

FRANCHISEE PRESENTATION

KERALA CAFE



2023



RISE OF REGIONAL

Globally, the ethnic food market projects to expand from \$49.27 billion in 2021 to \$98.06 billion in 2028 at a CAGR of 10.33%.

TOP REASONS :

- ✓ EXPOSURE TO GLOBAL TRENDS
- ✓ WILLINGNESS TO SPEND ON NEW EXPERIENCES
- ✓ WELL TRAVELED AND DOUBLE INCOMES
- ✓ VOCAL FOR LOCAL. PRIDE FOR THE ORIGINAL AND AUTHENTIC





KERALA CUISINE

STRENGTHS

Rich Culinary Heritage
Use of Fresh Ingredients
Health Benefits
Mass Appeal. Taste very similar to Indian Cuisine
Kerala as a state has a positive vibe hence easy acceptance

WEAKNESSES

Complex Preparations
Spice Levels
Dependency on Coconut

OPPORTUNITIES

Health and Wellness Trend
Culinary Tourism
Restaurant Chains
Food Export

THREATS

Supply Chain Disruptions
Changing Global Trends

**VANGARD
GROUP
TODAY.**
ONE OF THE
FASTEST
GROWING
SPECIALIST
REGIONAL
CUISINE
HOSPITALITY
GROUP OF
INDIA.

OPERATING
5 OUTLETS
IN 2 MAJOR
METRO CITIES

MORE THAN
150 TRAINED
EMPLOYEES

SPREADING
KERALA
CUISINE SINCE
2016

SERVING 2
LAKHS
GUESTS
ANNUALLY
WITH KERALA
CUISINE

2
SUCCESSFUL
FRANCHISEE
OUTLETS



GROUP STRENGTH.

UNIT LEVEL ECONOMICS
RETURN ON CAPITAL EMPLOYED
SCALABILTY
PROMOTER QUALITY



VISION.

BE REGIONAL.

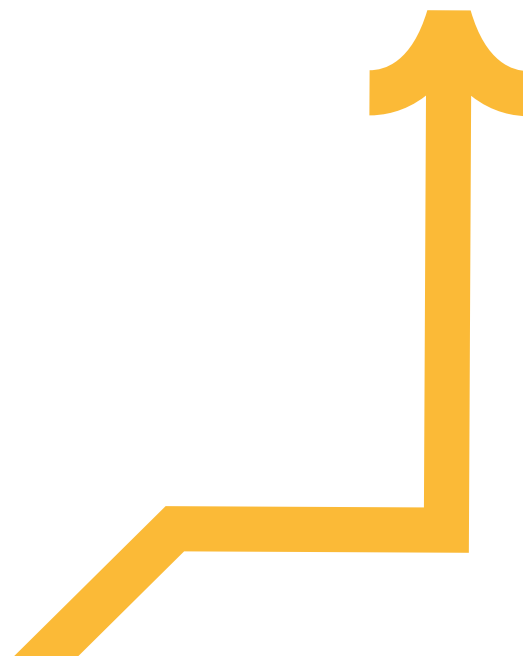
BE AFFORDABLE.

BE ACCESSIBLE.





Agenda



1	Team Vanguard
2	Key Products
3	Sales Channels
4	Potential Locations
5	Revenue Model
6	Partner Returns
7	Setup Cost
8	Benefits of Partnership

Key products

Top selling categories that dominate sales within our customer ordering cycle and contribute to the total market mix .

Comfort Food



Price Range: 190- 300

Homely & Traditional

Rich and Nutritious

Value Package

Target Group

All Age Groups

Biriyanis



Price Range: 300 - 500

North Kerala Malabar

Style Biriyani

Target Group

Malayalees / Muslims/

Biriyani Lovers

Coastal



Price Range: 350 - 800

Spicy & Tangy Flavor

Perfect Blend of Kerala Spices

Target Group

Coastal Region and Seafood

lovers

Specialty



Price Range: 500 - 900

Rich Taste

Unique Preparation

Target Group

Malayalees / New Age

Experimental /Coastal



Sales Channels

Revenue earnings primarily comes from three channels, with Dine-in Sales being the largest contributor and the main source of our profit margins.



