

‘Online Orders Have Increased 300%’: Gautam Bali, Md, Vestige Marketing

Endorsing the call from Prime Minister Narendra Modi on going ‘local’, Vestige Marketing, the second-largest direct selling company in India dealing in world-class health and personal care products, takes pride that all its product are manufactured locally to world-class standard. Gautam Bali, MD, Vestige Marketing tells ASHISH SINHA of BW Businessworld how Covid-19 has changed the business and much more. Excerpts:





What role can Vestige play in PM's vision of 'Vocal for Local'?

Hon'ble PM's vision of "Vocal for Local" is one of the key imperatives that India needs to follow to recover from the COVID-19 crisis. It is important that India becomes self-reliant and has a self-sufficient ecosystem. Entrepreneurship is at the heart of Vestige's business model. Vestige and direct selling can play a critical role in helping individuals become economically independent. We empower our distributors to live their lives on their own terms. Our motto is spreading "Wellth," i.e, spreading wealth through wellness. Today, Vestige is globally inspiring and leading millions to realise their dreams by unleashing their entrepreneurial potential in India and across international markets. We take great pride in the fact that Vestige's products are locally manufactured according to world-class standards and processes. So we believe that we are truly, "Vocal for Local".

When was Vestige established? What has the journey been like?

Vestige was established in 2004 and, since then, we have been registering a healthy double-digit growth rate. We began our journey with two offices, a handful of products and a few distributors. Within a short period of time we started growing exponentially due to the remarkable business plan and the popularity of our innovative products. Today, we have 48 branches in India, more than 3,000 online and offline billing centres, over 300 SKUs in our wide product range and a network of a few million distributors. Our health and wellness products are certified and meet with the toughest of quality tests. Our products played a key role in making Vestige a highly respected brand in India and abroad. We are currently present in six markets including India which are Bahrain, Bangladesh, Saudi Arabia, Oman and the UAE, and we aim to expand to 50 countries by 2025. The journey till now has been extremely rewarding for us and we are committed to delivering even better services to our family members in the days to come.

What have been the key drivers of growth?

Our health, hygiene and wellness portfolio has been a key driver of our growth from the very beginning. It forms 90 percent of our portfolio and we are constantly expanding the product range in this segment. The latest addition has been Metamind chewable tablets, which helps in developing cognitive health. People's loyalty towards our brand grew with the effectiveness of our product and their promise of wellness. Also, our innovative and resilient marketing plan ensures that those who are keen to achieve success and work hard don't fail. We developed our plan to make our distributors "self-reliant" so that they can earn respect in the society, which is a bigger attraction than simply earning money. The most important factor behind our growth is our people, – ie, our distributors. Our unique plan, which is essentially consumption led accumulative model, allows equal opportunity to all to make a decent living with respect. This makes Vestige business an attractive and reliable opportunity to many looking for a transformation in their lives.

How many plants do you have in India? What capacity do they work on?

All our manufacturing partners are ISO, GMP and Halal certified with state-of-the-art factories in India, where the products are manufactured with utmost emphasis on quality and safety. Around 90 per cent of our product portfolio is manufactured in Baddi, Himachal Pradesh.

What impact has COVID had on the business?

COVID-19 has changed the way we live and do business. As the direct selling industry is a human intensive sector, social distancing has transformed it to a large extent. The lockdown threw new challenges before it. In our case, we converted the challenge of the COVID-19 pandemic and the lockdown to an opportunity and we have shifted most of our crucial business operations to the digital platform. Online ordering of products during this phase has increased by 300%. In these volatile times of COVID-19, our distributor base has considerably increased as well. The pandemic has also drawn our attention to the importance of being healthy and building immunity and there has been a remarkable growth in the demand for our immunity products.

What is your current portfolio strength and how do you plan to expand it? What are the products in the pipeline and what is the investment?

Our current portfolio consists of 14 brands across various segments with over 300-plus products. The largest category for us is the health and wellness portfolio under the Vestige brand, which constitutes about 90 per cent of our business; it is followed by our personal care, agriculture and other categories. There will be several new exciting launches that we are planning in the months to come in our health & wellness portfolio.

You are the only Direct Selling Company launching products in the current times. Was it difficult?

These are certainly difficult times. However, the demand for our health, hygiene and wellness products remains robust. The segment has witnessed double digit growth. An interesting realisation during the COVID-19 lockdown has been the need to focus on not just physical but cognitive well-being also. According to a recent survey conducted by us amongst our distributors, 70 per cent of the respondents believed that apart from dietary intake, supplements are required for agile functioning of the body and mind.

What has been the impact of COVID on the industry? What steps are needed for the industry to gain normalcy?

Globally COVID-19 has impacted economic activities, trade and commerce severely and the direct selling industry is no exception. Due to lockdown and lack of normal logistics the product movement has slowed down, however the need for social-distancing has provided an opportunity to the industry to go digital in most of the fields. We have used this time to directly connect with all our distributors and have also delivered multiple trainings so that they are able to adapt to the new normal in the digital world. We are also conducting various activities to attract more distributors from across industries especially those who have lost their livelihood with the economic slump that has hit millions of people in India and worldwide. We believe that there will be a huge opportunity for the direct selling industry to provide a reliable alternative for people and help them build a career in these very volatile times.

How will your strategy change in the post COVID era?

COVID 19 crisis has posed huge challenges to the world at large however it has also taught us new ways of doing business. Given the current market scenario, we have taken our operations online and our distributors have shifted seamlessly to the virtual platforms. In the post-COVID-19 world, healthcare and preventive wellness will definitely reach a new height and as a company that has healthcare in its DNA, it is the right opportunity for us to focus on this demand and bring more people under our umbrella of wellness. Apart from that, by following the vision of the government in going vocal for local, we will ensure that our business activities contribute more to the nation's economy and empower our local supply chains and manufacturers.