



CMO Final Project
Priyanka Mandhyan

Hello. Let's begin your mindfulness journey.

Introduction to Meditation

- Executive Summary



Basics

- Industry Analysis
- Competitive Analysis
- Customer Analysis
- Company Analysis



Intermediate

- SWOT Analysis



Expert

- Recommendations, Risks and Mitigations





Introduction to Meditation

Executive Summary

Introduction to Meditation

Executive Summary

Personal Development is the process of looking inward to better yourself. Headspace is an app that helps grow mental well-being through meditation and thoughtfulness.

The goal of the founders of Headspace is to make meditation accessible to everyone and to democratize mental healthcare. It has taken many steps to see this to fruition such as releasing Headspace for Work, Headspace Health, and even tied up with Ginger. Today, it boasts its presence in 190 countries across the world, 65 Million downloads, 2 Million subscribers, and 2,500 corporate clients.

Headspace is a strong brand in meditation apps and its only competitor currently is Calm. Calm, however, is positioned to be more fit for sleep meditation and for intermediate to expert-level meditation. Headspace makes it easy to follow for beginners and hence targets more novice meditators.

There are some challenges that Headspace faces. It is still not the number one app, Calm is and its valuation is also much lower. While it has features that make it engaging, customers find that the meditation often distracts them when the narrator is silent.

To answer these challenges, some recommendations that can help improve Headspace include:

- 1. Adding more content for expert and intermediate meditators since they already understand the importance of meditation and are willing to spend for it.**
- 2. Add kids content since children who meditate have surged by 800% since 2012**
- 3. Create features that make the platform more engaging to incite loyalty. These features can include meditative background music during meditation sessions, sleep playlists, and more.**



headspace



Basics

Guide to Meditation



Basics

Industry Analysis: Personal
Development and Mental Health
Apps

Basics

Industry Analysis: Personal Development

Overview

Personal Development is the process of looking inward to better yourself.¹ Headspace is an app that helps grow mental well-being through meditation and thoughtfulness.

Market Size

The Personal Development Industry

The global personal development market size was last recorded in 2021 as \$41.81B and it is anticipated to grow at a CAGR of 5.5% from 2022 to 2030. There are multiple products and services that are part of this industry from self-help books, workshops, and online courses, to apps.

With the growth of the use of mobiles and the need for convenience in time and location, the e-platforms segment is set to gain substantial growth between 2022-2030.

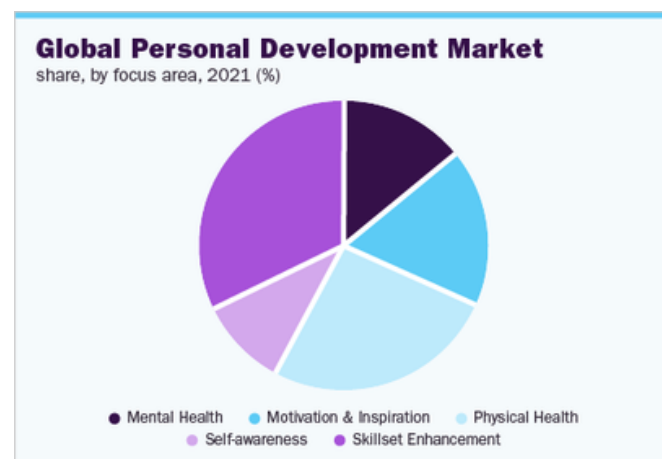
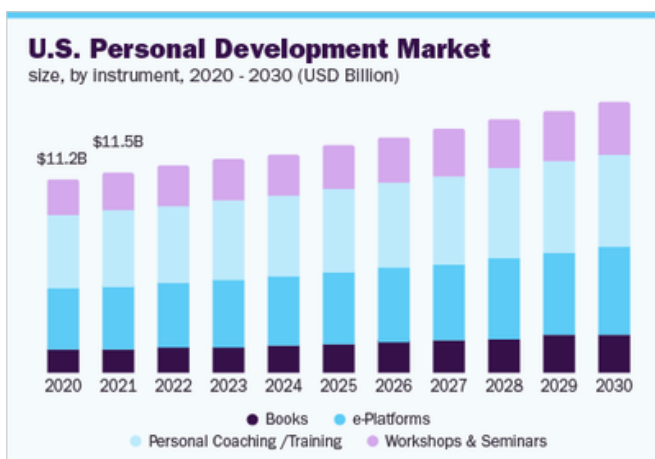
Until 2021, skillset enhancement was leading in the market share (32%) given that employers expect certain standards in the workplace and are using self-improvement programs to enhance the skills of their workforce across presentation, technology, productivity, and communication. However, the self-awareness segment is anticipated to grow at the highest CAGR of 6.9% from 2022-2030. This follows the trend of individuals wanting to better their decision-making skills and their lifestyle. Mental Health is also expected to witness substantial and persistent growth in line with self-awareness, especially the motivation and inspiration segment since people want to enhance their belief in themselves.

1. <https://www.betterup.com/blog/personal-development>

Industry Analysis: Personal Development

The market can be described as a fragmented market characterized by the presence of several market players across various regional markets.

