

BLUE STAR[®]
Air Travel Services (I) Pvt. Ltd.

More Than
25 YEARS

Franchise Business Plan

BLUESTARTravelOnline.com



DIRECTOR'S SPEECH

With great support and faith shown by our travel partners as well as our well placed business policies, we see ourselves as a top travel service provider and look to add more travel trade partners to our list of associates. We look to serve you with nothing but the best & solicit your help in making the Blue Star venture, a monumental success.

Our website provides instant flight comparisons, which helps save time, money and energy. Fares from all major airlines and low cost carriers are displayed on a single page, with the cheapest fares displayed on top. With low or no service fees, we always ensure your benefit. We also provide services such as immediate SMS confirmation and personal assistance for your essential requirements.

With no hidden cost, the price you see on the website is what you pay. Being passionate about our services, we have a dedicated travel desk with a friendly and knowledgeable team who aim to assist you with your every need. Our motto being "Online services with a face", we assure complete satisfaction, every time.

“Welcome to the Blue Star Family”

INTRODUCTION

Founded in 1987, Blue Star Air Travel Services (I) Pvt. Ltd. has 26 years of experience in the Travel business, and has since emerged as a leader in Western India. It's outstanding track record indicates the company's ability to survive business cycles and the director's ability to steer the company through operational hurdles. The company has a well defined organization structure, supported by a qualified and experienced second tier management that conducts day-to-day operations with utmost care.

Since its inception, Blue Star has carved a name for itself in the travel industry for being an outstanding service provider with unbeatable prices. Blue Star was among the first travel fraternities that realized the importance of consolidation & bulk purchasing power. Today Blue Star is ranked among the TOP FIVE travel agencies in the ticketing field & has earned a name for itself as a top consolidator for the major airlines on both International and Domestic circuits.

Our Tours Division covers varied destinations across the globe with one objective in mind – offering optimum value for money for holiday travel with the best professional & knowledgeable services. With these advantages, Blue Star provides every travel related service for its clients under one roof. This includes ticketing, business related travel, leisure travel for the merry holiday makers or ancillary services such as travel insurance, visas, bus services & foreign exchange services.



BOARD OF DIRECTORS:

Assan H. Sukhwani - Has a wide business experience of more than 50 years in various segments and is a qualified Engineer from Mumbai.

Nachiketa R. Oza - Has been working in Travel & Tourism segment for over 26 years, is a respected face in the travel trade and is a Graduate from Mumbai University.

Madhav R. Oza - Has been working in Travel & Tourism segment for over 26 years and has been on the National Committee of Travel Agents Federation of India for several years. A Graduate from Mumbai University, he occasionally heads committees appointed by Travel Agents Federation of India for various issues.

Sushil A. Sukhwani - Has a working experience of more than 20 years & holds an MBA from Australia. He is considered to be a pioneer in the segment of Overseas Education Consultancy across India.

Ajay A. Sukhwani - With a working experience of more than 18 years and an MBA from Switzerland, he is widely regarded as a dynamic young leader in the segment of Overseas Education Consultancy all over India.

KEY FACTS

- **Services** - International & Domestic Ticketing, Foreign Exchange, Hotel Booking, Visa Consultancy, Tours (Outbound & Inbound), Overseas Mediclaim Insurance & Bus Booking.
- **Employees** - Over 110 of which, more than 50 have been working for over 5 years, and approximately 20 have been a part of Blue Star for more than 10 years. We offer a world of opportunities to those seeking a rewarding career with us.
- **Sales 2012-13** - Over Rs. 560 Crores which is more than 1% of the total Western India International Ticket Sales. In the 26 years that we have been in business, we have served more than 2 million happy customers.
- **Membership** - IATA, TAAI, TAFI, IATO & OTOAI.
- **Member** - American Express Travel Partner Network.
- **Licence** - RBI Approved FFMC (Full Fledged Money Changer) since 1999.
- **Credit Rating** - SE 1A from NSIC-D&B-SMERA in Aug, 2010 SME 2 from CRISIL in 2013.



AWARDS & RECOGNITION

With more than 180 Awards and Recognitions under its belt, Blue Star is known for providing top performance among various National & International Airlines including Air India, Air France, Alitalia, Austrian Airlines, British Airways, Cathay Pacific, Continental, Delta, Emirates, Ethiopian, Jet Airways, Kenya Airways, KLM, Lufthansa, Malaysian Airlines, Singapore Airlines, South African Airways, Sri Lankan, Swiss International and other airlines.



