

# CASE STUDY

पंजाब

प्रृथिवी आशीर्वद

# OVERVIEW

- Co -founded by Acharya Balkrishna and Baba Ramdev to propagate the science of ayurved.
- Today, some of the ayurvedic products produced by PAL are a strong synergy between ancient wisdom and modern technology.
- Even though Acharya Balkrishna is the primary stakeholder of the company (94% stake)
- The main driving force behind Patanjali Ayurved is the charisma and philosophy of Baba Ramdev.

**Philosophy**

*Rooted in Ayurveda, Yoga, and traditional Indian wellness practices. Emphasizes natural ingredients*

**Business Model**

*Directly sources ingredients from farmers, promoting local agriculture and economic independence*

**Brand Values**

*Advocates for swadeshi products and economic self-reliance. involved in social welfare programs, education*

**Market Presence**

*Initially focused on India, but expanding globally to promote Ayurveda and Indian traditional products*

## Vision

-  Yoga as a Path to Liberation
-  Holistic health
-  Integration of Yoga into Daily Life

## Mission

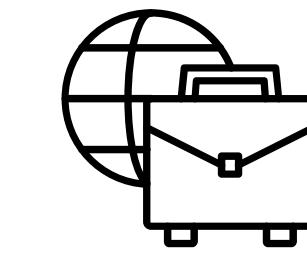
-  Rural Upliftment
-  Environmental Sustainability
-  Rejuvenate ayurveda in world



