

Compare the Effectiveness of Ayurveda Brand with Global Brand in Market

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ABSTRACT

India is a significant market for the Fast-Moving Consumer Goods (FMCG) businesses because of its vast population. There are numerous large and small companies currently operating and having considerable impact on the industry. The current paper has been prepared to evaluate the development of Ayurveda brand so quickly in the industry, it is obvious that this trip of Ayurveda was not an easy job as Ayurveda being very much new. But the method of positioning, branding and eventually strategy to build a confidence and trust in customer make a difference and Ayurveda's market share was so fast that it has over take many goods of renowned brand in only 2 to 3 years and emerge as a market leader. The marketing strategy of Swami Ramdev was executed so beautifully in market and his major formula was "swadeshi" that has created a magic and attract a good number of consumers along with a good number of raw material supplier's i.e., Indian farmer. There is a need to promote the indigenous grown and produced goods.

Keywords

Customer, Consumer, Foods, Ayurveda, Swadeshi.

1. INTRODUCTION

The fast moving consumer goods (FMCG) are important element of the human existence and no one individual can escape the usage of these products. The list of these things are extremely lengthy. In the context of Indian market, there are many large and small brand are available and some brand are globally known. India is large and populous nation with second leading population in globe. Therefore, India is usually regarded as a major market for FMCG Company[1]. Around more than 150 FMCG businesses are doing their activity in India and out of them some 50 recognized company at India are mentioned. These firms are not new and operating their operations since more than a decade. The medical market is moving towards Ayurveda and sales of Ayurveda medicines are rising year by year. The part of the credit of rising sales is given to the pollution level since it is believed that Ayurveda offers a treatment for poor immunity. The figure 1 has been shown the fundamental advantage of Ayurveda because of which more people are attracted towards Ayurveda and its goods.

The Ayurveda is ancient medicinal treatment and credit has been given to India for its origin and dissemination throughout the globe. The Ayurveda is also regarded as one of the oldest medical class and it is widely known to other nations as well. There are various medical treatments are accessible in the globe like homeopathic, allopathic, Unani etc., the credit of the Ayurveda has been given to ancient Indian literature and scripts, where a lot of technique had been taught about the treatment of human and other. The basis of Ayurveda is naturally accessible

material like root, leaves, jadi-buti etc. One other essential component of the Ayurveda is the Yoga and Pranayama. The one of the benefit of Ayurveda is that it heals the body from inside and having no side effect of treatment as all the natural ingredients have used during the treatment of a person through Ayurveda, moreover the cost of the treatment is also patient friendly as it is not too costly as allopathy.

India is a country of various culture, thus eating habit is changing at every 100 kilometer due of their culture and Indian people having a distinct taste at every location and because of this reason. There is a broad market to launch different goods and this may beneficial to many businesses to start at modest level. The major product in FMCG include cosmetic goods, bread and biscuit, soap and detergent, oral hygiene product as well as certain health product like Chyawanprash, juice of different leafs and roots etc. The one more element in FMCG market that performed effectively is the purity and naturalist of the product as it is widely known truth that excessive focus is being given over the organic product and organic product must be natural without any combination of any artificial product[2].

The Indian market is vast and there is huge scope of everyone as customers are having broad thinking towards the product and Indian don't deny any new product to test once, on the other hand, some products are still on the top list of the customer like tooth paste of Colgate, chyawanprash of Dabur etc. And these goods have a strong grip on their client. The Indian market is equally grabbed by the international businesses and local enterprises but a dramatic scenario had produced with the entrance of the Ayurveda in the market.

Ayurveda is established by yoga guru Swami Ramdev with the name of Ayurved Limited and establishment of this business was in 2006 under the companies act, 1956. There were plenty of competition businesses in the industry, however Ayurveda effectively established a place in difficult market of FMCG[3]. The growth of the Ayurvedawas so rapid that share of many other companies fall at stock exchange.

