



Research Article

Consumer Behaviour: A Comparison of Patanjali and Baidyanath Products

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ABSTRACT

Brand image plays a significant role in decision making by consumers. Brand image is considered as one of the important variable along with other variables which affects the buying behaviour. Present study attempted to understand the effect of consumers' perception about a brand, analyse customers' loyalty towards a brand and identify important factors influencing customers' buying behaviour. Main focus was to compare two major companies viz., Patanjali and Baidyanath through a primary survey.

KEY WORDS

Consumer behaviour, Brand image, Loyalty, Patanjali, Baidyanath

1. INTRODUCTION

Consumer buying behaviour is a very complex process. With the unlimited brands available in the market, consumers try to have their buying decisions based on different parameters. These factors can be categorised into various groups like Social factors, Psychological factors, Economic factors, Lifestyle etc. (Bharti, Sharma, & Agarwal, 2020; Parsad, Prashar, & Vijay, 2019) highlighted the role of personal, psychological, social and cultural factor on the buying behaviour of customers. According to Mero & Tosi (2003) consumer behaviour is a set of activities through which a consumer passes before a purchase decision. Among the factors brand image, pricing policy, and promotion by the companies are among the most important parameters (Gupta & Mittal, 2015; Mittal & Raghuvaran, 2021).

Netemeyer et al., (2004) explored that the consumers would prefer a brand where the brand image is consistent

with their self-concept. (Gronholdt et al., 2010) identified the significant impact of brand image on customer satisfaction.

We understand that repeated purchase behaviour of consumer is termed as brand loyalty. And customer loyalty can be considered as the result of customer satisfaction. According to (Keller, 1993) Customer loyalty generates when customers approve a brand, resulting in repeated purchase. Brand image is considered as a significant factor with respect to customer loyalty. Koo (2003) found that favorable store image in retail stores strengthens the customer loyalty. According to De & Singh, (2017) brand image influences consumers' purchasing behaviour.

No doubt, brand image is one of the key drivers and affects the purchase decision along with other factors. Marketers' main focus is to position their products into the minds of the consumers and establish a positive brand image so that consumers' buying behaviour gets stimulated. Kotler & Keller (2012) study the role of price in purchase decision along with brand image. According to (Fandy, 1981) price has got an impact on brand image and brand positioning strategy. Khachatryan et al., (2018) in their study concluded that price plays as an important role in influencing the purchase decisions of the consumers. Ordun (2015) also found price as an influencing factor. Furthermore, Ramaseshan *et al.* (2017) stated that price is one factor that helps in improving brand image.

All companies need to put efforts to increase the sales and have competitive advantage. For the purpose they use advertising and sales promotion. It is important to understand the role of promotion on consumer buying behaviour. Sales promotion influences the consumer behaviour in general subsequently in purchase decision. Husnain *et al.*, (2019) analysed the effect of discounts on consumer purchase behaviour. Santini *et al.* (2015) tried

the influence of sales promotion on different consumer behaviour factors.

For ayurvedic products both Patanjali and Baidyanath are household names in India. Both the companies are successful in their operations and established themselves in the Ayurveda industry (Vishnu P.M. & Rinu Joy, 2019). Still, companies observe competitions among themselves and try to increase their customer data base and profits. They strive to achieve top position in the respective industry (Bhatia & Mittal, 2019). In case of Patanjali and Baidyanath it is observed that Baidyanath has an experience of over hundred years while Patanjali was established only in 2007. However, it is observed that Patanjali has gained immense popularity in a very short span of time (Katole, 2018; Sharma, 2020).

The present study is an attempt to compare two brands Patanjali and Baidyanath on the basis of brand image, price and sales promotion as identified the most important variables.

2. LITERATURE REVIEW

There have been few studies conducted in some states to study the customer satisfaction level and consumer behaviour but they were Patanjali product specific only. But to test and interpret a general theory research must focused on more than one company. The new technology including big data and AI have played a role in understanding consumer behaviour and delivering product with efficiency (Mittal, 2020c, 2020a, 2020b). Siddhesh S. Narvekar (2019) focused to analyse the overall satisfaction level of Patanjali customers in Goa and found that customers' perception towards a brand is built on the satisfaction level of consumer.

