

A STUDY ON CONSUMER PREFERENCE AND SELECTION TOWARD AYURVEDIC PRODUCTS

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Abstract: Ayurveda is one of the oldest healing system in India. It is also called Mother of all healing system not only for therapies but also for natural medicine. With growing awareness of diseases and using chemical based hazardous product, people start using ayurvedic and natural treatment. When there is a cut throat competition in market for ayurvedic product, it very difficult for consumer to prefer and select appropriate product. Hence researcher has selected a topic to measure consumer preference and selection towards ayurvedic product. The exploratory factor analysis and reliability were used to identify the factors for selection and preference. The study has found two factors namely principle product and supplementary product elements. The two factors found were reliable and consistent also.

Keywords: Ayurvedic, Consumer, Healing system, Principle element

INTRODUCTION

The name Ayurveda is made up of two words, 'Ayur' and 'Veda' referring to life and knowledge respectively. Joined together they mean the science of life and longevity. This theory has been a part of history for the last 5000 years. Around 1000 BC, the knowledge of Ayurveda was comprehensively documented in Charak Samhita and Sushruta Samhita.

Treatment in Ayurveda has two components: Preventive and Curative. Preventive aspect of Ayurveda is called Syasth-Vritt and includes personal hygiene, regular daily routine, appropriate social behaviour and Rasayana Sevana, i.e., use of rejuvenate materials/food and drugs. The curative treatment consists using of drugs, a specific diet and a lifestyle. Ayurvedic medicines are categorized as Branded Medicine and Traditional Medicine there are more than 30,000 branded and 1500 traditional products available in the market. Around 1500 crores worth of Ayurvedic medicine is exported every year. Manufacturing units using herbal material for various purposes include pharmaceuticals, cosmetics and food supplements. Extracts and distilling oils are used by other industries and for exports. There are 9,493 Ayurvedic manufacturing units. Out of these 8000 units are SSI units having an annual turnover of less than one crore. Companies are having an annual turnover of 50 crores. Though the number of manufacturing units with higher turnover is less, still they are the ones which consume about 35% of the total raw material. Ayurveda drug manufacturing units are mostly family-owned businesses. The origin of most of these companies can be traced back to a 'vaidya' (Ayurvedic Practioner).

India has a very insignificant share of the international herbal pharmaceutical and OTC product market although it is one of the biggest reservoirs of plant resources. There has been a demand in the Ayurvedic products due to propaganda. It is estimated that there is a shift in the demand of the population towards Ayurvedic products due to the change in taste, preference and various other social and economic and scientific factors. Today Ayurveda has made the difference in breaking the bar between a rich and poor by introducing their various kinds of natural products both in pharmaceutical and OTC product which are easily affordable by common man.

Presently, India contributes less than 1% to the global Ayurvedic market; however, it is fast emerging as a key supplier of medicinal plants across the globe. Today, Ayurveda is an officially recognized system of medicine in India. Globally, the World Health Organization (WHO) recognizes it as Traditional Medicine (TRM). Currently, more than 30,000 branded and 1,500 traditional products are available in the market. Today, Ayurveda is an officially recognized system of medicine in India. It is estimated that the total market size of the Indian Ayurvedic market size is Rs 8000 crore. The Ayurvedic market in India is predicted to continue to grow at a rate of 12 to 15% per year.

LITERATURE REVIEWS

Manmohan Yadav (2015): - "A study of consumer perception of herbal product in Bhopal" There is not at all shortage in the demand for herbal product in the market. The consumer concern towards health risk and harmful effect of chemical products forcing them to switch over to natural products (Sharma, Shanker, Tyagi, Singh & Rao, 2008) How to capture this market and maintain is a challenge for Vindhya Herbal and other companies.

M.Banu Rekha and K.Gokila (2015): -A study on consumer preference towards herbal cosmetic products, the study reveals that most of the respondents are aware of herbal cosmetics. People now are not considering cosmetics as a luxury, most of the consumers feel that there are more chemicals in cosmetics, which cause many side effects, and started switching over to herbal-based cosmetics. The cosmetic manufacturing company after realizing the need of the customer started providing herbal-based cosmetics. Many respondents feel that there are more chemical combinations in herbal cosmetics, which can be reduced by the manufacturers so that it would increase its usage by the customers. This study enables the manufacturers to know the need and preferences of the customers which can be implemented by them to improve their products.

Nitesh Behar and Dr Arunas Wadekar (2014): - “A study on consumer behaviour towards an ayurvedic product with especially to Amaravati region” In this research it is found that some respondents were consuming ayurvedic products. Since long-duration they satisfied with quality product. It is also found that instead of taking doctor advice consumer purchases ayurvedic product by their own discussion with friends or Pharmacists.

Pragna Patel, Arpit Prajapati, Barna Ganguly, Bharat Gajjar (2013): - “Study on Impact of Pharmacology Teaching on Knowledge, Attitude and Practice on Self-Medication among Medical Students.” They found that students prefer self-medication (Ayurvedic Medication) in case of minor ailments, Allopathic for quick relief, to save time and past experience.

