



**IIM Kashipur**

**MBA Analytics  
Marketing Management, Academic Year 2023-25**

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**PRODUCT MIX ANALYSIS FOR PATANJALI AND  
SUGGEST SOME NEW PRODUCTS**

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Team Member	Debabrata Roy Naghma Firdous Shubhra Mahapatra	MBAA23012 MBAA23035 MBAA23063
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**Under the supervision of  
Prof. Deepak Verma**

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# OVERVIEW

## PATANJALI: Blessing of Nature



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**Founded:** January 2006

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**Location:** Kharkhari, Haridwar

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**Manufactures cosmetics, ayurvedic medicine, personal care and food products.**

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**Certified by ISO 18001**

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### BACKGROUND

Patanjali is a Sanskrit word that means "Footsteps of the divine". The company's mission is to "provide natural and herbal products that are good for the body and the soul." Patanjali's products are made from natural ingredients and are free of chemicals and preservatives.

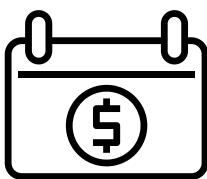
Patanjali has grown rapidly since its inception. In 2017, the company had a turnover of ₹10,216 crore (US\$1.4 billion). Patanjali is now one of the leading FMCG companies in India.

#### Number of Products



2000+

#### Annual Revenue



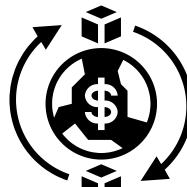
10,000 Cr

#### Growth Rate



CAGR of 20%

#### Exports



50+ Countries

# PESTEL ANALYSIS

A PESTEL study is a method for evaluating the many elements of a company's or industry's external environment. The Patanjali Ayurvedic and Natural Products Manufacturing Company is a household name in India. A PESTEL evaluation of Patanjali is as follows:

## Political Factors

Patanjali operates in the highly regulated food and pharmaceutical business, which has environmental regulations. Its effectiveness is influenced by governmental policies and legislation.



## Economic Factors

In India, rising incomes have an effect on spending habits. Patanjali Inflation: How Economic Growth Could Benefit the Company Patanjali's price approach may change depending on production costs and the purchasing power of customers.

## Social Factors

Patanjali's products appeal to the growing market of health-conscious shoppers who want to use all-natural and Ayurvedic remedies. Indian consumers like Patanjali because the company is dedicated to preserving Indian cultural practises and traditional medicine.

## Technological Factors

Production Methods and Technology: How Patanjali Achieves High-Quality, Cost-Effective Products. Expanding Patanjali's online sales channels might either increase or decrease the company's consumer base.

## Environmental Factors

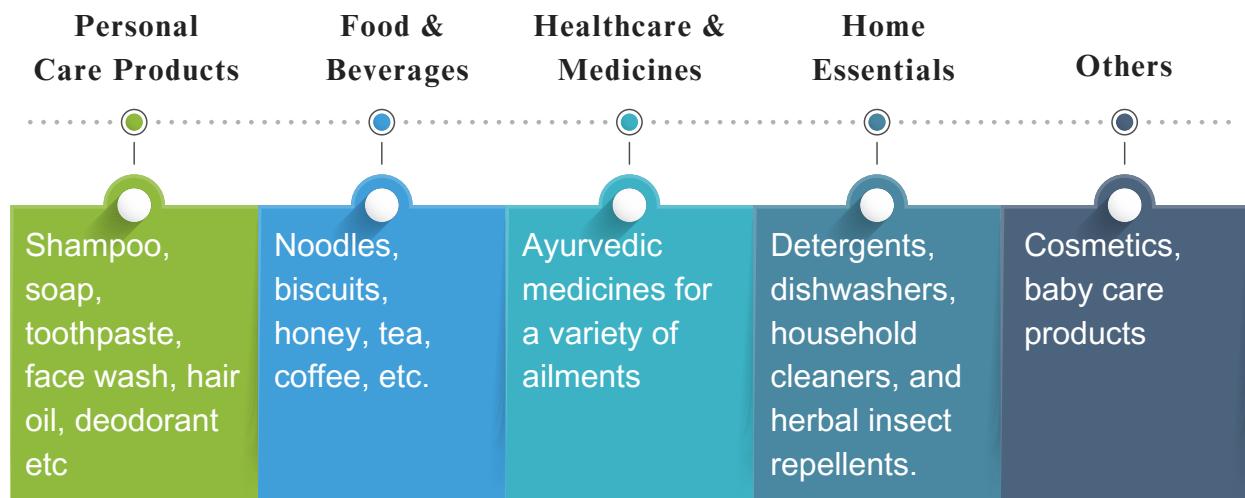
To reduce their impact on the environment, consumers may prefer products that come in recyclable packaging made from locally sourced ingredients. The effects of climate change on agriculture and Patanjali's herbal components are not to be discounted.

