



RETAILERS PERCEPTION TOWARDS BARRIERS, GROWTH AND PROSPECTS FOR AYURVEDIC PRODUCTS IN KERALA

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Abstract

Ayurveda is a wholistic system of medicine from India that uses a constitutional model. Its aim is to provide guidance regarding food and lifestyle so that healthy people can stay healthy and folks with health challenges can improve their health. It is based on the belief that health and wellness depend on a delicate balance between the mind, body, and spirit. The primary focus of Ayurvedic medicine is to promote good health, rather than fight disease. Ayurvedic science works for a good genetically determined characteristics of both the external and internal features rather than simply focusing on curing a diseases. Ayurvedic herbal medicines calls for an internal harmony of various body parts as well as achieving body's harmony with the surrounding nature and environment. They rejuvenate the whole system rather than the focus being concentrated towards a specific organ of the body. Ayurvedic medicines are produced by several thousand companies in India, but most of them are quite small, including numerous neighborhood pharmacies that compound ingredients to make their own remedies. In spite of growth and prospects progressing for Ayurvedic products, there are lot barriers for the produces. Eventhough, people are aware that there is no cure for certain diseases in Allopathy medicines, there are side effects using cosmetics made of chemical products the people are more attracted because of its magical values that is present for quite sometimes and having no permanent capabilities like Ayurvedic products promoted in the market.

Keywords: Rejuvenate Barriers, Ayurveda, Sales Promotions, Taxation Policies, Allopathy Revolution.

1. INTRODUCTION

Ayurveda is a wholistic system of medicine from India that uses a constitutional model. Its aim is to provide guidance regarding food and lifestyle so that healthy people can stay healthy and folks with health challenges can improve their health. It is based on the belief that health and wellness depend on a delicate balance between the mind, body, and spirit. The primary focus of Ayurvedic medicine is to promote good health, rather than fight disease. But treatments may be recommended for specific health problems. According to Ayurvedic theory, everything in the universe - living or not is connected. Good health is achieved when your mind, body, and spirit are in harmony with the universe. A disruption of this harmony can lead to poor health and sickness.

Ayurvedic science works for a good genetically determined characteristics of both the external and internal features rather than simply focusing on curing a diseases. Ayurvedic herbal medicines calls for an internal harmony of various body parts as well as achieving body's harmony with the surrounding nature and environment. They rejuvenate the whole system rather than the focus being concentrated towards a specific organ of the body. Ayurvedic medicines are produced by several thousand companies in India, but most of them are quite small, including numerous neighborhood pharmacies that compound ingredients to make their own remedies.

Dr. P. Vaijyanthi, et.al., (2012)¹, in their article discussed that "Strategic Marketing Model for Practice of Ayurvedic Medicine – A Case-Study Of Tiruchirapalli And Thanjavur Districts", India has 8000 plants with medicinal values, out of which 2200 have proven therapeutic properties, nurtured in the 25 biotic territories of the 10 bio-geographic regions of the continent. Though rank ed third it is lagging behind, in herbs-based medicines, and holds less than 2% (US\$ 62 billion), of market share , whereas China with just 10% scientific base holds nearly one-third of the international market. This paper intends to analyze the status of Ayurvedic medicines using Porters Five Forces Model focusing on the marketing issues from the perspectives of the practitioners (doctors), distributors, service providers (hospitals) and the customers. 20 doctors, 25 distributors & retailers, and 25 customers from Trichy and Thanjavur districts which have relatively higher propensity for herbal medicine consumption, were employed and discussions elicited through personal one to one interviews. The findings of the study indicate that paucity of scientific endorsement (clinical tests) to be the most heavily felt impediment to Ayurvedic practice. With the presumption that scientific testing is feasible, implications for further research and marketing practice of Ayurvedic formulations have been presented.

¹ Dr. P. Vaijyanthi, Reena Roy, Bikramaditya Roy, "Strategic Marketing Model for Practice of Ayurvedic Medicine – A Case-Study of Tiruchirapalli and Thanjavur Districts", *International Journal of Pharmacy and Pharmaceutical Sciences*, ISSN- 0975-1491 Vol 4, Suppl 2, 2012



Kamal Chandra Paul, et.al. (2014)², in their journal discussed the “Technology Implementation Barrier of Rural Malay Herbal Entrepreneurship in Malaysia”. immense technology is used to enhance productivity and profit in herbal entrepreneurship. However, the implementation of technology is deemed to be lacking among Malay herbal entrepreneurs in Malaysia. Thus, the aim of this study was to identify factors that hinder rural Malay herbal entrepreneurs from using technology. A qualitative approach using case study in-depth interview was used to gather data from eight respondents who are actively involved in herbal entrepreneurship. The data revealed that most of the rural Malay herbal entrepreneurs are small in scale and they are lagging far behind in technology usage. Further analysis showed that technical specialist, capital and operational problems are barriers of technology usage among Malay herbal entrepreneurship. The study suggests that a combination of factors that include the role of government, family members, financial and human resources are pertinent in supporting extensive usage of technology among Malay herbal entrepreneurs.

