



# FRA((N))EWS

An IFA Newsletter

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2011

## FRANCHISING REDEFINED:

# THE AUGMENTED ROLE OF WOMEN



**W**ith the pace, time has progressed over the past few years; the role of women has also metamorphosed beyond our imagination. Gone are the days when women were only a part of the workforce, dedicatedly rendering their services to their organization. They often became the victim of the corporate struggles and politics that inevitably envelopes any organization. The picture however is changing now. A greater number of women are taking up entrepreneurial role as their profession and have proved their worth being an Entrepreneur.

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## Idiosyncrasies of Women that make franchising a good option for them

It has been observed that overall women take hold of a lot many characteristics that can create successful businesses. For instance, they are not only highly educated from prestigious colleges but also possess a great deal of experience. The combination of which can bring marvelous results for any business at the table.

In addition, research says that women have more risk appetite than men and the outcome of those post risk filled decisions are more fruitful in women's case than in men's. The reason they give a lot of leverage to the decisions cropping up from their intuitive value, which is most of the time right and further motivates them to take a risk. Men, on the other hand, prefer keeping their intuition aside and only take risk after observing the past records, hoping to witness a positive result, which is often the case.

Another positive trait that women possess in franchising is that they are usually more relationally minded than males. This works to the advantage of the business as they easily build rapport with clients, vendors, and also experts. Women are not hesitant to ask questions and find out how they can best provide and receive value.

That is why franchising is such a good fit for many women. It not only demands a dedicated employer from them but also expects them to build and cement the relationship with their other clients and franchisors seamlessly.

## More Traditional Women opt for Franchised Business

Women's interpersonal skills can often be quite advantageous to particular types of business ventures. By nature they definitely fit the bill in children's product and service organizations. Thus, they can be really good entrepreneurs in businesses like play school. Other popular franchises that

women tend to gravitate toward are travel and some home-related businesses such as kitchenware and décor opportunities.

## Women now in men's shoes are exploring all possible options available

There are some stereotyped roles for men that are not considered a feasible option for women. A few examples are automotive repair and security system franchises. Women, nonetheless, are breaking this glass of differentiation and are opting for all possible roles that were once considered taboo for them. They introspect themselves to have a better knowledge of their business skills and choose a business that matches the best with their skill set. This way they not only bring success to their work but also enjoy doing it. Another example could be of videogames that once appealed more to men than women.

In conclusion, as women endeavor to catch up to men in the business circle, franchising is a solid option. The model is already set up and the ongoing support is part of the package, therefore enabling the franchisee to focus on obtaining and retaining customers.



# BREAKING BOUNDARIES IN 2011



**Gaurav Marya,**  
Chairman, Indian Franchise Association

## Dear Friends,

Let me take this opportunity to introduce you to IFA's Newsletter - Fra(n)ews. With Fra(n)ews, we aim to bring forth the latest developments taking place in the franchise sector, thereby increasing awareness in the franchise community. This newsletter would also act as a platform for all the start-ups as well as established brands, to showcase the business potential and seek potential franchisee's attention.

It's my sincere hope that Fra(n)ews would successfully help in disseminating franchise knowledge to the entire franchise fraternity. In addition, I strongly believe that it would assist franchisors in reaching out to their potential investors, and in turn aid the aspiring entrepreneurs to get their desired brands.

## Gaurav Marya

Chairman | Indian Franchise Association (IFA)

# EXTRACTING THE MOST OUT OF FRANCHISE BUSINESS

**G**etting involved in a franchise business with the right plan and strategy can bring significant rewards and long-term business success. Franchises can penetrate a market, grow rapidly in multiple locations, and adapt to the local market. Franchise systems are nothing new. They date back to the times when businesses were set up to bring tax revenue to the owners by allowing multiple people sell the products across large parts. Today's it exist in the name of franchise systems that operate under the same manner with royalties and other fees coming in the pockets of the franchisors.

Strong business models results in successful franchises that can further be replicated in different cities and states. A well planned growth strategy executed with maximum efficiency also contributes toward the same. This helps them gain market capitalization and open up more and more at subsequent locations.

Although, developing a good franchise system involves some risks, it also finds out some key elements about the market, forecasts revenue accurately, and set long-term goals. Understanding the competition

and the market is a great way to learn about market potential, and realistically gauge what type of market penetration can be accomplished over a period of time. Successful franchisors do local research and market analysis, learning about the market's needs and demands, and adapting their business strategy to meet them effectively.



Successful franchises also create a business model that can be adapted regardless of geographic boundaries or restrictive laws. This can mean making sure that costs are controlled and monitored accurately, employment laws are followed, and all state laws and regulations are completely understood well

before setting up operations.

Setting up a short-term and long-term growth plan is important for the franchisor, and provides essential information on initial investments, growth potential, and revenue forecasting. Without a growth plan, there is a low chance of success in continuing the business. An accurate assessment of the business model will help generate additional interest and investors as the franchise grows and builds on itself. Growing the franchise at a steady pace will easily drive up the franchise fee over time, and make it an even more attractive business investment for new franchisees. The resale value of the franchise can increase considerably during the growth period, and it's important to keep this in mind when assessing profitability of a particular business model.

