

Dream Big & Be Unique



Shiwantha Dias and Shalin Balasuriya, Founders of Spa Ceylon epitomize the youthful energy that is required to stimulate the Sri Lankan economy. They are passionate about what they do and innovative in their thinking. They have been inspired by the heritage, culture and nature of the island to create a product and brand that has not only made a name in Sri Lanka but is also making strides internationally. It is the first brand of its kind to achieve such global progress. Always quick to make decisions, they stress that it is essential to be confident in oneself so that risks are taken when opportunities arise. They have much to share as they continue on their expansion in Sri Lanka and beyond.

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We have seen Spa Ceylon expanding rapidly. Can you tell us about the progress so far?
Spa Ceylon has been growing rapidly in the last nine years and we are continuing with that growth momentum. There are two variables that we focus on; one is of course the domestic market and the other is the international market. Presently, we are predominantly in Asia and our aim is to grow further in the countries that we are already in. During the next couple of months, we will open new outlets in Japan and we will also commence operations in Vietnam. By the end of the year we hope to enter China. We are looking at spa expansions in Australia and Malaysia as well. At the same time, we will continue to strengthen all our markets and restructure a few as well. In this manner we have big growth aspirations in terms of the markets we are already in.

Looking at new markets, we are engaged in very successful discussions on our expansion plans in Europe where we hope to enter the market during the period of end 2018 to mid 2019. The first markets that we will enter will be Poland, Switzerland, Bulgaria, Romania and Russia. The kind of scale we are going to achieve in some of these markets will be 20 to 50 locations in each country. We are working with third party retailers as well, which is a new segment we are targeting. The larger beauty retailers are proven to be very successful particularly in places such as Europe.

We will also be venturing into Germany where we are planning to open in many key cities. We have completed our market research in the US and the response has been extremely good. The US has been a market that we have been interested in for some time but we had to consider the logistics due to the distance. However, towards mid to end of next year we will be venturing into certain US cities as well. That is our growth in terms of the international market.

In Sri Lanka, we have been focusing on strategic expansion considering both tourism and the domestic clientele. We have been very Colombo and city centric.

But now we are also venturing to the suburbs such as Pelawatte and Stratford Avenue. We will be looking at a few more locations so that our clients do not need to travel to the city for our spa and retail services.

One Of The Main Product Ranges That We Have Introduced In The Past Few Months Is Our Gourmet Teas And Infusions. Both The Packaging And The Product Have Been Received Extremely Well By Both Tourists And Sri Lankans Alike.

In terms of the tourism segment we have opened outlets on Chatham Street, Colombo Fort and Lewis Place in Negombo. These outlets are doing extremely well. We have expanded our shop at the Dutch Hospital where the entire space has been turned into a store with a larger clothing section. This is the first one of its kind. The Negombo outlet too will have a larger resort-wear section.

The next big opening in a tourist destination will be in Kandy. The store will be located in the Maligawa Square. There are a few other tourist locations that we are looking at, as such all our outlets are very strategic placements. The way we sustain our store and spa network is that we have always been strategic as to where we open and our product offerings too are continuously evolving.

One of the main product ranges that we have introduced in the past few months is our gourmet teas and infusions. Both the packaging and the product have been received extremely well by both tourists and Sri Lankans alike. This range is doing exceedingly well at the airport and in our stores too. We are looking at developing a service offering that will come with it. This is a natural progression given our styling and the look and feel of the teas. We hope to expand into an interesting tea bar concept, which we are currently working on. Within the year we have also expanded into fragrances and focused on our wellness lines.

Spa Ceylon and wellness go hand in hand given that we are an Ayurveda brand. We have focused on taking ownership of the wellness category in the country. Currently we are conducting a big campaign “My Wellness Goals”. We are asking people to share their wellness goals with others, the country and the world. We have our

partners in Australia, India and Malaysia. We are also encouraging people to share their wellness goals on social media, which is to really push this need for wellness. We are focusing not only on individual wellness but also on community wellness.

We have taken a bold step in saying “Bring back your Spa Ceylon bottles and we will recycle them for you”. We have created collection points at our Spa Ceylon locations where customers can return the bottles and we give an additional discount for encouragement. Even on social media platforms this is the type of wellness we are trying to push; personal wellness, community wellness, the country’s wellness and global wellness. We are bringing everyone together and initiating many programmes.

