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Make in India through Swadeshi product: A case study of FMCG giant Patanjali Yog Peeth

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Abstract
Yoga and pranayam are considered as the dimensions of spirituality and it is observed that people generally rely on a spiritual guru for performing yoga and pranayam. Swami Ramdevji is the most famous guru in teaching yoga and pranayam in India and he, through Patanjali Yogpeeth, has launched several products not only based on Ayurveda medicines but also on FMCG. Hence, this paper talks about marketing through spirituality through the case study and success story of Patanjali Yogpeeth. The paper also high light that how swadeshi product based on ancient knowledge can lead to employment generation and healthy life to millions of Indian. The research uses a qualitative approach to collect data from various officials of PatanjaliYogpeeth through unstructured face-to-face interviews. The study revealed that yoga and pranayam are very effective tools in marketing through spirituality and influence the consumption behavior of masses. Patanjali Yogpeeth is best suited example to study the present topic Make in India.

Keywords: FMCG, Patanjali, spirituality marketing

1. Introduction

Yoga and Pranayama is gift of India to the world. Ayurveda is practiced in India since ages. But due to pharmaceutical companies portraying to sell lifesaving drugs and fast curing medicines we ignored our own strength in Ayurveda. Baba Ramdev rejuvenated spirituality through Yoga and Pranayam coupled with cheap herbal medicines and made available at every nooks and corner.

"Make in India" a policy with the vision of making economy vibrant, develop in near future.

The policy is the first of its kind for the manufacturing sector as it addresses areas of regulation, infrastructure, skill development, technology, availability of finance, exit mechanism and other pertinent factors related to the growth of the sector.

If we narrow down the concept then we can say that India need to manufacture at their own and branding of this should be in India .one of the example, "Patanjali Yogpeeth" where we can say that initiative to make this policy successful is started.

Patanjali Yogpeeth in Haridwar, Uttarakhand is one of the largest Yoga institutes in India and named after the ancient Yog Guru Patanjali. The institute is flagship project of Swami Ramdevji Maharaj and Acharya Balkrishnaji Maharaj and has been set up not only for treatment, research and development in Yoga and Ayurveda, but also for the manufacturing of ayurvedic medicines. It is located on the Haridwar-Delhi highway at Kankhal, Haridwar. Patanjali Yogpeeth is an institution for scientific research and treatment which offers treatments for all.

Patanjali Yogpeeth has already brought a health revolution in the country with the integrated approach of Yoga and Ayurveda. Besides this, the boundaries of the organization have also crossed the national boundaries in USA, UK, Canada, Nepal, etc. All these Trusts are devoted day and night to propagate and implement the noble and sublime aspects of Indian culture the philosophy and teachings of Vedas, Upanisads, etc. along with Yoga and Ayurveda

"Patanjali''- a brand set up by Patanjali Ayurveda LTD is backed by famous yog Guru Swami Ramdevji and an international authority on Ayurveda and Traditional Herbs. The prime objective of company is to provide Quality goods at very reasonable price and make people free from chronic diseases by providing goods which are of the natural herbs.

People are more focused towards wellness and good health due to modernisation as this move has given boost to patanjali product as it is marketed through spirituality and goods are made up of herbs. Patanjali Ayurveda LTD has introduced many different products in the catalogue for Skin, Hair, Heart, Eyes and Kidney diseases and food. The Patanjali Products have rightly been placed at advantage by the very concept of "Marketing through Spirituality"

2. Research Methodology

2.1 Selection Criteria

Reason for selecting proposed business unit

Patanjali products are selected for the research paper as a case study because this is the only Indian product which has achieved good success through yoga ad pranayam. This is the product which is marketed with the help of spirituality which prove that swadeshi product can be success in the market against well-known multinational company only and only on the basis of yoga that too at a cheaper rate. This could be consider as best example for every business who trying to develop their business and also best example for make in India

2.2 Selection of sample

a. Universe of the study

Customer, agent, Administrative staff in India

b. Sampling Unit
Customer, agent, Administrative staff

c. Sample Size
100 Respondents
Sample size

Table 1

Size	Sample
50	Customer
40	Retailer and wholesaler
10	Administrative official of Patanjali Yogpeeth

d. Sampling Technique
Random Sampling

e. Instruments used
Structured Questionnaire

Research Methodology: Survey method.

