

Create From Zero – GNV Group Growth Journey

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Abstract

In 2011, Edward Lai, founded GNV Group Pvt. Ltd., aiming to provide an alternative to young couples with a garden wedding concept. However, bridging the mindset from traditional wedding styles to garden weddings took time. In the early days, Edward was lack of experience in dealing with the tenancy agreements resulted in escalating rental costs, forcing the company to relocate their business. By emphasising its corporate culture and core values of attention to detail, customer orientation and problem-solving, GNV successfully transformed the business, new wedding venues with different themes and a central kitchen were set up to meet the demands. This case study has two primary learning objectives. First, to understand the challenges and advantages GNV Group faced as a first mover in introducing garden weddings in Malaysia. Second, to analyse how GNV Group's core values—attention to detail, customer orientation, and problem-solving—shaped its business decisions and corporate culture. A qualitative approach was adopted, beginning with an in-depth interview with the founder, Edward Lai, to obtain firsthand insights into the company's challenges, growth, and transformation. Additionally, secondary data was gathered from online articles, company websites, and industry reports to contextualize GNV's role in the wedding industry and provide background on market trends and external challenges.

Keywords: Garden wedding, GNV, core values, corporate culture

Introduction

The popularity of garden weddings can be attributed to the unique atmosphere as the wedding is held in a beautiful and architecturally stunning garden (Krishnan, 2008). In 2011, garden weddings were a new concept in Malaysia, diverging from the traditional wedding norms of the country. It took time for the market to accept and absorb this idea. Nevertheless, Edward Lai Chee Yap took bold steps, leaving his job in the finance industry to enter this emerging wedding concept in Malaysia. Eventually, GNV Group Private Limited (“GNV” thereafter) was established, with the first event venue named R.O Memories.

During the early stages of establishment, the company faced numerous challenges, such as newlyweds being heavily influenced by their parents' preferences and traditional thinking. At the time, there were several indirect competitors but few direct competitors in the garden wedding market. Indirect competitors, such as restaurants, banquet halls, and school halls, posed a significant challenge to Edward's novel wedding concept. In the Malaysian Chinese community, traditional wedding dinners at restaurants, banquet halls, or school halls remained the norm, with large gatherings of relatives and friends being the preferred style. This cultural preference made it difficult for GNV to introduce the garden wedding concept, especially since most young couples relied heavily on their parents' opinions. Edward recognized the

considerable influence of these indirect competitors, which further complicated efforts to promote a modern and less conventional wedding style.

Furthermore, given the novelty and lack of popularity of the garden wedding concept at the time, it was an arduous task for Edward and his team to introduce and establish it as a viable option in the market. Additionally, the conventional approach for registering marriages (R.O.M) was primarily performed at places of worship or associations by the Assistant Registrar of Marriage, as it was more convenient and cost-efficient. Another challenge of garden weddings was the unpredictable weather and environmental conditions that could negatively impact the guests' experience. Consequently, many families tended to abandon the idea of having a garden wedding.

Despite these obstacles, Edward successfully differentiated his business model by offering a romantic, nature-inspired, and customizable wedding setup. Unlike traditional weddings, garden weddings catered to smaller, more intimate gatherings, which appealed to couples seeking a less formal and more personal celebration. The concept also extended beyond weddings to include corporate events, annual dinners, and celebrations for diverse ethnic groups, moving beyond the predominantly Chinese customer base.

Edward's team provided a comprehensive, one-stop professional service that set them apart from competitors. This innovative approach combined modern aesthetics with practicality, allowing GNV to carve out a niche in the market and appeal to a broader clientele despite the initial challenges.

Fortunately, Edward managed to secure about 15 garden wedding cases in their first year of operation, enabling the company to make steady progress. As an entrepreneur, Edward viewed garden weddings as an untapped opportunity with plenty of potential. Nevertheless, venturing into a new business entailed formidable challenges, and the most viable approach was to always prepare for uncertainties ahead. Edward and his team learned valuable lessons in their initial years of operation. These experiences helped the company grow and develop a stronger sense of confidence to forge ahead. To this day, they remain faithful to their founding principle: "You say 'I do', We do the Rest."

