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To Study the Millennials' Perception on Patanjali Products & Brand (The Brand of Indian Origin) and its Influence on Future Consumption

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Abstract: *Purpose-* The purpose of this paper is to primarily understand the popularity of Patanjali amongst Millennials. Secondary objective is to find how Brand loyalty of Patanjali among Millennials will affect the future sales. *Design/Methodology/Approach-* Primary and secondary data were the sources of data for the research. The source of secondary data were journals, newspapers, magazines on the subject and the internet sources. Primary Data were collected from young adult respondents mostly the college goers and young office goers, the Millennials. The primary instrument for data collection was survey through structured questionnaire. Random sampling method is used for the purpose of the study. Primary data is analyzed with the help of Excel and SPSS. *Findings* – Perceived quality, perceived price, perceived health benefits, Ayurvedic/ Herbal nature and perceived Swadeshi brand were found to create a positive Brand Image making it a popular brand amongst Millennials, who may show keen interest in future purchases of Patanjali products. The terms like Halo effect, Rub Off effect, Bandwagon effect, Content Marketing seems to create even better Brand penetration. *Practical Implications-* This research may be useful to Patanjali to understand the brand perception among Millennials. This will give Patanjali an insight into young consumers' mind and empower them to target specific product lines in future. *Originality/Value-* Though there are lot of studies addressing steep rise in Patanjali's popularity. There is not much knowledge about the Brand perception among Millennials. By finding brand perception among them, this study offers insights into Patanjali's penetration in the fastest growing segment of the country.

Keywords: Millennials, Brand perception, Brand Loyalty, Patanjali products, Influence, Future Consumption, Brand preference, Quality perception, Ayurveda, Herbal, Halo Effect, Rub Off effect, Bandwagon effect, Content marketing.

INTRODUCTION

India, due to its population, always had enormous potential for FMCG products. However the investments and growth in this sector from 1950 to 1980 were very limited due to low purchasing power of the population

and the government's preference for the small-scale industries. But the globalization and liberalization of the economy boosted the incomes and living standards of the people which in turn increased the demands for FMCG products drastically.

There was a surge of foreign companies into the market, like Hindustan Unilever Limited, Marico, Henkel, Procter & Gamble, Cadbury and Reckitt Benckiser, with their wide range of goods, trying to attract and capture the Indian consumers. The competition has been both between the domestic companies like Dabur, Emami and Amul and the foreign companies. Products range from toiletries, pharmaceuticals, cosmetics, bulbs, home care products, white goods, plastic goods, consumer non-durables, packaged food products etc. **(Kiran Mishra 2001)**.

There was a need for an Indian Brand after big foreign brands faced negative social image due to various controversies related to product quality, social responsibility, unethical practices, profiteering etc. Baba Ramdev achieved popularity due to his untiring efforts in popularizing Yoga and Ayurveda as means to healthy living. There was an opportunity to create a brand with values associated with Indianess, Ayurveda, Wellness and Social responsibility.

Patanjali was born to cater to the need in society for an Indian Brand which could compete with imported brands in terms of quality and service. Riding on Baba Ramdev's popularity, Patanjali soon became a major player in nutritional, wellness and personal care segments. It could even create a loyal base of customers with its marketing, which was a fading concept among FMCG products.

Baba Ramdev's Patanjali forecast its turnover to double this fiscal year, after the company that sells everything from shampoos to biscuits, noodles and dairy products reported revenue of Rs. 10,561 crore for the year ended March 31, 2017 **(Ratan Bhushan, 2017)**.

Typically the brand has been penetrating successfully among the Senior Citizens and Middle Aged customer Segments. While this penetration is driving the current growth in market share, future growth will depend on whether the brand is successful in penetrating the younger consumers, often called millennial, minds. There is a lot of hype about the millennial generation.

According to **Pew Research Center** those born between 1981 and 1997, currently between 20 and 36 years of age—constitutes the millennial generation.

The global population stands at about 7.4 billion people of which 27 percent or about 2 billion people are millennials, which is a significant number. Millennials are in their young adulthood who are rapidly becoming the world's significant generation for increase in consumer spending, sourcing of employees and overall economic prospects. As the earlier generations retire and move into a life stage of lower consumption the importance of Millennials will raise. As the peak spending years of the generation is fast approaching, Patanjali must monitor how exposure to Patanjali Products and Brand in daily lives of Millennials can influence their perception about the brand and the product in terms of its quality in absolute terms and relative to other brands.