North America had the largest revenue share (36%) and is anticipated to continue dominating till 2030 due to the widespread adoption of digital platforms and APAC is forecasted to grow at a CAGR of 7%. Europe accounted for a substantial revenue share in 2021 owing to an increasing focus of individuals on mental wellbeing.²



The Mental Health App Market

The mental health app market specifically was valued at \$4.21B in 2021 and is expected to grow at a CAGR of 16.5% from 2022 to 2030 owed to the increasing awareness of mental health and the need for a better lifestyle.

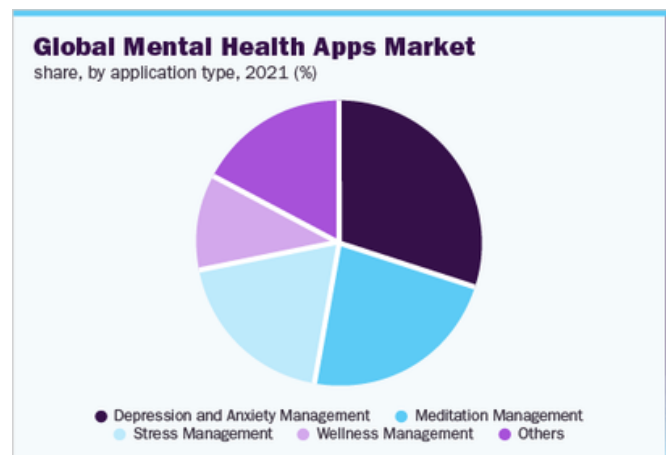
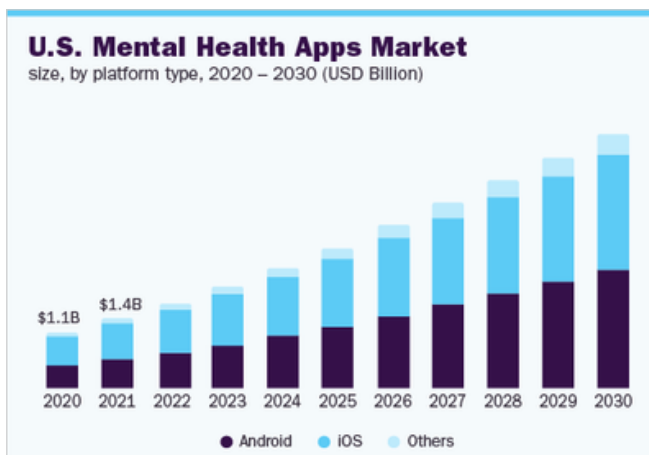
There was an upsurge in the download of such apps during COVID, showing the potential of digital health. There was a 23.7% growth in revenue of mental health apps from 2020 to 2021. In fact, this market is estimating a y-o-y growth of 20%-22% in the next 5 years.

2. <https://www.grandviewresearch.com/industry-analysis/personal-development-market>

3. <https://www.grandviewresearch.com/industry-analysis/mental-health-apps-market-report>

Industry Analysis: Personal Development

Competition is strong among the existing players owing to the rising demand for mental health applications, coupled with technological advancements and is anticipated to grow as new companies enter this healthy space. ³



Trends

- **Strategic collaborations** - A lot of companies are entering strategic collaborations to reach potential customers across the globe and to enhance their brand name and boost competition. Eg: Headspace has tied up with Whole Foods.
- **More time** - Customers now have more time for personal development without hampering work given their work-from-home schedules.
- **Customized solutions and personalized care** - Companies are offering personalized training to get a competitive edge and there is also a shifting trend among consumers for such care.
- **Busy Schedules and lack of awareness** - In spite of having more time on their hands, housework and other such activities have caused lower time assigned for self-development, holding individuals back. The lack of awareness of self-development platforms is also a challenge for the market.

2. <https://www.grandviewresearch.com/industry-analysis/personal-development-market>

3. <https://www.grandviewresearch.com/industry-analysis/mental-health-apps-market-report>

Industry Analysis: Personal Development

- **Rise of stress** - There has been an increase in stress-related disorders and hence there is a need for stress management platforms.
- **Rise of funding** - Mental health apps are receiving increased funding over the past few years indicating a healthy growth of the industry. For instance, total funding statistics published by Crunchbase for Calm, a meditation app, increased from USD 28 million in 2018 to USD 218 million in 2020. In addition, the funding for the app increased by around 52% from 2019 to 2020.

Technological Changes

- **Multichannel presence** - Personal development courses are being offered online and offline. However, demand for online is a lot more due to the convenience of time and location.
- **Virtual events** - Customers now have more time for personal development without hampering work given their work-from-home schedules leading to many more virtual events such as live chats, webinars, and workshops.
- **AI, VR, and AR** - These are driving the popularity of multiple self-help programs.
- **High quality and differentiated** - Through advanced technologies, companies are attempting to differentiate themselves from their competition and also to provide a high quality experience to consumers. They are even investing in research on innovative technologies to distinguish features.

