BUSINESS PLAN · INDIA

Franchise Development Consultancy

Franchising models, FDD and expansion

CONSULTING

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

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1. Executive Summary

This plan sets out a **Franchise Development Consultancy** in India — a professional-services firm that helps brands build franchise-ready models (FDD/franchise documentation, unit economics, SOPs, territory & expansion strategy) and helps them recruit & onboard franchisees, plus matchmaking investors to brands. It earns retainers & project fees on franchise-model design plus **success fees on franchisee sign-ups**, monetising India's fast-growing franchising & organised-expansion wave — a low-capex, expertise-/network-/success-fee-driven professional-services business.

Franchising is booming in India as brands (F&B, retail, education, wellness, services) seek capital-light, fast expansion, and as aspiring entrepreneurs seek proven business models — but most brands lack franchise-ready systems & most investors lack a way to evaluate opportunities. A franchise consultancy is an **expertise, network & matchmaking business**: little capital, driven by franchise-model know-how (unit economics, FDD, SOPs, territory), brand relationships, an investor/franchisee network & the ability to close sign-ups. Revenue blends **brand retainers/projects (model & documentation) + success fees on franchisee recruitment (brokerage)**; success rests on model quality, brand roster, franchisee/investor network, closing capability & a repeatable engine — it is expertise-, network- & success-fee-dependent, working-capital-light.

This is a professional-services business — funded largely by promoter equity (low capex), with a modest working-capital line (services-MSME eligible). This plan models a franchise consultancy requiring **₹32 lakh** (₹23 lakh promoter + ₹9 lakh bank/WC finance), targeting **₹1.3 crore** revenue in Year 1 and **₹3.2 crore** by Year 3. *(Franchise consulting; brand retainers/projects + franchisee-sign-up success fees + matchmaking, expertise-/network-/success-fee-driven, low-capex.)*

2. Business Description, Vision & Legal Structure

Concept: A franchise development consultancy - building franchise-ready models (FDD, unit economics, SOPs, territory/expansion) for brands & recruiting/onboarding franchisees, plus investor-brand matchmaking, on retainers, projects & success fees.

Vision: To help great brands scale through franchising & entrepreneurs find proven models.

Mission: Build franchise-ready systems & make the right brand-franchisee matches - sustainable expansion, not just sign-ups.

Legal structure options

- **LLP** — common for an advisory practice.
- **Private Limited** — recommended for scale, brand rosters, brokerage & credibility.

> **Regulatory anchor:** a franchise consultancy is a professional-services business (company/LLP, GST on services, franchise/brokerage agreements, FDD/disclosure documentation, contracts/NDAs, no misrepresentation in franchisee recruitment). Model quality, brand roster, franchisee/investor network, closing capability & a repeatable engine determine success; it is expertise-, network- & success-fee-dependent, capital-light.

3. Promoter & Ownership

Led by a promoter with franchising, brand-expansion, retail/F&B or business-development expertise & brand/investor relationships. The team includes franchise consultants (model/FDD/SOPs), franchise-sales/recruitment (closing sign-ups), an investor/franchisee network lead & BD/support. Model quality, brand roster, network & closing capability are the differentiators. Ownership & stakes are editable inputs.

4. Market Analysis — India

India's franchising market is among the fastest-growing globally, spanning F&B, retail, education, wellness, fitness & services, driven by brands seeking capital-light expansion & a large pool of aspiring entrepreneurs/investors seeking proven models. Demand is expansion-/entrepreneurship-driven & economy-linked. The market rewards franchise-model quality, brand roster, franchisee/investor network, closing capability & a repeatable engine; it is expertise-, network-, success-fee- & cycle-sensitive, met with model quality, network, closing & BD.

Demand drivers

- **Franchising boom** (F&B/retail/education/wellness/services).
- **Capital-light brand expansion.**
- **Aspiring entrepreneurs/investors** seeking models.
- **Organised retail & brand growth.**
- **Tier-2/3 & regional** expansion.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	Franchise development/brokerage in India	Large & fast-growing
SAM	Sector/segment & geography	Substantial
SOM (Yr 1–3)	Brands / sign-ups	Scaling

Target segments

- Brands ready to franchise (F&B/retail/education/wellness).
- Emerging/regional brands (model-building).
- Aspiring franchisees/investors (matchmaking).
- Master-franchise & area developers.

5. Competition & Competitive Advantage

Landscape: other franchise consultants/brokers, franchise portals/expos, business brokers & in-house brand teams. The firm competes on model quality, brand roster, franchisee/investor network, closing capability, credibility (right matches) & value.

