

# Introducing ayurveda to the uk



**ASSIGN  
BUSTER**

Ayurveda is a gift of nature to the human being. It is the way of curing all the diseases or issues by being nature friendly. Ayurved is the most ancient systems of medicines in the world. Ayurvedic medicines are one of the most ancient systems of treatment in India and now spreading globally. Ayurvedic products are now a part of our everyday life. In western countries now people are becoming aware of the side effects of artificial medicines. Because of this awareness the interest in the Ayurvedic products is increasing in western countries also. Right from the inception, India has a rich heritage of the Ayurvedic and Herbal medicines. Ayurved and Herbal medicines have just recently started rising on the horizon of alternative system of medicine. From the very ancient history many infectious diseases have been treated with the Ayurved and Herbal remedies. Ayurved has rich remedies for skin care and hair care products as well. So in this project I am going to introduce Ayurvedic and herbal skin care and hair care products in UK's longest standing supermarket chain; Sainsbury's. The introduction of herbal personal care products in Sainsbury's will increase its sales growth in future.

## **COMPANY PROFILE**

John James and Mary Ann Sainsbury have founded Sainsbury's in 1869. The shops of Sainsbury's' became popular for offering high quality products at low prices quickly as the Drury Lanes was one of London's poorest areas. Since 1869 to today they have grown from one shop to more than 800 shops. They have started to sell own-brand products in 1882. The Sainsbury's own brand lines accounted for 50% of turnover. Sainsbury's has introduces the first ever carrier bags made from 100% recycled material in

1989. They have introduced the new strategy in 2005, 'try something new today'.

Sainsbury's Supermarkets is the UK's longest standing major food retailing chain. Its brand is built upon a heritage of providing customers with healthy, safe, fresh and tasty food. Quality and fair prices go hand-in-hand with a responsible approach to business. Sainsbury's stores have a careful importance on fresh food and they do their utmost to innovate continuously and improve products in line with customer needs.

They serve more than 18 million customers per week and have a market share of around 16%. The mega stores offer around 30, 000 products and complementary non-food products and services in many of the stores. An internet-based home delivery shopping service is also available to 88% of UK households.

## **Mission**

" Our mission is to be the consumer's first choice for food, delivering products of outstanding quality and great service at a competitive cost through working ' faster, simpler and together."

## **Vision**

" To improve the performance of the core UK supermarket chain. Whilst doing so we will continue to explore and develop growth opportunities in other markets. Through implementing ' Managing for Value' we will stretch our ambitions and challenge the conventional wisdom within the Company, thereby unlocking our potential and delivering value."

**TITLE: To introduce Indian herbal medicine, etc at the Sainsbury store.....****BUSINESS CASE**

Sainsbury's Plc is the leading food retail store in UK. It is the proper platform to conduct my management research project. During this research work I have communicated with some customers regarding their opinions and performances regarding the foods and goods supplied by the Sainsbury's.

The most ancient systems of treatment of Ayurved and herbs in some of the countries and now it are spreading it globally. These natural products are part of our everyday life. Right from the inception, there is a rich heritage of the uses of the Ayurvedic and herbal products in the India. Ayurvedic and herbal were being practiced and used all over the world for many years but have only recently started getting legal acceptance in many countries in the world as alternative system of medicine. So the benefits of the herbs and the Ayurveda can be used to enrich the beauty of the human skin.

This project was done to know about the different dimensions of the company and to carry out the plan on the basis of the new ideas. So in this way I have made and attempt to introduce the new idea that might help the company to expand the product range in the future. To introduce the Ayurvedic and herbal personal care product in the shelves of Sainsbury's under its own brand name is new idea to come with. The introduction of herbal personal care products in Sainsbury's will increase its sales growth in the future.

## **PRODUCT INFORMATION**

The new product range that has been introduced here in Sainsbury's is the Ayurvedic and herbal personal care. Though it is known as one of the leading supermarkets in UK, it doesn't introduce any personal care items under its own brand name so far. So the company can introduce a range of personal care products for the customers daily health needs. As per the above discussion, the product range of Ayurved and Herbal personal care offers the integrity of natural solutions for daily use, without any side effects, as it is natural. It would be beneficial to the people as the solutions for their everyday concerns. It will be the great deal of the company to offer the complete solutions for regular health and personal care requirements. This product range will have the company hallmark of quality and consistency. The product range includes the range of natural herbal personal care products spanning Hair care and Skin care products which created to make the customers look and feel good.