Rajeev Sawant (2013): - “Study on Consumer’s Perception for Ayurvedic Therapy in Rural Market with Special Reference to Nashik District” Findings about consumer’s perceptions regarding the Ayurvedic Products indicated that mostly people use Ayurvedic Products on regular basis, while rest are using with other medications and some of them have been used once or twice. Analysis revealed that there is no significant difference between male and female consumers on their experience with Ayurvedic products. The rural area consumers know and preferred Ayurvedic products at large.

Mr.Irshad Ali, Manmohan Yadav (2012): -A STUDY OF CONSUMER PERCEPTION OF HERBAL PRODUCTS, there is not at all shortage in the demand for herbal products in the market. Consumer’s concern about health risks and harmful effects of chemical products forcing them to switch over to natural products (Sharma, Shanker, Tyagi, Singh, &Rao, 2008) How to capture this market and maintain is a challenge for Vindhya Herbal and other companies. According to the expert brand having low familiarity and high favourability need to invest in marketing effort and must gain the attention of more people (Kotler P., 2004). The brand loyalty of consumers towards herbal products is low. People use more than one brand of herbal brand products at a time. They switched over to another brand in case of non-availability. Marketing is considered to be the heartbeat of an organisation. Therefore, it is very essential for a firm that it must think that what it is doing and what its competitors are doing and must emphasize to create a market driven organisation. Even after a decade in the business awareness level about Vindhya Herbal is unsatisfactory in Bhopal, its place of origin. A cost-benefit analysis is required to check the efficiency and effectiveness of its marketing plan. The exposure is the first step in the formation of perception. The bulk sale with state-government department cannot resolve the problem. The recognition of Vindhya Herbal products in the market among consumers is essential.

Vivek Sharma, Saurav Thakur, Nikhil Bhatt, Rajendra Guleria, Ranjit Singh (2012): - "Study on Self Medication and Drug Use Patterns in a Town of Himachal Pradesh: A Survey." The study showed that the prevalence of self-medication was high in the educated group rather than an uneducated group. Self-medication was mostly employed for pain, cough, fever, and cold and also protein/vitamin supplementation was evident in common people. Chemists/ Pharmacists followed by TV print media were the major sources of information for self-medication, followed by friends and advertisements.

Vami Nikhil Latukar (2012): - “consumer behaviour towards over-the-counter herbal products in India” Preferences and consumptions of various herbal product categories are strongly being influenced because of changing socio-economics structure and functioning of society. Social learning and diffusion of products with socially diffused opinions is determining the choice of herbal OTC products. There is a strong misconception among consumer that herbal ayurvedic products are as good as medicines.

Unnikrishan Payyappallimana (2009): - “Study on Traditional Medicine in Primary Health Care: An Overview of Perspectives and Challenges” The study concluded that it is evident that any model of healthcare based on a single system of medicine will find it difficult to cope with the health care demands in near future. It is also obvious that traditional and cultural medical knowledge has a catalysing effect in meeting health sector development objectives and will continue to be so in both the worlds. But there exist major differences in the usage of TCAM (Traditional Medicine/Complementary and Alternative Medicine) in developed and developing worlds.

Sunil Jawla, A.K.Gupta, Rachit Singla, Varun Gupta (2009): - “Study on General Awareness and Relative Popularity of Allopathic, Ayurvedic and Homeopathic Systems” According to the survey (500 responses) 41.1% people were satisfied up to 50-75% with the efficacy of Herbal drugs. A large portion of the population up to 50% prefers Allopathic, 28% prefer Ayurvedic and 20% prefer a homoeopathic system of medicines. In case of medical emergencies, people prefer Allopathic and in case of common ailments, people prefer Ayurvedic medicine.

Mr Parekh Tate (2008): - “Customer satisfaction on Ayurvedic product in Surat city” Around the globe use the ayurvedic product to meet their primary health care needs. The goal is to create safety, efficiency and quality products and practices. It also focused on promoting the proper use and availability and affordability of the most commonly used herbal products. To provide the purest, highest quality ayurvedic herbal product.

Trambak Mukherjee (2006): - “Study on Prevalence and Pattern of Use of Allopathic and Ayurvedic Medicines in Hypertension, Diabetes, Asthma, and Arthritis Patients in a Tertiary care Hospital in Mysore” A total of 148 patients were reviewed of which 32 patients were found to use both systems of medicine together giving a high incidence rate of 21.62% of concomitant use of Ayurvedic and Allopathic Medicine. There was quite a high incidence rate of concomitant use of both systems of medicines especially in the case of asthma and arthritis because these are diseases that affect the quality of life the most.

OBJECTIVE AND SIGNIFICANCE

The purpose of this paper is to measure preference and selection of people towards ayurvedic product. The researcher also like to identify the factors considered by people while purchasing ayurvedic product. This study can help manufacturer and seller to identify the factors that are important in selection and preference of ayurvedic product and also provide some guidelines to them for designing their future strategies.

