

## **Earning Consumer Satisfaction – A Sustainable Strategy (Ref: Patanjali Ayurveda Limited)**

**Dr. Pooja Jain,**

Professor,  
Jagan Institute of Management Studies,  
Rohini, Delhi, India.

**Ms. Sarvesh Yadav,**

Research Scholar,  
Jagan Institute of Management Studies,  
Rohini, Delhi, India.

### **ABSTRACT**

*Patanjali Ayurveda limited is an Indian FMCG company which has emerged as one of the major competitors in the FMCG sector. Today consumers have become more perturbed about their health as a result of which they are more inclined towards a quality life. That is why the consumers of today consume those products that are organic in nature which provide them a sound physical and mental health. They buy the products of those brand which provide quality benefits especially when it comes to the brand of edibles. The choice and usage of a particular FMCG product over time is affected by the consumption of those products which provide health benefits as well as maximum satisfaction. The vast use of Ayurveda products is gaining popularity because of its wonderful healing and therapeutic properties. This study aims at identifying consumer satisfaction towards the whole range of present and expected products from Patanjali Ayurveda Ltd. To achieve this objective a questionnaire is developed using a Likert scale and data was analyzed in SPSS using appropriate statistical tools. The study findings showed that the majority of consumers surveyed are satisfied with the Patanjali products with respect to availability, variety and informative products. The satisfaction of consumers is also influenced by the other factors like price, quality, health benefits, and originality. The popularity of Baba Ram Dev is also one of the reason for high brand recall. The study revealed that the company should focus upon creating certain product modifications to acquire a large satisfied consumer base. This study concluded that the majority of consumers surveyed would like to recommend Patanjali products in their social circle through positive word-of-mouth. This study will create useful insights for the company to ponder and design future strategies to gain competitive advantage.*

**Keywords:** Patanjali, FMCG sector, consumer satisfaction, organic products.

### **INTRODUCTION:**

Patanjali Ayurveda Limited is an Indian consumer goods company founded by Baba Ramdev along with Acharya Balkrishna in January 2006. This company was established with an objective of establishing the science of Ayurveda with the right blend of latest technology, ancient wisdom and the real power of Ayurveda. This company is flourishing as it is providing a wide range of quality and modern wholesome products to satisfy its consumers. The main aim of this company is to provide healthy and organic products to its consumers and bring awareness among Indian consumers towards Swadeshi products. The Patanjali Ayurveda brand was founded with a mission to keep Yoga and Ayurveda at the forefront in every corner of the world. The association of Yoga Guru- Baba Ramdev with Patanjali brand is also responsible for its success. According to Patanjali, the whole line of products manufactured by it are prepared from herbal and natural ingredients.

Patanjali has shown a remarkable success in the last 10 years with revenue figures touching upto 12000 crores INR (US \$ 1.7 billion) in 2017-2018 (source: Wikipedia). According to an article published in Business Today, the distinguishing reasons behind its success story includes media attention to Baba Ramdev, smart pricing

policies, availability of a wide range of products at a number of retail outlets, swadeshi factor and last but not the least effective advertising campaigns. Because of these reasons, its revenue began to multiply manifold from 2011 and the company has gained an eminent position in the FMCG sector within a short span of time.

Patanjali has identified the consumers' need for organic and wholesome products in modern times to satisfy its consumers along with using The Yoga Guru-Baba Ramdev's image for authentication and reliability. Patanjali Ayurveda Ltd. has emerged as a bright star on the Indian FMCG horizon through its products of amazing therapeutic properties. The company has generated huge waves across the country by posing a tough competition to the entrenched multinational corporations. The "Swadeshi Factor" is also playing a major role to satisfy and persuade consumers for buying a whole assortment of present and expected products of this brand.

Today consumers have become more perturbed about their health as a result of which they consume those products that provide maximum satisfaction without having any threat of side-effects on their health. Consumption is identified as an intellectual process by which consumers like to consume those products which can satisfy their mental and physical well-being. This is the reason they are more inclined to consume organic and herbal products. As per TRA's Brand Trust Report 2018, Patanjali has beaten around 1000 of India's top FMCG companies to emerge as the most trusted brand in the FMCG sector. Because of this trust factor, Patanjali is capturing market at an exceptionally swift rate by satisfying its large consumer base.