In 2014, the garden-style wedding concept suddenly gained popularity in the market, attracting more new players. The market became more competitive as garden-style weddings became one of the mainstream choices for newlyweds. Edward viewed the competition positively, believing that collectively, companies in the industry would create more awareness about garden weddings and promote innovation among the players.

Turning Mistakes into Opportunities

According to Edward, after a few years of striving in this industry, the business started growing and generated good revenue in early 2015. However, they faced a critical problem: the landowner frequently raised the rent over short periods. Initially, this did not pose a problem given the company's financial stability and business growth. Outrageously, the unreasonable continuous increase in rent, which reached as high as 800% more than the initial two years of its business operation, compelled Edward to search for an alternate location as a contingency plan.

The decision to relocate was a tough one for Edward and his team, requiring them to make sacrifices, including leaving behind the building and garden they had painstakingly built from scratch. This challenge arose due to a lack of understanding about the terms and conditions under the leasing contract with the landowner. They had no choice but to think about their future, leading to the decision to relocate. As Albert Einstein once said, "In the middle of every difficulty lies opportunity."

Begin the Journey of Transformation

After several brainstorming sessions, Edward and his team believed that change was the only way for them to sustain and survive. Therefore, they began working on the company's transformation plan. They developed a range of ideas and concepts by gathering data and conducting fieldwork, particularly focusing on theme creation. Ultimately, they chose the concept of a Western countryside culture with an authentic and immersive "Winery Theme," which was easier to attract young people. They even made a trip to Australia to observe and learn from local practices. Edward and his team always held the principle that "Striving for perfection in your work will bring you nearer to achieving success."

To capture the theme's authenticity, wine barrels were imported from Australia. The plan was executed well, boosting their motivation and confidence to overcome various obstacles and achieve success. The management team learned from their past mistakes and became more prudent, especially in dealing with commercial tenancy agreements, seeking legal advice from experts. The new wedding venue, named "Geneva Winery Banquet," was opened in 2015 and is located at Setia Tropika, Johor Bahru (JB).

New Chapter

Due to a shortage of workforce to handle both venues (R.O Memories and Geneva Winery Banquet), the company decided to diversify and have each venue cater to different customer demands. R.O Memories would host small events like gatherings for low-budget couples, while Geneva Winery Banquet would primarily cater to weddings and events for couples with moderate and high budgets.

The company initially relied on part-time workers. However, with its growth, more full-time employees and wedding planners were hired. Edward realized that talent cultivation and development are essential to transforming the company and putting the business on autopilot, where everyone can take responsibility and make decisions accordingly. Moreover, Edward and his team plan to recruit more young professionals who are passionate about their careers to join the team.

The company employs an on-the-job training (OJT) approach to train its staff, recognizing its efficacy in imparting new skills and knowledge through practical experience and mentorship by seasoned supervisors (Basariya & Sree, 2019). Edward explains that the OJT method offers a more pertinent and effective learning environment since employees absorb all the necessary details and contextual factors from the actual work setting. For instance, event and wedding planners hone their skills by processing orders, accompanying customers on venue tours, scheduling crucial dates, designing menus, and providing essential advice to clients. These fundamental practices enable the company to sustain its edge among competitors. The leadership team firmly believes that attention to detail and professionalism are key to creating memorable customer experiences. They are confident that their efforts in training and development will yield substantial returns, both in employee performance and overall business outcomes. Edward emphasizes that OJT plays a vital role in boosting employee loyalty and professionalism. By investing in employees' skills, the company enhances individual performance and drives overall business growth.