The business's edge

- **Franchise-model & FDD/unit-economics expertise.**
- **Quality brand roster.**
- **Franchisee/investor network & matchmaking.**
- **Closing capability (sign-ups).**
- **Right-match credibility (sustainable, not churn).**

6. Products & Revenue Model

Stream	Model	Basis
Franchise-model & FDD development	Project fee	Core
Expansion strategy & retainers	Retainer	Recurring
Franchisee recruitment (brokerage)	Success fee per sign-up	Core upside
Master/area-developer deals	Higher success fee	High-value
SOPs, training & support setup	Project fee	Margin

> Franchise-model/FDD development & expansion retainers give base revenue; franchisee-recruitment success fees (per sign-up, higher for master/area deals) are the core upside; SOPs/training add margin. Economics = brand projects/retainers + sign-ups × success fee; model quality, brand roster, network, closing & BD drive it — the decisive franchise-consulting levers (low-capex, network/success-fee-driven).

7. Go-to-Market — Marketing & Sales

- **Brand BD** (brands ready to franchise).
- **Franchisee/investor demand generation** (portals, expos, digital, network).
- **Franchise expos & events.**
- **Thought leadership & track record** (successful expansions).
- **Matchmaking & closing** (sign-ups).

Sales approach

Sign quality brands (model/FDD projects + retainers) → generate franchisee/investor demand (expos, portals, network) → match & close sign-ups (success fees) → support onboarding → build track record, roster & network. Model quality, roster, network & closing build a two-sided engine; right matches (not churn) protect reputation & repeat.

8. Operations Plan (two-sided: brands + franchisees)

- **Brand side:** franchise-model design (unit economics, FDD, SOPs, territory, fees/royalty), expansion strategy.
- **Franchisee side:** demand generation, screening/qualification, matching, closing & onboarding.
- **Process:** brand onboarding → model/FDD build → list/market → generate & screen franchisee leads → match/present → close (success fee) → onboard/support → repeat.
- **Network & matching:** a live brand roster + franchisee/investor pipeline + matching are the core assets; screening protects quality.
- **Tech:** franchise/lead CRM, brand-listing, model/FDD templates, matching & deal tracking.

Deal workflow

Stage	Activity	Metric
Onboard brand	Model/FDD/retainer	Fee/roster
Generate	Franchisee demand	Lead-flow

Screen/match	Qualify/present	Quality/fit
Close	Sign-up	Success fee
Onboard	Support/launch	Retention/repeat

9. Regulatory, Licences & Compliance (India)

- **Entity:** LLP/company; GST on services; PAN/TAN.
- **Franchise docs:** FDD/disclosure; franchise agreements (with brand's legal); trademark/IP awareness.
- **Brokerage:** success-fee/brokerage agreements; no misrepresentation to franchisees.
- **Contracts:** engagement/NDA; ethics in recruitment.

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / lead consultant	1	2	3
Franchise consultants (model/FDD/SOPs)	3	6	10
Franchise sales / recruitment	3	7	12
Marketing, network & support	2	4	6
Total	**9**	**19**	**31**

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0–2	Entity, templates, first brands, franchisee channels
Ramp	Month 2–7	Brand roster, first sign-ups, retainers
Traction	Month 7–12	Sign-ups & roster; ₹1.3cr revenue
Expand	Year 2	More brands, recruiters, expos, master deals
Scale	Year 3	₹3.2cr revenue; roster & network

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. Franchise consulting; brand projects/retainers + franchisee-sign-up success fees; people-driven, low-capex, working-capital-light.

12.1 Project cost & means of finance

Capital requirement	₹
Office setup, fit-out & IT	8,00,000

Working capital (salaries + receivables runway)	15,00,000
Marketing, expos, portals & lead-gen	6,00,000
Templates, CRM, brand & pre-operative	3,00,000
Total project cost	**32,00,000**
Promoter contribution	23,00,000
Bank / WC finance (services MSME)	9,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
Franchise-model / FDD / retainers	45,00,000	90,00,000	1,20,00,000
Franchisee-recruitment success fees	65,00,000	1,30,00,000	1,70,00,000
SOPs, training & other	20,00,000	40,00,000	30,00,000
Total revenue	**1,30,00,000**	**2,60,00,000**	**3,20,00,000**
Consultant & recruiter salaries	62,00,000	1,25,00,000	1,58,00,000
Marketing, expos, portals & lead-gen	25,00,000	48,00,000	58,00,000
Office & overheads	22,00,000	38,00,000	47,00,000
Interest & other	3,00,000	4,00,000	5,00,000
Total expenses	**1,12,00,000**	**2,15,00,000**	**2,68,00,000**
Net profit (before tax)	**18,00,000**	**45,00,000**	**52,00,000**
Net margin	13.8%	17.3%	16.3%

