

MARKETING STRATEGIES OF PATANJALI AYURVED (FMCG) IN PRESENT MARKET SCENARIO

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Abstract:

India is one of the biggest developing business sector with an aggregate populace over one billion. After post-progression the nearness of MNC indicating extraordinary rivalry among organizations for their item. They are accompanying new items to pull in clients. In such a ferocious rivalry period organizations are accompanying separated and imaginative items to pick up piece of the overall industry. Around 73 percent of the populace lives in rustic territory while rest 28 percent in urban agglomerations. Since the real Indian populace lives in provincial zone so there is a need to supplant conventional urban system with imaginative country methodology. The present paper endeavor to talk about the part of creative promoting and marketing strategies in the market and it's effect on clients.

Multinational enterprises (MNEs) are increasing their presence in the lives of more and more consumers as companies seek to expand and promote their products to a still wider range of markets globally. As markets change and develop, so does the strategy used to enter them, and companies must be able to choose the correct way to enter markets in order to remain competitive.

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I. INTRODUCTION

FMCG items are those item which have short life expectancy which are utilized for brief time and are supplanted inside days, week, and month or inside a year. Since FMCG items are supplanted quickly so they are having high market request. They work at a lower edge.

A noteworthy bit of month to month spending plan distributed on these items. The business are continually stretching out and growing new item to improve buyer's involvement. Real players in FMCG enterprises are HUL, ITC, Nestle India, Dabur and P&G.

The major FMCG fragments are-close to home care, sustenance and drink, family care, tobacco and oral care. Nourishment fragment is the main portion in FMCG part. Taste and inclination of clients are changing quickly so the organizations are embracing creative process because of mechanical improvement to match current clients necessity so there is a gigantic open doors in the area. Additionally we try to gain an understanding of why any discrepancies exist and whether they can be explained by the nature of emerging markets as well as the characteristics of the FMCG industry.

II. OVERVIEW OF PATANJALI AYUURVED LIMITED

Overview

PatanjaliAyurved Limited is an Indian FMCG Company headquartered at Haridwar, Uttarakhand. The Company was established on 13th January, 2006 with Acharya Balkrishna as its majority state holder as well as managing Director with 92% stake, the rest being with an NRI family from UK.

Product Portfolio.

It is involved in manufacturing as well as distribution of products ranging from food, beverages to cosmetics and fabric care. Since its inception in 2006 the company has made rapid advances in expanding its reach across many segments and currently operates a plethora of brands. Its many products include.

Revenues

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

Production

Patanjali Food and Herbal Park at Haridwar is the main production facility operated by PatanjaliAyurved. The company plans to establish further units in India and in Nepal.

In 2016, the Patanjali Food and Herbal Park was given a full-time security cover of 35 armed Central Industrial Security Force (CISF) commandos. The park will be the eighth private institute in India to be guarded by CISF paramilitary forces. Baba Ramdev is himself a "Z" category protegee of central paramilitary forces

Products

PatanjaliAyurved produces products in the categories of personal care and food. The company manufactures 444 products including 45 types of cosmetic products and 30 types of food products. According to Patanjali, all the products manufactured by Patanjali are made from Ayurveda and natural components Patanjali has also launched beauty and baby products. PatanjaliAyurvedic manufacturing division has over 300 medicines for treating a range of ailments and body conditions, from common cold to chronic paralysis.

Patanjali launched instant noodles on 15 November 2015. Food Safety and Standards Authority of India slapped a notice on the company as neither Patanjali nor Aayush, which are the two

brand names under which Patanjali got licenses, have got any approval for manufacturing instant noodles.

In 2016, Patanjali has announced to enter the textile manufacturing centre. The company is reported to manufacture not only traditional clothes such as KurtaPayjama but also popular western clothes such as jeans.

On November 5, 2016, Patanjali announced that it will set up a new manufacturing plant Patanjali Herbal and Mega Food Park in Balipara, Assam by investing ₹1,200 crore (US\$180 million) with the manufacturing capacity of 1,000,000 tonnes (2.2×10^9 lb) of goods per year. The new plant will be the largest facility of Patanjali in India and will be operational by March 2017. Patanjali already has around 50 manufacturing units across.

