The Impact of Patanjali's Branding on Consumer Behaviour & Perception

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Abstract

Consumers are continuously making choices of different brands for various products knowingly or unknowingly. Every brand wants to attract more and more consumers toward itself and this is done by creating a brand. There are various branding strategies that a brand can adopt like name, colour, tagline, etc. India recently saw the introduction of two new branding tools extensively used by many FMCG companies. They are Ayurveda and Swadeshi Branding. This article will study the two newly introduced branding tools in the Indian market and their impact on consumer behaviour and perception. Patanjali is one of the first brands which has introduced these strategies. For the study, a valid sample of 300 Patanjali consumers is taken on online and offline platforms. The research tries to see the change in the perception and behaviour of consumers on Patanjali due to the branding tools like Ayurveda and Swadeshi Branding. Various tests like Linear Regression and Correlation are applied to test the responses. It was found that there was a significant impact of these branding tools on the perception of the consumers. People like ayurvedic products and the brand ambassador of Patanjali. It was also found that the perception of the customers of Ayurveda was strongly influenced by Patanjali's branding of the same.

Keywords

Branding, Consumer Behaviour, Perception, Patanjali, Ayurveda

I. Introduction

In this competitive era, it is necessary for every company to brand its products or services. The consumers today are a customer of one or the other brand. Quality of product becomes very essential when the products are related to durables and semi-durables. So, it becomes very crucial for every brand to manage and be sensitive to consumer needs.

Consumers go through a buying process which involves five major steps like recognition of wants and needs, information hunt, analysing and selection of the alternatives, purchase of product and in the end post purchase behaviour. There are many elements which have an effect on the decision of the consumers and branding is one of it. According to Philips Kotler branding refers to "a combination of name, term, symbol, sign that differentiates one competitor from other in a market place."

In this article, there has been a study on Patanjali's branding and its effect on the consumers. Patanjali being a home-grown brand has use some of the prominent branding tools used by the brands in the Fast-Moving Consumers Goods (FMCG) market. Patanjali has used tools such as brand name, logo, brand ambassador, etc. along with Ayurveda and Swadeshi Branding. Ayurveda is the oldest medicinal cure surviving in the world. It literally means 'Science of Life'. It us dates almost as old as 5000 years and was extensively used for healing and curing people. It uses herbal leaves and plants and is originated form the Vedic culture of India. Swadeshi on the other hand means native origins/brand.

So, we see that Patanjali has tried to brand itself as a native brand of India which uses the old and scared knowledge of healing people. Patanjali has used the Ayurvedic content in its products which give an impression of a natural and herbal product. The brand was launched in 2006 and in such a short period of time it has been one of the fastest growing FMCG brand of India. The brand ambassador of the brand is Baba Ram Dev.

The FMCG market of India is filled with competitors with Hindustan Unilever Limited (HUL) and Colgate dominating it. Other considerable players of the market include Dabur, ITC, and Emami. Despite of major competition Patanjali emerged as one of the fastest growing brand of India.

So, we see that branding plays a major role in the market and gives a competitive edge over the competitors. The major branding tools studies in this research are advocacy, advertisements, brand ambassador, Ayurveda, Swadeshi and usage of Patanjali products.

In the article, I measured the impact of advertisements of the brand on the consumers, their advocacy towards the brand, the influence of Baba Ram Dev on the consumers and the change in the perception of Ayurveda on the consumers. There was a difference in the level of perception of consumers based on age. The young population was effected in a completely differently way when compared with the middle-aged and the old consumers. This will help us understand the effect on different consumers of the brand.

II. Literature Review

The brands are perceived differently by different people so it should be done in a sophisticated manner as said by Sarwar, Aftab & Etal (2014)[1]. They also state that consumers are moving towards branded goods from un-branded ones. The brand acts as a source of gain to the companies. Consumers, due to branding, have started relating products with status and power. The advertisements of brand should focus on spreading awareness about the products which help creating a brand image. This help the consumers in associating with a brand and develop a long-lasting relationship. The behaviour of the consumer is affected by brand knowledge and also by culture and personal values.

Every company wants to increase their sales and market share. For this, a consumer centric approach is required which aims to satisfy the needs, wants, and demand of the consumers. These activities will definitely have an impact on the buying behaviour of customers and the image of the brand. Due to the ever-changing market the 4P's (Price, Product, Place & Promotion) have been replaced by the 4C's (Customer value, Cost, Communication & Convenience). These 4C's would impact the brand image which would in-turn impact the customer buying behaviour as said by Ali, Ilyas and Etal (2016)[2].