Dine In
55% of revenue



Delivery
40% of revenue



Special Events
5% of revenue

LINK TO FULL MENU
<https://airmenus.in/keralacafe/order>



VANGARD HOSPITALITY LLP



Mumbai



Bangalore



Chennai



Delhi

Potential Locations



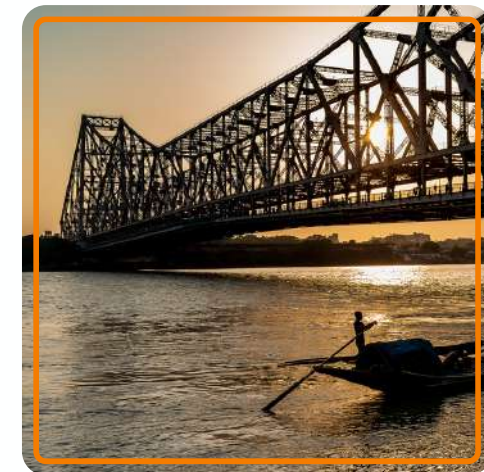
Goa



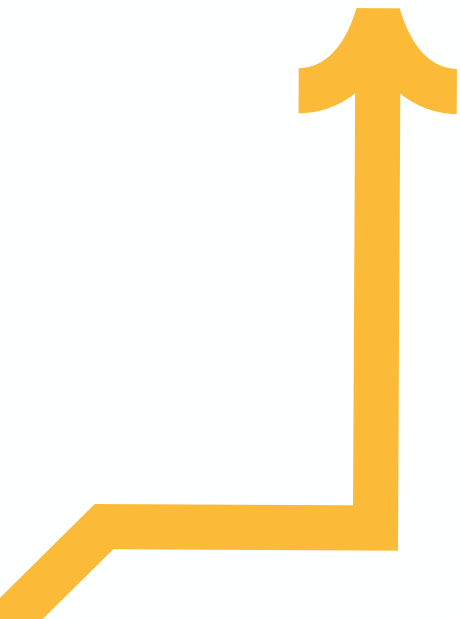
Kerala



Gujarat



Kolkata





Revenue Model

Currently Kerala Cafe is offering the FOFO (Franchisee owned, Franchisee Operated) format to partners who wish to collaborate and operate with us in return of 6% monthly royalty fees & 2% Admin Charges

01

60 seater,
1800 sqft Area

02

Family Restaurant
without alcohol
8am - 11pm

03

Dine In
Delivery
Takeaway

04

Est. Avg. Monthly
Cover - 2000
APC - 500

05

Est. Avg. Monthly
Delivery Orders - 2500
APC - 450

06

Est. Monthly Sale
22 - 28 lacs



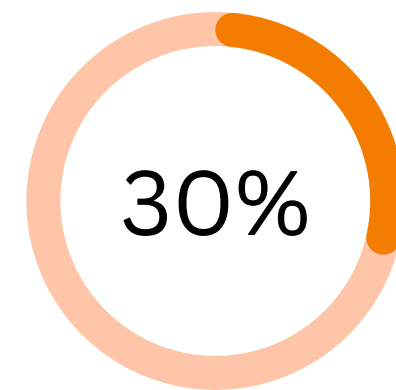
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**** DATA PROJECTED ARE BASED ON ASSUMPTIONS AND SHOULD NOT BE TREATED AS FIXED COMMITMENT**

