals of study, consumers of Ayurvedic items in territory of Delhi NCR and Uttar Pradesh (as research universe) have been covered to record their viewpoint towards the patanjali products on different aspects. Total 101 respondents have been covered for this study of Ayurvedic items (therapeutic, sustenance, corrective and FMCGs) while using Purposive Sampling method.

### 3. Data Analysis

#### 3.1 Respondents Profile

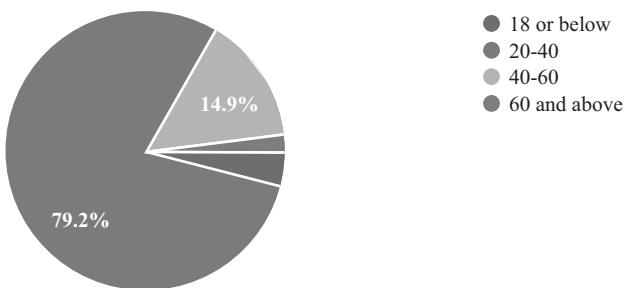
**Gender** (101 responses)



There were more male respondents 52.5% than female respondents ie. 47.5% in the survey

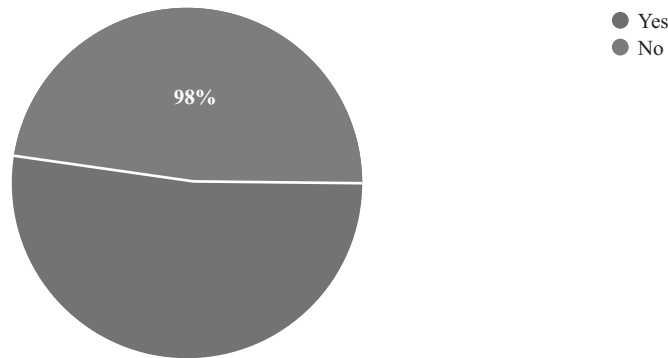
conducted.

**Age Group** (101 responses)



The age group was mostly 20-40 ie 79.2% and 14.9% clients aged between 40-60 years. There

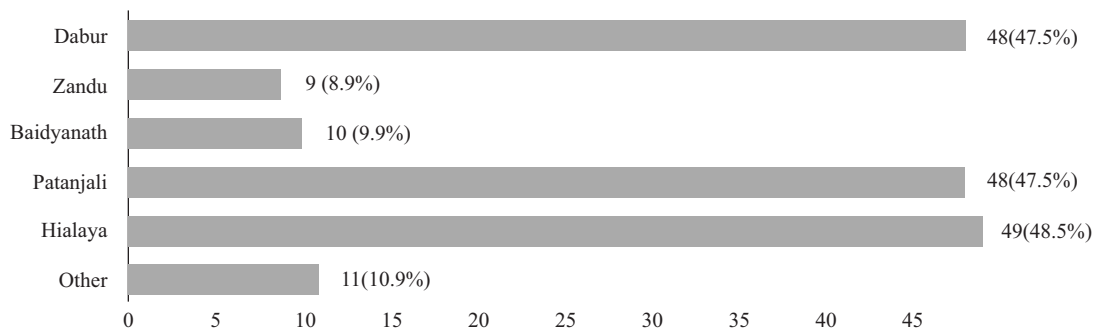
were very few 18 and below and 60 and above.



52.5% of the respondents believe in Patanjali products as 100% natural and herbal product. Patanjali stand strong on the idea of providing their customs natural and herbal products which are chemical free and safe to use. With the entry of patanjali in the market , all ayurvedic solution was

visible to consumers and the promise of ramdev's chemical free products was strong as he claims his products are herbal and safe to use.