Millennials attitudes are premature indicators of more extensive future trends. Companies who give due consideration to the ideas of Millennials today can gain valuable insights for future opportunities and start capturing a larger share of the Millennials wallet. Expectations of Millennials differ from the previous generations. Therefore it is vital for companies to understand their interactions with brands like where do

they eat and shop, what factors influence their opinion and how do they make buying decisions. As a result companies will require to juggle around with their brand, business model and marketing decisions.

LITERAURE REVIEW

The research study conducted by Arya et.al (2012) in its research finding indicates that the respondents have shown utmost interest in the Ayurvedic products than the medicines and products which were recommended by the Physicians of other streams of medicine. The research finding thus adds that the information and awareness on the Ayurvedic medicines and products based out of Ayurvedic ingredients are much high compared to yester years. Therefore the promoter of Ayurvedic products should systematically and scientifically transmit the right information through right market promotion tools to reach the target customers.

Though Millennials have to depends on their parents for buying any product or services, it is observed by Christine (2012) in the study on millennials buying behavior that they have a different thought processes towards the buying of the products and services. It is the responsibilities of the companies to understand their needs and wants clubbed with their preferences clearly to market their products.

The Research work undertaken by Rani & Shukala (2012) indicates that the Patanjali Products have been accepted well by the customers in the market in a very short period of existence of these products say less than four years of its entry into the market. The research findings also adds that there is a huge scope for improvement with regard to the logistics and distribution management of these Products which also adds that there is acute shortage and the delivery system has to be geared up further.

Hindal and Seth(2013),the buying of the product is important however more important is the relationship between the buyer and the seller,Companies have the responsibility of not only selling their products they also have an important responsibility of holding the customers intact to them thorough their relationship initiatives.

As per the research conducted by the (Leading domestic brokerage IIFL research Report 2014),the research finding on analysis of the data reveals that certain products of Patanjali especially the Gee, Honey and Ayurvedic Medicine will have very high Market share by the year 2020, and the other products like Chocolates and confectionaries may time to capture the market.

Pujari M (2015) the researcher has placed an evident finding in his research that there has been a growing demand for the products which has the plant base, be it pharma, cosmetics or food products. The demand is just not confined to developing countries, the demand keeps growing in the developed countries as well.

The study performed by Dutta(2015) laments that the Indian consumers have lost faith in the Allopathic system of medicine which leads to lot of side effects. The research finding further adds that the trend is the target customers are more inclined towards the Ayurvedic Medicine, however cautions that some more importance should be attached to the pricing, promotion, delivery and the quality aspects to ensure sustainability of the Auyrvedic business in the market. Among the twelve Auyrvedic company Brands studied in the research it is evident that Patanjali as a brand stays ahead in the minds of the respondents' than other brands.

Khanna (2015) in the study performed on the consumer perception on the Patanjali products indicates that the positive perception of the Brand largely depends on the value a product offers in terms of benefits and advantages. Therefore on these grounds if one looks at patanjali products' value perception in the minds of customers, it has been very positively perceived as the product which is considered to be the best in the category, offering high value for money.

As per (Ann D'Adamo,2015) post based on (Yahoo Health Study, 2015) study one thing that distinguishes this group (millennials) is its concern for health and wellness, even at their relatively young age. With the exception of family, they value health above all else.

Ali and Yadha(2015) in their research have proved that the consumers are looking for Herbal and non chemical based products and there for there is a huge market for these products. The research also identifies that the non availability of the Products and poor market promotion of these products leads high switch over to other brand among the users. In other words it is pointed out that there is very poor Brand loyalty among the users of these Herbal products. Hence the research cautions that the promoters of such products should be very alert and proactive to understand the competitors' strategy in promoting their products and as well device the best of the marketing strategy to retain their own customers.

The study conducted by Thanuja & Saranya(2015) indicates the preference of the Patanjali products and the factors leading towards the Brand loyalty of the customers towards these Brand.The study was performed in the city of Banagalore involving about 200 respondents. The study also attempts to understand the most widely preferred products and category of the Brand Paptanjali which are available for the customers in the market.

Karanveer Singh, (2016) article talks of the success story of India's leading brand Patanjali, how the brand made huge difference in the Indian market. The voice of spiritual guru Baba Ramdev woke up millions of people by his yogic exercises and tips to stay fit. Approximately 10 years later we can see Baba Ramdev's in another form of Patanjali Ayurveda where he is competing with FMCG brands similar to Head & Shoulders, Maggi, Pears etc..