**Type of Company**  
Fast-moving consumer goods



**Market Capitalisation**  
\$ 6.47 Billion

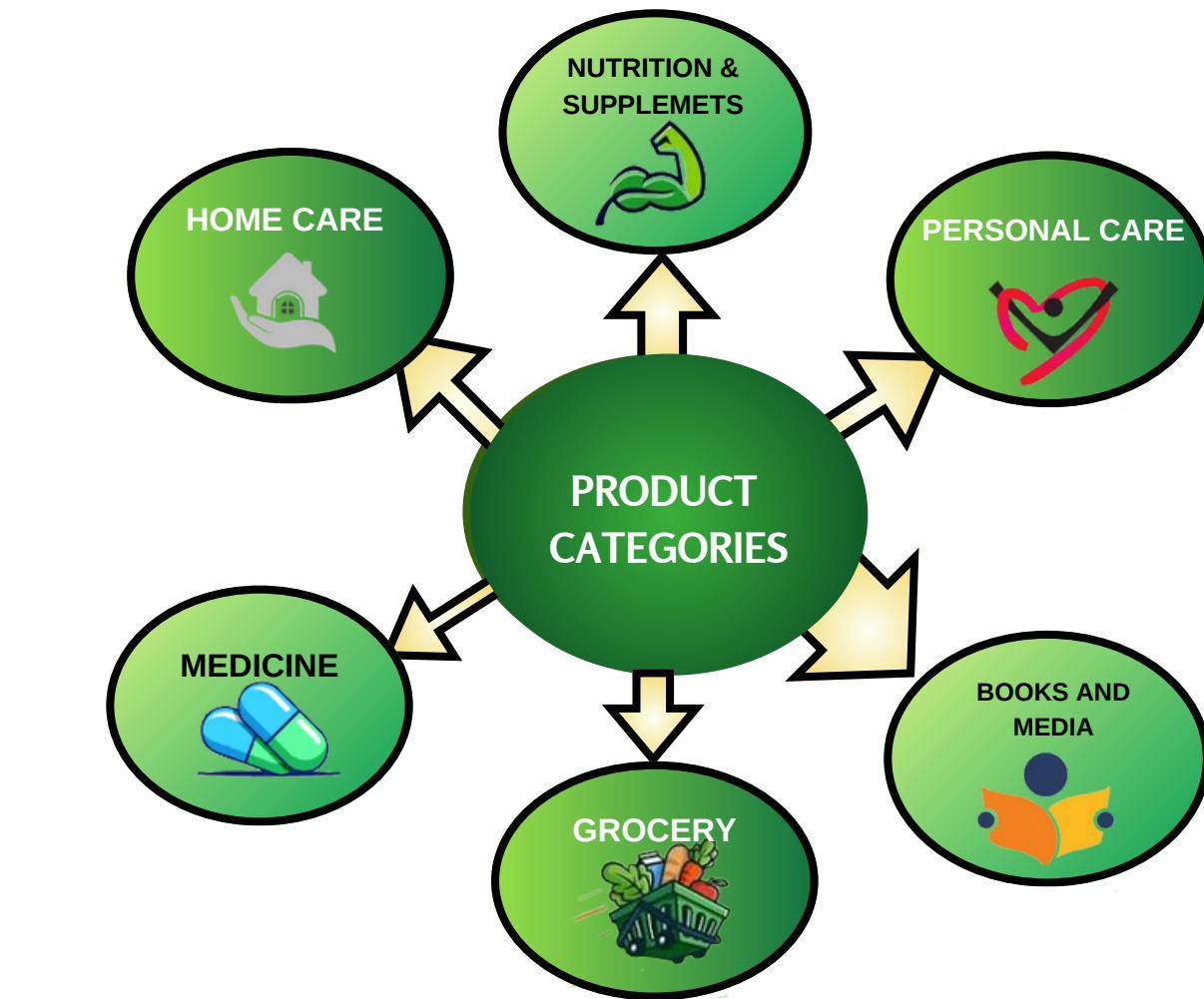


**Nature of Business**  
Service|B2B|B2C

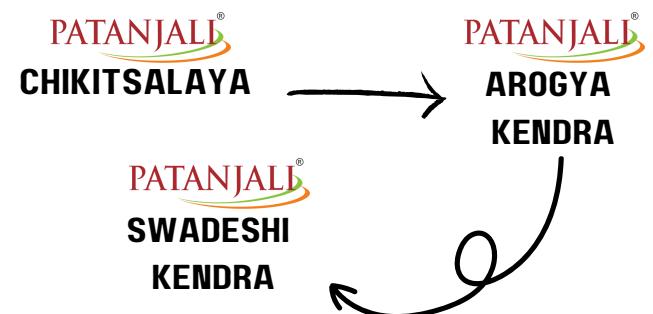


**Revenue**  
318 billion rupees in Year 2023

# PRODUCT OVERVIEW AND GROWTH ANALYSIS

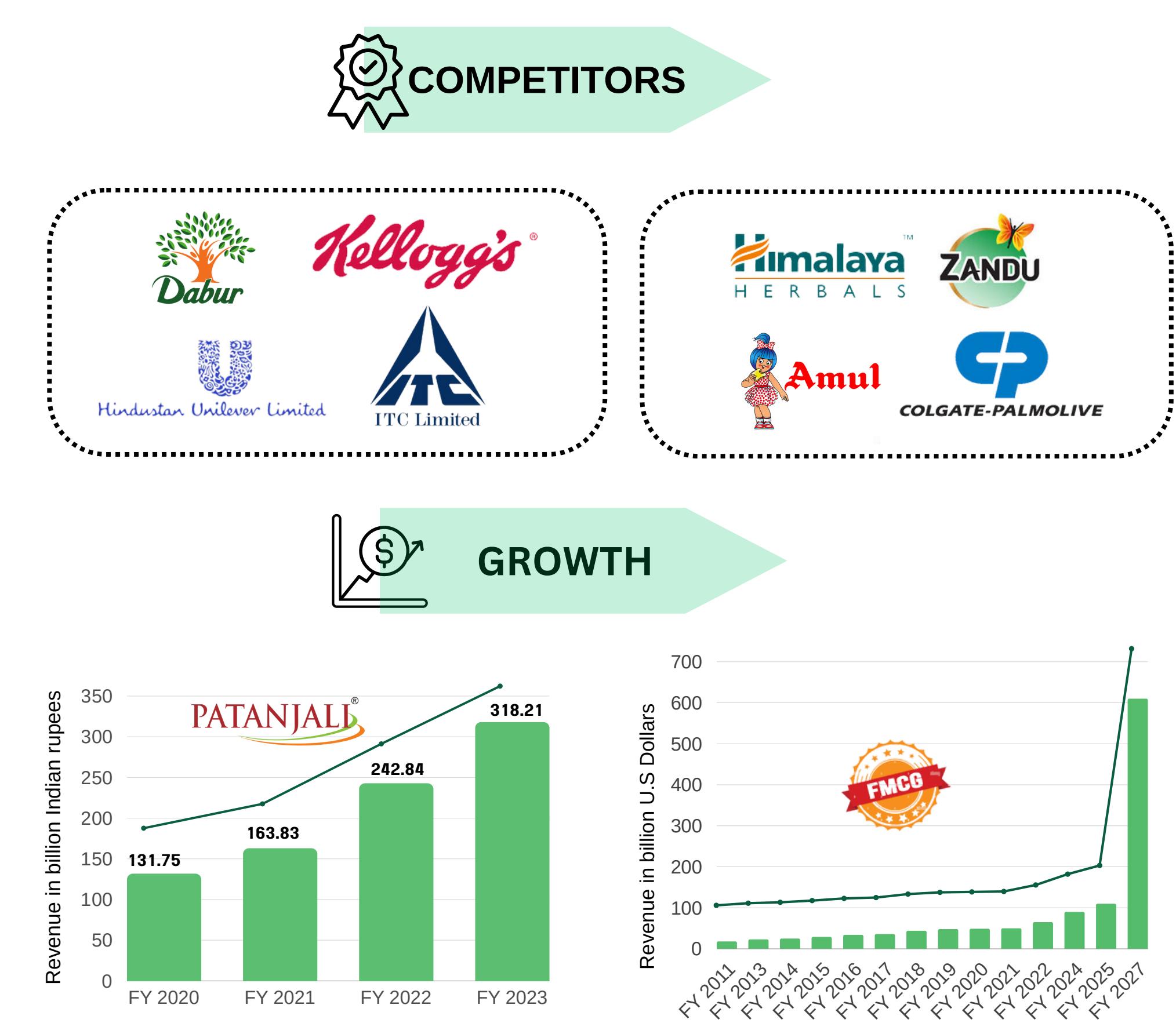


## CONSUMER FUNNEL



## MARKET SHARE

Food products are the leading segment, accounting for 43 percent of the total market. Personal care(22%) and Fabric care(12%)



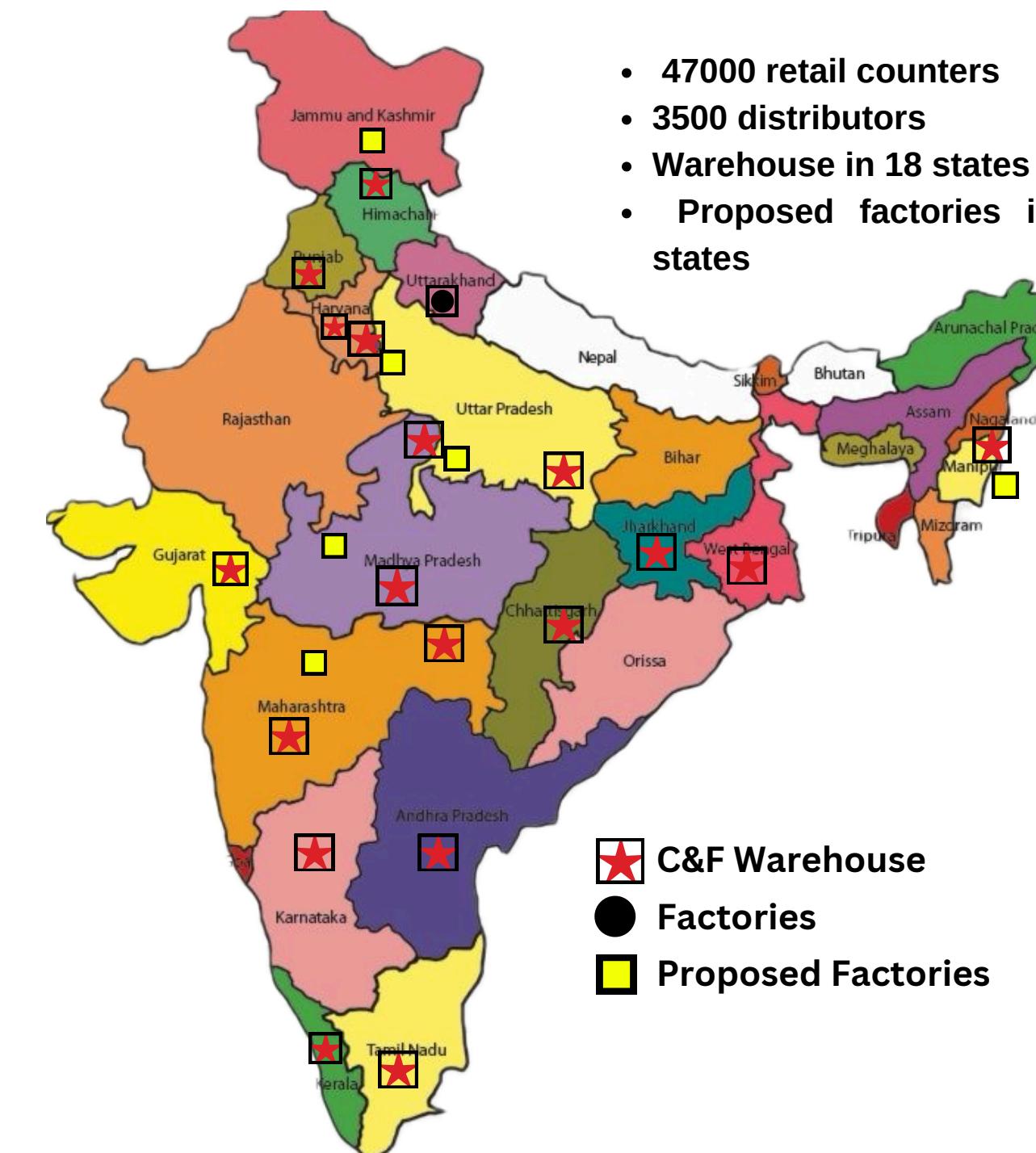
# OUR PRESENCE



## MILESTONE

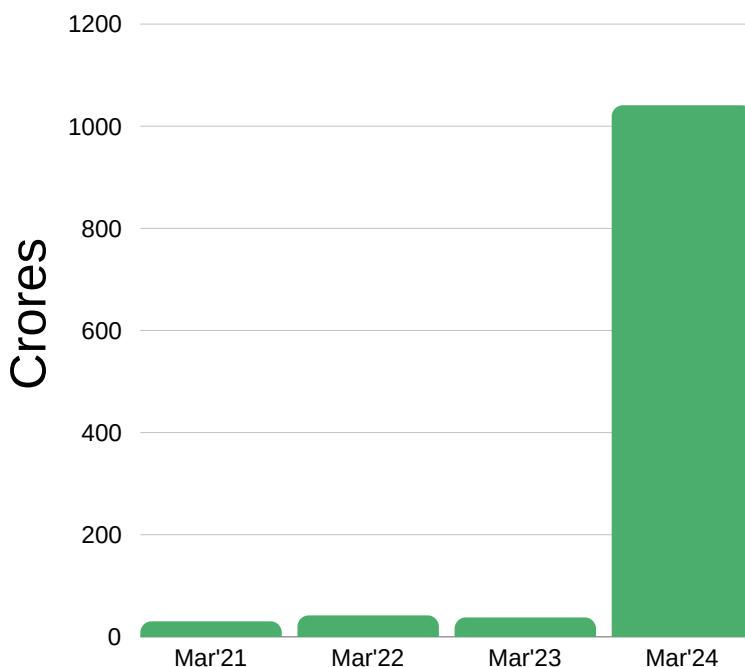
- Giant FMCG only in 5 Years
- Accomplished “Make in India” Concept
- Patanjali is the first organization to have NABH recognized two hospitals along with NABL, DSIR, CPCSEA and DBT accredited state-of-art modern laboratories
- Biggest Swadeshi Movement
- Toughest Competitor in the Market for other MNC's and other Indian Companies

