Review Article

Growth Strategies to Demystifying the Brand Patanjali
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Abstract

Patanjali has also pledged to plough back majority of its profits in operations, which in turn will help Patanjali better its position in the growing market. Will Patanjali reach a turnover of close to USD 1.5 billion (Rs.10,000 crore) this fiscal or an ambitious turnover of close to USD 3 billion (Rs.20,000 crore) by 2020? Whatever the answer to these questions is, nobody can take the success away from both Baba Ramdev and Acharya Balkrishna at the present moment. The disruptive force that they have created in the Indian FMCG industry is set to benefit the consumers for a long time to come.

Keywords: Patanjali Ayurved, STP, Environment Analysis, Marketing mix

INTRODUCTION

More than half a century ago, experts and analysts would have ignored the previous passages of Acharya Balkrishna, general director and principal shareholder Patanjali Ayurved. However, the rapid growth of Patanjali Ayurved Ltd captivated the fantasy of every individual in this country. The controversial question that everyone asks is: "How did a small pharmaceutical organization make a turnover in the Indian consumer goods sector in the short term of close to $ 100 million?(1)

Patanjali Ayurved Limited is a high-capacity Indian consumer goods company based in Haridwar with a market value of nearly $ 2 billion (Rs 13,000 cr). Founded in 2006, this organization has had an impressive growth in the last five years, with excellent sales and profits. A fast-growing Indian FMCG organization by date has created a benchmark for rapid growth and increased competition. This financing put Patanjali Ayurved in the same league as the big multinational companies like Britania, Nestlé, Colgate, P & G and others. (2)

There is no image available in the Indian consumer goods sector, so look for recent cases and track growth in other sectors. The increase in sales of Patanjali Ayurved and the similarities between some of the leading Indian e-commerce companies such as Flipkart and Snapdeal can occur. This case
study is an attempt to decipher the mysterious growth of Patanjali Ayurved Limited in the Indian consumer goods market. (3)

General description
Patanjali Ayurved was co-founded by Acharya Balkrishna and Baba Ramdev to spread the science of Ayurved. Today, some Ayurvedic products produced by Patanjali show a powerful synergy between ancient wisdom and modern technology. Although Acharya Balkrishna is a key stakeholder of the company (92% share), the main driving force of Patanjali Ayurved is the charisma and philosophy of Baba Ramdev, an expert in yoga and an ascetic born in India. (4)

Baba Ramdev and Acharya Balkrishna have established many institutions since the founding of the Divya Mandir Yog Trust. These agencies also contributed to the success of Patanjali Ayurved Ltd by providing raw materials, manpower and know-how. (5)

Some of these institutions include:
- Patanjali Yogpeeth Trust
- Patanjali Ayurved College
- Patanjali Chikitsalaya
- Yoga Gram
- Goshala
- Patanjali Herbal Botanical Garden
- Organic Agriculture Farm
- Patanjali Food and Herbal Park Ltd

In 2006 Baba Ramdev and Acharya Balkrishna established Patanjali Ayurved to provide products and other ayurvedic medicines to its patients. In 2012 the duo decided to unlock the potential of Patanjali Ayurved by expanding it into the mainstream Indian retail sector. (6)

<table>
<thead>
<tr>
<th>Product</th>
<th>Brands of Patanjali</th>
<th>Some of the Competitive Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharbat/ Squash</td>
<td>Amla, Bel, Brahmi, Gulab, Keshar Badam, Orange, Nimbu, Mango</td>
<td>Kissan Squash, Rooh-afza, Minute Maid, Rasna</td>
</tr>
<tr>
<td>Juice</td>
<td>AloeVera, Anar, Amla, orange</td>
<td>Real, Priyagold, Godrej and Kissan Juices</td>
</tr>
<tr>
<td>Jam</td>
<td>Apple , Pineapple and Mix Fruit Jam</td>
<td>Kissan, SIL, Tops, Druk</td>
</tr>
<tr>
<td>Salt</td>
<td>Saindha Namak</td>
<td>Tata, Annapurna</td>
</tr>
<tr>
<td>Chyawanaprash</td>
<td>Sada, Special Chyawanaprash</td>
<td>Dabur, Baidyanath, Zandu kesari Jiwan</td>
</tr>
<tr>
<td>Flour</td>
<td>Arogya Aata</td>
<td>Aashirwad, Annapurna</td>
</tr>
<tr>
<td>Candy</td>
<td>Amla, Anardana</td>
<td>Dabur Hazmola</td>
</tr>
<tr>
<td>Washing Powder</td>
<td>Ujjwal</td>
<td>Arial, Surf-excel, Tide</td>
</tr>
</tbody>
</table>
Strategic planning
Baba Ramdev and Acharya Balkrishna knew that efforts to create a captive market during the past year and a half to focus on health, yoga, Yama prana, and, above all, the Baba Ramdev brand. The captive market is looking out for cheap products very interested in health believes that the philosophy of swadeshi (homegrown) Above all, keep in mind, at least, the Baba Ram def. (7)

