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**Address**

• Vikram Nagar, Boudhi Chouk, Latur.  
• Tq. Latur, Dis. Latur 413512 (MS.)  
• (+91) 9922455749, (+91) 8999250451

**Email**

• aiirjpramod@gmail.com  
• aayushijournal@gmail.com

**Website**

• www.aiirjournal.com

**CHIEF EDITOR – PRAMOD PRAKASHRAO TANDALE**

**Cause Related Marketing–A Qualitative Exploration on Patanjali Brand****Krishna Prasath**

Assistant Professor,  
Christ University, Bangalore-29  
([krishna.prasath@christuniversity.in](mailto:krishna.prasath@christuniversity.in))

**Pruthvi Kashyap G**

Research Scholar,  
Christ University, Bangalore-29  
([pruthvikashyap@gmail.com](mailto:pruthvikashyap@gmail.com))

**Akshay Kumar A V**

Research Scholar,  
Christ University, Bangalore-29  
([Akshaystar001@gmail.com](mailto:Akshaystar001@gmail.com))

**Abstract**

*We are in the era where innovations are happening in clicks, every organization is making sense of growth, hence it is very important to create awareness of their product and get recognized in the market. Today profit maximisation is not only the aim of the organization but, sustainability in the market is becoming more predominant. Due to this in order to capture the market, companies are opting for social strategies in their marketing process. In India, companies are bound to do corporate social responsibility activities out of the profits as per Indian Companies Act-2013. This paper gives a qualitative exploration of CRM strategies used by Patanjali and also secondary data to show the impact of Cause Related Marketing which is Swadeshi Andolan (Movement) on sales performance, and also our study shows that there has been a significant impact of CRM on Patanjali's sales performance.*

**Introduction**

Cause related marketing can be defined as “A commercial activity by which businesses and charities or causes form a partnership with each other to market an image, product or service for mutual benefit”(Adkins, 2000) In other words CRM refers to a marketing strategy where companies sales are linked to donations or charities or public causes, towards which a certain part of their sales revenue is contributed. Classmate is the Indian student stationery brand launched by ITC in 2003, Classmate came up with the cause related marketing campaign where for every four classmate notebooks purchased Re.1 is contributed to its social development initiatives especially concentrating on primary education in India. There is a cut throat competition in Indian market it may be price, variety or quality as there are many brands which form close substitutes in the market. In order to stand out from this competition most of the brands are coming up with cause related marketing strategy to create a positive impression about the brand in the minds of the consumer. Patanjali Ayurved Ltd. is an Indian fastest growing FMCG Company established in 2006 by Baba Ramdev along with Acharya Balakrishna and other board members with the mission of “Making India an ideal place for the growth and development of Ayurveda and a prototype for the rest of the world” (Patanjali Ayurved, n.d.).Patanjali is created with a thought of forming a healthy society through yoga and Ayurveda. It operates its production unit ‘Patanjali Food and Herbal Park’ at ‘Haridwar’ and is currently planning to expand in different parts of India. Individuals who work at Patanjali declare to have joined the organization to advance a "decent reason"— a development that Ramdev calls "Swadeshi Andolan”.

**Literature Review**

Cause Related Marketing is defined as the way toward detailing and executing promoting exercises that are portrayed by contributing a particular sum an assigned non-benefit exertion that, thus, makes purchasers participate in income giving trades (Mullen, 1997). It is also defined by Pringle & Thompson as a key situating and advertising apparatus which connects an organization or brand to an important social reason or issue, for common advantage (Pringle, 2001), CRM is defined as “an effective

marketing tool for sustainable growth of the society and company” (Bajdor, 2013). According to Kotler CRM refers to donating a level of income from the offer of particular things amid a reported time of help (Kotler, 2005). CRM is a general collusion amongst organizations and non-benefit causes that give assets and subsidizing to address social issues and business promoting goals (Cui, 2003). With regards to shopper conduct towards CRM, consumers will demonstrate an uplifting state of mind towards commercial with CRM messages, this happens towards the organization more than the brand it promoted (Xiaoli, 2007). The cause in the advertising show business a very important role to influence in purchasing the product, Broderick says that the customer's ethical considerations in their purchase decisions result in favourable attitude towards organization supporting causes (Broderick, 2003). Rathore has concluded his research saying that cause related marketing will have an incredible incentive for any organization or association to outline a procedure for the successful showcasing instrument to manufacture a solid brand (Rathore, 2014). The market of Patanjali has shown an energizing improvement. Its focal subject of "swadeshi" deliver has rebounded exceptionally well with customers, and more imperative, its quality benchmark is immovably settled (Sinha, 2016) Patanjali is breathing down the necks of MNC's, eating into their business sectors (Behura, 2016). Baba Ramdev is parlaying his prominence as a yoga master to assemble a buyer items realm that is up against worldwide mammoths like Unilever and Colgate (Mitra, 2016). Patanjali's mix of low costs, 'consistent and unadulterated' suggestion and "swadeshi" arranging is for the most part perceived to be the reasons for advance in their growth. (Pankaj Gupta, 2016). Patanjali is unquestionably an energizing improvement in the national FMCG showcase. The extent of India's buyer advertise, populace development and existing headroom for the composed segment to develop implies there is space for additional (Ananthanarayanan, 2016). Patanjali Ayurved in its most recent ads are presently speaking to business people 'to offer conspicuousness to Patanjali items on racks' to help satisfy the fantasy of Mahatma Gandhi to advance Swadeshi (Desk, 2016)

