

CRITICAL SUCCESS FACTORS FOR AYURVEDIC AND HERBAL PRODUCT LAUNCH-EVIDENCE FROM INDIA

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ABSTRACT

Purpose: *The study aims to provide strategic insights into critical success factors for Ayurvedic and herbal product launch.*

Design/Methodology/Approach: *Mixed method research design has been used in this study for identification of Critical Success Factors (CSF) for New Ayurveda and Herbal Product Launch (NAHPL). This study was divided in three stages. Initially, extant literature review was conducted to identify the determinants of successful product launch. In the second stage, qualitative in-depth interview was used for identification of latent factors engrained in Indian culture. In the third stage, quantitative study was conducted to test the hypothesis.*

Findings: *Product benefits emerged as the most important influencer in Ayurvedic and herbal product launch. Consumers look at Ayurvedic and herbal products as alternate better choice with lesser side effect. Consumers still emphasize on product benefits and product quality. Brand image also appeared in top three influencers in success of new Ayurvedic and herbal product launch. The assurance that comes through brand image plays a crucial role in acceptability of new Ayurvedic and herbal products.*

Research limitations/Implications: *This study has focused on new Ayurvedic and herbal product launch, but future researchers may study market strategy for Ayurvedic and herbal products during different stages of product life cycle. The product matrix, product cannibalization, product pricing etc. are some other dimension which needs careful attention. Future researchers may attempt to address the other strategic marketing perspective of Ayurvedic and herbal product industry.*

Practical Implications: *Managers working in Ayurveda and herbal product industry should not take product safety as a guarantee to their success rather they should understand that product safety is their added armor and everything else in marketing strategy remains the same. Consumers want same level or improved level of product benefits and product quality. So, the continual improvement of product benefits and product quality should be emphasized. To bring more choices, managers should keep augmenting their herbal and Ayurvedic product mix.*

Originality/value-*This study used mixed method approach to highlight both latent and expressed needs of consumers for identification of Critical Success Factors (CSF).*

Keywords: Critical Success Factors (CSF), Product Launch, Mixed Method Research.

INTRODUCTION

In recent time, consumers increasing concerns for the side effects of products and medicines had led to an increase in the demand for traditional alternative products across the

globe (Gunjan et al., 2015). The herbal industry including Ayurveda in India is expected to grow at a CAGR of 3% (Euro monitor International, 2016). Indian FMCG market has witness a big transformation in terms of changed product share and market share of long existing multinational brand. The new brands like Patanjali and Sattva has given a tough competition to existing brands like HUL, Nestle, ITC etc. in recent times in India. Herbal and Ayurveda are becoming attention magnets for attracting consumers. Extant literature has focused on new product launch strategy of IT products, pharma products, white good etc. but the new wave of Ayurveda and herbal products was not discussed before. This study focused on identification of Critical Success Factors (CSF) for New Ayurveda and Herbal Product Launch (NAHPL).

Every year about 70-80% of new products launched in the market fails (Capatina and Draghescu, 2015) and it has become imperative to figure out the main drivers of product success (Cooper and Kleinschmidt, 1993). So, careful evaluation of success factors in new product launch strategies is extremely important (Panwar and Bapat, 2007).

Most of the previous research has used quantitative approach or qualitative approach to identify the significant factors for new product launch strategy. Mixed method research design has been used in this study for identification of Critical Success Factors (CSF) for New Ayurveda and Herbal Product Launch (NAHPL). This study has been designed in three stages. Initially, extant literature review was conducted to identify the determinants of successful product launch. In the second stage, qualitative in-depth interview was used for identification of latent factors engrained in Indian culture. In the third stage, quantitative study was conducted to test the hypothesis. The findings of this study will help the herbal and ayurveda product manufacturer to align themselves with changing customer needs for wider acceptability. Well established FMCG brands will get to know the shifting market trend and may reorient themselves for futuristic competition.