When Patanjali launched its products in the Indian retail sector, this captive market was the first to buy and use its products. This captive market developed immediate loyalty to the Patanjali brand. The role of the captive market has been associated with Patanjali, but not limited to those who buy or use or spread the good word about Patanjali products have been the franchise. Initially, several franchises founded by Patanjali left the market. (8)

The merchants have firmly established Patanjali brand by advertising and promoting Patanjali products in this region, distributing the product in the minds of local people. Patanjali has followed other distribution strategies compared to multinational consumer goods companies that use traditional distribution channels and has effectively penetrated its current position. (9)

Table 2: Chronological order of Patanjali Ayurveda’s Financial turnover.

<table>
<thead>
<tr>
<th>Year</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>Rs 446 crore</td>
</tr>
<tr>
<td>2012-13</td>
<td>Rs 850 crore</td>
</tr>
<tr>
<td>2013-14</td>
<td>Rs 1200 crore</td>
</tr>
<tr>
<td>2014-15</td>
<td>Rs 2006 crore</td>
</tr>
<tr>
<td>2016-17</td>
<td>Rs 10,000 crore</td>
</tr>
</tbody>
</table>

Today Patanjali's turnover stands close to USD 1 billion (Rs 5,000 cr, FY ending 2016) with a mammoth goal of reaching close to USD 1.5 billion (Rs 10,000 cr by FY ending 2017) and close to USD 3 billion (Rs 20,000 cr by FY ending 2020). Patanjali Ayurveda's value creation and delivery strategy encompassing both the Strategic and Tactical Marketing is instrumental in making it a force to reckon with in the Indian FMCG industry. Kotler defines value as sum of all benefits that an organization provides to its customer less the cost which customer incurs to get those benefits. (10)

Hence Value = Benefits – Cost.

Organizations succeed or fail based on the value they provide to their customers. Patanjali Ayurved has always provided high value to its customer which led to its remarkable progress in the target market. Let
us understand the Value creation and delivery sequence of Patanjali. (11)

**Figure 1: Strategic Management Of Brand Patanjali.**

**Strategic Marketing : Choosing the Value Segmentation & Targeting**

Patanjali has segmented its market based on
1. Demographic – Income, age etc.
2. Psychographic - Health Consciousness, Patriotism

Patanjali’s target segment comprise of health conscious people who prefer “value for money” natural products. Patanjali has products targeted at children (health drinks) and elderly people (some ayurvedic medicines). Almost all products of Patanjali are affordable in nature (at a price 15% - 30% lower than the competition), hence the income segmentation strategy has worked. Initially the products were targeted at lower and middle income groups but with the present turnover of close to a billion dollars
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(Rs 5000 cr) this fiscal, it is evident that Patanjali’s products have buyers not only from the lower income and middle income segments but also from health conscious upper middle and upper income segments. These 2 segments have found value in Patanjali’s natural and ayurvedic products. (12) Patanjali’s market targeting strategy is that of “Selective Specialization” as they cater to a lot of segments in their market but not the entire market.

Table 3: Ansoff’s matrix

<table>
<thead>
<tr>
<th>Current products</th>
<th>New products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market penetration</td>
<td>Product development</td>
</tr>
<tr>
<td>Sachet</td>
<td>Ayurvedic</td>
</tr>
<tr>
<td>Coinage SKU</td>
<td>Natural</td>
</tr>
<tr>
<td>Market development</td>
<td>Diversification</td>
</tr>
<tr>
<td>Targeting youth</td>
<td>Cosmetics</td>
</tr>
<tr>
<td>Rural market</td>
<td>Health drinks</td>
</tr>
</tbody>
</table>

Both the positioning planks have created wonders for Patanjali. The twin positioning planks are synergistically integrated with the brand Patanjali as India is considered to be the birth place of Ayurved. The “Swadeshi make” plank also helps in assimilating the previous people movements initiated by Baba Ramdev like Bharat swabhiman and swadeshi andolan with Patanjali Ayurved Ltd. (13)