Today's franchise opportunities include both retail and service businesses, and the successful enterprises take into account the local market, the competition, assessing the business model's revenue forecast, and creating a growth strategy. All of these areas factor into the long-term success of a franchise, and need to be recognized before a business can grow.

## CANON INDIA TO ROLL OUT 100 CANON IMAGE SQUARE SHOPS THROUGH FRANCHISING:



**C**anon India Pvt Ltd will roll out 100 'Canon Image Square' shops through franchise model this year with focus on tier II and III cities, according to a top company official.

"Canon India has 90 outlets in the country and is in the process of unveiling 100 shops every year till 2013. Each franchisee will invest about Rs 30 lakh. In tier II and III towns, Canon plans a unique initiative through Image Express showrooms to tap rural clientele," said Kensaku Konishi, president and CEO, Canon India.

Konishi said software development centres at Noida and Bangalore would also be expanded and the number of seats would be doubled to 200 before end of next year.

Canon has a wide and comprehensive range of 160 products including digital and digital SLR cameras, inkjet and laser printers, production printing system and fax machines.

In addition to sales outlets, they have Level four service centres in five metros -- Delhi, Mumbai, Chennai, Kolkatta and Bangalore. Plans are on to open a few more in state capitals.

**Source: Times of India**



## FRO 2011 42ND NATIONAL FRANCHISE, RETAIL & SME SHOW, BANGALORE

**F**ranchise India hosted FRO 2011, the biggest Franchise and Retail, Expo and Conference on September 4-5, at the Nimhans Convention Centre, Bangalore.

The inaugural session was addressed by SR Gopalan, President TiE-Bangalore and Founder and CEO Dawn Consulting, Hemchandra Javeri, Co-Founder, Forum Synergies along with Gaurav Marya, President, Franchise India and Ashna G Sharan, CEO, Franchise India Exhibitions (FIE).

The show was presented by Franchise India, which is an integrated franchise solution company. This event was supported by Ministry of Micro Small and Medium Enterprises (MSME). There were sessions on writing business plans, also finding funding, marketing of company along



with a panel of experienced startup founders & Business Leaders offering advice.

This show offered direct opportunity to the investors and principals for coming face to face and also free interaction. Its aim was to provide the investor with a wider platform for choosing its principal according to their business requirements and future perspectives and firms.

## JAMBA EXPANDS THROUGH FRANCHISING

**J**amba Inc (JMBA), which currently operates more than 752 stores, recently announced the opening of its first franchised store in Massachusetts with a new franchisee Corey Peterson, who boasts an experience of 17 years in the restaurant business. To further boost its presence in the state, the company plans to open an additional 3 stores with Peterson.

The Emeryville, California-based company stated that the new store has been opened on the second floor of the Northshore Mall in Peabody. The Northshore Mall is one of the largest shopping malls in New England and offers a full range of retail, restaurant and entertainment for its shoppers. This new store is expected to benefit immensely from its strategic positioning. The shopping center attracts visitors from all the nearby locations.

On the same day, Jamba also announced the opening of its first franchise outlet in West Valley City, Utah, which marks the eleventh Jamba store in the state. The new store has come up with Blended Star, LLC, the largest Jamba Juice franchise operator in Utah. The opening of the new store is a part of the agreement of refranchising 10 Jamba Juice stores by Blended Star, LLC. The franchisor inked the deal with the company in 2010.

We believe that the new store openings are in line with the



company's expansion strategy through franchising. We believe Jamba's transition to a more franchise-centric model will require less capital and stabilize cash flow generation. Jamba Juice expects to add up to 50 to 70 new domestic traditional and non-traditional franchise locations in 2011.

We are impressed with Jamba's slow-but-steady turnaround. Apart from the domestic market,

Jamba is also in an expansion mode overseas. Jamba currently has a presence in Korea, Philippines and Canada. Among these, the Jamba brand has been well received in Korea, thus encouraging Jamba's Korean partner to open more stores. Jamba anticipates retail distribution to grow from 25,000 to more than 30,000 by the end of this year.

(Source: Yahoo Finance)



## WITCO TO EXPAND VIA FRANCHISING



**W**itco, a premium multi-brand retail chain in travel requisites is all set for franchise expansion. For this the company has joined hands with Francorp, a part of Franchise India Group. Francorp, the strategic partner will design the growth path for Witco. This retail chain has 12 company owned outlets in Chennai, Bengaluru and Kerala.

Althaf Harris, Director, Witco informs, “The company is looking at setting up 50 stores in next three years in metros and major cities across the country. For the same, we are scouting for the right kind of partners and have engaged Francorp to strategize the growth path.” Witco is a multi brand retail chain showcasing premium luggage, bags and accessories. Witco helps its clientele to be ‘travel ready’ by recommending and offering products that are truly best in class for the daily commuters to the international traveler.

Gaurav Marya, Managing Director, Francorp said, “The retail landscape and infrastructure is developing rapidly in major cities across India, so it’s a great opportunity to introduce Witco while new consumer markets are being established. Francorp will assist Witco in assessing the feasibility of its model and suggesting a comprehensive strategy to achieve segment leadership and capture a wide market share.”



