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TEAM: FRANCHISE INDIA HOLDINGS LIMITED



















# GENIUS LEADERS, GREAT BUSINESS IDEAS & GATEWAY OF GROWTH FOR ENTREPRENEURS

THE 13th edition of International Franchise & Retail Show, Franchise India 2015 in Delhi on 18-19 October, 2015 witnessed grand success & extraordinary attendance. The show opened gateway of growth for entrepreneurs. The two day Expo & Startup Summit offered a wonderful platform to highly evolved prospects and qualified business brands & investors from across the world. Here's the event report.



CONFERENCE



WORKSHOP



**EXHIBITION** 



**AWARDS** 



Gaurav Marya, Chairman Franchise India along with other Chief Guest Inaugrate Franchise India Expo.



Inaugral Session at Startup Summit



B. S. Nagesh, Founder, TRRAIN



Dr. Kumar Vishwas, National Spokesperson in Charge of Funds, Overseas & Campaign, AAP



Shri. Kalraj Mishra, Honorable Union Cabinet Minister of MSME, Government of India addresses the audience

Minister Narendra Modi and want to make India a manufacturing hub and it will happen with 'Make in India'. For Make in India, our government has already started Skill Development Programme."

Another Serial Entrepreneur, Poet & Aam Aadmi Party leader Kumar Vishwas was also a key note speaker at the Startup Summit. When ask about his vision for startups in India, he said: "When will we start marketing and repackaging our indigenous products at international level? When will we start franchising

aboard? It is time we take our own practices like yoga and ayurveda to the world stage. We have to move from Make in India to Made in India."

Speaking at event Gaurav Marya, Chairman, Franchise India said, "Franchise India 2015 has become the largest event for Business Startups and SME's in India. There will be over 10,000 new businesses that will get started, 25,000 new jobs that will emerge and over 275 crore of business trading that will emerge from these two days of the show within next two months."



Shri. Kalraj Mishra, Honourable Union Cabinet Minister of MSME, Government of India was Chief Guest of the event. Speaking about entrepreneurship, he stated: "We are following the call of our Prime

corporate networking opportunities.



Theme of the show: # I Run My Business was conceptualised with intent to encourage such a spirit of entrepreneurship.
#Pitch Room enabled over 75 start-ups & college entrepreneurs to present their ideas to mentors, incubators, and funds. Encouraging College entrepreneurship over five hundred students were invited to at tend the event this year with prospects for finding business in franchise or working in the franchise industry.



**36.000** + **visitors** and

Room for Growth



Speakers From L-R: Sameer Kaul, COO, Metropolis Healthcare Ltd, Arpit Sharma, CEO, Sevenseas Spa, Navendu Jain, CFO, Anytime Fitness India, Vijay Shanker, COO, New U, Dabour India Ltd., Naunihal Singh, CEO, Strands Salons Pvt. Ltd., Satya Sinha, Founder & Director, Chisel Fitness LLP. Beny Sachdeva, Assistant Editor, The Franchising World was the moderator of Health & Beauty session.

# DIAGNOSING THE BEAUTY OF WELLNESS BUSINESS

A healthy body and a beautiful mind can make one achieve goals and targets in life. Here is a brief on how the act of balancing health and wellness can bring in the joy of profitable returns via franchise business across health beauty and wellness sector.

ORDS wisely said by Mahatama Gandhi, "It is health, that is real wealth and not pieces of gold and silver". Beauty and health industry is one recession free business that is growing year-on-year (y-o-y) with the ever increasing demand of people to stay fit and beautiful. The industry has now evolved to another level of conception and has diversified in length and breadth. It has witnessed a transition from a cocoon to a fully bloomed industry creating a great lot of opportunity for investors.

As per Sameer Kaul, COO, Metropolis Healthcare Ltd:
"Healthcare at the primary level involves hospitals and on secondary level it's the trauma centres, which is in part and parcel of the healthcare industry. But diagnotics are on the tertiary level because no treatment starts without any reports of the diagnosis. Therefore, diagnostics industry in India is growing exponentially and better than the overall healthcare industry. The brand is tapping the North India market for further expansion and eyes on

partnering with franchisees too."