## **THEORETICAL DEBATE**

### **SWOT Analysis**

#### **Strengths:**

- Herbal and Ayurved base plants are available in many countries widely
- There is a support of government for herbal products
- The latest government policy supports the utilisation of idle land for the herbal products
- The customers are aware of the nonchemical products
- Acceptance and increasing demand for the herbal and Ayurvedic products for the personal care

- Vast traditional knowledge by local inhabitants on herbal preparation
- Availability of good manufacturing practitioners
- Existing technical and laboratory support from established research institutions

**Weaknesses:**

- Raw materials are insufficient at local level
- Unknown exact location of species
- Lack of information on soil suitable for the herbal plants in present condition
- Production efforts may concentrate on a small scale industry
- Poor observance to set quality control measures
- Absence of clear investment and marketing strategies
- High transportation cost
- Insufficient skilled manpower

**Opportunities:**

- Diversification of herbal-based personal care products
- Bio-prospecting
- Developing supporting industries like information technology, management and other service industries
- Improvement of existing facilities
- Development of new infrastructures
- Investment potentials
- Ready market for herbal products
- Development of new and improved products based on herbal plants
- Setting up of a private-led laboratory for bio-chemical analysis

- Domesticating wild plants in nurseries through mass propagation
- Establishing herbal plantations at a large scale

**Threats:**

- Commercialisation of Ayurved may lead to over-exploitation
- There will be Intellectual Property Rights issue
- Great control of medical advances, technology and products by Western medicines
- Risk of losing potential herbal species through forest fire and illegal logging
- Competing herbal products from other countries
- High overhead and production costs may limit involvement
- Destruction of herbal resources due to unsustainable logging activities and agriculture development

**1.3 MARKET COMPETITIVITY AND ACTIVITY:**

The new project development needs the ideas to be evaluated as potential product options. The necessity and high demand of the herbal products in the current market and the excessive sales growth help to generate this project idea. As the Sainsbury's is financially sound, they can purchase or manufacture these products. The customers will be benefited from these products as there is increasing demand in the market of the nonchemical personal care products. The company can import the raw herbs from international market and involve in the production.

## **Competitor Analysis:**

The major competitor of the products are the other personal care products produced by the competitor like Himalayas, Johnson & Johnson and the rest of the products which is especially made up of with herbal ingredients.

Products of the Himalayas: Daily cleansing, body care, hand care, toning, foot care, moisturizing, body cleansing, whitening and many more in skin care products. And anti-dandruff shampoo, protein shampoo, protein conditioner, many types of hair oils, hair creams and many more products in hair care products. And they produce many more personal care products as well.

Products of Johnson & Johnson: The baby care lotions, baby shampoos, baby oil, baby powder, baby soap etc. are the main products of the company. They offer many more products to improve the quality of our everyday life. They offer products for skin care, hair care, oral care, nutritionals and much more.

Strengths of competitors: The major strength of the competitor would be the price which might be available in the market in cheaper than our products.

Weaknesses of the competitors: The weaknesses would be the ingredients they use in their products like the chemical particles that might have the side effects to the customers at long time.

## **Marketing Mix:**

Advertisement: For the promotion of the new product commercial advertisement can be done. The company can use the radio programmes for

the advertisement for the promotion of the new products. Moreover the company can advertise from the television as well. The company can use print media like advertisement through the daily newspapers, magazines and door to door leaflets.

Pricing: The pricing of the products ranges from £2 to £5 depending on the sizes and the features of the products.

Distribution: All our products will be sold through our own outlets in different high streets of the London.

## **Analysis of the market**

Target group: The major target group of the skin care and hair care products is the women from the age 15 to 40 which are generally from lower middle level income group.

Product base: The main base of the product is that it is made up with the pure natural herbs and do not have any chemical substances.

Price range: The products price range will be from £2 to £5. So people from lower income group can afford it.

Profitability of the product: As the personal care products are based on the herbs and Ayurved, the sales of the products will be high. The higher the market of the products, higher will be the profit. Thus, the estimation of the annual revenue from the product will be approximately £ 4 to £ 6 million.

**Market Requirements of the products:**

Ayurvedic and Herbal products are very natural and without any side effects so they have great market demand. According to the WHO as much as 80% of the world's population accepts the traditional medicine. Because of the increasing trend about natural health care some governments are also heartening the use of herbal products in place of expensive drugs. Therefore there is a strong acceptance of herbal and Ayurvedic products in most of the countries. Thus, the traditional treatment with Ayurveda and other herbal medicines is well recognized and widely accredited to be safe and effective. The Ayurved and herbal system of medicine are dependent on medicinal plants. Thus the time-honoured herbs particularly in last few years have come to be extensively and increasingly used now in almost all countries. Nowadays herbal products are growing trend in the US and other parts of the World. The highly effective results of the herbs tend to grow the market of herbs products as well (Herbal and Ayurvedic Medicine, 2010).

