ORIGINAL RESEARCH PAPER

Management

KEY WORDS: Customer behaviour, Customer loyalty, Customer satisfaction, Customer delight

A STUDY OF CONSUMER BEHAVIOUR ON PATANJALI PRODUCTS

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ABSTRACT

Patanjali Ayurved Limited is an Indian FMCG Company headquartered at Haridwar, Uttarakhand. The Company was established on 13th January, 2006 with Acharya Balkrishna as its majority state holder as well as managing Director with 92% stake, the rest being with an NRI family from UK. In a short span of time company reaches the turnover of Rs. 5000 cr., hence it is important to know the success factor of Patanjali. This study mainly focusing on the factors influencing the success and popularity of the Patanjali products and it also study the satisfaction and loyalty of customers regarding consuming Patanjali products. Researcher collects the primary data of 1500 respondents and analyse it through SPSS. It was observed that customers who purchase Patanjali product recently will repurchase it and show loyalty towards company. The Factors influencing the success and popularity of Patanjali products are Patanjali as swadeshi brand, quality of Patanjali product, having fewer complaints of customer and Baba Ramdev as face of patanjali. It was also observed that respondents are willingly recommended Patanjali products to relatives and friends and hence they are delighted.

Introduction:
A yoga guru Baba Ramdev started an association Patanjali Ayurved in 2007. The main aim of the company is to bring awareness among Indian people towards swadeshi (made in India from materials that have also been produced in India) products. Also the profits earn by the company will be either cultivate back or profits will be used for social welfare. The firm, to increase its sales, also provides its products at reduce rate. Patanjali also believed that it will be very beneficial for consumer to shift in their preferences towards herbal and ayurvedic products which are deemed to be healthy and also closure to nature. It has also placed itself as a swadeshi brand, which has a request among a class of consumers.

Products of Patanjali Ayurved:
The company manufactures more than 900 products including 45 types of cosmetic products and 30 types of food products. Personal care, food and FMCG are the main category of products which are produces by the Patanjali ayurved. . It has also manufactured around 300 types of medicines for curing many diseases like from common cold to acute paralysis. According to patanjali all products manufactured by it are prepare from natural ingredients. The total sales of patanjali in FY15, food and cosmetics contributed INR8bn each, while healthcare products comprised the balance. The company has adequate capacity to achieve its revenue target of INR50-60bn in FY16. It is valued at 30 billion (US$470 million) and some predict revenues of 5,000 crore (US$780 million) for the fiscal 2015–16. Patanjali declared its annual turnover of the year 2016-17 to be estimated 10,216 crore (US$1.6 billion). Patanjali Ayurved sells through nearly 4,700 retail outlets as of May 2016

Review of literature:
Khanna, R.(2015) carried a study on consumer perception regarding Patanjali products. The objectives of the above study were to know about the perception, satisfaction level and attributes of consumer with regard to patanjali products. The data was collected by the researcher from 100 respondents in Punjab. They found that consumer were highly satisfied with patanjali products due to reasonable prices and due to curing ability.

Shinde, D.T., and Gharat, S.J.(2017) examined a study on product positioning of patanjali products. The purpose of above study was to find the various prospects of patanjali products and also factors influencing these products. They concluded that patanjali has captured a huge market share within a very short time period but shortage of these products is the major problem faced by consumers these days.

Ali, M.I., and Yadav, M.(2015) carried a study to know about consumer perception towards herbal products. The objectives of the above study were to know the reasons of using various herbal products. For the purpose of above study researcher collected data from 60 consumers using herbal products in three cities of Bhopal. On the basis of their study they found that due to hazards created by chemical products people shift it to natural products. Also they concluded that all consumers had a positive attitude towards herbal products and there was no side effect faced by these people.

Statement of the problem:
Consumer behaviour research is a study of consumer about their selection procedure of a particular product and services that satisfy their needs. Attitude of consumer can also affect the purchasing decision. Hence this research focuses on the factors influencing the success and popularity of the Patanjali products. Study also found out the satisfaction and loyalty of customers regarding consuming a Patanjali products.

