

**STRATEGIC CASE ANALYSIS**

# Zola: Resource Allocation in Crisis

Prioritizing the **Vendor Marketplace** to Ensure Resilience

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# Executive Summary: The Strategic Imperative

## THE CHALLENGE

Zola faces a 'Strategic Trilemma': launching three capital-intensive units (Apparel, Honeymoons, Marketplace) during a pandemic revenue shock.

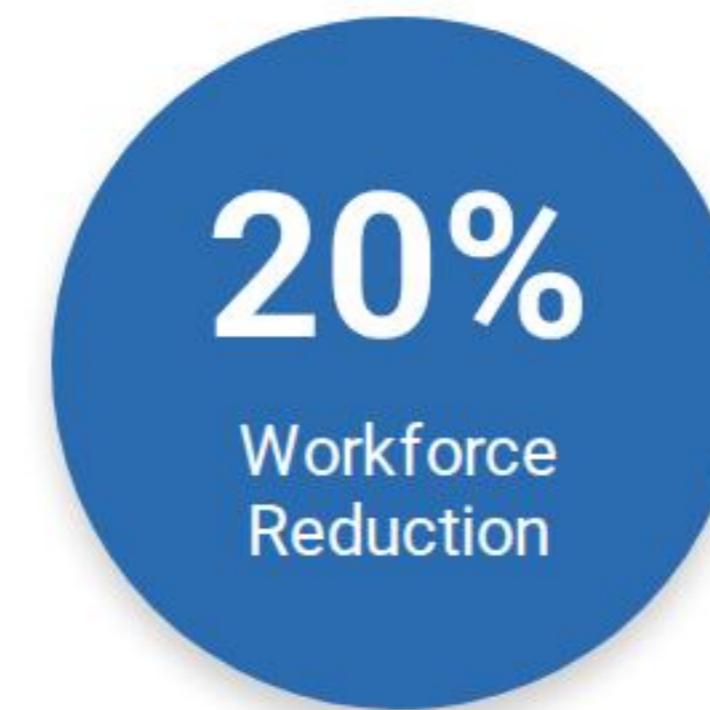
**CRITICAL RISK:** Pursuing all three will drain cash reserves ('Runway') before the market recovers.

## THE RECOMMENDATION

### Immediate Pivot to the Vendor Marketplace.

- **Asset-Light:** No inventory costs (unlike Apparel).
- **Pandemic-Proof:** Digital planning activity is UP, even if travel is DOWN.
- **Competitive Moat:** Captures 'Top of Funnel' users during the downturn.

# Context: The Wedding Industry has Stalled



## MACRO ENVIRONMENT

Social distancing has indefinitely postponed ceremonies. Couples are in a 'holding pattern'—planning online but not transacting offline.

## INTERNAL REALITY

Zola cannot afford mistakes. We must transition from 'Growth at all costs' to 'Strategic Preservation'.

# Evaluation: Comparing the Three Growth Engines

Business Unit	Strategic Fit	Pandemic Vulnerability	Financial Impact
Honeymoons	High synergy with Cash Funds.	<b>SEVERE:</b> Border closures make this dead weight.	Revenue = \$0 in 2020.
Apparel	Natural brand extension.	<b>HIGH:</b> Supply chain shocks & inventory risk.	Capital Intensive. Inventory depreciates.
Vendor Marketplace	<b>CRITICAL:</b> Starts customer journey.	<b>LOW:</b> Vendors desperate for digital leads.	<b>High Margin.</b> Zero Inventory.

*Verdict: The Marketplace is the only 'Antifragile' option.*

# Why the Marketplace Wins: The 'Ecosystem' Play

## 1. CAPTURE THE 'GAP YEAR'

2020 is a year of planning, not weddings. Couples are browsing. We capture traffic now to monetize in 2021.

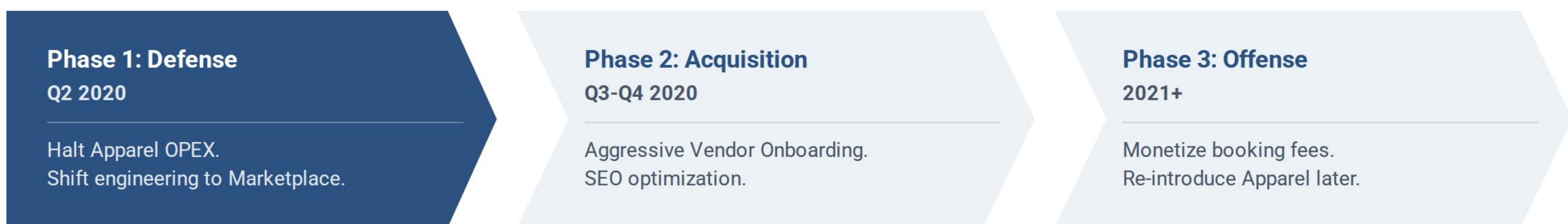
## 2. SUPPLY-SIDE OPPORTUNITY

Vendors have no work and plenty of time to set up profiles. We can acquire supply cheaply now.



# Roadmap: From Survival to Dominance

A phased rollout that conserves cash immediately while preparing for the post-pandemic 'Wedding Boom'.



# The Verdict

Zola cannot simply 'wait out' the storm.  
**We must build the shelter.**

By prioritizing the Vendor Marketplace, we align our resources with the only behavior that hasn't stopped: **Planning for the future.**

# Image Sources

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<https://www.susanshek.com/wp-content/uploads/2019/10/the-plaza-hotel-wedding-susan-shek-2019.jpg>

Source: [www.susanshek.com](http://www.susanshek.com)

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