SERVICES OFFERED

I. Airline Ticket Bookings

- Provides ticket booking services for International & Domestic Flights.
- Has a strong network of more than 400 IATA agents located across India.
- Provides IMPLANT SERVICES to Corporates.
- Online Portal - Bluestartravelonline.com

II. Currency Exchange

- Blue Star is an authorized full fledged money changer by Reserve Bank of India since 1999.
- The company is one of the few authorized dealers of American Express Traveller's Cheques in India.

III. Customized Holidays

- Customized Holiday packages are provided by the company as per client's needs and specifications across the world.
- The major destinations in current demand are Thailand, Malaysia, Singapore, Hong Kong, Macau, Dubai, UK, Switzerland, Spain, Australia, New Zealand & USA.

IV. Visa Assistance

- The company also provides assistance in procuring Visas for all countries.
- The company is one of the few authorized agents for applying online Singapore and Malaysia Visas in India appointed by the Singapore and Malaysian Embassy.



OUR VALUES & PHILOSOPHY

- Blue Star is guided by a simple philosophy and showcases a strong set of values & high ethical standards in its work.
- We are dedicated to providing a wealth of opportunities that help individuals reach their full potential.
- Excellence - Everything we do at Blue Star is driven by a passion for excellence, that ensures the best service standards in the market.
- Integrity - Operating in an ethical way is the very foundation of our business. Our work is always guided by a moral compass that ensures fairness with respect to all stakeholders along with complete transparency.
- Philosophy - We consider the Travel Industry a great place to work. People love and need to travel. We are aware of the fact that people have an option to buy directly from our suppliers or from our competitors, and therefore, we are dedicated to provide complete satisfaction to every customer who transacts with us. Our motto is to serve the customers and suppliers to the best of our ability, offer the best deals and treat them with due respect. This is what makes us unique.

TRAVEL INDUSTRY

1. Indian Middle Class population is the largest in the world and has developed extensively over the last decade.
2. In 2012, the total Domestic Passengers having utilized Air Services crossed 61 Million.
3. In 2012, the total International Passengers having utilized Air Services crossed 41 Million.
4. The total number of young Indians with disposable incomes are growing at a rapid rate.
5. The desire to travel exists within every Indian with an approximate population of 400 Million potential travellers.
6. Within the next two decades, India is expected to have the fastest growth rate in the world, for travel.



The online travel industry was valued at over US \$79 Billion (INR 4,74,000 Crores) in 2012 & expected to cross US \$91 Billion (INR 5,46,000 Crores) in 2013. Tourism is the largest service industry in the world. In India, Travel & Tourism is the largest service industry with a net contribution of over 6% to the national GDP and 8% to the total employment in India. In 2012, more than 11 million Indians enjoyed their holidays abroad, while more than 600 million holidayed within India. We witnessed over 5 million foreign tourist arrivals in 2012.

With a booming trend towards travel and tourism, the writing is clear for everyone to see: The Tourism industry will continue to expand and achieve meteoric growth rates over the next decade. Tourism is one of the most exciting industries to be a part of. Come and partner with us, the industry leaders, and witness the immense opportunities on offer for mutual growth.

PARTNER WITH US - FRANCHISE PROGRAM

I. Appointment Guidelines

A. Responsibilities of Franchisee

1. Office/ Shop will be operated by franchisee.
2. Office/ Shop will be owned/ rented by the franchisee.
3. The franchisee will design the interiors as per the design provided by Blue Star (Cost of the interior will be paid by the Franchisee).
4. Franchisee will place a deposit with Blue Star (Blue Star will pay Deposit Incentive excluding the minimum deposit).
5. Franchisee should actively participate in the enterprise to ensure the targeted sale is achieved.
6. Franchisee should have the capacity to monitor the sales people.
7. Products should be marketed and displayed in the Office/ Shop.
8. Franchisee will sell directly to customers or through his sub-franchisee network.
9. Franchisee will suggest sub Franchisees which Blue Star may decide to appoint after due diligence.

B. Responsibilities of Blue Star

1. Blue Star will provide backlit Franchisee Boards for display outside the Office/ Shop.
2. Blue Star will provide the Online Portal for conducting business.

3. After sales service will be provided by Blue Star.
4. Blue Star will provide training to staff of Franchisee (2 trainings of 3 days each, annually). Cost of travel & stay is to be borne by Franchisee.
5. Blue Star will certify the Franchisee by issuing a Certificate showing 'Trained Professional'.
6. Blue Star will provide an Identity Card with a batch showing the Blue Star certification.
7. Marketing Material - Brochures.
8. Branding & Promotional Activity, moderate print, hoarding, internet & radio advertising in association with the local Franchisee.
9. 24x7 Support will be provided.



C. Performance Expectations

1. Blue Star expects the Franchisee to do a minimum business of Rs. 25 lakh/ month (excluding taxes) by the end of the 1st year.

