

Dairy Franchise Outlet- A Fearless Option

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Abstract

This content explores the resilience and advantages of establishing a dairy franchise outlet, emphasizing the security and support inherent in the franchise model. It outlines the franchising agreement, detailing the partnership between franchisors and franchisees and the various compensations involved. Focusing on the thriving market for diverse dairy products in India, particularly within the franchising realm, the content highlights the versatility of dairy franchises, ranging from ice cream parlors to mobile kiosks. It provides a step-by-step guide for aspiring franchisees and estimates the costs associated with initiating a dairy franchise, including space requirements and financial considerations. The article concludes with guidelines, such as exclusive marketing and territorial exclusivity, and a comprehensive list of dairy cooperative brands in different Indian states. Overall, it presents the dairy franchise model as a compelling and financially feasible option for entrepreneurs.

Introduction

The standout quality of the franchise model lies in its inherent security. While all businesses encounter risks, franchise businesses are particularly well-positioned to mitigate these risks due to their extensive experience and comprehensive market research. Furthermore, many franchisors provide invaluable technical and marketing support, significantly easing the burden on business owners. Consequently, for entrepreneurs seeking a business opportunity, franchising emerges as the optimal choice.

A franchising agreement is a strategic business model where one party, known as the franchisor, authorizes another party, the franchisee, to operate under their established brand and trademark. This arrangement is a well-recognized marketing strategy for expanding business operations. It involves a legally binding contract that outlines the terms and conditions of the partnership. Under this agreement, the franchisor grants the franchisee the rights to utilize their recognizable trademark and brand name, along with the permission to market and sell their specific goods, services, or products. In essence, franchisees function as authorized dealers of the franchisor's offerings. In return for these privileges, the franchisee typically compensates the franchisor through several means, including an initial fee, ongoing commissions, and a share of the generated profits. One significant advantage for franchisees is the valuable opportunity to gain insights into established business practices without the need to invest in extensive employee training programs.

In India, operating a retail business focused on selling diverse dairy products is a thriving venture. Dairy franchises are a specialized and lucrative segment within the broader world of franchising. These businesses focus on providing dairy products and related items to consumers, typically encompassing a range of offerings such as Milk, Cheese, Yogurt, Ice cream, and more. Dairy franchises can take various forms, including Ice cream parlors, Yogurt shops, Cheese stores, or even full-scale dairy farms. What makes it particularly intriguing is that it demands only a small space, allowing for the possibility of setting up shop using a mobile food van or a kiosk. With a relatively modest initial investment, this business model offers the potential for substantial per-unit revenue, making it an attractive prospect for entrepreneurs.

To apply for a dairy franchise with a specific brand, follow these steps:

1. Visit the Official Website
2. Navigate to the Franchise Section
3. Review Franchise Information
4. Complete the Online Application Form
5. Submit the Application
6. Contact by Phone or Email
7. Due Diligence
8. Application Approval

To initiate a dairy franchise, you'll require a minimum space of 100 to 300 square feet. The cost of setting up the franchise can vary depending on factors such as whether you own or rent the shop space, the type of equipment required, and the interior design. Here are some cost estimates:

1. Shop Space: If you don't already own suitable shop space, you may need to budget for rental expenses, which can vary significantly based on the location and size of the space.
2. Equipment: The cost of equipment can range from 1.5 to 6 lakhs, depending on the specific needs of the franchise. This includes items like refrigeration units, display cases, and other machinery required for dairy product storage and presentation.
3. Interior Design: Depending on the condition of the space you acquire and the franchisor's branding standards, you may need to invest in shop remodeling and interior design to ensure your store aligns with the franchise's image.

There are typically two options for dairy franchise outlets

- Parlour Type: This option is designed to resemble a traditional retail store. The investment for equipment, shop remodeling, and brand compliance may cost around Rs. 2 lakhs.
- High-Tech Ice Cream Scooping Parlour: This more advanced option, which includes high-tech equipment for serving ice cream, can require an investment of approximately 6 lakhs.

Loan- Loans are available through PMEGP and UYEGP.

Guidelines

1. Exclusive Marketing: This means that as a franchisee, you are expected to sell and market only the products and services associated with the specific franchise brand you've partnered with. This is essential to maintain brand consistency and customer expectations.
2. Territorial Exclusivity: To prevent over-saturation and competition among franchise locations, the franchisor may grant you exclusive territorial rights. In your case, it means that other stores or franchise outlets under the same brand cannot be located within certain proximity, such as 500 meters, from your store.

List of Dairy cooperative brands of each state

- Andhra Pradesh- Vijaya
- Assam- Purabi
- Bihar- Sudha
- Chattisgarh- Devbhog
- Delhi- Mother Dairy
- Goa- Goa Dairy
- Gujarat- Amul
- Haryana- Vita
- Himachal Pradesh- Him
- Jammu & Kashmir- Snowcap
- Jharkhand- Medha
- Karnataka- Nandini

Kerala- Milma
Madhya Pradesh- Sanchi
Maharashtra- Mahanand, Gokul, Warana, Dudh Pandhari, Rajhans, Katraj, Shivamnit, Krishna, Koynia,
Devgiri Mahanand, Kisan, Nandan, Vasant, Godavari
Mizoram- Mulco
Nagaland- Kevi
Odisha- Omfed
Pondicherry- Ponlait
Punjab- Verka
Rajasthan- Saras
Sikkim- Sikkimik
Tamil Nadu- Aavin
Tripura- Gomati
Uttar Pradesh- Parag
Uttarakhand- Aanchal
West Bengal – Benmilk.

Conclusion

Starting a dairy franchise in India is a smart and secure choice for entrepreneurs. Franchises provide safety and support, making them an excellent option for those looking to invest in a business. This article explains the process of getting into a dairy franchise, including steps like visiting the official website, reviewing information, and applying online. It also discusses the costs involved, such as space rental, equipment, and interior design. The dairy franchise business in India is thriving, offering a variety of products like milk, cheese, yogurt, and ice cream. The flexibility of this business model allows for setups ranging from traditional stores to mobile kiosks. The article concludes by highlighting guidelines for franchisees and a list of dairy cooperative brands in different Indian states. Overall, starting a dairy franchise is seen as a promising opportunity, providing a stable and potentially profitable business venture for entrepreneurs.