Sales & Distribution

PatanjaliAyurved sells through nearly 4,700 retail outlets as of May 2016. Patanjali also sells its products online and is planning to open outlets at railway stations and airports. Patanjali Ayurveda has tied up with Pittie Group and Kishore Biyani's Future Group on 9 October 2015 As per the tie-up with Future Group, all the consumer products of Patanjali will be available for the direct sale in Future Group outlets. Patanjali Ayurveda products are also available in modern trade stores including Reliance retail, Hyper city and Star Bazaar apart from online channels PatanjaliAyurved, co-founded by yoga guru Ramdev, is targeting Rs 10,000-crore revenue in 2016-17, after sales grew 150 per cent in the previous financial year to Rs 5,000 crore.

PatanjaliAyurved has also started its FMCG expansion in form of dealership and distributorship channels across the country and expects wider growth in overseas distribution as well.

III. RESEARCH METHODOLOGY

Research Objectives

The principle target of this research is to: build up an unmistakable comprehension about the distinctive research guides related toward investigations of showcasing techniques and

investigate and break down the diverse philosophies actualized by the scientists in the field of advertising methodologies utilized by another FMCG Organization. The goals of this examination are as per the following:-

1. To study the increasing growth of profit of Patanjali products.
2. To study the factor responsible for growth.
3. To study the Marketing strategies that are unique to attract the people to buy Patanjali Product.

Research Methods

This paper depends on secondary data where sources have been utilized to gather data about „Patanjali“ brands. Diaries, articles, research reports and government records were explored to get the knowledge of the past intercessions. Web references have additionally been accomplished for accomplishing the reason and goals of the review. Data has been sourced from different books, exchange diaries, government distributions and web. What's more, research is expressive in nature.

Limitation of the Study

As the research have done through the secondary data where research, data, realities, data have as of now gave either on books, reports, newspapers, sites and so forth. Raw numbers are not straightforwardly accumulated from the organization so that data or data may change from the genuine realities. What's more, time compel has disallowed from diving deep into the subject because of time imperatives study is confined to constrained spots/urban communities as it were

Marketing strategies by PatanjaliAyurved Ltd

- Industry sources indicate that Patanjali's market share is likely to be around 5% by end 2015. This is a big success in this category, which had just three players until now. (Credit Suisse).
- Patanjali likely to more than double its revenue to Rs 5,000 crore in FY16 from Rs 2000 crore in FY15. (Reliance securities) Sales and Distribution
- PatanjaliAyurved sells through nearly 4000 retail outlets as of 2015. Patanjali also sells its products online and is planning to open outlets at railway stations and airports. Patanjali

Ayurveda has tied up with Pittie Group and Kishore Biyani's Future Group on 9 October 2015. As per the tie-up with Future Group, all the consumer products of Patanjali will be available for the direct sale in Future Group outlets.

- Patanjali Ayurveda products are also available in modern trade stores including Reliance retail, hyper city and Star Bazaar apart from online channels. Defense organization DRDO entered into licensing agreements with Patanjali Ayurveda for transfer of technology.

IV. THE FACTORS RESPONSIBLE FOR THE GROWTH AND THE DEMANT INCLINATION OF PATANJALI PRODUCTS

Patanjali outperformed in merely half of a decade and became a Brand, demand for the Patanjali products inclined enormously. The success of brand Patanjali happened due to these factors – Opportunist Strategy (Struck the hammer when the iron was red hot) – In a recent case we seen that Patanjali had skimmed the Opportunity and launched their new product Patanjali Atta Noodles when the biggest competitor of leading brand Maggie, was not in the game. It is a lesson to keep your hammer ready for the favorable conditions.

Built a strong fan base and the followers trust – Before Patanjali came into the picture and before launching the full-fledged marketing campaign, a large number of people were trusted him and following Baba Ramdev and the idea that yoga was solutions to many problems.

Yoga Guru adopted “Telling is the new selling!” concept. Instead of focus on selling Patanjali products ;he started working on building relations with them. “People do not buy goods and service. They buy relations, stories, and magic.” – Seth Godin. [3]

Brand should be visible always – From 1993 Himalayan caves of the Hindu pilgrim town of Gangotri to 2011 „anti corruptionandolan“ in support of Jan Lokpal Bill Yoga guru have taken out all the buzz and able to create a image visibility for each and every age, gender, cast, religion over the world.