The study performed by Hamsalakshmi& Chandiraleka (2016) study on the consumer buying preferences and as well the factors that predominantly leads to the consumer awareness about the Patanjali Products. The study's finding indicates that Patanjali has very high awareness and equally very preferences in the Auyrveidc product category compared to the other Aurvedic products available in the market.

Pankaj,Vasant and Deepak(2016) in their study add that Patanjalai has a twin advantage of low Price, Indian based and Ayurvedic which has heled to gain market momentum in a very short span of time.

The Research case study on Patanjali conducted by Rahul Shah& Pransho (2016) scans through the Patanjali Brand in terms of various business processes. The research studies its market presence, market share, customer preferences, the range of Product and its portfolio, the strategies adopted by the company in terms of Market development and growth, and finally on their attempts to venture into the Global Market through their export initiatives.

The study undertaken by Rahul and Satheesh Raju(2016) on the Patanjali product attempts to unearth the specific reasons for preferring patanjali products involving the prominent seven variables with respect to the consumer buying behavior.

The research study conducted in Mumbai by Seema & Mamta Shah (2017) clearly discuss in their findings that the Patanjali products are preferred mostly by the respondents in the age group between 15 to 35 years of age. When it comes to the age wise preferences on the category of products, the younger age group say from 15 to 20 years of age have shown much preference towards the cosmetics and allied products and the products of the food category are preferred by all in the age group between 25 to 45 years of age. As there is preference for the product which would enhance healthy living is increasing, the company is taking advantage of the same and adding the Auyrveidic element in most of the category of the products they promote in the market.

The Research work done by Anuspriya(2017) on the Patanjali products reveals that the consumer awareness is created by the Brand Patanjali through print media advertisements and trade promotions. The research further substantiates that the customers have expressed their utmost satisfaction on the product when it comes to the price and quality coupled with variety. The research never fails to identify one other important aspect which attributes to the brand's success the spirituality element which is the core of the product's market promotion.

BENEFIT PERCEPTION THEORY

Consumers mostly look for specific benefits in the products they buy. Most of the times through referrals. Moreover, Terrence V. O'Brien (1971) tried to establish what the thoughts of a customer are as he learns about a brand, how he forms his purchase decision and why he picks one brand over another. His findings showed a significant positive impact of word-of-mouth on subsequent purchase intention. Surprisingly his research concluded that advertising has no direct influence on ultimate purchase for the product studied. What could however, attributed to the primitive form of advertising used back then, compared to now.

OBJECTIVES OF STUDY

1. To find whether millennials prefer Patanjali over other brands.
2. To know reasons for popularity of Patanjali Brand among millennials.
3. To find if Loyalty to Brand Patanjali among millennials will result in future Sales.

RESEARCH METHODOLOGY

In this exploratory study, researcher adopted the random sampling procedure. The primary data was collected from the respondents in the age group between 20-30 years by adopting Interview techniques with the aid of the structured questionnaire. The secondary data was collected from journals, reports from different institutions. A total of 111 samples were collected from respondents of different age group. Out of the total valid responses, 62 respondents were Patanjali users. The pertinent variables were formulated and the relevant data collected from the field were analyzed with the help of SPSS tools.

The data collected through structured questionnaire is analyzed through percentile analysis, factor analysis and Principle component Analysis and inter correlation were deployed to ascertain if there is significant relationship between the perception of the Brand and recommendation of the brand to the other family members.

HYPOTHESIS

1. Most of the millennials perceive Patanjali to be a superior Brand.

H01: Most of the millennials do not perceive Patanjali to be a superior brand.

Ha1: Most of the millennials perceive Patanjali to be a superior brand.

2. Most of the millennials perceive Patanjali Products to be Superior to other Brand products.

H02: Most of the millennials do not perceive Patanjali products to be superior to other brand products.

Ha2: Most of the millennials perceive Patanjali products to be superior to other brand products.

3. The most significant factor for Patanjali’s acceptance among millennials is its Herbal/ Ayurvedic Image.

H03: Herbal/ Ayurvedic image is not the most significant factor for brand choice made by millennials compared to any other factor .

Ha3: Herbal/ Ayurvedic image is the most significant factor for brand choice made by millennials compared to any other factor.