**Advantages of the products**

Ayurvedic and Herbal products are very famous and are very effective for their skin treatment. Skin is very sensitive part of a human body; people can't take any risk for it. And that is the reason why Ayurvedic products are famous because of their 'no side effects' quality. Ayurvedic products provide special care to all the issues related to skin and hair.

Nowadays this is the trend of everything that is herbal and natural; millions of "all natural" and "all herbal" health supplements are covering the markets today. Now people have acknowledged that usage of herbal medicines and natural remedies dates back millions of years ago. Herbs are

nutritional foundation nutrients and good alternative medicine to nourish the body's deepest and most basic elements. Herbs have been used safely and effectively since the time of recorded history. Herbal medicines have had a history ever since, out of favour with the common man. But throughout the last so many years, it has continued to develop until today; as in the light of growing concern about the side effects of many synthetic drugs. Herbal medicines are once again providing a safe and natural alternative treatment for many general complaints.

It is used for an endless list of reasons from health, maintenance of the weight, to survival and more. Herbs can offer the body nutrients it does not always receive, either from a poor diet, or environmental deficiencies in the soil and air. They are great body balances that also help regulate body functions. Since the dawn of man, herbs have been used for healing purposes and to promote wellness. Today, herbs are still the alternative medicine and primary source of health care for 80% of the world (NutriHerb, 2010).

## **TASK 2**

### **2. 1 RESOURCES REQUIRED**

Resources are of two types:

Tangible resources: Physical assets of an organisation; such as plant, people and finance. Physical resources include; machines, buildings, production capacity of the organisation etc.

Intangible resources: They are the non-physical assets such as information, reputation (goodwill) and knowledge.

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Following are the resources that a company needs to put in place to pursue its chosen strategy:

### **Herbs as raw materials:**

Herbs are produced in two main ways: collection of wild-crafted plants from their natural habitats in the wild and cultivation of herbs that are grown using commercial farming techniques. Plants from cultivated sources provide better guarantees than the plant collected is the one that is desired, while in wild-crafted herbs there is a chance that the wrong herb has been picked, which could lead to serious consequences. Analytical techniques are needed to confirm the identity of the plant (M. J. G and J. Van Derroest, 2008). We are using most of the effective herbs such as Ashvavandha, Brahmi, Neem, Lasuna, Anise, Basil, Borage, Chamomile, Lemon verbena, Aloe Vera, Peppermint, Mint, Rosemary, Southernwood and many more. We sometime also imported these herbs from the country like India, Thailand and China as well.

### **Source of Raw materials:**

Raw materials can be obtained in a variety of ways. We get the herbs grown by the qualified farmer, process and extract everything in our company. By producing the products in our premises we have complete control over the quality of the products we will produce for sell. By

this way we will retain all the quality of herbal products. As Sainsbury's already produces many products under its own brand name, we will produce these new products at the same place. We will give space for new products in our production premises.

**Physical Resources:**

The category of physical resources covers wide range of operational resources concerned with the physical capability to produce a product. It includes; location of existing production facilities, capacity, investments and maintenance requirements. It can be delivered by existing facilities. Efficient distribution channels are also required. The IT professionals are also required for the integration with the customers and the suppliers. The trained IT professionals will help in the proper integration with the customers and suppliers. That will turn into the customer satisfaction. An Ayurvedic Cosmetologist also required. Who is experienced and have qualifications in Ayurvedic cosmetology and preparation of Ayurvedic herbal products, and he will train local staff. In this way experts will be required.

**Intangible Resources:**

It is easy to ignore the intangible resources of a business when assessing new project – but they can be crucial. Intangible include:

Goodwill: the difference between the value of the tangible assets of the business and the actual value of the business; what someone would be prepared to pay for it.

Reputation: it means the business have a track record of delivering on its strategic objectives. It could help to gather the necessary support from employees and suppliers.

**Brands:**

Strong brand name is often the key factor in a success of the new project of an organisation.

