

Psychological Factors that Affects the Consumer Preference for Patanjali Products

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ABSTRACT

The focus of study is to understand the effect of psychological factors on their buying decisions. How these psychological factors affect the preference for any product and consumer behaviour of any consumer. According to McKenna (2005) true loyalty is created through an emotional bond and through the heart not the wallet. Today it is most important for the success of any company in market to create emotional bond with their customers. Swami Ramdev is emphasizing that the main aim of PAL is charity and patriotism. Adopt Patanjali and give economic freedom to our country. Basically he is positioning PAL'S product on basis of ethnocentrism. He also adopted the low price strategy and promoted it very well which is up to larger extent attract the Indian consumers. Several reports suggest Yoga Guru, is targeting revenue above Rs 20,000 Crores in financial year 2018.

Keywords: Consumer behaviour, psychological factors, competitive advantages, responsibility

I. INTRODUCTION

Baba Ramdev's Patanjali has registered staggering growth since last year. Growing at a rapid speed, the company's overall turnover in the financial year 2016-17 stood at Rs10, 561 crore. Out of the total profit earned, Ramdev informed that Patanjali Ayurveda alone accounted for Rs 9,346 crore and Divya Pharmacy Rs 870 crore. Meanwhile, Patanjali Gramodyog (the cereal and health drinks division) clocked Rs 345 crore in sales in 2016-17. The main factor is that while Patanjali sells products like soaps, toothpaste, hair oil, amla juice, Atta, In what is believed to be a landmark victory, Yoga Guru Baba Ramdev on Thursday while addressing a packed audience at Delhi's Constitution Club said his Ayurveda major Patanjali Ayurveda Ltd posted Rs 10,216 crore in fast-moving consumer goods (FMCG) and Ayurveda sales during 2016-17. Ramdev said the firm will cross Rs 20,000-25,000 crore in sales this financial year. Patanjali's revenue figures stood at Rs 5,000 crore in 2015-16 and in a year's time, the Haridwar-based FMCG company's revenue has zoomed to more than Rs 10,000 crore. With this, Ramdev's Patanjali group has become the third-largest FMCG player in the country which has conveniently surpassed other major competitive firms like Nestlé India (Rs 9,159 crore) and Godrej Consumer (Rs 9,134 crore) and Dabur (Rs 7691 crore). biscuits and noodles, Divya Pharmacy makes and sells Ayurvedic medicines.

The website of Patanjali Ayurved Ltd clearly mentions that "it is not a company. It is a Concept – a concept that links the rising destiny of millions of rural masses on the one hand and. As competition intensifies, the interest of marketers in understanding consumers preference has become a central issue and one of the most challenging and interesting areas of research. A strong brand comprises of positive, consistent image. PAL has built a strong emotional connect with the consumers based on three clear platforms - first- a "swadesi" platform, secondly- resuscitating the rural poor and their economy and finally caring for the health of all by providing the products at very affordable prices. This emotional branding is what has emerged as the strongest differentiating factor. "To quote from the company's website "it is all about reinventing the traditional knowledge of Yoga and Ayurveda, rejuvenation of rural economy by arresting the flight of rural job seekers to the urban slums, strengthening the health grid of the nation and the world, mending the environmental imbalance.....and finally fighting the tirade of western culture on Indian panorama. Tomer perceptions about a product that differentiate it from competitive offerings. According to the famous Hong Kong based investment banking company CLSLA, Patanjali Ayurveda Limited, concluded that Patanjali Ayurved limited is bigger than Emami and Jyothy Labs. Beside that report also stated that it is perhaps among the fastest growing fast moving consumer company of India.

It is one of the untold start-up success stories in India, and in the coming couple of the years it will inevitably displace more large players. Most of the companies do believe that in order to advertising in a systematic and channelized manner to sell a product but the Patanjali has started his business and proved all of them completely wrong in terms of

their marketing concepts of .PAL has invested almost zero in advertising their products .For the last decade, swami ram dev did not focus on proclaiming his brand was best. Instead he told about the evils of MNC, the virtue of products made in India ,the corruption of corporate, the exploitation of farmers ,the cancerous effect of fertilizers and chemicals. Patanjali's Ayurveda division is the star performer for Baba Ramdev's brand. Some of the flagship products of the fast growing Patanjali brand are Deshi Ghee, Dant Kanti toothpaste, Kesh Kanti shampoo and herbal bath soap and Patanjali Honey. Patanjali ghee is the largest selling product of the company. Patanjali claims that its shampoo has a 15% market share, toothpaste 14%, face wash 15%, dish wash 35% and honey 50%.

II. ABOUT SWAMI RAMDEV

Ramdev was born on 25 December 1965 to Ram Niwas Yadav and Gulabo Devi at Hazaribag Ali Saiyadpur village of Mahendragarh district, Haryana. Both of his parents were farmers.