2.3 Significance of study/rationale
Patanjali Yogapeeth, Haridwar has crossed turnover of Rs.2000 Crore. It is indigenous producer of Herbal medicines and also catering to FMCG products. It is giving tough competition to Giant MNC's like Hindustan Lever and P&G, Nestle. It has been proved that swadeshi product based on ancient knowledge can lead to employment generation and healthy life to millions of Indian at a cheaper rate. Patanjali Yogpeeth set an example for best marketing strategy through spirituality. Through this study researcher wants to highlight or to show case that yoga and pranayam can be use as effective marketing tool and also wants to reveal that how one can enter in the open market with swadeshi product and challenged all multinational companies.

2.4 Objectives of the Study
1. To know how the swadeshi product "Patanjali Yogpeeth" is going to prove successfully Make in India policy
2. To study the marketing strategy followed by Patanjali Yogpeeth
3. To study the sustainability of Patanjali Yogpeeth product
4. To find SOWC(Strength, opportunities, weakness, challenges) of Patanjali Yogpeeth

2.5 Methodology
Study will be based on both primary and secondary data

Primary DATA
To collect the required primary data Questionnaires is used.

Questionnaires
Questionnaire was prepared to collect detailed information for research work. Separate Questionnaire was prepared for customer, Agent and administrative staff. This questionnaire was personally filled by meeting 100 respondents in person. Questionnaire sought for name, Age, Gender as basic variables.

2.6 Limitations of the study
1. The first limitation of the study is that it cannot be generalized
2. Geographically scope of this study is limited to Mumbai region and haridwaar
3. The findings are based on the ability of respondents to the inquiries of the researcher.

3. Indian FMCG industry & history of Patanjali
Indian FMCG Industry The FMCG OR Fast Moving Consumer Goods industry is the fourth largest sector of Indian Economy with an estimated market size of around $49 billion or 2.5% of India's GDP .FMCG goods, popularly known as consumer packaged goods, include all consumables (other than groceries/pulses) that people buy at regular intervals. Most common household items including toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged foodstuff, and household accessories and certain electronic goods belong to this category. The break-up of the sector in terms product categories is as follows.

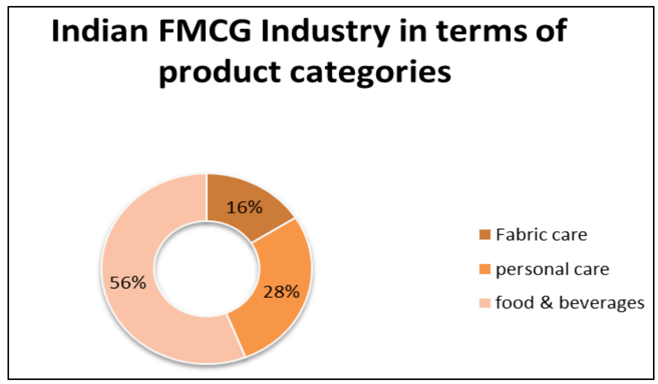


Fig 1: FMCG Market Share Productwise

It has been observed that 56% of the product category is occupied by food & beverages then comes personal care.

Patanjali ayurveda- entry into FMCG
Patanjali started off manufacturing bulk ayurvedic medicines later branching its operations into FMCG markets as well. Since, the FMCG market has low entry barriers, Patanjali soon established itself as a major consumer goods' manufacturer. The recent trends clearly imply that the company's priorities are shifting from medicines to consumer goods, perhaps because the net revenues earned through FMCG are on par with ayurvedic medicines.