4. Most of the millennials believe they will continue to use Patanjali Products for next 5 years

H03: Most of the millennials do not intend to continue with Patanjali products in future.

Ha3: Most of the millennials intend to continue with Patanjali products in future.

RESULTS AND DISCUSSIONS

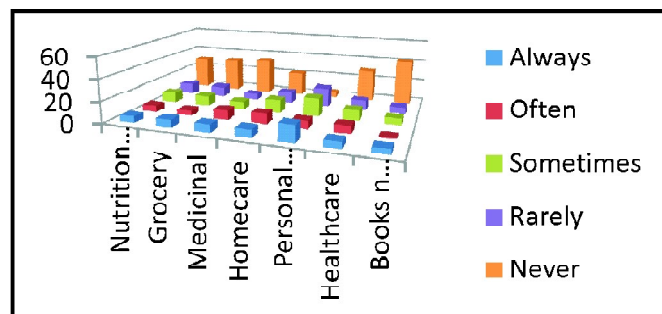
Cronbach’s Alpha (A) Using SPSS Statistics

Reliability Statistics

<i>Cronbach’s Alpha</i>	<i>N of Items</i>
.951	36

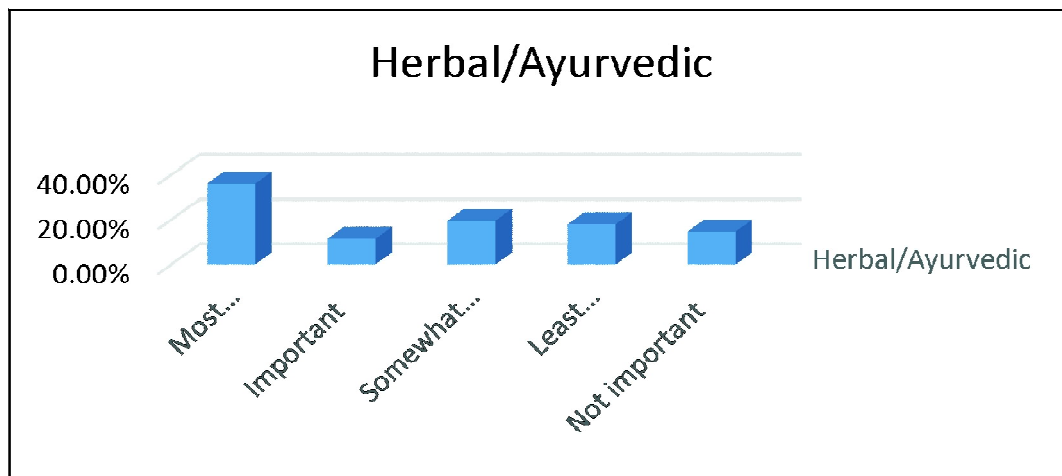
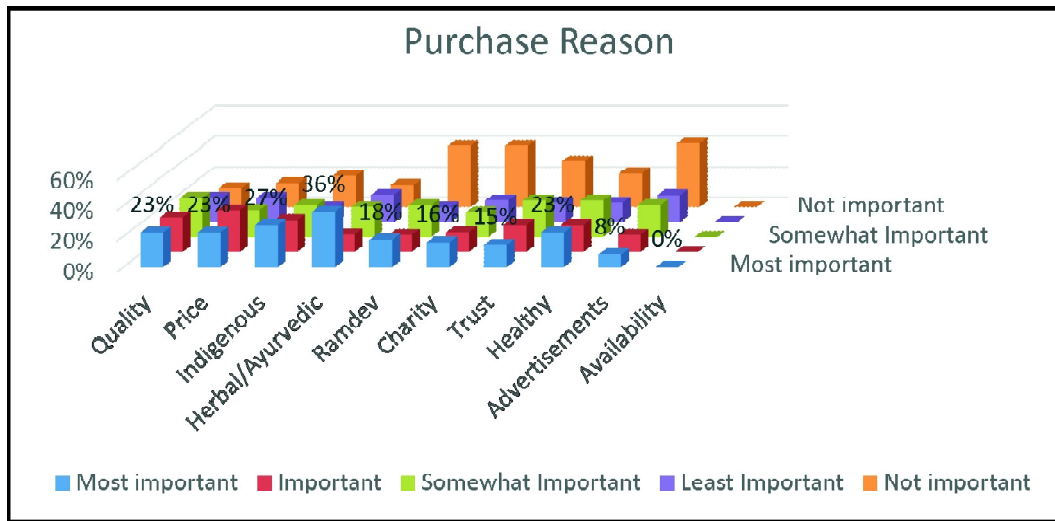
The Reliability Test value (Cronbach;s Alpha) is 0.951 is an evidence for the higher level of consistency with respect to the specific samples.