2. <https://www.grandviewresearch.com/industry-analysis/personal-development-market>

3. <https://www.grandviewresearch.com/industry-analysis/mental-health-apps-market-report>

Industry Analysis: Personal Development

Legal/Regulatory Changes

Privacy concerns, data security, and copyright infringement are the key reasons given the technological changes, that the self-development industry has had legal and regulatory changes recently. In the US, the Department of Education has taken distance and online learning courses under its jurisdiction.² However, there is still a lot of medical oversight and this industry is not as heavily regulated as other mental health avenues.⁴ Headspace is the ONLY mental health app trying to get FDA-approved as a prescription meditation app since it is aiming to treat chronic diseases.⁵

2. <https://www.grandviewresearch.com/industry-analysis/personal-development-market>

4. <https://jaapl.org/content/46/2/204>

5. <https://blog.petrieflom.law.harvard.edu/2018/07/16/meditation-theres-an-almost-fda-approved-app-for-that/>

Guide to Meditation



Basics

Competitive Analysis

Basics

Competitive Analysis

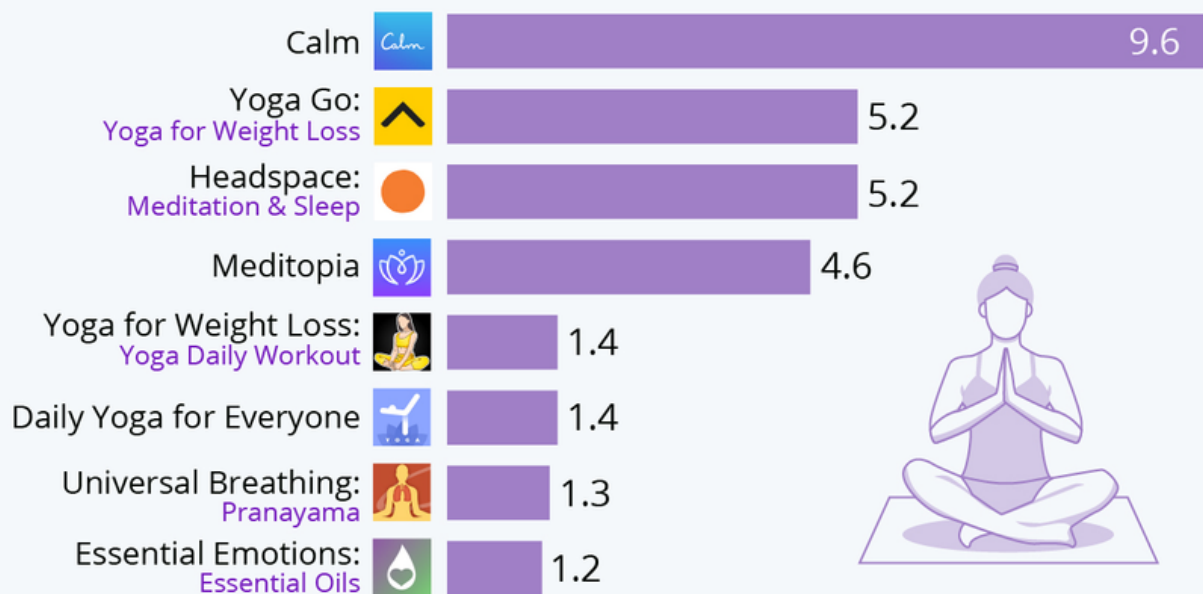
Overview

The mindfulness app market is highly consolidated. Headspace's main competitor is Calm. Both together hold 70% of the market share.⁶

7

The Most Popular Yoga and Mindfulness Apps

Number of downloads of yoga, meditation and mindfulness apps in 2021 worldwide (in millions)*



* Google Play & Apple stores, Jan 1 - June 21, 2021

Source: Airnow Data



6. <https://www.biospace.com/article/mindfulness-meditation-apps-market-latest-report-on-the-current-trends-in-the-industry/>

7. <https://mobilemarketingreads.com/headspace-revenue-and-usage-statistics-2021/>

Competitive Analysis

Competitor Matrix

Headspace	Calm
Founding Date: 2010	Founding Date: 2012
Valuation: \$320M	Valuation: \$2B
Revenue: \$100M	Revenue: \$150M
App Downloads: 62M	App Downloads: 100M
Enterprise Customers: 2.5K	Enterprise Customers: 1.5K
Paying Subscribers: 2M	Paying Subscribers: 4M
Latest Funding Round: \$47.7M	Latest Funding Round: \$75M

Competitive Analysis

Competitor Matrix

Headspace	Calm
Total Funding Raised: \$217.2M	Total Funding Raised: \$220.2M
Employee Rating: 3.5	Employee Rating: 4.2
Apple App Store Rating: 4.8 Google Play Store Rating: 4.3	Apple App Store Rating: 4.8 Google Play Store Rating: 4.4
Core Competency: Good for beginners	Core Competency: Good for those with some meditation training
Positioning: Making the world happier and healthier. The features of the app make meditation more approachable, easy to follow, and accessible. There is a strong focus on scientific research. Headspace has published 40+ papers to date.	Positioning: Making the world a happier and healthier place. The features of the app are based on credible research. In fact, Calm has a research division called Calm Science for creating evidence-based resources.