## Legal Factors

Patanjali's brand names and proprietary formulations are valuable intellectual property that must be safeguarded from piracy. Labelling and safety regulations must be followed strictly in the consumer goods industry.

## PRODUCT MIX OF PATANJALI

Patanjali's product mix is wide and diverse. The company offers products for a variety of needs and wants, and it is constantly innovating and introducing new products. This makes Patanjali a major player in the Indian market for natural and ayurvedic products.



- **Personal Care:** Patanjali Kesh Kanti Shampoo, Patanjali aloevera gel
- **Food and Beverages:** Patanjali Honey, Patanjali biscuits, Patanjali Atta noodles
- **Healthcare and Medicines:** Patanjali Chyawanprash, Patanjali spirulina capsules
- **Home Essentials:** Patanjali Dishwash Bar, Patanjali super cleaner, Patanjali herbal mosquito repellent
- **Others:** Patanjali Body lotion, Patanjali Saundarya

Here are some of the key features of Patanjali's product mix:

- **Natural ingredients:** Patanjali's products are made from natural ingredients, such as herbs, plants, and minerals. This makes them a safe and healthy choice for consumers.
- **Free of chemicals:** Patanjali's products are free of harmful chemicals, such as preservatives, artificial colors, and flavors. This makes them a healthier choice than many other products on the market.
- **Affordable prices:** Patanjali's products are priced affordably, making them accessible to a wide range of consumers.
- **Strong brand image:** Patanjali has a strong brand image as a trusted provider of natural and ayurvedic products. This helps to attract customers and build loyalty.

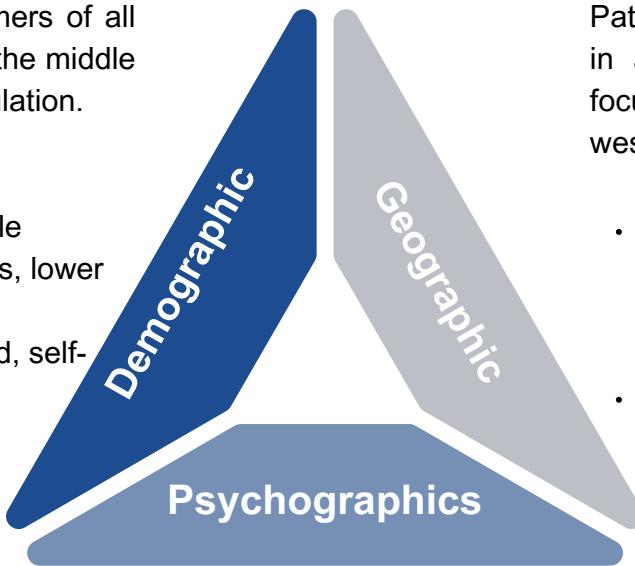
Patanjali's product mix is a key factor in its success. The company's products are made from natural ingredients, are free of chemicals, are affordable, and have a strong brand image. These factors make Patanjali a popular choice for consumers who are looking for safe, healthy, and affordable products.

# MARKET SEGMENTATION, TARGETING & POSITIONING

## Segmentation

Patanjali targets customers of all ages, but it focuses on the middle class and the rural population.

