

A STUDY ON PROMOTIONAL TECHNIQUES OF PATANJALI AYURVED LIMITED IN RURAL MARKET

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ABSTRACT

Patanjali Ayurved limited is the fastest growing FMCG company in India in recent years, which was established in 2006 and headquartered at industrial area of Haridwar. Behind the growth of Patanjali Ayurved limited there are several reasons but in the growth of any FMCG brand promotional techniques play an exceptional role. This study is conducted to explore the promotional techniques of Patanjali Ayurved limited especially for rural market and also to find out the effectiveness of various techniques of promotion in rural market. The study was conducted to find whether these techniques are working effectively in rural market or not. For this purpose, a structured questionnaire has been constructed for the collection of primary data and collected information has been analysed by appropriate statistical and mathematical tools via SPSS. The results concluded that all the promotional strategies are significantly different from each other. Moreover, it was found that Publicity & brand image is the most effective promotional technique for the company.

Keywords: Rural Market, Patanjali Ayurved limited and Promotional Techniques.

INTRODUCTION

Promotional mix also known as communication mix is a marketing strategy that inform, persuade and remind consumers directly or indirectly about any product or brand. It is one of the 4P's of marketing mix strategies that is considered as the voice of company and its brand. It is a means by which a company can establish a dialogue and build relationships with the consumers. If planning and implementation of promotional mix is in a proper manner than it will definitely benefit the business firm. Promotional mix consists of various strategies like Advertisement, which is a paid form of presentation and promotion; sales promotion, that consists of a collection of incentives tools, mostly short term, designed to stimulate quicker or greater purchase

of particular products by customers; direct marketing, it is the use of consumer-direct channels to reach and deliver goods to consumers without using middleman; publicity & brand image, an unpaid form of communication, etc.

Although promotional strategies are quite essential for every business and for every market but it becomes even more important when a business unit wants to work in rural area. Rural areas or market is unique in its nature, where the level of awareness and information is low in comparison to other markets and thus promotional activities play a significant role in the success of business. Proper formation and implementation of these strategies will lead to high level of awareness and more informed rural consumers, which will definitely result in higher demand in the rural markets. If the promotion mix works well and is able to communicate the product or brand to the rural consumers then it reduces the other efforts of firm to sell the product in rural market and make consumers satisfied.

Marketing in rural areas is considered very challenging for every kind of businesses and their managers. But the market at the same time comes with high potential in the form of huge population, rapid development of infrastructure and fast rate of growth. This rapid growth rate is getting high degree of attention by the FMCG firms like HUL, ITC, Dabur, Patanjali etc. They all are working well but in last few years the growth of Patanjali Ayurved limited in the FMCG sector was exceptional which up-sets the trend of FMCG sector. The reason behind it seems to be increasing popularity of its founder Baba Ramdev, the company has not only established itself as a major player of FMCG but has also radically impacted the development of the sector with innovative products and strategies. Patanjali Ayurved Limited is an Indian Company of FMCG sector established in 2006. The headquarter of the company is situated in Haridwar, Uttarakhand. Acharya Balkrishna is its majority stake holder and Managing Director with 93% stake, rest being with an NRI family from UK. Like any other FMCG firm, promotional strategies of Patanjali are also very important for its success. And a proper set of strategies are required by the company to tackle the rural market.

OBJECTIVES

The primary objectives of the study are:

1. To explore the promotional techniques of Patanjali Ayurved limited used in rural market.
2. To find out the effectiveness of the promotional techniques of Patanjali Ayurved limited used in rural market.
3. To find out the most effective promotional technique of Patanjali Ayurved limited used in rural market.

RESEARCH METHODOLOGY

HYPOTHESIS

1. **H₀₁**: There is no significant difference in mean ranks of all the promotional techniques of Patanjali Ayurved limited for rural market.
H_{A1}: There is a significant difference in mean ranks of all the promotional techniques of Patanjali Ayurved limited for rural market.
2. **H₀₂**: There is no significant difference between Advertisement and Publicity & Brand image of Patanjali Ayurved limited for rural market.
H_{A2}: There is a significant difference between Advertisement and Publicity & Brand image of Patanjali Ayurved limited for rural market.
3. **H₀₃**: There is no significant difference between Direct Marketing and Advertisement of Patanjali Ayurved limited for rural market.
H_{A3}: There is a significant difference between Direct Marketing and Advertisement of Patanjali Ayurved limited for rural market.

NATURE OF STUDY

This study is descriptive and exploratory in nature and attempt has been made to explore the effectiveness of sales promotional techniques of Patanjali Ayurved limited used for rural market.

RESEARCH METHOD

For the fulfillment of research objectives, a structured questionnaire has been constructed to collect primary data that was analyzed by appropriate statistical tools like, Simple Percentage, Friedman Mean Rank Test and Wilcoxon-Signed Rank Test via SPSS.