12.3 Unit economics & break-even

- **Brand projects/retainers + sign-ups × success fee:** model/FDD projects & retainers give base revenue per brand; franchisee-recruitment success fees (per sign-up, higher for master/area deals) are the volume/upside driver — the core lever.
- **Roster & network:** a quality brand roster + a live franchisee/investor pipeline + closing capability drive sign-up volume & repeat; right matches (low churn) protect brand relationships & reputation.
- **Break-even:** at a brand + sign-up threshold covering salaries, marketing & overheads; margins healthy, scaling with roster, sign-ups, master deals & retainers.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹)	Q1	Q2	Q3	Q4
Opening balance	3,00,000	2,70,000	2,80,000	3,10,000
Fee & success-fee collections	24,00,000	31,00,000	36,00,000	40,00,000
Salaries, marketing & operating	24,30,000	30,90,000	35,70,000	39,20,000
Closing balance	**2,70,000**	**2,80,000**	**3,10,000**	**3,90,000**

> Capital-light but salary- & marketing/lead-gen-led, with lumpy success fees & receivables the main WC. Brand retainers/advances, milestone billing, success-fee-on-close, a modest WC line & pipeline management smooth cash; the key risks are sign-up lumpiness, weak brand roster/lead-flow, franchisee churn (reputation) & receivable delays — met with retainers, roster/network, right-match quality & a WC buffer.

12.5 Key Performance Indicators to Monitor

- **Roster:** active brands; retainer base; brand quality.
- **Recruitment:** franchisee lead-flow; sign-ups; conversion; master deals.
- **Quality:** franchisee success/churn; right-match rate; repeat brands.
- **Finance:** revenue/consultant; success-fee share; net margin; receivable days.

13. Funding Requirement & Bankability

Total ask: **₹9 lakh bank/WC finance** against ₹23 lakh promoter contribution — a modest working-capital line (salaries/marketing/receivables) on a low-capex base, services-MSME eligible. Bankability rests on the brand roster, sign-up track record, network & healthy margins; the firm is capital-light & cash-generative. Year-1 profit ~₹18 lakh growing to ₹52 lakh supports servicing; roster, sign-ups & closing are key. Model quality, brand roster, network & closing capability underpin the model.

13.1 Funding utilisation

Use of funds	₹	% of total
Working capital (salaries + receivables runway)	15,00,000	46.9%
Office setup, fit-out & IT	8,00,000	25%
Marketing, expos, portals & lead-gen	6,00,000	18.75%
Templates, CRM, brand & pre-operative	3,00,000	9.375%
Total	**32,00,000**	**100%**

14. Risk Analysis & Mitigation

Risk	Mitigation
Sign-up lumpiness / cash	Brand retainers, pipeline, WC line, milestone billing
Weak roster / lead-flow	Brand BD, expos/portals, network, marketing
Franchisee churn / mismatches	Screening, right-match focus, model quality, support
Reputation / misrepresentation	Honest recruitment, FDD, ethics, sustainable matches
Talent / closing capability	Recruiters, training, incentives, retention

15. SWOT Analysis

Strengths Low-capex & high-margin; franchising boom; two-sided network & matchmaking; success-fee upside; scalable.	**Weaknesses** Sign-up lumpiness; roster- & network-dependent; churn/reputation risk; closing-talent-dependent.
Opportunities Franchising growth (F&B/retail/education/wellness); tier-2/3; master/area deals; portals; international brands entering India.	**Threats** Competition (consultants/portals); economic cycles; franchisee failures (reputation); brand in-housing.

16. Recommended AiSevak Tools for This Business

This franchise consultancy would use AiSevak's Consulting vertical tools in delivery:

- **Delivery ops:** franchise-model/unit-economics & FDD/SOPs, franchisee-CRM/lead-gen & matching/screening, deal/sign-up-tracking tools.
- **Firm ops:** franchise/brokerage-agreement & GST, marketing/expo & receivable-management tools (with Legal & Finance verticals).
- **Practice:** Business Plan, roster/sign-up and Break-even tools to model the firm — and franchise deliverables brands pay for.

17. Key Assumptions & Notes

- Franchise consulting: franchise-model/FDD/SOPs/expansion for brands + franchisee recruitment (brokerage) + investor-brand matchmaking; expertise-/network-/success-fee-driven, low-capex.
- Brand projects/retainers + sign-ups × success fee decisive; model quality, brand roster, franchisee/investor network & closing capability are the levers; master/area deals are high-value.
- Largely equity-funded (low capex) + modest WC line, services-MSME eligible; LLP/company, GST-on-services, franchise/brokerage agreements, honest recruitment.
- Roster, sign-ups, right-match quality, master deals & retainers drive economics; figures illustrative, exclude GST.

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