DATA AND METHODOLOGY

The data were collected from the people from Surat city using structured questionnaire. The samples of 200 individual chosen for the inclusion were randomly selected. Respondents were asked to complete the variables as which factors do you consider for buying ayurvedic product. The questionnaire consisted of different questions like demographic information, purposes and factors consider while buying ayurvedic product.

Statistical Analysis: Factor Analysis was performed to identify the factors affecting selection of ayurvedic product. Reliability test also measured to check the consistency of extracted factors.

The study will be limited to Surat city only. For further this topic can be extended to other cities or state level or considering other factors which may not be covered in this work.

DATA ANALYSIS

Academic Qualification			Total family members		
	Frequency	Percentage		Frequency	Percentage
UP to SSC	10	5	Service	85	42.5
HSC	30	15	Business	43	21.5
Graduate	118	59	Housewife	21	10.5
Post graduate or more	41	21	Professional	31	15.5
Annual Income			Others	20	10
	Frequency	Percentage	Gender		
Up to Rs. 3,00,000	58	29		Frequency	Percentage
3,00,001 to 6,00,000	85	42.5	Male	112	56
More than 6,00,000	57	28.5	Female	88	44

The table 1 shows demographic details of respondents. It shows respondents academic qualification, total family members, Annual income and gender. There are 118 respondents are graduate whereas 41 post graduates. There are 112 male and 88 female respondents. Out of total respondents 58 whose income is up to 3,00,000, 85 having income between 3 lakhs to 6 lakhs and 57 having more than 6 lakhs annually.

Statement	Average
I would like to only Ayurvedic products.	3.17
I think Ayurvedic products are costly.	3.29
The price of Ayurvedic products decide Whether I buy Ayurvedic products or not.	3.24
If Ayurvedic products are available in a product category often purchased, I would like to purchase it.	3.55
I prefer Ayurvedic products because of health advantage.	3.78
I prefer Ayurvedic products because that is qualitative.	3.80
I think expensive Ayurvedic products are better than cheaper Ayurvedic products.	3.55

The table 2 indicates preference of ayurvedic product. The respondent rates the above statement on seven point scale from highly disagree to highly agree. The whole responses were average on seven point. The most of the responses were chosen on agreed point indicates that they agree to prefer ayurvedic product.

Factor analysis

The result of Table 3 shows that KMO (0.956) and Bartlett's test of Sphericity (Chi square 3326.730 and Significance value 0.000) indicate that factor analysis done with 19 variable is effective.

There were two factor extracted by using the method of principle component analysis and rotation method of varimax with Kaiser Normalization criteria Eigen value more than one. The results of factor analysis are shown in Table 4 and Table 5.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.956
Bartlett's Test of Sphericity	Approx. Chi-Square	3326.730
	df	171
	Sig.	0.000

Table: 4 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.860	62.420	62.420	11.860	62.420	62.420	6.578	34.624	34.624
2	1.201	6.319	68.740	1.201	6.319	68.740	6.482	34.116	68.740
3	.608	3.201	71.940						
4	.566	2.979	74.919						
5	.562	2.960	77.878						
6	.505	2.660	80.539						
7	.474	2.493	83.032						
8	.460	2.423	85.455						
9	.394	2.076	87.531						
10	.362	1.906	89.437						
11	.328	1.726	91.163						
12	.299	1.576	92.739						
13	.256	1.348	94.087						
14	.241	1.267	95.354						
15	.229	1.208	96.562						
16	.184	.969	97.531						
17	.176	.925	98.456						
18	.152	.799	99.255						
19	.142	.745	100.000						

Extraction Method: Principal Component Analysis.

The table 4 indicates that these two factors extracted from the 19 variables are explaining about 68% of variance.

Table: 5 Rotated Component Matrix

	Component	
	1	2
Taste	.775	
Product easily available	.761	
Brand image	.746	
Durability of product	.742	
Attractiveness	.740	
Quality of product	.718	
Advertising	.700	
Price of product	.685	
Packaging of product	.670	
Quantity of product	.638	
Variety of product		.822
No side effect		.792
Discount on price		.768
Healthiness		.748
Awareness of the product		.740
Ingredient		.721
Purchase experience		.716
Schemes/Offer		.710
Reliability		.695

The table 5 show the result of rotated matrix. It indicates loading value of each variable with respect to their factors. There are two factors extracted namely factor 1 has variable related to the Principle product element, factor 2 has a variable related to Supplementary product element.

Reliability analysis

The reliability test is used to measure the reliability of factors extracted from factor analysis. The result shows in a table 4. To measure the reliability of items loading into two factors, Cronbach's Alpha was calculated. The value of two factors were more than 0.600, indicate that the factors are consistent and reliable.

Table 6: Reliability Test

Factors	Cronbach's Alpha	No. of items
1	0.942	10
2	0.949	9

CONCLUSION

The researcher found the preference and selection towards ayurvedic product. The study has found two factors consist of are important for selecting ayurvedic products. These two factors explained about 68% of variance. The two factors found were reliable and consistent also.

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