

A STUDY ON THE STATUS OF MARKETING OF AYURVEDIC PRODUCTS IN INDIA

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ABSTRACT

This study is a micro level analysis about the marketing mechanism of the manufacturers of Ayurvedic products. It aims at identifying the status of Ayurvedic marketing and also for locating the deficiencies in marketing. It is found that the present state of marketing is not conducive to the future of Ayurveda which is an ancient medical science. The classical Ayurvedic drugs, the true ancestors of Ayurvedic tradition, are not adequately promoted in the present scenario. There is immense potential for classical Ayurvedic products in the modern world where life style diseases are plenty, still no serious and sincere research and development activities are not happening in this direction.

Keywords: Ayurvedic products, history, marketing, global market

INTRODUCTION

Marketing of Ayurvedic product is the process of showcasing the traditional medical knowledge of commodities into the market. It may be defined as facilitating the availability and acceptability of a many thousand years old health care system wrapped in cultural heritage of the same age by transforming it in to a wide range of consumables like cosmetics, tonics, tablets, syrups and creams. In other words, a modern user- friendly Ayurveda has emerged through the application of scientific marketing principles.

The origin of Ayurvedic marketing in the beginning of the twentieth century was part of its effort to resist the attack from the colonialist- supported Allopathic medicine. It was achieved largely through modernization of the products, mass production and organized marketing. But by the late twentieth century, the compulsions of the socio- economic changes resulted from the neo- colonialism made Ayurveda to run behind commercialization, ie by offering by itself as commodities in the market. Such commoditization was most essential for the survival of Ayurveda- both as a system of healing at the service of the society looking after its health affairs and also as a commercial activity supplementing to the wealth of the nation. In this twenty first century, the Ayurvedic marketing is proceeding at a cut-throat speed and the societal marketing concept is being regularly violated at more than one point.

HISTORY OF AYURVEDIC PRODUCT MARKETING

Though the mythical origin of Indian Ayurveda could be traced back to the origin of the universe itself, the attachment of marketing-tag to it is a very recent affair. The general attitude of the traditional Indian Ayurveda physicians was against receiving anything in return for the relief rendered by them to the ailing body and mind. The traditional Ayurveda physicians were respected as the incarnation of god, who blessed their patients with treatment and drugs. The twin terms of product and market were not familiar to the Ayurvedic tradition, which had the image of a service. But from the late nineteenth century, we could notice a step by step change in the above style of the functioning of the Indian Ayurveda.

In the middle of the nineteenth century, when modern medicine was not popular, the Indian Medical Profession was dominated by Indigenous systems of medicine including Ayurveda. The Traditional Ayurveda physicians (Vaidya) attended the patients from the Veranda or sit out of their residence. Majority of them did not accept anything in return. Some of them were not reluctant in receiving a nominal amount as Dashina from willing and financially sound patients. Medicine were either given free of cost to patients or directions were issued to patients to prepare it at their home by locally available herbs and if necessary financial help would also be extended to patients. Interesting Folktales spread in the countryside about the magical healing touch of great Vaidya which could be considered as the primitive form of advertising.

Early Commercialization period is the period between the middle and end of the nineteenth century. The British rulers tried to popularize the Allopathic across the Indian subcontinent. At this time, the Allopathy had advanced much with the progress of scientific research and developments. The Indian Ayurveda had boldly accepted the challenge of the British government sponsored Allopathic. The sit-out of the residences of many Ayurveda Vaidya had become show rooms and selling points of Ayurveda drugs at cheaper rate than Allopathy products. Knowingly or unknowingly this necessitated mass production of drugs and introduction of professionalization. The traditional Ayurveda Vaidya of Kerala and Bengal, the Ashta Vaidya and Kavirajas respectively provided the lead in their states. In this period, commercial manufacturing was meant for local consumption and the only form of advertisement was the verbal accounts of the experienced patients.