The diagnostic brand, Metropolis is not very familiar in north India, but boasts to be the largest chain of diagnostic centres in Asia, predominantly, in South and West India. It has operations all across the world, even in the emerging countries and have recently opened infrastructure now in north India.

#### Market @ a glance

As revealed in the study 'Healthcare Industry in India' conducted by Indian Brand Equity Foundation, the overall Indian healthcare market today is worth US\$ 100 billion and is expected to grow to US\$ 280 billion by 2020, a compound annual growth rate (CAGR) of 22.9 per cent. Healthcare delivery, which includes hospitals, nursing homes and diagnostics centres, and pharmaceuticals, constitutes 65 per cent of the overall market.

However, in a study jointly conducted by industry body Federation of Indian Chambers of Commerce and Industry (FICCI) and global consulting firm PricewaterhouseCoopers (PwC), the wellness industry in India was poised to touch Rs 1,00,000 crore (Rs 1 trillion) in 2015, with a compounded annual growth rate of 15-17%, from about Rs 70,000 crore in 2012.

#### Diversification, route to success

The modern beauty and wellness industry has gone through stages of makeover via technical assistance. A North India- based salon chain, Strands also vouches for technology the integral part of their roster.

Naunihal Singh, CEO, Strands Salon says: "I take this opportunity to announce that Strands have tied up with a renowned Yoga professional and we are very soon launching a chain of YOGAGYAAN Centre where yoga for fitness of body and mind will be rediscovered." Recently, Strands have launched a new bouquet of authentic asian therapies under the brand name SALUS ARA SPA.

#### **Potential franchisees**

Taking franchising of a well established brand is something which is a proven concept and people have succeeded in. And by large quantity, brands across sectors are taking up this route for expansion.

"Potential healthcare franchisees should be an entrepreneur with passion to take away the business to another level. Must possess credibility, have an advantages of healthcare exposure, should have capital to invest and local expertise to offer quality services to the local customers. Apart from these, anybody with pathology expertise, accreditations, scale /hub and spoke model, marketing and sales support, technical support/ accuracy, customer care and brand pull will be preferred," says Kaul.

Meanwhile Singh of Strands Salon envisions reaching the total count of 200 salons by 2018 and further ensuring beauty and wellness secrets reach to every doorstep.



## **FUEL YOUR BUSINESS**

One of the major hurdles in starting or scaling up a franchise business has been of arranging funds. But of late, there has been availability of number of options for getting the funds and it has given a birth or huge push to a new generation of entrepreneurs in India.

ROM private equity to venture capital to angel funding, the options are varied in front of franchise brands based on the sort of business they are operating or the kind of requirements they have. Brands from various sectors are taking this mode of fund raising and big players are helping out the startups. Many startups like Snapdeal, Flipkart, FirstCry, Carl's Jr and others have raised funds through one of these mediums. Major funding deals of the current year include Ola's \$400 million in April, Snapdeal's \$500 million by Alibaba and Practo raising \$90 million in

As per a Merisis Advisors report, around 900 funding deals are to be inked in 2015. As many as 890 funding deals are expected to be signed in the telecom, media and technology space (TMT) in India this year, up from 515 deals last year.

#### **Funding Fundas by Experts**

Commenting on the funding issue, Ajay Ramasubramaniam, Director, Zone Start-ups, says, "If somebody is investing in your venture, then you should first get the clear understanding about the deal. Whether the person is going to sit with you in your meetings or is he putting some timing for you to deliver."