This paper is organized in six parts. Introduction section builds the need and significance of this study. The extant literature review and emergent hypothesis are presented in literature review section. The systematic mixed method research design is presented in research methodology section. Results section draws the major findings and followed by conclusion section. In the last section, limitations and future scope of study is presented.

LITERATURE REVIEW

The term “*Ayurveda*” combines the two Sanskrit words “*Ayur*” which means life and “*Veda*” means science or knowledge (Gunjan et al., 2015). It is one of the most important traditional medicinal systems in India, with an established history of many centuries. It is mostly based on the belief from ancient times that wellness and health depend on a delicate balance between the body, mind and spirit of the body. The major focus of Ayurvedic medicine is to prevent illness and promote good health rather than fighting with disease in the body. Other traditional systems which are in India from ancient times are Siddha, Unani, Iranian, Islamic, Vietnamese, Chinese, Acupuncture, etc. There are three kinds of ingredients used in Ayurvedic medicines as per the ancient knowledge present in our literature i.e. herbal, animal, mineral. In India, alternate medicinal system is commonly referred to as “*Indian system of Medicine and Homeopathy*” (ISM&H) which includes Ayurveda, Unani, Siddha and Homeopathy. Now this ISM&H is renamed as Department of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH). AYUSH was formed to give focused attention towards development of Education and Research in Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (Ministry of AYSUH, Government of India).

Branding and New Product Launch

Today for launching a new product in the market, a branding strategy is needed to be worked out to reach the customer. A meaningful brand name helps to build and manage the equity of the brand (Keller et. al., 1998). Proper brand positioning builds the key brand associations in the customer minds (Keller et al., 2002). Brand association helps the consumers to relate with brand in the right perspective and choose the right product. Marketers use dual branding strategy for increasing the chances of success of a new product launch in the market (Lam et al., 2013). In dual branding, parent brand and sub brand names can be used. Parent brand name helps in communicating the advantages of the product category and sub brand name hints at unique characteristics of new product designed to meet various consumer requirements.

In the previous studies, mainly three new product launch strategies i.e. New Brand Entry, Line Extension and Brand Extension have been defined (Panwar and Bapat, 2007). Line extension means additions of new products to the existing product line. For example, Coca Cola soft drink manufacturer had introduced a "Diet" variety to its cola line. Brand extension implies usage of well-developed brand image to enter in a different product category. New Brand Strategy indicates the introduction of a new product with a new brand name in a category to gain market share. So, it's the brand of the company which is playing a major role in the launch of product in the market. Parker (2009) talked about brand personality which forms an essential part of brand image and caters the motive of product differentiation. Brand image of the company is also positively related to brand equity (Lee et al., 2011). Panwar and Bapat (2007) found out very high positive correlation between brand awareness and success of new product. Thus, in view of the existing literature it is hypothesized that

H1: Brand Image positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Spirituality and New Product Launch (NPL)

Spirituality has deeply impacted the behavior and belief of people across the globe (Kale, 2006). Presently talking about the Indian context, marketing through spirituality has gained much importance. Now a day there is many spiritual gurus in India whom people are following. Taking this as advantage many gurus have started introducing Ayurvedic and FMCG products in the market. Hence doing marketing through spirituality is affecting the people's consumption pattern of goods. There are many spiritual organizations in India which have started producing and selling their own products to penetrate in the competitive market. Consider the case of Patanjali Yogapeeth, how pranayama and yoga which are considered as the two important spirituality dimensions has affected consumer buying behavior in India (Kumar et al., 2013). Spirituality has always been explored by accounting pranayama and yoga dimensions into it (Corner, 2009). Baba Ramdev is the well-known and respected guru in teaching pranayama and yoga in India. Ramdev through his Patanjali Yogapeeth has launched various ranges of products which are not only based on Ayurvedic/herbal medicines but also in FMCG range in India. Hence marketing through spirituality has become the success factor of Patanjali Yogapeeth (Kumar et al., 2013). Thus, in view of the existing literature it is hypothesized that

H2: Spirituality positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Promotion and New Product Launch (NPL)

Promotion of product can be done through different channels like television advertising, FM advertising, web advertising etc. TV advertising is one of the most effective customer engagement modes where viewer is concurrently and psychologically immersed (Kim et al., 2017). Today nostalgic form of TV advertising is used to engage with customers (Srivastava et al., 2017).

