



A case study of “Patanjali Ayurved Ltd.” in context to “Swadeshi”

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Abstract

This company formed by Swami Guru-Baba Ramdev in 1997 by collaborating with Acharya Balkrishna, a scholar of Ayurveda, Sanskrit and Vedas in 1990's to manufacture Ayurvedic medicines. Ramdev focused on Yoga while Balkrishna assumed the responsibility of spreading Ayurveda medicine. The combination of FMCG for external beauty and YOGA for inner peace had done a tremendous job in context to Swadeshi which is the main goal of the company. Swami Ramdev played a key role in both. His yoga Practices telecast on Aastha Channel has won him a mass following, and his FMCG market is helping Government in its Make in India Initiative. The Vision of the company is to provide Herbal/Ayurvedic/Natural solutions to all the problems. This paper tries to study the case of Patanjali Ayurved Ltd & its significant contributions to the masses through its business ventures & the commitment it makes to benefit the community.

Keywords: patanjali, FMCG, swadeshi, responsibility

Introduction

Patanjali Ayurved Limited is an Indian FMCG company located in the industrial area of Haridwar. The company was established in 2006 Acharya Balkrishna as its majority state holder as well as MD with 92% stake, the rest being with an NRI family from the UK. The objective of establishing the science of Ayurveda in accordance and coordinating with the latest technology and ancient wisdom. Patanjali Ayurved started with manufacturing of medicinal products. Step by step they have expanded their range from manufacturing of medicines to manufacturing the food items and cosmetics. Swami Ramdev chose the path of Swadeshi which means Make in India, basically, Swadeshi is an initiative of Government of India and by establishing Patanjali Ayurved the company gave an indigenous option to buyers and on the other side it gave competition to different FMCG companies already existing in the country. Patanjali today has emerged as one of India's more successful brand in today's era.

Every Indian knows Patanjali because one or more of their products has surely touched their lives in some way or the other. And if they have not been used, fewer still would or could have missed out the barrage of commercials that have taken over literally every Indian channel. Ultimately the truth is that no one cannot avoid Patanjali if he or she lives in any part of India. Company is serving directly or indirectly to all Indian through its Products or by boosting the Indian Economy through the “Swadeshi” initiative.

Literature review

Sivarama Krishnan (2007) recommended that first half of the twentieth century witnessed the efforts to revive and modernize Ayurveda in response to their marginalization by the colonial government and the prioritizing of biomedicine as the state-sponsored system.

Banerjee (2008) Concluded that deep-rooted cultural diversity and values of a country make it difficult for a marketer to opt for a standardized strategy to outperform competition. It has been found that even after tremendous exposure to globalization, consumers from different cultures have different attitudes, perceptions, tastes, preferences and values, and remain reluctant to purchase foreign product.

Philip Kotler (2014) According to his company and its products is done by familiarity and favorability study.

Raghavendran V and Frank Reema (2015) in their study tell about the great awareness amongst the consumers on healthy life which emphasises medical tourism for the purpose of Ayurveda and Yogic treatments. This gives a significance boost to the Patanjali products as it constitutes both the Ayurvedic, herbal products as well as Baba Ramdev as Yoga Guru who promotes healthy concepts.

D.T, Shinde, S.J and Gharat (2017) They examined a study on product positioning of Patanjali FMCG products. The purpose of their study was to find the various prospects of Patanjali products and also factors influencing these products. They concluded that Patanjali has captured a huge market share within a very short time period.

Scope of the study

This study is conducted on the growth of the Swadeshi products in India in the reasonable prices on the lines of developing Indian Economy and improves well being of society. Most of the people purchase this brand and dealers take an interest in the availability of this brand. This is low cost but unique Ayurveda products which is aimed to the connect to the people. So that they the target population to the children, middle age men's and women targeted.

Objectives of the study

1. To know how the swadeshi products of “Patanjali Ayurved Ltd” is going to prove successfully Make in India policy.
2. To study the USP of the company
3. To find the SWOT of “Patanjali Ayurved Ltd”

Research methodology

This paper is based on secondary data collected from the India today Magazine and other secondary sources have been used to collect information about ‘Patanjali’ brands. Journals, articles, research reports etc. were reviewed to get the insight of the previous interventions that the stakeholders and policy makers have already in place. To analyze the Case Study, SWOT Analysis is applied to the study. SWOT Analysis is an acronym for strengths, weaknesses, opportunities, and threats were studied

Findings

1. The” Swadeshi Strategy”
 - Nationalism is latest trends as a brand positioning strategy for Indian consumers. Consumers are giving preference to those brands that actually reflects Indian pride and creates the feeling of patriotism.
 - Disease-specific CDs are prepared by the company which they sell through their various outlets.
 - The company has adopted Cause Related Practices, whatever company earns it reinvests for the welfare of society and improved livelihood of people, i.e. farmers are benefited, company gave then target to produce certain quantity and guarantee them of their produce.
 - It is playing a key role in improving GDP of Country
2. The unique selling proposition of the company

- Adulteration free and pure nature of their products.
- High quality in terms of ingredients as well as health benefits.
- Marketing the products on the lines of Made in India.

