ABSTRACT

India has got a wealth of medicinal plants that lie underutilized altogether. The present research aims at identifying the reasons for this low focus on exploiting the demand potential and meeting the needs of the market by proper presentation and value-added Marketing approaches. Allopathic medicines are gradually getting more expensive resulting in a huge demand for traditional systems of medicines. The demand for these medicines has tremendously increased in the last few years. The expectations of the consumers in respect with product form, size, packaging, price, delivery etc. need to be studied and utilised. There is enormous scope of value addition in such products. Due regard to the consumer needs will result in the increased demand. This will help them switch over to herbal alternatives. The herbal medicines in the past had a faceless presentation and were sold on the strength of reputed and trusted Vaid and Hakeem. They are rarely visible now. The only option today is to give them presentability by way of proper branding, packaging and adding value for money. The producers, processors and the marketers should focus on the type, size and quality of their packaging. This is getting inevitable for the herbal medicine companies for their future survival.

The market is witnessing a plethora of new herbal brands in every category being launched on daily basis. The shelf space is increasingly being occupied by these products. What is interesting is that not only the desi players, but even the MNCs (Multinational Corporations) are playing along with the herbal and natural tune. Anything from toothpaste to lipstick is available in its natural, herbal variant. Toilet soap is one such category. The herbal is in fact doing wonders in the FMCG (fast moving consumer goods) category. Drawing from the example of FMCG category the herbal medicine industry in India should take the initiatives to tap the high potential in the market. The producers, processors and the marketers should consider the consumer as the key to success for their business. Ignoring the tastes and preferences of customers is suicidal in business be it an item of food or cosmetics or even the medicines. This aspect was by and large ignored in the health sector but the new era of competition has made the players in the field of herbal medicine more conscious of consumer likes and dislikes. More will the methods be adopted to woo the consumers, better will be the prospects of this industry to prosper.

The growth rates on the export front show a very encouraging picture. The growth in the total exports of all the categories of herbal medicines has been spectacular and offers great opportunity to our export promotion drive. Import has also picked up recently but the growth rates show a decreasing trend with the exception of branded herbal medicines. This clearly shows that the future is for the branded products. If the branded products gradually replace the present herbs’ exports, it will even be better in order to achieve the better value for the exports.

The study aims at exploring the potentials and finding the means and ways of promoting the herbal health care products by developing effective marketing mix for
the achievement of total health of the people of India in particular and the world population in general. The nature of this study is characterized by the following features:

1. It is a Social Research.
2. It is Exploratory.
3. It has an Applied Bias.

Other than the secondary sources available, the relevant information from different companies, government agencies, and the libraries the focus in this research is on the primary sources of information. A major part of data is collected through survey of the following groups of respondents:

1. Consumers i.e. the potential users of herbal remedies
2. Doctors i.e. the potential advisors/consultants of the herbal medicines
3. Dealers/retailers i.e. the suppliers who stock and offer the herbal medicines to the end users

An effort has been made to cover the cross-sections of the above groups. Separate questionnaires have been designed for separate groups of respondents. A stratified two-stage sampling design has been used. Stratification has been done on the basis of the type of city. In the first stage, two cities were selected from each zone i.e. Eastern Zone and Northern Zone. In the second stage, respondents have been taken in equal number from each of the cities to ensure sufficient representation of each zone and the selected cities. The whole population (Eastern and Northern India) has been divided into two strata (Divisions) of East and North zone. Out of these zones, four cities were chosen on convenience basis. Consequently the following selections were made. (The figures show the sample sizes)

<table>
<thead>
<tr>
<th>Districts/Cities</th>
<th>Consumers</th>
<th>Doctors</th>
<th>Dealers/Retailers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patna</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>100</td>
</tr>
<tr>
<td>Sitamarhi</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>100</td>
</tr>
<tr>
<td>Delhi</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>100</td>
</tr>
<tr>
<td>Aligarh</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
<td><strong>400</strong></td>
</tr>
</tbody>
</table>

This type of stratified sampling is on the one hand, expected to allow representation of all segments of the population in sufficient number and on the other hand, facilitate using statistical tests to study the behavioral patterns of the different strata individually.

For the purpose of drawing conclusions and testing of hypothesis, the following methods were used in the process of data analysis:
1. Frequency and percentage calculation for different parameters
2. Rank coefficient using the ranks and multiplying them with the appropriate weightage-coefficients rank wise
3. Correlation coefficient for comparing the two sets of similar data obtained from different groups of respondents
4. Rating scores for Likert scale analysis by multiplying the frequencies with the appropriate weightage-coefficients
5. Chi square test for independence / significance test

In the above analyses SPSS package was used for calculations and values.