**3.2.5 Consumer Preference over Other Brands**

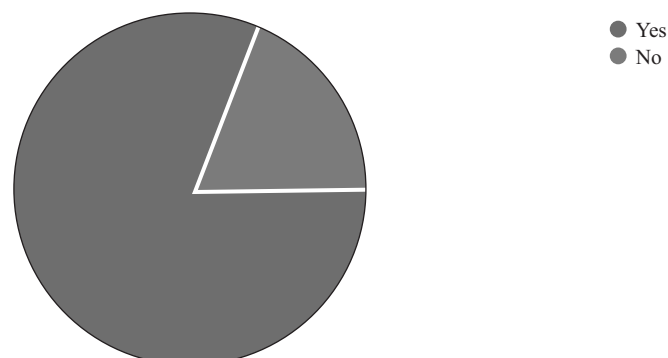


There was a close call between Dabur , Hialaya and Patanjali. Since Dabur and Hialaya have been very old companies and Patanjali is new in the market. It seems that it is doing well while competing with the big brands like Dabur, Hialaya and other FMCG brands which have

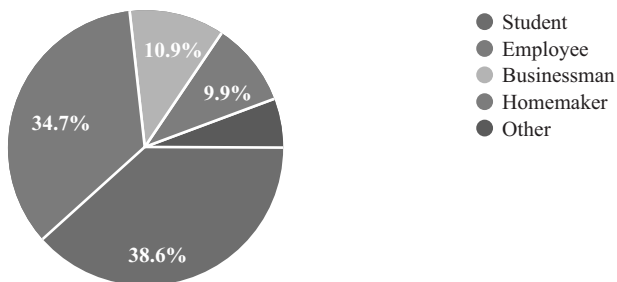
been there for a while in the market.

**3.3 Marketing Outreach of Patanjali Products**

**3.3.1 Price Strategy`**



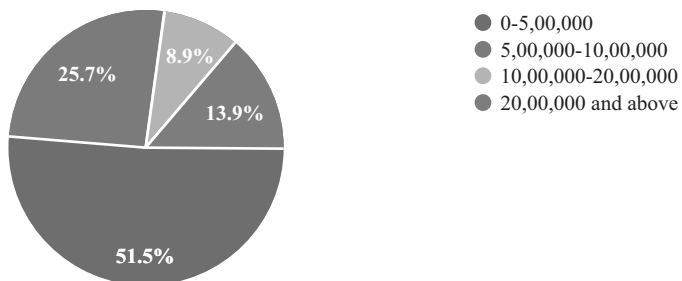
**Occupation** (101 responses)



Most of them who surveyed were students followed by employee (34.7%) then businessman (

10.9%) then homemakers (9.9%) and others.

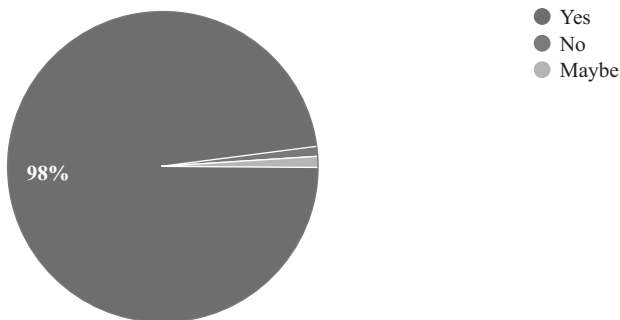
**Income Group (annually)** (101 responses)



Since the survey was conducted in rural and semi urban areas 51.5% people's income were between 0-5,00,000 and next major section (25.7%) was of 5,00,000 -10,00,000 income group.

**3.2 Consumer Perception and Preference**

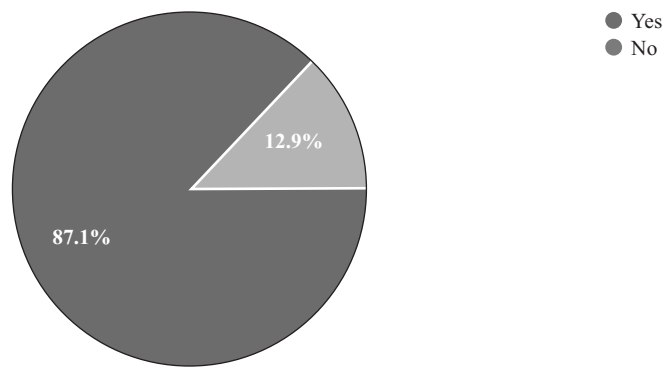
**3.2.1 Awareness of the Product-**



96% of the people knew about the brand Patanjali Ayurveda Ltd. This shows how well they are promoting the product that majority of the

consumers knew about the brand and it's product.