## INDIAN FRANCHISE ASSOCIATION SUPPORTED ESTATE WORLD 2011

“**E**state World 2011” was a focused effort on part of Franchise India Holdings Ltd. along with KPMG as the Knowledge Partner in displaying, analyzing, realizing and understanding the scope and growth prospects of the real estate business. The one of its kind event has showcased products, strategies, personalities and leading companies that comprise the Indian real estate marketplace.

Estate World 2011- India’s biggest B2B real estate platform which included real estate developers, brokers/agents architects, consumers, government officials, finance/banking officials, land owners, and others associated with the industry directly and indirectly. It witnessed the proficient and practiced brainstorming, debating and reaching conclusions. The conference aimed at opening doors to all associated with the real estate businesses who continue to be crucial in giving the commoners a reason to smile.

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### Services offered:

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We would help you convert your existing business into a franchise business by providing expert consulting , planning, legal, marketing and technology solution.



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# HELEN O'GRADY DRAMA ACADEMY



It was formed by Ms. Helen O' Grady, a renowned stage and film actress in 1979 in Perth, Australia. She, along with some acclaimed theatre artists, formed an extensive curriculum with an aim to develop speech and drama skills of students of all age groups. Her husband Steve Griffith, a banker, saw immense potential in the content and he developed the franchise model with the help from professionals of the Australian franchising industry. Together, the husband-wife team opened branches around the world through the franchise route. Presently, Helen O'Grady International has franchised branches operational in 25 countries globally and operates over 1500 centers across the world.

In India, Helen O'Grady Drama Academy is a division of Govind Knowledge Ventures Pvt. Ltd. (GKVPL). The Director of GKVPL, Mr. Harshkumar

Seksaria, has been responsible for introducing Helen O'Grady Drama Academy to India. Over the last five years, along with the CEO Arpita Mittal, have spent valuable time and resources in building a team to deliver the objectives of the Academy. Ms. Mittal is primarily an educator who started her career as a lecturer of English in Mumbai. Growing in her career, when she was offered a chance to launch Helen O'Grady Drama Academy, she found in it immense potential to introduce an International developmental drama system which impacts students so positively and it was a great opportunity to bring in alternative and supplementary academic offerings of great quality into the country.





**Ms. Arpita Mittal, CEO**  
Helen O'Grady Drama Academy

The inspiration for Helen O'Grady Drama Academy behind expanding the brand in India is that of an academician who believed firmly that our young minds need a platform to think, ideate and express themselves in a stress free environment. As against the regular classroom teaching, Helen O'Grady's programme has been a break-through, making the class beaming with vibrancy, excitement and energy. The programme fulfills a need for such a creative platform, which is not being provided effectively by their formal school education. To groom individuals with confidence, develop self-esteem and eloquence, the trainers are methodically trained in the Helen O'Grady Drama System.

Helen O'Grady International's business plans were always a lot more realistic in manner. They kept in mind the diverse geographies and varieties of large Indian market; the fee structure is adjusted to suit the middle class which has the highest aspirations

for their children but limited resources. It wouldn't work if the international brands keep their fee at par with other countries, foresees the CEO and hence, imparting the programme to large numbers of students and keeping the revenue low as compared to what these numbers translate into abroad.

The country is growing steadily in awareness towards the need for supplementary educational programmes. Also lack of such indigenous programmes and not enough research in this field make the stand of Helen O'Grady programme firm and roots it strongly in the educational system. Undoubtedly, good international quality ensures the growth and sustenance of the brand entering our country. Helen O'Grady has also relied on support system through organizations like Franchise India which has helped the brand to penetrate into the Indian market.

By seeing the success of the franchising model of international Helen O'Grady, India also found that franchising was opening up and the model fit into the growing market very well. This makes franchising the most favored route of expansion here.

Since the concept introduced by Helen O'Grady is essentially international, a common thought would be the kind of changes/ customization would the brand incorporate to make it a success in India. Speaking candidly, there are very few changes made in the international franchise model. All its tenets are being followed by all the franchisees worldwide. After signing of the agreement, handholding of the franchisees is also done by following international practices set by the parent company. These practices are holding the organization in good stead.

With this Helen O'Grady International, for over three decades now has been doing sterling work in the field of soft skill training and has developed the only programme of its kind in the world which uses the medium of drama.

# Ensuring Best Practices in Franchising



Indian Franchise Association is India's premier, non-political, not-for-profit body representing Indian Franchise Sector. IFA's endeavor is to promote, promulgate and popularize the concept of franchising as a mode of doing business across the industry verticals and to nurture the entrepreneurial skill of every Indian.

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India's first Professional Recruitment Service exclusively for the Franchise sector.



A bi - monthly e- bulletin covering every aspect of the franchise sector.

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Provides head to toe Franchise Development Program Services.

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**Branding Opportunity:** Outshine your competitor by positioning your brand at Fra(n)ews, IFA Newsletter or at IFA website [www.franchiseindia.org](http://www.franchiseindia.org)  
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