Expressing similar views, Pranay Gupta, Co-Founder, 91 Springboard, adds, "First evaluate, what sort of funding suits your venture is it-PE (Private Equity) or VC (Venture Capital). Also, funding is a starting game, not the end game as your deal

#### **Eminent Speakers at Startup Summit**



Row 1 (L-R) : Ritu Marya, Editor-in-Chief, Franchise India, B. S. Nagesh, Founder, TRRAIN, Shri. Kalraj Mishra, Honorable Union Cabinet Minister of MSME, Government of India, Bommanahalli Babu Chairman & MD, Attica Gold Company, Ashish Arora, CEO, Airtel, Dr. Kumar Vishwas, National Spokesperson in Charge of Funds, Overseas & Campaign, AAP, Gaurav Gera for 'Shopkeeper by Gaurav

Gera',
Row 2 (L-R): Martin Brochstein, SVP Industry Relations and Information, LIMA Worldwide, Rocky S,
Founder, Rocky S, Samir Kuckreja, Founder & CEO, Tasanaya Hospitality, Uday Mathur, Co – Owner,
Tea Trails, Sam Chopra, Chairman, CybizCorp, Supal Doshi, Director, The Golden Time
Row 3 (L-R): Yogeshwar Sharma, Director, Select Citywalk, Vijay Shanker, Chief Operating Officer,
New U, Dabur India Ltd., Krishnaprasad Rai, Head Marketing Services Essar Oil Limited, Anupam
Bansal, Executive Director, Liberty Group, Shikha Nath, Brand Director, Copper Chimney, Shivanandan
Pare, Head, Trendin.com, Khanindra Barman(Kay), CEO, Würfel Küche
Row 4 (L-R): Sana Chopra, Executive Director, Carl's Jr. Restaurants LLC, Abhiraj Bahl, Co-Founder,
UrbanClap, Kanika Tekriwal, Founder, JetSetGo, Isha Singla, Founding Member & CPO, Jugnoo,
Anushree Srivastava, Deputy General Manager (IT), IRCTC, Murali Parna, CEO, Sagar Ratna
Restaurants Pvt Ltd., Nissan Joseph, Managing Director, Crocs India,
Row 5 (L-R): Adarsh Nigam, Head Corp Com Sales & Marketing, Talwalkars, Adarsh Nigam, Head Corp

Row 5 (L-R) : Adarsh Nigam, Head Corp Com Sales & Marketing, Talwalkars, Adarsh Nigam, Head Corp Com Sales & Marketing, Talwalkars, Jitendra Jha, AVP, NeoGrowth, Manish Mandhana, MD, Being

Row 6 (L-R): Ajay Ramasubramaniam, Director, Zone Start-ups, Pranay Gupta, Co-Founder, 91 Springboard, Shailesh V Singh, Executive Director, Seedfund Ventures, Prof. Arya Kumar, Director, Lal Bahadur Shastri Institute of Management, New Delhi

may last five years."

Shailesh V Singh, Executive Director, Seedfund Ventures opines, "While going with the investment deal, check whether the terms and conditions are negotiable or not. If they are, one should negotiate."

Besides, experts and those in business also set aside concerns of some individuals that they fear their ideas might be taken away by the investors they approach. However, the experts say the investors are only concerned with their investment and



returns and not about running their own venture by replicating someone else's idea.

#### Know more

Private equity: It is an investment by somebody else in your business. Any individual, who has the means to invest, or venture capital groups may invest and earn in return.

Angel investors: They can be private individuals or an organised group of individuals who are accredited and agree to invest in a business in exchange for convertible debt or a share of ownership in the company. Either for their own choice or interest in type of business, they invest in the venture.

Venture capital firms: These are a group of individuals who invest in businesses with a sole aim to earn financial gain.

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#### Leading Brands at Franchise India 2015



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## A Bold yet Brilliant Brand Mix at the Expo

VER 513 brands and 152 new business ideas showcased largely from ecommerce, e-retail, analytics, robotics, telecom, logistics and technology. India's leading consumer brands including Attica Gold, Essar Oil, Babyove, DLF Brands, Mothercare, Kids Kart, Jaipuria School, Chisel - A Virat Kohli Initiative, Chicago Pizza, Store 99, Dr. Lal PathLabs, Baskin Robbins, Giani, ICICI Securities, Crocodile, WH Smith, SmartSchool, Strands Salon, Aubade Solar, IIHT, Chai Garam and Bio Beauty - among another 357 brands - came together under one roof to interact with business partners and investors. New Franchisable business products & services were introduced at the show as well, and the experience boasted of a significant contingent of renowned participants too.