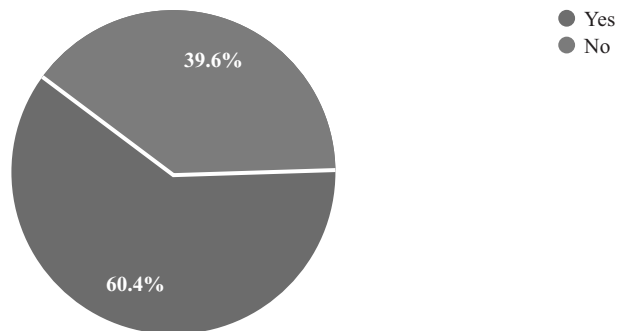
### 3.2.2 Product Consumption



Most of the respondents said that they have consumed Patanjali's products at different intervals. 87.1% of the people said that they have used Patanjali products. This shows that how well the people are aware about the products. Patanjali products are cheaper than other products and are

easily available in the nearby vicinity which draws the eye of every Indian consumer who is not afraid to give a try to an Indian company which holds the background of chemical free notion.

### 3.2.3 Product Reliability



60.4% of the respondents find Patanjali products more reliable as the ideology and philosophy of patanjali draws consumers from all ages. The consumer belief plays a major role because the age of ayurveda attract consumers and the natural approach it considered far more better safe and reliable for the consumption. Baba Ramdev has emerged as a leader in his own realm of vedic

sciences And showcased the cure of all issues of mankind. His journey began from yoga and took a turn of business enterprise with patanjali ayurved. He assured the Indian customer with his philosophy and lifestyle that it can improve many lives.

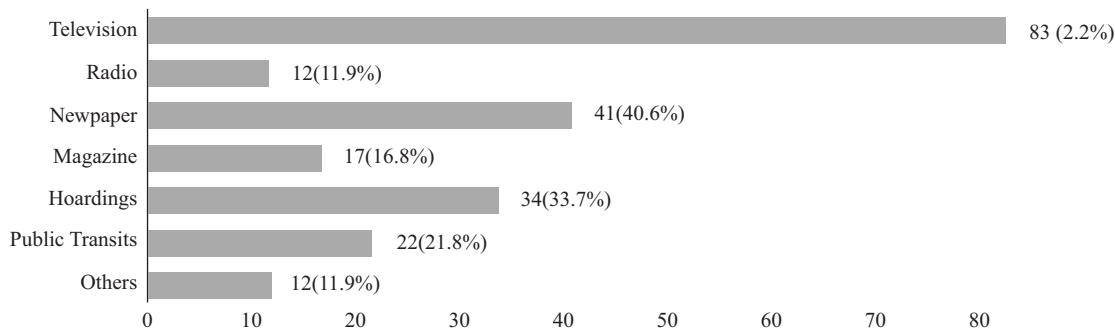
### 3.2.4 Product's Natural & Herbal Appeal



Since Patanjali has targeted low income segment and they are targeting the mass in tier II and III cities also. Not only rural and semi-urban areas but also the urban areas of the country. All their products are low cost and they are easily

affordable and reliable. So as my respondents income were below 5,00,000 so 81.2% of people find Patanjali pocket friendly.

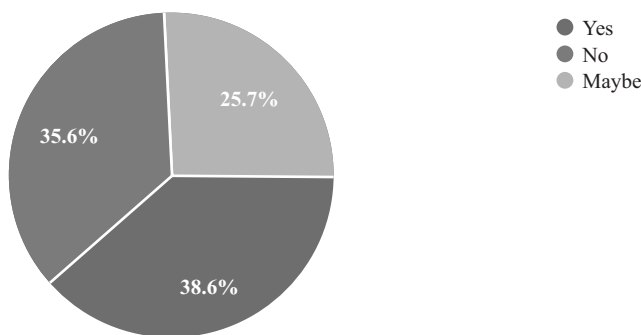
### 3.3.2 Promotion Strategy



Most of the respondents have seen advertisements of Patanjali over television then newspaper, hoardings, public transits, magazines and then radio and others as well. This shows that Patanjali

everywhere in all medium of communication to reach out the mass.