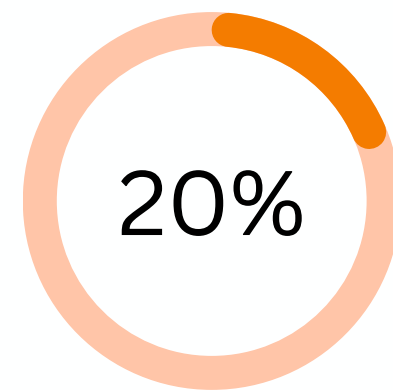


PARTNER RETURNS

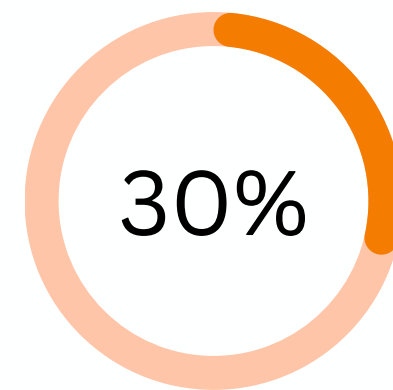
Our key performance indicators project 18% returns on outlet operations and 10% returns to partners after royalty fees or higher, if self employed at the outlet.



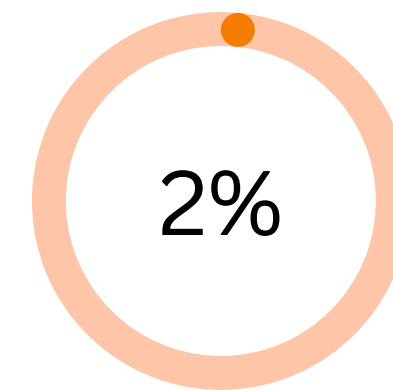
KPI 01
FOOD COST



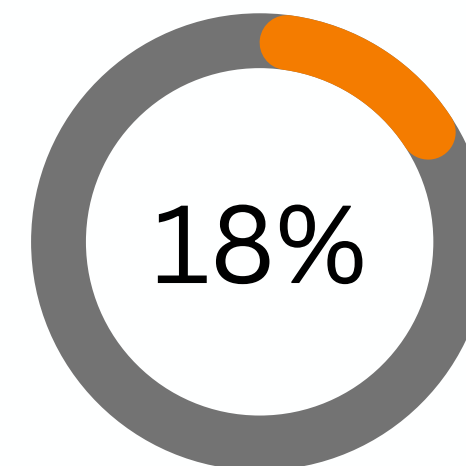
KPI 02
EMPLOYEE COST



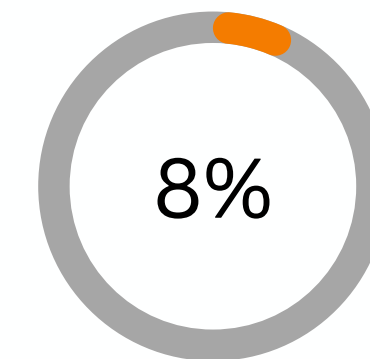
KPI 03
OPERATIVE COST



