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Marketing strategies of the FMCG companies in India: A comparative analysis of patanjali ayurved ltd. & Himalaya herbals

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Abstract
The marketing strategies of the firms can be compared on several basis. Digital marketing, pay per click, social media marketing, email marketing are some common marketing strategies of marketing in modern business world. The more advancements that are happening in information technology is making the marketing strategies more oriented towards online marketing. The technology efficient world will lead to more technology enabled marketing. In present study researcher has done marketing mix comparison of selected firms. Different aspects of marketing have been studied to compare the marketing strategies adopted by firms. With the help of a questionnaire researcher has collected opinion of 100 consumers for two FMCG companies i.e., Himalaya Global Holdings Ltd.and Patanjali Ayurved Ltd. With the help of SPSS researcher has calculated t-value as 2.72. Researcher has found there is significant difference in marketing strategies of companies.

Keywords: marketing mix, FMCG industry

Introduction
Similarly, few companies like Oriflame (Luter, M., 2020), Herbalife and Amway use MLM (multi-level marketing) marketing strategy. Different to pyramid business these MLM firm depends upon the network of buyers and sellers. G. Jaiswal 2020 [2] has considered emotional marketing as important aspect of marketing and nationalism aspect arising in the same. Several researchers have done studies of different aspects but the common was that any type of marketing strategy that is used by a firm revolves around that marketing mix.
Neil Borden promoted the possibility of the showcasing blend—and the ideas that would later be referred to principally as the four Ps—during the 1950s. Borden was a promoting educator at Harvard University. Borden, N. H. (1964) article named "The Concept of the Marketing Mix" exhibited the manners in which that organizations could utilize promoting strategies to connect with their buyers. Many years after the fact, the ideas that Borden advocated are as yet being utilized by organizations to publicize their merchandise and enterprises.
At the point when they were first presented, Borden's thoughts were extremely compelling in the business world and were created and refined over various years by other central participants in the business. It was really E. Jerome McCarthy, a showcasing teacher at Michigan State University, who refined the ideas in Borden's book and made the possibility of the "4 Ps," a term that is as yet utilized today. In 1960, McCarthy co-composed the book "Essential Marketing: A Managerial Approach," further advocating the possibility of the 4 Ps.

FMCG Industry in India
Fast moving consumer goods (FMCG) is the fourth biggest area in the Indian economy. There are three fundamental portions in the area food and drinks, which represents 19% of the area; healthcare, which represents 31% of the offer; and family and individual consideration, which represents the excess half offer.
FMCG market is required to grow 5 6% in 2020. FMCG's metropolitan section developed by 8%, though, its rustic fragment developed 5% in the quarter finishing September 2019, upheld by moderate swelling, increment in private utilization and provincial pay.
Indian online grocery market is assessed to surpass deals of about Rs. 22,500 crore (US$ 3.19 billion) in 2020, a critical bounce of 76% over the earlier year.
FMCG organizations are hoping to put resources into energy proficient plants to profit the general public and lower cost in the long haul. Dabur had plans to contribute Rs. 250 300 crore (US$ 38.79 46.55 million) in FY19 for limit development and potential acquisitions in the homegrown market. The area saw solid FDI inflow of US$ 16.54 billion during April 2000 June 2020. Speculation expectations identified with FMCG area emerging from paper mash, sugar, aging, food handling, vegetable oils and vanaspati, cleansers, beautifiers, and toiletries ventures worth Rs. 19,846 crore (US$ 2.84 billion) was actualized until December 2019.
Developing mindfulness, simpler access, and changing way of life are the key development drivers for the buyer market. The emphasis on agribusiness, MSMEs, education, healthcare, infrastructure and tax rebate under Union Budget 2019 20 was relied upon to straightforwardly affect the FMCG area. Activities attempted to expand the discretionary cashflow in the hands of average person, particularly from country zones, will be advantageous for the area.

