

# Establishment of Brand Identity –A case study on Patanjali Products in India

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**ABSTRACT:** A company's brand identity is how that business wants to be perceived by consumers. The components of the brand (name, logo, tagline and typeface) are created by the business to reflect the value the company is trying to bring to the market and to appeal to its customers. This work is aimed to analyze whether the Patanjali products are established in India because of its Brand personality advantage of Baba Ram Dev (a yoga guru) and how Patanjali paradigm shifts from product to brand in Indian market.

## INTRODUCTION:

The recurring changing marketing scenario and increased competition over the globe has amplified the role of brand at unparalleled level. Every person is a consumer of different brands at the same time. The choice and usage of a particular brand by a consumer over the time affected by quality benefits offered by the brand and brand identity that product has established in customers mind. The components of brand like name, logo, tagline and typeface which a brand has created to reflect the value the company is trying to bring to the market and appeal to its customers.

To succeed, the first step is to position or 'situate' the brand in the target consumer's mind in such a way, that in his or her perception of the brand, it is distinctive and offers a persuasive customer value better than its competitors. That's how we develop a competitive edge. Brand personality is the way a brand speaks and behaves. It means assigning human personality traits/ characteristics to a brand so as to achieve the differentiation. These characteristics signify brand behavior through both individuals representing the brand as well as through advertising, packaging e.tc. When brand image or brand identity is expressed in terms of human traits it is called brand identity or a personality identity.

It all started in early 2000 when yoga guru Baba Ram Dev openly criticized the MNC brands since then, Yoga guru has turned out to be the worst disruptive force in two decades for the fast moving consumer goods (FMCG) and his brand "Patanjali" is giving the large FMCG companies a run for their money. Ram Dev not only became a television celebrity teaching yoga but, is sitting on the fastest growing FMCG Company clocking a turnover close

to Rs. 5000 Crore, more than Colgate, GlaxoSmithKline and Emami by this fiscal year. All throughout this Ram Dev never hid his contempt for multinationals and vows to kill their market. He even has been discouraged of starting anti Coke and Maggie drive.

MNC FMCG companies have always overcome such competitive threats from entrants, for example Nirma and Chick shampoo to name a few. But this time the threat is stronger than ever with Ramdev's tying up with Big Bazaar and brand Patanjali pushed by growing the fleet of 10,000 dedicated distributors along with the brand fitment in to health consciousness taking place in Indian culture. It is clearly the fastest growing FMCG firm in country, with the widest product portfolio.

Patanjali as a brand established with the combination of both brand as well as personality Identity. In the beginning Baba Ram Dev has established himself as a Yoga Guru and posted Yoga as a solution to many health challenges which are prevalent because of western influence and food which made our lifestyle sedentary and unhealthy. He started out by teaching yoga to Indian audience. First, Sanskar and then Ashta channel broadcasting his Yoga Shivir's in various cities. He got a wide acceptance. He made the people realize the audience that Indians have forgotten our old traditions and art forms –Yoga being one of them. Elders of the family related to this combination of spirituality and tradition started this practice in their family too.

It's been a decade now since, a phenomenon called Baba Ram Dev, arrived on the Indian political and social scene, when all other Baba's were minting good money by using spiritualism in a self owned manner. Baba Ram Dev did not fall in the traditional category and took the Yoga as a brand new level which probably his predecessors were unable to take.

During his own rise Baba ram dev has not limited his presence to Yoga and spiritualism only, but he has extended it to politics and rise of Patanjali Ayurved Ltd. And is now challenging India's consumer space which is traditionally dominated by MNC's such as Colgate, HUL, P&G and certain large Indian Corporate like Dabur, Emami Etc.

Soon became “Story of every house”. It was easy to do and was not exhausting like those running and gym exercises. It was a matter of few years when his influence could be seen in all the directions of India. With the word of mouth publicity boosting the reach, many people started claiming that they had been cured using Baba ji’s yoga techniques. Thus who understands it better to build a BRAND PERSONALITY than Baba ram dev who is known for popularizing Yoga among Indians through his mass yoga camps and in return became a brand himself. That’s how he became a brand himself and then utilizes his own image to launch his various products in the market to give tough competition to all FMCG Companies.

“An Indian FMCG started Patanjali Ayurved Ltd. in 2008 by Ram Dev and Acharya Balkrishna located in Haridwar. This company has claimed revenue of Rs. 5000 Crore, making the top names in game sweat.”

People started waking up in the morning with voice of Baba Ram Dev addressing thousands of people telecasted on TV. He would tell them how to do yogic exercises and complementary tips to stay fit.

Almost 10 years later, I found Baba Ram Dev’s presence in another form, Patanjali Ayurveda. And this is happening in a house which had Pantene, Dove, Maggi and products of all the top FMCG brands in the World.