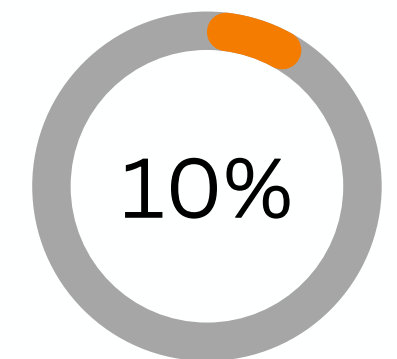
KPI 04
MARKETING COST



OUTLET EBITA



ROYALTY FEES



PARTNER RETURNS



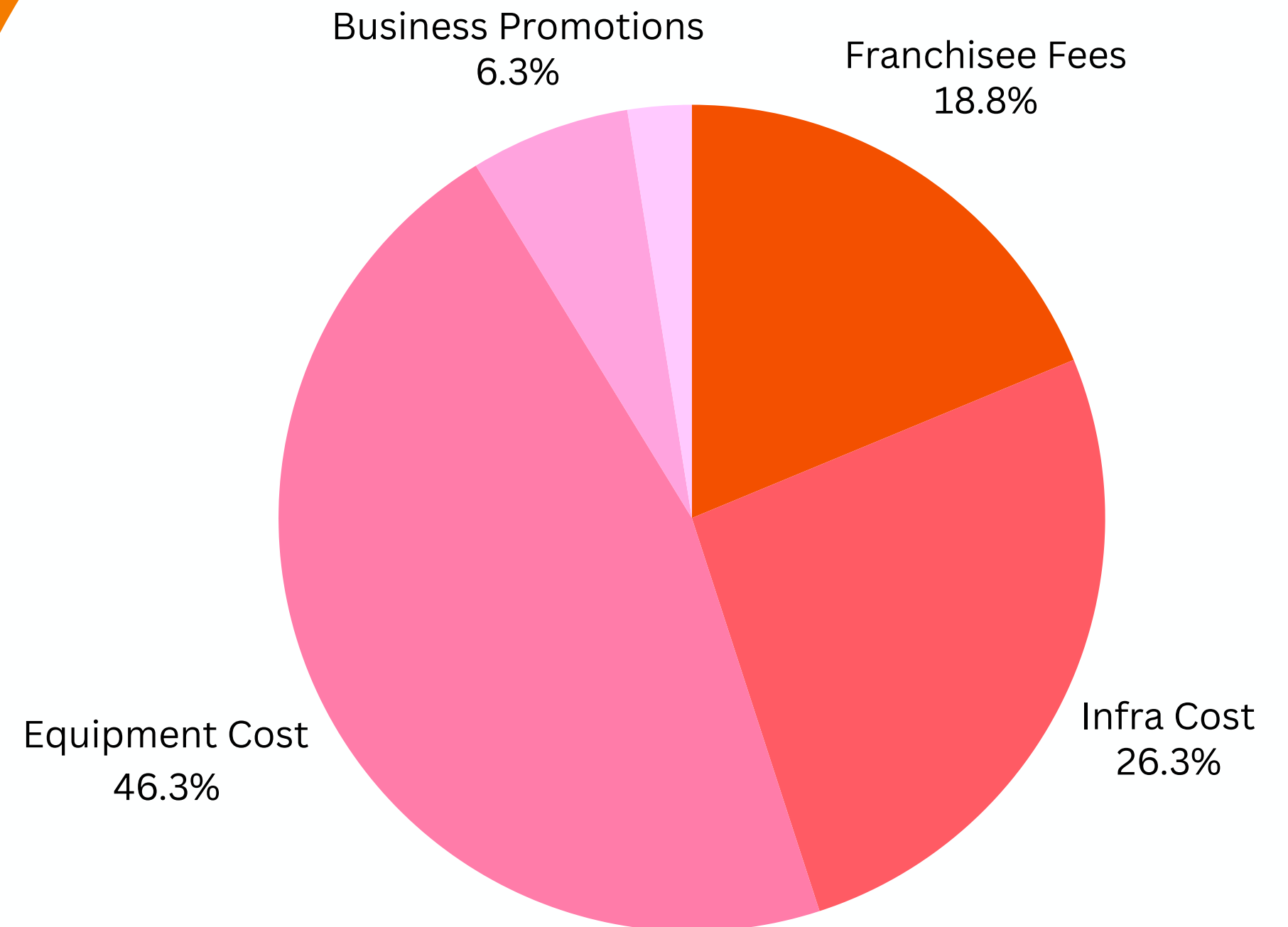
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Setup Cost

Setting up a Kerala cafe is possible at an approximate cost of 75 lakhs*

- 01** 15 lacs Franchisee Fees
- 02** 21 lacs Infrastructure Cost
- 03** 37 lacs Equipment Cost
- 04** 5 lacs Business Promotions
- 05** 2 lacs Legal & Lisc fees