According to Cobb and Hoyer (1985)[3], advertisements play a major role in the branding and building the perception of the

consumers. Advertisements help in increasing the brand recall by influencing the memory of the consumers. They also say that advertisement have a great impact on selection of the brand. This means that a brand must try to advertise in all the available medias to get a vast coverage and to give a broader to influence the behaviour and perception. Also, the consumers who have high exposure to ads pay less attention at the in-store information. So, it can be said that ads do play a major role in informing the consumers and try build a perception towards a brand. This helps us hypothecate that:

H_1: *Patanjali's Advertisements have an impact on the behaviour on consumers.*

There are many factors which drive the behaviour and perception of the consumers towards a particular brand. Different brands have different attributes which influence the consumer. Packaging has a great amount of influence on the consumers. As said by Ahmad, Billoo, and Etal (2012)4, packaging is the final impression on the consumers it should be done in a way which attracts consumers and should be convenient to them. Good packaging forms reputed brand image and gives a perception of high quality. They also say that women are the major buyers of FMCG products and are packaging sensitive and people consider packaging is the part of product and consumers find difficult to separate them. The colour and picture are the major influencers in the packing of the product. Not only packaging but green packaging helps the marketer develop a likability towards the consumers as told by Fayza (2013)5. The consumers perceived value is high for such products.

The age and values of the consumer also impact the decision making. There are various factors for each age group which differently influence them. According to Hervé and Mullet (2009)6 price is the major influencer for youngster, suitability foe middle aged and durability for old aged consumers. So, if a brand has products having these influencers it will try to influence all the age groups of the society. This helped me in formulating the questionnaire.

When we talk about branding brand loyalty becomes necessary as it plays a major role in retention of consumers. As per Qammar, Ilyas and Etal (2016)7, the brand loyalty is impacted by the consumer's emotional attachment with the brand. This means that a brand must have an emotional connect with the consumers to have an impact on the consumers. The brand loyalty of consumers can be measured by the recommendation of brand to others. The loyalty of the consumers shows their behaviour toward the brand. Celebrity endorsement is also one of the famous and common tool used by business to advertise their products. As studies by Ashfaq and Ali (2017)8 there is a strong relationship between the celebrity endorsement and the brand image perceived by the consumers. It was also shown that people trust the celebrities more that the products and are influenced by them. So, now we can hypothecate that:

H_2: *The consumers are influenced by the brand ambassador of Patanjali.*

According to Schultz and Block (2014)9 promotional activities have a positive behaviour of the consumers towards the brand. They also stated that manufacturing branding is becoming weaker as compared to retail branding. The leading brand depend highly on the conventional advertising method which are losing popularity. we can see that in Indian markets new branding tools have emerged so we can hypothecate that:

H_3: *Patanjali's branding changed the perception of Ayurveda.*
This research article will help us understand the budding branding tool like the Ayurveda and Swadeshi Branding in the Indian markets. There is no such research done on these two elements which will help people understand the branding of the companies in India.

III. Research Methodology

A. Data Collection & Sample
This research paper was on the primary data collected from the respondents. A questionnaire was prepared which contained 16 questions and was circulated on online and offline platform to the Patanjali consumers. In the end, there were 300 valid responses which were taken to test the research's validity.

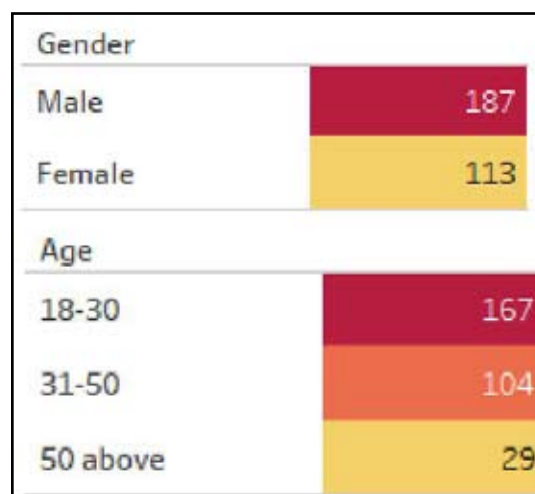This was a quantitative research and the sampling was convenience sampling. For

Fig.1: Demographic characteristics of the respondents.

secondary data newspapers and the websites related to the brand were investigated. This was done to obtain the general information about the company and the brand.