Edward also adheres to the principles of Social Exchange Theory, which emphasize the importance of ensuring that both parties perceive mutual benefits to sustain fruitful relationships. He firmly believes that trust and commitment are critical for reducing risks and fostering long-term exchanges. Reflecting this philosophy, GNV places significant emphasis on mentorship, ensuring employees feel supported and guided in their roles. The company also offers competitive compensation packages that exceed market standards, reinforcing its commitment to employee satisfaction.

In turn, delegating responsibilities to junior staff not only builds trust but also strengthens their commitment to the organization, creating a reciprocal relationship that benefits both employees and the company.

Edward also highlighted that recruiting the right person to join the team is a challenging task. Individuals with both person-job fit and person-organization fit are critical in building a strong team. To promote growth and learning within the team, Edward and his founding partners decided to delegate their responsibilities to the junior team members. This allows the management team to focus on planning, expanding, and transforming the GNV Group. As Sun Zi stated in "The Art of War," "Those who are unable to win must defend, and those who are able to win must attack."

Central Kitchen

To establish a robust enterprise renewal initiative, GNV devised a multi-year revitalisation strategy. Their priority was to actualize an idea they had been contemplating for years: constructing a central kitchen to supply food and beverages for various events and wedding ceremonies. Edward was fortunate that a Malaysian property developer, Ecoworld, offered an excellent leasing package and assistance. This led to the decision to relocate the company's headquarters to Eco Business Park 1 in 2017, where their dream of setting up a central kitchen, known as "TastyBirds F&B," was finally realized.

To ensure effective operation of the central kitchen, Edward hired a head chef from Singapore to rigorously manage and control food quality to meet customers' requirements and guests' tastes. Edward used a selective recruitment approach to identify the right candidate who could meet all job expectations. Besides culinary skills and experience, Edward emphasized the chef's ability to cater to the diverse needs of customers from various cultures and backgrounds. Placing the right person in the right job is fundamental for a company to achieve its goals towards success (Anwar & Abdullah, 2021). This is crucial for GNV as the company serves multi-ethnic groups, not just targeting Chinese customers in the country.

The central kitchen has provided the company with more flexibility, as it no longer needs to rely on third-party chefs' schedules. Moreover, the company can better manage and customize the food to meet specific customer requirements and expectations. As a result, the improved professionalism of the company in providing its services has led to better customer satisfaction and an enhanced reputation.

Despite owning a central kitchen, GNV collaborates closely with its longstanding catering partner, showing gratitude and appreciation for their years of support. This close relationship provides numerous benefits to the company. First, by leveraging shared expertise and resources, they can reduce risks and capitalize on each other's strengths. Second, this collaboration allows both parties to explore new business opportunities. Third, it enhances food quality and operational efficiency, leading to mutual benefits by leveraging the partner's expertise. Lastly, it reduces the financial burden and risks for the company.

Company's Core Values

Small Details, Big Impact

GNV's core value of attention to detail has remained unchanged since its establishment. According to Edward, this is critical for competitiveness, as any trivial mistake can expose the company to significant troubles and risks. Standardized operating procedures were designed to ensure the smoothness of every event, covering aspects such as menu selection, venue design, décor, guest management, and event performance.

Edward emphasized that the company carefully selects all their suppliers, especially food suppliers. The company has set high standards and specifications for food quality, considering it the backbone of the business. Each dish's details are reviewed four days before events to

ensure that all ingredients are sufficient and fresh. In the event of any ingredient shortage, the designated team member promptly contacts the couple to discuss possible changes. Each event planner must pay attention to every single detail and have a contingency plan for handling any unforeseen circumstances. As Edward said, only by perfecting the details can one get closer to success. By anticipating and avoiding potential issues, and addressing them immediately if they do occur, one can ensure smooth progress.

Problem-Solver and Customer Always Come First

The second core value of the company is to be a problem solver. Edward recalls a water outage that occurred before the commencement of a wedding ceremony, leaving the banquet hall without any water supply. The team swiftly found a solution by quickly obtaining bottled water from nearby areas. Fortunately, the food preparation was not affected, and the event was successfully organized.