We have our wellness products that really work well and we have launched the campaign, “Wellness in Motion” which are products for people who are active and are into fitness. We have introduced a host of products that were not available at Spa Ceylon before such as muscle rubs, special balms, oils and of course the infusions that you can drink. We provide the complete wellness package and we have the services accompany it.

Our product range is constantly evolving, we are strategically positioning ourselves in retail and spa while focusing on both local and global expansion.

Spa Ceylon is venturing out of the country in to international markets. What were the challenges and how did you overcome these challenges?
We always had the aspirations to go global. The uniqueness of our brand is that we have based it on the wisdom of Ayurveda and the brand captures the romance of old Ceylon. That alone is a sustainable positioning as there is great interest for Ayurveda internationally. Luxury Ayurveda is more attractive than merely being a medicinal product. In that sense, our positioning has helped us grow internationally.

The foremost challenge for us is that we are from a non traditional source market. In terms of Ayurveda, it is defined as Indian; and health, wellness and beauty traditionally come from Europe. Therefore, for people to accept a wellness and beauty brand from Sri Lanka, which is a small island, was and still remains a

challenge. We have introduced the romance of old Ceylon. The colours we use, the packaging and our fragrances combined gives an old Ceylon experience, which helps us to get where we are going. People are looking for experiences and we cater to that need. Even global retail is being transformed through e-commerce and online functionality.

We Always Had The Aspirations To Go Global. The Uniqueness Of Our Brand Is That We Have Based It On The Wisdom Of Ayurveda And The Brand Captures The Romance Of Old Ceylon.

People want multi-sensory experiences; they want to try out products and they want to experience the brand. That is why the store fronts of our outlets are important because they help to reinforce the brand value and the experience of the brand. Thus ensuring that people return. When you walk into a Spa Ceylon store everything you see is uniquely Spa Ceylon; from the art on the walls to the carvings on the columns, our products and spa treatments are all Spa Ceylon. You are not going to see it anywhere else and it is very identifiable. You walk in with your eyes closed and you would still know that you are at Spa Ceylon because of the fragrance and the sound of our music. Every aspect you see, hear and feel is ours. Within that space, we are creating experiences where the modern consumer would interact.

We have created places where you can take pictures such as the throne at the Royal store on Galle Road. Taking photographs and sharing on Facebook and Instagram is such an important process. Our spaces are so different that wherever in the world people come from they like to take photographs in our spaces. At the Dutch Hopsital store we have ponds with the natural lotus flowers; in the middle of the city when you encounter something so different it sparks people’s interests. We have sari guppies in these ponds and the children really enjoy watching these little fish. Therefore, many photos and a lot of sharing actually helps spread the message of the brand. The Negombo store stands out on the entire strip. That is why we pay so much attention to the appearance of the stores and the design. Even when you look from outside you know it is something a different. That is what people are looking for, something different.

After a spa treatment we serve the customer with herbal tea and achcharu.

Nowhere else in the world are you going to get achcharu after a spa treatment. It is different and unique and that is what we place our confidence on when we take our brand outside of Sri Lanka as well because we are going into markets, which are more developed than us.

We are going into markets where our competition has been based for years. We are struggling to get our foot in the door, most of the time even to acquire a space for our stores. But once we pitch our concept then they agree to give us a chance because we are different and we also bring in a unique dimension. Our ingredients are different and that creates the uniqueness that helps us to stand apart from the rest.

It was a problem not being from a country that was recognised for cosmetics or manufacturing. We are known for tea and spices, but not for manufacturing. But we are using that to our advantage to prove our authenticity, because authenticity is something that is questioned.

We See Ourselves As A Lifestyle Brand Rather Than A Spa Brand… We Are Very Much A Lifestyle Brand Because Of The Way We Position Our Products. We Always Think About The Lifestyle Of Our Consumers.

The modern consumer has information at their fingertips and they can always check on any product and the ingredients it is composed of. Therefore, when they see that the ingredients and the science are actually from Sri Lanka they understand the product. We place great emphasis on authenticity. As we have our own manufacturing facility and all our products are made by us, it is a plus point when we venture into the international market.

What has been the response so far?