SAMPLE AREA

The sample area for this study was Uttar Pradesh, which is the state with highest rural population.

SAMPLE SIZE

A sample of 80 respondents was taken for the study in which 25 were from urban area and 55 were from rural area.

DESIGNING THE QUESTIONNAIRE

The questionnaire for the study was both open and close ended and it has been divided into two sections A and B. Where Section A was related with the demographic profile of respondents while Section B was in respect of the promotional techniques used by Patanjali Ayurved limited especially for rural market.

DATA ANALYSIS

Data collected from Section A of the questionnaire was analyzed by simple percentage. While Friedman Mean Rank Test and Wilcoxon Signed-Rank Test were used for the analysis of Section B for hypothesis testing.

SECTION (A): DEMOGRAPHIC PROFILE OF THE RESPONDENTS

This section analyzed the respondent's demographic profile that affects their responses about Patanjali products directly.

Table 1: State/Province

Sr. No.	State	Responses	Percentage (%)
1.	Uttar Pradesh	79	98.8
2.	Other state	1	1.2
	Total	80	100

As the study was mainly focused on rural areas of Uttar Pradesh, table 1 show that almost all of the respondents were from the state of Uttar Pradesh and only one respondent was from Madhya Pradesh.

Table 2: Urban/Rural

Sr. No.	Urban/Rural	Responses	Percentage (%)
1.	Urban	55	68.8
2.	Rural	25	31.2
	Total	80	100

Main concentration of the study was on rural market and table 2 is in favor of the study, showing that out of 80 respondents 55 (68.8%) belong to rural area while only 25 (31.2%) were from urban area.

Table 3: Gender

Sr. No.	State	Responses	Percentage (%)
1.	Male	65	81.3
2.	Female	14	17.5
3.	Transgender	1	1.2
	Total	80	100

On further analysis it was observed that male respondents were in dominant position to respond about the Patanjali products. Out of 80 respondents 65 (81.3%) were male, 14(17.5%) were female and one was transgender as table 3 shows.

Table 4: Occupational Pattern

Sr. No.	Occupation	Responses	Percentage (%)
1.	Agriculture	21	26.3
2.	Hand craft	2	2.5
3.	Government service	6	7.5
4.	Private service	17	21.2
5.	Business	4	5.0
6.	Others (Students)	30	37.5
	Total	80	100

On analysis of the above table 4, it has been seen that there is scatteredness in occupation of respondents. As table signifies that most of the respondents were students (37.5%) while 26.3% respondents were engaged in agriculture that is the base of rural market. Another 21.2% respondents were in private jobs while 6% were in government services. Only 5% were doing business and 2.5% belongs to hand craft.

Table 5: Awareness about Patanjali

Sr. No.	Awareness	Responses	Percentage (%)
1.	Print media	5	6.3
2.	Television/Radio	42	52.5
3.	Mobile/Internet	18	22.5
4.	Word of mouth	13	16.2
5.	Others (All of above)	2	2.4
	Total	80	100

Regarding the awareness of respondents about Patanjali, it is observed that 52.5% respondents came to know about the brand through television/radio while 22.5% respondents from mobile/ internet and 16.2% respondents were aware through word of mouth and surprisingly only 6.3% respondents were aware by print media, representing the low level of literacy.

Table 6: Influence of Patanjali

Sr. No.	Influence	Responses	Percentage (%)
1.	Product quality	53	66.3
2.	Low pricing	8	10.0
3.	Promotional activities	11	13.7
4.	Easy availability	4	5.0
5.	Others	4	5.0
	Total	80	100

In reference to the factors which influence the respondents to buy the Patanjali products, the factor like product quality, easy availability, and promotional activities

were considered. Analysis of primary data revealed that 66.3% respondents were attracted by product quality, 13.7% got influenced by promotional activities, 10% were influenced by low pricing and 5% respondents were influenced by easy availability while another 5% were influenced by other factors.

On the question, whether respondents like to buy Patanjali products or not. The respondent who responded no were only 3.7% and one of them gives the reason that he is satisfied with other brand while another respondent says that price is too high and quality is low comparatively.

SECTION B: STATISTICAL ANALYSIS AND HYPOTHESIS TESTING

In the study of promotional techniques of Patanjali Ayurved limited in rural market, it is relevant to analyze the various promotional techniques of Patanjali Ayurved limited specially used for rural market, under this section the consumer perception towards various promotional techniques were considered as the factor were analyzed through Five Point Likert Scale, scaling from one to five, in which 5 indicated very good, 4 good, 3 average, 2 poor and 1 indicates very poor. Promotion technique is one of the most significant factors in the study of the rural marketing. Here, in this study, five major techniques and their 22 sub-techniques were used for the analysis. Firstly, all the five major promotional techniques were analyzed by Friedman rank test and Wilcoxon signed-rank test and also used for hypothesis testing. And after that 22 sub-techniques were also analyzed by Friedman rank test for knowing their effectiveness.