8. <https://craft.co/headspace/competitors?competitors=headspace%2Ccalm>

9. <https://www.mindbodygreen.com/articles/calm-vs-headspace>

10. <https://www.headspace.com/about-us>

11. <https://www.calm.com/blog/about>

Competitive Analysis

Competitor Matrix

Headspace	Calm
<p>Pricing:</p> <p>Annual Subscription: \$69.99 Monthly Subscription: \$12.99 Student Yearly Subscription: \$9.99 Annual Plan Free Trial: 14 Days Monthly Plan Free Trial: 7 Days</p>	<p>Pricing:</p> <p>Annual Subscription: \$69.99 Monthly Subscription: \$14.99 Student Yearly Subscription: \$8.99 Lifetime Subscription: \$399.99</p>
<p>Working:</p> <ul style="list-style-type: none">• Create an account• Choose among meditation for sleep, movement, or focus.• Structured with guided programs for series of meditations or single programs	<p>Working:</p> <ul style="list-style-type: none">• Create an account• Quick breathwork exercise• Asks a series of questions• Personalizes experience based on answers• Choose from categories such as focus, self-improvement, and sleep

Competitive Analysis

Competitor Matrix

Headspace

Features:

- Series of guided courses
- Single programs
- Daily tracker
- More sleep meditations than Calm
- Sleepcasts (bedtime stories)
- Eight-hour soundtracks for sleep, like white noise
- Exercises in move-section for mind-body connection
- Meditation Music for Focus
- No free content

Customer Perception: A top meditation app that brings calm and mindfulness to customers' lives with a beginner-friendly design.

Calm

Features:

- Guided and unguided meditations
- Create the meditation experience you want
- Fewer series-based programs than Headspace
- Breathwork practices
- More sleep stories than Headspace
- Musical soundtracks for focus and relaxation
- Masterclass offerings led by Tamara Levitt and Elizabeth Gilbert (unique to Calm)
- Some free content

Customer Perception: Flexible approach to meditation with excellent content offerings that ease anxiety and promote better sleep.

Competitive Analysis

Competitor Matrix

Headspace

"This is the only app I have that makes me better as a person. Great design, works wonderfully, fantastic coaches to guide you through meditation. I do wish it had a feature for background sound during meditations. It would make it easier to release the thought that the app wasn't working or that the meditation had ended when there are long pauses (it's never been an app problem)."

"You won't regret buying a Headspace subscription. I often joke with people that Headspace is the one thing I would want to take with me to a desert island. If I were to cancel all of my subscriptions today, Headspace is the one exception I would make."

Calm

"Have had this now for 2+ years I think. The expanding library is great, but the daily content is perfect and many days when I'm feeling off I can easily find something to hit that reset button and relax. The app includes the normal meditation and relaxing sounds if you don't want guided meditation but honestly the content is my favorite part."

"I have had trouble falling asleep for years, and was honestly skeptical that an app would put me to sleep. Boy was I wrong! I love the different options - sleep stories, music, meditation - each one is interesting, and while I can't say I've managed to get to end of a story...well that's the point. I'm out within five minutes."

12. <https://apps.apple.com/us/app/calm/id571800810?see-all=reviews>

13. https://play.google.com/store/apps/details?id=com.calm.android&hl=en_US&gl=US

14. https://play.google.com/store/apps/details?id=com.getsomeheadspace.android&hl=en_US&gl=US&pli=1

15. <https://apps.apple.com/us/app/headspace-mindful-meditation/id493145008?see-all=reviews>

Competitive Analysis

Competitor Matrix

Headspace

"If you're going to make navigational changes, consider send an update email to your subscribers outlining the changes."

"I'd like to see more sleep coaching, specifically Goodnight/Wind-Down exercises. "

Calm

"I really think this app is too expensive. I mostly use it for sleep stories lately but have used the meditation in the past and while I think it's a great tool, there really should be more features included when it's so GD expensive. One main frustration I have is that you can't make a playlist for sleep stories. I can try to find the longest story but it will still quit before the story is done most of the time. Please add this feature, I think it's a pretty simple ask when I'm paying \$70."

"1. I'd like to have many more lightly guided meditations longer than 10 minutes. A bit less talking! 2. There are often audible and distracting clips when they loop on themselves. 3. The UI is disorienting. "

12. <https://apps.apple.com/us/app/calm/id571800810?see-all=reviews>

13. https://play.google.com/store/apps/details?id=com.calm.android&hl=en_US&gl=US