Growth of FMCG Sector in India
Fast-moving consumer goods (FMCG) sector is India’s fourth largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been

the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

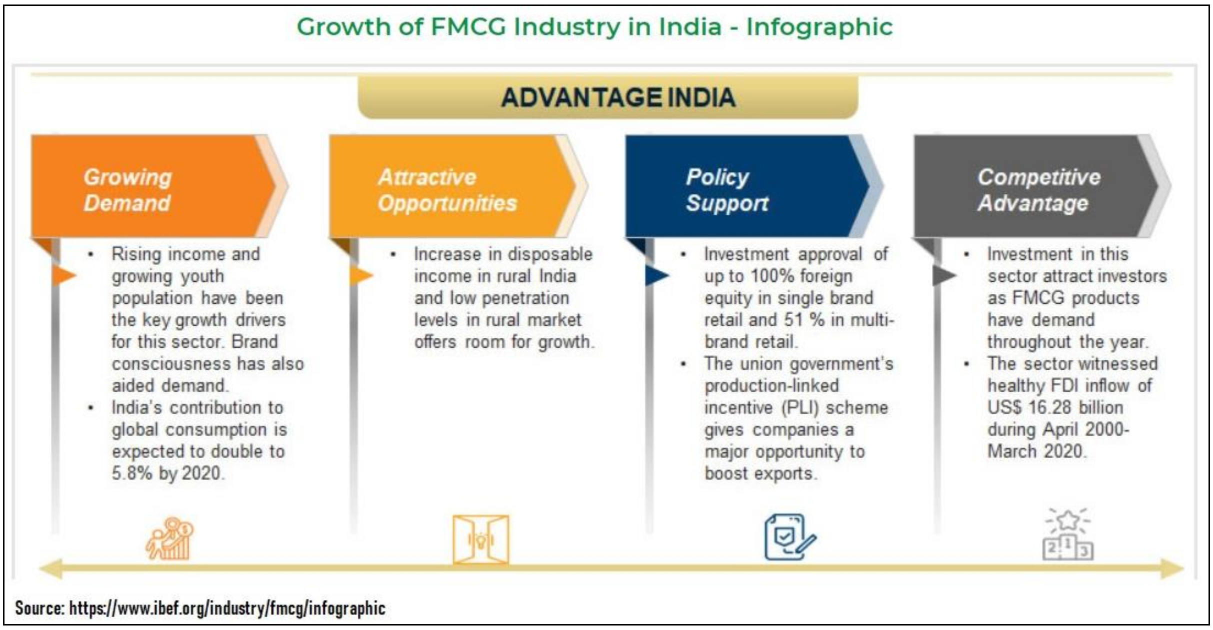

Fig 1: Growth of FMCG Industry in India

Trends in FMCG Sector in India

Rural consumption has increased, led by a combination of increasing income and higher aspiration levels. There is an increased demand for branded products in rural India. The rural FMCG market in India is expected to grow to US$ 220 billion by 2025 from US$ 23.6 billion in FY18.

On the other hand, with the share of unorganised market in the FMCG sector falling, the organised sector growth is expected to rise with increased level of brand consciousness, augmented by the growth in modern retail.

Another major factor propelling the demand for food services in India is the growing youth population, primarily in urban regions. India has a large base of young consumers who form majority of the workforce, and due to time constraints, barely get time for cooking.

Online portals are expected to play a key role for companies trying to enter the hinterlands. Internet has contributed in a big way, facilitating a cheaper and more convenient mode to increase a company's reach. It is estimated that 40% of all FMCG consumption in India will be made online by 2020. The online FMCG market is forecast to reach US$ 45 billion in 2020 from US$ 20 billion in 2017.

It is estimated that India will gain US$ 15 billion a year by implementing GST. GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improved performance of companies within the sector.