Positioning of Patanjali Yogpeeth
The activities, through which Patanjali Yogpeeth wants to project its image in the minds of people, are categorized into following four categories: (14)

a. Ascetic Lifestyle (Sadhna)
Sadhna is a primary goal of all spiritual organizations. Baba Ramdev was influenced by the ideology of Maharshi Dayanand Saraswati, who emphasized yoga and pranayama. Focus on yoga and pranayama to promote Sadhna. Promote yoga and pranayam in various ways, including the organization of Yog Shivirs, the transmission through television channels and the production of yoga CDs and DVDs. (15)
A holistic approach to yoga was adopted which includes Gnanyog, Dhyanog, Bhaktiyog and Rajyog. Swamiji wants to see a country that is Yogic India.

b. Education (Shiksha)
Patanjali Yogpeeth strives to establish a traditional educational system that meets the economic, social and spiritual needs of the country and works with existing institutions to integrate Indian culture and education. The main motive behind all activities is the coordination of research and guidance on the formation of personality, moral support and cultural knowledge, the illumination of state pride, the equitable society, Vedas and Upanisad for world welfare. (16)

Several measures taken in this regard include the establishment of Patanjali Ayurved College, Patanjali University, Gurukul in Rewari and many other institutions. All initiatives fight for the integration of knowledge and wisdom.

c. Health (Swasthya)
The health revolution is one of the fundamental objectives of the Patanjali family. Patanjali is promoting the Ayurvedic medicine system and is trying to implement old treatment systems of India, including Panchkarma, Naturopathy, Yajna cure, etc. To achieve this, Patanjali prepares several medications under Patanjali Ayurved, Divya Pharmacy, etc.

Patanjali food and herbal park are established to provide pure and herbal products to people. Patanjali Chikitsalayas and Patanjali Arogya Kendra have settled in several cities in the country and provide Ayurvedic medicines to people. (17)

d. Entrepreneurship (Swawlamban)
Patanjali aims at promoting indigenous entrepreneurship among the people of the country and to reduce the dependence on the west. Patanjali Food and Herbal Park is established to bring about agricultural revolution in the country which gives farmers best price for their produce.

Various self help groups are also constituted to promote indigenous entrepreneurship. All these activities combined leads to Spiritual entrepreneurship. (18)

MARKETING MIX
In order to know exactly the reason for success of Baba Ramdev, it is imperative to throw some light on the marketing mix rudiments. To be a successful marketer it is important that all the marketing mix elements have to be fine tuned to support and strengthen brand personality. (19)

Tactical Marketing Mix
Patanjali Ayurved has 4 product categories:
1. Home care
2. Cosmetics and health
3. Food and beverages
4. Health drink

The company is planning to venture into packaged cow milk, Khadi and animal feed this year. Patanjali uses natural ingredients and herbs to manufacture its products. They
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have state of the art R&D facility, involved in the latest research on products which can benefit their target market. It has few star products in the product portfolio(20).

<table>
<thead>
<tr>
<th>Personal Care</th>
<th>Home care</th>
<th>Food &amp; Beverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face Care, Face Cream, Lip Care, Face wash Body Care, Body Wash, Foot care, Lotions Hair Care Shampoo Hair Oil, Hair Color Soaps &amp; Hand wash Tooth paste Tooth brush Make up Kajal Shaving cream</td>
<td>Agarbatti Dish Wash Bar Herbal Gulal Hawan Samagri Detergent powder Detergent cake Disinfectant</td>
<td>Pulses Honey Edible Oil Ghee Flour / Besan Spices Salt Rice Biscuits Jam Noodles Oats Natural Sugar Broken Cereals (Dalia) Gram Flour (Besan) Pickle Corn Flakes Juices Fruit Drinks</td>
</tr>
</tbody>
</table>

Table 3: Product mix of Patanjali Ayurveda

Patanjali's cow ghee was worth Rs 1308 crore in FY 2015-16, the herbal toothpaste Dant Kanti was worth 425 crores. Shampoo and Hair Oil under the brand name Kesh Kanti, did a turnover of Rs 325 crores (Annexure 3). One of the reasons Patanjali Ayurved has been able to garner market share so rapidly is because of low lead times between the product concept and product launch. Patanjali Ayurved's R & D team has been able to produce good quality products at low cost in less time for eg. The lead time between the product concept of Patanjali Noodles (which happened after Maggi was declared unfit for consumption by FSSAI, India) and the Product launch in the market is close to 4 months(21)

