

Dabur pestel analysis



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\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [INTRODUCTION](#) \n \t
2. [PESTEL ANALYSIS ON DABUR INDUSTRY](#) \n \t
3. [\(P\)OLITICAL FACTORS:](#) \n \t
4. [\(E\)CONOMIC FACTORS:](#) \n \t
5. [\(S\)OCIO-CULTURAL FACTORS:](#) \n \t
6. [\(T\)ECHNOLOGICAL FACTORS:](#) \n \t
7. [\(E\)NVIRONMENTAL FACTORS:](#) \n \t
8. [\(L\)EGAL FACTORS:](#) \n

\n[/toc]\n \n

INTRODUCTION

The Dabur company was established in 1884, a young doctor armed with a degree in medicine and a burning desire to serve mankind. This young man, Dr. S. K. Burman, laid the foundations of what is today known as Dabur India Limited.

The brand name Dabur is derived from the words ‘ Da’ for ‘ Doktor’ or ‘ Doctor’ and ‘ bur’ from Burman. From those humble beginnings, the company has grown into India’s leading manufacturer of consumer healthcare, personal care and food products. Over its 125 years of existence, the Dabur brand has stood for goodness through a natural lifestyle. An umbrella name for a variety of products, ranging from hair care to honey, Dabur has consistently ranked among India’s top brands. Its brands are built on the foundation of trust that a Dabur offering will never cause anyone

slightest of harm. The trust levels that this brand enjoys are phenomenally high.

Dabur India Limited has marked its presence with significant achievements and today commands a market leadership status. Their story of success is based on dedication to nature, corporate and process hygiene, dynamic leadership and commitment to their partners and stakeholders. The results of their policies and initiatives speak for them. The company has kept an eye on new generations of customers with a range of products that cater to a modern lifestyle, while managing not to alienate earlier generations of loyal customers.

Dabur India Limited is the fourth largest FMCG Company in India and Dabur had a turnover of approximately US\$ 750 Million (Rs. 3390.9 Crore FY 09-10) & Market Capitalisation of over US\$ 3.5 Billion (Rs 15500 Crore). Dabur Amla, Dabur Chyawanprash, Vatika, Hajmola and Real are the brands of Dabur.

Dabur is an investor friendly brand as its financial performance shows. The company's growth rate rose from 10% to 40%. The expected growth rate for two years was two-fold. There is an abundance of information for its investors and prospective information including a daily update on the share price (something that very few Indian brands do). There's a great sense of responsibility for investors' funds on view. This is a direct extension of Dabur's philosophy of taking care of its constituents and it adds to the sense of trust for the brand overall.

The company, through Dabur Pharma Ltd. does toxicology tests and markets ayurvedic medicines in a scientific manner. They have researched new medicines which will find use in O. T. all over the country therein opening a new market. Dabur Foods, a subsidiary of Dabur India is expecting to grow at 25%. Its brands of juices, namely, Real and Active, together make it the market leader in the Fruit Juice Category.

PESTEL ANALYSIS ON DABUR INDUSTRY

(P)OLITICAL FACTORS:

Government interferences : Government support the industry to expand & to export it's products & to grow.

Trading policies : Trading policies are also favourable for dabur company so it can export it's products & it also help him to expand & to grow.

(E)CONOMIC FACTORS:

Consumer focus : they are continuously focussing on analysing the consumer needs & develop products to fulfill there needs. This is the main reason for the growth of Dabur company.

Living standard : Rise in the living standard of people have increased their production level, & produce high quality & variety of products.

National income : National income is important factor as if affect the growth of the organisation. If per capita income is more the amount spend will be more & if it will be lower the amount spent will be less.

Inflation rate : Inflation means the rise in the value of all the product in the economy, if inflation rate is higher the cost of products will be higher & if

inflation rate is lower the cost of product will be lower. This directly affect the growth of the organization.

(S)OCIO-CULTURAL FACTORS:

Demographics : Demographics is the study of human population in the economy. It helps the organization to divide the markets in different segments to target a large of customers. For Example- according to race, age, gender, family, religion, & sex.

Distribution of income : This shows that how income is distributed in the economy. It directly affect the purchasing power of the buyers. And ultimately leads to increase or decrease in the consumption level of the products.

Consumerism : This indicates that a large number of options are available while purchasing of goods to consumers, so the choice becomes easy & quality products can be choose by consumers. So while purchasing a consumer have different choices to select product according to his needs.

Education levels : Education is one of the most important factor which influence the buying power of consumer, while selecting a particular good a consumer should know all it's features so it can differentiate them with another products.

Law affect social behaviour : Different laws are made by the government to safe guard the rights of consumers. For example- Consumer protection act, this law indicates that a consumer can file a case against a seller if he finds that he is cheated.

(T)ECHNOLOGICAL FACTORS:

Discoveries & innovation : Continuous innovation in products & processes is the basis of there services. They provide consumers with innovative products within easy reach Build a platform to enable Dabur to become a global ayurvedic leader.

Advancement in technology : Focus on growing there core brands across categories, reaching out to new geographies, within and outside India, and improve operational efficiencies by leveraging technology.

Automation : Change in technology will leads to automation, this means that with new technology labour required is less as machines are automatic. All the works are done automatically by the machines as earlier it is labour oriented. Now all the work is machine oriented.

Obselete rate : Day-by-day new inventions are made so the rate of obselete is higher, as in Computer LAPTOPS have replaced the PC. This shows that the technology becomes obselete very fast.

Research & development : This department plays a vital role in the development of the organization. As this department always do research that what are the demand of the markets & how to make advancements so the organization can survive in the competitive world.

(E)NVIRONMENTAL FACTORS:

Environment regulations : The preferred company to meet the health and personal grooming needs of there target consumers with safe, efficacious,

natural solutions by synthesizing the deep knowledge of ayurveda and herbs with modern science.

Environmental protection : Responsible company to protect Ecological system & use Eco-friendly products.

(L)EGAL FACTORS:

Companies law : The company fulfill all the Company law requirement so as to grow & develop & to sustain in the compitative market.

Employment law : Employment law provides equal opportunities to every citizen to work & earn his livelihood. It provides equal opportunities to every citizen.

Consumer protection : This law helps to protect the rights of consumers & he can file a case against seller if he find that he is cheated.

Industry-specific regulations : These laws are related to industry for example- no industry can establish in between cities i. e. it should be outside the cities.