As Sainsbury's Supermarkets is the UK's longest standing major food retailing chain, having opened its first store in 1869. The Sainsbury's brand is built upon a heritage of providing customers with healthy, safe, fresh and tasty food. Quality and fair prices go hand-in-hand with a responsible approach to business. Sainsbury's stores have a particular emphasis on fresh and qualitative products and they strive to innovate continuously and improve products in line with customer needs.

### **Subject: ' Staff Development and Training Costs'**

Training and Development is an essential aspect of employee development in any company. Without proper training an employee cannot perform his or her job properly. A company should be keeping its staff up to date with the latest training practices, ranging from practical skills to introduce new product.

Initially induction training is given to new workforce of the company. At Sainsbury's it is provided with induction training. This is very useful to business and employees as well. Training should be given in team building exercises to develop team spirit among the employees. The later part of the training should be intended on the use of equipments and machinery at the workplace. Also the whole staff will be trained regarding the new products. It is very important that the staff should have adequate and proper knowledge of the introducing product. This training program will ensure that every employee will have the correct information on how to work at the workspace. Team building practices will help to build a better work atmosphere and increase the employee satisfaction.

For this particular project, the training and development of staff has been evaluated at £1, 500. It is essential that we involved them at every stage of the project in order to get their acceptability and promote employee participation.

Thanks

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## **TASK 3**

### **3. 1 IMPLEMENTATION SUMMARY**

In order to reach its goal of introducing the Ayurvedic and Herbal Products, Sainsbury's will implement the following summary:

Product:

These are the personal care products for the women that are manufactured with the natural herbs and highly effective ingredients. It includes Hair Care (Shampoo, Conditioner, and Hair Oil) and Skin Care (Face Cleanser, Face Packs, Toner and Soaps).

Price:

Of all the aspects, price is the one, which creates sales revenue. While all the others are costs. The price of an item is clearly an important determinant of the value of sales made.

The products provided by the store are very reasonable. It can afford by the people from all income group. The price ranges from £2 to £ 5.

#### Place:

Place is concern with various methods of transporting and storing goods, and then making them available for the customer. Getting the right product to the right place at the right time involves the distribution system. Here the major location for the Products is the High Street area where it has several outlets.

#### Promotion:

Promotion is the business of communicating with customers. it will provide information that will assist them in making a decision to purchase a product.

We are using different print media, TV, Radio and FM to promote our products. Moreover, the internet, telemarketing, personal selling are name to a few medium we are using to sell the products.

#### Packaging:

The use of recyclable bottles is the major focus of the products, which shows both the environmental and corporate responsibilities of the company towards the society. Most of the products will be packaged by the light green colour wrapper which shows its natural essence.

#### Physical Evidence:

We do have committed and enthusiastic employees to serve the customers with warm and sincere greeting. The products we provided are also of best in quality. We recruit and hire the candidates on the basis of their qualification and skills they possess and provides proper training for the titled job.

### **Health and Safety Requirements:**

At present, the herbal medicines from Ayurveda and herbal streams are included in a single category under the Drugs & Cosmetic Rules. These herbal formulations will now be put under four new categories while retaining the current definition of ASU medicine which is referred as classical or grantha formulations.

New Ayurvedic and herbal medicines would require clinical data supporting their safety and efficacy in humans to win marketing approval, according to the proposed draft guidelines by the governments. Manufacturers of Ayurvedic and herbal systems of medicines will have to submit detailed clinical data regarding safety study or data, evidence or experience of efficacy from published literature, evidence or experience of efficacy in the form of “ proof of effectiveness by published data or pilot clinical trials” for obtaining marketing permission from the authorities. So our experts will work with it.

### **Gantt chart**

A Gantt chart is a horizontal bar chart used in project management as a device for graphically demonstrating the schedule of a set of definite activities or tasks. The x-axis of a Gantt chart is subdivided into equal units of time, e. g., days, weeks, months etc. The y-axis of a Gantt chart, merely

lists all the activities or tasks being monitored by the Gantt chart. A simple look at a Gantt chart should enable its user to determine which tasks take the longest time to complete, which tasks are overlapping with each other, etc.

## **3. 2 MARKETING STRATEGY**

### **3. 2 Marketing Strategy:**

Marketing strategy of a new product provider must be customer centric. We are pursuing different business strategies for our products. Sainsbury's adheres to the theory that the goal of business is to create and retain customers. Its marketing strategy will reflect this goal as it builds its reputation in the market.