This is the period between the end of the nineteenth century and the 20's of the twentieth century. After the First World War, famine and diseases were common in the Indian subcontinent. The costly Allopathic medicines were outside the reach of the poor Indian masses. The Indian Ayurveda, faced the situation with the support of the nationalist movement and

mass production of Ayurveda drugs had begun all over India by different manufacturers. The KAVS in Kerala and the Dabur in north were Pioneers. They made traditional medicines strictly sticking to the authentic Ayurvedic texts such as Ashtanga hridaya etc. These medicines were purchased in bulk by the Vaidya for the therapeutics purpose. It was during this period that the Dabur had released the first patented Ayurvedic product, the Pudinhara. Advertisements about Ayurvedic products were also started appearing in the print media. In the year 1903 the KAVS published a catalogue describing the indications, usage and availability of their Ayurvedic products. It was the first of this kind in the South India. The book, Chikilsa sangraham, published in the same year by Vaidya retnam P.S. Varrier, the founder of Kottakkal Arya vaidyasala, in its fourth chapter describes the manner of exhibiting Ayurvedic products in a medical shop.[1] This can be taken as a sign for the advancement of commercialization in the field of Ayurvedic marketing of Kerala.

“A thing that is modern is not necessarily good, because it is modern and a thing that is old is not necessarily bad because it is old. The converse is also true Jawaharlal Nehru.[2] This quotation is included in the fourth chapter of the famous Udappa committee report (Committee on Ayurvedic research evaluation 1958. headed by’ Dr. K. N Udappa) while referring to the state of affairs in the field of Ayurvedic marketing during the middle of the twentieth century and interestingly this trend is continuing to the present.

Later in the 1950’s, a catalogue of Sree Baidyanath Ayurvedabhavan, Patna, repeated the above idea as. “treatment of ailments and manufacture of medicines are two entirely specialized types of activities. However, in our country the Vaidya practiced both and the production of goods and services suffered greatly. Sree Baidyanath has helped the vaidyas to get over this difficulty. Today Vaidya got authentic Ayurvedic medicines of consistent quality at uniform price anywhere in the country.[3]

The efforts of modern marketing had given a face lift to the aged medical science of India. The rough image of Ayurveda has changed in to that of a young and user friendly health care system. Many of the Ayurvedic products are marketed as cosmetics and nutrients. The nutrients are getting market because the middle class of the society are considering their regular food with less in nutrient value and are adulterer in various forms. The present condition of the Ayurvedic market was originated late 1980’s. The report in the India Today in 1989 is an expression of the current state of affairs in the Ayurvedic marketing. “Take an ancient preparation, add a dash of essence, enclose it in an attractive packing and back it up with high decibel marketing methods. What you get is burgeoning business and hefty returns in one of the country’s oldest industry.[4] It means that most of the Ayurvedic manufacturers are

defacing the traditional Ayurvedic medicines with artificial forms, colors and flavors for marketing them as FMCG.

There is no proper regulatory mechanism in our country to ensure that the ingredients referred in the label of Ayurvedic Products are the actual content of the product. There are products in our market bearing the label of Ayurvedic proprietary medicine but do not deserved to be called so. For example SWAD, a digestive with sugar content of 97% which should be marketed as a confectionary and also the Vicks Vapourub the easy-breath maker of a foreign manufacturer; both are registered and marketed as Ayurvedic proprietary medicines. Another unethical Practice is marketing of health and beauty products, particularly sexual stimulants with bogus claim about its benefits. The Ayurvedic products in Indian market can be classified into Products with Traditional or classical name and formula as given in any authentic traditional Ayurvedic text and marketed in the same name by all the manufacturers. It may be in different forms. The Lehyas (Paste), Tailas(Oil), Arishtas and Asavas (Decolions), (joli (Pills), Churna (Powder), Bhasma (Ashes) and Gritha (Ghee). Examples are Chavanaprasam Lehyam, Dasamoolarishlam (Deeotion), Triphala (Chooranam), Chandra prabha (Pills).etc.

PPM product is manuraactiired as per the formula mentioned in any one of the 60 texts recognized by Ayurvedic Pharmacopeia committee of India. Such products are manufactured by each manufacturer with their own patented brand name; examples are the hair tone oil of Oushadhi, Pilorid tablet of Nagarjuna etc.