Promotional Events play a critical role for the success of a new product as it is necessary to differentiate a company from others in market. But aggressive promotion could lead to increase in the competition in the market (Debruyne et al., 2002). Hauang et al. (2014) also studied the effect of price promotion in coffee chains and concluded that price promotion is positively correlated with customer buying behavior. Hence, using of different promotional channels to promote a product positively affect the customer purchasing behavior (Hulten and Vanyushyn, 2014).

Sales promotion act as demand booster for the new products initially and reduces the risk in initial stages of product introduction (Blattberg and Richard, 1995). The initial acceptance of new product may get triggered due to sales promotional techniques but maintainance and growth of demand depends on product quality and product performance. Sales promotions can initially bring the customers to new product but retaining customers depends on product performance and firm relationship strategies. Sales promotions are easier to implement and boost sales volume in short term (Hanssens et al., 2001). Sales promotions do not guarantee the long term sustenance of sales momentum and its effect faded with time (Kopalle et al., 1999). Promotional efforts may inform, educate and create interest in product initially during product launch. It brings initial curiosity for product trial in consumers and thus, promotion plays a significant role during new product. Thus, in view of the existing literature it is hypothesized that:

H3: Promotion positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Pricing and New Product Launch (NPL)

Pricing is a key parameter for consideration during new product launch. Both extreme of price points-low price and high price, have their own advantages and disadvantages. If prices are kept low than firm losses the higher revenue possibility and create low value image for the new product (Marn et al., 2003). If prices are kept high than we deny the possibility of product trial to a big segment of consumers who cannot afford to buy the product (Golder and Tellis, 2003). There are two dynamic pricing strategies available with the firms viz. market penetration pricing and market skimming pricing strategy (Kotler and Armstrong, 2016; Nagle and Hogan, 2006). In the market skimming pricing strategy, initially products are priced high to skim customer surplus in the initial phase of product life cycle and later on pricing reduced to a normal level (Marn et al., 2003). While in Market penetration pricing strategy, initially product are sold at low price points to build market demand (penetrate the market) and later on prices are revised to normal level (Nagle and Hogan, 2006). The nature of pricing strategy depends on nature of market-price sensitive market or value sensitive market and nature of product (Kotler and Armstrong, 2016).

Price of a product should be decided by keeping a lot of factors in mind because price is an indicator of uniqueness, product quality and advantages of product (Capatina and Draghescu, 2015). However, consumer should not consider price as the indicator of quality of product only because price convey multiple aspects of a product (Olbrich and Jansen, 2014). So various tools

are used by companies to estimate the customer perception about the price of the product (Danes and Lindsay, 2012). Price of product should be kept in such a way that it should not only increase the revenue for the company but also build the relationship with the consumers (Capatina and Draghescu, 2015). Thus, in view of the existing literature it is hypothesized that

H4: Pricing positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Product Availability and New Product Launch (NPL)

Product launch decisions can be classified in two types i.e. strategic and tactical launch decisions (Hultink et al., 1997). Tactical launch decisions are central to the actual product availability in the market which covers the traditional elements of the marketing mix i.e. Product, Price, Promotion and Distribution while strategic launch decisions are those that are taken before the physical development of the product. Guiltinan (1999) proposed a conceptual framework which suggests that the tactical and strategic challenges presented in various new product launches depends on the specific type of buying behavior of the consumer to be influenced in the market. The distribution factor of tactical launch decisions consists of two aspects i.e. Channels and Expenditure which ensures the regular availability of product in the market (Trim and Pan, 2005). A strong distribution channel leads to regular availability of the product in the market. Regular availability of product is positively correlated with accuracy, speed and care it takes to make product available in the market (Panwar and Bapat, 2007).