When Baba Ram Dev established his own identity in customers mind he then used the following interconnected Strategies to establish his brand identity in the Indian market:

- **Product Strategy :**

Beyond Patanjali’s flagship ayurvedic range of products , their strategy is to simply create products that people are already used to using and not to try to innovate with the core positioning of the product (think cereals , biscuits e.tc). Even the product names are very much similar. This is very clever and significantly reduces the friction for the end consumer, as this requires no change in their behavior if they opt for Patanjali products.

- **Brand Strategy :**

Alright , so you have got 2 or more products that offer the same benefits , now how do we get the people to pick our product (which is new to them) over something they have already been using. Simple – Promise them something that they want but other product doesn’t offer. So Patanjali says pick our product – it is the same product with no harmful chemicals and with the herbal and organic essence. Plus by buying our products, you are ensuring the money you spend stays in India. And the additional value propositions are true for all their products and that is the

reason they have branded every product as a Patanjali product. While the existing FMCG brands , for the sake of the growth, are forced to find new product categories and force change in consumer behavior through huge investments in mass marketing, Patanjali can simply offer a “no chemicals and Swadeshi Alternative” to the people who have got used to this new product.

- **Timing :**

The consumer awareness about the impact of the harmful chemicals, in what they eat and use, has been growing rapidly and is an at all time high. So there couldn’t have been a better time to launch a brand that offers “No harmful chemicals”.

- **Loyal community:**

While one might be tempted to believe that Patanjali has grown exponentially with in such a short span of time, the fact is that it is the result of around 20 years of rigorous hard work around Yoga and Ayurveda by Ram Dev. In those 20 years Ramdev has built an extremely loyal community.

- **Own Distribution channel and low advertisement spend:**

The success story of hitting Rs. 5000 Crore turnover is pretty much driven by Baba ram dev’s image of Yoga Guru, acceptance of Organic lifestyle by customers and the distribution network . It is worth noting that most FMCG companies have a large distribution network with warehouse, distributor, wholesalers and retailer, while Patanjali products are dependent on 10,000 stores and now started building a traditional network mode.

Patanjali Ayurved Ltd. Is unique in a sense that it is the only FMCG Company built mainly on its own retail network. The company has 10,000 consumer touch points as “Chikitsalaya” (Their own Dispensaries) and “Aarogya Kendra’s “(Health Centers). These are operated by third parties as Patanjali exclusive stores. Bulk sales of Patanjali products were done by these stores until the company has built a more robust distribution network to make its product available in general and modern trade. Patanjali is now in process of starting mega marts – modern retail formats which would stock only Patanjali products.

- **Pricing :**

Affordability factor of Patanjali products is one of the reasons for popularity. As Baba Ram dev said, the purpose of Patanjali is Upkar and not Vyapar, Hence his products are reasonably priced. Further such pricing strategy surely helped Patanjali products in penetrating their roots in middle and lower middle class population, given that their products are close substitute to the consumer goods produced by major FMCG Companies.

- **Swadeshi Advantage:**

The Government of India promoting in for greater economic activity and ever expanding market, the ambitious plans of Patanjali are in consonance with both Make Indian and Make in India, giving it a stronger moral pedestal to stand on as compared to other FMCG MNC's. Moreover, while big wigs like ITC and HUL primarily produce western household products, Patanjali's product line in mostly Ayurveda and with organic essence, even its shampoos and tooth paste are made of natural ingredients hinting at a healthier lifestyle. In short its product appeal to Indian nationalism and a sense of Swadeshi. Even among the small number of Ayurveda products, Patanjali has a definite advantage given the popular face of Baba Ram Dev.

- **Manufacturing facility and Food Park:**

On 5<sup>th</sup> January 2010, the world's largest Food Park opened 20 km from the holy city of Haridwar, Uttarakhand India. Patanjali Food and Herbal Park is spread across -95 acres in first phase, and has generated direct employment for 7,000 people. The construction started in February 2009 and was completed in a record time of less than one year. Construction of building of warehouse, R&D centers, variable humidity stores, multi commodity coldstorages, pre cooling chambers and a ripening chamber.

- **Brand Image:**

Last but not the least, over years he has built a brand and trust even among his non followers. When it comes to choosing between the likes of Uniliver , P&G, Nestle etc. and Baba Ram dev , most would trust the later more than the former.

**Conclusion:**

In hindsight, it looks like other brands simply failed to read people's increasing awareness & concern for presence of harmful chemicals in products they use, or simply choose to disregard it. Ram Dev has political leaning, but that does not by itself take away the fact that he is serving the Nation by promoting products which are made in India, and seek to revive the culture, the way of living of India and that the fact remains that Patanjali seems to be involved more in making available Indian products at a low price than becoming a business giant. That's how "Patanjali and Baba ram dev has become a brand in Indian market with the most specific strategy of first establishing himself as a brand personality and then positioning the Patanjali product line on right time to right consumers with Swadeshi Alternative.

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