- Age: All ages
- Gender: Male, female
- Income: Middle class, lower middle class
- Occupation: Salaried, self-employed



Patanjali targets customers in all parts of India, but it focuses on the northern and western states.

- Higher concentration of middle-class and lower-middle class in northern and western states.
- Strong cultural affinity for natural and ayurvedic products.

Patanjali targets customers who are:

- Health-conscious
- Value natural products
- Price-sensitive

## Targeting

- Middle-class and lower-middle-class households
- Individuals seeking natural and affordable alternatives
- Yoga practitioners and Ayurveda followers
- Health-conscious urban and rural consumers

## Positioning

- Patanjali positions its products as being natural, safe, and affordable.
- The company emphasizes the benefits of using natural ingredients and the importance of health and wellness.
- Patanjali also positions its products as being a good value for money.



## PRODUCT LINE ANALYSIS

Product Category	Breadth	Depth
<b>Personal care products</b>	100+	Shampoo, soap, toothpaste, face wash, hair oil, deodorant, etc.
<b>Food and beverages</b>	50+	Noodles, biscuits, honey, tea, coffee, etc.
<b>Medicines</b>	300+	Ayurvedic medicines for a variety of ailments, such as cold, cough, fever, and digestion problems.
<b>Other products</b>	20+	Cosmetics, home care products, and baby care products.

### Breadth of Patanjali Products

Patanjali provides a large selection of items in a wide range of categories to meet the demands of a wide range of customers. The amount of distinct product types made available by a business is referred to as its "product line breadth." Patanjali has a diverse selection because it sells goods in four distinct categories.

### Depth of Patanjali Products

The breadth of a product line is the total number of items available, while the depth is the number of products available in each subcategory. Patanjali provides more than a hundred distinct items in the self-care area alone. Its other product lines, however, are not as extensive.

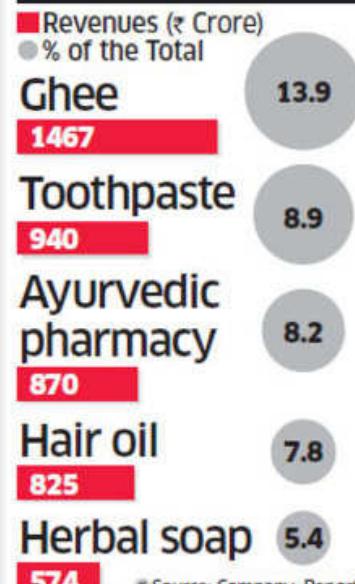


## MARKET SHARE ANALYSIS

### The New Pecking Order Of Indian FMCG

Company	Trailing Four-Qtr Revenues (₹ Cr)
HUL	30782.7
<b>PATANJALI</b>	10561.0
ITC *	10336.9
Nestle India	9159.3
Godrej Consumer Group	9134.2
Britannia Industries	8844.4
Dabur	7691.0
Tata Global Beverages	6963.5
Marico	5918.0
Colgate-Palmolive	4010.0
GSK Consumer Healthcare	3784.9
Emami	2552.9
P&G Hygiene & Healthcare	2388.7
Jyothy Labs	1680.7
Bajaj Corp	791.3

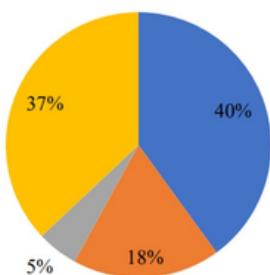
### Patanjali's Bestsellers



\* Source: Company Reports

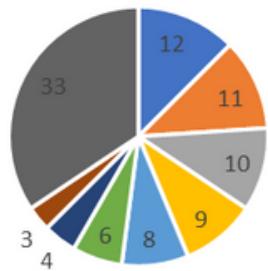
\* Compiled by ETIG Database \*Non-cigarette FMCG segment