## GRAPH OF MAJOR SALES PRODUCT

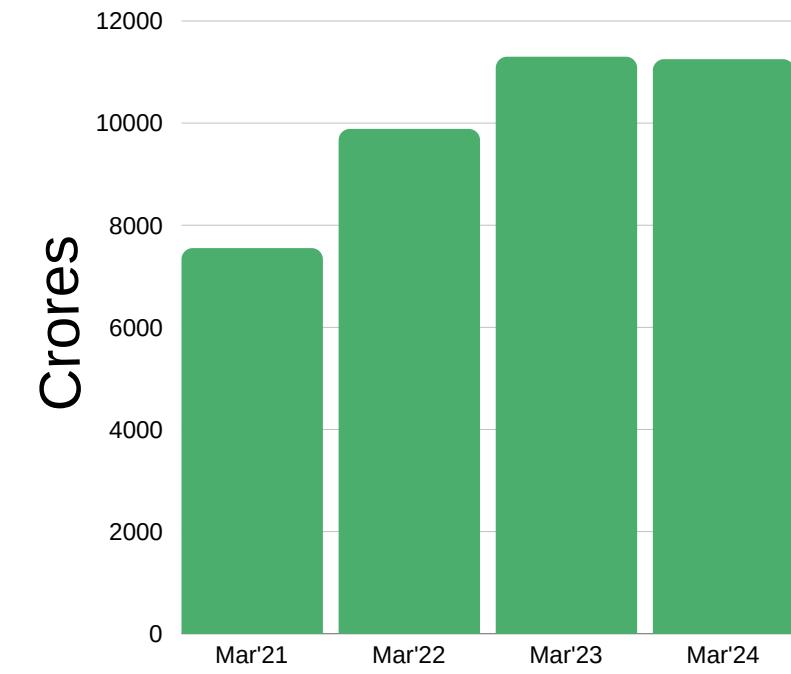


- Pittie Group and Kishore biyani's Future Group are some of its sales channel partners.
- Patanjali Ayurveda products are also available in modern trade stores including Reliance retail. Hyper city and Star Bazaar apart from online channels.

## INVESTMENTS



## TOTAL ASSETS

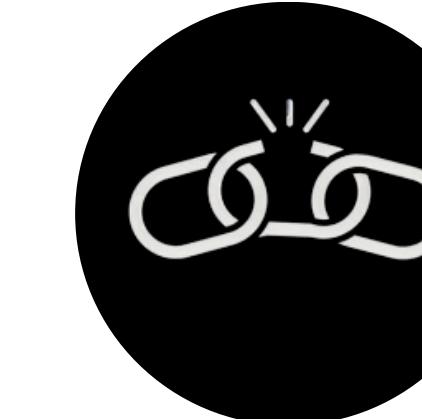


# SWOT ANALYSIS OF PATANJALI®



## 01 STRENGTHS

- Strong Ayurvedic Heritage
- Wide Product Range
- Cost-Effective Pricing
- Brand Recognition and Trust
- Strong Distribution Channels



## 02 WEAKNESS

- Dependency on Founder Personalities
- Quality Control Challenges
- Limited marketing and Pricing Strategies
- Potential Dependence on Domestic Market



## 03 OPPURTUNITIES

- Rising Demand for Natural and Ayurvedic Products
- International Market Expansion
- Diversification into new Product Segments
- Focus on research and development

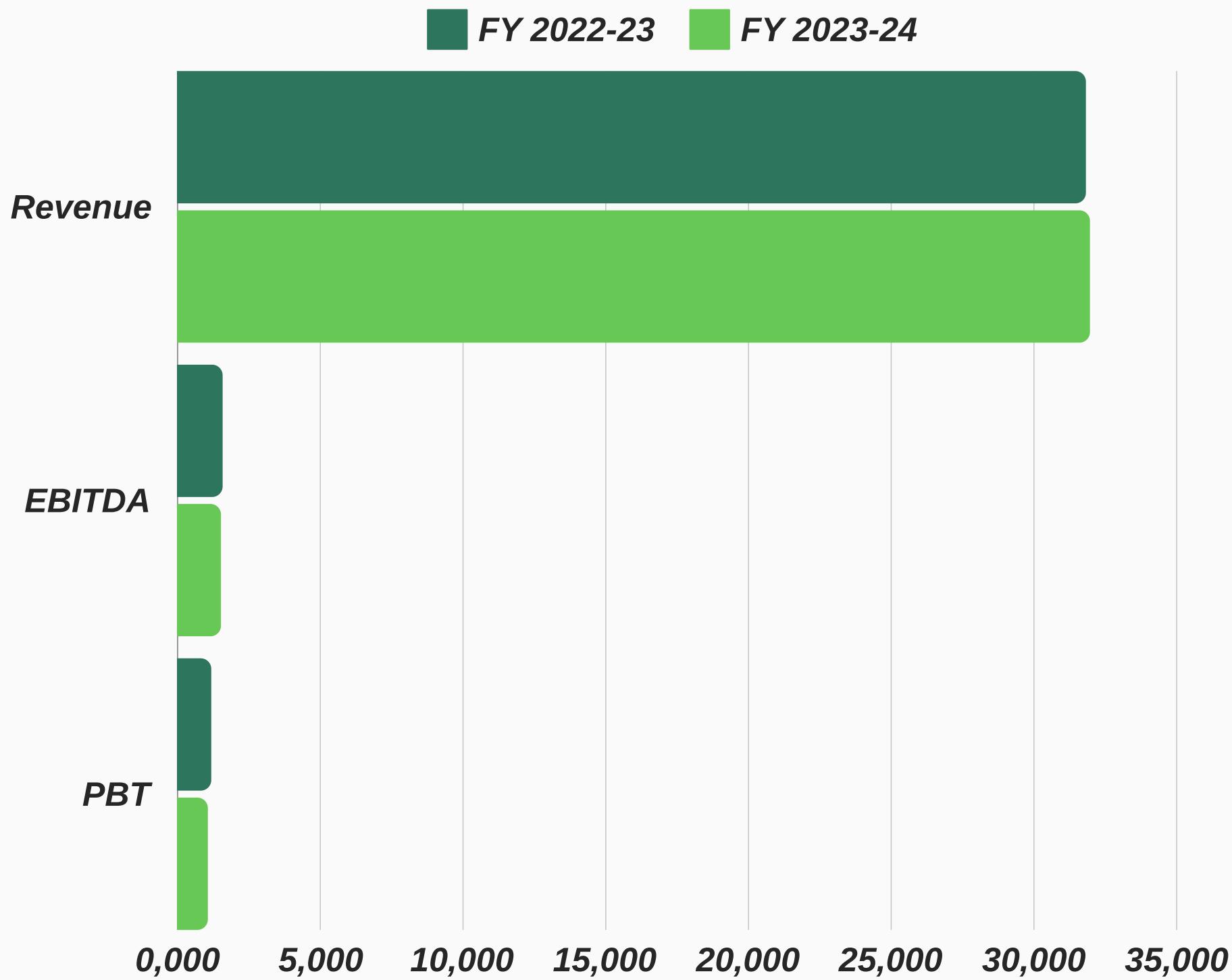


## 04 THREATS

- Intense Competition
- Regulatory Challenges
- Counterfeit and Imitation Products
- Supply chain disruption
- Economic Fluctuation

# PROBLEM STATEMENT

How Patanjali should address the glaring lack of growth from FY 2022-23 to FY 2023-24 despite a heavy expansion in their product line.

