

Factors Influencing the Customers towards Patanjali Natural Food Products: A study in Hyderabad City

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Abstract—Patanjali Ayurved Limited was established in the year 2016 with an objective of making India an ideal place for the growth and development of Ayurveda and a prototype for the rest of the world. Patanjali has already proofed itself as a major player in the Indian FMCG industry. According to Future Group CEO Kishore Biyani, Patanjali has become number three in sales at Future Retail stores after HUL and P&G. It witnessed an enormous annual growth of 146% in fiscal year 2016 grossing a turnover of \$769 million. After Maggi Noodles incident in India, Patanjali became a leader in Natural and Ayurvedic Food product. Since establishment, it has been introducing variety of Natural and Ayurvedic products in to the market which are rush by customers. Customer's attraction is a chief task when the firms are introducing a new product in to the market. Generally, customers should not show the interest to look into the new brand unless strong influencing factors. The present study is aimed at identify the factors which pressure the customer to shift into Patanjali Natural food products and their experience towards new brand.

Keywords: Customer attitude, influencing factors, customer's experience, patanjali natural food products, Swadesh Product, Motivating factors, Baba Ramdev brand.

1 INTRODUCTION

Patanjali Ayurved Limited was established in the year 2016 with an objective of making India an ideal place for the growth and development of Ayurveda and a prototype for the rest of the world. Patanjali has already proofed itself as a major player in the Indian FMCG industry. In India, Patanjali is one of the fastest growing FMCG companies. According to Assocham- TechSci report-2017, Patanjali Ayurved has turned out to be the most disruptive force in the Indian FMCG market and it witnessed an enormous annual growth of 146% in the fiscal year 2016 grossing a turnover of \$769 million, whereas its peers including ITC, Dabur, Hindustan Unilever, Colgate-Palmolive and Procter & Gamble struggled to get a growth much less than double digit. At first, the company has focused only on the development of Ayurvedic medicines, but slowly started manufacturing food items and cosmetics with a round of 500 products, many of them are comes under the FMCG category. The company has considerably amplified its market share and many of its product launches have impacted the share of other FMCG companies in that product category. The value of the company is at 30 billion and earned Rs. 5000 crore as revenue during the 2015-16 financial year.

2 PATANJALI FOOD PRODUCTS

Patanjali Ayurved produces products in the category of personal care and natural food. The company manufactures around 444¹ products including 30 types of Natural Food products. Patanjali was offering wide range of Food products which are produced hygienically maintain the quality and nutrition of the food products. Some of the food products are given below.

- Patanjali Ata Noodles
- Patanjali Biscuits
- Patanjali Salt
- Patanjali Basmati Rice
- Chana Dal
- Patanjali Murabba
- Patanjali Bura
- Chilli and Turmeric Powers
- Rajma

3 REVIEW OF LITURATURE

P. Pandey and Rahul Sah (2016)¹: The study concluded that Patanjali focusing on low margin, high volume model to expand their share in the FMCG market. The author suggested that patanjali has to concentrate on rural market where patanjali products are not demanded as enough. The study also suggested that it has to be focus on exports as well. **M. Rupali Khanna (2015)**²: The study concluded that the customer's perception towards a brand is built largely on the satisfactory value the users receive after paying the product. The author also concluded that patanjali products are fully satisfying the customers because of low price. **Shomnath Dutta (2015)**³: As per the author conclusion, There is a significant bearing of marketing tools and strategies on sale of ayurvedic house hold FMCG items in Siliguri area. Among the 12 popular Ayurvedic companies in Siliguri, Patanjali's growth rate appears to be praiseworthy in terms of sale, awareness and number & size of outlets. **Sajitha S Kumar (2016)**⁴: According to author, patanjali ayurved is eyeing 250% revenue growth rate in financial year 2016. They plan to grow to 100000 outlets in next few years. Patanjali ayurved announced its partnership with future group in coming days to expand their market share.

1. *Here's Why Baba Ramdev Is Making Corporate India Uncomfortable.*
India times. 13 January 2015.