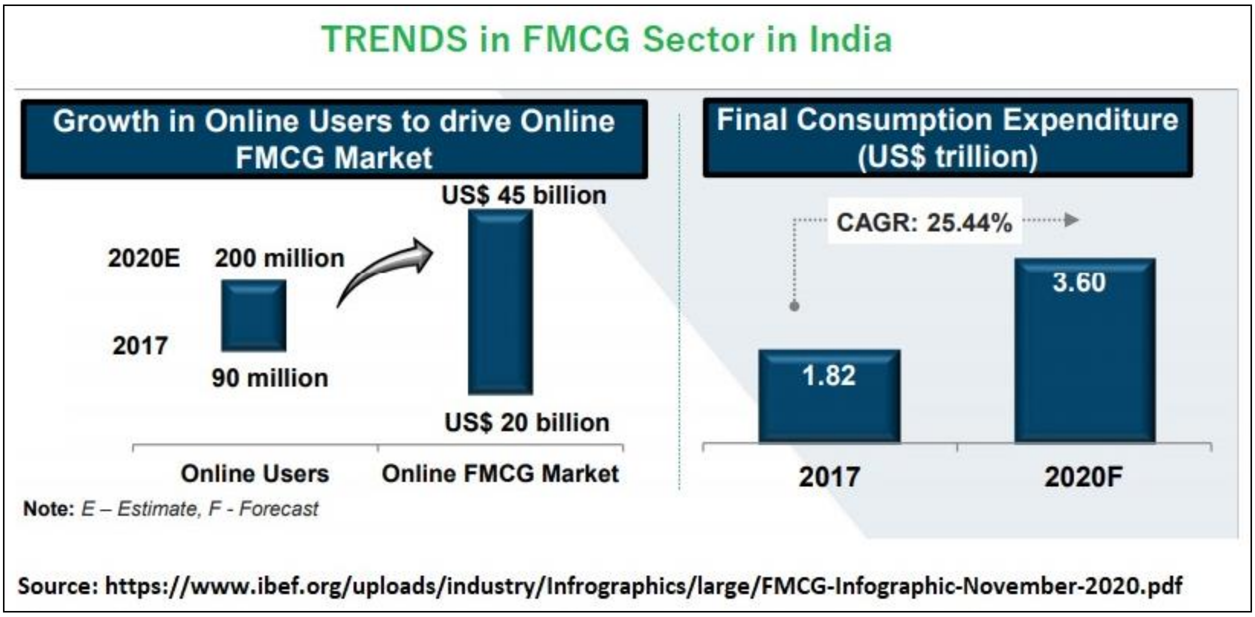

Fig 2: Trends in FMCG sector in India

Market Size of FMCG industry in India

Fig 3: Market Size of FMCG industry in India

The retail market in India is estimated to reach US$ 1.1 trillion by 2020 from US$ 840 billion in 2017, with modern trade expected to grow at 20 25% per annum, which is likely to boost revenue of FMCG companies. Revenue of FMCG sector reached Rs. 3.4 lakh crore (US$ 52.75 billion) in FY18 and is estimated to reach US$ 103.7 billion in 2020. FMCG market is expected to grow at 9-10% in 2020.

Rise in rural consumption will drive the FMCG market. It contributes around 36% to the overall FMCG spending. In the third quarter of FY20 in rural India, FMCG witnessed a double-digit growth recovery of 10.6% due to various government initiatives (such as packaged staples and hygiene categories); high agricultural produce, reverse migration and a lower unemployment rate.

Literature Review

A business that is sustainable has to be followed. All business industries quickly jump in to those businesses that are profitable. Before the Bule Ocean turns red, business try to skim profit. Most of the research support the fact. Gautam Jaiswal (2019) [3] supported Informal Markets for Sustainable Urbanization, R. Srinivasan (2016) in his article 'Himalaya: head-to-heel herbal healthcare' has found that the product line of Himalaya is extended in healthcare segment. Prof. Brijesh Singh (2016) in his work 'Demystifying the Brand Patanjali - A Case on growth strategies of Patanjali Ayurved Ltd.' has found that the Patanjali has led the Ayurveda in to FMGC sector. They have made products for all age groups and for everyone. Varun Agarwal (2017) in his work 'Patanjali's marketing mix: the monk's new Ferrari' has studied about the impact of marketing mix used by Patanjali upon the success of Patanjali. Most of the literature were in isolation and researcher find that a study with relevant comparison is highly desired.