According to Farris et al. (1989), product availability and distribution creates push and pull strategy for product. Improved product availability increases the chances of product reaching to more number of customers and it leads to more market share. More market share means more number of consumers demands and more product demand means need of more product availability. Thus, product availability and market share have direct relationship with each other. Thus, in view of the existing literature it is hypothesized that

H5: Product availability positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Packaging and New Product Launch (NPL)

Further talking about the strategic launch decisions in new product success, strategic launch decisions revolve around the product, market and firm strategy (Hultink et al., 1997). A company in the market needs to perform much better than its competitors whose competing strategy is much stronger than their company. Hence, a company need to analyze the product strategy of competitor in greater detail and packaging of product is one of the major components of product strategy which has always been useful in positioning against competitor (Ampuero and Vila, 2006). One of the methods to influence product packaging is to have pictures on product which can lead to attention of customers on a brand in a store (Underwood et al., 2001). Also, the logistic system performance and development of new product is greatly influenced by packaging of product (Klevas, 2005). Hence packaging of product emerged as one of the influencing marketing tool (Hill and Tilley, 2002). Thus, in view of the existing literature it is hypothesized that

H6: Packaging positively correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL).

Product Quality and New Product Launch (NAHPL)

According to the literature available, in general the success factors for launching any new product in the market are following (Cooper and Kleinschmidt, 1987; Cooper, 1994; Hart and Tzokas, 2000; Rau, 2005; Soni and Cohen, 2004):

1. Product differentiation through product advantage.
2. Strong market orientation through a high level of market knowledge.
3. Clear and early product definition.
4. Synergy between technology, production and business proficiency.
5. Orientation on meeting the customer needs.
6. The market timing.

Further, Cooper and Kleinschmidt (1993) have also studied various new product success factors by comparing the winners to the losers, which are competitive advantage, market attractiveness, product differentiation, project familiarity, synergies and competitive situation, Product.

Differentiation has very high positive correlation with the success of new product (Cooper, 1994). Parry and Song (1994) also concluded that product differentiation is the key predictor of the success of new product in the market. Marketers are always searching a way to differentiate their product from competitor's product in the market. Quality of Product offered in the market generally forms the basis of product differentiation (Gravin, 1987). Panwar and Bapat (2007) conducted the distributor survey to find out success factors of new product and concluded that Quality of Product is an important criterion for new product launch. Thus, in view of the existing literature it is hypothesized that:

H7: Product Quality is positively correlated with the Ayurvedic product success.

Product Benefits and New Product Launch (NAHPL)

In marketing literature, importance of perceived value has been studied as one of the important criterion for sustainable competitive advantage of firms (Parasuraman, 1997). Firms can sustain competitive advantage as long as it continue to deliver differentiated perceived value to the consumer in the form of desired product benefits. Repurchase intention of consumer depends on the perceived value consumer received (Parasuraman and Grewal, 2000). If the sacrifice (Money, Time, Energy etc.) made by the consumer to obtain the product is higher than the product benefits than the resultant perceived value is lower than the expectation and thus, consumer may not intend to reengage with the same firm for future purchase. According to Hu et al. (2015), consumer inclined to accept non-conventional products even at a higher price. Consumer prefers to have distinct advantage with non-conventional product attributes and willingly shell out more money to acquire such products. For example, firms like Apple command price premium due to their product distinctive advantage over other competitors and have higher customer equity. Consumer considers both credence and experience attributes of a product while making a product choice (Hu et al., 2009). Thus, product benefits are evaluated holistically with both credence and holistic attributes. Does consumer acceptance of newly launched Ayurvedic and Herbal products depend on product attributes and to what extent? To answer this question, it is hypothesized:

H8: Product Benefits is positively correlated with the Ayurvedic product success.

