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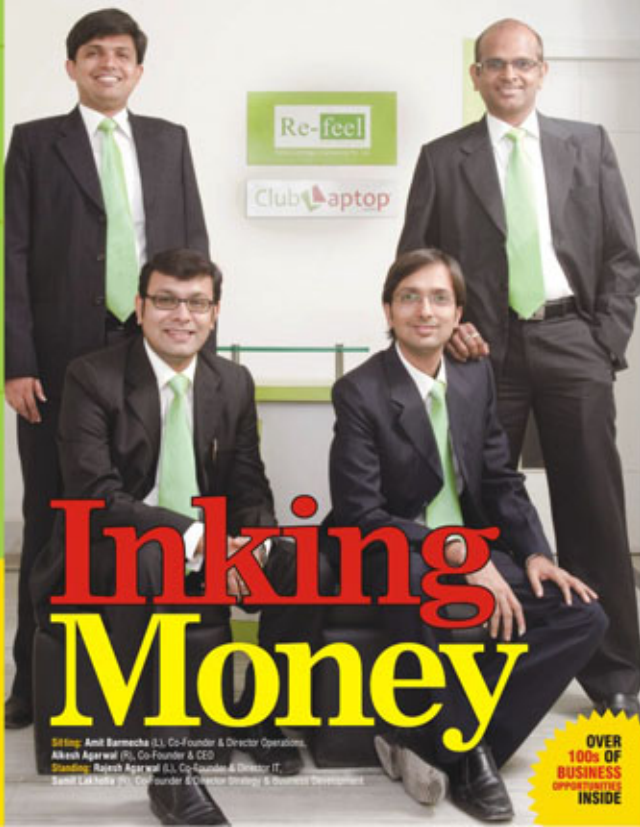
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DEEPAK KHANNA,
CEO,
ANTEL BUSINESS
SERVICES



Inking Money

Sitting: Amit Barmecha (L), Co-Founder & Director Operations,
Aikesh Agarwal (R), Co-Founder & CEO
Standing: Rakesh Agarwal (L), Co-Founder & Director IT,
Sandeep Lakshya (R), Co-Founder & Director Strategy & Business Development

PLUS
→ Call for corporate tie-ups
→ At the vanguard of change
→ Travails of franchise training

SME
Small & Medium Enterprises

→ P's & Q's of public
relations
→ Social enterprise can
be profitable too

**OVER
100+ OF
BUSINESS
OPPORTUNITIES
INSIDE**

Opportunities

BUSINESS FOCUS | RE-FEEL & CLUBLAPTOP

Re-feel, a retail printer cartridge refilling and recycling chain, has inked a great success story. What started in February 2007 as a humble business initiative has today grown into a full-fledged, low-investment but high-return, retail business opportunity. The success was replicated in another venture called ClubLaptop, which proved the obvious.

CARTRIDGE refilling and laptop repairing are among the most preferred opportunities in the IT-enabled business services. Though the market is at a nascent stage in India, globally this industry is soaring high. The printer cartridge market is around Rs 3,000 crore in India, with a growth rate of around 18-20 per cent.

The emergence of Re-feel as a leader in this nascent industry speaks highly of the endeavours that went into making it the best business format. The success of Re-feel can be attributed to various factors. First, it provides customised, cost-effective solutions in the area of printing and cartridge refilling. Secondly, it keeps on updating its business models and incorporates technological advances with time. Thirdly, it updates franchisees regarding the same by providing training and support, which is an ongoing and regular process at Re-feel. Another key feature of the company's growth strategy is to keep franchisees abreast of the developments and the changes in the industry.

Before a franchisee begins its operation, the team receives intensive training on cartridge refilling industry at company's head office in Kolkata and all the manuals are handed over to them. Right from individuals, to SMEs, to corporate, to government institutions, Re-feel penetrates wherever printers are being used. It is strongly positioned to cater to the demands of the corporate clients with its strong network of stores across 75 cities.

Besides, end-customer dealing, which is the

responsibility of the franchisee, Re-feel offers its franchisees with the back-end support system too. Corporate clients share a larger pie and to cater to them, Re-feel has set up regional offices in Mumbai and Delhi. A strong corporate marketing team at the regional offices ensures corporate deals on behalf of the franchisees.

To replicate its business model, Re-feel initiated expansion in bigger cities and is now penetrating in tier II and tier III cities as well. It now has 115 stores in 75 cities pan India and boasts of a strong support network throughout the country. Re-feel intends to double its franchise count in the next two years following the success in the IT-based services market.



Ful-filling OPPORTUNITY

Foreign funding

The measure of Re-feel's success can be had from the fact that TLG Capital, a UK-based private equity firm, has invested around USD 5 million in the company. Re-feel will use this fund to support and expand its franchise network. Aikesh Agarwal, CEO, Re-feel, says, "We want to utilise this fund to expand our franchise network as well as expand the chain of laptop repair stores. This is the first deal for TLG in India, who now wants to replicate our phenomenal success in sub-Saharan Africa."

When asked about their plans to expand globally, he said, we want to go international with a venture in sub-Saharan Africa. We want to export the cost-effective, efficient and stream-lined business models and technology from India to sub-Saharan Africa.