Price: Patanjali Ayurved's products are sold at a price of 15% - 30% lower than that of competition. Except for Patanjali Cow Ghee, which is sold at a premium in the market, every other product has a market penetration pricing strategy. The pricing strategy has helped Patanjali establish itself in the marketplace. Established brands which did
not consider Patanjali as a competition initially, are now forced to sit and take notice. HUL (22)(Hindustan Unilever Ltd) has reported the slowest growth in revenue in the last 6 years. Colgate, one of the MNCs worst hit by the growth of Patanjali, has reported its worst revenue growth since last 4 years. A comparison of few well-known brands of Patanjali Ayurved with competition is shown below:

**Distribution:** Patanjali uses multiple distribution channels to cater to the market. Company has a reach of 0.2 million outlets. Patanjali has a strong presence in the market through its 1200 chikitsalayas, 2500 arogya kendras, 7000 open store in villages and 5600 marketing vehicles. Patanjali also plans to establish 250 mega stores in tier 1 & tier 2 cities. (23)Patanjali also has a tie-up with behemoths of modern retail like Reliance and Future Group, which carry its product range across all its stores in the country. It also has tie-ups with Star Bazaar (Tata Group), More (Aditya Birla Group), Spencer Retail, D-Mart, Apollo Pharmacy etc to increase its reach in urban India. Patanjali has embraced the e-commerce mode of retailing products through patanjali ayurved.net. Patanjali has a strong presence in the modern retail format, e-commerce and its own outlets but lacks presence in the traditional retail formats, which serve close to 90% of Indian retail market.

**Promotion:** Patanjali has used different promotion strategies as follows:(24)

1. Baba Ramdev through his Yoga Shivirs not only talks about the different Yoga postures and their benefits in curing the diseases but also about the Patanjali Ayurved products aiding in a healthy lifestyle and a disease free life. This is one of the most potent promotion tools used by Patanjali.

2. Word of mouth communication certainly has a higher believability factor compared to other mediums of advertising. Baba Ramdev has created a strong community of loyalists through the efforts of Patanjali Yogapeeth Trust and Yoga shivirs, who speak very high of Baba Ramdev and Patanjali products.

3. Recently, Patanjali Ayurved has seen a spurt in its advertising spent. Patanjali’s advertisement in print and digital media is readily seen.

4. Patanjali has also embraced digital marketing and has a well-designed facebook page and twitter account.

5. Public Relations: Baba Ramdev has excellent Public Relations and Media skills. He is an often featured personality along with his products in media.

6. Patanjali ayurved has its channel on youtube which features more than 200 videos on Yoga and product information.

7. Baba Ramdev's books and VCDs are not only an excellent information disbursal tool but also a subtle promotion tool.

The above mentioned strategies have helped Patanjali reach a turnover of close to a billion dollars. But Patanjali has set ambitious goals for itself. Is it possible for Patanjali to clock a turnover of USD 1.5 billion (Rs 10,000 crore) in the next financial year and USD 3 billion (Rs 20,000 crore) by the end of FY 2020. The Strategic Planning process will through more light on
how Patanjali can attain its goal in the near future(5).

**Environmental Analysis:**
An organization’s environment comprise of both macro and micro environmental forces which shape its future course of action. A thorough knowledge of these environmental forces helps an organization to analyze its strengths and weaknesses in the present environment context and strategize accordingly(16).

Patanjali is deeply impacted by both macro and micro environment forces and it is imperative for it to understand and then formulate their goals and strategy based on the same. (10) Macro Environment forces impacting Patanjali Ayurved are as follows:

1. **POLITICAL**
The present political environment is conducive to the growth of Patanjali Ayurved in the country. Baba Ramdev is friendly to the present government. He is a big supporter of Shri Narendra Modi, Hon’ble PM of India.(23)

   a. **Stability:** The present central government has majority in the parliament. A stable government augurs well for the organizations like Patanjali who want to move on a fast growth track by investing heavily in the factors of production and marketing.
b. **Taxation Policy:** Governments taxation policies impact on the cost of the input products and hence impacting on the final price of the products. Patanjali input costs increases or decreases based on the taxation policies of the government.(5)

c. **Government Support:** Central Government is promoting Ayurved and Yoga. Government of India has a separate “Ayush – Ministry” to promote Yoga, Ayurved and other traditional and complementary medicines.