### **LITERATURE REVIEW:**

Pednekar (2015) conducted a study on customer satisfaction with its special reference to fast moving consumer goods. He found that customer satisfaction is very crucial for the company to increase its sales and to build the value of the brand in the minds of the consumers. Author concluded that most of the consumers surveyed purchase products on the basis of factors like price, quality, brand value and status, availability, packaging, authenticity, reliability and self-esteem.

Dutta (2015) performed a study in Siliguri city of North Bengal to know the position of Patanjali in ayurvedic and FMCG sector. Author found that Patanjali, within a very short span of time used a different marketing aspect which is generally neglected by many companies to secure a third position after Dabur and Himalaya in the city of Siliguri. It was observed that quality, price, ease of availability, promotional measures were some of the factors which were considered out of which product quality and promotional measures played a significant role in shaping the buying behavior towards ayurvedic products.

Gupta (2016) conducted a case study on Patanjali Ayurveda Ltd. and found that Patanjali used wild and innovative marketing tactics to get a competitive edge over other market giants like Proactor & Gamble, Unilever, Dabur and Marico. Patanjali smartly used disruptive marketing technique through brand differentiation to create a unique place in this hostile market sphere.

Gupta & Garg(2016) in their study asserted that a firm must study ongoing trends and latest scenario of competition in the market arena so that they can get to know about the mix of marketing strategies used by companies which are dealing in ayurvedic and organic products. It also concluded that the consumers of today recognize the importance of herbal products so that they can build a positive attitude towards Patanjali products. A report in The Economic Times (PTI, 2016) depicted that Patanjali Ayurveda Ltd. has crossed the turnover of INR 2000 crores in the year 2014-15 as compared to INR 1200 crores turnover during the fiscal year 2013-14.

Rakshit (2016) mentioned the Neilson report from a news story in Business Standard, "Anticipate with Analytics: The Future of FMCG" which stated that all the major giants in FMCG sector in India is facing a problem of slow rate of growth. On the contrary, the above report marvelled at the remarkable success of Patanjali and tried to know the factors which contributes to its success within a very short span of time in an era when the huge FMCG giants are facing slowdown in their growth rate.

Chandiraleka & Hamasalakshmi (2016) in their study concluded that all the customers were aware of the Patanjali ayurvedic and herbal products and most of the consumers were satisfied with the quality and price of the product. They also found that ayurvedic products were reasonably cost effective and well accepted by customers. Patanjali provides a whole range of herbal products in its available stores to satisfy its consumers as these products do not have side-effects on the health of consumers.

Sulaiman (2017) conducted a study in Krishnagiri to find the satisfaction level of customers towards Patanjali Ayurveda Ltd. products and to identify the brand loyalty among the customers. The above study concluded that there were many significant factors which contributed in the buying decision of the product. Patanjali is enjoying its eminent position in FMCG market by connecting spirituality element with its products. In this study, the findings reflected that Patanjali must fulfill its assertions set by the company in order to retain and satisfy its consumers with an eagle's eye that the other MNCs would not take away the benefits of marketing

their products by connecting an element of spirituality to their products.

Kumar & Ahuja (2017) performed a study in Rohtak district of Haryana to know about the factors affecting consumer behavior and to get a knowledge of the satisfaction level of consumers regarding Patanjali products. The above study revealed that the satisfaction level of consumers is independent of demographic variables like marital status, age, gender, income and occupation. There is no relationship between demographics and satisfaction level of consumers. This study also concluded that most of the consumers surveyed consume Patanjali products because of two main reasons i.e. swadeshi factor and reasonable price. But a factor which limits the Patanjali products is its poor availability meant they are not widely available in the market. Because of its narrow availability in the market, people are facing problems.

Sreejth & Suresh (2017) performed an exploratory analysis of association among experiential branding, level of satisfaction, fidelity and brand personality in the FMCG sector. They found that consumption is viewed as an intellectual process and consumers like to consume those products which triggers a curiosity in their minds. The results indicated that brand experience is a more powerful indicator to show the trending behavior regarding the consumption of Patanjali products than brand personality and loyalty and thus leading to better consumer satisfaction.