Table 1: List of the Top 10 FMCG Companies in India

Sl. No.	Company's name
1	ITC
2	Hindustan unilever (HUL)
3	Marico
4	Patanjali Ayurved
5	Nestle
6	Britannia
7	Dabur
8	Godrej Group
9	GlaxosmithKline (GSK)
10	Colgate- Palmolive

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The reasons of Ayurveda brand that have built an image in consumers was its policy to promise for pure and best herbal product to its client and second one is the Swami Ramdev himself as Swami Ramdev is functioning as a brand ambassador of Ayurveda goods (Table. 2). Close connection of Swami Ramdev has produced a magic as he was already renowned as a Yoga Guru in India and worldwide. In Indian as well as in commercial environment, trust in addition to religion make a difference in selling any product, and sometimes science and technology are also ignored in contrast to trust. The punch line of Ayurveda product is "PrakritikaAshirwad" and this creates a difference in comparison to other goods. Figure 1 is showing a selling figure of the main FMCG businesses together with Ayurveda and this Figure 1 portrays that Ayurveda has built a magical market for itself within a period of 4 to 5 years, even it accomplished the growth rate more than 100% in certain years [4].

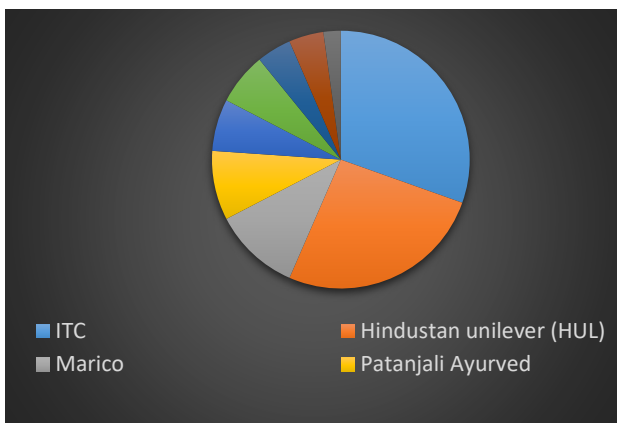


Figure 1: Market Capture by Top 10 FMCG Companies in India [5]

The claim of Ayurveda goods that it derives from indigenous produced crops and all the harvesting of product has been done by utilizing organic techniques. This would enhance the effectiveness of the Ayurveda goods and also generate an unparalleled treat amongst the consumers. The positioning marketing with "Swadeshi" generated a large market in India in contrast to other brands. Many clients who are using some other product previously convert to Ayurveda goods. For example, in the case of the toothpaste industry, Ayurveda has left behind previously established Colgate brand. The selling of "Dantkanti" was raised at an unprecedented pace. The second magical term employed by the Ayurveda brand was "Satvic", since this word has been used extensively in food items like biscuits, honey, and Chyawanprash etc. With the present pace, it has been observed by business experts that Ayurveda would surpass Nestle and other brands easily [6].

Table 2: Revenue Generated and Growth Rate of Ayurveda

Year	Revenue in Cr	Growth (%)
2009-10	164	--
2010-11	328	95
2011-12	456	42
2012-13	863	92
2013-14	1216	41
2014-15	2112	68
2015-16	5143	152
2016-17	10,652	115

Ayurveda exemplifies completely natural products which are similar with Ayurveda as well as Indian principles in addition

to contain a broad variety of goods in abundant sought for classes like food, makeups, plus Ayurveda therapeutic arrangements. This natural brand could be aptly called as a leader in FMCG set-up which could be credited to the vision that positions as their devotion, scientific method, astute preparation, and practicality are all ready to help people by transporting benedictions of environment from side to side. Yoga as well as Ayurveda in lives (Figure 2). Conferring to Forbes, Ayurveda portrayed as India's businesses who swept over marketplaces with a storm, posing a real danger to existing market frontrunners like Colgate, Unilever, Nestle, as well as GlaxoSmithKline [7].

