

**MBA Final Project**

**Feasibility Study of Baskin Robbins in  
Lahore Region**

**Spring, 2011**

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**29<sup>th</sup> September, 2011**

**University of Management & Technology**

# **MBA Final Project**

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“Being a Final Project Report Presented in part requirement for the Masters in Business Administration at the University of Management & Technology Lahore.”

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**“We declare that this report is, in entirety, our own work, that it has not previously been presented, in whole or part, for any other award, or published, in whole or part elsewhere.”**

**Ahad Ali**

**Mohammed Yasir Naim**

**Acknowledgement**

*“Today, we feel really happy at the completion of this grueling task which was assigned as our final project of MBA. But we must admit that this has been the most wonderful learning experience for us and we hope that the hard work that we had put in will pay us in future. To complete this project, support of lot of individuals has been instrumental and we can say that without them it might have not been possible. The first & foremost thanks to the one & only the Almighty Allah for always helping us through thick & thin. Then to our parents whose support through out our lives has made us stand where we are today, without them we wouldn't be here today. We thank the project committee for letting us do this project especially Mr. Dawood Ilyas Butt. Then a special thanks to our respondents who has taken part in our survey taking time to fill out our questionnaires and providing us with the most critical information that made this project possible. We would like to thank all those people connected directly or indirectly to this project who provided us with the information that played a pivotal role in the completion of this project including the CEO of UPI (a Freight Company), Vohra Cold Storage and managers of different ice cream parlors we visited. In the end a special thanks to Mr. Kamran Rashid & Mr. Mohammed Haris Aslam who made this tough assignment a lot easier and enjoyable for us. Working with them has been a great learning experience and we thank them from bottom of our hearts for being such wonderful advisors & not for a single second let us believe that this project isn't possible. We are sorry if we are missing out some names but we thank them as well for any help they have provided, we are sure that their help would have played an important role in the completion of this project. Thank you all.”*

**Mohammed Yasir Naim****Ahad Ali**

*“We dedicate this project to our beloved parents whose support, prayers & sacrifices have made us reached this stage of our lives. We really love them.”*

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## **Executive Summary**

This paper presents the feasibility study of Baskin Robbins in Lahore. The purpose of this report is to prepare a business plan for an ice cream parlor if Baskin Robbins in Pakistan since it has not many ice cream parlors at the moment. In last few years the concept of ice cream parlors is increasingly becoming popular. Baskin Robbins is world's number one ice cream brand and enjoys 98% brand awareness throughout the world. They have over 6000 outlets all over the world but not a single outlet in Pakistan. Pakistan Ice cream industry has been experiencing growth from last quiet number of years. Many local and international brands had been launched and are presently enjoying a good run of success. Especially the trend of ice cream parlors has made rapid strides in last few years. A survey was conducted in order to know the demand, basic market trends, awareness, location and competition in the market. Questionnaire method was used to conduct this survey. A complete marketing plan was designed keeping in mind the premium position of the brand and also the survey results. The segmentation, target and positioning strategies were designed according to company policies while marketing mix strategies were designed based on the mix of company policies and survey results. The operations of the franchise are a critical factor for its success. So, emphasis was given in designing the inventory model, warehouse location and the process of placing orders. Based on the annual demand calculated in the operations section a complete financial analysis was performed, including the three basic projected financial statements i.e. Income Statement, Balance Sheet & Cash Flow Statement. The project is based on a 100% equity based model, as company itself provides easy installment payment procedure over a desired period of time. It is recommended that the Baskin Robbins should be launched as the IRR and positive NPV of the project showed that it is feasible. The gap in the market is still to be covered and one can safely say that it will enjoy a good run of success over a long period of time

## **CHAPTER 1 - PROJECT PROFILE**

### **1.1 Purpose**

The following documentation, by giving an insight into the various aspects of planning, setting up and operations ensures potential investment opportunity for Baskin Robbins to operate in Lahore; thereby instigating the entrepreneur to indulge in offering a variety of ice creams & shakes to the general public under the brand name of Baskin Robbins. The document is designed to provide relevant details to facilitate the entrepreneur in making the final decision. The document further allows flexibility to change various project parameters to suit the needs of the entrepreneur.

### **1.2 Project Brief**

Baskin Robbins is a multi-million dollar company which continues to grow rapidly in many countries. The ice cream in these parlors is often frozen in bulk in advance and served at order. Many ice cream parlors are part of chains or franchise operations, and as per their standardization policy; the basic ingredients are shipped to each parlor from central locations. There are also other ice cream outlets available, such as stands or kiosks, which may or may not provide shelter or chairs for customers. Since the capital required to start an ice cream parlor is relatively less, small individually-owned ice cream parlors are becoming common throughout Pakistan.

### **1.3 Opportunity Rationale**

The market for ice cream parlors is a growing industry in Pakistan relying heavily on the changing lifestyle patterns, population growth of the target age group and the related increase in employment of women. With today's hectic lifestyle, time-saving products are increasingly in demand; the most obvious being the fast food. The rate of growth in consumer expenditure on ice creams has led most other segments of the food away from home market for much of the last decade.

Demand for convenience has driven expenditure where people want quick and convenient meals; they do not want to spend a lot of time preparing meals, traveling to pick up meals, or waiting for meals in restaurants. As a result, consumers rely on

fast food. Pertaining to this trend, fast food providers are coming up with new ways to market their products that save time for consumers.

Consumers prefer to devour meals whilst engaging in other activities, such as shopping, work, or travel; therefore allocating less time for food; hence the growing need for fast food.