The market survey shows that allopathic treatment has an effectiveness level i.e. 4.5 on 1-5 scale. Ayurvedic, Unani and Homeopathy treatments have effectiveness level of 3.45, 3.35 and 3.18 respectively. The effectiveness level of herbal treatment (including Ayurvedic, Unani and Homeopathy treatments) in the cities of Patna, Sitamarhi, Delhi and Aligarh are 3.37, 3.32 and 3.1 respectively. This shows more or less similar level of effectiveness in all of the above cities. These figures show an edge of Allopathy over all others, but the other treatments have a strong presence in the minds of people. Indian system of medicine has an excellent record for curing the chronic health problems that do not respond well to modern medicine. Herbal drugs are easily accepted by the people because of the reasons like superior quality of protoplasm, easy to adopt, free from all side effects known to be caused by synthetic drugs.

The survey reveals that herbal medicines are especially effective in ‘liver and digestive disorder’ followed by ‘men and women sexual problems’, ‘vigour and vitality’, ‘blood & skin care’, ‘personal care’, ‘cold & cough’, ‘joint & bones problems’ and ‘children care’. In above diseases herbal medicines are considered to be more effective than the others. This implies that the companies should focus on the medicines for the ailments in which consumers and doctors have more faith on herbal medicines. The companies should also induce the consultants to prescribe herbal medicines for these ailments. And the companies should adopt best R&D activities in those disease areas where herbal medicines have more effectiveness. Advertising and sales promotion should also sufficiently support such herbal medicines.

On the whole consumer believes that five most important reasons for popularity of herbal medicines are: ‘less side effect’, ‘natural ingredients instead of synthetic ones’, ‘total eradication of disease’, ‘no expiry of medicine’, ‘affordable price’ and ‘rising trends for the traditional medicines’, while doctors reported that five important reasons for it are in this order: ‘natural ingredients instead of synthetic ones’, ‘less side effect’, ‘total eradication of disease’, ‘rising trends for the traditional medicines’ and ‘affordable price’. The people are becoming increasingly dissatisfied due to the detrimental effects of modern drug therapy.
The trial of herbal treatment by the herbal practitioners & practitioners practicing both is the frequent choice in prolonged illness and in initial stage of disease, while trial as a supplement in prolonged illness is found more frequent by the modern practitioners. All categories of doctors who prescribe alternative medicines also believe that herbal treatment doesn't respond well in the stage of acuteness. The companies should therefore develop the products for chronic diseases and for initial stage of treatment and should adopt good manufacturing practices for capturing this potential market.

The willingness for stocking of herbal medicines by retailers is high in almost all the cities. North zone shows higher willingness than the east zone i.e. 80% and 75.51% respectively (which includes 'more' & 'much more' choices in the questionnaire). Dealer wise willingness shows that all types of dealers have the willingness for stocking of herbal medicines more. Among the herbal medicines dealers and both types of medicines' dealers it is 80% and 65% respectively while dealers of modern medicine indicate their willingness only at 41% for 'more' and 25.54% for 'much more' stocking of herbal medicines. The result confirms the faith in the herbal trend gaining pace in all cities under study. The manufacturers need to take note of the situation and rollout the products with greater emphasis on the herbal remedies. There is a fast changing perception particularly among the people of eastern and northern India (where the survey is conducted) and throughout India in general. The herbal market calls for greater research in the herbal formulations and producing quality products to compete with the foreign products.

Majority of doctors are in favour of producing herbal drugs in all forms and sizes; only 4% doctors reported that producing in all forms and sizes is not 'desired'. From the above analysis it is observed that manufacturers of herbal drugs should make it possible to offer their products in all forms and sizes because the majority of Indian people belong to lower income groups who look for the forms and sizes of herbal medicine which suit their budget.

'Tablets and capsules' are most preferable forms in all the cities / zones. 'Syrup and sherbet' is the second preferable form of herbal drugs in the small cities (Aligarh and Sitamarhi), while 'paste' form is the second choice of consumers in Delhi. The sellers/processors should try to present their products in all the preferred forms especially in 'tablets/capsules' and 'syrup/sherbet' forms, which are popular choice of consumers. They should also try to present their products in alternative packages to satisfy the individual needs of different segments of users. For the busy and mobile people the pouches should be offered for providing convenience. Unbranded loose supply should be avoided, as it is less acceptable by the people. The products should be packed in all common sizes to satisfy different income groups among the users. For the economically poor people single dose pouches should also be offered for the reason of affordability.

It implies that herbal manufacturers should give more attention to the product attributes which are more desired by the consumers and doctors especially the
ingredients should be standard ones and the formula should be effective for the ailments. Proper prescription is also an important characteristic of herbal treatment. Suitable prescription will be instrumental for curing the ailments within the limited time.