Souiden *et. al.* (2019) researched on the customer perception & satisfaction on Patanjali products with special reference to Ernakulam District (Kerala) and found that Patanjali has to improve the customer care service and accessibility of the product to the customer effectively. Khanna (2015) studied the consumer perception of consumers in Mohali, Punjab for Patanjali brand and found that customer is satisfied either because of price of the product or product's ability to fulfil the need (Mittal, 2010; Verma, Bansal, & Mittal, 2020). Hemant Katole, (2018) aimed to study consumer behaviour on Patanjali products in Pune and resulted that Patanjali products are somewhat more preferred than other branded and unbranded products. Pandey & Kaur, (2017) conducted a primary survey in Punjab and researched on the customer perception towards a brand i.e, Patanjali and tested a very different dimension of brand image. She concluded that Patanjali is getting advantage in market through spirituality element involved in its products.

3. METHODOLOGY

3.1 Objectives of the Study

The major objectives of the current study are:

- To analyse the effect of consumers' perception about a brand.
- To analyse customers' loyalty towards a brand.
- To analyse and identify important factors influencing customers' buying behaviour.

3.2 Techniques of Data Collection

Secondary data was collected through sources like journals and other published material. Primary data for the study was collected through a questionnaire floated through social media platforms. The questionnaire consisted of twenty-five items out of which six items belonged to demographic information. 100 respondents were targeted for the purpose of study in Delhi-NCR using simple random sampling technique. We received 66 responses. Initial exploratory analysis was done to gain a basic understanding of the dataset and hypothesis testing using chi-square test.

3.3 Hypotheses

The factors that motivate an individual to purchase a product are satisfaction level, discount schemes, advertisements, product accessibility, pricing, quality etc. The following hypotheses are built considering these variables:

H1: Brand image does not affect the customer loyalty.

H2: Brand preference of a customer is not associated with products price.

H3: Influence of discounts does not depend on the gender of a customer.

H4: Promotional and discount offers does not enhance the brand image.

H5: Brand preference does not depend on the monthly income of a family.

4. RESULTS AND ANALYSIS

4.1 Demographic Data of Respondents

Table 1: Gender, Age and Family Income in per cent

Gender		Age		Monthly Family Income(INR)			
Male	Female	21-30	31-40	Upto 25,000	25,000-50,000	50,000-75,000	Above 75,000
65.2	4.8	6.4	3.6	10.5	16.7	16.7	56.1

4.2 Preliminary Result Analysis

4.2.1 Preference for Ayurvedic Products

Which is your first preference for ayurvedic products?

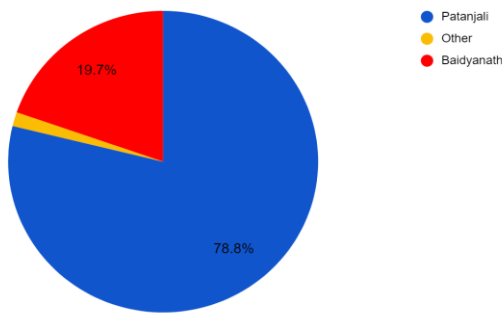


Figure 1: Ayurvedic Products Preference

For 78.8% of the respondents Patanjali is the first preference for ayurvedic products and only 19.7% of the people prefer Baidyanath. This huge difference might be driven by brand image and consumer perception about the brand.

4.2.2 Customer Satisfaction in terms of quality

Customer satisfaction level of Patanjali products in terms of quality
66 responses

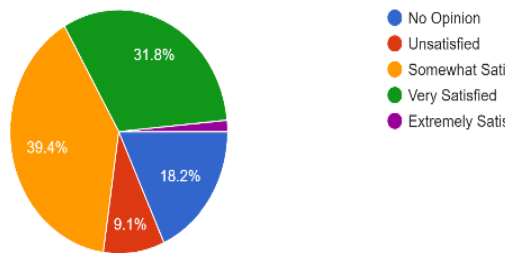


Figure 2a: Customer Satisfaction for Patanjali

Customer satisfaction level of Baidyanath products in terms of quality
66 responses

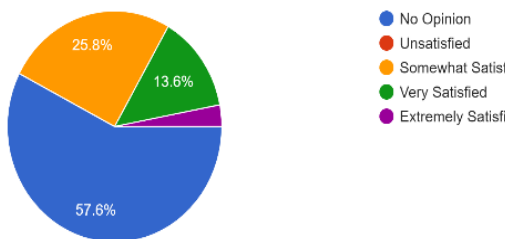


Figure 2b: Customer Satisfaction for Baidyanath

Every third person is satisfied with the quality of Patanjali products, on the other hand only 16.6% of the respondents say they are satisfied with the Baidyanath products.