Products Purchased by Millennials



Personal care and cosmetics are the most popular category of products among the Millennials. More than 90% of the respondents have purchased a personal care or cosmetics. No other product category seems to have similar appeal.

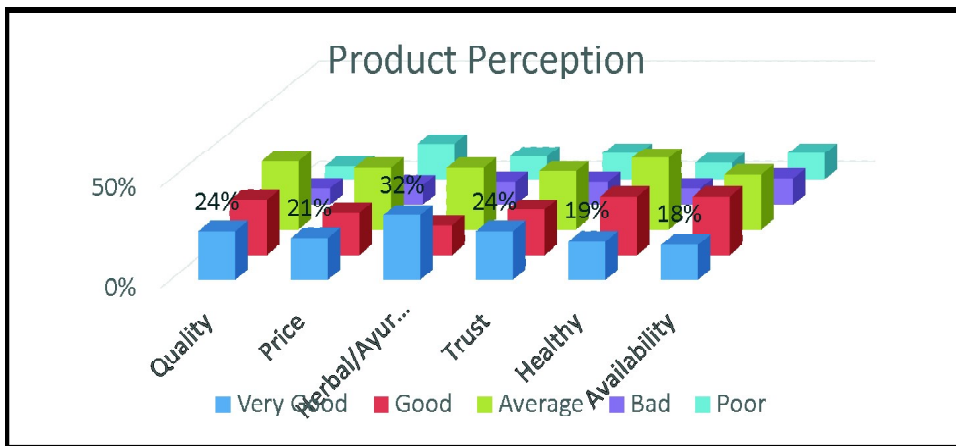
Reasons for buying Patanjali products



The above graphs clearly indicate the dominance of the factor ‘Herbal/Ayurvedic Image’ of the Brand as the most significant factor for its acceptance amongst millennials. As about 36 % of Millennials sight Herbal/Ayurvedic image as the most significant reason for their purchase decision. No other factor even scores 30% as most significant reason for purchase. This is a 30% difference which is very significant.

Category of Repeat purchase of Patanjali Products

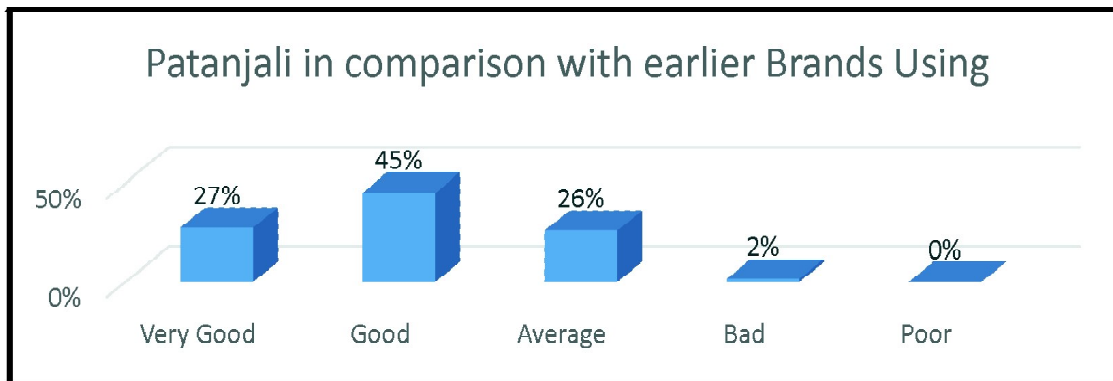
Repeat purchase of Patanjali products is poor across the categories. Personal care/cosmetics is the only category to show some kind of potential for repeat purchase with a 33% score.