Chowdhary & Marwa (2018) conducted an exploratory study on customer satisfaction towards selected food products with special reference to Patanjali Ayurveda Ltd. and ITC Ltd. They have mentioned that Indian FMCG sector has shown an annual growth of around 11% over the last decade. The results of the above study depicted that the customers are loyal and frequent buyers of the selected food products of both brands. This study revealed that advertisements creates a positive impression on the minds of the customers and most of the customers surveyed are well satisfied with products of the both brands. It is revealed from the study that more than half of the respondents were satisfied from the Patanjali food products than ITC food products. They think that Patanjali can triumph over all its competitors.

Divya Priya & Maharajothi Priya (2018) conducted a study to know about the awareness, preference and satisfaction towards Patanjali products. They found that consumers were influenced through salespersons, advertisements and organic nature of the products. Also findings show that consumers were highly satisfied with the Patanjali products with respect to quality, usage features of the product and most important its ayurvedic ingredients.

#### **OBJECTIVES OF THE STUDY:**

- To understand & analyze the level of consumer satisfaction from Patanjali products.
- To find whether consumers would recommend Patanjali products to their social circle.

#### **HYPOTHESIS:**

**H01:** There is no satisfaction which consumers derive from Patanjali products.

**H1:** There is a satisfaction to consumers from Patanjali products.

**H02:** The consumers would not recommend Patanjali products.

**H2:** The consumers would recommend Patanjali products.

#### **RESEARCH METHODOLOGY:**

Research methodology allows the researcher to critically evaluate the validity and reliability of the study. The present study is based on primary data and for this purpose a questionnaire was developed using a Likert scale. Consumer Satisfaction was developed as a construct and responses are collected from a sample of 100 consumers of Patanjali products. The questionnaire was developed in a manner that would collect information regarding the level of consumer satisfaction towards a set of independent variables i.e. price, quality, health benefits, availability, informative products, originality, variety and brand image of Baba Ramdev. The collected data was analyzed in Software Package for Social Sciences (SPSS) using appropriate statistical tools to fulfill the research objectives and test the hypothesis of the study. Besides it, the data was presented through graphical means like bar graphs, pie charts and histograms.

#### **DATA ANALYSIS & INTERPRETATION:**

##### **Reliability Testing:**

In order to examine the questionnaire for proposed study, Pilot testing was done to check the reliability of questionnaire and the value of Cronbach's alpha was .778 which reflects that items of the questionnaire are reliable.

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
.778	.780	12

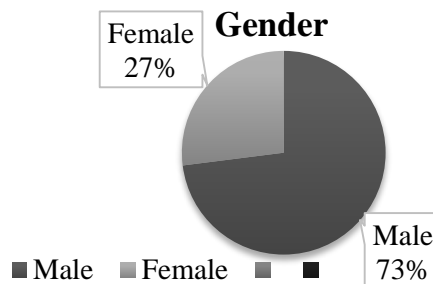
**Gender:**

For this study responses are collected from the sample size of 100 respondents with the help of random sampling technique. Results are following:

**Table No: 1**

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	73	73.0	73.0	73.0
	Female	27	27.0	27.0	100.0
	<b>Total</b>	<b>100</b>	<b>100.0</b>	<b>100.0</b>	

**Figure No: 1**



**Interpretation:**

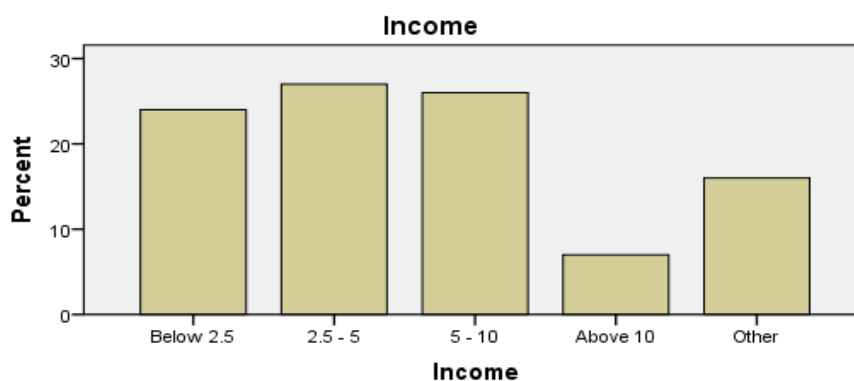
Figure No.1 states that 73% of respondents are male & 27% are female respondents. So, the results of the study are mainly influenced by the male respondents.