The consumers and doctors feel difficulty in using the herbal medicines due to the conventional forms & old methods of preparation. So the processors should try to produce their products by latest technology and for the busy and mobile kinds of consumers it should be acceptable and convenient to use.

In this age of media various advertising and publicity tools like television, print media etc. are dominant in the markets. These media have penetrated to lowest level of population and have a wide reach among people of all classes. Thus the marketers should utilize these fully to turn consumers' perception in their favour. The decision on advertising media mix should therefore be on the basis of the prevalence of various media and according to its effectiveness region-wise.

Promotional tools like price discount, free gift and extra with product are expected to normally get a favourable response of all the segments, income and the age groups of consumers in spite of the differences in the proportions favoring them. The study shows clearly the overall favorable attitude for new herbal products. It indicates a favourable market with a patronage of all kinds of doctors. Companies should manufacture the quality products and try to maintain a rapport with the doctors of all kinds. The herbal formulations should have laboratory research, animal screening and controlled clinical trials and companies should be conscious about their safety before marketing them. The pharmacopeia of Indian traditional medicine needs updating from time to time and development of new methods for maintaining quality control for plant-based drugs. Therefore constant R & D inputs are required for developing newer methods of standardization and quality control. Samples of drugs must be distributed among the doctors, so that they could test them on their patients. The advertisements of products containing its composition, indications, adverse effects, contra indications, doses and prices should be published in different professional journals, which are published by different medical associations and commercial advertisements should be released through international advertising agencies.

The consumers feel that average prices of herbal medicines are higher than other medicines. In east zone 60% people reported that herbal medicine's price was much higher than others while in north zone 47% people held this opinion. This variation is due to the fact that east zone is less developed in this respect as compared to north zone and the people of east zone are more price conscious. It is also evident from the result that low-income group is highly price conscious in comparison to upper income group. As consumers' income increases price perception of herbal medicine changes in that order. The figure implies that the majority of people desire that the prices of this medicine should be reduced.
Manufacturers need to readjust them to bring it in conformity with the consumers desired level.

The survey also shows that the customers are facing difficulty in purchase due to stock-out problem. The problem is higher in north zone in comparison to east zone. So the manufacturers must arrange the regular supply of their products.

The highest movement rate out of the twenty five selected herbal brands is achieved by ‘Liv-52’ of Himalaya Drugs Company. According to an ORG Marg report “Liv-52 a liver formulation, which is also the flagship brand of the company, every one third of a second one unit of Liv-52 is bought somewhere in the world. It is ranked ‘Number one’ in the hepatoprotective lipotropic segment and number four among all pharmaceutical products in India”. Second, third and fourth ranks go respectively to ‘Pudin Hara’, ‘Chawan Prash’ and ‘Hajmola’ all Dabur Company. Hamdard Company’s products ‘Cinkara’ and ‘Safi’ hold the fifth and sixth rank among selected products, while Pylex (Himalaya), ‘Gasex’ (Himalaya) and ‘Himgoli’ (Dabur) have got seventh, eighth and ninth position respectively. ‘Deer.goheen’ the product of Dawakhana Tibbiya College held the tenth slot out of the twenty five selected herbal medicines. None of the Rex Remedies’ products have any position among the top ten products’ slot. The results show that the products of Himalaya and Dabur Companies have higher movement rates than others as these companies mostly prefer ‘modern medicines dealers/retailers’ for the sale of their products. Whereas the other companies generally use the ‘herbal medicine dealers/retailers’ for this purpose. So the herbal medicines’ manufacturers are suggested that they should push up their products also through the modern medicines’ dealers/retailers.

The result shows a high acceptability of herbal medicines marketing and it is also indicating that the future of herbal medicines market is brighter. Manufacturers should maintain this reputation, make an image among the dealers and give margin/profit to dealers at a desirable level. This will be helpful in capturing the market.

In eastern zone supply of herbal medicine is more ‘regular’ than in north zone. On the whole, in all the segments more than 76% dealers/retailers indicate that the supply of these medicines is ‘regular’ followed by 21% indicating ‘casual’ and 3% ‘rare’. The complaints on the irregularity are to be noted by those responsible for marketing these products in different segments. A regular supply is the essence of marketing so the marketers have to pay proper attention to check all sorts of hurdles in supply, as it is higher in north zone.

In a nutshell, it can be said that ignoring the tastes and preferences of customers will be suicidal in business for promoting and globalizing Indian herbal medicines. This industry has the power to face the new challenges. The herbal treatment has its roots in our country and it should be standardized and popularized the worldwide using the latest technology and the consumer-friendly production, processing and marketing techniques.