



Edvance – premium is the way to go

Transcript of interview with Ranjan Goyal, CEO, Edvance Preschools



1. Please tell us about Edvance preschools.

Edvance has two preschool brands: Vivero and Serra. Vivero targets globally mobile parents who want a largely international curriculum to facilitate geographical movement of children. We have two Vivero preschools. Serra targets the upper end of the Indian market and focuses on parents who seek admission for their child in leading Indian schools. We have six company-owned Serra schools and 30 franchisees, of which 15 were opened in the last one year.

2. What was the genesis of Edvance preschools?

Edvance is a joint venture (JV) between EtonHouse International Education Group, a prominent and aspirational preschool, and a K12 school chain with preschools and schools across Asia. Our Indian founders were Arun Arora and Anshul Arora. Arun Arora has had a distinguished corporate career and was the former President and Executive Director of Bennett, Coleman and Company. Anshul Arora is a Harvard Business School alumnus and has worked with McKinsey & Co. across the Asian, European and American offices. Both of them felt a tremendous need gap for preschool education in India and, thus, ventured into the space and into partnership with EtonHouse.

3. What is your positioning and differentiation?

We are positioned at the premium end of the market, with our fee ranging from INR35,000 to INR100,000 per year. We believe our quality and process of learning is significantly different from those of other preschools in India. This is because our JV with EtonHouse gives us access to the best methodologies and research worldwide. At the same time, we have a high quality and professional management. Thirdly, we focus on significant parental involvement, which yields better learning outcomes.

4. What are you looking for in your franchisees?

We are looking for like-minded partners. We want owner-managers with a commitment to quality and not pure investors. A franchisee needs to have more than 2,500 sq. ft. of space with willingness to lease and commitment to invest up to INR1.2-1.7 million.

5. What are the challenges you are facing?

The key challenge is hiring good quality and well-trained teachers. Despite rigorous shortlisting, we only end up selecting 1 teacher from every 10 we interview.

6. What are your growth plans?

A. We want to focus on the preschool segment and are looking to expand through both the company-owned and franchise models. At the same time, we are seeking to partner with real estate companies and property owners for establishing preschools and eventually K12 schools. Strategically, we are expanding at a steady pace to ensure that our focus on quality does not get diluted.