

## Zivaya: Corporate Nirvana Through Wellness

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### **Abstract**

*Wellness Industry world over is growing and attracted many customer towards it. The life styles of people are very busy these days and they are prone to many lifestyle diseases. The inclination of customer towards organic and natural product is increasing day by day. The present case study focuses on the startup in wellness industry and covers the road map of entrepreneurial journey of Mr. Ashwajeet Garg. The case focuses on opportunities and challenges faced by entrepreneur in Indian ecosystem and how wellness as the industry is giving new avenues to the entrepreneur. The case is based on the discussion happened with young entrepreneur and founder of Zivaya Mr. Ashwajeet Garg.*

**Keywords:** *Wellness Industry, entrepreneurship, Indian entrepreneurial ecosystem, organic products, Indian medicinal system.*

Ashwajeet Garg was a textile engineer and had to tour a lot for business purpose, nationally and internationally. He came across a very common but serious issue of work-life balance in corporate world. The professionals working in corporate are very stress, tired and they do not have enough time and proper guidance to distress them from their business life. The heavy pressure of target and busyness due to 24/7 jobs make the health take a back seat which leads to lifestyle disorders, psychological problems among professionals. Also due to lack of proper training and therapy problem seem to have no end. Ashwajeet had recognized this problem and that had given rise to Zivaya.

Ashwajeet Garg and his wife Dr. Megha Garg had registered Zivaya in 2012 and after a extensive research in the sector Zivaya became operations in 2015. The wellness sector in India is a huge sector with market size of INR 490 billion. India is second largest exporter of Ayurvedic Drugs across the world. India has got rich heritage of Ayurveda, Yoga, Naturopathy, Unani, Siddha, Homeopathy medicinal system and also variety of home grown organic herbal products. The sector is well supported by AYUSH Ministry of Government of India which has many government supported scheme to promote wellness sector through PPP Model. There are many international tie-ups with different nations making the sector grow at nearly 12% CAGR for next five years. The industry can achieve Rs 1.5 trillion by FY 2020.

Zivaya had started with the vision of providing wellness naturally. The thought was to provide nature-oriented environment that could let Zivaya to make a spot in wellness industry, their aim was to make individuals connect with nature and rejuvenate themselves from their stressful lifestyle. The home grown organic natural items, hand-picked stones and trained staff, they were trying to achieve their goal.

Zivaya were operational in more than 11 centers across 8 major cities in India. Initially started with 9 employees and grown up to 60 employees till date. Zivaya's incomparable passion for research into wellness solutions and products, treatments and training, which give people experiences of a lifetime. The Zivaya team comprises spa consultants, trainers & therapists from all over South East Asia, Yoga Experts, Physiotherapists, Ayurveda Doctors, Beauticians, Architects and Interior Designers, who had more than 7 years of experience in hospitality, design and spa industry. Their spas were well design and had excellent ambiance, exotic therapies and an experience that matches the some of the finest spas in the world. They were leading services provider in Thai & Oriental therapies. The key element of the growth of the spa is its ability to make the consumer connect with himself and disconnect from all the distress from the busy world. There are many things which will calm the sense as soon as you step in the spa – whether it will be the serenade of a trickling water fountain or the aroma of lemongrass and oils which together comprises the relaxation and the tranquility to the person which enter the spa. The Variety of the services available in the spa made it very easy for the consumer to find the best way possible to relax in the mid of the busy lifestyle. The impact of the services can be seen in the active feedback of the consumer and their recommendation. Zivaya had taken service-oriented approach to a whole new level.

Zivaya has an impressive product range to help the consumer's looks for peace and relaxation in life. The products are divided into three categories Body therapies, Express massages and Beautification unlimited. In body therapies overall 12 different therapies with each of them with unique features in express massages a variety of 5 different type of product are offered. Similarly, in beautification unlimited 6 different type of products are offered to the consumer. Talking about the two most popular product of the spa, the first is the "Candle Massage", under it candle melts into warm sumptuous massage oil. This warm oil of natural butters can then be drizzled over the skin for a wonderful massage treatment to melt away tension and delicately nourish skin, this is done for 60 minutes. The other popular product was the Full Body detox Package which is done in three stages with the estimate time of 3 hours in the full detox process. They also had one minute and five minute relaxation for individual who don't had enough time to invest.

Zivaya was targeting consumer by segmenting the consumer from total area market i.e. consumers who are above the age of 14 years, to selected area market which include all the consumers who were professional and working for long hours and do not have a balance of professional and personal life. Their major services are for targeted area market that was all the professional, tourists and people with long hours of working. They had not promoted their product through traditional promotional tools, but has came up with unique concept of exchange of services as done in barter system, they had tie-up with major radio channels and print media house where they have got advertise in exchange free therapy to the staff of promotional agencies. They had also replaced the useless gifts given by the corporate to their client and employee with therapy exchanges.