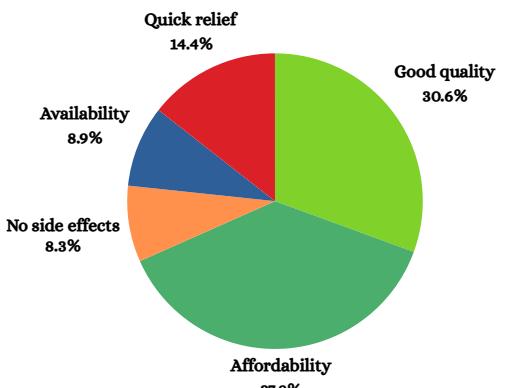


*Major issues behind the stagnation of patanjali's growth in FY 2022-23 to 2023-24:*

- 1) Lack of proper distribution system and long term contracts with transporters, which affects the product delivery as well as leads to higher cost of transportation.
- 2) Misleading advertisements and concerns about declining product quality due to overexpansion of the brand umbrella, which lead to a loss of consumer trust.
- 3) Ineffective inventory management system coupled with a not potent enough replenishment cycle, which leads to frequent stockouts thereby hindering possible sales.

# USER RESEARCH

**Major Consumer Expectations**

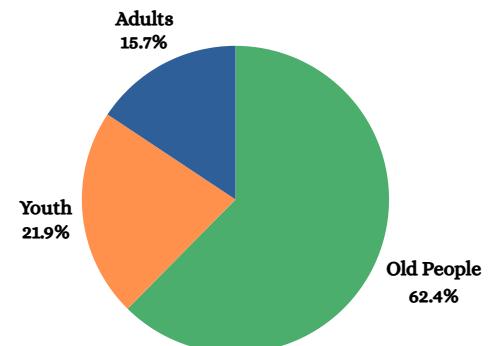


Online Marketplace Website  
Exclusive stores

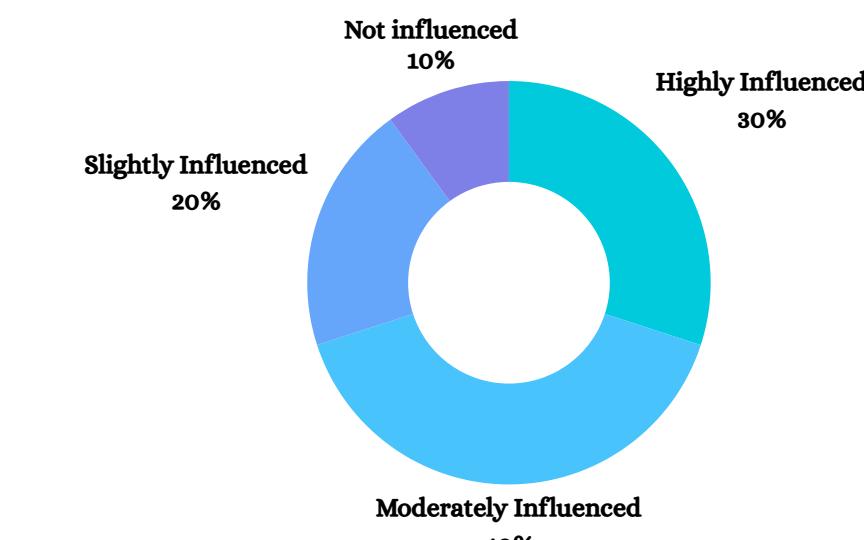
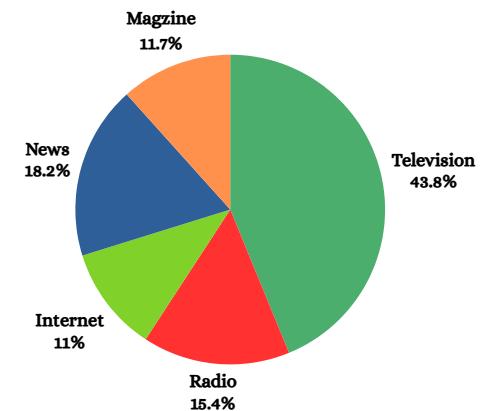
Offline Retail Stores  
60%