4 STATEMENT OF THE PROBLEM

According to Future Group CEO Kishore Biyani, Patanjali has become number three in sales at Future Retails stores after HUL and P&G. It witnessed an enormous annual growth of 146% in fiscal year 2016 grossing a turnover of \$769 million. After Magi Noodles incident in India, Patanjali became a leader in Natural and Ayurvedic Food product. Therefore there is a high need to identify the factors which pressure the customer to shift into Patanjali Natural food products and their experience as well.

5 OBJECTIVES

1. To identify the factors influence the customers towards Patanjali food products.
2. To study the customers experience with Patanjali food products.
3. To examine the relationship between influencing factor 'Swadesh Product' and demographic variables of the respondents.

6 HYPOTHESES

1. H₀₁ There is no significant relation between education and influencing factors to buy patanjali food products.
2. H₀₂ There is no significant relation between demographical variables and influencing factor 'Swadesh Product'.
3. H₀₃ There is no significant relation between age and customer satisfaction.

7 SCOPE OF THE STUDY

The scope of the present study is restricted to identify the factors influence to buy the Patanjali Natural and Ayurved Food products and the experience of the customers who are living in Hyderabad city only.

8 RESEARCH METHODOLOGY

The study is based on primary data and it has collected from the customers who visited the selects Patanjali stores in Hyderabad city using structured questionnaire method. The sample size of the study is 100 respondents and the 'convenience sampling' technique has adopted to select the samples from various Patanjali stores. The primary data has tested using various statistical tools like correlation, coefficient, mean, standard deviation, ANOVA to get the results in scientific way.

9 ANALYSES OF DATA

Table 1.1 shows the descriptive statistics of customers influencing factors towards Patanjali Natural Food Products. The factor 'Ayurved' has highest mean of 4.94. Subsequently, it followed by 'Good Health' and 'Best quality' which is 4.88 and 4.53 respectively. However, Baba Ramdev Brand has the lowest mean which is 3.65. The Table indicate that majority of the

respondents has strongly agreed that 'Ayurved' has influencing factor to buy the Patanjali Natural Food products where as the Baba Ramdev name has the low impact comparatively.

In addition, standard deviation indicates how close the data is to the mean. In this case, Baba Ramdev Name has highest standard deviation which is 1.149 followed by Swadesh Product which is 0.845. At the end, Ayurved factor has the lowest standard deviation which is only 0.343.

Table 1.1
Descriptive Statistics on Variables

| No. | Variable | Mean | Std. Deviation | N |
|-----|------------------|------|----------------|-----|
| 1 | Swadesh Product | 4.45 | .845 | 100 |
| 2 | Baba Ramdev Name | 3.65 | 1.149 | 100 |
| 3 | Ayurved | 4.94 | .343 | 100 |
| 4 | Low Price | 4.13 | .630 | 100 |
| 5 | Best Quality | 4.53 | .502 | 100 |
| 6 | Good Health | 4.88 | .327 | 100 |
| 7 | Taste Purpose | 4.00 | .778 | 100 |

Source: Primary Data

Table 1.2 demonstrates the descriptive statistics of customers experience towards Patanjali Natural Food Products. The selects variable 'Product Quality' has highest mean of 4.56. Subsequently, it followed by 'Healthy' and 'Best Price' which is 4.54 and 4.51 respectively. However, 'Product Packing' has the lowest mean which is 3.88. The Table indicate that majority of the respondents has strongly satisfied with 'Product Quality' and 'Healthy' where as the customers were not strongly satisfied with product packing.

In addition, standard deviation indicates how close the data is to the mean. In this case, Product packing has highest standard deviation which is 0.956 followed by Healthy which is 0.673. At the end, Product Information variable has the lowest standard deviation which is only 0.493.

Table 1.2
Descriptive Statistics on Variables

| No. | Variable | Mean | Std. Deviation | N |
|-----|---------------------------|------|----------------|-----|
| 1 | Information about product | 4.33 | .493 | 100 |
| 2 | Product Quality | 4.56 | .499 | 100 |
| 3 | Taste | 4.34 | .555 | 100 |
| 4 | Price | 4.51 | .502 | 100 |
| 5 | Product Packing | 3.88 | .956 | 100 |
| 6 | Healthy | 4.54 | .673 | 100 |
| 7 | Usage /Preparation | 4.09 | .552 | 100 |

Source: Primary Data

Table 1.3 shows the information about the relation between education and customers influencing factors towards Patanjali Food Products. As per the results, F value is 0.865 which is below the table value 2.47 at 5% level of significant. It is also observed that the calculated p value 0.488 is greater than 0.05. Hence, the null hypothesis is accepted and it is concluded that there is no significant relation between education and influencing factors.