Their major competitor were Tatva, but with their hostile wellness treatment approach and non compromising attitude on quality and organic products they were able to sustain in market. Their major challenges were to improve the overall image of the Spa industries which was famous for its unlawful activities in the markets and to make customer shift from traditional medicinal system to natural treatment which looks expensive but was very cost effective and beneficial in longer run compared to surgery and chemical-based treatment in traditional medicinal system. They have organized free camps for old age home people and visually impaired people as their CSR initiative to improve overall images of SPA industry in markets. They have trained visually impaired people for giving message to their customer. Zivaya is also working on creating overall awareness in markets about alternative medicinal system.

Zivaya in its journey had managed to earn a lot of name, goodwill and brand name in the market like "Special Recognition in the field of wellness", by Times of India in the year 2016, and "Spa Excellence Award" in the year 2017 by "MyFM". The company is now planning to have various tie-ups with state government to start their wellness centre at various tourist spot and offices, progress had been made in this area when they were able to open their centers in Taj Mahal with collaboration with Uttar Pradesh Government. Their other area of expansion was to target international tourist and frequent tourist at airport itself by providing them relaxation and freshness through yoga to help overcome the problems like jetlags and tiredness of travels. They have in talks to authority to start Yoga centre in many airports. The promising markets and customer accepting the Indian culture medicinal system around the world the future looks very bright for Zivaya.

### Questions

1. Discuss the market opportunities that Zivaya has not yet tapped upon. Also provide few marketing strategies through which Zivaya is planning to expand.
2. "Zivaya's incomparable passion for research into wellness solutions and products, treatments and training, which give people experiences of a lifetime." Explain how much Zivaya has achieved under this context. What are major challenges faced by Zivaya by doing so?
3. How Zivaya is going to expand or maintain their business in the future? What are the various awards and recognitions that Zivaya has got so far and how much they are important for the brand building for Zivaya?

### Solutions

**Solution 1:** The wellness sector in India is a huge sector with market size of INR 490 billion. India is second largest exporter of Ayurvedic Drugs across the world. India has got rich heritage of Ayurveda, Yoga, Naturopathy, Unani, Siddha, Homeopathy medicinal system and also variety of home-grown organic herbal products. The sector is well supported by AYUSH Ministry of Government of India which has government supported scheme to promote wellness sector through PPP Model. There are many international tie-ups with different nations making the sector grow at nearly 12% CAGR for next five years. The industry can achieve Rs 1.5 trillion by FY 2020.

Going with the above facts there is a huge opportunity in Indian market itself by tapping the right customers and businesses. Zivaya can expand the market my corporate tie ups by providing them some exclusive year-round packages. Zivaya can come up with Government and educate people living in Urban areas about the importance of

Wellness Sectors and how people can be benefited from stress and mild pains under the CSR initiatives. These are the few areas where Zivaya can tap upon to expand the market share.

#### **Marketing Strategies:**

- **Selecting a Target Market:** Zivaya should be very much clear who are their end customers. By Selecting a clear target market, they can focus on that market and provide them the best solutions.
- **Providing Customized Product/Service Mix:** Zivaya can provide a customized service mix which depends on the problems of the customers. By doing this each customer will feel they are being treated special and will become a loyal customer eventually.
- **Provide Yearly Packages:** By doing this Zivaya can maintain a good customer flow throughout the year. Once a customer takes the package, he will definitely come back again that will lead to customer loyalty.

**Solution 2:** The Zivaya team comprises spa consultants, trainers & therapists from all-over South-East Asia, Yoga Experts, Physiotherapists, Ayurveda Doctors, Beauticians, Architects and Interior Designers, who had more than 7 years of experience in hospitality, design and spas industry. Their spas were well design and had excellent ambiance, exotic therapies and an experience that matches the some of the finest spas in the world. They were leading services provider in Thai & Oriental therapies. The key element of the growth of the spa is its ability to make the consumer connect with himself and disconnect from all the distress from the busy world.

Moreover, the serene environment that it provides is unmatched be it the interiors of the spa or the natural fragrances they are using that eventually feels calm and serene.

#### **Challenges Faced by Zivaya:**

- They had not promoted their product through traditional promotional tools, but has come up with unique concept of exchange of services as done in barter system, they had tie-up with major radio channels and print media house where they have got advertise in exchange free therapy to the staff of promotional agencies.
- They had also replaced the useless gifts given by the corporate to their client and employee with therapy exchanges.
- Their major competitor was Tatva, but with their hostile wellness treatment approach and non-compromising attitude on quality and organic products they were able to sustain in market.
- The overall image of the Spa industry which is famous for its unlawful activities in the markets and to make customer shift from traditional medicinal system to natural treatment which looks expensive but was very cost effective.

**Solution 3:** They have organized free camps for old age home people and visually impaired people as their CSR initiative to improve overall images of SPA industry in markets. They have trained visually impaired people for giving message to their customer. Zivaya is also working on creating overall awareness in markets about alternative medicinal system.