Research Hypothesis

H_0: There is no significant difference among the marketing mix of Patanjali and Himalaya.

H_a: There is significant difference among the marketing mix of Patanjali and Himalaya.

Profile of Companies Selected for the Study

Researcher has selected those two companies for the study which were not in core FMCG industry. Himalaya Global Holdings Ltd.and Patanjali Ayurved Ltd. Both companies are primarily a healthcare and pharma companies and during diversification they need to focus more on marketing strategy. Today we know that there is 'tectonic shift in FMCG businesses.' The success stories of ITC diversification of 1979 have led other business giants to move in the segment.

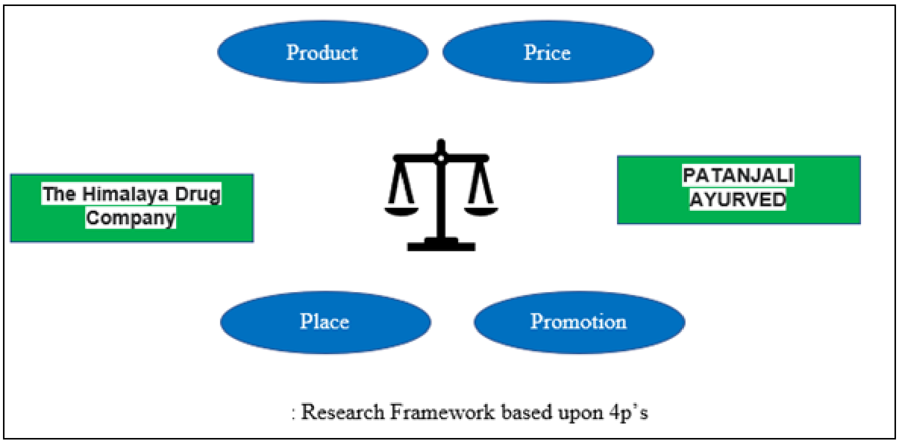

Fig 4: Research frame work of the study

The researcher has tried to go through academic and business researchers to understand the phenomena. The obvious observation was that the product line of PatanjaliAyurved Ltd. Is vast. The most important 'P' of marketing mix seems to be in their favour. Whereas brand image of Himalaya Global Holdings Ltd. was their strong point. Brand image is the key factor in the promotion mix the 4th 'P' of marketing mix. It became important to study the details of issue to bring some meaningful discussion. Researcher has collected the data with the help of research questionnaire. The data has been documented and stored in comprehensive format for evaluation in SPSS.

Findings of the Study

For the study of marketing mix, a self-made questionnaire was used by the researcher. The obtained data were analysed by computing Mean, S.D. and t value. The results are given in Table 1.

Table 1: Mean, SD and t-value of the marketing mix Scores of Himalaya Global Holdings Ltd.and Patanjali Ayurved Ltd.

Type of School	N	Mean	SD	T-Value	Degree of freedom	Significance
Himalaya Global Holdings Ltd.	50	74.76	16.73			
				2.72	98	Significant at 0.05 level
Patanjali Ayurved Ltd.	50	82.32	10.22			

From table 4.1, it can be observed that the mean score of opinion of people for the Himalaya Global Holdings are 74.76 and Patanjali Ayurved Ltd.are 82.32. The marketing mix questionnaire used in this study consist of 28 questions and each question was to be rated on a five-point scale. Thus, the minimum and maximum scores that can be obtained were 28 and 140 respectively. The data analysis indicates that there is a difference in the mean score of Himalaya Global Holdings Ltd and Patanjali Ayurved Ltd. The statistically calculated t-value is 2.72 which is significant at 0.05 level of significance with df 98.

