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Drivers in Appointment of Master Franchise: Indian Ice-Cream Industry

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Abstract

Master franchise is defined as huge franchise for the distribution of ice-cream, among provincial territory franchises. The territory franchises were entrusted the role of redistribution of ice cream to the small push-carts in the market zone wise in the provincial territory. The main objectives of article were to identify drivers of the recruitment of master franchise for ice-cream industry and to rank these drivers on the basis of their importance for industry using Analytic Hierarchy Process (AHP) for the firms' benefits. The empirical research was conducted in this paper. Delphi technique was applied in article to collect the responses from 50 ice-cream industry and distribution experts. Their responses were processed using AHP. The first order AHP modelling technique was applied and its results were tested using sensitivity analysis. The expected outcome of present research were key drivers for selecting master franchise discovered by applying Delphi technique and supported by review of literature, such as: past knowledge of trade, investment, sales-force, recruitment of territory wise franchises, delivery system, distribution vehicles, warehousing, inventory management, use of modern logistics information management (LIS), customer order processing and client servicing, maintaining end to end cold chain, attitude towards trade, networking with clients, competition knowledge, willing to conduct marketing research activities and sales promotion. The implication of present article is for ice-cream marketing firms for recruiting master franchises to gain better market share and conduct smooth distribution operations in the market, for new master franchise so they can develop such capabilities, consumers to get ice-cream at arm length distance and for policy makers.

Keywords: Analytical hierarchy process, cold chain management, franchise recruitment, ice-cream industry, master franchises, sensitivity analysis