### Soya Bean Market Breakup



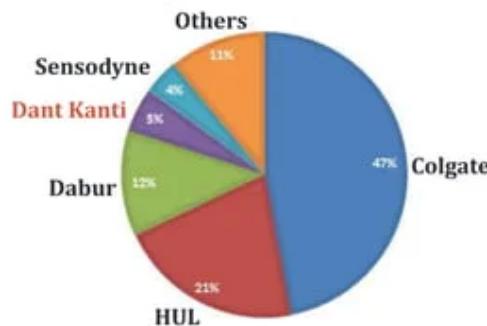
■ Ruchi Soya ■ Adani Wilmar ■ Emami ■ Others

### Soap Market Share



■ Santoor ■ LifeBoy ■ Lux ■ Dettol ■ Godrej  
■ Dove ■ Cinthol ■ Patanjali ■ Others

### Toothpaste Market Share



# PATANJALI'S EVOLUTION: GROWTH AND CHALLENGES

## FOUNDATION (2006-2009)

To spread awareness of Ayurveda and other ancient Indian methods, Patanjali Ayurved Limited was established in 2006. It started off modestly, selling only a few Ayurvedic remedies and other health goods.



## EXPANSION OF PRODUCT LINE (2010-2014)

In this phase, Patanjali significantly expanded its product line to include personal care, food, and home care products. Products like Patanjali Dant Kanti toothpaste and Kesh Kanti shampoo gained popularity.

## STRATEGIC ALLIANCES (2015-2016)

Patanjali entered into strategic alliances and partnerships with various retailers and distributors, increasing its reach across India. These partnerships played a pivotal role in expanding its distribution network.

## SURGE IN POPULARITY (2016-2017)

Patanjali's products gained immense popularity in India during this period. The brand's emphasis on Ayurveda, natural ingredients, and affordable pricing resonated with consumers looking for healthier alternatives.

## MARKET DOMINANCE (2017-2018)

Patanjali continued to dominate the Ayurvedic and herbal products market in India. Its product portfolio expanded to include dairy products, herbal cosmetics, and more.

## CHALLENGES AND CONTROVERSIES (2019-2020)

The company faced challenges related to product quality and regulatory compliance. Some controversies emerged, affecting its image and sales. However, Patanjali continued to innovate and launched new products.

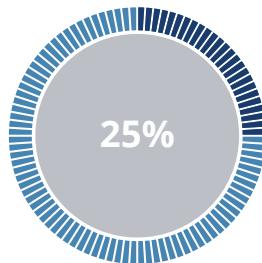
## RECOVERY AND DIVERSIFICATION (2021-PRESENT)

Patanjali has been recovering from the challenges it faced, addressing quality concerns and improving transparency. The company has diversified into new product categories and expressed ambitions to expand internationally.

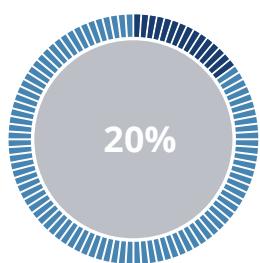
## GROWTH OPPORTUNITIES

These data show that Patanjali is well-positioned to capitalize on the growth opportunities in the natural and ayurvedic products market. The company has the resources and the capabilities to grow its business and become a global leader in this market.

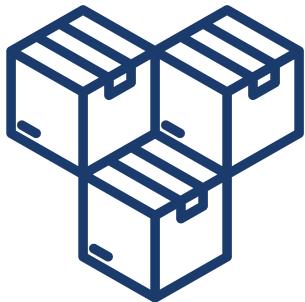
CAGR Global  
Market growth



CAGR Indian  
Market growth



Product Diversification



Organic foods,  
wellness supplements,  
and niche healthcare  
products

Develop New Technology



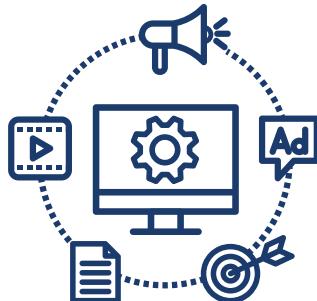
Improve the quality  
and efficiency of its  
products

Partnership



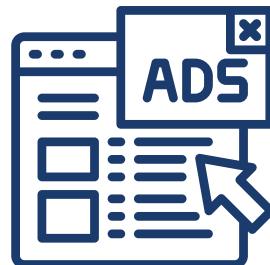
Leverage the strengths  
of its partners and  
achieve its growth  
goals

Expand into new markets



Investing in Southeast  
Asia, Africa, and Latin  
America company to  
grow its revenue and  
market share.

