

A Study of the Marketing Approaches Employed by Ayurvedic Companies, Focusing on Patanjali and Dabur

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Abstract- Approximately 65% of the population lives in rural regions, whereas 35% is located in urban areas. Since most of the population lives in rural areas of India, so both the companies have put their efforts and innovative approaches in capturing the rural market. The closeness of Multinational Companies (MNCs) has created remarkable competition among businesses within the nation. Their substantial presence results in a continual stream of new products designed to entice consumers. In this highly competitive environment, companies strive for product differentiation and a competitive advantage in order to target larger market segments consistently. Baba Ramdev and Dr. SK Berman is the key driving force behind Patanjali Ayurved and Dabur. The business growth of Patanjali and Dabur is also shown through this paper. It includes a SWOT analysis of Patanjali and Dabur. Dabur, one of India's largest FMCG companies, offers a wide range of leading products in the personal care, healthcare, and food & beverages segments in the market, whereas Patanjali is also one of the fastest-growing FMCG company. Both companies touch the lives of many in India and is considered an essential part of every Indian household, with a wide range of products offered across various consumer categories. Through this paper, an attempt has been made to show the impact of the marketing approaches on the revenue of both the companies and their competitors.

Keywords- SWOT, FMCG, Strategy, Competition, MNC

I. INTRODUCTION

An essential component of Indian culture and health is Dabur India Limited. Dr. S.K. Burman founded Dabur in 1884, and the company started out by developing the first Ayurvedic medications. At a time when the nation was experiencing a crisis due to widespread illnesses, it was a creative investment. Dabur Chyawanprash is one of its oldest and best-known products. Dabur India Limited is a renowned Ayurvedic firm that mixes old Ayurveda with modern technology to offer excellent wellness products. More than 250

Ayurvedic items made from the best natural components are available from Dabur, which has more than 140 years of history and experience. With 6.9 million retail locations in 120 countries, Dabur's dedication to fusing historic knowledge with modern expertise is the cornerstone of its worldwide success.

The largest consumer-friendly company in India's Haridwar Industrial District is Patanjali Ayurveda. The objective is to create goods that combine the newest technology and traditional values with a traditional herbal approach. The natural medicinal

items are the first in Patanjali's product range. They have consistently broadened their product line to include everything from food and cosmetics to pharmaceutical manufacturing. Additionally, they have continuously broadened their horizons by producing food and personal care products using herbs. Baba Ramdev and Acharya Balakrishna, the company's CEO, have led Patanjali Ayurved Ltd to establish a strong brand value for its Indian products. It is concerning that established global multinational corporations (MNCs) such as Hindustan Unilever Limited (HUL), Procter & Gamble (P&G), Colgate-Palmolive, Godrej Consumer Products Limited (GCPL), and Dabur India Limited are launching new herbal products to compete with Patanjali Ayurved Ltd goods. With relatively little penetration, rural areas accounted for the majority of India's market growth.

When Patanjali Ayurveda joined the FMCG sector, it quickly became successful. Patanjali won over Indian hearts and minds by marketing its products as natural and pure after addressing the nation's long-standing reliance on ayurvedic medicines and therapies. Patanjali and Dabur's marketing strategy will be covered in this paper. Their marketing mix, rivals, advertising approach, and SWOT analysis are all covered as you read on. An overview of the company's history, business strategy, structure, and operations are provided by the Strategic SWOT Analysis Review. A thorough SWOT analysis, company key personnel information, significant competitors, and the primary products and services are all included in the study.

Objectives of the Study

- Finding out SWOT analysis of both companies
- To know the impact of marketing strategies on revenue of both companies

II. SWOT ANALYSIS OF PATANJALI YOGPEETH

When creating strategic plans, a company's competitive position is evaluated using the SWOT analysis framework. In order to evaluate the company's internal and external variables as well as

its current and future potentials stands for Strengths, Weaknesses, Opportunities, and Threats.

Strengths: All-natural goods with no negative consequences Creative spiritual use; well-established urban distribution networks; a strong foundation and reputation for the trust; and a social responsibility to promote people's health

Weaknesses: Availability of alternative alternatives and fierce competition Low export volumes; some items' high prices; and rural areas' lack of well-established distribution networks Very little advertising

Opportunities : A sizable domestic market with a population of over one billion Unrealized potential in rural markets and the advantages of taxes and duties for exporting units Rising income levels and shifting lifestyles, or rising consumer per capita income • Export Growing affinity towards natural products in Indian and global markets.

Threats: Political meddling is one of the threats. controversy surrounding Patanjali products that was started by other groups. When import restrictions are lifted, domestic brands take their place.

SWOT Analysis of Dabur

STRENGTH: Due to its century-old status, Dabur India Ltd. enjoys a positive reputation, goodwill, and brand name in the Indian market. Dabur boasts a robust nationwide distribution network, one of the largest selections of herbal and Ayurvedic products in India, and an incredibly efficient supply chain.

Weakness: People have a perception that Dabur doesn't make high-quality products; some of its products are allegedly more expensive than those of its rivals; and seasonal demand items like Vatika and Chayawanprash don't always have large sales.