Kerala is situated in the south west region of India. Spread over 38,863 sq km, it is bordered by Karnataka to the north and north east, Tamilnadu to the east and south and Arabian sea to the west. Kerala is the twelfth largest state by population and is divided into 14 districts. The state capital is Thiruvananthapuram.

The Indian government and non-government organizations have been collecting statistics on the Ayurvedic system in India and these data about the manpower and institutional aspects of Ayurveda have emerged:

- Number of registered medical practitioners: 366,812
- Number of dispensaries: 22,100
- Number of hospitals: 2,189
- Number of hospital beds: 33,145
- Number of teaching institutions (undergraduate): 187
- Number of upgraded postgraduate departments: 51
- Number of specialties in postgraduate medical training: 16
- Number of pharmacies manufacturing Ayurvedic medicines: 8,400

The industry has been dominated by less than a dozen major companies for decades, joined recently by a few others that have followed their lead, so that there are today 30 companies doing a million dollars or more per year in business to meet the growing demand for Ayurvedic medicine. The products of these companies are included within the broad category of "fast moving consumer goods" (FMCG; which mainly involves foods, beverages, toiletries, cigarettes, etc.). Most of the larger Ayurvedic medicine suppliers provide materials other than Ayurvedic internal medicines, particularly in the areas of foods and toiletries (soap, toothpaste, shampoo, etc.), where there may be some overlap with Ayurveda, such as having traditional herbal ingredients in the composition of toiletries.

2. STATEMENT OF THE PROBLEM

Ayurveda has been a lively system of health with an unbroken practice since 3000 years. Lack of traditional continuity from the forefathers are said to be major reason for missing link of Ayurvedic Tradition. This study is conducted mainly in Karala, considering the high potential market among the mass, who ever have strong belief in Ayurveda. Eventhough, the Allopathy medicines have more scientific proof the Ayurveda was the ancient system of medicines that paved way for Allopathy revolution. The researcher attempted to find the types of barriers faced by retailers in promoting the Ayurvedic produces which are absence of basic manufacturing standards from the producers and also heavy competition faced with the branded chemical products.

3. OBJECTIVES OF THE STUDY

- To analyze the demographic factors of the retailers promoting Ayurvedic products in the study area.
- To examine the barriers and growth prospects perceived by the retailers for Ayurvedic products in Kerala.
- To contribute suggestions for policy implications.

4. HYPOTHESIS

There is no close relationship between the demographics of the respondents and Perception towards Growth Prospects

² Kamal Chandra Paul, Azimi Hamzah , Bahaman Abu Samah , Ismi Arif Ismail and Jeffrey Lawrence D`Silva, 2014. *Technology Implementation Barrier of Rural Malay Herbal Entrepreneurship in Malaysia. Journal of Applied Sciences*, 14: 72-76.

5. METHODOLOGY

The sources of data included both primary as well as secondary data. Questionnaires were used for the primary data collection whereas secondary data collection was made based on the information provided by the company's officials. Questionnaire was adopted as research instrument. The questionnaires were administered through distribution to producers and personal interview with retailers. The survey was conducted among the various retailers promoting Ayurvedic products in Kerala. The sample size of the study is 450 retailers. Questionnaire is prepared to find the retailers opinion. The technique used for the research is Non-Probability sampling. However, considering the accessibility and availability of retailers in Kerala, the sampling technique selected for the study is on a convenience in nature. This piece of research depends entirely on the Primary Data collected for studying the above mentioned objectives among various retailers in Kerala. However, the Secondary data were also collected from the information provided by the company. Statistical tools such as

6. SCOPE AND LIMITATIONS

The barriers, growth and prospects expressed by the retailers for their Ayurveda Product promotion in Kerala and the strategies followed by the retailers in promoting the Ayurvedic produces in the market will help to know how far they perform and achieved the value for their efforts. The study helps the researcher to contribute recommendations to the policy makers to make suitable strategies for better prospects. The study is restricted only to the geographical limits of Kerala and the findings may not be applicable to other similar areas and situations.

7. ANALYSIS AND RESULTS

7.1 Demographics

The demographics of the retailers are analysed taking **Promotional Activities, Stock Maintenance And Distribution and finally, Advantages in Promoting The Ayurvedic Products** are presented in the table below.