The company is now planning to have various tie-ups with state government to start their wellness center at various tourist spot and offices, progress had been made in this area when they were able to open their centers in Taj Mahal with collaboration with Uttar Pradesh Government. Their other area of expansion was to target international tourist and frequent tourist at airport itself by providing them relaxation and freshness through yoga to help overcome the problems like jetlag and tiredness of travels. They have in talks to authority to start Yoga center in many airports.

#### **Teaching Notes**

##### **1. Synopsis of the case**

Wellness Industry world over is growing and attracted multiple clients towards it. The life styles of people are really busy these days and they're inclined to numerous lifestyle conditions. The inclination of client towards organic and natural product is building up day by day. The present case study focuses on the incipency in heartiness assiduity and covers the road chart of entrepreneurial expedition of Mr. Ashwajeet Garg. The case focuses on openings and challenges faced by entrepreneur in Indian ecosystem and how heartiness as the assiduity is giving new avenues to the entrepreneur. The case is grounded on the discussion happened with youthful entrepreneur and owner of Zivaya Mr. Ashwajeet Garg.

2. **Target Group:** The target group of the case is the students of Management of both Undergraduate and Post-Graduation under the course of Strategic Management.
3. **Learning Objectives and Key Issues:**  
The student would be able to
  - **LO1:** Understand the wellness market with strategic intent keeping in mind to earn goodwill in the market that directly connects to the consumers.
  - **LO2:** Analyze this market and suggest suitable marketing strategies at each level of the business.

**Key Issues:**

- The wellness industry is relatively new in the market so it is hard to have a sound customer base upfront.
- The competitors in the market are providing a hostile wellness treatment with a non-compromising attitude of best quality services.
- The overall image of Spa industry in India is not a positive one. Hence its hard-to-get variety of customers so the market size is quite small.

4. **Teaching strategy:** A teaching group of 15-20 could be split into 3 to 4 groups. Each group could then be asked to answer the questions proposed at the end of the case and to prepare a presentation or report on their conclusions. It will provide students with the opportunity to structure their own thoughts on what they have learned in relation to the above learning objectives.

This case can be used for testing and questioning theoretical models. The high-level strategic planning, policies and systems in top management at ZIVAYA can be tested against the Competition Theory of Porter which can be further extended to Core Competency theory.

5. **Background Reading:** The following theories are needed in background reading to analyze this case.

i) **PORTER'S Theory:** Porter's Five Forces is a frame for assaying a company's competitive surroundings. The composition and power of a organization's competitive rivals, implicit new market entrants, suppliers, customers, and substitute products impact a company's profitability. Five Forces analysis can be used to guide business strategy to increase competitive advantage.

a. **Competition in the Industry:** The first of the five forces refer to the number of competitors and their ability to undercut a company. The larger the number of competitors, along with the number of equivalent products and services they offer, the lesser the power of a company.

b. **Potential of New Entrants into an Industry:** A company's power is also affected by the force of new entrants into its market. The less time and money it cost for a competitor to enter a company's market and be an effective competitor, the more an established company's position could be significantly weakened.

c. **Power of Suppliers:** The next factor in the five forces model addresses how easily suppliers can drive up the cost of inputs. It is affected by the number of suppliers of key inputs of a good or service, how unique these inputs are, and how much it would cost a company to switch to another supplier.

d. **Power of Customers:** The ability that customers have to drive prices lower or their level of power is one of the five forces. It is affected by how many buyers or customers a company has, how significant each customer is, and how much it would cost a company to find new customers or markets for its output.

e. **Threat of Substitutes:** The last of the five forces focuses on substitutes. Substitute goods or services that can be used in place of a company's products or services pose a threat. Companies that produce goods or services for which there are no close substitutes will have more power to increase prices and lock in favorable terms.

ii) **Core Competencies and Strategy:** The term core competency was coined by the leading management experts, CK Prahalad and Gary Hamel in an article in the famous Harvard Business Review. By providing a basis for firms to compete and achieve sustainable competitive advantage, Prahalad and Hamel pioneered the concept and laid the foundation for companies to follow in practice.

The core competency theory is the theory of strategy that prescribes actions to be taken by firms to achieve competitive advantage in the marketplace. The concept of core competency states that firms must play to their strengths or those areas or functions in which they have competencies. In addition, the theory also defines what forms a core competency and this is to do with it being not easy for competitors to imitate, it can be reused across the markets that the firm caters to and the products it makes, and it must add value to the end user or the consumers who get benefit from it. In other words, companies must orient their strategies to tap into the core competencies and the core competency is the fundamental basis for the value added by the firm.

6. **Experience of using the Case:** This case was discussed and taught to the management students of both undergraduate and postgraduate students. Feedback for the same are as under:

- Students were able to understand the case and picked up the challenges and opportunities.
- They were able to understand and analyze the market environment of this sector.
- They were able to understand the situation in the case and provided good outputs.
- They were able to relate the Strategic Management Theories along with the case.