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“TO STUDY THE SUPPLY CHAIN MANAGEMENT STOCKIEST AND RETAILERS OF PATANJALI AND HINDUSTAN UNILEVER (HUL) IN AURANGABAD CITY.”

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Abstract:

The FMCG sector is an important contributor to India's GDP and it's the fourth largest sector of the Indian economy. Items in this category are meant for frequent consumption and they usually yield a high return. A supply chain is a system of organization, people, activities, information and resources involve in moving a product or service from supplier to customer. It is involve the transformation of natural resources, raw materials and components into finished products that is delivered to the end customers. This study focuses the aspect of supply chain of the Patanjali Ayurveda Ltd and Hindustan Unilever (HUL) product demand, manufacturing, marketing strategies, suppliers and warehousing an its efficiency to ensure smooth supply of goods to meet the growing demand for its products. The data for the study has been collected from Stockiest and Retailer in Aurangabad City. The data analysis has been done with the help of Pie chart.

Keyw

Key Words: Supply Chain, Warehousing, Production and Marketing strategies.

Introduction:

Supply Chain Management:

It is a process of Planning implementing and controlling the operations of supply chain with the purpose to the satisfy customers requirements. It is a coordination of all supply activities of an organization from suppliers and partners to customers. A supply chain management consists of a series of activities involving much organization through which the material moves from initial supplies to final customers. There are may be different supply chain for each products. It is the management of flow of goods and services and includes all process that transform raw materials into final products.

It involves the active streamlining of business supply side activities to maximize customer value and gain a competitive advantage in the market place. It is also called the art of management for providing the right product at the right time, right place and at the right cost of the customers.

Supply Chain Management in Patanjali:

Patanjali follows a very smooth supply chain management. Patanjali Ayurveda Ltd constructed its one of a type retail organization. It began promoting merchandise via its own channel of distributors, vendors, Chikitsalayas and Arogya Kendra. Patanjali sell their product only through their own outlets opened in almost every district / city of India. Each outlet sends its demand to central office at Haridwar.

Then base on demand, different products are gathered from various units of Patanjali viz. Divya Pharmacy, Patanjali Ayurveda, Patanjali food etc. then the item are delivered to the respective outlets mainly through Patanjali transport. Its aims to seek maximum value addition by backward as well as forward integration between the farmer, factory and the market. It can be said that the supply chain do not have any intermediary in between but rather it's a direct form supplier to producer to consumers. It also helps in reduction the cost because it avoided the unnecessary cost like commission and other related charges.

Supply Chain Management in Hindustan Unilever Limited (HUL):

Hindustan Lever Limited is India's largest consumer products firm. It was formed in 1933 as Lever Brothers India Limited. It is a market leader in most FMCG product categories, and its products have become daily household names in India. Since its early years, HUL has vigorously responded to the stimulus of India's economic growth. Its growth process has been accompanied by judicious diversification, in line with consumers' tastes, opinions and aspirations (The Economic Times, August 04, 2008). HUL has been the market leader in many product categories, and is the biggest FMCG firm in India. The aim of a marketing strategy is to achieve the overall corporate objectives of growth and long-term performance with distinction in the marketplace.

For this purpose, the marketing strategy is articulated in such a way that there would be superior value to all stakeholders. HUL are supported by some kind of point-of-sale promotion, both meant for retailers as well as consumers, in terms of extra quantity, cash/price discounts, 'buy this get that free', etc in Indian HUL distribution system is regarded as one of the best and most cost-effective distribution systems (even a small village with a population of about 500 is being served one way or the other by FMCG firms). In HUL, normally a product passes through five to six hands like Warehouse, RDCs, Carrying and Forwarding agents, RS, Wholesalers and retailers while moving from plant to consumers.

Literature Review:

Layak and Singh (2015) report "Desi bustle v/s MNC muscle" stating how Ramdev's Patanjali is setting trend for HUL and how Baba Ramdev's unconventional marketing and strong follower base coupled with aggressive pricing has helped him overtake established players in ayurvedic FMCG like Emami and Himalaya.