**Income:**

**Table No: 2**

Income					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 2.5	24	24.0	24.0	24.0
	2.5 – 5	27	27.0	27.0	51.0
	5 – 10	26	26.0	26.0	77.0
	Above 10	7	7.0	7.0	84.0
	Other	16	16.0	16.0	100.0
	<b>Total</b>	<b>100</b>	<b>100.0</b>	<b>100.0</b>	

**Fig No: 2**



**Interpretation:**

Out of 100 respondents 24 % are from the income group of below 2.5 lakh, 27% are from the income group of 2.5 – 5 lakh, 26 % from the group of 5 – 10 lakh, 7% from the group of above 10 lakh & 16% from the group of others. Therefore major respondents lies between the age group of 2.5 – 5 lakh. So results are majorly influenced by that group.

**HYPOTHESIS TESTING:**

**H01:** The consumers are not satisfied from the Patanjali products.

**H1:** The consumers are satisfied from the Patanjali products.

**Analysis:**

For testing the above hypothesis one-sample T test tool has applied on responses of respondents & the results are following:

**Table No: 3**

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
A3.1 (price)	100	2.12	1.274	.127
A3.3 (health benefit)	100	1.75	1.058	.106
A3.4 (availability)	100	2.55	1.344	.134
A3.5 (informative)	100	2.34	1.249	.125
A3.6 (originality)	100	2.18	1.266	.127
A3.7 (variety)	100	2.51	1.396	.140
A3.8 (brand Image)	100	2.27	1.427	.143
A3.2 (quality)	100	2.14	1.247	.125

**Table No: 4**

One-Sample Test						
	Test Value = 1					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
A3.1(price)	8.795	99	.000	1.120	.87	1.37
A3.3 (health benefit)	7.091	99	.000	.750	.54	.96
A3.4 (availability)	11.535	99	.000	1.550	1.28	1.82
A3.5 (informative)	10.729	99	.000	1.340	1.09	1.59
A3.6 (originality)	9.318	99	.000	1.180	.93	1.43
A3.7 (variety)	10.815	99	.000	1.510	1.23	1.79
A3.8 (brand Image)	8.897	99	.000	1.270	.99	1.55
A3.2(quality)	9.139	99	.000	1.140	.89	1.39

**Interpretation:**

The p value (=0.000) obtained from the table no. 4 is less than the value of alpha 0.05, so the null hypothesis is rejected and the alternate hypothesis is accepted. It states that the consumers are satisfied from the Patanjali products. They are more satisfied from the availability of the products & they are less satisfied from the health benefits attribute of the Patanjali products.

**H02:** The consumers would not recommend Patanjali products.

**H2:** The consumers would recommend Patanjali products.

One-sample T test has been applied on collected responses.

**Table no: 5**

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
A8	100	3.08	1.323	.132

**Table no: 6**

One-Sample Test						
Test Value = 1						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
A8	15.718	99	.000	2.080	1.82	2.34

**Interpretation:**

The p value (=0.000) obtained from the table no. 6 is less than the value of alpha 0.05, so the null hypothesis is rejected and the alternate hypothesis is accepted. It was found that respondents would like to recommend the Patanjali products in their social circle & friends.

**Table no: 7**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Product Information	23	21.9	23.0	23.0
	Product Packaging	20	19.0	20.0	43.0
	Product performance	37	35.2	37.0	80.0
	Others	20	19.0	20.0	100.0
	Total	100	95.2	100.0	
Missing	System	5	4.8		
<b>Total</b>		<b>105</b>	<b>100.0</b>		

**Interpretation:**

For finding that which attribute should be improved of Patanjali product, an analysis has been done. & the results were presented in table no 7. From the table no.7 it is analyzed that most of the respondents (35%) want product performance should be improved of Patanjali products.

**CONCLUSION:**

The study concludes that consumers are satisfied from the Patanjali products. They are more satisfied from the Patanjali products in terms of its availability followed by variety, informative products, brand image of Baba Ramdev, originality, quality & price. But less satisfaction was observed in terms of health benefits derived from the Patanjali products. This study also recommends that performance should be improved of the Patanjali products and majority of the respondents would like to recommend the Patanjali products in their social circle.

**IMPLICATIONS OF THE STUDY:**

This study will help the academicians in doing the further study of consumer satisfaction regarding Patanjali Ayurveda Ltd. The marketers will get to know the level of consumer satisfaction from the Patanjali products on the basis of some factors in the market and also get to know about the attributes which need improvement to create a satisfied consumer base.

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