**Purchase Channels**

**Patanjali's Consumer Demographic**



**Major means of advertisement**



**ACCESSIBILITY**

**QUALITY PRODUCT**

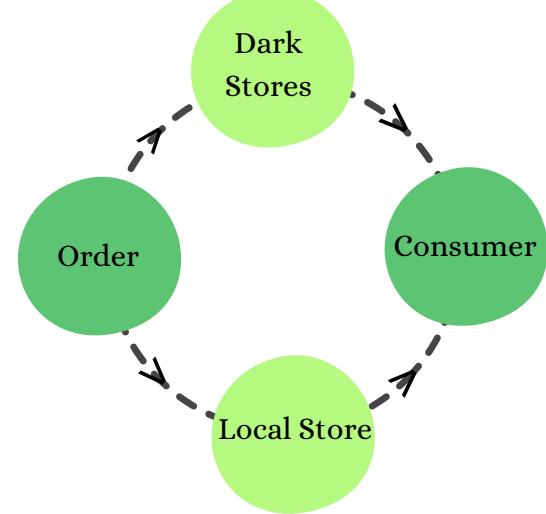
**Consumer needs**

**BRAND IMAGE**

**AFFORDABILITY**

# ADDRESSING DELIVERY DEFICIENCIES WITH EXEMPLARY PARADIGM

## Blinkit's supply chain:



## How Blinkit does it:

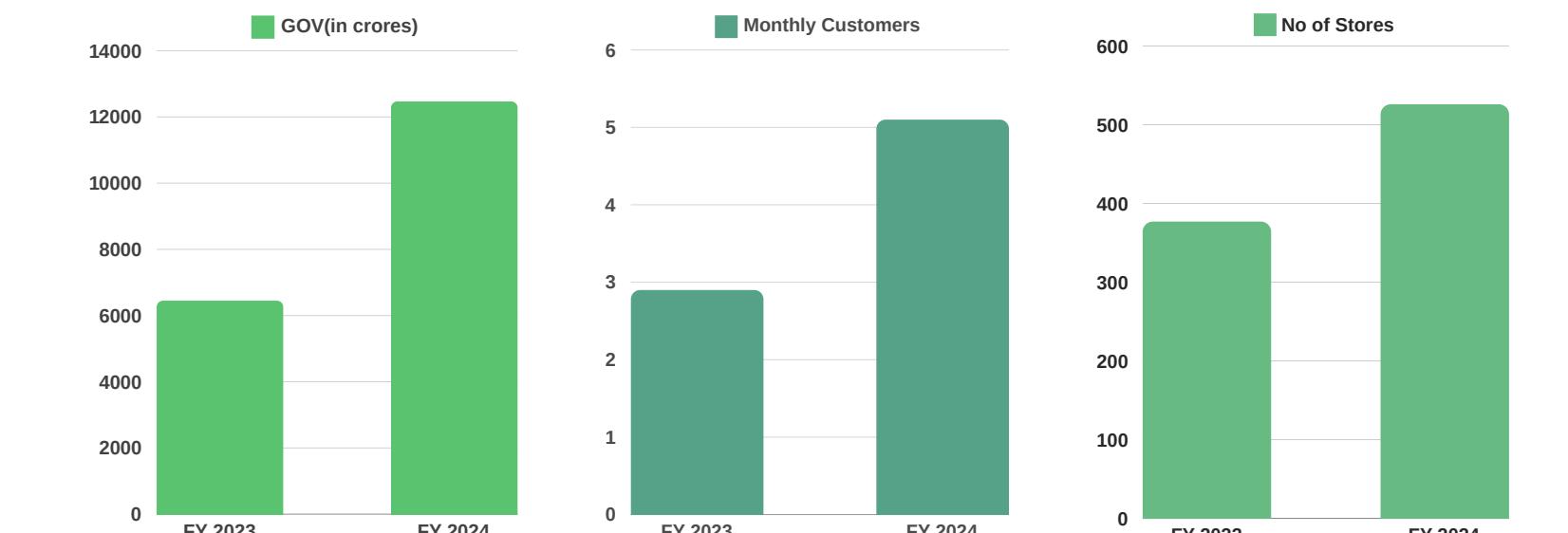
One of the major reasons behind Blinkit's recent growth has been the establishment of 'Dark stores' which effectively removed the dependence on local retailers and helped in speeding up the process via efficient inventory management.

Their major challenges are:

*Lack of a proper delivery system to connect the dark stores to outlets.*

*Irregular supply from production source to inventory.*

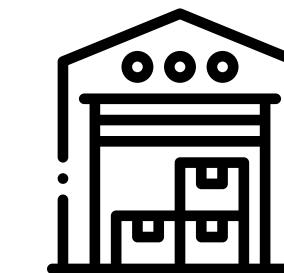
*Irregular inventory and demand management leading to stockouts.*



Exponential growth of Blinkit since Zomato acquisition in 2022.

## How Patanjali can maintain its supply and distribution chain:

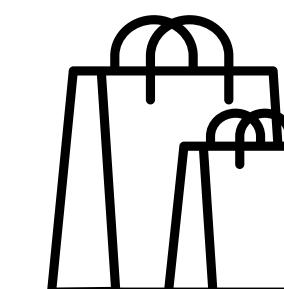
Patanjali can implement the idea of dark stores for multiple purposes including:



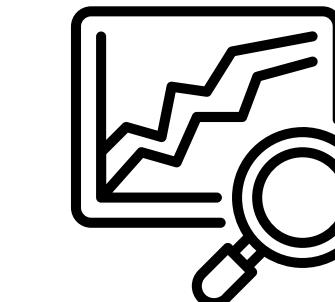
As a regional storage center for the goods in order to help in easier distribution and inventory management.



As a replenishment site for shipping out goods to retail stores much faster helping in curtailing stockouts.



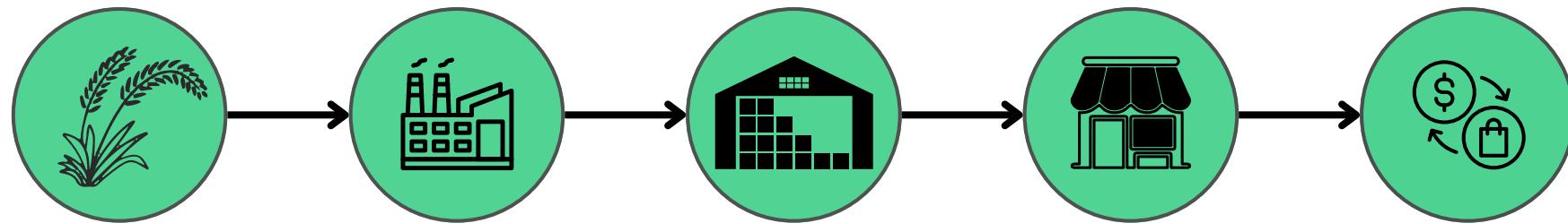
As a wholesale outlet for customers to get products directly from producer avoiding any concerns of adulteration.



Real-time data can inform stocking decisions ensuring that the most in-demand items are readily available.

# INCEPTING B2C SERVICES WITH GROWING B2B OPPORTUNITY

## 1) Integration of dark stores into delivery system:



The major issue patanjali faces is the lack of coherence in the delivery system between farms to outlets due to improper demand management and distribution systems.

### The proposed solution includes:

Create an exclusive B2B app for retail outlet owners to report stockouts immediately.

Establish long term contracts with delivery partners to complete deliveries between any 2 locations in the supply chain

ERP systems to track real time stock levels and forecasting of demand.

## 2) Enhancement of the Ecommerceence app:



### Wider reach and brand engagement

- Convenient to use option
- Option of loyalty programs/personalised recommendations

### Better logistics and management

- Streamlined ordering process
- Better inventory management

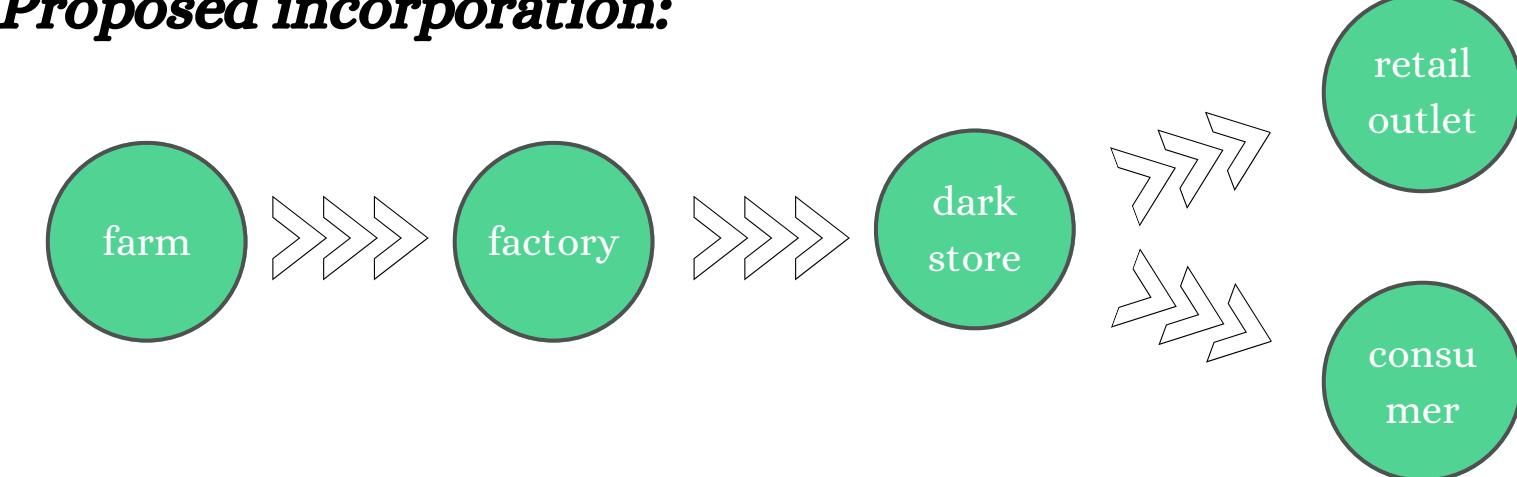
### Valuable consumer data

- Helps understand consumer preferences and expectations
- Allows better demand forecasting using ERP systems to distribute stock location wise

## How Patanjali Parivahan can be the way out:

Patanjali Parivahan is a sub brand of Patanjali which specializes in warehousing and transporting with over a 1000 active vehicles in their fleet which ironically are the things majorly lacking in the main brand's supply chain.