Vyas (2015) believes Patanjali instead of outsourcing like established, listed FMCG firms, it has flourished on a backward integration model, using large tracts of land to cultivate and run its factories. Patanjali's revenues have more than quadrupled in the past three years. Despite undercutting competitors, PAL's operating margin is around 20% — higher than many of its peers which advertise aggressively.

Trend of Patanjali products: Singh and Rajni (2015) reports that PAL perhaps lacks most ingredients for building a large-scale consumer goods business, be its negligible A&P (advertising & promotion) spends or distribution network. Yet, the brand power of a yoga guru has brought PAL into the top league with top line reportedly in excess of JyothyS Labs and Emami

Incoming five to seven years the Patanjali group turnover will be \$ 12.5 billion from \$ 5 billion. It is taking on beggar competitors such as HUL and P&G with plans to list its main consumers good company medians wellness and lifestyle units. (Source: Times of Indian Dated 16 September 2022)

While the HUL market capitalization has reach a record high of 67% and Indian arm is \$ 77 billion. According to senior analyst "HUL has been out performing its parent in the last five years to its superior. Volume growth in India couple with brands and margin expansion which has helps its operating profit to outpace revenue grout." (Source: Economics Time Dated 7th October 2022.)

Objective:

- To study the stockiest and retailers in Supply Chain management of Patanjali and HUL in Aurangabad.
- To study the stockiest and retailers demand of Patanjali and HUL in Aurangabad.
- To study the manufacturing of Patanjali and HUL in Aurangabad.
- To study the suppliers of Patanjali and HUL in Aurangabad.
- To study the warehousing of Patanjali and HUL in Aurangabad.

Research Methodology:

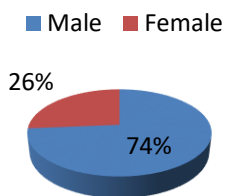
- The data for the study has been collected from stockiest and retailers in Aurangabad City.
- The data analysis has been done with the help of Pie charts.

Data Analysis and Interpretation:

Table No.1
Gender wise Respondents Profile

Sr. No	Gender	Total No. of Respondents	Percentage
1	Male	42	73.7%
2	Female	15	26.3%
	Total	57	100%

Gender



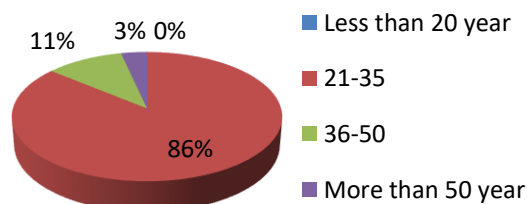
Graph No: 1

The gender wise respondents profile reveals that, majority of respondents belong to male category out of 57 respondents, there are 15 (26 %) from female category and 42 (74%) from male category. The analysis indicates that there is huge presence of male respondents.

Table No.2
Age wise Respondents profile:

Sr. No	Frequency	Total No. of Respondents	Percentage
1	Less than 20 year	0	0%
2	21-35	49	86%
3	36-50	6	11%
4	More than 50 year	2	3%
	Total	57	100%

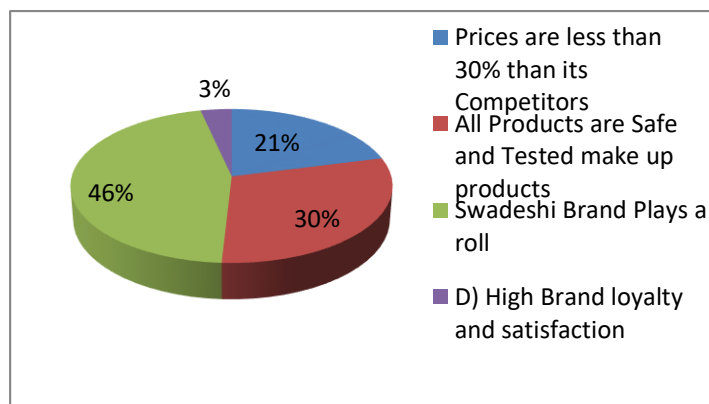
Graph No: 2



It is observed in the above data that 49 respondents belong to the age group 21–35, whereas respondents belonging to the age bracket 36–50 are only 06, and only 02 respondents from the age group more than 50 years are listed. The age-wise profile reveals that the majority of respondents belong to the age category of 21–35.

