



Franchise Business Execution Structure (ERP + AI TicketingOS)

Franchisor (Corporate) + Retail Franchisee Unit – Tea · Burger · Pizza · Dairy / Milkshake

Franchise sales · Setup · Training · Supply chain · Royalty management · Store ops



A. Franchisor (Corporate) – Master Franchise Execution Flow

ID	Department	Process	Activity	Action	Progress %
8001	Franchise Sales	LEAD	Inquiry	Potential franchisee contacts (website / call)	5
8002	Franchise Sales	DISCLOSURE	FDD + agreement	Franchise Disclosure Document sent, terms explained	10
8003	Legal	AGREEMENT	Contract signing	Franchise agreement registered (territory, fees, term)	15
8004	Finance	INITIAL FEE	Franchise fee payment	One-time franchise fee (₹2-10 lakhs depending on brand)	20
8005	Site Development	LOCATION	Site approval	Franchisor approves location (footfall, catchment, competition)	25
8006	Design & Build	STORE SETUP	Interior + branding	Standardised layout, signage, equipment procurement	35
8007	Operations	TRAINING	Initial training	Product preparation, customer service, POS, hygiene	45

ID	Department	Process	Activity	Action	Progress %
8008	Supply Chain	FIRST STOCK	Initial inventory dispatch	Dry goods, packaging, proprietary chutneys/powders (if any)	50
8009	Marketing	LAUNCH	Grand opening support	Local marketing, offers, brand team on site	60
8010	Operations	GO-LIVE	Store operational	First customer sale – franchisee unit live	70
8011	Finance	ROYALTY	Monthly royalty collection	% of gross sales (typically 5-10%)	80
8012	Supply Chain	REORDER	Central procurement	Franchisee orders via portal → consolidated dispatch	85
8013	QA	AUDIT	Mystery audit	Brand standards, hygiene, service speed – scorecard	90
8014	Analytics	PERFORMANCE	Dashboard review	Sales vs target, customer feedback, renewal risk	95
8015	Renewal	CONTRACT	Agreement renewal	Every 3-5 years, renewal fee + updated terms	100



B. Retail Franchisee Unit – Daily Execution Flow (Tea / Burger / Pizza / Dairy)

ID	Department	Process	Activity	Action	Progress %
8101	Store Ops	OPENING	Start of day	Temperature log, equipment check, thawing (if frozen products)	5

ID	Department	Process	Activity	Action	Progress %
8102	Inventory	STOCK CHECK	Morning count	Wastage recording, shortage alert	10
8103	Sales (POS)	CUSTOMER ORDER	Order taking	Tea / Burger / Pizza / Milkshake – captured at POS/ kiosk / app	20
8104	Kitchen	PREPARATION	Cooking / assembly	Burger grilling, tea brewing, pizza topping, milkshake blending	35
8105	QA	QUALITY CHECK	Visual & temp	Burger patty temp >74°C, tea colour, pizza cheese melt	40
8106	Service	ORDER HANDOVER	Pack + serve	Takeaway / dine-in / delivery partner handoff (Swiggy/Zomato)	50
8107	Payment	TRANSACTION	Payment capture	Cash / card / UPI / wallet – settlement to franchisee account	60
8108	CRM	FEEDBACK	Customer rating	Google reviews, in-app rating, complaint resolution	65
8109	Inventory	REORDER	Auto PO to franchisor	Low stock of proprietary items (buns, chutney, tea masala, cheese)	70
8110	Accounting	DAILY SALES	Sales report	End of day Z-report, tax calculation (GST), payout to delivery partners	80
8111	Finance	ROYALTY REMITTANCE	Auto deduction	Royalty (% , typically 6% of net sales) transferred to franchisor	85
8112	Store Ops	CLOSING	End of day	Cleaning, waste disposal, cash deposit, security	95

ID	Department	Process	Activity	Action	Progress %
8113	Reporting	COMPLIANCE	Franchisor report	Sales data, inventory usage, audit score uploaded to central system	100

💰 Franchise Fee & Royalty Payment Structure (Market Standard)

Franchisor → Franchisee Financial Flow

Fee Type	Amount / Calculation	Timing	Notes
Initial Franchise Fee	₹2L – ₹15L (one-time)	At agreement signing	Non-refundable, includes training & setup support
Royalty Fee	5% – 10% of gross sales (excl. taxes)	Monthly (by 7th of next month)	Tea: 5-6%, Burger/Pizza: 6-8%, Dairy (milkshake): 5%
Marketing / Ad Fund	1% – 3% of gross sales	Monthly	Pooled for national/regional campaigns
Renewal Fee	₹50k – ₹2L (every 3-5 years)	At renewal	Subject to performance audit
Technology Fee	₹5k – ₹15k per month	Monthly	POS, ERP, reporting system access
Transfer Fee (if selling unit)	₹50k – ₹1L	On transfer approval	Paid by new franchisee

Example: For a burger franchise with ₹10L monthly sales → Royalty (7% = ₹70k) + Marketing (2% = ₹20k) + Tech fee (₹10k) = ₹1L paid to franchisor monthly.