He claims he became paralyzed when he was two & half and was later cured by practicing Yoga. He studied India scripture Yoga and Sanskrit in various gurukul (schools). He was the student of Acharya Baldevji in Gurukul Kalwa. Ramdev took sanyasi diksha and adopted the name Swami Ramdev from Swami Shankar Dev ji while living in Kalwa Gurukul in jind district, Haryana, Ramdev offered free yoga training to villagers. Then he moved to Haridwar in Uttarakhand, where he practiced self-discipline and meditation, and spent several years studying ancient Indian scriptures at Gurukul Kangri Vishwavidyalaya.

III. MISSION

Making India an ideal place for the growth and development of Ayurveda and a prototype for the rest of the world.

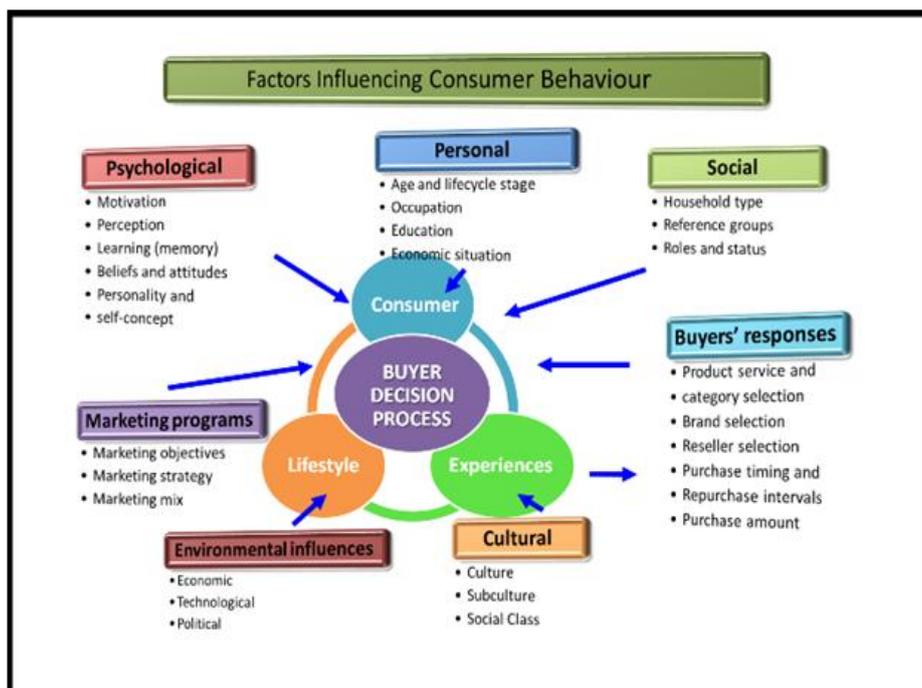
IV. VISION

Keeping Nationalism, Ayurveda and Yoga as our pillars, we are committed to create a healthier society and country. To raise the pride and glory of the world, we are geared up to serve people by bringing the blessings of nature into their lives. With sheer dedication, scientific approach, astute planning and realism, we are poised to write a new success story for the world.

V. FACTORS AFFECTING CONSUMERS BEHAVIOUR

Consumer behavior refers to the selection, acquisition and consumption of goods and services to meet their needs. There are different processes involved in consumer behavior. Initially, the consumer tries to find what products you would like to consume, and then select only those products that promise greater utility.

The consumer behaviour or buyer behaviour is influenced by several factors or forces. They are: 1. Internal or Psychological factors 2. Social factors 3. Cultural factors 4. Economic factors 5. Personal factors.



VI. REVIEW OF LITERATURE

Changing marketing scenario and heightened competition over the globe has amplified the role of brand at unparalleled level. Every person is a consumer of different brands at the same time. The choice and usage of a particular brand by the consumer over the time is affected by the quality benefits offered by the brand especially when it comes to brand of eatables and cosmetics. Consumer satisfaction is derived when he compares the actual performance of the product with the performance he expected out of the usage. Philip Kotler (2008) observed that satisfaction is a person's feelings of pressure or disappointment resulting from product's perceived performance (outcome) in relation to his or her expectations. If the perceived benefits turned out to be almost same as expected, customer is highly satisfied and that is how the company achieves loyalty of the customer towards the products. Indian scenario, perceptions about a particular brand are important because Indian customers rely on the perception of their near and dear ones before actually buying or using the product. The perceptions of the people around us affect our decision to buy or not to buy the product. Perceptions are highly subjective and thus easily distorted.

The qualm of buying and not buying continues into the mind or the black box of the prospective consumer unless his decision is not supported by many. Thus in order to survive in the marketing environment of a country like India, brands need to be positioned in the minds of people. India is already an attractive destination for brands to set in due to favorable marketing conditions. India has known to be a hub of Herbal brands as well since the herbal products are deeply associated with the spirituality sentiments of the people. The website of Patanjali Ayurveda Ltd clearly mentions that "it is not a company. It is a Concept – a concept that links the rising destiny of millions of rural masses on the one hand and many more suffering the onslaught of the unhealthy urban lifestyle on the other". It is about economically processing farm produce into daily use consumables ranging from Ayurvedic health supplements to foods and cosmetics. Consumers' perception of quality is measured a essential determinant of product choice (Zenithal, 1988) In other words perception is the first impression that individual draw and on the basis of it select, and interpret information to form a meaningful picture of the world (MUNNUKKA, 2008).