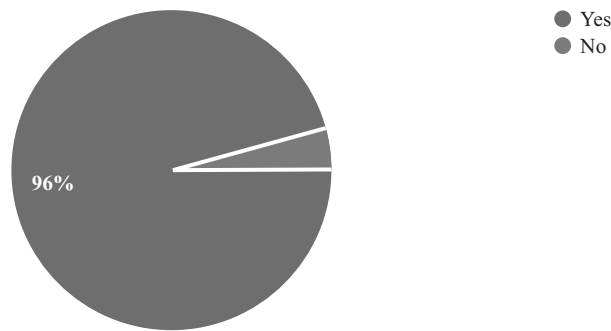
### 3.3.3 Impact of Patanjali's Advertisement



Advertisements still are not reliable source for Indian audiences although a good chunk of costumers 39% have accepted the impact of advertisements and other 26 % were in dilemma. Baba ram dev persona takes a major chunk of Patanjali's promotion and marketing.

Ancient ideology and Ayurveda has made a huge impact on Indian consumers and advertisements are not the only source of persuasion. The tell-tale factor is still prevalent which makes a person more believable.

### 3.3.4 Patanjali's Accessibility

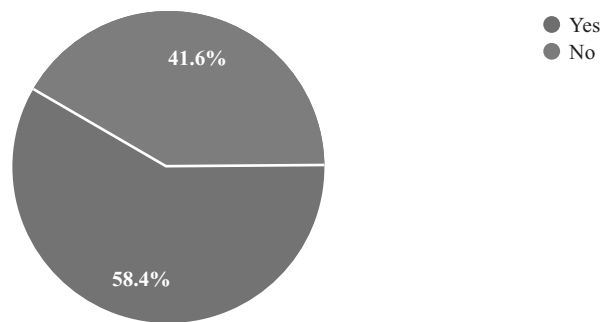


With more and more stores opening across the country the easily available factor is Patanjali's greatest advantage. So 96% of the respondents said yes it easily available for them. This shows Patanjali's strong distribution channel and network. Keeping pace with the current scenario

Patanjali has also forayed into e-commerce space also.

### 3.4 Other Aspects

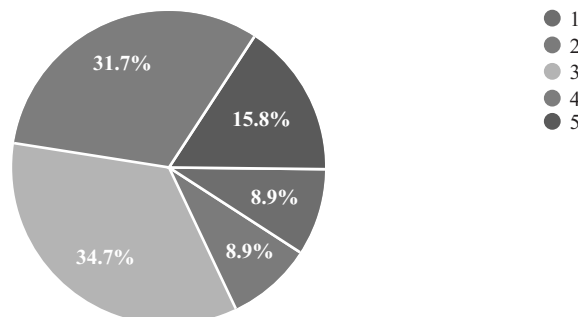
#### 3.4.1 Brand Preference-



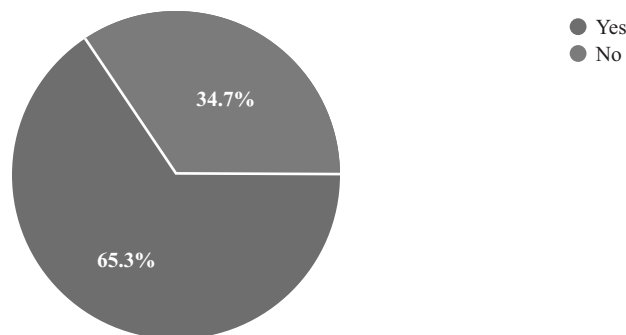
Half of the respondents agreed with Patanjali brand's core theme of healthy lifestyle with pure products. Patanjali created a certain trend in the Indian market about going back to Indian roots and following natural and herbal methods which can be

a saviour in this hectic scenario. Many consumers have changed their preference to Patanjali because it gives a promise of a healthy living.