Patanjali ayurveda – current market insights
Patanjali as a brand currently has more than 350 products from Soap to Toothpaste and from Oats to Health drinks. The 2014-2015 revenue of Patanjali Ayurveda crosses Rs. 2000 crore figures. In January 2016, IIFL said "Patanjali Ayurveda 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." The industrial data indicates that the brand has a market share of 4-5%.

Patanjali Sales (2012-2015)

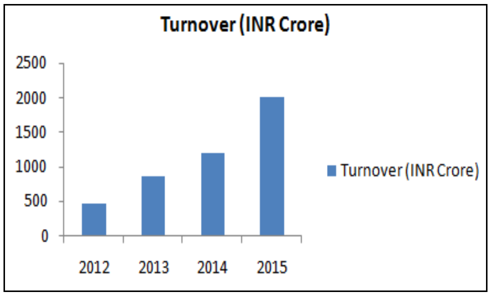


Fig 2: Turnover of FMCG in Crores

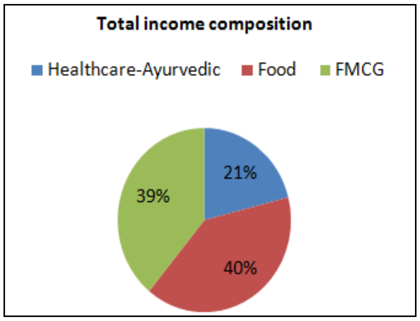
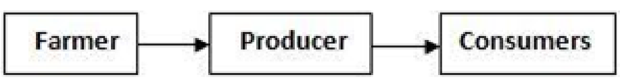


Fig 3: Total Income Composition of Different Sector

Patanjali's supply chain management

The three phases of patanjali's supply chain are product flow, information flow and cash flow. Patanjali has recently completed a tie up with Future group to sell the products. They also sell their products through their own outlets opened in almost every district/city of India. Each outlet has to send their demand to central office at Hardiwar. Then as per the demand, various products are gathered from various units of Patanjali. The items are delivered to outlets majorly through Patanjali transport.



Supply Chain-Patanjali

Sales and Distribution – Patanjali

- Patanjali provides sale of products online and can also be procured through post by sending the money through demand draft
- Patanjali herbal products are available at Post Offices across the country
- Patanjali also has "Patanjali Chikatsalayas" and "Patanjali Arogya Kendra" in almost all the cities of the country

To strengthen the distribution Patanjali is also implementing ERP which will help them in managing the inventory.

Patanjali's Pipeline

Patanjali has a very strong pipeline, thanks to their innovative and huge R&D setup.

The new products include:

- Patanjali yoga wear (Vastram)
- Dant Kanti Advance
- Sugar free Chyawanprash
- PowerVita
- Seabuck thorn dietry supplement

Strength Swot

- Spiritual connect with the consumer en masse.
- Herbal products with natural ingredients
- Strong and Innovative R&D
- Baba Ramdev – face of the brand

Weakness

- Controversies like noodles not approved by FSSAI at the time of launching
- Products like putrajeewak which creates negative impact on the brand
- Strong competitors and low exports

Opportunity

- There is a large domestic market for FMCG Products
- Low entry barrier for new and innovative herbal products

Threats

- Competitors keeping a close eye on the growth of Patanjali Ayurveda
- Controversies around the Patanjali group
- Weak supply chain as compared to the competitors

4. Data analysis and interpretation

Verification of objectives

1. Objective: To know how the swadeshi product "Patanjali Yogpeeth" is going to prove successfully Make in India Policy

Table 2: Demographic profile of respondents

Demographic Profile of Respondents			
	Male	**Female**	**Total**
1.Category			
a. Customer	35	15	50
b.Retailer	19	21	40
c. Admin Staff	8	2	10
TOTAL	62	38	100
2.Age			
a. Customer			
20-30	30	9	
30-40	5	4	
40-50	0	1	