Rating of Patanjali Products by Millennials

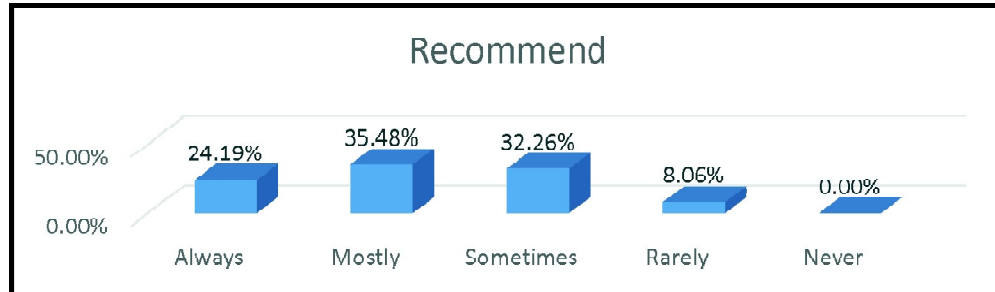
Except quality on all other factors less than 50% respondents rated Patanjali products to be good or very good. Though the percentage is consistently near 50% across all factors.

Comparative rating of Patanjali Products Vs Products used earlier by Millennials



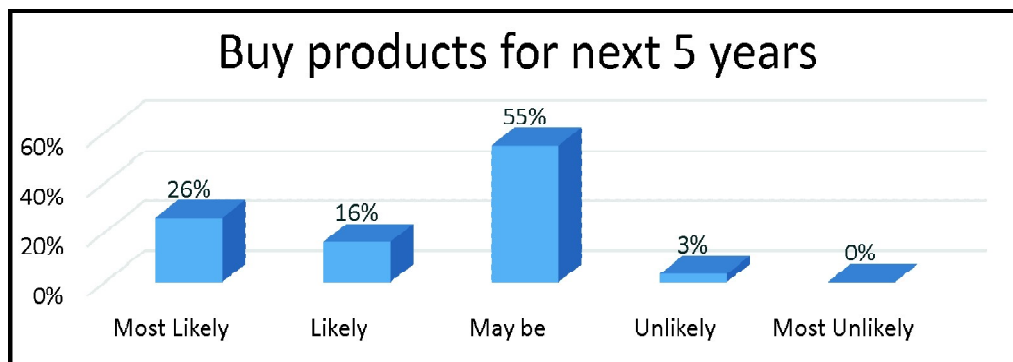
More than 70 % respondents find Patanjali to be better than the brands used earlier. Even more significant is the fact that only 2 % felt the brand to be inferior.

Recommendation of Patanjali Products by Millennials to family or friends



More than 60% respondents refer Patanjali to their family and friends. Considering the age group the respondents are influencers in their family and peer groups hence it is very good for Patanjali as a brand for word of mouth marketing.

Opinion on buying Patanjali Product in the next 5 years



42% respondents are positive about using Patanjali brand products for next 5 years. However only 3% respondents are sure they may not be using the brand in the long run. The major share of 55% are undecided so provide a huge potential for Patanjali.

FACTOR ANALYSIS

(a) KMO Test- Result

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.772
Bartlett's Test of Sphericity	Approx. Chi-Square	1946.085
	df	630
	Sig.	.000

As the KMO value is found to be more than >0.6 Sig (P-Value) <0.05 , is a formal indication that the Factor or the Component Analysis is definitely useful for the variables.

Therefore, we can go with this data for further analysis

(b) Extraction Method: Principal Component Analysis

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	14.286	39.684	39.684	14.286	39.684	39.684
2	3.711	10.309	49.994	3.711	10.309	49.994
3	3.131	8.698	58.692	3.131	8.698	58.692
4	2.520	7.000	65.691	2.520	7.000	65.691
5	1.528	4.245	69.936	1.528	4.245	69.936
6	1.098	3.049	72.985	1.098	3.049	72.985
7	1.031	2.865	75.850	1.031	2.865	75.850
8	.983	2.731	78.581			
9	.889	2.470	81.051			
10	.793	2.202	83.253			
11	.738	2.049	85.303			
12	.611	1.697	86.999			
13	.532	1.477	88.476			
14	.492	1.366	89.842			
15	.470	1.305	91.148			
16	.450	1.249	92.396			
17	.361	1.003	93.400			
18	.306	.850	94.250			
19	.297	.826	95.076			
20	.243	.676	95.751			
21	.223	.621	96.372			
22	.185	.514	96.887			
23	.182	.504	97.391			
24	.155	.430	97.821			
25	.136	.377	98.198			
26	.128	.356	98.553			
27	.089	.248	98.801			
28	.077	.214	99.015			
29	.075	.209	99.224			
30	.068	.190	99.414			
31	.065	.181	99.595			
32	.047	.130	99.725			
33	.034	.094	99.820			
34	.025	.071	99.890			
35	.021	.059	99.949			
36	.018	.051	100.000			

Extraction Method: Principal Component Analysis.