### Proposed incorporation:

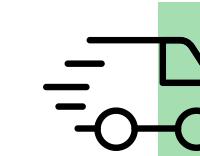


Parivahan would become the singularized distribution agency across the supply chain with the agents being distributed according to demand.

## Advantages of incorporating Parivahan into the supply chain:



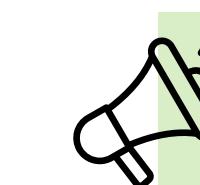
Short delivery time



Reduced logistic costs



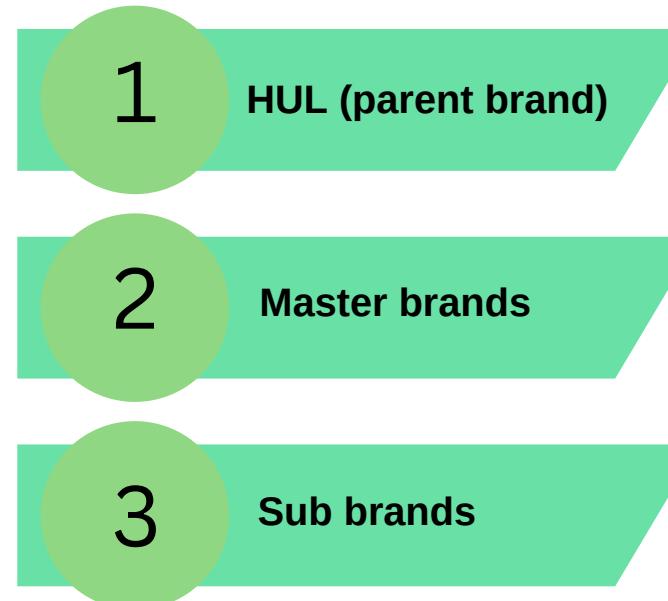
Decreased safety concerns



In house Brand growth

# DIVERSIFICATION OF SUB BRANDS FOR GREATER REACH

## Hindustan Unilever's Brand Structure:



*None of the brands are advertised as associated with HUL*

*All are independent of each other.*

*Do not affect each other's growth even in the same sectors.*

## Major brands under HUL

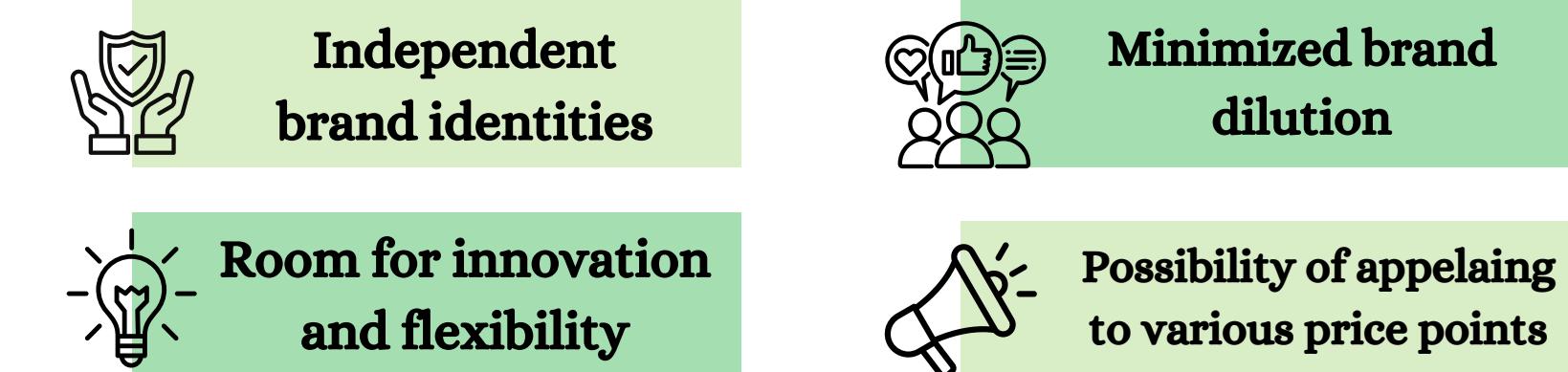


*What HUL has managed with this system*



## How Patanjali can incorporate this model:

### ADVANTAGES OF THIS SYSTEM

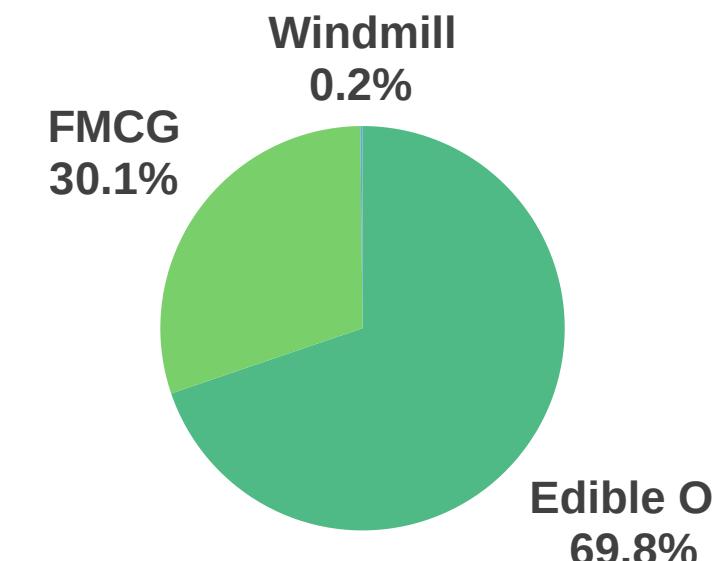


### PATANJALI'S MAJOR SUB BRANDS



*Hindered by the association with the Patanjali name*

### SECTOR WISE SHARE IN FY 2023-24



*Mahakosh and Sunrich - Edible oil Independent sub brands*

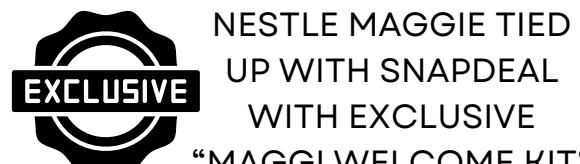
*Major share of revenue comes from this brand*

# REVITALIZING A BRAND'S IMAGE AND ESTABLISHING A STRONG FOOTHOLD IN TIER 2,3 & RURAL AREAS

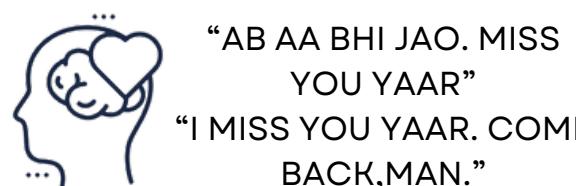
## CRISES TURNS INTO OPPORTUNITY

*Maggi, in the face of daunting allegations, exhibited an exemplary resilience reminiscent of a phoenix rising resplendently from the ashes.*