RESEARCH METHODOLOGY

In view of the objective of this study to figure out success factors for product launch in Ayurvedic industry, mixed method (both quantitative and qualitative research methods) was used. In order to understand the complex phenomenon of social change and consumer behavior, mixed method research is recommended (Greene and Caracelli, 1997). Different research designs have different limitations. So, use of multiple methods like mixed methods research design complement and neutralize limitations of individual method (Jick, 1979). For example, qualitative research provides rich insightful consumer insight which is otherwise not available through objective quantitative methods. Mixed method research design starting with qualitative research followed by quantitative research ensures capturing of all important construct explaining a phenomenon that can be further tested quantifiably.

A qualitative exploratory research was done by conducting in-depth interviews with the distributors of Ayurvedic products in northern India to explore the success factors of Ayurvedic product launch. Seven distributors were selected for in-depth interviews based on their market share in their respective markets. A single distributor deals with more than one company. So, market share in their respective market is defined as with how many companies a distributor is dealing with. A questioning scheme was prepared based on success factors decoded from the literature review for questioning distributors of Ayurvedic products. For further analysis with the distributors, ladder up technique was used to identify the latent factors. To understand the latent meaning of distributor view on new Ayurvedic and Herbal product launch, thematic analysis was used to propose a conceptual framework. The underlying success factors for new product launch decoded through content analysis and thematic analysis are (Table 1).

Table 1		
CONTENT ANALYSIS AND THEMATIC ANALYSIS		
Axial Codes	Thematic Codes	Evidence found in Extant Literature
Company Image Brand Image Suggestive Brand Name	Image	Yes
Product Benefits Product Quality Product Packaging	Product Related	Yes
Competitive Price	Price	Yes
Regular Availability of the Product	Place/Distribution	Yes
TV Advertising Promotional Events Trade Show Lack of Knowledge Less Awareness	Integrated Marketing Communication/Promotion	Yes
Product Range of Company	Product Assortment	No
Spirituality Factors	Spirituality	Yes

Out of these seven thematic codes, six emergent codes like Image, Product Related factors, Price, Place, Promotion and Spirituality were discussed in extant literature review and their individual role in success of new Ayurvedic and Herbal product launch were hypothesized for further examination. Researcher could not find the role product assortment role in success of new product launch and it emerges as important criterion from qualitative research. In order to

test the significance of product assortment in new Ayurvedic and Herbal Product launch it is hypothesized.

H8: Product Assortment positively correlates with the Ayurvedic product success.

After identification of the success factors from the qualitative research through distributor in-depth interview and literature review, a quantitative research was conducted with the help of structured questionnaire to collect the primary data. The structured questionnaire consists of rating all the success factors on five-point Likert scale, with the anchors ranging between 1=strongly disagree and 5=strongly agree. Further success of new product was also measured in terms of acceptability of product on a five-point Likert scale, with the anchors ranging between 1=truly unacceptable and 5=truly acceptable in the survey questionnaire. Hence, the structured questionnaire was floated to simple random sample of people of age group 18-34 years. In initial phase, testing of questionnaire was done with 30 respondents. After testing phase, changes were made in the questionnaire regarding the success of new product in terms of acceptability and spirituality factors were made clearer to people in terms of yoga and pranayama. A total of 321 responses were recorded and after cleaning of data 304 responses were taken into consideration. Out of 304 respondents 73% respondents were male and remaining 27% are female. Non-Parametric test i.e. Chi Square Test was used to check the dependence of success factor with success of new product. After Chi Square test, correlation between different factors and their impact on acceptability of new Ayurvedic product was tested. For understanding the strength of relationship spearman correlation factor was calculated.

To understand the relative influence of individual factors for the success of a new Ayurvedic product, a forward regression model was built using multivariate linear regression analysis. R-Programming was used for the entire multivariate analysis conducted in the study.