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Benefits of Partnership

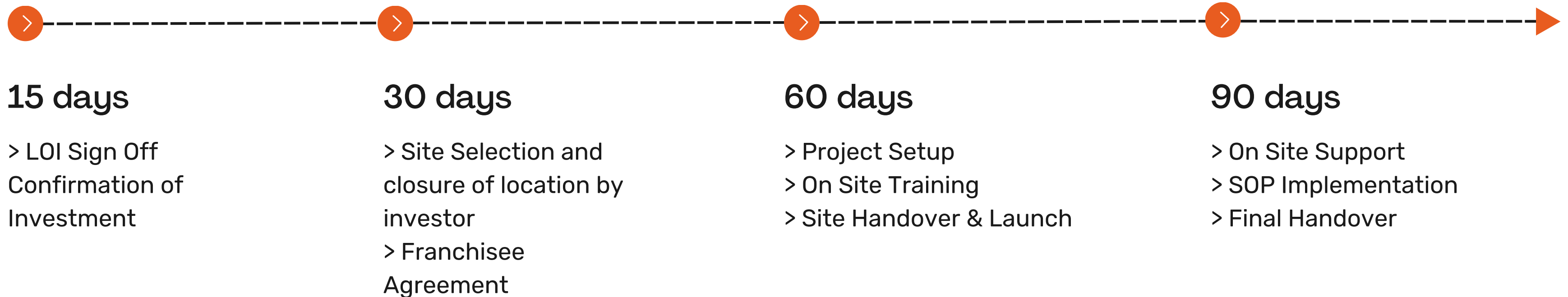
Launch Support & Training
SOP Implementation
HR Support
Marketing Support
Training Support
PNL Management & Guidance





Schedule and Deadlines

Estimated timelines for successful launch of a
Kerala cafe franchise outlet



FREQUENTLY ASKED QUESTIONS

FREQUENTLY ASKED QUESTIONS

GENERAL QUESTIONS

A) What do I need to do to qualify for a Kerala Cafe Franchise?

- Location in which the Kerala Cafeoutlet is being considered (google pin). If you do not have a location in mind, you can speak to our franchise sales agents to help you narrow it down.
- Looking at opening the store in next 60-80 days
- Have the minimum Capital required to set up the specific model you want to do. In addition, we need all franchise owners to have a marketing launch spend of 5 lacs + operating capital to sustain the business for 6 months
- Extra Storage space of 300 sqft for Raw material (over above the restaurant space mentioned)

B) How do I go about the process of opening a Kerala Cafe Franchise?

- Schedule an appointment with us onm 9892988462

C) What is the ROI on my investment?

- The ROI on any investment depends on multiple factors like Location, Rentals, Expected Revenue, etc. There is no one answer to that question. To get a better idea of what it is likely to be for you, please book an appointment

FREQUENTLY ASKED QUESTIONS

FRANCHISE INVESTMENT DETAILS

A) How much does the Dine-In Model cost?

- Franchise Fee of 15 lacs + GST. A Dine-in location with a minimum of 60 covers can be opened in a space of 1800 sq ft. Total setup cost is in the range of 65 lacs

B) Which Licenses will I need to run the outlet?

- FSSAI, Shop & Establishment, Municipal Trade license

C) Who will look after Marketing?

- All central level marketing promoting the brand - Social Media, Radio, Newspaper, TV, etc is done by the brand. All location specific marketing like ads on Zomato/Swiggy, Flyers in local neighbourhood, Hoardings arounds the outlet, etc to be done by the outlet

D) How much Marketing Budget do I need?

- An outlet launch budget of 5 lacs is needed to launch any outlet in the first 3-4 months of its operations. This is a mandatory spend for the franchise owner and the cheque is to be provided at the time of opening of the outlet. The decision on how to spend this money will be made in consultation with the Franchise owner. Once the outlet is open, marketing spends will be done as per requirement, but our experience has taught us that one should allocate at least 2% of the monthly revenue towards marketing.

FREQUENTLY ASKED QUESTIONS

FRANCHISE INVESTMENT DETAILS

E) What is the Initial stock Cost?

- At the time of signing up the outlet, we will make a projection on the revenue we expect to do. 35% of the projected Revenue in the first month will be considered for the initial stock indent.

F) What is the Royalty ?

- Royalty is fixed at 6% on net revenue per month & 2% Admin Charges

G) Which franchise models does Kerala Cafe do?