Product-Specific Operations (Franchisee Kitchen)

Tea Franchise (e.g., Chai Point, Tea Post)

Boiling milk + water + tea leaves → add sugar → strain → serve. Key inventory: milk, tea dust, ginger, cardamom, cups, sugar. Daily wastage high – need accurate forecasting.

Burger Franchise (e.g., Burger King, local)

Frozen patty grilled → bun toaster → assemble (lettuce, sauce, cheese) → wrap. Key inventory: buns, patty, cheese slices, sauces, vegetables, fries. Freezer & grill critical.

Pizza Franchise (e.g., Domino's, Pizza Hut)

Dough ball proof → hand toss → sauce + cheese + toppings → oven (conveyor belt) → slice. Key inventory: dough, pizza sauce, mozzarella, pepperoni, veggies, boxes.

Dairy / Milkshake Franchise (e.g., Keventers, Frozen Bottle)

Milk base + ice cream + flavour syrup → blender → pour in bottle → seal. Key inventory: milk, ice cream mix, syrups, toppings (choco chips), bottles, straws. Requires refrigeration and blender maintenance.

ERP Module Mapping (Franchisor + Franchisee)

Franchisor Modules

- Franchise CRM (lead to contract)
- Territory management
- Royalty invoicing & collection

Franchisee Modules

- POS with menu (item wise)
- Inventory & auto reorder (to franchisor)
- Employee scheduling (shift management)

- Central supply chain (warehouse → franchisee)
- Brand audit & compliance
- Franchisee performance dashboard

- Customer feedback & loyalty
- Delivery aggregator integration (Swiggy/Zomato)
- Accounting & GST filing


AI-Based Franchise Automation (TicketingOS)


Domain	AI Automation
Franchise Sales	AI lead scoring – predicts likelihood of franchisee signing based on location, capital, experience → prioritise follow-up
Inventory (Franchisee)	Predictive ordering for tea leaves, milk, patties based on weekday + weather + local events
Wastage control (Tea/Dairy)	AI suggests batch size for chai / milkshake prep – reduces discard by 20%
Kitchen throughput (Burger/Pizza)	Camera + AI detects peak times, recommends grill/oven startup to reduce customer wait
Mystery audit	AI vision via store CCTV – scores cleanliness, uniform, handwash compliance automatically
Royalty compliance	Sales data AI anomaly detection (unusually low reported sales) → auto flag for audit
Dynamic royalty reduction	For new franchisee (first 6 months) – AI can apply lower % based on break-even forecast
Chatbot for franchisee support	Answers 80% queries (how to order supplies, royalty due date, marketing assets download)
Delivery partner auto-dispatch	Integrates with Zomato/Swiggy API – AI suggests which orders to assign to which platform for minimum commission

Domain	AI Automation
Franchisee renewal risk	AI model using sales trend, audit score, complaint volume → predicts likely non-renewal 6 months in advance

Final Franchise ERP + TicketingOS Architecture

 **Franchisor Flow** : Lead → FDD → Agreement → Fee → Site approval → Build → Train → Launch → Royalty collection → Renewal

 **Franchisee Flow (Daily)** : Open check → Stock → Order → Cook → Quality check → Serve → Payment → Feedback → Reorder → Close → Royalty remittance

 **AI TicketingOS Side** : AI lead scoring → AI inventory reorder → AI wastage control → AI throughput optimisation → AI mystery audit → AI royalty anomaly → AI renewal prediction

Franchisee Performance Dashboards (Franchisor View)

- Average unit volume (AUV) per month – by region & product type
- Royalty collection efficiency (days overdue, % short payment)
- Franchisee turnover rate (% not renewing)
- Mystery audit average score (target >85%)
- Customer review rating (Google / Zomato) per location
- Inventory shrinkage & wastage % (tea leaves, milk, produce)
- Average ticket size & repeat customer rate

- New franchisee ramping time (days to reach breakeven)



Legal & Compliance for Franchise Business

Franchisor Obligations

- Registered trademark (TM / ®)
- Compliant Franchise Disclosure Document (FDD)
- Non-discriminatory terms for similar franchisees
- Supply of agreed raw materials / proprietary items

Franchisee Obligations

- Follow brand standards (recipe, uniform, hours)
- Pay royalty & marketing fee on time
- Maintain hygiene licenses (FSSAI), shop & establishment
- Submit sales data via approved POS

Franchise Business ERP – Dual perspective (Franchisor + Franchisee). Covers Tea, Burger, Pizza, Dairy concepts with AI and milestone payments.
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