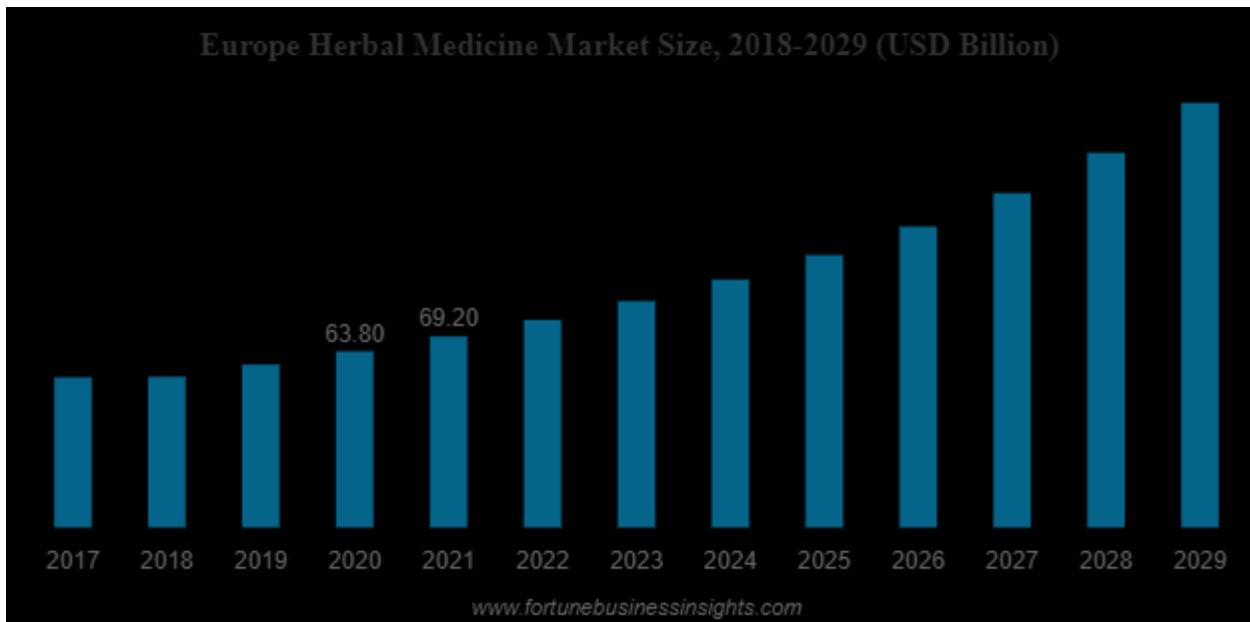
There is another set of products which are either cosmetics or nutrients and use the word Ayurvedic or herbal or natural in their name. Since they are neither classical nor patented products legally or ethically, they cannot be treated as Ayurvedic Products. Eg Chandrika soap. Now in Indian market only, 10% of Ayurvedic Products arc belong to the group of Classical or traditional products. The classical and PPM Ayurvedic Products are marketed in two ways, sold as Prescription medicine as per the prescription of a qualified doctor and sold as over the counter products. The third category products are sold as OTC. Approximately 15% of the turnover of Indian Ayurvedic market constitutes prescription medicine and the remaining 85% of the turnover of Ayurvedic market is from OTC Sector. About half of the classical products and two third of PPM Products are sold out in the market as Over the Counter products without the advice and prescription of a physician.

ADVERTISEMENT OF AYURVEDIC PRODUCTS

In the early stage of Marketing of Ayurvedic Products, Classical Ayurvedic Products were targeted to individual patients. The consumers of classical Products, who are patients, have no choice and preference of their own. Intervention of the physician was necessary to sell the products. Now the Proliferation of PPM Products has necessitated the targeting of a distinct consumer class. Even Classical Products can be marketed as OTC because the dosage and usage will be displayed over the cover of the product.

Though there are Ayurvedic products, catering to the medical needs of common people, the affluent section of society are the major consumers of Ayurvedic Products, particularly the PPM Products. Traditional Ayurvedic Formulas are being reframed into PPM and sold as the daily necessities of the middle and the upper class. The role of Physician in selling an Ayurvedic Product is limited at present because the PPM and the Classical products are marketed as OTC. Television channels are the main medium of advertisement of Ayurvedic products. Other advertising routes are News papers, Radio and journals. The websites are widely used for the marketing of Ayurvedic products, through which physician can be consulted and also can place orders for the products. In all these advertisements bogus claims are carefully and confusingly mixed with half truths to mislead the potential buyers. It is due to the lack of inefficiency of regulatory frame work. The image created through this type unethical practices make the westerners to believe that Indian Ayurveda is monopolized in marketing of cosmetics and sexual stimulants. The Upper class Keralites are worried over the disturbance from life style diseases and the ill-effects of using modern medicines as a remedy for such diseases. Many Ayurvedic manufacturers are capitalizing on this anxiety of the upper class of people and advertise about the yet-to be proved and suspicious magical remedies for the chronic ailments such as piles, diabetes, etc. Another section is the manufacturers claiming to be belonging to traditional vadiya families and advertise products as quick remedies for impotency, sexual problems and sexually transmitted diseases, breathing problems, skin problems. Etc. Majority of them are degrading the gentleman's image of Ayurveda and persuading the general public to look at Ayurveda with contempt and mistrust.