Marketing and advertising



Raise awareness of its  
products and attract  
new customers

# NEW PRODUCT LINE PROPOSAL

## PRODUCT CATEGORY



### Sneakers

**Sustainable Materials:** Organic cotton, recycled rubber, vegan leather for eco-friendly sneakers; emphasize in marketing for sustainability commitment.

**Transparent Supply Chain:** Fair labor, minimal environmental impact; share journey from raw materials to final product.

**Eco-friendly Packaging:** Use recycled cardboard or reusable shoe bags; encourage reuse or recycle.

**Educational Campaigns:** Content on footwear's environmental impact; promote sustainable sneakers through website, social media, influencers for awareness.

### Patanjali App with AR Tech for Yoga



**Materials:** Organic cotton, recycled rubber, vegan leather for eco-friendly sneakers; highlight in marketing for sustainability.

**Supply Chain:** Fair labor, low environmental impact; share journey from raw materials to product.

**Packaging:** Recycled cardboard, reusable bags; promote reuse or recycle.

**Education Campaigns:** Share environmental impact info, use website, social media, influencers for promotion.

### Fitness Band with App Combo

**Health Tracking:** Monitor fitness metrics like steps, heart rate, and sleep quality.

**Ayurvedic Insights:** Incorporate Ayurvedic wellness tips and recommendations.

**App Integration:** Sync with Patanjali's wellness app for a holistic health experience.

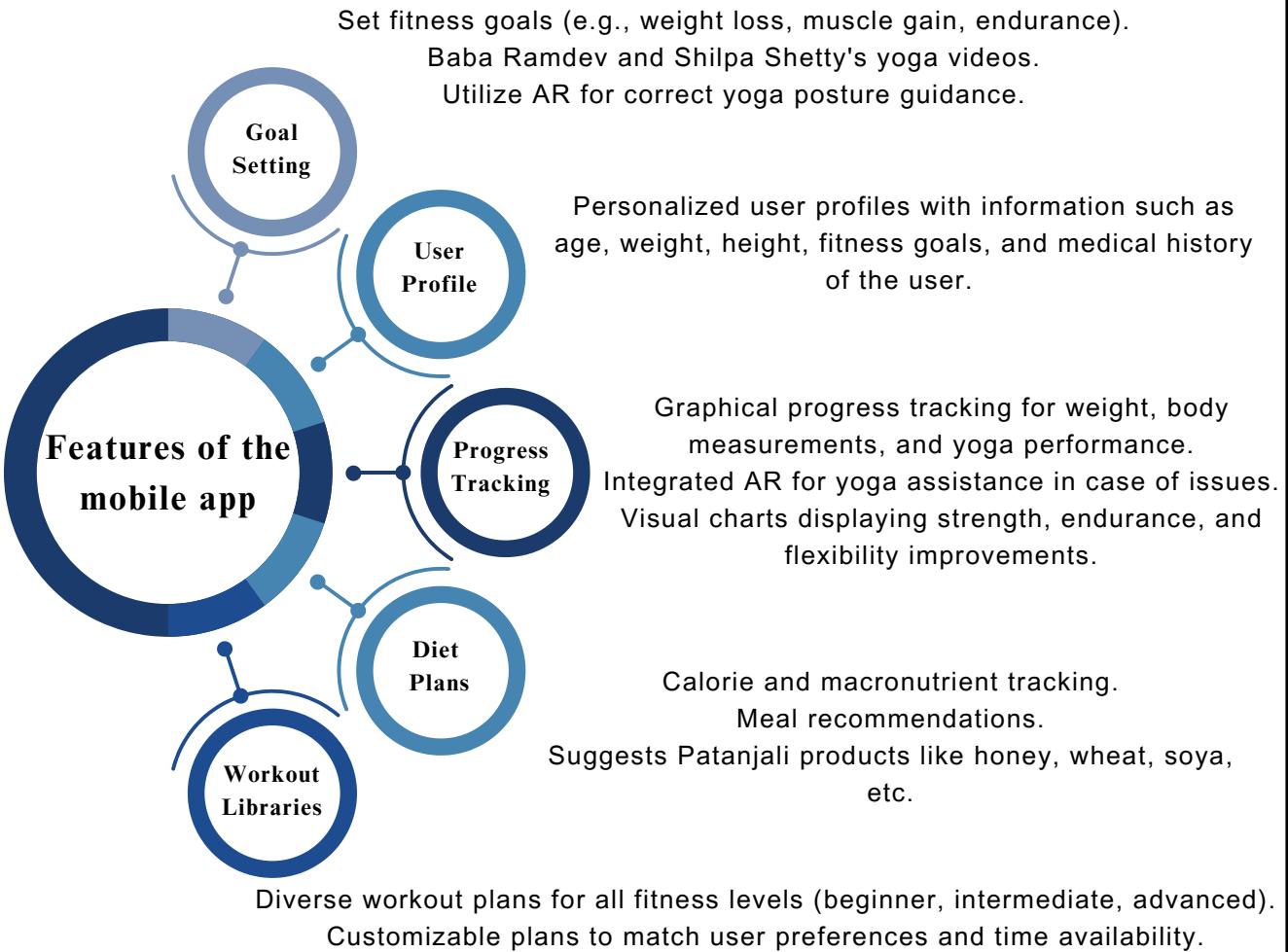
**Competitive Pricing:** Offer an affordable option for health-conscious consumers.