That's why it is believed that consumer perception influence customer level of satisfaction and so their buying and usage decision. it can be seen that PAL has built a strong emotional connect with the consumers based on three clear platforms - first- a "swadesi" platform, secondly- resuscitating the rural poor and their economy and finally caring for the health of all by providing the products at very affordable prices. This emotional branding is what has emerged as the strongest differentiating factor. "Emotional Branding" emerged in the late 1990's and is establishing itself as the new paradigm for branding. It is defined as engaging the consumer on the level of senses & emotions; forging a deep, lasting, intimate emotional connection to the brand that transcends material satisfaction; it involves creating a holistic experience that delivers an emotional fulfillment so that the customer develops a special bond with and a unique trust in the brand.(Gobe, 2001). "Emotional Branding says that branding should be more about mindshare and "emotions share", rather than market share. (Gobe,2001, op.cit). According to Gobe, Emotional Branding is a dynamic cocktail of anthropology, imagination, sensory experiences and a visionary approach to change. While rational benefits are easily copied by competition, emotional bonds are more difficult to break. Simms (2006) has identified that customers' emotional loyalty is much stronger than what companies believe. According to McKenna (2005) true loyalty is created through an emotional bond and through the heart, not the wallet."Emotional bonds can only be established through people and not products."

VII. OBJECTIVE OF THE STUDY

The objectives of the present study are:-

The sub objectives of the study given below

- Study of nationalism factor behind to choose Patanjali products
- Study of the nature enthusiasm factor behind to choose Patanjali products
- Study of quality of the product behind to choose Patanjali products
- Study of purity factor to choose Patanjali products
- Study of innovation seeker work behind to choose Patanjali products
- Study of low price factor of product behind to choose Patanjali products

VIII. METHODOLOGY

The study is based on the primary and secondary data. Questionnaire survey applied on this study to collect information from the patanjali's consumers. 100 consumers asked to fill the questionnaire that contains 36 multiple choice questions based on the Likert scale based questions. Secondary data have been collected form the number of sources like books, journals, magazines, periodicals and publication.

Sampling design

Sample size: 100; the sample comprising of primary data taken from 100 respondents

Sampling technique : convenience sampling technique is used, where data has equal chance of selection into the sample.

Data collection

Data is collected with the help of questionnaire from 100 customers.

HYPOTHESIS

- ❖ **H0:psychological factors play a significance role in preference for selection of PAL’s goods or products**
- ❖ **H1: Psychological factors do not play a significance role in preference for selection of the PAL’s goods or products**

Analysis and Interpretation

The descriptive table shows the mean value of all the variables under study:

	Strongly agree	Partially agree	Neutral	Partial disagree	Strongly disagree
Ethnocentrism	42.23%	30.3%	14.1%	15.2 %	5.1%
Naturalism	46.81%	30.91%	15.38%	3.51%	3.33%
Quality seeker	31.93%	29.36%	24.08%	10.53%	4.18%
Purity	35.58%	28.7%	18.51%	7.68%	5.83%
Innovativeness	48.93	26.4%	15.7%	7.5%	1.33%
Low price seeker	27.35%	33.18%	25.16%	12.66%	4.65%

Now, we take the total of the strongly supported consumers and partially supported consumers data to see how much consumer psychological factors affect their preference for any product:

Element	Strongly supported	Partially supported	Total
A. NATIONALISM	42.23 %	30.3 %	72.53%
B. NATURE ENTHUSIASM	46.81 %	30.91 %	77.72%
D. QUALITY SEEKNESS	31.93 %	29.36 %	61.29%
E. THE PURITY SEEKNESS	35.58 %	28.7 %	64.28%
F. LOW PRICE SEEKNESS	27.35 %	33.18 %	60.53%
G.INNOVATIVENESS	48.93%	26.4 %	75.33%

Hypothesis testing

❖ H0:psychological traits play a significance role in selection of PAL's goods or products

For testing null hypothesis, find out the average of A, B, C,D,E F

- 38.805% of the total responders falls under strongly supported
- 29.81% of the total responders falls under partially supported

From above results we can say that null hypothesis is accepted. In this way alternative hypothesis consider to be failed.

CONCLUSION

From analysis and findings it is concluded that Baba Ramdev approached the feeling of nationalism to attract the Indian consumers .Most of the consumers are strongly agreed that they prefer to buy the product of patanjali because it strongly connected to the feeling of patriotism. There are large no of group of consumer which are partially agreed and accepted this factor .Other variables like nature enthusiasm are also the important factor in deciding buying behavior of the consumers. Swami ramdev relate the factor of nature and purity and adopt it as a marketing strategy which helps him in better positioning of the patanjali's product in the mind of their target customers. He also know that nowadays young generation up to larger extent affect the buying decision of family for a particular product so he adopt the strategy of innovation in their products. It is concluded that all the customers are aware of the product, and the customers are satisfied with the quality and price of the products.

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