B. Measures
For this research, the statistical tools and measurements were adopted form previous studies like Ashfaq and Ali (2017) and Chovanová, Korshunov, and Etal (2015)10 related on branding. Likert scale is used containing of 3 points 1 being Agree and 3 being Disagree to know about the agreement and disagreement of the respondents.
The variables used for the study are brand ambassador, Ayurveda, swadeshi, advocacy and advertisements.

IV. Data Analysis & Results

A. Reliability Test
For the reliability of the data a reliability test is performed to know stability, authenticity and consistency of the data. This test helps us to measure the how well the tests can be performed on the data available. So, in the Table 1 we see that Cronbach's alpha is used to measure the reliability of the data. There is a .699 i.e. .70 reliability of the data which is accepted as a good reliability to perform the statistical tools.

Table 1- Reliability Test

Reliability Statistics

Cronbach's Alpha	N of Items
.699	16

B. Hypothesis Testing

To test the hypothesis of the research statistical tools like regression and correlation is used. These two tests will help us understand the relation between the dependent and independent variables. There are three hypotheses for the study:

1. **H_1: Patanjali's Advertisements have an impact on the behaviour on consumers.**
2. **H_2: The consumers are influenced by the brand ambassador of Patanjali.**
3. **H_3: Patanjali's branding changed the perception of Ayurveda.**

The outcomes of the tests are as follows:
Table 2-

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.741a	.507	.505	.958

a. Predictors: (Constant), Did this ad influence you to buy Patanjali products? Did the below ad influence you to buy Patanjali products?

ANOVAa

	Model	Sum of Squares	df	Mean Square	F	Sig.
	Regression	153.727	2	81.864	308.591	.000b
1	Residual	67.803	297	.228		
	Total	231.530	299			

Dependent Variable: Will you recommend Patanjali products to others?

Predictors: (Constant), Did this ad influence you to buy Patanjali products?, Did the below ad influence you to buy Patanjali products?

In table 2 we see that the regression is performed and the output is generated. We are measuring the impact of two advertisements of Patanjali on the consumer's advocacy. This is to see the influence of the ads on the consumer's behaviour. The R-square is .507 which implies that almost 50% of the responses can be explained by the linear model. This is a significant percentage and is acceptable. We also see that in the ANOVA table the significance level is less the 0.05. This means that the hypothesis H1 is accepted as the significance level is 0.00.

Table 3-

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.673a	.452	.451	.652

a. Predictors: (Constant), Are you satisfied with Baba Ram Dev as the Brand Ambassador?

ANOVAa

	Model	Sum of Squares	df	Mean Square	F	Sig.
	Regression	104.751	1	104.751	246.220	.000b
1	Residual	126.779	298	.425		
	Total	231.530	299			

a. Dependent Variable: Will you recommend Patanjali products to others?

b. Predictors: (Constant), Are you satisfied with Baba Ram Dev as the Brand Ambassador?

In the table 3 we see that the brand ambassador of Patanjali Baba Ram Dev's impact on the advocacy of the consumers is measured. This is done to understand the impact of the brand ambassador on the behaviour of the consumers by measuring their advocacy towards the band. We note that the R-square for the regression is .452 which means that 45% of the responses can be explained by the linear model. This is a significant percentage and is acceptable. The hypothesis H2 is also accepted as the significance level is 0.00 which is less than 0.05 as we see that in the ANOVA table.

Table 4-
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.706a	.499	.496	.604

a. Predictors: (Constant), Did this ad influence you to buy Patanjali products?, Did the below ad influence you to buy Patanjali products?

ANOVAa

	Model	Sum of Squares	df	Mean Square	F	Sig.
	Regression	107.934	2	53.967	147.976	.000b
1	Residual	108.316	297	.365		
	Total	216.250	299			

a. Dependent Variable: Has your perception of Ayurveda changed after Patanjali's branding?
b. Predictors: (Constant), Did this ad influence you to buy Patanjali products?, Did the below ad influence you to buy Patanjali products?

In the table 4 we measure the impact of two advertisements on the perception of Ayurveda of the consumers. This is done to understand the change in behaviour of the consumers due to the influence of the advertisements. We note that the R-square for the regression is .496 which means that 49% of the responses can be

explained by the linear model. This is a significant percentage to justify that there was an impact on the consumers which influenced their perception on Ayurveda. The hypothesis H3 is accepted as the significance level is 0.00. This is less than 0.05 as we see in the ANOVA table.