Table No.3
Demand Analysis of Patanjali Ayurvedic Ltd.

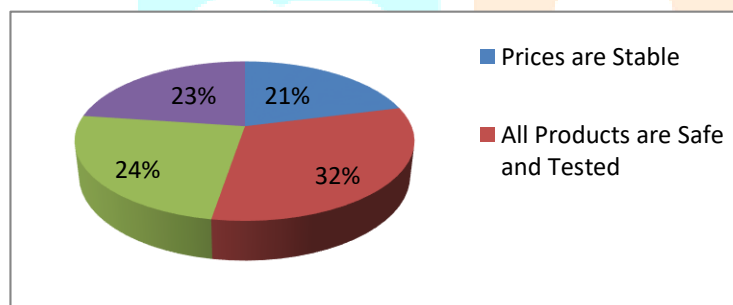
Sr. No	Option	Total No. of Respondents	Percentage
1	Prices are less than 30% than its Competitors	12	21.1 %
2	All Products are Safe and Tested make up products	17	29.8 %
3	Swadeshi Brand Plays a roll	26	45.6 %
4	High Brand loyalty and satisfaction	2	3.5 %
	Total	57	100%

**Graph No: 3**

According to the survey, 12 respondents believe Patanjali prices are 30% lower than other competitors, 17 respondents said that all Patanjali products are safe and tested because of the Swadeshi brand, the majority of respondents 26 prefer the Patanjali brand, and only 02 respondents are satisfied with their high brand loyalty.

Table No.4
Demand Analysis of Hindustan Unilever (HUL) Ltd.

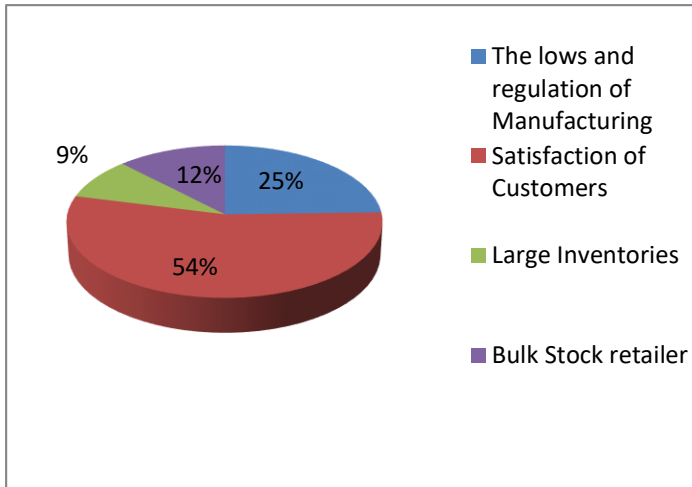
Sr. No	Option	Total No. of Respondents	Percentage
1	Prices are Stable	12	21.1 %
2	All Products are Safe and Tested	18	31.6 %
3	Multinational Brand Plays a roll	14	24.6 %
4	High Brand loyalty and satisfaction	13	22.8 %
	Total	57	100 %

**Graph No: 4**

According to the survey, 12 respondents believe HUL prices are stable, 18 respondents said that all HUL products are safe and tested, because of the multinational brand, the 14 respondents prefer the HUL brand, and 13 respondents are satisfied with their high brand loyalty.