50 & Above	0	1	
TOTAL	35	15	50
b. Retailer			
20-30	0	9	
30-40	11	0	
40-50	4	6	
50 & Above	4	6	
TOTAL	19	21	40
C. Admin Staff			
20-30	1	0	
30-40	2	0	
40-50	3	0	
50 & Above	2	2	
Total	8	2	10

The above table shows the demographic profile of respondent. out of 100 respondent 50 are customer of which 35 respondent are male and 15 are female. out of 100 respondent 40 are retailers of which 19 are male respondent and 21 are female. Out of 100 respondent 10are administrative staff, of which 8 respondent are male and 2 are female respondent. Above respondent are with different age bracket. These are 30 male customer and 9 female customer and 9 female retailer, 1 male administrative are under the age bracket of 20-30years.

5 male customer 4 female customer,11 male retailer and 2 administrative staff fall under the age bracket of 30-40yers .1 female customer,4 male retailer 6 female retailer and 3 male administrative staff fall under 40-50age bracket.1 female customer,4 male retailer and 6 female retailer and 2 each administrative staff are with age of 50 &above.

Table 3: Awareness about Patanjali product

	Responses
Yes	49
No	1
Total	50

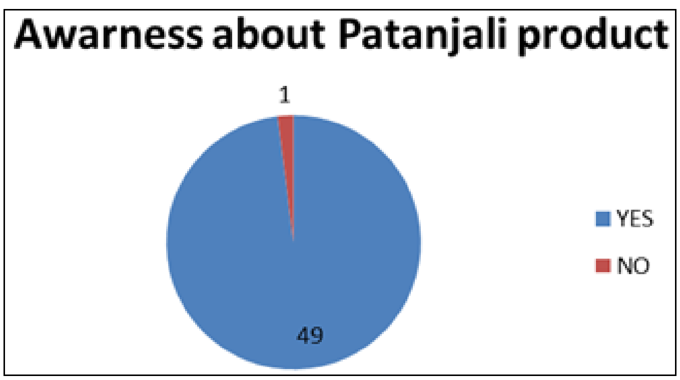


Fig 4: Awareness about Patanjali product

The above data Indicate awareness about Patanjali product. it shows that maximum respondent are aware about the product .out of 50 customer respondent 29 respondent are known to Patanjali product only one respondent is not aware. Data shows that customer are very known to the Patanjali product available in the market.

Table 4: source of awareness

Sources	Respondent
Internet	06
News paper	12
Relative	08
Others	07
News-paper, Relative	05
Relative, Others	01
Internet, News paper	05
Internet, Others	01
Internet, News-paper, Relative	05
TOTAL	50

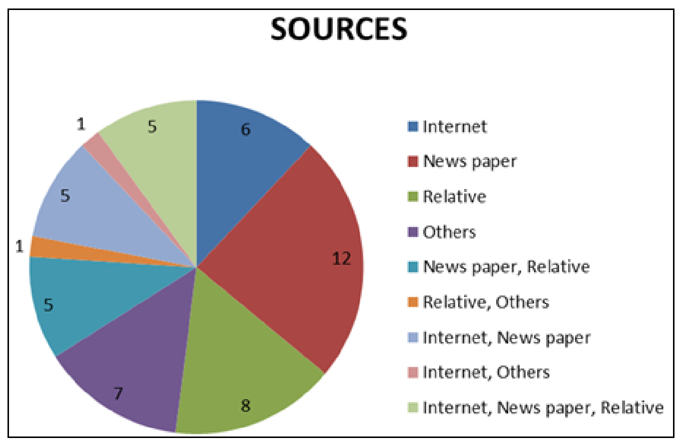


Fig 5: source of awareness

The above data shows the source of awareness .when asked respondent about the source from where they got information about patanjali,12 respondent got to know from newspaper, 8 respondent came to know from relative,7 respondent said that they have taken information from some other sources, 6 respondent out of 50 respondent used Internet for gathering information of patanjali,5 respondent said they have taken information both from relative as well as newspaper in fact number of respondent are same for internet and newspaper as a combination source of information only 1 respondent depended on internet and other and same number are for relative and other combination as a source of information.