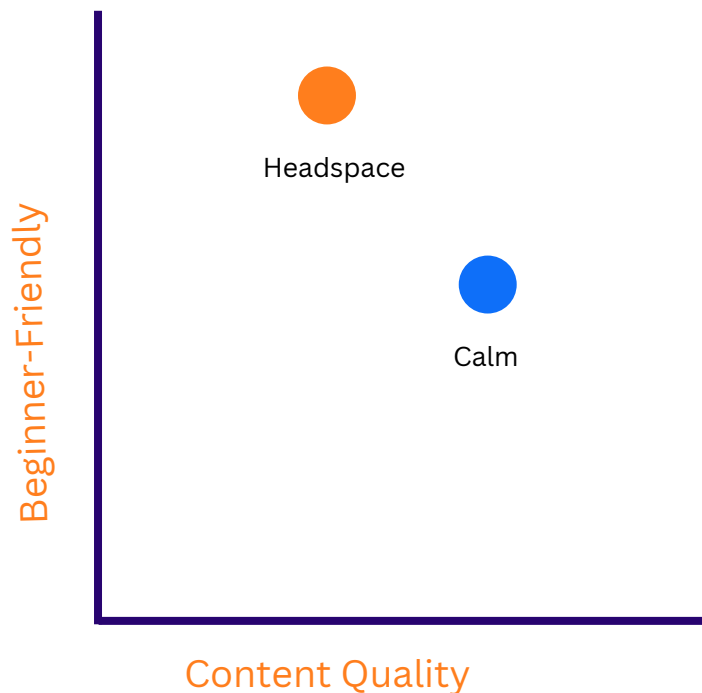
14. https://play.google.com/store/apps/details?id=com.getsomeheadspace.android&hl=en_US&gl=US&pli=1

15. <https://apps.apple.com/us/app/headspace-mindful-meditation/id493145008?see-all=reviews>

Competitive Analysis

Perceptual Map

After looking at reviews and several articles, it is obvious that Calm and Headspace attract different types of audiences. While Calm may score higher on content and flexibility, Headspace scores higher on ease of use. Following is a perceptual map of the two:



9. <https://www.mindbodygreen.com/articles/calm-vs-headspace>

16. https://www.factmr.com/report/3075/mindfulness-meditation-apps-market?gclid=Cj0KCQiAkMGcBhCSARIsAIW6d0BoqPhzrTVbKABNsXTliADNEjuTbGkyNvjWelXscw88_NwEGYnV6LsaAvvcYEALw_wcB

17. <https://mashable.com/feature/best-meditation-apps-mindfulness>

18. <https://www.choosingtherapy.com/headspace-vs-calm/>

19. <https://www.businessinsider.com/meditation-apps-review-headspace-calm-one-was-way-better-2021-9#on-my-fifth-and-final-day-of-using-headspace-i-stayed-on-the-focus-tab-this-time-browsing-a-series-of-exercises-18>

Guide to Meditation



Basics

Customer Analysis

Basics

Customer Analysis

Primary Target Audience

Headspace is mainly targeted at novice meditators who want to improve their quality of life and feel better in case there are any stressors. As its value proposition goes, Headspace is meant for meditation and mindfulness for any mind, any mood, any goal.

It is aimed to be a mass product, however, given the pricing, it targets people who are relatively well-to-do and can shell out \$69.99 at a go or \$12.99 every month. It is also meant for people who lead a busy life and need short bursts of meditation to get them through the day.

Secondary Target Audience

Seasoned practitioners and kids are a secondary target audience. There are exercises and activities for seasoned practitioners as well and bedtime stories for kids.

Customer Profiles



Platinum Customer

3% of all the customers who have downloaded Headspace are Paid Subscribers and 2.5K are B2B customers, both aka Platinum Customers.



Gold Customer

97% of all the customers who have downloaded Headspace are unpaid Subscribers or Gold Customers.



Lead Customer

These are customers who are not yet on the platform but could be convinced by their friends, family or therapists to try it out.

Customer Analysis

Ideal customer profiles for each level:



Platinum Customer: Larry

Age: 40

Occupation: VP of Marketing in a big tech firm

Larry is a busy man but he really cares about his mental and physical health. He is sure to take out at least 5 minutes a day to use Headspace.



Gold Customer: Anisha

Age: 25

Occupation: Part-time digital media exec at Disney and part-time grad student

Anisha is super busy and she doesn't have as much disposable income as Larry. Recently, she has been feeling very stressed due to work and studies and uses headspace's trials to relax once a week or so.



Lead Customer: Henry

Age: 20

Occupation: Barista at Starbucks and student at undergrad

Henry is not exactly stressed, just needs to calm his mind from thinking about the future so much and focus on his studies. He heard from his cousin Anisha about Headspace and is willing to give it a try to focus.

Customer Analysis

Customer Trends

- **Augmented stress and anxiety levels** - As per the American Psychology Association, today's youth are the most stressed among all the generations. WHO says that nearly 246 Million people worldwide suffer from depression, raising the need for mindfulness apps.
- **Increase in the number of children who are meditating**- The number of children who are meditating has surged by 800% since 2012. This could be due to future uncertainty and stressful schedules.
- **Senior citizens meditate once a week**- 53% of senior citizens do so.
- **Women are meditating more than men** - 16% of women meditate while only 12% of men do so regularly.

Customer Needs and Wants

- **Flexibility to leave the app** - Customers want to test out the app, see if it fits their personal needs, and have the flexibility to delete it without having to commit an upfront subscription fee leading to the popularity of trials.
- **Access to advanced features**- Customers prefer extensive features on the app so that once they are in the habit of meditating they can take up more challenging programs.
- **Need for personalized content**- An option to keep track of their progress, audio and video playback, personalized courses and more such content needs are what make customers love the meditation platform they use. In fact, VR is the new technology that is revolutionizing this industry and can be used for greater personalization.
- **Payment Plans as per usage and goal**- Customers prefer to pay subscriptions based on the amount of time they can spend on the app, meditation frequency, and what their meditation goal is - sleep, focus, calmness, etc.