Global Herbal Medicinal Products Market, By Product Type (Homeopathic Medicines, Ayurvedic Medicines, Chinese Medicines and Aromatherapy Products), Source (Barks, Leaves, Roots, Fruits and Vegetables, and Others), Application (Food and Beverages, Pharmaceuticals, Personal Care, and Others), Formulation Type (Syrups, Powder, Capsules and Tablets, Oils and Others), Distribution Channel (Hospital Pharmacies, Retail Pharmacies, Online Pharmacies, and Others), Function (General Wellness, Cardiovascular Health, Gut and Digestive Health, Cognitive Health and Others) – Industry Trends and Forecast to 2029.[5] The global herbal medicine market is projected to grow from \$165.66 billion in 2022 to \$347.50 billion by 2029, at a CAGR of 11.16% in forecast period.[6] India's share in the global herbal medicinal market is a miniscule 0.5 percent at \$358.60 million.[7]



"Estimated global market is around \$70 billion. As per available information, India's export of AYUSH and value-added products of medicinal plants during 2015-2016 was \$358.60 million," Minister of State for AYUSH Shripad Yesso Naik said replying to a question in the House. Another reason cited was lack of recognition of the AYUSH system of medicine internationally. Currently, it is recognised only in few countries like Sri Lanka, Nepal, Bhutan, Malaysia and Bangladesh, Naik said. The ministry also rued the fact that there was a lack of awareness of international opportunities to export AYUSH products in different forms like dietary supplements, health supplements, nutraceuticals, among others.