Table 5: Frequency of buying Patanjali product

Frequency	Responses
Daily	02
Weekly	08
Monthly	40
Total	50

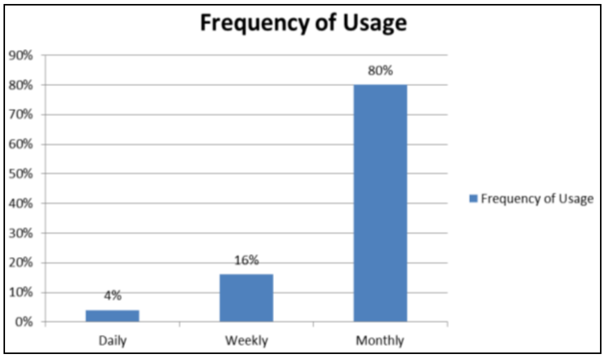


Fig 6: Frequency of buying Patanjali product

When asked the respondent about frequency usage of Patanjali product 80% of the total respondent using once in a month i.e 40 respondent out of 50 are using once in a month while daily users are only 4% i.e 2 respondent and weekly respondent are 16%.it shows that monthly user of Patanjali product is more as compare to daily and weekly users.

Table 6: Preferences of Patanjali product over other herbal product

Scale	1	2	3	4	5
Responses	02	02	11	17	08

- 1 is least preferred
- 5 is most preferred

The above shows the preferences of Patanjali over other herbal product. When asked respondent about choice of Patanjali over other product major respondent are preferring more of Patanjali product as compare to other product i.e 50% of the total respondent are preferring more of Patanjali

Table 7: Reason for selecting Patanjali brand over other brand

Reason	Responses	%
Informative package	01	2
Price	12	24
Quality improve	15	30
Brand name	06	12
Price, Quality improve	04	8
Price, Brand name, Quality improve	02	4
Price, Informative package, Quality improve	01	2
Price, Informative package	02	4
Price, Brand name	04	8
Brand name, Informative package	01	2
Brand name, Quality improve	01	2
Price, Brand name, Informative package, Quality improve	01	2
Total	50	100

The above data shows various reasons for selecting Patanjali brand over other brand.30% of total respondent stated quality improvement as one of the major reason for selecting Patanjali over other brand. Price is one of the popular reason for selecting Patanjali. of the 50 respondent 12 respondent i.e 24% respondent are stated that price is the reson for selecting patanjali.12% respondent are in favour of brand name. From the table it can be conclude that quality and price are good as compare to other herbal product and are the main reson for selecting Patanjali.

Data interpretation and analysis from the Retailer prospective

Objective: To study the sustainability of Patanjali Yogpeeth product

Retailer plays important role in marketing of any product. Sustainability of Patanjali product can be found out from the retailer's responses

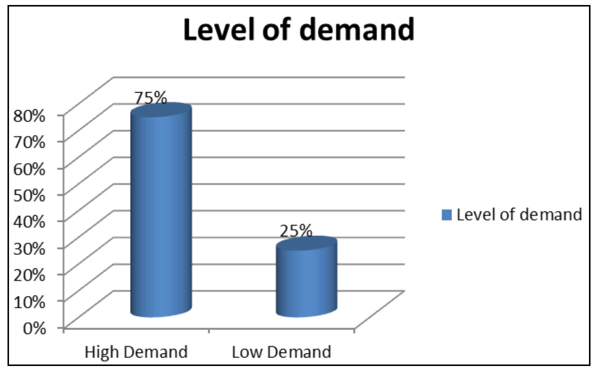


Fig 7: Level of demand for Patanjali product

Above Graph represents the level of demand in the market.75% of the Retailer stated that there is a high demand in the market for Patanjali product over other product. it can be conclude that major retailer are in favour of Patanjali product

Table 8: Frequency of supplying Patanjali product to retailer

Frequency	Responses
moderate	05
fast	35
Total	40

When asked retailer about supplying product to them,35 respondent stated that the frequency of supplying goods are very fast and only 5 respondent state that it is moderate. it shows that how Patanjali team is working to match up with the demand in the market. They are not keeping any gap in demand and supply of the goods and it also shows how effective supply chain is performing.