### **Pricing Strategy:**

As per our tag line, 'to provide qualitative products with fair prices', we will adopt Low Cost Strategy to cover the enormous market share. In this keen competitive era, as other producers are also selling the same standardized products due to the flexibility in Government regulations and corporate lawsuits, we will increase our market share by providing our products at lower cost. Because of the lower prices customers will get attracted towards our qualitative products. As much of the pricing is determined by market standards, Sainsbury's will challenge to maintain margins of 12% on the products. We will make every effort to maintain a competitive pricing policy. As Sainsbury's stands as the premier provider of the best products, it expects to earn the ability to charge a premium rates for its best products. The costs of our competitors are very high starts almost from 5£ to 6£. So

the target group of these products may not afford that. So in this way also we will provide the best products with competitive price range.

### **Differentiation Strategy:**

We are implementing the differentiation strategy for our products. As there is an entry of enormous substitutes in the market, differentiation in own products is needed to be unique than the rest of the world. That is the reason why we will prefer the differentiation strategy to gain the massive market share. There is a need to be distinct of our product from the many other branded products; we take one step ahead by producing the products that are not artificial in any angle. Our products are totally natural without any chemical elements with any side effect for the skin or hair.

### **Distribution Strategy:**

Sainsbury's distribution strategy will focus on the major target group of the skin care and hair care products is the women from the age 15 to 40 which are generally from lower middle level income group to which it will sell the products directly. The most our stores are in the high street. Secondly, Sainsbury's seeks to establish distribution capability on the web. Doing so will improve its ability to establish a national reputation.

### **Influence of Stakeholders in Sainsbury's**

Stakeholders are any individual or organisation that is affected by the activities of a business. They may have a direct or indirect interest in the business, and may be in contact with the business on a daily basis, or may just occasionally. The main Stakeholders in a business are as follows:

**Shareholders/ Owners:**

They will be interested in their dividends and capital growth of their shares.

They will receive more or less profit depending on success of the business.

**Customers:**

Customers are the important because they are the people who purchase the products and the money to the company. They buy products and have an interest in getting value for their money. If customers did not purchase products from the business will not earn any money and eventually go bankrupt.

**Suppliers:**

They supply the business with the raw materials we need and are paid by the business for this. Here we can't declare the names of the suppliers because of the privacy policy.

**Government:**

Government especially they Inland Revenue and the customs and excise who will be collecting tax. Government charges business rates, charges VAT and the business offers employment to the people.

**The competitors:**

They compete with other businesses and try to persuade customers to buy from them by lowering prices, doing deals etc.

**3. 3 MONITORING AND EVALUATION**

Monitoring and evaluation of the entire project is an important step because it gives us a clear indication on the progress of the project. The company's

data audit system can be used for monitoring and evaluation of the project. The data audit system gives the detail of the percentage of overall turnover. This option will help us to monitor progress against the planned targets. Every month we will be able to monitor the progress of each branch and evaluate their effectiveness. There should be a communication process to pass on information from the head office to another location about the promotion of the new products. The supervisors need to establish a good communication process with each branch.

Quality control systems are important for the production of high-quality herbal products. Lack of quality control may lead to problems due to unidentified problems in the production process that can lead to inferior or inconsistent products. So in such way Sainsbury's have proper Quality control systems.

The preparation of the whole plan will take almost a month. In the month of January the plan has been prepared.

With the preparation of the plan simultaneously first of all there is a need of approval from the Health & Safety. Getting the approval from the Health & Safety will take almost two months. So by the month of February we will get the approval from the Health & Safety Department.

Approved procedures, experts, and proper facilities are available with Sainsbury's for sampling, inspecting and testing of starting materials, packaging materials and intermediates and finished products.

Samples of raw materials, packaging materials and intermediates and finished products are taken by experts and approved by the quality control panel. And the test methods should be validated. For that we appoint experts and install processing equipments. After that we will obtain raw materials and will start the production almost from April. And then we shift our ready products to the shelves of our stores for selling.

Finished products contain active ingredients complying with the qualitative and quantitative composition of the Marketing Authorization.

Products are of the purity required and are enclosed within proper containers and correctly labelled.

Results of the inspection should be properly recorded regarding material testing and intermediate and finished products. They are formally assessed against specification, including a review and evaluation of relevant production documentation and an assessment of deviations from specified procedures.

## **Conclusion**

Overall, the project has been a positive step forward for Sainsbury's. Since its launch, there has been a significant improvement in turnover. Even though we are going to through an economic crisis, we have managed to increase our profits. Moreover, introduction of herbal and Ayurvedic products have given the company a competitive edge over their competitors and have strengthened the market position of the Sainsbury's.