Wisdom Cell for Entrepreneurs Show's knowledge platform, 'Start-up Summit 2015' proved to be a great boost for startups & leading



entrepreneurs as startup catalysts explored vital areas of concern such as 'how to identify the right business idea', 'how to fund a business at the start-up stage', 'how to achieve business growth on OPM (other people's money), 'how to transform your traditional product business into a modern brand' and so on. Eminent Speakers like B S Nagesh, Founder, TRRAIN; Kumar Vishwas, National Spokesperson, AAP; Rocky S, Founder, Rocky S; Anand Singh, Director, Cartoon Network; Bommanahalli Babu, Chairman & MD, Attica Gold Company; Dipak Agarwal, CEO, DLF Brands; Shishir

Jaipuria, Chairman, Jaipuria Education Society and Anupam Bansal, ED Liberty Group shared the nuggets of wisdom for business launch & growth during the sessions.

Speaking at Start up summit B. S. Nagesh, Founder, TRRAIN, added: "The consumer in India is evolving at a fast pace and has become an early adaptor of the latest technology. In order to keep pace with her and ensure that we are able to serve her and get the maximum share of wallet, all of us have to be trained so that we are kept abreast of all the knowledge required. Training & Development of retailers and retail associate is a must. We have no choice."

The line-up of global speakers included likes of Chris Evans, Managing Director, Oxford Ltd UK; Mike Hanrahan, Founder, Maid 2 Clean, UK; Yannick Colaco, Managing Director, NBA, USA and Martin Brochstein, SVP Industry Relations, LIMA Worldwide, USA.

#### Abhimanu IAS Education Chai Garam Abis Exports (I)

- Private Limited Academy of Fashion Studies
- American Kidz Play School Pvt 1td Angel Brooking
- Antal International
- Anytime Fitness
- Attica Gold Aubade Solar
- Autobot Bike Spa Autonet Digital
- Services Pvt. Ltd. Ayushakti
- Babvove
- Baskin Robbins Benseron Information
- technologies Biorhythm India
- Black Orchids
- BLI Booth Blue Fix Solutions &
- Management Bodvcare
- Boge Compressors
- Bombay Brasserie Brain Capability
- Enhancer's Brainzx
- BSA workoutC21 Ventures
- Canon
- Canter Cadd India Career Placements Cartoon Network
- Cartridge World Carz

- Chabbra 555
- Chicago Pizzaa
- Chicco Chisel
- CMS IT Services
- Crocodile Crusaders
- Technologies India
- Dabur Dairy Den
- Diamond Building Care Ltd
- DLF Brands Donear
- Dotcom Lounge Dr Lal Path Lab
- Dr Vishnu Path Labs Dumpling Momo
- Eavan Fco Reco Economical
- Technologies Educomo Environics
- Essar Oil Essential Bulk Commodities
- Euro Kids Europe Study CentreExpert Trade
- Express Bike Wash
- Fat Burger Filli Café
- Flipout • Fresh & Naturalle Icecream
- Funduz Incorporation Future Choice Future Fit

- Gait view
- Giani

- Gratia
- GreenbayHappy Medicare
- Harbour Medical Harp
- Has Juice Head Masters
- Helen O grady Hicare Services • Hitech Film &
- HKTDC
- Rise ICICI Securities
- IES Academy • IIHT
- Imperia Sturcture
- Institute of Digital
- IXI Logistics Jack Po!tato's
- Jaipuria Jaipuria School Jetkina

- Technophiles
- GitanjaliGKR Engineering
- Global Classroom
- Glue Design Golden Time
- Gold's Gym
- Green Gold Animation