### Research Objectives

1. To Comprehend the possibility of CRM (Cause Related Marketing) with CRM methodology of Patanjali
2. To know the impact of CRM (Cause Related Marketing) on sales performance in case of Patanjali and its products.

### Research Methodology

Secondary data is collected from various sources and Qualitative research philosophy is utilized to comprehend the idea of CRM and its impact on mark picture and development of organization, Patanjali.

### Discussion and Findings

#### Patanjali CRM Campaign

The CRM campaign of Patanjali focuses on the development of farmers through making contract farming which gives them the surety for sales of their produce. It also believes in providing a quality product to its consumer and takes every measure to check the product quality. Patanjali markets their products as "Pure and Healthy". They purchase the raw materials from farmers in India to produce their products. This helps farmers to guarantee sale of their raw materials produced and later Patanjali sells the unadulterated product to the consumer at a lower price compared to other market players.

Another important CRM Campaign by Patanjali was using "Swadeshi products". This was started by them after the development of Make in India Campaign by Honourable Prime Minister of India. Make in India was launched on 25<sup>th</sup> May 2014, Patanjali being a Swadeshi Brand (home grown)

had a CRM approach on Make in India campaign which focused on the fact that the products are made in India and made by Indian Company. Being an Indian company and through its values, Patanjali came up with T.V Commercial in 2016 with a tagline of "Use our products like crores of DeshBhakt Indians and contribute to the service and prosperity of the Country."

<https://www.youtube.com/embed/Lh2GLVba3CU>

This tagline vividly claims that buying Patanjali products will help in contributing to the service and prosperity of the Country and it also convey the consumer to use Swadeshi products. . At the peak time of its sales, Patanjali made another CRM strategy of providing education to innumerable Indian children who deserve for the same. Even though the concern was not having such an intention at the beginning, it was later on decided in the year 2015-16 during a press meet with Acharya Balkrishna, Managing Director, Patanjali. With the increasing profits and revenues, they would invest crores of funds generated through CRM for providing basic education up to the age of fourteen.

Chart 1: Sales trajectory

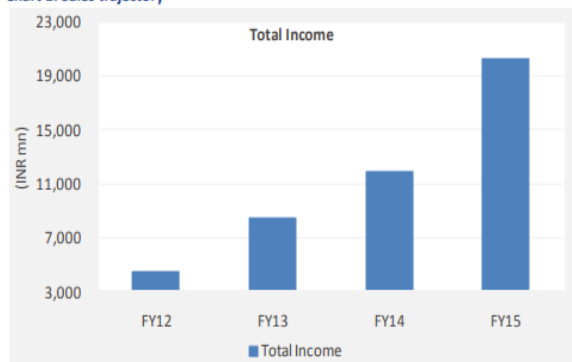
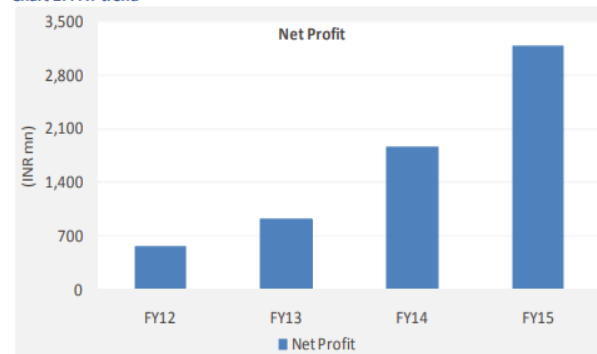
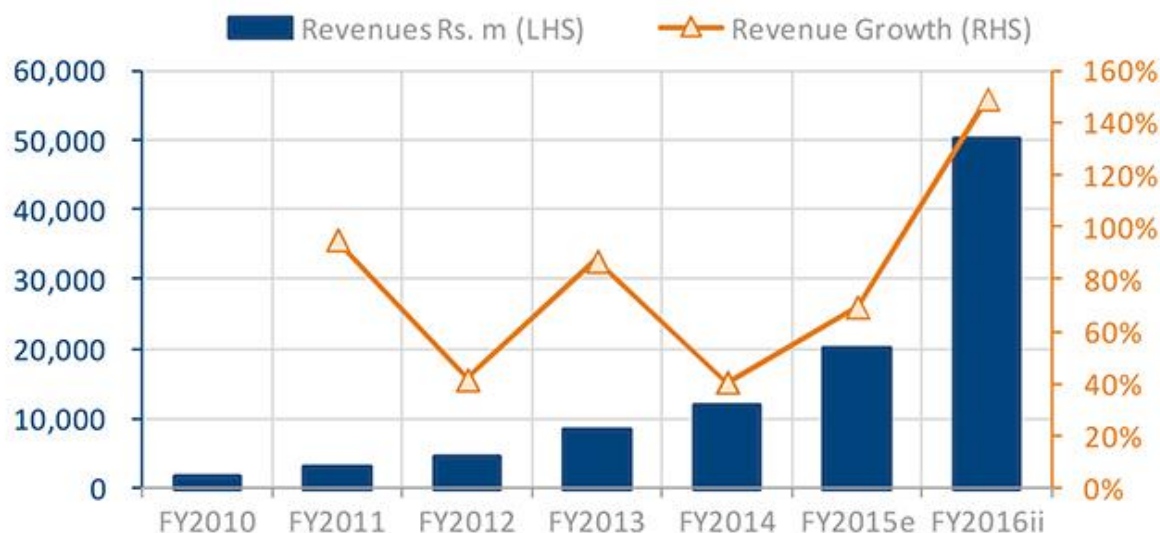