Opportunities: Expanding Dabur's entire market and expanding its customer base; • Investigating the unexplored Chyawanprash business, similar to its rivals. Dabur features a skincare and body wash product section called "Vatika," which is an extension of its product line.

Threats: Dabur faces a significant threat from the fast-growing number of new competitors in the same industry; Competition in different product categories must be addressed with effective marketing and innovation strategies. Dabur's ayurveda products are seriously threatened by the alternative ayurvedic products that are available in the local market.

Patanjali and Dabur's Approach to Marketing

We looked at two sources for Patanjali's success. First significant factor in this is "Face value." Brand ambassadors have growing media and face value and act as a trust mark. Ramdev Baba is well known for using his knowledge of yoga and ayurveda to help Patanjali's marketing strategy succeed for years. In numerous advertising campaigns, his persona inspired customer trust, which was a major factor in his commercial success. Another one is targeted marketing strategy in which every product has a focused marketing plan, which is the secondary reason for its success. Companies like Baidyanath have produced high-quality goods that have drawn customers, but they have never been able to create an effective focused marketing strategy. Patanjali's innovative marketing strategy and high-quality products allowed it to expand and create incredible demand, which resulted a revenue of over INR 242.84 billion crores in financial year 2022-23, higher than Baidyanath's revenue of INR 685 crore in the same year. These two components serve as the primary pillars of Patanjali's success strategy.

Dabur always strives to provide the best possible benefits to its customers, so they have begun to put a lot of effort into improving the website in order to improve the user experience. Customers can order anything and browse the entire product range from the homepage of the Dabur website, which not only focuses on the company's diverse range of ayurvedic and herbal products but also covers the social activities it engages in and the opportunities for customers and the general public to work together.

Dabur underlined its presence over online grocery stores like Blinkit and Big Basket in an effort to

expand its consumer base and reach. As online grocery shopping has become popular, it is now convenient for individuals to order their personal care items or Dabur's Ayurvedic products from these platforms.

Every time a customer accesses the Dabur website, they are directed to various marketplaces. As consumers are presented with additional choices, the company's sales increase.

Even though today's generation doesn't take Ayurveda as seriously as previous generations did, Dabur has consistently drawn in young people with its eye-catching product packaging and marketing techniques. Dabur's pricing methods have been strategically arranged. Because the company has set its premium items apart from other variations in each category, the pricing of the products varies from one another.

Dabur Company's Revenue

Dabur's operating revenue in FY23 was ₹11,530 crores, a 5.9% increase over the ₹10,889 crores in the previous fiscal year. International markets accounted for 25.1% of sales revenue during the year, and domestic markets accounted for 71.3%. Over the past three years, the consolidated revenue has increased at a 10% CAGR.



Patanjali's Revenue

For the fiscal year that concluded on March 31, 2024, its operating revenue—which is primarily derived from net sales—dropped 14.25 percent to Rs 6,460.03 crore. The July 1, 2022, transfer of Patanjali Ayurved's food business—which includes biscuits, ghee, cereals, and nutraceuticals—to Patanjali Foods had an effect on revenue. In FY24, it

recorded a five-fold increase in overall profit, reaching Rs 2,901.10 crore.

For the fiscal year that concluded on March 31, 2023, Patanjali Ayurveda reported a total profit of Rs 578.44 crore on revenue of Rs 7,533.88 crore. In FY23, Patanjali's Ayurveda, a non-listed company, earned Rs 7,580.06 crore in total revenue, including other revenue. In FY'24, it reported total sales of Rs 31,961.62 crore, compared to Rs 31,821.45 crore the year before.



Competitors of both Companies

The common competitors of both the companies are like this -HUL (Hindustan Unilever), ITC,Himalaya, Colgate-Palmolive, Britannia, Marico, Procter and Gamble (P&G).

Products of Dabur

Dabur Chyawanprash, DaburHoney, Dabur Lal Tail, DaburHonitus, Dabur Pudim Hara, Dabur Red Paste, Dabur Amla Hair Oil, Vatika, Réal Fruit Juice, Dabur Hajmola, Dabur Chyawanprash, Dabur Honey, Dabur Glucose Dabur Vedic Suraksha Tea.

Products of Patanjali

Patanjali Cow Ghee, Patanjali Dant Kanti, Patanjali Saundarya Aloe, Patanjali Honey,Amla Candy,Patanjali Hair Oil.

III. CONCLUSION

India has given a wonderful gift to the world in the form of Ayurveda. Both the companies are working as leading players in FMCG sector. Dabur company has been established for more than 100 years, while Patanjali has not even been established for 25

years. Patanjali Ayurveda has achieved a tremendous achievement in such a short time in comparison to Dabur.In the context of year 2023, if we look at the revenue, Patanjali's performance was almost three times that of Dabur. Somewhere behind this is Patanjali's marketing strategy on the basis of which it has managed to make good quality products available at low prices even in rural areas.However, once more, Patanjali and Dabur face fierce competition from other corporate giants like HUL, Colgate, and others, who have long already seized the market before Patanjali was even created. After the arrival of Patanjali company and under the face value of Baba Ramdev, people's interest in Ayurveda increased. Yet if we look at it, Patanjali's good quality products at low prices have greatly impacted the lives of Indians.

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