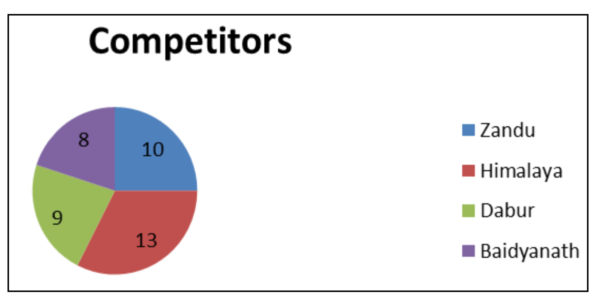


Fig 8: share of competitors of Patanjali

Himalaya is a closest competitor of patanjali, 13 respondent out of 40 agreed on the same followed by zandu, it is second closest competitor as felt by 10 respondent out of 40 respondent. Baidyanath is not strong competitor of patanjali, suggested by 8 retailers.

Effective customer with age group demanding patanjali product

Table 9: Share of competitors of Patanjali

Age	Responses
20-30	7
31-50	6
50 and Above	09
All of Above	18
Total	40

Above data shows the effective customer from retailer prospective.7 retailers out of 40 said that Patanjali product is most demanded by customer with the age group of 20-30.however maximum retailers said that all the age group of customers are purchasing Patanjali product i.e. 18 retailers said that Patanjali product is demanded by customer irrespective of age group. The product is mostly prefferd by the entire customer with all age group.

Data interpretation and analysis from the administrative officer's prospective

Objective:

- To study the marketing strategy followed by Patanjali Yogpeeth
- To find SOWC (Strength, opportunities, weakness, challenges) of Patanjali Yogpeeth

Administrative staff are the key role in deciding marketing strategy .they are also deciding factor for swoc of Patanjali brand

Table 10: Ranking Table for Effective marketing strategy for Patanjali product

Scale	Product mix consistency (Product)	Competitive price (Price)	Spiritual promotional strategy (Promotion)	Online Marketing /supply chain management (Place)	Services/people lead to customer satisfaction (People)
	Counts	Counts	Counts	Counts	Counts
1	-	-	-	-	-
2	-	-	-	-	-
3	2	-	01	01	01
4	4	05	04	05	05
5	4	05	05	04	04
Total Score (weight*count)	42	50	44	43	43
Average	8.4	10	8.8	8.6	8.6
Rank	IV	I	II	III	III

Weighted avg = the #1 scale has a weight of 1

The above ranking table shows that competitive price is the most effective marketing strategy for Patanjali product followed by spiritual promotional strategy, whereas online marketing and customer satisfaction strategies occupied 3 rank for the said product.

Table 11: Ranking Table for SWOC (Strength) for Patanjali product

Scale	Spiritual connect with customer	Herbal Product	Strong and Innovative R&D	Baba Ramdev As A Brand
	Counts	Counts	Counts	Counts
1				
2				
3	6	2	7	3
4	4	8	3	7
Total Score (weight*count)	34	38	33	37
Average	8.5	9.5	8.25	9.25
Rank	III	I	IV	II

Weighted avg = the #1 scale has a weight of 1

The above table shows strength of the patanjali.it has-been observed that herbal product is most effective strength. Ramdev baba as a brand for selling product is also strength of the company which is at second position when counting of strength on a count of 1 to 4 followed by spiritual connects and strong R & D is at 4th rank. Thus it is conclude that herbal product and Ramdev baba are 2 major strength of the company to stand in market.