- Broadcast Academy ● I Casa/ Shilpa High

- IIMR
- Indian Educational Services
- Marketing
   Irsi Florist
- Jahanpana

- Jinnam Fashion World Jute Cottage JYMKA
- Kathi Junction Krima Softtech
- Krishna School/ Happy Kidz Learning

**Exhibitor's list** 

- Kutchi King Kyle Kids
- La Fantaisie La Mode Fashion
- LA Sovereign Leaning Wings
- Learn B4u Invest Libas
- Limbu Soda Lionia LED India Pvt
- Little Marvels Little Planet
- Loan Centre I ogistiks Lounge Cricket
- Mad Över Chicken Mahaveer Jewellers
- Male Square Retails Maninder Infra LLP/
- Ashish Group\ MDN Edify Meat & Eat
- Medisys BiotechMendos Pizza • Millennium Softtech
- Minus 301 Degree F Miracle Laser Mobiquest MonginisMr. Sub
- Must and More Healthcare MVN Education

- My Nail BrandNAPT
- National Institute of Management Science
- & Research Naturals
- Neeru's NeoGrowth
- Netcomm Labs NIIT
- Nischall Learning School
- NTC Om Logistics
- Omega Design Orane Internation
- Orient Electric Oxford Limited
- Para Enterprise/ Falffel Lovers Pathshala
- Penser Analytics PeoplePro Trainers & Consultants
- Petals Plaudit Education Polyfoam Tanks
- Prabhudas Lilladher Private Limited Prakash Amusement Prateek Retail
- Puja Shoppe Puja Shoppe- Expo Registratin
- Sponsorship/Khashyap Puja Shoppee Quick Clean
- Rain Forest

Raj Software

Technology

- Remax
- Retail Food Group Rice Education
- Ricoh
- ROI Realtors
- Royace Eye • RSG
- S Genius Academy Safexpress
- Sambhav Academy Sanfort
  - Sanjay School Of Sef Defence Sansha Hospitality
    - Services Pvt Ltd
    - SellerWorx Sera Cue Shadi Maker
    - Shawarma Xpress Shrishti International
    - SIJ Foods and Beverages
    - Silver Shines & YottoLabs Simitech
    - SiyaramSlip Guard Anti Slip Solutions
    - SMA e- Experts Smart Schools SMC Investment
    - Smiley APAC limitedSoni India Midbrain Activation Academy Space TechnologiesSparkles Fashion
    - Sports Fit Sporty Beans

Store 99

- Storm Strands Salon
- Sun Ultra
- Technologies Supreme Solar
- SVP Foods
- Swar Vandana Music Tai Techno
- Talent Corner HR Services
- Tansen Sangeet Mahavidyalaya

  • Techtronics Education
- TenontenThe Chocolate Room
- The City The GymThe Little Gym
- TUI International VA Design Studio/
- RoonShree Creation Varn Hospitality VHCA
- VIDM VRL Logistic Webcom
- Welcome Cure WH Smith
- Wow Vada Pav WrognWurfle Kuche
- Xplore Academy Yes Pizza
- Young India Zee Lab Zen Lefin Zone & Tea world

Zouk Loans

### Of Rewards & Recognition in Retail & Franchising

To recognise and acknowledge the initiatives and achievements of certain individuals and companies that have contributed significantly towards the growth of the franchise and retail sector in India, Franchise India had organised the Star Retailer and Franchise Awards 2015 at Hotel Lalit, on October 19th, 2015. These Awards on excellence in retail professionals and topmost honour in franchising were presented by the prominent Industry stalwarts. The event gave a perfect platform to entrepreneurs who were seeking new business opportunities, potential franchise buyers, entrepreneurs wanting to explore franchise opportunities and companies looking to plug franchise model in existing business.