4.2.3 Influential factor in making buying decision

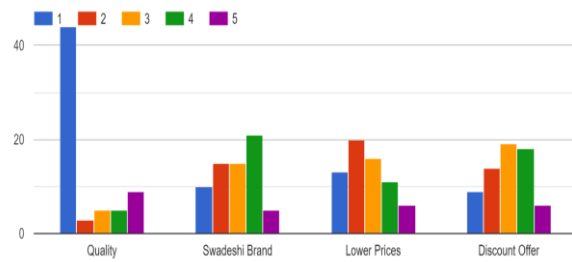


Figure 3: Factors influencing buying decision

Product quality is the most influential factor in making buying decision. Swadeshi brand, lower price and discount offer may or may not be significantly influential, so we need to test hypothesis to make some conclusion.

4.2.4 Impact of Advertisement and discount on purchase

Do advertisements influence you to buy ayurvedic products?
66 responses

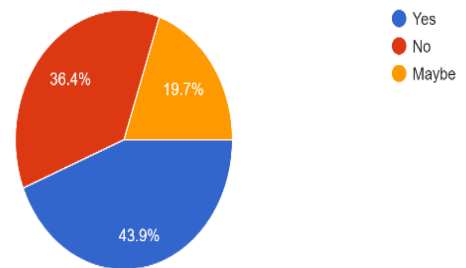


Figure 4a: Impact of Advertisement

Do promotional offers/discount schemes influence your buying decision?
66 responses

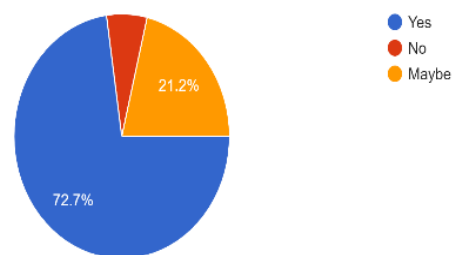


Figure 4b: Impact of Promotional discount

Among all the advertisement platforms TV is the most influential medium and 73% respondents say promotional offers or discount offers influence their buying decision.

4.2.5 Recommendation of products to others

Will you recommend the Baidyanath products to others?
66 responses

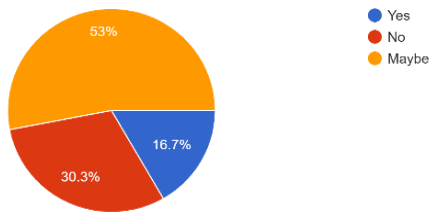


Figure 5a: Recommendation to potential buyers- Patanjali

Will you recommend the Patanjali products to others?
66 responses

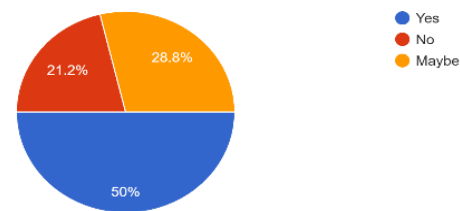


Figure 5b: Recommendation to potential buyers- Baidyanath

Where only 16.7% respondents would like to recommend Baidyanath brand to others, there are ~50% respondents who say they would recommend Patanjali brand to others. This shows a huge difference in customer loyalty and perception towards the brand.

4.3 Hypotheses Testing

Considering the small dataset we will be testing all the hypotheses at 10% confidence interval.

Hypothesis-1

Ho: Brand image does not affect the customer loyalty.

Ha: Brand image affects the customer loyalty.

Enumerating sample-space combinations:
stage 3: enumerations = 1
stage 2: enumerations = 11
stage 1: enumerations = 0

Which is your first preference for ayurvedic products?	What if the product of your preferred brand is not available?			Total
	Drop th..	Not sur..	You go ..	
Baidyanath	0	4	9	13
Other	1	0	0	1
Patanjali	10	10	32	52
Total	11	14	41	66

Pearson chi2(4) = 8.1364 Pr = 0.087
Fisher's exact = 0.090

Figure 6a: Chi Square Test

Interpretation: Here p-value (0.09) < 0.1 hence, we reject the null hypothesis. This implies when a customer visits a store then first, he/she looks for the products of his/her preferred brand which means brand image affects the customer loyalty.

