

India: The growing spot for Indian Healthcare Franchising

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Changing environmental conditions coupled with rising health issue expected to drive the healthcare market in India



India is a rapidly developing market with various National and International brands in its kitty. All this has been made possible because of the rapidly growing franchise model in India. India is already the second-largest franchise market in the world after the U.S., with 4,600 active franchisors (50 percent regional brands, 34 percent national brands, and 16 percent global brands) and nearly 200,000 outlets are functional and successfully running by almost 170,000 franchisees. Various brands like Apollo Hospitals Group which is rapidly emerging as India's largest healthcare chain, Dr. Lal Path Labs, Dr. Reddy's and various other reputed players of the health industry are rapidly setting themselves up with this model.

According to a report by Assocham and research firm RNCOS India's healthcare market may see a threefold jump in value terms to USD 372 billion by 2022, due to changing environmental conditions and the rising health issues. One of the reasons for the growing healthcare sector is the growing franchising model.

The scope for franchise model in the health sector in the middle and low-income counties was first highlighted by the research Koehlmoos et al. (2009), in which the review of the influence of franchising on access to and quality of health services in middle- and low-income countries was deeply studied. During the study, the experts intentionally restricted themselves to a search for high-level evidence and concluded that there was none. Nevertheless, the lower-level evidence gave strong indications of what franchising can effect, particularly when multiple lower-level studies find the same results.

The franchise model helps a company set itself by having some risk of opening a new location to the franchisees who operate in that location. They work along with it because of the profit potential as they stand together to share the profits. However, franchising is not a sure shot formula for success and requires proper strategies to take it to the next level. If not taken care of properly, it can go wrong in many different ways. To make it a sound investment, one must understand the scenario to be an ideal franchise. The right franchisee gives the brand market insights and a deeper understanding of what will and won't work in that particular region.

With decreasing environmental conditions and an increase in the number of diseases in India, the people of the country have

become more and more conscious when it comes to their health. Hence giving a golden chance to the brands to set themselves. India offers vast opportunities for franchisors, all because of the growing entrepreneurial skills in its people. According to estimates, around almost 35 percent of the franchise buyers are amateur entrepreneurs in business. While earlier franchising was mainly done by people who were already doing some business, franchise opportunities currently act as a gateway for first-time entrepreneurs. These new entrepreneurs are very receptive to international franchises.

The franchise in the healthcare industry includes emergency walk-in clinics, assisted living facilities, telecare services, emergency walk-in clinics, assisted living facilities, telecare services, massage therapy, patient mobility equipment, medical supplies, durable medical equipment and medical billing services. Franchise helps the healthcare industry in various like: cost reduction, doorstep services, and expansion of services. The increased use of technology in the healthcare industry enables providers to obtain signs and diagnostic information from patients and their home, without being there. This strengthens the growing home care and other franchise sectors by providing more and more opportunities.

The most interesting benefit of the regularization of the model is that it will help in controlling the quality of services provided by professionals and give the franchisor the much-needed satisfaction for the protection of the brand name.

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