21. <https://appinventiv.com/blog/latest-meditation-app-statistics/>

22. <https://www.factmr.com/report/3075/mindfulness-meditation-apps-market>

Customer Analysis

Customer Decision-Making Criteria

After looking at reviews and several articles, it is obvious that customers usually decide which meditation app is right for them under the following criteria:

- **Meditation Experience-** Whether they are beginners or already on a mindfulness journey, they choose the app that meets the kind of exercises they need.
 - **Personal Experience-** If one app is too repetitive while the other has great bedtime stories, it really depends on the customer's goal and experience with the app that decides whether they stick with the app or not.
 - **User Convenience-** Is the UI/UX friendly or does it keep changing? Is it easy to find the courses related to your goal? Can you choose the amount of time you can dedicate to meditation? These convenience factors come into play in a customer's app analysis.
 - **Features-** Features that match the customer's lifestyle are preferred. For example, Calm has descriptive bedtime stories which could be really useful to a parent whereas Headspace allows you to choose how much time you can dedicate to meditation making it useful for busy individuals.
 - **Engagement/Soundscapes-** Every time the narrator stops speaking, does your mind wander due to lack of focus music or do you stay constant with your breathing and calm down your mind? This is very important to the meditation experience.
 - **Content-** Is the content of high quality or are there disturbances in the background, no focused courses, and unhelpful articles?
 - **Meditation Goal-** Is the goal to sleep better or to destress? Each meditation platform caters to different meditation goals and this is a deciding factor in which app to go for.
-

Guide to Meditation



Basics

Company Analysis

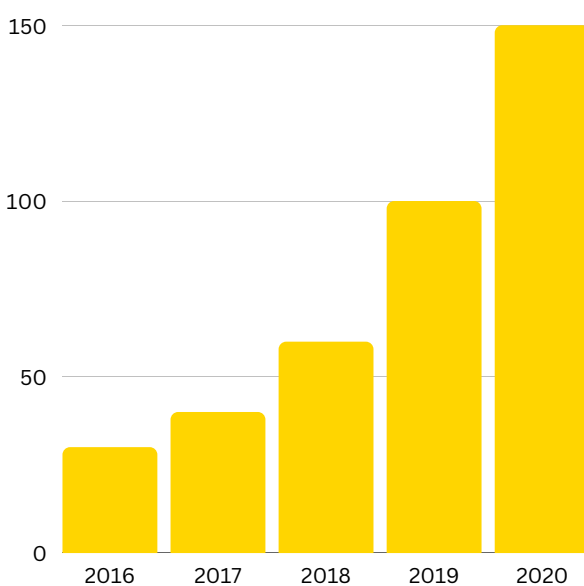
Basics

Company Analysis

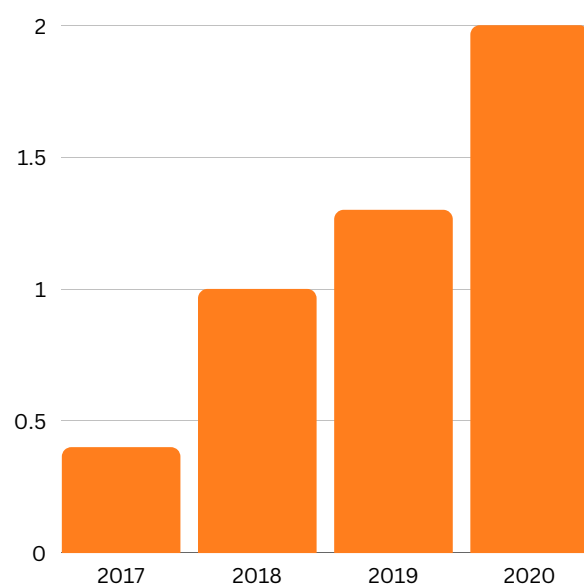
History

Headspace was founded by a British Buddhist Monk named Andy Puddicombe and a marketer names Rich Pierson in 2010. The initial capital was only \$50,000 scraped together with the help of friends and family and now the valuation is \$320M.

Initially, Headspace started as an events company allowing customers to book time with Andy. When multiple clients requested materials to practice meditation at home, the app was born. Andy's soothing voice delivered offline meditation sessions and soon the downloads had passed the 1M mark in 2014. It helped that Andy also became the spokesperson for the app after appearing on Jimmy Fallon and TED Talks and that a lot of celebrities vouched for the app's effectiveness. In 2018, Headspace reached 1M paid subscribers, a 50% surge over the previous year, and even added businesses such as LinkedIn and Google to its B2B list.