Smart pricing – Patanjali products are cheaper than its peers in the same category. As per the Acharya Balkrishna the input costs is too low because they directly source raw material from the farmers and middlemen are not entertained, and the brand have its own face to promoting brand, so cost for the brand ambassador is negligible as well salaries are also modest. Since the production and promotion cost is less than the other companies are spending, it directly lessens the product cost.

But there are some categories where people may not buy his suggestions and may not switch to Patanjali, if people don't find a satisfactory reason. For such categories Yoga guru has put the price card but not all Patanjali products are cheap but most have 10-20% lesser cost than its rival products. [4]

Awareness strategy through Social Media – Now a days the digital world like Facebook, Twitter, Instagram, blogs and web pages are more effective and prompt to promote and advertise the product. The same product awareness strategy has been adopted by the brand Patanjali to spread the awareness about the Patanjali products to educate and to engage people through the social media over the world. Even Yogaguru has more than 7.4 million likes on Facebook and 623 thousands of followers on twitter as of November 2016. [5] Where he interacts with the followers on Twitter and Facebook by organizing live chats and also informed them about new camps, events, product announcement.

Retail outlets Trust and Faith – Previously, we used to get all the products only in Patanjali Ayurvedic stores located in rare cities, now you can get them from every town today even though you can buy Patanjali products in Big Bazaar as well. If you ever visit to a Patanjali retail outlet, you would not only find herbal medicines but also licensed Ayurvedic Doctor for a free and expertise consultation. This trust and faith are the major reasons why people feel connected to Patanjali.

Variety of products – The major step towards success is its variety of products in each and every segment, brand Patanjali is not only focusing on medicinal products but also focusing on herbal products of personal care, grocery, nutrition and supplements, home care etc.

V. FUTURE PROSPECTUS OF PATANJALI

Rural Push:

Rural market accounts for over 70% of India's 1.21 billion population but contributes only 9% in the FMCG Industry. Thus increasing distribution and support infrastructure in rural areas is a key area where it needs to focus.

Increment in Research and Development:

FMCG brands would need to concentrate on R&D and advancement as a methods for development. In this period of extraordinary rivalry, organizations that keep on doing great would be the ones that have a culture that elevates utilizing client bits of knowledge to make either the up and coming era of items or now and again, new item classes. Along these lines Patanjali would need to contribute a great deal of capital and exertion into huge innovative work of more up to date item classifications.

Focus on Exports:

Patanjali has to a great extent centered to take into account the residential market. Trades in this manner stay to be a low division of the aggregate deals. It is in this way basic to concentrate on sending out items utilizing Indian operations as sourcing center for the same.

VI. CONCLUSION

There is doubtlessly Patanjali is a problematic drive in the FMCG space and is a solid risk for the occupants, yet Patanjali has its difficulties. A political relationship with any political gathering is a twofold edged sword as a change in political administration implies terrible news. For another, Patanjali does not have a multitude of B-school directors and advertisers, at HUL (albeit one could contend that might be leeway). An indication of that hole was noticeable when, after the dispatch of the atta noodle, the Food Safety and Standards Authority of India said that Patanjali did not have any significant bearing for endorsements. Ramdev figures all endorsements are set up and it might be a scheme to censure him. In the event that he is not kidding, and it appears he is, it's most likely time for Ramdev to get some administration heave in his positions.

The push for high development accompanies challenges. Sourcing of crude material, for example, will be basic to adapt to the volumes. Patanjali has effectively confronted that with gooseberries. To achieve online customers quicker (Grofers and Big Basket presently stock Patanjali items), it must have producing units and distribution centers the nation over. Patanjali's item portfolio is awkward. That's a test that Mudra and McKann Erickson, who have been restricted into handle promoting for Patanjali, should overcome. From a zero-publicizing system, Patanjali has done a U-turn, rising as the third greatest TV publicist in the nation. Additionally, as Naresh Gupta, Managing Partner, Bang in the Middle, a promoting office, calls attention to, for the brand to move into the major class, it needs to speak to the individuals who don't become tied up with Baba's individual conviction framework. He says, "Today Ramdev is additionally a political figure and to union trade with governmental issues has not been simple or fruitful for anybody." But rather whether anybody can break Patanjali's record is yet to be seen. On the off chance that Patanjali is to be contrasted and any player whatsoever, it could be the internet business commercial center Unicorn Flipkart, which began a year after Patanjali, was joined, and hit \$1 billion in gross stock esteem (GMV) two years prior.

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