d. **Challenges faced from State Government:**
Patanjali is expanding its operations but outside its home state, Uttarakhand, because of the lack of cooperation from the present state government

2. **ECONOMIC**
The following economic factors are impacting Patanjali Ayurved Ltd and other organizations in its segment:

a. **Inflation rate:** Moderate inflation rate, an important factor in the mind of customer to look out for value for money products.

b. **Tax Rates and Interest Rates:** Higher tax rates and interest rates impact upon the cost of capital adversely and hence the manufacturing cost increases, making the products costly in the market.

c. **GST:** Implementation of Goods and Services Tax will also help organizations like PATANJALI. Since Patanjali Ayurved procures its raw materials locally and thrust on exports is minimal, the factors like currency exchange rates etc have no significant impact.

3. **SOCIAL**
a. **Health consciousness:** People are becoming more health conscious and there is an increasing trend to spend on health and awareness programs and products.

b. **Rise in life style diseases:** Lifestyle diseases like heart attacks, cancer, BP, Diabetes are on rise in the Indian society. The main cause for this is chemicals in the food we eat and the products we use apart from the lifestyle of an individual. People are more inclined towards natural products(22)

4. **TECHNOLOGICAL**
a. **Research & Development:** Government has created a favorable environment for R&D in India. Patanjali through Patanjali Yogpeeth Trust at Haridwar is involved in R&D of ayurvedic and herbal products. Baba Ramdev has claimed that their R&D has created ayurvedic products which can cure deadly diseases like cancer.(6)

b. **Automation:** Automation in drug production helps in mass production of ayurvedic drugs without losing their effectiveness and efficacy.

c. Better means of communication, resulting in fast information disbursal and penetration.

5. **ENVIRONMENTAL**
a. The science of ayurved is free of any hazardous chemicals. It has a direct
advantage over allopathic medicines as it has no side effects.

b. India is a rich source of certain herbs which may not be available anywhere else in the world. (8)

c. The residues produced in ayurvedic product manufacturing is far less harmful compared to that of an allopathic manufacturing.

d. Ayurvedic products are more environment friendly compared to other chemical based products.

6. LEGAL
Ayurved is a vast field. There are government acts applicable to Ayurved: The medicine central council act-1970, the drugs and cosmetics act 1940 and rules made there under, the drugs and magic remedies act 1954 and the rules made there under. (12)

Task environment Analysis: The task environment is the immediate environment of an organization and most of the organizations manage their task environment on an everyday basis. The task environment of Patanjali Ayurved has been analysed with the help of Porter's five forces model.

Figure 3: Industrial rivalry Of Brand Patanjali.

1. Industry Rivalry: High
Patanjali competes with both organized and unorganized players in its industry.

a. The industry is highly competitive with organized players like Dabur, Zandu, Baidyanath, Himalaya etc. These brands have established marketing channels in both traditional and modern retail and are present in the market since last few decades. They have a strong and loyal
base of customers who has been using their products consistently.

b. The unorganized players include numerous ayurvedic centres, chikitsalayas and shalas which make their own products for their customers and also sell the same in the local market.

2. Bargaining power of buyers: Moderate
Buyers are looking for reliable ayurvedic compositions. Price and Quality of the product are the major determinants. Buyers do not hesitate to shift if a similar quality product is available at a lower price from a different manufacturer. (7)

3. Bargaining power of suppliers: Moderate to High
Since this business is highly dependent on the right ingredient, suppliers have a good bargaining power. The bargaining power of the suppliers can be controlled by backward integration i.e. by establishing own herbal gardens and planting the herbs. Patanjali has controlled the bargaining power of suppliers by becoming a fully integrated organization. It provides end to end solutions in Ayurved.

4. Threat of New Entrants: Moderate to High
Since FMCG industry is capital intensive, the threat to Patanjali is not from new entrants in the segment. Major threat to Patanjali is from existing players in different segments for eg Colgate entering into the natural and ayurvedic segment through Colgate Active Salt – Neem. HUL is also reviving its herbal brand Ayush and planning to launch more products in the natural segment to compete with Patanjali.

5. Threat of Substitute Products: Low to moderate
The substitute products depend on the respective product category but generally the category in which Patanjali Ayurved is present the threat of substitute ranges from low to moderate.

Goal Formulation
Patanjali’s goal for the financial year 2016 – 17 is around USD 1.5 billion (Rs 10,000 crores) and it wants to reach around USD 3 billion (Rs 20,000 crores) by FY ending 2020.