Table No.5
Manufacturing Analysis of Patanjali Ayurvedic Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	The lows and regulation of Manufacturing	14	24.60%
2	Satisfaction of Customers	31	54.40%
3	Large Inventories	5	8.80%
4	Bulk Stock retailer	7	12.30%
	Total	57	100 %

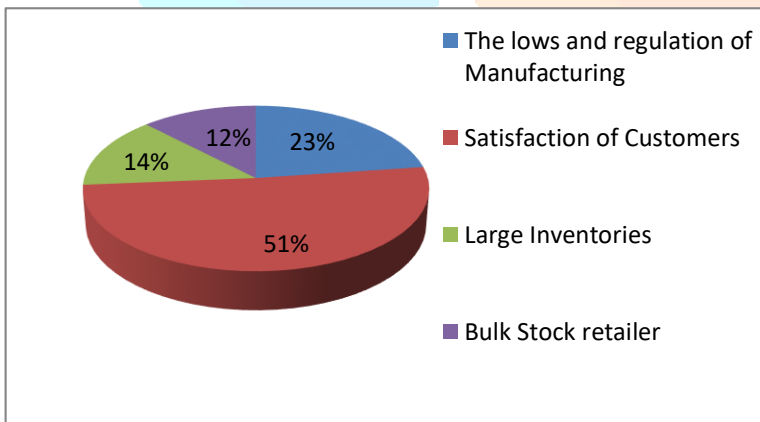


Graph No: 5

According to the above survey, 14 respondents are pleased with their lows and manufacturing regulations, and a large number of customers are satisfied, according to 31 respondents. Only 5 respondents said that third-party manufacturing satisfied them because of large inventories, and 7 respondents said that using third-party manufacturing satisfied them because of bulk stock retailers.

Table No.6
Manufacturing Analysis of Hindustan Unilever (HUL) Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	The lows and regulation of Manufacturing	13	22.80%
2	Satisfaction of Customers	29	50.90%
3	Large Inventories	8	14.00%
4	Bulk Stock retailer	7	12.30%
	Total	57	100 %

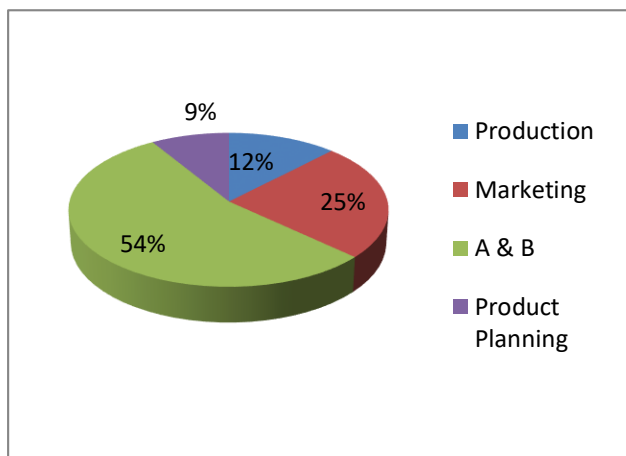


Graph No: 6

According to the above survey, 13 respondents are pleased with their lows and manufacturing regulations, and a large number of customers are satisfied, according to 29 respondents. 8 respondents said that third-party manufacturing satisfied them because of large inventories, and 7 respondents said that using third-party manufacturing satisfied them because of bulk stock retailers.

Table No.7
Suppliers Analysis of Patanjali Ayurvedic Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	Production	7	12.30%
2	Marketing	14	24.60%
3	A & B	31	54.40%
4	Product Planning	5	8.80%
	Total	57	100 %

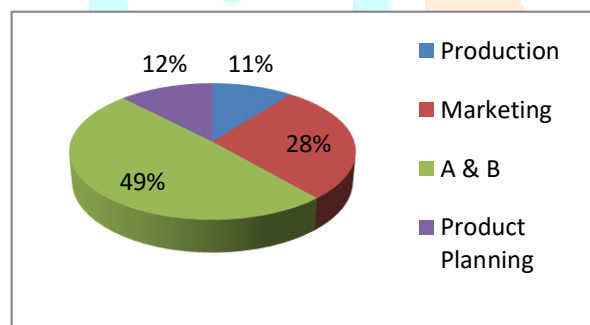


Graph No: 7

The above information shows the analysis of suppliers: 7 respondents are involved in production, 14 in marketing, and 31 respondents are involved in both, i.e., production and marketing. Only 5 respondents are involved in product planning.