#### Awards List

Franchisor of the Year: Mahindra First Choice Wheels DLF Mompreneur of the Year: Mrs. Veena Kumaravel-Founder Groom India Salon & Spa

Best National Debutant Global Brand of the Year:

Franchisor of the Year-Business Services: Cartridge World

Franchisor of the Year - Courier & Cargo: DTDC Express Limited

Franchisor of the Year-Financial Services: ICICI Securities

Franchisor of the Year-Gifts & Greetings: Red Moments Giftings

Franchisor of the Year-Health Aids Services: Shathayu Avurveda Private Limited

Franchisor of the Year-Real Estate: Coldwell Banker

Franchisor of the Year-QSR: Meat and Eat

Franchisor of the Year-Fast Casual Dining: Sagar Ratna Franchisor of the Year-Bakery & Café: The Chocolate

Franchisor of the Year-Small Format: Giani Ice Cream

Private Limited

Franchisor of the Year-After School Model & Activity Center: Sporty Beans

Franchisor of the Year-K-12: Seth Mr Jaipuria Schools
Franchisor of the Year-Vocational & Skill Development Training Institute: NIIT

Franchisor of the Year- Apparel: Madura Fashion & Lifest vle

Franchisor of the Year-Designer Wear: Chhabra 555 Franchisor of the Year-Foot wear: Khadims Franchisor of the Year-Home/Home Products: TTK Prestige Limited

Franchisor of the Year-Leisure & Entertainment: Lounge Cricket

Franchisor of the Year-Fitness: Sportsfit by MS Dhoni Franchisor of the Year-Pre School/Play School: Sesame Street Preschool

Franchisor of the Year-Beauty & Wellness: Groom India Salon & Spa Pvt Limited

Startup Franchisor of the Year: Petals Pre School Innovation & Technology: Reelabs Private Limited e Retail Franchisor of the Year: Lenskart

Upcoming Franchisor of the Year: Strands Salons Master Franchisee of the Year: Anytime Fitness-House of Fitness Private Limited

Franchise Supplier of the Year-Financial Support: State Bank of India

India 2015

Excellence in Channel Development: Royace Eye Franchise Manager: Mr. Amit Singh- National Business Manager, Euro Kids

Franchise Manager: Mr. K. G. George-Senior Vice

President-Retail, TTK Prestige

Regional Franchisor of the Year-North: SANFORT Group of Schools

Regional Franchisor of the Year-South: Jahanpanah Clothing Private Limited

Regional Franchisor of the Year-East: RICE Education Customer Service: Domino's Pizza India-Jubilant FoodWorks Limited

Shopping Mall of the Year: Orion Mall Management Company

Franchisable Concept of the Year: Attica Gold Company

Value Retailer of the Year: Max Retail Division-Lifestyle International

Forecourt retailer of the Year: Hindustan Petroleum Corporatoin Limited

Campaign of the Year: Amazon.in Luxury Retailer of the Year: The Golden Time Book Retailer of the Year: Crossword Bookstores Omni-Channel Retailer of the Year: BabyOye Specialty Retailer of the Year: Mothercare

**Department Store of the Year:** Shoppers Stop **Footwear Retailer of the Year:** Bata India Limited Emerging Concept of the Year: National Textile Corporation Limited

Jewellery Retailer of the Year: Tanishq Most Innovative Retailer of the Year: Casa Pop Retailer Supplier of the Year-SCM & Logistics: Safexpress Private Limited

Retailer Supplier of the Year-Loyalty Services: Mobiquest Mobile Technologies

Debutant eRetailer of the Year: Shopo Most Innovative eRetailer of the Year: Indian Railway Catering Tourism Corporation

Start up eRetailer of the year: SRSGrocery.com Value eRetailer of the Year: Amazon.in

Retail Design of the Year: Kancheepuram

Varamahalakshmi silks Regional Retailer of the Year-North: ETRELUXE India Regional Retailer of the Year-South: Neeru's Ensembles Private Limited

Regional Retailer of the Year-East: Senco Gold

Mall of the Year: Select Citywalk Licensee of the year-Apparel: Bioworld Merchandising India Private Limited

Licensee of the year-Beauty & Wellness: Alkam Licence Products Private Limited

Licensee of the year-Back to School: Vasa International Licensee of the year-Home & Home Products: Portico

Licensee of the Year-Toys & Games: Toyzone Licensee of the Year-Sports & Wellness: Firefox Bikes Concept of the Year: Carl's Jr.