Table 1.3

ANOVA^a : Relation between Education and Influencing factors

| | Sum of Squares | Df | Mean Square | F | Sig. |
|----------------|----------------|----|-------------|------|------|
| Between Groups | .251 | 4 | .063 | .865 | .488 |
| Within Groups | 6.899 | 95 | .073 | | |
| Total | 7.150 | 99 | | | |

- a. Influencing factors
b. Education

Based on the Table 1.4 it can be identified that the significant value of all the demographic variables except marital status has above the p value 0.05. Hence, the null hypothesis is accepted which means there is no significant relation between demographical variables except marital status and influencing factor 'Swadesh Product'. There is a significant relation between marital status and 'Swadesh Product'.

Table 1.4

Coefficients^a: Relation between Demographic variables and 'Swadesh Product'

| Model | Un-standardized Coefficients | | Standardized Coefficients | T | Sig. |
|----------------|------------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | 3.295 | 1.213 | | 2.717 | .008 |
| Gender | .038 | .253 | .020 | .150 | .881 |
| Age | -.019 | .145 | -.019 | -.132 | .895 |
| Education | -.133 | .174 | -.098 | -.765 | .446 |
| Occupation | -.034 | .155 | -.053 | -.218 | .828 |
| Monthly Income | -.172 | .169 | -.255 | -1.020 | .310 |
| Marital status | -.762 | .290 | -.375 | -2.624 | .010 |

- a. Dependent Variable: 'Swadesh Product'- which is an influencing factor.
Source: Developed for research

Table 1.5

ANOVA^a : Relation between customer satisfaction and age

| | Sum of Squares | Df | Mean Square | F | Sig. |
|----------------|----------------|----|-------------|-------|-------------------|
| Between Groups | 1.087 | 4 | .272 | 6.038 | .000 ^b |
| Within Groups | 4.275 | 95 | .045 | | |
| Total | 5.362 | 99 | | | |

- a. customer satisfaction (dependent variable)
Source: primary data
b. age (Independent variable)

The data mentioned in above Table 1.5 demonstrates the variation between customer satisfaction and age of the respondents. As per the analysis, calculated F value is 6.38 and p value is 0.000. The calculated F value 6.038 is more than the table value 2.47 and p value is 0.000 which is below the 0.05 at 5% level of significance (p<0.05). Hence, the null hypothesis is rejected and it is concluded that there is a significant variation between age and customer satisfaction.

10 FINDINGS

- The study has identified that the major influencing factor was 'Ayurved' to buy the Patanjali Natural Food products followed by 'Good Health' and 'Best Quality' factors.
- According to results, Baba Ramdev Brand has the lowest mean which is 3.65. Therefore, Baba Ramdev Name has low impact on customers to motivate.
- Regarding customer satisfaction, the selects variable 'Product Quality' has highest mean of 4.56 followed by 'Healthy' and 'Best Price' which is 4.54 and 4.51 re-

spectively. However, 'Product Packing' has the lowest mean which is 3.88.

- The study observed that there is a relation between Age and customer satisfaction.
- The study found that there is no significant relation between demographic variables like education, age, etc. and the major influencing factor 'Swadesh Product'.
- It is identified that there is no significant relation between education and influencing factors like Swadesh Product, Ayurvedic, etc.

11 CONCLUSIONS

Based on the above discussion, it is concluded that the customers are converting into 'Ayurvedic' products with the intention of better health in Indian food market. Irrespective of 'Swadesh or Videsh' products all categories of customers have preferred the Ayurvedic products in Hyderabad city. Based on the results, it is also concluded that Patanjali Company should promote their food products with the ayurvedic concept instead of Baba Ramdev name and customers were not satisfied with the products packing. Therefore, the company has to make the packing more safety and colourful. As per the customers experience, Patanjali Ayurvedic and natural food products are going to occupy major share and becoming a leader in Indian food market.

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