Hypothesis-2

Ho: Brand preference of a customer is independent of product pricing.

Ha: Brand preference of a customer is not independent of product pricing.

Do you think Patanjali products are better than Baidyanath products?	Customer satisfaction level of Patanjali products in terms of price				Total
	No opin..	Somewha..	Unsatis..	Very Sa..	
Maybe	7	18	4	12	41
No	3	1	3	1	8
Yes	1	4	1	11	17
Total	11	23	8	24	66

Pearson chi2(6) = 16.5716 Pr = 0.011

Figure 6b: Chi Square Test

Interpretation: Here p-value (0.01) < 0.1 hence we reject the null hypothesis. Which means brand preference of a customer is associated with products pricing.

Hypothesis-3

Ho: Influence of discount offers is irrelevant to the gender of a customer.

Ha: Influence of discount offers depends on the gender of a customer.

Enumerating sample-space combinations:
stage 3: enumerations = 1
stage 2: enumerations = 3
stage 1: enumerations = 0

Gender	Do promotional offers/discount schemes influence your buying decision?			Total
	Maybe	No	Yes	
Female	4	0	19	23
Male	10	4	29	43
Total	14	4	48	66

Pearson chi2(2) = 2.8565 Pr = 0.240
Fisher's exact = 0.318

Figure 6c: Chi Square Test

Interpretation: Here p-value (0.31) > 0.1 hence we do not reject the null hypothesis. Which means influence of discount offers is irrelevant to the gender of customers.

Hypothesis-4

Ho: Promotional and discount offers do not enhance the brand image

Ha: Promotional and discount offers enhance the brand image

Enumerating sample-space combinations:
 stage 3: enumerations = 1
 stage 2: enumerations = 3
 stage 1: enumerations = 0

Which is your first preference for ayurvedic products?	Do promotional offers/discount schemes influence your buying decision?			Total
	Maybe	No	Yes	
Baidyanath	5	1	7	13
Other	0	0	1	1
Patanjali	9	3	40	52
Total	14	4	48	66

Pearson chi2(4) = 3.3997 Pr = 0.493
 Fisher's exact = 0.294

Figure 6d: Chi Square Test

Interpretation: Here p-value (0.29) > 0.1 hence we do not reject the null hypothesis. Which means promotional offers and discount schemes do not enhance brand image.

Hypothesis-5

Ho: Brand preference does not depend on the monthly income of a family

Ha: Brand preference depends on the monthly income of a family

Enumerating sample-space combinations:
 stage 4: enumerations = 1
 stage 3: enumerations = 7
 stage 2: enumerations = 31
 stage 1: enumerations = 0

Monthly Income of Family	Which is your first preference for ayurvedic products?			Total
	Baidyan..	Other	Patanjali	
Above Rs. 75,000	6	0	31	37
Rs. 25,000-50,000	2	1	8	11
Rs. 50,000-75,000	2	0	9	11
Upto Rs. 25,000	3	0	4	7
Total	13	1	52	66

Pearson chi2(6) = 7.7571 Pr = 0.256
 Fisher's exact = 0.310

Figure 6e: Chi Square Test

Interpretation: Here p-value (0.31) > 0.1 hence we do not reject the null hypothesis which means brand preference do not depends on the monthly income of a family.

5. CONCLUSIONS

The findings in the paper show that customers who have a positive image of a brand they purchase products consistently and frequently as they feel very satisfied with that brand and show loyalty towards the company by recommending the brand to other people also. The factors resulting in popularity and the great success of Patanjali products are quality and pricing of Patanjali products. In fact, more respondents are excited to recommend Patanjali products rather than Baidyanath products to relatives and friends and hence they are delighted. This research suggests that the impact of advertisements, promotional offers and discount schemes is independent of the gender of customers and people of different professions have different image of a brand. So company should keep in mind the professions of the targeted consumers in brand positioning. Another important finding is the schemes and

offers may result in increase in the sale but they don't enhance the brand image.

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