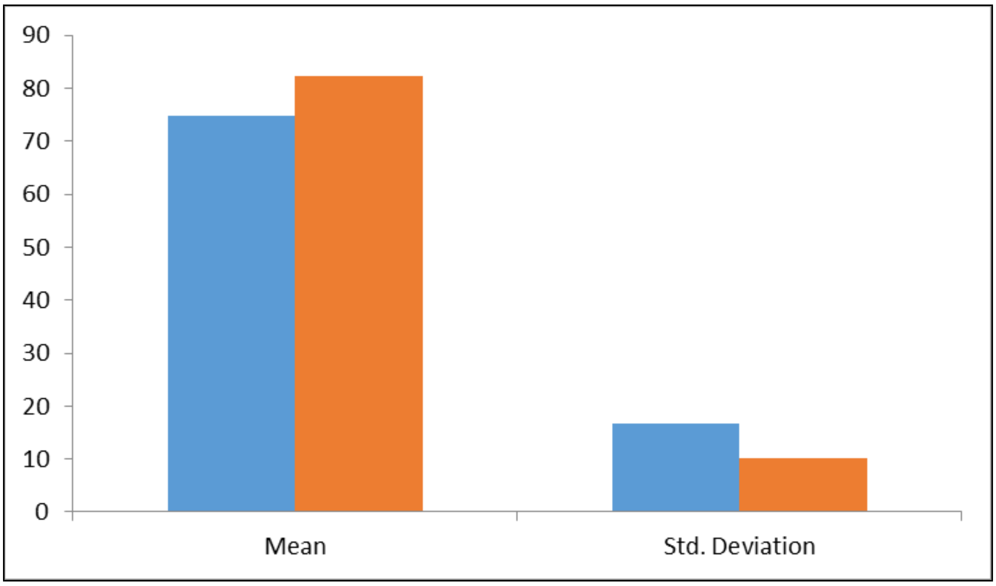

Fig 5: Comparison of Mean and SD of Pedagogy Score of Government and Private Secondary School Science Teachers

The comparative graph shows the difference in the marketing mix practices of Himalaya Global Holdings and Patanjali Ayurved Ltd. The mean score of Patanjali Ayurved Ltd.is above than Himalaya Global Holdings Ltd. It shows that Patanjali Ayurved Ltd. are slightly more marketing-centric in comparison with Himalaya Global Holdings Ltd. The comparison of the standard deviation of Patanjali Ayurved Ltd.and Himalaya Global Holdings Ltd. shows that variations in marketing mix practices ofHimalaya Global Holdings Ltd. are higher in comparison with Patanjali Ayurved Ltd. The result indicates that there is a significant difference in the marketing mix practices of Himalaya Global Holdings Ltd and Patanjali Ayurved Ltd.Therefore, the null hypothesis that 'There is no significant difference among the marketing mix of Patanjali and Himalaya.' is rejected.It can be said that., 'These is significant difference among the marketing mix of Patanjali and Himalaya.' Further the study show that the Patanjali is far ahead in their product line that provides advantage to them over all other FMCG brands.

Conclusion

Identifying and arranging the elements of its marketing mix allows a business to make profitable marketing decisions at every level. These decisions help a business:

- Develop its strengths and limit its weaknesses
- Become more competitive and adaptable in its market
- Improve profitable collaboration between departments and partners

Since the 1950s, the elements of marketing mix have undergone various transformations in response to new technologies and other changes in marketing best practices.
Himalaya was founded in 1930 where as Patanjali is too young in his comparison. Patanjali has only 350 patent formulas where as other Ayurveda firms like Baidyanath has more than 750 patents. But Patanjali has a huge success story. The reason of their success in their compatibility with marketing mix strategies. The extended product line, Patanjali stores etc. has given them a competitive advantage. It is well known by them how to swim in a red ocean and

their marketing mix strategy is praise worthy.

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