Research Objective:
1. To study the factors influencing the success and popularity of the Patanjali products and services.
2. To study the satisfaction and loyalty of customers regarding consuming a Patanjali products and services.

Research Hypothesis:
Hypothesis1: It is expected that with the increasing popularity of Baba Ramdev and Patanjali product, a considerable number of customers start using Patanjali products and as a consequence, become satisfied and developing loyalty with the product.

H1: Customers are loyal to Patanjali brand

Hypothesis2: It is expected that the success of Patanjali is due to factors like reasonable price, packaging, quality of product, proximity of store, availability of product and Baba Ramdev as Brand Ambassador of the product.

H2: Purchasing of Patanjali products mainly because of the Swadeshi brand, quality of products, less complaints and Baba Ramdev as a face of brand.

Hypothesis3: It is expected that consumers of Patanjali products are not only satisfied but delighted by the product performance.

H3: Customers of Patanjali Brand are delighted.

Research Methodology:
Research is a process of steps used to collect and analyze information to increase our understanding of topic or issue. Research is a systematic investigation into and study of materials and sources in order to establish facts and reach new conclusions. Researcher carried out the study of demographic profile of customers in Pune city and to understand the factors influencing the success and popularity of Patanjali products among customers.

Data Collection:

1. Primary Source : Primary Information was collected through questionnaire survey of 1500 respondents selected through snowball sampling method from Pune city.
2. Secondary Source: Information was collected through articles in newspapers, journals, analysis in TV business channels like CNBC and NDTV profit and through internet.
3. Use of SPSS software: Data Analysis has been done with the help of statistical tools such as regression test and chi square test.

Type of sampling used during research:
Online sampling: An online survey was conducted in India to collect primary data. A web-based survey was suitable for this study because it could reach a wide audience anytime and anywhere (Neuman, 2004). It was 'the most efficient method of data collection considering their time and constraints', because it had minimal financial impact and could collect store responses more accurately (Lokken et al., 2003, p. 128). Also, participants did not reveal their identity when completing the questionnaires. The anonymity of respondents improves the reliability of data collected (Mehta and Sivadas, 1995; Kent and Lee, 1999; Gunn, 2002; Ilieva et al.,2002; Archer, 2003; Parker et al., 2004).

Snowball Sampling: Snowball sampling is non-probability sampling technique that is used by researchers to identify potential subjects in studies where subjects are hard to locate.

Researchers use this sampling method if the sample for the study is very rare or is limited to a very small subgroup of the population. This type of sampling technique works like chain referral. After observing the initial subject, the researcher asks for assistance from the subject to help identify the people with a same trait of interest.

Use of Google forms was done in order to collect the primary data through structured questionnaire.

Analysis and Results:

Hypothesis 1: Customers are loyal to Patanjali brand.

H0: Customers are not loyal to Patanjali brand

H1: Customers are loyal to Patanjali brand

Table 1: Crosstabulation of Recent Purchase by the Respondent Vs Respondents' choice about Repurchasing of Product

		Respondents' choice about Repurchasing of Product		Total
		Yes	No	
Recent Purchase by the Respondent	Yes	1091	74	1165
	No	0	335	335
Total	1091	409	1500	

From table 1 researcher found that out of 1165 customers who have already purchased the Patanjali products, 1091 are willing to buy again.

Hence Loyalty percentage = 1091/1165 = 93.64%

Table 2: Chi square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1150.566	1	.000

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 91.34

From the table no. 2, Pearson Chi-Square statistic, X2 = 1150.566, and $p < 0.00$; ie, a very small probability of the observed data under the null hypothesis of no relationship. The null hypothesis is rejected, since $p < 0.05$ (in fact $p < 0.001$).

Hence researcher concludes that customers who purchase Patanjali product recently will repurchase Patanjali product again, that means customer are loyal to Patanjali brand.

Hypothesis 2: Purchasing of Patanjali products mainly because of the Swadeshi brand, quality of products, less complaints and Baba Ramdev as a face of brand.

H0: Purchasing of Patanjali products doesn't depend on the Swadeshi brand, quality of products, less complaints and Baba Ramdev as a face of brand.