#### 3.4.2 Patanjali's Overall Experience-



More than 75% of the people are satisfied customers of patanjali and they believe that it is providing some solution to stay healthy. Whether it's the ancient ideology or Baba Ramdev's impact or his swadeshi and ayurvedic appeal, Patanjali has been a huge part of present customer need. The



Patanjali enjoy a good degree of customer loyalty as 65.3 % recommend it to others based upon their own experiences while the rest prefer using other FMCG products over Patanjali. Years and years of customer loyalty plays a key role in product recommendation. Patanjali has earned its reputation as an Indian favourite in the market. From the racks of hyper city to a small district village, Patanjali is making strong strides.

## 4. Key Findings

### 4.1 Customer Awareness and Preference

Made in Bharat labelling, Swadeshi approach and all natural and herbal promise is a success story in Indian market. The customers are happy and satisfied with patanjali products and trust Baba Ramdev with his idea to suppress foreign domination with using Indian products and maintaining a healthy lifestyle. Competitors are also coming up with their own variants of ayurved products but Patanjali has its own appeal right now.

### 4.2 Marketing Outreach

Products are handy, easy to use and available with

credibility of Patanjali has been increasing day by day with an agenda to suppress global FMCG products and promotes the Indianness amongst all the customers.

### 3.4.3 Consumer's Recommendation to Others

the idea of Indianess in each packaging. Whether its instant noodles or a beauty cream, patanjali has covered it all. The idea to attract Indian audience is spot on which makes the customer buy it again and again. Product Prices are very sensitive and affordable. Soap worth merely Rs 12 is a boon for the farmers in rural areas. Not only the products are cost effective but are easily available with wide range of stores across country.

Patanjali stores are everywhere in small districts where fulltime electricity is still a dream. The easy accessibility has made it a hero in every household. Keeping in mind that 70% population resides in rural areas, Patanjali kept it simple and makes sure its easily availability in rural areas. The vision "Every home a patanjali home" is working and taking a fast pace.

Promotion of patanjali products has been wonderful and result oriented. Theme of "Healthy and pure" with mass appeal of Baba Ramdev has been used. Well-publicised agenda to bring 100% ayurvedic products in the market with labelling that somewhat makes the customer feel like a true Indian is very unique.

## 5. Conclusion

The resurgence of ayurveda is prominent on the market and people have started opting for ayurvedic medicine for treatment because the Indian consumer is slowly moving back towards ancient wisdom. The contribution of Patanjali in Ayurveda has made a noticeable impact in the market and is competing with other big brands. Baba Ramdev's approach to healthy lifestyle has been one of the key attractions and has been credited for a major life-changing factor in people's life. The brand targets hectic lifestyle, chemical infused products for promoting Patanjali products. Not only it is easily accessible but very cost effective also and emerged as a personal favourite in rural and semi-urban areas. It's believed to be 100% natural and herbal but safe to use. The medium of communication used for marketing is covered by all the major medicines but television and newspaper has maximum reach. Advertisements don't take the credit of influence here; other ways are still prevalent as Patanjali carries the Ayurveda value, which is the core composition of the marketing mix. The Ayurveda approach has worked wonders for the brand and advertisements does make an impact but the baba theory seems more believable to people and the image of the Baba Ramdev is also a great factor and influence over people, his yogi background and lifestyle is a major eye catching factor for people. The all-natural and organic idea has made its mark efficiently, which made people pick up the product from the supermarket rack. So Patanjali has made many heads turn and buy the products, which have been told to be fulfilling for the customers. Since it has entered market Patanjali made a huge growth as it has changed preference of many people over time.

## Future Scope of Research

Patanjali ayurved has shown exemplary management methods in attaining the growth and a

lot of unique initiatives have been bearing fruit which can be researched further. Ayurvedic product market is still at a nascent stage and world is looking towards India. Future studies should focus on the world ayurved market and investigate the possible opportunity for Indian companies in different evolving verticals of ayurved market.

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