

“PRODUCT POSITIONING OF PATANJALI AYURVED LTD.”

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ABSTRACT

In today's age there is tough competition in the field of production and marketing. Instead of that we are witnessing the Brand positioning by Patanjali. Currently, Patanjali is present in almost all categories of personal care and food products ranging from soaps, shampoos, dental care, balms, skin creams, biscuits, ghee, juices, honey, mustard oil, sugar and much more. In this research paper researcher wants to study the strategies adopted by Patanjali.

Keywords: Patanjali, Brand, Positioning, PAL.

INTRODUCTION

Objectives of the study:

- To study Patanjali as a brand and its product mix.
- To analyze and identify important factors influencing Patanjali as a brand.
- To understand the business prospects and working of Patanjali Ayurved Ltd
- To identify the future prospects of the company in comparison to other leading MNCs.

Relevance of the study:

- The study would be relevant to the young entrepreneurs for positioning of their business.
- It would also open the path for various research areas.
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Introduction:

Baba Ramdev established the Patanjali Ayurved Limited in 2006 along with Acharya Balkrishna with the objective of establishing science of Ayurveda in accordance and coordinating with the latest technology and ancient wisdom. Patanjali Ayurved is perhaps the

fastest growing fast-moving-consumer goods firm in India with Annual revenue at more than Rs 2,000 crore. It is reported to have said that it expects to take the revenue to a whopping Rs10, 000 crore. The company sources products directly from farmers and cuts on middlemen to boost profits. It is to be noted that Baba Ramdev does not hold any stake in Patanjali Ayurveda Ltd. His partner Acharya Balakrishna is believed to own 92%. The balance 8% stake is held by Sarwan and Sunita Poddar, a Scotland-based NRI couple; who are associated with the UK Trust of Patanjali. Patanjali's proactive moves in innovation have been crucial for its growth; the report says and cautions that the other consumer companies will need to speed up innovations, particularly in the Herbal and Ayurvedic space to counter competition.

Foundation of Brand Patanjali and Patanjali Ayurved:

It all started in the year 1995 when Baba Ramdev established Divya Yog Mandir Trust with the help of Acharya Balkrishna and Acharya Karamveer under the guidance of Swami Shankardev ji. The trust mission was to put Yoga and Ayurved on the world map. With the aim of popularizing Yoga, Baba Ramdev started teaching Yoga through small camps and shivirs.

It is now a multinational organization with its branch offices located in countries like US, UK, Canada, and Nepal etc. Through Patanjali Yogpeeth Trust Baba Ramdev has touched millions of lives till date (Kumar V et al, 2014) (Kumar V et al, 2014) Baba Ramdev and Acharya Balkrishna have established number of institutions since they established Divya Mandir Yog Trust. These institutions have also contributed to the success of Patanjali Ayurved Ltd by providing raw material, manpower, technological knowhow etc. Some of these institutions include:

1. Patanjali Yogpeeth Trust
2. Patanjali Ayurved College
3. Patanjali Chikitsalaya
4. Yoga Gram I Goshala
5. Patanjali Herbal Botanical Garden
6. Organic Agriculture Farm
7. Patanjali Food and Herbal Park Ltd

Patanjali Yogpeeth:

Patanjali Yogpeeth in Haridwar, Uttarakhand is one of the largest Yoga institutes in India. Named after the Ancient Yog Guru Patanjali, the Institute is Ramdev's flagship project & has been set up for treatment, research & development in Yoga and Ayurveda, as well as the manufacturing of ayurvedic medicines.

Functional Structure of Patanjali Ayurved Ltd.

Swami Ramdev's medicines are manufactured in branches well equipped with modern equipments mostly in Haridwar and other places, certified by the international standards GMP, GLP & ISO 9001. Swami Ramdev also has a botanical garden near Patanjali Yog Peeth where the herbs and medicinal plants are grown. Here research is carried out on rare herbs and they are grown here by putting in great efforts. Under Swami Ramdev's guidance an industrial unit is also established called Patanjali Ayurved Limited which produces pure and high quality minerals and plants products through scientific methods. Swami Ramdevji and Acharya Balkrishna ji have tried to combine the ancient knowledge with ultramodern technology.

Swami Ramdev is working towards the goal of establishing the ayurvedic products at par with the international standards and to make it known across the world. To encourage the use of Ayurvedic medicine and amongst Swami Ramdev's revolutionary thoughts, one is that the farmers of India should adopt the cultivation of medicinal herbs and plants along with fruits and vegetables.

PATANJALI AYURVED Ltd. is a company that functions like all other companies under the regulations of the company law affairs, yet is constantly striving for nation building more than the profit accumulation.

Bases of Structure of PAL

- **Superior Quality and Fair Price:** this is one of the objects of PAL to provide better quality in very affordable prices.
- **A holistic approach:** A holistic approach to improvement in the quality of life of all beings, world over, is the purpose behind PAL.
- **Fertilizers:** Getting rid the food PAL consume of the pollutants in the form of poisonous pesticides and chemical fertilizers that PAL farmers use, is a goal that we strive to achieve by providing people the eatables that are cultivated in organic and natural manures and pest repellents.