**Stylish Design:** Combine functionality with sleek, modern aesthetics.



## FITNESS TRACKER AND MOBILE APP

The Fitness Tracker that we at Patanjali are planning to develop would be integrated with the mobile app that we are also trying to develop so that that would create an entire ecosystem for our fitness lineup. The mobile app is equipped with Augmented Reality(AR) and other fitness features found in modern fitness trackers . AR feature will allow the users to perform yoga activities in a fun and interactive way on their mobile devices ad the fitness tracker will then record the movements of the of the users and provide in-depth analysis to the users like hearth beat monitoring



# **MARKETING STRATEGY**

## **PRODUCT POSITIONING**

Patanjali should position its new products as being natural, safe, and affordable. The company should emphasize the benefits of using natural materials and the importance of health and wellness. Patanjali should also position its products as being a good value for money.

For example, the company could use the following taglines to position its products:

***"Patanjali sneakers: Natural, safe, and affordable."***

***"The Patanjali exercise app: Your personal trainer on the go."***

***"The Patanjali fitness band: Track your progress and stay motivated."***

## **TARGET MARKET**

Patanjali's target market for these new products is health-conscious consumers who are looking for natural and affordable products. The company should focus its marketing efforts on these consumers, such as through social media campaigns and partnerships with fitness instructors and athletes.

## **PATANJALI COULD TARGET THE FOLLOWING GROUPS OF PEOPLE**

Young adults who are interested in fitness and healthy living

Parents who are looking for natural and safe products for their children

People who are recovering from an injury or illness

People who are looking to improve their overall health and wellness

## **PRICING**

Patanjali should price its new products competitively, so that they are affordable for its target market. The company should also offer discounts and promotions to attract new customers.

For example, Patanjali could price its sneakers at INR 500, its exercise app at INR 99 monthly subscription (prime), and its fitness band at INR 999. The company could offer discounts of 20% off for first-time customers or free shipping on orders over INR 500.

## ADVERTISEMENT CHANNEL

Patanjali should use a variety of marketing channels to reach its target market, such as:



## CUSTOMER SERVICE

Patanjali should provide excellent customer service to its customers. This will help to build trust and loyalty and encourage customers to buy from Patanjali again in the future.

Patanjali could offer 24/7 customer support, a satisfaction guarantee, and a money-back policy. The company could also create a customer loyalty program that rewards customers for their purchases.