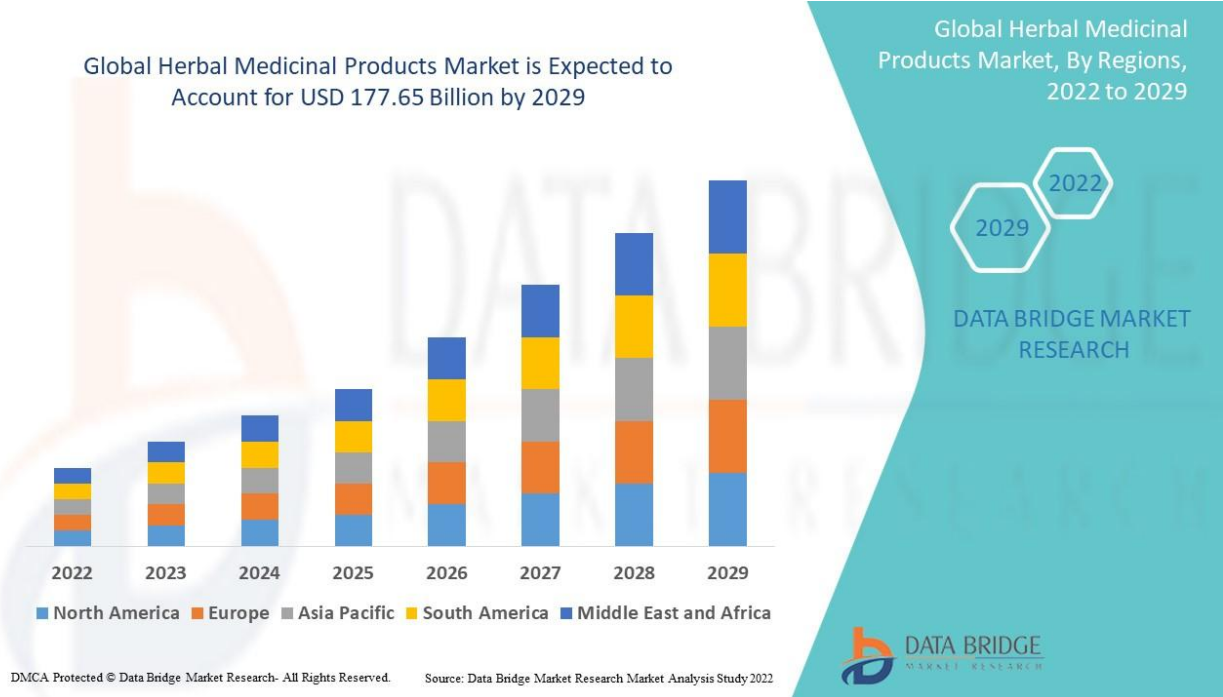


Table 1 AYUSH under 5 year plan

Name of the plan	AYUSH Allocation (crores)	% of AYUSH in total plan outlay	% of health & family welfare (Allopathy) in total plan outlay
Eighth (1992-97)	108	.02	3.2
Ninth (1997-2002)	266	.03	4.07
Tenth (2002-2007)	775	.05	4.92
Eleventh (2007-2012)	3988	.18	6.31
Twelfth (2012-2017)	10044		
Thirteenth (2017-22)	2322		

Source: planning commission of India

The above table exhibits the fund allocation for AYUSH and for Health and family welfare. The schemes of Health and family welfare are in the Allopathic stream. Before the eighth plan the fund allocation was only for the Allopathic (Health and family welfare schemes.). The fund Allocation in five year plans for Ayurveda and other systems of Indian medicine had begun with the eighth plan. During the eighth plan an amount of 108 crores i.e. 0.02 percentage of plan outlay was set aside for AYUSH, while the Allopathic (Health and family welfare) received 3.2 percentage of plan outlay. The share of AYUSH shows a steady rise

during ninth, tenth, eleventh and twelfth plan periods. The outlay of 10044 crores, for AYUSH in the twelfth plan period is nearly three times to that of the amount allocated for AYUSH in the eleventh plan period, thus proving the increasing role of AYUSH system including Ayurveda in India.

Table 2 Export of Ayurvedic products and Pharmaceuticals from India (Lacs)

Year	Ayurvedic products			Pharmaceuticals			Total Exports	
	Export	% share	% growth	Export	% share	% growth	Export	% growth
2010-11	17424	.015	47.09	303832	2.66	23.68	114292192	35.17
2011-12	15937	.011	-8.54	4081685	2.78	34.34	146595940	28.26
2012-13	12501	.008	-21.56	5477367	3.35	34.19	1643437884	11.48
2013-14	12558	.007	.45	674037	3.54	23.06	190501109	
2014-15	3083	.068		1779154	3.91		45451911	

Source: Department of commerce, ministry of comers & industry, govt. of india

Above Table gives the comparison between the export of Ayurvedic products and export of pharmaceutical products from India during the five year period from 2010-11 to 2014-15. From the table, it is clear that the percentage share of pharmaceutical products in the total export of the country is much higher than the share of Ayurvedic products. The percentage growth of total export of the country and the percentage growth of pharmaceutical products is consistent in all the years, while the percentage growth of export of Ayurvedic products is not consistent for the same period. The percentage growth of export of Ayurvedic products is much less than that of the percentage growth of pharmaceuticals and total export except for the period of 2010-11. The percentage growth of export of Ayurvedic products shows negative figures in the years 2011-12 and 2012-13. During the period of 2013-14 also the percentage growth of export of Ayurvedic products is much lesser than that of pharmaceuticals and total export. So, earnest effort is needed from the part of Government as well as the manufacturers of Ayurvedic products to boost the export of Ayurvedic products, which will strengthen the Indian economy. After over viewing the foreign trade scenario of Indian Ayurvedic sector, a brief review of the infrastructure facilities of Ayurvedic system available in India is to be made.

CONCLUSIONS

The research deals with various aspects of marketing of Ayurvedic products in India. Research describes the marketing strategy and sales promotion techniques adopted by Ayurvedic manufacturers. It begins with an introduction about the science of marketing and explains about the use of marketing mix in the marketing of Ayurvedic products. The history of marketing of Ayurvedic products and the recent trends in marketing of Ayurvedic products in India is also explained here in detail. Details of advertisement of Ayurvedic products and the criticism against mass production and mass marketing is discussed in this paper followed by descriptions about commercialized image of Ayurveda. Brief account of the marketing of Ayurvedic products is also discussed here.

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