Table 7: Friedman Rank Test for Promotional Techniques

Ranks	
Promotional Techniques	Mean Rank
Advertisement	3.26
Sales Promotion	2.18
Direct Marketing	2.86
Publicity and Brand Image	4.04
Conventional Rural Communication	2.66

The above Rank table (table 7) shows the mean rank of each promotional technique. The Friedman Test compares the mean ranks between the promotional techniques and how the techniques are different. However, these values of the table are not likely to

actually report in result section.

The test statistics table (table 8) informs actual result of the Friedman test and whether there was an overall statistically significant difference between the mean ranks of all the promotional techniques.

Table 8: Friedman Test Statistics for Promotional Techniques

Test Statistics ^a			
N	Chi-Square	Df	Asymptotic Sig.
80	70.024	4	0.000

a. Friedman Test

Table provides test statistics χ^2 value (Chi-Square), degree of freedom (df) and the significance level (Asymptotic Sig.), which is all to report the result of the Friedman test. Here, in this study, the above Test Statistics (Chi-Square value 70.024 is significant with 0.000 p-value at 4 degree of freedom) indicate that there is an overall statistically significant difference between the mean ranks of all the promotional techniques. Hence, the first null hypothesis for the study i.e., there is no significant difference in the mean ranks of all the promotional techniques of Patanjali Ayurved limited for rural market will be rejected.

On the basis of table 7 the sequence of all the promotional techniques (taken for the study) according to their effectiveness can be shown as;

Publicity and Brand Image > Advertisement > Direct Marketing > Conventional Rural Communication > Sales Promotion

Post Hoc Test for Promotional Techniques

Friedman test is an omnibus test, it reveals that whether there is overall difference or not. But it does not point out that which techniques are particular differing from each other in this study. To do this there is a need to perform post hoc test.

To examine where the differences actually occurred, there is need to perform separate Wilcoxon Signed-Rank test on the different combinations of all the promotional techniques. Here, in present study, 10 combinations of all the promotional techniques were compared, shown in table no 9.

For the comparison of promotional techniques from each other it is required to use a Bonferroni adjustment on the result from the Wilcoxon Signed-Rank test because due

to multiple comparisons there is always a chance to occur Type I error. Bonferroni adjustment is very easy to compute; the significance level that was used initially (0.05 for here) divided by the number of tests running (10 for here). So, the new significance level of $0.05/10 = 0.005$ for this study. This means that the p value is larger than 0.005 will not be statistically significant result.

Table 9: Wilcoxon Signed Ranks Test Statistics for Promotional Techniques

Test Statistics	Z	Asymptotic Sig. (2-tailed)
Advertisement - Publicity and Brand Image	-3.508	0.000
Sales Promotion - Publicity and Brand Image	-6.054	0.000
Direct Marketing - Publicity and Brand Image	-5.085	0.000
Conventional Rural Communication - Publicity and Brand Image	-5.624	0.000
Sales Promotion –Advertisement	-4.577	0.000
Direct Marketing –Advertisement	-2.325	0.020
Conventional Rural Communication–Advertisement	-2.981	0.003
Direct Marketing - Sales Promotion	4.071	0.000
Conventional Rural Communication - Sales Promotion	3.427	0.001
Conventional Rural Communication - Direct Marketing	0.000	1.000

a. Wilcoxon Signed Ranks Test

Table 9 shows the output of Wilcoxon signed-rank test on each of the combinations. Results indicated that the Z-value of all the combinations is significant at new level of significance 0.005 as their respective p-values are not equal to or greater than 0.005 except two combinations namely, Direct Marketing - Advertisement and Conventional Rural Communication- Direct Marketing, and p-values for both the combinations were 0.002 and 1.000 respectively that are greater than the new level of significance 0.005. On the basis of above test scores second null hypothesis for the study will be rejected

because at a new level of significance (0.005), Z-score (-3.508) and p-value (0.000) is indicating a significant difference between Advertisement and Publicity & Brand Image. It clearly means that Publicity & Brand Image is more effective technique of promotion for Patanjali in rural market.

But there is no conclusive evidence to reject the third hypothesis of the study which says that there is no significant difference in Direct Marketing and Advertisement of Patanjali for rural market. The Z-score (-2.325) and p-value (0.020) at new level of significance (0.005) is also shows that there is no significant difference between both the techniques. It means that there lies a difference between both the techniques but that is insignificant. So, null hypothesis will be accepted.