Revenue (in mm)

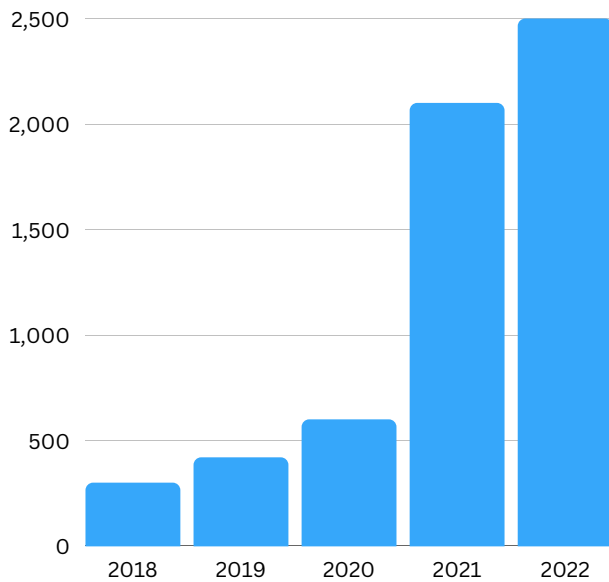


Subscribers (in mm)

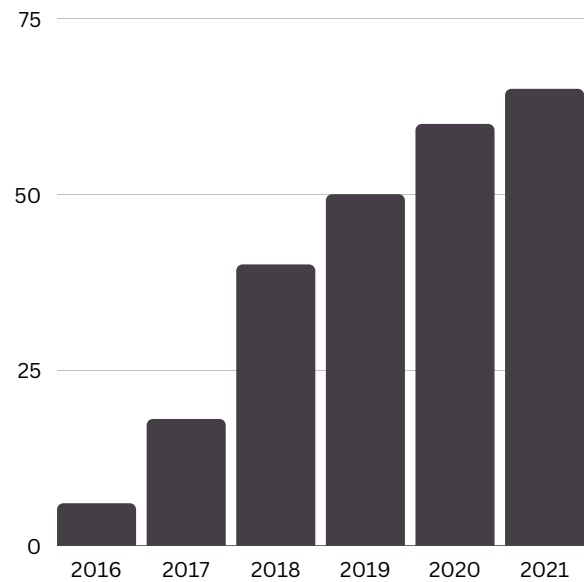
21. <https://wearewip.com/blog/how-headspace-became>

22. <https://www.businessofapps.com/data/headspace-statistics/>

Company Analysis



Commercial Customers



Downloads (in mm)

Company Mission, Vision, and Value Proposition

Mission

Headspace was started with one mission: to improve the health and happiness of the world.

Vision

Headspace's vision is to democratize mental health care around the world. The company launched Headspace Health, one of the most approachable and comprehensive mental health providers. It also launched Headspace for Work and tied up with Ginger to bring mental health plans to companies. Headspace is currently trying to get FDA approved as its aim is to provide care for chronic illnesses.

Headspace is meant to be your mind's best friend who is there whenever and wherever you might need it, helping to get through stressful and tough times and finding joy.

Company Analysis

Value Proposition

Headspace's value proposition is meditation and mindfulness for any mind, any mood, any goal. The goal of the founders was to give access to meditation quickly and without hurdles during a busy day. According to the COO, "We wanted it to be on the go. We saw the opportunity for meditation as being part of your daily life...we took a lot of inspiration from running apps at the time (circa 2010) and how they were supporting users with statistics and notifications. That was where we saw the opportunity."

Product

Headspace, put simply, is a meditation app. It is a tool that through science-backed meditation activities helps create life-changing habits to support mental health and make one healthier and happier. It is proven to reduce stress by 14% in just 10 days and helps relax your mind in minutes, improve focus, or get good sleep. One of the most defining aspect of the product is its persuasive design.

Some of the defining features of the app include:

- **Short audio content** - to suit a busy day and to make it accessible, simple, and personalized.
- **Educational content** - in association with many credible scientists, organizations, and researchers.
- **Daily tracker** - to track your meditation streak and form a habit of visiting the app every day.
- **Breathing exercises** - especially at the start of your day to help you calm down before starting a stressful morning.
- **Guided Meditation Courses** - For basics, intermediate, and experts or for use cases such as sleep, focus, or destressing.
- **Sleepcasts** - or bedtime stories for better sleep
- **Sleep Meditation** - for better sleep
- **Move** - Movement based exercises to connect body and mind.

21. <https://wearewip.com/blog/how-headspace-became>

23. <https://www.reviewed.com/sleep/features/headspace-review-best-meditation-app>

Company Analysis

Price

Headspace offers a 14-day trial to those wanting to try the annual plan and a 7-day trial to those wanting to try the monthly plan.

Annual Subscription: \$69.99

Monthly Subscription: \$12.99

Student Yearly Subscription: \$9.99

Place

Headspace is available on both Google Play Store and Apple App Store. Currently, it is used in 190 countries across the world and has over 70 Million members.

Promotion

Headspace uses a lot of concepts of psychology in its promotions. It aims to provide value, social presence, and accomplishment through its marketing. Here are a few examples of promotions that Headspace has done:

- **Founder as influencer** - Andy Puddicombe has become a huge influencer after appearing on Jimmy Fallon and TED Talks. However, the company has a good balance of focusing on the founder and also doing external marketing activities so that the platform is not solely dependent on the credibility and reputation of the founder.
- **Beautiful app design** - The UI/UX of the app is beautiful. It features calming and friendly cartoon characters, almost as if they are your best friends. By making a solitary activity such as meditation more social and gamified, Headspace has paved the way for a new way of meditation that is not so isolating.