Product Positioning Strategy:

Patanjali has a two pronged positioning strategy

1. The brand slogan of Patanjali is “Prakriti ka Aashirwaad” which means Blessings of Nature. Patanjali is positioned as “Natural Products available at affordable prices”.
2. The 2nd positioning plank is that of “Swadeshi Make” (Made in India).

Product Positioning By the Value Discipline:

- This brand of Baba Ramdev has a universal appeal, is sharing and collaborative, and the customers range hail from all age groups and regions. This Brand is a result of consistent hard work and carefully and meticulously followed strategy.
- The service that is being provided by Baba Ramdev is well orchestrating with the desired service expectations.
- Patanjali Yogpeeth, a multi-million rupee venture, Ramdev's dream project, set as a rival to World Health Organization only on the basis of sound service that it boasts of providing.
- The entire value proposition can be said to be a hard work and the result of determination of this one man army.

According to Edelweiss Research, Patanjali Ayurved operates in three broad business segments –

- FMCG (cosmetics, shampoo, soaps, food supplements, digestives, etc)
- Home care (detergent cakes, powder, liquid, etc)
- Ayurvedic products (healthcare products for blood pressure, skin diseases, joint pain)

Basic Principles of product development at Patanjali Ayurveda Ltd.

- 1) Competitive pricing
- 2) Purity of raw materials used
- 3) Innovation.
- 4) Minimum Profit

The reason for Patanjali's success is the thrift in practices. "Our profit margins are miniscule because the main aim is NOT to make profit," says Ramdev." Profiting from patients is against the philosophy of Ayurveda, so we aim at minimum profit from our health products. PAL input costs are low because we source directly from farmers, avoiding middlemen.

"Most companies have administrative costs of around 10% of their revenue, but in our case it is just 2%."

The 3 principles vital for growth :

The organisation conducts its business on the following 3 main principles:

- (1) Providing world-class products to consumers (making sure the company does not add any preservatives or uses natural preservatives as far as possible).
- (2) Producing products in the most cost-effective manner so that the products are priced very reasonably.
- (3) Whatever profits the company earns are ploughed back into business so that it can invest the same for launch of new products, cost effectiveness or further capacity expansion.

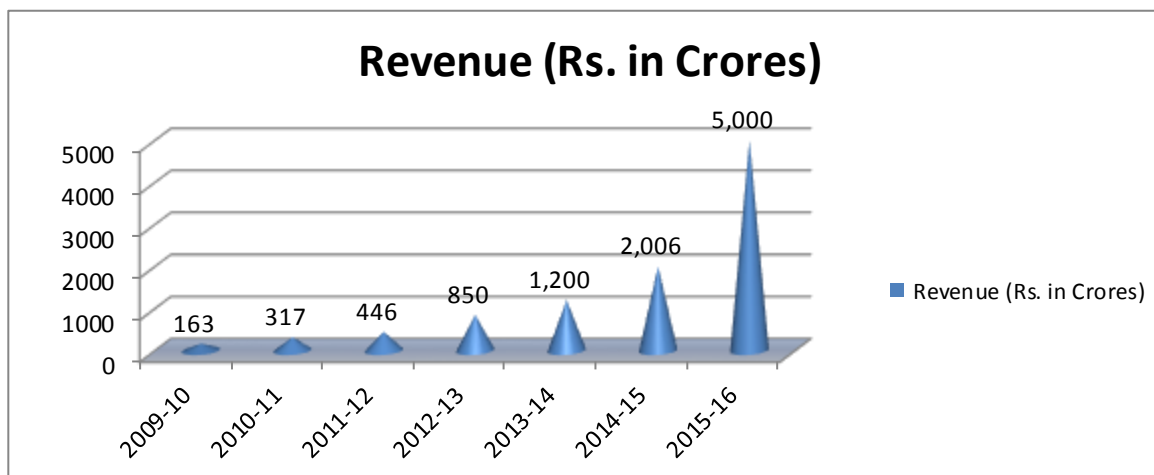
Patanjali Revenue Growth

Table No. 1

Year	Revenues (In crore Rs)
2009-10	163
2010-11	317
2011-12	446
2012-13	850
2013-14	1,200
2014-15	2,006
2015-16	5,000

(Source: IIFL Revenue)

Chart No. 1



(Source: IIFL Revenue)

Conclusion:

On the bases of the findings of the study it can be concluded that Patanjali products have gained significant place in the market and captured quite a huge lot of consumers within a short period of time. Patanjali Ayurvedic Kendra Private Limited has started in Pantnagar with 26 products of medicinal, food and cosmetic category.

Shortage of products on Patanjali Ayurvedic Kendra was the major limitation reported by the consumers. Consumers suggested that Patanjali should provide detail information about their products. The delivery system should be improved coupled with regular delivery of products. The need for more and clear advertisement along with promotional camp supported with medical advice to consumers was felt in order to improve consumer acceptability.

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