Fashion Retailer of the Year: Best Seller Retail India Food and Grocery Retailer of the Year: Godrej Nature's Basket

Food Service Retailer of the Year: Domino's Pizza India-Jubilant FoodWorks Limited

Health and Beauty Retailer of the Year: VLCC Healthcare Consumer Durables Retailer of the Year: Reliance Digital Home and Lifestyle Retailer of the Year: Godrej Interio Leisure and Travel Retailer of the Year: Travel Food Services

Luggage Retailer of the Year: Da Milano Leathers Debutant Retailer Of the Year: H&M Franchisee of the Year: Adi Sports (India) Franchise Professional of the Year: Ms. Satya Sinha-

Founder & M.D. CHISEL Retail Professional of the Year: Mr. Brian Bade-CEO,

Reliance Digital Emerging Franchisor of the Year: CHISEL

Debutant Franchisor of the Year: Tea-Trails-Zone8 Tea World Private Limited

Fastest Growing Franchise Network of the Year: Essar Oil Limited

Hall of fame: FuroKids International Private Limited Business Leadership: Dr Lal PathLabs Limited Licensor of the year: Green Gold Animation eRetailer of the Year: Snapdeal.com Retailer of the Year: Aditya Birla Retail Limited

**Glimpse of Franchise & Star Retailer Awards 2015** 



## K-12 EDUCATION BUSINESS ON A NEW HIGH

Investing in K-12 education business can be a money spinning business opportunity for edupreneurs as franchisors are keen on spreading their brand's wings across the country as the need for quality education in tier II and III cities showcases a lot of potential.

thin the services industry, K-12 education is one of the biggest sectors that have the potential to turn big investments into immense returns simultaneously. K-12 education in India is growing leaps and bounds nowadays. Rising demand for quality education, decreasing enrollments in government schools, entry of private and branded players in business and people's growing income capacity are the reasons why this industry is considered as the safest for making secure investments.

Currently, the industry is valued at USD 40 billion. Looking at the growing demand of the industry, most of the renowned preschool chains have also diversified into K-12 education segment to cash in on profits. The brands that are offering franchise opportunity comprises of Sanfort Group of Schools, Seth M.R. Jaipuria Schools, Little Elly, MVN International, Shemrock and Shemford Group of Schools and MDN Edify Education (P) Ltd and many more. Addressing the Start-Up Summit 2015 at Franchise & Retail Show that was held in Pragati Maidan (New Delhi), Amit Gupta, Chairman -Education Committee PHD Chamber of Commerce & Industry says, "For





A session on education business at Start-Up Summit 2015
From L to R: Amit Gupta, Chairman, Education Committee PHD Chamber of Commerce & Industry, Shishir Jaipuria, Chairman, Seth Anandram Jaipuria Education Society, Nischal Naraynam, MD, Nischal Smart Learning Solutions Pvt. Ltd., Dr. Hari Krishna Maram, Founder & CEO, Imperial College, Anne Marie Byrne, Founder, Jymka, Preeti Kwatra, Director, Petal Preschool Club, Dr. Shabnam Sharma, Director, RoboGenius Learning Solutions Ltd, S.K. Rathor, Founder & Managing Director, Sanfort Group of Schools

safer investments, education is a great and profitable business opportunity for edupreneurs. Businesses across the world have failed but educational institutes have not, so, I strongly believe that there is a lot of potential

#### **Current market trends**

to be tapped within this sector."

making

The EY-FICCI report on the education sector in India confirmed that the current K-12 school system in India is one of the largest in the world with more than 1.4 million schools with 250+ million students enrolled. The report also revealed that the private sector contributes to nearly 40% share in enrolment although it has a 25% share in the number of schools in the country. Currently, the K-12 system in India can be segmented by ownership, level of education and board of affiliation. So far, 54% of all 1.46 million K-12 schools in India are managed by the central government/ state government and 21% are managed by local bodies/ municipal corporations.