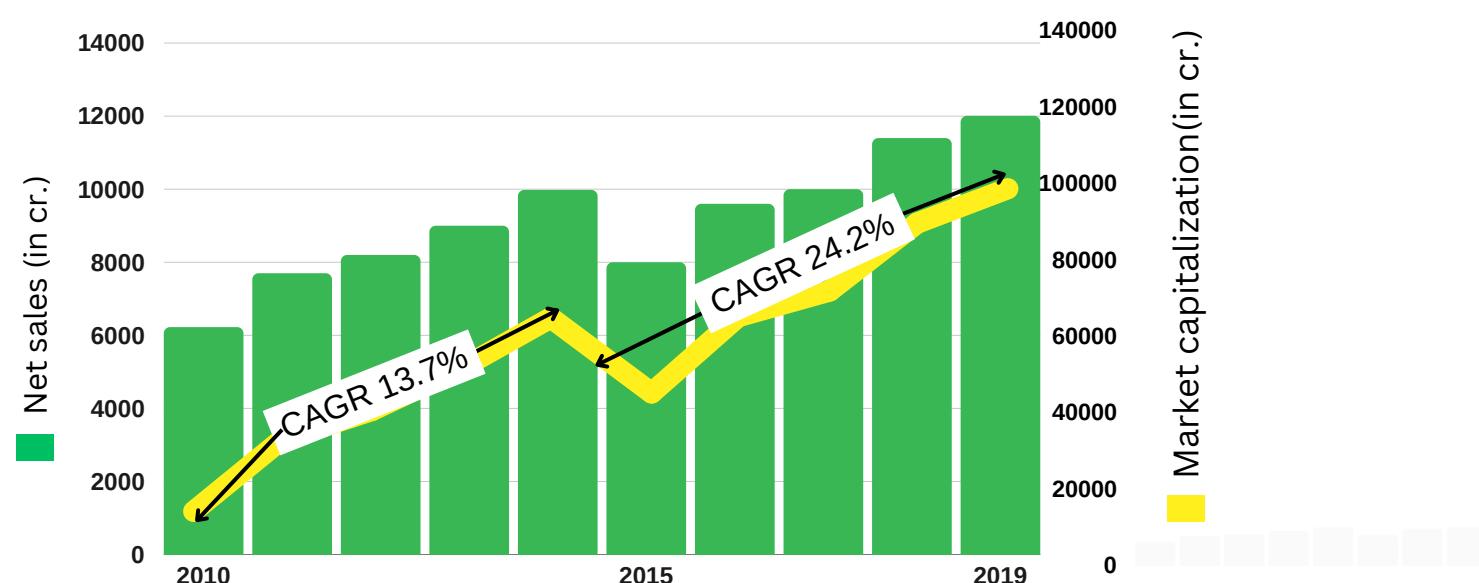
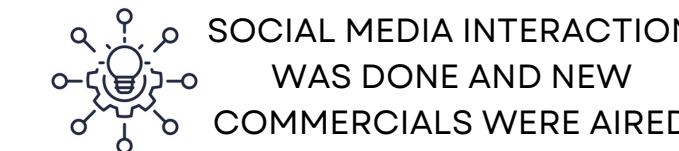
### EXCLUSIVE AVAILABILITY TELEVISION COMMERCIALS



### EMOTIONAL TOUCH



### MULTI-CHANNEL PROMOTION



## PIVOTAL STRATEGIES TO FOSTER THE BRAND

### Expansion to new markets



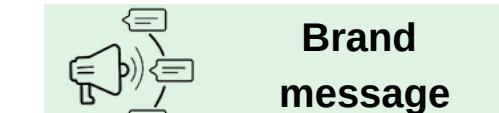
*Partnering with health and wellness influencers who resonate with the brand's ethos helps tap into niche markets and build authentic connections.*

### Penetrating existing market

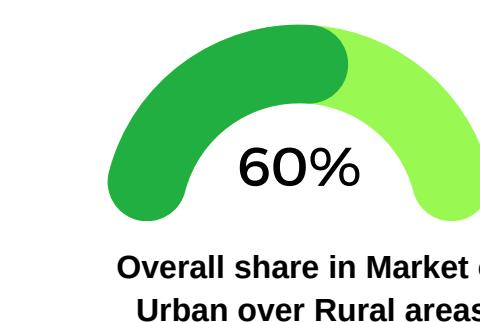


*The company's extensive distribution network, including its own retail outlets and partnerships with traditional retail channels.*

### Market Campaigning and Community Building



### Capturing untapped market and Expanding in Tier-3 & Rural areas



*Providing complimentary checkups and medical services to cultivate a positive brand image*



*Advocating for Ayurveda and yoga to rejuvenate public perception and vigilance*



*Establishing retail outlets to enhance product accessibility and stimulate economic growth*

# BUILDING A MORE VERSATILE AND ROBUST BRAND REDUCING RELIANCE ON PRIMARY FACE AND AUGMENTATION IN NEW MARKETS



## Strategy to diversify brand image beyond the face of Baba Ramdev

### Brand Ambassadors

Introduce new brand ambassadors including celebrities and experts from different fields like fitness, wellness

### Focus on Product Benefits

Shifting marketing campaigns to highlight the specific benefits and unique qualities of their products

### Social Media Engagement

Leverage social media platforms to create interactive and engaging content that involve users

### "Commence Endeavour"

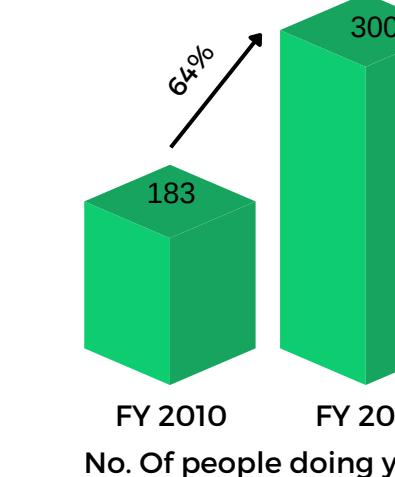
Patanjali can initiate movements such as "Swadeshi" or "Made in India" campaign that has been instrumental in connecting with nationalistic

## Global Expansion

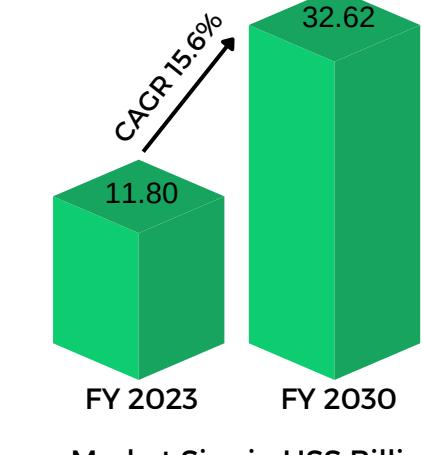
Patanjali primarily focused on the Indian market but had a modest international presence

Patanjali tied up with Amazon to sell products through its e-commerce portal in nine countries, including the USA, UK and Japan.

## Yoga Growth



## Potential Market



## Advertisements



### Campaigns & Challenges

Initiating health challenges, like yoga challenges and wellness campaigns engage the audience and promote a healthy lifestyle & Patanjali products



### Celebrity Endorsements

Collaborations with celebrities like wrestler Sushil Kumar and actress Hema Malini help reach a wider audience and build credibility