Table 12: Ranking Table for SWOC (Weakness) for Patanjali product

SCALE	Controversies like noodles not approved by FSSAI at the time of launching	Products like putrajeewak which creates negative impact on the brand	Strong competitors and low exports
	Counts	Counts	Counts
1	5	5	5

2		1	3
3	5	4	2
Total Score (weight*count)	20	19	17
Average	6.6	6.33	5.66
Rank	II	I	III

The above table shows the ranking of weakness of the company. The most weak point of company is Products like putrajeewak which creates negative impact on the brand. Secondly, Controversies like noodles not approved by FSSAI at the time of launching has also impacted company and made them weak to stay in market. Thirdly, Strong competitors and low exports are also weak point of the company.

Table 13: Ranking Table for SWOC (Opportunities) for Patanjali product

Scale	large domestic market for FMCG Products	Low entry barrier for new and innovative herbal products
	Counts	Counts
1	1	
2	9	10
Total Score (weight*count)	19	20
Average	6.5	10
Rank	II	I

The above table shows the opportunities available in the market. when asked the respondent about opportunity all the respondent said that Low entry barrier for new and innovative herbal products is the most favoured opportunities for product leading to rank as 1st followed by large market for FMCG product which stood second rank when ranking the opportunities.

Table 14: Ranking Table for SWOC (Challenges) for Patanjali product

SCALE	Competitors keeping a close eye on the growth of Patanjali Ayurveda	Controversies around the Patanjali group	Weak supply chain as compared to the competitors
	Counts	Counts	Counts
1	1	2	3
2	7	7	4
3	2	1	3
Total Score (weight*count)	21	19	20
Average	7	6.33	6.66
Rank	I	III	II

The most challenges faced by Patanjali product is Competitors keeping a close eye on the growth of Patanjali Ayurveda, followed by another challenge i.e. Weak supply chain as compared to the competitors. However challenges like Controversies around the Patanjali group are at lower rank in the ranking table.

The above analysis of Patanjali product stated that competitive price is the most effective marketing strategy that helps company to attract customer for the product.

5 Finding

The above study is based on 3 different respondent viz customer, retailer and administrative staff so the findings are also with 3 different viewpoints which are listed below

Major Findings

Customers

1. 98% customers are aware about Patanjali product
2. Most well-known source of awareness is newspaper as 24% customers rely on newspaper for such information
3. Patanjali are purchased frequently over other herbal product.i.e 80% of the total population consume/buy Patanjali product on monthly basis over other product
4. 50% of the total population prefer Patanjali over other herbal product
5. Quality, Brand, Price are most acceptable reason to select Patanjali over other herbal product

Retailer

1. 70% of the Population are agreed on strong supply chain of Patanjali over other product
2. 75% Retailer said demand of Patanjali is high in the market
3. 26% of the population believe that Himalaya is strong competitor of Patanjali
4. Major respondent i.e. 36% of the total respondent feels that customer with all age group consume Patanjali.

Administrative Staff

1. Out of all the marketing strategy, competitive price is the most effective marketing strategy that helps company to attract customer for the product
2. While talking about their SWOC, it has been observed that herbal product is their biggest strength while Products like putrajeewak which creates negative impact on the brand are their weakness. When talking about their opportunity, Low entry barrier for new and innovative herbal products is big opportunity available in market and

as far as challenges are concern competition with other product is toughest challenges they are facing.

Conclusion

Patanjali as an exponent of Yoga, Sanskrit and Ayurveda continued to exert its influence on it .The aim of Patanjali Yogpeeth is to see an addiction-free, corruption-free India, through swadeshi product. With the hope that people will accept this product leading to one steps towards achievement of "make in India policy" however at the same Patanjali Yogpeeth require to work on some of the issue and challenges to satisfy customer which again will lead to success of the swadeshi product.

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