Since its establishment, GNV has always prioritized its customers as a key core value. The management approaches problems from the customer's perspective, believing that customer feedback, whether positive or negative, is essential for continuous quality improvement. Positive word of mouth significantly impacts an organization's direction and brand value. Satisfying customers and guests enhances the company's reputation and improves employees' motivation.

Edward recalled an incident during the final settlement of payment when a customer, facing insufficient funds, resorted to criticizing the service to offset the payment. Generally, the company listens to customers and seeks any solution that can help them, normally not insisting on immediate payment. After negotiating with the customer, the company offered an instalment plan and a discount. The customer agreed to this proposal, and the payment was settled earlier than expected. GNV attracts more customers through positive word-of-mouth and recommendations from existing customers.

The Aurora

Following the success of Geneva Winery Banquet, the company decided to expand its portfolio with more wedding-themed venues to attract more customers. Based on a market survey showing a preference for "church-style weddings," seen as synonymous with romance and fantasy, Edward and his team decided to replicate a Balinese-style triangular church as a new landmark in Johor Bahru, offering couples a picturesque and romantic wedding location.

In 2017, The Aurora was named and opened. The Aurora wedding chapel is renowned for its unique and contemporary design, featuring a triangular roof that radiates beauty and romance. The building's design incorporates different values and meanings through various materials: the slimmer, transparent glass and green plant elements on the right symbolize purity, honesty, and chastity, while the thicker left side represents strength, responsibility, and protection. A mini dessert bar in the garden offers delectable Western-style desserts for guests to savor and capture memories of this joyous occasion in photographs. GNV guarantees to uphold its key principles, providing customers with unforgettable experiences.

The primary function of The Aurora is to host R.O.M ceremonies and church weddings, accommodating around 80 guests. Additionally, private small-scale events and parties can also be organized at this chapel. Edward highlighted their collaboration with relevant parties to provide a comprehensive one-stop service, including decoration, buffet, registration officials, and other related services, simplifying the overall event organization.

The Rome Garden

In 2018, GNV achieved a major milestone with the creation of a new garden wedding theme in JB called "The ROME Garden." Spanning over 20,000 square feet, this new wedding-themed

building accommodates more than 400 guests per event, with 250 free parking spots available. Adorned with simulated statues and classic Rome scenes, the predominantly white building symbolizes perfection and truth. Features like the Roman-style wishing pool, forum, and statues create a dreamy atmosphere, turning wedding vows into cherished memories for attending guests. The overall design evokes a sense of sacredness and solemnity, making it a top choice for weddings among young couples in southern Malaysia and Singapore.

Conclusion

Today, GNV stands as a leading event management company in southern Malaysia, offering a wide range of services including venue rental and event management for diverse functions such as garden-style weddings, banquets, and marriage registrations. However, this transformation was not an overnight success, Edward and his team are grateful for the support of those who helped them along the way. GNV will always be committed to its core principle, "You say, I do, We do the Rest," ensuring high-quality and unforgettable wedding services for its clients and attendees. This commitment aims to bring more joy and happiness to newlyweds in the future through the company's diverse wedding themes.

Acknowledgements

This project is supported by Universiti Tunku Abdul Rahman Research Fund (IPSR/RMC/UTARRF/2022-C1/T06)

Discussion Questions

1. GNV Group was the first to enter the garden wedding segment in Malaysia. Describe the challenges Edward faced in the early years of establishing GNV and the benefits of being the first mover in the market. Assess how GNV can sustain its first-mover advantage using the VRIN framework, an important tool used within the Resource-Based View (RBV).
2. Explain the role of core values in guiding decision-making and shaping the corporate culture. Based on the case study, describe the core values of GNV Group.
3. Staffing is one of the essential elements of successful strategy execution. Explain how the hiring process of GNV Group is influenced by corporate culture.
4. Explain the benefits of a central kitchen to a food and hospitality operator in general.

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