#### High investment opportunity

Operating a K-12 school successfully can be challenging for edupreneurs as they can face hiccups in terms of cost of land, strict land norms along with multiple licensing systems. So, those who are still thinking of getting into K-12 education should be financially independent and have at least 1-3 acres of land. There is also a

scope for conversion franchisees as well; as opportunity is also available for existing school owners. S.K. Rathor, Managing Director, Sanfort Group of Schools, says, "We were happily doing our preschool business but most of the parents keep on approaching us to extend our classes because they want same kind of quality education for their children in later classes what they are getting in our preschools, then we realised the need of quality K-12 schools and sensed the scope of business in this segment and entered into K-12 school business early this year." He also adds, "The capital required to start a K-12 school in a tier II or a tier III city is very low as compared to that required in metros even the operational expenses are also very low so, the break-even will also come fast." Agreeing to him, Shreevats Jaipuria, Vice Chairman, Jaipuria Institute of Management also adds, "Seeing the potential of K-12 education in India, we are planning to open 50 schools across tier II and III cities of India by teaming up with prospective partners so as to have a better brand's footprint."

Operating school successfully is not everyone's cup of tea; get into it only if you are serious about taking it to new heights. So, to successfully operate K-12 schools, brands must have streamlined processes and standards along with highly qualified manpower in order to remain intact from rising competition that comes directly from government as well as private schools.

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# **OMNI-CHANNEL & ITS EMERGING**

Few experts within the industry believe that "Omni Channel model" in retail business is at its nascent stage while others believe, for a few sectors like travel, disruption has already happened. What will be its fate, let's take a quick look.

mni-channel is basically amalgamating or blending online and traditional brickand-mortar channels to drive robust profits for the brand or a company. These days, this trend is evolving as customers want anytime, anywhere experience across online and offline channels therefore, many brands are hoping on different retail formats to not only have a robust footprint but to generate more and more revenues in no time. However, the major key point lies in understanding to what extent; it can sustain unlimited profits for retailers, franchisors and existing franchisees.

In India, the consumer demand is changing rapidly and to provide best of offerings to the end consumers, business models are also transforming which is further resulting in the demand for funding options. Realising the potential of the omni-channel retail strategy, brands are willing to make investments as they believe that it will impact direct sales, persuade leads and building a strong presence of the brand across the country. So far, many brands have adopted this channel to have a widespread in the country and reaching the target consumers. In fact, various brick and mortar brands

are also making their products available online on leading ecommerce portals. Supporting the ongoing trend of omni channel retail, Dipak Agarwal, CEO, DLF Brands, savs, "Online

retail disruption has created a lot of opportunity for investors. Looking at the growing popularity of Ecommerce space, our plans are underway to soon launch our exclusive online shopping portal -Kidskart.com for parents and kids." On the other side, understanding the need to provide funding support to franchisors, State Bank of India has also come up with different schemes to support the franchisors and franchisees. On supporting the entrepreneurs through external funding options, Rashmi Duggal, DGM - SME, SBI says, "At SBI, we offer a gamut of financial solutions to prospective franchisees. Also, for capital intensive franchisees, we can offer customized CAPEX funding to suit the business model."







A Session on Omni-Channel Retail at Start-up Summit 2015 From L-R: Rashmi Duggal, DGM (SME), State Bank of India, Krishanprasad Rai, Head-Retail Business, Essar Oil & Gas, Dipak Agarwal, CEO, DLF Brands

Regardless of what retailers or franchisors think about omnichannel route, the big question still lies in knowing whether the ecommerce bubble is going to prevail for a long time or it will explode in a short duration. To keep afloat and evaluate their current strategy, some brands are expected to get into partnerships as the growth of omnichannel continues to move faster as brands are investing more on different business models to become profitable and reach consumers. In a nutshell, it is believed that omni-channel has truly revolutionised the way consumers shop these day, seeing this; it will be interesting to see how online stores increase or launch their brick and mortar concept in the coming times or vice versa. © 2015 TFW