Table 10: Friedman Rank Test for Sub-Techniques

Ranks	
Promotional Techniques (Sub-techniques)	Mean Ranks
Advertisement [Television]	15.10
Advertisement [Radio]	10.02
Advertisement [Mobile/Internet]	13.78
Advertisement [Newspaper/Magazines]	13.35
Advertisement [Sign Boards]	12.08
Advertisement [Hoardings]	11.28
Sales promotion [Sampling/Free Trail]	8.19
Sales promotion [Coupons]	7.37
Sales promotion [Free Extra Product]	10.12
Sales promotion [Flat Discount]	9.57
Sales promotion [Demonstration]	9.66
Direct Marketing [Patanjali stores]	13.73
Direct Marketing [Haat/Local gathering]	10.82
Direct Marketing [Fairs/Melas]	10.81
Direct Marketing [Door-to-Door service]	8.55
Publicity and Image building [Word of mouth]	14.27
Publicity and Image building [Baba Ramdev's Image]	14.56
Publicity and Image building [Patanjali Brand Name]	15.94
Conventional Rural Communication Techniques [Audio-video Vans]	9.73
Conventional Rural Communication Techniques [Wall painting]	9.66
Conventional Rural Communication Techniques [Dark & Attractive packaging]	11.79
Conventional Rural Communication Techniques [Small size packaging]	12.63

Sub-Techniques of all the major promotional techniques were also analysed by Friedman rank test. Here, in table 10 the Friedman test compares the mean ranks between the sub-techniques of promotion and indicates that how these techniques are differed from each other.

Table 11: Friedman Rank Test Statistics for sub-techniques

Test Statistics ^a			
N	Chi-Square	Df	Asymptotic Sig.
80	289.371	21	0.000

a. Friedman Test

Above Test Statistics shown in table 11 indicated that there is also an overall statistically significant difference between the mean ranks of all the sub-techniques of promotion for Patanjali in rural market. The Chi-Square value (χ^2 : 289.371 with 21 degree of freedom and 0.000 p-value) of sub-techniques is indicating a significant difference between all these at 0.05 level of significance.

On the basis of table 10 the sequence of top five sub-techniques (taken for the study) according to their effectiveness can be shown as;

Patanjali Brand Name (Publicity and Image building) > Television (Advertisement) > Baba Ramdev's Image (Publicity and Image building) > Word of mouth (Publicity and Image building) > Mobile/Internet (Advertisement).

RESULT AND FINDINGS

1. On the basis of above analysis (first hypothesis result), it is found that there lies a significant difference between all the promotional techniques of Patanjali in rural market.
2. By second hypothesis result it is found that Publicity and brand image of Patanjali is the most effective technique. Further study revealed that every sub-technique of publicity and brand image (Patanjali brand image, Baba Ramdev's Image and word of mouth) are also ranked higher and lies in top five. In overall performance Patanjali brand image is the most effective technique.

3. Advertisement is the second most effective technique of promotion after publicity and image building. Television, mobile/internet, newspaper/magazine and all others seem effective except advertisement through radio. And in overall performance advertisement via Television is the second most effective technique of promotion for Patanjali.
4. Direct marketing is found third most effective strategy of promotion for Patanjali in rural market and the performance of its all the sub-techniques can be called as moderate. But further analysis revealed (third hypothesis results) that the difference between advertisement and direct marketing is not significant.
5. Sales promotion has become an important technique of promotion but Patanjali is still not using it properly. As results shows this is the most ineffective technique of promotion and every sub-technique of it is ineffective in overall performance.
6. Study also reveals that Patanjali is not working properly for promotion in rural market. As conventional rural communication is found as the second most ineffective strategy. It is only better than sales promotion in ranks but in the test of significance both the strategies are equal.

CONCLUSION

India is considered as the land of villages, where 65% of the population lives in rural areas. With the development of the economy, rural areas are getting connected with the urban areas which provide a vast size of potential market to marketers. To tap such market, like any other marketing strategies, it is essential to plan and perform promotional strategies effectively too. For establishing itself as a FMCG brand Patanjali should also focus on their promotional strategies. On the basis of above results, it can be concluded that the fame of Baba Ramdev is working great for company's promotion and now Patanjali's own brand image is also getting name and is ranked as first in overall category. But apart from this Patanjali is required to think and invest their capital and efforts on other promotional techniques as well, that are not working effectively. From the further analysis of collected primary data it was observed that Patanjali does not differentiate their promotional strategies according to the nature

of market and they are using the same set of strategies for every kind of market. As result shows, conventional way of rural communication has been completely ignored by the company and sales promotion strategies are also not working well, so there is also a need to give more and more attention on these strategies and make them better by providing healthy discounts, free samples etc. If the company tackle and overcome the above challenges then it will be one of the leading firms in FMCG sector for along span of time.

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