



### **Make in India : Patanjali takes the fight into the MNC Camp**

Make in India Slogan is lived by Patanjali. It shows the commitment of a company to improve the economic condition of the country and provide quality products, competing with renowned brands, foreign competitors and customers mind set.

Patanjali Ayurved, a mega FMCG company by Yoga guru Baba Ramdev who also plays the role of a product evangelist and brand ambassador. In 1995, Balkrishna with Ramdev had set up Divya Pharmacy. In 2006, they set up Patanjali Ayurved, the company's turnover of Rs 10,561 crore in financial year 2016-17.

The products of Patanjali are Ayurved based but the technology used in production is latest and have also acquired machineries from across the borders. The solo purpose is not Ayurvedic Products but maximum market reach, product reach, standardization, quality and affordability. It is an inspiration to all, who want to compete in areas which have become the domains of MNCs.

FMCG is the 4th largest sector in the Indian economy, consisting of three main segments in the sector –

1. Food and beverages which accounts for 19 per cent,
2. Healthcare which accounts for 31 per cent and
3. Household and personal care which accounts for the remaining 50 per cent.

MNC's are facing challenges from a company launched just 11 years back, and grown 10 times in last 5 years. Patanjali has not left any stone unturned to hoist the flag of open competition and strong market capture of multiple products which ruled market till 2006.

### **Innovative Approach made the Indian Market change its direction.**

Make in India attached to opposition on products of Foreign Companies has raised Patanjali's image in minds of Indian consumers. It maintains quality even when they adapted outsourcing manufacturing of few products.

- **Product Range:** The company manufactures more than 900 products including 45 types of cosmetic products and 30 types of food products. It entered in competition with almost every product like Milk Powder, Chawanprash, Pachak, Oil, Rice, Brown Rice, Tomato Ketchup, Pulses, Flour, Pickle, Noodles, Oats, Papad, Snacks, Corn Flakes, Choco Flakes, Sharbat, Juice, Biscuits, Spices, Candy, Herbal Tea, Jam, Murabba, Sugar, Asafetida( Hing), Ayurvedic Medicine, Dishwash Bar, Incense Sticks( Agarbatti), Hair Oil, Tooth paste, Bath Soaps, Body Lotion, Face Wash, Detergent Liquid, Child care Lotions & Hair Oils, DVD's on Yoga.
- **Manufacturing:** Patanjali Food and Herbal Park, one of the largest food parks in the world spread across 100 acres, was established in 2009 and provides employment to 6,500 people.
- **Distribution:** Distribution structure has 5,000 franchisee stores, 15,000 exclusive outlets; wants to reach at 100,000 outlets, Patanjali centre with clinics in 500 to 1,500 square feet in size also sell the products. They also distribute through general retail stores.

- **Market Reach:** In last 2 years the Ayurvedic Products from 69% to 77% in all over the India. Pantanjali's products and has collaboration with the Future Group, Star Bazaar, Easyday and other hypermarket chains.

**Expanding Reach to Reap Bigger Dividends**

- Patanjali is for the first time investing in advertisements tailored for online audiences
- Co hopes to reap bigger dividends than its campaigns in the print and electronic media
- By June, views for Patanjali on YouTube climbed to **15 crore** from **30 lakh**
- Searches for Patanjali products on Google have gone up **11 times** in the past four years and three-fold over the past three years
- Patanjali Ayurved channel on YouTube, which started in July 2014, has more than **96,000 subscribers**, while its page on Facebook has **386,709 followers**
- Starting with online-friendly advertisements for **Saundarya cosmetics** and **Shishu Care lotions** and oils for children in February, Patanjali has widened its digital campaign portfolio to **10 products**

The response by the online audience to Patanjali proves the very strong association of the users with the brand. It goes on to show that the brand is future-ready and will go beyond the three Ms: metros, millennial and males

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- **Advertisements:** FMCG companies typically spend 12-20% of their revenue on advertising and promotions but Patanjali initially leveraged word of mouth publicity and community connect attained via constant preachings of Baba Ramdev in Yoga Shibir, constant image building and appearances on TV, before starting to invest in advertisements and sponsorships.

Online Presence of Ayurvedic products by Patanjali Ayurvedic Ltd on Facebook, Youtube, Amazon, their own website is also a strength.

- **Success :** Patanjali brand toothpaste had 6.2 per cent share during the quarter ended June, compared to 2.2 per cent a year ago, making it the country's fourth-largest toothpaste company.

- **Effect on Competition:** Patanjali's efforts have compelled the big companies like Hindustan Unilever, Nestle, and Colgate-Palmolive to launch natural products to stop loss of market share.
- L'Oreal, for example, has launched a hair care range under Garnier Ultra Blends made with "natural ingredients", while Colgate brought the Cibaca Vedshakti brand to the market.

**In the quarter ended March, ayurvedic products grew 60% in volume in comparison with previous year for overall FMCG segment grew 6%.**

Product categories that were in market and dominated by foreign companies or needed some option of natural ingredients for improvement in public health and affordability are being innovatively addressed by Patanjali with focus on high quality and reasonable rates.

In 2016, Patanjali announced entry to textile manufacturing with plan to make traditional clothes such as Kurta Payjama and jeans.

Patanjali's Revenues Form 2009- 2017

Year	Revenues (In Rs Crore)
2009-10	165
2010-11	317
2011-12	446
2012-13	850
2013-14	1200
2014-15	2006
2015-16	5000
2016- 17	10561 <sup>[3]</sup>

Patanjali has inspired people by being an example of Make in India. Its 2020 vision is Rs 1,00,000 crore annual sales which looks completely possible with all multidirectional efforts made by the company.

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