- Franchise owned franchise operated model only

H) What is my expected rental going to be?

- Dine-In rental range (1.5L - 3.5 lacs)

I) What about other costs?

- Once we are aligned on the location, set up cost, etc, we will book an appointment with our Franchise Experts. They will make a monthly Profit And Loss Statement with you which will include all monthly expenses and give you a provisional view of profitability at each outlet.

J) Which cities is Kerala Cafe looking to expand to?

- Currently our focus is on Mumbai, Bangalore, Kerala, Hyderabad and Goa

FREQUENTLY ASKED QUESTIONS

HR PROCESS

A) Who will be responsible for Hiring (Brand guideline)?

While the accountability of the hiring lies with the Franchise, the brand provides complete support in helping source CV's and take interviews along with the Franchise owner.

B) Skilled / Non- skilled labour?

Non- skilled labour with relevant experience can be considered

C) No. of employees needed?

Dine-In (17-22 employees) This is an estimate based on average revenues. The number of employees will increase if order volumes are higher. Other factors like delivery, valets, guards etc may be applicable based on location.

FREQUENTLY ASKED QUESTIONS

TRAINING PROCESS

A) How long is the training process?

Training for Franchise Owners: Will be conducted by Kerala Cafe Management team. This training is designed to teach you everything you need to know about running a franchise store profitably. Training for Staff: Will be conducted by operations staff and conducted at the Franchisee Location. Kerala Cafe will provide a New Store Opening Team that will come to your location and hand hold the new staff till they are certified and ready to take on operations themselves

B) Where does the training take place?

Training for the outlet staff is carried out at the Franchise store itself. In some special cases, we may need the staff to visit and train at existing Kerala Cafe stores. The training of the Franchise owners can either happen online or in person at our Head Quarters (HQ) in Pune.

C) What if a Refresher Training is required?

Refresher training is carried out based on requirement

FREQUENTLY ASKED QUESTIONS

MARKETING

A) Who looks after Digital Marketing?

Our in-house marketing team will assist you on digital marketing like Zomato/ Swiggy carousals and clicks, Facebook ads, instagram ads, google ads etc.

B) Who looks after Offline Marketing?

Our in-house marketing team will assist you on offline marketing like billboards, newspaper flyers etc. The local marketing plan will be put together in consultation with the Franchise Owner.

C) Who is our Target Audience?

Our target audience is the average middle-class Indian between the age of 14-50. A high density of population with that demographic is the most ideally suited for Burger Singh. High density of students and young adults is another indicator of ideal demographics.

FREQUENTLY ASKED QUESTIONS

AGREEMENT TERMS

A) What is the Franchisee Agreement Term ?

Franchise Agreement term for a Dine-In model is 5 years.

B) What is the Franchisee Agreement Renewal Fee ?

To be determined at the time of renewal.

C) What is a Term Sheet?

The Term Sheet is prepared and signed once the Franchise fee is paid. This is the confirmation of the offer to finalise a franchise license for a particular area. The letter consists of the details of the Franchise, City, Area, Store Model, Fee, Royalty and any special conditions if applicable. The letter states that the outlet should be made operational within 3 months of signing.

FREQUENTLY ASKED QUESTIONS

PROJECT

A) Who will do the project?

The outlet setup project work will be carried out only by Kerala cafe approved vendors. A list of vendors and their costing will be shared with the Franchise

B) Can I do the project on my own?

'Yes, the project setup can be carried out by your own Vendor, provided the vendor you are recommending has significant experience in building restaurants of good repute'

C) How long will the opening of the store take?

60-70 days is the timeline to make the store operational once the Franchise agreement has been signed

FREQUENTLY ASKED QUESTIONS

LOCATION

A) Will Kerala Cafe help with finding a location?

Yes, Kerala Cafe can share top locations in a particular city basis data analysis of the market competition + online delivery sales data

B) I have my own shop. Can I use that for the outlet?

Yes, if the shop matches the requirement of the franchise model of the brand, the self owned shop can be considered, post due deligence carried out

C) How much Sale can I expect my outlet to do?