D. Profitability

1. There is an approx 5% margin for the Franchisee on a sale of Rs. 25 lakh/month (i.e. Ticket Sales Rs. 20 lakh/ month & Tours Rs. 5 lakh/month). Remuneration on appointment of sub-franchisees.
2. Gross Profit will be approx Rs.15 lakh/ annum and net profit of Rs. 10 lakh/ annum (after deducting approx expenses of Rs. 5 lakh/ annum).

E. Expected Investment

1. The Franchisee is required to bear the entire cost of the interior designing. This is expected to be approx Rs. 2 lakhs.
2. Sales will be against rolling deposit (minimum Rs.3 lakhs) where the sales will be adjusted and the Franchisee will be informed when the deposit is low.
3. Franchisee is required to invest an approx amount of Rs. 6 Lakhs (i.e. Rs. 2 Lakhs in furniture & fixtures, Rs. 3 Lakhs as minimum deposit & Franchisee fees of Rs. 1 Lakh per annum)

F. Conditions of Operations

The franchisee is required to undertake the following :

1. To personally supervise and monitor the staff, and operate the Office/ Shop.
2. To bear the entire running cost of the shop/ office including staff salaries.
3. To operate the Franchisee for a minimum period of 36 months, from date of operation.
4. To follow the rules and regulations of the company.
5. To provide a broadband connection for high speed internet connectivity and a Desktop - Pentium Dual Core CPU, 200 GB HD, 1GB Ram & Windows Operating System.

G. Franchisee Meetings & Rewards Program

Every year, Blue Star will organise a franchise meet which will help all the franchisees to interact with each other and discuss new ideas for future growth. Also, top performing franchisees will be rewarded and recognised.



H. Performance Linked Bonus

We offer our franchise partners an opportunity to earn PLB in the form of monetary and non-monetary incentives.

II. How to get Started

If the Franchisee meets the above requirements, he should fill up the franchisee form and send it to BLUE STAR. After due diligence and personal discussion with the BLUE STAR team, once the franchisee is successfully selected, the Franchisee would have to select from the packages below. Start with the interior work as approved by Blue Star Team. Will have to conduct interviews and appoint staff or devote self for the day-to-day work. BLUE STAR will impart the training & certification before the launch of the business.

Package Options :-

- 1) Franchisee Fees of Rs.1 Lakh Per Annum + Deposit of Rs.3 Lakhs
- 2) Franchisee Fees of Rs.2 Lakh for 3 Years + Deposit of Rs.3 Lakhs

III. Exit Policy

Franchisee can give notice of 3 months and exit the program. Franchisee fees are not refundable.

FAQs

- **Do I need relevant experience in the travel industry?**
Experience in travel industry is preferred but not a must for people who have a passion for the travel industry. Adequate business acumen, leadership traits, proven management capabilities and an ability to adapt to a constantly changing and evolving travel industry is preferred.
- **What is expected from the Franchisee ?**
Franchisees are involved in exclusive selling of Blue Star Products like Domestic and International Flight tickets, Hotels, Holidays Packages, Foreign Exchange, Travel Insurance, Bus tickets and other travel related products.
- **What is the potential for earnings?**
The Franchisee gets opportunity to appoint his network of Sub-Franchisees, based on which he gets an opportunity to earn i.e. additional percentage on the volume of business generated by his network.
- **Is the franchise fee refundable?**
No, the franchisee fee is non-refundable and is applicable per annum. This agreement is renewable on the basis of the performance of the Franchisee.
- **Who will build my office/shop?**
The Franchisee will be responsible for project work of the office/shop. Blue Star will give guidelines on furniture & technology.
- **What support would be given by BLUE STAR?**
 1. Operational support through our experienced team.
 2. Marketing support.
 3. Guidelines for recruitment.
 4. Training and Development Support.
 5. Tailor made Packages.
 6. Technological support.
- **Will I get recruitment and training assistance?**
Blue Star assists Franchisees with guidelines on recruitment of suitable staff. Training is an integral part of the Blue Star franchisee business, and is done through regular process & product training workshops.
- **What is the process of taking a franchisee?**
To become a franchisee partner of Blue Star, you need to fill the Franchise Application Form.





Exclusive Holiday Packages



Blue Star Complete Travel Solution offers:

- Domestic and International tickets.
- Visa services and assistance.
- RBI approved Money Changer. (Authorised stock holder for American Express Travellers Cheque).
- International car rentals and hotel bookings.
- Cruise booking with or without land tours.
- Euro rail, Swiss rail, Brit rail tickets and passes.
- Tailor made itinerary.
- Overseas travel and medical insurance.
- All India Bus Bookings.



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