Table 1 : Demographics Of The Respondents

Sl. No.	Demographics	Respondents (450 Nos.)	Percentage (100%)
01.	CATEGORY OF THE BUSINESS		
	Small retailers	134	29.78
	SPA/Ayurvedic Massage Centre	197	43.78
	Departmental Stores/Medical Shops	96	21.33
	Retail Malls	23	5.11
02.	YEARS OF EXPERIENCE		
	Below 5 years	230	51.11
	5 to 10 years	171	38.00
	Above 10 years	49	10.89
03.	MONTHLY TURNOVER		
	Below 1 lakh	72	16.00
	1 to 3 lakhs	261	58.00
	3 to 5 lakhs	66	14.67
	Above 5 lakhs	51	11.33
04.	SOURCE OF AWARENESS		
	Advertisement	215	47.78
	Friends	41	9.11
	Doctors	43	9.56
	Retailers	83	18.44
	SPA / Massage centers	48	10.67
	Others (Doorstep Promotion, Banners, Roadshows, etc.)	20	4.44

Sl. No.	Demographics	Respondents (450 Nos.)	Percentage(100%)
05.	OPINION ABOUT PROMOTING		
	Yes	357	79.33
	No	93	20.67
06.	TYPES OF COSMETICS PROMOTED		
	Herbal	237	52.67
	Ayurvedic	107	23.78
	Chemical	59	13.11
	Others	47	10.44
07.	MOST PREFERRED HERBAL / AYURVEDIC COSMETICS PREFERRED FROM THE OUTLET		
	Himalaya	197	43.78
	Dabur	77	17.11
	Meera	65	14.44
	Karthika	75	16.67
	Others	36	8.00
08.	MOST PREFERRED CHEMICAL COSMETIC PREFERRED FROM THE OUTLET		
	Godrej	205	45.56
	Garnier	55	12.22
	Emami	81	18.00
	Fairever	60	13.33
	Others	49	10.89

Source : Primary Data

Less than half (43.78%) of the respondents are having SPA / Ayurvedic message centre. More than half (51.11%) of the respondents are having below 5 years experience. Most (58%) of the respondents are having monthly turnover between 1 and 3 lakhs. Nearly half (47.78%) of the respondents are aware through advertisement. Majority (79.33%) of the respondents are involved in promoting the Ayurvedic products. More than half (52.67%) of the respondents are involved in promoting herbal type of cosmetic products. Less than half (43.78%) of the respondents are preferring Himalaya herbal / ayurvedic cosmetics from the outlets. Less than half (45.56%) of the respondents mostly preferred Godrej chemical cosmetics from the retail outlet.

7.2 Garrett Ranking

Garrett ranking method has been conducted to analyze the marketing barriers faced by the retailers in promoting Ayurvedic produces in the Kerala market based on certain attributes that has been considered as variables representing the barriers.

Marketing Barriers

Barriers	Garrett Score	Garrett Mean	Garrett Rank
Inaccurate demand forecast	28890	64.20	1
Lack of Market Research and Analysis	25300	56.22	4
Inappropriate sales promotions	26030	57.84	3
High rejection rate due to low quality of the product	23690	52.64	5
Liberal licensing of the government	19350	43.00	7
Excessive taxation policies	27650	61.44	2
Change in customer tastes	21570	47.93	6
Market recession for a long period	17670	39.27	9
Product Availability and Supply	19300	42.89	8
Others	15550	34.56	10

Source: Computed

It is clear that majority of the retailers considered high (M=64.20) level of marketing barriers with regards to inaccurate demand forecast, followed by the next rating was towards excessive taxation policies (M=61.44), Retailers rated third towards inappropriate sales promotions, (M=57.84), 4th was lack of Market Research and Analysis (M=56.22), 5th was high rejection rate due to low quality of the product (M=52.64), Retailers rated sixth towards change in customer tastes (M=47.93), 7th position was liberal licensing of the government (M=43.00), 8th rank was towards product Availability and Supply (M=42.89), 9th position was based on market recession for a long period (M=39.27) and finally, the least rating (M=34.56) was towards other reasons as the marketing barriers considered by the retailers in promoting Ayurvedic / Herbal products.

To sum-up, it is understood that retailers considered high level of marketing barriers with regards to inaccurate demand forecast and the least rating was towards other reasons in promoting Ayurvedic / Herbal products.

7.3 Chi-Square Test

The opinion of the respondents towards ayurvedic products in the market are considered to understand the relationship between the demographics of the retailers and their opinion towards growth and prospects for the Ayurvedic products.