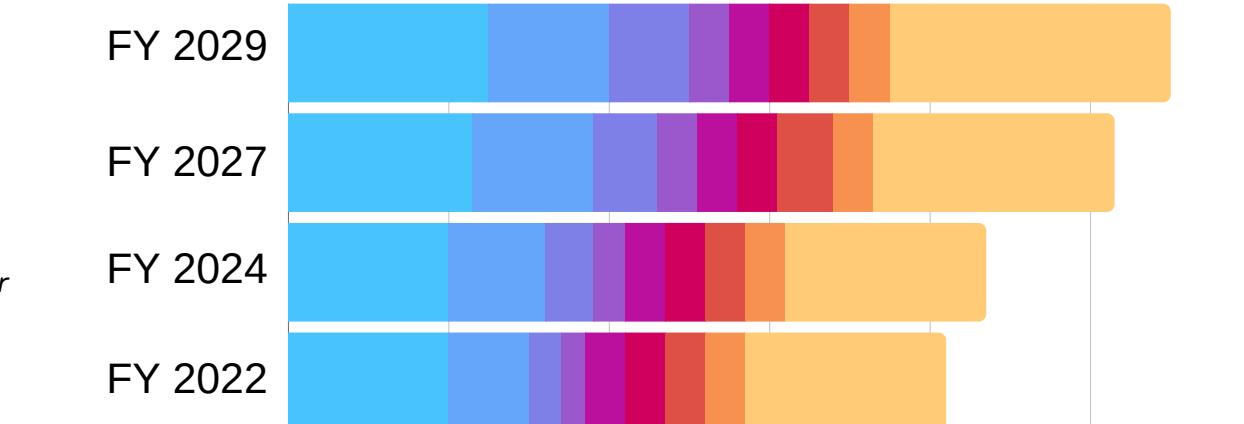
### Customer Interaction

Prompt responses to customer queries and feedback on social media platforms help maintain a positive brand image and build trust



### User-Generated Content

Encouraging customers to share their experiences with Patanjali products using specific hashtags helps build a community of loyal customers



Thank  
You

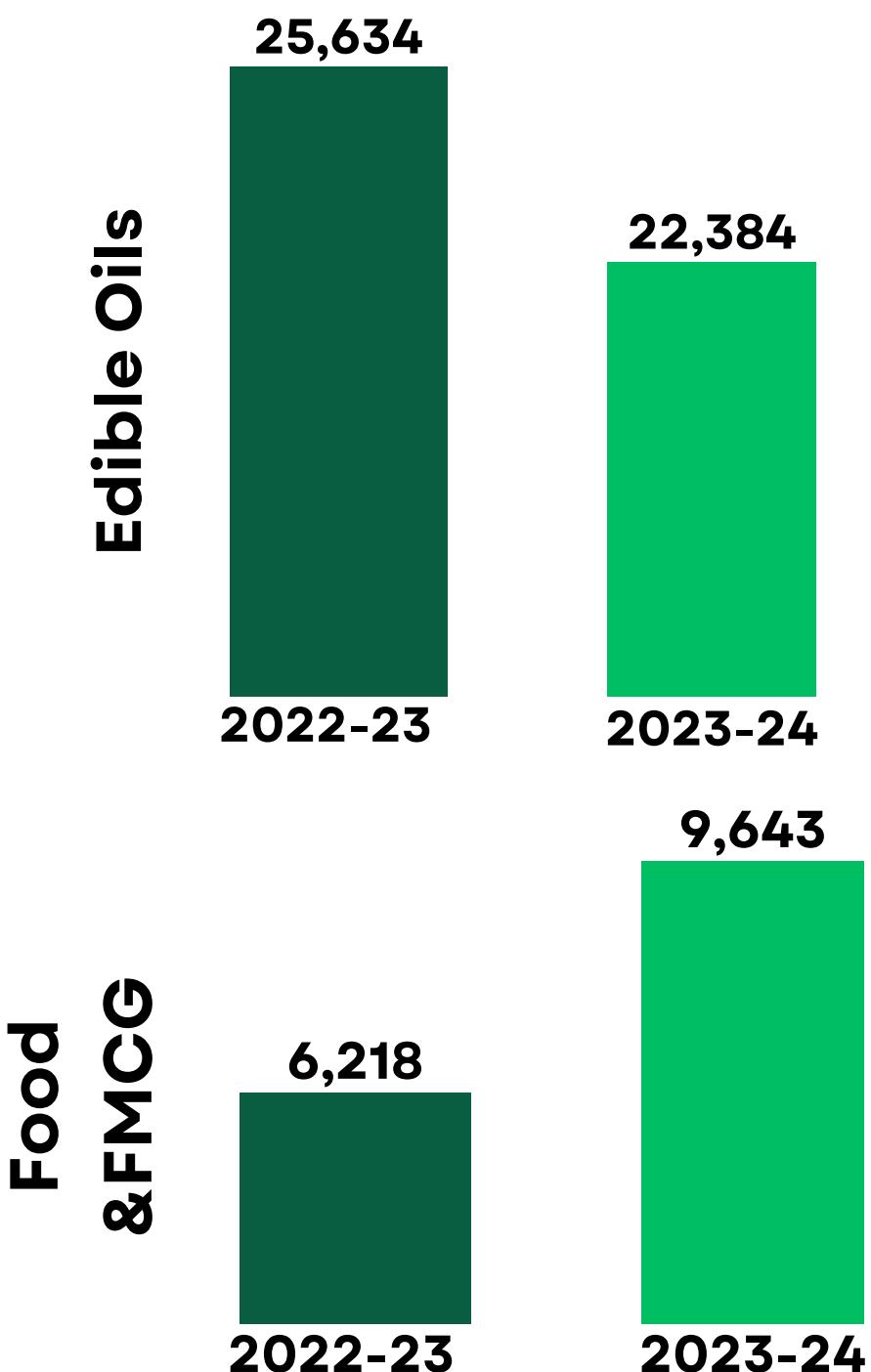


PATANJALI

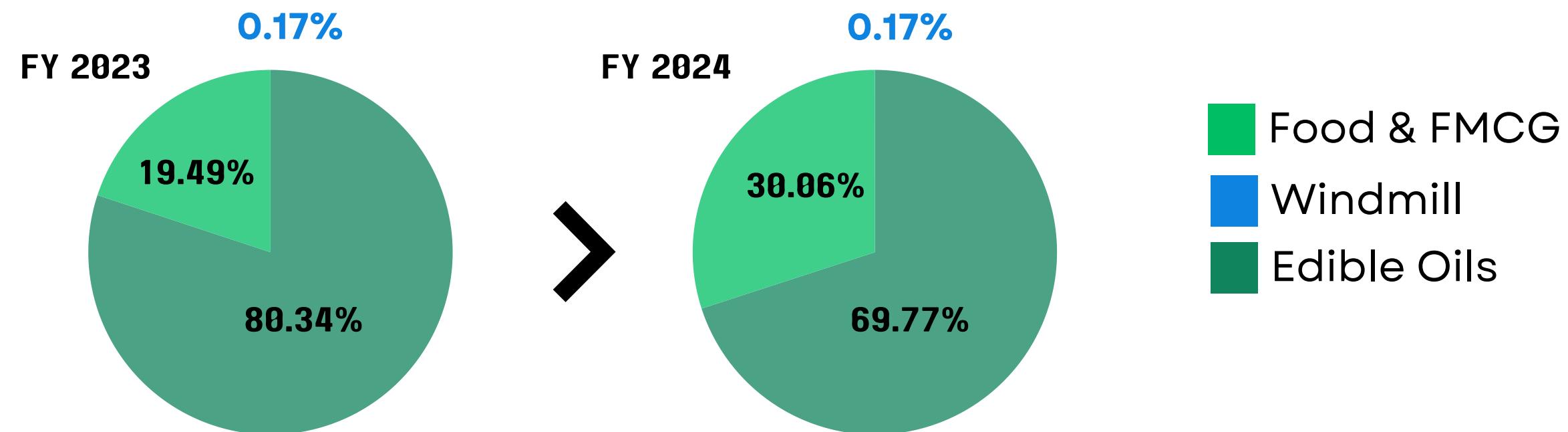
MADHAV  
SANKET  
SHIVANSH

# Appendix

## Annual Revenue (Amount in crores)



**Increasing share of Food & FMCG with stable margin**



	FY 22	FY 23
Net Profit for the Period	765.15	886.44
Total Income from Operations	31,721	31,524
Basic EPS	21.14	24.54