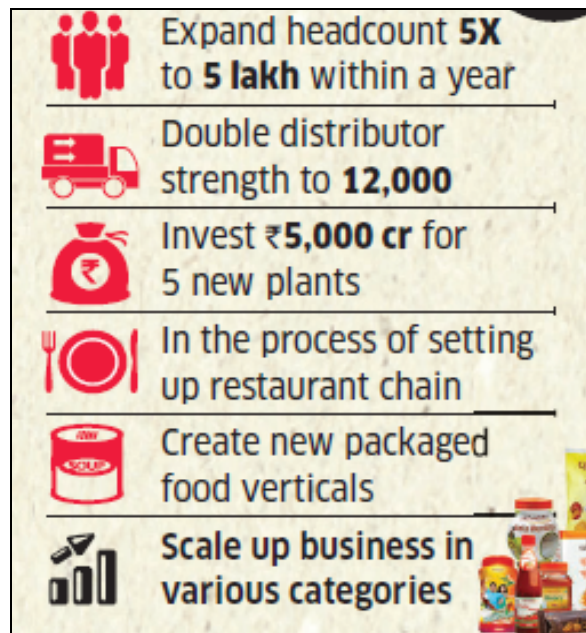


Fig 1

- Products from Patanjali are available at around 15-30% cheaper than alike products from peer companies.

Following are the examples

PRICING OF PATANJALI PRODUCTS VERSUS OTHER CONSUMER GOODS COMPANIES

Product Name	Qty	Patanjali Product Prices (Rs)	Comparable Price (Rs)	Comparable Companies	Discount
Special Chyawanprash	500gm	115	160	Dabur Chyawanprash	28.1%
Pineapple Juice	1ltr	85	99	Dabur Real Juice	14.1%
Cow Ghee	1ltr	450	710	Paras dairy farm Cow Ghee pure	36.6%
Honey	500gm	135	199	Dabur Honey	32.2%
Patanjali Saundraya Face Wash	60gm	60	80	Pears Face Wash	25%
Patanjali Kesh Kanti Anti Dandruff Shampoo	200gm	110	159	Head & Sholders Anti Dandruff Shampoo	30.7%
Patanjali Dant Kanti (Tooth Paste)	200gm	68	84	Pepsodent Germicheck	19%
Patanjali Super Neem Bathing Soap	75gm	15	24	Himalaya Neem & Turmeric	37.5%
Patanjali Super Dish Wash Bar	175gm	10	15	VIM Dish Wash Bar	32.8%
Patanjali Corn Flakes Mix	500gm	145	182	Kelloggs Corn Flakes- Original	20.2%
Patanjali Detergent Powder Popular	250gm	13	19	RIN Detergent Powder	31.6%

3. The SWOT analyses of company

Table 1

SWOT Analysis	
Strengths	<ol style="list-style-type: none"> 1. Brand value is their entire loyalty base. 2. Patanjali’s commercials’ convey pure products promise and they tagline is “Sasta Bhi, Acha Bhi” 3. The company has grown at a rapid pace within a short span of time. 4. Extensive marketing has pulled people into accepting its products as a healthier and safer option. 5. Strong brand ambassador with Baba Ramdev as its face helped boost the business for Patanjali. 6. More than 200,000+ employees with Patanjali 7. Brilliant word of mouth marketing has helped the brand grow 8. Mass marketing with “Swadeshi” theme.
Weaknesses	<ol style="list-style-type: none"> 1. Not availability some ruler Ares. 2. Low margin to the distributors
Opportunities	<ol style="list-style-type: none"> 1. Pat Anjali can tap overseas market as Ayurveda is increasingly getting awareness. 2. Can enter more segments in personal hygiene, solar power, FMCG etc. 3. Can also diversify in apparels 4. Organic sector growing.
Threats	<ol style="list-style-type: none"> 1. Prominent FMCG players coming up with their own variants of ayurvedic products. 2. Big players have their existing model which is sturdy, which can overcome new competition from Pat Anjali 3. Negative word of mouth on social media.

Conclusion

This study leads to the conclusion that Patanjali and Swami Ramdev has become a brand in Indian market with the most specific strategy of first establishing himself as a brand persona and then positioning the Patanjali product line on right time to right consumers with Swadeshi Alternative. The case narrates the growth of Patanjali Ayurved Ltd and the group of the economy by swadeshi initiative and the case also analyses the key role played by Swami Ramdev to bring it to its present stage. SWOT Analysis of the case study is done to look into the strengths, weaknesses, opportunities and threats of PAL and various USP that a plays key role in the success story of Patanjali Ayurved Ltd.

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Fig 2

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