10. <https://www.headspace.com/about-us>

21. <https://wearewip.com/blog/how-headspace-became>

24. <https://medium.com/scale-fanatics/headspace-calm-marketing-ae52698c3eec>

Company Analysis

- **Mindful Moments** - Share in-app quotations on social media hence achieving word-of-mouth and social presence signaling that it is being used by people that are known to consumers.
- **Buddy program and direct invitation** - This is a standard referral program that provides financial benefit to those individuals who bring a friend to the app.
- **Netflix series 'Guide to Meditation'** - This is an 8-part series narrated by founder, Andy Puddicombe covering all things mindfulness and meditation. The release of this series came at a really good time when work-from-home was still prevalent. In the series, you can get value from a guide to different methods of meditation, learning how the brain works, understanding how to make it a habit in your life, and more. Each part ends with a meditation practice guided by Puddicombe.

CMO of Headspace

Christine Hsu Evans is the current CMO of Headspace. Before taking up this role in October 2021, she was the CMO at Ginger, a mental healthcare company. She also has leadership experiences in marketing at Fitbit and Castlight Health.

In her role as CMO, Christine leads all marketing and communication for Headspace consumer and employer partnerships with businesses to spread Headspace's mission of creating a world where anyone can be kind to their mind. To her, it is most important that the brand message and products at Headspace be accessible and engaging.

Under her leadership, Headspace recently launched 'Everyday Headspace' to reach new users by helping with everyday stress such as relationship issues, sleep, work, and parenting to ultimately help improve mood and deal with these issues in a better way.

24. <https://medium.com/scale-fanatics/headspace-calm-marketing-ae52698c3eec>

25. <https://www.linkedin.com/in/christinehsuevans/details/experience/>

26. <https://www.brand-innovators.com/news/cmo-of-the-week-headspaces-christine-hsu-evans>



headspace



Intermediate

SWOT Analysis

Intermediate

SWOT Analysis

Strengths

- Easy to follow for beginners
- Strong brand and story
- Influential Founder
- Beautiful and Warm App Design
- Gamification through daily tracker
- Social currency
- Valuable content and features that drive loyalty
- Request for FDA Approval

Weaknesses

- Less content for intermediate to expert meditators and children
- No free content
- Less engaging meditations due to lack of meditation sound while the narrator is not talking
- Constantly changing UI
- Low flexibility due to lack of unguided meditations

Opportunities

- Content for children who are meditating more now
- Content for senior citizens who meditate once a week
- Enhanced sleep features (eg: playlists for sleep stories)

Threats

- Calm is a strong competitor with strong differentiation for sleep meditation and celebrity masterclasses
 - Low barrier to entry for this industry
-



Expert

Recommendations, Risks, and
Mitigations

Expert

Recommendations, Risks , and Mitigations

Recommendation 1: Add more content for expert and intermediate meditators

While it is great that headspace attracts beginners, we would not want them to churn out when they would like to access more advanced meditation exercises. We also would like to attract intermediate and expert meditators who are currently on Calm, other meditation apps, or practicing by themselves since this is the audience that already believes in the power of meditation and is willing to spend on meditation app subscriptions and likely to stay for a long time, increasing CLV.

***Risk:** Expert and intermediate meditators are opposed to using apps or are already loyal to another app*

***Mitigation:** Offer personalized journeys on the app that are very specifically tailored to these meditators and also offer offline events that they can attend at a discount for being loyal to the platform.*

Recommendation 2: Reduce everyday stress for kids

Kids are a huge segment that is going unnoticed by Headspace and their usage has surged due to the current stress they face at school or home. Adding some content to help kids relax and have better sleep could help headspace reach new users and may even become sticky for parents to relax themselves. Additionally, kids like to listen to their favorite stories on repeat. Adding such engaging stories could help increase active daily users and the amount of time that the app is used.

Recommendations, Risks , and Mitigations

Risk: Kids are not attracted to the meditation style on Headspace and end up having a negative perception of the brand.

Mitigation: Do thorough research with parents and kids in focus groups, depth interviews, and even talk to child psychologists to understand the exact science behind successful child meditation.

Recommendation 3: Create more engaging and social features to inspire loyalty

Headspace already has features such as a daily tracker, everyday headspace, and meditation courses to keep customers engaged on the platform. However, to inspire loyalty, there need to be a few more features added. Soundscapes in meditation seem to be an important factor that affects the quality of meditation. Currently, Headspace relies on silences to help listeners focus. This could end up distracting the customer who starts to go back to his/her thoughts instead of focusing on breathing. Adding some meditative music could do the trick. A lot of reviews claim that the content for headspace is currently repetitive. An in-depth study on how this can be avoided is necessary. Other features that could be added is meditating with friends, sleep playlists for stories, music, meditation sessions, and more. The playlists keep people on the platform as they do not want to lose their data.

Risk: Customers may not be aware of all the ways they can engage on the platform and end up leaving thinking these features don't exist or get confused due to the presence of excessive features

Mitigation: A personalized guide on how each customer can progress based on where they are in their meditation journey can make them aware of features and enhance their meditation experience.

 **headspace**