Chart 2: PAT trend



<https://www.edresearch.com>

**Patanjali Revenue Growth Has been Strong en Strong**



Source: Company, IIFL Research

The above tables showsales, profit and revenue and its growth rate from the financial year 2010 to 2016. Patanjali is now the fastest growing FMCG brand in the marketas it grew 150% in 2015-16 and crossed Rs.5,000 crore in incomes and in 2016-17 as well, Patanjali’s income crossed Rs.10,000 crore. It has taken ITC two decades to achieve that turning point and P&G took 25 years to reach that milestone.A



report by financier firm IIFL claims the organization is on course to clock incomes of Rs.20,000 crore by 2020, this was possible because of their CRM strategy. Their CRM strategy impacted their growth which is very evident in the market. Today Patanjali has evolved as the biggest ever threat for major MNC's like Hindustan Unilever Limited, Nestle India, Smithkline Beecham Consumer Healthcare Ltd., etc. They are swindling the market share of the well settled MNC's of FMCG sector in India with their CRM strategy of 'Swadeshi' and this has created a predominant impact on the Indian market. It is noteworthy to mention that Make in India Campaign which was launched by Government of India is also playing a key role for the success of 'Desi' brands like Patanjali. Patanjali Ayurved anticipated that income would hit Rs.20,000 crore in the budgetary year 2017-18. Ramdev has further assured to generate about five lakh employment avenues in the coming future. Patanjali is planning to reap Rs.50,000 crore in incomes by 2020. Patanjali's week after week promotion inclusions on TV bounced 102% from 11,897 in the principal seven day stretch of January-2016, to 24,050 in the week finished 25 March 2016, as indicated by BARC. Advancement incorporations by Patanjali are 20% more than those by the accompanying most-promoted brand on TV. Cadbury, a chocolate mark claimed by Mondelez India Foods Pvt.Ltd. However Patanjali is building its empire by its CRM strategies and expanding its sales year after year.

### Conclusion

Cause Related Marketing is all the while reacting to the changing promoting conditions and satisfying business objectives. It is an awesome open door for organizations to exhibit their social responsibility and additionally support a worthy cause. It is relatively a new area of study in India, where many companies are adopting this type of marketing to boost their revenue and also to get well established in the minds of consumers. They mostly rely on socially deliberate consumers who strive to contribute to the society. Through the ideologies of the Cause Related Marketing strategies of Patanjali, we can find that there has not only been a significant impact on its sales performance and its growth over the years and also created a good image in the minds of the consumers. In this research we have also found that even pricing and quality of Patanjali also have influenced people to use the product. Political endorsements have also contributed towards the growth of Patanjali, as a 'Desi' brand. Honourable Prime Minister Sri.NarendraModiji is also known for his pro-Patanjali campaigns and also for his extensive endorsement and support for the brand of Patanjali. Amongst the various forms available for exhibiting the organizational social responsibility, Patanjali has chosen patriotism and the GOI's campaign of 'Make in India' as their CSR strategies inbuilt with one of the most successful marketing strategies viz., Cause Related Marketing. India, as a nation is known for its obstinate patriotism and rich endogenous cultural traits since from time immemorial. 'Quit India' movement happened in 1942 is a resilient recall to commemorate the patriotism and 'Swadeshism' of Indians. The present revolution stirred by Patanjali in the Indian market is no exception in comparison to the 'Quit India' movement revolution which pioneered and championed the cause of use of 'Swadeshi goods'.

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