Schedule a call now to speak to our Sales Expert

D) How should I choose the ideal model for my location?

Schedule a call now to speak to our Sales Expert

E) Can I get a discount?

Schedule a call now to speak to our Sales Expert

FREQUENTLY ASKED QUESTIONS

OTHERS

A) How much operating capital will I need?

10-15 lacs of operating capital is recommended for the initial few months of operations

B) Can I suggest my own products?

Products are fixed as per the brand finalized menu only

ABOUT US

2016

In the quaint town of Vasai, 2016 marked the inception of a culinary gem that would soon transcend regional boundaries and captivate the taste buds of diverse communities. Kerala Cafe, a restaurant, initially began as a retirement project for their parents, a nostalgic ode to their Kerala roots. Little did they anticipate that their endeavor would evolve into a thriving business, becoming a beloved dining destination for people of all backgrounds



2018

However, the unexpected twist came in 2018 after their second outlet in Pune when, to everyone's surprise, the majority of the patrons turned out to be non-Malayalees. Recognizing the potential for growth, the founders decided to embark on a journey to Kerala, the land of spices and rich culinary traditions.

This expedition served as a pivotal moment to elevate Kerala Cafe into a culinary destination that transcended regional boundaries.



TODAY

The transformation was remarkable. Kerala Cafe evolved from a niche Malayali eatery to a multicultural dining haven, weaving the essence of Kerala's culinary heritage into a narrative that resonated with everyone. The founders expanded their horizons, opening outlets in bustling cities like Mumbai and Pune, where the demand for authentic regional cuisine was ever-growing.

Kerala Cafe stands as a testament to the power of adaptation and the universal appeal of regional flavors. With five thriving outlets, more than 5 lakhs guests served annually, and a dedicated team of 150 members, the restaurant has become synonymous with quality, authenticity, and community. What began as a retirement dream for parents has blossomed into a culinary triumph, showcasing the beauty of Kerala cuisine to a diverse and appreciative audience.



FOUNDERS

GIM GEORGE, FOUNDER & CEO

In the bustling culinary landscape of Mumbai and Pune, Gim George has emerged as a pioneering force, transforming a nostalgic vision into a culinary empire. As the founder and CEO of Kerala Cafe, George's journey from the dynamic world of advertising to the thriving restaurant business showcases a keen entrepreneurial spirit and a commitment to culinary excellence.

As the visionary leader behind Kerala Cafe, Gim George continues to steer the ship, exploring new avenues for growth and innovation. His entrepreneurial journey, marked by a successful transition from advertising to the culinary realm, exemplifies the transformative power of passion and a commitment to excellence.



JUSTIN GEORGE, CO-FOUNDER

Justin George stands as a driving force behind the expansion and success of Kerala Cafe. As the co-founder of this culinary venture, Justin joined forces with his brother, Gim George, in 2017, bringing strategic acumen and a fresh perspective to the table.

Justin played a pivotal role in the aggressive expansion strategy that saw Kerala Cafe's footprint extend to Pune. His strategic insights and business acumen became invaluable assets as the brand sought to carve its niche in a new culinary landscape. The decision to bring Kerala Cafe to Pune proved to be a masterstroke, further establishing the brand's presence in one of India's vibrant metropolitan cities.



M TANARAJ, CO-FOUNDER

In the intricate tapestry of Kerala Cafe's success story, M Tanaraj stands as a silent force and indispensable co-founder whose vision and support have played a pivotal role since the brand's inception in 2016. As a non-executive partner, Tanaraj has lent his expertise, financial backing, and strategic insights to help shape Kerala Cafe into the thriving culinary venture it is today.

The partnership between M Tanaraj and Gim George began when Gim shared his visionary concept for Kerala Cafe with Tanaraj. Recognizing the potential of this culinary endeavor, Tanaraj not only believed in the vision but also became a proactive partner. As an IT professional, he brings a unique perspective to the table, contributing to the seamless integration of technology in Kerala Cafe's operations.



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