Table No.8
Suppliers Analysis of Hindustan Unilever (HUL) Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	Production	6	10.50%
2	Marketing	16	28.10%
3	A & B	28	49.10%
4	Product Planning	7	12.30%
	Total	57	100 %

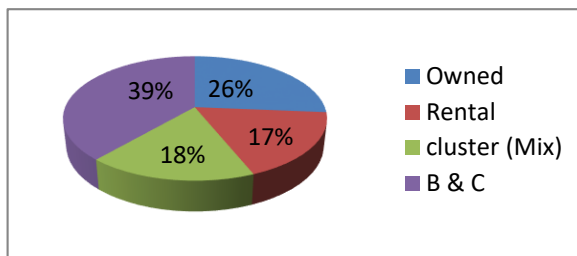


Graph No: 8

The above information shows the analysis of suppliers: 6 respondents are involved in production, 16 in marketing, and 28 respondents are involved in both, i.e., production and marketing, 7 respondents are involved in product planning.

Table No.9
Warehousing Analysis of Patanjali Ayurvedic Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	Owned	15	26.30%
2	Rental	10	17.50%
3	cluster (Mix)	10	17.50%
4	B & C	22	38.60%
	Total	57	100 %

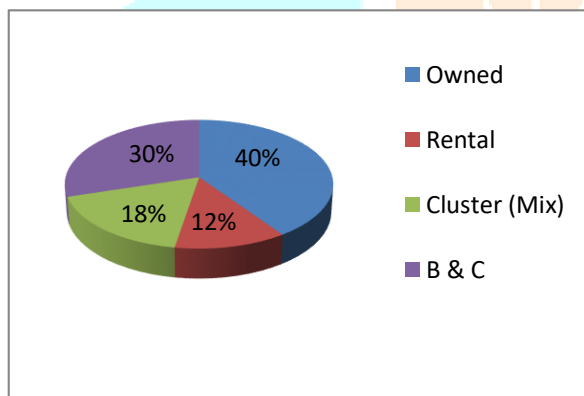


Graph No: 9

According to the above pie chart survey, 15 respondents claimed that Patanjali Owned its warehouses, 10 claimed that it rented its warehouses, 10 claimed that it had cluster warehouses and 22 claimed that it had both rental and cluster warehouses.

Table No.10
Warehousing Analysis of Hindustan Unilever (HUL) Ltd.

Sr. No	Option	Total No. of Respondents	Percentage
1	Owned	23	40.40%
2	Rental	7	12.30%
3	Cluster (Mix)	10	17.50%
4	B & C	17	29.80%
	Total	57	100 %



Graph No: 10

According to the above pie chart survey, 23 respondents claimed that HUL Owned its warehouses, 7 claimed that it rented its warehouses, 10 claimed that it had cluster warehouses and 17 claimed that it had both rental and cluster warehouses.

Finding and Conclusion:

The demand of Patanjali Products is defined with Swadeshi Brand (45.6%) and Satisfaction of Customer s (54.40%) as it has good Production Unit and Marketing Strategies (54.40%). Also the warehousing of Patanjali are mostly Rental and Cluster (38.6%) according to the respondent of stocking and retailer. So our objectives of Patanjali Ayurveda ltd are defined.

The demand of HUL products are defined as they are all products are safe and tested (31.6%) and satisfaction of customers (564.40%) as it has good production unit and marketing strategies (49.10 %). Also the warehousing of HUL are mostly owned (40%) According to the respondent of stockiest and retailers. So our objective of HUL is defined.

From above we come to know that the warehousing of HUL is mostly owned while that of Patanjali are in rental and cluster witch help them to reduce the cost. We also come to know that Patanjali is in demand due to Swadeshi Brand but HUL are in demand due to Product safety and tested. While the production and marketing strategies of both are competitive in nature.

The above pilot study will help us to define the sample size of our research topic and will guide us to determine the questioner for our hypothesis to be tested further in our research study.

Suggestions:

- The warehousing of Patanjali should be owned
- The Patanjali should increase the demand of their product and volume growth through safety and test as due to globalization scenario.
- The government should make a fair policy for both Swadeshi and Multinational brand like HUL to have a fair competitive atmosphere in this present global scenario.

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