The response has been good. Every time we do market research, the response is fabulous. However, we always need to tweak our products and offerings depending on the market. Sometimes even the perceived core target audience may shift according to the market, due to the variations in disposable incomes, education and exposure. Therefore, what your target market is in Asia would perhaps not be your target market in the US or Europe. These are learning curves where research really helps. Although we are only nine years old we have managed to enter many

countries. Therefore, we are constantly tweaking, adjusting and learning.

How would you describe Spa Ceylon the brand?
We see ourselves as a lifestyle brand rather than a spa brand. The first thing people do is jump on the word spa, but we are very much a lifestyle brand because of the way we position our products. We always think about the lifestyle of our consumers. That is a key aspect of our marketing strategy as well. The events we partner with are very much focused on lifestyle rather than cosmetics, although we do a few of those too.

Our product offering is far beyond spa products. We have teas and infusions, clothing including resort wear, fragrances and home fragrances. Furthermore, we are also venturing into F&B services as well. We are growing and it is really nice to see how we are catering to our consumers needs in different ways.

What inspires you?
Sri Lanka, our island home inspires us. We have a very beautiful island, with great culture and history. Our country also has the heritage of Ayurveda. That is not all, we have the heritage of beautiful art from the various kingdoms of the past such as Anuradhapura, Sigiriya, Polonnaruwa, Kandy, Dambadeniya and Kotte. This really inspires us to develop our products and packaging. There is also the natural beauty and natural resources in terms of the flora and fauna surrounding us; the sea, fresh air, mountains and the waterfalls. Everything about this country inspires our brand. The romance of old Ceylon being the greatest inspiration for the innovation of the brand. The DNA of the brand is Old Ceylon.

Constantly, whenever we travel we notice various things that we did not notice before. There is so much we can draw inspiration from. What is great is that once we incorporate all this into the DNA of the brand and present it to the world, watching people react to it and accept it is very satisfying. That is something the entire team takes great pride in.

Coming to this level not only in Sri Lanka but also internationally is something not many can accomplish. What can you tell us about this?

Although in the front you just see the two of us, we have a big team of people working for us. That is the designers, product formulators, medical practitioners and all those from the production side to the design side. We also work with some of the best branding agencies in the country to develop the collateral for the brand.

Most importantly, you have to be passionate about what you do. It is also a question of differentiation. It is very important for your brand to be different and identifiable from the rest and also have the ability to think international. One of the things we do is that we travel all the time because although our business is in Sri Lanka, 90 per cent of our customer base are foreign nationals. Therefore, we have to always be in touch with the needs of the international clientele. We have to think about what they are looking for and how we can we deliver on their needs. Differentiation and uniqueness are very important.

Another key aspect is that we have been very fast in our operations, whether it's opening outlets or being innovative with products. We probably started with about 25 SKUs (Store Keeping Units) and now we are at 500 SKUs plus. There is constant innovation. If you look at our store five years ago or even three years ago and today, we have changed greatly.

We do not become complacent and think it is done. It is continuous improvement where we add to the product portfolio and add to the look and feel of our stores; changing, evolving and being quick with it.

Being fast is very important. This can be seen in the fashion industry especially with the larger brands; it is all about fast fashion. Similarly, with the beauty and wellness industries everything is fast. Trends are created overnight; we have to be quick to react.

One of the few things we have done is the new active campaign. We realised that people are spending a lot of time in the gym and you see their whole life is revolving around activity now. We see people in London for example walking on the streets as if they just stepped out of the gym. They are dressed in active wear and have active lifestyles therefore they require products to suit that lifestyle. It is

important to adapt to international trends.

> **The Reason We Can Do All This Very Rapidly Is That We Have Been Building Good Teams, Right Down From The Support Services.**

Many brands struggle because most of the time entrepreneurs and upcoming brands do not seem to have faith in their own brands. They are not confident enough to even risk investing money in opening their own outlet. Therefore, you need to have confidence in yourself and your brand, which in turn will take you a long way.

We are presently in 70 locations. One of the international brands whom we benchmark as a possible competitor has 2,000 locations in 140 countries. That is the kind of potential there is in this sector to grow.

The reason we can do all this very rapidly is that we have been building good teams, right down from the support services.

How do you manage your time?
Yes, we are involved. Having said that we always find time for leisure, holidays and to do things that we enjoy. It is all about delegating work and we have good teams working for us.

Message to upcoming entrepreneurs?
Believe in yourself and the brand; dream big and be unique.


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