RESULTS AND DISCUSSION

For testing of the hypothesis, a correlation test and test of dependency of factors on success of new product was conducted. Chi-Squared test of independence was carried out for checking the dependency of a factor on success of a product. Results from R-Programming Chi-Square test is listed in Table 2. The p-value is significant for all the factors at 0.05 significant level. This shows that all the factors hypothesized to have positive correlates with successful New Ayurvedic and Herbal Product Launch (NAHPL) holds true and thus all the hypothesis are accepted. It implies that the findings accord with the previous researcher and all hypothesis holds true in the positive direction of association between hypothesized Critical Success Factors (CSF) and successful New Ayurvedic and Herbal Product Launch (NAHPL).

Table 2 HYPOTHESIS TESTING				
S. No.	Success Factor	X-Squared Value	df	p-value
1	Brand Image	62.334	4	9.639 e- ¹³
2a	Product Benefits	27.039	4	1.952 e- ⁵
2b	Product Quality	43.159	4	9.593 e- ⁹
3	Pricing	135.97	4	2.2 e- ¹⁶
4	Product Availability	79.212	4	2.558 e- ¹⁶

5	Packaging	198.57	4	$2.2 e^{-16}$
6	Promotion	159.41	4	$2.2 e^{-16}$
7	Product Assortment	138.01	4	$2.2 e^{-16}$
8	Spirituality Factors	142.63	4	$2.2 e^{-16}$

Further, R-programming code for spearman coefficient was used to check the correlation between Critical Success Factors (CSF) and New Product Ayurvedic Launch (NAPL). The results obtained are presented in Table 3. All the eight factors listed in Table 3 shows a positive correlation coefficient of greater than or equal to 0.3. Hence the hypothesis that success is positively correlated with a success factor holds true. Three factors Brand Image, Product Benefits and Product Quality have a very high positive correlation with success of product, with a strength of greater than or equal to 0.6. The strength of greater than or equal than 0.6 is considered as very strong positive relationship (Anderson, 2015). So, these three factors can be considered as the essential factors for the success of the product from the group of eight influencing factors.

Sr. No.	Critical Success Factor	Correlation Factor
1	Brand Image	0.7
2a	Product Benefits	0.7
2b	Product Quality	0.6
3	Pricing of Product	0.5
4	Spirituality	0.5
5	Product Availability	0.4
6	Promotion	0.5
7	Packaging	0.3
8	Product Assortment	0.3

Further to evaluate how significant these three essential factors are and to determine the relationship strength between independent variables and dependent variable i.e. success of a new Ayurvedic product, a regression model was built using forward regression. Success of new product was taken as dependent variable and three essential factors which have correlation coefficient greater than or equal to 0.6 were taken as independent variable. The results of forward regression test from R-programming are presented in Table 4.

Predictor	Standardized Coefficients Beta
Brand Image	0.0198 (0.069)
Product Benefits	0.1907 (.0003)
Product Quality	0.0582 (0.120)
R Square Adjusted	0.2531
F (p-level)	21.54 ($2.2 e^{-16}$)

The output from Table 4 shows that all the three critical success factors are significantly influencing the New Ayurveda and Herbal Product Launch (NAHPL) at $p < 0.05$ significance level.

Further the order of factors from most significant to least significant are listed as product benefits, product quality and brand image. Standardized coefficient beta value shows that product benefit explains 19 percent variation in acceptability of new Ayurvedic product while product quality and brand image cause 5.82 percent and 1.98 percent variation in new Ayurvedic product success respectively. Product benefits of Ayurvedic products emerges as the most influential factor in acceptability of new Ayurvedic product. The results show that consumers believe that product benefits of Ayurvedic products are long lasting and does not cause any side effect. Results also indicate that appreciation of Ayurvedic product benefits does not mean any compromise with product quality. Product benefits with quality assurance together contributes almost 25 percent causation in new ayurvedic product acceptability.