ClubLaptop

Inspired by the incredible response, Re-feel Cartridge Engineering launched its second technology-based venture, ClubLaptop, which further consolidated the position of Re-feel in the market. ClubLaptop is the one-stop solution for laptop, laptop accessories and laptop care. Witnessing a strong franchise network and growth in leaps and bounds in a span of three years made Re-feel adopt a similar business model for ClubLaptop too.

Commenting on the same, Agarwal says, "Laptop sales have seen a 76 per cent year-on-year growth in the last six years and we expect a very high growth rate in the near future too."

ClubLaptop sells laptops, laptop accessories such as laptop cleaning kits, laptop car charger, laptop carry bags, laptop soft case and many such interesting items. ClubLaptop focuses on quality service at reasonable cost and provide reliable and professional solutions to laptop users.

You can save up to 60 per cent on repair charges and components that include LCD repair or replacement, DC jack replacement as well as advanced laptop power repair. The company repairs laptops of various companies such as HP, Compaq, Sony, Acer, ASUS, Dell, Fujitsu, HCL, IBM, Lenovo, LG, Panasonic, Samsung, Toshiba, etc. The company offers fast, friendly and

affordable laptop repair services to individuals and corporate alike. They offer all their franchisees a single table deal for corporate customers and to help them serve locally.

The brand ensures its franchisees and consumers 100 per cent money back warranty for its products and services. It provides reliable laptop repair and replacement solutions to its franchisees and consumers. Concerned about maintaining company's standards, ClubLaptop applies latest technology to offer the best possible services to its clients.

Fruitful franchising

The advantage of capturing large market, to have a better overall control on the business and replicating the success of Re-feel stores via franchise business model led to the adoption of franchise model for ClubLaptop too. The company believes that the franchise model helps them

meet local-level challenges effectively. Their franchise model of high profit potential ensures that both the franchisees and the company generously profit from the business. The growing number of franchisees in different cities has helped them in receiving more business and faster customer servicing. Considering franchise as the most apt business model to expand, ClubLaptop plans to operate its entire outlets pan India via franchise.

To own a ClubLaptop franchise, the franchisee should possess IT skills or the ability to employ IT skilled people. He or she should have entrepreneurial abilities and the knack to adapt to the fast changing business scenario.



Franchise Requisite	Area Required	Investment (A City)	Area Required (B City)	Investment
Re-feel	300-400 sq. ft.	Rs 8-10 lakh	200-300 sq. ft.	Rs 4-6 lakh
ClubLaptop	200 sq. ft.	Rs 6-7 Lakh	-	-
Re-feel & ClubLaptop	400-500 sq. ft.	Rs 12-14 lakh	300-400 sq. ft.	Rs 8-10 lakh



ClubLaptop is a low-cost and high-return business because a potential franchisee needs to invest around Rs 6 to 7 lakh and requires an area of 200 sq.ft. The brand ensures its franchisees a break-even in 12 to 18 months time.

Within a short span of six months, ClubLaptop has 37 stores across 27 cities in India. The company plans to strengthen its presence in all unrepresented areas pan India. ClubLaptop aims to operate 100 stores by March 2011 and 300 stores by the end of March 2013.

Strong support spells success

ClubLaptop provides intensive training and support to its franchisees. Bridging the technology gap, it gives complete business model training and assists franchisees in setting up of stores, designing and branding too. The franchisees are given strong training on technical, marketing, administrative aspects, besides advising them on accounts, store handling, etc. The entire business model training is supported by a complete set of manuals. Company's technical training team and technical support team works hand in hand with the franchisees to help them in their day to day operations.

ClubLaptop will also invest in a proper national branding and marketing plan for a strong nationwide

presence. It believes in offering excellent services to both their franchisees and consumers by creating a strong training and support system.

To outdo unorganised players and organised counterparts in the industry, Club Laptop provides its franchisees high-quality components, better access to national and international markets and standard training procedure. Besides, it facilitates strong branding and strong market penetration for franchisees. The competition is tough because organised sector constitutes reputed international brands and the unorganised sector of local technicians and shops.

Clubbing the benefits

To serve everything on the same platter, the company has clubbed the benefits of both the brands under one roof. Under this arrangement, a franchisee enjoys the advantage of serving both the brands together. As per Agarwal, "We have recently started operations of both Re-feel and ClubLaptop stores being operated from the same location in Ghaziabad, Jodhpur Imphal, Nasik, Nagpur, Chandigarh, Dehradun. We are getting a very good response as it makes it a better one-stop service station for IT-related works."

The feasibility of the growth of the franchise of both the brands together to a potential or existing franchisee is quite high. He says, "To open a common store for both the brands, a franchisee would need to invest Rs 12 to 14 lakh in an area of 400-500 sq.ft and Rs 8 to 10 lakh in 300-400 sq.ft. This result in better utilisation of the infrastructure and reduction of overall overhead expenditures because of synergies." Clubbing both the brands under one roof not only benefits the franchisor or franchisee but the consumers too. Re-feel and ClubLaptop offer the best opportunity to invest in. Both the business ventures have immense potential to grow, as they are at their nascent stage and have high RoI.

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