Patanjali’s strategy can be mapped to Michael Porters’ Generic strategies model. Most of the organizations follow one of the strategies as propounded by Michael Porter, there are a very few organizations which embrace a combination of these strategies. Patanjali Ayurved Ltd has adopted both cost leadership and differentiation strategy. Patanjali’s products are generally 15% - 30% lower than that of the competition and it produces natural and ayurvedic products. Patanjali claims that its products are free of chemicals. Thus Patanjali’s strategy is an amalgamation of overall cost leadership and differentiation.(3)

Strategic Alliances: Strategic Distribution tie-ups with Future Group and Reliance Retail. This strategic alliance gives Patanjali products an instant reach in all the major cities in India through 2 most prominent brands in modern retail. Patanjali also has a
tie-up with DRDO for transfer of technology in supplements used at high altitude. It is expected that this strategic planning along with expansion in production, distribution (traditional retail channel) and new portfolio of products will help Patanjali reach its mammoth goal this fiscal. The story of Patanjali so far has been good but all this success did not come easy. Patanjali has its own threats and share of controversies.(24)

Experts claim that there is nothing ayurvedic in food products like noodles, corn flakes, biscuits which come out of similar assembly lines as that of other MNCs. Only a wheat based cereal doesn't make products ayurvedic.

- Baba Ramdev is often accused of playing the same game as MNCs in the garb of Swadeshi and Bharat Swabhiman.

- Patanjali's share of controversies also include its recent tussle with Food Safety and Standards Authority of India (FSSAI) on the issue of necessary approvals required for its noodles brand.

- In December 2015, Patanjali faced 2 fresh controversies.

- Firstly, a Tamil Nadu based religious organization, The Tamil Nadu Thowheed...
Jamat issued a fatwa against Patanjali products, claiming that all Patanjali products are based on cow urine which is “haram” for their community. Acharya Bal Krishan, Managing Director, replied to the allegations by clarifying that only 5 products out of a range of close to 700 products from Patanjali contain cow urine.

- Secondly, there were reports of bugs found inside the packet of noodles in Jind, Haryana.

- There is also a report of cases being filed with Advertising Standards Council of India (ASCI) with regard to PATANJALI's misleading advertisement.

Will these controversies pull down Patanjali Ayurved or will Patanjali Ayurved surmount all these challenges? Is a question that will be answered in the due course of time but at the present moment, the future augurs well for Patanjali Ayurved Ltd.(2)

**The Future**

Patanjali is a trendsetter in the Indian FMCG sector. It has grown at a phenomenal pace in the last half a decade. Growth in demand has also put pressure on the pace of production to satisfy the rising needs of consumers.(8)

- Today, Patanjali has one manufacturing plant in the holy city of Haridwar but Patanjali Ayurved will require more production facilities to cater to the rising demand of its products in the country. So Patanjali has decided to establish 4 more manufacturing units in the country.

- The planned manufacturing plants may come up in the states of Maharashtra, Punjab, Andhra Pradesh and Madhya Pradesh. Patanjali wants to set up its new manufacturing plants closer to raw material source. Easier and direct availability of raw material will also bring down the cost of production.

- Rs 1000 crores has been earmarked for the expansion this fiscal. The finances will be arranged from the internal accruals and loans from SBI and Punjab National Bank.

- Patanjali Ayurved is also entering into the dairy segment with the packaged cow milk. The company has already acquired a dairy plant in Ahmednagar, Maharashtra with a plant capacity of 12 lakhs litre/day but the company is investing more money in the facility to increase its daily output to 70-80 lakhs litre/day(18)

**Conclusion**

This case study is about Patanjali Ayurved Ltd., also known as Patanjali, an Indian FMCG which has registered phenomenal growth in the last 5 years. The case tracks the different strategies which worked for Patanjali Ayurved Ltd (Patanjali) in the hyper competitive Indian FMCG sector. Acharya Balkrishna is the Managing Director and major stake holder of Patanjali Ayurved Ltd (Patanjali) but the driving force behind Patanjali Ayurved Ltd is Baba Ramdev, an ascetic and yoga guru of Indian origin.

The case narrates the growth strategies of Patanjali Ayurved Ltd and key role played
by Baba Ramdev and Acharya Balkrishna to bring it to its present stage. Authors have used two business models namely “Value Creation and Delivery sequence” and “Strategic Planning” model to narrate the growth and success of Patanjali Ayurved Ltd. The case ends with a peep into the future prospects of Patanjali.

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