Result also indicated at the importance of brand image in successful New Ayurvedic and Herbal Product Launch (NAHPL). Nevertheless, the contribution of brand image in explaining the success of new ayurvedic product launch is not very high but still it appears in the list of top most three Critical Success Factors (CSF). It also indicated that simply by claiming Ayurvedic product, product may not sell so easily. Consumers are interested in knowing the brand of Ayurvedic product also before purchasing the product. Ayurveda has been existing in India since ages but acceptability of ayurvedic products has become a wave only in recent times with the big brand names like Patanjali and Sattva from Art of Living.

CONCLUSION

Indian FMCG market has witness a big transformation in terms of changed product share and market share of long existing multinational brand. The new brands like Patanjali and Sattva has given a tough time to existing brands like HUL, Nestle, ITC etc. in recent times in India. Herbal and Ayurveda are becoming attention magnets for attracting consumers. Extant literature has focused on new product launch strategy of IT products, pharma products, white good etc. between the new wave of Ayurveda and herbal products was not discussed before. This study focused on identification of Critical Success Factors (CSF) for New Ayurveda and Herbal Product Launch (NAHPL).

Much of the previous research has used quantitative approach or qualitative approach to identify the significant factors for new product launch strategy. Mixed method research design has been used in this study for identification of Critical Success Factors (CSF) for New Ayurveda and Herbal Product Launch (NAHPL). This study was divided in three stages. Initially, extant literature review was conducted to identify the determinants of successful product launch. In the second stage, qualitative in-depth interview was used for identification of latent factors engrained in Indian culture. Product assortment emerged as additional factor from qualitative study. The initial pool of determinant was modified with the addition of product assortment as an additional factor. In the third stage, quantitative study was conducted to test the hypothesis.

Results supported the existing literature as all the hypothesis were found significant. Hence, this study also establishes the importance of product related factors (Product Quality, Product Benefits, Product Assortment, Packaging), Price, Promotion and Brand Image. Spirituality also becomes an important predictor of successful launch of Ayurveda and herbal products.

Product benefits emerged as the most important influencer in successful Ayurvedic and herbal product launch. Consumers look at Ayurvedic and herbal products as alternate better choice with lesser side effect. The perceived health benefits of Ayurvedic and herbal products does not mean that consumers want to compromise on product attributes and product functionality. Product benefits remained the top priority of consumers with added advantage of no side effects. Consumers still emphasize on product benefits and product quality. Product benefit and product quality together explain the major part of regression between critical success factor and New Ayurvedic and Herbal Product Launch (NAHPL).

Brand image also appeared in top three influencers in success of new Ayurvedic and herbal product launch. The assurance that comes to brand image plays a crucial role in acceptability of new Ayurvedic and herbal products. This result also explained the reason for easy inroad for Patanjali and Sattva products in Indian market. Though, the existing competition is not very intense between these herbal product brands but with the rise in competition brand image may become handy in taking the edge in the market.

This study offers many managerial and practical implications. Managers working in Ayurveda and herbal product industry should not take product safety as a guarantee to their success rather they should understand that product safety is their added armor and everything else in marketing strategy remains the same. Consumers want same level or improved level of product benefits and product quality. So, the continual improvement of product benefits and product quality should be emphasized. To bring more choices, managers should keep augmenting their herbal and Ayurvedic product mix. Brand image should be handled carefully in Ayurveda and herbal product industry also. Existing lessons of brand dilution of different MNC brands and impact of brand dilution should not be forgotten. Ayurveda and herbal can become their long-lasting strength if handled strategically with deep rooted customer connect.

LIMITATION AND FUTURE RESEARCH DIRECTION

This study has focused on critical success factors for new Ayurvedic and herbal product launch but in near future these product categories will pass through the different stages of product life cycle. Future researchers may attempt to study the changing market strategy for Ayurvedic and herbal products-during different stages of product life cycle. The product matrix, product cannibalization, product pricing etc. are some other dimension which needs careful attention. Future researchers may attempt to address the other strategic marketing perspective of Ayurvedic and herbal product industry.

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