H1: Purchasing of Patanjali products depends on the Swadeshi brand, quality of products, less complaints and Baba Ramdev as a face of brand.

Table 3: Multiple Regression

Coefficients[a]						
Model	Unstandardized Coefficients		Stand Coef	t	Sig.	Rank
	B	Std. Error	Beta			
(Constant)	1.467	.050		29.284	.000	
Importance of Price of Product	-.012	.011	-.036	-1.075	.282	
Importance of Quality of Product	**.051**	.013	.145	4.031	**.000**	2
Importance of being Swadeshi Brand	**-.068**	.011	-.197	-6.275	**.000**	1
Importance of Packaging of Product	.008	.012	.018	.646	.518	
Importance of having Less Complaints	**-.040**	.010	-.120	-3.869	**.000**	3
Importance of Advertisement of Product	-.011	.012	-.033	-.935	.350	
Importance of Proximity of Stores	-.029	.013	-.088	-2.285	**.022**	5
Importance of Availability of Products	-.012	.011	-.035	-1.105	.269	
Importance of having Baba Ramdev as a face of Brand	**.039**	.010	.128	4.011	**.000**	4

a. Dependent Variable: Recent Purchase by the Respondent

Analysis of Regression: From table 3, column of Sig. Value, being Swadeshi brand is (0.0), for Quality of products is (0.0), for having less complaints is (0.0) and for Baba Ramdev as face is (0.0), proximity of stores (0.022)

If Sig value < 0.05, given variable are significantly associated with each other. Hence researcher conclude that the recent purchase by respondents of Patanjali products are significantly associated with Quality of product, Swadeshi as Brand, less complaints, Baba Ramdev as face and proximity of stores.

Based on the β Coefficient table, researcher assign ranking to the significant variables. As β Coefficient for being Swadeshi brand is (0.068), Quality of product is (0.051), for Having less complaints is (0.04), and for Baba Ramdev as face is (0.039) proximity of stores (0.029), So researcher give ranking as follow,

1) Being Swadeshi brand
2) Quality of product
3) Having less complaints
4) Baba Ramdev as face'
5) Proximity of stores

Hypothesis 3: Customers of Patanjali Brand are delighted.

H0: Customers of Patanjali Brand are not delighted.

H1: Customers of Patanjali Brand are delighted.

Table 4: Crosstabulation between Respondents' choice about recommendation of Products Vs Respondents' choice about recommendation of Products

		Respondents' choice about recommendation of Products to			Total
		Relatives and Friends	Every Person	No One	
Respondents' choice about recommendation of Products	Yes	707	464	0	1171
	No	0	0	329	329
Total	707	464	329	1500	

From table 4 researcher found that Out of 1171 people who will recommend to other people, 707 people will recommend to relatives and friends while 464 will recommend to every person.

Table 5: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1500.000[a]	2	.000

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 72.16.

From the table no. 5, Pearson Chi-Square statistic, X2 = 1500.00, and $p < 0.00$; ie, a very small probability of the observed data under the null hypothesis of no relationship. The null hypothesis is rejected, since $p < 0.05$ (in fact $p < 0.00$).

Hence researcher concludes that Costumers of Patanjali brand are delighted

Conclusion:

The Findings in the paper show that customers who purchase Patanjali product recently will repurchase it and show loyalty towards company. The Factors influencing the success and popularity of Patanjali products are Patanjali as swadeshi brand, quality of Patanjali product, having fewer complaints of customer and Baba Ramdev as face of patanjali. It was also observed that respondents are willingly recommended Patanjali products to relatives and friends and hence they are delighted. In order to increase the customer base and their loyalty, researcher suggests to introduce Customer care services by utilizing IVRS (Interactive Voice Recorded System) and providing Toll free number to attend to the grievances. Introduce Online shopping portals and mobile apps for Brand Patanjali in order to reduce the gap between the customer and products. Improve upon the packaging of Patanjali products to make the product more attractive. Also highlight Baba Ramdev as a Brand Personality. In order to attract potential customers of Patanjali, invest on training to dealers, franchise and sales executives about customer relationship management, interpersonal communication etc. Develop the strategy to convert potential customer to actual customer and then to loyal customer.

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