H₀ : There is no close relationship between the demographics of the respondents and Perception towards Growth Prospects

Table : Category of the business and Perception towards Growth Prospects (Chi-Square Test)

Demographics	Calculated t ² Value	Table Value	D.F	P-Value	Remarks
Category of the business	3.138	12.592	6	0.791	Not Significant @ 5% Level
Years of experience	2.268	9.488	4	0.687	Not Significant @ 5% Level
Monthly Turnover	2.413	12.592	6	0.878	Not Significant @ 5% Level
Source of Awareness	15.791	18.307	10	0.106	Not Significant @ 5% Level
Opinion	17.641	5.991	2	0.000	Significant @ 1% Level
Type of cosmetic promoted	6.594	12.592	6	0.360	Not Significant @ 5% Level
Preference	3.294	15.508	8	0.915	Not Significant @ 5% Level
Preference	6.104	15.508	8	0.636	Not Significant @ 5% Level

It is summarised from the work table that the calculated chi-square value (3.138) is less than the table value (12.592) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted Category of the business and Perception towards Growth Prospects. The calculated chi-square value (2268) is less than the table value (9.488) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted years of experience and Perception towards Growth Prospects. It is evident that the calculated chi-square value (2.413) is less than the table value (12.592) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted with respect to monthly turnover and perception towards Growth Prospects. It is understood that the calculative chi-square value (15.791) is less than the table value (18.307) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted with respect to source of awareness and perception towards Growth Prospects. It is clear that the calculated chi-square value (17.641) is more than the table value (5.991) and the result is significant at 5% level. Hence, the null hypothesis (h₀) is rejected with respect to opinion about involvement in promoting cosmetics and perception towards Growth Prospects. It is evident that the calculated chi-square value (6.594) is less than the table value (12.592) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted with respect to type of cosmetics promoted by the retailers and perception towards Growth Prospects. It is found that the calculative chi-square value (6.594) is less than the table value (12.592) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted with respect to most preferred Ayurvedic / Herbal cosmetics indicated by the retailers and perception towards Growth Prospects. Finally, it is observed that the calculated chi-square value (6.104) is less than the table value (12.592) and the result is insignificant at 5% level. Hence, the null hypothesis (h₀) is accepted with respect to most preferred chemical cosmetics indicated by the retailers and perception towards Growth Prospects are not associated and does not hold good.

From the analysis it is concluded that there is no significant relationship between Category of the business, Years of experience, Monthly Turnover, Source of Awareness, Type of cosmetic promoted, Preference and finally, most preferred chemical cosmetics indicated by the retailers and Perception towards Growth Prospects for Ayurvedic products. Therefore, the null hypothesis is accepted. Whereas there is significant relationship between involvement in promoting ayurvedic products in the market and opinion of the retailers towards growth and prospects for Ayurvedic products.



8. SUMMARY OF RESULTS

8.1 Demographics

To sum-up, it is found that less than half (43.78%) of the respondents are having SPA / Ayurvedic message centre. More than half (51.11%) of the respondents are having below 5 years' experience. Most (58%) of the respondents are having monthly turnover between 1 and 3 lakhs. Nearly half (47.78%) of the respondents are aware through advertisement. Majority (79.33%) of the respondents are involved in promoting the Ayurvedic products. More than half (52.67%) of the respondents are involved in promoting herbal type of cosmetic products. Less than half (43.78%) of the respondents are preferring Himalaya herbal / ayurvedic cosmetics from the outlets. Less than half (45.56%) of the respondents mostly preferred Godrej chemical cosmetics from the retail outlet.

8.2 Marketing Barriers

To sum-up, it is understood that retailers considered high level of marketing barriers with regards to inaccurate demand forecast and the least rating was towards other reasons in promoting Ayurvedic / Herbal products.

8.3 Demographics and Growth Prospects

It is concluded that there is no significant relationship between Category of the business, Years of experience, Monthly Turnover, Source of Awareness, Type of cosmetic promoted, Preference and finally, most preferred chemical cosmetics indicated by the retailers and Perception towards Growth Prospects for Ayurvedic products. Therefore, the null hypothesis is accepted. Whereas there is significant relationship between involvement in promoting ayurvedic products in the market and opinion of the retailers towards growth and prospects for Ayurvedic products.

9. SUGGESTIONS AND CONCLUSION

In spite of growth and prospects progressing for Ayurvedic products, there are lot barriers for the produces. Eventhough, people are aware that there is no cure for certain diseases in Allopathy medicines, there are side effects using cosmetics made of chemical products the people are more attracted because of its magical values that is present for quite sometimes and having no permanent capabilities like Ayurvedic products promoted in the market. Also, the retailers stated that there is inaccurate demand forecast in the market for Ayurvedic products which needed to be bridged through effective promotional activities to keep the products moving from the shelves to make permanent demand for the Ayurvedic products. Taxation policies shall be reduced by the government that will help the retailers to adopt the products and market vigorously. It is also found that eventhough, there is no significant relationship between demographics of the retailers and growth and prospects and it is found that there is significant relationship between involvement in promoting ayurvedic products by the retailers and growth and prospects for the Ayurvedic products in Kerala. It is concluded that eventhough, there are certain barriers faced by the retailers in promoting ayurvedic products it is evident that there is significant impact among retailers towards growth and prospects for ayurvedic products in Kerala.

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