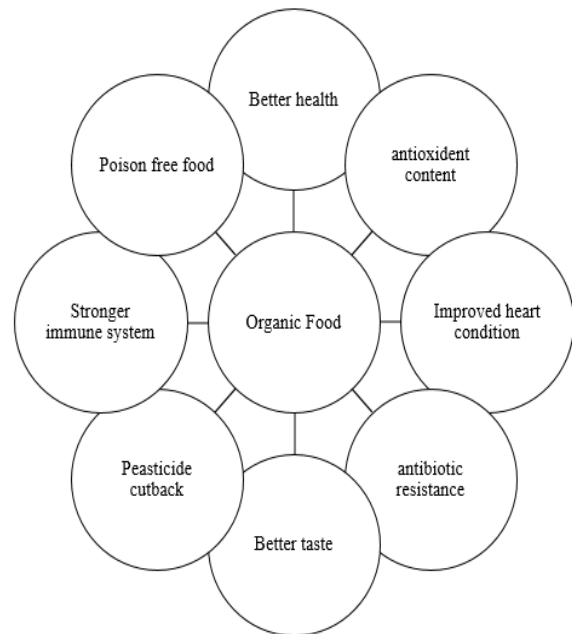


Figure 2: Health Benefit Of Organic Food in Comparison to Normal Food [8]

Ayurveda has finished a huge arrival in the FMCG sector plus numerous appearances of food items apart with potions, healthcare as well as medications, individual maintenance products, housekeeping agents. Designed for FMCG Corporation, marketing as well as advances traditionally account for 14–22 percent of earnings expenditure, however this will significantly take care of by Swami Ramdev's unique home design. During starting stage, Ayurveda adopted a single word-of-mouth promoting approach, and brand loyalty of its customers proven beneficial for business which eventually aided to safeguard on advertising in addition to other charges as well [9]. Figure 3 has been demonstrating the effect of organic food above regular diet.

The figure 4 has been displaying some of the qualities of the Ayurveda goods that have been appealing the people as everyone desires that food or medication is being eaten must be clean and impact on health without presenting any negative effect. The effect of these qualities have been demonstrated in the final report of the sales and revenue in a year. The Figure 5 and table 3 are showing annual growth of brand Ayurveda in terms of revenue collected and demonstrating its brand effect on people as the sales is showing a pattern which varies by about 100% every year. The quality of product and its sustainability relies upon the company goal to offer a green and nutritious food and medication to its consumers.

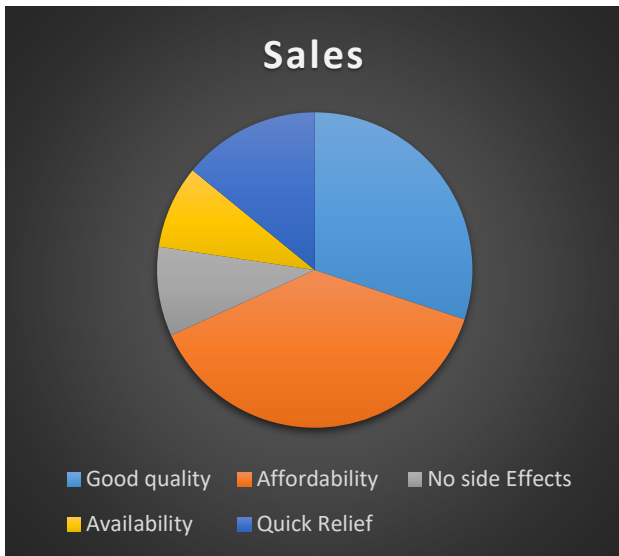


Figure 3: Quality of Ayurveda Product That Attract the Consumer And Increased Demand

The development of Ayurveda to record a revenue of extra than 28.7 million USD, that is about a 113 % advance from previous value, throughout 2014–2015 is beyond potentials [10]. The commercial perfect of brand has carried in a seismic alteration in FMCG sector besides putting out income marks five times to last informed trades. These development tendencies deserve to be applauded for breaking in to highly defended strongholds of FMCG that could be exclusively attributed to soaring product copy of Swami Ramdev. He incorporated every accessible opportunity to involve customers who will be more anxious with vigorous living and in process constructed a territory comparable to about of prominent FMCG businesses in India that carried Ayurveda near to positions of FMCG corporations like Emami in addition to Marico.