The 6 major components which were extracted out of principal component analysis are Product variety, Product features, Ayurvedic / Herbal image, Promotion & Advertisement, Distribution & Availability, Price and Quality.

CORRELATION BETWEEN

A) Perception of Patanjali with Respect to Other Brands

B) Possibility of Patanjali Being Recommended to Family and Friends

Descriptive Statistics

	Mean	Std. Deviation	N
Q17	3.76	.918	62
Q18	3.98	.779	62

Correlations

		Q17	Q18
Q17	Pearson Correlation	1	.774**
	Sig. (2-tailed)		.000
	N	62	62
Q18	Pearson Correlation	.774**	1
	Sig. (2-tailed)	.000	
	N	62	62

** Correlation is significant at the 0.01 level (2-tailed).

There is a high correlation (0.774). This means the more a person finds Patanjali to be superior than other brands the more they will recommend to their family and friends.

FINDINGS

- Almost all the respondents are aware of Patanjali as a Brand leaving a minor 7% of respondents who have not heard about it. 77% of the total respondents have at least once purchased the Patanjali product(s). A relatively small percentage of respondents i.e. 23% have never bought Patanjali Products. This indicates that Patanjali has gained very good brand awareness among the millennials.
- A huge chunk of Millennials is using the products that indicate good penetration. Brand has good future if Patanjali succeeds to attract them, as this is relatively a bigger segment compared to the existing segments Patanjali is popular with. As per the research analysis it is evident that Patanjali has a brand penetration, almost 75% of the millennial respondents are using the Patanjali Products.
- Personal care and cosmetics are the most popular category of products among the Millennials. More than 90% of the respondents have purchased a personal care or cosmetics. No other product category seems to have similar appeal.

- More than 60% respondents refer Patanjali to their family and friends. Considering the age group the respondents are influencers in their family and peer groups hence it is very good for Patanjali as a brand for word of mouth marketing.
- The primary research clearly indicates the dominance of the factor 'Herbal/ Ayurvedic Image' of the Brand as the most significant factor for its acceptance amongst millennials. Among the total respondents about 36% of Millennials sight Herbal/ Ayurvedic image as the most significant reason for their purchase decision. No other factor even scores 30% as most significant reason for purchase. This is a 30% difference which is very significant.
- More than 70% respondents find Patanjali to be better than the brands used earlier. Most of the respondents do not prefer substitutes. Out of the total respondents, 50 % of respondents rarely or never opt for a substitute brand which is a very significant number in a highly competitive market.
- As per the research findings it is obvious that the repeat purchase of Patanjali products is poor across the categories. Personal care/cosmetics is the only category to show some kind of potential for repeat purchase with a 33% score.
- Controversy on Honey and ghee is more known compared to other products. Even though awareness is more; the belief in the controversies is relatively less. This indicates trust in the brand among the respondents.
- The key component resulting in customer trust in Patanjali is its herbal and ayurvedic image. During expansion of product- line it will be prudent to ensure new products are complimenting this image and there is no drastic deviation from it as it hurts the brand image and Millennials do not seem to associate Patanjali as a brand with such product categories.
- Baba Ramdev is not someone Millennials are much excited to follow. Their connect to Yoga is not as strong as that of the middle aged and senior citizen. Hence, Baba Ramdev does not command the same influence on the millennials when it comes to endorsement of products or brand.

CONCLUSION

Millennials associate with Patanjali due to their tendency to experiment. This has resulted in first time purchase of Patanjali products but there is no great deal of stickiness. The generation is aware and make purchase decisions based on value proposition that complements their choices. While the brand has penetrated this segment, it is not significant enough to ensure future purchases. Millennials value the core proposition of Patanjali as herbal and ayurvedic product. Diversified products that do not complement this value proposition are rejected by this group.

SUGGESTIONS

Millennials consider themselves cognitive by nature hence Patanjali's traditional approach to educate the audience first and then launch the products works well with Millennials. However, they will need to do this through the right medium and channels that will have optimum impact on the audience.

Patanjali needs to come up with innovative products in future but must be associated with its herbal/ ayurvedic nature.

Better packaging of products is expected by the millennials. Millennials are more active on social media hence Patanjali can use it as a tactical channel to engage with them.

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