## TARGET AUDIENCE



**Yoga Enthusiasts:** Dedicated practitioners seeking advanced yoga guidance and alignment assistance.

**Beginners:** Novices starting their yoga journey, supported by step-by-step instructions and virtual guidance.

**Health-conscious Individuals:** Those pursuing holistic well-being through physical and mental health improvements.

**Busy Professionals:** Individuals with hectic schedules who need flexible, on-the-go yoga options.

**Elderly Population:** Seniors looking for gentle, low-impact yoga to maintain mobility and health.

**Physical Rehabilitation:** Patients in recovery, benefiting from customized yoga routines for improved strength and flexibility.

**Demographic:** Sustainable-conscious consumers aged 18-60, with a focus on urban millennials and young adults.

**Psychographic:** Individuals who value eco-friendly products, prefer vegan options, and are concerned about the environment.

**Behavioral:** Those who engage in outdoor activities, yoga, and fitness, seeking comfortable and stylish footwear with a sustainable twist.



## PRODUCT POSITIONING



**Community and Support:** It fosters a sense of community by connecting users with like-minded practitioners and instructors, creating a supportive environment within the app.

**Wellness Emphasis:** Beyond physical fitness, the app highlights the mental and emotional benefits of yoga, promoting overall well-being as a core focus.

**Affordability:** The app offers a cost-effective alternative to expensive yoga classes, making holistic wellness accessible to a broad user base.

**Progress Tracking:** It enables users to monitor their yoga journey, helping them achieve tangible results.

**Authenticity:** The app leverages the renowned name of Patanjali, a trusted authority in yoga and wellness, establishing itself as a credible source for yoga guidance.

**Innovation:** Through cutting-edge AR technology, the app offers a modern and innovative yoga experience, providing real-time visual guidance and feedback. **Customization:** It tailors yoga routines to meet individual goals and abilities, making it a personalized yoga instructor for users of all skill levels and physical conditions.

**Convenience:** The app emphasizes accessibility and flexibility, enabling users to practice yoga at their convenience, eliminating time and location constraints associated with traditional classes.



## KEY PLAYERS

- Hindustan Unilever Limited (HUL)
- Nestlé India
- Dabur India
- Colgate-Palmolive India
- ITC Limited
- Britannia Industries
- Amul
- Emami Limited



Hindustan Unilever Limited



## RECOMMANDATIONS

### Innovate and Diversify Product Offerings

Continue to innovate and expand product lines, especially in emerging health and wellness categories such as organic foods, immunity boosters, and natural skincare.

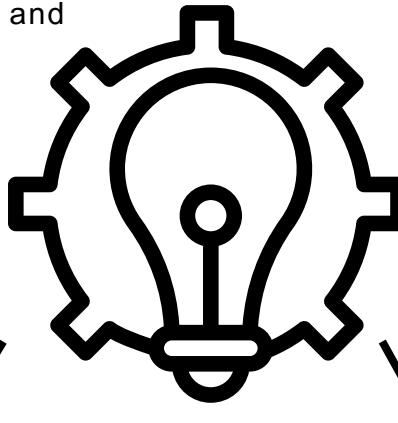
Develop unique and high-quality products that address specific consumer needs and preferences.

### Localized Marketing

- Customize marketing campaigns for different regions and demographics within India to resonate with local preferences and cultures.
- Leverage regional languages and dialects in advertising and content.

### Quality Assurance and Certification

- Invest in stringent quality control measures to maintain the highest quality standards.
- Seek certifications for organic, natural, and Ayurvedic products to build trust among consumers



### Digital Presence and E-commerce

Offer exclusive online deals, discounts, and loyalty programs to attract and retain online customers.

### Partnerships and Collaborations

Collaborate with wellness influencers, yoga gurus, and nutritionists to endorse products and provide expert insights.

Form strategic partnerships with retailers, both online and offline, to expand distribution channels.

### Price Competitiveness

Maintain competitive pricing while offering value-added benefits to consumers. Offer bundle deals and loyalty programs to incentivize repeat purchases.

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