2. DISCUSSION

India is a major market for the Fast-Moving Consumer Goods (FMCG) companies because of its large population. There are many big and small businesses presently functioning and having significant influence on the sector. The present paper has been produced to assess the growth of Ayurveda brand so rapidly in the market, it is clear that this journey of Ayurveda was not an easy task as Ayurveda being very much new. But the technique of positioning, branding and ultimately strategy to create a confidence and trust in customer make a difference and Ayurveda's market share was so quick that it has over take many products of famous brand in just 2 to 3 years and emerge as a market leader. The marketing strategy of Swami Ramdev was done so wonderfully in market and his main formula was "swadeshi" that has produced a magic and attract a large number of customers along with a good number of raw material supplier's i.e., Indian farmer. There is a need to promote the indigenous grown and manufactured products. Swami Ramdev noticed Indian customers' disposition to price compassion and desire for culturally based products. To offer to that, he manufactured a single model for Ayurveda which included distinctive marking and reasonable price features that constituted its overall commercial strategy. Ayurveda division of Ayurveda is star player with products like Desi Ghee, DantKanti toothpaste, Kesh Kanti shampoo, herbal bath soap in addition to Ayurveda Honey being star performers for brand. Ayurveda ghee is biggest marketing produce of

business. Ayurveda claims for its shampoo has a 20 percent marketplace share, toothpaste 21 %, face wash 23 percent, dish wash 37 percent, and honey 47 percent.

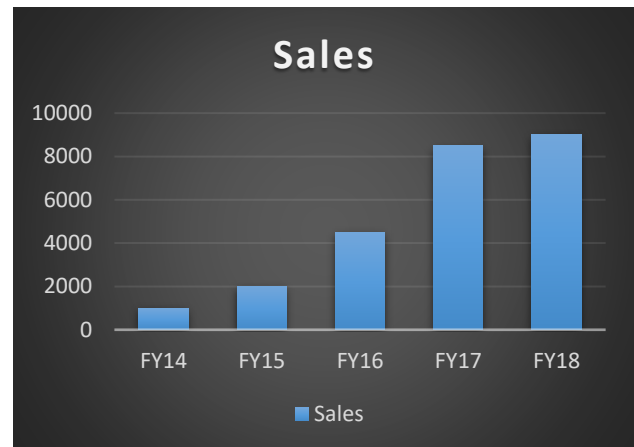


Figure 4: The Sales Data Show Exponential Growth of Ayurveda Product

The snap of marketing combo of Ayurveda appears to be real unique, moreover it could be comprehensive as potential of conveying a creation with usage of honest besides natural components in sufficient amounts. The outcome results in a create experience which persuades customer of authenticity moreover goodness of goods representing that potential is transferred. The value is 17–33 percent lower than rival goods. The use of substitute medium (online), mouth publicity, Swami Ramdev personally substitute as a public associative officer, yoga measures, and real time digital advertising, and use of many distribution stations aided to form brand. The production range of PAL includes nutrition besides supplements, groceries in addition to basics, prepared meals, beverages, personal attention, healthcare, home connected products etc.

3. CONCLUSION

The review of the Ayurveda products has been done as per the feedback received by the market and the customers and it is found that being a swadeshi product, Ayurveda's products quality is enhanced than the other available products in the market and naturally grown raw material is indeed a mean of attraction to the customers and also responsible for shifting of the customer from other brand to Ayurveda's product. The most important thing is the association of the Swami Ramdev which brings a mean of trust and faith in the product as Swami Ramdev always advocates for a pure, healthy and natural product that will bring a happiness on the face of Indian farmers as all the raw material are taking from the Indian farmers and this is the way to avoid the flow of Indian currency to outside world and this is bringing prosperity to farmers and good health to its customers.

The Ayurveda has revitalized the Ayurveda in not only India but globe too. The peoples from outside of India are depend on its goods and travel to India to feel and experienced power of Ayurveda along with Yoga and Pranayama. The credit goes to Swami Ramdev, who created a million dollar business by utilizing old Indian Art of Ayurveda.

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