Table 5-
Correlations

		Do you like Ayurvedic products?	Has your perception of Ayurveda changed after Patanjali's branding?
Do you like Ayurvedic products?	Pearson Correlation	1	.692**
	Sig. (2-tailed)		.000
	N	300	300
Has your perception of Ayurveda changed after Patanjali's branding?	Pearson Correlation	.692**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

In the table 5 we measure the extent of correlation (strength) among the consumers who responded for the rating of Patanjali branding and preferability towards the Swadeshi branding. We see that there is a strong positive correlation between these two variables which implies that the consumers like the swadeshi branding of the brand and also liked the overall branding of Patanjali. There is a positive correlation of .725 which means that swadeshi branding is an influential factor for consumers. This can be implied that the brand can improve its swadeshi branding to influence more consumers.

Table 6-
Correlations

		How would you rate the branding of Patanjali in FMCG market?	Do you like the Swadeshi branding of Patanjali?
How would you rate the branding of Patanjali in FMCG market?	Pearson Correlation	1	.725**
	Sig. (2-tailed)		.000
	N	300	300
Do you like the Swadeshi branding of Patanjali?	Pearson Correlation	.725**	1
	Sig. (2-tailed)	.000	
	N	300	300

**. Correlation is significant at the 0.01 level (2-tailed).

The table 6 helps us understand the strength in the relation among the likability of ayurvedic products and the change in perception of Ayurveda by Patanjali of the consumers. This helps us understand that the consumers who like Ayurvedic products have been influenced by the Patanjali's branding of Ayurveda or not. In the table 6 we see that there is a correlation of .692 which means that there is a positive correlation among the variables. This implies that people like ayurvedic products and Patanjali has helped them increase their likability towards it. Ayurveda is one of the major factor which motivated the consumers to buy products of Patanjali. So, if the brand focuses more on ayurvedic products and advertisements more consumers can be influenced.

V. Findings & Interpretation
This research has helped us find new insights in the field of branding. We see that all the hypotheses of the study are accepted. We find that the new branding tool like Swadeshi and Ayurveda have a great impact on the consumers. Theses tool have helped the brand form a perception of Indian and herbal brand. During the research, we found that consumers prefer Ayurvedic and swadeshi products. It was Patanjali to understand it and use it extensively.

It helps us understand the reasons for the tremendous growth of Patanjali. We can see that the Indian consumers are most sensitive to the new branding tools as much for the other tools. This would mean that other brands in the FMCG market must try to adopt these new budding tools which are acceptable by the consumers and act like a USP for the product.

We also found that the price, quality and packaging of the products of Patanjali have also been influential apart from Ayurveda. We noted that Patanjali has a very good presence on vast media like TV and newspaper but the consumers feel that it has a very low presence on internet or social media platforms. One of the major influential advertising form is word of mouth and Patanjali has many consumers who feel that it has good word of mouth.

The correlations helped us understand the psychology of the consumers by showing us relations between the variables. We noted that consumers like buying swadeshi products having Ayurvedic content. We can interpret that consumers have a mind-set that ayurvedic products are better than other products. Consumers also feel that the branding of Patanjali is very good and are satisfied with it.

But when we start interpreting the graphs based on age groups we get detailed insights. We see that Patanjali has a difficulty to target young adults. We also note that their presence on online platform is also very less and the youngsters do not prefer the brand ambassador. They have successfully target the middle-aged consumers and their most trusted consumer group is the old-aged consumers. So, we can say that Patanjali has adapted as per the needs of the a good portion of the consumer.

VI. Discussion
This paper will help people understand the new upcoming branding

tools in the Indian market. It will also help us understand the impact of swadeshi and Ayurvedic branding on the consumers. It will open new dynamics of branding and help in giving a new perspective of the FMCG market.

This research will be helpful in conducting further studies on these topics. It will also help to research on the usage of these tool by other companies in various industries. This research has added new elements in the cart of branding which can be used by other researchers to study branding. We see that many brands are adopting swadeshi and Ayurveda on which future researches can be done. As these variables are budding today, in future many researches can be done on their performance and their growth over the years.

The researchers can also research the impact of swadeshi and Ayurveda on other aspects and variables of branding. This paper has given strength to the idea of Ayurveda and swadeshi and can be further be researched in other countries.

VII. Conclusion

This research has given us many valuable findings and has contributed towards the literature of branding. It has researched on a budding company which used innovative branding tools like Ayurveda and swadeshi. It has concluded that these tools have a strong impact on the behaviour and perception of the consumers towards Patanjali.

As we noted above, Patanjali as a brand has branded itself good overly but it need to improve it perception value of the young consumers. It also must increase its presence on the internet and various social media platforms.

In the end, we can say that the two new brand elements Ayurveda and Swadeshi have impact on the consumers and must be used by other companies and brands to attract consumers and build a strong brand.

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